



بمیشہ کالتہ

Interim Financial Statements
for the quarter ended March 31, 2023
(Unaudited)

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COMPANY INFORMATION

Board of Directors

Mr. Khalid Bashir
(Chairman)
Mr. Nadeem Maqbool
Mr. Ahsan Bashir
Mr. Asadullah Khawaja
Mr. Attaullah A. Rasheed
Mr. Imran Maqbool
Ms. Shameen Azfar
Mr. Sharik Bashir

Audit Committee

Mr. Asadullah Khawaja
(Chairman)
Mr. Khalid Bashir
(Member)
Mr. Imran Maqbool
(Member)
Mr. Rao Ali Zeeshan
(Secretary)

Investment Committee

Mr. Ahsan Bashir
(Chairman)
Mr. Nadeem Maqbool
(Member)
Mr. Imran Maqbool
(Member)
Mr. Asadullah Khawaja
(Member)
Mr. Amjed Bahadur Ali
(Secretary)

Chief Executive Officer

Mr. Nadeem Maqbool

Chief Financial Officer

Mr. Amjed Bahadur Ali

Company Secretary

Mr. Fariq Mahmood Khan Rohilla

Ethics, Human Resource, Remuneration & Nomination Committee

Mr. Attaullah A Rasheed
(Chairman)
Ms. Shameen Azfar
(Member)
Mr. Nadeem Maqbool
(Member)
Ms. Niina Afridi
(Secretary)

Claim Settlement Committee

Mr. Imran Maqbool
(Chairman)
Mr. Ahsan Bashir
(Member)
Mr. Nadeem Maqbool
(Member)
Mr. Hassan Mustafa
(Secretary)

COMPANY INFORMATION

Underwriting Committee

Mr. Attaullah A. Rasheed
(Chairman)

Mr. M. K. Baig
(Member)

Mr. Afzal Ur Rehman
(Member)

Ms. Humera Jawaid
(Secretary)

Reinsurance & Co-Insurance Committee

Mr. Sharik Bashir
(Chairman)

Mr. Afzal Ur Rehman
(Member)

Mr. Ali Muhammad
(Secretary)

Risk Management & Compliance Committee

Ms. Shameen Azfar
(Chairman)

Mr. Nadeem Maqbool
(Member)

Mr. Sharik Bashir
(Member)

Mr. Amjed Bahadur Ali
(Member)

Ms. Niina Afridi
(Secretary)

Auditors

EY Ford Rhodes, Chartered
Accountants.

Legal Advisors

Arfin & Company Advocate

Registrar

FAMCO Associates (Pvt) Ltd
8-F, Next to Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahrah-e-Faisal,
Karachi.

P : (21) 34380101-2

F : (21) 34380106

E : info.shares@famco.com.pk

Registered & Head Office

5th Floor, State Life Building No.2A
Wallace Road, Karachi-74000,
Pakistan.

P : (21) 32416331-4

F : (21) 32416572

E : info@pil.com.pk

W : www.pil.com.pk

Report of the Directors to Members

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the three months period ended March 31, 2023.

Performance Review

Following is the overall performance of the Company.

	Conventional		Takaful	
	Mar 31, 2023	Mar 31, 2022	Mar 31, 2023	Mar 31, 2022
	(Rupees in '000)			
Premium / contribution written	61,779	57,831	38,619	28,962
Net Premium / contribution *	80,099	70,423	21,863	35,983
Underwriting Result	(14,313)	(58,171)	(7,280)	(9,633)
Investment income	6,849	7,481	11	8
[Loss] /Profit before taxation	(16,459)	(56,067)	(5,789)	(8,944)
[Loss] /Profit after taxation	(17,242)	(56,817)	-	-
(Loss) /Earning) per share	(0.34)	(1.12)		

* Net contribution exclusive of wakala fee

Gross written premium during the three months period ended March 31, 2023 was Rs. 61.78 million as against Rs. 57.83 million. The investment income was Rs. 6.84 million as against Rs. 7.48 million of the same period of last year. Net loss ratio for the period is 55% as against 113% as against same period last year.

Gross contribution written during the three months period ended March 31, 2023 was Rs. 38.62 million as against Rs. 28.96 million of the same period last year. Net contribution was Rs. 21.86 million as against Rs.35.98 million of the last year.

Outlook

In order to maintain growing position in the industry, we have designed our strategy to deliver sustainable, profitable growth in a changing and competitive business environment. Although there are many challenges faced by the company, we are committed to perform in the best possible manner and add value to our stakeholders to meet the long term goals of the company. We intend to continue our strategy to focus on building on our current market share and maintain our business with traditional clients through better service.

Acknowledgement

The directors acknowledge the dedication of the company's employee, thank all our valued customers for their continued patronage and support, and to our Reinsurers, Securities and Exchange Commission of Pakistan and State Bank of Pakistan for their guidance and assistance.

On behalf of the Board

Chairman

Karachi, Dated: April 27, 2023

CEO / Director

ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے تین ماہ کی اختتامی مدت 31 مارچ 2023 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کارکردگی کا جائزہ:

کمپنی کی مجموعی کارکردگی درج ذیل ہے:

شکائت	31 مارچ 2023	31 مارچ 2022	31 مارچ 2023	31 مارچ 2022
	(روپے '000)			
	28,962	38,619	57,831	61,779
	35,983	21,863	70,423	80,099
	(9,633)	(7,280)	(58,171)	(14,313)
	8	11	7,481	6,849
	(8,944)	(5,789)	(56,067)	(16,459)
	-	-	(56,817)	(17,242)
			(1.12)	(0.34)

تحریری پر بیمہ / کنٹری بیوشن
خالص تحریری پر بیمہ / کنٹری بیوشن *
ذمہ دہی کے نتائج
سرمایہ کاری آمدنی
قبل ادائیگی (خسارہ) / منافع
بعد ادائیگی (خسارہ) / منافع
(خسارہ) / منافع فی شخص
* وکال فیس کے علاوہ مجموعی کنٹری بیوشن

روایتی آپریشنز:

31 مارچ 2023 کو ختم ہونے والی تین ماہ کی مدت کے دوران مجموعی تحریری پر بیمہ 57.83 ملین روپے کے مقابلے میں 61.78 ملین روپے رہا۔ سرمایہ کاری آمدنی 6.84 ملین روپے رہی جو گزشتہ سال کی اسی مدت میں 7.48 ملین روپے تھی۔ دوران سہ ماہی مجموعی خالص کلیم کا تناسب میں 55% رہا جو گزشتہ سال کی اسی مدت کی دوران 113% فیصد تھا۔

31 مارچ 2023 کو ختم ہونے والی تین ماہ کی مدت کے دوران مجموعی تحریری کنٹری بیوشن 28.96 ملین روپے کے مقابلے میں 38.62 ملین روپے رہی۔ گزشتہ سال کے مقابلے میں خالص کنٹری بیوشن 21.86 ملین روپے رہا۔ جو گزشتہ سال کی اسی مدت میں 35.98 ملین تھا۔

مستقبل کے امکانات:

