

بميشاته

# **Interim Financial Statements**

for the nine month period ended September 30, 2023 (Unaudited)

	_		
Company Information		Notes to the Condensed Interim Financial Statements	33
Corporate Governance		Tindicial statements	
Report of the Directors to Members	03		
Financial Statements			
Condensed Interim Statement of Financial Position	06		
Condensed Interim Statement of Profit and Loss	07		
Condensed Interim Statement of Comprehensive Income	08		
Condensed Interim Statement of Changes in Equity	09		
Condensed Interim Statement of Cashflows	10		
Notes to the Condensed Interim Financial Statements	12		
Financial Statement (Window Takaful)			
Condensed Interim Statement of Financial Position	27	/	
Condensed Interim Statement of Profit and Loss	28		
Condensed Interim Statement of Comprehensive Income	29		
Condensed Interim Statement of Changes in Fund	30		
Condensed Interim Statement of Cash Flows	31		
	1		1 1



## **COMPANY INFORMATION**

#### **Board of Directors**

Mr. Khalid Bashir (Chairman)

Mr. Ahsan Bashir

Mr. Attaullah A. Rasheed

Mr. Imran Maqbool

Mrs. Rukhsana Saleem

Mr. Sharik Bashir Mr. Salman Rafi

### **Chief Executive Officer** Mr. Nadeem Magbool

**Chief Financial Officer** 

Mr. Amjed Bahadur Ali

**Company Secretary** 

Mr. Fariq Mahmood Khan Rohilla

#### **Audit Committee**

Mrs. Rukhsana Saleem (Chairman)

Mr. Ahsan Bashir (Member)

Mr. Imran Maqbool (Member)

Mr. Rao Ali Zeeshan (Secretary)

### Ethics, Human Resource, **Remuneration & Nomination Committee**

Mr. Salman Rafi (Chairman)

Mr. Sharik Bashir (Member)

Mr. Nadeem Magbool (Member)

Mrs. Rukhsana Saleem (Member)

Ms. Niina Afridi (Secretary)

#### **Investment Committee**

Mr. Ahsan Bashir (Chairman)

Mr. Nadeem Magbool (Member)

Mr. Imran Maqbool (Member)

Mr. Attaullah A. Rasheed (Member)

Mr. Amjed Bahadur Ali (Secretary)

### **Claim Settlement Committee**

Mr. Imran Magbool (Chairman)

Mr. Ahsan Bashir (Member)

Mr. Nadeem Magbool (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)

# Risk Management & Compliance Committee

Mr. Nadeem Maqbool (Chairman)

Mr. Sharik Bashir (Member)

Mr. Amjed Bahadur Ali (Member)

Ms. Niina Afridi (Secretary)

# Reinsurance & Co-Insurance Committee

Mr. Sharik Bashir (Chairman)

Mr. Afzal Ur Rehman (Member)

Mr. Ali Muhammad (Member / Secretary)

#### **Auditors**

BDO Ebrahim & Co. Chartered Accountants

#### **Legal Advisors**

Arfn & 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 nine months period ended September 30, 2023.

#### **Performance Review**

Following is the overall performance of the Company.

	Conv	entional	Tak	aful
	Sep 30, 2023	Sep 30, 2022	Sep 30, 2023	Sep 30, 2022
		(Rupe	es in '000)	
Premium / contribution written	432,562	453,716	148,857	135,267
Net Premium / contribution	235,174	212,116	66,967	85,302
Underwriting Result	(58,810)	(169,866)	(10,021)	(21,388)
Investment income / (Loss)	31,535	1,392	319	23
Profit / (Loss) before taxation	(31,439)	(144,626)	(4,550)	(18,334)
Profit / (Loss) after taxation	(38,301)	(151,117)	_	-
Earning / (Loss) per share	(0.76)	(2.99)		
-				

#### **Conventional Business**

On the Conventional side, gross premium written during the nine months period ended September 30, 2023 was Rs. 432.56 million as compared to Rs. 453.72 million in the corresponding period. Net premium for the period under review increased by Rs. 23.06 million as compared to the previous year. Our net claims for the period were Rs.122.53 million as against Rs. 211.75 million of the previous year. Investment Income was Rs. 31.44 million as against Rs. 1.39 million of the same period last year.

#### **Window Takaful Operation**

In Takaful gross contribution written during the nine months period ended September 30, 2023 was Rs. 148.86 million as against Rs. 135.27 million of the same period last year. Net contribution decrease by Rs. 18.33 million as compared to the last year. Net claims for the period were Rs.76.95 million as against Rs. 86.12 million of the previous year.

#### **Future Outlook**

Although the nation's economic outlook is still difficult, we are optimistic that business conditions will improve and your organization is well-positioned to seize any chances that arise. Our objectives are still to increase revenue and profitability through restructuring and cost cutting. Restructuring the portfolio to eliminate loss-making customers is still on, and more is being done to improve profitable segments like automotive and marine. Our nine-month results are better than those from the same period last year, and we aim to continue improving them in the remaining months of the year. It is expected that this upward trend will continue in the remaining months of the year, and we are confident that our efforts to write high-quality content will enable us to record much better outcomes in the future.



# Report of the Directors to Members

#### Acknowledgement

The directors would like to thank all our valued customers for their continued patronage and support, also would like to thank to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their guidance and assistance. It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by all the Company employees.

On behalf of the Board

Chairman CEO / Director

Karachi, Dated: October 30, 2023



# ڈائر یکٹرزر پورٹ برائے ممبران

آپ کی مپنی کے ڈائر یکٹرز کمپنی کے غیرا ڈٹ شدہ مالیاتی گوشوارے برائے اختتام شدہ نو ماہ کی مدت 30 ستمبر <u>202</u>3 وپیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

روا یتی بیمیه		كاركردكى كاجائزه
30 تتبر 2022	30 تتبر 2023	سکینی کی مجموعی کار کرد گی درج ذیل ہے
*		*
453,716	432,562	تحریری پر بمیم ا کنٹری بیوش
212,116	235,174	خالص پریمیم استثری بیوثن
(169,866)	(58,810)	ذ مەنولىي كے نتائج
1,392	31,536	سرماییکاری آمدنی/ (خساره)
(144,626)	(31,439)	قبل ازنگیس منافع/( خساره)
(151,117)	(38,301)	بعداز ثبکس منافع/( خساره)
(2.99)	(0.76)	منافغ/(خساره)فی حصص
	2022 بتر 30 مورون ني يا 453,716 212,116 (169,866) 1,392 (144,626) (151,117)	2022 7. 30 2023 7. 30 453,716 432,562 212,116 235,174 (169,866) (58,810) 1,392 31,536 (144,626) (31,439) (151,117) (38,301)

#### روایتی بیمه کاروبار: ـ

روا بق بیر کاری میں 30 ستمبر 2023 کوختم ہونے والی نو ماہ کی مدت کے دوران مجموعی تحریری پر پیمیم گذشتہ سال کی اسی مدت کے 453.72 ملین روپے کے مقابلے میں مبلخ 432.56 ملین روپے زائدرہی۔ ہمارا خالص کمیم گذشتہ سال کے 432.50 ملین روپے کے مقابلے میں 22.50 ملین روپے کے مقابلے میں 122.53 ملین روپے کے مقابلے میں 122.53 ملین روپے کے مقابلے میں 131.44 ملین روپے کے مقابلے میں 241.75 ملین روپے کے مقابلے میں 131.44 ملین روپے کے مقابلے میں 131.44 ملین روپے کے مقابلے میں 251.44 ملین کے مقابلے میں 251.44 ملین کے 251.44

### وندُونكافلآيريش:

30 تعبر 2023 کونتم ہونے والی نو ماہی مدت کے دوران مجموعی تحریری کنٹری بیوش گزشتہ سال کی ای مدت کے 135.27 ملین روپے کے مقابلے میں 148.86 ملین روپے کے مقابلے روپے رہا۔ خالص کنٹری بیوش میں گزشتہ سال کے مقابلے میں 18.33 ملین روپے کی کمی ہوئی۔ خالص کلیم گزشتہ سال کی ای مدت کے 86.12 ملین روپے کے مقابلے میں 76.95 ملین روپے رہا۔

### منتقبل کے امکانات:

اگر چہ ملک کے موجودہ معاثی حالات بھی ہیں، لیکن ہمیں یقین ہے کہ کاروباری سرگرمیوں میں بہتری آئے گی اور آپ کی کپنی نے مواقع سے فائدہ اٹھانے کیلئے پرعزم ہے۔ ہمارے اہداف کاروباری لاگت میں کی اور تنظیم نوکے ذریعے ترقی اور منافع پر مرکوز ہیں۔خسارے میں جانے والے صارفین کو کم کرنے کیلئے پورٹ فولیو میں تبدیلی کی جارہی ہے اور منافع بخش کاروباری اصاف جیسے موٹراور میرین کو ہڑھانے کیلئے مزید کہتری کی جارہی ہیں۔ ہمار نے والے مائی گرشتہ سال کی ای مدت کے مقابلے میں بہتری کو فلا ہرکرتے ہیں۔ اور ہمیں امید ہے کہ سال کے بقید ھے میں ان میں مزید بہتری آئے گی۔

