RO/UIC/4284/20

March 24, 2020

Through PUCAR

The General Manager
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road
KARACHI.

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2019

We have to inform that the meeting of the Board of the Company's Directors was held at Head Office Lahore on Saturday the March 21, 2020 at 11:00 (a.m.). The Annual Financial Statements were considered and approved. The Financial Results for the year ended December 31, 2019 along with comparative figures for the last five (5) years are as follows:-

Rupees in Million

Conventional Insurance	2019	2018	2017	2016	2015
Gross Premium	4,310.794	4,227.348	4,163.546	3,781,741	3,062.158
Net Premium	2,541.595	2,574.381	2,678.708	2,473.432	2,151.784
Net Incurred Claims	1,153.501	1,305.274	1,287.193	934.519	742.329
Management Expenses	917.014	832.410	921.226	797.738	653.848
Reserves for Un-expired Risks	1,550.169	1,535.652	1,581.501	1490.002	1,389.096
General Reserves	49.899	58.204	46.491	105.234	68.124
Under-writing Profits	351.574	323.246	221.312	509.741	779.657
Investment Income	67.101	8.365	67.205	73.106	60.729
Profit Before Tax	609.114	562.701	487.345	357.960	679.588
Paid up Capital	2,601.017	2,261.754	2,001.552	1,803.200	1,288.000
Window Takaful Operations	**2019**	**2018**	**2017**	**2016**	**2015**
Participants' Takaful Fund	(62.535)	(63.655)	5.749	(50.537)	2.365
Gross Contribution	1,054.540	1,011.258	962.597	528.990	503.605
Retained Contribution	616.492	677.232	687.025	193.515	115.365
Net Incurred Claims	306.085	355.843	205.643	191.097	129.078
Profit/(Deficit) from PTF Fund	15.017	(57.687)	61.387	(33.903)	(18.075)
Waqf Money	0.500	0.500	0.500	0.500	0.500
Total Operators' Fund	702.580	576.099	394.360	198.904	129.077
Management Expenses	125.666	112.340	107.297	93.945	91.125
Net profit	125.476	188.531	199.069	49.204	69.794
Statutory Fund-OPF	50.000	50.000	50.000	50.000	50.000

THE UNITED INSURANCE CO OF PAKISTAN LTD
UIC

CASH DIVIDEND

It is recommended by the Board that no cash dividend will be paid.

ISSUE OF BONUS SHARES

It is recommended by the Board to capitalize the sum of Rs. 348,983,180/- for issue of Bonus Shares @ 13.4172% in proportion of 13.4172 shares for every 100 shares. Auditor's Certificate U/s.6 (iii) of the Companies (Issue of Capital) Rules, 1996 is enclosed.

ANNUAL GENERAL MEETING

The 60th Annual General Meeting of the Company will be held on Monday the 27th April, 2020,10:00 (a.m.) at Karachi.

BOOK CLOSURE

The Board decided that Share Transfer Books of the Company will remain closed from 21-04-2020 to 27-04-2020 (both days inclusive). Transfers received at the Company's Registered Office, Karachi by the close of business on 20-04-2020 will be treated as being in time for the purpose to determine entitlement toBonus Shares and to attend the meeting.

PROFIT & LOSS ACCOUNT WITH CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME AND EARNING PER SHARE

A copy of Profit & Loss Accounts and Condensed Interim Statement of Comprehensive Income which also shows Appropriation and earnings per share for the year ended December 31, 2019 is also enclosed.

The Annual Audited Accounts of the Company for the year ended December 31, 2019 will be transmitted through PUCAR separately, within the specified time.

With best regards

Yours truly,

Athar A. Khan
Company Secretary

THE UNITED INSURANCE CO OF PAKISTAN LTD
UIC

REGISTERED OFFICE
Suite # 204, 2nd Floor, Madina City Mall,
Abdullah Haroon Road, Saddar, Karachi - 74400.
Tel. : (+92 21) 35621460 - 61
: (+92 21) 35221803
Web : www.theunitedinsurance.com
Email : info@theunitedinsurance.com
ISO 9001: 2015

THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2019

	Note	2019 RUPEES	2018 RUPEES
Net insurance premium	24	2,541,595,470	2,574,381,371
Net insurance claims	25	(1,153,501,399)	(1,305,273,666)
Premium deficiency		(1,164,825)	(17,268,699)
Net commission and other acquisition costs	26	(118,341,937)	(96,183,161)
Insurance claims and acquisition expenses		(1,273,008,161)	(1,418,725,526)
Management expenses	27	(917,013,732)	(832,410,028)
Underwriting results		351,573,577	323,245,817
Investment income	28	67,101,243	8,365,474
Rental income	29	2,292,000	2,292,000
Other income	30	49,516,449	27,722,946
Other expenses	31	(4,872,957)	(8,053,892)
Results of operating activities		465,610,312	353,572,345
Finance cost	32	(5,791,228)	(3,103,672)
Share of profit from associate		23,818,651	23,701,346
Profit from Window Takaful Operations		125,476,048	188,530,802
Profit before tax		609,113,783	562,700,821
Income tax expense	33	(207,523,057)	(173,478,211)
Profit after tax		401,590,726	389,222,610
Earnings (after tax) per share - Rupees - basic and diluted (Restated)	34	1.54	1.50

The annexed notes 1 to 46 form an integral part of these financial statements.

