



ہمیشہ کالتہ

Interim Financial Statements

For the Half Year Ended 30 June 2022
(Unaudited)

Company Information

Company Information **02**

Report of the
Directors to Members **04**

Financial Statements

Independent Auditor's Review
Report **06**

Condensed Interim Statement
of Financial Position **07**

Condensed Interim Statement
of Profit and Loss Account **08**

Condensed Interim Statement
of Comprehensive Income **09**

Condensed Interim Statement
of Changes in Equity **10**

Condensed Interim Statement
of Cash Flows **11**

Notes to the Condensed Interim
Financial Statements **13**

Financial Statement (Window Takaful)

28 Independent Auditor's Review
Report

29 Condensed Interim Statement
of Financial Position

30 Condensed Interim Statement
of Profit and Loss Account

31 Condensed Interim Statement
of Comprehensive Income

32 Condensed Interim Statement
of Changes in Equity

33 Condensed Interim Statement
of Cash Flows

35 Notes to the Condensed
Interim Financial Statements

48 **Branch Network**

Company Information

Board of Directors

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

Ethics, Human Resource, Remuneration & Nomination Committee

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

Chief Executive Officer

Nadeem Maqbool

Chief Financial Officer

Amjed Bahadur Ali

Company Secretary

Fariq Mahmood Khan Rohilla

Investment Committee

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

Audit Committee

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

Claim Settlement Committee

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

Company Information

Underwriting Committee

Attaullah A. Rasheed
[Chairman]
M. K. Baig
[Member]
Afzal Ur Rehman
[Member]
Humera Jawaid
[Secretary]

Reinsurance & Co-Insurance Committee

Sharik Bashir
[Chairman]
Afzal Ur Rehman
[Member]
Ali Muhammad
[Secretary]

Risk Management & Compliance Committee

Shameen Azfar
[Chairman]
Nadeem Maqbool
[Member]
Sharik Bashir
[Member]
Amjed Bahadur Ali
[Member]
Niina Afridi
[Secretary]

Auditors

EY Ford Rhodes, Chartered
Accountants.

Legal Advisors

Arfin & Company Advocates

Registrar

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

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F : (21) 34380106
E : info.shares@famco.com.pk

Registered & Head Office

5th Floor, State Life Building No.2A
Wallace Road, Karachi-74000,
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F : (21) 32416572
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Report of the Directors to Members

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended June 30, 2022.

Performance Review

Following is the overall performance of the Company.

	Conventional		Takaful	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	(Rupees in '000)			
Premium / contribution written	161,987	171,454	80,660	59,694
Net Premium / contribution	136,849	118,046	44,836	19,970
Underwriting Result	(121,226)	(122,564)	(12,202)	(3,796)
Investment income / (Loss)	(6,413)	126,744	13	389
Profit / (Loss) before taxation	(112,212)	5,390	(10,502)	(2,732)
Profit / (Loss) after taxation	(114,681)	2,946	-	-
Earning (Loss) / per share	(2.27)	0.06		

Gross premium written during the half year ended 30 June 2022 was Rs. 161.98 million as compared to Rs. 171.45 million in the corresponding period. Net premium for the period under review increased by Rs. 18.80 million as compared to the previous year. Our net claim ratio increased by 16% due to a major fire claim which contributed to the underwriting loss. Impairment in the company's equities portfolio was Rs. 24.25 million due to unfavourable economic and political conditions. Dividend income for the period under review was Rs. 18.09 million resulting in a net impact on our portfolio of approximately Rs. 6.41 million.

Gross contribution written during the half year ended June 30, 2022 was increased by 35.12% to Rs. 80.66 million as against Rs. 59.69 million. Net contribution increase by Rs. 24.86 million as compared to the last year. However, due to increase in health claims the overall net claims increased by 146% resulting in overall underwriting loss.

Future Outlook

Due to the prevailing economic and political situation around the country, there are challenges for insurance market in future for which we are taking decisive action to safeguard the interest of the company. The management is working to bring about growth and profitability. Our emphasis will be to retain the existing clients as well as striving to acquire new business. The company is engaged in an ongoing process of restructuring to bring about cost reduction and reduce loss generating business. This positive trend is expected to continue in the remaining months of the year and we hope that our efforts toward writing quality business will enable us to post better results in future.

Acknowledgement

The directors would like to thank all our valued customers for their continued patronage and support, also would like to thank to the Pakistan Reinsurance Company Limited, Securities and 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: August 26, 2022

ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے ششماہی اختتامی مدت 30 جون 2022ء پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کارکردگی کا جائزہ:

کمپنی کی مجموعی کارکردگی درج ذیل ہے:

تفصیل	30 جون 2022	30 جون 2021	30 جون 2022	30 جون 2021
	(روپے '000)			
تخریری پریمیم/کنٹری بیوشن	161,987	171,454	161,987	171,454
خالص تخریری پریمیم/کنٹری بیوشن*	136,849	118,046	136,849	118,046
ذمہ داریوں کے نتائج	(121,226)	(122,564)	(121,226)	(122,564)
سرمایہ کاری آمدنی	(6,413)	126,744	(6,413)	126,744
قبل از ٹیکس منافع/(خسارہ)	(112,212)	5,390	(112,212)	5,390
بعد از ٹیکس منافع/(خسارہ)	(114,681)	2,946	(114,681)	2,946
منافع/(خسارہ) فی شخص	(2.27)	0.06	(2.27)	0.06

روایتی آپریشنز:

30 جون 2022ء کو ختم ہونے والی ششماہی مدت کے دوران مجموعی تخریری پریمیم 171.45 ملین روپے کے مقابلے میں 161.98 ملین روپے رہا۔ خالص پریمیم گزشتہ سال کی اسی مدت کے مقابلے میں 18.80 ملین روپے زائد رہی۔ دوران ششماہی فائز کلیم کے باعث مجموعی خالص کلیم کے تناسب میں 16 فیصد اضافہ ہوا جس کے نتیجے میں مجموعی طور پر ذمہ داریوں میں خسارہ ہوا۔ ناموافق معاش اور سیاسی حالات کے باعث کمپنی کی ایکٹیو پورٹ فولیو میں مبلغ 24.25 ملین روپے کی کمی ہوئی۔ زیر جائزہ مدت کے دوران ڈویڈنڈ آمدنی مبلغ 18.09 ملین روپے رہی جس کے نتیجے میں ہمارے پورٹ فولیو میں تقریباً مبلغ 6.41 ملین روپے کا اثر پڑا۔

30 جون 2022ء کو ختم ہونے والی ششماہی مدت کے دوران مجموعی تخریری پریمیم 59.69 ملین روپے کے مقابلے میں 35.12 فیصد اضافہ کے ساتھ مبلغ 80.66 ملین روپے رہا۔ گزشتہ سال کے مقابلے میں خالص کنٹری بیوشن میں 24.86 ملین روپے کا اضافہ ہوا۔ تاہم سحبت کے کلیمز میں اضافے کے باعث مجموعی خالص کلیمز میں 146 فیصد اضافہ ہوا جس کے نتیجے میں مجموعی طور پر ذمہ داریوں میں خسارہ ہوا۔

مستقبل کے امکانات:

موجودہ ملکی معاشی اور سیاسی صورتحال کے باعث مستقبل میں انشورنس مارکیٹ کیلئے چیلنجز موجود ہیں جن کیلئے ہم کمپنی کے مفاد کے تحفظ کیلئے فیصلہ کن اقدامات کر رہے ہیں۔ انتظامیہ ترقی اور منافع کے لیے کام کر رہی ہے۔ ہماری تمام تر توجہ موجودہ کلائنٹس کو برقرار رکھنے کے ساتھ ساتھ نئے کاروبار کے حصول کی کوشش پر مرکوز ہے۔ کمپنی لاگت میں کمی لانے اور نقصان پیدا کرنے والے کاروبار کو کم کرنے کے لیے تنظیم نو کے جاری عمل میں مصروف ہے۔ یہ سببت رحمان سال کے ابقیہ مہینوں میں جاری رہنے کی امید ہے اور ہم امید کرتے ہیں کہ تخریری کاروبار کی طرف ہماری کوششیں ہمیں مستقبل میں بہتر نتائج حاصل کرنے کے قابل بنائیں گی۔

اعتراف:

ڈائریکٹرز کمپنی کے ملازمین کی کوششوں، اپنے تمام قابل قدر گاہکوں کی مسلسل سرپرستی اور تعاون، اور ہمارے ری انشوررز، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی رہنمائی اور تعاون پر ان کے شکر گزار ہیں۔

از طرف بورڈ

چیئرمین

سی ای او/ ڈائریکٹر

کراچی، مورخہ: 26 اگست 2022ء

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Premier Insurance Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Premier Insurance Limited as at 30 June 2022 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures for the quarters ended 30 June 2022 and 30 June 2021 in the condensed interim statement of comprehensive income have not been subject to the review and therefore, we do not express a conclusion thereon.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.