#### اظهارتشكمن

ڈ ائر کیٹرزا پنے قابل قدرصارفین کی مسلسل سر پرتی اور راہنمائی کے ساتھ ساتھ سیکورٹی اینڈ ایکٹی پیشن اوراسٹیٹ بینکآ ف پاکستان کی رہنمائی اور معاونت پران کے شکر گزار ہیں۔ کمپنی کے ڈائر کیٹرز، کمپنی کے تمام ملاز مین کی جانب ہے کی جانے والی کوششوں کے مسرت کے ساتھ معترف ہیں۔

ازطرف بورڈ

چيز مين کاي اوار ڈائز کيشر

كراچى،مورخە: 30 اكتوبر 2023ء



## **CONDENSED INTERIM**

## STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

CONTINGENCIES AND COMMITMENTS

AS AT 30 SEPTEMBER 2023		(	( i)
		(Unaudited)	
	Note	30 September	31 December
		2023	2022
		(Rupee:	s in '000)
ASSETS			
Property and equipment	7	198,274	205,205
Intangible assets	8	602	776
Investment properties	9	321,317	321,317
Investments			
- Equity securities	10	465,673	541,795
- Mutual funds	10	79,175	71,233
Investment in associate		232,402	248,436
Loans and other receivables	11 12	21,926	24,580
Insurance / reinsurance receivables Reinsurance recoveries against outstanding claims	12 19	560,106 277,132	557,966 489,897
Salvage recoveries accrued	15	925	596
Deferred commission expense	20	23,700	28,694
Taxation - provision less payment		16,962	19,271
Deferred tax asset		50,739	50,333
Prepayments	13	124,732	132,702
Cash and bank	14	56,125	53,729
		2,429,790	2,746,530
Total Assets of Window Takaful Operations - Operator's Fund	15	113,108	97,396
TOTAL ASSETS		2,542,898	2,843,926
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders		505,650	505,650
Ordinary share capital Reserves		1,276,040	1,367,000
Accumulated losses		(1,055,538)	(1,017,237)
TOTAL EQUITY		726,152	855,413
LIABILITIES			
Underwriting provisions			
Outstanding claims including IBNR	19	634,053	897,213
Unearned premium reserves	18	326,985	332,080
Premium deficiency reserves		3,059	3,059
Unearned reinsurance commission	20	18,489	24,251
Retirement benefit obligations		8,227	7,742
Lease liabilities Insurance / reinsurance payables		4,282	7,972
Other creditors and accruals	16	493,968 254,335	411,414 238,609
Unclaimed dividends	10	22,442	22,746
TOTAL LIABILITIES		1,765,840	1,945,086
			.,0 .0,000
Total Liabilities of Window Takaful Operations - Operator's Fund		50,905	43,427
			· .
TOTAL EQUITY AND LIABILITIES		2,542,898	2,843,926

The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chief Executive Chairman Director Director Chief Financial Officer





# CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

TOR THE GOVERNMENT AND THE	ie ivioit	Quarter	ended	Nine months	period ended
	Note	30 September 2023	30 September 2022	30 September 30 Septem 2023 2022	
			(Rupees	in '000)	
Net insurance premium	18	78,798	75,267	235,174	212,116
Net insurance claims  Net commission expense and	19	(27,255)	(54,017)	122,529	(211,755)
other acquisition costs Insurance claims and	20	(4,175)	(3,658)	(14,654)	(11,122)
acquisition expenses		(31,430)	(57,675)	(137,183)	(222,877)
Management expenses	21	(71,813)	(66,232)	(156,801)	(159,105)
Underwriting results		(24,445)	(48,640)	(58,810)	(169,866)
Investment income	22	4,941	7,805	31,535	1,392
Rental income		1,131	1,211	3,673	3,596
Revaluation gain on investment property		_		-	13,500
Other income	23	1,556	234	5,974	20,006
Other expenses	24	(1,050)	(2,095)	(3,193)	(4,378)
		6,578	7,155	37,989	34,115
Results of operating activities		(17,867)	(41,485)	(20,821)	(135,751)
Finance costs - lease liability		(145)	(282)	(491)	(899)
Share of loss associate		(319)	(366)	(319)	(1,208)
Loss before tax from General Insurance Operations		(18,331)	(42,133)	(21,630)	(137,857)
Profit / (loss) before tax from Window T Operations - Operator's Fund	акатиі	15,036	9,719	(9,809)	(6,769)
Loss before tax		(3,295)	(32,414)	(31,439)	(144,626)
Income tax expense	25	(4,829)	(4,022)	(6,862)	(6,491)
Loss after taxation		(8,124)	(36,436)	(38,301)	(151,117)
Loss per share - basic and diluted	26	(0.16)	(0.74)	(0.76)	(2.29)

The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chief Executive Chairman Director Director Chief Financial Officer





# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Quarter ended

Nine months period ended

	4			
Note	30 September 2023	30 September <b>2022</b>	30 September 2023	30 September 2022
		(Rupees	in '000)	
	(8,124)	(36,436)	(38,301)	(151,117)
29				
	3,325	(79,040)	(75,245)	(98,341)
	(15,715)	(44,987)	(15,715)	(53,402)
	(12,390)	(124,027)	(90,960)	(151,743)
t	(20,514)	(160,463)	(129,261)	(302,860)
	Note 29	2023 (8,124) 29 3,325 (15,715) (12,390)	2023 2022 (Rupees  (8,124) (36,436)  29  3,325 (79,040) (15,715) (44,987)  (12,390) (124,027)	29  3,325 (15,715) (12,390) (124,027) (2022 2023 (Rupees in '000) (38,301) (38,301) (75,245) (15,715) (124,027) (90,960)

The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chief Executive Officer Chairman

**Director** 

**Director** 

Chief Financial Officer



# **CONDENSED INTERIM STATEMENT OF** CHANGES IN EQUITY (unaudited) FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Share capital		Reserves						
				Capital rese	rves Re	venue reserve	S		
	Issued, subscribed and paid-up	Reserve for exceptional losses	Devaluation reserve	General reserve	Revaluation Reserves - Available for sale investments of the Company and associate	Revaluation Reserves - Property and Equipment	Accumulate d losses	Total reserves	Total equity
					(Rupe	es 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 30 Sep 2022 Other comprehensive loss for the period		- -	- -	-	- (151,743)	-	(151,117) -	(151,117) (151,743)	(151,117) (151,743)
Total comprehensive loss for the period ended 30 September 2022	-	-	-	-	(151,743)	-	(151,117)	(302,860)	(302,860)
Balance as at 30 September 2022	505,650	19,490	185	996,851	449,620	35,859	(978,132)	523,873	1,029,523
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 30 Sep 2023 Other comprehensive loss for the period	:	:	:	-	- (90,960)	-	(38,301) -	(38,301) (90,960)	(38,301) (90,960)
Total comprehensive loss for the period ended 30 September 2023					(90,960)		(38,301)	(129,261)	(129,261)
Balance as at 30 September 2023	505,650	19,490	185	996,851	223,655	35,859	(1,055,538)	220,502	726,152

The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

**Chief Executive** Officer

Chairman

**Director** 

Director

**Chief Financial** Officer





## **CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)**

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		portion orthogra
	30 September 2023	30 September 2022
No	te (Rupees	s in '000)
Operating activities		
a) Underwriting activities		
Insurance premium received	407,752	188,984
Reinsurance premium paid	(99,547)	(132,899)
Claims paid	(567,808)	(241,262)
Reinsurance and other recoveries received	400,238	237,188
Commission paid	(56,808)	(20,642)
Commission received	26,083	9,640
Other acquisition costs paid	(10,654)	(8,103)
Management expenses paid	(140,317)	(128,412)
Net cash used in underwriting activities	(41,061)	(95,505)
and the state of t		
b) Other operating activities Income tax (paid)	(4,553)	9,065
Other operating receipts	(14,202)	17,971
Loans advanced, deposits received / (paid)	2,422	7,086
Other liabilities (paid) / reversed	41,682	(4,920)
Total cash generated from other operating activities	25,349	29,202
Total cash used in all operating activities	(15,712)	(51,811)
Total cash used in an operating activities	(13,712)	(31,811)
Investment activities		
Profit / return received	23,416	28,157
Rental received	3,673	3,596
Payment for investments made	(8,748)	(5,133)
Proceeds from investments disposed	1,864	-
Fixed capital expenditure incurred	(1,199)	(561)
Proceeds from sale of property and equipment	3,308	4,461
Total cash generated from investing activities	22,314	30,519
Financing activities		
Finance cost paid	(491)	(898)
Dividend paid	(304)	(000)
Payment of lease liability	(3,411)	(3,210)
Total cash used in financing activities	(4,206)	(4,108)
Net cash (used in) / generated from all activities	2,396	(25,400)
Cash and cash equivalents at beginning of the period	53,729	75,964
cash and cash equivalents at beginning of the period	00,725	70,004

Nine months period ended

50,563

**Chief Executive Chief Financial** Chairman **Director Director** Officer Officer

Cash and cash equivalents at end of the period





Nine months period ended

# **CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		30 September 2023	30 September 2022
	Note	(Rupee	s in '000)
Reconciliation to profit and loss account			
Operating cashfows		(15,712)	(51,811)
Depreciation and amortization expense	21	(5,018)	(6,540)
Finance costs		(491)	(899)
Gain on sale of operating f xed assets	23	2,134	3,297
Net realized gain on investments	22	2,640	79
Impairment in value of available for sale securities		-	(24,257)
Rental income		3,673	3,596
Dividend income	22	29,474	26,207
Other income	23	3,840	16,709
Share of loss of associates		(319)	(1,208)
Loss from Window Takaful Operations - Operator's Fund	15	(9,809)	(6,769)
Decrease in assets other than cash		(224,269)	(182,749)
Increase in liabilities other than borrowings		175,556	59,727
Gain on revaluation of investment property		-	13,500
Loss after taxation		(38,301)	(151,118)

#### Defnition 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

#### **Current and other accounts**

Current accounts PLS account

	-	-
	161	341
	161	341
	9,453	30,225
1	46,511	19,997
	55,964	50,222
	56,125	50,563

### Total cash and cash equivalent

The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

**Chief Executive** Chairman **Director Director Chief Financial** Officer Officer





FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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.

