



ہمیشہ کالتھ

Interim Financial Statements
for the half year ended June 30, 2021
(Unaudited)

Company Information

Company Information	02
Report of the Directors to Members	04

Financial Statements

Independent Auditor's Review Report	08
Condensed Interim Statement of Financial Position	09
Condensed Interim Statement of Profit and Loss Account	10
Condensed Interim Statement of Comprehensive Income	11
Condensed Interim Statement of Changes in Equity	12
Condensed Interim Statement of Cash Flows	13
Notes to the Condensed Interim Financial Statements	14

Financial Statement (Window Takaful)

32	Independent Auditor's Review Report
33	Condensed Interim Statement of Financial Position
34	Condensed Interim Statement of Profit and Loss Account
35	Condensed Interim Statement of Comprehensive Income
36	Condensed Interim Statement of Changes in Equity
37	Condensed Interim Statement of Cash Flows
39	Notes to the Condensed Interim Financial Statements

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

Audit Committee

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

Investment Committee

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

Chief Executive Officer

Nadeem Maqbool

Chief Financial Officer

Amjed Bahadur Ali

Company Secretary

Fariq Mahmood Khan Rohilla

Ethics, Human Resource, Remuneration & Nomination Committee

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

Claim Settlement Committee

Imran Maqbool
(Chairman)
Attaullah A. Rasheed
(Member)
Afzal-ur-Rehman
(Member)
Hassan Mustafa
(Secretary)

Company Information

Underwriting Committee

Imran Maqbool
(Chairman)

M. K. Baig
(Member)

Afzal Ur Rehman
(Member)

M. A. Hannan Shadani
(Secretary)

Risk Management & Compliance Committee

Shameen Azfar
(Chairman)

Nadeem Maqbool
(Member)

Sharik Bashir
(Member)

Amjed Bahadur Ali
(Member)

Niina Afridi
(Secretary)

Registrar

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

P : (21) 34380101-2

F : (21) 34380106

E : info.shares@famco.com.pk

Reinsurance & Co-Insurance Committee

Sharik Bashir
(Chairman)

Afzal Ur Rehman
(Member)

Kamran Safi Rizvi
(Secretary)

Auditors

EY Ford Rhodes, Chartered
Accountants.

Legal Advisors

Arfin & Company Advocates

Registered & Head Office

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

P : (21) 32416331-4

F : (21) 32416572

E : info@pil.com.pk

W : www.pil.com.pk

Report of the Directors to Members

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the half year ended June 30, 2021.

Performance Review

Following is the overall performance of the Company.

	Conventional		Takaful	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	(Rupees in '000)			
Premium / contribution written	171,454	157,081	59,694	33,978
Net Premium / contribution	118,046	92,491	19,970	34,797
Underwriting Result	(122,564)	(90,033)	(3,796)	5,568
Investment income	126,744	9,493	389	1,429
Profit / (Loss) before taxation	5,390	(70,207)	(2,732)	7,285
Profit / (Loss) after taxation	2,946	(71,933)	-	-
Earning (Loss) / per share	0.06	(1.42)		

On Conventional side, the Company's Gross Written Premium increased by 9.15% and Net Earned Premium increased by 27.6% during the six months period ended on June 30, 2021. The Fire and Marine business increased by 39.5% and 26.53% respectively but this growth is partially off-set by decreased in Motor Vehicle business by 32.26% as compared to the same period last year.

The Company's Window Takaful Operations reported an increase of 75.6% in gross contribution written during the six months period ended June 30, 2021 as compared to the same period last year. The main driver of the Growth is Motor and Health that is increased by 48.75% and 115.11% respectively as compared to the same period last year.

The underwriting results for the period were Rs. (122) million as compared to Rs. (90) million in the corresponding period. During the period under review, gross claims shows significant increase on account of two large claims in Fire class, whereas net-off reinsurance effect on net claims is not material due to less retention of risk & better treaties and facultative arrangements. Had this been not occurred, the underwriting result would have been improved by Rs. 56 Million.

During the period under review, the Company able to book a income of Rs 127.74 Million on its investment against Rs 9.49 Million of the same period last year. The sharp increase in dividend income of Rs 147.55 Million during the period help change the landscape of total Investment Income of the period.

Management and General expenses has been put under strict control despite investment in promotion expenses. Other fixed cost is continuously decreasing which is evident from the comparison of last year because various cost control measure that has been implemented and kept under constant review.

The above explained efforts by the Company, resulting into profit before tax of Rs. 5.3 Million as against the loss of Rs. 70.2 Million of the same period last year.

Future Outlook

The emergence of COVID-19 has caused major disruption to the economic activity around the world including Pakistan. Currently Pakistan is going through different waves of COVID-19 but on an overall basis, the impact has been less during the period under review. Various government measures to boost industrial activity has yielded positive results and we have seen higher than expected economic growth. This has led to improved business sentiment and we hope will result in your company being able to secure new business. The management has

prepared an ambitious business plan to retain existing clients through provision of better services and build on its brand recognition to grow its portfolio. We are confident that the company will regain its momentum in the coming months ahead. We also intend to build on our investment portfolio in order to achieve capital gains as well as dividends.

Acknowledgement

The directors would like to thank all our valued customers for their continued patronage and support, also would like to thank the Pakistan Reinsurance Company Limited, Securities and Exchange Commission of Pakistan and State Bank of Pakistan, The Credit Rating Agency for their guidance and assistance. We would also like to thank all our employees for their hard work and efforts.

On behalf of the Board

Chairman

Chief Executive Officer/ Director

Karachi, Dated: August 30, 2021

مستقبل کے امکانات:

Covid-19 کے نے پاکستان سمیت دنیا بھر میں معاشی سرگرمیوں میں بڑا خلل پیدا کیا ہے۔ فی الحال پاکستان Covid-19 کی مختلف لہروں سے گزر رہا ہے لیکن مجموعی بنیادوں پر، زیر جائزہ مدت کے دوران اس کے اثرات کم رہے ہیں۔ صنعتی سرگرمیوں کو بڑھانے کے لیے مختلف حکومتی اقدامات کے مثبت نتائج برآمد ہوئے ہیں اور ہم نے توقع سے زیادہ معاشی نمو دیکھی ہے۔ اس سے کاروباری امور میں بہتری آئی ہے اور ہمیں امید ہے کہ اس کے نتیجے میں آپ کی کمپنی نئے کاروبار کو محفوظ بنائے گی۔ ہم نے اپنے موجودہ کلائنٹس کو برقرار رکھنے، اور اپنے پورٹ فولیو کو بڑھانے اور اپنے برائڈ کی پہچان کیلئے ایک پورٹ فولیو تیار کیا ہے۔ توقع ہے کہ یہی مثبت رجحان آنے والے مہینوں میں بھی برقرار رہے گا۔ ہم اپنی سرمایہ کاری کے پورٹ فولیو کی تعمیر کا بھی ارادہ رکھتے ہیں تاکہ کیپیٹل گینز کے ساتھ ساتھ ڈویڈنڈ بھی حاصل کیا جاسکے۔

اعتراف:

ہم اپنے قابل قدر گاہکوں کی مسلسل سرپرستی اور تعاون اور پاکستان ری انشورنس کمپنی لمیٹڈ، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور دی کریڈٹ ریٹنگ ایجنسی کی رہنمائی اور مدد پر ان کے شکر گزار ہیں۔ اس کے ساتھ ساتھ ہم اپنے تمام ملازمین کی محنت اور کوششوں پر ان کا بھی شکریہ ادا کرنا چاہیں گے

از طرف بورڈ

چیئرمین

چیف ایگزیکٹو آفیسر / ڈائریکٹر

کراچی مورخہ: 30 اگست 2021

ممبران کیلئے ڈائریکٹر رپورٹ

ڈائریکٹر ان کمپنی کے غیر آڈٹ شدہ اختصاری عبوری مالیاتی گوشوارے برائے مختتمہ ششماہی 30 جون 2021 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

کارکردگی کا جائزہ:

کمپنی کی مجموعی کارکردگی درج ذیل ہے:

مکافل		روایتی	
30 جون 2020	30 جون 2021	30 جون 2020	30 جون 2021
روپے ملین میں			
33,978	59,694	157,081	171,454
34,797	19,970	92,491	118,046
5,568	(3,796)	(90,033)	(122,564)
1,429	389	9,493	126,744
7,285	(2,732)	(70,207)	5,390
-	-	(71,933)	2,946
		(1.42)	0.06

تحریری پریمیئم / کنٹری بیوشن

خالص تحریری پریمیئم / کنٹری بیوشن

ڈمنوئیسی کے نتائج

سرمایہ کاری آمدنی

منافع / (خسارہ) قبل از ٹیکس

منافع / (خسارہ) بعد از ٹیکس

منافع / (خسارہ) فی حصص

روایتی پہلو پر، 30 جون 2021 کی مختتمہ ششماہی کے دوران کمپنی کے مجموعی تحریری پریمیئم میں 9.15 فیصد اور خالص پریمیئم کی آمدنی میں 27.6 فیصد اضافہ ہوا۔ فائز اور میرین کاروبار میں بالترتیب 39.5 فیصد اور 26.53 فیصد اضافہ ہوا لیکن یہ نمو موثر وہیکل کے کاروبار میں گزشتہ سال کی اسی مدت کے مقابلے میں 32.26 فیصد کمی سے جزوی طور پر بند ہے۔