صنعت میں اپنی پوزیشن کو برقرار رکھنے کے لئے ہم نے بدلتے ہوئے اور مسابقتی کاروباری ماحول میں پائیدار منافع بخش ترقی فراہم کرنے کے لئے اپنی حکمت عملی تیار کی ہے۔ اگرچہ کمپنی کو بہت سے چیلجز کا سامنا ہے، لیکن ہم کمپنی کے طویل مدتی اہداف کو پورا کرنے کے لئے بہترین انداز میں کارکردگی کا مظاہرہ کرنے اور اپنے اسٹیٹ، ہولڈرز کی قدر بڑھانے کے لئے پرعزم ہیں۔ ہم اپنی حکمت عملی کو جاری رکھنے کا ارادہ رکھتے ہیں تاکہ اپنے موجودہ مارکیٹ شیئر پر توجہ مرکوز کریں اور بہتر سروس کے ذریعے روایتی کلائنٹس کے ساتھ اپنے کاروبار کو برقرار رکھیں۔

اعتراف:

ڈائریکٹرز کمپنی کے ملازمین کی کوششوں، اپنے تمام قابل قدر گاہکوں کی مسلسل سرپرستی اور تعاون، اور ہمارے رشتہ داروں، سٹیک ہولڈرز، ریگولیٹرز، ایگزیکٹو کونسل اور اسٹیٹ بینک آف پاکستان کی رہنمائی اور تعاون پر ان کے شکرگزار ہیں۔

از طرف بورڈ

سی ای او / ڈائریکٹر

چیئرمین

کراچی، مورخہ: 127 اپریل 2023ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	(Unaudited) 31 March 2023	(Audited) 31 December 2022
(Rupees in '000)			
Assets			
Property and equipment	7	201,094	205,205
Intangible assets	8	719	776
Investment properties	9	321,317	321,317
Investments			
- Equity securities	10	450,788	541,795
- Mutual funds	10	73,557	71,233
Investment in associate	11	248,436	248,436
Loans and other receivables	11	27,098	24,580
Insurance / reinsurance receivables	12	479,212	557,966
Reinsurance recoveries against outstanding claims	21	492,218	489,897
Salvage recoveries accrued		812	596
Deferred commission expense	22	22,966	28,694
Taxation - provision less payment		18,651	19,271
Deferred tax asset	19	50,805	50,333
Prepayments	13	121,414	132,702
Cash and bank	14	27,094	53,729
		2,536,181	2,746,530
Total Assets of Window Takaful Operations - Operator's Fund		107,024	97,396
Total Assets		2,643,205	2,843,926
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		505,650	505,650
Reserves		1,278,318	1,367,000
Accumulated losses		(1,034,479)	(1,017,237)
Total Equity		749,489	855,413
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	21	880,905	897,213
Unearned premium reserves	20	244,297	332,080
Premium deficiency reserves		3,059	3,059
Unearned reinsurance commission	22	17,058	24,251
Retirement benefit obligations	16	7,958	7,742
Lease liabilities	16	4,913	7,972
Insurance / reinsurance payables		424,335	411,414
Other creditors and accruals	17	245,717	238,609
Unclaimed dividends		22,746	22,746
Total Liabilities		1,850,988	1,945,086
Total Liabilities of Window Takaful Operations - Operator's Fund		42,727	43,427
Total Equity and Liabilities		2,643,205	2,843,926
Contingencies and commitments			

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The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

**Chief Executive
Officer**

Chairman

Director

Director

**Chief Financial
Officer**

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Three Months Period Ended	
		31 March 2023	31 March 2022
		(Rupees in '000)	
Net insurance premium	20	80,099	70,423
Net insurance claims	21	(43,764)	(79,695)
Net commission expense and other acquisition costs	22	(5,734)	(5,360)
Insurance claims and acquisition expenses		(49,498)	(85,055)
Management expenses	23	(44,914)	(43,538)
Underwriting results		(14,313)	(58,170)
Investment income	24	6,849	7,481
Rental income		1,271	1,174
Other income	25	1,396	1,949
Other expenses	26	(1,120)	(860)
		8,396	9,744
Results of operating activities		(5,917)	(48,427)
Finance costs – lease liability		(192)	(317)
Loss before tax from General Insurance Operations		(6,109)	(48,744)
Loss before tax from Window Takaful			
Operations – Operator's Fund		(10,350)	(7,323)
Loss before tax		(16,459)	(56,067)
Income tax expense	27	(783)	(750)
Loss after tax		(17,242)	(56,817)
Loss per share – Rupees	28	(0.34)	(1.12)

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Three Months Period Ended	
		31 March 2023	31 March 2022
		(Rupees in '000)	
Loss after tax		(17,242)	(56,817)
Other comprehensive income:			
Unrealized loss on available-for-sale investments during the period	31	(88,682)	(20,749)
Other comprehensive loss for the period		(88,682)	(20,749)
Total comprehensive loss for the period		(105,924)	(77,566)

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Share capital	Reserves							Total reserves	Total equity
		Capital reserves			Revenue reserves					
	Issued, subscribed and paid-up	Reserve for exceptional losses	Devaluation reserve	General reserve	Revaluation Reserves - Available for sale investments of the	Revaluation Reserves - Property and Equipment	Accumulated losses			
	(Rupees in '000)									
Balance as at 01 January 2022	505,650	19,490	185	996,851	601,363	35,859	(827,015)	826,733	1,332,383	
Loss for the period ended 31 March 2022	-	-	-	-	-	-	(56,817)	(56,817)	(56,817)	
Other comprehensive loss for the period	-	-	-	-	(20,749)	-	-	(20,749)	(20,749)	
Total comprehensive loss for the period ended 31 March 2022	-	-	-	-	(20,749)	-	(56,817)	(77,566)	(77,566)	
Balance as at 31 March 2022	505,650	19,490	185	996,851	580,614	35,859	(883,832)	749,167	1,254,817	
Balance as at 01 January 2023	505,650	19,490	185	996,851	314,615	35,859	(1,017,237)	349,763	855,413	
Loss for the period ended 31 March 2023	-	-	-	-	-	-	(17,242)	(17,242)	(17,242)	
Other comprehensive loss for the period	-	-	-	-	(88,682)	-	-	(88,682)	(88,682)	
Total comprehensive loss for the period ended 31 March 2023	-	-	-	-	(88,682)	-	(17,242)	(105,924)	(105,924)	
Balance as at 31 March 2023	505,650	19,490	185	996,851	225,933	35,859	(1,034,479)	243,839	749,489	

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Three Months Period Ended	
		31 March 2023	31 March 2022
		(Rupees in '000)	
Operating activities			
a) Underwriting activities			
Insurance premium received		124,893	103,219
Reinsurance premium paid		(18,801)	(5,036)
Claims paid		(90,091)	(165,774)
Reinsurance and other recoveries received		40,650	122,647
Commission paid		(12,346)	(12,878)
Commission received		3,743	4,142
Other acquisition costs paid		(4,296)	(5,640)
Management expenses paid		(70,066)	(30,545)
Net cash used in underwriting activities		(26,314)	10,136
b) Other operating activities			
Income tax paid		(163)	60
Other operating receipts		(19,026)	(4,931)
Loans advanced, deposits received / (paid)		1,057	(1,893)
Other liabilities (paid) / reversed		12,808	2,800
Total cash generated from other operating activities		(5,324)	(3,964)
Total cash used in all operating activities		(31,638)	6,172
Investment activities			
Profit / return received		7,433	9,130
Rental received		1,271	1,174
Proceeds from investments disposed		183	-
Fixed capital expenditure incurred		(1,199)	(407)
Proceeds from sale of property and equipment		918	1,344
Total cash generated from investing activities		8,606	11,241
Financing activities			
Finance cost paid		(192)	(317)
Payment of lease liability		(3,411)	(3,210)
Total cash used in financing activities		(3,603)	(3,527)
Net cash (used in) / generated from all activities		(26,635)	13,886
Cash and cash equivalents at beginning of the period		53,729	75,964
Cash and cash equivalents at end of the period		27,094	89,851

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CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Three Months Period Ended	
		31 March 2023	31 March 2022
(Rupees in '000)			
Reconciliation to profit and loss account			
Operating cashflows		(31,638)	6,172
Depreciation and amortization expense	23	(1,898)	(2,176)
Finance costs		(192)	(317)
Gain on sale of operating fixed assets	25	(256)	1,210
Net realized gain / (loss) on investments	24	2	9
Rental income		1,271	1,174
Dividend income	24	7,006	7,630
Other income	25	1,652	(1,805)
Loss from Window Takaful Operations – Operator's Fund	15	(10,350)	(7,323)
(Decrease) / increase in assets other than cash		(73,879)	(23,434)
Increase / (decrease) in liabilities other than borrowings		91,039	(37,957)
Loss after taxation		(17,242)	(56,817)

Definition of cash and cash equivalent

Cash and cash equivalent comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits having maturing 3 months from the date of acquisition.