EY

Chartered Accountants
Place: Karachi
Date: 30-08-2022

Condensed Interim Statement OF FINANCIAL POSITION

As at 30 June 2022

	Note	Unaudited 30 June 2022	Audited 31 December 2021
(Rupees in '000)			
Assets			
Property and equipment	7	208,761	213,569
Intangible assets	8	944	1,109
Investment properties	9	311,240	297,740
Investments			
- Equity securities	10	683,506	724,433
- Mutual funds	10	66,294	63,792
Investment in associate		395,783	405,040
Loans and other receivables	11	46,900	52,323
Insurance / reinsurance receivables	12	467,538	587,493
Reinsurance recoveries against outstanding claims	19	789,884	714,347
Salvage recoveries accrued		3,330	(502)
Deferred commission expense	20	16,253	19,206
Taxation - provision less payment		21,346	20,613
Deferred tax asset		48,397	47,833
Prepayments	13	104,114	166,616
Cash and bank	14	21,792	75,964
		3,186,082	3,389,576
Total Assets of Window Takaful Operations - Operator's Fund		98,643	89,280
Total Assets		3,284,725	3,478,856
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		505,650	505,650
Reserves		1,626,032	1,653,748
Accumulated losses		(941,696)	(827,015)
Total Equity		1,189,986	1,332,383
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	19	1,173,375	1,026,820
Unearned premium reserves	18	195,071	319,480
Unearned reinsurance commission	20	11,453	22,358
Retirement benefit obligations		7,662	7,690
Lease liabilities		9,105	10,218
Insurance / reinsurance payables		363,286	420,332
Other creditors and accruals	16	269,535	273,565
Unclaimed dividends		22,750	22,750
Total Liabilities		2,052,237	2,103,213
Total Liabilities of Window Takaful Operations - Operator's Fund		42,502	43,260
Total Equity and Liabilities		3,284,725	3,478,856
Contingencies and commitments	17		

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit and Loss Account (unaudited)

For the Quarter & Half Year Ended 30 June 2022

Note	Quarter ended		Half year ended		
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	
	(Rupees in ` 000)				
Net insurance premium	18	66,426	64,022	136,849	118,046
Net insurance claims	19	(78,042)	(92,014)	(157,738)	(135,783)
Net commission expense and other acquisition costs	20	(2,104)	(3,642)	(7,464)	(7,227)
Insurance claims and acquisition expenses		(80,146)	(95,656)	(165,202)	(143,010)
Management expenses	21	(49,335)	(46,598)	(92,873)	(97,600)
Underwriting results		(63,055)	(78,232)	(121,226)	(122,564)
Investment income	22	(13,894)	116,893	(6,413)	126,744
Rental income		1,211	1,101	2,385	1,937
Revaluation gain on investment property		13,500	11,500	13,500	11,500
Other income	23	17,824	6,550	19,772	8,312
Other expenses	24	(1,423)	(2,894)	(2,283)	(4,209)
Results of operating activities		(45,837)	54,918	(94,265)	21,720
Finance costs		(300)	(309)	(617)	(639)
Share of (Loss) / profit from associate		(842)	3,566	(842)	3,566
(Loss) / profit before tax from General Insurance Operations		(46,979)	58,175	(95,724)	24,647
Loss before tax from Window Takaful Operations - Operator's Fund		(9,165)	(10,174)	(16,488)	(19,257)
(Loss) / profit before tax		(56,144)	48,001	(112,212)	5,390
Income tax expense	25	(1,719)	(716)	(2,469)	(2,444)
(Loss) / profit after tax		(57,863)	47,285	(114,681)	2,946
(Loss) / earnings per share - Rupees	26	(1.14)	0.94	(2.27)	0.06

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (unaudited)

For the Quarter & Half Year Ended 30 June 2022

	Note	Quarter ended		Half year ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
(Rupees in ` 000)					
(Loss) / profit after tax		(57,864)	47,285	(114,681)	2,946
Other comprehensive income:					
Unrealized gain / (loss) on available-for-sale investments during the period	29	1,448	39,808	(19,301)	63,233
Share of other comprehensive (loss) / income from associated company		(8,415)	25,616	(8,415)	25,616
Other comprehensive (loss) / income for the period		(6,967)	65,424	(27,716)	88,849
Total comprehensive (loss) / income for the period		(64,831)	112,709	(142,397)	91,795

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Changes in Equity (unaudited)

For Half Year Ended 30 June 2022

	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 Company and associate	Revaluation Reserves - Property and Equipment	Accumulated losses			
	(Rupees in ` 000)									
Balance as at 01 January 2021	505,650	19,490	185	996,851	576,923	35,859	(798,049)	831,259	1,336,909	
Profit for the period ended 30 June 2021	-	-	-	-	-	-	2,946	2,946	2,946	
Other comprehensive income for the period	-	-	-	-	88,849	-	-	88,849	88,849	
Total comprehensive Income / (loss) for the period ended 30 June 2021	-	-	-	-	88,849	-	2,946	91,795	91,795	
Balance as at 30 June 2021	505,650	19,490	185	996,851	665,772	35,859	(795,103)	923,054	1,428,704	
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 June 2022	-	-	-	-	-	-	(114,681)	(114,681)	(114,681)	
Other comprehensive loss for the period	-	-	-	-	(27,716)	-	-	(27,716)	(27,716)	
Total comprehensive loss for the period ended 30 June 2022	-	-	-	-	(27,716)	-	(114,681)	(142,397)	(142,397)	
Balance as at 30 June 2022	505,650	19,490	185	996,851	573,647	35,859	(941,696)	684,336	1,189,986	

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Cashflows (unaudited)

For Half Year Ended 30 June 2022

	Note	Half year ended	
		30 June 2022	30 June 2021
(Rupees in '000)			
Operating cash flows			
a) Underwriting activities			
Insurance premium received		188,984	258,237
Reinsurance premium paid		(132,899)	(122,746)
Claims paid		(241,262)	(102,249)
Reinsurance and other recoveries received		237,188	53,724
Commission paid		(20,642)	(19,250)
Commission received		9,640	10,746
Other acquisition costs paid		(8,103)	(7,328)
Management expenses paid		(128,412)	(55,930)
Net cash used in underwriting activities		(95,505)	15,205
b) Other operating activities			
Income tax paid		1,736	(16,606)
Other operating payments		(4,084)	(23,199)
Other operating receipts		16,509	764
Loans advanced, deposits (received) / made		(2,947)	(6,482)
Other liabilities paid / (received)		12,475	(3,152)
Total cash generated from other operating activities		23,689	(48,675)
Total cash used in all operating activities		(71,816)	(33,470)
Investment activities			
Profit / return received		20,320	128,063
Rental received		2,385	1,937
Payment for investments made		(5,133)	(217,092)
Proceeds from investments disposed		-	118,852
Fixed capital expenditure incurred		(561)	(264)
Proceeds from sale of property and equipment		4,461	4,796
Total cash flow generated from investing activities		21,471	36,292
Financing activities			
Finance cost paid		(617)	(639)
Payment of lease liability		(3,210)	(778)
Total cash used in financing activities		(3,827)	(1,417)
Net cash generated from / (used in) all activities		(54,172)	1,405
Cash and cash equivalents at beginning of the year		75,964	37,590
Cash and cash equivalents at end of the year	14	21,792	38,995

Condensed Interim Statement of Cashflows (unaudited)

For Half Year Ended 30 June 2022

	Note	Half year ended	
		30 June 2022	30 June 2021
(Rupees in '000)			
Reconciliation to profit and loss account			
Operating cashflows		(71,816)	(33,470)
Depreciation and amortization expense	21	(4,371)	(5,087)
Finance costs		(617)	(639)
Gain on sale of operating fixed assets	23	3,297	6,020
Net realized gain / (loss) on investments	22	69	(20,002)
Impairment in value of available for sale securities		(24,257)	(1,289)
Rental income		2,385	1,937
Dividend income	22	18,098	147,546
Other income	23	16,475	2,292
Share of (loss) / profit of associates		(842)	3,566
Loss from Window Takaful Operations - Operator's Fund	15	(16,488)	(19,257)
Increase in assets other than cash		(99,977)	325,151
Decrease in liabilities other than borrowings		49,863	(415,322)
Gain on revaluation of investment property		13,500	11,500
(Loss) / profit after taxation		(114,681)	2,946

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	261	373
	261	373

Current and other accounts

Current accounts	10,741	10,215
PLS account	10,790	28,407
	21,531	38,622

Total cash and cash equivalent	21,792	38,995
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The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

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 Shahrah-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.

