



همیشه کالتو

Interim Financial Statements

For the Nine Months Period Ended
30 September 2022 (unaudited)

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Company Information

Board of Directors

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

Chief Executive Officer

Nadeem Maqbool

Chief Financial Officer

Amjed Bahadur Ali

Company Secretary

Fariq Mahmood Khan Rohilla

Audit Committee

Asadullah Khawaja
[Chairman]
Khalid Bashir
[Member]
Imran Maqbool
[Member]
Rao Ali Zeeshan
[Secretary]

Ethics, Human Resource, Remuneration & Nomination Committee

Attaullah A. Rasheed
[Chairman]
Shameen Azfar
[Member]
Nadeem Maqbool
[Member]
Niina Afridi
[Secretary]

Investment Committee

Ahsan Bashir
[Chairman]
Nadeem Maqbool
[Member]
Imran Maqbool
[Member]
Asadullah Khawaja
[Member]
Amjed Bahadur Ali
[Secretary]

Claim Settlement Committee

Imran Maqbool
[Chairman]
Ahsan Bashir
[Member]
Nadeem Maqbool
[Member]
Hassan Mustafa
[Secretary]

Company Information

Underwriting Committee

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

Reinsurance & Co-Insurance Committee

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

Risk Management & Compliance Committee

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

Auditors

EY Ford Rhodes, Chartered
Accountants.

Legal Advisors

Arfin & Company Advocates

Registrar

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

P : (21) 34380101-2
F : (21) 34380106
E : info.shares@famco.com.pk

Registered & Head Office

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

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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 September 30, 2022.

Performance Review

Following is the overall performance of the Company.

	Conventional		Takaful	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	(Rupees in '000)			
Premium / contribution written	453,716	481,185	135,267	134,668
Net Premium / contribution	212,116	177,777	85,302	62,093
Underwriting Result	(169,866)	(189,417)	(21,388)	(16,634)
Investment income / (Loss)	1,392	132,945	23	396
Profit / (Loss) before taxation	(144,626)	(34,467)	(18,334)	18,712
Profit / (Loss) after taxation	(151,117)	(41,700)	-	-
Earning (Loss) / per share	(2.99)	(0.83)		

On the Conventional side, gross premium written during the nine months period ended September 30, 2022 was Rs. 453.72 million as compared to Rs. 481.18 million in the corresponding period. Net premium for the period under review increased by Rs. 34.34 million as compared to the previous year. Our net claim ratio increased by 10% due to increase in fire and motor claims which contributed to the underwriting loss. Impairment in the company's equities portfolio was Rs. 24.25 million due to unfavourable economic and political conditions. Dividend income for the period under review was Rs. 26.21.

In Takaful gross contribution written during the nine months period ended September 30, 2022 was Rs. 135.27 million as against Rs. 134.67 million of the same period last year. Net contribution increase by Rs. 23.21 million as compared to the last year. However, due to increase in health and motor claims the overall net claims increased by 78% resulting in overall underwriting loss.

Future Outlook

Due to the prevailing economic and political situation and the recent flash flood has adversely affected the overall economic condition around the country. The business activities has been slow down, the depreciation of PKR continues to exert upward pressure on domestic prices. There are challenges for insurance market in future for which we are taking decisive action to safeguard the interest of the company. Our emphasis will be to retain the existing clients as well as to acquire new business. The company is committed to a continuous restructuring process to reduce costs and reduce loss-generating activities. This positive drift is anticipated to proceed within the remaining months of the year and we trust that our endeavors toward composing quality commerce will empower us to post way better results in future.

Acknowledgement

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

On behalf of the Board

Chairman

CEO / Director

Karachi, Dated: October 25, 2022

ڈائریکٹر رپورٹ برائے ممبران

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

کارکردگی کا جائزہ:

کمپنی کی مجموعی کارکردگی درج ذیل ہے:

روایتی	30 ستمبر 2022	30 ستمبر 2021	تھقل
30 ستمبر 2022	30 ستمبر 2021	30 ستمبر 2022	30 ستمبر 2021
(روپے '000)			
453,716	481,185	135,267	134,668
212,116	177,777	85,302	62,093
(169,866)	(189,417)	(21,388)	(16,634)
1,392	132,945	23	396
(144,626)	(34,467)	(18,334)	18,712
(151,117)	(41,700)	-	-
(2.99)	(0.83)		
تحریری پریمیم/کنٹری بیوشن			
خالص تحریری پریمیم/کنٹری بیوشن			
ذمہ داری کے نتائج			
سرمایہ کاری آمدنی/(خسارہ)			
قبل از ٹیکس منافع/(خسارہ)			
بعد از ٹیکس منافع/(خسارہ)			
منافع/(خسارہ) فی شخص			

