

PUBLIC COMMENTS ON THE DRAFT OFFER FOR SALE DOCUMENT OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED

It is hereby informed to all concerned that **Adamjee Life Assurance Company Limited (the Company)** has applied for listing on the Exchange. Adamjee Insurance Company Limited, the Offerer, shall be offering 25,000,000 Ordinary Shares of the Company using the 100% Book Building Method at a Floor Price of PKR 28/- per share. Details about the Offer can be reviewed through the attached Draft Offer for Sale Document of the Company.

Pursuant to PSX Regulation No. 5.2.1(e), and Regulation 3 (11) of the Public Offering Regulations, 2017, the Draft Offer for Sale Document is being placed on the PSX Website for seeking public comments. All concerned are requested to provide their written comments on the Draft Offer for Sale Document, if any, to the Listing Department by emailing at comments.draftprospectus@psx.com.pk latest by **COB Friday, December 03, 2021**.

Asmaa Saleem Malik

Asmaa Saleem Malik
General Manager
Listing Department

Copy to:

Additional Director / HOD, PMADD (SMD), SECP

ADVICE FOR INVESTORS
INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS OFFER FOR SALE DOCUMENT, ESPECIALLY THE RISK FACTORS GIVEN AT PART 5 BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE COMPANY AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT **PART 5** OF THE OFFER FOR SALE DOCUMENT.

ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET WORTH INDIVIDUAL INVESTORS
A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BID IS PROHIBITED UNDER THE PUBLIC OFFERING REGULATIONS 2017. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT A SUPPLEMENT TO THE OFFER FOR SALE DOCUMENT SHALL BE PUBLISHED WITHIN THREE WORKING DAYS OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, THE OFFER PRICE, COMMITMENT BY THE SUCCESSFUL BIDDERS FOR SUBSCRIBING THE UNDERSUBSCRIBED RETAIL PORTION IN CASE OF HUNDRED PERCENT BOOK BUILDING, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM, DATES OF PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS SPECIFIED BY THE COMMISSION.



ADAMJEE LIFE ASSURANCE COMPANY LIMITED OFFER FOR SALE DOCUMENT

Incorporation Date and Place: 4th August 2008 in Islamabad | **Registration Number:** 0067136 | **Registered Address:** Office No. 505, 5th Floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad | **Corporate Office:** Adamjee House, 3rd and 4th Floor, I. I Chundrigar Road, Karachi | **Contact Person:** Rahim Vallyani, Company Secretary | **Website:** <https://www.adamjeeelife.com/> | **Email:** info@adamjeeelife.com | **Telephone:** (+92-21) 37134900, 38677100

"THIS IS NOT A PROSPECTUS BY ADAMJEE LIFE ASSURANCE COMPANY LIMITED (THE "COMPANY") BUT AN OFFER FOR SALE BY THE ADAMJEE INSURANCE COMPANY LIMITED (THE "OFFEROR") FOR OFFER FOR SALE OF SHARES HELD IN THE COMPANY

OFFER SIZE: The Offer consists of 25,000,000 Ordinary Shares of the face value of PKR 10/- each i.e., 10% of the total post-IPO paid-up capital of Adamjee Life Assurance Company Limited. The entire offer is being made by the Offeror through its current shareholding in the Company.

Method of Offering: 100% Book Building

Book Building method and Floor Price: The entire Offer will be offered through book-building method at a Floor Price of PKR 28/- per share (including premium of PKR 18/- per share) with a price band of up to 40%. Justification of premium is given under "Valuation Section", i.e., **Section 4A**. The bidders shall be allowed to place bids for hundred percent (100%) of the Offer size and the Strike Price shall be the price at which the hundred percent (100%) of the Offer is subscribed. However, the successful bidders shall be provisionally allotted only seventy-five percent (75%) of the Offer size i.e., 18,750,000 shares, and the remaining twenty-five percent (25%) i.e., 6,250,000 shares shall be offered to the retail investors.

Retail/general public portion: General Public portion of the Offer comprises of 6,250,000 ordinary shares (25% of the total Offer) at the Strike Price. In case the retail portion of the Offer remains unsubscribed, the unsubscribed shares will be allotted to the successful bidders of book building on a pro-rata basis.

Public Comments: As per Public Offering Regulations 2017, the Draft Offer for Sale Document was placed on PSX's website for seeking public comments for seven (7) working days starting from DD/MM/2021 to DD/MM/2021, however, no public comments were received/ The comments received have been duly responded by the Lead Manager.

Registration Of Eligible Investors: The registration of eligible investors will commence at 9:00 am on DD/MM/2021 and will close at 3:00 pm on DD/MM/2021

Bidding Period Dates: From DD/MM/2021 to DD/MM/2021 from: 9:00 am to 5:00 pm

Date Of Public Subscription: From DD/MM/2021 to DD/MM/2021 (both days inclusive) FROM: 9:00 am to 5:00 pm

LEAD MANAGER & BOOK RUNNER	BOOK BUILDING PORTION WILL BE CREDIT UNDERWRITTEN BY:

Banker to the Book Building Portion: MCB Bank Limited

Bankers to the Retail Portion of the Offer

Askari Bank Limited	Bank Of Punjab	Faysal Bank Limited	Habib Bank Limited
Habib Metropolitan Bank Limited	MCB Bank Limited	United Bank Limited	

For retail portion, investors can submit application(s) through both electronic and physical modes. Electronic/online applications can be submitted through PSX's e-IPO system (PES), CDC's Centralized E-IPO system (CES) and UBL e-IPO system. PES, CES, and UBL e-IPO can be accessed via web link <https://eipo.psx.com.pk>, www.cdceipo.com, and <http://www.ubldirect.com/corporate/ebank>. For details, please refer to section 13.4 of the complete Offer for Sale Document.

Date of Publication of this Offer for Sale Document: DD/MM/2021

Offer for Sale Document, Bidding and Subscription Forms can be downloaded from the following websites: <https://www.adamjeeelife.com/>, www.cdceipo.com, <https://www.psx.com.pk>, <https://nextcapital.com.pk/>

For further queries you may contact:

Adamjee Life Assurance Company Limited: Mr. Rahim Vallyani (Company Secretary), +92 21 37134900, rahim.vallyani@adamjeeelife.com; Mr. Jalal Meghani (Deputy Managing Director and Chief Financial Officer), +92 21 37134900, jalal.meghani@adamjeeelife.com

Adamjee Insurance Company Limited: Mr. Muhammad Asim Nagi (Chief Financial Officer), +92 42 35772867, asim.nagi@adamjeeinsurance.com; Mr. Muhammad Ali Zeb, Chief Executive Officer/Managing Director, +92 42 35772867, ali.zeb@adamjeeinsurance.com

Next Capital Limited: Mr. Syed Qamber Ali (AVP Investment Banking), +92 213 5222207, qamber.ali@nextcapital.com.pk; Mr. Syed Danish Alam (Senior Associate Investment Banking), +92 213 5222207, danish.alam@nextcapital.com.pk

The Company is proposed to be listed at the **Pakistan Stock Exchange Limited**

J407262



Date: September 28, 2021

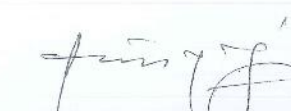
UNDERTAKING BY THE OFFEROR

WE, MUHAMMAD ALI ZEB, THE MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER AND MUHAMMAD ASIM NAGI, THE CHIEF FINANCIAL OFFICER OF ADAMJEE INSURANCE COMPANY LIMITED (THE "OFFEROR") HEREBY CERTIFY THAT:

1. THIS OFFER FOR SALE DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE OFFER, WHICH IS MATERIAL IN THE CONTEXT OF THE OFFER AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
2. THE INFORMATION CONTAINED IN THIS OFFER FOR SALE DOCUMENT IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
3. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
4. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS OFFER FOR SALE DOCUMENT AS A WHOLE OR ANY PART THEREOF MISLEADING;
5. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED; AND
6. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS OFFER FOR SALE DOCUMENT.

FOR AND ON BEHALF OF ADAMJEE INSURANCE COMPANY LIMITED


 MUHAMMAD ALI ZEB
 MANAGING DIRECTOR &
 CHIEF EXECUTIVE OFFICER


 MUHAMMAD ASIM NAGI
 CHIEF FINANCIAL OFFICER

UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

08/10/2021

“WE, MIAN UMER MANSHA, THE CHIEF EXECUTIVE OFFICER AND JALAL MEGHANI, THE CHIEF FINANCIAL OFFICER OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED CERTIFY THAT;

1. THIS OFFER FOR SALE DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE COMPANY, OFFEROR AND THE OFFER, WHICH IS MATERIAL IN THE CONTEXT OF THE OFFER AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
2. THE INFORMATION CONTAINED IN THIS OFFER FOR SALE DOCUMENT IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
3. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
4. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS OFFER FOR SALE DOCUMENT AS A WHOLE OR ANY PART THEREOF MISLEADING; AND
5. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF OFFER FOR SALE DOCUMENT, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED.”
6. NO CHARGES, FEES, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THE OFFER FOR SALE DOCUMENT.

FOR AND ON BEHALF OF **ADAMJEE LIFE ASSURANCE COMPANY LIMITED**

-Sd-

MIAN UMER MANSHA
CHIEF EXECUTIVE OFFICER

-Sd-

JALAL MEGHANI
CHIEF FINANCIAL OFFICER

Note: This Supplement shall be published within 3 working days of the close of Bidding Period in at least all those newspapers in which the Offer for Sale Document of Adamjee Life Assurance Company Limited is published.

SUPPLEMENT TO THE OFFER FOR SALE DOCUMENT

This Supplement is being published pursuant to the Public Offering Regulations, 2017 and in continuation of the Offer for Sale Document of Adamjee Life Assurance Company Limited earlier published on DD/MM/2021

Adamjee Life Assurance Company Limited

- FLOOR PRICE: PKR 28/- PER SHARE
- STRIKE PRICE: PKR XX/- PER SHARE
- OFFER PRICE: PKR XX/- PER SHARE
- PRICE BAND (MAXIMUM 40%): PKR 39.2/- PER SHARE

Note: Since this Offer is being made through 100% book building with 25% allocation to retail investors, therefore, underwriting of the retail portion is not required. In case the Offer remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders on pro rata basis. The successful bidders have already given undertakings to subscribe such unsubscribed shares on pro rata basis.

Category wise Breakup of Successful Bidders

S. No	Category	No. of Bidders	No. of shares provisionally allocated
1	Commercial Banks	•	•
2	Development financial institutions	•	•
3	Mutual Funds	•	•
4	Insurance Companies	•	•
5	Investment Banks	•	•
6	Employees' Provident / Pension Funds	•	•
7	Leasing Companies	•	•
8	Modarabas	•	•
9	Securities Brokers	•	•
10	Foreign Institutional Investors	•	•
11	Any other Institutional Investors	•	•
	Total Institutional Investors	•	•
12	Individual Investors:	•	•
	Foreign	•	•
	Local	•	•
	Total Individual Investors	•	•
	GRAND TOTAL		

Glossary of Technical Terms

ACT	Securities Act, 2015
AICL	Adamjee Insurance Company Limited
ALAC	Askari Life Assurance Company Limited
ALACL	Adamjee Life Assurance Company Limited
Bancassurance	Selling of life assurance and other insurance products and services of ALACL by banking institutions
BVPS	Book Value Per Share
CAGR	Compound Annualized Growth Rate
CDC / CDCPL	Central Depository Company of Pakistan Limited
CDS	Central Depository System
Commission / SECP	Securities and Exchange Commission of Pakistan
Companies Act	Companies Act, 2017
Company / ALACL	Adamjee Life Assurance Company Limited. "ALACL" and "Company" have been used interchangeably in this document
EFUL	EFU Life Assurance Limited
EMEA	Europe, Middle East and Africa
EPS	Earnings Per Share
HNWIs	High Net Worth Individuals
IAP	Insurance Association of Pakistan
IGIL	IGI Life Insurance Limited
Insurtech	Technological innovations created and implemented to improve the efficiency of the insurance business, enabling dynamic pricing based on market conditions and customer behavior
JLICL	Jubilee Life Insurance Company Limited
Mn	Million
NOC	No Objection Certificate
Non-Participating Business/ Policy	Insurance business which does not enable a policyholder to share the profits of the insurance company.
Non-unitized Investment Linked Business	A policy under which investments are not unitized. Benefits are expressed in terms of account value of the policyholder account, which is related to the market value of the underlying assets of the investment portfolio.
NTN	National Tax Number
Participating Business/ Policy	Insurance business enabling a policyholder to share the profits of the insurance company.
PKR or Rs.	Pakistan Rupee(s)
PQFT	Pak Qatar Family Takaful Limited
PSX / Exchange	Pakistan Stock Exchange Limited
PTF	Participant Takaful Fund
SGI	Security General Insurance Company Limited
SLIC	State Life Insurance Corporation
Takaful	Type of Islamic insurance wherein members contribute money into a pool system to guarantee each other against loss or damage
UAE	United Arab Emirates
UBLI	UBL Insurers

UIN	Unique Identification Number
Unitized Investment Linked Business	A policy under which investments are unitized. Policyholders are provided with a unitized value for their portion of the investment.
USD	United States Dollar

DEFINITIONS

Application Money	The total amount of money payable by a successful investor which is equivalent to the product of the Strike Price and the number of shares to be allotted.
Banker to the Book Building	Any bank with whom an account is opened and maintained by the Company for keeping the bid amount. MCB Bank Limited has been appointed as the Banker to the Book Building for this Offer.
Bid	An indication to make an Offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of Adamjee Life Assurance Company Limited at a price at or above the floor price, including upward revisions thereto. An Eligible Investor shall not make a bid with a price variation of more than 10% of the prevailing indicative strike price subject to a maximum price band of 40% of the Floor Price. Please refer to Section 12.1.2 for details.
Bid Amount	The amount equals to the product of the number of shares Bid for and the Bid price.
Bid Collection Center	Designated offices of the Book Runner, specified branches of any of the Scheduled Bank, and offices of any other institutions specified by the Commission where bids are received and processed. For this Offer, addresses of the Bid Collection Centers are provided in Part 12.7 of this Offer for Sale Document.
Bid Price	The price at which a bid is made for a specified number of shares.
Bid Revision	<p>The Eligible Investors can revise their bids upward subject to the provision of regulation 10(2)(iii) of the PO Regulations. The bids can be revised with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with regulation 10(2)(iii) of the PO Regulations.</p> <p>As per regulation 10(2)(vi) of the PO Regulations, the bidder shall not make downward revision both in terms of Bid Price and Bid Volume; provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.</p> <p>As per regulation 10(2)(vii) of the PO Regulations, the bidders shall not withdraw their bids.</p>
Bidder	An Eligible Investor who makes bids for shares in the Book Building process.
Bidding Form	The form prepared by the Company for the purpose of making bids.
Bidding Period	The period during which bids for subscription of shares are received. The Bidding Period shall be of two days, from DD/MM/2021 to DD/MM/2021 both days inclusive (daily from 9:00 a.m. to 5:00 p.m.).
Book Building	A process undertaken to elicit demand for shares Offered through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels.
Book Building Account	An account opened by the Company with the Collection Bank. The Bidder will pay the Margin Money / Bid Amount through demand draft, pay order, or online transfer in favor of this account as per the instructions given in Part 12.16 of this Offer for Sale Document.
Book Building Portion	The part of the total Offer allocated for subscription through the Book Building.
Book Runner	A securities broker or a scheduled bank who holds a valid license from the Commission to act as an Underwriter.

	Next Capital Limited has been appointed as Book Runner for this Offer.
Book Building System	An online electronic system operated by the Designated Institution for conducting Book Building.
Claims Ratio	The claims ratio is the percentage of claims costs incurred in relation to the premiums earned.
Collection Bank	MCB Bank Limited is the collection bank for the Book Building portion. For this purpose, MCB, has opened an account titled “Adamjee Life Assurance Co Ltd Book Building” , Number: XXXXXXXXX at its [Branch]. The Collection Bank shall keep and maintain the bid money in the said account. Once the Strike Price is determined and lists of successful bidders and successful applicants/allottees are finalized and shares are credited to the successful bidders and applicants, the Lead Manager, after obtaining NOC from PSX, may request in writing to the Collection Bank for transfer of the money of successful and accepted applications to the Offeror’s account(s).
Company	Adamjee Life Assurance Company Limited (“ALACL”)
Companies Act	Companies Act, 2017.
Company’s Legal Advisor to the Issue	Bawaney & Partners
Offeror’s Legal Advisor to the Issue	RS Law
Commission	Securities & Exchange Commission of Pakistan (“SECP”).
Consolidated Bids	A bid which is fully or partially beneficially owned by persons other than the one named therein.
Designated Institution	Pakistan Stock Exchange Limited (“PSX”) will act as the Designated Institution for this Offer.
Dutch Auction Method	The method through which Strike Price is determined by arranging all the Bid Prices in descending order along with the number of shares and the cumulative number of shares bid for at each Bid Price. The Strike Price is determined by lowering the Bid Price to the extent that the total number of shares offered under the Book Building Portion are subscribed.
e-IPO facility	<p>e-IPO refers to electronic submission of applications for subscription of securities offered in an IPO. The following systems are available for e-IPOs:</p> <p>(i) PSX’s e-Initial Public Offering System (PES):</p> <p>In order to facilitate investors, the Pakistan Stock Exchange Limited (“PSX”) has developed an e-IPO System (“PES”) through which applications for subscription of securities offered to the general public can be made electronically. PES can be accessed through the web link ‘https://eipo.psx.com.pk’. Payment of subscription money can be made through 1LINK or NIFT.</p> <p>For making an application through PES, investors must be registered with PES. The PES registration form is available 24/7, throughout the year. Registration is free of cost and can be done by:</p> <ul style="list-style-type: none"> • the investor himself, or • the TREC Holder with whom the investor has a sub-account, or • the Bank with whom the investor has a bank account.

Similarly, an e-IPO application can be filed by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

Registered investors with PES can submit their applications through the web link, 'https://eipo.psx.com.pk', 24 hours a day during the subscription period which will close at midnight on **DD/MM/2021**.

For further guidance and queries regarding PES, investors may contact PSX representative Mr. Farrukh Shahzad at phone number 111-001-122 or (021)- 135274411, and email 'itss@psx.com.pk'.

(ii) Centralized e-IPO System (CES):

In order to facilitate investors, the Central Depository Company of Pakistan ("CDC") has developed a Centralized e-IPO System ("CES") through which applications for subscription of securities offered to the general public can be made electronically. CES can be accessed through the web link (www.cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, sub-account holder(s) can request their respective TREC Holders who are Participants in the Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and can also make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in the Investors' subaccount. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and the investor can contact CDC for credit of shares in its respective account.

Investors who do not have CDS account may visit www.cdcpakistan.com for information and details.

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or contact Mr. Farooq Ahmed Butt at Phone 021-34326030 and email: farooq_butt@cdcpak.com.

(iii) e-IPO facilities by Bankers to the Offer:

Currently, UBL is providing e-IPO facilities to its respective accountholders.

UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>

	Account holders of UBL can submit their applications through the above-mentioned link 24 hours a day during the subscription period which will close at midnight on DD/MM/2021.
Eligible Investor	An Individual or Institutional Investor whose Bid Amount is not less than the minimum bid size of PKR 1,000,000 (One Million Rupees only).
Floor Price	The minimum price per share set by the Company in consultation with the Lead Manager. For this Offer, the Floor Price is PKR 28/- per share.
General Public	All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors.
High Net Worth Individual (HNWI)	Individual investor who bids for shares of the value of PKR 1,000,000/- or above.
Initial Public Offer (IPO)	Initial Public Offering or IPO means the first-time offer of securities to the general public.
Institutional Investors	Any of the following entities: <ul style="list-style-type: none"> ▪ A financial institution; ▪ A company as defined in the Companies Act; ▪ An insurance company established under the Insurance Ordinance, 2000; ▪ A securities broker; ▪ A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008; ▪ A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005; ▪ A private fund established under Private Fund Regulations, 2015; ▪ Any employee's fund established for benefit of employees; ▪ Any other fund established under any special enactment; ▪ A foreign company or any other foreign legal person; and ▪ Any other entity as specified by the Commission.
Key Employees	Chief Executive Officer, Chief Financial Officer, and Company Secretary of the Company.
Lead Manager	Any person licensed by the Commission to act as a Lead Manager.
	Next Capital Limited has been appointed as Lead Manager by Company for this Offer.
Limit Bid	The bid at a Limit Price.
Limit Price	The maximum price (up to 40% of the Floor Price) a prospective Bidder is willing to pay for a share under the Book Building.
Listing Regulations	Chapter 5 of the Rule Book of the Pakistan Stock Exchange Limited, titled 'Listing of Companies and Securities Regulation' <p>https://www.psx.com.pk/psx/themes/psx/uploads/PSX_Rulebook_%28updated_on_September_15%2C_2021%29.pdf</p>
Margin Money	The partial or total amount, as the case may be, paid by a bidder at the time of registering as an Eligible Investor. The Book Runner shall collect full amount of the bid money as Margin Money in respect of bids placed by an individual investor and not less than twenty-five percent (25%) of the bid money as Margin Money in respect of bids placed by institutional investors.

Minimum Bid Size	The Bid amount equal to One Million Rupees (PKR 1,000,000/-).
Offer for Sale (“OFS”)	<p>Offer of 25,000,000 Ordinary Shares representing 10% of total post-IPO paid-up capital having a Face Value of PKR 10/- each.</p> <p>The Entire Offer will be offered through Book Building at a Floor Price of PKR 28/- per share.</p>
Offer For Sale Document	Offer For Sale Document means any document described or issued as an Offer For Sale Document and includes any document, notice, circular, material, advertisement, and offer for sale document, publication, or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a company.
Offer Price	<p>The price at which Ordinary Shares of the Company are offered to the General Public. The Offer Price will be the Strike Price.</p> <p>The entire Offer will be offered through Book Building at a Floor Price of PKR 28/- per share.</p>
Offeror/Seller	Adamjee Insurance Company Limited (“AICL”)
Ordinary Shares	Ordinary shares of the Company having a face value of PKR 10/- each.
Price Band	Floor Price with an upper limit of 40% above the Floor Price, allowing Bidder to make Bid at Floor Price or within the Price Band.
PO Regulations	The Public Offering Regulations, 2017 as amended from time to time.
Registration Form	The form which is to be submitted by the Eligible Investors for registration to participate in the Book Building process.
Registration Period	The period during which registration of bidders is carried out. The registration period shall commence at least three days before the start of the Bidding Period from <u>DD/MM/2021</u> to <u>DD/MM/2021</u> from 9:00 am to 5:00 pm (during working days) and shall remain open till 3:00 pm on the last day of the Bidding Period i.e. <u>DD/MM/2021</u> .
Related Employees	Related Employees mean such employees of the Company, the Offeror, the Lead Manager & Book Runner, who are involved in the Offer. Please refer to Part <u>3A.9</u> for further details.
Sponsor	<p>a) A person who has contributed initial capital in the Company or has the right to appoint majority of the directors on the board of the Company directly or indirectly;</p> <p>b) A person who replaces the person referred to in clause (a) above; and</p> <p>c) A person or group of persons who has control of the Company whether directly or indirectly.</p>
Step Bid	Step Bid means a series of Limit Bids at increasing prices. In case of a step bid, the amount of each step will not be less than Rupees One Million (PKR 1,000,000/-).
Strike Price	The price per ordinary share of the Offer determined/discovered on the basis of the Book Building process in the manner provided in the PO Regulations, at which the shares are offered to the successful bidders. The Strike Price will be disseminated after conclusion of Book Building through the publication of Supplement to the Offer for Sale Document in at least all those newspapers in which the Offered for Sale Document was published and also posted on the websites of the Company, PSX, Security Exchange, Lead Manager & Book Runner.

**Supplement to the Offer
for Sale Document**

The Supplement to the Offer for Sale Document shall be published within three (3) working days of the closing of the Bidding Period at least in all those newspapers in which the Offer for Sale Document was earlier published and disseminated through the PSX.

System

An online electronic system operated by the Designated Institution for conducting Book Building. In this IPO, the System is being provided by PSX.

Interpretation:

ANY CAPITALIZED TERM CONTAINED IN THIS OFFER FOR SALE DOCUMENT, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.

Table of Contents

1 APPROVALS, CONSENTS, AND LISTING ON THE STOCK EXCHANGE	14
2 SUMMARY OF THE OFFER FOR SALE DOCUMENT.....	16
3 OVERVIEW, HISTORY, AND PROSPECTS	25
3A SHARE CAPITAL AND RELATED MATTERS	64
4 PRINCIPAL PURPOSE OF THE OFFER AND FUNDING ARRANGEMENTS.....	68
4A VALUATION SECTION	68
5 RISK FACTORS.....	72
6 FINANCIAL INFORMATION	80
6A REVALUATION OF ASSETS.....	98
6B DIVIDEND POLICY.....	98
7 BOARD AND MANAGEMENT OF THE COMPANY	100
8 LEGAL PROCEEDINGS AND OVERDUE LOANS.....	112
9 UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE, AND OTHER EXPENSES.....	118
10 MISCELLANEOUS INFORMATION	120
11 MATERIAL CONTRACTS	123
12 BOOK BUILDING PROCEDURE	125
13 APPLICATION AND ALLOTMENT INSTRUCTIONS FOR RETAIL PORTION.....	144
14 SIGNATORIES TO THE OFFER FOR SALE DOCUMENT	154
15 SIGNATORIES OF OFFEROR.....	155
16 MEMORANDUM OF ASSOCIATION	156
17 BIDDING FORMS.....	166
18 APPLICATION FORM	172

1 APPROVALS, CONSENTS, AND LISTING ON THE STOCK EXCHANGE

1.1. APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Approval of the Securities & Exchange Commission of Pakistan (the "**Commission**" or the "**SECP**") under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof, has been obtained for the Offer, circulation, and publication of this offering document (hereinafter referred to as the "**Offer for Sale Document**") vide their letter No. **XX**.

DISCLAIMER:

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO THEM BY THE COMPANY IN THIS OFFER FOR SALE DOCUMENT.

SECP HAS NOT EVALUATED THE QUALITY OF THE OFFER AND ITS APPROVAL FOR OFFER, CIRCULATION, AND PUBLICATION OF THE OFFER FOR SALE DOCUMENT SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT DUE DILIGENCE AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE SUBSCRIBING.

1.2. APPROVAL OF OFFER FOR SALE DOCUMENT BY PSX

The Offer for Sale Document of the Company has been approved by PSX vide letter No. **XX** dated **DD/MM**/2021 in accordance with the requirements of the Listing Regulations

DISCLAIMER:

PSX HAS NOT EVALUATED THE QUALITY OF THE OFFER AND ITS APPROVAL SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE SUBSCRIBING.

THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY PSX.

THE CONTENTS OF THIS DOCUMENT DO NOT CONSTITUTE AN INVITATION TO INVEST IN SHARES OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY PSX, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF PSX.

IT IS CLARIFIED THAT INFORMATION IN THIS OFFER FOR SALE DOCUMENT SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY PSX AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.

PSX DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANYONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO, INACCURACIES, INCOMPLETENESS, AND/OR MISTAKES, FOR DECISIONS AND/OR ACTIONS TAKEN, BASED ON THIS DOCUMENT.

PSX NEITHER TAKES RESPONSIBILITY FOR THE CORRECTNESS OF CONTENTS OF THIS DOCUMENT NOR THE ABILITY OF THE COMPANY TO FULFILL ITS OBLIGATIONS THERE UNDER.

ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY PARTICULAR INVESTMENT.

1.3. FILING OF OFFER FOR SALE DOCUMENT AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES

Adamjee Life Assurance Company Limited has filed with the Registrar of Companies as required under Section 57 (1) of the Companies Act 2017, a copy of this Offer for Sale Document signed by all the Directors of the Company.

1.4. LISTING AT PSX

Application has been made to PSX for permission to deal in and for quotation of the shares of the Company.

If for any reason the application for formal listing is not accepted by PSX or approval for formal listing is not granted by PSX before the expiration of twenty-one days from the date of closing of the subscription period/list or such longer period not exceeding forty-two days as may, within the said twenty-one days, be notified to the applicants for permission by the PSX, the Company undertakes that a notice to that effect will immediately be published in the press and will refund Application Money to the applicants without surcharge as required under the provisions of Section 69 of the Companies Act.

If any such money is not repaid within eight (08) days after the Company becomes liable to repay it, the Directors of the Company shall be jointly and severally liable to repay that money from the expiration of the eighth day together with surcharge at the rate of two percent (2.0%) for every month or part thereof from the expiration of the eighth day and, in addition, shall be liable to a penalty of level 3 on the standard scale in accordance with the provisions of sub-section (2) of Section 69 of the Companies Act.

As required under sub-section (3) of Section 69 of the Companies Act, the Application Money including the Bid Money, in case of Book Building, shall be deposited and kept in a separate bank account in a scheduled bank so long as the Company may become liable to repay it under sub-section (2) of Section 69 of the Companies Act; and, if default is made in complying with the said sub-section (3), the Company and every officer of the Company who authorizes or permits the default shall be liable to a penalty of level 2 on the standard scale.

[the space has been left blank intentionally]

2 SUMMARY OF THE OFFER FOR SALE DOCUMENT

2.1. PRIMARY BUSINESS OF THE COMPANY AND THE INDUSTRY IN WHICH IT OPERATES

Adamjee Life Assurance Company Limited (ALACL) is engaged in the life insurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance 2000, the Company has established a shareholders' fund and the required statutory funds in respect of each class of its life insurance business.

The Company offers both Conventional Life Insurance and Family Takaful policies. Under Conventional Life Insurance business, the Company underwrites non-participating individual life, non-unitized investment-linked, unitized investment-linked and group life/ group credit life business in four statutory business funds, namely, the Conventional Business Fund, the Accident & Health Business Fund, the Non-unitized Investment-Linked Business Fund, and the Unit Linked Business Fund. On the Takaful side, the Company underwrites Individual unitized investment-linked Family Takaful Business and Group Family Takaful/credit protection business in "Individual Family Takaful Unit Linked Business Fund" and "Group Family Takaful Business Fund" respectively.

The Company was granted the authorization on May 04, 2016, under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family Takaful products by SECP and commenced Window Takaful Operations from July 14, 2016. The Company also commenced its Group Family Takaful Business in the second quarter of 2020.

The life insurance industry is regulated by the Securities & Exchange Commission of Pakistan (SECP). Currently, ten companies are operating under the life insurance license issued by SECP including State Life Insurance Corporation. The industry is collectively represented under the common platform of the Insurance Association of Pakistan.

The Company is backed by Nishat Group, which is one of the leading and most diverse business groups of Pakistan. The group has a strong presence in various most important business sectors of the region namely Textiles (Nishat Mills, Nishat Linen), Cement (D.G. Khan Cement), Financial Services (MCB Bank, MCB Islamic Bank, Adamjee Insurance, Adamjee Life Assurance, Security General Insurance), Power (Nishat Power, Nishat Energy, Pakgen Power, Lalpir Power) and Automobile (Hyundai Nishat Motor). In addition, the Group also has a reasonable market share in hospitality, dairy, paper products, aviation, agriculture, and real estate sectors.

2.2. SPONSORS OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED

ALACL is a subsidiary of Adamjee Insurance Company Limited (AICL). AICL is one of the largest general insurance companies in Pakistan, incorporated as a Public Limited Company on 28 September 1960 and is listed on Pakistan Stock Exchange Limited. AICL was listed on the Exchange in 1961. AICL has a unique advantage of having a regional presence in the United Arab Emirates (UAE) and maintains its standing through an unwavering commitment to its corporate philosophy. AICL's competitive advantage is achieved by having the largest paid-up capital and reserves, and a well-diversified business portfolio.

AICL currently holds 249,998,250 shares or 99.999% of the paid-up capital. The directors of the Company hold 1,750 shares or 0.001% of paid-up capital in aggregate, the details of whom are given hereunder.

Directors' Shareholding in Company	No. of Shares
Mr. Umer Mansha	250
Mr. Imran Maqbool	250
Mr. S.M. Jawed	250
Mr. Muhammad Ali Zeb	250
Mrs. Naz Mansha	250
Mr. Ahmad Alman Aslam	250
Mr. Shahmeer Khalid Butt	250
Aggregate	1,750

2.3. SALIENT FEATURES OF THE OFFER

The Offer comprises 25,000,000 Ordinary Shares of the face value of PKR 10/- each, which constitutes 10% of the total post-IPO paid-up capital of the Company.

The entire Offer of 25,000,000 Ordinary Shares will be offered through the Book Building process at a Floor Price of PKR 28/- per share with a price band of 40% above the floor price i.e., PKR 39.2/- per share.

The bidders shall be allowed to place bids for hundred percent (100%) of the Offer size and the Strike Price shall be the price at which the hundred percent (100%) of the Offer is subscribed. However, the successful bidders shall be provisionally allotted only seventy-five percent (75%) of the Offer size i.e., 18,75,000 shares, and the remaining twenty-five percent (25%) i.e., 6,250,000 shares shall be offered to the retail investors.

Unsubscribed shares, if any, of the General Subscription portion will be allocated to Successful Bidders of the Book Building portion on a pro-rata basis.

2.4. PRE AND POST OFFER SHAREHOLDING OF THE SPONSORS

Given below is the Pre and Post OFS shareholding of the sponsors of the Company:

Pattern of Shareholding	Pre-OFS (as of Sept 8, 2021)		Post-OFS	
	No. of Shares	%	No. of Shares	%
Associated Companies, undertakings, and related parties:	249,998,250	99.999%	224,998,250	89.999%
Adamjee Insurance Company Limited	249,998,250	99.999%	224,998,250	89.999%
Members/ Directors:	1750	0.001%	1750	0.001%
Mr. Muhammad Umer Mansha	250	0.000%	250	0.000%
Mr. Imran Maqbool	250	0.000%	250	0.000%
Mr. S. M. Jawed	250	0.000%	250	0.000%
Mr. Muhammad Ali Zeb	250	0.000%	250	0.000%
Mrs. Naz Mansha	250	0.000%	250	0.000%
Mr. Ahmad Alman Aslam	250	0.000%	250	0.000%
Mr. Shahmeer Khalid Butt	250	0.000%	250	0.000%
Participants of OFS:	-	-	25,000,000	10%
	250,000,000	100.0%	250,000,000	100.0%

2.5. PRINCIPAL PURPOSE OF THE OFFER

The principal purpose of the Offer for Sale is to enable the holding company to realize a gain on its investment in ALACL. Further, the public offering will enable the Company to broaden its shareholder base by bringing in public shareholders, HNWLs and Financial Institutions. It will also aid in increasing ALACL's transparency and enhance good governance measures.

2.6. VALUATION SECTION

The justification given by the Lead Manager in favor of the floor price of PKR 28/- per share is given in part 4A titled Valuation Section.

2.7. QUALIFIED OPINION, IF ANY, GIVEN BY THE AUDITOR DURING THE LAST THREE FINANCIAL YEARS

The Auditors of Adamjee Life Assurance Company Limited, i.e. KPMG Taseer hadi & Co., Chartered Accountants, have given a qualified opinion in their Audit Report given in the Company's audited financial statement of CY 2018.

In this regard, the qualified opinion for 2018 of Adamjee Life Assurance Company Limited is given below:

Year	Auditors Qualifications
2020	None
2019	None
2018	We draw attention to note 22.1.3 to the financial statements, which more fully explains the fact that life insurance business was exempt from the applicability of Sindh Sales tax up to 30 June 2018. However, the exemption was not extended subsequent to that date. The Company has neither billed its customers nor recorded the Liability for Sindh Sales Tax. The estimated liability for Sindh Sales Tax based on gross premiums as of 31 December 2018 amounts to Rs. 522 million. However, the Company
(Total amount involved:	

PKR 522 million)	<p>has obtained a legal opinion regarding the basis for the calculation of sales tax under the Rules framed under the Sindh Sales Tax on Services Act, 2011, based on which it is of the view that sales tax is chargeable on gross premium charged on 'risk covered' and not on the gross amount received from the policy holders in terms of Rule 31 of the Sindh Sales Tax on Services Rules, 2011. Based on the legal opinion, liability for Sindh Sales tax as of 31 December 2018 has been estimated at Rs. 54 million as per the Company's calculation of the premium on risk coverage. However, the Company along with Insurance Association of Pakistan currently are in negotiations with provincial tax authorities to seek an exemption and to seek clarity as well on interpretation of Rule 31 of the Sales Tax on Services Rules, 2011 with regard to term 'risk covered'.</p> <p>Resultantly, the Company considers that it is premature to estimate the liability for sales tax on life insurance at this stage. Therefore, it was impracticable for us to quantify the possible effect of provincial sales tax on the financial statements of the Company for the year ended 31 December 2018.</p>
------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

The life insurance industry has been facing a deadlock with regulatory bodies over the applicability of sales tax on insurance premiums. Sindh Sales Tax imposed on premium from life insurance business was exempt up to June 30, 2018, and further exemption on this matter was not extended. The matter for renewal of the exemption was taken up at the collective level of the Insurance Association of Pakistan with Sindh Revenue Board (SRB) through its consultants. Subsequently, SRB vide notification no. 3-4/5/2019 dated May 08, 2019, extended the exemption till June 30, 2019. Meanwhile, the life insurance companies did not start billing their customers the sales tax during this period. Therefore, in 2018 most of the life insurance companies received a qualified opinion from the auditors with respect to the applicability of sales tax as demonstrated below:

Company Name	Auditors Opinion (2018)	Auditor's Name
State Life Insurance Corporation of Pakistan	Qualified	Grant Thornton Anjum Rahman, Riaz Ahmad & Company
Adamjee Life Assurance Company Limited	Qualified	KPMG Taseer Hadi & Co
EFU Life Assurance Limited	Qualified	KPMG Taseer Hadi & Co
Jubilee Life Insurance Company Limited	Qualified	KPMG Taseer Hadi & Co
IGI Life Insurance Company Limited	Qualified	A.F. Ferguson & Co
TPL Life	Unqualified	EY Ford Rhodes
Askari Life Assurance Company Limited	Unqualified	Grant Thornton Anjum Rahman

2.8. FINANCIAL HIGHLIGHTS OF THE COMPANY

Summary of Financials (PKR million)	2018	2019	2020	1HCY2021
Paid Up Capital	935	935	935	935
Net Worth / Equity	1,123	1,319	1,491	1,558
Total Assets	33,912	40,434	50,839	55,477
Statutory Fund Size	31,455	36,851	47,098	52,369
Total Liabilities	32,789	39,114	49,349	53,919
Gross Premium	13,247	12,969	17,101	9,553
Net Premium	12,711	12,386	16,537	9,327
Net Claims	6,316	6,724	6,839	4,048

Investment and Other Income	334	3,510	4,285	2,100
Profit Before Tax	73	281	310	88
Profit After Tax	56	217	191	62
Debt to Equity	0.00x	0.00x	0.11x	0.08x
Net Margin	0%	2%	1%	0.7%
Claims Ratio	50%	54%	41%	43%
EPS	0.60	2.32	2.04	0.66
BVPS	12.00	14.10	15.93	16.65
Cash flow from operations	4,060	2,865	5,650	2,588

2.9. OUTSTANDING LEGAL PROCEEDINGS OF THE COMPANY

Details of all the outstanding legal proceedings of the Company have been disclosed in Part 8.

A tabular summary of the outstanding legal proceedings is given hereunder:

S. No	Year	Issuing Authority	Brief Case Description	Amount	Management Instance & Current Status
1	2018	High Court Lahore	Alleged Mis-selling Case, wherein FIO imposed Liquidated Damages on the Company	700,000	The matter has been contested on grounds of Liquidated Damages Ordered by Federal Insurance Ombudsman as a result of erring in law. Due to the wrong reading of the law by the Authority, the Company is hopeful of a positive outcome.
2	2019	District Court Gujrat	Rejected Death Claim due to concealment of facts	13,767,552	Death Claim matter, appealed to Supreme Court to set aside Ex Parte order obtained by Claimant fraudulently, the Company is hopeful to have a fresh trial in the matter.
3	2019	Lahore Civil Court	Rejected Death Claim due to concealment of facts	1,000,000	Death claim repudiation on Non-Disclosure by Insured. The Company is confident on the outcome of the case in its favor.
4	2013	Insurance Tribunal Muzaffargarh	Rejected Death Claim due to concealment of facts	1,000,000	Death Claim Matter is delayed due to death of Claimant, Application to include heirs of the claimant has been filed to pursue the matter further.
5	2020	District Court Lodhran	Paid Death Claim	2,299,000	The Company paid the Cash Value upon Death as per terms and conditions of the Policy due to concealment of illness. We remain confident that no adverse order against the Company shall be passed in this regard.
6	2020	Lahore High Court	Client is unsatisfied at the Rate of Return	233,320	Rate of Return Issue. Constitution Petition filed by the Company to challenge the order passed by President of Pakistan, Interim injunction has been granted by the Honorable Lahore High Court and we remain confident that the matter will be decided in favor of the Company.

7	2020	Islamabad High Court	Death Claim	1,467,750	Presidential Secretariat Order appealed to the Islamabad High Court. 200,000/- offered by Company on purely Humanitarian grounds on the suggestion of Honorable High Court, offer not accepted by the client, Order expected in favor of the Company.
8	2020	Islamabad High Court	Rejected Death Claim due to concealment of facts	3,561,300	Death Claim Matter appealed against the decision of the President of Pakistan, regarding the pay-ability of expired Rider. Interim injunction granted by the Honorable Islamabad High Court, and the Company remains confident that the matter shall be decided in its favor.
9	2018	Insurance Tribunal Lahore	Rejected Death Claim due to concealment of facts	3,000,000	Death Claim matter. Ex Parte's decision against the Company, appealed to High Court. The Company is hopeful for positive closure since the complaint is based on mala fide intent and errs in Fact.
10	2018	District Court Kasur	Rejected Death Claim due to concealment of facts	1,000,000	Death claim repudiated on the basis of non-disclosure of pre-existing illness. The Company is hopeful that the matter shall be decided in its favor.
11	2017	District Court Jhang	Rejected Death Claim due to concealment of facts	500,000	Death claim repudiated on the basis of non-disclosure of pre-existing illness. The Company is hopeful that the matter shall be decided in its favor.
12	2019	Civil Court Burewala	Alleged Mis-selling case	325,000	The Complainant alleges Mis-selling and has claimed a full refund. The Company does not expect adverse order since on facts no mis-selling is established.
13	2020	Insurance Tribunal Multan	Rejected Death Claim due to concealment of facts	252,816	Death claim repudiated on the basis of non-disclosure of pre-existing illness. We remain confident that the Company will not receive any adverse order.
14	2020	Civil Court Lahore	Cancellation beyond FLP	1,500,000	The client wants to cancel Policy, beyond Free Look Period. Civil Courts cannot pass an effective decree against the Company since the competent authority is the Tribunal in such matters, the Company remains positive that the matter shall be discharged on jurisdictional grounds.
15	2020	HIGH COURT LAHORE	Alleged mis-selling despite full comprehensive Medical of Client	3,000,000	The client wanted a full refund, Case was filed in High Court by the Company to contest the order of President Secretariat. Strong merits in the case.
16	2020	District Court Sialkot	Client is unsatisfied at the Rate of Return	2,000,000	The case against Rate of Returns. Incomplete Clause relied upon in plaint by Claimant hence the Company is hopeful for decision to be in its favor.
17	2020	District & Sessions Court Peshawar	Client is unsatisfied at the Rate of Return	5,163,000	Rate of return issue. Based on the legal opinion of engaged Counsel, the Company is positive for the matter to be decided in favor of the Company.
18	2021	District and Sessions Court Lahore	Rejected Death Claim due to concealment of facts	500,000	Death Claim Matter, the Company is positive for outcome due to facts of the case, including misrepresentation from Insured.

19	2021	Insurance Tribunal Lahore	Cancellation beyond FLP	100,000	The client wishes to cancel the Policy. Matter likely to be decided in favor of Company on Limitation grounds and we remain confident that the calculation of the Company's Cash Back value will be upheld.
20	2021	District and Session Court Jhang	Alleged Mis-selling case	800,000	Claim of mis-selling, likely to be dismissed based on the evidence available.
21	2021	District and Session Court Bahawalpur	Rejected Death Claim due to concealment of facts	500,000	Death Claim rejected due to Pre-existing illness. The Company hopes to have the matter discharged based on jurisdictional grounds.
22	2021	Insurance Tribunal Multan	Rejected Death Claim due to Lapse Policy	489,250	Death Claim against a lapsed policy. Strong case on merits in favor of the Company.
23	2021	District and sessions Court Lahore	Rejected Death Claim due to concealment of facts	2,938,200	Death Claim rejected due to Fraudulent intent and Anti Selection. The Company has strong merits in the Case.
24	2021	Hyderabad Civil Court	Financial Fraud	4,600,000	Financial embezzlement matter, wherein, the Company wishes to recover the amount from former Agents of the Company.
25	2021	Insurance Tribunal Khanewal	Death Claim	1,000,000	Death Claim Matter. The Company has strong merits since no contractual relationship between the Claimant and the Company was formed.
26	2018 onwards & 2020 onwards	Lahore High Court & Sindh High Court	Sales Tax on Life Insurance Premium	434,569,000 (Please refer to contingencies note no. 27 of Audited Financial Statements for the period ended June 30, 2021)	Based on the legal opinion obtained the Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. The petition is still pending a hearing.
		Total		486,266,188	

There are no other outstanding legal proceedings other than those already disclosed in this Offer for Sale Document.

There are no legal proceedings against sponsor and directors of the Company that are deemed material and may have impact on the profitability of Adamjee Life Assurance Company Limited.

2.10. RISK FACTORS

A detailed description of the risk factors of the Company is given in Part 5.