2. BASIS OF PREPARATION

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

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, 2021.

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.

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 quarter and half year ended 30 June 2022 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.

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 2021.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2022 but are considered not to be relevant or do not have any significant effect on the Company's operation and therefore not detailed in these financial statements.

Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
AIP IFRS 9 Financial Instruments - Fees in the "10%" test for derecognition of financial liabilities	01 January 2022
- IFRS 3 - Revised Conceptual Framework (Amendments)	01 January 2022
- IAS 16 – Property, Plant and Equipments: proceeds before intended use	01 January 2022
- IAS 37 - Onerous Contracts: cost of fulfilling a contract	01 January 2022
- IAS 1 - Classification of Liabilities as Current to Non-current (Amendments)	01 January 2023
AIP IAS 41 Agriculture Taxation in fair value measurements	01 January 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
- IFRS 17 – Insurance Contracts	01 January 2023

4. 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, 2021.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

Insurance and 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, 2021.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the premium deficiency reserve for each class of business as at 30 June 2022 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.

7. PROPERTY AND EQUIPMENT

		Unaudited	Audited
	Note	30 June 2022	31 December 2021
(Rupees in `000)			
Operating fixed assets	7.1	175,410	179,073
Capital work-in-progress		26,109	26,109
Right of use assets	7.2	7,242	8,387
		208,761	213,569

7.1 Operating fixed assets

		Unaudited	Audited
	Note	30 June 2022	31 December 2021
(Rupees in `000)			
Opening written down value		179,073	186,991
Add: Additions during the period		561	1,477
Less: Book value of disposals during the period		(1,164)	(2,070)
Depreciation charged during the period		(3,060)	(7,325)
		(4,224)	(9,395)
Closing written down value		175,410	179,073

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

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:	Note	Unaudited	Audited
		30 June 2022	31 December 2021
		(Rupees in `000)	
Opening written down value		8,387	8,635
Add: Additions during the period		-	2,020
		8,387	10,655
Less: Reversal due to termination during the period		-	-
Depreciation charged during the period		(1,145)	(2,268)
Closing written down value		7,242	8,387

8. INTANGIBLE ASSETS

	Note	Unaudited	Audited
		30 June 2022	31 December 2021
		(Rupees in `000)	
Opening written down value		1,109	1,978
Less: Amortization charged during the period		(165)	(869)
Closing written down value		944	1,109

9. INVESTMENT PROPERTIES

	Note	Unaudited	Audited
		30 June 2022	31 December 2021
		(Rupees in `000)	
Carrying value at the beginning of the period		297,740	275,740
Revaluation gain on investment property		13,500	22,000
Carrying value at the end of the period		311,240	297,740

10. INVESTMENTS

	Unaudited 30 June 2022				Audited 31 December 2021			
	Cost	Impairment/ provision for the year	Revaluation surplus	Carrying value	Cost	Impairment/ provision for the year	Revaluation surplus	Carrying value
	(Rupees in `000)							
Available-for-sale								
Related parties								
Listed shares	196,282	-	209,262	405,544	196,282	-	221,328	417,610
Unlisted shares	-	-	-	-	-	-	-	-
Other than related parties								
Unlisted shares	1,483	-	9	1,492	1,483	-	-	1,483
Listed shares	273,316	(24,257)	27,411	276,470	282,461	(9,396)	32,275	305,340
Mutual funds *	52,594	-	13,700	66,294	47,713	-	16,079	63,792
	523,675	(24,257)	250,382	749,800	527,939	(9,396)	269,682	788,225

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

11. LOANS AND OTHER RECEIVABLES

	Note	Unaudited	Audited
		30 June 2022	31 December 2021
(Rupees in ` 000)			
Mark-up and dividend receivable		51	2,527
Loans to employees	11.1	1,917	2,956
Deposits	11.2	34,991	33,956
Receivables against sale of Investment		60	-
Advance to agents		1,370	1,234
Other receivables		8,511	11,650
		46,900	52,323

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

11.2 These include Rs. 24 million (31 December 2021: Rs. 24 million) deposited under a court order in respect of a claim where the possibility of the eventual beneficiary being other than the Company is considered remote by the Company's legal advisor.

12. INSURANCE / REINSURANCE RECEIVABLES

	Note	Unaudited	Audited
		30 June 2022	31 December 2021
(Rupees in ` 000)			
Premium due but unpaid		431,549	461,786
Less: Provision for doubtful receivables from insurance contract holder		(169,110)	(167,490)
		262,439	294,296
Amounts due from other insurers / reinsurers		313,009	399,487
Less: Provision for doubtful receivables from insurers / reinsurers		(107,910)	(106,290)
		205,099	293,197
		467,538	587,493

13. PREPAYMENTS

	Note	Unaudited	Audited
		30 June 2022	31 December 2021
(Rupees in ` 000)			
Prepaid reinsurance premium ceded	18	85,418	159,112
Other prepaid expense		18,696	7,504
		104,114	166,616

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

14. CASH AND BANK

		Unaudited	Audited
	Note	30 June 2022	31 December 2021
(Rupees in `000)			
Cash and cash equivalent			
- Policy and revenue stamps, bond papers		261	258
Cash at bank			
- Current accounts		10,741	6,624
- Savings account	14.1	10,790	69,082
		21,792	75,964

14.1 The rate of return on savings account held with various banks range from 7.96% to 12.25% per annum (December 31, 2021: 5.12% to 7.3%).

15. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND

		Unaudited	Audited
	Note	30 June 2022	31 December 2021
(Rupees in `000)			
Assets			
Loan and other receivables		153	114
Receivable from PTF		16,816	22,336
Deferred commission expense		8,851	7,105
Cash and bank		9,420	15,322
		35,240	44,877
Qard-e-hasna contributed to PTF		63,403	44,403
Total Assets		98,643	89,280
Total Liabilities		159,144	133,293

	Unaudited	
	Half year ended	
	30 June 2022	30 June 2021
(Rupees in `000)		
Operator's revenue accounts		
Wakala fee	30,230	14,528
Commission expense	(7,178)	(2,659)
General, administrative and management expenses	(38,812)	(29,967)
Modarib's share of PTF Investment income	849	554
Profit on bank accounts	146	16
Other expenses	(1,723)	(1,729)
Loss for the period	(16,488)	(19,257)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

16. OTHER CREDITORS AND ACCRUALS

		Unaudited	Audited
	Note	30 June 2022	31 December 2021
		(Rupees in ` 000)	
Bonus payable		3,102	3,102
Commissions payable		172,561	176,671
Federal excise duty and sales tax		22,841	16,732
Federal insurance fee		162	-
Deposits and margins		3,727	3,727
Provision for rent	16.1	14,000	14,000
Others		53,142	59,333
		269,535	273,565

16.1 This represents provision for rent amounting to Rs.14 million (December 31, 2021: 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 Commitments

Commitment for capital expenditure	15,038	15,038
------------------------------------	---------------	---------------

18. NET INSURANCE PREMIUM

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Written gross premium	104,156	75,184	161,987	171,454
Add: Unearned premium reserve opening	232,637	239,752	319,480	277,987
Less: Unearned premium reserve closing	(195,071)	(171,808)	(195,071)	(171,808)
Premium Earned	141,722	143,128	286,396	277,633
Less: Reinsurance premium ceded	44,499	28,148	75,853	77,975
Add: Prepaid reinsurance premium opening	116,215	123,042	159,112	153,696
Less: Prepaid reinsurance premium closing	(85,418)	(72,084)	(85,418)	(72,084)
Reinsurance expense	75,296	79,106	149,547	159,587
Net insurance premium	66,426	64,022	136,849	118,046

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

19. NET INSURANCE CLAIMS

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Claims paid	72,715	63,339	237,430	102,249
Less: Outstanding claims including IBNR opening	(1,147,415)	(732,335)	(1,026,820)	(700,569)
Add: Outstanding claims including IBNR closing	1,173,375	1,286,340	1,173,375	1,286,340
Claims expense	98,675	617,344	383,985	688,020
Less: Reinsurance and other recoveries received	28,063	38,744	150,710	53,724
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(797,314)	(417,177)	(714,347)	(405,249)
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	789,884	903,762	789,884	903,762
Reinsurance and other recoveries revenue	20,633	525,329	226,247	552,237
Net insurance claims	78,042	92,014	157,738	135,783

20. NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Commission paid or payable	10,347	4,694	16,953	13,602
Add: Deferred commission opening	15,864	18,230	19,206	19,549
Less: Deferred commission closing	(16,253)	(12,055)	(16,253)	(12,055)
Commission expense	9,958	10,869	19,906	21,096
Less: Commission received or recoverable from reinsurers	5,499	3,493	9,640	10,746
Add: Unearned reinsurance commission opening	16,272	17,612	22,358	21,079
Less: Unearned reinsurance commission closing	(11,453)	(10,629)	(11,453)	(10,629)
Commission from reinsurance	10,318	10,476	20,545	21,196
Net Commission expense	(359)	393	(639)	(101)
Add: Other acquisition costs:				
Tracking device expenses	83	600	163	756
Service charges	2,384	2,343	6,437	5,714
Other costs	(4)	306	1,503	858
	2,463	3,249	8,103	7,328
Net Commission expense and other acquisition costs	2,104	3,642	7,464	7,227

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

21. MANAGEMENT EXPENSES

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Employee benefit cost	35,374	34,485	67,327	71,060
Travelling expenses	203	244	514	450
Advertisement and sales promotion	287	503	656	788
Printing and stationary	800	780	1,311	1,700
Depreciation	2,112	2,145	4,206	4,793
Amortization	83	148	165	294
Rent, rates and taxes	240	463	523	654
Legal and professional charges - business related	2,517	1,257	3,841	3,319
Electricity, gas and water	1,348	1,368	2,087	2,031
Entertainment	557	410	1,031	1,098
Vehicle running expenses	121	296	455	567
Office repairs and maintenance	1,987	976	3,401	2,380
Bank charges	65	122	71	189
Postages, telegrams and telephone	944	996	1,836	2,084
Insurance expense	281	406	733	1,016
Annual supervision fee SECP	-	-	860	1,006
Bad and doubtful debts	2,083	1,504	3,240	3,429
Others	333	495	616	742
	49,335	46,598	92,873	97,600

22. INVESTMENT INCOME

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Income from equity securities and mutual fund units				
Available for sale				
- Dividend income	10,468	138,663	18,098	147,546
Income from debts securities				
Available for sale				
- Amortization of discount - net	-	815	-	815
Net realized gain / (loss) on investments				
Available for sale				
- Equity securities	60	(21,134)	69	(20,002)
Total investment income	10,528	118,345	18,167	128,360
Less: Impairment in value of available for sale securities				
- Equity Securities	(24,257)	(1,289)	(24,257)	(1,289)
Less: Investment related expenses	(165)	(163)	(323)	(327)
	(13,894)	116,893	(6,413)	126,744

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

23. OTHER INCOME

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Return on bank balances	1,146	318	1,919	508
Exchange gain	36	1,528	[33]	1,528
Gain on sale of operating fixed assets	2,087	4,494	3,297	6,020
Liabilities no longer required written back	14,540	-	14,540	-
Miscellaneous	15	209	49	256
	17,824	6,549	19,772	8,312

24. OTHER EXPENSES

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Auditors' remuneration	980	1,260	1,658	1,790
Subscription	719	1,299	1,235	1,598
Donations	-	-	-	500
Inadmissible input tax expense	[152]	[69]	[246]	[62]
Sales promotion expense	-	[75]	-	-
Others	[124]	479	[364]	383
	1,423	2,894	2,283	4,209

25. TAXATION

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Current tax	1,948	1,161	3,033	2,889
Deferred tax	[229]	[445]	[564]	[445]
	1,719	716	2,469	2,444

25.1 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.

26. EARNINGS / (LOSS) PER SHARE

	Unaudited Quarter ended		Unaudited Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
(Loss) / profit after tax for the period	(57,863)	47,285	[114,681]	2,946
	(Number of shares in `000)			
Weighted average number of ordinary shares	50,565	50,565	50,565	50,565
	(Rupees)			
(Loss) / earnings per share	(1.14)	0.94	[2.27]	0.06

No figure for diluted earnings per share has been presented as the company has not issued any instrument which would dilute its basic earning / (loss) per share when exercised.

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

27. 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 financial statements, are as follows:

	Unaudited Half year ended	
	30 June 2022	30 June 2021
	(Rupees in ` 000)	
Transactions during the period		
Associated Companies		
Premium underwritten	30,340	16,785
Claims paid	38,638	15,542
Premium received	53,517	53,595
Others		
Premium underwritten	43	-
Premium received	266	-
Meeting fees	580	860
Remuneration and retirement benefits to key management personnel	69,545	64,611
	Unaudited	Audited
	30 June 2022	31 December 2021
	(Rupees in ` 000)	
Period end balances		
Associated Companies		
Premium receivable	37,677	20,473
Claims outstanding	93,045	19,889
Commission outstanding	20,228	14,010
Others		
Premium receivable	144	-

27.1 Company's contribution toward staff provident fund during the year is Rs. 2,027,718 (2021: Rs.2,159,105).

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

28. SEGMENT REPORTING

28.1 Segment profit or loss

	Fire and property damage		Marine, aviation and transport		Motor	Health		Miscellaneous		Total		
	2022	2021	2022	2021		2022	2021	2022	2021	2022	2021	
	Unaudited Quarter ended											
	30 June 2022 30 June 2021											
	(Rupees in ` 000)											
Premium receivable (inclusive of FED / sales tax, federal insurance fee and administrative surcharge)	41,338	29,461	14,005	7,955	9,247	11,019	37,077	31,661	11,114	1,715	112,781	81,811
Less: FED / sales tax	3,900	3,612	1,419	693	1,146	1,341	-	-	1,232	253	7,697	5,899
Less: Federal insurance fee	265	242	117	64	77	94	372	314	97	14	928	728
Gross written Premium (inclusive of Administrative surcharge)	37,173	25,607	12,469	7,198	8,024	9,584	36,705	31,347	9,785	1,448	104,156	75,184
Gross direct premium	26,388	24,142	11,201	6,151	7,420	9,107	36,635	31,326	9,410	1,427	91,054	72,153
Facultative inward premium	10,654	1,380	839	818	330	142	-	-	206	-	12,029	2,340
Administrative surcharge	131	86	429	230	274	335	70	20	169	22	1,073	692
Insurance premium earned	59,327	59,255	9,101	7,865	16,275	16,689	43,755	48,646	13,265	10,675	141,722	143,128
Insurance premium ceded to reinsurers	(56,580)	(58,689)	(5,307)	(3,292)	(823)	(917)	(5,319)	(10,012)	(7,267)	(6,195)	(75,296)	(79,106)
Net Insurance premium	2,747	566	3,794	4,573	15,452	15,771	38,436	38,633	5,998	4,480	66,426	64,022
Commission income	7,269	6,669	929	564	61	57	931	1,752	1,129	1,433	10,318	10,476
Net underwriting income	10,015	7,235	4,723	5,137	15,513	15,829	39,366	40,386	7,126	5,913	76,744	74,499
Insurance claims	(49,522)	(573,709)	(222)	(2,421)	(8,765)	(1,826)	(37,751)	(38,787)	(2,415)	(601)	(98,675)	(617,344)
Insurance claims recovered from reinsurance	13,192	514,891	90	1,811	148	-	4,362	9,180	2,841	(553)	20,633	525,330
Net Claim	(36,330)	(58,818)	(132)	(610)	(8,617)	(1,826)	(33,389)	(29,607)	426	(1,154)	(78,042)	(92,014)
Commission expense	(4,139)	(5,501)	(841)	(437)	(1,124)	(1,294)	(2,575)	(3,373)	(1,280)	(263)	(9,958)	(10,868)
Management expense	(20,649)	(19,265)	(3,160)	(2,561)	(5,660)	(5,383)	(15,269)	(15,929)	(4,597)	(3,460)	(49,335)	(46,598)
Other acquisition cost	(133)	(31)	(63)	(20)	(287)	(658)	(1,887)	(2,518)	(93)	(23)	(2,463)	(3,250)
Net insurance claims and expenses	(61,251)	(83,615)	(4,196)	(3,628)	(15,688)	(9,161)	(53,119)	(51,427)	(5,544)	(4,900)	(139,798)	(152,730)
Underwriting result	(51,236)	(76,380)	527	1,509	(175)	6,668	(13,753)	(11,041)	1,582	1,013	(63,055)	(78,232)
Net investment income											(13,894)	116,893
Rental income											1,211	1,101
Fair value gain on investment property											13,500	11,500
Other income											17,823	6,550
Other expenses											(1,423)	(2,894)
Finance cost											(300)	(309)
Share of (loss) / profit from associate											(842)	3,566
Share of (loss) from WTO - Operator's Fund											(9,165)	(10,174)
(Loss) / profit before tax											(56,145)	48,001

