

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

The Directors present the audited financial statements as at and for the year ended December 31, 2015.

BUSINESS REVIEW

During the year under review the Company's reinsurance arrangement with Chaucer Syndicate Limited was renewed in the normal course of business. The reinsurance company has been awarded "A" rating by AM Best. The management believes that the reinsurance support provides depth to the underwriting capacity of the Company.

During the year, the gross premium written was Rs.434.3 million as compared to last year's Rs. 341.5 million. The Company was able to retain majority of its valuable corporate clients in 2015. It has made a profit after tax of Rs.1.34 million in the Shareholders' fund. However a loss of Rs.102.88 million was incurred in the Statutory Fund because of the higher than expected claim ratios.

The financial highlights of the performance of the Company for the year are tabulated as follows:

	Shareholder Fund	Statutory Fund	Aggregate 2015	2014	2013	2012	2011	2010
Rupees in '000'								
Gross Premium		434,253	434,253	341,502	723,235	669,906	212,620	154,948
Gross Claim		383,837	383,837	270,548	679,218	593,522	178,482	153,158
Policy Acquisition Cost		23,941	23,941	17,867	29,643	19,877	5,016	6,334
Management Expenses	17,231	126,042	143,273	146,435	146,284	114,800	87,129	82,923
Investment Income	20,474	13,960	34,434	56,670	109,434	110,398	42,672	76,807
Profit/(Loss) before tax	3,243	(102,878)	(99,635)	(49,866)	15,038	8,966	(41,480)	(22,741)
Policyholder Liabilities		142,208	142,208	126,687	114,817	153,665	111,903	87,146
EPS (In Rupees)	0.03		0.03	0.28	1.11	1.2	0.4	1.18

The Directors are confident that the insurance business of the Company will and to be profitable in future years because of the very well built innovative range of products and increasing demand for health insurance in the country.

There are no changes or commitments after the balance sheet date which could materially affect the financial position of the company on the balance sheet date.



The Board is pleased to report that the Company has been awarded IFS (Insurer Financial Strength) rating of Company A- (Single A minus) by PACRA.

AUDITORS

The present auditors M/S Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants retire after completion of the present term. Being eligible, they have offered themselves for re-appointment. The Board on the recommendation of the Audit Committee has proposed their re-appointment as external auditor of the Company for the year ending December 31, 2016, subject to approval in Annual General Meeting of the Company.

RETIREMENT BENEFITS

The Company is maintaining an un-funded gratuity scheme. The provision for staff gratuity fund has been computed by the actuary as per audited financial statements for the year ended December 31, 2015 is Rs.26.98 million.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance have been duly complied with. The Directors are pleased to confirm the following:

1. The financial statements, prepared by the Company, present fairly its state of affairs, the results of its operation, cash flows and changes in equity.
2. The Company has maintained proper books of accounts.
3. The Company has consistently followed appropriate accounting policies in preparation of the financial statements. Changes wherever made, have been adequately disclosed and accounting estimates are on the basis of prudent and reasonable judgment.
4. International Accounting Standards as applicable in Pakistan have been followed in preparation of financial statements and any departure thereof has been adequately disclosed.
5. The Company has implemented a sound system of internal control, which has been effectively monitored.
6. The fundamentals of the Company are strong based on plans of potential investor and there is no doubt about its ability to continue as a going concern.
7. There has been no material departure from the best practices of corporate governance.
8. There are no outstanding taxes and duties, other than those disclosed in the financial statements.



CORPORATE SOCIAL RESPONSIBILITY

We define Corporate Social Responsibility (CSR) as our commitment to work as partners with all our stakeholders to effectively improve the quality of life of our workforce, their families and the local communities.

AsiaCare believes that a responsible attitude toward society and the environment can make business more competitive, more resilient to shocks, and more likely to attract and hold both consumers and the best employees.

The Board of Directors feels that social attitude is a significant part of its risk management and reputation strategy. In a world where brand value and reputation are increasingly seen as the Company's most valuable assets, responsible social attitude can build the loyalty and trust that ensure a bright sustainable future.

Election of Directors:

In pursuance of Section 178(3) of the Companies Ordinance, 1984, the following persons were elected as the Directors of the Company in Annual General Meeting held on April 27, 2015

1. Mr. Basheer Ahmed Chowdry
2. Mr. Adeel Kazi
3. Mr. Farooq Nazir
4. Mr. Khurshed Abul Khair
5. Mr. Muhammad Rashid Zahir
6. Dr. Galina Bass
7. Mr. Farrukh Shauket Ansari
8. Dr. Mahmood Mehdi Kazmi

BOARD OF DIRECTORS

The Board is comprised of eight directors including the Chief Executive Officer. Further a casual vacancy arose during the year on resignation of Mr. Farooq Nazir that was filled by the Board in stipulated time by appointment of Mr. Ali Aamir.