ششماہی مدت مختتمہ 30 جون 2021 کے دوران کمپنی کے وٹڈ وٹکافل آپریشنز کے خام تحریری کنٹری بیوشن میں گزشتہ سال کی اسی مدت کے مقابلے میں 75.6 فیصد اضافہ ہوا۔ نمو کے بنیادی ذرائع موثر اور صحت ہے جس میں گزشتہ سال کی اسی مدت کے مقابلے میں بالترتیب 48.75 فیصد اور 115.1 فیصد اضافہ ہوا۔

دوران مدت ڈمنوئیسی کے نتائج گزشتہ سال (90) ملین روپے کے مقابلے میں (122) ملین روپے رہے۔ دوران مدت، مجموعی کلیم فائر کلاس میں دو بڑے کلیم کی وجہ سے نمایاں اضافہ ظاہر کرتے ہیں، جبکہ خالص کلیم پرنسٹ آف ری انشورنس اثر رسک کی کم برقراری اور بہتر معاہدوں اور انتظامی انتظامات کی وجہ سے مادی نہیں ہے۔ اگر ایسا نہ ہوتا تو ڈمنوئیسی کا نتیجہ 56 ملین روپے سے بہتر ہوتا۔ دوران مدت، کمپنی نے سرمایہ کاری پر 127.74 ملین روپے کی آمدنی حاصل کی جو کہ گزشتہ سال کی اسی مدت کے دوران 9.49 ملین روپے تھی۔ اس عرصے کے دوران 147.55 ملین روپے کی منافع بخش آمدنی میں تیزی سے اضافہ اس مدت کی کل سرمایہ کاری آمدنی کے منظر نامے کو تبدیل کرنے میں مدد کرتا ہے۔

پریمیئر نے اپنی کاروباری حکمت عملی میں بڑی تبدیلیاں کی ہیں اور مثبت نمو کی سمت کی جانب جدوجہد کر رہی ہے۔ دیگر مقررہ لائیکس میں مسلسل کمی آ رہی ہے جو کہ گزشتہ سال کے مقابلے میں واضح ہے کیونکہ لاگت کنٹرول کے مختلف اقدامات جن پر عمل درآمد کیا گیا ان کا مسلسل جائزہ لیا جا رہا ہے۔

کمپنی کی مذکورہ بالا کوششوں کے نتیجے میں قبل از ٹیکس منافع مبلغ 5.3 ملین ہوا جبکہ گزشتہ سال قبل از ٹیکس خسارہ 70.2 ملین روپے تھا۔

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 2021 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 2021 and 30 June 2020 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.



Chartered Accountants
Place: Karachi
Date

As at
30 June 2021

Condensed Interim Statement of Financial Position

	Note	Unaudited 30 June 2021	Audited 31 December 2020
		(Rupees in '000)	
Assets			
Property and equipment	7	215,687	221,735
Intangible assets	8	1,685	1,978
Investment properties	9	287,240	275,740
Investments			
- Equity securities	10.1	793,939	829,168
- Mutual funds	10.1	61,291	59,765
- Debt Securities	10.2	193,887	-
Investment in associate		402,251	373,069
Loans and other receivables	11	56,446	62,941
Insurance / reinsurance receivables	12	526,181	655,338
Reinsurance recoveries against outstanding claims	19	903,762	405,249
Salvage recoveries accrued		-	1,805
Deferred commission expense	20	12,055	19,549
Taxation - provision less payment		22,361	3,311
Deferred tax asset		46,870	46,425
Prepayments	13	92,968	155,688
Cash and bank	14	38,995	37,590
		3,655,618	3,149,351
Total Assets of Window Takaful Operations - Operator's Fund	15	104,741	99,929
Total Assets		3,760,359	3,249,280
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		505,650	505,650
Reserves		1,718,157	1,629,308
Accumulated losses		(795,103)	(798,049)
Total Equity		1,428,704	1,336,909
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	19	1,286,340	700,569
Unearned premium reserves	18	171,808	277,987
Unearned reinsurance commission	20	10,629	21,079
Retirement benefit obligations		5,047	5,296
Lease liabilities		9,105	10,222
Insurance / reinsurance payables		504,157	548,928
Other creditors and accruals	16	253,387	262,187
Unclaimed dividends		22,773	22,773
Total Liabilities		2,263,246	1,849,041
Total Liabilities of Window Takaful Operations - Operator's Fund		68,409	63,330
Total Equity and Liabilities		3,760,359	3,249,280
Contingencies and commitments	17		

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

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit and Loss Account (unaudited)

For the quarter and half year ended 30 June 2021

	Note	Quarter ended		Half year ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
(Rupees in '000)					
Net insurance premium	18	64,022	44,998	118,046	92,491
Net insurance claims	19	(92,014)	(22,864)	(135,783)	(51,983)
Net commission expense and other acquisition costs	20	(3,642)	(3,593)	(7,227)	(14,535)
Insurance claims and acquisition expenses		(95,656)	(26,457)	(143,010)	(66,518)
Management expenses	21	(46,598)	(62,003)	(97,600)	(116,077)
Underwriting results		(78,232)	(43,462)	(122,564)	(90,104)
Investment income	22	116,893	5,891	126,744	9,493
Rental income		1,101	990	1,937	1,960
Revaluation gain on investment property		11,500	1,747	11,500	1,747
Other income	23	6,550	6,314	8,312	11,820
Other expenses	24	(2,894)	(931)	(4,209)	(892)
Results of operating activities		54,918	(29,450)	21,720	(65,976)
Finance costs		(309)	(398)	(639)	(816)
Share of profit from associate		3,566	(1,033)	3,566	(1,033)
Profit / (Loss) before tax from General Insurance Operations		58,175	(30,881)	24,647	(67,824)
(Loss) / Profit before tax from Window Takaful Operations - Operator's Fund		(10,174)	1,405	(19,257)	(2,383)
Profit / (Loss) before tax		48,001	(29,476)	5,390	(70,207)
Income tax expense		(716)	(214)	(2,444)	(1,726)
Profit / (Loss) after tax		47,285	(29,690)	2,946	(71,933)
Earning / (Loss) per share - Rupees	26	0.94	(0.59)	0.06	(1.42)

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

For the quarter and
half year ended 30
June 2021

Condensed Interim Statement of Comprehensive Income (unaudited)

Note	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
(Rupees in '000)				
Profit / (Loss) after tax	47,285	(29,691)	2,946	(71,933)
Other comprehensive income:				
Unrealized gain / (loss) on available- for-sale investments during the period	29 39,808	26,834	63,233	(18,132)
Share of other comprehensive income from associated company	25,616	20,107	25,616	20,107
Other comprehensive income for the period	65,424	46,941	88,849	1,975
Total comprehensive income / (loss) for the period	112,709	17,250	91,795	(69,958)

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

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

Condensed Interim Statement of Changes in Equity (unaudited)

For half year ended
30 June 2021

	Share capital	Reserves								
	Issued, subscribed and paid-up	Capital reserves		Revenue reserves					Total reserves	Total equity
		Reserve for exceptional losses	Devaluation reserve	General reserve	Revaluation Reserves - Available for sale investments of Company and associate	Revaluation Reserves - Property and Equipment	Accumulated losses			
(Rupees in '000)										
Balance as at 01 January 2020	505,650	19,490	185	996,851	280,054	35,859	(681,066)	651,373	1,157,023	
Loss for the period ended 30 June 2020	-	-	-	-	-	-	(71,933)	(71,933)	(71,933)	
Other comprehensive income for the period	-	-	-	-	1,975	-	-	1,975	1,975	
Total comprehensive loss for the period ended 30 June 2020	-	-	-	-	1,975	-	(71,933)	(69,958)	(69,958)	
Balance as at 30 June 2020	505,650	19,490	185	996,851	282,029	35,859	(752,999)	581,415	1,087,065	
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 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	(295,103)	923,054	1,428,704	

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

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

June 2021
Premier Insurance Limited

For half year ended
30 June 2021

Condensed Interim Statement of Cashflows (unaudited)