Cash for the purpose of the statement of cash flows consists of:

Cash and other equivalent

Cash	-	-
Stamps in hand	354	261
	354	261

Current and other accounts

Current accounts	7,905	12,405
PLS account	18,835	77,185
	26,740	89,590

Total cash and cash equivalent

	27,094	89,851
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The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Premier Insurance Limited (the Company) was incorporated as a public limited Company in Pakistan in May 1952 and is engaged in general insurance business. The shares of the Company are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 5th Floor, State Life Building No. 2A, Wallace Road, Off. I.I. Chundrigar Road, Karachi. The Company has been allowed to work as Window Takaful Operator since 02 October 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

Following are the geographical location and address of all the business units of the Company:

Head office - Registered Office

5th Floor, State Life Building 2-A, Wallace Road, Off. I.I. Chundrigar Road, Karachi, Province of Sindh, Pakistan.

Branches

i) Province of Punjab, Pakistan:

- Zonal office, 162 Shadman II, Lahore
- CSD North, 162 Shadman II, Lahore
- Canal Branch, 162 Shadman II, Lahore
- Mall Branch, 23 Shahrāh-e-Quaid-e-Azam, Lahore
- 4th Floor, Mehr Fatima Tower, Opp. High Court, Old Bahawalpur Road, Multan
- 1st Floor, Regency Arcade, 949-Mall Road, Faisalabad
- Room 3 & 4, Sahib Plaza, Saga Chowk, Defense Road, Sialkot
- Block - L, Trust Plaza, G.T Road, Gujranwala

ii) Province of Sindh, Pakistan:

- CSD South Karachi, 5th Floor State Life Building 2-A, Wallace Road, Off. I.I. Chundrigar Road, Karachi
- Clifton Branch, 5th Floor State Life Building 2-A, Wallace Road, Off. I.I. Chundrigar Road, Karachi

iii) Province of Khyber Pakhtunkhwa, Pakistan:

- 1081/A, Rehman Building, Saddar Road, Peshawar

iv) Islamabad Capital Territory

- 64-E 2nd Floor, Masco Plaza, Jinnah Avenue, Blue Area, Islamabad.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

2. BASIS OF PREPARATION

2.1 Statement of Compliance

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS), Interim Financial Reporting (IAS) 34 issued by International Accounting Standards Board (IASB) as notified under Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019 shall prevail.

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

These condensed interim financial statements for the period ended 31 March 2023 have been prepared under the historical cost convention, except that investments classified as available-for-sale and investment properties are stated at fair value and obligations under employee benefits are measured at present value.

In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Further, a separate set of financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of the Takaful Rules 2012.

2.2 Basis of measurement

These condensed interim financial statements have been prepared on the historical cost basis except for available for sale investments & investment property that have been measured at fair value and staff gratuity which is stated at present value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 31 December 2022.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended December 31, 2022.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2022.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the premium deficiency reserve for each class of business as at 31 March 2023 and considered adequate to meet the expected liability after reinsurance, for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date except health department.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Notes	(Unaudited) (Audited)	
		31 March 2023	31 December 2022
(Rupees in '000)			
7. PROPERTY AND EQUIPMENT			
Operating fixed assets	7.1	171,037	172,925
Capital work-in-progress		26,109	26,109
Right of use assets	7.2	3,948	6,171
		201,094	205,205
7.1 Operating fixed assets			
Opening written down value		172,925	177,825
Add: Additions during the period		54	1,199
Less: Book value of disposals during the period		(424)	(1,174)
Depreciation charged during the period		(1,518)	(4,925)
		(1,942)	(6,099)
Closing written down value		171,037	172,925
7.2 Right-of-use assets			
The Company has recognized right-of-use assets in respect of the Head Office and its branches:			
Head Office and branches:			
Opening written down value		6,171	8,387
Add: Additions during the period		-	-
		6,171	8,387
Less: Reversal due to termination during the period		(2,603)	-
Depreciation charged during the period		380	(2,216)
Closing written down value		3,948	6,171
8. INTANGIBLE ASSETS			
Opening written down value		776	1,109
Less: Amortization charged during the period		(57)	(333)
Closing written down value		719	776
9. INVESTMENT PROPERTIES			
Carrying value at the beginning of the period		321,317	297,740
Revaluation gain on investment property		-	23,577
Carrying value at the end of the period		321,317	321,317

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

10. INVESTMENTS

	Unaudited 31 March 2023				Audited 31 December 2022			
	Cost	Impairment / provision for the	Revaluation surplus	Carrying value	Cost	Impairment / provision for the	Revaluation surplus	Carrying value
(Rupees in '000)								
Available-for-sale								
Related parties								
Listed shares	187,816	-	20,718	208,534	196,282	(8,466)	108,556	296,372
Other than related parties								
Unlisted shares	1,483	-	-	1,483	1,483	-	-	1,483
Listed shares	232,236	-	8,535	240,771	273,316	(41,080)	11,704	243,940
Mutual funds *	52,778	-	20,779	73,557	52,778	-	18,455	71,233
	474,312	-	50,033	524,345	523,858	(49,546)	138,716	613,028

* Investments in Mutual funds includes units placed as statutory deposit with State Bank of Pakistan in compliance of section 29 of Insurance Ordinance, 2000.

Note	(Unaudited)	(Audited)
	31 March 2023	31 December 2022
	(Rupees in '000)	

11. LOANS AND OTHER RECEIVABLES

Mark-up and dividend receivable		3,923	348
Loans to employees	11.1	1,504	1,711
Deposits		10,659	11,061
Advance to agents		1,643	1,643
Other receivables		9,369	9,817
		27,098	24,580

11.1 These are short term, unsecured interest free loans and advances provided to permanent employees of the Company adjustable against salaries.

12. INSURANCE / REINSURANCE RECEIVABLES

Premium due but unpaid	418,810	482,542
Less: Provision for doubtful receivables from insurance contract holder	(174,176)	(173,558)
	244,634	308,984
Amounts due from other insurers / reinsurers	347,554	361,340
Less: Provision for doubtful receivables from insurers / reinsurers	(112,976)	(112,358)
	234,578	248,982
	479,212	557,966

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	(Unaudited) (Audited)	
		31 March 2023	31 December 2022
(Rupees in '000)			
13. PREPAYMENTS			
Prepaid reinsurance premium ceded	20	92,750	130,491
Other prepaid expense		28,664	2,211
		121,414	132,702
14. CASH AND BANK			
Cash and cash equivalent			
- Policy and revenue stamps, bond papers		354	251
Cash at bank			
- Current accounts		7,905	6,489
- Savings account	14.1	18,835	46,989
		27,094	53,729

14.1 The rate of return on savings account held with various banks range from 10.00% to 15.50% per annum (December 31, 2022: 7.96% to 14.60%).