روایتی طور پر، 30 ستمبر 2022 کو ختم ہونے والی نو ماہ کی مدت کے دوران مجموعی تحریری پریمیم مبلغ 453.72 ملین روپے تھا جس کا موازنہ گزشتہ سال کی اسی مدت کے مبلغ 481.18 ملین روپے سے کیا جاسکتا ہے۔ زیر جائزہ مدت کے دوران خالص پریمیم میں گزشتہ سال کے مقابلے میں 34.34 ملین روپے کا اضافہ ہوا۔ فائز اور موثر گلیجز میں اضافے کے باعث ہمارے خالص کلیم کے تناسب میں 10 فیصد اضافہ ہوا جس کے نتیجے میں ذمہ داری میں خسارہ ہوا۔ ہمارے متوافق معاشی اور سیاسی حالات کے باعث کمپنی کی ایکویٹی پورٹ فولیو میں 24.25 ملین روپے کی کمی ہوئی ہے۔ زیر جائزہ مدت کے لیے ڈیڈنڈ آمدنی 26.21 ملین روپے رہی۔

30 ستمبر 2022 کو ختم ہونے والی نو ماہ کی مدت کے دوران تکافل میں مجموعی تحریری پریمیم شراکت 135.27 ملین روپے رہی جو کہ گزشتہ سال کی اسی مدت میں 134.67 ملین روپے تھی۔ گزشتہ سال کے مقابلے میں خالص شراکت میں 23.21 ملین روپے کا اضافہ ہوا۔ تاہم صحت اور موثر گلیجز میں اضافے کے باعث مجموعی خالص گلیجز میں 78 فیصد اضافہ ہوا جس کے نتیجے میں ذمہ داری میں خسارہ ہوا۔

مستقبل کے امکانات:

موجودہ معاشی و سیاسی صورتحال اور حالیہ سہلاب نے ملک بھر کی مجموعی اقتصادی حالت کو بری طرح متاثر کیا ہے۔ کاروباری سرگرمیاں سست روی کا شکار ہیں، پاکستانی روپے کی قدر میں کمی مقامی قیمتوں پر اوپر کی جانب دباؤ ڈال رہی ہے۔ مستقبل میں انشورنس مارکیٹ کے لیے چیلنجز موجود ہیں جن کیلئے ہم کمپنی کے مفاد کے تحفظ کیلئے فیصلہ کن اقدامات کر رہے ہیں۔ ہماری تمام تر توجہ موجودہ کلائنٹس کو برقرار رکھنے کے ساتھ ساتھ نئے کاروبار کے حصول کی کوشش پر مرکوز ہے۔ کمپنی لاگت میں کمی لانے اور نقصان پیدا کرنے والے کاروبار کو کم کرنے کے لیے تنظیم نو کے جاری عمل میں مصروف ہے۔ یہ مثبت رجحان سال کے بقیہ مہینوں میں جاری رہنے کی امید ہے اور ہم امید کرتے ہیں کہ تحریری کاروبار کی طرف ہماری کوششیں ہمیں مستقبل میں بہتر نتائج حاصل کرنے کے قابل بنائیں گی۔

اعتراف:

ڈائریکٹر کمپنی کے ملازمین کی کوششوں، اپنے تمام قابل قدر کاموں کی مسلسل سرپرستی اور تعاون، اور ہمارے ری انشوررز، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی رہنمائی اور تعاون پرانے کے شکرگزار ہیں۔

از طرف بورڈ

چیرمین

سی ای او/ڈائریکٹر

کراچی، مورخہ: 25 اکتوبر 2022

Condensed Interim Statement of Financial Position

As at 30 September 2022

		Unaudited 30 September 2022	Audited 31 December 2021
Note			
(Rupees in ` 000)			
Assets			
Property and equipment	7	207,055	213,569
Intangible assets	8	860	1,109
Investment properties	9	311,240	297,740
Investments			
- Equity securities	10	602,042	724,433
- Mutual funds	10	68,720	63,792
Investment in associate		350,431	405,040
Loans and other receivables	11	56,901	52,323
Insurance / reinsurance receivables	12	512,945	587,493
Reinsurance recoveries against outstanding claims	19	634,611	714,347
Salvage recoveries accrued		599	(502)
Deferred commission expense	20	17,619	19,206
Taxation - provision less payment		18,039	20,613
Deferred tax asset		48,704	47,833
Prepayments	13	141,320	166,616
Cash and bank	14	50,563	75,964
		3,021,649	3,389,576
Total Assets of Window Takaful Operations - Operator's Fund		96,630	89,280
Total Assets		3,118,279	3,478,856
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		505,650	505,650
Reserves		1,502,005	1,653,748
Accumulated losses		(978,132)	(827,015)
Total Equity		1,029,523	1,332,383
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	19	1,062,991	1,026,820
Unearned premium reserves	18	327,616	319,480
Unearned reinsurance commission	20	22,114	22,358
Retirement benefit obligations		7,534	7,690
Lease liabilities		8,498	10,218
Insurance / reinsurance payables		336,551	420,332
Other creditors and accruals	16	253,712	273,565
Unclaimed dividends		22,750	22,750
Total Liabilities		2,041,766	2,103,213
Total Liabilities of Window Takaful Operations - Operator's Fund		46,990	43,260
Total Equity and Liabilities		3,118,279	3,478,856