2.11. RELATED PARTY TRANSACTIONS

Details of related party transactions of the Company are given below:

(PKR Million)	2018	2019	2020	1HCY2021
<u>Transactions during the year</u>				
Holding Company				
Premium Written	2	5	5	3
Insurance expense	(16)	(16)	(10)	(13)
Claims expense	(1)	(24)	(6)	-
Premises Rental	(2)	(1)	(39)	(22)
Rental Income	-	2	4	2
Associated Undertakings				
Premium Written	164	239	232	31
Claims expense	(123)	(75)	(186)	(86)
Commission & other incentives in respect of bancassurance	(1,350)	(1,771)	(1,536)	(802)
Profit on bank deposits	63	269	105	162
Bank charges	(2)	(2)	(2)	(1)
Investments purchased	(2,369)	(5,689)	(5,609)	(5,119)
Investments sold	1,741	4,668	4,936	5,363
Dividend income	52	159	92	100
Reinsurance claim recoveries	16	11	-	-
Reinsurance premium ceded	(23)	(2)	-	-
Other related parties				
Premium Written	17	8	6	5
Claims expense	(14)	(0.5)	(0.5)	(6)
Investment advisor fee	(18)	(16)	(25)	(19)
Trustee fee	(11)	(10)	(9)	(5)
Transactions with key management personnel				
Premium Written	3	3	0.4	0.05
Sale proceeds from sale of fixed assets	4			0.5
Gain on sale of fixed assets	2			
Staff retirement benefit plan				
Charge for the year	18	51	75	22
Contributions made	(64)			(112)
<u>Balances outstanding as at the end of the year</u>				
Holding Company				
Premium received in advance			0.01	-
Premium receivable				0.01
Claims and other payable	5	3	3	-
Insurance claims receivables	0.05	0.05	0.05	0.05
Other receivables	0.00	0.01	4	0.21
Associated Undertakings				

Premium due but unpaid	2	7	8	11
Premium received in advance	2			-
Bank deposits	1,802	1,476	3,307	1,833
Investments held	4,888	6,799	7,868	7,761
Dividend receivables		23		0.8
Accrued income	63	0	1	2
Commission payable	294	337	453	235
Claims payable	7	2	33	1
Reinsurance receivable	(7)	2	-	-
Other related parties				
Premium due but unpaid	3	3	0.1	0.2
Premium received in advance	11			
Claims payable	0.04			
Remuneration payable for the management of discretionary Investment portfolio	2	4	2	3
Remuneration payable to trustee	1	0.5	1	0.8
Other receivables / (payables)	3	(1)	17	(0.2)
Staff retirement benefit plan				
(Payable to) / receivable from gratuity fund	14	(37)	(112)	(22)

3 OVERVIEW, HISTORY, AND PROSPECTS

3.1. COMPANY HISTORY AND OVERVIEW

Name	Adamjee Life Assurance Company Limited
Registration Number	0067136
Date of Incorporation	4 th August, 2008
Date of Commencement of Business	24 th April, 2009

Adamjee Life Assurance Company Limited (ALACL), was incorporated in Pakistan on August 04, 2008, as a public unlisted company under the Companies Ordinance, 1984 (subsequently superseded by the Companies Act, 2017). The Company started its operations on April 24, 2009. The registered office of the Company is at Office No. 505, 5th Floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while the corporate office is at Adamjee House, 3rd and 4th Floor, I. I Chundrigar Road, Karachi. It is a wholly owned subsidiary of Adamjee Insurance Company Limited.

The Company is engaged in life insurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance 2000, the Company has established a shareholders' fund and the following statutory funds in respect of each class of its life insurance business:

- Conventional business
- Accident and Health business
- Individual life non-Unitized Investment-Linked Business
- Individual life Unit Linked Business
- Individual Family Takaful Business
- Group Family Takaful Business

The Company was granted the authorization on May 04, 2016, under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family Takaful products by SECP and subsequently, the Company commenced Window Takaful Operations from July 14, 2016. The Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund under a Waqf deed executed by the Company with the cede amount of PKR 500,000. The cede money and further contribution to Waqf Fund by the participants is required to be invested in Shariah Compliant investments and any profit thereon can be utilized only to pay benefits to participants or defray fund expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful Operations, Investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

The Company issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019, to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorized by SECP on December 11, 2019, and the Company commenced its Group Family Takaful Business in the second quarter of 2020.

The Company was formed out of a joint venture between Adamjee Insurance Company Limited (AICL) and IVM Intersurer B.V for carrying out life assurance business. IVM Intersurer B.V had nominated Hollard Life Assurance Company Limited (HLA), an associate company of IVM Intersurer B.V, to act on its behalf in respect of matters relating to the Company. AICL and HLA entered into the Participation Agreement dated 4th December 2007 to set up the joint venture company, participate and invest in the joint venture company and regulate Company's affairs.

AICL initially held 55% shareholding in ALACL which later was increased to 74.28% in 2013 while the rest of 45% and 25.72% shareholding respectively was held by IVM Intersurer B.V. AICL's shareholders, in their Extraordinary General Meeting held on February 25, 2019, approved AICL's acquisition of 24,059,855 ordinary shares of par value of Rs. 10/- each of Adamjee Life Assurance Company Limited from IVM Intersurer B.V. at a per share price of about PKR 16.68, at an aggregate purchase price of PKR 401,200,515 – in the equivalent sum of EUR 2,390,232.44. The sum was credited to IVM's bank account on February 25, 2020, and accordingly, Adamjee Life became a wholly owned subsidiary of AICL with effect from February 26, 2020.

The Company is backed by Nishat Group, which is one of the leading and most diverse business groups of Pakistan. The group has a strong presence in various most important business sectors of the region namely Textiles (Nishat Mills, Nishat Linen), Cement (D.G. Khan Cement), Financial Services (MCB Bank, MCB Islamic Bank, Adamjee Insurance, Adamjee Life Assurance, Security General Insurance), Power (Nishat Power, Nishat Energy, Pakgen Power, Lalpir Power) and Automobile (Hyundai Nishat Motor). In addition, the Group also has a reasonable market share in hospitality, dairy, paper products, aviation, agriculture, and real estate sectors.

With a strong and highly trained team of relationship managers and Financial Advisors, state-of-the-art policy management and claims processing system, and strong financial backing ALACL is geared to provide complete and exclusive round-the-clock service to its customers and clients. Its long-term commitment ensures that the needs of its customers are always taken into account and is its prime consideration. The Company is redefining the life insurance paradigm by focusing on customers first. The service process is responsive, personalized, humane, and compassionate and is developed to provide peace of mind to the clients.

3.2. PATTERN OF SHAREHOLDING OF THE COMPANY

Pattern of Shareholding as of September 10, 2021	No. of Shares	%
Associated Company, undertakings, and related parties	249,998,250	99.999%
Adamjee Insurance Company Limited	249,998,250	99.999%
Directors	1,750	0.001%
Mr. Umer Mansha	250	0.000%
Mr. Imran Maqbool	250	0.000%
Mr. S.M. Jawed	250	0.000%
Mr. Muhammad Ali Zeb	250	0.000%
Mrs. Naz Mansha	250	0.000%
Mr. Ahmad Alman Aslam	250	0.000%
Mr. Shahmeer Khalid Butt	250	0.000%
	250,000,000	100.0%

Adamjee Insurance Company Limited

Adamjee Insurance Company Limited (AICL) is one of the largest general insurance companies in Pakistan, incorporated as a Public Limited Company on 28 September 1960 and is listed on Pakistan Stock Exchange Limited. It was listed on the Exchange in 1961. AICL has a unique advantage of having a regional presence in the United Arab Emirates (UAE) and maintains its standing through an unwavering commitment to its corporate philosophy. AICL's competitive advantage is achieved by having the largest paid-up capital and reserves, and a well-diversified business portfolio.

3.3. KEY REVENUE AND COST DRIVERS OF THE COMPANY

Key Revenue Drivers

a. Bancassurance

Bancassurance acts as the major driver of revenues for the Company. ALACL has partnered with 12 banks and microfinance institutions in Pakistan to provide conventional and Islamic insurance suitably designed for each bank's customers. These banks include MCB Bank, Faysal Bank, National Bank of Pakistan, Bank Alfalah Limited, MCB Islamic Bank, Habib Metropolitan Bank, Dubai Islamic Bank Pakistan Limited, Silk Bank, Askari Bank, AlBaraka Bank, Mobilink Microfinance Bank and Khushali Microfinance Bank among other. About 800 sales representatives of the Company are currently working in bancassurance segment. During 2020, the Company generated 90% of total premiums from bancassurance.

b. Rising population and economic growth

One of the key revenues drivers of ALACL is the growth in the life insurance industry which is mainly driven by the increasing population. In addition to this, there has been a change in perception of insurance which is now being recognized as security for a prosperous future in the event of some unfortunate incident.

As the skilled workforce rises, awareness for insurance products increases which in turn leads to generating demand for insurance businesses. Pakistan has started showing signs of economic development with a 25% increase in income per capita from FY10 to FY20, reaching to USD 4,877 per capita on a PPP basis.¹ An increase in the number of new businesses and maturity of existing businesses will lead to an increase in the volume of group life as well as individual life policyholders.

c. Direct Distribution Force (Agency)

The Company has within a short period expanded its agency/branch network into several cities of Pakistan. The Company has built a strong distribution network with 64 sales offices including smart offices across the country. The Company has maintained its presence in big cities while expanding into smaller cities through 24 smart branches to increase its presence. The branches primarily include agency distribution offices for both conventional and Takaful services. A direct sales force of more than 2,300 agents is working to push the product and to bring long-term business for the Company. With ALACL increasingly focusing on its agency channels along with plans to further expand the branch network, agency business is expected to bring in more than PKR 13 billion in premium over the next 5 years.

d. Insurtech and Micro-insurance

Though the Company has an online presence and certain products can be purchased from the Company's website directly, digital embedding and distribution through microfinance institutions will be a major revenue driver in the future. The Company has already started working and investing towards developing this medium which will gather its momentum in the ensuing years to the Company's benefit.

e. Takaful

The Islamic finance industry has emerged with many investors opting for Shariah-compliant services. This extends to insurance as well with businesses and individuals preferring Takaful products and services over conventional products. In an attempt to capture this market, ALACL started its Takaful operations in 2016. This window operation is expected to grow as more people are subscribed to Takaful insurance products

¹ World Bank Data (<https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?locations=PK>)

through both bancassurance and direct distribution channels. Currently, 48% of the Company's new premium is generated through window Takaful operations.

f. Policy Holders' Fund

ALACL holds a diversified investment portfolio of debt and equity securities, bank deposits, and real estate of ~ PKR 53,510 million as of 30th June 2021. The portfolio generates investment income which includes dividend income, profits on Term Finance Certificates/Sukuks, return on government securities (Pakistan Investment Bonds and Treasury Bills), realized and unrealized gain/losses on equity securities, return on bank deposits, and rental income. The portfolio value is as follows:

Category	Value in PKR million
Equity	7,949
Mutual Funds	8,085
Government Securities	9,997
TFCs/Sukuks	3,127
Term Deposits	13,695
Investment Property	897
Bank Deposits	9,760
Total	53,510

During 1HCY21, the Company generated net investment and other income of PKR 2,100 million while the same figure for CY2020 was PKR 4,285 million. ALACL has a qualified investment team that works closely under the portfolio management agreement with MCB Arif Habib Savings and Investments Limited and diligently monitors equity and debt markets to make profitable investments.

The risk and rewards of the Policy holders' fund are directly borne by the policy holders while the Company earns an investment management fee on managing these funds.

Key Cost Drivers**a. Distribution channels cost**

Substantially it represents costs incurred in acquiring insurance policies/ Takaful contracts, maintaining such policies/ Takaful contracts, and include without limitations all forms of remuneration, inclusive of commissions, paid to all corporate and individual insurance agents. Further, it also represents the operating cost of running branches/ sales offices across the country and stamp duty, etc.

b. Claims

This represents benefits payable to the policy holder or their beneficiaries on the occurrence of the insured event i.e., death or disability as per the terms of the policy provisions. Further, it also includes payments made on surrenders and maturities of the policies. The net claims for ALACL are calculated after deducting claims received for reinsurance from claims paid to policyholders. The claims ratio of the Company has remained within 41-54% during the last 3 years while during 1HCY21 it clocked in at 43%.

c. Management Expenses

This represents the cost of servicing distribution channels, customer servicing, product development and marketing, brand positioning, and regulatory compliance. Further, the Company envisions technological excellence and digital transformation as a way forward and hence invests significantly in human resources and technological platforms.

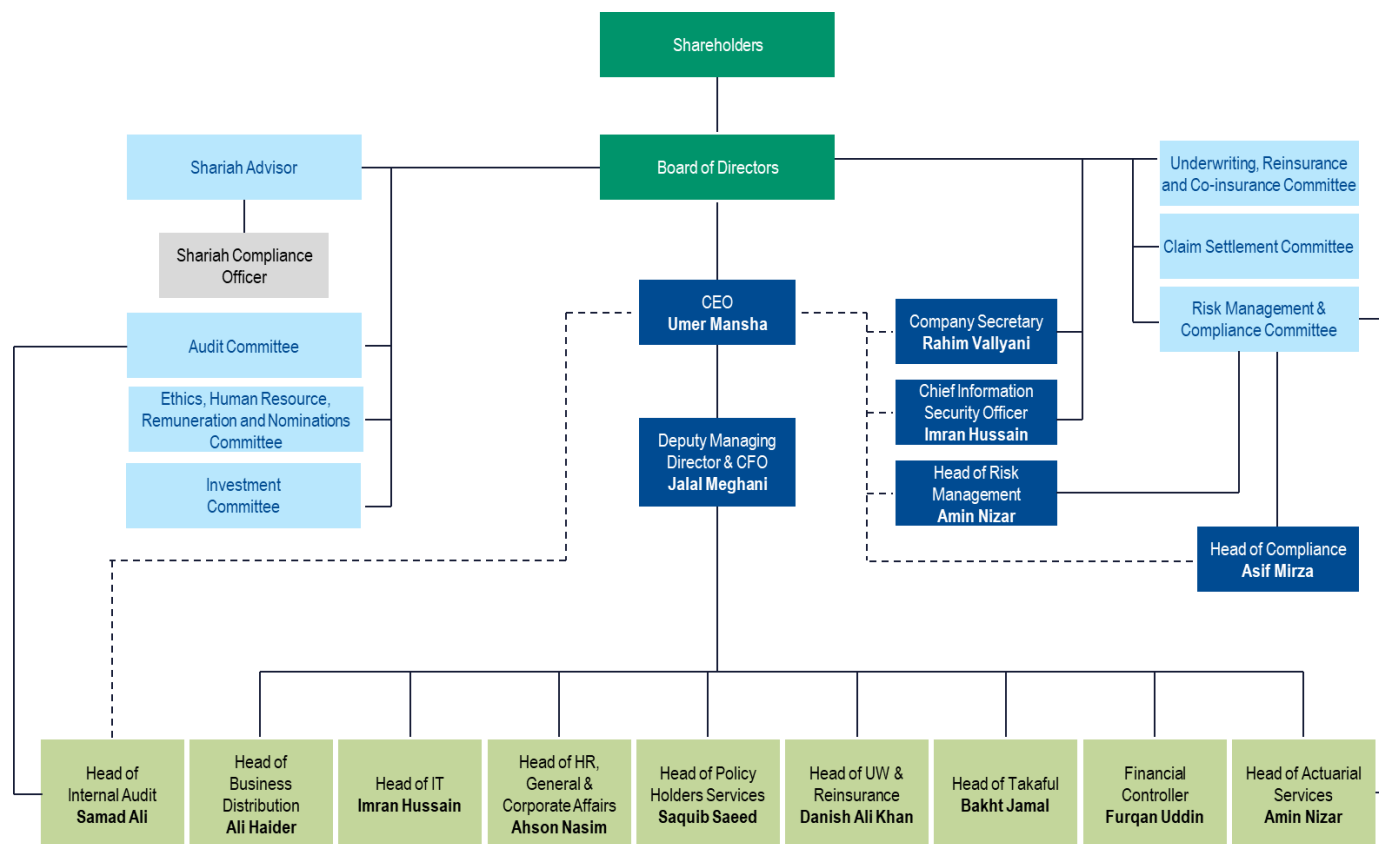
d. Branch infrastructure

The Company aims to continue the expansion of its direct distribution model and will hence incur an infrastructure setup cost while developing new branches across the country.

e. Reinsurance

The Company incurs the cost of transferring some portion of the insurance risk it underwrites to the reinsurers through reinsurance arrangements. The Company has reinsurance arrangements with some of the top global reinsurers, namely, Munich Re, Hannover Re, Peak Re, and Tokio Marine HCC. The Company follows a policy of optimizing risk retention through a carefully designed program of re-insurance. The reinsurance coverage of the Company is based on the Company's exposures, accumulation & concentration of risk.

3.4. ORGANISATIONAL STRUCTURE OF THE COMPANY



3.5. MAJOR EVENTS IN THE HISTORY OF THE COMPANY

Milestones	Year
<ul style="list-style-type: none"> Adamjee Insurance Company Limited and Hollard Life Assurance Co. Ltd. entered into a Participation Agreement to set up a Joint Venture Company 	2007
<ul style="list-style-type: none"> ALACL was incorporated 	2008
<ul style="list-style-type: none"> The Company received the license to do Life Insurance business First Banca Distribution partnership with MCB Bank Limited First Individual Life Policy Sold 	2009
<ul style="list-style-type: none"> Launch of Direct Distribution Model First Direct Distribution Policy Sold 	2013
<ul style="list-style-type: none"> Bancassurance Distribution Partnership with Faysal Bank 	2014
<ul style="list-style-type: none"> Bancassurance Distribution Partnership with Waseela Bank Achieved breakeven in the business Achieved annual top line of PKR 10 billion 	2015
<ul style="list-style-type: none"> License acquired for Window Takaful Business Banca Takaful Distribution Partnership with Dubai Islamic Bank 	2016
<ul style="list-style-type: none"> Bancassurance / Banca Takaful Distribution Partnership with MCB Islamic Bank Limited, Askari Bank, Silk Bank Launch of the Customer Loyalty Reward Program in Pakistan - Orbis Gold and Silver Card No. of active individual policy holders touches 100,000 	2017
<ul style="list-style-type: none"> Adamjee Life joined hands with Vouch 365 for Enhancing Customer Experience and Lifestyle Benefits Total Death claims touched Rs. 5 billion 	2018
<ul style="list-style-type: none"> Adamjee Life Signs MOU with Sehat Kahani to provide online Healthcare and doctor consultation free of cost 24/7 for its policy holders Launch of “CX 360” (integrated touchpoints for 2-way customer communication), and “E-docs” (a step towards paperless/ eco-friendly environment) Launch of Adamjee Life’s first Smart Branch in Emporium Mall, Lahore Feet on ground / Sales force touched 2000 	2019
<ul style="list-style-type: none"> Launch of ‘Agent Care Solution’ for Agent empowerment and improvement of customer services Became a fully owned subsidiary of Adamjee Insurance Company Limited Bancassurance Distribution Partnership with National Bank of Pakistan and Habib Metropolitan Bank Launch of Adamjee Life BizDesk; it is a business briefcase for its employees where they can connect their relevant applications from anywhere thus promoting and enabling a work from home environment. Sales team can also download mobile apps and tutorials from this platform. Launch of Online insurance products: Covid Care, Term Protection, and Hospitalization Plan. Adamjee Life offered complementary death benefits (related to Covid-19) to the beneficiaries of the policy holders. 	2020
<ul style="list-style-type: none"> Achieved quickest Fund size of PKR 50 billion in the industry Launch of first of its kind state-of-the-art e-learning platform “AssurEd” which plays a pivotal role in the development of a well-equipped and knowledgeable salesforce that can best respond to the needs of policy holders. 	2021

3.6. NATURE AND LOCATION OF THE COMPANY’S PROJECTS

This information requirement is not applicable as ALACL is a service company.

3.7. INFRASTRUCTURE FACILITIES

The requirement is not applicable as the Company does not have any infrastructure facilities.

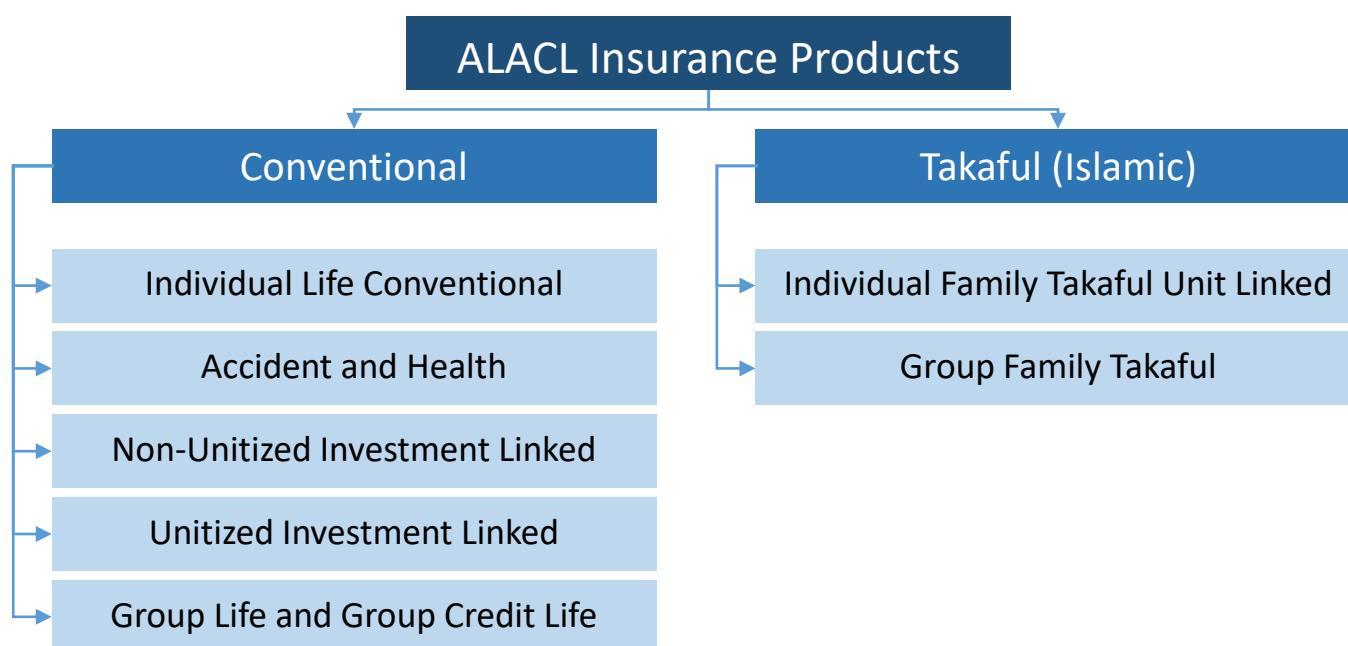
3.8. SERVICES OF THE COMPANY

A. Nature of Services

The Company offers both Conventional and Takaful (Islamic) policies.

Under Conventional Life Insurance business, the Company underwrites non-participating individual life, non-unitized investment-linked, unitized investment-linked and group life/ group credit life business in four statutory business funds, namely, the Conventional Business Fund, the Accident & Health Business Fund, the Non-unitized Investment-Linked Business Fund, and the Unit Linked Business Fund.

On the Takaful side, the Company underwrites Individual unitized investment-linked Family Takaful Business and Group Family Takaful/credit protection business in Individual Family Takaful Unit Linked Business Fund and Group Family Takaful Business Fund respectively.



The insurance/ Takaful contracts offered by the Company are described below:

1) Individual Life Conventional:

Individual Life conventional contracts provide coverage to individuals against death under conventional policies issued by the Company.

2) Accident and Health:

Accident and Health policies provide fixed pecuniary benefits or benefits in the nature of indemnity or a combination of both, in case of accident or sickness to individuals. The risk underwritten is mainly related to medical expenses relating to hospitalization and death by accidental means.

3) Non-Unitized Investment-Linked Products:

Individual Life Non-Unitized Investment-Linked policies provide life insurance coverage to individuals under universal life policies issued by the Company. Benefits are expressed in terms of account value of the policyholder account, which is related to the market value of the underlying assets of the investment portfolio.

The risk underwritten is mainly death under the basic plan with additional protection (for death and disability) being provided through optional riders.

4) Unitized Investment-Linked Products:

Individual Life Unit Linked policies are medium to long-term plans where policy value is determined as per the underlying assets' value. The plan aims to address a variety of future policyholder needs, such as savings for the future, education planning for children, marriage planning for children, retirement planning, and life protection. The risk underwritten is mainly death risk under the basic plan with additional protection (for death, disability, and sickness) being provided through optional riders. The funds available for investment under the unitized investment-linked products include:

Investment Secure Fund

It offers regular and steady returns from investment in a wide variety of fixed income securities and Government Securities without exposure to equities.

Investment Multiplier Fund

A well-diversified portfolio with an aggressive strategy aiming to maximize the returns by taking exposure in equities while balancing out the risk profile by investing in Government and fixed income securities and real estate.

Managed Growth Fund

Investment with medium to low risk-taking to offer regular and steady returns from investment in a wide variety of fixed income securities and Government Securities with moderate exposure to equities.

Amaanat Fund

It offers an opportunity to invest in diversified Shariah-compliant equity and fixed income securities.

5) Group Life and Group Credit Life:

The group life plans provide coverage to members or employees of business enterprises and corporate entities, against death and disability. The group credit life plans provide coverage to customers of financial institutions against death and disability, to protect their outstanding loan balances, such as personal loans, mortgages, and credit cards. Group policies are issued typically on a yearly renewal term basis.

6) Individual Family Takaful Unit Linked Products:

Unit Linked Family Takaful plans provide Shariah-compliant financial protection and investment vehicle to individual participants. These plans carry a cash value and offer investment choices to the participants to direct their investment-related contributions based on their risk/ return objectives. The investment risk is borne by the participants. The funds available for investment under the individual family Takaful unit-linked business include:

Tameen Fund

A moderate to low risk profile fund that generates stable and secure returns by balancing the investment in long-term money market investments including term deposits in Islamic Banks and Sukuk Bonds.

Mazaaf Fund

A moderate to high-risk profile fund that generates higher returns over the long run in shariah-compliant equities and Islamic mutual Fund.

Saman Fund

A moderate risk profile fund that aims to generate steady returns from investments in a wide variety of Shariah-compliant fixed income securities, Term deposits in Islamic Banks, and Government securities with limited exposure to Shariah-compliant equities.

7) Group Family Takaful Business:

The group family Takaful business segment provides coverage to members/ employees of business enterprises and corporate entities against death and disability. The group family Takaful credit protection business segment provides coverage to customers of financial institutions against death and disability, to protect their outstanding loan balances. Group policies are issued typically on a yearly renewal term basis.

B. Approach to Marketing of Services

ALACL markets its services via different distribution channels, which include bancassurance, agency (branches), corporate and online channels. The major portion of the business is generated through the bancassurance channel. The online channel has been recently added and is still in its infancy stage.

ALACL mainly offers Unit Linked products through its bancassurance and agency distribution channels. The different kinds of Unit Linked products being offered through these distribution channels can be categorized as below:

1) CONVENTIONAL REGULAR PREMIUM UNIT LINKED PLANS

Constituting a different mix of allocation, surrender charges, minimum premium, policy charges, and bonus structure, Adamjee Life offers regular premium unit-linked plans with bancassurance and agency channel that provides protection and savings bundled up in the insurance plans.

The policyholder can choose to pay premiums monthly, quarterly, semi-annually, or annually. Premiums are mainly used to purchase units in the Unit Funds.

The policyholder can choose to add supplementary riders to the policy for added protection against death and disability or any critical illness/disease. Premiums for supplementary contracts are added to the basic premiums and are not part of the insured's unit account value, which is primarily for investment purposes.

These unitized investment-linked assurance plans give the policyholder options to choose from four professionally managed Unit Linked Funds depending on the risk appetite of the policyholder, with the benefit of life insurance cover packaged in.

The Cash Value of the plan will vary directly with the investment performance of the Unit Funds. To cater to policyholders changing needs, plans provide many flexible options such as altering investment and protection level, topping up, switching among Unit Funds, maturity proceeds in the form of an annuity, inflation protection, etc.

In order to reward the policyholders for paying timely premiums, products also offer loyalty bonuses, which are added to the Cash Value as and when due.

Adamjee Life also offers products specifically designed for meeting future expenses for child education and marriage where the product has a built-in Waiver of Premium (Death) rider, where upon the death of the insured person, Adamjee Life will pay the basic premium for the remaining premium paying term of the policy.

This plan can be opted by parents to achieve the expected amount at maturity that can be used to pay for higher education or the marriage cost of their children.

2) CONVENTIONAL SINGLE PREMIUM UNIT LINKED PRODUCTS

Adamjee Life offers single premium unit-linked products under bancassurance and agency channel that provides wealth accumulation as up to 100% of the premium is allocated to the Unit Account. The surrender and other charges will vary from product to product. The single premium is used to purchase units in the fund.

These unitized investment-linked assurance plans give the policyholder options to choose from four professionally managed Unit Linked Funds depending on the risk appetite of the policyholder, with the benefit of life insurance cover packaged in.

The Cash Value of the plan will vary directly with the investment performance of the Unit Funds. To cater to policyholders changing needs, the plan offers options such as partial withdrawals, switching amongst funds, etc.

3) TAKAFUL REGULAR CONTRIBUTION UNIT LINKED PRODUCTS

Constituting a different mix of allocation, Wakala charges, minimum contribution, policy charges, and bonus structure, Adamjee Life-Window Takaful Operations offers regular contribution plans with Banca Takaful and agency channel that provide protection and savings bundled up in Company's Takaful products.

The participant can choose to pay contributions monthly, quarterly, semi-annually, or annually. Contributions are mainly used to purchase units of Participant Investment Account (PIA) after the deduction of Wakala & Waqf Charges (Waqf Charges are be transferred to the Participant Takaful Fund (PTF)). Any death or disability benefits are paid from PTF.

The Participant can choose to add supplementary benefits to the Plan for added protection against death and disability or any critical illness/disease. Contribution for supplementary benefits is additional to the basic contribution and is not part of the PIA value, which is primarily for investment purposes. Contributions for supplementary benefits become part of the Waqf fund.

These unitized investment-linked Individual Family Takaful Plans give the Participant access to three professionally managed Participant Investment Funds (PIF) with the benefit of Family Takaful Coverage packaged in.

The Cash Value of the contract will vary directly with the investment performance of the PIF. To cater to Participants changing needs, the Plan provides many flexible options such as altering investment and protection level, topping up, switching among Investment Funds, maturity proceeds in the form of an annuity, inflation protection, etc.

In order to reward the participant for paying timely contributions, their products also offer loyalty bonuses and one-time life event bonuses which are added to the Cash Value as and when due. Some of the Takaful plans also offer free coverage on Accidental Death during Hajj.

Adamjee Life – Window Takaful Operations also offers products specifically designed for meeting future expenses for child education and marriage. This type of product has an in-built Waiver of Contribution - Death benefit, where upon Death of the Person Covered, Adamjee Life-Window Takaful Operations will pay the basic contribution for the remaining contribution paying term of the Plan from the Participant Takaful Fund (PTF)

on behalf of the Participant. This Plan can be opted by parents to target a desired amount at maturity, which can be used to pay for higher education or the marriage cost of their children.

4) TAKAFUL SINGLE CONTRIBUTION UNIT LINKED PLANS

Adamjee Life – Window Takaful Operations offers single contribution products under Banca Takaful and agency channel that provides wealth accumulation as a major part of the contribution is allocated to the Participant Investment Account (PIA). The surrender and other charges will vary from product to product. The single contribution is used to purchase units in the PIA.

This unitized investment-linked Individual Family Takaful Plan gives the Participant access to three professionally managed Participant Investment Funds (PIF) with the benefit of Family Takaful Coverage packaged in.

The Cash Value of the Plan will vary directly with the investment performance of the PIF. To cater to participants' changing needs, the plan offers options such as partial withdrawals, switching amongst funds, etc.

1) Conventional Bancassurance

Within bancassurance, ALACL markets its products through various commercial banks including MCB Bank, National Bank of Pakistan, Habib Metropolitan Bank, Mobilink Microfinance Bank, Silk Bank, Khushali Microfinance Bank, and Bank Alfalah Limited while Banca Takaful is marketed through AlBaraka Bank, Askari Bank, Dubai Islamic Bank, Faysal Bank, MCB Bank, MCB Islamic Bank, and Habib Metropolitan Bank.

i. MCB Bank

ALACL markets the following products through the MCB Bancassurance channel:

Plan Name	Plan Type
Adamjee Life Save & Assure	Conventional Regular Premium Unit Linked Plan
Adamjee Life Tameer Education Plan	Conventional Regular Premium Unit Linked Plan
Adamjee Life Wealth Optimizer	Conventional Single Premium Unit Linked Plan

ii. National Bank of Pakistan (NBP)

ALACL markets the following products through the National Bank of Pakistan:

Plan Name	Plan Type
Adamjee Life Zamanat Savings Plan	Conventional Regular Premium Unit Linked Plan
Adamjee Life Khidmat Education and Marriage Plan	Conventional Regular Premium Unit Linked Plan

iii. Mobilink Microfinance Bank

ALACL markets the following products through Mobilink Microfinance Bank:

Plan Name	Plan Type
Adamjee Life Waseela e Zindagi	Conventional Regular Premium Unit Linked Plan

Adamjee Life Waseela e Zindagi Plus	Conventional Regular Premium Unit Linked Plan
-------------------------------------	-----------------------------------------------

iv. Silk Bank

ALACL markets the following products through Silk Bank:

Plan Name	Plan Type
Adamjee Life Tahaffuz Plan	Conventional Regular Premium Unit Linked Plan
Adamjee Life COVID-19 Protection Plan	Covid 19 Protection Plan

v. Khushali Microfinance Bank

ALACL markets the following product through Khushali Microfinance Bank:

Plan Name	Plan Type
Adamjee Life Khushhali Mustaqbil	Conventional Regular Premium Unit Linked Plan

vi. Bank Alfalah Limited

ALACL offers the following product for Bank Alfalah Limited customers:

Plan Name	Plan Type
Adamjee Life Hikmat Insurance Plan	Conventional Hospitalization Cash Back Plan

vii. Habib Metropolitan Bank

ALACL markets following conventional unit-linked products through Habib Metropolitan Bank:

Plan Name	Plan Type
Adamjee Life Parvaaz Savings Plan	Conventional Regular Premium Unit Linked Plan
Adamjee Life Parvaaz Education and Marriage Plan	Conventional Regular Premium Child Education and Marriage Unit Linked Plan
Adamjee Life Parvaaz Savings and Health Plan	Conventional Regular Premium Unit Linked Plan

2) Banca Takaful

i. AlBaraka Bank

ALACL markets the following products through AlBaraka Bank as given below:

Plan Name	Plan Type
Adamjee Life - WTO Sarparast Tameer Plan	Takaful Regular Contribution Unit Linked Plan
Adamjee Life - WTO Sarparast Tabeer Plan	Takaful Regular Contribution Unit Linked Plan

ii. Askari Bank Limited

ALACL markets the following product through Askari Bank:

Plan Name	Plan Type
Adamjee Life - WTO Aitemad Takaful Plan	Takaful Regular Contribution Unit Linked Plan

iii. Dubai Islamic Bank (DIB)

ALACL markets following products through Dubai Islamic Bank:

Plan Name	Plan Type
Adamjee Life - WTO Bachat Al Islami Plan	Takaful Regular Contribution Unit Linked Plan
Adamjee Life - WTO Noor Al Islami Plan	Takaful Regular Contribution Unit Linked Plan

iv. Faysal Bank

ALACL markets the following products through Faysal Bank:

Plan Name	Plan Type
Adamjee Life Takaful Asaan Zindagi	Takaful Regular Contribution Unit Linked Plan
Adamjee Life Takaful Sarmaya Plus Plan	Takaful Single Contribution Unit Linked Plan

v. MCB Bank

ALACL markets the following products through MCB Bank Banca Takaful:

Plan Name	Plan Type
Adamjee Life - WTO Faalah Plan	Takaful Regular Contribution Unit Linked Plan
Adamjee Life - WTO Zaamin Plan	Takaful Regular Contribution Unit Linked Plan

vi. MCB Islamic Bank

ALACL markets following products through MCB Islamic Bank Banca Takaful:

Plan Name	Plan Type
Adamjee Life - WTO Muhafiz Plus Family Takaful	Takaful Regular Contribution Unit Linked Plan
Adamjee Life - WTO Manafa Plus Family Takaful	Takaful Regular Contribution Unit Linked Plan

i. Habib Metropolitan Bank

ALACL markets the following products through Habib Metropolitan Bank Banca Takaful:

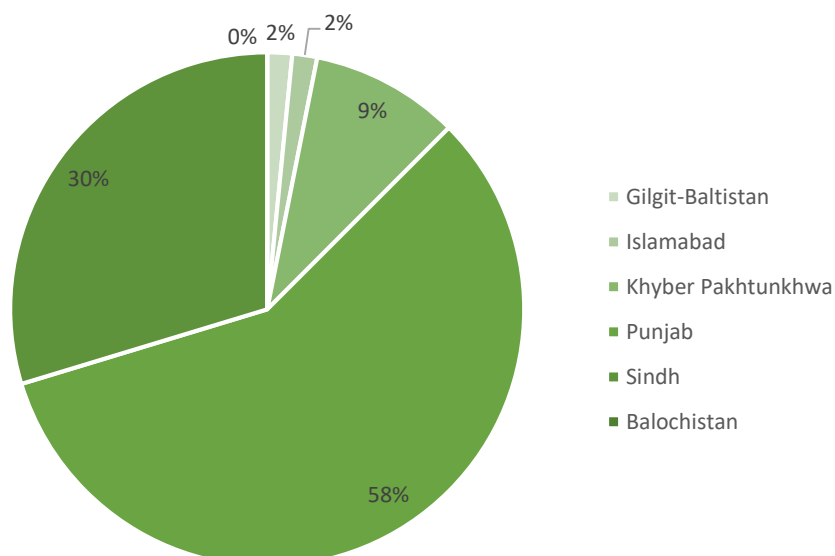
Plan Name	Plan Type
-----------	-----------

Adamjee Life - WTO Parvaaz Takaful Savings Plan	Takaful Regular Contribution Unit Linked Plan
Adamjee Life - WTO Parvaaz Takaful Education and Marriage Plan	Takaful Regular Contribution Child Education and Marriage Unit Linked Plan
Adamjee Life - WTO Parvaaz Takaful Savings and Health Plan	Takaful Regular Contribution Unit Linked Plan

3) Agency Channels

ALACL also markets its products through its Agency model which is a direct-distribution channel and consists of more than 2,300 agents working in 64 sales offices across the country. Recent years have seen a surge in the number of branches. The total number of sales offices of the Company has increased to 57 by 2020 from 34 in 2019 and currently has expanded to 64 branches.

Province	Branches
Gilgit-Baltistan	1
Islamabad	1
Khyber Pakhtunkhwa	6
Punjab	37
Sindh	19
Balochistan	-
Total	64



Adamjee Life markets the following products through Agency Distribution Channel:

Plan Name	Plan Type
Mustakil Yaqeen	Conventional Regular Premium Unit Linked Plan
Mehfooz Munafa	Conventional Regular Premium Unit Linked Plan
Apna Savings Plan	Conventional Regular Premium Unit Linked Plan
Roshan Aaj aur Kal Plan	Conventional Regular Premium Child Education and Marriage Unit Linked Plan
Shandar Sarmaya	Conventional Single Premium Unit Linked Plan
Salsabil Plus Family Takaful Plan	Takaful Regular Contribution Unit Linked Plan
Adamjee Barkat	Takaful Regular Contribution Unit Linked Plan
Kefayat Plan	Takaful Regular Contribution Unit Linked Plan

Nibah Plan	Takaful Regular Contribution Child Education and Marriage Unit Linked Plan
------------	----------------------------------------------------------------------------

4) Online Products

Adamjee life offers the following products through its website:

Plan Name	Plan Type
Pure Insurance	Conventional Term Insurance Plan that provides a death benefit.
Family Sehat	Conventional Hospitalization Cash Back Plan that provides daily cash benefit in case of hospitalization due to accident or sickness
Corona Cover	Covid 19 Protection Plan that provides reimbursement of Covid 19 diagnostic test cost in case of a positive Covid 19 test, daily cash benefit for hospitalization due to Covid 19, and also provides lump sum benefit in case of death due to Covid 19

3.9. END USERS, DEMAND FOR THE PRODUCTS, AND COMPETITORS

Customer Base

The Company sells the insurance policies through various distribution channels discussed above. The premium revenue of the Company by different distribution channels are shown below:

Premiums	2018		2019		2020		1HCY21	
	PKR Mn	%	PKR Mn	%	PKR Mn	%	PKR Mn	%
Bancassurance	11,955	90%	11,584	89%	15,431	90%	8,675	91%
Group Business	546	4%	637	5%	585	3%	190	2%
Agency & Others	747	6%	748	6%	1,085	6%	688	7%
Total	13,247	100%	12,969	100%	17,101	100%	9,553	100%
Bancassurance through MCB	10,312	78%	10,100	78%	13,898	81%	7,854	82%

The table above shows the distribution among these channels. As can be seen from the table, the Company derives almost 90% of its premiums from bancassurance which is a cross-selling medium. The Company has entered into a partnership with various banks to enhance the premiums generated through bancassurance. Being a part of the same group, ALACL takes benefit of the vast network and customer base of MCB to market its products, thereby generating vast business volumes vide this platform, which helps complement the business of ALACL as a group company.

Competition

Adamjee Life has been in the life insurance business for over a decade and competes with strongly established insurance groups. It considers Jubilee Life Insurance Company Limited (JLICL) and EFU Life Assurance Limited (EFUL) as its main competitors.

3.10. INTELLECTUAL PROPERTY RIGHTS

Trademark	Trademark No.	Application/ Registration Date	Renewal Date	Expiry Date
Logo (Adamjee Life)	241919 – Class 16 241918 – Class 36	27-Sep-2007	-	27-Sep-2027
Logo (Adamjee Family Takaful)	505368 – Class 16 505369 – Class 35 505370 – Class 36	28-Aug-2018	-	28-Aug-2028
Adamjee Life Digital	41043 – Class 16 41043 – Class 36	13-Jan-2020 (Registration is in the process)	-	-
Adamjee Family Digital	41044 – Class 16 41044 – Class 36	13-Jan-2020 (Registration is in the process)	-	-

3.11. MATERIAL PROPERTY

The Company purchased an open land for a unit-linked investment business comprising of 8 kanals, 8 marlas, 203 square feet located at Plot No 1-A, Main Gulberg, Jail Road, Lahore. The subject commercial property is a bounded open plot, located in a well-known and well-developed commercial area of Lahore and surrounded by other commercial projects/ properties and amenities. The market value of this investment property amounts to PKR 897.394 million with the forced sale value (FSV) of PKR 604.8 million based on a valuation carried out by K.G. Traders (Private) Limited as of June 21, 2021.

3.12. FUTURE OUTLOOK

The life insurers underwrite long-term contracts with significant acquisition and business development costs upfront and therefore, it naturally takes a longer period to break even. It starts generating profits once the number of policies in force and resulting renewal premium is adequate to generate margins for the acquisition of its new business. The Company has attained its break-even in 2015 and has started generating decent and steady profits from 2018 onwards.

Pakistan's insurance industry remained underdeveloped, with a very low level of penetration and density of 0.8% as compared to emerging EMEA markets average of 1.94%, emerging Asia Pacific average of 3.89%, and the global average of 7.23%. However, insurers are increasingly educating the population and reaching first-time users through leveraging digital solutions. There is enormous long-term potential for Pakistan's insurance industry in light of the large, young population and the growing economy that will boost incomes and increase demand for insurance. The rapidly growing Takaful (Islamic Insurance) segment of the industry in accordance with the suitability of the large part of the country's population will also contribute significantly to future growth.

As far as the Company's future outlook is concerned, the prime objective of the Company is to expand the business going forward by creating new strategic partnerships, entering new channels for distribution, and enhancing capacity of existing channels. It is now financially stable and will be able to appropriate surplus from statutory fund to the shareholders' fund in ensuing years.

The Company's primary business channel i.e., the bancassurance business will grow steadily, albeit with lesser than historically registered high growth, due to the increased regulations specific to this particular distribution

channel. These regulations are expected to encourage insurance companies to write quality business and hence will increase the sustainability of the business model in the long run.

Adamjee Life is also looking forward to building a sustainable and mutually beneficial relationship with its new Banca Partners i.e., National Bank of Pakistan and Habib Metropolitan Bank which will further augment the Banca business in ensuing years. Simultaneously, it also focuses on enhancing the business with existing Banca partners and becoming the leading service provider through these partners.

The Direct Distribution (Agency) model has continued its expansion plan as per Company's strategy to increase new business from other than the Banca channel. The total number of sales offices of the Company has increased to 57 by 2020 from 34 in 2019 and currently has expanded to 64 branches. The Company will continue its expansion plan for its Direct Distribution Sales force and is targeting to touch new business generation of PKR 1.5 billion by 2025-26.

The Company intends to increase its market share in Corporate Group Life and Credit Protection business with prudent pricing and making difference through servicing. The Company also intends to build its capacity to enter and compete in the area of mobile wallets and digitally embedded products. The expanding feet on the ground also excites the Company to consider entering into retail health insurance in near future. The Company has already launched its online products namely term life, daily hospitalization plan, and corona cover.

Another key focus of the Company is to minimize customers' complaints. In this respect, the Company is relentlessly working towards creating awareness and value proposition of insurance products in the market. This along with further improving the quality of training and quality of sales & after-sales services and will further improve the persistency of renewal premiums.

With the above objectives and prospects in sight, the Company is confident to touch the fund size of over Rs. 100 billion by 2025 and annual profitability of above Rs. 750 million by 2025. With a strong and highly trained and professional team of sales, relationship managers, trainers, and Financial Advisors, along with the support of 'state of the art policy management' and 'claims processing system', the Company is confident to achieve its above-mentioned objectives.

The Company recognizes its responsibility towards the society at large and prioritized supporting causes that would create a positive impact on the community that is in line with the nation's Sustainable Development Goals (SDGs). Therefore, the Company's CSR activities are aligned with the nation's Sustainable Development Goals (SDGs) and are operating under the umbrella of "Adamjee Life Nigehbaan" with a focus on education, healthcare, and environmental sustainability. The Company regularly takes part in these various philanthropy activities along with media initiatives, including social media, print ads, nationwide activations; to emphasize the importance and impact of how a shared value can be achieved collectively, in collaboration with various corporate organizations and people at large. To the Company, its responsibility as a socially responsible organization is an essential element of its value system and the organization endeavors to ensure that the impact of its activities in this direction benefits all internal and external stakeholders.