		Half year ended	
	Note	30 June 2021	30 June 2020
		(Rupees in '000)	
Operating cash flows			
a) Underwriting activities			
Insurance premium received		258,237	203,289
Reinsurance premium paid		(122,746)	(134,114)
Claims paid	19	(102,249)	(69,864)
Reinsurance and other recoveries received	19	53,724	33,020
Commission paid		(19,250)	(8,007)
Commission received		10,746	10,713
Other acquisition costs paid		(7,328)	(10,686)
Management expenses paid		(55,930)	(73,593)
Net cash used in underwriting activities		15,205	(49,241)
b) Other operating activities			
Income tax paid		(16,606)	(1,324)
Other operating payments		(23,199)	(6,756)
Other operating receipts		764	9,860
Loans advanced, deposits made/received		(6,482)	(24,000)
Other liabilities paid/received		(3,152)	(15,087)
Total cash used in other operating activities		(48,675)	(37,307)
Total cash used in all operating activities		(33,470)	(86,548)
Investment activities			
Profit / return received		128,063	12,945
Rental received		1,937	1,960
Payment for investments made		(217,092)	(23,765)
Proceeds from investments disposed		118,852	53,746
Fixed capital expenditure incurred		(264)	(1,064)
Proceeds from sale of property and equipment		4,796	1,999
Total cash flow generated from investing activities		36,292	45,820
Financing activities			
Finance cost paid		(639)	(816)
Payment of lease liability		(778)	(2)
Total cash used in financing activities		(1,417)	(818)
Net cash generated / used in from all activities		1,405	(41,545)
Cash and cash equivalents at beginning of the period		37,590	95,196
Cash and cash equivalents at end of the period	14	38,995	53,650

Condensed Interim Statement of Cashflows (unaudited)

For half year ended
30 June 2021

		Half year ended	
	Note	30 June 2021	30 June 2020
		(Rupees in '000)	
Reconciliation to profit or loss account			
Operating cashflows		(33,470)	(86,548)
Depreciation and amortization expense	21	(5,087)	(6,137)
Finance costs		(639)	(816)
Gain on sale of operating fixed assets	23	6,020	1,714
Net realized (loss) / gain on investments	22	(20,002)	18,964
Impairment in value of available for sale securities		(1,289)	(22,235)
Rental income		1,937	1,960
Dividend income	22	147,546	12,787
Other income	23	2,292	10,106
Share of profit / (Loss) of associates		3,566	(1,033)
loss from Window Takaful Operations - Operator's Fund	15	(19,257)	(2,383)
Increase / (decrease) in assets other than cash		325,151	(135,239)
Increase / (decrease) in liabilities other than borrowings		(415,322)	135,180
Gain on revaluation of investment property		11,500	1,747
Profit / (Loss) after taxation		2,946	(71,933)

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 equivalents			
Cash		-	-
Stamps in hand		373	147
		373	147
Current and other accounts			
Current accounts		10,215	1,753
Savings accounts		28,407	51,750
		38,622	53,503
Total cash and cash equivalents		38,995	53,650

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

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

Notes to the Condensed Interim Financial Statements (unaudited)

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) Province of Baluchistan, Pakistan:

- 43-Regal Plaza, 2nd Floor, Circular Road, Quetta

v) Islamabad Capital Territory

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

2. BASIS OF PREPARATION

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.

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

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

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2020.

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 2021 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 2020.

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

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

- IFRS 3 - Definition of a Business (Amendments)
- IAS 1/ IAS 8 - Definition of Material (Amendments)
- International Accounting Standard Board (IASB) revised Conceptual Framework
- IFRS 16 - Rent concessions on leased assets on account of Covid-19
- IFRS 14 - Regulatory Deferral Accounts

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

Notes to the Condensed Interim Financial Statements (unaudited)

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 2021:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 16 - Interest Rate Benchmark Reform Phase 2 (Amendments)	01 January 2021
- 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 or Non-current (Amendments)	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 2021 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 IFRSs	01 January 2004
- 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, 2020.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2020.

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the premium deficiency reserve for each class of business as at 30 June 2021 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

	Note	Unaudited 30 June 2021	Audited 31 December 2020
		(Rupees in '000)	
Operating fixed assets	7.1	182,081	186,991
Capital work-in-progress		26,109	26,109
Right-of-use assets	7.2	7,497	8,635
		215,687	221,735

7.1 Operating fixed assets

	Note	Unaudited 30 June 2021	Audited 31 December 2020
		(Rupees in '000)	
Opening written down value		186,991	194,961
Add: Additions during the period/year		264	1,742
Less: Book value of disposals during the period/year		(1,224)	(787)
Depreciation charged during the period/year		(3,950)	(8,925)
		(5,174)	(9,712)
Closing written down value		182,081	186,991

7.2 Right-of-use assets

The Company has recognized right-of-use assets in respect of the Head Office and its branches:

Head Office and branches:

Opening written down value	8,635	11,312
Add: Additions during the period/year	-	-
	8,635	11,312
Less: Reversal due to termination during the period/year	-	(284)
Depreciation charged during the period/year	(1,138)	(2,393)
Closing written down value	7,497	8,635

Notes to the Condensed Interim Financial Statements (unaudited)

8. INTANGIBLE ASSETS

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Opening written down value		1,978	2,826
Less: Amortization charged during the period/year		(293)	(848)
Closing written down value		1,685	1,978

9. INVESTMENT PROPERTIES

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Carrying value at the beginning of the period		275,740	268,348
Revaluation gain on investment property		11,500	4,105
Additions & capital improvements		-	3,287
Carrying value at the end of the period/year		287,240	275,740

10. INVESTMENTS

10.1. AVAILABLE FOR SALE

	Unaudited 30 June 2021				Audited 31 December 2020			
	Cost	Impairment / provision for the period	Revaluation surplus / (deficit)	Carrying value	Cost	Impairment / provision for the period	Revaluation surplus / (deficit)	Carrying value
(Rupees in '000)								
Related parties								
Listed shares	196,282	(1,289)	238,342	433,335	192,502	-	187,828	380,330
Unlisted shares	1,483	-	-	1,483	114,983	-	-	114,983
Other than related parties								
Listed shares	282,544	-	76,577	359,121	296,906	(26,996)	63,945	333,855
Mutual funds *	47,554	-	13,737	61,291	44,021	-	15,744	59,765
	527,863	(1,289)	328,656	855,230	648,412	(26,996)	267,517	888,933

* 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 and half year ended 30 June 2021

10.2. INVESTMENTS IN DEBT SECURITIES

	Unaudited 30 June 2021		Audited 31 December 2020	
	Carrying value	Market value	Carrying value	Market value
	(Rupees in '000)			
Available for sale				
Government securities				
Treasury Bills	191,792	193,887	-	-
	191,792	193,887	-	-

11. LOANS AND OTHER RECEIVABLES

	Note	Unaudited 30 June 2021	Audited 31 December 2020
		(Rupees in '000)	
Mark-up and dividend receivable		534	547
Loans to employees	11.1	3,572	3,784
Deposits	11.2	34,458	34,965
Receivables against sale of Investment		-	11,630
Advance to agents		1,396	737
Other receivables		16,486	11,278
		56,446	62,941

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 (December 31, 2020: 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 30 June 2021	Audited 31 December 2020
		(Rupees in '000)	
Premium due but unpaid		457,250	547,462
Less: Provision for doubtful receivables from insurance contract holder		(163,495)	(161,781)
		293,755	385,681
Amounts due from other insurers / reinsurers		334,406	370,993
Less: Provision for doubtful receivables from insurers / reinsurers		(101,980)	(101,336)
		232,426	269,657
		526,181	655,338

Notes to the Condensed Interim Financial Statements (unaudited)

13. PREPAYMENTS

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Prepaid reinsurance premium ceded	18	72,084	153,696
Other prepaid expense		20,884	1,992
		92,968	155,688

14. CASH AND BANK

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Cash and cash equivalent			
- Policy and revenue stamps, bond papers		373	184
Cash at bank			
- Current accounts		10,215	10,354
- Savings account	14.1	28,407	27,052
		38,995	37,590

14.1 The rate of return on savings account held with various banks range from 5.12% to 5.52% per annum (December 31, 2020: 5.48% to 13.69%).

15. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Assets			
Loan and other receivables		88	113
Receivable from PTF		10,770	10,990
Deferred commission expense		3,712	2,105
Cash and bank		3,851	3,701
		18,421	16,909
Qard-e-hasna contributed to PTF		86,320	83,020
Total Assets		104,741	99,929
Total Liabilities		146,510	122,441

	Note	Unaudited Half year ended 30 June 2021	30 June 2020
(Rupees in '000)			
Operator's revenue accounts			
Wakala fee		14,528	21,735
Commission expense		(2,659)	(4,933)

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

General, administrative and management expenses	(29,967)	(19,213)
Modarib's share of PTF Investment income	554	961
Profit on bank accounts	16	61
Other expenses	(1,729)	(994)
Loss for the period	(19,257)	(2,383)

16. OTHER CREDITORS AND ACCRUALS

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Bonus payable		4,541	4,541
Commissions payable		170,602	176,250
Federal excise duty and sales tax		16,635	16,506
Federal insurance fee		146	505
Deposits and margins		3,727	3,727
Provision for rent	16.1	14,000	14,000
Others		43,736	46,658
		253,387	262,187

- 16.1** This represents provision for rent amounting to Rs.14 million (December 31, 2020: 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

	Note	Unaudited 30 June 2021	Audited 31 December 2020
(Rupees in '000)			
Commitment for capital expenditure		15,038	15,038

- 17.2** There is no change in the status of contingencies as disclosed in the annual audited financial statements for the year ended December 31, 2020.