Contingencies and commitments

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit and Loss Account (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

		Quarter ended		Nine Months Period Ended	
	Note	30 September 2022	30 September 2021	30 September 2022	30 September 2021
		(Rupees in '000)			
Net insurance premium	18	75,267	59,731	212,116	177,777
Net insurance claims	19	(54,017)	(56,724)	(211,755)	(192,507)
Net commission expense and other acquisition costs	20	(3,658)	(9,287)	(11,122)	(16,514)
Insurance claims and acquisition expenses		(57,675)	(66,011)	(222,877)	(209,021)
Management expenses	21	(66,232)	(60,573)	(159,105)	(158,173)
Underwriting results		(48,640)	(66,853)	(169,866)	(189,417)
Investment income	22	7,805	6,201	1,392	132,945
Rental income		1,211	1,101	3,596	3,038
Revaluation gain on investment property		-	-	13,500	11,500
Other income	23	234	21,247	20,006	29,559
Other expenses	24	(2,095)	(668)	(4,378)	(4,877)
Results of operating activities		(41,485)	(38,972)	(135,750)	(17,252)
Finance costs		(282)	(300)	(899)	(940)
Share of (loss) / profit from associate		(366)	(1,129)	(1,208)	2,437
Loss before tax from General Insurance Operations		(42,133)	(40,402)	(137,857)	(15,755)
Income / (Loss) before tax from Window Takaful Operations - Operator's Fund		9,719	545	(6,769)	(18,712)
Loss before tax		(32,414)	(39,857)	(144,626)	(34,467)
Income tax expense	25	(4,022)	(4,809)	(6,491)	(7,253)
Loss after tax		(36,436)	(44,666)	(151,117)	(41,720)
Loss per share - Rupees	26	(0.72)	(0.88)	(2.99)	(0.83)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

		Quarter ended		Nine Months Period Ended	
	Note	30 September 2022	30 September 2021	30 September 2022	30 September 2021
		(Rupees in ` 000)			
Loss after tax		(36,436)	(44,666)	(151,117)	(41,720)
Other comprehensive income:					
Unrealized gain / (loss) on available-for-sale investments during the period	29	(79,040)	(62,438)	(98,341)	795
Share of other comprehensive (loss) / income from associated company		(44,987)	(302)	(53,402)	25,314
Other comprehensive (loss) / income for the period		(124,027)	(62,740)	(151,743)	26,109
Total comprehensive loss for the period		(160,463)	(107,406)	(302,860)	(15,611)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Changes in Equity (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

	Share capital	Reserves							Total reserves	Total equity
	Capital reserves			Revenue reserves						
	Issued, subscribed and paid-up	Reserve for exceptional losses	Devaluation reserve	General reserve	Revaluation Reserves - Available for sale investments of the Company and associate	Revaluation Reserves - Property and Equipment	Accumulated losses			
(Rupees in ` 000)										
Balance as at 01 January 2021	505,650	19,490	185	996,851	576,923	35,859	(798,049)	831,259	1,336,909	
Loss for the period ended 30 September 2021	-	-	-	-	-	-	(41,720)	(41,720)	(41,720)	
Other comprehensive income for the period	-	-	-	-	26,109	-	-	26,109	26,109	
Total comprehensive income for the period ended 30 September 2021	-	-	-	-	26,109	-	(41,720)	(15,611)	(15,611)	
Balance as at 30 September 2021	505,650	19,490	185	996,851	603,032	35,859	(839,769)	815,648	1,321,298	
Balance as at 01 January 2022	505,650	19,490	185	996,851	601,363	35,859	(827,015)	826,733	1,332,383	
Loss for the period ended 30 September 2022	-	-	-	-	-	-	(151,117)	(151,117)	(151,117)	
Other comprehensive loss for the period	-	-	-	-	(151,743)	-	-	(151,743)	(151,743)	
Total comprehensive loss for the period ended 30 September 2022	-	-	-	-	(151,743)	-	(151,117)	(302,860)	(302,860)	
Balance as at 30 September 2022	505,650	19,490	185	996,851	449,620	35,859	(978,132)	523,873	1,029,523	