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

	Unaudited Half year ended											
	30 June 2022		30 June 2021		30 June 2022		30 June 2021		30 June 2022		30 June 2021	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and Administrative surcharge)	64,897	66,720	23,108	16,354	22,797	22,979	49,601	74,399	15,990	5,589	176,392	186,041
Less: FED / sales tax	6,309	7,712	2,347	1,637	2,740	2,913	-	-	1,601	721	12,997	12,983
Less: Federal insurance fee	412	490	193	137	187	194	496	737	120	46	1,408	1,604
Gross written Premium (inclusive of Administrative surcharge)	58,176	58,518	20,568	14,580	19,870	19,872	49,105	73,662	14,269	4,822	161,987	171,454
Gross direct premium	41,765	48,819	18,597	13,261	18,176	18,694	48,983	73,627	12,192	4,552	139,713	158,953
Facultative inward premium	16,181	9,520	1,257	857	1,136	463	-	-	1,848	222	20,422	11,062
Administrative surcharge	230	179	714	463	558	715	122	35	229	48	1,853	1,439
Insurance premium earned	119,722	115,879	18,036	15,247	32,662	34,201	90,032	91,041	25,944	21,266	286,396	277,633
Insurance premium ceded to reinsurers	(113,240)	(115,962)	(9,137)	(6,217)	(1,580)	(1,760)	(11,255)	(23,293)	(14,336)	(12,354)	(149,547)	(159,587)
Net Insurance premium	6,482	(83)	8,899	9,030	31,082	32,440	78,777	67,747	11,608	8,912	136,849	118,046
Commission income from reinsurers	14,644	13,073	1,599	1,076	109	108	1,970	4,076	2,224	2,863	20,545	21,196
Net underwriting income	21,126	12,990	10,498	10,106	31,192	32,549	80,746	71,824	13,832	11,774	157,394	139,243
Insurance claims	(279,358)	(576,816)	(8,924)	(2,791)	(16,437)	(9,987)	(75,189)	(89,100)	(4,078)	(9,326)	(383,985)	(688,020)
Insurance claims recovered from reinsurers and other recoveries revenue	207,696	515,266	5,621	2,262	293	4	9,682	30,151	2,956	4,553	226,247	552,237
Net Insurance claims	(71,662)	(61,550)	(3,303)	(529)	(16,144)	(9,983)	(65,507)	(58,949)	(1,122)	(4,773)	(157,738)	(135,783)
Commission expense	(8,247)	(10,733)	(1,728)	(1,210)	(2,238)	(2,575)	(5,487)	(5,947)	(2,207)	(630)	(19,906)	(21,095)
Management expense	(38,824)	(40,736)	(5,849)	(5,360)	(10,592)	(12,023)	(29,196)	(32,005)	(8,413)	(7,476)	(92,873)	(97,600)
Other acquisition cost	(246)	(80)	(122)	(62)	(549)	(957)	(7,024)	(6,157)	(161)	(73)	(8,103)	(7,328)
Net insurance claims and expenses	(118,979)	(113,099)	(11,002)	(7,161)	(29,523)	(25,538)	(107,214)	(103,058)	(11,903)	(12,952)	(278,621)	(261,806)
Underwriting result:	(97,852)	(100,109)	(504)	2,945	1,669	7,011	(26,468)	(31,234)	1,929	(1,177)	(121,226)	(122,564)
Net investment income											(6,413)	126,744
Rental income											2,385	1,937
Revaluation gain on investment property											13,500	11,500
Other income											19,772	8,312
Other expenses											(2,283)	(4,209)
Finance cost											(617)	(639)
Share of (loss) / profit from associate											(842)	3,566
Share of loss from WTO - Operator's Fund											(16,488)	(19,257)
Loss before tax											(112,212)	5,390

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

28.2 Segment assets and liabilities

The following presents segments assets and liabilities for the period June 30, 2022 (unaudited) and December 31, 2021 (audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Segment assets	494,619	610,081	174,872	102,245	168,933	160,008	417,495	491,861	121,312	122,908	1,377,230	1,487,104
Unallocated corporate assets											2,072,494	1,991,753
Total assets											3,449,725	3,478,856
Segment Liabilities	626,046	733,929	221,339	123,001	213,821	192,490	528,431	591,710	153,547	147,858	1,743,184	1,788,988
Unallocated corporate liabilities											309,053	314,225
Total liabilities											2,052,237	2,103,213

29. MOVEMENT IN INVESTMENTS

Available for Sale
(Rupees in ` 000)

01 January, 2021	888,933
Additions	256,561
Disposals (sale and redemptions)	(350,038)
Fair value net gains (excluding net realized gains)	2,166
Impairment losses	(9,397)
31 December, 2021	788,225
Additions	5,133
Disposals (sale and redemptions)	-
Fair value net gains (excluding net realized gain)	(19,301)
Designated at fair value through profit of loss upon initial recognition	-
Classified as held for trading	-
Designated at fair value through profit of loss upon initial recognition	-
Impairment losses	(24,257)
30 June, 2022	749,800

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 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:

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Half Year Ended 30 June 2022

- 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.

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

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:

	30 June 2022 (unaudited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Available for sale investments (measured at fair value)			
Equity securities	682,014		1,492
Mutual fund units	-	66,294	-
Debt securities - Treasury bills	-	-	-
	682,014	66,294	1,492

	31 December 2021 (audited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
Available for sale investments (measured at fair value)			
Equity securities	722,950	1,483	-
Mutual fund units	-	63,792	-
	722,950	65,275	-

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **26 August 2022** 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 financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current year. However there were no material reclassification / restatements to report.

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

INDEPENDENT AUDITOR'S REVIEW REPORT TO MEMBERS ON REVIEW OF PREMIER INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Premier Insurance Limited - Window Takaful Operations (the Operator)** as at **30 June 2022** and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statements of changes in fund, condensed interim statement of cash flows, and notes forming part thereof (here-in-after referred to as the "interim financial statements") for the six-months' period then ended. Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the quarters ended 30 June 2022 and 30 June 2021 in the condensed interim statement of comprehensive income have not been subject to the review and therefore, we do not express a conclusion thereon.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.



Chartered Accountants
Place: Karachi
Date: 30-08-2022

Condensed Interim Statement of Financial Position of Operator's Fund and Participants' Takaful Fund

As at 30 June 2022

Note	Operator's Fund		Participant's Takaful Fund	
	30 June 2022 (Unaudited)	31 December 2021 (Audited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
(Rupees in '000)				
Assets				
Investments	7	-	4,619	5,035
Mutual funds	8	-	600	600
Term deposits	10	153	38,857	31,431
Loans and other receivables	12	-	52,333	68,987
Takaful / retakaful receivables	19	-	6,964	20,271
Retakaful recoveries against outstanding claims	9	63,403	44,403	-
Qard-e-hasna contributed to PTF		-	324	350
Salvage recoveries accrued	11	16,816	22,336	-
Receivable from OPF / PTF	22	-	29,574	31,140
Deferred wakala expense	23	8,851	7,105	-
Deferred commission expense	13	-	9,365	13,027
Prepayments	14	9,420	15,322	53,674
Cash and bank		-	-	-
Total Assets		98,643	89,280	196,310
Funds and Liabilities				
Reserve attributable to:				
Operator's Fund (OPF)				
Statutory fund		50,000	-	-
Accumulated deficit		(110,501)	(94,013)	-
Balance of Operator's Fund		(60,501)	(44,013)	-
Participant's Takaful Fund (PTF) / Waqf				
Seed money		-	500	500
Revaluation reserves		-	(950)	(533)
Accumulated deficit		-	(53,828)	(43,327)
Balance of Participant's Takaful Fund / Waqf		-	(54,278)	(43,360)
Qard-e-Hasna		-	63,403	44,403
Liabilities				
PTF Underwriting provisions				
Unearned contribution reserve	18	-	83,517	88,967
Outstanding claims (including IBNR)	19	-	61,354	70,595
Contribution deficiency reserve		-	4,160	4,160
Reserve for Unearned retakaful rebate	21	-	1,664	2,134
		-	150,695	165,856
Unearned wakala fees	22	29,574	31,140	-
Takaful / retakaful payables		-	17,219	25,506
Payable to OPF / PTF	16	-	16,816	22,336
Other creditors and accruals	15	129,570	102,153	2,455
		159,144	133,293	49,724
Total Fund and Liabilities		98,643	89,280	196,310
Contingencies and commitments	17	-	-	-

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit and Loss (unaudited)