TRUE COPY
For & on behalf of
The United Insurance Co. of Pakistan Ltd.

(Athar A.Khan)
Company Secretary

THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019 RUPEES	2018 RUPEES
Profit after tax	**401,590,726**	389,222,610
Other comprehensive income/ (loss):		
Items to be re-classified to profit and loss account in subsequent period:		
Unrealized (loss) on revaluation of available-for-sale investments - net off deferred tax	**(7,391,101)**	(5,560,145)
Realized loss/(gain) on revaluation of available-for-sale investments - net off deferred tax	**(1,628,256)**	22,132,284
Share of other comprehensive (loss)/income from takaful:		
Unrealized (loss) on revaluation of available-for-sale investments - net off deferred tax	**(6,674,029)**	(7,387,760)
Realized loss on revaluation of available for sale investments - net off deferred tax	**7,387,760**	2,529,313
	(8,305,626)	11,713,692
Items not to be re-classified to profit and loss account in subsequent year:		
Incremental depreciation - net of deferred tax	**764,299**	793,193
Surplus on revaluation of fixed assets - net of deferred tax	**572,793,449**	-
Share of other comprehensive (loss)/income from takaful:		
Surplus on revaluation of fixed assets - net of deferred tax	**2,683,405**	-
Share of other comprehensive income / (loss) from associate	-	-
Other comprehensive income for the year	**567,935,527**	12,506,885
Total comprehensive income for the year	**969,526,253**	401,729,495

The annexed notes 1 to 46 form an integral part of these financial statements.

TRUE COPY
For & on behalf of
The United Insurance Co. of Pakistan Ltd.

(Athar A.Khan)
Company Secretary

A-4, Sea Breeze Homes, Shershah Block,
New Garden Town, Lahore - Pakistan.
Phones: (042) 35861852, 35868849
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E-mail: info@ilyassaeed.com
www.ilyassaeed.com

Ilyas Saeed & Co
Chartered Accountants

Ref: Audit/U-18/19 **March 06, 2020**

The Company Secretary,
The United Insurance Company of Pakistan Limited,
204, 2nd Floor, Madina City Mall,
Abdullah Haroon Road, Saddar,
KARACHI.

Dear Sir,

CERTIFICATE ON ISSUE OF BONUS SHARES AS REQUIRED UNDER RULE 6 (III) OF THE COMPANIES (ISSUE OF CAPITAL) RULES, 1996

We have been requested to provide you with a certificate on the issue of bonus shares by The United Insurance Company of Pakistan Limited (the Company) as required under Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996.

Scope of Certificate

The management of the Company intends to issue 13.4172% bonus shares to its shareholders on the basis of reserves declared for the financial year ended December 31, 2019. The requirements for issue of bonus shares are provided under Rule 6 of the Companies (Issue of Capital) Rules, 1996. These rules require the Company to comply with the prescribed conditions and obtain a certificate from the auditor certifying that,-

a) the free reserves retained after the issue of bonus shares are not less than fifteen percent of the increased paid up capital of the Company; and

b) all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen percent.

Management Responsibility

It is responsibility of the management to ensure compliance with the conditions prescribed under Rule 6 of the Companies (Issue of Capital) Rules, 1996, for issue of bonus shares.

Auditor's Responsibility

Our responsibility is to certify the compliance of the conditions prescribed under Rule 6(iii) of the Companies (Issue of Capital) Rules, 1996, in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below;

a) Recalculated minimum balance (i.e. 15% of enhanced paid up capital) of free reserve required for issuance of 15% bonus shares as of December 31, 2019.

b) Ensure that free reserves only include an amount which, having been set aside out of revenue or other surpluses after adjustment of all intangible or fictitious assets, is free and that is not retained to meet any diminution in value of assets, specific liability, contingency or commitment known to exist at the date of the balance sheet, but does not include-

i. reserves created as a result of re-valuation of fixed assets;
ii. goodwill reserve;
iii. depreciation reserve to the extent of ordinary depreciation or otherwise as admissible under the Income Tax Ordinance, 2001;
iv. development allowance reserve created under the provisions of the Income Tax Ordinance, 2001;
v. provisions for taxation to the extent of the deferred or current liability of the Company;
vi. capital redemption reserve; and
vii. unrealized capital gain.

c) Ensure the free reserves (as arrived at in point (b) above) are not less than 15 percent of the increased paid up capital of the Company after issue of proposed bonus shares.

d) No contingent liability has been reported in the financial statements for the year ended December 31, 2019, and therefore, has no effect on determination of free reserves.

Certificate

Based on procedures mentioned above, we certify that-

a) The free reserves retained after the issue of bonus shares (Rs. 348,983,180/-) are not less than 15% of the increased paid up capital (Rs. 2,950,000,000/-) of the Company; and
b) All contingent liabilities have been deducted while calculating the minimum residual reserve of 15%.

Other Matter

The certificate is based on initialed financial statements for the year ended December 31, 2019.

Restriction on use and distribution

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

Yours truly,

ILYAS SAEED & CO.
Chartered Accountants.
Place: Lahore