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Cashflows (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

Note	Nine Months Period Ended	
	30 September 2022	30 September 2021
(Rupees in ` 000)		
Operating cash flows		
a) Underwriting activities		
Insurance premium received	365,773	494,433
Reinsurance premium paid	(289,588)	(385,089)
Claims paid	(413,762)	(384,576)
Reinsurance and other recoveries received	461,156	237,323
Commission paid	(30,498)	(31,669)
Commission received	32,007	37,821
Other acquisition costs paid	(13,408)	(17,767)
Management expenses paid	(192,693)	(76,278)
Net cash used in underwriting activities	(81,013)	(125,801)
b) Other operating activities		
Income tax paid	9,065	(7,776)
Other operating payments	1,229	(23,429)
Other operating receipts	16,742	23,526
Loans advanced, deposits (received) / made	7,086	(47,130)
Other liabilities paid / (received)	(4,920)	(18,822)
Total cash generated from other operating activities	29,202	(73,631)
Total cash used in all operating activities	(51,811)	(199,432)
Investment activities		
Profit / return received	28,157	132,733
Rental received	3,596	3,038
Payment for investments made	(5,133)	(257,632)
Proceeds from investments disposed	-	351,267
Fixed capital expenditure incurred	(561)	(424)
Proceeds from sale of property and equipment	4,461	4,946
Total cash flow generated from investing activities	30,519	233,928
Financing activities		
Finance cost paid	(899)	(940)
Payment of lease liability	(3,210)	(778)
Total cash used in financing activities	(4,109)	(1,717)
Net cash generated from / (used in) all activities	(25,401)	32,779
Cash and cash equivalents at beginning of the year	75,964	37,590
Cash and cash equivalents at end of the year	50,563	70,369

Condensed Interim Statement of Cashflows (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

		Nine Months Period Ended	
	Note	30 September 2022	30 September 2021
(Rupees in ` 000)			
Reconciliation to profit and loss account			
Operating cashflows		(51,811)	(199,432)
Depreciation and amortization expense	21	(6,540)	(7,635)
Finance costs		(899)	(940)
Gain on sale of operating fixed assets	23	3,297	6,020
Net realized gain / (loss) on investments	22	79	(19,788)
Impairment in value of available for sale securities		(24,257)	(1,289)
Rental income		3,596	3,038
Dividend income	22	26,207	152,870
Other income	23	16,709	23,539
Share of (loss) / profit of associates		(1,208)	2,437
Loss from Window Takaful Operations - Operator's Fund	15	(6,769)	(18,712)
Increase in assets other than cash		(182,749)	302,627
Decrease in liabilities other than borrowings		59,727	(295,954)
Gain on revaluation of investment property		13,500	11,500
Loss after taxation		(151,118)	(41,720)
Definition of cash and cash equivalent			
Cash and cash equivalent comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits having maturing 3 months from the date of acquisition.			
Cash for the purpose of the statement of cash flows consists of:			
Cash and other equivalent			
Cash		-	-
Stamps in hand		341	182
		341	182
Current and other accounts			
Current accounts		30,225	26,805
PLS account		19,997	43,382
		50,222	70,187
Total cash and cash equivalent		50,563	70,369

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

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

2. BASIS OF PREPARATION

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

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

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

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2021.

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

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

These condensed interim financial statements for the quarter and nine months period ended 30 Sep 2022 have been prepared under the historical cost convention, except that investments classified as available-for-sale and investment properties are stated at fair value and obligations under employee benefits are measured at present value.

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

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 31 December 2021.

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

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

4. ESTIMATES AND JUDGMENTS

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended December 31, 2021.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

Insurance and financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2021.

6. PREMIUM DEFICIENCY RESERVE

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

7. PROPERTY AND EQUIPMENT

	Note	Unaudited 30 September 2022	Audited 31 December 2021
(Rupees in ` 000)			
Operating fixed assets	7.1	174,246	179,073
Capital work-in-progress		26,109	26,109
Right of use assets	7.2	6,699	8,387
		207,055	213,569

7.1 Operating fixed assets

Opening written down value	179,073	186,991
Add: Additions during the period	561	1,477
Less: Book value of disposals during the period	(1,164)	(2,070)
Depreciation charged during the period	(4,603)	(7,325)
	(5,767)	(9,395)
Closing written down value	173,868	179,073