	(Unaudited) (Audited)	
	31 March 2023	31 December 2022
(Rupees in '000)		
15. WINDOW TAKAFUL OPERATIONS – OPERATOR'S FUND		
Assets		
Loan and other receivables	293	225
Receivable from PTF	11,450	12,792
Deferred commission expense	7,240	8,329
Cash and bank	16,138	4,147
	35,121	25,493
Qard-e-hasna contributed to PTF	71,903	71,903
Total Assets	107,024	97,396
Total Liabilities	168,754	148,776

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Note	(Unaudited)	
	Three Months Period Ended	
	31 March 2023	31 March 2022
	(Rupees in '000)	
Operator's revenue accounts		
Wakala fee	15,220	14,543
Commission expense	(4,255)	(3,264)
General, administrative and management expenses	(21,257)	(18,403)
Modarib's share of PTF Investment income	804	371
Profit on bank accounts	37	88
Other expenses	(899)	(658)
Loss for the period	(10,350)	(7,323)

	(Unaudited)	(Audited)
	31 March 2023	31 December 2022
	(Rupees in '000)	

17. OTHER CREDITORS AND ACCRUALS

Bonus payable		3,102	3,102
Commissions payable		164,417	170,117
Federal excise duty and sales tax		18,887	17,100
Federal insurance fee		134	-
Deposits and margins		2,127	2,127
Provision for rent	17.1	14,000	14,000
Others	17.2	43,050	32,163
		245,717	238,609

17.1 This represents provision for rent amounting to Rs.14 million (December 31, 2022: Rs.14 million) against which the Company is in litigation with the landlord. The possibility of the eventual beneficiary being other than the Company is considered remote by the Company's legal advisor. However, the Company has made a provision of the disputed amount as a matter of prudence.

	(Unaudited)	(Audited)
	31 March 2023	31 December 2022
	(Rupees in '000)	

18. CONTINGENCIES AND COMMITMENTS

18.1 Commitments

Commitment for capital expenditure	15,038	15,038
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

(Unaudited)
Three Months Period Ended

31 March 2023	31 March 2022
(Rupees in '000)	

20. NET INSURANCE PREMIUM

Written gross premium	61,779	57,831
Add: Unearned premium reserve opening	332,080	319,480
Less: Unearned premium reserve closing	(244,297)	(232,637)
Premium earned	149,562	144,674
Less: Reinsurance premium ceded	31,722	31,354
Add: Prepaid reinsurance premium opening	130,491	159,112
Less: Prepaid reinsurance premium closing	(92,750)	(116,215)
Reinsurance expense	69,463	74,251
Net insurance premium	80,099	70,423

21. NET INSURANCE CLAIMS

Claims paid	89,875	164,715
Less: Outstanding claims including IBNR opening	(897,213)	(1,026,820)
Add: Outstanding claims including IBNR closing	880,905	1,147,415
Claims expense	73,567	285,310
Less: Reinsurance and other recoveries received	27,482	122,647
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(489,897)	(714,347)
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	492,218	797,314
Reinsurance and other recoveries revenue	29,804	205,614
Net insurance claims	43,764	79,696

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

(Unaudited)
Three Months Period Ended

31 March 2023	31 March 2022
------------------	------------------

(Rupees in '000)

22. NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS

Commission paid or payable
Add: Deferred commission opening
Less: Deferred commission closing
Commission expense

6,646	6,606
28,694	19,206
(22,966)	(15,864)
12,374	9,948

Less: Commission received or recoverable from reinsurers
Add: Unearned reinsurance commission opening
Less: Unearned reinsurance commission closing
Commission from reinsurance

3,743	4,142
24,251	22,358
(17,058)	(16,272)
10,936	10,228

Net commission income

1,438	(280)
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Add: Other acquisition costs:

Tracking device expenses
Service charges
Other costs

16	80
3,078	4,053
1,202	1,507
4,296	5,640

**Net Commission expense and
other acquisition costs**

5,734	5,360
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23. MANAGEMENT EXPENSES

Employee benefit cost
Travelling expenses
Advertisement and sales promotion
Printing and stationary
Depreciation
Amortization
Rent, rates and taxes
Legal and professional charges – business related
Electricity, gas and water
Entertainment
Vehicle running expenses
Office repairs and maintenance
IT & software related expense
Bank charges
Postages, telegrams and telephone
Insurance expense
Annual supervision fee SECP
Bad and doubtful debts
Others

29,421	31,953
261	311
429	369
548	511
1,841	2,094
57	82
356	283
5,736	1,324
549	739
357	474
350	334
409	263
1,052	1,151
5	6
896	892
260	452
941	860
1,236	1,157
210	283
44,914	43,538

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Note	(Unaudited) Three Months Period Ended	
	31 March 2023	31 March 2022
(Rupees in '000)		
24. INVESTMENT INCOME		
Income from equity securities and mutual fund units		
Available for sale		
- Equity securities	7,006	7,630
- Mutual funds	-	
Net realized gain / (loss) on investments		
Available for sale		
- Equity securities and Mutual Funds	2	9
Total investment income	7,008	7,639
Less: Investment related expenses	(159)	(158)
	6,849	7,481
25. OTHER INCOME		
Return on bank balances	935	773
Exchange gain	-	(70)
Gain on sale of operating fixed assets	(256)	1,210
Miscellaneous	717	35
	1,396	1,949
26. OTHER EXPENSES		
Auditors' remuneration	685	678
Fees and subscription	610	516
Inadmissible input tax expense	(46)	(94)
Others	(129)	(240)
	1,120	860
27. TAXATION		
Current tax	1,255	1,085
Deferred tax	(472)	(335)
	783	750

27.1 The relationship between tax expense and accounting profit has not been presented in these condensed interim financial statements as the income of the Company is subject to tax under section 113 of the Income Tax Ordinance, 2001.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	(Unaudited)	
	Three Months Period Ended	
	31 March 2023	31 March 2022
	(Rupees in '000)	
28. LOSS PER SHARE		
Loss after tax for the period	(17,242)	(56,817)
	(Number of shares in '000)	
Weighted average number of ordinary shares	50,565	50,565
	(Rupees in '000)	
Loss per share	(0.34)	(1.12)
No figure for diluted earnings per share has been presented as the company has not issued any instrument which would dilute its basic loss per share when exercised.		

29. RELATED PARTY TRANSACTIONS

Related parties comprise associated companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit schemes.