For the Quarter and Half Year Ended 30 June 2022

Note	Quarter ended		Half Year Ended		
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	
(Rupees in `000)					
Participant's Takaful Fund					
Contribution earned - net of wakala fee	18	28,902	14,655	55,880	26,979
Less: Contribution ceded to retakaful	18	(5,506)	(3,447)	(11,044)	(7,009)
Net contribution revenue	18	23,396	11,208	44,836	19,970
Re-takaful rebate earned	21	1,049	642	2,129	1,308
Net underwriting income		24,445	11,850	46,965	21,278
Net claims - reported / settled	19	(24,183)	(10,409)	(53,382)	(21,373)
- IBNR	19	(539)	(1,071)	(1,450)	(850)
		(24,722)	(11,480)	(54,832)	(22,223)
Provision for doubtful contribution	12	-	(60)	-	(60)
Other direct expenses	20	(2,292)	(1,390)	(4,335)	(2,791)
Deficit before investment income		(2,569)	(1,080)	(12,202)	(3,796)
Investment income	26	5	388	13	389
Other income	27	1,484	678	2,536	1,229
Less: Modarib's share of investment income	28	(478)	(361)	(849)	(554)
Deficit for the period		(1,558)	(375)	(10,502)	(2,732)
Operator's Fund					
Wakala fee	22	15,687	7,892	30,230	14,528
Commission expense	23	(3,914)	(1,420)	(7,178)	(2,659)
General, administrative and management expenses	24	(20,409)	(15,855)	(38,812)	(29,967)
		(8,636)	(9,383)	(15,760)	(18,098)
Modarib's share of PTF investment income	28	478	361	849	554
Profit on bank accounts		58	5	146	16
Other expenses	25	(1,065)	(1,157)	(1,723)	(1,729)
Loss for the period		(9,165)	(10,174)	(16,488)	(19,257)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (unaudited)

For the Quarter and Half Year Ended 30 June 2022

	Quarter ended		Half Year Ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Participant's Takaful Fund				
Deficit for the period	(1,558)	(375)	(10,502)	(2,732)
Other comprehensive loss for the period:				
Unrealized loss on available for sale securities	(392)	(107)	(416)	(7)
Total comprehensive loss for the period	(1,950)	(482)	(10,918)	(2,739)
Operator's Fund				
Loss for the period	(9,165)	(10,174)	(16,488)	(19,257)
Other comprehensive income / (loss) for the period:				
Unrealized income on available for sale securities	-	-	-	-
Total comprehensive Loss for the period	(9,165)	(10,174)	(16,488)	(19,257)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Changes in Operator's Fund and Participants' Takaful Fund (unaudited)

For the Quarter and Half Year Ended 30 June 2022

	Attributable to Operator's Fund			Total
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated deficit	
		(Rupees in '000)		
Balance as at 01 January 2021	50,000	-	(72,512)	(22,512)
Net loss for the period	-	-	(19,257)	(19,257)
Other comprehensive income for the period	-	-	-	-
Balance as at 30 June 2021	50,000	-	(91,769)	(41,769)
Balance as at 01 January 2022	50,000	-	(94,013)	(44,013)
Net loss for the period	-	-	(16,488)	(16,488)
Other comprehensive income for the period	-	-	-	-
Balance as at 30 June 2022	50,000	-	(110,501)	(60,501)

	Attributable to participants of the Participant's Fund			Total
	Seed Money	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated deficit	
		(Rupees in '000)		
Balance as at 01 January 2021	500	(462)	(28,901)	(28,863)
Deficit for the period	-	-	(2,732)	(2,732)
Other comprehensive loss for the period	-	(?)	-	(?)
Balance as at 30 June 2021	500	(469)	(31,633)	(31,602)
Balance as at 01 January 2022	500	(534)	(43,326)	(43,360)
Deficit for the period	-	-	(10,502)	(10,502)
Other comprehensive loss for the period	-	(416)	-	(416)
Balance as at 30 June 2022	500	(950)	(53,828)	(54,278)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Cash Flows (unaudited)

For Half Year Ended 30 June 2022

Note	Half Year Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in '000)			
Operating Activities				
a) Takaful activities				
Contribution received	-	-	72,534	43,699
Re-takaful contributions paid	-	-	(17,499)	(4,021)
Claims / benefit paid	-	-	(64,788)	(11,968)
Re-takaful and other recoveries received	-	-	13,692	671
Commissions (paid) / re-takaful rebate received	(8,155)	(4,932)	1,659	876
Wakala fees received	34,184	21,113	-	-
Wakala fees paid	-	-	(34,184)	(21,113)
Modarib share received / (paid)	849	554	(849)	(554)
Total cash generated / (used in) takaful activities	26,878	16,735	(29,435)	7,590
b) Other operating activities				
General and administration expenses paid	(40,661)	(31,696)	(2,503)	(2,851)
Amounts due from other takaful / retakaful operators	-	-	16,654	2,252
Deposits and other receivables	61	27	7,235	(18,525)
Paid to Premier Insurance Limited	26,609	17,933	(5,139)	23,925
Accrued salvage recoveries	26	(803)	-	-
Other liabilities paid	39	1,238	(573)	(613)
Qard-e-hasna contributions	(19,000)	(3,300)	19,000	3,300
Total cash used in other operating activities	(32,926)	(16,601)	34,674	7,488
Total cash used in from operating activities	(6,048)	134	5,239	15,078
Investment Activities				
Investment income / (loss) received	-	-	(178)	(216)
Bank profit received	146	16	2,415	-
Sale of investment - net	-	-	416	7
Total cash generated / (used in) from investing activities	146	16	2,653	(209)
Total cash generated from all activities	(5,902)	150	7,892	14,869
Cash and cash equivalents at beginning of the period	15,322	3,701	45,782	36,440
Cash and cash equivalents at the end of the period	9,420	3,851	53,674	51,309

Condensed Interim Statement of Cash Flows (unaudited)

For Half Year Ended 30 June 2022

Note	Half Year Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in ` 000)			
Reconciliation to profit and loss account				
Operating cash flows	(6,048)	134	5,239	15,078
Depreciation expense	-	-	-	-
Investment income	-	-	13	389
Increase / (Decrease) in assets other than cash	(3,589)	1,362	(25,149)	25,159
(Increase) / Decrease in liabilities	(25,851)	(17,453)	28,395	(46,658)
Qard-e-hasna contributions	19,000	(3,300)	(19,000)	3,300
Loss for the period	(16,488)	(19,257)	(10,502)	(2,732)
Attributed to				
Operator's Fund	(16,488)	(19,257)	-	-
Participants' Takaful Fund	-	-	(10,502)	(2,732)
	(16,488)	(19,257)	(10,502)	(2,732)
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	9,420	3,851	53,674	51,309
Term deposit receipt	-	-	-	-
Total cash and cash equivalent	14	9,420	3,851	53,674
			53,674	51,309

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

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 are 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, 2021.

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 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.

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company as at and for the year ended December 31, 2021.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period:

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2022 but are considered not to be relevant or do not have any significant effect on the Company's operation and therefore not detailed in these financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective:

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after 01 January 2022:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
'AIP IFRS 9 Financial Instruments - Fees in the "10%" test for derecognition of financial liabilities	01 January 2022
- IFRS 3 - Revised Conceptual Framework (Amendments)	01 January 2022
- IAS 16 – Property, Plant and Equipments: proceeds before intended use	01 January 2022
- IAS 37 - Onerous Contracts: cost of fulfilling a contract	01 January 2022
- IAS 1 - Classification of Liabilities as Current to Non-current (Amendments)	01 January 2023
AIP IAS 41 Agriculture Taxation in fair value measurements	01 January 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
- IFRS 17 – Insurance Contracts	01 January 2023

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 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, 2021.

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, 2021.

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business as at June 30, 2022 and considered adequate to meet the expected liability after retakaful for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date.

7. INVESTMENTS IN MUTUAL FUNDS - PTF

Note	30 June 2022			31 December 2021		
	Cost	Impairment / provision for the year	Carrying value	Cost	Impairment / Provision for the year	Carrying value
(Rupees in ` 000)						
Classified at available for sale						
Mutual fund units	5,100	-	4,619	5,100	-	5,035
	5,100	-	4,619	5,100	-	5,035

8. INVESTMENTS IN TERM DEPOSITS - PTF

Note	30 June 2022			31 December 2021		
	Cost	Impairment / provision for the year	Carrying value	Cost	Impairment / Provision for the year	Carrying value
(Rupees in ` 000)						
Classified at held to maturity						
Term deposit receipt	8.1	600	600	600	-	600
	600	-	600	600	-	600

8.1 This represents a term deposit with bank having profit at the average rate of 6.8% per annum (31 December 2021: 5%) having maturity till 6 July 2022.