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	8,387	8,635
Add: Additions during the period	-	2,020
	8,387	10,655
Less: Reversal due to termination during the period	-	-
Depreciation charged during the period	(1,688)	(2,268)
Closing written down value	6,699	8,387

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

8. INTANGIBLE ASSETS

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Opening written down value	1,109	1,978
Less: Amortization charged during the period	(249)	(869)
Closing written down value	860	1,109

9. INVESTMENT PROPERTIES

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

10. INVESTMENTS

	Unaudited 30 September 2022				Audited 31 December 2021			
	Cost	Impairment/ provision for the year	Revaluation surplus	Carrying value	Cost	Impairment/ provision for the year	Revaluation surplus	Carrying value
	(Rupees in ` 000)							
Available-for-sale								
Related parties								
Listed shares	196,282	-	137,746	334,028	196,282	-	221,328	417,610
Unlisted shares	-	-	-	-	-	-	-	-
Other than related parties								
Unlisted shares	1,483	-	-	1,483	1,483	-	-	1,483
Listed shares	273,316	(24,257)	17,472	266,531	282,461	(9,396)	32,275	305,340
Mutual funds *	52,594	-	16,126	68,720	47,713	-	16,079	63,792
	523,675	(24,257)	171,344	670,762	527,939	(9,396)	269,682	788,225

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

11. LOANS AND OTHER RECEIVABLES

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Mark-up and dividend receivable	19	2,527
Loans to employees	11.1 1,659	2,956
Deposits	11.2 46,941	33,956
Advance to agents	1,643	1,234
Other receivables	6,639	11,650
	56,901	52,323

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

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

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

12. INSURANCE / REINSURANCE RECEIVABLES

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Premium due but unpaid	540,655	461,786
Less: Provision for doubtful receivables from insurance contract holder	(172,027)	(167,490)
	368,628	294,296
Amounts due from other insurers / reinsurers	255,144	399,487
Less: Provision for doubtful receivables from insurers / reinsurers	(110,827)	(106,290)
	144,317	293,197
	512,945	587,493

13. PREPAYMENTS

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Prepaid reinsurance premium ceded	131,455	159,112
Other prepaid expense	9,865	7,504
	141,320	166,616

14. CASH AND BANK

		Unaudited	Audited
	Note	30 September 2022	31 December 2021
		(Rupees in ` 000)	
Cash and cash equivalent			
- Policy and revenue stamps, bond papers		341	258
Cash at bank			
- Current accounts		30,225	6,624
- Savings account	14.1	19,997	69,082
		50,563	75,964

14.1 The rate of return on savings account held with various banks range from 7.96% to 13.50% per annum (December 31, 2021: 5.12% to 7.3%).

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

15. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND

Note	Unaudited	Audited
	30 September 2022	31 December 2021
	(Rupees in ` 000)	
Assets		
Loan and other receivables	164	114
Receivable from PTF	19,727	22,336
Deferred commission expense	8,939	7,105
Cash and bank	9,397	15,322
	38,227	44,877
Qard-e-hasna contributed to PTF	58,403	44,403
Total Assets	96,630	89,280
Total Liabilities	147,412	133,293

	Unaudited	
	Nine Months Period Ended	
	30 September 2022	30 September 2021
	(Rupees in ` 000)	
Operator's revenue accounts		
Wakala fee	46,134	25,722
Commission expense	(11,442)	(4,781)
General, administrative and management expenses	(41,045)	(38,289)
Modarib's share of PTF Investment income	1,580	783
Profit on bank accounts	194	30
Other expenses	(2,190)	(2,177)
Loss for the period	(6,769)	(18,712)

16. OTHER CREDITORS AND ACCRUALS

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Bonus payable	3,102	3,102
Commissions payable	174,130	176,671
Federal excise duty and sales tax	20,021	16,732
Federal insurance fee	102	-
Deposits and margins	2,127	3,727
Provision for rent	14,000	14,000
Others	40,230	59,333
	253,712	273,565

- 16.1** This represents provision for rent amounting to Rs.14 million (December 31, 2021: Rs.14 million) against which the Company is in litigation with the landlord. The possibility of the eventual beneficiary being other than the Company is considered remote by the Company's legal advisor. However, the Company has made a provision of the disputed amount as a matter of prudence.