Notes to the Condensed Interim Financial Statements (unaudited)

18. NET INSURANCE PREMIUM

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Written gross premium	75,184	76,495	171,454	157,081
Add: Unearned premium reserve opening	239,752	202,358	277,987	241,735
Less: Unearned premium reserve closing	(171,808)	(161,839)	(171,808)	(161,839)
Premium Earned	143,128	117,014	277,633	236,977
Less: Reinsurance premium ceded	28,148	29,757	77,975	83,602
Add: Prepaid reinsurance premium opening	123,042	105,775	153,696	124,400
Less: Prepaid reinsurance premium closing	(72,084)	(63,516)	(72,084)	(63,516)
Reinsurance expense	79,106	72,016	159,587	144,486
Net insurance premium	64,022	44,998	118,046	92,491

19. NET INSURANCE CLAIMS

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Claims paid	63,339	38,616	102,249	69,864
Less: Outstanding claims including IBNR opening	(732,335)	(701,401)	(700,569)	(682,106)
Add: Outstanding claims including IBNR closing	1,286,340	693,670	1,286,340	693,670
Claims expense	617,344	30,885	688,020	81,428
Less: Reinsurance and other recoveries received	38,745	14,887	53,724	33,020
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(417,177)	(380,803)	(405,249)	(377,512)
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	903,762	373,937	903,762	373,937
Reinsurance and other recoveries revenue	525,330	8,021	552,237	29,445
Net insurance claims	92,014	22,864	135,783	51,983

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

20. NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Commission paid or payable	4,694	5,873	13,602	12,542
Add: Deferred commission opening	18,230	15,941	19,549	20,156
Less: Deferred commission closing	(12,055)	(11,683)	(12,055)	(11,683)
Commission expense	10,869	10,131	21,096	21,015
Less: Commission received or recoverable from reinsurers	3,493	3,077	10,746	10,713
Add: Unearned reinsurance commission opening	17,612	14,255	21,079	15,263
Less: Unearned reinsurance commission closing	(10,629)	(8,810)	(10,629)	(8,810)
Commission from reinsurance	10,476	8,522	21,196	17,166
Net Commission expense	393	1,609	(101)	3,849
Add: Other acquisition costs:				
Tracking device expenses	600	(646)	756	5,354
Service charges	2,343	1,696	5,714	4,170
Other costs	306	934	858	1,162
	3,249	1,984	7,328	10,686
Net Commission expense and other acquisition costs	3,642	3,593	7,227	14,535

21. MANAGEMENT EXPENSES

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Employee benefit cost	34,485	46,483	71,060	87,532
Travelling expenses	244	578	450	1,100
Advertisement and sales promotion	503	307	788	399
Printing and stationary	780	908	1,700	1,355
Depreciation	2,145	2,788	4,793	5,715
Amortization	148	211	294	422
Rent, rates and taxes	463	68	654	361
Legal and professional charges - business related	1,257	4,052	3,319	4,749
Electricity, gas and water	1,368	544	2,031	1,414
Entertainment	410	358	1,098	1,042
Vehicle running expenses	296	257	567	607
Office repairs and maintenance	976	1,459	2,380	2,650
Bank charges	122	120	189	231
Postages, telegrams and telephone	996	1,504	2,084	2,914
Insurance expense	406	567	1,016	955
Annual supervision fee SECP	-	-	1,006	1,071
Bad and doubtful debts	1,504	1,530	3,429	3,142
Others	495	211	742	418
	46,598	61,945	97,600	116,077

Notes to the Condensed Interim Financial Statements (unaudited)

22. INVESTMENT INCOME

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Income from equity securities and mutual fund units				
Available for sale				
- Dividend income	138,664	9,246	147,546	12,787
Income from debts securities				
Available for sale				
- Amortization of discount - net	815	-	815	-
Net realized (loss) / gain on investments				
Available for sale				
- Equity securities	(21,134)	18,896	(20,002)	18,964
Total investment income	118,345	28,142	128,360	31,752
Less: Impairment in value of available for sale securities		.		.
- Equity Securities	(1,289)	(22,235)	(1,289)	(22,235)
Less: Investment related expenses	(163)	(16)	(327)	(24)
	116,893	5,891	126,744	9,493

23. OTHER INCOME

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Return on bank balances	318	700	508	2,717
Exchange gain	1,528	246	1,528	246
Gain on sale of operating fixed assets	4,494	(3)	6,020	1,714
Liabilities no longer required written back	-	5,215	-	5,215
Miscellaneous	209	157	256	1,928
	6,550	6,314	8,312	11,820

24. OTHER EXPENSES

This mainly includes auditors' remuneration, subscription and donations.

25. TAXATION

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Current tax	1,011	1,354	2,889	2,866
Deferred tax	(295)	(1,140)	(445)	(1,140)
	716	214	2,444	1,726

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

- 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. EARNING / (LOSS) PER SHARE

	Unaudited			
	Quarter ended		Half year ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Profit / (Loss) after tax for the period	47,285	(29,690)	2,946	(71,933)
	(Number of shares in '000)			
Weighted average number of ordinary shares	50,565	50,565	50,565	50,565
	(Rupees)			
Earning / (Loss) per share	0.94	(0.59)	0.06	(1.42)

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.

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 2021	30 June 2020
	(Rupees in '000)	
Transactions during the period		
Associated Companies		
Premium underwritten	16,785	35,286
Claims paid	15,542	19,507
Commission paid	-	-
Dividend received	131,246	-
Others		
Meeting fees	860	680
Remuneration and retirement benefits to key management personnel	64,611	59,512
	Unaudited	Audited
	30 June 2021	31 December 2020
	(Rupees in '000)	
Period end balances		
Associated Companies		
Premium receivable	20,473	138,176
Claims outstanding	19,889	36,107
Commission outstanding	14,010	25,189

For the quarter and
half year ended 30
June 2021

Notes to the Condensed Interim Financial Statements (unaudited)

28. SEGMENT REPORTING

28.1 Segment profit or loss

											Unaudited Quarter ended	
											30 June 2021	30 June 2020
											Total	
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
(Rupees in '000)												
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and Administrative surcharge)	29,461	17,854	7,955	4,804	11,019	11,465	31,661	46,235	1,715	1,457	81,811	81,815
Less: FED / sales tax	3,612	2,419	693	543	1,341	1,438	-	-	253	157	5,899	4,557
Less: Federal insurance fee	242	151	64	42	94	99	314	458	14	13	728	763
Gross written Premium (inclusive of Administrative surcharge)	25,607	15,284	7,198	4,219	9,584	9,928	31,347	45,777	1,448	1,287	75,184	76,496
Gross direct premium	24,142	15,089	6,151	4,058	9,107	9,584	31,326	45,757	1,427	1,271	72,153	75,759
Facultative inward premium	1,380	147	818	-	142	-	-	-	-	-	2,340	147
Administrative surcharge	86	48	230	161	335	343	20	20	21	17	692	589
Insurance premium earned	59,255	52,569	7,864	5,616	16,689	25,647	48,646	23,195	10,675	9,986	143,128	117,013
Insurance premium ceded to reinsurers	(58,689)	(55,097)	(3,291)	(2,932)	(918)	(723)	(10,013)	(7,826)	(6,196)	(5,438)	(79,106)	(72,016)
Net Insurance premium	566	(2,528)	4,573	2,684	15,771	24,924	38,633	15,369	4,479	4,548	64,022	44,997
Commission income	6,670	5,749	564	513	57	29	1,752	1,726	1,433	506	10,476	8,522
Net underwriting income	7,236	3,221	5,137	3,197	15,828	24,953	40,385	17,095	5,912	5,054	74,498	53,519
Insurance claims expense	(573,709)	(5,682)	(2,421)	(322)	(1,826)	(8,223)	(38,787)	(15,079)	(601)	(1,578)	(617,344)	(30,885)
Insurance claims recovered from reinsurance and other recoveries revenue	514,891	4,146	1,811	250	(0)	56	9,180	5,635	(552)	(2,067)	525,330	8,021
Net Insurance claims	(58,818)	(1,536)	(610)	(72)	(1,826)	(8,167)	(29,606)	(9,444)	(1,154)	(3,645)	(92,014)	(22,864)
Commission expense	(5,502)	(5,467)	(437)	(670)	(1,294)	(1,629)	(3,373)	(1,570)	(263)	(795)	(10,869)	(10,131)
Management expense	(19,265)	(27,932)	(2,561)	(3,011)	(5,383)	(13,633)	(15,930)	(12,137)	(3,460)	(5,289)	(46,598)	(62,003)
Other acquisition cost	(31)	(64)	(20)	(57)	(658)	204	(2,518)	(1,971)	(23)	(96)	(3,249)	(1,984)
Net insurance claims and expenses	(83,615)	(34,999)	(3,629)	(3,810)	(9,161)	(23,225)	(51,426)	(25,122)	(4,899)	(9,825)	(152,730)	(96,981)
Underwriting result	(76,380)	(31,778)	1,508	(613)	6,667	1,728	(11,041)	(8,027)	1,014	(4,771)	(78,232)	(43,462)
Net investment Income											116,893	5,891
Rental income											1,101	990
Fair value gain on investment property											11,500	1,747
Other income											6,550	6,314
Other expenses											(2,894)	(931)
Finance cost											(309)	(398)
Share of profit/(loss) from associate											3,566	(1,033)
Share of profit/(loss) from WTO											(10,174)	1,405
- Operator's Fund												
Profit / (Loss) before tax											48,001	(29,476)