During the year 2015, five meetings of the Board of Directors were held and attended as follows. Leave of absence was granted by the Board, to the Directors who could not attend the board meetings.

Serial #	Name of Directors	Executive / Non Executive	Meeting Attended	Date of Appointment
1	Mr. Basheer Ahmed Chowdry	Non-Executive Director	5	27-Apr-15
2	Mr. Farooq Nazir	d/o	1	Resigned
3	Mr. Muhammad Rashid Zahir	d/o	4	27-Apr-15



4	Mr. Farrukh Shauket Ansari	d/o	5	27-Apr-15
5	Mr. Adeel Kazi	d/o	4	27-Apr-15
6	Mr. Khurshed Abul Khair	d/o	5	27-Apr-15
7	Dr. Galina Bass	d/o	5	27-Apr-15
8	Dr. Mahmood Mehdi Kazmi	Executive Director / CEO	5	27-Apr-15
9.	Mr. Ali Aamir	Non-Executive Director	1	20-Aug-15

BOARD AUDIT COMMITTEE

In Compliance of Corporate Governance and to ensure effective management the Board has established the Board Audit Committee and it comprises of the following non-executive Directors:

Mr. Ali Aamir, Chairman

Mr. Farrukh Shauket Ansari, member

Mr. Muhammad Rashid Zahir, member

The Board Audit Committee reviewed the quarterly, half yearly and annual financial statements before submission to the Board of Directors. The Board Audit Committee discussed in detail with the external auditors on the various issues. They have also reviewed internal audit reports and their findings as required under the Code of Corporate Governance.

An independent Internal Audit function reporting to the Board Audit Committee reviews the financial and internal reporting process, the system of internal control, the management of risks and internal audit process.

PATTERN OF SHAREHOLDING

A statement showing the pattern of shareholding is attached with this report

Holding Company

Subsequent to the Balance Sheet date the TPL Trakker Ltd. has entered into a share purchase agreement with the sponsor shareholder of the Company to acquire 100% shares of the Company.

The acquiring company is cognizant of the regulatory capital and solvency requirements applicable to the Company and intends to ensure compliance with the applicable capital and solvency requirements at all times.



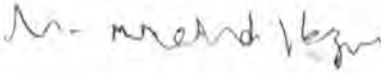
ACKNOWLEDGMENT

The Directors of the Company wish to express their profound gratitude to policyholders and shareholders who continue to repose their trust and confidence in the Company and assure them of best services and remain committed to do the utmost to ensure the best utilization of their investment in the Company.

We would also like to place on record our special thanks to the Securities & Exchange Commission of Pakistan for their support and guidance.

We would also like to thank the management team of the Company for their devotion and hard work. We take this opportunity to thank Reinsurers and the Bankers for their support.

For and on behalf of the Board



Chief Executive Officer

Karachi, March 18, 2016



Asia Care Health & Life Insurance Company Limited

PATTERN OF HOLDING OF SHARES HELD BY THE SHAREHOLDERS AS AT December 31, 2015

Number of Shareholders	Shareholding	Number of Shares held
9	From 1 to 4001 shares	4001
1	From 4002 to 50,000,000 shares	49,995,999
10	Total	50,000,000

Categories of shareholders	shares held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children.	4001	0.01
Associated Companies, undertakings and related parties.	49,995,999	99.99
NIT and ICP	NIL	NIL
Banks Development Financial Institutions, Non Banking Financial Institutions.	NIL	NIL
Insurance Companies	NIL	NIL
Modarabas and Mutual Funds	NIL	NIL
Individual	1	0
Total	50,000,000	100

Shareholders having more than 10% holding

Noor Sehat Health System Limited	49,995,999	99.99
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Information as required under Code of Corporate Governance

Categories of shareholders as at December 31, 2015

Category	Number of Shareholders	Number of Shares	Holding %
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Associated Companies, undertakings and related parties

Noor Sehat Health System Limited	1	49,995,999	99.99
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Directors, Chief Executive, and their spouse

Mr. Farrukh Shauket Ansari	1	500	0.00
Mr. Ali Aamir	1	500	0.00
Mr. Muhammad Rashid Zahir	1	500	0.00
Mr. Basheer Ahmed Chowdry	1	500	0.00
Mr. Adeel Kazi	1	500	0.00
Mr. Khurshed Abul Khair	1	500	0.00
Dr. Galina Bass	1	500	0.00
Dr. Mahmood Mehdi Kazmi	1	500	0.00
Total	8	4000	0.01

Individual

Local	1	1	0.00
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Total	10	50,000,000	100%
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