

April 06, 2018

**The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Stock Exchange Road,
Karachi**

Subject: **FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on April 05, 2018 at 04.30 pm, at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi recommended the following:

- | | |
|---|-----|
| i. Cash Dividend: | NIL |
| ii. Bonus Share: | NIL |
| iii. Right Issue: | NIL |
| iv. Any Other Entitlement / Corporate Action: | NIL |
| v. Any Other Price Sensitive Information: | NIL |

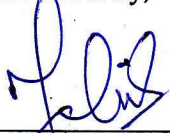
The financial results of the Company are enclosed.

The Annual General Meeting of the Company will be held on April 30, 2018 at 9:30 am, at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

The Share Transfer Books of the Company shall remain closed from April 24, 2018 to April 30, 2018 (both days inclusive). Transfers received at our registrar office M/s F. D. Registrar Services (SMC-Pvt.) Limited 17th Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi by the close of business on April 23, 2018 will be treated in time for the entitlement of the transferees.

We will be sending you 200 copies of printed Accounts for distribution amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,



Malik Mehdi Muhammad
CFO/ Company Secretary

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Nation Wide Network of Branches

Motor

Health

Fire

Marine

Engineering

Travel

Livestock

Crop

Crescent Star Insurance Limited
Unconsolidated Balance Sheet
As at December 31, 2017

	2017 -----Rupees-----	2016 -----Rupees-----
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised share capital		
115,000,000 (2016: 100,000,000) ordinary shares of Rs. 10/- each	<u>1,150,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid-up share capital	826,833,330	826,833,330
Discount on issue of right shares	(199,650,000)	(199,650,000)
Reserves	110,324,462	37,157,778
Total shareholders' equity	737,507,792	664,341,108
Share deposit money	250,012,730	
Underwriting provisions		
Provision for outstanding claims (including IBNR)	66,422,035	71,011,170
Provision for unearned premium	55,822,934	71,592,272
Premium deficiency reserve	1,510,891	593,501
Total underwriting provisions	123,755,860	143,196,943
Creditors and accruals		
Premiums received in advance	1,453,157	633,446
Amounts due to others insurers / reinsurers	43,135,172	24,489,759
Accrued expenses	11,301,299	9,783,823
Other creditors and accruals	67,438,960	160,893,794
Taxation - provision less payments	2,187,976	2,357,809
	125,516,564	198,158,631
Borrowings		
Borrowing under musharaka arrangements	3,694,550	3,007,838
	129,211,114	201,166,469
Other liabilities		
Unpresented dividend warrants	418,209	418,209
Total liabilities	253,385,183	344,781,621
TOTAL EQUITY AND LIABILITIES	1,240,905,705	1,009,122,729
Contingencies and commitments		

ASSETS

Cash and bank deposits
Cash and other equivalents
Current and other accounts

2017
-----Rupees-----

2016 -----Rupees-----	
52,016,038	51,863,477
5,554,592	6,504,995
57,570,630	58,368,472

Investments

238,140,354 188,473,884

Deferred taxation

13,543,178 13,543,178

Current assets - others

Premiums due but unpaid
Amounts due from other insurers / reinsurers
Accrued investment income
Reinsurance recoveries against outstanding claims
Deferred commission expense
Prepaid reinsurance premium ceded
Advances, deposits and prepayments
Other receivables

165,353,427	179,887,393
70,452,999	66,527,481
346,603	354,866
2,595,202	8,552,929
6,807,589	8,479,678
10,842,633	3,277,316
569,458,907	420,272,947
81,339,024	39,572,089
907,196,384	726,924,699

Fixed assets

Tangible

Furniture, fixtures and office equipment
Motor vehicles

10,808,496	7,987,306
10,929,663	9,749,690
21,738,159	17,736,996


Intangible

Computer software

2,717,000 4,075,500

TOTAL ASSETS

1,240,905,705 1,009,122,729

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Crescent Star Insurance Limited
Unconsolidated Profit and Loss Account
For the year ended December 31, 2017

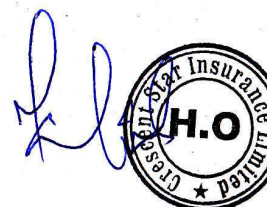
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Credit and suretyship	Miscellaneous	2017 Aggregate	2016 Aggregate
Rupees								
Revenue account								
Net premium revenue	4,931,061	4,801,594	70,461,381	2,363,543	14,996,993	12,059,639	109,614,211	206,345,732
Net claims	(216,051)	(4,718,570)	(25,814,406)	(6,537,295)	(500,000)	502,772	(37,283,550)	(55,417,725)
Premium deficiency expenses	(799,780)	(117,612)	-	-	-	-	(917,392)	(593,501)
Management expenses	(5,692,436)	(5,316,096)	(51,964,634)	(1,920,709)	(12,490,372)	(8,763,460)	(86,147,707)	(72,047,549)
Net commission	(1,647,130)	(2,279,316)	(9,572,577)	(36,916)	(1,919,985)	(5,226,005)	(20,681,929)	(25,922,569)
Underwriting result	(3,424,336)	(7,630,000)	(16,890,236)	(6,131,377)	86,636	(1,427,054)	(35,416,367)	52,364,388
Investment income							138,541,921	6,905,617
Loss on sale of fixed assets							(1,969,960)	(18,185)
Finance cost							(360,210)	(692,650)
Other income							37,094,681	33,133,640
General and administrative expenses							(63,353,203)	(66,070,875)
							109,953,229	(26,742,453)
Profit before tax							74,536,862	25,621,935
Provision for taxation							(1,370,178)	(2,064,726)
Profit after tax							73,166,684	23,557,209
Accumulated profit:								
Balance at commencement of the year							10,892,945	(12,664,264)
Profit after tax for the year							73,166,684	23,557,209
Balance at the end of the year							84,059,629	10,892,945
Earnings per share - basic and diluted							0.88	0.30