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Unaudited	
											Half year ended	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	30 June 2021	30 June 2020
	(Rupees in '000)										Total	
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and Administrative surcharge)	66,720	48,300	16,354	13,003	22,979	33,762	74,399	69,975	5,589	5,725	186,041	170,765
Less: FED / sales tax	7,712	5,965	1,637	1,365	2,913	4,133	-	-	721	684	12,983	12,147
Less: Federal insurance fee	490	386	137	115	194	293	737	693	46	50	1,604	1,537
Gross written Premium (inclusive of Administrative surcharge)	58,518	41,949	14,580	11,523	19,872	29,336	73,662	69,282	4,822	4,991	171,454	157,081
Gross direct premium	48,819	38,507	13,261	11,113	18,694	28,538	73,627	69,250	4,552	4,935	158,953	152,343
Facultative inward premium	9,520	3,312	857	-	463	84	-	-	222	-	11,062	3,397
Administrative surcharge	179	129	463	410	715	714	35	32	48	56	1,439	1,341
Insurance premium earned	115,879	107,445	15,247	12,388	34,201	53,456	91,041	43,378	21,266	20,309	277,633	236,976
Insurance premium ceded to reinsurers	(115,962)	(111,333)	(6,217)	(6,873)	(1,760)	(1,387)	(23,293)	(14,386)	(12,354)	(10,507)	(159,587)	(144,485)
Net Insurance premium	(83)	(3,888)	9,030	5,515	32,440	52,069	67,747	28,992	8,912	9,802	118,046	92,491
Commission income from reinsurers	13,073	11,732	1,076	1,203	108	53	4,076	2,508	2,863	1,670	21,196	17,166
Net underwriting income	12,990	7,844	10,106	6,718	32,549	52,122	71,824	31,500	11,774	11,472	139,243	109,656
Insurance claims expense	(576,816)	(13,686)	(2,791)	(4,336)	(9,987)	(17,483)	(89,100)	(37,168)	(9,326)	(8,754)	(688,020)	(81,428)
Insurance claims recovered from reinsurers and other recoveries revenue	515,266	9,528	2,262	3,406	4	462	30,151	12,109	4,553	3,939	552,237	29,445
Net Insurance claims	(61,550)	(4,158)	(529)	(930)	(9,983)	(17,021)	(58,949)	(25,059)	(4,773)	(4,814)	(135,783)	(51,983)
Commission expense	(10,733)	(11,396)	(1,210)	(1,599)	(2,575)	(3,497)	(5,947)	(2,831)	(630)	(1,693)	(21,095)	(21,015)
Management expense	(40,736)	(52,668)	(5,360)	(6,064)	(12,023)	(26,168)	(32,005)	(21,235)	(7,476)	(9,942)	(97,600)	(116,077)
Other acquisition cost	(80)	(83)	(62)	(71)	(957)	(5,906)	(6,157)	(4,504)	(73)	(122)	(7,328)	(10,686)
Net insurance claims and expenses	(113,099)	(68,305)	(7,161)	(8,664)	(25,538)	(52,592)	(103,058)	(53,629)	(12,952)	(16,571)	(261,807)	(199,761)
Underwriting result	(100,109)	(60,461)	2,945	(1,946)	7,011	(470)	(31,234)	(22,128)	(1,177)	(5,099)	(122,564)	(90,104)
Investment income											126,744	9,493
Rental income											1,937	1,960
Revaluation gain on investment property											11,500	1,747
Other income											8,312	11,820
Other expenses											(4,209)	(892)
Finance cost											(639)	(816)
Share of profit/(loss) from associate											3,566	(1,033)
Share of (loss) from WTO											(19,257)	(2,383)
- Operator's Fund												
Profit / (Loss) before tax											5,389	(70,207)

Notes to the Condensed Interim Financial Statements (unaudited)

28.2 Segment assets and liabilities

The following presents segments assets and liabilities for the period June 30, 2021 (unaudited) and December 31, 2020 (audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Segment assets	523,700	529,111	130,482	74,426	177,842	174,249	659,230	360,026	43,154	99,816	1,534,408	1,237,628
Unallocated corporate assets											2,225,950	2,011,652
Total assets											3,760,359	3,249,280
Segment Liabilities	673,370	662,042	167,773	93,124	228,669	218,027	847,634	450,477	55,487	124,893	1,972,933	1,548,562
Unallocated corporate liabilities											290,313	300,479
Total liabilities											2,263,246	1,849,041

29. MOVEMENT IN INVESTMENTS

	Available for sale (Rupees in '000)
01 January, 2020	742,852
Additions	68,064
Disposals (sale and redemptions)	(61,847)
Fair value net gains (excluding net realized gains)	166,860
Designated at fair value through profit of loss upon initial recognition	-
Impairment losses	(26,996)
31 December, 2020	888,933
Additions	217,092
Disposals (sale and redemptions)	(118,852)
Fair value net gains (excluding net realized gains)	63,233
Designated at fair value through profit of loss upon initial recognition	-
Classified as held for trading	-
Impairment losses	(1,289)
30 June, 2021	1,049,117

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 and half year ended 30 June 2021

- 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 period

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

Unaudited 30 June 2021			
Fair Value Measurement			
Level 1	Level 2	Level 3	
(Rupees in '000)			
Available for sale investments (measured at fair value)			
Equity securities	793,939	-	-
Mutual fund units	-	61,291	-
Debt securities - Treasury bills	-	193,887	-
	793,939	255,178	-

Audited 31 December 2020			
Fair Value Measurement			
Level 1	Level 2	Level 3	
(Rupees in '000)			
Available for sale investments (measured at fair value)			
Equity securities	714,185	-	-
Mutual fund units	-	59,765	-
	714,185	59,765	-

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **30th August 2021** by the Board of directors of the Company.

32. GENERAL

- 32.1** There is no individual class of business within the category of 'miscellaneous', where the gross premium of the class of business is 10% or more of the gross premium revenue of the company.
- 32.2** The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current period. However there were no material reclassification / restatements to report.
- 32.3** All amounts have been rounded to the nearest thousand Rupees.

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

June 2021
Premier Insurance Limited

Financial Statements

(Window Takaful)



**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 2021** 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 2021 and 30 June 2020 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

Engagement Partner: Shaikh Ahmed Salman

Date:

Karachi

As at
30 June 2021

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

		Operator's Fund		Participant's Takaful Fund	
	Note	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(Rupees in '000)			
Assets					
Investments					
Mutual funds	7	-	-	-	6,820
Term deposits	8	-	-	600	600
Loans and other receivables	9	88	113	34,558	16,011
Takaful / retakaful receivables	11	-	-	33,771	36,023
Retakaful recoveries against outstanding claims	18	-	-	14,633	5,004
Qard-e-hasna contributed to PTF		86,320	83,020	-	-
Salvage recoveries accrued		-	-	875	72
Receivable from OPF / PTF	10	10,770	10,990	41,989	41,684
Deferred wakala expense	21	-	-	18,638	12,273
Deferred commission expense	22	3,712	2,105	-	-
Prepayments	12	-	-	4,483	5,901
Cash and bank	13	3,851	3,701	51,309	36,440
Total Assets		104,741	99,929	200,856	160,828
Funds and Liabilities					
Reserve attributable to:					
Operator's Fund (OPF)					
Statutory fund		50,000	50,000	-	-
Accumulated deficit		(91,769)	(72,512)	-	-
Balance of Operator's Fund		(41,769)	(22,512)	-	-
Participant's Takaful Fund (PTF) / Waqf					
Seed money		-	-	500	500
Revaluation reserves		-	-	(469)	(462)
Accumulated deficit		-	-	(31,633)	(28,901)
Balance of Participant's Takaful Fund / Waqf		-	-	(31,602)	(28,863)
Qard-e-Hasna		-	-	86,320	83,020
Liabilities					
PTF Underwriting provisions					
Unearned contribution reserve	17	-	-	53,251	35,064
Outstanding claims (including IBNR)	18	-	-	58,344	37,789
Contribution deficiency reserve		-	-	4,410	4,410
Reserve for Unearned retakaful rebate	20	-	-	735	1,167
		-	-	116,740	78,430
Unearned wakala fees	21	18,638	12,273	-	-
Takaful / retakaful payables		-	-	15,422	14,489
Payable to OPF / PTF	15	41,989	41,684	10,770	10,990
Other creditors and accruals	14	85,883	68,484	3,206	2,762
		146,510	122,441	29,398	28,241
Total Fund and Liabilities		104,741	99,929	200,856	160,828
Contingencies and commitments					
	16				