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

17. CONTINGENCIES AND COMMITMENTS

17.1 Commitments

	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in `000)	
Commitment for capital expenditure	15,038	15,038

18. NET INSURANCE PREMIUM

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in `000)			
Written gross premium	291,729	309,731	453,716	481,185
Add: Unearned premium reserve opening	195,071	171,808	319,480	277,987
Less: Unearned premium reserve closing	(327,616)	(344,177)	(327,616)	(344,177)
Premium Earned	159,184	137,362	445,580	414,995
Less: Reinsurance premium ceded	129,954	153,818	205,807	231,793
Add: Prepaid reinsurance premium opening	85,418	72,084	159,112	153,696
Less: Prepaid reinsurance premium closing	(131,455)	(148,271)	(131,455)	(148,271)
Reinsurance expense	83,917	77,631	233,464	237,218
Net insurance premium	75,267	59,731	212,116	177,777

19. NET INSURANCE CLAIMS

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in `000)			
Claims paid	175,231	282,327	412,661	384,576
Less: Outstanding claims including IBNR opening	(1,173,375)	(1,286,340)	(1,026,820)	(700,569)
Add: Outstanding claims including IBNR closing	1,062,991	1,095,788	1,062,991	1,095,788
Claims expense	64,847	91,775	448,832	779,795
Less: Reinsurance and other recoveries received	166,103	183,599	316,813	237,323
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(789,884)	(903,762)	(714,347)	(405,249)
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	634,611	755,214	634,611	755,214
Reinsurance and other recoveries revenue	10,830	35,051	237,077	587,288
Net insurance claims	54,017	56,724	211,755	192,507

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

20. NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Commission paid or payable	11,425	20,747	28,378	34,349
Add: Deferred commission opening	16,253	12,055	19,206	19,549
Less: Deferred commission closing	(17,619)	(22,798)	(17,619)	(22,798)
Commission expense	10,059	10,004	29,965	31,100
Less: Commission received or recoverable from reinsurers	22,367	27,075	32,007	37,821
Add: Unearned reinsurance commission opening	11,453	10,629	22,358	21,079
Less: Unearned reinsurance commission closing	(22,114)	(26,547)	(22,114)	(26,547)
Commission from reinsurance	11,706	11,157	32,251	32,353
Net Commission Income	(1,647)	(1,152)	(2,286)	(1,253)
Add: Other acquisition costs:				
Tracking device expenses	50	1	213	757
Service charges	1,892	5,564	8,329	11,278
Other costs	3,363	4,874	4,866	5,732
	5,305	10,439	13,408	17,767
Net Commission expense and other acquisition costs	3,658	9,287	11,122	16,514

21. MANAGEMENT EXPENSES

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Employee benefit cost	47,950	41,702	115,277	112,762
Travelling expenses	273	513	787	963
Advertisement and sales promotion	54	191	710	979
Printing and stationary	617	524	1,928	2,224
Depreciation	2,085	2,398	6,291	7,191
Amortization	84	150	249	444
Rent, rates and taxes	584	543	1,107	1,197
Legal and professional charges - business related	895	742	4,736	4,061
Electricity, gas and water	2,378	2,107	4,465	4,138
Entertainment	672	738	1,703	1,836
Vehicle running expenses	912	603	1,367	1,170
Office repairs and maintenance	1,361	1,364	4,762	3,744
Bank charges	-	52	71	241
Postages, telegrams and telephone	1,303	1,103	3,139	3,187
Insurance expense	720	756	1,453	1,772
Annual supervision fee SECP	50	581	910	1,587
Bad and doubtful debts	5,834	6,195	9,074	9,624
Others	460	311	1,076	1,053
	66,232	60,573	159,105	158,173

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

22. INVESTMENT INCOME

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Income from equity securities and mutual fund units				
Available for sale				
- Dividend income	8,110	5,324	26,207	152,870
Income from debts securities				
Available for sale				
- Amortization of discount - net	-	882	-	1,697
Net realized gain / (loss) on investments				
Available for sale				
- Equity securities	10	213	79	(19,789)
Total investment income	8,119	6,419	26,287	134,778
Less: Impairment in value of available for sale securities				
- Equity Securities	-	-	(24,257)	(1,290)
Less: Investment related expenses	(315)	(217)	(638)	(544)
	7,804	6,202	1,392	132,945

23. OTHER INCOME

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Return on bank balances	156	467	2,075	975
Exchange gain	-	(1,515)	(33)	13
Gain on sale of operating fixed assets	-	-	3,297	6,020
Liabilities no longer required written back	-	-	14,540	-
Miscellaneous	78	22,295	127	22,551
	234	21,247	20,006	29,559

24. OTHER EXPENSES

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Auditors' remuneration	517	501	2,175	2,291
Subscription	2,021	760	3,256	2,358
Donations	-	-	-	500
Inadmissible input tax expense	(142)	(326)	(388)	(388)
Others	(301)	(267)	(665)	116
	2,095	668	4,378	4,877