3.13. REINSURANCE BASE (KEY VENDORS OF THE COMPANY)

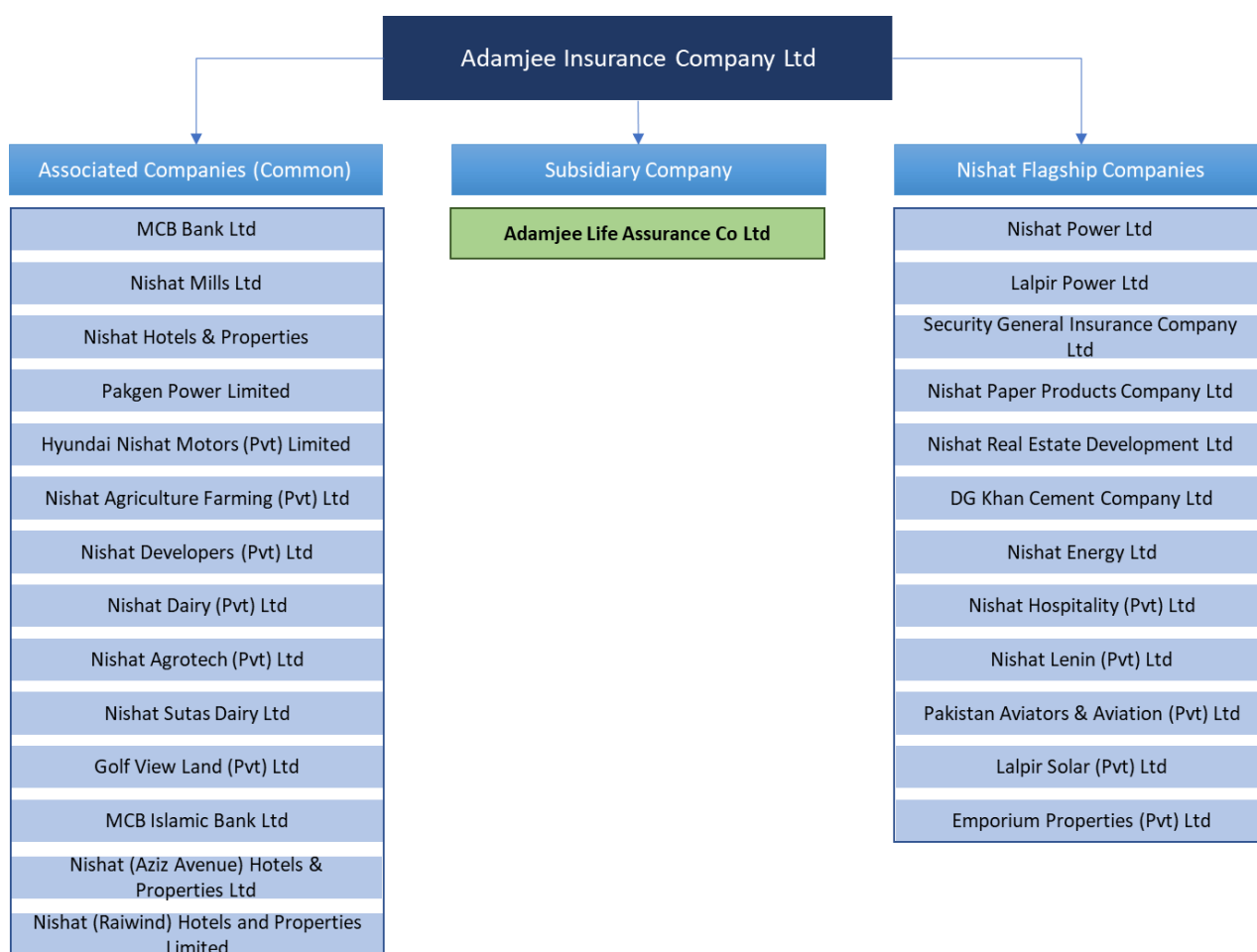
ALACL reinsures/ transfers part of its risks with leading global reinsurers. It has engaged with 4 leading companies with a major portion reinsured with Munich Re and Hannover Re. Other reinsurers include Peak Reinsurance Company Limited and Tokyo Marine HCC. The reinsurance to key parties is demonstrated in the table below:

Premiums	2018		2019		2020		1HCY21	
	PKR Mn	%	PKR Mn	%	PKR Mn	%	PKR Mn	%
Munich Re	513	96%	581	100%	254	45%	155	66%
Hannover Re	-	-	-	-	263	47%	65	28%
Others	23	4%	3	0%	47	8%	13	6%
Total	536	100%	583	100%	564	100%	233	100%

3.14. KEY APPROVALS NECESSARY TO CONDUCT BUSINESS

- Registered in accordance with the provision of section 6 of Insurance Ordinance, 2000 on April 20, 2009.
- For Takaful business, authorization under Rule 6 of the Takaful Rules, 2012 has been obtained on May 04, 2016.

3.15. GROUP STRUCTURE OF THE OFFEROR



3.16. ASSOCIATED COMPANIES OF THE OFFEROR

Name of Company	Nature of Business	Listed/ Unlisted	Nature of Relation	% Shareholding of AICL
MCB Bank Ltd	Banking	Listed	Common Directorship	20.246
Nishat Mills Ltd	Textile	Listed	Common Directorship	0.029
Nishat (Aziz Avenue) Hotels & Properties Ltd	Hospitality		Common Directorship	0.344
Pakgen Power Limited	Energy & Power	Listed	Common Directorship	-
Hyundai Nishat Motor (Pvt) Ltd	Automobile		Common Directorship	-
Nishat Hotels and Properties	Hospitality		Common Directorship	-
Nishat (Raiwind) Hotels and Properties Limited	Hospitality		Common Directorship	-
Nishat Agriculture Farming (Pvt) Ltd	Agricultural Farming		Common Directorship	-
Nishat Developers (Pvt) Ltd	Real Estate Developers		Common Directorship	-
Nishat Dairy (Pvt) Limited	Agricultural Farming		Common Directorship	-
Nishat Agrotech (Pvt) Ltd	Agricultural Farming		Common Directorship	-
Nishat Sutas Dairy Limited	Agricultural Farming		Common Directorship	-
Golf View Land (Pvt) Limited	Solar Power Generation		Common Directorship	-
MCB Islamic Bank Ltd	(Recommended for Voluntary Winding- up for approval of the Shareholders)		Common Directorship	-
Adamjee Life Assurance Co. Ltd	Insurance		Subsidiary	99.999
Nishat Power Limited	Energy & Power	Listed	Group Entity	-
Lalpir Power Limited	Energy & Power	Listed	Group Entity	-
Security General Insurance Company Ltd	Insurance		Group Entity	7.935
Nishat Paper Products Company Limited	Paper		Group Entity	-
Nishat Real Estate Development (Pvt) Ltd	Real Estate		Group Entity	0.194
D. G. Khan Cement Co. Ltd	Cement	Listed	Group Entity	7.965
Nishat Energy Limited	Energy & Power		Group Entity	-

Nishat Hospitality (Pvt) Limited	Hospitality	Group Entity	-
Nishat Linen (Pvt) Limited	Textile	Group Entity	-
Pakistan Aviators & Aviation (Pvt) Ltd	Charter Flight Services	Group Entity	-
Lalpir Solar (Pvt) Limited	Solar Power Generation (Recommended for Voluntary Winding-up for approval of the Shareholders)	Group Entity	-
Emporium Properties (Pvt) Limited	Real Estate Developers	Group Entity	-

There are no associated listed companies of Adamjee Life Assurance Company Limited other than by virtue of common directorships which have been disclosed under Section 7.1 of this document

3.17. RELATED PARTY TRANSACTIONS

(PKR Million)	2018	2019	2020	1HCY2021
<u>Transactions during the year</u>				
Holding Company				
Premium Written	2	5	5	3
Insurance expense	(16)	(16)	(10)	(13)
Claims expense	(1)	(24)	(6)	-
Premises Rental	(2)	(1)	(39)	(22)
Rental Income	-	2	4	2
Associated Undertakings				
Premium Written	164	239	232	31
Claims expense	(123)	(75)	(186)	(86)
Commission & other incentives in respect of bancassurance	(1,350)	(1,771)	(1,536)	(802)
Profit on bank deposits	63	269	105	162
Bank charges	(2)	(2)	(2)	(1)
Investments purchased	(2,369)	(5,689)	(5,609)	(5,119)
Investments sold	1,741	4,668	4,936	5,363
Dividend income	52	159	92	100
Reinsurance claim recoveries	16	11	-	-
Reinsurance premium ceded	(23)	(2)	-	-
Other related parties				
Premium Written	17	8	6	5
Claims expense	(14)	(0.5)	(0.5)	(6)
Investment advisor fee	(18)	(16)	(25)	(19)
Trustee fee	(11)	(10)	(9)	(5)
Transactions with key management personnel				
Premium Written	3	3	0.4	0.05
Sale proceeds from sale of fixed assets	4			0.5
Gain on sale of fixed assets	2			

Staff retirement benefit plan

Charge for the year	18	51	75	22
Contributions made	(64)			(112)

Balances outstanding as at the end of the year**Holding Company**

Premium received in advance			0.01	-
Premium Receivable				0.01
Claims and other payable	5	3	3	-
Insurance claims receivables	0.05	0.05	0.05	0.05
Other receivables	0.00	0.01	4	0.2

Associated Undertakings

Premium due but unpaid	2	7	8	11
Premium received in advance	2			-
Bank deposits	1,802	1,476	3,307	1,833
Investments held	4,888	6,799	7,868	7,761
Dividend receivables		23		0.8
Accrued income	63	0	1	2
Commission payable	294	337	453	235
Claims payable	7	2	33	1
Reinsurance receivable	(7)	2		-

Other related parties

Premium due but unpaid	3	3	0.1	0.2
Premium received in advance	11			
Claims payable	0.04			
Remuneration payable for the management of discretionary Investment portfolio	2	4	2	3
Remuneration payable to trustee	1	0.5	1	0.8
Other receivable / (payable)	3	(1)	17	(0.2)

Staff retirement benefit plan

(Payable to) / receivable from gratuity fund	14	(37)	(112)	(22)
----------------------------------------------	----	------	-------	------

3.18. PERFORMANCE OF ASSOCIATED LISTED COMPANIES

The Offeror, AICL, only has control over ALACL while ALACL does not have any control over any associated listed company. Details of AICL are illustrated below:

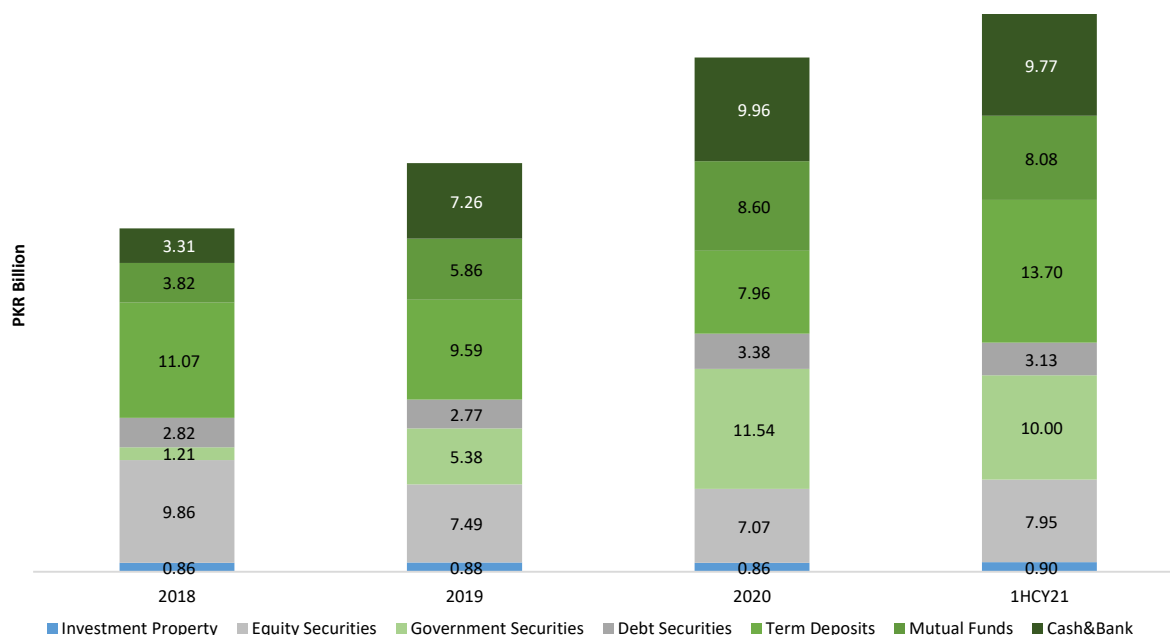
Name of Company	Adamjee Insurance Company Limited
Date of Incorporation	28 th September 1960
Registration Number	0001190
Nature of Business	General Insurance
Year of Listing	1961
Paid-Up Capital	PKR 3,500 million

The following table provides glimpse of AICL's performance in the last three years.

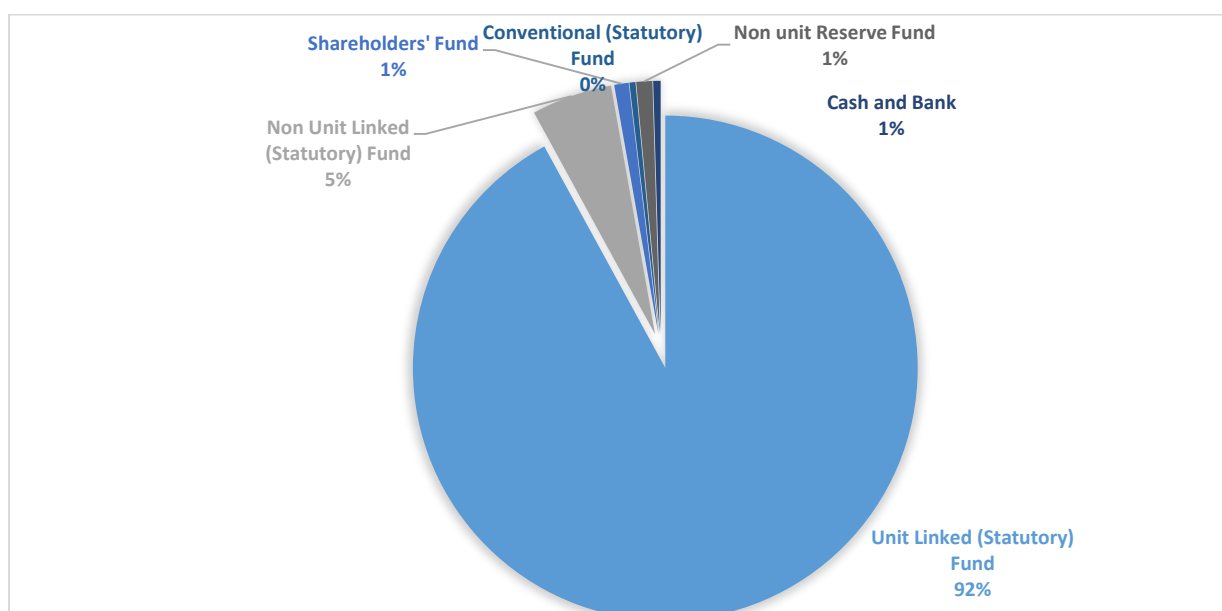
		2018	2019	2020
Paid-Up Capital	<i>PKR millions</i>	3,500	3,500	3,500
Equity	<i>PKR millions</i>	19,663	21,380	22,235
Total Assets	<i>PKR millions</i>	47,845	49,538	49,520
Total Liabilities	<i>PKR millions</i>	28,182	28,158	27,285
Profit before Tax	<i>PKR millions</i>	2174	2533	1910
Profit after Tax	<i>PKR millions</i>	1239	1813	1876
Dividend per Share	<i>PKR</i>	2.50	2.50	2.50
Cash Dividend	<i>%</i>	25.00	25.00	25.00
Break-Up Value per Share	<i>PKR</i>	56.18	61.09	63.53
Earnings per Share	<i>PKR</i>	3.54	5.18	5.36
Return on Equity	<i>%</i>	6.30	8.48	8.44
Return on Total Assets	<i>%</i>	2.59	3.66	3.79

3.19. INVESTMENT PORTFOLIO OF ALACL

The amount of investment as per audited financial statements of the Company as of June 30, 2021, was Rs. ~54 billion. The breakup of investments is as under:



The majority of investments as appeared on the financial statements of the Company are being maintained on behalf of the policyholders. The following chart represents the proportion of investment as of June 30, 2021, that pertains to investment-linked and policyholders' fund and shareholders' fund of the Company:



INVESTMENT PORTFOLIO OF STATUTORY FUND

ALACL owns a diversified portfolio, against its statutory fund investment-linked fund, invested in equity securities, sovereign and private debt securities, term deposits, and mutual funds. The Company has various sub-funds to address different risk appetites of its policy holders. Each sub-fund is governed under its own investment policy defining the threshold of different investment categories and the related benchmarks. The description of these sub-funds is elaborated in section 3.8.

It is pertinent to mention that the risk and rewards of the statutory funds are directly borne by the policy holders while the Company earns an investment management fee on managing these funds.

The size of the Investment-Linked Portfolio as of June 30, 2021, is given as under with its respective sub-funds:

Investment-Linked Statutory Fund/ sub-funds	Amount
ALACL- Investment Multiplier Fund*	21,106
ALACL- Investment Secure Fund *	13,468
ALACL- Investment Secure Fund II *	8,374
ALACL- Amaanat Fund *	822
ALACL- Dynamic Secure Fund *	53
ALACL- Dynamic Growth Fund *	245
ALACL- Mazaaf Fund *	2,616
ALACL- Tameen Fund *	2,580
Non-Unitized Investment Linked Fund	2,760
Total Investment Linked Funds	52,021

* Represents sub-funds of Unit Linked Statutory Funds

Outsourcing of Investment Function

In order to capitalize on the expertise already available within the group and to save the operating cost of establishing and running a bigger in-house investment function, Investment Management of statutory funds is currently outsourced to MCB Arif Habib Savings and Investments Limited under the advisory agreement.

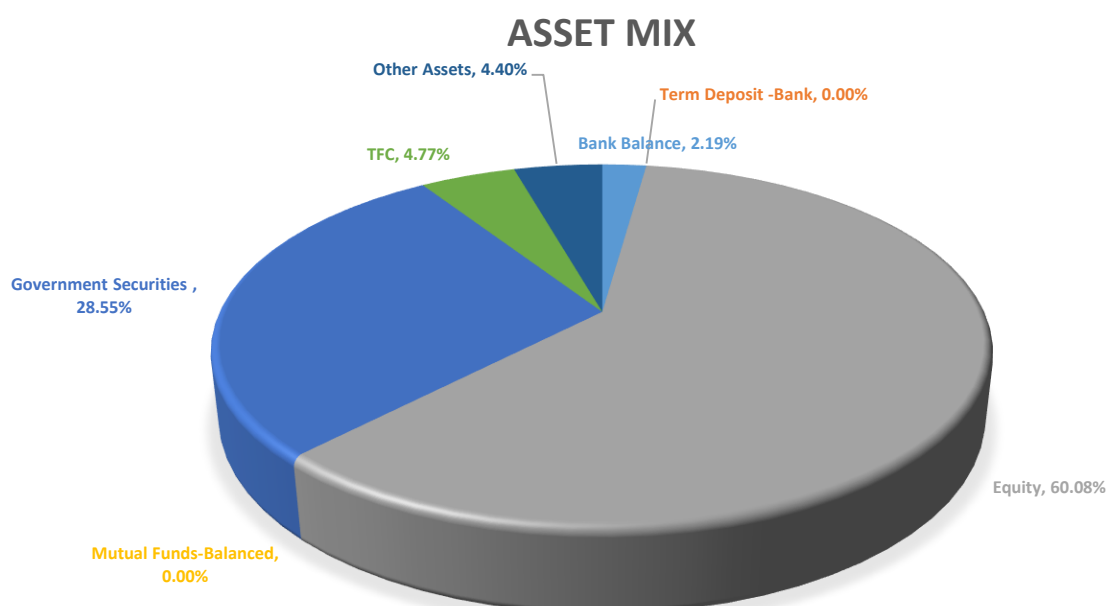
MCB Arif Habib is one of the largest Asset Management Companies in Pakistan with the highest Asset Manager Rating of AM1 by PACRA. As of Aug 31, 2021, MCB is managing assets of Rs. 165 billion with about Rs. 64 billion in Advisory Services. As per the agreement, ALACL's Management Investment Committee regularly monitors the performance, compliance, and reporting of funds to ensure competitive performance according to the investment objectives. Over the last 7 years, the performance of the Investment Function has been highly consistent, competitive and aligned with the investment objectives of the various products. The Board's Investment Committee also monitors the performance of the Funds against the benchmarks and the regulatory compliance through its quarterly meetings.

Performance and Asset Allocation of Major Investment-Linked Funds:

Investment Multiplier Fund:

Fund Objective: A well-diversified portfolio with the aim to maximize the returns by taking exposure in equities while balancing out the risk profile by investing in Government and fixed income securities and real estate.

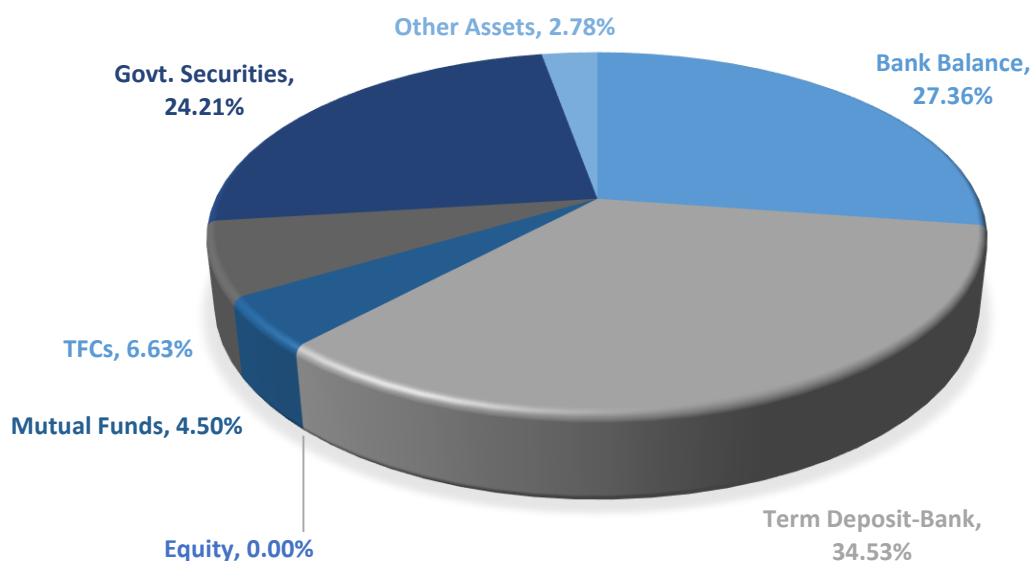
Launch Date	9-Jun-11
Allocation	60% Equity + 40% Fixed Income
Fund Size (As of June 30, 2021)	Rs. 21.1 billion
Fund Type	Asset Allocation Fund
Risk Profile	Medium
Benchmark	30% of 6M PKRV+ 10% minimum bank deposit rate + 60% KSE-100 Index Return
Since Inception Return	187.63%



Investment Secure Fund:

Fund Objective: To offer steady returns from investment in a wide variety of fixed income securities and Government Securities without taking excessive risks.

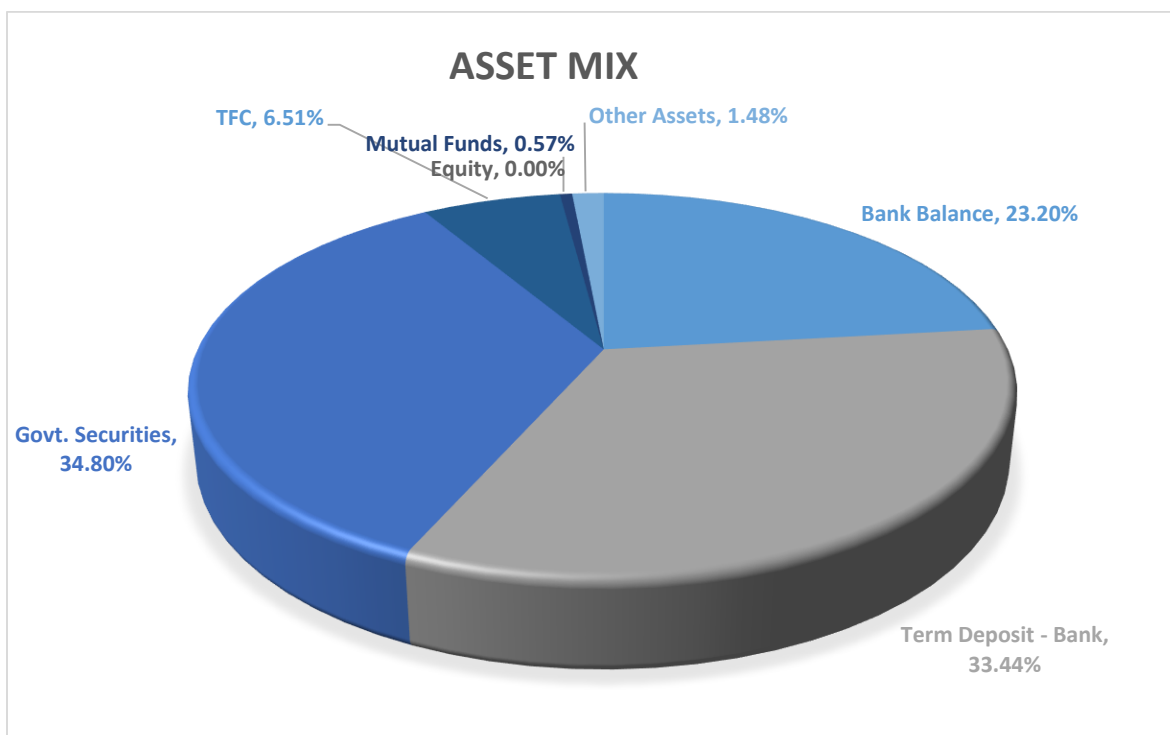
Fund Name	Investment Secure Fund
Launch Date	9-Jun-11
Allocation	100% Fixed Income
Fund Size (As of June 30, 2021)	Rs. 13.4 billion
Fund Type	Predominantly Fixed Income Fund
Risk Profile	Low to Medium
Benchmark	90% of 6M PKRV+ 10% minimum bank deposit rate
Since Inception Return	142.41% (Absolute)

ASSET MIX

Investment Secure Fund II:

Fund Objective: To deliver regular return and preservation of capital, primarily from debt and fixed income securities investments.

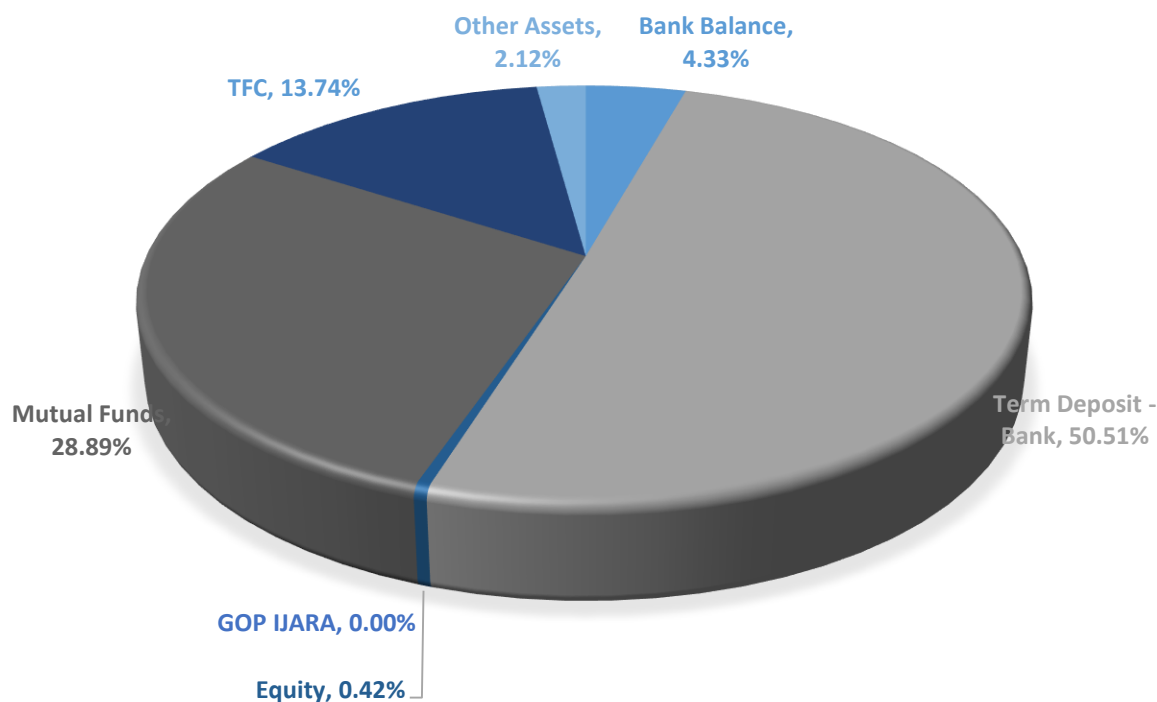
Fund Name	Investment Secure Fund II
Launch Date	1-Dec-11
Allocation	100% Fixed Income
Fund Size (As of June 30, 2021)	Rs. 8.3 billion
Fund Type	Predominantly Fixed Income Fund
Risk Profile	Low to Medium
Benchmark	90% of 6M PKRV+ 10% minimum bank deposit rate
Since Inception Return	153.45% (Absolute)



Amaanat Fund:

Fund Objective: To offer an opportunity to invest in diversified Shariah-compliant equity and fixed income securities.

Launch Date	15-Nov-12
Allocation	30% Equity + 70% Fixed Income
Fund Type	Islamic Asset Allocation Fund
Fund Size (As of June 30, 2021)	Rs. 821 million
Risk Profile	Medium
Benchmark	70% Islamic bank deposit rate on saving account as selected by MUFAP + 30% KMI - 30 Index Return
Since Inception Return	96.39% (Absolute)

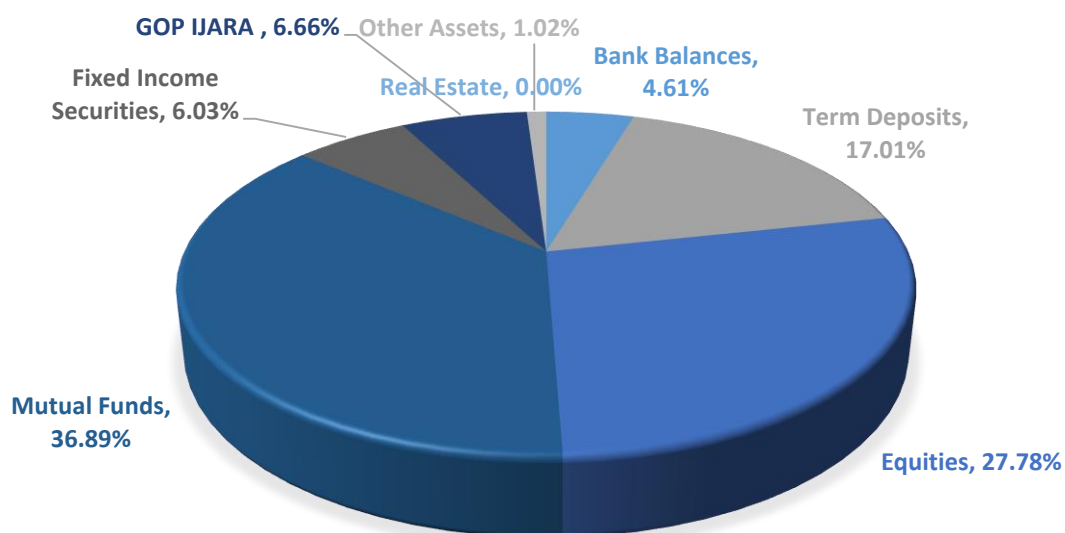
ASSET MIX

Mazaaf Fund

Mazaaf is a moderate to high-risk profile fund that generates higher returns over the long run through exposure to Shariah-compliant equities and Fixed income instruments.

Fund Name	Maza'af Fund
Launch Date	26-Jul-16
Allocation	60% Equity + 40% Fixed Income
Fund Size (As of June 30, 2021)	Rs. 2.6 billion
Fund Type	Balanced Fund
Risk Profile	Medium to High
Benchmark	60% Islamic bank deposit rate on saving account as selected by MUFAP + 40% KMI - 30 Index Return
Since Inception Return	23.84% (Absolute)

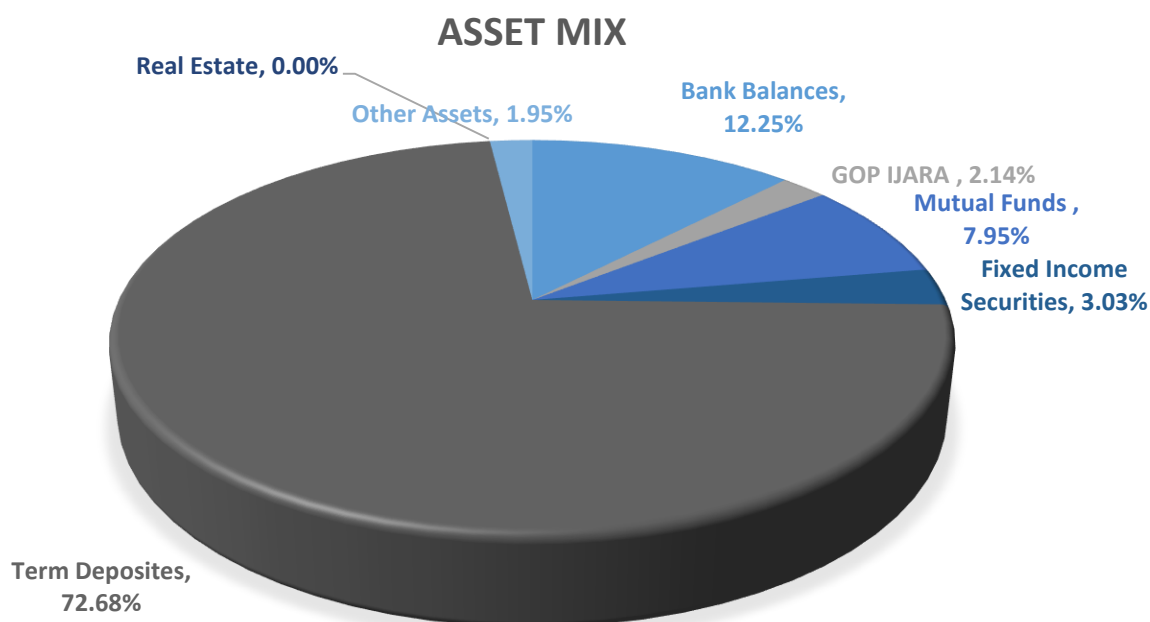
ASSET MIX



Tameen Fund

Fund Objective: Tameen is a low to moderate risk profile fund that generates stable and secure returns by balancing the investment in Shariah-compliant Fixed Income instruments and bank placements.

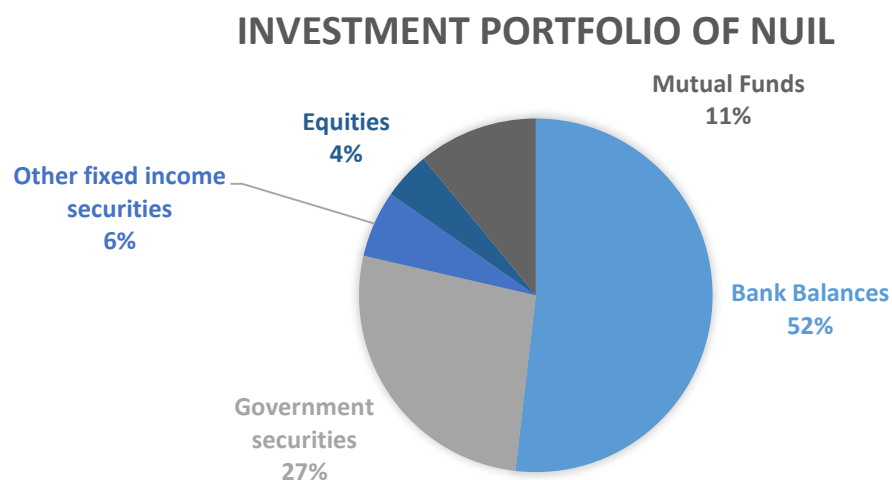
Fund Name	Tameen Fund
Launch Date	26-Jul-16
Allocation	100% Fixed Income
Fund Size (As of June 30, 2021)	Rs. 2.5 billion
Fund Type	Fixed Income Fund
Risk Profile	Low to Medium
Benchmark	Average deposit rate of three (3) A-rated Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP
Since Inception Return	34.82% (Absolute)



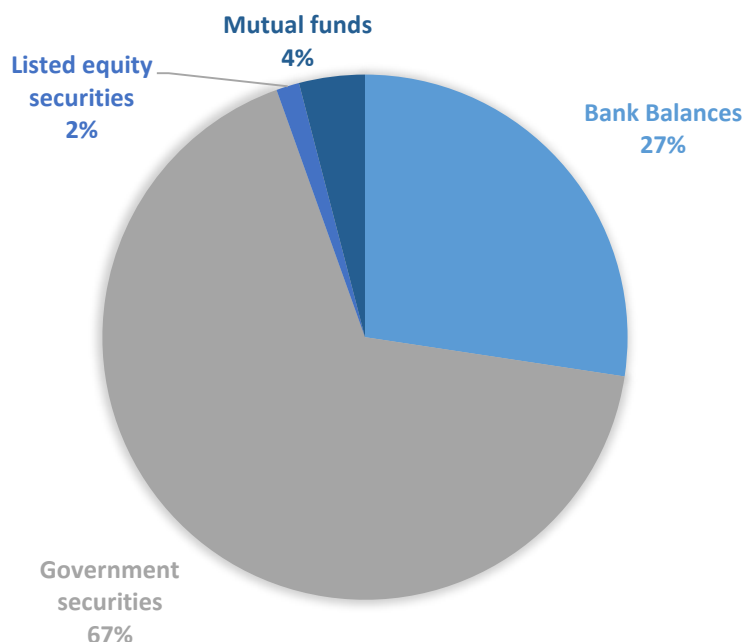
Non-Unitized Investment-Linked Fund (NUIL):

Fund Objective: To offer regular and steady returns from investment in a wide variety of fixed income securities and Government Securities with limited exposure to equities.

The following chart is representing the asset allocation as of June 30, 2021:

**Shareholders' Portfolio:**

This represents investable funds available with the Company substantially against Shareholders' equity, retained earnings available in Statutory funds account (Ledger D), and non-unitized insurance reserves parked in the statutory fund. The total size of shareholders' investment portfolio as of June 30, 2021, is Rs.1.3 billion. The break-down of such a portfolio is as under:



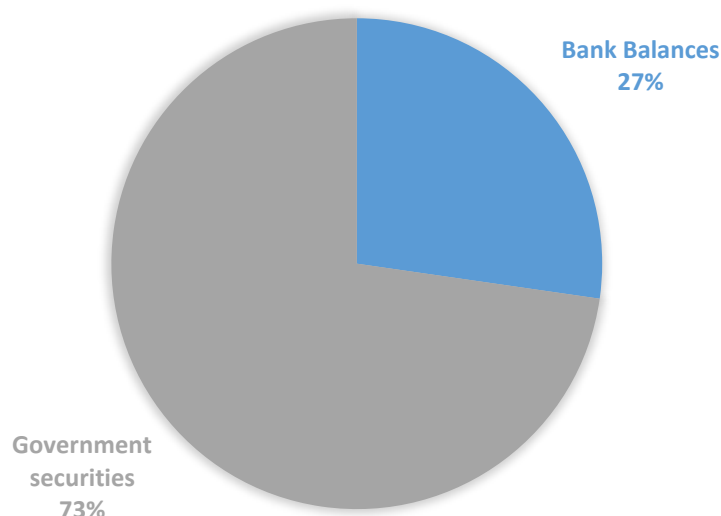
Investment of Proceeds of Right Issue

Subsequent to June 30, 2021, the Company has also received proceeds against the issuance of the Rights Issue amounting to Rs. 1.56 billion. A substantial amount of these proceeds have been invested in Government securities.

Investment Portfolio of Conventional Business Fund:

This substantially represents the investable amount available against premiums received for Company's short-term group life, credit protection, and individual term life products. The income against the investment in this portfolio is used to support above mentioned business segment and any residual investment income (if any) is transferrable to shareholders' fund through surplus appropriation.

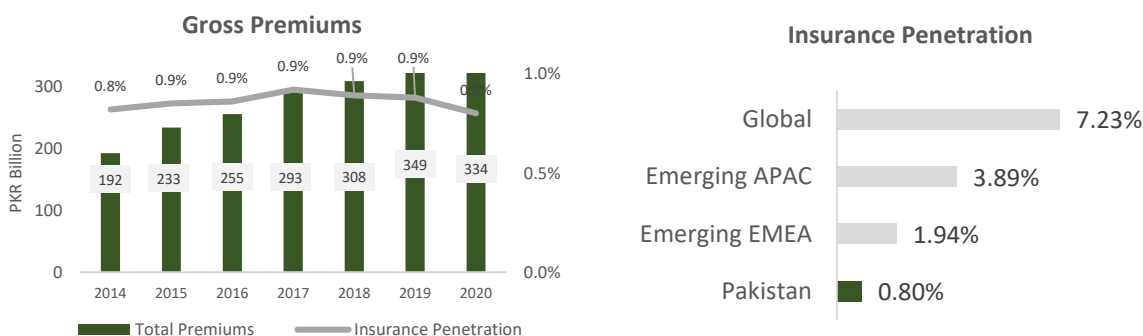
The size of the fund as of June 30, 2021, was Rs. 204 million, and the breakdown of investment under this portfolio is as follows:

INVESTMENT PORTFOLIO OF CONVENTIONAL FUND

3.20. INDUSTRY OVERVIEW

Insurance Market

Pakistan's insurance industry remained underdeveloped, with very low levels of penetration and density. The affordability of insurance products is the key barrier to growth, as household incomes are low. There is also a lack of awareness of the benefits of cover and persistent cultural barriers to further uptake of insurance. Total premiums underwritten by the entire industry stood at PKR 334 billion for 2020² representing a meager 0.8% insurance penetration in the country as compared to emerging EMEA markets average of 1.94%, emerging Asia Pacific average of 3.89%, and the global average of 7.23%³. However, insurers are increasingly educating the population and reaching first-time users through leveraging digital solutions. There is enormous long-term potential for Pakistan's insurance industry in light of the large, young population and the growing economy that will boost incomes and increase demand for insurance.



Sources of Data: Insurance Association of Pakistan and Swiss Re Institute Sigma 4/2020

The insurance sector of Pakistan constitutes 39 companies as reflected in members of the Insurance Association of Pakistan (IAP). These include public sector companies, private sector companies as well as foreign companies. A general reinsurance company is also part of the domestic industry³.

There are 30 general insurance companies and 8 life insurance companies as part of IAP. In addition to this, there are currently ten companies operating under the life insurance license issued by SECP. The premiums written by general and life insurance companies reported by IAP stood at PKR ~102 billion and PKR ~260 billion respectively for 2020⁴.

The insurance industry of Pakistan has grown from gross premiums of PKR 192 million in 2014 to PKR 334 million in 2020 representing a 6-year CAGR of 9.6%. This growth is mostly originating from life insurance premiums that have grown with a 6-year of CAGR of 10.4% while the general insurance premiums have grown by a 6-year CAGR of 8.1%.

Since the advent of the Islamic finance industry, Takaful has emerged as the counterpart to the conventional insurance service. As per IAP, there are 5 Takaful companies in Pakistan while 27 conventional insurance

² Source: Insurance Association of Pakistan – Key Financial Data 31 December 2019

³ Source: Swiss Re Institute Sigma 4/2020

³ Source: Insurance Association of Pakistan

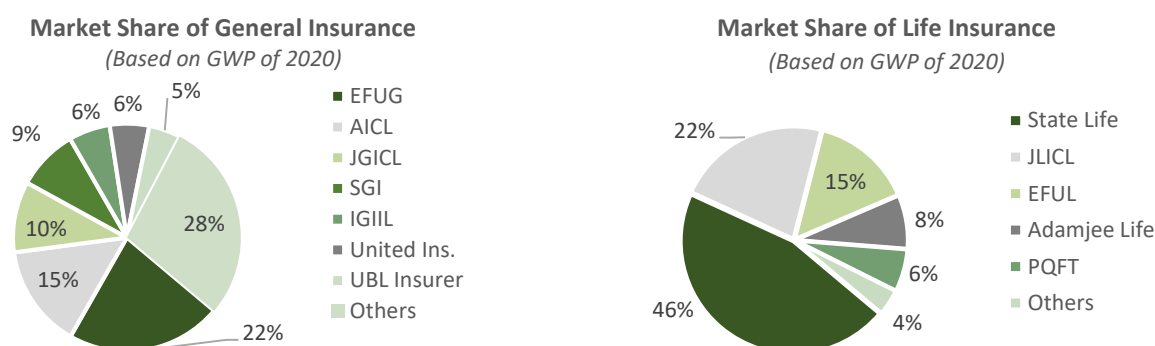
⁴ Insurance Association of Pakistan – Key Financial Data December 2020

companies have launched window Takaful operations in order to cater to the Shariah-compliant investors. The gross premiums written by the Takaful industry stood at PKR 42 billion for 2020 capturing 13% of the market share⁵ with significant growth prospects.



Source of Data: Insurance Association of Pakistan

The insurance sector is dominated by strong business groups with a proven track record of successfully executing business across various sectors. These include Nishat Group, Aga Khan Fund for Economic Development (AKFED) Group, EFU, and IGI. These groups have insurance companies in both the general and life insurance segment with leading market shares. These companies have operations beyond Pakistan as well; Adamjee Insurance booked 26% of its topline outside of Pakistan in 2020 while Jubilee has several foreign insurance entities operating in different parts of the world.



Source of Data: Insurance Association of Pakistan

Life Insurance

The life insurance sector in Pakistan remains in the earlier stages of development. Number of persons insured, in a market where around 80% of the population does not use life insurance at all, is very low, which leaves the life segment reliant on a few households that are open to the use of life insurance cover and can afford it.

⁵ Insurance Association of Pakistan – Key Financial Data December 2020

However, the relative immaturity of the market, with penetrations levels still below 1% of GDP, indicates that there is scope for substantial long-term growth in this market.