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit And Loss (unaudited)

For the quarter and
half year ended 30
June 2021

	Note	Quarter ended		Half Year Ended	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
(Rupees in '000)					
Participant's Takaful Fund					
Contribution earned - net of wakala fee	17	14,655	19,445	26,979	40,366
Less: Contribution ceded to retakaful	17	(3,447)	(2,546)	(7,009)	(5,569)
Net contribution revenue	17	11,208	16,899	19,970	34,797
Re-takaful rebate earned	20	642	441	1,308	868
Net underwriting income		11,850	17,340	21,278	35,665
Net claims - reported / settled	18	(10,409)	(13,153)	(21,373)	(26,541)
- IBNR	18	(1,071)	(2,283)	(850)	(2,283)
		(11,480)	(15,436)	(22,223)	(28,824)
Provision for doubtful contribution	11	(60)	-	(60)	-
Other direct expenses	19	(1,390)	(703)	(2,791)	(1,273)
(Deficit) / Surplus before investment income		(1,080)	1,201	(3,796)	5,568
Investment income	25	388	348	389	1,429
Other income	26	678	874	1,229	1,249
Less: Modarib's share of investment income	27	(361)	(961)	(554)	(961)
(Deficit) / Surplus for the period		(375)	1,462	(2,732)	7,285
Operator's Fund					
Wakala fee	21	7,892	10,471	14,528	21,735
Commission expense	22	(1,420)	(2,333)	(2,659)	(4,933)
General, administrative and management expenses	23	(15,855)	(7,140)	(29,967)	(19,213)
		(9,383)	998	(18,098)	(2,411)
Modarib's share of PTF investment income	27	361	961	554	961
Profit on bank accounts		5	14	16	61
Other expenses	24	(1,157)	(567)	(1,729)	(994)
(Loss) / Profit for the period		(10,174)	1,406	(19,257)	(2,383)

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.

For the quarter and
half year ended 30
June 2021

Condensed Interim Statement of Comprehensive Income (unaudited)

	Quarter ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Participant's Takaful Fund				
(Deficit) / Surplus for the period	(375)	1,462	(2,732)	7,285
Other comprehensive income / (loss) for the period:				
Unrealized loss on available for sale securities	(107)	(1,210)	(7)	(1,210)
Total comprehensive income / (loss) for the period	(482)	252	(2,739)	6,075
Operator's Fund				
(Loss) / Profit for the period	(10,174)	1,406	(19,257)	(2,383)
Other comprehensive income / (loss) for the period:				
Unrealized income on available for sale securities	-	-	-	-
Total comprehensive (loss) / income for the period	(10,174)	1,406	(19,257)	(2,383)

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.

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

For half year ended
30 June 2021

	Attributable to Operator's Fund			
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated deficit	Total
(Rupees in '000)				
Balance as at 01 January 2020	50,000	-	(73,621)	(23,621)
Net loss for the period	-	-	(2,383)	(2,383)
Other comprehensive income for the period	-	-	-	-
Balance as at 30 June 2020	50,000	-	(76,004)	(26,004)
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)

	Attributable to participants of the Participant's Fund			
	Seed Money	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated Deficit	Total
(Rupees in '000)				
Balance as at 01 January 2020	500	557	(28,444)	(27,387)
Surplus for the period	-	-	7,285	7,285
Other comprehensive loss for the period	-	(1,210)	-	(1,210)
Balance as at 30 June 2020	500	(653)	(21,159)	(21,312)
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	-	(7)	-	(7)
Balance as at 30 June 2021	500	(469)	(31,633)	(31,602)

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

For half year ended
30 June 2021

Condensed Interim Cash Flow Statement (unaudited)

		Half Year Ended				
		Operator's Fund		Participant's Takaful Fund		
	Note	30 June 2021	30 June 2020	30 June 2021	30 June 2020	
(Rupees in '000)						
Operating Activities						
a) Takaful activities						
Contribution received		-	-	43,699	56,104	
Re-takaful contributions paid		-	-	(4,021)	(4,376)	
Claims / benefit paid	18	-	-	(11,968)	(20,443)	
Re-takaful and other recoveries received	18	-	-	671	181	
Commissions (paid) / re-takaful rebate received		(4,932)	(3,295)	876	652	
Wakala fees received		21,113	18,399	-	-	
Wakala fees paid		-	-	(21,113)	(18,399)	
Modarib share received / (paid)		554	-	(554)	-	
Total cash generated / (used in) takaful activities		16,735	15,104	7,590	13,719	
b) Other operating activities						
General and administration expenses paid		(31,696)	(20,209)	(2,851)	(1,270)	
Other operating payments		-	720	-	-	
Amounts due from other takaful / retakaful operators		-	-	2,252	3,016	
Deposits and other receivables		27	(49)	(18,525)	(709)	
Paid to Premier Insurance Limited		17,933	10,217	23,925	(4,617)	
Accrued salvage recoveries		(803)	(1,043)	-	-	
Other liabilities paid		1,238	(1,588)	(613)	(1,215)	
Qard-e-hasna contributions		(3,300)	-	3,300	-	
Total cash used in other operating activities		(16,601)	(11,952)	7,488	(4,795)	
Total cash used in from operating activities		134	3,152	15,078	8,924	
Investment Activities						
Investment income / (loss) received		-	-	(216)	45	
Bank profit received		16	61	-	-	
Sale of investment - net		-	-	7	1,763	
Total cash generated / (used in) from investing activities		16	61	(209)	1,808	
Total cash generated from all activities		150	3,213	14,869	10,732	
Cash and cash equivalents at beginning of the period		3,701	1,559	36,440	53,593	
Cash and cash equivalents at the end of the period		13	3,851	4,772	51,309	64,325

Condensed Interim Cash Flow Statement (unaudited)

For half year ended
30 June 2021

	Half Year Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
(Rupees in '000)				
Reconciliation to profit and loss account				
Operating cash flows	134	3,152	15,078	8,924
Investment income	-	-	389	1,429
Increase in assets other than cash	1,362	9,439	25,159	24,341
Decrease in liabilities	(17,453)	(14,974)	(46,658)	(27,409)
Qard-e-hasna contributions	(3,300)	-	3,300	-
(loss) / Income for the period	(19,257)	(2,383)	(2,732)	7,285
Attributed to				
Operator's Fund	(19,257)	(2,383)	-	-
Participants' Takaful Fund	-	-	(2,732)	7,285
	(19,257)	(2,383)	(2,732)	7,285
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	-	58	-	-
Current and other accounts				
Current and savings accounts	3,851	4,714	51,309	64,325
Term deposit receipt	-	-	-	-
Total cash and cash equivalent	3,851	4,772	51,309	64,325

The annexed notes from 1 to 33 form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements (unaudited)

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, 2020.

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.

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

2.2 Basis of measurement

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

2.3 Functional and Presentation Currency

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

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS

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 2020.

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

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

- IFRS 3 - Definition of a Business (Amendments)
- IAS 1/ IAS 8 - Definition of Material (Amendments)
- International Accounting Standard Board (IASB) revised Conceptual Framework
- IFRS 16 - Rent concessions on leased assets on account of Covid-19
- IFRS 14 - Regulatory Deferral Accounts

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim 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 2021:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
- IFRS 16 - Interest Rate Benchmark Reform Phase 2 (Amendments)	01 January 2021
- 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 or Non-current (Amendments)	01 January 2023

Notes to the Condensed Interim Financial Statements (unaudited)

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 2021 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 IFRSs	01 January 2004
- IFRS 17 – Insurance Contracts	01 January 2023

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, 2020.

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, 2020.

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business as at June 30, 2021 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	(Unaudited) 30 June 2021			(Audited) 31 December 2020		
		Cost	Impairment / provision for the period	Carrying value	Cost	Impairment / Provision for the period	Carrying value
(Rupees in '000)							
Classified at available for sale							
Mutual fund units		-	-	-	6,813	-	6,820
		-	-	-	6,813	-	6,820

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

8. INVESTMENTS IN TERM DEPOSITS - PTF

		(Unaudited) 30 June 2021			(Audited) 31 December 2020		
	Note	Cost	Impairment / provision for the period	Carrying value	Cost	Impairment / Provision for the period	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 3.75% per annum (December 31, 2020: 4.57%) having maturity till 19 July 2021.