#### 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.

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Regulation, 2019 differ with the requirements of IAS 34, provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulation, 2019, have been followed.

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(1)/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.



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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. USE OF ESTIMATES AND JUDGMENTS

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.

#### 4. 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.

#### 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 30 Sep 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.



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

			(Unaudited)	(Audited)
7.	PROPERTY AND EQUIPMENT	Notes	2023	<b>31 December 2022</b> s in '000)
	Operating fixed assets Capital work-in-progress Right of use assets	7.1 7.2	168,751 26,109 3,414 198,274	172,925 26,109 6,171 205,205
7.1	Operating fixed assets			
	Opening balance as at January 01 Add: Additions during the period / year Less: Written down value of disposals during th Depreciation charged during the period /		172,925 512 (757) (3,929)	177,825 1,199 (1,174) (4,925)

#### 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:**

Closing written down value

Opening balance as at January 01 Less: Reversal due to termination during the period / year Depreciation charged during the period / year Closing written down value

6,171	8,387
(1,843)	(0.010)
(914)	(2,216)
3,414	6,171

(6,099)

#### 8. INTANGIBLE ASSETS

Opening balance as at January 01 Less: Amortization charged during the period / year Closing written down value

776 (174)	1,109 (333)
602	776
321,317	297,740
_	23,577
321,317	321,317

#### 9. INVESTMENT PROPERTIES

Carrying value at the beginning of the period / year Revaluation gain on investment property Carrying value at the end of the period / year



# **CONDENSED INTERIM STATEMENT OF** FINANCIAL STATEMENTS (unaudited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

#### 10. INVESTMENTS

		30 September	2023 (Unaudi	ted)		December 31, 20	022 (Audited)	
	Cost	Impairment / provision for	Revaluation surplus	Carrying value	Cost	Impairment / provision for the period	Revaluation surplus	Carrying value
				(Rupees	in '000)	-		
Available-for-sale Equity Securities: Related parties Listed shares	187,816		14.101	201.917	196.282	(8.466)	108.556	296.372
Other than related parties	107,010		14,101	201,917	190,202	(8,400)	100,550	290,372
Unlisted shares	1,483			1,483	1,483	-	-	1,483
Listed shares	230,555		31,718	262,273	273,316	(41,080)	11,704	243,940
Mutual funds *	61,526		17,649	79,175	52,778	_	18,455	71,233
	481,379	-	63,469	544,848	523,859	(49,546)	138,716	613,028

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



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		(Unaudited)	(Audited)
	Note	30 September 2023	31 December 2022
OANS AND OTHER RECEIVABLES		(Rupees	in '000)

348

1,711

11,061

1,643

9,817 24,580

1,271

9,868

1,078

9,593

21,926

**503,027** 482,542

#### 11. LOANS AND OTHER RECEIVABLES

Mark-up and dividend receivable
Loans to employees 11.1
Deposits
Advance to agents
Other receivables

**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

			·
	Less: Provision for doubtful	(177,884)	(173,558)
	receivables from insurance contract holders		
		325,143	308,984_
	Amounts due from other insurers / reinsurers	351,332	361,340
	Less: Provision for doubtful		
	receivables from other insurers / reinsurers	(116,369)	(112,358)
	receivables from other insurers / reinsurers		
		234,963	248,982
		<u>560,106</u>	557,966
13.	PREPAYMENTS		
	Prepaid reinsurance premium ceded 18	110,109	130,491
		•	,
	Other prepaid expense	14,623	2,211
		124,732	132,702
14.	CASH AND BANK		
	Cash and cash equivalent		
	- Policy and revenue stamps, bond papers	161	251
		101	201
	Cash at bank		
	- Current accounts	9,453	6,489
	- Savings account 14.1	46,511	46,989
	ů	56,125	53,729
			- 5/ 0

**14.1** The rate of return on savings account held with various banks range from 10.00% to 21.66% per annum (December 31, 2022: 7.96% to 14.60%).



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited)	(Audited)	
Note	30 September 2023	31 December 2022	
	(Rupees in '000)		

#### 15. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND

#### **Assets**

Loan and other receivables Receivable from PTF Deferred commission expense Cash and bank

Qard-e-hasna contributed to PTF Total Assets Total Liabilities

311	225
19,386	12,792
7,512	8,329
3,996	4,147
31,205	25,493
81,903	71,903
113,108	97,396
174,296	148,776

Unaudited
Nine months period ended
30 September 30 September
2023 2022

(Rupees in '000)

#### Operator's revenue accounts

Wakala fee
Commission expense
General, administrative and management expenses
Modarib's share of PTF Investment income
Profit on bank accounts
Other expenses
Loss for the period

	1
46,784	46,134
(12,198)	(11,442)
(45,110)	(41,045)
2,935	1,580
236	194
(2,456)	(2,190)
(9,809)	(6,769)

Note

16.1

(Unaudited) (Audited)

30 September 2023

31 December 2022

#### 16. OTHER CREDITORS AND ACCRUALS

Bonus payable
Commissions payable
Federal excise duty and sales tax
Federal insurance fee
Deposits and margins
Provision for rent
Others

3,102	3,102	
144,161	170,117	
22,162	17,100	
899	-	
2,127	2,127	
14,000	<b>4,000</b> 14,000	
67,884	32,163	
254,335	238,609	

(Rupees in '000)



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

16.1 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.

#### 17. CONTINGENCIES AND COMMITMENTS

#### 17.1 Contingencies

The status of contingencies are same as disclosed in the annual audited financial statements for the year ended December 31, 2022.

(Unaudited) (Audited)

30 September 2023 2022
(Rupees in '000)

#### 17.2 Commitments

Commitment for capital expenditure

17.2.1

15,038

15,038

17.2.1 This represents the commitment regarding capital expenditure in Investment Property.



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) Quarter ended		(Unaudited) Nine months period ended		
30 September 2023	30 September 2022	30 September 2023	30 September 2022	
	(Rupees	in '000)		

#### 18. NET INSURANCE PREMIUM

Written gross premium			
Add: Unearned premium			
reserve opening			
<b>Less:</b> Unearned premium			
reserve closing			
Premium earned			

Less: Reinsurance premium ceded
Add: Prepaid reinsurance
premium opening
Less: Prepaid reinsurance
premium closing

#### Net insurance premium

Reinsurance expense

313,793	291,729	432,562	453,716
159,476	195,071	332,080	319,480
(326,985)	(327,616)	(326,985)	(327,616)
146,284	159,184	437,657	445,580
125,631	129,954	182,101	205,807
51,964	85,418	130,491	159,112
(110,109)	(131,455)	(110,109)	(131,455)
67,486	83,917	202,483	233,464
78,798	75,267	235,174	212,116

#### 19. NET INSURANCE CLAIMS

Claims paid

IBNR opening
Add: Outstanding claims including
IBNR closing
Claims expense
Less: Reinsurance and other
recoveries received
Less: Reinsurance and other
recoveries in respect of
outstanding claims - opening
Add: Reinsurance and other
recoveries in respect of
outstanding claims - closing
Reinsurance and other recoveries
revenue

Net insurance claims

Less: Outstanding claims including

71,319	175,231		567,479	412,661
(635,946)	(1,173,375)	4	(897,213)	(1,026,820)
634,053	1,062,991		634,053	1,062,991
69,426	64,847	1	304,319	448,832
29,133	166,103		394,554	316,813
(264,094)	(789,884)		(489,897)	(714,347)
277,132	634,611		277,132	634,611
42,172	10,830		181,790	237,077
27,254	54,017		122,529	211,755



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		-	udited) er ended	(Unaudited) Nine months period ended			
		30 September 2023	r 30 September 2022	30 September 2023	r 30 September 2022		
20.	NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS	2023		2023 s in '000)	2022		
	Commission paid or payable Add: Deferred commission opening Less: Deferred commission closing Commission expense	18,847 16,691 (23,700) 11,838	11,425 16,253 (17,619) 10,059	30,852 28,694 (23,700) 35,846	28,378 19,206 (17,619) 29,965		
	Less: Commission received or recoverable from reinsurers Add: Unearned reinsurance	19,443	22,367	26,083	32,007		
	commission opening Less: Unearned reinsurance	9,540	11,453	24,251	22,358		
	commission closing Commission from reinsurance	(18,489) 10,494	(22,114)	(18,489) 31,845	(22,114)		
			11,706		32,251		
	Net commission expense / (income)	1,345	(1,647)	4,000	(2,286)		
	Add: Other acquisition costs: Tracking device expenses Service charges Other costs	149 2,570 112 2,831	50 1,892 3,363 5,305	265 7,980 2,409 10,654	213 8,329 4,866		
	Net Commission expense and other acquisition costs	4,176	3,658	14,654	11,122		
21.	MANAGEMENT EXPENSES						
	Employee benefit cost Travelling expenses Advertisement and sales promotion Printing and stationary Depreciation Amortization Rent, rates and taxes	51,360 846 260 654 1,550 59 704	47,950 273 54 617 2,085 84 584	110,694 1,298 1,237 1,724 4,844 174 1,399	115,277 787 710 1,928 6,291 249 1,107		
	Legal and professional charges - business related Electricity, gas and water Entertainment Vehicle running expenses Office repairs and maintenance IT & software related expense Bank charges	2,330 2,636 759 241 1,044 604	895 2,378 672 912 1,023 338	9,378 4,511 1,468 731 2,461 1,784 6	4,736 4,465 1,703 1,367 2,542 2,220		
	Postages, telegrams and telephone	1,503 539	1,303 720	3,293 1,059	3,139 1,453		