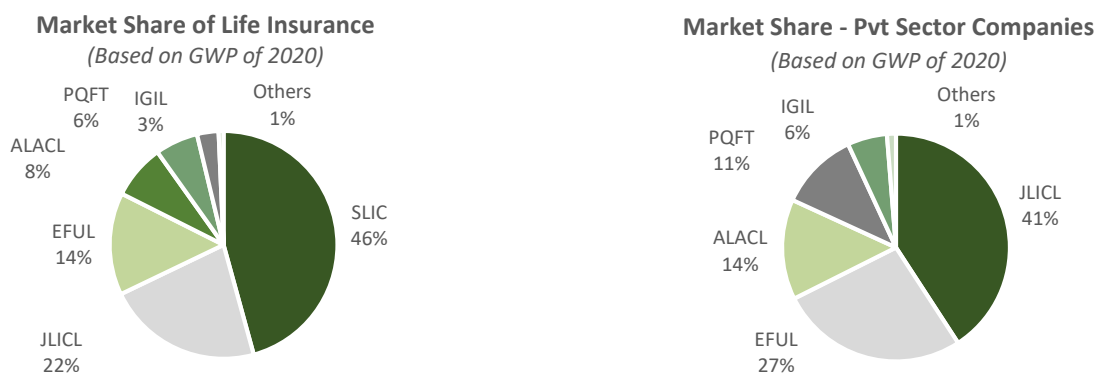
As discussed above, there are 8 life insurance companies in Pakistan as per the Insurance Association of Pakistan (IAP) as listed below:

1. Adamjee Life Assurance Company Limited (ALACL)
2. Askari Life Assurance Company Limited (ALAC)
3. EFU Life Assurance Limited (EFUL)
4. IGI Life Insurance Limited (IGIL)
5. Jubilee Life Insurance Company Limited (JLICL)
6. Pak Qatar Family Takaful Limited (PQFT)
7. State Life Insurance Corporation of Pakistan (SLIC)
8. TPL Life Insurance Limited (TPLL)

Further, there are two other licensed life insurance companies including Dawood Family Takaful Limited and Postal Life Insurance Company Limited.

Among these SLIC is the state-owned while the rest are private sector companies. SLIC has been in the life insurance business for almost 5 decades and hence commands more than half of the market share of the life insurance industry. Among the private sector companies, JLICL commands the leading market share while EFUL and ALACL are the second and third largest companies in terms of gross written premiums.

The market share of the life insurance industry as of December 2020 is demonstrated below:



Source of Data: Insurance Association of Pakistan

The life insurance industry plays a key role in determining sustainable economic performance and securing the financial management of any country. Pakistan's life insurance sector has shown considerable growth over the past few years and hence supported the national economy. Persistency level, which is a measure of the Company's ability to retain its customers' policies, is a major determinant of the success of its growth.

Impact of Covid-19

The SECP issued guidelines to insurance companies to ensure continuity of services to policyholders during the Covid-19 outbreak in the country. In addition to this, to improve ease of doing business, SECP relaxed the license renewal requirements for insurance brokers, insurance surveyors, and authorized surveying officers

by introducing a relaxation period of two months. SECP also granted insurers exemption from applying IFRS 16 (Leases) to their regulatory returns until the end of June 2020. These measures aimed to facilitate the insurance industry in coping with the disruption caused by the pandemic and strengthen the confidence of policyholders in the insurance sector.⁶

Furthermore, SECP initiated a process called Assessment of the Effects of Coronavirus on the Insurance Sector in order to ensure continuity of business for the sector. It aimed to understand and analyze the effects of the pandemic on the insurance sector in Pakistan. It sought information from insurance companies to assess the impact of the outbreak on premiums, claims, commissions, and investment performance across the insurance industry.¹²

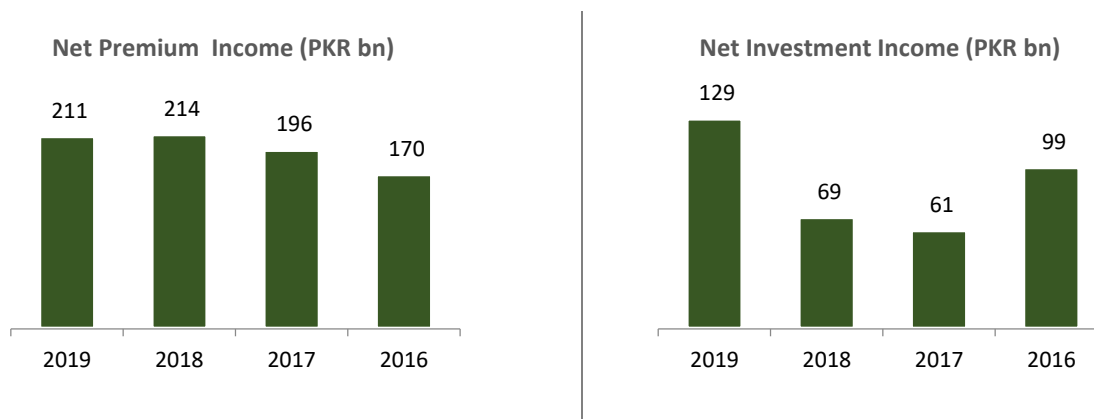
Insurers were advised to assess the disruptions caused and the risk faced regarding services and operations and prepare a plan to manage these effects. This plan should address the challenges faced across all functions and processes; preventive measures to mitigate the risk of disruption; assessment of systems, policies, and procedures; and effective communication with all stakeholders.¹²

Major insurers responded to these guidelines. EFU Life introduced 'COVID-19 Care', the first life insurance initiative in Pakistan to provide complimentary Covid-19 cover for all active clients. Should the life assured perish from Covid-19, a lump sum of PKR 100,000 will be paid out on top of the existing death benefit. Adamjee Life introduced a similar initiative called 'COVID-19 Complimentary Death Benefit Cover' that pays a lump sum of PKR 150,000. Adamjee Life also partnered with Sehat Kahani to develop a mobile application offering free online medical consultations with doctors via video or audio call at any time of the day.¹²

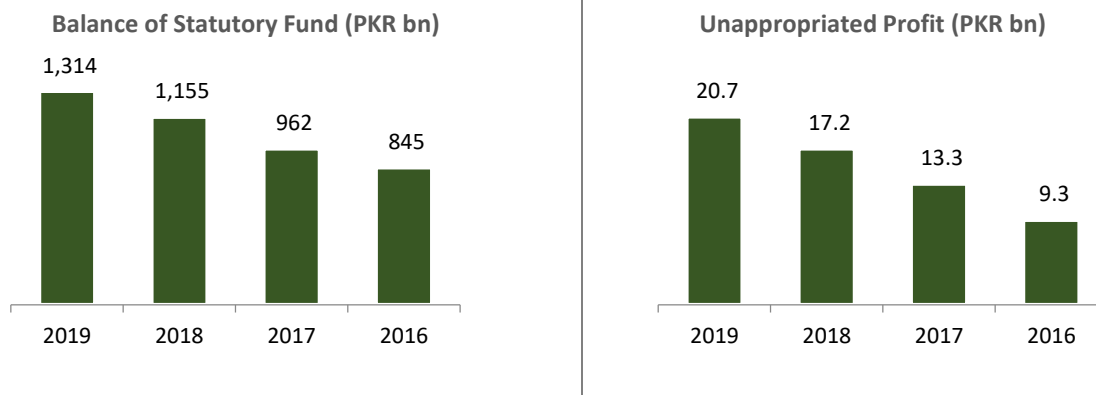
Performance Overview

The life insurance sector has shown promising growth over the last few years with gross premiums of PKR 244 billion in 2019 as compared to PKR 128 billion in 2014 which reflects a 5-year CAGR of 14%.

The total size of the Life Insurance Private Sector of Pakistan is PKR 211 billion based on net premiums of the overall industry in 2019. Since 2016, the life insurance sector of Pakistan has been experiencing robust growth, with a 3-year Compound Annual Growth Rate (CAGR) of 8% in net premium while the investment income has been growing at a 3-year CAGR of 9%.



⁶ Fitch Solutions Pakistan Insurance Report Q1 2021



Industry Outlook

Expanding life insurance coverage to the large section of the population that currently does not have any cover at all will be key to recurring long-term sustainable growth. The ambition will be supported by positive demographic and income trends. Life expectancy has been rising gradually and will continue to do so. This will boost demand for retirement and other later-in-life savings and investment products. The retirement age population is growing at a relatively slow pace. The largest proportion of the population still falls into the working-age categories, indicating a substantial potential consumer pool. A further positive indicator is a gradual improvement expected in terms of household income. At present, the vast majority of the population falls under the lower income brackets (USD 1,000-5,000 and USD 5,000-10,000) where affordability of life products is restricted. However, over the next 5 years, the number of households falling under the key USD 10,000-25,000 income bracket is expected to grow steadily which suggests that at least for a portion of the population the affordability of life cover will improve.⁷

The insurance industry has expanded by around 75% during the past 6 years⁸. This growth can be attributed to the change in perception of insurance which is now being recognized as security for a prosperous future in the event of some unfortunate incident and business growth in the country. The insurance penetration in the country is currently at a very low level and insurers are working to enhance it to the emerging markets' average. This provides huge growth potential for both general and life insurance players.

The Government of Pakistan is also keen to develop the sector and, in a move, to stabilize the industry, SECP has prescribed minimum paid-up capital requirement for life and non-life insurance companies at PKR 700 million and PKR 500 million respectively⁹ which has led to a restructuring of certain companies while others are expected to merge with bigger players. In addition, the health segment premiums are also expected to receive a boost as the government plans to expand its National Health Insurance Program.

Innovation and new product development are also supporting the industry growth in Pakistan. In a bid to realize the entire potential of the industry, the existing players are introducing products and operational innovations to meet customer needs. Similarly, cross-selling activities like bancassurance/Banca Takaful have been a game-changer in the life insurance industry having significantly improved the insurance penetration via accessibility to banks' wide network of branches and broad customer base. In addition to this, micro-

⁷ Fitch Solutions Pakistan Insurance Report Q1 2021

⁸ Source: IAP Yearbooks 2014-20, Key Financial Data Dec 2020

⁹ Insurance Rules 2017

insurance is also emerging as a strong growth driver with various insurance companies and microfinance institutions actively providing these services.

Window Takaful Operations have also been very successful in promoting growth in the industry with various conventional insurance companies opening the Takaful window. It is pertinent to note that the window Takaful operations generated gross premiums of PKR 29 billion during 2019 while the standalone Takaful companies were able to book PKR 12 billion during the same period¹⁰. The Family Takaful industry has witnessed commendable growth over the last few years with a 6-year CAGR of 30% during 2014-2020¹¹.

¹⁰ IAP Yearbook 2019-20

¹¹ IAP Yearbooks 2014-20, Key Financial Data Dec 2020

3A SHARE CAPITAL AND RELATED MATTERS

3A.1. SHARE CAPITAL

Number of Shares	Share Capital	Face Value (PKR)	Premium (PKR)	Total (PKR)
250,000,000	Authorized Share Capital	10	-	2,500,000,000
250,000,000	Issued, subscribed and paid-up share capital	10	-	2,500,000,000
Issued, Subscribed & Paid-Up Capital of ALACL as of 10/09/2021 is held as follows:				
Number of Shares	Shares held by Sponsors	Face Value (PKR)	Premium (PKR)	Total (PKR)
249,998,250	Adamjee Insurance Company Limited	10	-	2,499,982,500
	Shares held by Associates			
-	-	-	-	-
1,750	Shares held by Directors	10	-	17,500
250	Mr. Umer Mansha	10	-	2,500
250	Mr. Imran Maqbool	10	-	2,500
250	Mr. S.M. Jawed	10	-	2,500
250	Mr. Muhammad Ali Zeb	10	-	2,500
250	Mrs. Naz Mansha	10	-	2,500
250	Mr. Ahmad Alman Aslam	10	-	2,500
250	Mr. Shahmeer Khalid Butt	10	-	2,500
250,000,000	Total Paid up Capital		-	2,500,000,000
Present Offer of Ordinary Shares				
Number of Shares	Allocation	Face Value (PKR)	Premium (PKR)	Total (PKR)
18,750,000	Allocations to Institutions / HNWI's through Book Building	10	18	525,000,000
6,250,000	General Public Portion	10	18	175,000,000
25,000,000	Total Offer Size	10	18	700,000,000

3A.2. PATTERN OF SHAREHOLDING

Pattern of Shareholding as of September 10, 2021	No. of Shares	%
Associated Company, undertakings, and related parties	249,998,250	99.999 %
Adamjee Insurance Company Limited	249,998,250	99.999 %
Directors	1,750	0.001%
Mr. Umer Mansha	250	0.000 %
Mr. Imran Maqbool	250	0.000 %
Mr. S.M. Jawed	250	0.000 %
Mr. Muhammad Ali Zeb	250	0.000 %
Mrs. Naz Mansha	250	0.000 %
Mr. Ahmad Alman Aslam	250	0.000 %
Mr. Shahmeer Khalid Butt	250	0.000 %
	250,000,000	100.0%

3A.3. SPONSORS SHARES TO BE KEPT IN BLOCKED FORM

Sponsor(s)	Shareholding	% Shareholding
Adamjee Insurance Company Limited	224,998,250	89.999%
Mr. Umer Mansha	250	0.000%
Mr. Imran Maqbool	250	0.000%
Mr. S.M. Jawed	250	0.000%
Mr. Muhammad Ali Zeb	250	0.000%
Mrs. Naz Mansha	250	0.000%
Mr. Ahmad Alman Aslam	250	0.000%
Mr. Shahmeer Khalid Butt	250	0.000%

GIVEN ABOVE ARE SPONSOR SHAREHOLDING TO BE KEPT IN BLOCKED FORM AS PER THE BELOW MENTIONED REGULATIONS.

NOTE:

1. As per regulation 5(1) of the PO Regulations, the Sponsors of the Company shall retain their entire shareholding in the Company for a period of not less than twelve months from the last date for public subscription;
2. As per regulation 5(2) of the PO Regulations, the Sponsors of the Company shall retain not less than twenty-five percent of the post issue paid-up capital of the Company for not less than three financial years from the last date for the public subscription;
3. As per regulation 5(3) of the PO Regulations, the shares of the Sponsors mentioned at (1) and (2) above shall be kept unencumbered in a blocked account with a central depository;

4. Subject to compliance with sub-regulation 1 and 2 of regulation 5 of the PO Regulations and with the prior approval of the securities exchange, the Sponsors of the Company may sell their shareholding through block-sale to any other person who shall be deemed Sponsor for the purposes of the PO Regulations.

3A.4. PRESENT OFFER

The Offer comprises 25,000,000 Ordinary shares (10% of the total post-IPO paid-up capital of Adamjee Life Assurance Company Limited) of face value worth PKR 10/- each.

The entire Offer of 25,000,000 Ordinary Shares will be offered through the Book Building process at a Floor Price of PKR 28/- per share with a price band of Rs. 39.2/- per share.

The bidders shall be allowed to place bids for hundred percent (100%) of the Offer size and the Strike Price shall be the price at which the hundred percent (100%) of the Offer is subscribed. However, the successful bidders shall be provisionally allotted only seventy-five percent (75%) of the Offer size i.e., 18,750,000 shares, and the remaining twenty-five percent (25%) i.e., 6,250,000 shares shall be offered to the retail investors.

Unsubscribed shares, if any, of the General Subscription portion will be allocated to Successful Bidders of the Book Building portion on a pro-rata basis.

3A.5. SHARES ISSUED IN PRECEDING YEARS

S. No.	No. of Shares Issued	Consideration	Date of Issuance
1	53,465,348	Cash/Bank	24.12.2008
2	20,049,880	Right Issue	27.06.2012
3	20,033,172	Right Issue	17.05.2013
4	156,540,600	Right Issue	07.09.2021

3A.6. BONUS SHARES, RIGHT SHARES, AND NON-CASH SHARES ISSUED

Details of shares issued since the inception of the Company are disclosed in Part 3A.5. No bonus/ non-cash shares have been issued yet since the inception of the Company.

3A.7. DETAILS OF EMPLOYEE'S STOCK OPTION SCHEME, IF ANY OFFERED TO THE EMPLOYEES

None

3A.8. SHARES ISSUED AT A PRICE LOWER THAN THE OFFER PRICE DURING THE PRECEDING ONE YEAR.

The Company has made a Right Issue of 156,540,600 shares on 07.09.2021 at PKR 10 per share.

3A.9. RELATED EMPLOYEES

Related Employees mean such employees of the Company, the Offeror, the Book Runner, and the Lead Manager, who are involved in the Offer.

Adamjee Life Assurance Company (The Company)

S. No	Name	Designation
1	Mr. Umer Mansha	Chief Executive Officer
2	Mr. Jalal Meghani	Deputy Managing Director & CFO
3	Mr. Rahim Vallyani	Company Secretary

Adamjee Insurance Company Limited (Offeror)

S. No	Name	Designation
1	Mr. Muhammad Ali Zeb	Managing Director & Chief Executive Officer
2	Mr. Muhammad Asim Nagi	Executive Director Finance & Chief Financial Officer
3	Mr. Tameez ul Haq	Company Secretary

Next Capital Limited (Lead Manager & Book Runner)

S. No	Name	Designation
1	Mr. Muhammad Najam Ali	Chief Executive Officer
2	Mr. Shuja Alvi	Chief Business Development Officer
3	Mr. Muhammad Moazzam Ali	Managing Director, Investment Banking and Advisory
4	Mr. Saim Shahid	Assistant Vice President, Investment Banking and Advisory
5	Mr. Syed Qamber Ali	Assistant Vice President, Investment Banking and Advisory
6	Mr. Syed Danish Alam	Senior Associate, Investment Banking and Advisory

Note:

1. As per regulation 7(9) of the PO Regulations the associates of the Lead Manager & Book Runner shall not in aggregate make bids in excess of ten (10%) percent of the shares offered through Book Building. Provided that it shall not apply to such associates of the Lead Manager & Book Runner that are Financial Institutions, Mutual Funds, and Insurance Companies.
2. As required under regulation 20(10) of the PO Regulations, Related Employees of the Company, Offeror, Lead Manager, and Book Runner shall not participate in the bidding for shares and their Unique Identification Numbers shall be blocked.

4 PRINCIPAL PURPOSE OF THE OFFER AND FUNDING ARRANGEMENTS

4.1. PRINCIPAL PURPOSE OF THE OFFER

The principal purpose of the Offer for Sale is to enable the holding company to realize a gain on its investment in ALACL. Further, the public offering will enable the Company to broaden its shareholder base by bringing in public shareholders, HNWI's and Financial Institutions. It will also aid in increasing ALACL's transparency and enhance good governance measures.

4A VALUATION SECTION

4A.1. FLOOR PRICE

Successful Operational History

Incorporated in 2009, Adamjee Life Assurance Company Limited is engaged in the life insurance business carrying on non-participating business only. Within a brief period of operation, the Company has successfully developed its market and commands over 8% market share of the life insurance business.

The Company's journey with the strong Banca Distribution partnership with MCB Bank Limited had given a tremendous kick start to its rapid financial progress. The launch of the direct distribution model in 2013 further augmented Company's financial progress. This translated into ALACL becoming the quickest player in the industry to achieve break-even and an annual top line of PKR 10 billion by 2015.

The Company continued to expand its range of services and started Window Takaful Operations in respect of family Takaful products after obtaining authorization from SECP in 2016. In its pursuit to expand within the growing Takaful market, ALACL decided to add Group Family Takaful Business to its line of services after obtaining authorization from SECP and commenced such business in the second quarter of 2020. The Company has built a strong distribution network with 11 Banca Distribution partners and 64 sales offices including smart offices across the country.

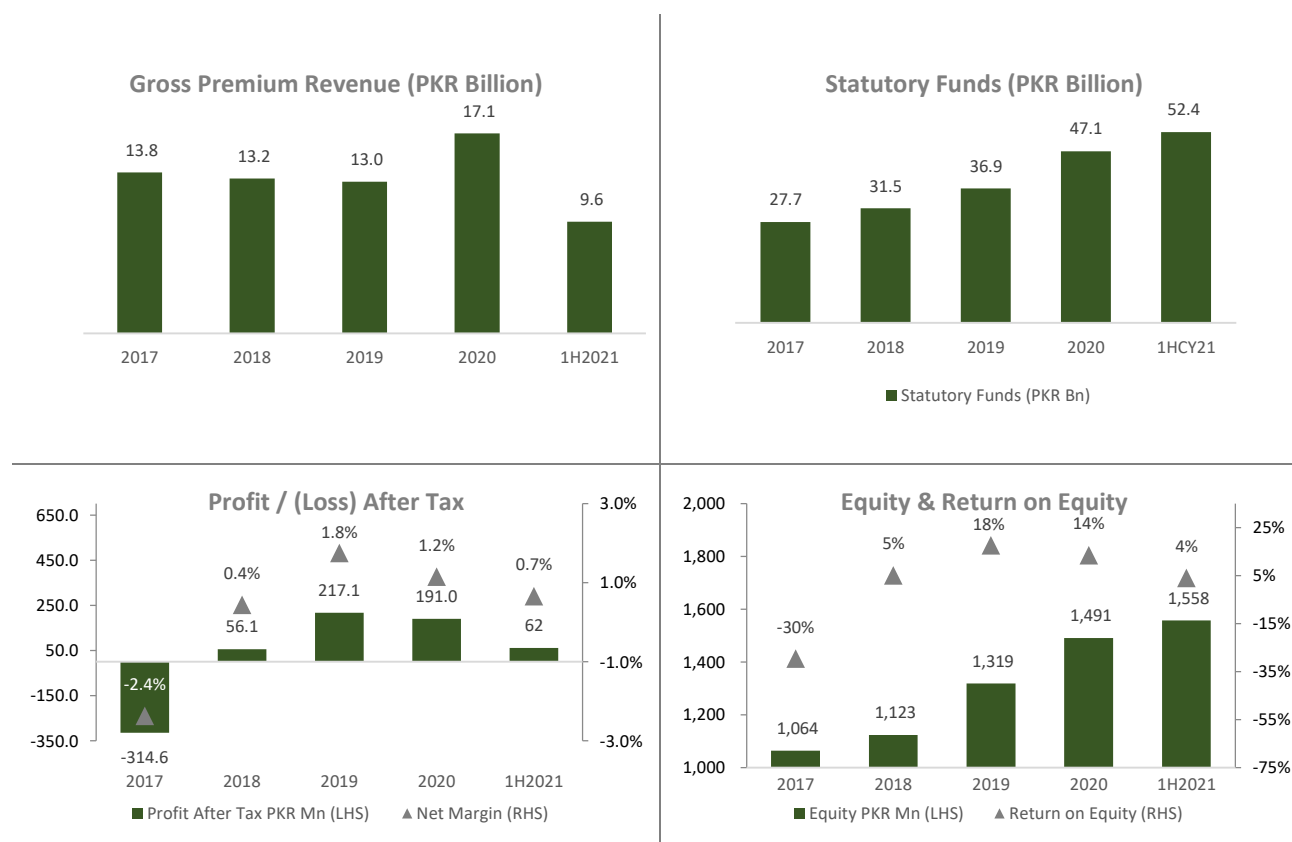
With a strong and highly trained team of relationship managers and Financial Advisors, state-of-the-art policy management and claims processing system, and strong financial backing ALACL is geared to provide complete and exclusive round-the-clock service to its customers and clients. Its long-term commitment ensures that the needs of its customers are always taken into account and is its prime consideration. The Company is redefining the life insurance paradigm by focusing on customers first. The service process is responsive, personalized, humane, and compassionate and is developed to provide peace of mind to the clients.

Strong Business Group

The Company is backed by Nishat Group, which is one of the leading and most diversified business groups of Pakistan. The group has a strong presence in various most important business sectors of the region namely Textiles (Nishat Mills, Nishat Linen), Cement (D.G. Khan Cement), Financial Services (MCB Bank, MCB Islamic Bank, Adamjee Insurance, Adamjee Life Assurance, Security General Insurance), Power (Nishat Power, Nishat Energy, Pakgen Power, Lalpir Power) and Automobile (Hyundai Nishat Motor). In addition, the Group also has a reasonable market share in hospitality, dairy, paper products, aviation, agriculture, and real estate sectors.

Financial Performance

Adamjee Life improved the gross premium revenue in 2020 by c.32%. The major boost was provided by tremendous growth in single premium business which went up from PKR 1.6 billion in 2019 to PKR 5.3 billion in 2020. The low bank deposit rate, fragile equity market, and lack of other investment opportunities were the key reasons for this boost. The premium revenue was stable around PKR 13 billion during 2017-19 which increased to PKR 17.1 billion during 2020. The Company's net claim ratio remains at an average of 47% during the last 3 years. In addition to this, the Company's statutory fund size witnessed a 3-year CAGR of 19.4% during the same period touching Rs. 52.37 billion in June 2021 generating a decent investment management fee for the Company. The Company converted its loss to profitability which has continued to grow both in absolute and relative terms. A similar trend is seen in the shareholders' equity due to the profitable stream of the Company that has returned a decent return on equity for shareholders.



Key Distribution Partners

The Company has built a sustainable and mutually beneficial relationship with its Banca Partners both in conventional and Takaful business. Apart from MCB, the Company has developed cross-selling options with the leading banks including Faysal Bank, National Bank of Pakistan, MCB Islamic Bank, Askari Bank, Silk Bank, Dubai Islamic Bank Pakistan, Al Baraka Bank, Bank Alfalah, and Habib Metropolitan Bank. Furthermore, the Company has also engaged microfinance banks and roped in Mobilink Microfinance Bank Limited and Khushali Microfinance Bank as bancassurance partners. The Company runs its direct retailed distribution through its 64 sales offices across Pakistan.

Wide Product Range

The Company is providing various policies under both conventional life and family Takaful catering to all types of clients. Its products and services include individual life conventional business, accident, and health business, unitized and non-unitized investment-linked products, group life policies, individual family Takaful unit-linked business, and group family Takaful. The Company has successfully expanded its range of products and services over the years and has added incremental gross premiums. The products and services are also customized for the requirement of policyholders and ALACL markets these through various distribution channels.

Diversified Business Channels

Adamjee Life markets its services via different distribution channels, which include bancassurance, agency (branches/sales offices), corporate and online channels. The major portion of the business is generated through the bancassurance/ Banca Takaful channel. The online channel has been recently added and is still in its infancy stage. The bancassurance/ Banca Takaful channel has provided access to a wide base of retail networks and customers. The services are also customized for different banks by offering exceptional coverage to banks' clients.

The Direct Distribution (Agency) model of the Company has also continued to expand with the addition of 6 sales offices during 2021 raising the total to 64 sales offices around the country. The Company's strategy is to increase the new business from other channels including agency while reducing reliance on bancassurance/ Banca Takaful. This model would further expand in line with the stated strategy of the Company.

Strong Direct Distribution Network

The Company has built a strong distribution network with 11 banks through Banca Distribution agreements and 64 sales offices including smart offices across the country. The Company has maintained its presence in big cities while expanding into smaller cities through 24 smart branches to increase its presence. The branches primarily include agency distribution offices for both conventional and Takaful services.

Strong Management

The management of Adamjee Life Assurance Company Limited possesses in-depth expertise in various leadership roles within the insurance industry. With decades of experience, the management is focused on delivering state-of-the-art policy management, claims processing systems, and exclusive round-the-clock premium services to the customers and clients. Adamjee Life is redefining the life insurance paradigm by focusing on customers first. The service process is responsive, personalized, humane, and compassionate and is developed to provide peace of mind to the clients. Top management of ALACL consists of highly qualified, technically skilled, and well-versed individuals. who possess valuable skillsets and resources that enable the Company to implement efficient business practices. (Further explained in Part 7.4).

Future Prospects

The future prospects of the Company are quite favorable as it has continued to extend the strategic partnerships by building a sustainable and mutually beneficial relationship with Banca partners to further augment the Banca business in ensuing years. Recent additions to the Banca partners include the National Bank of Pakistan and Habib Metropolitan Bank.

Enhancement of existing business channels such as direct distribution (agency) model is also in place with the target to touch new business generation of **PKR 1.5 billion by 2025-26**. The Company is also focusing on adding new channels including online sales which would further boost the topline.

The Company intends to increase its market share in Corporate Group Life and Credit Protection business with prudent pricing and making difference through servicing. The Company also intends to build its capacity to enter and compete in the area of mobile wallets and digitally embedded products. The expanding feet on the ground also excites the Company to consider entering into retail health insurance in near future. The Company has already launched its online products namely term life, daily hospitalization plan, and corona cover.

Justification

Based on our review, the Lead Manager is of the opinion that the historical performance of the Company, diversified clientele segments, and the demand for their quality services indicates the sustainability of business performance in the future.

The shares of the Company are being issued at a Floor price of PKR **28** per share while the Book value per share of the Company as of 09/09/2021 is PKR 12.77.

4A.2. POST OFS FREE FLOAT

Free Float	Number of shares	% Shareholding status
Held by Sponsors and Directors	225,000,000	90%
Held by General Public – Free Float	25,000,000	10%
Total	250,000,000	100%

4A.3. PEER GROUP

Pricing Comparison	ALACL	JLICL	EFUL	IGIL	ALAC
EPS	2.04	33.05	17.84	-0.56	-2.09
BVPS	15.93	147.51	61.75	12.53	3.00
Price/share ¹	28.00	265.00	190.50	40.05	7.29
P/E	13.73x	8.02x	10.68x	-71.52x	-3.49x
P/B	1.76x	1.80x	3.08x	3.20x	2.43x
ROE	12.8%	22.4%	28.9%	-4.5%	-53.0%
Free Float (%) ²	10%	20%	15%	20%	15%
Free Float (Shares mn) ²	25.00	17.45	15.00	34.11	22.53

Source: Financial Statements of Insurance Companies as of December 31, 2020

1. Prices are as of 17 September 2021
2. Free Float data has been taken from the website of PSX
3. Sources of the data include the Pakistan Stock Exchange and financial statements of the relevant insurance companies

5 RISK FACTORS

A. Internal Risks

i. INSURANCE RISK

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty in the amount of compensation paid to the insured. The occurrence of higher-than-expected frequency and severity of claims result in higher-than-expected claims payouts, which negatively affects the profitability of the Company.

Risks associated with life insurance contracts primarily include death, disability, and/or critical illness. The Company's exposure to poor risks may lead to unexpectedly high severity and frequency in claims' experience. This can be a result of anti-selection, fraudulent claims, a catastrophe, or poor persistency. The Company may also face the risk of poor investment return, inflation of business expenses, and liquidity issues on the amount invested in the fund. The Company faces the risk of underpricing particularly due to the fact that the majority of these contracts are long-term. Additionally, the risk of poor persistency may result in the Company being unable to recover expenses incurred at policy acquisition.

The Company manages these risks through its underwriting, reinsurance/retakaful, effective claims handling policy, and other related controls. The Company has a well-defined underwriting policy and avoids selling policies or issuing cover to high-risk individuals or writing business groups with overly hazardous exposure. It also tries to maintain a controlled exposure to group life business from large groups which generally have a poor experience and avoids writing business of known hazardous groups.

The Company also maintains an MIS to track the adequacy of the premium charged/ Takaful contribution charged. Reinsurance/retakaful contracts have been purchased by the Company to limit the maximum exposure on any one insured person/ covered person. The Company is developing and intends to eventually have a good spread of business throughout the country thereby ensuring diversification of geographical risks.

To avoid poor persistency, the Company applies quality controls on the standard of service provided to policyholders/participants and has placed checks to control mis-selling and to track improvements in the standard of service provided to policyholders.

On the claims handling side, the Company has procedures in place to ensure that payment of any fraudulent claims is avoided. For this, Claim Settlement Committee with variable materiality limits reviews all claims for verification and a specific and detailed investigation of all apparently doubtful claims (particularly of high amounts) is conducted. The Company also maintains adequate liquidity to cater for potentially sudden and high cash requirements.

ii. INVESTMENT RISK

The Company has an investment portfolio of ~PKR 54 billion spread across equity, debt instruments, and term deposits. Any irrational decision regarding the investments can impact the portfolio value, return on policyholder's fund, and consequently the profitability of the Company. In order to cope with such risk, the Company has hired the services of professional investment managers for managing the portfolio and has also invested in mutual funds which are managed by leading asset management companies.

iii. LIQUIDITY RISK

Liquidity risk is the risk that the Company will be unable to meet its financial obligations such as payment for claims or expenses. To guard against the risk, the Company has diversified funding sources and assets are managed considering the liquidity requirements, maintaining a healthy balance of cash and cash equivalents and readily marketable securities. The maturity profile is monitored to ensure adequate liquidity.

iv. CREDIT RISK AND CONCENTRATION OF CREDIT RISK

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counterparties.

The concentration of credit risk arises when several counter parties have similar types of business activities. As a result, any change in economic, political, or other conditions would affect their ability to meet contractual obligations in a similar manner. Major credit risk arises in credit exposure to group life policyholders on account of premiums due but unpaid and on bank balances. The Company's credit risk exposure is not significantly different from that reflected in the financial statements.

The management monitors and limits the Company's exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties, and prudent estimates of provisions for doubtful assets, if any. The management is of the view that it is not exposed to a significant concentration of credit risk as its financial assets are adequately diversified in entities of sound financial standing, covering various industrial sectors.

The Company is also exposed to "Counter-party" risk from its reinsurance arrangements. However, the Company has taken sufficient measures to mitigate the risk of default by counterparties by ceding the risk to several reinsurers with good credit ratings.

v. CUSTOMER CONCENTRATION RISK

MCB Bank's bancassurance is the biggest channel through which the Company generates its premiums. The revenue contribution from MCB has increased from PKR ~10 billion in 2018-19 to PKR ~13.90 billion in 2020 representing an increase in revenue contribution from 78% in 2018-19 to 81% in 2020. Due to its extensive retail presence, MCB is able to generate sizeable premiums for the Company. While it might appear that the Company is heavily reliant on MCB for its revenue, MCB is part of the group companies of ALACL and hence compliments sales for the Company. As the Company has entered into Banca arrangements with several other banks and simultaneously plans to expand in other channels, the reliance on bancassurance and particularly on MCB would decline over time.

vi. PENDING LEGAL PROCEEDINGS

There are a few pending legal proceedings of the Company, details of which are provided in section 8.1 of the OFSD. The total amount involved in legal proceedings is PKR ~486 million. Based on the legal advice and confidence of the management to achieve favorable outcomes, the Company has not recorded provisions against such legal proceedings. Further, if the matters are decided against ALACL, it would negatively impact the profitability of the Company.

vii. RISK OF NON-COMPLIANCE WITH PSX AND SECP REGULATIONS

In the event of non-compliance with any regulatory requirements of SECP or PSX, the Company may be placed on Defaulter Segment of PSX which may potentially hamper trading in the Company's shares leading up to potential suspension in trading as well.

B. EXTERNAL RISKS**i. SALES TAX APPLICABILITY**

The levy of Provisional Sales Tax on life insurers which is included in the taxable services by the Government of Sindh and Government of Punjab is a matter of concern for the whole industry. If the sales tax is not permanently exempted, then the products would become unviable for the policyholders and on the other hand, if the sales tax is not passed on to policyholders, then the business would not remain viable.

In view of the above, the Company has not started billing sales tax to its customers. The amount of sales tax involved (for both the Sindh and Punjab region) is around Rs.434.569 million computed on the basis of risk-based premium. Based on the legal advice and confidence of the management to achieve favorable outcomes, the Company has not recorded provisions against sales tax. Further, if the matters are decided against Adamjee Life, it would negatively impact the profitability of the Company.

ii. REGULATORY RISK

The Government plays a major regulatory role and is responsible for enforcing laws including those related to the insurance sector. However, the sector is exposed to regulatory risk if there are changes to existing laws or regulations, or introduction of new laws and compliance standards such as IFRS 17.

For ALACL, these events may result in an increase in operating cost of doing business, adverse impact on some lines of businesses and/or forceful transformation of some business practices. To address this risk, regular meetings are held with relevant stakeholders including the actuary and management, and the key is to anticipate changes to regulatory framework and how it can affect existing business.

Further, ALACL actively participates at Insurance Association of Pakistan (IAP) forum - an industry forum for insurance companies in Pakistan, where deliberations are made on any proposed regulatory changes that may have adverse impact on the business. Through this forum the industry engages with the relevant regulatory body and put its views across with the aim to support the regulatory body in introduction of new laws or amendments in existing laws that may not unnecessarily affect the business negatively.

iii. MARKET RISK

Market risk is a risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to market risk with respect to its investments and with respect to products other than unit-linked products (where the investment risk is passed on to the policyholders). The Company has invested its funds in government and private debt securities, ordinary shares, term deposits, and mutual funds. Changes in the market conditions can have an impact on the investment income as well as the value of investments held by the Company. Specifically, risks arise from fluctuation in the rate of interest, dividend earned thereon, and the possibility of capital gains or losses arising from the sale of these investments.

The Company minimizes such risk by actively monitoring the key factors that affect the investment market. It maintains a diversified portfolio and continuously monitors developments in government securities and equities.

iv. INTEREST RATE RISK EXPOSURE

The Company invests in securities and has bank balances and deposits that are subject to interest/mark-up rate risk. Interest/mark-up rate risk to the Company is the risk of changes in market interest/mark-up rates reducing the overall return on its interest-bearing securities. The Company limits interest/mark-up rate risk by monitoring changes in interest/mark-up rates in the currencies in which its cash and investments are denominated.

Currently, the Company has a debt-oriented portfolio with 66% invested in debt securities and term deposits (except for in statutory funds where the risks and rewards of the investments rest with the policy holders) and any increase in interest rate will negatively impact Company's profitability.

v. IMPACT OF COVID-19

The pandemic of COVID 19 that rapidly spread across the world has not only endangered human lives but also have adversely impacted the local and global economy. Post COVID-19 and resultant lock down, i.e., from 2nd week of March 2020 onwards, around 53 percent households faced financial implications, 37 percent of working population i.e., 20.63 million lost their jobs/could not work while 12 percent i.e., 6.7 million experienced reductions in incomes due to closure of business owing to the Covid-19 lockdowns in Pakistan. (Source: Pakistan Bureau of Statistics – December 2020).

Adamjee Life also faced a downturn, particularly in the persistency of the 2nd year premium that was considerably affected in 2020 due to COVID-related effect on affordability. However, subsequent to 2020 the persistency of the Company has reasonably improved due to improved economic conditions owing to the measures taken by the Government for handling the Covid situation in the country.

The Company might face claims from deaths arising due to coronavirus however this is likely to be low due to minuscule insurance penetration. Further, the availability of vaccines for COVID-19 is expected to overcome the threat of the pandemic considerably and restore the business momentum.

vi. UNDER-SUBSCRIPTION RISK

The Offer might be under-subscribed due to a lack of interest on the part of the investors. **The book-building process shall be considered as canceled if:**

- The Offeror does not receive bids for the number of shares allocated under the Book Building portion,
- Or the Offeror does not receive at least 40 bids.

NOTE: IT IS STATED THAT ALL MATERIAL RISK FACTORS HAVE BEEN DISCLOSED AND THAT NOTHING HAS BEEN INTENTIONALLY CONCEALED IN THIS RESPECT.

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

08/10/2021

The Chief Executive

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

We being the Chief Executive Officer and Chief Financial Officer of the Company accept absolute responsibility for the disclosures made in this Offer for Sale Document. We hereby certify that we have reviewed this Offer for Sale Document and that it contains all the necessary information with regard to the Offer and constitutes full, true, and plain disclosures of all material facts relating to the Company, the Offeror, and the Offer being made through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intendeds expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading

For and on behalf of **Adamjee Life Assurance Company Limited**.

-sd-

Jalal Meghani
Chief Financial Officer

-sd-

Umer Mansha
Chief Executive Officer

STATEMENT BY THE COMPANY

08/10/2021

The Chief Executive

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

On behalf of Adamjee Life Assurance Company Limited (the “Company”), we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer for Sale Document and that whatever is stated in Offer for Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of **Adamjee Life Assurance Company Limited**.

-sd-

Jalal Meghani
Chief Financial Officer

-sd-

Umer Mansha
Chief Executive Officer

STATEMENT BY THE OFFEROR

28/09/2021

The Chief Executive

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

On behalf of Adamjee Insurance Company Limited (the “Offeror”), we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017, and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in this Offer For Sale Document and that whatever is stated in this Offer For Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of **Adamjee Insurance Company Limited**.

-sd-

Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

-sd-

Muhammad Asim Nagi
Chief Financial Officer

STATEMENT BY THE LEAD MANAGER & BOOK RUNNER

14/10/2021

The Chief Executive

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Being mandated as the Lead Manager & Book Runner to this Initial Public Offering of Adamjee Life Assurance Company Limited through the Book Building process, we hereby confirm that all material information as required under the Securities Act, 2015, the Public Offering Regulations, 2017, and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in this Offer for Sale Document and that whatever is stated in Offer for Sale Document and in the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of **Next Capital Limited**

-sd-

Najam Ali
Chief Executive Officer

6 FINANCIAL INFORMATION

6.1. AUDITOR'S CERTIFICATE ON ISSUED & SUBSCRIBED AND PAID-UP CAPITAL



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com

01-148 / 0326
September 08, 2021

Rahim Vallyani
Company Secretary
Adamjee Life Assurance Company Limited
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi

Dear Sir

AUDITOR'S CERTIFICATE ON ISSUED, SUBSCRIBED AND PAIDUP CAPITAL UNDER CLAUSE 14 (i) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017

We have been requested to provide with a certificate on issued, subscribed and paid-up capital of Adamjee Life Assurance Company Limited (the Company) as at June 30, 2021 as required under Clause 14(i) of Section 1 of the First Schedule of the Public Offering Regulations, 2017.

Scope of Certificate

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities for listing purpose.

Management Responsibilities

It is the management's responsibility to ensure compliance with the Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulation, 2017. Management's responsibility includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is also responsible for submission of this certificate to the regulatory authorities.

Auditor's Responsibilities

Our responsibility is to certify the issued, subscribed and paid-up capital of the Company as at June 30, 2021 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

- Traced the amount of issued, subscribed and paid-up capital from the audited interim financial statements for the half year ended June 30, 2021; and
- Obtain and review "Form A" to corroborate figures reported in the financial statements for issued, subscribed and paid-up capital



Independent Chartered Firm to
Deloitte Touche Tohmatsu Limited



Yousuf Adil
Chartered Accountants

Certificate

Based on procedures mentioned above, we certify that pattern of shareholding of the Company as at June 30, 2021, as follows:

Issued subscribed and paid up capital **June 30, 2021**
(Rupees)

93,549,400 ordinary shares of Rs.10 each fully paid in Cash 935,494,000

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
M/s Adamjee Insurance Company Limited	93,547,650	935,476,500
Mr. Umer Mansha	250	2,500
Mr. Imran Maqbool	250	2,500
Mr. S.M. Jawed	250	2,500
Mr. Muhammad Ali Zeb	250	2,500
Mrs. Naz Mansha	250	2,500
Mr. Samir Iqbal Saigol	250	2,500
Mr. Ahmed Aqeel	250	2,500
	93,549,400	935,494,000

Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly


Chartered Accountants

Place: Karachi

Date: September 08, 2021

Independent Consultant Firm is
Deloitte Touche Tohmatsu Limited


YOUSUF ADIL

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSLJ, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com

01-148 / 0451
September 23, 2021

Rahim Vallyani
Company Secretary
Adamjee Life Assurance Company Limited
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi

Dear Sir

AUDITOR'S CERTIFICATE ON ISSUED, SUBSCRIBED AND PAIDUP CAPITAL UNDER CLAUSE 14 (i) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017 BASED ON UNAUDITED FINANCIAL STATEMENTS AS AT SEPTEMBER 09, 2021

We have been requested to provide with a certificate on issued, subscribed and paid-up capital of Adamjee Life Assurance Company Limited (the Company) based on unaudited financial statements as at September 09, 2021 as required under Clause 14(i) of Section 1 of the First Schedule of the Public Offering Regulations, 2017.

Scope of Certificate

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities for listing purpose.

Management Responsibilities

It is the management's responsibility to ensure compliance with the Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulation, 2017. Management's responsibility includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is also responsible for submission of this certificate to the regulatory authorities.

Auditor's Responsibilities

Our responsibility is to certify the issued, subscribed and paid-up capital of the Company based on unaudited financial statements as at September 09, 2021 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

- Traced the amount of issued, subscribed and paid-up capital from the unaudited interim financial statements as at September 09, 2021; and
- Obtain and review "Form 3" to corroborate figures reported in the financial statements for issued, subscribed and paid-up capital



Independent Consultant Firm to
Deloitte Touche Tohmatsu Limited



Yousuf Adil
Chartered Accountants

Certificate

Based on procedures mentioned above, we certify that pattern of shareholding of the Company as at September 09, 2021, as follows:

Issued subscribed and paid up capital	September 09, 2021 (Rupees)
250,000,000 ordinary shares of Rs.10 each fully paid in Cash	2,500,000,000

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
M/S Adamjee Insurance Company Limited	249,998,250	2,499,982,500
Mr. Umer Mansha	250	2,500
Mr. Imran Maqbool	250	2,500
Mr. S.M. Jawed	250	2,500
Mr. Muhammad Ali Zeb	250	2,500
Mrs. Naz Mansha	250	2,500
Mr. Samir Iqbal Saigol	250	2,500
Mr. Ahmed Aqeel	250	2,500
	250,000,000	2,500,000,000

Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly


Chartered Accountants

Place: Karachi

Date: September 23, 2021

6.2. AUDITOR'S CERTIFICATE ON BREAK-UP VALUE PER SHARE



01-148 / 0327
September 08, 2021

Rahim Vallyani
Company Secretary
Adamjee Life Assurance Company Limited
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi

Dear Sir

AUDITOR'S CERTIFICATE ON BREAKUP VALUE PER SHARE BASED ON AUDITED HALF YEARLY FINANCIAL STATEMENTS AS AT JUNE 30, 2021 UNDER CLAUSE 14 (ii) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017

We have been requested by you to provide with a certificate on breakup value of ordinary shares of Adamjee Life Assurance Company Limited (the Company) based on the audited financial statements of the Company for the half year ended June 30, 2021 as required under Clause 14(ii) of Section 1 of the First Schedule of the Public Offering Regulations, 2017.

Scope of Certificate

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(ii) of section 1 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities.

Management Responsibilities

The responsibility for computation of breakup value of ordinary shares of the Company, based on the audited interim financial statements of the Company for the half year ended on June 30, 2021 in accordance with requirements of the Technical Release (TR)-22 of the Institute of Chartered Accountants of Pakistan (ICAP) is primarily that of the management of the Company. Management's responsibility also includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is responsible for onwards submission of this certificate to regulatory authorities.