9. LOANS AND OTHER RECEIVABLES - Considered good

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in '000)				
Profit receivable	3	1	233	211
Federal excise duty	85	112	5,299	5,124
Others	-	-	29,026	10,676
	88	113	34,558	16,011

10. RECEIVABLE FROM OPF / PTF

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in '000)				
Wakala fee receivable	10,770	10,990	-	-
Inter fund receivable	-	-	41,989	41,684
	10,770	10,990	41,989	41,684

11. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in '000)				
Contribution due but unpaid	-	-	30,361	31,584
Less: Provision for doubtful receivables takaful participants' holders	-	-	(5,612)	(5,552)
	-	-	24,749	26,032
Amounts due from other takaful / retakaful operators	-	-	9,022	9,991
	-	-	33,771	36,023

Notes to the Condensed Interim Financial Statements (unaudited)

12. PREPAYMENTS

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in '000)			
Prepaid retakaful contribution ceded	-	-	3,520	5,575
Other prepaid expense	-	-	963	326
	-	-	4,483	5,901

13. CASH AND BANK

		Operator's Fund		Participant's Takaful Fund	
	Note	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(Rupees in '000)			
Cash and cash equivalent					
Policy, revenue stamps and bond papers		-	29	14	-
Cash at bank					
Current accounts		15	15	521	397
Savings account	13.1	3,836	3,657	50,774	36,043
		3,851	3,701	51,309	36,440

13.1 The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 2.80% to 6.30% per annum (December 31, 2020: 2.75% to 6.55%).

14. OTHER CREDITORS AND ACCRUALS

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in '000)			
Payable to Premier Insurance Limited	77,630	59,697	1,057	-
Federal takaful fee	-	-	18	45
Sales tax on services	-	-	19	49
Commission payable	8,527	9,193	-	-
Auditor's fee	320	299	-	-
Others	(594)	(705)	2,112	2,668
	85,883	68,484	3,206	2,762

15. PAYABLE TO OPF / PTF

	Operator's Fund		Participant's Takaful Fund	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in '000)			
Wakala fee payable	-	-	10,770	10,990
Other Payable	41,989	41,684	-	-
	41,989	41,684	10,770	10,990

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

16. CONTINGENCES AND COMMITMENTS

There are no contingencies and commitments as at 30 June 2021 (31 December 2020: Nil)

17. NET CONTRIBUTION

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Written gross contribution	30,754	13,806	59,694	33,978
Less: Wakala fee	(7,892)	(10,471)	(14,528)	(21,735)
Contribution Net of Wakala Fee	22,862	3,335	45,166	12,243
Add: Unearned contribution reserve opening	45,044	59,174	35,064	71,187
Less: Unearned contribution reserve closing	(53,251)	(43,064)	(53,251)	(43,064)
Contribution earned	14,655	19,445	26,979	40,366
Less: Retakaful contribution ceded	2,545	1,521	4,954	4,370
Add: Prepaid retakaful contribution opening	4,422	2,941	5,575	3,115
Less: Prepaid retakaful contribution closing	(3,520)	(1,916)	(3,520)	(1,916)
Retakaful expense	3,447	2,546	7,009	5,569
Net contribution	11,208	16,899	19,970	34,797

18. NET CLAIMS EXPENSE

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Claims paid or payable	4,507	11,525	11,968	20,443
Less: Outstanding claims including IBNR opening	(41,284)	(57,110)	(37,789)	(52,440)
Add: Outstanding claims including IBNR closing	58,344	61,099	58,344	61,099
Claims expense	21,567	15,514	32,523	29,102
Less: Retakaful and other recoveries received	(1)	(1)	671	181
Less: Retakaful recoveries against outstanding claims - opening	(4,545)	(5,460)	(5,004)	(5,442)
Add: Retakaful recoveries against outstanding claims - closing	14,633	5,539	14,633	5,539
Retakaful and other recoveries revenue	10,087	78	10,300	278
Net claim	11,480	15,436	22,223	28,824

Notes to the Condensed Interim Financial Statements (unaudited)

19. DIRECT EXPENSES - PTF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Tracking services	21	-	21	94
Service charges	651	457	1,431	562
Others	718	246	1,339	617
	1,390	703	2,791	1,273

20. RETAKAFUL REBATE - PTF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Rebate from re-takaful received	455	229	876	652
Add: Deferred rebate opening	922	602	1,167	606
Less: Deferred rebate closing	(735)	(390)	(735)	(390)
Rebate from retakaful earned	642	441	1,308	868

21. WAKALA FEE - OPF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Gross wakala fee	10,765	4,832	20,893	11,892
Add: Deferred wakala opening	15,765	20,711	12,273	24,916
Less: Deferred wakala closing	(18,638)	(15,072)	(18,638)	(15,072)
Net wakala fee	7,892	10,471	14,528	21,735

The shareholders of the company manage the general takaful operations for the participants and charges 35% of the gross contribution written as wakala fee against the services.

22. COMMISSION EXPENSE - OPF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Commission paid or payable	2,349	897	4,266	2,673
Add: Deferred commission opening	2,783	4,762	2,105	5,586
Less: Deferred commission closing	(3,712)	(3,326)	(3,712)	(3,326)
Commission expense	1,420	2,333	2,659	4,933

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

23. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - OPF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Employee benefit cost	13,544	6,263	24,524	15,923
Rent, rates and taxes	171	(11)	228	62
Communications	164	109	290	313
Fuel and power	508	191	707	1,004
Travelling expenses	95	76	157	203
Entertainments	175	17	382	188
Advertisements and sales promotions	-	-	1,187	67
Repair and maintenance	407	211	829	509
Printing and stationery	329	155	598	259
Vehicle running expenses	115	24	197	112
Annual supervision fee SECP	-	-	262	298
Miscellaneous	347	105	606	275
	15,855	7,140	29,967	19,213

24. OTHER EXPENSES - OPF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Auditors' remuneration	293	208	415	268
Inadmissible input tax expense	(12)	-	(12)	-
Fees and subscription	876	359	1,326	726
	1,157	567	1,729	994

25. INVESTMENT INCOME - PTF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Income from mutual funds				
Realized gain on sale of mutual fund units	375	47	375	47
Dividend income	-	290	-	1,352
Income from term deposits				
Return on term deposits	13	11	14	30
	388	348	389	1,429

26. OTHER INCOME - PTF

	(Unaudited)			
	Quarter Ended		Half Year Ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	(Rupees in '000)			
Profit on bank deposits	642	874	1,193	1,316
Exchange loss	36	-	36	(67)
	678	874	1,229	1,249

Notes to the Condensed Interim Financial Statements (unaudited)

27. MODARIB FEE

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

28. RELATED PARTY TRANSACTIONS - PTF

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

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

	(Unaudited) Half Year Ended	
	30 June 2021	30 June 2020
	(Rupees in '000)	
Transactions during the period		
Associated companies		
Contribution underwritten	1,985	3,428
Contribution received	3,301	3,532
Claims paid	482	496
	(Unaudited) 30 June 2021	(Audited) 31 December 2020
	(Rupees in '000)	
Period end balances		
Associated Companies		
Contribution receivable	5,241	7,097
Claims outstanding	298	224
Commission outstanding	439	486

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

29. SEGMENT INFORMATION

29.1 Participant's Takaful Fund

Segment profit and loss

											Unaudited Quarter ended	
											30 June 2021	30 June 2020
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
(Rupees in '000)												
Participants Takaful Fund												
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	1,901	198	1,069	1,106	22,709	6,795	8,250	6,785	121	19	34,050	14,903
Less: Federal excise duty	231	27	121	131	2,623	802	-	-	14	2	2,990	963
Less: Federal takaful fee	17	2	9	9	197	57	81	67	1	-	305	135
Gross written contribution (inclusive of administrative surcharge)	1,653	169	939	966	19,889	5,936	8,169	6,718	106	17	30,754	13,806
Gross direct contribution	1,634	165	851	931	19,181	5,529	8,159	6,712	101	16	29,925	13,553
Facultative inward contribution	-	-	50	-	181	245	-	-	-	-	231	245
Administrative surcharge	19	4	37	35	527	162	11	6	5	1	598	208
Less: Wakala expense	(686)	(371)	(389)	(285)	(3,501)	(6,279)	(3,203)	(3,420)	(113)	(115)	(7,892)	(10,471)
Takaful contribution earned	1,958	1,061	1,112	812	10,003	17,939	9,153	9,812	321	291	22,547	29,916
Takaful contribution ceded to retakaful operators	(1,646)	(884)	(956)	(660)	(577)	(756)	-	-	(268)	(246)	(3,447)	(2,546)
Net takaful contribution	(374)	(194)	(233)	(133)	5,925	10,905	5,950	6,392	(60)	(70)	11,208	16,900
Rebate earned	354	197	219	152	7	35	-	-	62	57	642	441
Net underwriting income	(20)	3	(14)	19	5,932	10,940	5,950	6,392	2	(13)	11,850	17,341
Takaful claims expense	(10,626)	(93)	(573)	184	(2,749)	(7,295)	(7,646)	(8,312)	28	3	(21,567)	(15,513)
Takaful claims recovered from retakaful	9,559	62	529	16	-	-	18	-	(18)	-	10,087	78
Net claim	(1,067)	(31)	(44)	200	(2,749)	(7,295)	(7,628)	(8,312)	10	3	(11,480)	(15,435)
Provision for doubtful contribution	(2)	-	(2)	-	(38)	-	(18)	-	-	-	(60)	-
Other direct expense	(76)	(15)	(42)	(44)	(900)	(375)	(367)	(265)	(5)	(4)	(1,390)	(703)
(Deficit) / Surplus before investment income	(1,165)	(44)	(102)	175	2,244	3,269	(2,063)	(2,185)	7	(14)	(1,080)	1,202
Investment income											388	348
Other Income											678	874
Less: Modarib's share of investment income											(361)	(961)
(Deficit) / Surplus transferred to accumulated surplus											(375)	1,462