Details of the balances and transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Unaudited)	
	Three Months Period Ended	
	31 March 2023	31 March 2022
	(Rupees in '000)	
Transactions during the year		
Associated Companies		
Premium underwritten	4,639	6,212
Premium received	39,313	24,341
Claims paid	17,684	28,151
Others	1,385	1,049
Others		
Premium underwritten	-	213
Meeting fees	200	260
Remuneration and retirement benefits to key management personnel	34,137	43,736

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

(Unaudited) (Audited)
31 March 2023 31 December 2022
(Rupees in '000)

Balances

Associated Companies

Premium receivable
Claims outstanding
Commission outstanding

45,154
59,994
1,015

78,887
68,439
1,015

Others

Premium receivable

117 117

29.1 Company's contribution toward staff provident fund for the period is Rs. 828 thousand (2022: Rs.989 thousand).

30. SEGMENT REPORTING

	Unaudited											
	Three Months Period Ended											
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		31 March 2023	31 March 2022
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	Total	Total
(Rupees in '000)												
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and Less: FED / sales tax Less: Federal insurance fee	25,082	23,559	7,156	9,103	16,359	13,550	14,788	12,524	3,588	4,876	66,575	63,813
	1,782	2,408	717	928	1,860	1,594	-	-	385	369	4,714	5,300
	118	147	61	76	130	110	146	124	27	23	482	480
Gross written Premium (Inclusive of Administrative surcharge)	23,213	21,004	6,378	8,099	14,370	52,974	14,642	12,400	3,177	4,484	61,779	57,833
Gross direct premium	(64,804)	16,377	2,687	7,396	9,034	10,756	14,319	12,349	(283)	2,783	(39,048)	48,661
Facultative inward premium	87,021	5,527	-	418	-	806	-	-	-	1,641	95,957	8,392
Administrative surcharge	996	99	1,453	285	1,348	284	323	62	750	60	4,870	780
Insurance premium earned	60,719	60,395	8,490	8,935	16,893	16,388	49,396	46,277	14,085	12,679	149,562	144,674
Insurance premium ceded to reinsurers	(48,307)	(56,659)	(7,628)	(3,830)	(1,097)	(768)	(6,648)	(5,936)	(5,883)	(7,059)	(69,463)	(74,251)
Net insurance premium	12,412	3,735	862	5,105	15,796	15,630	42,848	40,341	8,182	5,611	80,099	70,422
Commission income from reinsurers	7,515	7,376	1,296	670	83	48	1,145	1,039	898	1,095	10,935	10,228
Net underwriting income	19,927	11,111	2,158	5,775	15,879	15,678	43,993	41,380	9,079	6,706	91,036	80,650
Insurance claims expense	(5,985)	(229,835)	(5,214)	(8,702)	(6,015)	(7,672)	(44,467)	(37,438)	(9,867)	(1,663)	(73,567)	(285,310)
Insurance claims recovered from reinsurers and other recoveries revenue	10,643	194,502	5,425	5,531	364	145	7,019	5,320	6,353	115	29,804	205,613
Net insurance claims	4,658	(35,333)	211	(3,171)	(7,851)	(7,527)	(37,488)	(32,118)	(3,514)	(1,548)	(43,764)	(79,697)
Commission expense	(5,777)	(4,107)	(458)	(887)	(1,035)	(1,114)	(3,193)	(2,912)	(1,985)	(927)	(2,270)	(8,848)
Management expense	(18,214)	(18,175)	(2,550)	(2,899)	(5,072)	(4,932)	(14,834)	(13,927)	(4,224)	(3,812)	(44,914)	(43,538)
Other acquisition cost	1,598	(113)	173	(59)	1,242	(262)	(8,034)	(5,338)	727	(68)	(4,286)	(5,640)
Net insurance claims and expenses	(17,757)	(57,728)	(2,604)	(6,806)	(12,517)	(13,635)	(63,475)	(54,095)	(9,996)	(6,355)	(105,349)	(138,823)
Underwriting result	2,170	(46,618)	(446)	(1,031)	3,361	1,843	(19,482)	(12,715)	84	351	(14,313)	(58,170)
Investment income											8,849	7,481
Rental income											1,271	1,174
Revaluation gain on investment property											-	-
Other income											1,586	1,949
Other expenses											(1,500)	(820)
Finance cost											(192)	(317)
Share of profit from associate												
Share of loss from WTO - Operator's Fund											(10,250)	(7,323)
Loss before tax											(16,453)	(56,066)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

30.1 Segment assets and liabilities

The following presents segments assets and liabilities for the period 31 March 2023 and 31 December 2022:

	Fire and property		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
Segment assets	419,044	473,509	115,137	101,821	259,405	133,027	264,321	387,402	57,345	112,943	1,115,252	1,208,702
Unallocated corporate assets											1,527,953	1,635,224
Total assets											2,643,205	2,843,926
Segment Liabilities	588,630	652,246	161,733	140,256	364,386	183,242	371,292	533,637	80,553	155,576	1,566,594	1,684,957
Unallocated corporate liabilities											284,394	280,129
Total liabilities											1,850,988	1,945,086

(Rupees in '000)

31. MOVEMENT IN INVESTMENTS – AVAILABLE FOR SALE

01 January 2022

788,225

Additions

5,837

Disposals (sale and redemptions)

(523)

Fair value net gains (excluding net realized gains)

(130,965)

Impairment losses

(49,546)

31 December 2022

613,028

Fair value net gains (excluding net realized gain)

(88,683)

31 March, 2023

524,345

32. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in these condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	31 March 2023 (unaudited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Available for sale investments (measured at fair value)			
Equity securities	449,305	1,483	-
Mutual fund units	-	73,557	-
	449,305	75,040	-

	31 December 2022 (audited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Available for sale investments (measured at fair value)			
Equity securities	540,312	1,483	-
Mutual fund units	-	71,233	-
	540,312	72,716	-

33. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **27th April 2023** by the Board of directors of the Company.

34. GENERAL

34.1 There is no individual class of business within the category of 'miscellaneous', where the gross premium of the class of business is 10% or more of the gross premium revenue of the company.

34.2 The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current period. However there were no material reclassification / restatements to report.

34.3 All amounts have been rounded to the nearest thousand Rupees.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

AS AT 31 MARCH 2023

	Note	Operator's Fund		Participant's Takaful Fund	
		31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
(Rupees in '000)					
Assets					
Investments					
Mutual funds	7	-	-	4,639	4,630
Term deposits	8	-	-	600	600
Loans and other receivables	10	293	225	30,145	21,846
Takaful / retakaful receivables	12	-	-	44,903	43,584
Retakaful recoveries against outstanding claims	19	-	-	6,786	6,930
Qard-e-hasna contributed to PTF	9	71,903	71,903	-	-
Salvage recoveries accrued		-	-	402	397
Receivable from PTF	11	11,450	12,792	-	-
Deferred wakala expense	22	-	-	27,514	29,218
Deferred commission expense	23	7,240	8,329	-	-
Prepayments	13	-	-	10,193	11,548
Cash and bank	14	16,138	4,147	68,117	71,349
Total Assets		107,024	97,396	193,299	190,102
Funds and Liabilities					
Reserve attributable to:					
Operator's Fund (OPF)					
Statutory fund		50,000	50,000	-	-
Accumulated deficit		(111,730)	(101,380)	-	-
Balance of Operator's Fund		(61,730)	(51,380)	-	-
Participant's Takaful Fund (PTF) / Waqf					
Seed money		-	-	500	500
Revaluation reserves		-	-	(929)	(939)
Accumulated deficit		-	-	(73,172)	(67,382)
Balance of Participant's Takaful Fund / Waqf		-	-	(73,601)	(67,821)
Qard-e-Hasna		-	-	71,903	71,903
Liabilities					
PTF Underwriting provisions					
Unearned contribution reserve	18	-	-	78,530	83,119
Outstanding claims including IBNR	19	-	-	70,033	59,670
Contribution deficiency reserve		-	-	3,029	3,029
Reserve for Unearned retakaful rebate	21	-	-	1,647	2,054
		-	-	153,239	147,872
Unearned wakala fees	22	27,514	29,218	-	-
Takaful / retakaful payables		-	-	26,652	23,659
Payable to OPF	16	-	-	11,450	12,792
Other creditors and accruals	15	141,240	119,558	3,656	1,697
Total Liabilities		168,754	148,776	41,758	38,148
Total Fund and Liabilities		107,024	97,396	193,299	190,102
Contingencies and commitments 17					