Auditor's Responsibilities

Our responsibility is to certify the breakup value of ordinary shares of the company based on the audited interim financial statements of the Company for the half yearly ended June 30, 2021 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to trace the relevant financial information used for the purpose of calculating the breakup value of ordinary shares by the management of the Company from the audited interim financial statements of the company for the half yearly ended June 30, 2021. In this regard, we have also audited the compliance with the requirements of Technical Release (TR)-22 of the Institute of Chartered accountants of Pakistan (ICAP). Our verification was limited to the procedures as mentioned below:

- Obtain and review the working of Break Up value to ensure compliance of TR 22; and
- Traced amount used in the breakup value calculation from interim audited financial statements for the half year ended June 30, 2021 of the Company



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com

Independent Chartered Firm is
Belonging to the Institute of Chartered Accountants of Pakistan



Yousuf Adil
Chartered Accountants

Certificate

Based on procedures mentioned above, we certify that breakup value of ordinary shares of the company as at June 30, 2021, based on audited financial statements of the Company for the half year ended June 30, 2021, is as follows:

			June 30, 2021 Audited Half Yearly
Issued subscribed and paid up capital	Rs.		935,494,000
Money Ceded to Waqf Fund	Rs.		500,000
Deficit on Revaluation of Available for Sale Investments	Rs.		(1,018,000)
Ledger Account D	Rs.	A	591,234,000
Unappropriated Profit	Rs.		31,721,000
Total Shareholder's Equity (including Ledger Account D)	Rs.	B	1,557,931,000
Total Shareholder's Equity (excluding Ledger Account D)	Rs.	C = B - A	966,697,000
Number of Ordinary shares	Number	D	93,549,400
Nominal value per share	Rs./Share		10
Breakup value per Ordinary share (including Ledger Account D)	Rs./Share	E=B/D	16.65
Breakup value per Ordinary share (excluding Ledger Account D)	Rs./Share	F=C/D	10.33

Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to other regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly


Chartered Accountants

Place: Karachi
Date: September 08, 2021



Yousuf Adil
Chartered Accountants

Cavalli Court, A-05, Block 7 & 8
KCHSU, Shuhrah-e-Faisal
Karachi-75350
Pakistan

01-148 /0422
September 21, 2021

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1214
www.yousufadil.com

Rahim Vallyani
Company Secretary
Adamjee Life Assurance Company Limited
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi

Dear Sir

AUDITOR'S CERTIFICATE ON BREAKUP VALUE PER SHARE BASED ON UNAUDITED INTERIM FINANCIAL STATEMENTS AS AT SEPTEMBER 09, 2021 UNDER CLAUSE 14 (ii) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017

We have been requested by you to provide with a certificate on breakup value of ordinary shares of Adamjee Life Assurance Company Limited (the Company) based on the unaudited interim financial statements of the Company as at September 09, 2021 as required under Clause 14(ii) of Section 1 of the First Schedule of the Public Offering Regulations, 2017.

Scope of Certificate

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(ii) of Section 1 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities.

Management Responsibilities

The responsibility for computation of breakup value of ordinary shares of the Company, based on the unaudited interim financial statements of the Company as at September 09, 2021 in accordance with requirements of the Technical Release (TR)-22 of the Institute of Chartered Accountants of Pakistan (ICAP) is primarily that of the management of the Company. Management's responsibility also includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is responsible for onwards submission of this certificate to regulatory authorities.

Auditor's Responsibilities

Our responsibility is to certify the breakup value of ordinary shares of the company based on the unaudited interim financial statements of the Company as at September 09, 2021 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to trace the relevant financial information used for the purpose of calculating the breakup value of ordinary shares by the management of the Company from the unaudited interim financial statements of the Company as at September 09, 2021. In this regard, we have also audited the compliance with the requirements of Technical Release (TR)-22 of the Institute of Chartered accountants of Pakistan (ICAP). Our verification was limited to the procedures as mentioned below:

- Obtain and review the working of Breakup value to ensure compliance of TR 22; and
- Traced amount used in the breakup value calculation from unaudited interim financial statements as at September 09, 2021 of the Company.



Independent Chartered Accountants Firm for
Benevolent Trustee Pakistan Limited



Yousuf Adil
Chartered Accountants

Certificate

Based on procedures mentioned above, we certify that breakup value of ordinary shares of the Company as at September 09, 2021, based on unaudited financial statements of the Company as at September 09, 2021, is as follows:

			September 09, 2021 Unaudited Interim Financial Statement
Issued subscribed and paid up capital	Rs.		2,500,000,000
Money Ceded to Waqf Fund	Rs.		500,000
Deficit on Revaluation of Available for Sale Investments	Rs.		(2,627,000)
Ledger Account D	Rs.	A	664,898,000
Unappropriated Profit	Rs.		29,729,000
Total Shareholder's Equity (including Ledger Account D)	Rs.	B	3,192,500,000
Total Shareholder's Equity (excluding Ledger Account D)	Rs.	C = B - A	2,527,602,000
Number of Ordinary shares	Number	D	250,000,000
Nominal value per share	Rs./Share		10
Breakup value per Ordinary share (including Ledger Account D)	Rs./Share	E=B/D	12.77
Breakup value per Ordinary share (excluding Ledger Account D)	Rs./Share	F=C/D	10.11

Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to other regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Further, we state that we have not performed any verification procedures on the unaudited interim financial statements. Had we performed an audit or review of the financial statements, other matters might have come to our attention that would have been reported to you and which may have impacted the breakup value per ordinary share as reported in the accompanying computation.

Yours truly

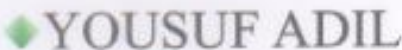

Chartered Accountants

Place: Karachi

Date: September 21, 2021

Independent Chartered Accountants Firm Ltd
Registered Office: F-7/2, Phase-7, Islamabad

6.3. AUDITOR REPORT UNDER CLAUSE 1 OF SECTION 2 OF FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATION, 2017



01-148 / 0353
September 13, 2021

Rahim Vallyani
Company Secretary
Adamjee Life Assurance Company Limited
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road,
Karachi

Dear Sir

AUDITOR'S CERTIFICATE UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE OF THE PUBLIC OFFERING REGULATIONS, 2017

We have been requested to provide with a certificate with respect to information of Adamjee Life Assurance Company Limited (the Company), as required under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulations, 2017.

Scope of Report

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities.

Management Responsibilities

The responsibility for preparation and fair presentation of the financial information and non-financial information is primarily that of the management of the Company. Management's responsibility also includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is responsible for onwards submission of this certificate to regulatory authorities.

Auditor's Responsibilities


Our responsibility is to report the information as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulation, 2017. Our report is being issued 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 (ICAP). Our verification was limited to validating the correctness of financial and non-financial information included in this report (including annexures). Our verification was limited to the procedures as mentioned below:

- Obtained audited financial statements for the half year ended June 30, 2021, year ended December 31, 2020 and year ended December 31, 2019;
- Traced amounts in
 - Annexure 'A' from statement of financial position of respective audited financial statements;
 - Annexure 'B' from statement of profit or loss of respective audited financial statements; and
 - Annexure 'C' from statement of comprehensive income of respective audited financial statements

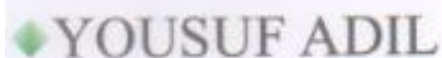
YOUSUF ADIL
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com



Independent Chartered Accountant Firm for
Deloitte Touche Pakistan Limited



Yousuf Adil
Chartered Accountants

- Traced from statement of changes in equity of respective audited financial statements whether any dividend was declared during the respective period, and
- Traced from respective audited financial statements whether the Company has any investment in subsidiary.

Certificate

Based on procedures mentioned above, we are pleased to state the following:

1. We have audited interim financial statements for the half year ended June 30, 2021 and audited the financial statements for the year ended December 31, 2020, December 31, 2019.
2. In terms of the requirement under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulation, 2017 and based on the audited financial statements, we state as under:
 - a. Summary of assets, liabilities and shareholder's equity of the Company for the half year ended June 30, 2021 and years ended December 31, 2020 and December 31, 2019 is included in Annexure 'A' of this report;
 - b. The Statement of profit or loss of the Company for the half year ended June 30, 2021 and years ended on December 31, 2020 and December 31, 2019 is included in Annexure 'B' of this report; and
 - c. The Statement of Comprehensive Income of the Company for the half year ended June 30, 2021 and years ended on December 31, 2020 and December 31, 2019 is included in Annexure 'C' of this report.
3. No dividend was declared by the Company during the half year ended 30 June 2021 and years ended December 31, 2020 and December 31, 2019.
4. For the half year ended June 30, 2021 and year ended December 31, 2020 and December 31, 2019, the Company did not have subsidiaries.

Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to other regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly



Chartered Accountants

Place: Karachi

Date: September 13, 2021

Independent Corroborative Audit by
Deloitte Touche Tohmatsu Limited

Annexure A

SUMMARY OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY

	June 30, 2021 (Audited)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
	Rupees in '000s		
Assets			
Property and equipment	126,629	126,198	149,924
Intangible assets	30,709	39,194	62,309
Right of use assets	206,311	236,382	351,742
Investment property	897,394	855,394	876,394
Investments			
Equity securities	7,949,318	7,072,300	7,485,912
Government securities	9,996,932	11,535,092	5,377,637
Debt securities	3,127,128	3,380,743	2,773,969
Term deposits	13,695,000	7,962,000	9,585,000
Mutual funds	8,084,879	8,596,989	5,855,626
Loan secured against life insurance Policies	37,465	29,912	32,785
Insurance / reinsurance receivables	292,222	232,084	57,224
Other loans and receivables	811,199	456,831	276,164
Taxation - payments less provision	405,757	315,074	251,092
Prepayments	47,225	46,171	37,331
Cash and bank	9,768,719	9,955,652	7,260,559
Total Assets	55,476,887	50,839,416	40,433,668



	June 30, 2021 (Audited)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
	Rupees in '000s		
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	935,494	935,494	935,494
Money ceded to Waqf fund	500	500	500
(Deficit) / surplus on revaluation of available for sale investments	(1,018)	361	(3,562)
Ledger account D	591,234	525,915	367,174
Unappropriated profit	31,721	28,345	19,685
Total Equity	1,557,931	1,490,615	1,319,291
Liabilities			
Insurance liabilities	52,323,465	47,033,478	36,735,953
Retirement benefit obligations	21,975	112,349	37,026
Deferred taxation	234,803	206,583	96,040
Lease liabilities	233,978	271,436	361,378
Borrowings	127,709	164,482	-
Deferred government grant	8,314	13,807	-
Premium received in advance	279,342	325,033	261,045
Insurance / reinsurance payables	-	130,635	125,265
Other creditors and accruals	689,370	1,090,998	1,497,670
Total Liabilities	53,918,956	49,348,801	39,114,377
Total equity and liabilities	55,476,887	50,839,416	40,433,668



Annexure B

STATEMENT OF PROFIT OR LOSS

	June 30, 2021 (Audited)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
	Rupees in '000s		
Revenue			
Premium / contribution revenue	9,552,792	17,100,887	12,969,421
Premium / contribution ceded to reinsurers / (retakaful)	(225,633)	(563,967)	(583,271)
Net premium / contribution revenue	9,327,159	16,536,920	12,386,150
Investment income	1,400,338	2,586,859	2,539,618
Net realised fair value gains on financial assets	453,387	659,798	119,652
Net fair value gains on financial assets at fair value through profit or loss - unrealised	31,875	738,783	435,397
Net rental income	1,500	3,750	2,250
Net unrealised gain/ (loss) on investment property	42,000	(21,000)	21,000
Other income	170,513	316,983	391,800
	2,099,613	4,285,173	3,509,717
Net income	11,426,772	20,822,093	15,895,867
Insurance benefits	(4,291,610)	(7,452,420)	(7,065,482)
Recoveries from reinsurers / retakaful	247,693	620,863	349,308
Claims related expenses	(4,502)	(7,074)	(7,708)
Net insurance benefits	(4,048,419)	(6,838,631)	(6,723,882)
Net change in insurance / Takaful Liabilities (other than outstanding claims)	(5,178,940)	(9,937,066)	(5,125,588)
Acquisition expenses	(1,530,110)	(2,692,072)	(2,700,478)
Marketing and administration expenses	(561,016)	(1,011,201)	(1,048,405)
Other expenses	(6,718)	(7,164)	(8,456)
	(7,276,784)	(13,647,503)	(8,882,927)
Total expenses	(11,325,203)	(20,486,134)	(15,606,809)
Finance costs	(13,319)	(25,767)	(7,877)
Results of operating activities / profit before tax	88,250	310,192	281,181
Income tax expense	(26,317)	(119,178)	(64,075)
Profit for the period	61,933	191,014	217,106



STATEMENT OF COMPREHENSIVE INCOME

Annexure C

	June 30, 2021 (Audited)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
	Rupees in '000s		
Profit for the period- as per statement of profit or loss	61,933	191,014	217,106
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to statement of profit or loss</i>			
Actuarial gains / (losses) on retirement benefit scheme	9,525	(33,258)	(29,676)
Related deferred tax	(2,762)	9,645	8,606
	6,763	(23,613)	(21,070)
<i>Item that will be reclassified subsequently to statement of profit or loss</i>			
Change in unrealized (loss) / gain on revaluation of available for sale investments	(1,943)	5,526	516
Related deferred tax	563	(1,603)	(150)
	(1,380)	3,923	366
Total other comprehensive profit / (loss)	5,383	(19,690)	(20,704)
Total comprehensive income for the period	67,316	171,324	196,402



6.4. SUMMARY OF FINANCIAL HIGHLIGHTS

Summary of Financials (PKR Mn)		2018	2019	2020	1HCY21
Earnings					
Gross Premium	A	13,247	12,969	17,101	9,553
Reinsurance Ceded	B	536	583	564	226
Net Premium	C=A+B	12,711	12,386	16,537	9,327
Investment & Other Income	D	334	3,510	4,285	2,100
Total/Net Income	E	13,045	15,896	20,822	11,427
Net Claims	F	6,316	6,724	6,839	4,048
Net changes in insurance liabilities	G	3,703	5,126	9,937	5,179
Net Commission	H	1,894	2,317	2,146	1,168
Other acquisition Cost	I	246	383	546	362
Marketing and administration expense	J	810	1,048	1,011	561
Total Expenses	K	12,973	15,607	20,486	11,325
Finance Cost	L	0	8	26	13
Profit Before Tax	M	73	281	310	88
Profit After Tax	N	56	217	191	62
Balance Sheet					
Paid up Capital	O	935	935	935	935
Shareholders' Equity	P	1,123	1,319	1,491	1,558
Investments (incl. bank deposits and investment property)	Q	32,950	39,215	49,358	53,519
Cash and Bank Balances	R	3,312	7,261	9,955	9,769
Total Assets	S	33,912	40,434	50,839	55,477
Total Liabilities	T	32,789	39,114	49,349	53,919
Borrowings	U	0	0	164	128
Book Value Per Share	P/(O/10)	12.00	14.10	15.93	16.65
Operating Performance					
Cession Ratio	B/A	4.05%	4.50%	3.30%	2.36%
Claims Ratio	F/C	49.69%	54.29%	41.35%	43.40%
Expense Ratio	(K-F-G)/C	23.24%	30.33%	22.43%	22.49%
Risk Retained	C/A	95.95%	95.50%	96.70%	97.63%
Net Margin	N/C	0.44%	1.75%	1.15%	0.66%
Return on Equity	N/Average P	5.12%	17.77%	13.59%	8.13%
Debt Management					

Debt/Asset	U/S	0.00x	0.00x	0.00x	0.00x
Debt/Equity	U/P	0.00x	0.00x	0.11x	0.08x

Capital Adequacy					
Paid up Capital/Total Assets	O/S	2.76%	2.31%	1.84%	1.69%
Paid up Capital/Equity	O/P	83.26%	70.89%	62.71%	60.01%
Equity/Total Assets	P/S	3.31%	3.26%	2.93%	2.81%

Investments					
Investment Yield	D/Average Q	1.08%	9.73%	9.68%	8.16%

Cashflows					
Cash flow from operations	X	4,060	2,865	5,650	2,588

The financial reports of ALACL can be downloaded from the below link:
<https://www.adamjeelife.com/investor-information/#financialhighlights>

COMMENTARY ON FINANCIAL PERFORMANCE

- The major boost to 32% gross premium growth in 2020 was provided by tremendous growth in single-premium business. The low bank deposit rate, fragile equity market, and lack of other investment opportunities as against decent returns posted by the Company's funds provided this boost. However, due to prolonged covid-19 related look down in 2020, the Company's Banca business registered a decline of 20% as against the industry level dip of 29% in the new Banca business. The top-line growth was also attributable to the increase in new business through expansion of the Company's direct distribution network thus partially compensating the dip in the Bancassurance business.
- The total investment income of the Company which is largely attributable to statutory funds has increased from PKR 334 million in 2018 to PKR 4,285 million in 2020. The evident growth is further expected to continue as the Company booked PKR 2,100 million in investment income for 1HCY21.
- The net change in insurance liabilities represent premiums and investment income allocated to policy holders' account in accordance with the terms and conditions of the products in the selected funds. It also includes deductions made on account of insurance risk charged, any policy admin fee and investment management charges, etc. It also takes into account policies surrendered or lapsed due to any reason and reserving required according to the actuarial valuation of any future obligations.
- The acquisition expenses of the Company have grown in line with the business expansion. Similarly, the marketing and administration expenses have also been streamlined with the growth in gross premiums.
- The Company's net claim ratio is not in excess of actuarial assumptions made while pricing the products.
- The Company's investment yield is more or less in accordance with the benchmark and competitive among its peers.
- The higher levels of profits before tax in 2019 and 2020 were a result of improved underwriting margin and stabilized marketing and administration costs. The improved underwriting margin (net premium plus investment income less net claims, acquisition cost, and change in insurance liabilities) is an indication of business maturity with an increase in-force policies and size of statutory funds. The Company is confident that the improved underwriting margin will continue to grow in the ensuing years with the expanded writing of new business and stable persistency.
- During 2020, the Company's balance sheet size increased by ~26% due to expansion of business that witnessed a ~32% increase in Gross Written Premiums. On the liabilities side, a major rise was seen in insurance liabilities that are directly linked with growth in the insurance business. Expansion of core business has resulted in these incremental changes on both assets and liabilities side. Correspondingly, on the assets side, there was a significant increase in investments. These investments were made with statutory funds which increased from PKR 39.4 billion in CY2019 to PKR 54.4 billion in 1HCY2021. The portfolio of investments is diversified across equity securities, government and debt securities, term deposits, and mutual funds. Term deposits hold the major chunk of the investment portfolio.
- Claims Ratio measures the amount of net claims paid in a period and dividing that by the net premium for the same period. Claims are payable when an event covered by the insurance policy takes place.

The claims ratio of the Company has remained within the range of 41-55% demonstrating the optimal risk profile of ALACL's operations that promotes growth with reasonable exposure

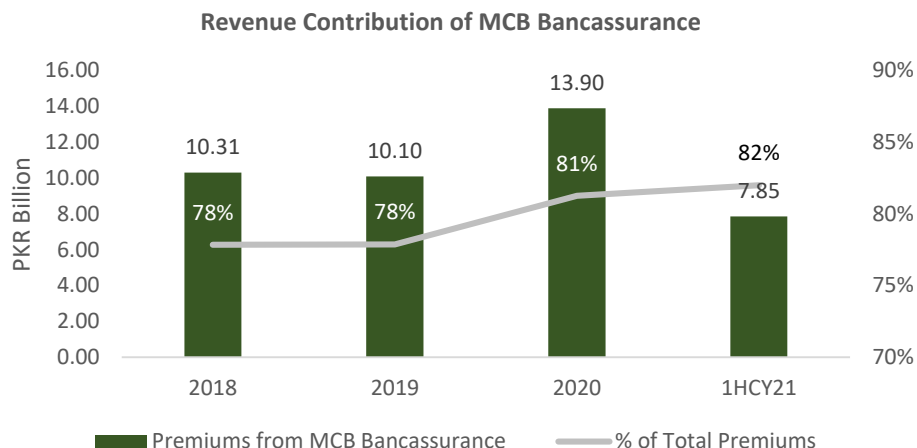
- The net margins of the Company have been on the lower side. Life insurance companies take around a decade to break even due to the expansionary nature of business coupled with huge acquisition costs. Due to its captive Bancassurance business since the beginning and with effective cost management, the Company has been able to record sustained profitability since 2018. Further, since the Company has remained within the expansionary phase, it has incurred significant acquisition costs which would reap improved profitability in years to come.

6.5. SUMMARY OF MAJOR ITEMS OF REVENUE AND EXPENDITURE

(PKR million)	2018	2019	2020	1HCY21
Key Revenue Items				
Gross Premiums				
First Year Individual regular premiums	2,792	3,638	3,170	1,730
Individual renewal premiums	5,681	7,094	8,015	3,885
Individual single premiums	4,228	1,600	5,331	3,748
Group Premiums	546	637	585	190
Investment Income	334	3,510	4,285	2,100
Key Expense Items				
Net insurance benefit	6,316	6,724	6,839	4,048
Net changes in insurance liabilities	3,703	5,126	9,937	5,179
Acquisition expenses	2,140	2,700	2,692	1,530
Marketing & Administration expense	810	1,048	1,011	561

6.6. DETAIL OF MAJOR DISTRIBUTION CHANNEL

MCB Bank's bancassurance is the biggest channel through which the Company records its premiums. The revenue contribution from MCB has increased from PKR ~10 billion in 2018-19 to PKR ~13.90 billion in 2020 representing an increase in revenue contribution from 78% in 2018-19 to 81% in 2020 as demonstrated in the chart below. As the Company plans to focus on other channels as well, the reliance on bancassurance and particularly on MCB would decline over time.



6.7. PEER COMPARISON

Comparison with Listed Insurance Companies ³	ALACL	JLICL	EFUL	IGIL	ALAC
Business Comparison					
Gross Premiums	17,101	46,507	32,546	6,161	449
Net Premiums	16,537	45,208	31,653	5,950	281
Net Claims	6,839	28,826	17,861	4,296	127
Net Commissions	2,146	3,976	4,460	1,474	80
Total Expenses	20,486	52,803	50,024	8,054	588
Investment Income	2,587	12,025	11,469	1,644	57
Profit After Tax	191	2,884	1,784	-96	-239
Shareholders' Equity	1,491	12,872	6,175	2,137	451
Combined Ratio	123.88%	116.80%	158.04%	135.36%	209.25%
Claims Ratio	41.35%	63.76%	56.43%	72.20%	45.20%
Net Margin	1.15%	6.38%	5.64%	-1.61%	-85.05%
Premiums / Equity	11.47x	3.61x	5.27x	2.88x	1.00x
Total Assets	50,839	190,422	154,480	21,868	1,050
Pricing Comparison					
EPS	2.04	33.05	17.84	-0.56	-2.09
BVPS	15.93	147.51	61.75	12.53	3.00
Price/share ¹	28.00	265.00	190.50	40.05	7.29
P/E	13.73x	8.02x	10.68x	-71.52x	-3.49x
P/B	1.76x	1.80x	3.08x	3.20x	2.43x
ROE	12.8%	22.4%	28.9%	-4.5%	-53.0%
ROA	0.4%	1.5%	1.2%	-0.4%	-22.7%
Free Float (%) ²	10%	20%	15%	20%	15%
Free Float (Shares mn) ²	25.00	17.45	15.00	34.11	22.53

1. Prices are as of 17 September 2021

2. Free Float data has been taken from the website of PSX

3. Sources of the data include the Pakistan Stock Exchange and financial statements of the relevant insurance companies

6A REVALUATION OF ASSETS

The Company has ownership of a commercial land parcel measuring 8 Kanals 8 Marlas and 203 square feet located in Lahore. In 2021, the Company contracted K.G. Traders Private Limited (KGT) – a PBA approved Valuator – to undertake survey and valuation of the above-mentioned land parcel, the details of which are as follows:

Particulars	Details
Owner of Land	Adamjee Life Assurance Company Limited
Place of Survey	Plot No. 1-A, Main Gulberg, Jail Road, Lahore
Date of Survey	21 st June 2021
Land Category	Bounded Land / Plot
Type of Property	Commercial
Assessed Present Value of Property	PKR 897,394,000
Assessed Forced Value of Property	PKR 604,800,000

6B DIVIDEND POLICY

6B.1. Dividend Policy

The Company intends to follow a consistent profit distribution policy for its members, subject to profitability, availability of adequate cash flows, the Board's recommendation, and shareholders' approval, where required.

The rights in respect of bonus issues and dividends attached to each ordinary share are and will be the same. The Company in its general meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors. Dividend, if declared in the general meeting, shall be paid according to the provisions of the Companies Act.

The Board of Directors may from time to time declare interim dividends as appear to it to be justified by the profits of the Company. No dividend shall be paid otherwise than out of the profits of the Company for the year or any other undistributed profits.

No unpaid dividend shall bear interest or mark-up against the Company. The dividends shall be paid within the period laid down in the Companies Act.

Under Section 242 of the Companies Act, any dividend payable in cash by a listed company shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder.

Therefore, the applicants must provide the details of the bank account in the relevant part of the Shares Subscription Form. The Company has not paid any dividend or bonus shares in the last 5 years.

Covenants / Restriction on Payment of Dividends:

It is stated that there is no restriction on the Company by any regulatory authority, creditor, stakeholder, etc. on the distribution and capitalization of its profits.

Eligibility for Dividend

The ordinary shares issued shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

DIVIDEND PAYOUT OF LISTED ASSOCIATED COMPANIES

The dividend payout of Adamjee Insurance Company Limited (the Offeror) as disclosed in its annual report is as follows:

Dividends	CY15	CY16	CY17	CY18	CY19	CY20
% Of Face Value	30%	40%	25%	25%	25%	25%

AICL has no listed associate company over which it has control. The only wholly owned subsidiary is Adamjee Life Assurance Company Limited which is due for listing as per this Offer for Sale Document (OFSD).

7 BOARD AND MANAGEMENT OF THE COMPANY

7.1. BOARD OF DIRECTORS OF THE COMPANY

Name	Designation	CNIC No.	Address	Period of Directorship in ALACL	Directorships in Other Companies
Shaikh Muhammad Jawed	Chairman	42201-0403381-3	35 A/1 Lalazar Karachi	From 10.06.2009 to date	<ul style="list-style-type: none"> • Adamjee Insurance Company Limited
Umer Mansha	Chief Executive Officer	35202-0842523-5	5 K.M. Nishat Avenue, Off 21 K.M. Ferozepur, Lahore	From 21.07.2008 to date	<ul style="list-style-type: none"> • Adamjee Insurance Company Limited; • MCB Bank Limited; • Nishat Mills Limited; • Nishat Hotels & Properties Limited; • Nishat Developers (Pvt) Limited; • Nishat Dairy (Pvt) Limited; • Nishat (Raiwind) Hotels and Properties Limited; • Nishat Agriculture Farming (Pvt) Limited; • Hyundai Nishat Motor (Pvt) Limited; • Nishat Agrotech Farms (Pvt) Limited; • Nishat Sutas Dairy Limited • Nishat Textile Foundation
Muhammad Ali Zeb	Non-Executive Director	35202-2689723-9	Adamjee Insurance Co. Ltd. 27CIII, M.M. Alam Road, Gulberg III, Lahore	From 14.10.2008 to 15.04.2011 From 10.07.2013 to date	<ul style="list-style-type: none"> • MCB Bank Limited; • Adamjee Insurance Company Limited; • Nishat Sutas Dairy Limited
Naz Mansha	Non-Executive Director	35202-2851133-6	28- Main Gulberg, Lahore.	From 17.03.2021 to date	<ul style="list-style-type: none"> • D.G.Khan Cement Company Limited; • Golf View Land (Pvt) Limited; • Nishat Linen (Pvt) Limited; • Emporium Properties (Pvt) Limited;

					• Nishat (Aziz Avenue) Hotels and Properties Limited
Ahmad Alman Aslam*	Independent Director	42301-9146410-7	20 – G Block, Model Town, Lahore	From 11.11.2021 to date	None
Imran Maqbool	Non-Executive Director	35202-7336706-1	MCB House, 15 Main Gulberg, Jail Road Lahore	From 27.08.2018 to date	<ul style="list-style-type: none"> • MCB Bank Limited; • Adamjee Insurance Company Limited • MCB Employees Foundation
Shahmeer Khalid Butt*	Independent Director	90601-0560792-1	185 XX, Street 6, Phase III, DHA, Lahore	From 11.11.2021 to date	<ul style="list-style-type: none"> • Next Pharmaceuticals Products (Pvt) Limited; • Next Health Services (Pvt) Limited; • Next Comercial FZ-LCC (UAE)

*These have been appointed as independent directors, subject to clearance from SECP

7.2. PROFILES OF DIRECTORS

Mr. S.M. Jawed - Chairman

Mr. S. M. Jawed is the Director of Din Leather (Pvt.) Ltd and has vast experience in running a modern tannery. Due to his technical expertise, Din Leather has received several exports performance awards, merits, and best export performance trophies for the export of Finished Leather from Pakistan. As a result, the Company's contribution is earning valuable foreign exchange for the Country. Due to excellence in quality and supply, the Company has also received a Gold Medallion Award from the International Export Association U.K. Mr. S.M. Jawed has earned his technical education in Leather Technology from Leather Sellers College, U.K. He is also serving as a Director of Adamjee Insurance Company Limited.

Mr. Umer Mansha – Chief Executive Officer

Mr. Umer Mansha completed his bachelor's degree in business administration from Babson College, Boston, USA. He has been Chief Executive and Chairman of Nishat Mills Ltd. since September 08, 2007. He is also the Chairman of the BoD of Adamjee Insurance Company Limited. He has been serving on the Board of Directors of various listed companies for more than 21 years. He also serves on the Board of MCB Bank Limited, Nishat Dairy (Private) Limited, Nishat Hotels and Properties Limited, Nishat (Aziz Avenue) Hotels and Properties Limited, Nishat (Raiwind) Hotels and Properties Limited, Nishat (Gulberg) Hotels and Properties Limited, Nishat Developers (Private) Limited and Nishat Agriculture Farming (Private) Limited.

Mr. Muhammad Ali Zeb

Mr. Muhammad Ali Zeb has over 23 years of experience in the Manufacturing, Financial, and Insurance Sectors. Mr. Ali Zeb is a fellow member of the Institute of Chartered Accountants of Pakistan and was awarded a gold medal in Cost Accounting. He started his professional career in 1995 at Nishat Mills, where he rose to the position of Financial Controller. He then joined Adamjee Insurance as Chief Financial Officer in 2005 and later became the Executive Director of Finance. He was appointed as Chief Executive Officer in September 2008. Mr. Ali Zeb left Adamjee Insurance in March 2011. He then served at City School (Pvt) Limited as Chief Financial Officer from 2012 till April 2013 but rejoined Adamjee Insurance as Chief Executive Officer in May 2013.

Mrs. Naz Mansha

Mrs. Naz Mansha has over 33 years of experience as a Director on the Board of different companies. She has been associated with D. G. Khan Cement Company Limited (DGKCC) since 1994. She also serves as Chief Executive of Nishat Linen (Private) Limited and Director/Chief Executive of Emporium Properties (Pvt) Limited and Director on the Board of Golf View Land (Pvt) Limited. She started by venturing into the textile business, initially dealing in providing beddings and housewares. Today her brand, Nishat Linen, has become a strong network of 78 fabric retail outlets in Pakistan and overseas. Her brilliant success and experience in managing the textile business have enhanced decision-making capabilities.

Mr. Ahmad Alman Aslam

Mr. Ahmad Alman Aslam has four decades of professional experience in investment banking, corporate finance, and advisory services. He started his career with Citibank in 1975 and served there in various capacities over a period of 28 years. He also served as the Managing Director, based in New York, responsible for all debt issued by borrowers in the emerging markets. Mr. Aslam has also served as an advisor to EMP Washington, a US\$ 6 billion private equity fund. In Pakistan, he has served on the boards of the State Bank of Pakistan, OGDC, Adamjee Insurance, IGI Asset Management, Punjab Coal Mining Company, The Bank of

Punjab, Punjab Small Industries Corporation and the Private Power and Infrastructure Board. Mr. Aslam has a Masters' degree in Business Administration from Punjab University and has attended the program for Management Development at Harvard University, Cambridge.

Mr. Imran Maqbool

Mr. Imran Maqbool serves as President & Chief Executive Officer of MCB Bank Limited. He is a seasoned professional with over three decades of diverse banking experience. Before taking on the CEO position, he was Head of Commercial Branch Banking Group, where he successfully managed the largest group of the Bank in terms of market diversity, size of the workforce, number of branches on a countrywide basis, and diversified spectrum of products. In earlier roles, he worked as Head Wholesale Banking Group–North, Country Head MCB Sri Lanka, Group Head Special Assets Management, and Islamic Banking. Prior to joining MCB Bank in 2002, Mr. Maqbool was associated with the local banking operations of Bank of America and Citi Bank for more than seventeen years. He worked at various senior management level positions in respective banks. Mr. Maqbool holds an MBA from the Institute of Business Administration (IBA), Karachi, and an MS in Management from MIT Sloan School of Management, Massachusetts USA.

Mr. Shahmeer Khalid Butt

Mr. Shahmeer Khalid Butt is a corporate finance and investment professional and has worked in different organizations in Pakistan and United Arab Emirates. Currently, he also serves as an Executive Director in Next Pharmaceuticals, being responsible for strategy, financial planning, marketing, and other operational areas. Prior to this, he served as Corporate Finance Analyst for Al Futtaim Private Company during which he led the planning, design, execution and closing of a major SGD 2 billion internal recapitalization which resulted in significant tax and interest savings.

He holds a BSc (Hons) degree in Investment and Financial Risk Management from Cass Business School at University of London. He also holds membership of Lahore's chapter of Entrepreneurs Organization (EO) which is a global peer-to-peer network of more than 14,000 influential business owners in 61 countries.

7.3. DETAILS ON HISTORICAL DIRECTORSHIPS OF EXISTING DIRECTORS

Details of current and past directorship(s) in listed companies whose shares have been/were suspended from being traded on the securities exchange during his/her tenure: None

Details of current and past directorship(s) in listed companies which have been/were delisted from the stock exchange: None

7.4. PROFILES OF SENIOR MANAGEMENT

Mr. Umer Mansha – Chief Executive Officer

Mr. Umer Mansha completed his bachelor's degree in business administration from Babson College, Boston, USA. He has been Chief Executive and Chairman of Nishat Mills Ltd. since September 08, 2007. He is also the Chairman of the BoD of Adamjee Insurance Company Limited. He has been serving on the Board of Directors of various listed companies for more than 21 years. He also serves on the Board of MCB Bank Limited, Nishat Dairy (Private) Limited, Nishat Hotels and Properties Limited, Nishat (Aziz Avenue) Hotels and Properties

Limited, Nishat (Raiwind) Hotels and Properties Limited, Nishat (Gulberg) Hotels and Properties Limited, Nishat Developers (Private) Limited and Nishat Agriculture Farming (Private) Limited.

Mr. Jalal Meghani – Deputy Managing Director & Chief Financial Officer

Mr. Jalal Meghani is a Fellow member of the Institute of Chartered Accountants of Pakistan (FCA) and is also a Fellow member of the Institute of Chartered Secretaries and Managers (FICS). Mr. Meghani has an overall experience of more than twenty-eight years in financial management, organizational development, and planning in diverse business sectors, including 13 years in Adamjee Life. He also spent 2 years in a senior management position overseas in Sri Lanka and East Africa.

Mr. Rahim Vallyani – Company Secretary

Mr. Rahim Vallyani is an Associate Member of the Institute of Chartered Accountants of Pakistan (ACA) Mr. Rahim has an overall experience of more than nine years. His previous affiliations include TPL Trakker Limited, Aga Khan University Hospital, Habib Bank Ltd., and EFU General Insurance.

Mr. Ali Haider - Director Business Distribution

Mr. Ali Haider is an accomplished management professional with more than twenty years of experience in various leadership roles within the insurance industry in Pakistan and the UAE. Known for turning around organizations, Mr. Haider has extensive experience and expertise in areas of business & operations, developing multi-faceted and building teams to reach targeted goals pertaining to Health & Life Insurance.

Mr. Amin Nizar Ali – Head of Actuarial Service & Risk Management

Mr. Amin Nizar is an accomplished management professional who brings with him over twenty-four years of extensive experience in the insurance industry. He is a fellow of the Society of Actuaries, USA, and has pursued his Bachelor of Commerce from the University of Karachi. He was previously employed with Allianz EFU Health Insurance Ltd. as the Head of the Actuarial and Strategic Planning Department, EFU General Insurance Ltd. as Executive Vice President, and State Life Insurance Corporation of Pakistan as Assistant General Manager Actuarial.

Mr. Ahson Nasim – Head of HR, General & Corporate Affairs

Mr. Ahson Nasim is an assertive and self-motivated HR professional with twenty-two years of hands-on experience in key business areas encompassing sales, operations, and commercial out of which 15 years into core HR focusing mainly on recruitment, training, organizational development, communication, performance development, and developing leadership. He is a certified HR Manager from the Chartered Institute of Logistics and Transport (UK). Mr. Nasim has pursued his bachelor's from the US and Masters's in HR / Marketing from Pakistan.

Mr. Muhammad Furqan Uddin – Financial Controller

Mr. Muhammad Furqan Uddin is a management professional who brings with him 19 years of extensive experience in the local as well as the international finance industry. He was previously employed with Adamjee Insurance Company Ltd as Head of the Internal Audit department and has comprehensive experience in the top audit firms of the country. He is a fellow Chartered Accountant (FCA) from the Institute of Chartered Accountants of Pakistan, Certified Internal Auditor from the Institute of Internal Auditors (IIA) the USA,

Certified Shariah Advisor and Auditor from the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) Bahrain.

Mr. Muhammad Imran Hussain – Head of Information Technology

Mr. Muhammad Imran Hussain has pursued dual Masters in Computer Sciences and Physics from Preston University and the University of Karachi, respectively. He was previously affiliated with Centegy Technologies as Executive Senior Manager, Sidat Hyder Morshed Associates as Senior Manager, and Zellweger Uster AG (Switzerland) as Field Engineer. Mr. Imran brings with him eighteen years of relevant working experience.

Dr. Muhammad Saquib Saeed Khan – Head of Policy Holders’ Services

Dr. Saquib completed his MBBS from Jinnah Sindh Medical College & Masters in Business Administration with Majors in Marketing, from the Indus Institute of Higher Education. He is an Associate of Life Office Management Institute (USA) and also holds C-II certification from Chartered Insurance Institute, UK. He was previously associated with EFU Life Assurance as Deputy Manager Claims, Senior Medical Officer Nephrology at The Kidney Centre, and as a Resident Medical Officer - Neurology at Aga Khan University Hospital. Dr. Saquib has an overall professional experience of fifteen years.

Mr. Danish Ali – Head of Underwriting & Reinsurance

Mr. Danish Ali is a Fellow of the Life Management Institute, Associate of Reinsurance Administration, and Associate Customer Services. Danish has an overall experience of 12 years in the insurance industry and has served at various technical and operational positions in his career span.

Mr. Asif Mirza – Head of Compliance

Mr. Asif Mirza is an MBA, Certified Internal Auditors (USA), and Certified Information System Auditors (USA). Mr. Asif Mirza has an overall experience of more than twenty-five years in Audit (both Internal & External), Compliance, Company’s Secretarial Work, and Finance & Taxation in diverse business sectors, including 12 plus years in Adamjee Life.

Mr. Samad Naqvi – Head of Internal Audit

Syed Samad Ali Naqvi is an associate member of the Institute of Chartered Accountants of Pakistan (ACA) and a fellow member of the Association of Chartered Certified Accountants (FCCA). He possesses experience of more than 10 years in Financial Services, Oil and Gas, and Manufacturing concerns. Before joining Adamjee Life, he worked with KPMG Taseer Hadi & Co. and KPMG UAE, where he gained a wide range of experience in the field of various assurance and compliance-related engagements, financial reporting advisory, risk, and control assessments.

Dr. Bakht Jamal – Head of Takaful

Dr. Bakht is an accomplished management professional who brings with him twenty-seven years of national and international working experience in the Life Insurance, Family Takaful, and Medical Profession. He was previously affiliated with the largest/oldest public sector life insurer and youngest family Takaful operator in the capacity of Head of Operations, Chief Operating Officer, and Head of Window Takaful Operations with State Life including its Dubai office, Dawood Family Takaful, and IGI Life respectively. He has completed his MBBS, Medicine, and Surgery from Sindh Medical College, Karachi. He is a Master Fellow of the Life Management Institute (FLMI/M) from Life Office Management Institute, USA.

7.5. APPOINTMENT AND ELECTION OF DIRECTORS

The Directors of the Company are elected for a term of three years in accordance with the procedure laid down in Section 159 of the Companies Act.

The Directors shall comply with the provisions of Sections 154 to 159 and Sections 161 and 167 of the Companies Act relating to the election of Directors and matters ancillary thereto.

Subject to the provisions of the Companies Act, the Company may from time to time increase or decrease the number of Directors.

Any casual vacancy occurring on the Board of Directors may be filled up by the Directors, but the person so appointed shall be subject to retirement at the same time as if he/she had become a Director on the day on which the Director in whose place he/she is chosen was last elected as Director.

The Company may remove a director in accordance with the provisions of the Companies Act.

The last election of Directors was held on **03-04-2019**.

The Company will comply with the Listed Companies (Code of Corporate Governance) Regulation, 2019 as and when the regulations will be applicable on it.

7.6. INTEREST OF DIRECTORS AND PROMOTORS

The directors may deem to be interested to the extent of fees payable to them for attending Board meetings. The Directors performing whole time services in the Company may also be deemed interested in the remuneration payable to them by the Company. The nominee directors have an interest in the Company to the extent of representing the sponsors in the Company.

Following directors are holding ordinary shares of the Company:

Name of Director	Designation	No. of Shares Held	Value of Shares Held
Mr. S.M. Jawed	Chairman	250	2,500
Mr. Umer Mansha	CEO	250	2,500
Mr. Imran Maqbool	Director	250	2,500
Mr. Ahmad Alman Aslam	Director	250	2,500
Mr. Muhammad Ali Zeb	Director	250	2,500
Mrs. Naz Mansha	Director	250	2,500
Mr. Shahmeer Khalid Butt	Director	250	2,500

7.7. INTEREST OF THE DIRECTOR AND PROMOTER IN PROPERTY/ASSETS AND PROFIT

None.

7.8. BENEFITS (MONETARY OR OTHERWISE) PROVIDED TO SPONSORS, SUBSTANTIAL SHAREHOLDERS, AND DIRECTORS DURING THE LAST THREE YEARS

No amount of benefits has been paid or given during the last three years or is intended to be paid or given to any sponsor shareholders or to any officer of the Company other than as remuneration for services rendered as whole-time executives of the Company or as meeting fee for attending Directors Committee meetings to non-executive directors as per the approved scale of the fee.

7.9. AUDIT COMMITTEE*

The Board of Directors has set up an effective internal audit function managed by suitable qualified and experienced personnel who are conversant with the policies and procedures of the Company and are involved in the internal audit function on a full-time basis. The Board Audit Committee supervises the internal audit function of the Company and comprises of the following members:

Name of the Member	Category
Mr. Muhammad Ali Zeb (Non-Executive Director)	Chairman
Mr. S.M. Jawed (Non-Executive Director)	Member
Mr. Samad Ali Naqvi (Head of Internal Audit)	Secretary

* The respective committee will be reconstituted after SECP's clearance on new Directors' appointment and their Fit & Proper Criteria.

7.10. ETHICS, HUMAN RESOURCE, REMUNERATION, AND NOMINATIONS COMMITTEE*

The Board of Directors has set up an effective Human Resources function managed by suitable and qualified personnel who are conversant with the policies & procedures of the Company and are involved in Human Resources function on a full-time basis. The Ethics, Human Resource, Remuneration, and Nominations Committee comprises of the following members:

Name of the Member	Category
Mr. S.M Jawed (Non-Executive Director)	Chairman
Mr. Muhammad Ali Zeb (Non-Executive Director)	Member
Mr. Mian Umer Mansha (Chief Executive Officer)	Member
Mr. Jalal Meghani – (Chief Financial Officer)	Member
Mr. Ahson Nasim (Head of Human Resource & Admin)	Secretary

* The respective committee will be reconstituted after SECP's clearance on new Directors' appointment and their Fit & Proper Criteria

7.11. INVESTMENT COMMITTEE

The Investment Committee comprises of the following members:

Name of the Member	Category
Mr. S.M. Jawed (Non-Executive Director)	Chairman
Mr. Muhammad Ali Zeb (Non-Executive Director)	Member
Mr. Mian Umer Mansha (Chief Executive Officer)	Member
Mr. Jalal Meghani (DMD & Chief Financial Officer)	Member
Mr. Amin Nizar Ali (GM Actuarial Services & Risk Management)	Member
Ms. Sidrah Kanwer (Senior Manager Finance)	Secretary

7.12. UNDERWRITING, REINSURANCE & CO-INSURANCE COMMITTEE

The Underwriting, Reinsurance & Co-insurance Committee comprises of the following members:

Name of the Member	Category
Mr. Mian Umer Mansha (Chief Executive Officer)	Chairperson (BoD representative)
Mr. Amin Nizar Ali (Head of Actuarial Services & Risk Management)	Member
Mr. Ali Haider (Head of Business Distribution)	Member
Mr. Danish Ali Khan Rajput (Head of Underwriting)	Secretary

7.13. CLAIM SETTLEMENT COMMITTEE

The Claim Settlement Committee comprises of the following members:

Name of the Member	Category
Mr. S.M. Jawed	Chairperson (BoD representative)
Mr. Jalal Meghani (DMD & Chief Financial Officer)	Member
Dr. Bakht Jamal (Head of Takaful)	Member
Dr. Saquib Saeed Khan (Head of Claims)	Secretary

7.14. RISK MANAGEMENT & COMPLIANCE COMMITTEE*

The Risk Management & Compliance Committee comprises of the following members:

Name of the Member	Category
Mr. Ahmad Aqeel (Director)	Chairperson (BoD representative)
Mr. Jalal Meghani (Chief Financial Officer)	Member
Mr. Amin Nizar Ali (Head of Actuarial Services & Risk Management)	Member
Mr. Asif Mirza (Head of Compliance)	Member and Secretary

*The respective committee will be reconstituted after SECP's clearance on new Directors' appointment and their Fit & Proper Criteria

7.15. POWERS OF DIRECTORS

As required under clause 47 of Part I of Table A of First Schedule of the Companies Act and the Articles of Association of the Company, the authority to conduct the business of the Company is vested with its Board of Directors and they may exercise all such powers of the Company as are not required by the Companies Act or the Articles of Association of the Company or by a special resolution, required to be exercised by the Company in the general meeting of the shareholders.