Crescent Star Insurance Limited
Consolidated Balance Sheet
As at December 31, 2017

	2017	2016
	Rupees	Rupees
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised share capital		
115,000,000 (2016: 100,000,000) ordinary shares of Rs. 10/- each	1,150,000,000	1,000,000,000
Issued, subscribed and paid-up share capital	826,833,330	826,833,330
Discount on issue of right shares	(199,650,000)	(199,650,000)
Reserves	(66,459,513)	(1,052,735)
Attributable to the owners of the Holding Company	560,723,817	626,130,595
Non-controlling interest	(6,942,401)	80,668,773
Total shareholders' equity	553,781,416	706,799,368
Share deposit money	250,012,730	-
Underwriting provisions		
Provision for outstanding claims (including IBNR)	66,422,035	71,011,170
Provision for unearned premium	55,822,934	71,592,272
Premium deficiency reserve	1,510,891	593,501
Total underwriting provisions	123,755,860	143,196,943
Creditors and accruals		
Premiums received in advance	1,453,157	633,446
Amounts due to others insurers / reinsurers	43,135,172	24,489,759
Accrued expenses	31,502,519	9,858,822
Other creditors and accruals	134,517,408	220,225,432
Taxation - provision less payments	2,589,262	1,912,813
	213,197,518	257,120,272
Borrowings		
Borrowing under musharaka arrangements	3,694,550	3,007,838
	216,892,068	260,128,110
Other liabilities		
Unpresented dividend warrants	418,209	418,209
Total liabilities	341,066,137	403,743,262
TOTAL EQUITY AND LIABILITIES	1,144,860,283	1,110,542,630
Contingencies and commitments		

	2017	2016
	Rupees	Rupees
ASSETS		
Cash and bank deposits		
Cash and other equivalents	61,734,867	54,731,728
Current and other accounts	7,556,181	7,250,159
	69,291,048	61,981,887
Investments	33,120,784	99,795,924
Deferred taxation	6,705,568	13,543,178
Current assets - others		
Premiums due but unpaid	165,353,427	179,887,393
Amounts due from other insurers / reinsurers	70,452,999	66,527,481
Accrued investment income	346,603	354,866
Reinsurance recoveries against outstanding claims	2,595,202	8,552,929
Deferred commission expense	6,807,589	8,479,678
Prepaid reinsurance premium ceded	10,842,633	3,277,316
Stock in trade - raw materials	31,815,733	19,599,248
Advances, deposits and prepayments	401,879,499	452,932,387
Other receivables	83,809,200	39,572,089
	773,902,885	779,183,387
Fixed assets		
Tangible		
Furniture, fixtures and office equipment	102,035,155	56,423,554
Motor vehicles	13,169,051	12,594,078
Leasehold improvements	42,677,447	8,421,443
Capital work in progress	49,964,075	-
	207,845,728	77,439,075
Intangible	53,994,270	78,599,179
TOTAL ASSETS	1,144,860,283	1,110,542,630



Crescent Star Insurance Limited
Consolidated Profit and Loss Account
For the year ended December 31, 2017

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Credit and suretyship	Miscellaneous	2017 Aggregate	2016 Aggregate
	Rupees							
Revenue account								
Net premium revenue	4,081,395	4,801,594	70,375,631	2,363,543	14,996,993	9,354,970	105,974,126	206,345,732
Net claims	(216,051)	(4,718,570)	(25,814,406)	(6,537,295)	(500,000)	502,772	(37,283,550)	(55,417,725)
Premium deficiency expenses	(799,780)	(117,612)	-	-	-	-	(917,392)	(593,501)
Management expenses	(5,692,436)	(5,316,096)	(51,964,634)	(1,920,709)	(12,490,372)	(8,763,460)	(86,147,707)	(72,047,549)
Net commission	(1,647,130)	(2,279,316)	(9,572,577)	(36,916)	(1,919,985)	(5,226,005)	(20,681,929)	(25,922,569)
Underwriting result	<u>(4,274,002)</u>	<u>(7,630,000)</u>	<u>(16,975,986)</u>	<u>(6,131,377)</u>	<u>86,636</u>	<u>(4,131,723)</u>	<u>(39,056,452)</u>	<u>52,364,388</u>
Sales							110,075,982	49,302,370
Cost of sales							(180,697,478)	(34,682,935)
Investment income							138,541,921	6,905,617
Loss on sale of fixed assets							(1,969,960)	(18,185)
Finance cost							(360,210)	(692,650)
Other income							40,763,304	38,032,590
General and administrative expenses							(165,842,238)	(155,563,227)
							(59,488,679)	(96,716,420)
							(98,545,131)	(44,352,032)
Loss before tax							<u>(9,472,871)</u>	<u>(2,557,750)</u>
Provision for taxation							<u>(108,018,002)</u>	<u>(46,909,782)</u>
Loss after tax								
Attributable to:								
Owners of the Holding Company							(65,406,778)	(14,653,304)
Non-controlling interest							<u>(42,611,224)</u>	<u>(32,256,478)</u>
							<u>(108,018,002)</u>	<u>(46,909,782)</u>
Accumulated losses:								
Balance at commencement of the year							(27,317,568)	(12,664,264)
Loss after tax for the year							<u>(65,406,778)</u>	<u>(14,653,304)</u>
Balance at the end of the year							<u>(92,724,346)</u>	<u>(27,317,568)</u>
Loss per share - basic and diluted							<u>(0.79)</u>	<u>(0.19)</u>