50

Insurance expense Annual supervision fee SECP

Bad and doubtful debts

Others

720

50 5,834 460 66,232 1,453 910

9,074

1,076 159,105



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

			udited) er ended	(Unaudited) Nine months period ended			
22.	INVESTMENT INCOME	30 September 2023	30 September 2022 (Rupees	30 September 2023 s in '000)	30 September 2022		
	Income from equity securities and mutual fund units  Available for sale  - Equity securities  - Mutual funds	5,201 -	8,109 (0)	19,182 10,292	20,464 5,743		
	Net realized gain on investments Available for sale - Equity securities and Mutual Funds  Total investment income Less: Impairment in value of available for sale securities - Equity Securities Less: Investment related expenses	1 	10 8,119 - (315)	2,640 32,114 - (579)	79 26,286 (24,257) (638)		
23.	OTHER INCOME	4,940	7,804	31,535	1,392		
	Return on bank balances Exchange gain Gain on sale of operating fixed assets Liabilities no longer required written back Miscellaneous	524 - 165 - 867 1,556	156 - - - 78 234	2,253 - 2,134 - 1,587 5,974	2,075 (33) 3,297 14,540 127 20,006		
24.	OTHER EXPENSES			3,374	20,000		
	Auditors' remuneration Fees and subscription Inadmissible input tax expense Others	625 1,219 (335) (459) 1,050	517 2,021 (142) (301) 2,095	1,946 2,813 (583) (983) 3,193	2,175 3,256 (388) (665) 4,378		
25.	TAXATION						
	Current tax Deferred tax	4,764 65 4,829	4,329 (307) 4,022	7,268 (406) 6,862	7,362 (871) 6,491		

**25.1** The relationship between tax expense and accounting prof t has not been presented in these condensed interim f nancial statements as the income of the Company is subject to tax under section 113 of the Income Tax Ordinance, 2001.



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		(51100	,	(onduction)			
		Quarte	er ended	Nine months period end			
26.	LOSS PER SHARE – basic and diluted	30 September 2023	30 September 2022 (Rupees	<b>30 September</b> <b>2023</b> s in '000)	30 September 2022		
	Loss after tax for the period	(8,124)	(36,436)	(38,301)	(151,117)		
	Weighted average pumber of		(Number of sho	ares in '000)			
	Weighted average number of ordinary shares	50,565	50,565	50,565	50,565		
			(Rupees i	n '000)			
	Loss per share	(0.16)	(0.72)	(0.76)	(2.99)		

(Unaudited)

(Unaudited)

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.

#### 27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, shareholder and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions with related parties are as follows:

	(Unaudited) Nine months period ended			
	30 September 30 September 2023 2022			
	(Rupees	s in '000)		
Transactions during the period / year				
Associated Companies				
Premium underwritten	119,301	92,874		
Premium received	149,169	43,928		
Claims paid	44,068	129,056		
Others	5,964	_		
Others				
Premium underwritten	12	77		
Premium received	14	320		
Claims Paid	17	520		
Meeting fees	000	000		
Remuneration and retirement benefits to	688	920		
key management personnel	105,283	106,694		



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) (Audited) 30 September 31 December 2023 2022 (Rupees in '000)

#### Balances outstanding at the reporting date **Associated Companies**

Premium receivable Claims outstanding Commission outstanding **Others** 

85,707 51,305 341 117

78,887 68,439 1,015 117

Premium receivable

27.1 Company's contribution toward staff provident fund for the period is Rs. 3,087 thousand (2022: Rs.3,699 thousand).

#### 28. SEGMENT REPORTING

Following are the segment assets, liabilities, revenue and expenses of the Company:

											Unau	
											Quarter	
											30 September 2023	30 September 2022
	Fire and		Marine, av									
Segment Current Period	2023	age 2022	trans		Mo	tor 2022	2023	2022	Miscelle	aneous 2022	To	
	2023	2022	2023	2022	2023			2022	2023	2022	2023	2022
						(Rupee:	s in '000)					
Premium receivable (inclusive of FED /												
sales tax, federal insurance fee and Less: FED / sales tax	83,438	115,217	23,384	24,697 3.004	45,874 5,910	31,360 4.100	151,311	109,531	37,155 4.757	40,260 5,208	341,162 24,250	321,065 26,469
Less: Federal insurance fee	10,780 712	14,158 952	2,803 200	215	388	270	1,498	1.085	321	346	3,119	2,868
and the second second second										_		
Gross written premium (inclusive of	77.040	100.107				26,991					4	
administrative surcharge)	71,946		20,381	21,479	39,576	-	149,813	108,446	32,077	34,706	313,793	291,729
Gross direct premium Facultative inward premium	70,689 763	94,587 4.871	19,574 365	21,057	38,231 801	26,568 0	149,692	108,322	31,602 13	34,291	309,788 1.942	284,825 4.871
Administrative surcharge	494	4,871 649	365 441	422	545	423	121	124	463	416	2.063	2.033
· ·		01.400	10.000	22.818	20.020	15.000		45.000		1400	*****	159.184
Insurance premium earned Insurance premium ceded to reinsurers	47,343 (39,590)	61,426 (55,568)	18,900 (14,754)	(15.052)	(1,129)	15,268 (905)	48,308 (7,211)	45,631 (5,618)	11,712 (4,802)	14,041 (6,774)	146,284 (67,486)	(83,917)
Net Insurance premium	7,754	5.858	4,146	7.767	18,892	14,363	41.097	40,013	6,910	7,267	78,798	75,267
Commission income from reinsurers	5.923	6.960	2.582	2.634		70	1.180	200		1.058	10.494	11.706
Commission income from reinsurers	5,525	6,960	2,502	2,034	92	70	1,100	983	717	1,000	10,454	11,706
Net underwriting income	13,676	12,818	6,728	10,401	18,984	14,434	42,277	40,996	7,627	8,325	89,292	86,973
Insurance claims	(18,001)	(7.783)	(1,364)	(2.484)	(6,788)	(10,883)	(39,955)	(40,168)	(3,318)	(3.527)	(69,426)	(64.847)
Insurance claims recovered from reinsurers		(7,700)	(1,004)	(2,404)	(0,700)	(10,000)	(00,000)	(40,100)	(0,010)	(0,027)	(55,425)	(04,047)
and other recoveries revenue	30,742	6,140	865	1,649	1,272	297	7,013	5,236	2,280	(2,492)	42,172	10,830
Net Claim	12,741	(1,643)	(499)	(835)	(5,516)	(10,586)	(32,942)	(34,932)	(1,038)	(6,019)	(27,254)	(54,017)
Commission expense	(5.070)	(3.439)	(539)	(1.195)	(1,382)	(958)	(3,269)	(2.648)	(1.578)	(1.817)	(11.838)	(10.059)
Management expense	(24,931)	(25,859)	(7,798)	(8,739)	(9,489)	(6,523)	(23,552)	(19,246)	(6,043)	(5,865)	(71,813)	(66,232)
Other acquisition cost	638	(952)	125	(616)	483	(1,298)	(4,382)	(1,819)	305	(621)	(2,831)	(5,305)
Net insurance claims and expenses	(16.622)	(31.893)	(8,711)	(11.385)	(15,904)	(19.365)	(64,145)	(58.645)	(8,354)	(14.322)	(113,737)	(135.611)
not mod and order of an oxponsos	(10,022)	(31,033)	(0,711)	(11,000)	(10,004)	(10,000)	(04,140)	(00,040)	(0,004)	(17,022)	(110,707)	(100,011)
Underwriting result	(2,946)	(19,076)	(1,983)	(984)	3,080	(4,931)	(21,868)	(17,649)	(727)	(5,997)	(24,445)	(48,640)
Net investment Income											4.941	7,805
Rental income											1,131	1,211
Fair value gain on investment property											-	234
Other income Other expenses											1,556 (1,050)	(2.095)
Finance cost											(145)	(282)
Share of loss from associate											(319)	(366)
Share of Profit from WTO - Operator's Fund											15,036	9,719
Loss before tax											(3,295)	(32,415)



# **CONDENSED INTERIM STATEMENT OF** FINANCIAL STATEMENTS (unaudited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