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

25. TAXATION

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Current tax	4,329	4,809	7,362	7,698
Deferred tax	(307)	-	(871)	(445)
	4,022	4,809	6,491	7,253

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

26. EARNINGS / (LOSS) PER SHARE

	Unaudited Quarter ended		Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Loss after tax for the period	(36,436)	(44,666)	(151,117)	(41,720)
	(Number of shares in '000)			
Weighted average number of ordinary shares	50,565	50,565	50,565	50,565
	(Rupees)			
Loss per share	(0.72)	(0.88)	(2.99)	(0.83)

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

27. RELATED PARTY TRANSACTIONS

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

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

	Unaudited Nine Months Period Ended	
	30 September 2022	30 September 2021
	(Rupees in ` 000)	
Transactions during the period		
Associated Companies		
Premium underwritten	92,874	115,462
Claims paid	43,928	21,315
Premium received	129,056	111,025
Shares purchased	-	3,780
Others		
Premium underwritten	77	59
Premium received	320	67
Meeting fees	920	1,380
Remuneration and retirement benefits to key management personnel	106,694	98,885

	Unaudited 30 September 2022	Audited 30 September 2021
	(Rupees in ` 000)	
Period end balances		
Associated Companies		
Premium receivable	75,732	20,473
Claims outstanding	99,241	19,889
Commission outstanding	20,636	14,010
Others		
Premium receivable	47	-

27.1 Company's contribution toward staff provident fund during the year is Rs. 3,698,632 (2021: Rs.3,433,840).

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

28. SEGMENT REPORTING

28.1 Segment profit or loss

											Unaudited Quarter ended	
											30 September 2022	30 September 2021
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in '000)											
Premium receivable (inclusive of FED / sales tax, federal insurance fee and administrative surcharge)	115,217	131,164	24,697	19,421	31,360	37,021	109,531	107,511	40,260	46,055	321,065	341,172
Less: FED / sales tax	14,158	15,370	3,004	2,361	4,100	4,782	-	-	5,208	5,964	26,469	28,477
Less: Federal insurance fee	952	1,017	215	169	270	319	1,085	1,064	346	395	2,868	2,964
Gross written premium (inclusive of administrative surcharge)	100,107	114,777	21,479	16,891	26,991	31,920	108,447	106,447	34,706	39,696	291,729	309,731
Gross direct premium	94,587	101,166	21,057	16,584	26,568	31,384	108,322	106,395	34,291	39,302	284,825	294,831
Facultative inward premium	4,871	13,124	(0)	-	0	63	-	-	(0)	125	4,871	13,312
Administrative surcharge	649	487	422	307	423	474	124	52	416	268	2,033	1,587
Insurance premium earned	61,426	54,322	22,818	14,924	15,268	15,708	45,631	40,653	14,041	11,754	159,184	137,362
Insurance premium ceded to reinsurers	(55,568)	(51,882)	(15,052)	(9,275)	(905)	(994)	(5,618)	(8,634)	(6,774)	(6,846)	(83,917)	(77,631)
Net Insurance premium	5,858	2,440	7,767	5,649	14,363	14,715	40,013	32,019	7,267	4,908	75,267	59,731
Commission income	6,960	6,462	2,634	1,591	70	63	983	1,511	1,058	1,529	11,706	11,157
Net underwriting income	12,818	8,902	10,401	7,240	14,434	14,778	40,996	33,530	8,325	6,437	86,973	70,887
Insurance claims	(7,783)	(17,735)	(2,484)	(3,916)	(10,883)	(7,613)	(40,168)	(54,174)	(3,527)	(8,338)	(64,847)	(91,775)
Insurance claims recovered from reinsurance	6,140	10,141	1,649	2,258	297	-	5,236	16,611	(2,492)	6,041	10,830	35,051
Net Claim	(1,643)	(7,594)	(835)	(1,658)	(10,586)	(7,613)	(34,932)	(37,563)	(6,019)	(2,297)	(54,017)	(56,724)
Commission expense	(3,439)	(4,324)	(1,195)	(1,372)	(958)	(1,141)	(2,648)	(2,788)	(1,817)	(380)	(10,059)	(10,005)
Management expense	(25,859)	(24,135)	(8,739)	(6,139)	(6,523)	(7,000)	(19,246)	(18,189)	(5,865)	(5,109)	(66,232)	(60,573)
Other acquisition cost	(952)	(517)	(616)	(411)	(1,298)	(1,091)	(1,819)	(7,995)	(621)	(424)	(5,305)	(10,439)
Net insurance claims and expenses	(31,893)	(36,570)	(11,385)	(9,580)	(19,365)	(16,845)	(58,645)	(66,535)	(14,322)	(8,210)	(135,611)	(137,740)
Underwriting result	(19,076)	(27,668)	(984)	(2,340)	(4,931)	(2,068)	(17,649)	(33,005)	(5,997)	(1,773)	(48,640)	(66,853)
Net investment income											7,805	6,201
Rental income											1,211	1,101
Fair value gain on investment property											-	-
Other income											234	21,247
Other expenses											(2,095)	(668)
Finance cost											(282)	(301)
Share of loss from associate											(366)	(1,129)
Share of loss from WTO - Operator's Fund											9,719	545
Loss before tax											(32,414)	(39,857)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