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

**Chief Executive
Officer**

Chairman

Director

Director

**Chief Financial
Officer**

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	Note	Three Months Period Ended	
		31 March 2023	31 March 2022
(Rupees in '000)			
Participant's Takaful Fund			
Contribution earned - net of wakala fee	18	27,988	26,978
Less: Contribution ceded to retakaful	18	(6,125)	(5,538)
Net contribution revenue	18	21,863	21,440
Re-takaful rebate earned	21	1,093	1,080
Net underwriting income		22,956	22,520
Net claims - reported / settled	19	(26,800)	(29,199)
- IBNR	19	(1,903)	(911)
		(28,703)	(30,110)
Other direct expenses	20	(1,533)	(2,043)
Deficit before investment income		(7,280)	(9,633)
Investment income	26	11	8
Other income	27	2,284	1,052
Less: Modarib's share of investment income	28	(804)	(371)
Deficit for the period		(5,789)	(8,944)
Operator's Fund			
Wakala fee	22	15,220	14,543
Commission expense	23	(4,255)	(3,264)
General, administrative and management expenses	24	(21,257)	(18,403)
		(10,292)	(7,124)
Modarib's share of PTF investment income	28	804	371
Profit on bank accounts		37	88
Other expenses	25	(899)	(658)
Loss for the period		(10,350)	(7,323)

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Three Months Period Ended

31 March 2023 **31 March 2022**

(Rupees in '000)

Participant's Takaful Fund

Deficit for the period

(5,789) (8,944)

Other comprehensive income / (loss) for the period:

Unrealized income / (loss) on available for sale securities

9 (24)

Total comprehensive loss for the period

(5,780) **(8,968)**

Operator's Fund

Loss for the period

(10,350) (7,323)

Other comprehensive income / (loss) for the period:

Unrealized income / (loss) on available for sale securities

- -

Total comprehensive Loss for the period

(10,350) **(7,323)**

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

**Chief Executive
Officer**

Chairman

Director

Director

**Chief Financial
Officer**

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Attributable to Operator's Fund

	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated deficit	Total
	(Rupees in '000)			
Balance as at 01 January 2022	50,000	-	(94,013)	(44,013)
Net loss for the period	-	-	(7,323)	(7,323)
Other comprehensive income for the period	-	-	-	-
Balance as at 31 March 2022	50,000	-	(101,336)	(51,336)

Balance as at 01 January 2023	50,000	-	(101,380)	(51,380)
Net loss for the period	-	-	(10,350)	(10,350)
Other comprehensive income for the period	-	-	-	-
Balance as at 31 March 2023	50,000	-	(111,730)	(61,730)

Attributable to participants of the Participant's Fund

	Seed Money	Unrealized loss on revaluation of available-for-sale	Accumulated deficit	Total
	(Rupees in '000)			
Balance as at 01 January 2022	500	(534)	(43,326)	(43,360)
Deficit for the period	-	-	(8,944)	(8,944)
Other comprehensive loss for the period	-	(24)	-	(24)
Balance as at 31 March 2022	500	(558)	(52,270)	(52,328)

Balance as at 01 January 2023	500	(939)	(67,382)	(67,821)
Deficit for the period	-	-	(5,789)	(5,789)
Other comprehensive income for the period	-	9	-	9
Balance as at 31 March 2023	500	(930)	(73,171)	(73,601)

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

CONDENSED INTERIM STATEMENT OF CASH FLOWS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Note	Three Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Rupees in '000)			
Operating activities				
a) Takaful activities				
Contribution received	-	-	29,008	51,209
Re-takaful contributions paid	-	-	(659)	(9,860)
Claims / benefit paid	-	-	(18,926)	(29,463)
Re-takaful and other recoveries received	-	-	730	8,891
Commissions (paid) / re-takaful rebate received	(2,364)	(3,075)	686	440
Wakala fees received	14,858	16,925	-	-
Wakala fees paid	-	-	(14,858)	(16,925)
Modarib share received / (paid)	-	-	(804)	(371)
Total cash generated from / (used in) takaful activities	804	371	(804)	(371)
	13,298	14,221	(4,823)	3,921
b) Other operating activities				
General and administration expenses paid	(22,286)	(4,659)	(2,651)	(2,485)
Amounts due from other takaful / retakaful operators	-	-	(1,319)	(24,231)
Deposits and other receivables Received from / (paid to)	62	(16)	(8,436)	1,566
Premier Insurance Limited	20,679	(7,458)	13,834	23,851
Accrued salvage recoveries	-	17	(5)	-
Other liabilities settled	-	1,195	(1,959)	190
Total cash (used in) / generated from other operating activities	201	1,195	(536)	(1,109)
	(1,344)	(10,921)		
Total cash generated from / (used in) operating activities	11,954	3,300	(5,359)	2,812
Investment activities				
Accrued investment income	-	-	(148)	(372)
Bank profit received	37	88	2,284	1,052
Sale of investment - net	-	-	(9)	24
Total cash generated from investing activities	37	88	2,127	704
Financing activities				
Qard-e-hasna contributions	-	(10,000)	-	10,000
Total cash (used in) / generated from financing activities	-	(10,000)	-	10,000
Total cash (used in) / generated from all activities	11,991	(6,612)	(3,232)	13,516
Cash and cash equivalents at beginning of the period	4,147	15,322	71,349	45,782
Cash and cash equivalents at the end of the period	16,138	8,710	68,117	59,298

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CONDENSED INTERIM STATEMENT OF CASH FLOWS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Note	Three Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(Rupees in '000)			
Reconciliation to profit and loss account				
Operating cash flows	11,954	3,300	(5,359)	2,812
Depreciation expense	-	-	-	-
Investment income	37	-	11	8
(Decrease) / increase in assets other than cash	(2,363)	(6,625)	8,536	(39,583)
(Increase) / decrease in liabilities	(19,978)	(3,998)	(8,977)	27,820
Loss for the period	(10,350)	(7,323)	(5,789)	(8,944)
Attributed to:				
Operator's Fund	(10,350)	(7,323)	-	-
Participants' Takaful Fund	-	-	(5,789)	(8,944)
	(10,350)	(7,323)	(5,789)	(8,944)

Definition of cash and cash equivalent

Cash comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits having maturity of less than three months.

Cash for the purpose of the statement of cash flows consists of:

Cash and other equivalent				
Policy, revenue stamps and bond papers	-	-	-	-
Current and other accounts				
Current and savings accounts	16,138	8,710	68,117	59,298
Total cash and cash equivalent	16,138	8,710	68,117	59,298

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

Chief Executive
Officer

Chairman

Director

Director

Chief Financial
Officer

Quarterly Report March 2023

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Premier Insurance Limited (the Operator) has been authorized to undertake Window Takaful Operations (WTO) on 02 October 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The operator of the Company is listed on the Pakistan Stock Exchange Limited (PSX). The registered office of the Company is situated at 5th Floor, State Life Building No. 2A, Wallace Road, Karachi.

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on 31 October 2015 under the Waqf Deed with a Seed money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.

2. BASIS OF PRESENTATION

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

2.1 Statement of Compliance

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IAS) 34, interim Financial Reporting issued by the International Accounting Standards Board (IASB) as for interim Financial Reporting notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, Insurance

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019 shall prevail.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except investments which are carried at fair value and at amortized cost.