											Unaud Nine months p	
											30 September 2023	30 September 2022
	Fire and dam			riation and sport	Mot	tor	Hec	ilth	Miscello	ineous	Toto	d
	2023	2022	2023	2022	2023	2022 (Buno	2023 es in '000)	2022	2023	2022	2023	2022
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and				47.805							470.858	
Less: FED / sales tax Less: Federal insurance fee	123,116 14,398 947	180,114 20,466 1,365	40,397 4,545 349	5,351 407	76,885 9,523 640	54,158 6,840 457	185,160 - 1,833	159,132 - 1,581	45,301 5,673 387	56,250 6,809 466	34,140 4,156	497,458 39,466 4,276
Gross written Premium (inclusive of												
Administrative surcharge)	107,771	158,283	35,503	42,047	66,721	46,860	183,326	157,551	39,241	48,975	432,562	453,716
Gross direct premium Facultative inward premium Administrative surcharge	93,912 13,219 639	136,352 21,052 879	33,833 641 1,030	39,654 1,257 1,136	62,755 2,731 1,236	44,743 1,136 981	183,097 - 230	157,306 - 246	38,099 544 598	46,483 1,848 645	411,695 17,135 3,732	424,537 25,293 3,886
Insurance premium earned Insurance premium ceded to reinsurers	167,011 (134,053)	181,148 (168,808)	34,305 (28,731)	40,854 (24,188)	54,808 (3,181)	47,930 (2,485)	142,084 (20,316)	135,663 (16,873)	39,449 (16,201)	39,985 (21,110)	437,657 (202,483)	445,580 (233,464)
Net Insurance premium	32,958	12,340	5,574	16,666	51,627	45,446	121,768	118,790	23,248	18,875	235,174	212,116
Commission income from reinsurers	20,745	21,604	4,935	4,233	241	179	3,472	2,953	2,452	3,282	31,845	32,251
Net underwriting income	53,703	33,944	10,508	20,899	51,868	45,625	125,240	121,743	25,700	22,157	267,019	244,367
Insurance claims expense	(75,165)	(287,141)	(10,586)	(11,408)	(19,504)	(27,320)	(115,250)	(115,357)	(83,813)	(7,605)	(304,318)	(448,832)
Insurance claims recovered from reinsurers and other recoveries revenue	74,234	213,836	9,968	7,270	1,616	590	17,743	14,918	78,229	464	181,789	237,077
Net Insurance claims	(931)	(73,305)	(618)	(4,138)	(17,888)	(26,730)	(97,508)	(100,439)	(5,584)	(7,141)	(122,529)	(211,755)
Commission expense Management expense Other acquisition cost	(16,342) (59,836) 640	(11,686) (64,683) (1,198)	(1,234) (12,291) 125	(2,923) (14,588) (738)	(3,579) (19,636) 354	(3,196) (17,115) (1,847)	(9,323) (50,905) (12,080)	(8,135) (48,442) (8,843)	(5,367) (14,133) 306	(4,024) (14,278) (782)	(35,846) (156,801) (10,654)	(29,964) (159,105) (13,408)
Net insurance claims and expenses	(76,469)	(150,872)	(14,018)	(22,387)	(40,749)	(48,888)	(169,816)	(165,859)	(24,778)	(26,225)	(325,831)	(414,232)
Underwriting result	(22,767)	(116,928)	(3,510)	(1,489)	11,119	(3,262)	(44,576)	(44,117)	922	(4,068)	(58,810)	(169,866)
Investment income Rental Income Revaluation gain on investment property Other income Other expenses Finance cost Share of loss from associate Share of loss from WTO - Operator's Fund Loss before tax		I				•		•			31,535 3,673 - 5,974 (3,193) (491) (319) (9,809)	1,392 3,596 13,500 20,006 (4,378) (899) (1,208) (6,769)
1 Segment assets and liabilities												
The following presents segments assets a	nd liabilities fo	or the period 30	) September 2	2023 and 31 De	cember 2022	:						
	Fire and dam	property rage		riation and sport	Mot	tor	Hec	ilth	Miscella	ineous	Toto	ıl
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
						(Rupe	es in '000)					
Segment assets	245,436	473,509	80,855	101,821	151,951	133,027	417,505	387,402	89,366	112,943	985,112	1,208,702

1,664,957



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Rupees in '000)

#### 29. MOVEMENT IN INVESTMENTS - AVAILABLE FOR SALE

**January 01, 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)

**December 31, 2022** 613,028

Additions
Disposals (sale and redemptions)
Fair value net gains (excluding net realized gain)

30 September, 2023

#### 8,748 (1,681) (75,247) 544,848

#### 30. 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 f nancial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is signif cant 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 signif cant to the fair value measurement is directly observable.

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

There had been no transfers between the fair value of hierarchy during the period.

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:



FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

30 September 2023 (unaudited)

Fair Value Measurement evel 1 Level 2 Level 3 (Rupees in '000)

#### Available for sale investments (measured at fair value)

Equity securities Mutual fund units

464,190	1,483	-
-	79,175	_
464,190	80,658	-

# 31 December 2022 (audited) Fair Value Measurement Level 1 Level 2 Level 3

2010.2

#### Available for sale investments (measured at fair value)

Equity securities Mutual fund units

540,312	72,716	-
 -	71,233	-
540,312	1,483	-

(Rupees in '000)

#### 31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **30 October 2023** by the Board of directors of the Company.

#### 32. GENERAL

- **32.1** 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.
- **32.2** 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.
- 32.3 All amounts have been rounded to the nearest thousand Rupees.

Chief Executive
Officer

Chairman

**Director** 

**Director** 

Chief Financial Officer



#### **CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

#### OF OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

AS AT 30 SEPTEMBER 2023		Operato	r's Fund	Participant's	Takaful Fund
	Note	30 September 2023 (Unaudited)	31 December 2022	30 September 2023 (Unaudited)	31 December 2022
ASSETS			` '	,	
Investments Mutual funds Term deposits Loans and other receivables Takaful / retakaful receivables Retakaful recoveries against outstanding	7 8 10 12	- - 312 -	- - 225 -	7,516 600 47,486 66,086	4,630 600 21,846 43,584
claims Qard-e-hasna contributed to PTF Salvage recoveries accrued	19 9	- 81,903	71,903	8,517 - 403	6,930 - 397
Receivable from PTF Deferred wakala expense Deferred commission expense	11 22 23	19,386 - 7,512	12,792 - 8,329	34,549	29,218 -
Prepayments Cash and bank TOTAL ASSETS	13 14	3,996 113,108	4,147 97,396	16,103 48,761 230,021	11,548 71,349 190,102
FUNDS AND LIABILITIES					
Reserve attributable to: Operator's Fund (OPF) Statutory fund Accumulated deficit Balance of Operator's Fund Participant's Takaful Fund (PTF) / Waqf		50,000 (111,189) (61,189)	50,000 (101,380) (51,380)	<u> </u>	
Seed money Revaluation reserves Accumulated deficit Balance of Participant's Takaful Fund / W	/aqf	<u>-</u>	- - -	500 (317) (71,933) (71,750)	500 (939) (67,382) (67,821)
Qard-e-Hasna		-	-	81,903	71,903
LIABILITIES PTF Underwriting provisions Unearned contribution reserve Outstanding claims including IBNR Contribution def ciency reserve Reserve for Unearned retakaful rebate	18 19 21		-	98,682 65,675 3,029 2,755	83,119 59,670 3,029 2,054
Unearned wakala fees Takaful / retakaful payables Payable to OPF Other creditors and accruals TOTAL LIABILITIES TOTAL FUND AND LIABILITIES	22 16 15	34,549 - - 139,748 174,297 113,108	29,218 - 119,558 148,776 97,396	170,141 - 26,825 19,386 3,516 49,727 230,021	147,872 - 23,659 12,792 1,697 38,148 190,102

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

CONTINGENCIES AND COMMITMENTS 17

Chief Executive Chairman Director Director Chief Financial Officer



#### **CONDENSED INTERIM STATEMENT**

## OF PROFIT AND LOSS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		Quarte	Quarter ended		Nine Months Period Ended			
	Note	30 September 2023	30 September 2022	30 September 2023	30 September 2022			
Participant's Takaful Fund			(Rupees	in '000)				
Contribution earned - net of wakala fe	ee 18	30,259	29,422	86,510	85,302			
Less: Contribution ceded to retakaful	18	(7,270)	(6,193)	(19,543)	(17,237)			
Net contribution revenue	18	22,989	23,229	66,967	68,065			
Re-takaful rebate earned	21	1,326	1,163	3,546	3,292			
Net underwriting income		24,315	24,392	70,513	71,357			
Net claims - reported / settled	19	(27,349)	(24,086)	(77,431)	(77,468)			
- IBNR	19	2,310	(7,209)	485	(8,659)			
		(25,039)	(31,295)	(76,946)	(86,127)			
Other direct expenses	20	(115)	(2,283)	(3,588)	(6,618)			
Deficit before investment income		(839)	(9,186)	(10,021)	(21,388)			
Investment income	26	143	10	319	23			
Other income	27	2,862	2,075	8,087	4,611			
Less: Modarib's share of investment								
income	28	(1,045)	(731)	(2,935)	(1,580)			
Surplus / (Deficit) for the period		1,121	(7,832)	(4,550)	(18,334)			
Operator's Fund								
Wakala fee	22	16,298	15,904	46,784	46,134			
Commission expense	23	(3,885)	(4,264)	(12,198)	(11,442)			
General administrative and								
management expenses	24	1,879	(2,233)	(45,110)	(41,045)			
		14,292	9,407	(10,524)	(6,353)			
Modarib's share of PTF investment								
income	28	1,045	731	2,935	1,580			
Profit on bank accounts		30	48	236	194			
Other expenses	25	(331)	(467)	(2,456)	(2,190)			
Income / (loss) for the period		15,036	(9,719)	(9,809)	(6,769)			