9. QARD-E-HASNA

Note	Unaudited	Audited
	30 June 2022	31 December 2021
(Rupees in ` 000)		
Balance as at the beginning of the period	44,403	83,020
Repayment during the period	-	(41,917)
Qard-e-Hasna contributed during the period	19,000	3,300
Balance as at the end of the period	63,403	44,403

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

10. LOANS AND OTHER RECEIVABLES - Considered good

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022 (Unaudited)	31 December 2021 (Audited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
	(Rupees in `000)			
Profit receivable	11	33	490	299
Federal excise duty	142	81	5,833	5,748
Others	-	-	32,534	25,384
	153	114	38,857	31,431

11. RECEIVABLE FROM OPF / PTF

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022 (Unaudited)	31 December 2021 (Audited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
	(Rupees in `000)			
Wakala fee receivable	16,816	22,336	-	-
	16,816	22,336	-	-

12. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022 (Unaudited)	31 December 2021 (Audited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
	(Rupees in `000)			
Contribution due but unpaid	-	-	47,899	63,453
Less: Provision for doubtful receivables takaful participants' holders	-	-	(5,714)	(5,714)
	-	-	42,185	57,739
Amounts due from other takaful / retakaful operators	-	-	10,148	11,248
	-	-	52,333	68,987

13. PREPAYMENTS

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022 (Unaudited)	31 December 2021 (Audited)	30 June 2022 (Unaudited)	31 December 2021 (Audited)
	(Rupees in `000)			
Prepaid retakaful contribution ceded	-	-	8,289	10,121
Other prepaid expense	-	-	1,076	2,906
	-	-	9,365	13,027

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

14. CASH AND BANK

Note	Operator's Fund		Participant's Takaful Fund	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in `000)				
Cash and cash equivalent				
Policy, revenue stamps and bond papers	-	-	-	36
Cash at bank				
Current accounts	15	15	56	403
Profit & Loss sharing accounts	14.1	9,405	15,307	53,618
	9,420	15,322	53,674	45,782

- 14.1** The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 2.84% to 9.00% per annum (December 31, 2021: 2.75% to 8.25%).

15. OTHER CREDITORS AND ACCRUALS

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in `000)				
Payable to Premier Insurance Limited	117,230	90,621	-	-
Federal takaful fee	-	-	35	39
Sales tax on services	-	-	1,614	19
Commission payable	12,340	11,571	-	-
Auditor's fee	371	416	-	-
Others	(371)	(455)	806	1,824
	129,570	102,153	2,455	1,882

16. PAYABLE TO OPF / PTF

	Operator's Fund		Participant's Takaful Fund	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in `000)				
Wakala fee payable	-	-	16,816	22,336
	-	-	16,816	22,336

17. CONTINGENCES AND COMMITMENTS

There are no contingencies and commitments as at 30 June 2022 (31 December 2021: Nil)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

18. NET CONTRIBUTION

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Written gross contribution	51,698	30,754	80,660	59,694
Less: Wakala fee	(15,687)	(7,892)	(30,230)	(14,528)
Contribution Net of Wakala Fee	36,011	22,862	50,430	45,166
Add: Unearned contribution reserve opening	76,408	45,044	88,967	35,064
Less: Unearned contribution reserve closing	(83,517)	(53,251)	(83,517)	(53,251)
Contribution earned	28,902	14,655	55,880	26,979
Less: Retakaful contribution ceded	6,440	2,545	9,212	4,954
Add: Prepaid retakaful contribution opening	7,355	4,422	10,121	5,575
Less: Prepaid retakaful contribution closing	(8,289)	(3,520)	(8,289)	(3,520)
Retakaful expense	5,506	3,447	11,044	7,009
Net contribution	23,396	11,208	44,836	19,970

19. NET CLAIMS EXPENSE

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Claims paid or payable	35,325	4,507	64,788	11,968
Less: Outstanding claims including IBNR opening	(70,509)	(41,284)	(70,595)	(37,789)
Add: Outstanding claims including IBNR closing	61,354	58,344	61,354	58,344
Claims expense	26,170	21,567	55,547	32,523
Less: Retakaful and other recoveries received	5,131	(1)	14,022	671
Less: Retakaful recoveries against outstanding claims - opening	(10,647)	(4,545)	(20,271)	(5,004)
Add: Retakaful recoveries against outstanding claims - closing	6,964	14,633	6,964	14,633
Retakaful and other recoveries revenue	1,448	10,087	715	10,300
Net claim	24,722	11,480	54,832	22,223

20. DIRECT EXPENSES - PTF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Tracking services	(6)	21	(6)	21
Service charges	1,607	651	3,334	1,431
Others	691	718	1,007	1,339
	2,292	1,390	4,335	2,791

21. RETAKAFUL REBATE - PTF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Rebate from re-takaful received	1,219	455	1,659	876
Add: Deferred rebate opening	1,494	922	2,134	1,167
Less: Deferred rebate closing	(1,664)	(735)	(1,664)	(735)
Rebate from retakaful earned	1,049	642	2,129	1,308

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

22. WAKALA FEE - OPF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in '000)			
Gross wakala fee	18,275	10,765	28,664	20,893
Add: Deferred wakala opening	26,986	15,765	31,140	12,273
Less: Deferred wakala closing	(29,574)	(18,638)	(29,574)	(18,638)
Net wakala fee	15,687	7,892	30,230	14,528

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

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in '000)			
Commission paid or payable	5,831	2,349	8,924	4,266
Add: Deferred commission opening	6,934	2,783	7,105	2,105
Less: Deferred commission closing	(8,851)	(3,712)	(8,851)	(3,712)
Commission expense	3,914	1,420	7,178	2,659

24. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - OPF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in '000)			
Employee benefit cost	17,388	13,544	33,211	24,524
Rent, rates and taxes	119	171	261	228
Communications	173	164	343	290
Fuel and power	669	508	1,039	707
Travelling expenses	100	95	256	157
Entertainments	276	175	513	382
Advertisements and sales promotions	438	-	725	1,187
Repair and maintenance	413	407	756	829
Printing and stationery	404	329	650	598
Vehicle running expenses	59	115	226	197
Annual supervision fee SECP	-	-	119	262
Miscellaneous	370	347	713	606
	20,409	15,855	38,812	29,967

25. OTHER EXPENSES - OPF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in '000)			
Auditors' remuneration	228	293	388	415
Inadmissible input tax expense	-	(12)	-	(12)
Fees and subscription	837	876	1,335	1,326
	1,065	1,157	1,723	1,729

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

26. INVESTMENT INCOME - PTF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Income from mutual funds				
Realized gain on sale of mutual fund units	-	375	-	375
Dividend income	-	-	-	-
Income from term deposits				
Return on term deposits	5	13	13	14
	5	388	13	389

27. OTHER INCOME - PTF

	(Unaudited)			
	Quarter ended		Half year ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	(Rupees in `000)			
Profit on bank deposits	1,363	642	2,415	1,193
Exchange gain	121	36	121	36
	1,484	678	2,536	1,229

28. MODARIB FEE

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

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)	
	Half year ended	
	30 June 2022	30 June 2021
	(Rupees in `000)	
Transactions during the period		
Associated Companies		
Contribution underwritten	3,432	1,985
Contribution received	5,873	3,301
Claims paid	2,022	482
	(Unaudited) (Audited)	
	30 June 2022	31 December 2021
	(Rupees in `000)	
Period end balances		
Associated Companies		
Contribution receivable	3,776	5,241
Claims outstanding	866	298
Commission outstanding	752	439

29.1 Company's contribution toward staff provident fund during the period is **(Rs. 1,034,432/-)** (2021: Rs. 776,615)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