7.16. BORROWING POWERS OF DIRECTORS

As per article 34 of the Articles of Association, the Directors may from time to time at their sole discretion, raise any financing or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

As per article 35, the Directors, may obtain finance or borrow moneys and secure the repayment or payment thereof in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the creation of any mortgage or charge on the undertaking or the whole of any part of the property, present or future, or by the issue of bonds, perpetual or redeemable, debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future.

As per article 36, debentures, bonds, and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

As per article 37, subject to the provisions of the Ordinance, any debenture, debenture stocks, bonds, or other securities may be issued at a discount, premium, or otherwise, and maybe issued on condition that they shall be convertible into any shares of any denominations, and with special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meeting of the Company, appointment of Directors and otherwise.

As per article 38, the Directors shall cause a proper register to be kept in accordance with Section 135 of the Ordinance, of all mortgages and charges specifically affecting the property of the Company, and shall duly comply with the requirements of Section 121 and 122 of the said Ordinance, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of Section 130 of the Ordinance, as to keep a copy of every instrument creating any mortgage or charge by the Company at the office, and the requirements of Section 132 of the Ordinance, as to giving information of the payment or satisfaction of any charge or mortgage created by the Company.

As per article 41, if the Directors refuse to register the transfer of any debentures, they shall, within thirty days from the date on which the instrument of transfer was lodged with the Company, send or cause to be sent to the transferee and the transferor notice of the refusal indicating reasons for refusal.

As per article 42, the Company shall comply with the provisions of Section 136 of the Ordinance as to the following inspection of copies kept at the office in pursuance of Section 130 of the Ordinance, and as to allowing inspection of the register of mortgages to be kept at the office in pursuance of Section 135 of the Ordinance.

As per article 43, the Company shall comply with the provisions of Section 113, 149, and 150 of the Ordinance as to supplying copies of any register of holders of debentures or of any trust deed for securing any issue of debentures on payment of the statutory fee.

7.17. INDEMNITY

As per Article 141 of the Articles of Association, every Director, officer, auditor or agent for the time being of the Company may be indemnified out of the assets of the Company against any liability incurred by him in defending any proceeding whether civil or criminal, arising out of the dealings in relation to the affairs of the Company, except those brought by the Company against him, in which judgment is given in his favor or in which he is acquitted or in connection with any application under Section 488 of the Ordinance in which relief is granted to him by the court.

7.18. CORPORATE GOVERNANCE

The Company shall comply with all the rules and regulations applicable to the Company with regards to the Listed Companies (Code of Corporate Governance) Regulation, 2019. The Company is not yet compliant with the regulations pertaining to the proportion of directors possessing prescribed certification under the Director Training Program. The Company will ensure that it complies with these regulations before getting listed on Pakistan Stock Exchange.

The Company shall also encourage representation of minority shareholders on its board of directors.

7.19. NUMBER OF DIRECTORS

Pursuant to Section 154 of the Companies Act, 2017 a listed Company shall not have less than seven (7) directors. At present, the Board consists of 7 directors, including the Chief Executive Officer.

7.20. QUALIFICATION OF DIRECTORS

No person shall be appointed as a Director of the Company who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

7.21. REMUNERATION OF DIRECTORS

Name of Director	2018	2019	2020	2021
Mr. S.M. Jawed	-	-	60	60
Mr. Umer Mansha	-	-	-	-
Mr. Imran Maqbool	-	-	50	60
Mr. Samir Saigol*	-	-	30	50
Mr. Muhammad Ali Zeb	-	-	60	60
Mrs. Naz Mansha	-	-	-	30
Mr. Ahmad Aqeel*	-	-	60	60
Mr. Raza Mansha*			20	20
Total Remuneration	-	-	280	340

All amounts in PKR 000's

*These directors no longer serve on the board

As per article 80 of the Articles of Association, the remuneration of a Director (other than the Managing Director and the full-time working Directors) for attending meetings of the Directors, shall from time to time be determined by the Directors.

As per article 81, any Director, being willing, who is called upon to perform extra services (which expression shall include work also by a Director as a member of a committee formed by the Directors) or to make any special exertions or to pay special attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration for performing such services as the Directors may determine.

[the space has been left blank intentionally]

8 LEGAL PROCEEDINGS AND OVERDUE LOANS

8.1. LEGAL PROCEEDINGS

a) Any outstanding legal proceeding other than the normal course of business involving the Company, its sponsors, substantial shareholders, directors, and associated companies, over which the Company has control, that could have a material impact on the Company.

S. No	Year	Issuing Authority	Amount	Management Instance & Current Status
1	2018	High Court Lahore	700,000	The matter has been contested on grounds of Liquidated Damages Ordered by Federal Insurance Ombudsman as a result of erring in law. Due to the wrong reading of the law by the Authority, the Company is hopeful of a positive outcome.
2	2019	District Court Gujrat	13,767,552	Death Claim matter, appealed to Supreme Court to set aside Ex Parte order obtained by Claimant fraudulently, the Company is hopeful to have a fresh trial in the matter.
3	2019	Lahore Civil Court	1,000,000	Death claim repudiation on Non-Disclosure by Insured. The Company is confident on the outcome of case in its favor.
4	2013	Insurance Tribunal Muzaffargarh	1,000,000	Death Claim Matter is delayed due to death of Claimant, Application to include heirs to the claimant has been filed to pursue the matter further.
5	2020	District Court Lodhran	2,299,000	The Company paid the Cash Value upon Death as per terms and conditions of the Policy due to concealment of illness. We remain confident that no adverse order against the Company shall be passed in this regard.
6	2020	Lahore High Court	233,320	Rate of Return Issue. Constitution Petition filed by the Company to challenge the order passed by President of Pakistan, Interim injunction has been granted by the Honorable Lahore High Court and we remain confident that the matter will be decided in favor of the Company.
7	2020	Islamabad High Court	1,467,750	Presidential Secretariat Order appealed to the Islamabad High Court. 200,000/- offered by Company on purely Humanitarian grounds on the suggestion of Honorable High Court, offer not accepted by the client, Order expected in favor of the Company.
8	2020	Islamabad High Court	3,561,300	Death Claim Matter appealed against the decision of the President of Pakistan, regarding the payability of expired Rider. Interim injunction granted by the Honorable Islamabad High Court, and the Company remains confident that the matter shall be decided in its favor.
9	2018	Insurance Tribunal Lahore	3,000,000	Death Claim matter. Ex Parte's decision against the Company, appealed to High Court. The Company is hopeful for positive closure since the complaint is based on mala fide intent and errs in Fact.

10	2018	District Court Kasur	1,000,000	Death claim repudiated on the basis of non-disclosure of pre-existing illness. The Company is hopeful that the matter shall be decided in its favor.
11	2017	District Court Jhang	500,000	Death claim repudiated on the basis of non-disclosure of pre-existing illness. The Company is hopeful that the matter shall be decided in its favor.
12	2019	Civil Court Burewala	325,000	The Complainant alleges Mis-selling and has claimed a full refund. The Company does not expect adverse order since on facts no mis-selling is established.
13	2020	Insurance Tribunal Multan	252,816	Death claim repudiated on the basis of non-disclosure of pre-existing illness. We remain confident that the Company will not receive any adverse order.
14	2020	Civil Court Lahore	1,500,000	Client wants to cancel Policy, beyond Free Look Period. Civil Courts cannot pass an effective decree against the Company since the competent authority is the Tribunal in such matters, the Company remains positive that the matter shall be discharged on jurisdictional grounds.
15	2020	High Court Lahore	3,000,000	The client wanted a full refund, Case was filed in High Court by the Company to contest the order of President Secretariat. Strong merits in the case.
16	2020	District Court Sialkot	2,000,000	The case against Rate of Returns. Incomplete Clause relied upon in plaint by Claimant hence the Company is hopeful for decision to be in its favor.
17	2020	District & Sessions Court Peshawar	5,163,000	Rate of return issue. Based on the legal opinion of engaged Counsel, the Company is positive for the matter to be decided in favor of the Company.
18	2021	District and Sessions Court Lahore	500,000	Death Claim Matter, the Company is positive for outcome due to facts of the case, including misrepresentation from Insured.
19	2021	Insurance Tribunal Lahore	100,000	The client wishes to cancel the policy. Matter likely to be decided in favor of Company on Limitation grounds and we remain confident that the calculation of the Company's Cash Back value will be upheld.
20	2021	District and Session Court Jhang	800,000	Claim of mis-selling, likely to be dismissed based on the evidence available.
21	2021	District and Session Court Bahawalpur	500,000	Death Claim rejected due to Pre-existing illness. The Company hopes to have the matter discharged based on jurisdictional grounds.
22	2021	Insurance Tribunal Multan	489,250	Death Claim against a lapsed policy. Strong case on merits in favor of the Company.
23	2021	District and Sessions Court Lahore	2,938,200	Death Claim rejected due to Fraudulent intent and Anti Selection. The Company has strong merits in the Case.

24	2021	Hyderabad Civil Court	4,600,000	Financial embezzlement matter, wherein, the Company wishes to recover the amount from former Agents of the Company.
25	2021	Insurance Tribunal Khanewal	1,000,000	Death Claim Matter. The Company has strong merits since no contractual relationship between the Claimant and the Company was formed.
26	2018 onwards & 2020 onwards	Lahore High Court & Sindh High Court	434,569,000 (Please refer to contingencies note no. 27 of Audited Financial Statements for the period ended June 30, 2021)	Based on the legal opinion obtained the Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. The petition is still pending a hearing.
		Total	486,266,188	

The contingency for Sale Tax is mentioned in note 27.1 of the half-yearly accounts of 2021 of the Company and reproduced below:

Sales Tax on life insurance premium

Last year, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019, extended the exemption on life insurance till June 30, 2019. Subsequent to it, life insurance was made taxable from July 1, 2019, at the rate of 3%, and group life insurance at the rate of 13%. Further, SRB extended exemption on health insurance till June 30, 2020. With effect from November 1, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan ("IAP") had filed a constitutive petition in the Lahore High Court (LHC) and the High Court of Sindh at Karachi on September 28, 2019, and November 28, 2019, against PRA and SRB respectively.

According to the grounds of the petition and legal opinion obtained by the Company the Insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The opinion also mentions that the vast majority of the premium received from a policyholder, during the life of the policy, is in fact channeled to the policy holder's investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules.

In view of the above, the Company has not started billing sales tax to its customers. The amount of sales tax involved (for both Sindh and Punjab region) is around PKR 434.569 million computed on the basis of risk-based premium, as per the advice of a legal advisor, which nonetheless the Company maintains, based on the legal view, cannot be levied as the insurance is not a service.

Further subsequent to filing the petition, all the provincial tax authorities i.e., SRB, PRA, and BRA called a meeting of the industry representatives on January 11, 2020, in Karachi to discuss the matters relating to sales tax on premiums. The matter was discussed in detail, and it was agreed to form a joint committee of the

industry representatives as well as from all the provincial tax authorities and agreed in the meeting that the sales tax on Life and Health be kept exempt till June 30, 2020, however, a formal notification in this regard has not yet been issued. Further, the committee formed met on February 5, 2020, in Lahore at the PRA office to work out the way forward.

Based on the legal opinion obtained the Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. The petition is still pending a hearing.

b) Action taken by PSX against the Company or associated listed companies of the Company during the last three years due to noncompliance of its regulations.

Name of companies	Violation of Clause	Description	PSX Letter dated	Enforcement Action taken by PSX
D.G. Khan Cement Company Limited	5.6.5.(a)(iii)	Failed to immediately intimate the Exchange regarding credit of final cash dividend, however credited the dividend into the respective accounts of shareholders in a timely manner.	25-Nov-19	With regards to non-compliance for late intimation of credit of final cash dividend, the company was advised to be careful in future.
	5.6.4.	Failed to disclose the transactions executed by the directors, CEOs, substantial shareholders or executives of a Listed Company or their spouses (Regulated Persons) where he / she is a director, CEO, substantial shareholder or executive, as the case may be, within 2 days in light of the PSX Regulations.	22-Jul-20	Based on the explanations received from the company and in consideration of compliance made by the Regulated Person, the company was advised to be careful in future.
MCB Bank Limited	5.6.1.(d)	Failed to timely disclose the transactions executed by the directors, CEOs, substantial shareholders or executives of a Listed Company or their spouses (Regulated Persons) where he / she is a director, CEO, substantial shareholder or executive, as the case may be, within 2 days in light of the PSX Regulations.	10-Jul-18	The Bank was advised to be careful in future In light of the explanations received from the Bank.
	5.6.5.(a)(iii)	Failed to immediately intimate the Exchange regarding credit of interim cash dividend. However, the Bank had credited the dividend into the respective accounts of shareholders in a timely manner.	19-Nov-19	
Nishat Mills Limited	5.6.5.(a)(iii)	Failed to immediately intimate the Exchange regarding credit of final cash dividend, however credited the dividend into the respective accounts of shareholders in a timely manner.	25-Nov-19	The company was advised to be careful in future.

8.2. OVERDUE LOANS

CIB Reports of the Company, the Sponsor/Offeror, the Directors and Associated Companies have not been checked. Overdues shall be checked when the CIB Reports have been shared by SBP with SECP.

9 UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE, AND OTHER EXPENSES

9.1. UNDERWRITING

Book Building Portion

Next Capital Limited has been appointed as the Book Runner to the Offer. The Book Runner will credit underwrite all the 25,000,000 shares being offered for subscription through the book building representing 100% of the Offer as required under regulation 7(6) of the PO Regulations, with the limitations in effect that the Book Runner shall only underwrite the default portion of the Book Building, if any, at the Strike Price determined through the Book Building process.

General Public Portion

The General Public Portion of the Offer shall not be underwritten in terms of Regulation 7(4) of the PO Regulations. In case of unsubscribed shares in the retail portion, the bidders in the book-building process shall give an undertaking along with the application that they would subscribe to these shares, and their remaining bid money would remain deposited / blocked till the allotment of unsubscribed shares by the retail investors to them on a pro-rata basis.

9.2. OPINION OF DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS

In the opinion of the Directors, the resources of the Book Runner are sufficient to discharge its underwriting commitments/obligations.

9.3. UNDERWRITING COMMISSION

Book Building Portion

No underwriting commission for the Book Building portion will be paid to the Book Runner. The amount of security deposited by the defaulting Bidder shall, however, be forfeited to the Book Runner, in case any of the successful bidders failed to pay the margin money within the specified time period.

9.4. BUY BACK / REPURCHASE AGREEMENT

THE BOOKRUNNER IN THE CAPACITY AS UNDERWRITER OF THE BOOK BUILDING PORTION HAS NOT ENTERED INTO ANY BUYBACK / RE-PURCHASE AGREEMENT WITH THE COMPANY, THE OFFEROR, OR ANY OTHER PERSON IN RESPECT OF THIS OF SHARES.

ALSO, NEITHER THE COMPANY NOR THE OFFEROR OR ANY OF ITS ASSOCIATES HAVE ENTERED INTO ANY BUYBACK / RE-PURCHASE AGREEMENT WITH THE BOOK RUNNERS IN THE CAPACITY AS THE UNDERWRITER OR ITS ASSOCIATES. THE COMPANY, OFFEROR, AND ITS ASSOCIATES SHALL NOT BUY BACK / RE-PURCHASE SHARES FROM THE BOOK RUNNERS AND ITS ASSOCIATES TAKEN UP, IF ANY, BY IT IN CAPACITY AS THE BOOK RUNNER.

9.5. FEES AND EXPENSES FOR E- IPO SYSTEMS

Commission on the application received through the e-IPO systems of PSX and CDC will be paid to PSX and CDC which shall be 0.8% of the amount of the total applications. PSX and CDC will share the fee with other participants of the e-IPO system at a ratio agreed amongst them.

9.6. COMMISSION OF THE BANKERS TO THE ISSUE

Commission at the rate of 0.25% (inclusive of all taxes) of the amount collected on the allotment in respect of successful applicants will be paid by the Company to the Bankers to the Issue for services to be rendered by them in connection with the Retail portion of the Offer.

9.7. BROKERAGE

For this Offer, the brokerage shall be paid to the TRE Certificate Holders of PSX at the rate of 1% of the value of shares (including premium, if any) on successful applications for Book Building and General Public Portion. No brokerage shall be payable in respect of shares taken up by the Successful Bidders pursuant to under subscription of the retail portion of the Offer.

9.8. ESTIMATED EXPENSES OF THE OFFER

Expenses to the Offer are estimated not to exceed PKR 37,030,000/-. The break-up of these preliminary expenses is given below:

Key Expenses to the Issue	Rate	Amount (PKR)
Consultant to the issue & Book Runner*	2.25% of the total amount of IPO	15,750,000
Commission to the TREC Holders of PSX*	1% of the total amount of IPO	7,000,000
Commission to Bankers to the Issue*	0.25% of the retail portion	1,750,000
e-IPO Facility Charges of Banks		300,000
Bankers to the Issue - Out of Pocket Expenses		310,000
PSX and CDC e-IPO charges	0.80%	300,000
PSX Initial Listing Fee (maximum)		1,500,000
PSX Service Charges		50,000
PSX Software Charges for Book Building		500,000
SECP Application & Processing Fees		200,000
SECP Supervisory Fee		150,000
CDC - Fresh Issue Fee	0.16%	1,120,000
CDC - Annual Fee		600,000
Share Registrar, Transfer Agent, and Balloting Agent		500,000
Marketing, Printing and Publication Expenses		6,000,000
Miscellaneous		1,000,000
Total		37,030,000

10 MISCELLANEOUS INFORMATION

10.1. REGISTERED OFFICE

Registered Office Address: Office No. 505, 5th Floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad

Phone: 051-8094673

Email: info@adamjeelife.com

10.2. CORPORATE OFFICE

Corporate Office Address: Adamjee House, 3rd and 4th Floor, I. I Chundrigar Road, Karachi

Phone: +92 (21) 111-11-5433

Fax: 021-8630011

Email: info@adamjeelife.com

10.3. BANKERS OF THE COMPANY

Name	Address	Contact Person	Contact No.	Email
Al Baraka Bank	Dhoraji Branch	Fahad Maniya	0301-8221144	fahad.maniya@albaraka.com.pk
Askari Bank	Plot No,3-C Basement, Ground & First Floor Khayaban-E- Shamsheer Phase V Ext DHA Karachi	Shahzad Zaman	0343-2479419	shahzad.zaman@askaribank.com.pk
Bank Alfalah	Corporate Main Branch. I.I. Chundrigar Road, Karachi	Umair Murshid	0333-3143195	Umair.murshid@bankalfalah.com
Bank Islami	Shop No E-1, E-1/A, C- 33, Yousuf Plaza Shop, Block 16, F.B. Area, Karachi	Ali Shahzad	0345-6172261	ali.shahzad@bankislami.com.pk
Dubai Islamic Bank	M.A Jinnah Rd, Market Quarter, Karachi	Fiaz Ijaz	0321-2373704	fiaz.ijaz@dibpak.com
Faysal Bank	Shahrah -e- Faisal, Karachi	Kumail Namazi	021-32795870	Kumailnamazi@faysalbank.com
FINCA Microfinance Bank	386 E, Khayaban-e- Firdousi, Johar Town Branch, Lahore	Tahir Mahmood	0332-1493449	tahir.mahmood@finca.org.pk
Habib Bank	Clifton Road, Teen Talwar, Zone A Block 7 Clifton, Karachi	Nofel/Saad Ashraf	33116515/ 33116880	nofel.rizwan@hbl.com / saad.ashraf1@hbl.com
Khushhali Microfinance Bank	Plot# 13, Commercial Area, Gulshan-e-Iqbal, Block: 10-A, near Rashid Minhas Road opposite Laal Flats	M. Shaheer Khan	0300-2552202	Kch.bm@kb.com.pk

MCB Bank	MCB Tower I. I Chundrigar Rd, New Chali, Karachi	Waqas Ahmed Khan	021-35360216	ops1443@mcb.com.pk
MCB Islamic Bank	Ground Floor, Nice Trade Orbit, Main Shahrah -e- Faisal Nursery Karachi	M. Saad Zia	021-34328477	saad.zia@mcbislamicbank.com
Mobilink Microfinance Bank	3-A/2 F-8 Markaz Islamabad	Taimoor ul Hasan	0302-8540161	Taimoor.ulHassan@mobilinkbank.com
National Bank of Pakistan	NBP Building I. I Chundrigar Rd, City Railway Colony, Karachi	Imtiyaz Subzwari	0300-2286057	imtiyaz.subzwari@nbp.com.pk
NRSP Microfinance Bank	D.H.A. branch Karachi	Aleem Uddin Haider	0305- 2073100/3432 4028	aleem.haider@nrspbank.com
Samba Bank	Bahadurabad Branch Karachi	Osman Baggia	0300-2245156	osman.baggia@samba.com.pk
Standard Chartered	SCB Main Branch I.I. Chundrigar Road Karachi	Anam	0302-8204920	Anam.Khan@sc.com
Silk Bank	3rd Floor Hussain Centre Shahrah -e- Faisal Karachi	Hammad Hussain	021-32275249	hammad.hussain@silkbank.com
Telenor Microfinance Bank	A-15 Block 7 And 8 Central Commercial Area KCHS Union Karachi	Zeeshan Raza	021- 111111004	zeeshanraza@telenorbank.pk
U Microfinance Bank	32, Z Block, Commercial Area, DHA Lahore, Phase 3, Lahore	Hassan Alvi	0302 4550803	hassan.nasir@ubank.com.pk
United Bank	1st Floor State Life Building I. I Chundrigar Road Karachi	Faiz Ahmed	0333-2431163	faiz.ahmed@ubl.com.pk

10.4. AUDITOR OF THE COMPANY

Yousuf Adil, Chartered Accountants

Address: Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah e Faisal, Karachi, 75350

Contact No.: +92 (21) 3454 6494-7

Email: sghazi@yousufadil.com

10.5. LEGAL ADVISORS OF THE COMPANY

Mohammad Asad Iftikhar - Advocate High Court

Address: Office no. 505, Continental Trade Center, 3 Talwar Clifton, Karachi

Contact No.: 0333 2220402

Email: asad-iftikhar@live.com

10.6. LEGAL ADVISORS OF THE OFFEROR TO THE OFFER

RS Law – Advocates & Corporate Consultants

Address: First Floor, Plot No. 62, Central Commercial Area (CCA), Block -T, Phase II, DHA, Lahore Cantt

Contact No: +92 42 35707613

Email: contact@rslaw.pk

10.7. LEGAL ADVISORS OF THE COMPANY TO THE OFFER

Bawaney & Partners - Advocates & Investment & Corporate Advisers

Address: 3rd & 4th Floors, 68-C, Lane 13, Bokhari Commercial Area, Phase VI, DHA, Karachi

Contact No: (+92) 35156191-92-93-94

Email: info@bawaney.com

10.8. REGISTRAR, TRANSFER AGENT AND BALLOTTER

CDC Share Registrar Services Limited

Office: CDC House, 99 – B, Block ‘B’, S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400

UAN: 111-111-500

FAX: (92-21) 34326053

Email: info@cdcpak.com , muhammad_sawar@cdcsrsl.com

10.9. LEAD MANAGER & BOOK RUNNER

Next Capital Limited

Address: 2nd Floor, Imperial Court Building (New Block), Dr. Ziauddin Ahmed Road, Karachi 75530, Pakistan

Phone: 111-639-825 Ext 131, 021-3522207

Fax: 021-35292623-21-48

Website: www.nextcapital.com.pk

10.10. BANKER TO THE ISSUE FOR BOOK-BUILDING

MCB Bank Limited

Address: 9th Floor, MCB Tower, I.I. Chundrigar Road, Karachi

Phone: +92 (21) 32641124, 0348-8755296

Email: maazali.baig@mcb.com.pk

10.11. BANKER TO THE ISSUE FOR GENERAL PORTION

Askari Bank Limited

Bank of Punjab

Faysal Bank

Habib Bank Limited

Habib Metropolitan Bank

MCB Bank Limited

United Bank Limited

11 MATERIAL CONTRACTS

11.1. SHORT TERM FINANCING AGREEMENTS

Bank	Facility	Amount Availed (PKR Mn)	Status	Security Margin	Markup/Commission		Date Sanctioned	Expiry Date
					TPMR	SMR		
MCB Bank Limited	Refinance Facility for Payment of Wages and Salaries	178.29	Fresh	30% / SBP (whichever is higher)	SBP Rate + 1%	TPMR +5%	26-Jun-20	31-Oct-22

The above facility is taken from MCB Bank Limited which is a related party. This facility is availed under the Temporary Economic Refinance Facility (TERF) scheme of the State Bank of Pakistan with quarterly repayments commencing from January 2021. The Timely Payment Markup Rate (TPMR) for the facility is 1% over the base rate while the standard Markup Rate (SMR) is 5% over the TPMR.

11.2. BANCASSURANCE AGENCY AGREEMENTS

ALACL has established the following long-term agency agreements with leading financial institutions in Pakistan involving both conventional and takaful business.

Agreements	Banks / Financial Institutions
Bancassurance Agency Agreement	Mobilink Microfinance Bank Limited
Bancassurance Agency Agreement	Standard Chartered Bank (Pakistan) Limited
Bancassurance Agency Agreement	Faysal Bank
Bancassurance Agency Agreement	Waseela Microfinance Bank
Bancassurance Agency Agreement	Khushhali Microfinance Bank Limited
Bancassurance Agency Agreement	Silk Bank Limited
Bancassurance Agency Agreement	Habib Metropolitan Bank
Bancassurance Agency Agreement	KASB Bank Limited (now Bank Islami Pakistan Limited)
Banca Takaful Agency Agreement	MCB Bank Limited
Banca Takaful Agency Agreement	MCB Islamic
Banca Takaful Agency Agreement	Askari Bank Limited
Banca Takaful Agency Agreement	Al Baraka Bank (Pakistan) Ltd
Banca Takaful Agency Agreement	Habib Metropolitan Bank
Master Bancassurance Agreement	Bank Alfalah Limited

11.3. LEASE AGREEMENT WITH ADAMJEE INSURANCE COMPANY LIMITED (AICL)

In 2019, the Company executed a rental lease agreement with AICL for a term of five years. AICL agreed to lease its premises measuring 31,900 square feet comprising two floors of Adamjee House, in return for a monthly rent payment PKR 100 per square feet. The property is located on I.I. Chundrigar Road, Karachi, Pakistan

11.4. INSPECTION OF DOCUMENTS AND CONTRACTS

Copies of the Memorandum and Articles of Association, the Audited Financial Statements, the Auditor's Certificates, Information Memorandum, and copies of the agreements referred to in this Offer for Sale Document may be inspected during usual business hours on any working day at the registered office of the Company from the date of publication of this Offer for Sale Document until the closing of the subscription list.

11.5. MEMORANDUM OF ASSOCIATION

The Memorandum of Association, inter alia, contains the objects for which the Company was incorporated and the business which the Company is authorized to undertake. A copy of the Memorandum of Association is annexed to this Offer for Sale Document and with every issue of the Offer for Sale Document except the one that is released in newspapers as an advertisement.

11.6. FINANCIAL YEAR OF THE COMPANY

The financial year of the Company commences on January 1 and ends on December 31.

12 BOOK BUILDING PROCEDURE

12.1. BRIEF STRUCTURE

The Offer comprises 25,000,000 Ordinary Shares of the face value of PKR 10.00/- each i.e., 10% of the existing paid-up capital of ALACL offered by the AICL who is the Sponsor of Adamjee Life Assurance Company Limited

The entire Offer is being made through the Book Building process at a Floor Price of PKR 28 per share (including a premium of PKR 18 per share). Initially, 75% of the Offer i.e., 18,750,000 Ordinary Shares will be allotted to successful bidders and 25% of the Offer i.e., 6,250,000 Ordinary Shares will be offered to retail investors. Unsubscribed shares, if any, of the General Public portion will be allocated to successful bidders of the Book Building portion on a pro-rata basis.

The Floor Price of PKR 28 per share has a maximum Price Band of 40% above which no bid shall be accepted. At the maximum Price Band, the highest strike price that can be bid for shall be PKR 39.2 per share.

The bidders shall give an undertaking along with the application that they would subscribe to the unsubscribed shares, if any, by the retail investors, and their remaining bid money would remain deposited/ blocked till the allotment of unsubscribed shares, if any, of the retail portion to them on pro-rata basis. In case the retail portion is fully subscribed, the bid money shall be unblocked within one (1) working day or refunded within three (3) working days of the closing of the public subscription.

Within 3 working days of the closing of the Bidding Period, a Supplement to the Offer for Sale Document will be published in at least all those newspapers in which the Offer for Sale Document is published. The Supplement will contain information related to the Strike Price, the Offer Price, dates of the Public Subscription, and category-wise break-up of the Successful Bidders. Format of the Supplement is given on page 3 of this Offer for Sale Document.

12.2. TYPES OF BIDS AND PROCEDURE FOR MAKING A BID

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Company sets a Floor Price, which is the minimum / lowest price a Bidder can bid at. An order book of bids is maintained by the Book Runner, which is then used to determine the Strike Price through the “**Dutch Auction Method**”.

Under the Dutch Auction Method, the Strike Price is determined by lowering the Bid Price to the extent that the total number of shares offered through the Book Building process are subscribed.

A bid by a Bidder can be a “**Limit Bid**”, or a “**Step Bid**”, each of which is explained below:

- **Limit Bid:** Limit bid is at the Limit Price, which is the maximum price a Bidder is willing to pay for a specified number of shares.

In such a case, a Bidder explicitly states a price at which he/she/it is willing to subscribe to a specific number of shares. For instance, a Bidder may bid for 1 million shares at PKR 30.00 per share, based on which the total Application Money would amount to PKR 30 million. In this case, the Bid Amount will also be PKR 30 million. Since the Bidder has placed a Limit Bid of PKR 30.00 per share, this indicates that he/she / is willing to subscribe to the shares at a price up to PKR 30.00 per share. In the case of an individual bidder, the Margin Money will be 100% i.e., PKR 30 million whereas, in the case of bidders being Institutional Investor, the Margin Money shall be 25% of the Bid amount i.e., PKR 7.5 million.

- **Step Bid:** A series of Limit Bids at increasing prices. The amount of any individual step shall not be less than PKR 1,000,000.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, make a bid for 0.7 million shares at PKR 30.00 per share, 0.6 million shares at PKR 32.00 per share, and 0.5 million shares at PKR 34.00 per share. Therefore, in essence, the Bidder has placed one Step Bid comprising of three Limit Bids at increasing prices. The Bid amount will be PKR 57.2 million. In the case of an individual bidder, the Margin Money will be 100% i.e., PKR 57.2 million whereas, in the case of bidders being Institutional Investor, the Margin Money shall be 25% of the Bid amount i.e., PKR 14.3 million.

RESTRICTIONS:

(i) AN ELIGIBLE INVESTOR SHALL NOT:

- (a) MAKE BID BELOW THE FLOOR PRICE AND ABOVE THE UPPER LIMIT OF THE PRICE BAND;
 - (b) MAKE A BID FOR MORE THAN 10% OF THE SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION;
 - (c) MAKE A BID WITH A PRICE VARIATION OF MORE THAN 10% OF THE PREVAILING INDICATIVE STRIKE PRICE AS PER REGULATION 10(2)(iii) OF THE PO REGULATIONS;
 - (d) MAKE CONSOLIDATED BID;
 - (e) MAKE MORE THAN ONE BID EITHER SEVERALLY OR JOINTLY;
 - (f) MAKE DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME; PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME; AND
 - (g) WITHDRAW BID.
- (ii) RELATED EMPLOYEES OF THE COMPANY, OFFEROR, LEAD MANAGER & BOOK RUNNER SHALL NOT PARTICIPATE IN THE BIDDING PROCESS.
- (iii) NO PERSON SHALL TAKE PART IN THE BOOK-BUILDING PROCESS, DIRECTLY OR INDIRECTLY SEVERALLY OR JOINTLY IN ANY MANNER OR ENGAGE IN ANY ACT OR PRACTICE WHICH CREATES A FALSE AND MISLEADING APPEARANCE OF ACTIVE BIDDING FOR RAISING OR DEPRESSING STRIKE PRICE IN THE BOOK-BUILDING PROCESS.

- (iv) AS PER REGULATION 7(8) OF THE PO REGULATION, THE ASSOCIATES OF THE COMPANY, OFFEROR AS DISCLOSED IN THE OFFER FOR SALE DOCUMENT SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PERCENT OF THE SHARES OFFERED THROUGH BOOK BUILDING.
- (v) AS PER REGULATION 7(9) OF THE PO REGULATIONS, THE ASSOCIATES OF THE LEAD MANAGER TO THE OFFER AND BOOK-RUNNER SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PERCENT OF THE SHARES OFFERED THROUGH BOOK-BUILDING, EXCEPT THAT THEY ARE FINANCIAL INSTITUTIONS, MUTUAL FUNDS, AND INSURANCE COMPANIES.

A LIST OF ASSOCIATED COMPANIES AND UNDERTAKINGS OF THE COMPANY, NAMES OF RELATED EMPLOYEES OF THE COMPANY, THE OFFEROR, LEAD MANAGER, AND BOOK RUNNERS ARE PROVIDED IN SECTION XX.

Once the Bidding Period has lapsed and the book has been built, the Strike Price shall be determined on the basis of the Dutch Auction Method.

Successful bidders shall be intimated, within one (1) working day of the closing of the Bidding Period, about the Strike Price and the number of shares provisionally allotted to each of them. The bid money of bidders who have undertaken to subscribe to the unsubscribed retail portion shall remain deposited or blocked till the allotment of unsubscribed retail portion, if any, to them on a pro-rata basis. Upon intimation by the Book Runner of the final allocation, successful institutional bidders shall deposit their balance margin money within (3) days of such intimation. **Where a successful Bidder defaults in payment of shares allotted to him / her / it, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**

As per regulation 9(16) of the PO Regulations, the successful bidders shall be issued after the end of the public subscription. Shares to successful bidders shall be issued only in the form of book-entry through credit in their respective CDS accounts (Investors Account or Sub-Account). All the bidders shall, therefore, provide number of their CDS accounts in the bid application.

The Bidders must provide the bank account details in their bidding form, so that cash dividends can be credited into their respective International Bank Account Number (IBAN).

12.3. MECHANISM FOR DETERMINATION OF STRIKE PRICE


1. At the close of the bidding period, the Strike Price shall be determined on the basis of the Dutch Auction Method by the Designated Institution. Under this methodology, the Strike Price is determined by lowering the price to the extent that the total number of shares offered under the Book Building process are subscribed.
2. The Order Book shall display the bid prices in a tabular form in descending order along with the number of shares bid for and the cumulative number of shares at each price level.
3. As per regulation 9(12) of the PO Regulation, in case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted on a proportionate basis against the bids made at the Strike Price.

The mechanism for determination of the Strike Price can be understood by the following illustration:


1. Number of shares offered under the Book Building: 25,000,000 Ordinary Shares
2. Floor Price: PKR 28/- per Ordinary Share with a maximum price band of 40% i.e., PKR 39.2/- per share
3. Bidding Period: From DD/MM/20YY to DD/MM/20YY
4. Bidding Time: 9:00am – 5:00pm
5. Bidding Revision Time (Upward Revision only): 9:00 am – 5:00 pm on all days

FOR ILLUSTRATION PURPOSES ONLY


Bidder	Price (PKR/share)	Quantity	Cumulative Number of Shares	Category of Order
Institution A	40.00	1,000,000	1,000,000	Limit Price
Institution B	39.25	1,500,000	2,500,000	Limit Price
HNWI A	38.75	1,500,000	4,000,000	Step Bid
Institution C	37.75	2,000,000	6,000,000	Limit Price
Institution D	37.50	3,500,000	9,500,000	Limit Price
HNWI B	36.50	3,800,000	13,300,000	Limit Price
HNWI A	36.00	2,200,000	15,500,000	Step Bid
Institution E	34.00	2,000,000	17,500,000	Limit Price
HNWI C	33.50	2,300,000	19,800,000	Limit Price
Institution F	33.00	2,700,000	22,500,000	Step Bid
Institution E	31.75	2,000,000	17,500,000	Limit Price
HNWI D	31.25	1,500,000	24,000,000	Step Bid
HNWI E	31.00	1,000,000	25,000,000	Limit Price
Institution F	30.00	1,500,000	26,500,000	Step Bid



Strike Price determined through Dutch Auction



Bid has been revised upwards and placed at PKR 34.00



Total shares bid for at and above the Floor Price

On the basis of the figures provided in the above illustration, according to the Dutch Auction Method, the Strike Price would be set at **PKR 31.00** per share to sell the required quantity of 25,000,000 ordinary shares.

At PKR 40.00 per share, investors are willing to buy 1,000,000 shares. Since 24,000,000 shares are still available, therefore the price will be set lower.

At PKR 39.25 per share, investors are willing to buy 1,500,000 shares. Since 22,500,000 shares are still available, therefore the price will be set lower.

At PKR 38.75 per share, investors are willing to buy 1,500,000 shares. Since 21,000,000 shares are still available, therefore the price will be set lower.

At PKR 37.75 per share, investors are willing to buy 2,000,000 shares. Since 19,000,000 shares are still available, therefore the price will be set lower.

At PKR 37.50 per share, investors are willing to buy 3,500,000 shares. Since 15,500,000 shares are still available, therefore the price will be set lower.

At PKR 36.50 per share, investors are willing to buy 3,800,000 shares. Since 11,700,000 shares are still available, therefore the price will be set lower.

At PKR 36.00 per share, investors are willing to buy 2,200,000 shares. Since 9,500,000 shares are still available, therefore the price will be set lower.

At PKR 34.00 per share, investors are willing to buy 2,000,000 shares. Since 7,500,000 shares are still available, therefore the price will be set lower.

At PKR 33.50 per share, investors are willing to buy 2,300,000 shares. Since 5,200,000 shares are still available, therefore the price will be set lower.

At PKR 33.00 per share, investors are willing to buy 2,700,000 shares. Since 2,500,000 shares are still available, therefore the price will be set lower.

At PKR 31.75 per share, investors are willing to buy 2,000,000 shares. Since 2,500,000 shares are still available, therefore the price will be set lower.

At PKR 31.25 per share, investors are willing to buy 1,500,000 shares. Since 1,000,000 shares are still available, therefore the price will be set lower.

At PKR 31.00 per share, investors are willing to buy 1,000,000 shares. **Since after bidding for 1,000,000 shares at PKR 31.00 per share, no shares will be available therefore the Strike Price will be set at PKR 31.00 per share for the entire lot of 25,000,000 shares.**

The bidders who have placed bids at prices above the Strike Price (which in this illustration is PKR 31.00 per share), will become entitled to allotment of shares at the Strike Price and the differential would be refunded. In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on a proportionate basis as per regulation 9(12) of the PO Regulations.

The Bidders who have made bids below the Strike Price shall not qualify for allotment of shares and the Book Runner shall intimate the respective banks for unblocking their Bid Money within one (1) working day of the close of the bidding period as per regulation 9(13) of the PO Regulation and the refunds, where required to such bidders shall be made within three (3) working days from the close of the bidding period.

Since this Offer is being made through 100% book building, as per regulation 7(4) of the PO Regulation, the Bidder shall be allowed to place bids for hundred (100%) percent of the Offer size and the strike price shall be the price at which hundred (100%) percent of the Offer size is subscribed. However, the successful bidders would be allotted and issued only seventy-five (75%) percent of the Offer size and the remaining twenty-five (25%) percent would be offered to the retail investor. The bidders shall give an undertaking along with the application that they would subscribe to the unsubscribed shares, if any, out of the retail portion of the Offer, and their remaining bid money would remain deposited/ blocked till the allotment of such unsubscribed shares to them on pro-rata basis.

The bid money of bidders shall remain deposited or blocked till the allotment of unsubscribed shares, if any, to them on a pro-rata basis as per regulation 9(15) of PO Regulation.

In case the retail portion of the Offer is fully subscribed, the bid money shall be unblocked within one (1) working day or refunded within three (3) working days of the closing of the public subscription.

12.4. TIMEFRAME FOR INTIMATION TO THE SUCCESSFUL BIDDERS AND MECHANISM FOR PAYMENT OF THE BALANCE AMOUNT BY THE SUCCESSFUL BIDDERS

Successful bidders shall be intimated, within one (1) working day of the closing of the bidding period, the Strike Price and the number of shares provisionally allotted to each of them. Upon intimation by the Book Runner of the final allocation, successful institutional bidders shall deposit their balance margin money within (3) days of such intimation. **Where a successful Bidder defaults in payment of shares allotted to it, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**

12.5. LEAD MANAGER

Next Capital Limited has been appointed by the Company as Lead Manager to this Offer.

12.6. BOOK RUNNER

Next Capital Limited having an underwriting license has been appointed by the Company as Book Runner to this Offer.

12.7. INTEREST OF LEAD MANAGER AND THE BOOK RUNNER:

The Lead Manager and the Book Runner are deemed to be interested to the extent of fees payable to them by the Company for the services to be rendered by them as Lead Manager and Book Runner to the Offer respectively. The Lead Manager and the Book Runner to the Offer have no other interest in any property or profits of the Company.

Roles and Responsibilities of the Book Runner

The Book Runner to the Offer shall be responsible to:

1. ensure that necessary infrastructure and electronic system is available to accept bids and to conduct the whole Book Building process in a fair, efficient, and transparent manner;
2. ensure blocking, where required, of bid and margin money of the Bidders in their respective accounts;
3. the Book Runner must be financially capable of honoring its commitments arising out of defaults by their investors if any;
4. use the software provided by the Designated Institution for the Book Building on such terms and conditions as may be agreed through an agreement in writing;

5. ensure that the software used for Book Building is based on Dutch Auction Method for the display of the order book in descending order and determination of the strike price;
6. ensure that the bidders can access the System and can revise their bids electronically using the user ID and the password;
7. ensure that it has obtained the list and Unique Identification Numbers (“UINs”) of the associates of the Company, Offeror, Lead Manager, and all the related employees;
8. ensure that names and UINs of all the persons mentioned under Part 3A.9 are entered and capped in a manner as prescribed in the PO Regulations before the commencement of the Bidding Period;
9. ensure that no bid or bids exceeding ten percent (10%), in aggregate, is or are made by the associated companies and associated undertakings of the Company & Offeror;
10. ensure that no bid in aggregate exceeding ten percent (10%) is made by the associated companies and associated undertakings of the Lead Manager & Book Runner;
11. enter into an underwriting agreement with the Company with respect to the underwriting of the Book Building portion for covering the default risk;
12. establish bid collection centers at least in Islamabad, all the provincial capitals, Azad Kashmir and Gilgit/Baltistan;
13. maintain a record of all the bids received; and
14. ensure that all the Bids received in the Bid Collection Centers are entered into the system developed by the Designated Institution for the purpose of Book Building within the prescribed time.

The Book Runner has established bid collection centers at the following addresses (direct & fax numbers in all centers).

BID COLLECTION CENTERS

The Book Runner has established bid collection centers at the following addresses:

Karachi		
Contact Officer:		
Direct No.:		
Mobile No.:		
PABX No.:		
Fax No.:		
Email:		
Postal Address:		
	Lahore	Quetta
Contact Officer:		
Mobile No.:		
Direct No.:		
Email:		
Postal Address:		
	Islamabad	Peshawar
Contact Officer:		
PABX No.:		
Direct:		
Fax No.:		
Email:		
Postal Address:		

	Azad Kashmir	Gilgit / Baltistan
Contact Officer:		
Mobile No.:		
Direct:		
Email:		
Postal Address:		

12.8. ROLES AND RESPONSIBILITIES OF THE DESIGNATED INSTITUTION

PSX being provider of the Book Building System (Designated Institution), shall ensure that Book Building System shall smoothly perform the following functions:

1. Record name, UIN, National Tax Number (NTN), postal and email addresses; landline and cell numbers, International Bank Account Number (IBAN) and branch address; and complete CDS Account Number (i.e. Investor Account Number or Sub-Account Number);
2. Provide a mechanism for registration of the bidders before the commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned above;
3. Generate bidders' Internet Protocol (IPs) address and keep a record of all IP addresses from where the bids are placed;
4. Record the number of shares bid for, the Bid Price, type of the bid i.e., Limit Bid or Step Bid, date, and time of the entry of the bid;
5. Display the bids revised upward, and date and time of upward revision;
6. Neither allow withdrawal of Bid nor accept the bids placed at a Bid Price that is below the Floor Price or above 10% of the Indicative Strike Price at any point of time and above the upper limit of the Price Band;
7. Display live the total number of shares offered for sale, the Floor Price, Price Band, total number of bids received, the total number of shares bid for, and indicative Strike Price;
8. Build an order book showing demand for the shares at various price levels in descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;
9. Discover the strike price at the close of the Bidding Period;
10. Generate alerts for the Bidders via Short Message Service (SMS) through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, upon variation in the Indicative Strike Price and upon discovery of the strike price; and
11. Ensure that system must provide the bidders the option to upward revise their bids online or through the Book Runner during the period permitted under the PO Regulations.

PSX shall ensure that:

- identity of the bidder is not displayed; and
- no bid is entered into the System after the closing of the Bidding Period.

12.9. ROLE AND RESPONSIBILITIES OF THE COMPANY

The Company shall ensure that:

1. The Company, Offeror, its Sponsor, promoters, substantial shareholders, directors, and associates shall have no over dues or defaults, irrespective of the amount, appearing in the report obtained from the credit information bureau;
2. The Company, Offeror or its directors, sponsors, or substantial shareholders should not have held the office of the directors, or have not been sponsors or substantial shareholders in any company:
 - I. which had been declared defaulter by the securities exchange or futures exchange; or
 - II. whose TRE certificate has been canceled or forfeited by the securities exchange; or
 - III. which has been de-listed by the securities exchange due to non-compliance of its regulations.
3. The Lead Manager, Book Runner, Underwriter, Balloter and Share Registrar, and Banker to the Offer, are appointed through separate agreements in writing.
4. It has submitted through its Lead Manager, an application along with a draft Offer for Sale Document for the listing of its securities to the PSX.
5. The shares shall be issued in book-entry form only.