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

Chief Executive Chairman Director Director Chief Financial Officer



### **CONDENSED INTERIM STATEMENT OF**

COMPREHENSIVE INCOME (unaudited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Quarter ended		Nine Months Period Ended		
	30 September 2023	30 September 2022 (Rupees	2023	30 September 2022	
Participant's Takaful Fund					
Surplus / (Deficit) for the period	1,121	(7,832)	(4,550)	(18,334)	
Other comprehensive income / loss for the period:					
Unrealized income / (loss) on available for sale securities	659	14	621	(402)	
Total comprehensive income / (loss) for the period	1,780	(7,818)	(3,929)	(18,736)	
Operator's Fund Income / (loss) for the period	15,036	9,719	(9,809)	(6,769)	
Other comprehensive income / (loss) for the period: Unrealized income / (loss) on available for sale securities	_	-	_	-	
Total comprehensive income / (loss) for the period	15,036	9,719	(9,809)	(6,769)	

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



## CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S

### **FUND AND PARTICIPANTS' TAKAFUL FUND (unaudited)**

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

#### **Attributable to Operator's Fund**

	Unrealized gain / (loss) on revaluation of available- for-sale (Rupees i	defcit	Total
50,000	-	(94,013)	(44,013)
-	-	(6,769)	(6,769)
_		_	-
50,000		(100,782)	(50,782)
50,000	-	(101,380)	(51,380)
	-	(9,809)	(9,809)

Balance as at 01 January 2022

Net loss for the period Other comprehensive income for the period

Balance as at 30 September 2022

#### Balance as at January 01, 2023

Net loss for the period Other comprehensive income for the period

Balance as at 30 September 2023

Attributable to participants of the Participant's Fund

Ceded Money	Unrealized loss on revaluation of available- for-sale (Rupees	Accumulated Defcit in '000)	Total
500	(534)	(43,326)	(43,360)
500	(402) (936)	(18,334)	(18,334) (402) (62,096)
500	(939)	(67,382)	(67,821)
- -	- 621	(4,550) -	(4,550) 621
500	(318)	(71,932)	(71,750)

Balance as at January 01, 2022

Deficit for the period Other comprehensive loss for the period Balance as at 30 September 2022

#### Balance as at January 01, 2023

Deficit for the period Other comprehensive income for the period Balance as at 30 September 2023

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

Chief Executive Chairman Director Director Chief Financial Officer



**Chief Financial** 

Officer

## **CONDENSED INTERIM STATEMENT OF**

## **CASH FLOWS (unaudited)**

**Chief Executive** 

Officer

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	N	Nine Months F	Period Ended		
	Operator's Fund Participant's Takaful				
	30 September 2023	30 September 2022	30 September 2023	30 September 2022	
Operating activities Note		(Rupees	in '000)		
A majorital contribution					
a) Takaful activities			<b>-0 -0-</b>	00.700	
Contribution received	-	-	73,535	98,788	
Re-takaful contributions paid	-	-	(20,331)	(19,876)	
Claims / benefit paid	-	-	(74,902)	(91,902)	
Re-takaful and other recoveries received Commissions (paid) / re-takaful rebate	<u> </u>	-	2,374	8,756	
received	(9,348)	(10,473)	4,247	3,145	
Wakala fees received	45,521	49,835	-		
Wakala fees paid	-	-	(45,521)	(49,835)	
Modarib share received / (paid)	2,935	1,580	(2,935)	(1,580)	
Total cash generated from / (used) in					
takaful activities	39,108	40,942	(63,533)	(52,504)	
b) Other operating activities					
General and administration expenses	(47.700)	(40.004)	(4.1.40)	(4045)	
paid	(47,733)	(43,364)	(4,149)	(4,245)	
Amounts due from other takaful /			0.010		
retakaful operators	-		3,813	13,486	
Deposits and other receivables	81	77	25,685	4,365	
Received from / (paid to) Premier		,,,,,,,		01.01.4	
Insurance Limited	18,044	10,389	(0)	31,614	
Accrued salvage recoveries	-	(165)	(6)	-	
Other liabilities settled	113	(165)	(1,819)	566	
Total cash (used in) / generated from	(00.405)	(22.001)	00 504	45.700	
other operating activities Total cash generated from / (used in)	(29,495)	(33,061) 7,881	23,524 (40,009)	45,786 (6,718)	
operating activities	9,613	7,881	(40,009)	(0,710)	
Investment activities					
Accrued investment income	_	-	(45)	(396)	
Bank profit received	236	194	8,087	4,490	
Sale of investment - net	_	-	(621)	402	
Total cash generated from investing activities	226	194	7,421	4,496	
C C				·	
Financing activities					
Qard-e-hasna contributions	(10,000)	(14,000)	10,000	14,000	
Total cash (used in) / generated from	(10,0 00)	(14,000)	10,000	14,000	
financing activities	()	()	(		
Total cash (used in) / generated from all activities	(151)	(5,925)	(22,588)	11,778	
Cash and cash equivalents at beginning of		15.000	71.040	45.700	
the period	4,147	15,322	71,349	45,782	
Cash and cash equivalents at the end of	2.000	0.207	40 701		
the period 14	3,996	9,397	48,761	57,560	

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Director

Director

Chairman



### **CONDENSED INTERIM STATEMENT OF**

## CASH FLOWS (unaudited)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		N	line Months F	Period Ended	
N.	Note	Operato	r's Fund	Participant'	s Takaful Fund
No Reconciliation to profit and loss account		30 September 2023	30 September 2022 (Rupees	2023	30 September 2022
Operating cash fows		9,849	7,881	(32,588)	(6,718)
Investment income (Decrease) / increase in assets other		-	-	319	23
than cash		5,863	(531)	61,567	(17,828)
(Increase) / decrease in liabilities		(25,521)	(14,119)	(33,848)	6,189
Loss for the period		(9,809)	(6,769)	(4,550)	(18,334)
Attributed to:					
Operator's Fund		(9,809)	(6,769)		-
Participants' Takaful Fund		-	-	(4,550)	(18,334)
		(9,809)	(6,769)	(4,550)	(18,334)

#### Defnition 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 fows consists of:

#### Cash and other equivalent



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

Chief Executive Chairman Director Director Chief Financial Officer



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 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 October 31, 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 f nancial 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(1)/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 identif able.

#### 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 notifed under the Companies Act, 2017;



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

 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.

#### 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2022.

#### 4. USE OF JUDGEMENTS AND ESTIMATES

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 30 September 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 QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

				(Unaudited) September 20	23	31	(Audited) December 202	22
				Impairment			Impairment	
7. INVESTMENTS IN MUTUAL FUNDS - PTF	_ DTE	/ provision			/ provision			
/.	INVESTMENTS IN MOTOAL FORDS			for the	Carrying		for the	Carrying
	1	Note	Cost	Period (Rupee	<b>value</b> s in '000)	Cost	Period	value
	Classified at available for sale  Mutual fund units:		5,100	-	4,715	5,100	-	4,630
			5,100	-	4,715	5,100		4,630
8.	INVESTMENTS IN TERM DEPOSITS Classified at held to maturity	- PTF						
	Term deposit receipt	8.1	600	-	600	600	-	600
		•	600	-	600	600		600

This represents a term deposit with bank having prof t at the average rate of 10.75% 8.1 per annum (December 31, 2022: 7.5%) having maturity till 17 Jan 2024.

> 30 September 31 December 2023 2022 (Unaudited) (Audited)

(Rupees in '000)

#### 9. QARD-E-HASNA

Balance as at the beginning of the period / year Repayment during the period / year Qard-e-Hasna contributed during the period / year Balance as at the end of the period / year

44,403
(5,000)
32,500
71,903

**Participant's Takaful Fund** 

2023

(Unaudited)

30 September 31 December

(Audited)

#### 10. LOANS AND OTHER RECEIVABLES - Considered good

Profit receivable Federal excise duty Others

10	5
10 301	220
-	-
311	225

Operator's Fund

30 September 31 December

(Unaudited)

2022

(Audited)

1,101	821
3,957	3,717
35,139	17,308
40,197	21,846

#### 11. RECEIVABLE FROM PTF

Wakala fee receivable

14,430	12,792	-	-
14,430	12,792		

(Rupees in '000)



### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)**

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

30 September 31 December 2023 2022 (Unaudited) (Audited)

(Rupees in '000)

#### 12. TAKAFUL / RETAKAFUL RECEIVABLES -Unsecured and considered good

Contribution due but unpaid Less: Provision for doubtful receivables takaful participants' holders

Amounts due from other takaful / retakaful operators

#### 52,423 33,734 (5,714)(5,71<u>4)</u> 46,709 28,020 15,564 19,377 66,086 43,584

#### 13. PREPAYMENTS

Prepaid retakaful contribution ceded Other prepaid expense

14,527	10,573
1,576	975
16,103	11,548

Participant's Takaful Fund

30 September 31 December

#### 14. CASH AND BANK

Cash and cash equivalent
Policy, revenue stamps and bond
papers

#### Cash at bank

Current accounts Profit and loss sharing accounts

(	2023 (Unaudited)	2022 (Audited) (Rupees in '	2023 (Unaudited)	2022 (Audited)
	-	-	16	29
14.1	3,996 3,996	4,147 4,147	38 48,739 48,761	127 71,193 71,349

The rate of return on proft and loss sharing accounts held with Islamic banks during the period range from 3.81% to 17.00% per annum (December 31, 2022: 2.84% to 14.03%).