30. SEGMENT INFORMATION

30.1 Participants Takaful Fund

Segment profit and loss

											(Unaudited)	
											Quarter ended	
	2022		2021		2022		2021		2022		2021	
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Participants Takaful Fund	(Rupees in '000)											
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	6,163	1,901	2,127	1,069	34,340	22,709	13,701	8,250	664	121	56,994	34,050
Less: Federal excise duty	607	231	244	121	3,877	2,623	-	-	77	14	4,805	2,990
Less: Federal takaful fee	38	17	19	9	292	197	136	81	5	1	490	305
Gross written contribution (inclusive of Administrative surcharge)	5,518	1,653	1,864	939	30,171	19,889	13,565	8,169	581	106	51,698	30,754
Gross direct contribution	3,749	1,634	1,782	851	28,283	19,181	13,545	8,159	569	101	47,926	29,926
Facultative inward contribution	1,730	-	-	50	982	181	-	-	-	-	2,712	231
Administrative surcharge	40	19	82	37	906	527	20	11	12	5	1,060	599
Less: Wakala expense	(1,226)	(686)	(565)	(389)	(6,401)	(3,501)	(7,003)	(3,203)	(492)	(113)	(15,687)	(7,892)
Takaful contribution earned	3,501	1,958	1,616	1,112	18,289	10,003	20,007	9,154	1,177	321	44,589	22,547
Takaful contribution ceded to retakaful operators	(3,004)	(1,646)	(1,160)	(956)	(1,026)	(577)	-	-	(316)	(268)	(5,506)	(3,447)
Net takaful contribution	(729)	(374)	(109)	(233)	10,862	5,925	13,004	5,950	368	(60)	23,396	11,208
Rebate earned	668	354	253	219	56	7	-	-	72	62	1,049	642
Net underwriting income	(61)	(20)	144	(14)	10,918	5,931	13,004	5,950	440	1	24,445	11,850
Takaful claims	(1,416)	(10,626)	(389)	(573)	(4,312)	(2,749)	(20,300)	(7,646)	247	28	(26,170)	(21,567)
Takaful claims recovered from retakaful operators	1,225	9,559	336	529	11	-	-	18	(124)	(18)	1,448	10,087
Net claim	(191)	(1,067)	(53)	(44)	(4,301)	(2,749)	(20,300)	(7,628)	123	10	(24,722)	(11,480)
Provision for doubtful contribution	-	(2)	-	(2)	-	(38)	-	(18)	-	-	-	(60)
Other direct expense	(65)	(76)	(21)	(42)	(348)	(900)	(1,851)	(367)	(7)	(5)	(2,293)	(1,390)
(Deficit) / Surplus before investment income	(317)	(1,165)	70	(102)	6,269	2,244	(9,147)	(2,063)	556	7	(2,569)	(1,080)
Investment income											5	388
Other Income											1,484	678
Less: Modarib's share of investment income											(478)	(361)
Deficit transferred to accumulated surplus											(1,558)	(375)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

	(Unaudited)											
	Half Year Ended											
	30 June 2022						30 June 2021					
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Segment profit and loss	(Rupees in '000)											
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	7,063	2,837	3,576	2,390	49,683	42,607	26,495	17,814	1,446	122	88,263	65,770
Less: Federal excise duty	689	335	417	273	5,562	4,864	-	-	166	14	6,834	5,487
Less: Federal takaful fee	44	24	31	20	419	368	262	176	13	1	769	589
Gross written contribution (inclusive of Administrative surcharge)	6,330	2,478	3,128	2,097	43,702	37,375	26,233	17,638	1,267	107	80,660	59,694
Gross direct contribution	4,438	2,348	2,995	1,927	40,495	35,589	26,198	17,624	1,234	101	75,360	57,589
Facultative inward contribution	1,840	102	-	85	1,824	578	-	-	-	-	3,664	765
Administrative surcharge	52	27	133	85	1,383	1,208	35	14	33	5	1,636	1,339
Less: Wakala expense	(2,397)	(1,343)	(1,055)	(847)	(12,423)	(6,325)	(13,476)	(5,785)	(879)	(228)	(30,230)	(14,528)
Takaful contribution earned	6,847	3,836	3,015	2,419	35,493	18,072	38,503	16,530	2,252	651	86,110	41,507
Takaful contribution ceded to retakaful operators	(5,982)	(3,208)	(2,444)	(2,088)	(1,915)	(1,166)	-	-	(703)	(547)	(11,044)	(7,009)
Net takaful contribution	(1,532)	(715)	(484)	(516)	21,155	10,581	25,027	10,745	670	(124)	44,836	19,970
Rebate earned	1,329	691	547	475	92	17	-	-	161	126	2,129	1,308
Net underwriting income	(203)	(24)	63	(41)	21,247	10,598	25,027	10,745	831	1	46,965	21,277
Takaful claims	(1,709)	(10,866)	658	(599)	(11,222)	(5,361)	(42,933)	(15,740)	(341)	44	(55,547)	(32,523)
Takaful claims recovered from retakaful operators	1,489	9,768	(593)	551	11	-	-	-	(192)	(18)	715	10,300
Net claim	(220)	(1,098)	65	(48)	(11,211)	(5,361)	(42,933)	(15,740)	(533)	26	(54,832)	(22,223)
Provision for doubtful contribution	-	-	-	-	-	-	-	-	-	-	-	-
Contribution deficiency reserve	-	(2)	-	(2)	-	(38)	-	(18)	-	-	-	(60)
Other direct expense	(76)	(116)	(37)	(98)	(524)	(1,747)	(3,683)	(825)	(15)	(5)	(4,335)	(2,791)
Surplus before investment income	(499)	(1,240)	91	(189)	9,512	3,451	(21,589)	(5,839)	283	22	(12,202)	(3,796)
Investment income											13	389
Other Income											2,536	1,229
Less: Modarib's share of investment income											(849)	(554)
Deficit transferred to accumulated surplus											(10,502)	(2,732)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

Segment assets and liabilities

The following presents segments assets and liabilities as at 30 June 2022 (unaudited) and 31 December 2021 (audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Segment assets	7,734	10,522	3,822	4,577	53,400	57,153	32,054	58,495	1,549	3,030	98,559	133,775
Unallocated corporate assets											97,751	82,848
Total assets											196,310	216,623
Segment liabilities	12,850	14,724	6,350	6,404	88,722	79,978	53,257	81,857	2,573	4,240	163,754	187,202
Unallocated corporate liabilities											23,431	28,378
Total liabilities											187,185	215,580

30.2 Operators Fund

Segment profit and loss	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Wakala fee earned	1,226	686	565	389	6,401	3,501	7,003	3,203	492	113	15,687	7,892
Commission expense	(407)	(251)	(120)	(73)	(2,197)	(911)	(650)	(177)	(540)	(9)	(3,914)	(1,420)
Management expense	637	524	98	319	(9,479)	(8,379)	(11,345)	(8,402)	(321)	83	(20,409)	(15,855)
	1,456	959	544	635	(5,275)	(5,789)	(4,992)	(5,376)	(369)	187	(6,636)	(9,383)
Modarib's share of PTF investment income											478	361
Investment income											-	-
Profit on bank deposits											58	5
Other expenses											(1,065)	(1,157)
Loss before taxation											(9,164)	(10,174)

Segment profit and loss	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Wakala fee earned	2,397	1,343	1,055	847	12,423	6,325	13,476	5,785	879	228	30,230	14,528
Commission expense	(758)	(503)	(209)	(157)	(4,066)	(1,630)	(1,233)	(346)	(912)	(24)	(7,178)	(2,659)
Management expense	1,327	1,073	419	774	(18,314)	(15,877)	(21,664)	(16,124)	(580)	187	(38,812)	(29,967)
	2,966	1,913	1,265	1,465	(9,958)	(11,182)	(9,421)	(10,685)	(613)	391	(15,760)	(18,098)
Modarib's share of PTF investment income											849	554
Profit on bank deposits											146	16
Other expenses											(1,723)	(1,729)
Loss before taxation											(16,488)	(19,257)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

Segment assets and liabilities

The following presents segments assets and liabilities as at 30 June 2022 (unaudited) and 31 December 2021 (audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in '000)											
Segment assets	695	559	343	243	4,795	3,035	2,879	3,107	139	161	8,852	7,105
Unallocated corporate assets											89,791	82,175
Total assets											98,643	89,280
Segment Liabilities	2,321	2,449	1,147	1,065	16,023	13,304	9,618	13,616	465	705	29,574	31,140
Unallocated corporate liabilities											129,570	102,153
Total liabilities											159,144	133,293

31. MOVEMENT IN INVESTMENTS

	OPF	PTF		Total
	Available for sale	Available for sale	Held to maturity	
	(Rupees in '000)			
01 January 2021	-	6,820	600	7,420
Addition	-	5,100	2,400	7,500
Disposal (sale and redemption)	-	(6,813)	(2,400)	(9,213)
Designated at available for sale upon initial recognition	-	(72)	-	(72)
31 December 2021	-	5,035	600	5,635
Addition	-	-	1,200	1,200
Disposal (sale and redemption)	-	-	(1,200)	(1,200)
Designated at available for sale upon initial recognition	-	(416)	-	(416)
30 June 2022	-	4,619	600	5,219

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:

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Half Year Ended 30 June 2022

	(unaudited)		
	30 June 2022		
	Fair Value Measurement		
	Level 1	Level 2 (Rupees in '000)	Level 3
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	4,619	-
	-	4,619	-

	(Audited)		
	31 December 2021		
	Fair Value Measurement		
	Level 1	Level 2 (Rupees in '000)	Level 3
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	5,035	-
	-	5,035	-

33. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **26 August 2022** 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 contribution 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.

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