12.10. OPENING AND CLOSING OF THE REGISTRATION PERIOD

The Registration period shall be for **Five (5) working days** i.e., DD/MM/2021 to DD/MM/2021 from 9:00 AM to 5:00 PM and from 9:00 AM to 3:00 PM on DD/MM/20YY.

REGISTRATION PERIOD	
DD/MM/20YY	9:00am to 5:00pm
DD/MM/20YY	9:00am to 5:00pm
DD/MM/20YY	9:00am to 5:00pm
DD/MM/20YY	9:00am to 5:00pm
DD/MM/20YY	9:00am to 3:00pm

12.11. OPENING AND CLOSING OF THE BIDDING PERIOD

The Bidding Period shall be for **Two (2) working days** i.e., DD/MM/2021 and DD/MM/2021. The bidding will commence at 09:00 am and shall close at 05:00 pm on both days.

BIDDING PROCESS STARTS ON	DD/MM/20YY (9:00 AM to 5:00 PM)
BIDDING PROCESS ENDS ON	DD/MM/20YY (9:00 AM to 5:00 PM)

12.12. ELIGIBILITY TO PARTICIPATE IN BIDDING

Eligible Investors who can place their bids in the Book Building process include local and foreign Individual and Institutional Investors whose Bid Amount is not less than PKR 1,000,000/- (Rupees One Million only).

12.13. INFORMATION FOR BIDDERS

1. The Offer for Sale Document has been duly cleared by PSX and approved by SECP as detailed in Part 1.1 and 1.2.
2. The Offer for Sale Document, Registration Forms, the Bidding Forms, and Bid Revision Forms can be obtained from the Registered Office of the ALACL, Next Capital Limited, and the designated Bid Collection Centers. Offer for Sale Document, Registration Forms, Bidding Forms, and Bid Revision Forms can also be downloaded from the following websites of PSX, Lead Manager & Book Runner and the Company: <https://www.psx.com.pk/>, <http://www.nextcapital.com.pk> and <https://www.adamjeelife.com/>
3. Eligible Investors who are interested to participate in bidding for subscribing to the Ordinary Shares of the Company should approach the Book Runner at the addresses provided in Part 10.7 for registration for submitting their Bids.
4. THE REGISTRATION FORMS SHOULD BE SUBMITTED ON THE PRESCRIBED FORMAT AT THE ADDRESSES PROVIDED IN PART 12.7. FOR DETAILS ON THE PROCEDURE OF REGISTRATION PLEASE REFER TO PART 12.14.
5. THE BIDS SHOULD BE SUBMITTED ON THE PRESCRIBED BIDDING FORM IN PERSON, THROUGH FAX NUMBERS GIVEN IN PART 12.7 OR
6. THROUGH THE ONLINE SYSTEM USING THE USER ID AND PASSWORD ISSUED AT THE TIME OF REGISTRATION OF ELIGIBLE INVESTORS.
7. REGISTERED INVESTORS CAN PLACE AND REVISE THEIR BIDS UPWARDS BY ACCESSING THE DESIGNATED INSTITUTION/PSX ONLINE PORTAL FOR BOOK-BUILDING BY USING THE USER ID AND PASSWORD COMMUNICATED TO THEM VIA EMAIL BY PSX.
8. EACH ELIGIBLE INVESTOR SHALL ONLY SUBMIT A SINGLE PAY ORDER, DEMAND DRAFT, OR EVIDENCE OF ONLINE TRANSFER OF MONEY ALONG WITH THE REGISTRATION FORM. IT MAY ALSO BE NOTED THAT ONLY A SINGLE PAY ORDER, DEMAND DRAFT, OR EVIDENCE OF ONLINE TRANSFER OF MONEY SHALL BE ACCEPTED BY THE BOOK RUNNER ALONG WITH EACH ADDITIONAL PAYMENT FORM.
9. ELIGIBLE INVESTORS WHO ARE ACCOUNT HOLDERS OF MCB BANK LIMITED (THE BANKER TO THE BOOK BUILDING PORTION OF THE OFFER) CAN USE THE ONLINE TRANSFER FACILITY PROVIDED BY XXX BANK LIMITED TO DEPOSIT THEIR BID MONEY TO THE BOOK BUILDING ACCOUNT OPENED AT XXX BANK LIMITED.

12.14. BIDDERS REGISTRATION FORM AND PROCEDURE FOR REGISTRATION

1. A standardized Registration Form has been prescribed by the Company. The Registration Form shall be submitted, duly filled in, at the Bid Collection Centers in person on addresses given in Part 12.7 on the

standard Registration Form. The Registration Form shall be serially numbered at the bid collection centers and date and time-stamped at the time of collection of the same from the Bidders.

2. Upon completion and submission of the Registration Form, the Bidders are deemed to have authorized the Company to make necessary changes in the Offer for Sale Document as would be required for finalizing and publishing the Supplement to the Offer for Sale Document in the newspapers in which Offer for Sale Document was published and filing the Supplement with the PSX and the SECP, without prior or subsequent notice of such changes to the Bidders.
3. The registration procedure under the Book Building process is outlined below:
 - The Registration period shall be for Five (5) working days i.e., DD/MM/2021 to DD/MM/2021 from 9:00 AM to 5:00 PM (during working days) and from 9:00 AM to 3:00 PM on DD/MM/2021.
 - The Registration Form shall be issued in duplicate signed by the Bidder and countersigned by the Book Runner, with the first copy for the Book Runner and the second copy for the Bidder.
 - The Registration Form shall be duly filled in and signed in duplicate and shall be submitted at the Bid Collection Centers in person, through a representative, or through fax on addresses and numbers given in Part 12.7.
 - Upon registration of the bidders in the System, PSX shall assign and communicate the User ID and Password to the Bidders via email on the email address provided by them in the Registration Form.
 - The Book Runner may reject any bid for reasons to be recorded in writing provided the reason of rejection is disclosed to such bidder. The decision of the Book Runner shall not be challengeable by the Bidder or its associates.
 - Bid Amount / Margin Money shall be deposited along with the Registration Form through demand draft, pay order, or online transfer through Bidder's bank account only. In case of Online Transfer, the Bidders are requested to submit a bank receipt evidencing the transfer of the bid money into the Company's designated bank account. **Please note that cash must not be deposited either directly or through online transfer in the Company's designated bank account.**
 - The pay order shall be made in favor of "**ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING**". For online transfer the payment shall be made into account no, XXXXXXXX being maintained at MCB Bank Limited – Branch. Please note that the online transfer facility shall only be allowed to the account holders of MCB Bank Limited.
 - Please note that third-party instruments will not be accepted for Margin Money.

- In the case of intracity payment instruments, the bidders shall ensure that the payment instruments are made “Payable at any Branch”. Intra-city payment instruments that are not made “Payable at any Branch” will not be accepted.
- The Book Runner shall collect an amount of 100% of the Application Money as Margin Money in respect of bids placed by Individual Investors.
- The Book Runner shall collect an amount of not less than 25% of the Application Money as Margin Money in respect of bids placed by Institutional Investors.
- The Bidder shall provide a valid email address in the Registration Form so that the relevant ID and password can be emailed to them upon registration.
- The Bidders can use the User ID and Password to independently place and upward revise their bids online.
- **The successful Bidders shall be issued shares only in the form of book-entry to be credited in their respective CDS accounts. All the bidders shall, therefore, provide their CDC account numbers in the bid application and Registration form.**
- **The successful Bidders shall be paid cash dividend, if any announced by the Company, only through direct credit in their respective International Bank Account Number (IBAN). All the Bidders, therefore, must provide their IBANs in the Bid Application and Registration Forms.**

12.15. PROCEDURE FOR BIDDING

1. A standardized Bidding Form has been prescribed by the Company.
2. Registered Investors can submit their bids in person or through representatives at the Bid Collection Centers during the bidding dates or can place their bids online at <https://bkb.psx.com.pk> using the user ID and Password received by them over email upon registration with the Book Runner.
3. The bidding procedure under the Book Building process is outlined below:
 - Bids can be placed either at the “Limit Price” or as a “Step Bid”. The minimum size of a Limit Bid by an Eligible Investor shall not be less than PKR 1,000,000/- (Rupees One Million) and in case of a Step Bid, the amount of any step shall also not be less than PKR 1,000,000/- (Rupees One Million).
 - The investors may place their bids through any of the Bid Collection Centers established pursuant to the requirements of sub-regulation 10 of regulation 8 of the PO Regulations. Please see Part 12.7 for addresses and contact detail of persons at the Bid Collection Centers.

- The persons at the Bid Collection Centers shall vet the bid applications and accept only such bid applications that are duly filled in and supported by pay order, demand draft, or a bank receipt evidencing the transfer of the bid money into the Company’s designated bank account.
- On receipt of bid application in accordance with PO Regulations, the Book Runner shall enter Bid into the System and issue to the Bidder an electronic receipt-bearing name of the Book Runner, name of the bidding center, date, and time.
- The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. on all days of the Bidding Period. The bids shall be collected and entered into the system by the Book Runner till 05:00 p.m. on the last day of the bidding period.
- The Bidders shall have the right to revise their bids upwards any time either manually through the Bid Collection Centers or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period.
- **The Bidders shall NOT make downward revision both in terms of Bid Price and Bid Volume provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.**
- **The Bidders shall not withdraw the Bids.**
- The Book Runner shall collect the full amount of the Bid Amount as Margin Money in respect of bids placed by the High-Net-Worth Individual investors and not less than twenty-five percent (25%) of the Bid Amount as Margin Money in respect of bids placed by the Institutional Investors.
- Payment of Margin Money shall be accepted only through demand draft, pay order, or online transfer, and third-party payment instruments shall not be accepted.
- The Book runner may waive the margin requirement for institutional investors subject to confirmation from their respective banks or custodian banks (in case of foreign institutional investors) that an amount equivalent to the bid money is available in the respective bank or custodian account and would be paid directly to the book runner on its request and confirmation of allocation of shares;
- The Book Runner may reject any bid for reasons to be recorded in writing provided the reason of rejection is disclosed to such bidder. The decision of the Book Runner shall not be challengeable by the Bidder or its associates.
- PSX shall, through the system, display live throughout the bidding period an order book in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with the percentage of the total shares offered (the “Order Book”). The Order Book should also show the bids revised upward. The Order Book shall be accessible through the websites of PSX.

- At the close of the Bidding Period, the Strike Price shall be determined on the basis of the Dutch Auction Method.
- Once the Strike Price is determined, all those Bidders whose bids are found successful shall become entitled to allotment of shares.
- The Bidders who have made bids at prices above the Strike Price shall be allotted shares at the Strike Price.
- In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted against the bids made at the Strike Price on a proportionate basis as per regulation 9(12) of the PO Regulations. The procedure for allotment of shares to successful Bidders is mentioned in Part 12.24 of the Offer for Sale Document.
- The Bidders who have made bids below the Strike Price shall not qualify for allotment of any Ordinary Shares and the Book Runner shall intimate their respective banks for unblocking, where required, their Bid Money within one (1) working day of the close of the bidding period; and in case of refund, the refunds to such bidders shall be made within three (3) working days from the close of the bidding period.
- Successful bidders shall be intimated, within one (1) working day of the closing of the bidding period, the Strike Price and the number of shares **provisionally** allotted to each of them. The successful bidders shall be intimated by the Book Runner of their final allocation after subscription of the retail portion of the Offer.
- In case the retail portion of the Offer is not fully subscribed, the unsubscribed shares shall be allotted to the successful bidders on a pro-rata basis.
- In case the retail portion of the Offer is oversubscribed, the allotment shall be made in the manner given in Part 13.11.
- Upon intimation by the Book Runner of final allocation, successful institutional bidders shall deposit their balance margin within (3) days of such intimation. **Where a successful Bidder defaults in payment of shares allotted to it, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**
- Final allotment of shares out of the Book Building Portion shall be made after receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be credited at the time of credit of shares out of the retail portion.

- The successful Bidders shall be issued shares only in Book Entry Form to be credited in their respective CDS accounts. All the bidders shall, therefore, provide their CDS account numbers in the Registration Form.
- The Designated Institution shall continue to display on its website, the data pertaining to the Book Building and determination of the Strike Price for a period of at least three (3) working days after closure of the Bidding Period.
- The Book-Runner shall ensure that subscription money received against the bids accepted shall not be released to the Company by the Banker to the Book Building Portion until:
 - credit of all shares allotted to retail investors; and
 - issuance of NOC by the PSX.

12.16. PAYMENT FOR BOOK-BUILDING PORTION

The Company has opened a bank account for the collection of applications' money related to Book Building Portion.

The Bidders shall draw a demand draft, pay order favoring “**ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING**” or online transfer of the bid money into the Book Building account **no. XXXXXXXX** maintained at MCB Bank Limited and submit the demand draft, pay order, or bank receipt at the designated Bid Collection Centers either in person or through facsimile along with a duly filled in Registration Form.

For online transfer, the payment shall be made into the Account **XXXXXX** being maintained at MCB Bank Limited - **Branch** with the Account Title “**ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING**”. Please note that an online transfer facility shall only be allowed for account holders of MCB Bank Limited.

CASH MUST NOT BE SUBMITTED WITH THE BIDDING FORM/REGISTRATION FORM AT THE BID COLLECTION CENTER NOR DEPOSITED DIRECTLY OR VIA ONLINE TRANSFER IN THE COMPANY'S DESIGNATED BANK ACCOUNTS. BID AMOUNT MUST BE PAID THROUGH PAY ORDER, BANK DRAFT, OR ONLINE TRANSFER DRAWN / TRANSFER IN FAVOR OF “**ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING**” IN A MANNER ACCEPTABLE TO THE BOOK RUNNER. **PLEASE NOTE THAT THIRD-PARTY PAYMENT INSTRUMENTS WILL NOT BE ACCEPTED.**

The Collection Bank shall keep and maintain the bid money in the said account. Once the shares allocated under the retail portion have been credited, the Lead Manager, after obtaining NOC from PSX, may request in writing to the Banker to the Book Building Portion for transfer of the money of successful and accepted applications to the Company's account(s).

12.17. PAYMENT PROCEDURE:

The payment procedures for a Limit Bid or a Step Bid are explained below:

▪ PAYMENT FOR LIMIT BID

If investors are placing their bids as a Limit Bid, then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated bid price.

For instance, if an investor is applying for 1 million shares at a price of PKR 30.00 per share, then the total Application Money would amount to PKR 30 million. In such a case, (i) Individual Investor shall deposit PKR 30 million in the Book Building account as the bid amount which is 100% of PKR 30 million; and (ii) Institutional Investor shall deposit at least PKR 7.5 million in the Book Building account as the Margin Money which is 25% of PKR 30 million.

▪ PAYMENT FOR STEP BID

If an investor is placing a Step Bid which is a series of Limit Bids at increasing prices, then he/she/it shall deposit the Margin Money/bid money based on the total number of shares he/she/it is bidding for at his/her/its stated bid prices.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, if the investor bids for 0.7 million shares at PKR 30 per share, 0.6 million shares at PKR 32 per share, and 0.50 million shares at PKR 34 per share, then in essence the investor has placed one Step Bid comprising three limit bids at increasing prices. The Application Money would amount to PKR 57.2 million, which is the sum of the products of the number of shares bid for and the bid price of each limit bid. In such a case, (i) Individual Investors shall deposit PKR 57.2 million in the Book Building Account as Margin Money which is 100% of PKR 57.2 million and (ii) Institutional Investors shall deposit at least PKR 14.3 million in the Book Building Account as Margin Money which is 25% of PKR 57.2 million.

12.18. PAYMENT BY FOREIGN INVESTORS

Companies are permitted under paragraph 6 (with specific reference to sub-para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on a repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the offer price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan.

Non-residents who wish to bid for the subscription of shares being offered via book building can remit the subscription money through an Authorized Dealer directly to the book building accounts opened by the Company as given in Part 12.14 of this Offer for Sale Document, however, those non-residents who wish to

subscribe shares out of the general public portion may contact any of the bankers to the offer (retail portion) for taking instructions regarding payment of subscription money against shares offered to the general public / retail investors. A list of bankers to the Offer for retail portion is available on page 1 of this Offer for Sale Document.

The shares issued to non-resident shareholders shall be intimated by the Company to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of Offer.

Non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual do not require SBP's approval to invest in the shares being offered in terms of this Offer for Sale Document. Furthermore, under paragraph 7 (vii) of Chapter 20 of the Manual, the Authorized Dealer shall allow repatriation of dividends, net of applicable taxes, and proceeds on the sale of listed shares (i.e., divestment proceeds) not exceeding the market value less brokerage/commission on the provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

12.19. PROCEDURE FOR REJECTION OF BIDS

In terms of regulation 9(7) of the PO Regulations, the Book Runner may reject any Bid placed by a Bidder for reasons to be recorded in writing provided the reason of rejection is disclosed to such Bidder. The decision of the Book Runner shall not be challengeable by the Bidder or any of its associates.

12.20. TIME FRAME FOR UPWARD REVISION OF BIDS BY THE BIDDERS

The registered investors may revise their Bids upwards any time either manually through the Bid Collection Centers or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period.

An investor will not be allowed to place or revise a bid with a price variation of more than 10% of the prevailing indicative strike price.

NO DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME IS ALLOWED PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME. HOWEVER, NO WITHDRAWAL OF BID IS ALLOWED.

12.21. TEN PERCENT (10%) PRICE VARIATION

An investor will not be allowed to place or upward revise a bid with a price variation of more than ten percent (10%) of the prevailing Indicative Strike Price subject to Floor Price and Price Band i.e., Bid Price must not be below the Floor Price and must not exceed 40% of the Floor Price which is the upper limit of the Floor Price. **Please note that the indicative Strike Price may not be constant and may keep on changing during the bidding period. Therefore, the 10% range will also change with the changing indicative Strike Price.**

For Example, if the Floor Price is PKR 28 per share and the Indicative Strike Price at any given point in time during the bidding period is PKR 28 per share, registered bidders may place or revise their bids at/to any price

between PKR 28 per share to PKR 30.8 per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 28 per share to PKR 29 per share, the registered bidders may place or upward revise their bids at/to between PKR 29 per share to PKR 31.9 per share.

Please note that the 10% range on the lower side cannot go below the floor price and cannot exceed the upper cap of 40% of the floor price i.e., PKR 39.2 per share. The price range of 10% applicable at any given point in time during the bidding period will also be displayed on the bid screen available at the website of PSX.

12.22. RESTRICTION ON DOWNWARD REVISION OR WITHDRAWAL OF BIDS BY THE BIDDER

Under regulation (10)(2)(vi) of the PO Regulations, the Bidders shall not make downward revision both in terms of Bid Price and Bid Volume provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.

Under regulation (10)(2)(vii) of the PO Regulations, the Bidders shall not be allowed to withdraw Bids.

12.23. PROCEDURE FOR WITHDRAWAL OF OFFER

1. In accordance with regulation 8(16) of the PO Regulations, in case the Company does not receive bids for the number of shares allocated under the Book Building Portion at the Floor Price, the Offer shall be canceled and the same shall be immediately intimated to the Commission and PSX and the Margin Money shall be refunded to the bidders immediately but not later than three (3) working days of the closing of the Bidding Period.
2. In accordance with regulation 8(17) of the PO Regulations, the Book Building process will be considered as canceled if the total number of bids received is less than forty (40).

12.24. BASIS OF ALLOTMENT OF SHARES

Bidders shall be allowed to place bids for one hundred percent (100%) of the Offer size and the Strike Price shall be the price at which one hundred percent (100%) of the Offer is subscribed via the Dutch Auction Method.

Once the Strike Price is determined, all those Bidders whose bids have been found successful shall be provisionally allotted 75% of the Offer size i.e., 18,750,000 Ordinary Shares.

In order to be a successful Bidder in the Book Building process, the bid price would either be higher than the strike price or at the strike price.

For allocation of shares via Book Building, priority shall be given to the bids placed at the highest price. The bidders, who have made bids at prices above the Strike Price, will be provisionally allocated 75% of the shares successfully bid for, at the Strike Price. The differential between the bid price and Strike Price would be refunded based on the total number of shares bid for.

Bidders who had placed Bids at the Strike Price will be provisionally allotted seventy-five (75%) of the shares successfully bid for, at the Strike Price, on a proportionate basis.

Bids made below the Strike Price shall not qualify for allotment of shares and their Margin Money will be refunded.

Final allotment of shares to the successful bidders would be determined after the determination of the public response to the Retail Portion of the Offer.

In the event the retail portion is undersubscribed, the unsubscribed portion would be allotted to the successful bidders, on a pro-rata basis as per regulation 11(5) of the PO Regulations. Excess funds, if any, would be refunded to the bidders after allotment of the unsubscribed shares.

Final allotment of shares out of the Book Building portion shall be made after subscription of the retail portion and receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be issued simultaneously with the issuance of shares to retail investors, in the form of book-entry to be credited in their respective CDS accounts. All the Bidders shall, therefore, provide number of their respective CDS accounts in the Bid application as required under regulation 9(16) of the PO Regulations.

12.25. REFUND OF MARGIN MONEY

The Bidders who have made bids below the Strike Price shall not qualify for allotment of securities and the Book Runner shall intimate their respective banks for unblocking, where required, their Bid Money within one (1) working day of the close of the bidding period as required under regulation 9(13) of the PO Regulations; and in case of refund, the refunds to such bidders shall be made within three (3) working days from the close of the Bidding Period.

The bid money of Bidders who have undertaken to subscribe the unsubscribed retail portion shall remain deposited or blocked till the allotment of unsubscribed retail portion, if any, to them on a pro-rata basis.

12.26. PUBLICATION OF SUPPLEMENT TO THE OFFER FOR SALE DOCUMENT

In accordance with regulation 11(1) of the PO Regulations, within three (3) working days of the closing of the Bidding Period, the Supplement to the Offer for Sale Document shall be published at least in all those newspapers in which the Offer for Sale Document was earlier published and also disseminated through PSX.

The Supplement to the Offer for Sale Document would contain information related to the Strike Price, the Offer Price, category-wise breakup of the successful bidders along with the number of shares provisionally allocated to them. Format of the Supplement is given on page 2 of this Offer for Sale Document.

Public subscription for the shares shall be held at any date(s) within thirty days (30) of the publication of the Offer for Sale Document but not earlier than seven (7) days of such publication.

13 APPLICATION AND ALLOTMENT INSTRUCTIONS FOR RETAIL PORTION

13.1. ELIGIBLE INVESTORS

Eligible Investors include:

- a) Pakistani citizens resident in or outside Pakistan or persons holding dual nationalities including Pakistani nationality;
- b) Foreign nationals whether living in or outside Pakistan;
- c) Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- d) Mutual Funds, Provident/pension/gratuity funds/trusts, (subject to the terms of the Trust Deed and existing regulations); and
- e) Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

APPLICATION MUST BE MADE ON SECP's APPROVED APPLICATION FORM OR A LEGIBLE PHOTOCOPY THEREOF ON A PAPER OF A4 SIZE WEIGHING AT LEAST 62 GM

13.2. OPENING AND CLOSING OF SUBSCRIPTION LIST

The subscription list will open at the commencement of the banking hours on DD/MM/YYYY and close at the end of banking hours on DD/MM/YYYY.

13.3. COPIES OF THE OFFER FOR SALE DOCUMENT

Copies of the Offer for Sale Document and applications forms can be obtained from PSX, the Bankers to the Offer and their Branches, Lead Manager & Book Runner, the registered office, and the corporate office of the Company. The Offer for Sale Document and the Application Forms can also be downloaded from the following websites:

<http://nextcapital.com.pk/>, <https://www.adamjeelife.com/>, <https://www.psx.com.pk/> and www.cdceipo.com;

Shares against the successful and accepted applications shall be issued in the Book-Entry Form only and will be credited into the Applicants' CDS Account mentioned in the Application. The applicants, therefore, must provide detail of their CDS Account (investors Account or Sub-Account) in the Shares Subscription Form. Investors who do not have CDS account may visit www.cdcpakistan.com for information and details. For further guidance and queries regarding the opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com.

NAMES(S) AND ADDRESS (ES) MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED.

ALL APPLICATIONS MUST BEAR THE NAME AND SIGNATURE CORRESPONDING WITH THE ONE RECORDED WITH THE APPLICANT’S BANKER. IN CASE OF DIFFERENCE OF SIGNATURE WITH THE BANK AND COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OR THE NATIONAL IDENTITY CARD FOR OVERSEAS PAKISTANI (NICOP) OR PASSPORT, BOTH THE SIGNATURES SHOULD BE AFFIXED ON THE APPLICATION FORM.

13.4. E-IPO SYSTEM

e-IPO refers to electronic submission of applications for subscription of securities offered in an IPO. The following systems are available for e-IPOs:

i. PSX’s e-Initial Public Offering System (PES):

In order to facilitate investors, the Pakistan Stock Exchange Limited (“PSX”) has developed an e-IPO System (“PES”) through which applications for subscription of securities offered to the general public can be made electronically. PES can be accessed through the web link ‘eipo.psx.com.pk’. Payment of subscription money can be made through 1LINK or NIFT.

For making an application through PES, investors must be registered with PES. The PES registration form is available 24/7, throughout the year. Registration is free of cost and can be done by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

Similarly, an e-IPO application can be filed by:

- the investor himself, or
- the TREC Holder with whom the investor has a sub-account, or
- the Bank with whom the investor has a bank account.

Registered investors with PES can submit their applications through the web link, ‘eipo.psx.com.pk’, 24 hours a day during the subscription period which will close at midnight on **DD/MM/2021**.

For further guidance and queries regarding PES, investors may contact PSX at phone number 111-001-122 or (021)-35274401-10, and email ‘itss@psx.com.pk’.

ii. Centralized e-IPO System (CES):

In order to facilitate investors, the Central Depository Company of Pakistan (“CDC”) has developed a Centralized e-IPO System (“CES”) through which applications for subscription of securities offered to the general public can be made electronically. CES can be accessed through the web link (www.cdceipo.com). Payment of subscription money can be made through 1LINK’s member banks available for CES.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, sub-account holder(s) can request their respective TREC Holders who are Participants in the Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized

Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and can also make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in the Investors' subaccount. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and the investor can contact CDC for credit of shares in its respective account

Investors who do not have CDS account may visit www.cdcpakistan.com for information and details.

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com or contact Mr. Farooq Ahmed Butt at Phone 021-34326030 and email: farooq_butt@cdcpak.com.

iii. E-IPO Facilities by Bankers to the Offer:

For this IPO, United Bank Limited (UBL) is providing an e-IPO facility to its account holders.

UBL account holders can use UBL Net Banking to submit their application via the following link <http://www.ubldirect.com/corporate/ebank>.

13.5. APPLICATIONS MADE BY INDIVIDUAL INVESTORS

- a. In case of individual investors, an attested photocopy of CNIC (in case of Resident Pakistanis) / NICOP or Passport (in case of Non-Resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant. Copy of these documents can be attested by any Federal / Provincial Government Gazette Officer, Councilor, Oath Commissioner or Headmaster of High School or bank manager in the country of applicant's residence.
- b. Original CNIC / NICOP / Passport, along with one attested photocopy, must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested photocopy will, after verification, be retained by the bank branch along with the application.

13.6. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

- a. Applications made by companies, corporate bodies, mutual funds, provident / pension/gratuity funds/trusts, and other legal entities must be accompanied by an attested photocopy of their Memorandum and Articles of Association or equivalent instrument/document. Where applications are made by virtue of Power of Attorney, the same should also be submitted along with the application. Any Federal / Provincial Government Gazette Officer, Councilor, Bank Manager, Oath Commissioner, and Headmaster of High School or bank manager in the country of applicant's residence can attest copies of such documents.
- b. Attested photocopies of the documents mentioned in Part 13.5 must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.

13.7. ADDITIONAL INSTRUCTIONS FOR INVESTORS

- a. Only one application will be accepted against each account, however, in the case of a joint account, one application may be submitted in the name of each joint account holder.
- b. Joint application in name of more than two persons will not be accepted. In case of a joint application, each applicant must sign the application form and submit copies of their CNICs / NICOP / Passports. The share certificates will be dispatched to the person whose name appears first on the application form while in the case of CDS, it will be credited to the CDS account mentioned on the face of the form and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note that the application will be considered as a single application for the purpose of allotment of securities.
- c. Subscription money must be paid by cheque drawn on applicant's own bank account or pay order/bank draft payable to one of the Bankers to the Offer in favor of **"ADAMJEE LIFE ASSURANCE CO LTD GENERAL SUBSCRIPTION"** and crossed **"A/C PAYEE ONLY"**.
- d. For the applications made through pay order/bank draft, it would be permissible for a Banker to the Offer to deduct the bank charges while making a refund of subscription money to unsuccessful applicants through pay order/bank draft individually for each application.
- e. The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit an application for subscription of securities.
- f. Applications are not to be made by minors and/or persons of unsound mind.
- g. Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.
- h. Applicants should retain the bottom portion of their application forms as a provisional acknowledgment of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of shares for which the application has been made.
- i. Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
- j. Banker to the Offer is prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the Offer.
- k. It would be permissible for a Banker to the Offer to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by

cheque, pay order, or bank draft. Applicants should, therefore, not fail to give their bank account numbers.

- i. Submission of false and fictitious applications is prohibited, and such Application Money may be forfeited under section 87(8) of Securities Act, 2015.

عوام الناس کو مطلع کیا جاتا ہے کہ سیکیورٹیز ایکٹ 2015 کی شق نمبر (7) 87 کے تحت چھوٹی یا جعلی درخواستیں دینا قانوناً ناجائز ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرائی جاتی ہے، سیکیورٹیز ایکٹ 2015 کی شق نمبر (8) 87 کے تحت ضبط کی جاسکتی ہے۔

13.8. ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

- a. In the case of Foreign investors who are not individuals, applications must be accompanied with a letter on the applicant's letterhead stating the legal status of the applicant, place of incorporation, and operations and line of business. A copy of the Memorandum of Association or equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the applications. Copies of these documents can be attested by the Bank Manager in the country of the applicant's residence.
- b. Foreign / Non-resident investors should follow the payment instructions given in Part 12.18 of this Offer for Sale Document.

13.9. CODE OF OCCUPATIONS

Code	Occupation	Code	Occupation
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Other

13.10. NATIONALITY CODE

Code	Name of Country	Code	Name of Country
001	U.S.A.	006	Bangladesh
002	U.K.	007	China
003	U.A.E.	008	Bahrain
004	K.S.A.	009	Other
005	Oman		

13.11. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SHARES

The basis and conditions of allotment shall be as follows:

- Application for shares must be made for 500 shares or in multiples of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
- The minimum amount of application for subscription of 500 shares is the Offer Price x 500 shares.

3. Application for shares below the minimum amount shall not be entertained.
4. **SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.**
5. If the shares offered to the general public are sufficient to accommodate all applications, all applications shall be accommodated.
6. **In case the retail portion of the Offer remains unsubscribed, the unsubscribed shares shall be allotted to successful Bidders at the strike price on a pro-rata basis.**
7. If the shares applied for by the general public are in excess of the shares allocated to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:
 - If all applications for 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated, then balloting will be conducted among applications for 500 shares only.
 - If all applications for 500 shares have been accommodated and shares are still available for allotment, then all applications for 1,000 shares shall be accommodated. If all applications for 1,000 shares cannot be accommodated, then balloting will be conducted among applications for 1,000 shares only.
 - If all applications for 500 shares and 1,000 shares have been accommodated and shares are still available for allotment, then all applications for 1,500 shares shall be accommodated. If all applications for 1,500 shares cannot be accommodated, then balloting will be conducted among applications for 1,500 shares only.
 - If all applications for 500 shares, 1,000 shares, and 1,500 shares have been accommodated and shares are still available for allotment, then all applications for 2,000 shares shall be accommodated. If all applications for 2,000 shares cannot be accommodated, then balloting will be conducted among applications for 2,000 shares only.
 - After the allotment in the above-mentioned manner, the balance shares, if any, shall be allotted in the following manner:
 - If the remaining shares are sufficient to accommodate each application for over 2,000 shares, then 2,000 shares shall be allotted to each applicant and the remaining shares shall be allotted on a pro-rata basis.
 - If the remaining shares are not sufficient to accommodate all the remaining applications for over 2,000 shares, then balloting shall be conducted for the allocation of 2,000 shares to each successful applicant.
8. If the Offer is oversubscribed in terms of amount only, then allotment of shares shall be made in the following manner:
 - First preference will be given to the applicants who applied for 500 shares;
 - Next preference will be given to the applicants who applied for 1,000 shares;
 - Next preference will be given to the applicants who applied for 1,500 shares;
 - Next preference will be given to the applicants who applied for 2,000 shares; and then
 - After allotment of the above, the balance shares, if any, shall be allotted on a pro-rata basis to the applicants who applied for more than 2,000 shares.
9. Allotment of shares will be subject to the scrutiny of applications for the subscription of shares.

10. Applications, which do not meet the above requirements, or applications which are incomplete, will be rejected.

13.12. BASIS OF ALLOTMENT

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. The minimum value of the application will be calculated as Offer Price x 500 shares. Application for the amount below the minimum value shall not be entertained.
2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
3. Allotment / Transfer of shares to successful applicants shall be made in accordance with the allotment criteria/instructions disclosed in the Offer for Sale Document.
4. Allotment of shares shall be subject to the scrutiny of applications in accordance with the criteria disclosed in the Offer for Sale Document and/or the instructions by the Securities & Exchange Commission of Pakistan.
5. Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Application Form.
6. The Company will credit shares in the CDS Accounts of the successful applicants.

13.13. REFUND/ UNBLOCKING OF MONEY TO UNSUCCESSFUL APPLICANTS

As per regulation 11(4) of the PO Regulations, within ten (10) working days of the close of the public subscription period the shares shall be allotted and issued against the accepted and successful applications, and the subscription money of the unsuccessful applicants shall be unblocked/refunded.

As per sub-Section (2) of Section 68 of the Companies Act, if refund as required under sub-Section (1) of Section 68 of the Companies Act is not made within the time specified hereinabove, the directors of the Company shall be jointly and severally liable to repay that money with surcharge at the rate of two percent (2%) for every month or part thereof from the expiration of the fifteenth day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the Company shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

In case the retail portion of the Offer remains unsubscribed, the unsubscribed shares shall be allotted to successful bidders at the strike price determined in the book-building process on a pro-rata basis.

13.14. MINIMUM AMOUNT OF APPLICATION

As per PO Regulation, the minimum amount of bid shall be 500 shares x Strike Price

13.15. ISSUE AND CREDIT OF SHARES

Within ten (10) working days of the closing of the public subscription period, the shares shall be allotted, issued, and credited against the accepted and successful applications, and the subscription money of the unsuccessful applicants shall be unblocked/refunded, as required under regulation 11(4) of the PO Regulations. **Shares will be issued only in the book-entry form and will be credited into the respective CDS Accounts of the successful applicants. Therefore, the applicants must provide their CDS Account Number in the Shares Subscription Applicant.**

If the Company defaults in complying with the above requirements, it shall pay PSX a penalty of PKR 5,000 per day for every day during which the default continues. PSX may also notify the fact of such default and name of the Company by notice and also by publication in its ready-board quotation of the Stock Exchange.

Name of the Company will also be notified to the TRE Certificate Holders of the PSX and placed on the website of the PSX.

13.16. TRANSFER OF SHARES

The shares shall be transferred in accordance with the provisions of Section 74 of the Companies Act read with Section 75 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

13.17. LIST OF BANKERS TO THE ISSUE:

1. Habib Bank Limited
2. United Bank Limited
3. MCB Bank Limited
4. Askari Bank Limited
5. Bank of Punjab
6. Habib Metropolitan Bank Limited
7. Faysal Bank Limited

13.18. LIST OF E-IPO FACILITIES

1. PSX's e-Initial Public Offering System (PES)
2. CDC's Centralized e-IPO System (CES)
3. United Bank Limited (UBL) e-IPO services

13.19. INTEREST OF SHAREHOLDERS

None of the holders of the Offered shares of the Company have any special or other interest in the property or profits of the Company other than their capacity as holder of Ordinary shares except from the shareholders who are also the Director of the Company. Directors of the Company have interest in receiving remuneration for their role as Directors.

13.20. ELIGIBILITY FOR DIVIDEND

The ordinary shares Offered shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

13.21. DEDUCTION OF ZAKAT

Income Distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980. (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any shareholder or where such shareholder is otherwise exempt or has claimed exemption from payment/ deduction of Zakat in terms of and as provided in that Ordinance.

13.22. CAPITAL GAINS

Capital gains derived from the sale of listed securities are taxable in the following manner under Section 37A of Income Tax Ordinance, 2001, which may be revised by the Government through Finance Act, Statutory Regulatory Order(s), Finance Amendment Act, or any other applicable law notified by the relevant Government bodies from time to time.

Applicable Capital Gain Tax Rate	15% (Filer)	30% (non-filer)
----------------------------------	-------------	-----------------

13.23. WITHHOLDING TAX ON DIVIDENDS

Dividend distribution to shareholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 as specified in Part III Division I of the First Schedule of the said ordinance or any time to time amendments therein. In terms of the provision of Section 8 of the said ordinance, said deduction at source, shall be deemed to be a full and final liability in respect of such profits in the case of persons only. Applicable withholding tax rate on the dividend is 15%.

13.24. TAX ON BONUS SHARES

As per Section 236M of the Income Tax Ordinance 2001, amended vide Finance Act 2018-19, tax on the issue of bonus shares has been abolished, hence the issuance of bonus shares will not be subject to tax from July 1, 2018, onwards.

13.25. INCOME TAX

The income of the Company is subject to Income Tax under the Income Tax Ordinance, 2001.

13.26. DEFERRED TAXATION

Deferred tax is accounted for using the balance sheet liability method in respect of on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable income. Deferred tax is calculated by using the tax rates enacted at the balance sheet date. In this regard, the effect on deferred taxation of the portion of income subjected to Final Tax Regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan, if considered material.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax asset is recognized for all deductible temporary differences and carry-forward of unused tax losses and unused tax credits, if any, to the extent that it is probable that future taxable profit will be available against which these can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

As of June 30,, 2021, Company has reported a deferred tax liability of PKR 234.8 million.

13.27. SALES TAX

The Company's stance on sales tax is that it does not apply to the Company due to its business model, however, a legal case is pending regarding the applicability of sales tax, details of which are provided in Part 8.1 above.

13.28. SALES TAX ON SALE/PURCHASE OF SHARES

Under the Constitution of Pakistan and Article 49 of the 7th NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa, and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on Services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, the Khyber Pakhtunkhwa Revenue Authority, and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax ("SST"), Punjab Sales Tax ("PST"), Khyber Pakhtunkhwa Sales Tax ("KST") and Baluchistan Sales Tax ("BST") respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa and Baluchistan provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange. The above-mentioned Acts levy a sales tax on Brokerage at the rate of 13% in Sindh, 16% in Punjab, and in Baluchistan and Khyber Pakhtunkhwa, the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

13.29. TAX CREDIT FOR INVESTMENT IN IPO

Under Section 62 of the Income Tax Ordinance, 2001, a resident person other than a Company, shall be entitled to a tax credit, as mentioned in the said section, for a tax year in respect of the cost of acquiring in the year, new shares offered to the public by a public company listed on a stock exchange in Pakistan, provided the resident person is the original allottee of the shares or the shares are acquired from the Privatization Commission of Pakistan.

As per section 62(3)(b) of the Income Tax Ordinance, 2001, the time limit for holding shares has been designated as 24 months to avail tax credit.

14 SIGNATORIES TO THE OFFER FOR SALE DOCUMENT

-sd-

S.M. Jawed
Chairman

-sd-

Umer Mansha
Chief Executive Officer

-sd-

Imran Maqbool
Director

-sd-

Muhammad Ali Zeb
Director

-sd-

Naz Mansha
Director

-sd-

Ahmad Alman Aslam
Director

-sd-

Shahmeer Khalid Butt
Director

Signed by the above in the presence of witnesses:

Witness 1

-sd-

Name: Rahim Vallyani
CNIC: 42201-3688301-3

Witness 2

-sd-

Name: Jalal Meghani
CNIC: 42101-1658508-7

Date: 15/10/2021

15 SIGNATORIES OF OFFEROR

-sd-

Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

-sd-

Muhamad Asim Nagi
Chief Financial Officer

Signed by the above in the presence of witnesses:

Witness 1

-sd-

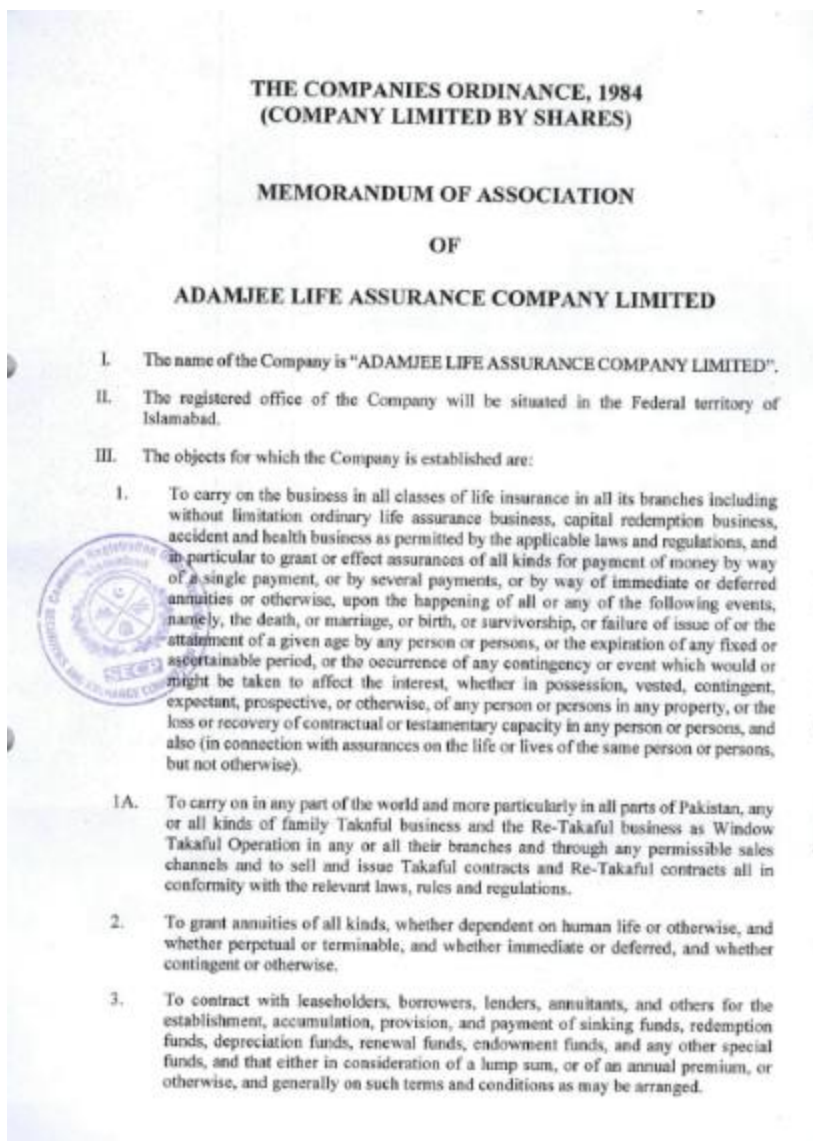
Name: Zulfiqar Haider
CNIC: 42301-4721070-1

Witness 2

-sd-

Name: Hafiz Hassan Jabir
CNIC: 35201-1243742-9

Date: 28/09/2021

16 MEMORANDUM OF ASSOCIATION

4. To purchase and deal in and lend on life, reversionary and other interests in property of all kinds, whether absolute or contingent or expedient, and whether determinable or not; and to acquire, redeem, cancel, or extinguish by purchase, surrender, or otherwise, any policy, security, grant, or contract issued, made, or taken over or entered into by the Company.
5. To reassure or counter assure all or any risks, and to undertake all kinds of reinsurance and counter assurance connected with any of the business of the Company as outlined herein.
6. To give to any class or section of those who assure, or have other dealings with the Company, any rights over or in relation to any fund or funds, or a right to participate in the profits of the Company, or in the profits of any particular branch or part of its business, or any other special privileges, advantages or benefits.
7. To carry on the business as insurance brokers and agents, and as underwriting agents in all classes of insurance business, and as insurance advisers, pensions advisers, consultant assessors, valuers, surveyors, average adjusters, actuaries and mortgage brokers.
8. To carry on the business as consultants, advisers and managers in relation to insurance, life assurance and pensions policies, schemes and trusts.
9. To carry on the business of insurance brokers and insurance and underwriting agents, in particular for business comprising life assurance and pension schemes.
10. To act as agents for any insurance company, club or association, or for any individual underwriter, in connection with its or his insurance or underwriting business (whenever it may be carried on) or any branch of it, and to make arrangements for all classes of insurance and assurance (including group, life and pension fund schemes) with any such company, club, association or underwriter.
11. To guarantee the fidelity of persons filling or about to fill situations of trust or confidence, and the due performance and discharge by such persons of all or any of the duties and obligations imposed on them by contract or otherwise.
12. To guarantee the due performance and discharge by receivers, liquidators, committees, guardians, executors, administrators, trustees, attorneys, brokers and agents of their respective duties and obligations.
13. To guarantee the payment of money secured by or payable under or in respect of debenture bonds, debenture stock, contracts, mortgages, charges, obligations and securities of any company or of any authority, supreme, municipal, local, or otherwise, or of any persons whomsoever whether corporate or unincorporate.
14. To guarantee persons filling or about to fill situations of trust or confidence against liabilities in connection therewith and in particular against liabilities resulting from the misconduct of any co-trustee, co-agent, sub-agent or other person, or from the insufficiency, imperfection, or deficiency of title to property or from any insufficiency, imperfection, or deficiency in any security or from any bankruptcy, insolvency, fraud or tortious act on the part of any other persons, or from any error of judgment or misfortune.