Operator's Fund 30 September 31 December



(Unaudited)

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		Operato	r's Fund	Participant's Takaful Fund			
15.	OTHER CREDITORS AND ACCRUALS	30 September 2023 (Unaudited)	31 December 2022 (Audited) (Rupees	30 September 2023 (Unaudited) in '000)	31 December 2022 (Audited)		
	Payable to Premier Insurance		, ,				
	Limited	123,981	105,937	_	_		
	Federal takaful fee	_	_	76	_		
	Sales tax on services	-	-	846	(249)		
	Commission payable	15,759	13,726	-	-		
	Auditor's fee	298	478	_	-		
	Others	(290)	(583)	2,594	1,946		
		139,748	119,558	3,516	1,697		
16.	PAYABLE TO OPF						
	Wakala fee payable			19,386	12,792		

#### 17. CONTINGENGES AND COMMITMENTS

There are no contingencies and commitments as at 30 September 2023 (31 December 2022: Nil)

	No.					
	Que	arter ended	Nine Months Period End			
	30 Sept 20:	ember 30 Septembe 23 2022	30 September 2023	er 30 September 2022		
10 NET CONTRIBUTION		(Rupee	s in '000)			
18. NET CONTRIBUTION						
Written gross contributio Less: Wakala fee	n <b>67,2</b> 7 <b>(16,2</b> 9		148,857 (46,784)	135,267 (46,134)		
Contribution Net of Wake  Add: Unearned contribu	00,0	38,703	102,073	89,133		
reserve opening <b>Less:</b> Unearned contribu	<b>77,9</b> 6	83,517	83,119	88,967		
reserve closing	(98,68	(92,798)	(98,682)	(92,798)		
Contribution earned	30,25	29,422	86,510	85,302		
Less: Retakaful contribut  Add: Prepaid retakaful	ion ceded 12,7	7,910	23,497	17,122		
contribution opening	9,00	8,289	10,573	10,121		
Less: Prepaid retakaful contribution closing	(14,5	<b>27)</b> (10,006)	(14,527)	(10,006)		
Retakaful expense	7,2	6,193	19,543	17,237		
	22,9	23,229	66,967	68,065		

(Unaudited)



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		(Unaud Quarter e	-	(Unaudited) Nine Months Period Ended			
	_	30 September 2023	30 September 2022	30 September 2023	30 September 2022		
19.	NET CLAIMS EXPENSE		(Rupees	s in '000)			
	Claims paid or payable Less: Outstanding claims	34,268	27,114	74,902	91,902		
	including IBNR opening  Add: Outstanding claims	(72,872)	(61,354)	(59,670)	(70,595)		
	including IBNR closing	65,675 27,071	66,651 32,411	65,675 80,907	66,651 87,958		
	Claims expense  Less: Retakaful and other recoveries	27,071	32,411	80,907	67,956		
	received	732	10	2,375	14,032		
	Less: Retakaful recoveries against outstanding claims - opening	(7,217)	(6,964)	(6,930)	(20,271)		
	Add: Retakaful recoveries against outstanding claims - closing	8,517	8,070	8,517	8,070		
	Retakaful and other recoveries revenue	2,032	1,116	3,961	1,831		
	Net Claim	25,039	31,295	76,946	86,127		
20.	DIRECT EXPENSES - PTF						
	Tracking services Service charges Others	12 1,164 (1,061) 115	200 2,264 (181 2,283	3,632	194 5,598 826 6,618		
21.	RETAKAFUL REBATE - PTF						
	Rebate from re-takaful received Add: Deferred rebate opening Less: Deferred rebate closing	2,454 1,627 (2,755) 1,326	1,486 1,664 (1,987) 1,163	4,247 2,054 (2,755) 3,546	3,145 2,134 (1,987) 3,292		



## NOTES TO THE CONDENSED INTERIM

### **FINANCIAL STATEMENTS (unaudited)**

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaud	ited)	(Unaudited) Nine Months Period Ende			
Quarter e	ended	Nine Months P	eriod Ended		
30 September 2023	30 September 2022	30 September 2023	30 September 2022		
	(Runees	in (000)			

#### 22. WAKALA FEE - OPF

Gross wakala fee Add: Deferred wakala opening Less: Deferred wakala closing

23,555	18,562	52,115	47,226
27,292	29,574	29,218	31,140
(34,549)	(32,232)	(34,549)	(32,232)
16,298	15,904	46,784	46,134

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.

(Unaudi Quarter e	-	Ni	(Unaud ine Months P	-		
30 September 2023	30 September 2022	_	30 September 2023	30 September 2022		
	(Dunos	. in	(000)			

### 23. COMMISSION EXPENSE - OPF

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

3,776	4,352	11,381	13,276
7,621	8,851	8,329	7,105
(7,512)	(8,939)	(7,512)	(8,939)
3,885	4,264	12,198	11,442

## 24. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - OPF

Employee benefit cost
Rent, rates and taxes
Communications
Fuel and power
Travelling expenses
Entertainments
Advertisements and sales promotions
Repair and maintenance
Printing and stationery
Vehicle running expenses
Annual supervision fee SECP
Miscellaneous

(1,976)	1,178	38,167	34,389
4	69	481	330
(51)	5	374	348
265	292	1,552	1,331
137	(21)	447	235
18	(5)	505	508
106	577	723	1,302
(126)	2	847	758
(138)	(79)	589	571
(85)	182	252	408
_	-	267	119
(33)	33	906	746
(1,879)	2,233	45,110	41,045
		-	



## NOTES TO THE CONDENSED INTERIM

### **FINANCIAL STATEMENTS (unaudited)**

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		(Unaudi Quarter e	-	(Unaud Nine Months P	•
		30 September 2023	30 September 2022	30 September 2023	30 September 2022
25.	OTHER EXPENSES - OPF		(Rupees	s in '000)	
	Auditors' remuneration Fees and subscription	98 <u>233</u> 331	356 467	408 2,048 2,456	499 1,691 2,190
26.	INVESTMENT INCOME - PTF		407		2,100
	Income from mutual funds Realized gain on sale of mutual fund units	123		123	
	Dividend income	-	-	-	_
	<b>Income from term deposits</b> Return on term deposits	20	10	196	23
27.	OTHER INCOME - PTF	143	10	319	23
	Profit on bank deposits Exchange gain	2,862 - 2,862	2,075 - 2,075	8,087 - 8,087	4,490 121 4,611

#### 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)

#### Transactions during the period

# Associated companies Contribution underwritten

Contribution underwrittel
Contribution received
Claims paid

30 September 30 September 2023 2022

(Rupees in '000)

**7,211** 7,505 **4,653** 10,941 **335** 2,679



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) (Audited)

30 September 31 December 2023 2022

(Rupees in '000)

#### Period end balances

#### **Associated companies**

Contribution receivable Claims outstanding Commission outstanding 3,481 1,917 59

(119) 1,235 59

29.1 Operator's contribution toward staff provident fund during the period is Rs.1.105 million (2022: 1.034 million).

#### 30. SEGMENT INFORMATION

30. SEGMENT INFORMATION												
30.1 Participants Takaful Fund											Quarte	er ended
Segment profit and loss											30 September 2023	30 September 2022
											(Unaudited)	(Unaudited)
	Fire and p	property	Marine, av	iation and								
	dam		trans		Мо	tor	Hec	ılth	Miscell	aneous	Т	otal
-	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
						(Rup	ees in '000	)				
Participants Takaful Fund												
Contribution receivable (inclusive of Federal												
Excise Duty / Sales Tax, Federal Takaful Fee												
and Administrative surcharge)	11,052	7,016	2,984	2,629	29,050	28,049	29,619	20,647	489	1,297	73,193	59,637
Less: Federal excise duty	1,283	733	260	328	3,655	3,260	-	-	57	172	5,256	4,493
Less: Federal takaful fee	88	54	27	23	246	245	293	204	4	11	658	537
Gross written contribution (inclusive of												
Administrative surcharge)	9,681	6,229	2,696	2.278	25,149	24,544	29,325	20,442	428	1,114	67.279	54.607
,												
Gross direct contribution	8,662	5.329	2,599	2.206	23.971	23,737	29,295	20,422	421	1.096	64,949	52.790
Facultative inward contribution	931	833	_,	-,	533	79			~~.	-	1,464	912
Administrative surcharge	88	65	96	74	643	729	30	20	8	18	866	905
Less: Wakala expense	(1,795)	(1,373)	(736)	(764)	(7,593)	(6,932)	(5,952)	(6,304)	(221)	(530)	(16,298)	(15,904)
Takaful contribution earned	5,119	4,117	2,104	2,184	21,694	19,806	17,007	18,013	633	1,206	46,557	45,326
Takaful contribution ceded to retakaful operators  Net takaful contribution	(3,432)	(3,176)	(1,348)	(1,381)	(2,233)	(1,357)	11.055	11.709	(257)	(279)	(7,270) 22,989	(6,193) 23,230
Net takaful contribution	(108)	(432)	20	39	11,868	11,517	11,055	11,709	155	397	22,989	23,230
Rebate earned	786	721	304	291	177	87	_	_	59	64	1.326	1.163
Net underwriting income	678	289	324	330	12,045	11,604	11,055	11,709	214	461	24,315	24,393
	-	()		()	ć\	(	(	(		()	(	(
Takaful claims Takaful claims recovered from retakaful	23 (43)	(983) 918	179 (149)	(219) 162	(15,545) 2,263	(14,562) 10	(11,785)	(16,616)	57 (40)	(31) 28	(27,071) 2,032	(32,411) 1,116
		_	` '									
Net claim	(20)	(65)	30	(57)	(13,282)	(14,552)	(11,785)	(16,616)	17	(3)	(25,039)	(31,295)
Other direct expense	159	3	64	6	984	128	(1,327)	(2,421)	5	1	(115)	(2,283)
Other direct expense	155	ď	0.4	U	304	120	(1,527)	(2,421)	, i		(113)	(2,203)
(Deficit) / Surplus before investment income	817	227	418	279	(253)	(2,820)	(2,057)	(7,328)	236	459	(839)	(9,186)
										ļ!		
Investment income											143	10
Other Income											2,862	2,075
Less: Modarib's share of investment income											(1,045)	(731)
Surplus / (Deficit) transferred to accumulated	surplus										1,121	(7,832)
												4