Notes to the Condensed Interim Financial Statements (unaudited)

Segment profit and loss

											Unaudited Half Year Ended	
											30 June 2021	30 June 2020
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	2,837	1,353	2,390	2,119	42,607	25,618	17,814	8,282	122	392	65,770	37,764
Less: Federal excise duty	335	180	273	257	4,864	2,959	-	-	14	53	5,487	3,450
Less: Federal takaful fee	24	12	20	18	368	222	176	82	1	3	589	337
Gross written contribution (inclusive of administrative surcharge)	2,478	1,161	2,097	1,844	37,375	22,437	17,638	8,200	107	336	59,694	33,978
Gross direct contribution	2,348	1,140	1,927	1,785	35,589	21,356	17,624	8,190	101	331	57,589	32,802
Facultative inward contribution	102	-	85	-	578	279	-	-	-	-	765	279
Administrative surcharge	27	21	85	59	1,208	801	14	10	5	5	1,339	896
Less: Wakala expense	(1,343)	(721)	(847)	(565)	(6,325)	(13,543)	(5,785)	(6,703)	(228)	(203)	(14,528)	(21,735)
Takaful contribution earned	3,836	2,059	2,419	1,613	18,072	38,694	16,530	19,153	651	581	41,507	62,101
Takaful contribution ceded to retakaful operators	(3,208)	(1,734)	(2,088)	(1,318)	(1,166)	(2,027)	-	-	(547)	(491)	(7,009)	(5,569)
Net takaful contribution	(715)	(396)	(516)	(270)	10,581	23,124	10,745	12,450	(125)	(112)	19,970	34,797
Rebate earned	691	387	475	303	17	65	-	-	126	113	1,308	868
Net underwriting income	(24)	(9)	(41)	33	10,598	23,189	10,745	12,450	1	1	21,278	35,665
Takaful claims expense	(10,866)	(113)	(599)	49	(5,361)	(10,957)	(15,740)	(18,085)	44	3	(32,523)	(29,102)
Takaful claims recovered from retakaful	9,768	71	551	207	-	-	-	-	(18)	-	10,300	278
Net claim	(1,098)	(42)	(48)	256	(5,361)	(10,957)	(15,740)	(18,085)	26	3	(22,223)	(28,824)
Provision for doubtful contribution	(2)	-	(2)	-	(38)	-	(18)	-	-	-	(60)	-
Other direct expense	(116)	(43)	(98)	(69)	(1,747)	(841)	(825)	(307)	(5)	(13)	(2,791)	(1,273)
Surplus before investment income	(1,240)	(93)	(189)	220	3,451	11,392	(5,839)	(5,941)	22	(9)	(3,796)	5,568
Investment income											389	1,429
Other Income											1,229	1,249
Less: Modarib's share of investment income											(554)	(961)
(Deficit) / Surplus transferred to accumulated surplus											(2,732)	7,285

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

Segment assets and liabilities

The following presents segments assets and liabilities as at 30 June 2021 (Unaudited) and 31 December 2020 (Audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Segment assets	3,005	10,048	2,543	7,168	45,330	28,914	21,392	17,894	130	2,358	72,400	66,382
Unallocated corporate assets											128,456	94,446
Total assets											200,856	160,828
Segment liabilities	5,303	9,100	4,487	5,511	79,986	38,074	37,747	33,949	229	1,876	127,752	88,509
Unallocated corporate liabilities											18,386	18,162
Total liabilities											146,138	106,671

29.2 Operators Fund

Segment profit and loss

											(Unaudited) Quarter ended	
											30 June 2021	30 June 2020
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Wakala fee earned	686	371	389	285	3,501	6,279	3,203	3,420	113	115	7,892	10,471
Commission expense	(251)	(162)	(73)	(79)	(911)	(1,609)	(177)	(461)	(9)	(22)	(1,420)	(2,333)
Management expense	524	83	319	57	(8,379)	(4,525)	(8,402)	(2,788)	83	33	(15,855)	(7,140)
	959	292	635	263	(5,789)	145	(5,376)	171	187	126	(9,383)	998
Modarib's share of PTF investment income											361	961
Profit on bank deposits											5	14
Other expenses											(1,157)	(567)
(Loss) / Profit before taxation											(10,174)	1,406

Notes to the Condensed Interim Financial Statements (unaudited)

Segment profit and loss

	(Unaudited) Half Year Ended											
	30 June 2021						30 June 2020					
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Wakala fee earned	1,343	721	847	565	6,325	13,543	5,785	6,703	228	203	14,528	21,735
Commission expense	(503)	(364)	(157)	(176)	(1,630)	(3,443)	(346)	(906)	(24)	(44)	(2,659)	(4,933)
Management expense	1,073	218	774	149	(15,877)	(12,768)	(16,124)	(6,874)	187	62	(29,967)	(19,213)
	1,913	575	1,465	538	(11,182)	(2,668)	(10,685)	(1,077)	391	221	(18,098)	(2,411)
Modarib's share of PTF investment income											554	961
Profit on bank deposits											16	61
Other expenses											(1,729)	(994)
(Loss) / Profit before taxation											(19,257)	(2,383)

Segment assets and liabilities

The following presents segments assets and liabilities as at 30 June 2021 (Unaudited) and 31 December 2020 (Audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(Rupees in '000)											
Segment assets	154	216	130	131	2,324	906	1,097	807	7	45	3,712	2,105
Unallocated corporate assets											101,029	97,824
Total assets											104,741	99,929
Segment liabilities	774	1,262	655	764	11,669	5,279	5,507	4,708	33	260	18,638	12,273
Unallocated corporate liabilities											127,872	110,168
Total liabilities											146,510	122,441

Notes to the Condensed Interim Financial Statements (unaudited)

For the quarter and half year ended 30 June 2021

30. MOVEMENT IN INVESTMENTS

	OPF Available for sale	PTF Available for sale	Held to maturity	Total
	(Rupees in '000)			
01 January 2020	-	40,782	600	41,382
Addition	-	17,462	600	18,062
Disposal (sale and redemption)	-	(50,405)	(600)	(51,005)
Designated at available for sale upon initial recognition	-	(1,019)	-	(1,019)
31 December 2020	-	6,820	600	7,420
Addition	-	-	1,200	1,200
Disposal (sale and redemption)	-	(6,813)	(1,200)	(8,013)
Designated at available for sale upon initial recognition	-	(7)	-	(7)
30 June 2021	-	-	600	600

31. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

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

- Level 1** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable
- Level 3** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

	(Unaudited) 30 June 2021 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	-	-
	-	-	-

Notes to the Condensed Interim Financial Statements (unaudited)

	(Unaudited) 31 December 2020 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	6,820	-
	-	6,820	-

32. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **30th August 2021** by the Board of Directors of the Operator.

33. GENERAL

- 33.1** 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.
- 33.2** The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current period. However there were no material reclassification / restatements to report.
- 33.3** All amounts have been rounded to the nearest thousand Rupees.

Branch Network

Karachi

Head Office

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

P: 021-32416331-4

F: 021-32416572

CSD South Karachi

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

P: 021-32416331-4

F: 021-32416572

Lahore

Zonal Office

162 Shadman II Lahore.

P: 042-35407001-5

F: 042-35407006

CSD North Lahore

162 Shadman II Lahore.

P: 042-35407001-5

F: 042-35407006

Mall Branch

23 Shahrah-e-Quaid-e-Azam, Lahore.

P: 042-37324262 | 37230602-03

F: 042-37235557

Branch Network

Multan Branch

4th Floor, Mehr Fatima Tower, Opp. High Court, Old Bahawalpur Road, Multan.

P: 061-4515007-9

F: 061-4587143

Islamabad Branch

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

P: 051-2348167-8

F: 051-2348169

Faisalabad Branch

1st Floor Regency Arcade, 949-Mall Road, Faisalabad.

P: 041-2632211-3

F: 041-2617802

Sialkot Branch

Room # 3 & 4, Sahib Plaza, Saga Chowk, Defence Road, Sialkot.

P: 052-3572192-3

F: 052-3572194

Gujrawala Branch

Block - L, Trust Plaza, G.T Road, Gujranwala.

P: 055-3859719-20

F: 055-3256432

Peshawar Branch

1081/A, Rehman Building, Saddar Road, Peshawar Cantt.

P: 091-5273757

F: 091-5277809

Quetta Branch

43-Regal Plaza, 2nd Floor, Circular Road, Quetta.

P: 081-2842883

F: 081-2821383



Since 1952 as a life-time companion we have delivered distinctive general insurance services across the country with diligence, zeal and commitment. Yet our journey to excel continues; to do more and better for our clients.

Premier Insurance Limited

www.pil.com.pk