2.3 Functional and Presentation Currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Operator's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Thousand Rupees, unless otherwise stated.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial statements information are same as compared with the annual financial statements of the Company as at and for the year ended December 31, 2022.

4. ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2022.

5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2022.

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the contribution deficiency reserve for each class of business as at 31 March 2023 and considered adequate to meet the expected liability after reinsurance, for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date except health department

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

	(Unaudited) 31 March 2023			(Audited) 31 December 2022		
	Cost	Impairment / provision for the Period	Carrying value (Rupees in '000)	Cost	Impairment / provision for the Period	Carrying value
7. INVESTMENTS IN MUTUAL FUNDS – PTF						
Note						
Classified at available for sale						
Mutual fund units	5,100	-	4,639	5,100	-	4,630
	<u>5,100</u>	<u>-</u>	<u>4,639</u>	<u>5,100</u>	<u>-</u>	<u>4,630</u>
8. INVESTMENTS IN TERM DEPOSITS – PTF						
Classified at held to maturity						
Term deposit receipt	600	-	600	600	-	600
8.1	<u>600</u>	<u>-</u>	<u>600</u>	<u>600</u>	<u>-</u>	<u>600</u>

- 8.1 This represents a term deposit with bank having profit at the average rate of 7.5% per annum (31 December 2022: 7.5%) having maturity till 04 July 2023.

31 March 2023 **31 December 2022**
(Unaudited) **(Audited)**
(Rupees in '000)

9. QARD-E-HASNA

Balance as at the beginning of the year	71,903	44,403
Repayment during the period	-	(5,000)
Qard-e-Hasna contributed during the period	-	32,500
Balance as at the end of the period	<u>71,903</u>	<u>71,903</u>

Operator's Fund		Participant's Takaful Fund	
31 March 2023	31 December 2022	31 March 2023	31 December 2022
(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in '000)			

10. LOANS AND OTHER RECEIVABLES – Considered good

Profit receivable	11	5	684	821
Federal excise duty	282	220	3,829	3,717
Others	-	-	25,632	17,308
	<u>293</u>	<u>225</u>	<u>30,145</u>	<u>21,846</u>

11. RECEIVABLE FROM PTF

Wakala fee receivable	11,450	12,792	-	-
	<u>11,450</u>	<u>12,792</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

31 March 2023
(Unaudited) 31 December 2022
(Audited)

(Rupees in '000)

12. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good

Contribution due but unpaid	32,714	33,734
Less: Provision for doubtful receivables takaful participants' holders	(5,714)	(5,714)
	<u>27,000</u>	<u>28,020</u>

Amounts due from other takaful / retakaful operators	17,903	15,564
	<u>44,903</u>	<u>43,584</u>

13. PREPAYMENTS

Prepaid retakaful contribution ceded	8,100	10,573
Other prepaid expense	2,093	975
	<u>10,193</u>	<u>11,548</u>

	Notes	Operator's Fund		Participant's Takaful Fund	
		31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
14. CASH AND BANK					
Cash and cash equivalent					
Policy, revenue stamps and bond papers		-	-	5	29
Cash at bank					
Current accounts		-	-	218	127
Profit and loss sharing accounts	14.1	16,138	4,147	67,894	71,193
		<u>16,138</u>	<u>4,147</u>	<u>68,117</u>	<u>71,349</u>

14.1 The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 3.81% to 14.00% per annum (December 31, 2022: 2.84% to 14.03%).

	Operator's Fund		Participant's Takaful Fund	
	31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
15. OTHER CREDITORS AND ACCRUALS				
Payable to Premier Insurance Limited	126,616	105,937	-	-
Federal takaful fee	-	-	207	-
Sales tax on services	-	-	678	(249)
Commission payable	14,528	13,726	-	-
Auditor's fee	639	478	-	-
Others	(543)	(583)	2,771	1,946
	<u>141,240</u>	<u>119,558</u>	<u>3,656</u>	<u>1,697</u>

(Rupees in '000)

16. PAYABLE TO OPF

Wakala fee payable	-	-	11,450	12,792
	<u>-</u>	<u>-</u>	<u>11,450</u>	<u>12,792</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

17. CONTINGENCES AND COMMITMENTS

There are no contingencies and commitments as at 31 March 2023 (31 December 2022: Nil)

(Unaudited)	
Three Months Period Ended	
31 March 2023	31 March 2022
(Rupees in '000)	

18. NET CONTRIBUTION

Written gross contribution	38,619	28,962
Less: Wakala fee	(15,220)	(14,543)
Contribution Net of Wakala Fee	23,399	14,419
Add: Unearned contribution reserve opening	83,119	88,967
Less: Unearned contribution reserve closing	(78,530)	(76,408)
Contribution earned	27,988	26,978
Less: Retakaful contribution ceded	3,652	2,772
Add: Prepaid retakaful contribution opening	10,573	10,121
Less: Prepaid retakaful contribution closing	(8,100)	(7,355)
Retakaful expense	6,125	5,538
Net contribution	21,863	21,440

19. NET CLAIMS EXPENSE

Claims paid or payable	18,926	29,463
Less: Outstanding claims including IBNR opening	(59,670)	(70,595)
Add: Outstanding claims including IBNR closing	70,033	70,509
Claims expense	29,289	29,377
Less: Retakaful and other recoveries received	731	8,891
Less: Retakaful recoveries against outstanding claims - opening	(6,930)	(20,271)
Add: Retakaful recoveries against outstanding claims - closing	6,786	10,647
Retakaful and other recoveries revenue	586	(733)
Net claim	28,703	30,110

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

(Unaudited)
Three Months Period
Ended

31 March 2023	31 March 2022
------------------	------------------

(Rupees in '000)

20. DIRECT EXPENSES – PTF

Tracking services	171	-
Service charges	1,094	1,727
Others	268	316
	1,533	2,043

21. RETAKAFUL REBATE – PTF

Rebate from re-takaful received	686	440
Add: Deferred rebate opening	2,054	2,134
Less: Deferred rebate closing	(1,647)	(1,494)
Rebate from retakaful earned	1,093	1,080

22. WAKALA FEE – OPF

Gross wakala fee	13,516	10,389
Add: Deferred wakala opening	29,218	31,140
Less: Deferred wakala closing	(27,514)	(26,986)
Net wakala fee	15,220	14,543

The shareholders of the company manage the general takaful operations for the participants and charges 70% for travel class of business and 35% for all other classes (December 31, 2021: 35%) of the gross contribution written as wakala fee against the services.

23. COMMISSION EXPENSE – OPF

Commission paid or payable	3,166	3,093
Add: Deferred commission opening	8,329	7,105
Less: Deferred commission closing	(7,240)	(6,934)
Commission expense	4,255	3,264

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

(Unaudited)
Three Months Period
Ended

31 March 31 March
2023 2022

(Rupees in '000)

24. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES – OPF

Employee benefit cost	17,993	15,823
Rent, rates and taxes	213	142
Communications	190	170
Fuel and power	341	370
Travelling expenses	162	156
Entertainments	222	237
Advertisements and sales promotions	358	287
Repair and maintenance	545	343
Printing and stationery	341	246
Vehicle running expenses	217	167
Annual supervision fee SECP	267	119
Miscellaneous	408	343
	21,257	18,403

25. OTHER EXPENSES – OPF

Auditors' remuneration	161	160
Fees and subscription	738	498
	899	658

26. INVESTMENT INCOME – PTF

Income from mutual funds		
Realized gain on sale of mutual fund units	-	-
Income from term deposits		
Return on term deposits	11	8
	11	8

27. OTHER INCOME – PTF

Profit on bank deposits	2,284	1,052
	2,284	1,052

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

28. MODARIB FEE

The operator manage the participants' investments as a Modarib and charge 35% (2022: 35%) Modarib's share of the investment income earned by PTF.