15. To guarantee the title to or quiet enjoyment of property either absolutely or subject to any qualifications or conditions and to guarantee persons interested or about to become interested in any property against any loss, actions, proceedings, claims, or demands in respect of any insufficiency or imperfection or deficiency of title, or in respect of any incumbrances, burdens, or outstanding rights.
16. To carry on all kinds of life assurance business, and all kinds of guarantee and indemnity business.
17. To grant annuities of all kinds, whether dependent on human life or otherwise, and whether perpetual or terminable, immediate or deferred, absolute, contingent, or otherwise.
18. Generally, to transact the business of a life assurance company, including the sale and purchase or re-purchase of annuities and reversionary interests, and life or other interests of uncertain duration or commencement, and endowments for children and all other business appertaining to or commonly transacted by life assurance companies.
19. To grant assurance upon the contingency of injury or total loss by reason of accident of any description to persons, cattle and other animals, plate and other glass, or real and personal property of any kind.
20. To guarantee, provide, prepare and supply medical and surgical aid and treatment, or any other assistance in illness, and all remedies and requisites in case of accident or illness to any person, or the family and household of any person, whom the Company shall insure, or to any person dwelling or staying in the house of such person insured, or to cattle and other animals.
21. To contribute to the funds of such hospitals or other institutions which efficiently serve or agree to serve the Company's clients in cases of accident or illness, and to pay such institutions for the said services.
22. To contribute to the funds of societies, institutions, or establishments which effect or promote the spread of sanitary science, and the practical application thereof to public or private use, and to pay for work done or services rendered by them to the Company or the Company's clients.
23. To grant insurances against claims upon the assured for injuries to the persons and property of third parties caused by the assured or his property, or by others for whom he is responsible.
24. To provide necessary training facilities in Pakistan and abroad and to offer scholarships, stipends and any other kind of financial assistance for the said purpose and to provide all possible avenues for their employment in the administrative and technical departments of the Company or other insurance companies.
25. To acquire or extinguish or otherwise deal with any insurance made with the Company.

26. To effect as agents for others assurances of every kind and against every and any contingency.
27. To reinsure and/or counter reinsure with companies, associations or individuals any risks undertaken by the Company and to issue policies of reinsurance and/or counter reinsurance and to enter into reinsurance and/or counter reinsurance contracts upon any terms and whether or not binding the Company for any fixed term to accept, without investigating, any part of risks undertaken by another company or by any firm or individual which are of such a nature as the Company may be authorised to insure, reinsure or counter reinsure.
28. To contract with leaseholders, borrowers, lenders, annuitants and others for the establishment, accumulation, provision and payment of sinking funds, redemption funds, depreciation funds, renewal funds, endowment funds and any other special funds, and that either in consideration of a lump sum or of an annual premium or otherwise, and generally on such terms and conditions as may be agreed upon.
29. To pay, satisfy, or compromise any claim made against the Company which it may seem expedient to pay, satisfy or compromise notwithstanding that the same may not be valid in law.
30. To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from the Government.
31. In connection with the business of the Company, to advance moneys on the security of any freehold, leasehold or other property or of any estate or interest in any such property and on the security of any life assurance policy or the combined security of land and such policy.
32. To execute any such documents and to do any such acts and things as may be necessary to make the Company a party to any agreement, contract or arrangement, and to rescind or vary any such agreement, contract or arrangement.
33. To acquire by purchase, lease, contract, concession or otherwise any and all real estate, lands, land patents, options, grants concessions, franchises and other rights, privileges easements, estates, interests, properties and reserves of every kind and description whatsoever which the Company may deem necessary or appropriate in connection with the conduct of any business enumerated in this Memorandum of Association, or of any other business in which the Company may lawfully engage and to own, lease, sell, exchange or otherwise dispose of the whole or any part thereof, but not to engage in the leasing business.
34. To purchase, take on lease or in exchange, hire, apply for or otherwise acquire and hold for any interest, any rights, privileges, lands, buildings, easements, trademarks, patents, patent rights, copyrights, licenses, machinery, plants, stock-in-trade and any movable and immovable property of any kind necessary or convenient for the purposes of or in connection with the Company's business or any branch or department thereof and to use, exercise, develop, grant licenses in respect of or otherwise turn to account any property, rights and information so acquired, subject to any permission required under the law.

35. To purchase, take on lease or otherwise acquire either absolutely or for any limited interest any immovable or movable property or any rights or things in action for use in or in connection with any business of the Company, and in particular, but without inviting the generality of the words aforesaid, any lands, tenements or hereditaments in any part of the world, or any rights or privileges in connection therewith, covenants or agreements, positive or restrictive, and the right to call for and enjoy the benefits of the services of any person or persons, and every other kind of benefit or advantage, whether personal or attaching to any real or personal property, and with a view to establish or acquire the benefit of any conditional or optional contracts or any concessions, licenses, agreements, or covenants, and to construct, maintain, and alter any buildings or works, necessary or convenient for the purposes of the Company.
36. To acquire by purchase, exchange, hire, lease, assignment, novation or otherwise, lands, tenements, buildings, easements, rights, advantages, movable and immovable property of any kind whatsoever, machinery, trademarks, patents or inventions, or any other intellectual property, licenses to use patents, or other properties, plants and stock-in-trade and to employ, resell, sell, exchange, mortgage let on lease, license to use or otherwise deal with the same and to pay for the properties, rights or privileges acquired by the Company.
37. To enter into any arrangement with any governments or authorities (Federal, Provincial, Municipal, Local or otherwise), or any corporations, companies, firms, sole proprietor or persons that may seem conducive to the Company's objects or any of them, and to obtain from any such government, authority, corporation, company, sole proprietor or person any charters, contracts, decrees, rights, privileges, licenses and concessions which the Company may think desirable, and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges, licenses and concessions.
38. To sell or otherwise dispose of any goods, materials, articles, or undertakings of the Company and products of the Company either on cash or on credit and either for immediate or future delivery and to send the same for sale or export to any place that may be deemed necessary or expedient.
39. To insure all or any interest, business, property or activity of the Company, including but not limited to insurance against losses, damages, risks, illness, accidents and liabilities of all kinds which may affect the Company whether in respect of its contracts, agreements, advances or securities or in respect of servants or employees of the Company, or in respect of property belonging to or leased to or hired by the Company, either by setting apart funds of the Company or by effecting such insurances, and in latter case to pay the premium thereon.
40. To open accounts with banks or financial institutions and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, cheques, bills of lading, warrants, debentures and other negotiable or transferable instruments, concerning the business of this Company.
41. To invest the moneys of the Company not immediately required in an subscribe for take, acquire and hold shares, stock, debentures securities and of any other company or corporation whatsoever, and to invest moneys of the Company in any other

manner, including the purchase of any book or any other debts without doing the business of an investment company within the meaning of the law.

42. To borrow or procure on interest, mark-up, profit or return in any form, money or finances, in local or any foreign currency from any bank or financial institution or any other entity and to receive money on interest, mark-up, profit or return in any form by issuing debentures, and on security of any such money so borrowed or received to mortgage, pledge, charge or hypothecate whole or any part of property, assets or revenue of the Company, (both present and future) including its capital by special assignment or otherwise to transfer or convey the same conditionally, absolutely or in trust and to give, tender power to, sell and other powers as may seem expedient, and to purchase or redeem such securities and pay for such borrowings and loans.
43. To procure or arrange finances from banks and financial institutions under any mode of Islamic financing scheme like redeemable capital including modaraba, musharaka, ijara-wa-ikhtina, Qarze-Hasna and leasing and to procure, raise or to secure the money in such manner as the Company may deem fit and particularly by mortgage of its property in full or in part on both the present and future assets in accordance with the Islamic Laws and/or by the issue of shares, stocks, bonds, debentures, participation term certificates, term finance certificates, or redeemable capital or any other securities charged or based upon the undertaking of the Company, on any part of its property both present and future and generally to borrow money for the purposes of the business of the Company in such manner as the Company shall deem fit and to issue debentures or participation term certificates, term finance certificates, redeemable capital, either permanent or redeemable or repayable or convertible into shares and to secure any securities of the Company by a trust or other assurances.
44. To pay commission or otherwise remunerate any company or firm or firms or person or persons (whether an officer of this Company or not) for services rendered in placing or assisting to place any of the shares of the Company's capital or any debentures or other securities of the Company, or for negotiating any of the purchases or sales by the Company, or for rendering any service of any kind whatsoever to the Company.
45. To sell, improve, manage, develop, mortgage, dispose of turn to account, or otherwise deal with all or any part of the property and right of the Company.
46. To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish, operate and regulate agencies and open branches in any part of the world for the purposes of the Company's business.
47. To pay the costs, charges and expenses preliminary and incidental to the formation, establishment and registration of the Company, and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place, or guaranteeing the placing of any of the shares in the Company's capital, or any debentures or other securities of the Company, or in or about the conduct of its business.
48. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident, pension or superannuation funds for the

benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or services of the Company, or of any company which is a subsidiary of the Company or is allied to or association with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish and subsidise and subscribe to any institutions calculated to be for the benefit of or to advance the interests and well being of the Company or of any such other company as aforesaid, and make payments to or towards insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

49. To provide for the welfare of the employees and ex-employees of the Company or persons formerly engaged in any business acquired by the Company (including Directors and ex-Directors, officers and ex-officers and wives and families or dependents or connections of such persons) by grant of money, gratuities, pensions, allowances, bonus or other payments and other assistance as the Company shall think fit, and to subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
50. For the purposes of the Company only to lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers or others having dealings with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or any such persons or companies and generally to give guarantees and indemnities but not in any case to act as a banking or finance company.
51. To distribute any of the property of the Company amongst the members in specie or kind and in particular any shares, debentures or securities of other companies belonging to this Company, or of which this Company may have the power of disposing in the event of winding up of the Company.
52. To create any depreciation fund, provident fund, gratuity fund, reserve fund, sinking fund, insurance fund, or any other fund conducive to the interest of the Company.
53. To capitalize such portion of the profits of the Company as are not distributed amongst shareholders of the Company in the form of dividend and as the Directors of the Company may think fit and to issue bonus shares as fully paid-up in favour of the shareholders of the Company.
54. To employ, appoint and remunerate directors, officials, servants and employees of the Company or any other person or firm or company rendering services to this Company, out of, or in proportion to the returns or profits of the Company or otherwise as the Company may think proper, either by cash payment or by the allotment to him or them shares or securities of the Company credited as paid-up in full as may be thought expedient.

55. To employ and appoint such persons or firms as may be seen expedient to be general managers, secretaries, managers, branch managers, or district representatives of the Company upon such terms as the Company may determine.
56. To establish and maintain branches, receiving offices and distributing centers and to enter into contracts or agency agreements (other than managing agency) with any other persons or firms or companies or for the distributing centers for the efficient carrying on of the business of the Company.
57. To adopt such means of making known and advertising the business, services or products of the Company as may seem expedient.
58. To be interested in, promote, and undertake the formation and establishment of such institutions, businesses or companies as may be considered to be conducive to the profit and interest of the Company; and to carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of these objects or otherwise calculated, directly or indirectly, to render any of the Company's property or rights for the time being profitable, and also to acquire, promote, aid, foster, subsidize, or acquire interest in any industry or undertaking in any country or countries.
59. To purchase or otherwise acquire and undertake the whole or any part of the business, property rights and liabilities of any persons, firm or company carrying on any business which this Company is authorised to carry.
60. To establish, undertake and execute any trusts which the Company may think fit and expedient to undertake.
61. To apply for, purchase or otherwise acquire and protect, prolong and renew whether in Pakistan or elsewhere any patents, patent rights, brevets d'invention, trademarks, design licenses, protections concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, manufacture, under grant licenses, privileges in respect of, or otherwise turn to account the property, rights and information so acquired and to carry on any business in any way connected therein.
62. To transfer the registered office of the Company from one province to another if deemed beneficial for the Company.
63. To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, objects of purposes or for any exhibition.
64. Subject to the provisions of the Companies Ordinance, 1984, or any other enactment in force, to indemnify and keep indemnified members, officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them and in the interests of the Company and for any loss, damage, or misfortune whatever and which shall happen in the execution of duties of their office or in relation thereto.









65. To do all or any of the things stated herein in any part of the world, and either as principals, agents, contractors, agents, or otherwise, either alone or in conjunction with other corporate bodies, firms or individuals, but in any case not to act as managing agents, to do all such other things as are incidental or conducive to the attainment of the above objects or any of them in all parts of Pakistan as well as in all foreign countries that the Company may deem fit but in any account not to act as managing agents.
66. To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interests, cooperation, joint adventures, or reciprocal concessions, or for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorized to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
67. To carry any other business which in the opinion of the Company, is capable of being conveniently and advantageously carried on by the Company in connection with and as ancillary to the objects specified above profitably with any of the Company's property or rights and generally to do and to perform all such other thing or things and acts as may appear to be incidental or conducive to the attainment of the above objects or any of them, provided the same are not in consistent with the laws of Pakistan.
68. It is hereby declared that the objects specified in each of these paragraphs shall except where otherwise expressed in such paragraph, be regarded as independent objects, and accordingly shall be in no way restricted by reference to or inference from the objects indicated in any other paragraph or the name of the Company but may be carried out in as full and ample manner as if each paragraph define the objects of a separate, distinct and independent Company.

Notwithstanding anything contained hereinabove, it is hereby undertaken that the Company shall not engage in banking or the business of an investment or finance company or leasing business or act as managing agents, developers, builders or engage in any unlawful business and that nothing in this object clause shall be construed to entitle the Company to engage in any such business. The Company shall not launch multilevel marketing pyramid and ponzi-schemes.

Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or license from the competent authority as may be required under any law for the time being in force to undertake any particular business.

- IV. The liability of the Members is limited.
- V. The capital of the Company is Rs. 2,500,000,000 (Rupees Two Billion Five Hundred Million only) divided into 250,000,000 (Two Hundred Fifty Million) ordinary shares of Rs. 10 (Rupees Ten) each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes subject to any permission required by law.

We, the several persons, whose names and addresses are subscribed below, are desirous of being formed into a company in pursuance of the Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

No.	Name and Surname (pressed & format) in full (in Block Letters) with Passport Number	Father's/Surname's Name in full	Nationality with any former Nationality	Occupation	Residential address in full	Number of shares taken by each subscriber	Signature
1)	ADAMJEE CHURANATH COMPANY LTD. Through authorized representative A/C No. 14000000000000000000 by the board resolution January 12, 2008	—	Pakistan	Limited Liability Company	Adamjee House 12, Changan Road Karachi	(1) One	
2)	TYM INTERSURER B.V. Through authorized representative Thomas H. Scholten Jacob A. van Veenst Vador Marique Charlotte Rasmussen-Danish Herman A. van der Wiering authorized by the board resolution dated March 2, 2008	Scholten Van Veenst Vador Rasmussen Van der Wiering	The Netherlands The Netherlands The Netherlands The Netherlands	Limited Liability Company N/A N/A N/A	Wijkweg 143 Tel Aviv 6101000 Amsterdam 1071 NG Amsterdam Soekhowsky 320 1219 mz 14, Amsterdam Jong en Bus 4 2011 NL, Harkem Pierikje Rasmussen 2224 2004 NL, Harkem	(1) One — — —	   
3)	AKIP LINE CNIC No. 31301-4140113-7	Mian Juss Ahmed	Pakistan	Private Service	House No. 113-2, DHA, Lahore Cant.	(1) One	
4)	UMER MANSURA CNIC No. 31302-0441525-6	Mian Muhammad Mansura	Pakistan	Industrialist	24 Main Gahang Lahore	(1) One	
5)	HAJEED KASHID CNIC No. 47301-7881856-6	Azjad Kashid	Pakistan	Private Service	House No. 11, St. No. 12, Phase-7 K-6-Market, Karachi	(1) One	
6)	ATIF BAQWA CNIC No. 31301-582060-6	Muhammad Ahsan Baqwa	Pakistan	Private Service	—	(1) One	
Total number of shares taken						(1) Six	

Dated the 21st day of July, 2008

Witness to above signature

TAMBEZ-UL-HAQQUE BQ RAMITEZ-UL-HAQQUE
CNIC No. 42101-9874468-6

Signature

Occupation

10

CERTIFIED TO BE TRUE COPY
ASSTANT REGISTRAR
COMPANY REGISTRATION OFFICE
ISLAMABAD

House No. 8-55
Block -41,
North Nazimabad,
Karachi.



CERTIFIED TO BE TRUE COPY

Asst Registrar
Company Registration Office Islamabad

Scanned with CamScanner

17 BIDDING FORMS

REGISTRATION FORM

 Adamjee Life Assurance Company Limited NTN: 0067136	Book Runner	Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> BLT/GLT <input type="checkbox"/> AZK
		Registration Dates Month DD, 2021 to Month DD, 2021
		Bidding Dates Month DD, 2021 to Month DD, 2021
		Bidding Form No.

OFFER FOR SALE OF ORDINARY SHARES OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED THROUGH BOOK-BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00 PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE.

ELIGIBLE INVESTORS MUST SUBMIT ONLY ONE PAY ORDER ALONG WITH THE REGISTRATION FORM.

Name ¹	CNIC #	
	NTN ³	
Address	Cell #	
	Landline #	
E-mail	Fax #	
IBAN Number ²	Bank Name	

PLEASE TICK THE APPROPRIATE BOX

Nationality
(If other than Pakistani)

- | | |
|---------------------------------------------------------|---------------------------------------|
| <input type="checkbox"/> Local Institutional Investor | <input type="checkbox"/> Resident |
| <input type="checkbox"/> Foreign Institutional Investor | <input type="checkbox"/> Non Resident |
| <input type="checkbox"/> Individual Investor | <input type="checkbox"/> Foreigner |

¹NAME AND CNIC MENTIONED ON THE FORM SHOULD BE THE SAME AS OF THE BANK ACCOUNT WHOSE IBAN HAS BEEN PROVIDED IN THE FORM

²PROVIDED THE IBAN NUMBER OF YOUR ACCOUNT IN WHICH REFUND WOULD BE TRANSFERRED. NO FORM WOULD BE ACCEPTED WITHOUT IBAN NUMBER

³INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILER OR NON-FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT A REDUCED TAX RATE OF 15% APPLIES TO FILERS INSTEAD OF 30% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES.



Payment Details:	Payments to be made in favor of "ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING"		
Amount in Figures		Instrument #	
Instrument Date		Margin %age	
Banker's Name, Address & Branch			
CDC Details for Sub A/C & House A/C			
CDC Participant Name		CDC Participant ID	
Sub A/C No.		House A/C No.	
CDC Details for Investor A/C			
CDC Investor Service A/C ID		CDC Investor A/C No.	

I/WE UNDERTAKE TO SUBSCRIBE TO SHARES UNSUBSCRIBED IN THE RETAIL PORTION WHICH ARE ALLOCATED TO ME/US ON A PRO-RATA BASIS. I/WE ALSO UNDERTAKE THAT MY BID MONEY SHALL REMAIN DEPOSITED OR BOOKED TILL ALLOTMENT OF UNSUBSCRIBED SHARES IN THE RETAIL PORTION.

I DECLARE THAT I have read all the terms and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Registration Form.

Signature of Bidder: _____

DUPLICATE REGISTRATION FORM

 Adamjee Life Assurance Company Limited NTN: 0067136	Book Runner 	Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> BLT/GLT <input type="checkbox"/> AZK
		Registration Dates Month DD, 2021 to Month DD, 2021
		Bidding Dates Month DD, 2021 to Month DD, 2021
		Bidding Form No.

OFFER FOR SALE OF ORDINARY SHARES OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED THROUGH BOOK-BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00 PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE.

ELIGIBLE INVESTORS MUST SUBMIT ONLY ONE PAY ORDER ALONG WITH THE REGISTRATION FORM.

Name¹	CNIC #	
	NTN³	
Address	Cell #	
	Landline #	
E-mail	Fax #	
IBAN Number²	Bank Name	

PLEASE TICK THE APPROPRIATE BOX

Nationality
(If other than Pakistani)

- | | |
|---------------------------------------------------------|---------------------------------------|
| <input type="checkbox"/> Local Institutional Investor | <input type="checkbox"/> Resident |
| <input type="checkbox"/> Foreign Institutional Investor | <input type="checkbox"/> Non Resident |
| <input type="checkbox"/> Individual Investor | <input type="checkbox"/> Foreigner |

¹NAME AND CNIC MENTIONED ON THE FORM SHOULD BE THE SAME AS OF THE BANK ACCOUNT WHOSE IBAN HAS BEEN PROVIDED IN THE FORM

²PROVIDED THE IBAN NUMBER OF YOUR ACCOUNT IN WHICH REFUND WOULD BE TRANSFERRED. NO FORM WOULD BE ACCEPTED WITHOUT IBAN NUMBER

³INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILER OR NON-FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT A REDUCED TAX RATE OF 15% APPLIES TO FILERS INSTEAD OF 30% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES.


Payment Details:	Payments to be made in favor of "ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING"		
Amount in Figures		Instrument #	
Instrument Date		Margin %age	
Banker's Name, Address & Branch			
CDC Details for Sub A/C & House A/C			
CDC Participant Name		CDC Participant ID	
Sub A/C No.		House A/C No.	
CDC Details for Investor A/C			
CDC Investor Service A/C ID		CDC Investor A/C No.	

I/WE UNDERTAKE TO SUBSCRIBE TO SHARES UNSUBSCRIBED IN THE RETAIL PORTION WHICH ARE ALLOCATED TO ME/US ON A PRO-RATA BASIS. I/WE ALSO UNDERTAKE THAT MY BID MONEY SHALL REMAIN DEPOSITED OR BOOKED TILL ALLOTMENT OF UNSUBSCRIBED SHARES IN THE RETAIL PORTION.

I DECLARE THAT I have read all the terms and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Registration Form.

Signature of Bidder: _____

BIDDING FORM

 Adamjee Life Assurance Company Limited	Book Runner 	Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> BLT/GLT <input type="checkbox"/> AZK
		Bidding Dates Month DD, 2021 to Month DD, 2021
	Bidding Form No.	

OFFER FOR SALE OF ORDINARY SHARES OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED THROUGH BOOK-BUILDING PROCESS AT A FLOOR PRICE OF PKR **28.00** PER SHARE (INCLUDING A PREMIUM OF PKR **18.00/-** PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE

Name		PLEASE TICK THE APPROPRIATE BOX			
		<input type="checkbox"/> Local Institutional Investor	<input type="checkbox"/> Foreign Institutional Investor	<input type="checkbox"/> Individual Investor	
Address	Cell #		Resident	<input type="checkbox"/>	Nationality (If other than Pakistani)
	Landline #		Non-Resident	<input type="checkbox"/>	
			Foreigner	<input type="checkbox"/>	
Fax #	E-mail:		CNIC #		
			NTN*		

***INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILER OR NON-FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT A REDUCED TAX RATE OF 15.0% APPLIES TO FILERS INSTEAD OF 30.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES.**

Dividend Mandate: Mark tick [✓] in the appropriate boxes Yes [] No []

In case the Applicant intends that if Shares applied for are issued to him/it and the dividend declared by the Company, if any, is credited directly in his/it bank account, instead of issued of dividend warrants, then please fill in the following boxes:

Title of Account	
Account Number	
Bank Name	
Branch Name & Address	

Directors of Adamjee Life Assurance Company Limited
 3rd and 4th Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan

Dear Sir,

On the basis of OFSD by Adamjee Life Assurance Company Limited for the Offer for Sale of its Ordinary Shares, I/we hereby bid for subscription of Shares of the Company as under:

Bid Details			
	No. of Shares (In Figures)	Bid Price Per Share (In Figures)	Total Amount (In Figures)
Bid Option (Please tick)			
Limit Order			
Step Order:			
Option (1)			
Option (2)			
Option (3)			
Option (4)			
Total (Shares and Price)			

Important Instructions:

- Bids should be placed for a minimum amount of **PKR 1,000,000/-**. It should also be noted that no. of shares bid for should be rounded and fractional shares will not be acceptable. Please ensure that after rounding the number of shares multiplied by your bid price, is at least **PKR 1,000,000/-**.
- Eligible Investors who want to place a Step Bid must ensure that each step amounts to at least **PKR 1,000,000/-** and the aggregate amount of Step Bid should be at least **PKR 1,000,000/-**.
- Any Bid received below the Floor Price will not be accepted by the Book Runner.
- An investor shall not make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.
- An investor shall not make a bid with a price variation of more than 10% of the prevailing indicative strike price subject to 40% maximum Price Band i.e., the strike price must not exceed 40% upper limit of floor price.**

Signature of Bidder: _____

In terms of the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange (“PSX”), I/we am/are eligible to bid in this Offer for Sale of Ordinary Shares. The amount payable on bidding is remitted herewith which is the applicable margin amount. I/We agree to pay the balance amount of application money, if any, upon successful allocation of shares. In case no shares are allotted to me/us you are hereby authorized to return to me/us by demand draft/pay order application money, within three (3) working days of the close of the bidding period.

I/We agree that this is a binding agreement to accept the number of shares as may be allocated to me/us subject to the terms of the Offer for Sale Document, the bidding form, and other applicable laws. I/ we undertake that I/we will sign all such other documents and do all such acts, if necessary, on my/our part to enable me/us to be allocated/allotted/transferred the shares and to pay for the same. I/we authorize you to place my/our name(s) on the register of the members of the Company as holder(s) of the shares that will be allocated/allotted/transferred to me/us and to register my/our address as given below. I/ We noted that the Book Runner is entitled, in its absolute discretion to accept or reject this Bidding Application for reason(s) to be recorded in writing and the reason(s) should be disclosed to us forthwith. I/We have no objection if there are necessary changes made in the Offer for Sale Document for filling of the same with the Securities and Exchange Commission of Pakistan (“SECP”).

I understand that the Company, the Book Runner, SECP, and the Stock Exchange reserve the right of legal action against me under the law, if I submit a fictitious bid and/or the instrument deposited by me for margin money is bounced.

I DECLARE THAT: i) I AM/WE ARE NATIONAL(S) AND RESIDENT(S) OF PAKISTAN; ii) FOREIGNER; iii) I AM/WE ARE NOT MINOR(S); iv) I/ WE HAVE NOT MADE NOR HAVE I/WE INSTRUCTED ANY OTHER PERSON(S)/INSTITUTION(S) TO MAKE ANY OTHER APPLICATION(S) IN MY/OUR NAME(S) OR IN THE NAME OF ANY OTHER PERSON ON MY/OUR BEHALF OR IN ANY FICTITIOUS NAME, IN CASE OF ANY INFORMATION GIVEN HEREIN BEING INCORRECT I/WE UNDERSTAND THAT I/WE SHALL NOT BE ENTITLED FOR ALLOCATION/ALLOTMENT/TRANSFER OF SHARES.

Important Instructions:

- 1) Bids shall only be entered for those Eligible Investors who have submitted a duly filled Registration Form as prescribed by the Book Runner.
- 2) Bid money/margin money shall be deposited through demand draft, pay order in favor of “**ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING**” and evidence shall be submitted to the book runner. For online transfer facility (pay order or demand draft may be deposited at any branch of **xxx** Bank Limited and evidence to be submitted to the Book Runner), the payment shall be made into **A/C # xxxxx** being maintained at **xxx** Bank Limited, **xxx** Branch, Karachi.
- 3) For deposit of margin money, only Pay Orders, Demand Drafts, or online transfers will be accepted. Each eligible investor shall only submit a single pay order, demand draft, or evidence of online transfer of money along with the Registration Form. It may also be noted that only a single pay order, demand draft, or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form.
- 4) In the case of intercity instruments, only Pay Orders “**payable at any branch**” will be accepted. For the purpose of expediting the clearing of the instruments, it is highly recommended that the Pay Order should be made from online branches of the respective banks.
- 5) Eligible Investors can register themselves till 3:00 pm on the last day of the Book Building after which no new investors shall be registered.
- 6) Investors can only upward revise their bids online. Please visit www.bkb.psx.com.pk to access online. Username and password will be emailed to you on email address provided in the form. Please ensure that you provide correct email address. Online access will be available for upward bid revisions during the bidding period from 9:00 am to 5:00 pm on the last day of bidding. An investor will not be allowed to place or upward revise a bid with a price variation of more than 10% of the prevailing indicative strike price subject to a maximum price band of 40% of the floor price. **However, the bidder shall not make downward revision both in terms of bid price and bid volume; provided that in case of upward revision of the bid price, the number of shares bid for i.e., bid volume may be adjusted ensuring that the bid amount or bid money remains the same. No withdrawal of bid shall be allowed.**



Yours Faithfully,

Signature of Bidder: _____

To be filled in by the Book Runner:

Time of Receipt	Date	Location	Amount	Pay Order No. / Demand Draft No.	Stamp

ADDITIONAL PAYMENT FORM

 Adamjee Life Assurance Company Limited	Book Runner	Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> BLT/GLT <input type="checkbox"/> AZK
		Bidding Dates Month DD, 2021 to Month DD, 2021
		Bidding Form No.

OFFER FOR SALE OF ORDINARY SHARES OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED THROUGH BOOK-BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00 PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE

Name	CNIC #	Cell #
	NTN	Landline #
Client ID: (ID generated and e-mailed at the time of bid placement)	Resident	<input type="checkbox"/>
	Non-Resident	<input type="checkbox"/>
	Foreigner	<input type="checkbox"/>
Nationality (If other than Pakistani)		
Additional Payment Details		
Payments to be made in favor of "ADAMJEE LIFE ASSURANCE CO LTD BOOK BUILDING"		
Amount in Figures	Instrument #	Instrument Date
Banker's Name, Address & Branch		Margin %age



- It may be noted that only a single pay order, demand draft, or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form.
- I DECLARE THAT I have read all the conditions in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Additional Payment Form.

Signature of Bidder: _____

To be filled in by the Book Runner:

Time of Receipt	Date	Location	Amount	Pay Order No. / Demand Draft No.	Stamp

BID REVISION FORM

 Adamjee Life Assurance Company Limited	Book Runner 	Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> BLT/GLT <input type="checkbox"/> AZK
		Bidding Dates Month DD, 2021 to Month DD, 2021
	Bidding Form No.	

OFFER FOR SALE OF ORDINARY SHARES OF ADAMJEE LIFE ASSURANCE COMPANY LIMITED THROUGH BOOK-BUILDING PROCESS AT A FLOOR PRICE OF PKR **28.00** PER SHARE (INCLUDING A PREMIUM OF PKR **18.00/-** PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE

Name		PLEASE TICK THE APPROPRIATE BOX			
		<input type="checkbox"/> Local Institutional Investor		<input type="checkbox"/> Foreign Institutional Investor	
		<input type="checkbox"/> Individual Investor			
Address	Cell #	Resident	<input type="checkbox"/>	Nationality (If other than Pakistani)	
	Landline #	Non-Resident	<input type="checkbox"/>		
		Foreigner	<input type="checkbox"/>		
Fax #	E-mail:	CNIC #			
		NTN*			

***INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILER OR NON-FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT A REDUCED TAX RATE OF 15.0% APPLIES TO FILERS INSTEAD OF 30.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES.**

Dividend Mandate: Mark tick [✓] in the appropriate boxes Yes [] No []

In case the Applicant intends that if Shares applied for are issued to him/it and the dividend declared by the Company, if any, is credited directly in his/it bank account, instead of issued of dividend warrants, then please fill in the following boxes:

Title of Account	
Account Number	
Bank Name	
Branch Name & Address	

Directors of Adamjee Life Assurance Company Limited
 3rd and 4th Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan

Dear Sir,

On the basis of OFSD by Adamjee Life Assurance Company Limited for the Offer for Sale of its Ordinary Shares, I/we hereby bid for subscription of Shares of the Company as under:

Bid Details			
		No. of Shares	Bid Price Per Share
		(In Figures)	(In Figures)
Bid Option (Please tick)			Total Amount
			(In Figures)
Limit Order	<input type="checkbox"/>		
Step Order:	<input type="checkbox"/>		
Option (1)	<input type="checkbox"/>		
Option (2)	<input type="checkbox"/>		
Option (3)	<input type="checkbox"/>		
Option (4)	<input type="checkbox"/>		
Total (Shares and Price)			

Important Instructions:

- 6) Bids should be placed for a minimum amount of **PKR 1,000,000/-**. It should also be noted that no. of shares bid for should be rounded and fractional shares will not be acceptable. Please ensure that after rounding the number of shares multiplied by your bid price, is at least **PKR 1,000,000/-**.
- 7) Eligible Investors who want to place a Step Bid must ensure that each step amounts to at least **PKR 1,000,000/-** and the aggregate amount of Step Bid should be at least **PKR 1,000,000/-**.
- 8) Any Bid received below the Floor Price will not be accepted by the Book Runner.
- 9) An investor shall not make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.
- 10) **An investor shall not make a bid with a price variation of more than 10% of the prevailing indicative strike price subject to 40% maximum Price Band i.e., the strike price must not exceed 40% upper limit of floor price.**

Signature of Bidder: _____

18 APPLICATION FORM


SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS AN OFFENCE UNDER SECTION 87(7) OF THE SECURITIES ACT, 2015 AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015

عوامی سہولتوں کیلئے کھلیا جاتا ہے کہ ایکٹ 2015 کی سیکشن 87(7) کے تحت کمپنی کی جعلی درخواستیں دینا قانوناً ناجائز ہے۔ غلط فہم دہری کر سنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کروائی جاتی ہے، ایکٹ 2015 کی سیکشن 87(8) کے تحت ضبط کی جاسکتی ہے۔

INVESTMENT IN SECURITIES IS A HIGHLY RISKY BUSINESS. INVESTORS ARE, THEREFORE, ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THE OFSD ESPECIALLY THE RISK FACTORS BEFORE MAKING ANY INVESTMENT DECISION.

ADAMJEE LIFE ASSURANCE COMPANY LIMITED
APPLICATION FOR SUBSCRIPTION OF SHARES

As per Section 72 of Companies Act, 2017, the Shares shall be credited in book-entry form only. Therefore, Shares of Adamjee Life Assurance Company Limited shall only be transferred in scrip-less form in the CDS of CDCPL. (Refer to instruction No.3 on the reverse hereof)



3rd and 4th Floor, Adamjee House, I.I.
Chundrigar Road, Karachi, Pakistan

CDC PARTICIPANT / ACCOUNT HOLDER ID
[Grid for CDC Participant / Account Holder ID]

SUB ACCOUNT NUMBER
[Grid for Sub Account Number]

HOUSE A/C NO.
[Grid for House A/C No.]

OR

CDC INVESTOR ACCOUNT SERVICES ID
[Grid for CDC Investor Account Services ID]

CDC INVESTOR ACCOUNT NO.
[Grid for CDC Investor Account No.]

Do you want to avail CDC's facility of IPO FACILITATION ACCOUNT
Yes [] No []

1) I/We apply for the following number of Shares at Offer Price for the value indicated below:

No. of Shares Applied For
[Grid for No. of Shares Applied For]

Amount Payable in PKR
[Grid for Amount Payable in PKR]

Cheque / Demand Draft / Pay Order No.
[Grid for Cheque / Demand Draft / Pay Order No.]

2) I/We agree to accept the same or any smaller number of Shares that may be allotted to me/us upon the terms as stated in the OFSD. I/We authorize you to credit the Shares to me/us pursuant to this application and if no Shares or a smaller number of Shares are allotted to me/us you are hereby authorized to return to me/us by cheque or other means my/our application money for the amount of Shares not credited to me/us.

3) **DECLARATION**
I/We declare that: i) I am/We are national(s) of _____; ii) I am/We are not minor(s); iii) I/We have not made nor have I/we instructed any other person(s)/institution(s) to make any other application(s) in my/our name(s) or in the name of any other person on my/our behalf or in any fictitious name; iv) I/We agree to abide by the instructions provided with this application and in case of any information given herein being incorrect I/we understand that I/we shall not be entitled to the allotment of Shares if successful rather the application money shall be liable to confiscation if this declaration proves to be incorrect at any time.

Yours faithfully,

Signature(s)
a) _____ b) _____

4) ALL DETAILS MUST BE WRITTEN IN
B L O C K - L E T T E R S IN THE SPACES PROVIDED, LEGIBLY IN BLACK PEN

a) Name in FULL (as per CNIC)
[Grid for Name in FULL (as per CNIC)]

Da [] Mo [] Co [] Please Tick

Father's/Husband's Name (as per CNIC)
[Grid for Father's/Husband's Name (as per CNIC)]

Identity Number (CNIC/Passport/Registration No.)
[Grid for Identity Number (CNIC/Passport/Registration No.)]

Identity Number (NTN)
[Grid for Identity Number (NTN)]

*INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SECURITIES HOLDERS AS TAX RETURN FILER OR NON FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATES OF 15% APPLIES TO FILERS AND OF 30% TO NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES

Full Address including Email Address
[Grid for Full Address including Email Address]

Phone No. including Mobile No.
[Grid for Phone No. including Mobile No.]

Occupation Code [] Muslim [] Non Muslim []

International Bank Account Number (IBAN)
[Grid for International Bank Account Number (IBAN)]

Bank Name
[Grid for Bank Name]

Branch Name & Address
[Grid for Branch Name & Address]

Additional Information - For Non-Resident Pakistanis and Foreign Investors Only

Place of Issue of Passport [] Date of Issue of Passport (DD-MM-YYYY) []

Corporate Business Letter enclosed Yes [] No [] Nationality Code [] Country of Residence []

5) **FOR JOINT HOLDER, IF ANY**

b) Name in Full (as per CNIC)
[Grid for Name in Full (as per CNIC)]

Da [] Mo [] Co [] Please Tick

Identity Number (CNIC/Passport/Registration No.)
[Grid for Identity Number (CNIC/Passport/Registration No.)]

6) **DIVIDEND MANDATE (MANDATORY):** Mark tick (✓) in the appropriate boxes Yes () No ()

In order to enable the Company to credit the cash dividend directly in applicant's bank account, please fill in the following boxes:

Title of Account []

International Bank Account Number (IBAN)
[Grid for International Bank Account Number (IBAN)]

Bank Name
[Grid for Bank Name]

Branch Name and Address
[Grid for Branch Name and Address]

Signature of the Applicant as per the Bank account

(TO BE FILLED IN BY THE APPLICANT'S BANKER)

7) It is certified that the above-mentioned applicant(s) is/are maintaining account number as mentioned above at this bank branch and applicant's particulars and signature(s) are correct and verified as per the bank's record and their CNIC/Passport. It is further certified that only one application has been made in the name of the above account holder through this branch. We also confirm that the original CNIC/Passport has been seen by us.

Note: In case the subscription money is paid through a bank other than the Bankers to the Issue (through pay order or bank draft), this certification shall be provided by the manager of the bank where the applicant maintains his/her bank account.

SPECIMEN SIGNATURE(S) OF THE APPLICANT
NAME OF THE APPLICANT IN BLOCK LETTERS (AS PER CNIC)
[Grid for Name of the Applicant in Block Letters (AS PER CNIC)]

SPECIMEN SIGNATURE(S)
[Grid for Specimen Signature(s)]

a) [] b) []

Bankers to the Issue's Provisional acknowledgement of application for Shares of Adamjee Life Assurance Company Limited

Received from Mr/Ms/Mrs _____ application for _____ shares.

Name of Bank [] Branch Code [] Application Serial No. [] Date of Receipt []

IMPORTANT: (i) This slip must be retained by the Applicant (ii) Please read instructions provided with this application

Signature & Rubber Stamp of Receiving Bank

APPLICATION AND ALLOTMENT INSTRUCTIONS**1. ELIGIBLE INVESTORS INCLUDE**

- Pakistani citizens resident in or outside Pakistan or Persons holding dual nationalities including Pakistani nationality;
- Foreign Nationals whether living in or outside Pakistan;
- Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- Mutual Funds, Provident/pension/gratuity funds/trusts, (subject to the terms of the Trust Deed and existing regulations); and
- Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

2. COPIES OF THE OFFER FOR SALE DOCUMENT

Copies of the Offer for Sale Document and application form can be obtained from the registered office of the Lead Manager and the Bankers to the Issue and their branches and the corporate office of the Company. The Offer for Sale Document and the Application Form can also be downloaded from the websites: www.psx.com.pk, <http://nextcapital.com.pk/>, <https://www.adamjeelife.com/> and <https://eipo.cdaccess.com.pk/>.

3. The applicants are required to complete the relevant sections of the application in order to get the Shares in scrip-less form. In accordance with provisions of the Central Depositories Act, 1997 and the CDC Regulations, credit of such Shares is allowed ONLY in the applicant's own CDC Account OR in CDC's IPO Facilitation Account. (IPO Facilitation Account is an Investor Account opened by CDC under its Regulations for the purpose of crediting and holding of Securities on behalf of individual Pakistani investors who have subscribed to such Securities offered by an Issuer/Officer).**4. NAME(S) AND ADDRESSES MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED.****5. ALL APPLICATIONS MUST BEAR THE NAME AND SIGNATURE CORRESPONDING WITH THAT RECORDED WITH THE APPLICANT'S BANKER. IN CASE OF DIFFERENCE OF SIGNATURE WITH THE BANK AND COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OR NATIONAL IDENTITY CARD FOR OVERSEAS PAKISTANIS (NICOP) OR PASSPORT, BOTH THE SIGNATURES SHOULD BE AFFIXED ON THE APPLICATION FORM.****6. APPLICATIONS MADE BY INDIVIDUAL INVESTORS**

- In case of individual investors, a photocopy of the CNIC (in case of resident Pakistanis) / NICOP or Passport (in case of non-resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant.
- Original CNIC/NICOP/Passport, along with a photocopy, must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the Banker to the Issue) at the time of presenting an application. The photocopy will, after verification, be retained by the branch along with the application.

7. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

- Applications made by companies, corporate bodies, mutual funds, provident / pension/gratuity funds/trusts, and other legal entities must be accompanied by a photocopy of their memorandum and articles of association or equivalent instrument/document. Where applications are made by virtue of power of attorney, the same should also be submitted along with the application.
- Photocopies of the documents mentioned in 7(i) must be produced for verification to the Banker to the Issue and the applicant's banker (if different from the Banker to the Issue) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.

8. ADDITIONAL INSTRUCTIONS FOR INVESTORS

- Only one application will be accepted against each applicant, however, in the case of joint account, one application may be submitted in the name of each joint account holder.
- Joint application in the name of more than two persons will not be accepted. In case of joint application, each applicant must sign the application form and submit attested copies of their CNICs/NICOPs/Passport. The Shares will be credited to the CDS account mentioned on the face of the form OR in CDC's IPO Facilitation Account and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note that a joint application will be considered as a single application for the purpose of allotment of securities.
- Subscription money must be paid by cheque drawn on applicant's own bank account or pay order/bank draft payable to one of the Bankers to the Offer in favor of A/C "ADAMJEE LIFE ASSURANCE CO LTD GENERAL SUBSCRIPTION" and crossed "A/C PAYEE ONLY".
- For the application made through pay order/bank draft, it would be permissible for a Banker to the Issue to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order/bank draft individually for each application.
- The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of securities.
- Applications are not to be made by minors and/or persons of unsound mind.
- Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.
- Applicants should retain the bottom portion of their application forms as a provisional acknowledgment of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of Shares for which the application has been made.
- Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
- Bankers to the Issue are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the Issue.
- It would be permissible for a Banker to the Issue to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order, or bank draft. Applicants should, therefore, not fail to give their bank account numbers.
- Submission of false and fictitious applications is prohibited, and such applications' money may be forfeited under section 87(8) of the Securities Act, 2015.

عوام وائس کو مطلع کیا جاتا ہے کہ بیکو ریڈرا ایکٹ 2015 کی شق نمبر (7) کے تحت رجسٹرڈ یا جعلی درخواستیں دینا قانوناً ناجائز ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرائی جاتی ہے، بیکو ریڈرا ایکٹ 2015 کی شق نمبر (8) کے تحت ضبط کی جاسکتی ہے۔

9. ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

- In case of foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation, and operations and line of business. A copy of memorandum of association or an equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the application. Copies of these documents can be attested by the bank manager in the country of applicant's residence.
- Foreign / Non-resident applicants should follow payment instructions given in Section 12.18 of the Offer for Sale Document.

10. BASIS OF ALLOTMENT

The basis and conditions of transfer of Shares to the General Public shall be as follows:

- The minimum value of application for subscription is Offer Price x 500 Shares. Application for amount below the minimum value shall not be entertained.
- Application for Shares must be made for 500 Shares or in multiple thereof only. Applications, which are neither for 500 Shares nor for multiple thereof, shall be rejected.
- Allotment/transfer of Shares to successful applicants shall be made in accordance with the allotment criteria/instructions disclosed in the Offer for Sale Document.
- Allotment of Shares shall be subject to the scrutiny of applications in accordance with the criteria disclosed in the OFSD and/or the instructions by the Securities & Exchange Commission of Pakistan.
- Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the application form.
- The Company will credit the respective CDS accounts of the successful applicants.

CODE OF BANKERS TO THE ISSUE

Code No.	Name of Banks	Code No.	Name of Banks
01	Askari Bank Limited	05	Habib Metropolitan Bank Limited
02	Bank of Punjab	06	MCB Bank Limited
03	Faysal Bank Limited	07	United Bank Limited
04	Habib Bank Limited		

CODE OF OCCUPATIONS

Code No.	Occupation	Code No.	Occupation
01	Business	06	Professional
02	Business Executive	07	Student
03	Service	08	Agriculturist
04	Housewife	09	Industrialist
05	Household	10	Others

11. PUBLIC SUBSCRIPTION THROUGH e-IPO

e-IPO is submission of application for subscription of securities electronically through the internet, Automated Teller Machines (ATM), and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:

(i) Centralized e-IPO System (CES):

The Central Depository Company of Pakistan Limited (CDC) has developed a Centralized e-IPO System (CES) through which applications for subscription of securities offered to the general public can be made electronically. CES has been made available in this SPO and can be accessed through the web link www.cdceipo.com. Payment of subscription money can be made through 1LINK's member banks available for CES, a list of which is available on the above website.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who have a valid Computerized National Identity Card (CNIC), a bank account with any of the commercial bank, email address, mobile phone number, and CDS Account (Investor Account or sub-Account) OR CDC's IPO Facilitation Account may register themselves with CES. Investors who do not have CDS account may visit www.cdcpakistan.com for information and details. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: info@cdcpak.com.

(ii) e-IPO facilities by Bankers to the Issue:

In order to facilitate investors, United Bank Limited ("UBL") is providing the facility of electronic submission of application (e-IPO) to their account holders. United Bank Limited account holders can use UBL net banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>. Further, please note that online applications can be submitted 24 hours a day during the subscription period which will close at midnight on DD/MM/YYYY.

12. NATIONALITY CODE

Code	Name of Country	Code	Name of Country	Code	Name of Country
001	U.S.A	004	K.S.A	007	China
002	U.K	005	Oman	008	Bahrain
003	U.A.E	006	Bangladesh	009	Other

For further queries you may contact:

Adamjee Life Assurance Company Limited: Mr. Rahim Vallyani, +92 21 37134900, rahim.vallyani@adamjeelife.com; | Next Capital Limited: Mr. Syed Qamber Ali, +92 213 5222207, gamber.ali@nextcapital.com.pk;