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Segment profit and loss											Nine Months	Period Ended
											30 September 2023 (Unaudited)	30 September 2022 (Unaudited)
	Fire and p		Marine, av		Moto	or	Healt	th	Miscella	ineous	То	tal
	2023	2022	2023	2022	2023	2022 (Rupe	2023 es in '000)	2022	2023	2022	2023	2022
Contribution receivable (inclusive of Federal						V	,					
Excise Duty / Sales Tax, Federal Takaful Fee				ı						i		
and Administrative surcharge)	17,161	14,078	5,908	6,205	78,061	77,732	60,190	47,142	659	2,743	161,978	147,899
Less: Federal excise duty Less: Federal takaful fee	1,830 123	1,423 98	624 52	744 54	9,150 661	8,822 663	596	467	80 6	338 24	11,684 1,437	11,327 1,306
Gross written contribution (inclusive of administrative surcharge)	15,209	12,558	5,231	5,407	68,250	68.247	59,594	46,675	573	2,381	148,857	135,267
Gross direct contribution	12,165	9,768	5,026	5,200	63.910	64,231	59.534	46,620	562	2,330	141,196	128,150
Facultative inward contribution	2,917	2,673		-	2,195	1,903	-	· -		-	5,112	4,576
Administrative surcharge	127	117	205	207	2,145	2,113	60	55	12	50	2,548	2,542
Less: Wakala expense	(5,205)	(3,770)	(1,779)	(1,820)	(22,936)	(19,355)	(15,932)	(19,781)	(932)	(1,409)	(46,784)	(46,134)
Takaful contribution earned	14,858	10,964	5,082	5,199	65,532	55,299	45,521	56,516	2,301	3,458	133,294	131,436
Takaful contribution ceded to retakaful  Net takaful contribution	(9,373) 280	(9,158) (1,964)	(3,816) (513)	(3,825) (446)	(5,584) 37,011	(3,272) 32,672	29,589	36,735	(769) 600	(982) 1,068	(19,543) 66,967	(17,237) 68,065
Rebate earned	2,145	2,050	825	838	400	179	-	-	176	225	3,546	3,292
Net underwriting income	2,425	86	312	392	37,411	32,851	29,589	36,735	776	1,292	70,513	71,357
Takaful claims Takaful claims recovered from retakaful	(1,894) 929	(2,692) 2,407	(392) 305	439 (431)	(43,495) 2,649	(25,784) 21	(34,276)	(59,549)	(850) 78	(372) (164)	(80,907) 3,961	(87,958) 1,833
Net claim	(965)	(285)	(87)	8	(40,846)	(25,763)	(34,276)	(59,549)	(772)	(536)	(76,946)	(86,127)
Other direct expense	76	(73)	26	(31)	339	(396)	(4,031)	(6,103)		(14)	(3,588)	(6,618)
(Deficit) / Surplus before investment income	1,536	(272)	251	369	(3,096)	6,692	(8,719)	(28,917)	7	742	(10,021)	(21,388)
Investment income Other Income Less: Modarib's share of investment income Deficit transferred to accumulated surplus											319 8,087 (2,935) (4,550)	23 4,611 (1,580) (18,334)
Segment assets and liabilities												
The following presents segments assets and lia	bilities as at 3	0 Septemb	er 2023 (und	audited) and	31 December	2022 (audited	i):					
	Fire and p		Marine, av		Moto	or	Healt	th	Miscella	ineous	To	tal
	2023	2022	2023	2022	2023	2022	2023 es in '000)	2022	2023	2022	2023	2022
Segment assets	12,838	10,522	4,416	4,577	57,614	57,153	50,306	58,495	484	3,030	125,658	133,775
Unallocated corporate assets  Total assets											104,363 230,021	56,327 190,102
											200,021	100,102
Segment liabilities	19,815	14,724	6,815	6,404	88,919	79,978	77,641	81,857	747	4,240	193,937	187,202
Unallocated corporate liabilities											25,931	(1,182)



# NOTES TO THE CONDENSED INTERIM

FINANCIAL STATEMENTS (unaudited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Segment profit and loss												r ended
	Fire and p			viation and	Moto		Healt	h	Miscello	ineous	30 September 2023 (Unaudited)	30 September 2022 (Unaudited) tal
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	2023	2022	2023	2022	2023		2023 ses in '000)	2022	2023	2022	2023	2022
Wakala fee earned	1,795	1,373 (462)	736 (95)	764 (166)	7,593	6,932	5,952	6,304 (574)	222 (53)	530	16,298	15,90
Commission expense Management expense	(628) 226	(142)	(224)	(150)	(2,686) 1,933	(2,498) (1,388)	(422) (128)	(488)	72	(565) (65)	(3,885) 1,879	(4,264 (2,233
Management expense	1,393	769	418	448	6,839	3,047	5,402	5,242	241	(99)	14,292	9,40
Modarib's share of PTF investment income	,,					-,	,,,,,	-,		(00)	1,045	7
Profit on bank deposits											30	4
Other expenses											(331)	(46
Loss before taxation											15,036	9,71
												•
2 Operators Fund											Nine Months	Period Ende
Segment profit and loss											30 September 2023	30 September 2022
	Fire and p		Marino au	riation and							(Unaudited)	(Unaudited
	dam			sport	Moto	r	Healt	h	Miscello	ineous	То	tal
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
						(Rupe	es in '000)					
Wakala fee earned	3,410	2,397	1,042	1,055	15,343	12,423	9,980	13,476	710	879	30,486	30,230
Commission expense	(1,414)	(758)	(178)	(209)	(5,531)	(4,066)	(808)	(1,233)	(383)	(912)		(7,17
Management expense	(415) 1,581	1,327 2.966	569 1.433	419 1.265	(26,865)	(18,314)	(19,803)	(21,664)	(476) (149)	(579) (612)	(46,989) (24,816)	(38,81
	,,		4.00	,	(,,	(-//	(,,	(-,,	()	()		
Modarib's share of PTF investment income Investment income											1,890	84
Profit on bank deposits											206	14
Other expenses											(2,125)	(1,72
Loss before taxation											(24,845)	(16,48
Segment assets and liabilities												
•	to to Water or one or a		h 0000 (				a1\.					
The following presents segments assets and I	iabilities as at	suseptem	Der 2023 (un	auaitea) and	3 3 Decembe	er 2022 (auai	tea):					
	Fire and p			riation and								
	dam	•		sport	Moto		Healt		Miscello			tal
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
						(кир	es in '000)					
Segment assets	768	559	264	243	3,444	3,035	3,007	3,107	29	161	7,513	7,105
Unallocated corporate assets											105,595	90,29
Total assets											113,108	97,396
Seamont liabilities	3,530	2.449	1,214	1,065	15,841	13,304	13.831	13,616	133	705	34,549	2114
Segment liabilities	3,530	2,449	1,214	1,000	15,841	13,304	13,831	13,016	133	/05	34,549	31,140
Unallocated corporate liabilities											139,748 174,297	117,636
Total liabilities												



## NOTES TO THE CONDENSED INTERIM

### **FINANCIAL STATEMENTS (unaudited)**

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

		OPF	Participant's Takatul Fund			
		Available for sale	Available for sale	Held to maturity	Total	
31.	MOVEMENT IN INVESTMENTS		(Rupees in '000)			
	As at January 01, 2022	-	5,035	600	5,635	
	Addition Disposal (sale and redemption) Designated at available for sale upon initial recognition As at December 31, 2022	- -	- -	2,400 (2,400)	2,400 (2,400)	
			(405) 4,630	600	(405) 5,230	
	Addition Disposal (sale and redemption) Designated at available for sale upon initial recognition As at September 30, 2023	Ξ.	9,142 (6,877)	1,800 (1,800)	10,942 (8,677)	
		<u>-</u>	621 7,516	- 600	621 8,116	

#### 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 f nancial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is signif cant 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 signif cant to the fair value measurement is directly observable

**Level 3** Valuation techniques for which the lowest level input that is signif cant 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:



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unqudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) 30 September 2023 Fair Value Measurement Level 2 (Rupees in '000) Available for sale investments (measured at fair value) Mutual fund units 7,516 (Audited) December 31, 2022 Fair Value Measurement Level 1 Level 2 Level 3 (Rupees in '000) Available for sale investments (measured at fair value) Mutual fund units 5,035

#### 33. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim f nancial statements were authorized for issue on **30 October 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 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 Chairman Director Director Chief Financial
Officer Officer