29. RELATED PARTY TRANSACTIONS - PTF

Related parties comprise associated companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit schemes.

Details of the balances and transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Unaudited) Three Months Period Ended	
	31 March 2023	31 March 2022
	(Rupees in '000)	
Transactions during the period		
Associated companies		
Contribution underwritten	606	1,378
Contribution received	1,942	4,103
Claims paid	24	795
	(Unaudited) (Audited)	
	31 March 2023	31 December 2022
	(Rupees in '000)	
Period end balances		
Associated companies		
Contribution receivable	(1,390)	(119)
Claims outstanding	1,451	1,235
Commission outstanding	59	59

29.1 Operator's contribution toward staff provident fund during the period is Rs.527,543 (2022: Rs.507,834).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

30. SEGMENT INFORMATION

30.1 Participants Takaful Fund

Segment profit and loss	(Unaudited)											
	Three Months Period											
	31 March		31 March		31 March		31 March		31 March		31 March	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
Contribution receivable (Inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	3,029	900	1,229	1,449	21,198	15,344	16,291	12,794	10	782	41,997	31,269
Less: Federal excise duty	214	62	157	173	2,343	1,684	-	-	1	89	2,715	2,028
Less: Federal takaful fee	14	6	11	13	178	127	161	127	0	7	384	279
Gross written contribution (Inclusive of administrative surcharge)	2,801	812	1,062	1,264	18,618	13,532	16,130	12,668	8	686	38,619	28,962
Gross direct contribution	1,392	690	1,021	1,213	17,043	12,212	16,115	12,653	8	665	35,590	27,432
Facultative inward contribution	1,396	110	-	-	860	843	-	-	-	-	2,267	953
Administrative surcharge	13	13	41	51	714	478	15	15	0	21	783	577
Less: Wakala expense	(1,834)	(1,172)	(618)	(490)	(7,756)	(6,022)	(4,807)	(6,474)	(404)	(387)	(15,220)	(14,543)
Takaful contribution earned	4,666	3,346	1,767	1,400	22,161	17,204	13,736	18,496	876	1,075	43,208	41,521
Takaful contribution ceded to retakaful	(2,786)	(2,976)	(1,533)	(1,284)	(1,906)	(869)	-	-	(214)	(387)	(6,125)	(5,538)
Net takaful contribution	280	(804)	(599)	(374)	12,795	10,295	8,929	12,022	258	392	21,863	21,440
Rebate earned	632	661	311	293	101	36	-	0	49	89	1,093	1,080
Net underwriting income	900	(143)	(79)	(81)	12,900	10,329	8,929	12,023	307	391	22,956	22,520
Takaful claims	(572)	(283)	468	1,047	(17,935)	(6,910)	(11,245)	(22,633)	(9)	(580)	(29,289)	(28,377)
Takaful claims recovered from retakaful	602	264	(201)	(929)	180	(89)	-	-	5	(89)	586	(733)
Net claim	30	(29)	267	18	(17,755)	(6,910)	(11,245)	(22,633)	-	(656)	(28,703)	(30,110)
Other direct expense	(36)	(11)	(14)	(16)	(241)	(176)	(1,241)	(1,831)	-	(9)	(1,533)	(2,043)
(Deficit) / Surplus before investment income	864	(183)	174	21	(5,068)	3,244	(3,568)	(12,442)	307	(274)	(7,280)	(9,633)
Investment income												8
Other Income											2,284	1,052
Less: Modarib's share of investment income											(804)	(371)
Deficit transferred to accumulated surplus											(5,789)	(8,944)

Segment assets and liabilities

The following presents segments assets and liabilities as at 31 March 2023 (unaudited) and 31 December 2022 (audited):

Segment assets	(Rupees in '000)											
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
Segment assets	6,514	10,522	2,469	4,577	43,290	57,153	37,505	58,495	20	3,030	89,798	133,775
Unallocated corporate assets											103,501	56,327
Total assets											193,299	190,102
Segment liabilities	12,829	14,724	4,864	6,404	85,262	79,978	73,868	81,857	39	4,240	176,862	187,202
Unallocated corporate liabilities											18,195	(1,182)
Total liabilities											194,997	186,020

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

30.2 Operatoes Funds

	(Unaudited)											
	Three Months Period Ended											
	31 March 2023		31 March 2022		31 March 2023		31 March 2022		31 March 2023		31 March 2022	
Segment profit and loss	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
Wakala fee earned	1,634	1,172	618	490	7,756	6,022	4,807	6,474	404	387	15,220	14,543
Commission expense	(884)	(351)	(101)	(89)	(2,798)	(1,869)	(398)	(583)	(275)	(372)	(4,295)	(3,264)
Management expense	(261)	690	380	321	(12,444)	(8,835)	(8,681)	(10,319)	(281)	(259)	(21,257)	(18,403)
	688	1,510	897	722	(7,485)	(4,683)	(4,271)	(4,429)	(121)	(244)	(10,292)	(7,124)
Modarib's share of PTF investment income											804	371
Profit on bank deposits											37	88
Other expenses											(899)	(658)
Loss before taxation											(10,350)	(7,323)

Segment assets and liabilities

The following presents segments assets and liabilities as at 31 March 2023 (unaudited) and 31 December 2022 (audited):

	Rupees in '000											
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Segment assets	528	559	199	243	3,490	3,035	3,024	3,107	2	161	7,241	7,105
Unallocated corporate assets											99,783	90,291
Total assets											107,024	97,396
Segment liabilities	1,998	2,449	757	1,065	13,284	13,304	11,492	13,616	6	705	27,514	31,140
Unallocated corporate liabilities											141,240	117,636
Total liabilities											163,754	148,776

Operator's Fund		Participant's Takaful Fund	
31 March 2023	31 December 2022	31 March 2023	31 December 2022
(Unaudited)	(Audited)	(Unaudited)	(Audited)

31. MOVEMENT IN INVESTMENTS

(Rupees in '000)

01 January 2022	-	5,035	600	7,420
Addition	-	-	2,400	2,400
Disposal (sale and redemption)	-	-	(2,400)	(2,400)
Designated at available for sale upon initial recognition	-	(405)	-	(405)
31 December 2022	-	4,630	600	5,230
Addition	-	-	1,200	1,200
Disposal (sale and redemption)	-	-	(1,200)	(1,200)
Designated at available for sale upon initial recognition	-	9	-	9
31 March 2023	-	4,639	600	5,239

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

32. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets which are either measured at fair value or for which fair value is only disclosed and is different from their carrying value:

	(Unaudited) 31 March 2023 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	4,639	-
	-	4,639	-
	(Audited) 31 December 2022 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	5,035	-
	-	5,035	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2023

33. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **27th April 2023** by the Board of Directors of the Operator.

34. GENERAL

34.1 There is no individual class of business within the category of 'miscellaneous', where the gross contribution of the class of business is 10% or more of the gross premium revenue of the Operator.

34.2 The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to conform with changes in presentation in the current period. However there were no material reclassification / restatements to report.

34.3 All amounts have been rounded to the nearest thousand Rupees.

**Chief Executive
Officer**

Chairman

Director

Director

**Chief Financial
Officer**

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