											Unaudited Nine Months Period Ended	
											30 September 2022	30 September 2021
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in ` 000)											
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and Administrative surcharge)	180,114	197,884	47,805	35,775	54,158	60,000	159,132	181,910	56,250	51,644	497,458	527,213
Less: FED / sales tax	20,466	23,082	5,351	3,998	6,840	7,695	-	-	6,809	6,685	39,466	41,460
Less: Federal insurance fee	1,365	1,507	407	306	457	513	1,581	1,801	466	441	4,276	4,568
Gross written Premium (inclusive of Administrative surcharge)	158,283	173,295	42,047	31,471	46,860	51,792	157,551	180,109	48,975	44,518	453,716	481,185
Gross direct premium	136,352	149,985	39,654	29,845	44,743	50,078	157,306	180,022	46,483	43,854	424,537	453,784
Facultative inward premium	21,052	22,644	1,257	857	1,136	526	-	-	1,848	347	25,293	24,374
Administrative surcharge	879	666	1,136	769	981	1,188	246	87	645	316	3,886	3,026
Insurance premium earned	181,148	170,201	40,854	30,171	47,930	49,909	135,663	131,694	39,985	33,020	445,580	414,995
Insurance premium ceded to reinsurers	(168,808)	(167,844)	(24,188)	(15,492)	(2,485)	(2,754)	(16,873)	(31,927)	(21,110)	(19,201)	(233,464)	(237,218)
Net Insurance premium	12,340	2,357	16,666	14,679	45,446	47,155	118,790	99,767	18,875	13,819	212,116	177,777
Commission income from reinsurers	21,604	19,536	4,233	2,667	179	171	2,953	5,587	3,282	4,392	32,251	32,353
Net underwriting income	33,944	21,893	20,899	17,346	45,625	47,326	121,742	105,354	22,157	18,211	244,367	210,130
Insurance claims expense	(287,141)	(594,551)	(11,408)	(6,707)	(27,320)	(17,600)	(115,357)	(143,274)	(7,605)	(17,664)	(448,832)	(779,795)
Insurance claims recovered from reinsurers and other recoveries revenue	213,836	525,407	7,270	4,520	590	4	14,918	46,762	464	10,594	237,077	587,288
Net Insurance claims	(73,305)	(69,144)	(4,138)	(2,187)	(26,730)	(17,596)	(100,439)	(96,512)	(7,141)	(7,070)	(211,755)	(192,507)
Commission expense	(11,686)	(15,057)	(2,923)	(2,582)	(3,196)	(3,716)	(8,135)	(8,735)	(4,024)	(1,010)	(29,964)	(31,100)
Management expense	(64,683)	(64,871)	(14,588)	(11,499)	(17,115)	(19,023)	(48,442)	(50,194)	(14,278)	(12,585)	(159,105)	(158,173)
Other acquisition cost	(1,198)	(597)	(738)	(473)	(1,847)	(2,048)	(8,843)	(14,152)	(782)	(497)	(13,408)	(17,767)
Net insurance claims and expenses	(150,872)	(149,669)	(22,387)	(16,741)	(48,888)	(42,383)	(165,859)	(169,593)	(26,225)	(21,162)	(414,232)	(399,548)
Underwriting result	(116,928)	(127,777)	(1,489)	605	(3,262)	4,943	(44,117)	(64,239)	(4,068)	(2,950)	(169,866)	(189,417)
Investment income											1,392	132,945
Rental income											3,596	3,038
Revaluation gain on investment property											13,500	11,500
Other income											20,006	29,559
Other expenses											(4,378)	(4,877)
Finance cost											(899)	(940)
Share of profit from associate											(1,208)	2,437
Share of loss from WTO - Operator's Fund											(6,769)	(18,712)
(Loss) / Profit before tax											(144,626)	(34,467)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter & Nine Months Period Ended 30 September 2022

28.2 Segment assets and liabilities

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

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in '000)											
Segment assets	455,588	610,081	121,024	102,245	134,879	160,008	453,482	491,861	140,965	122,908	1,305,938	1,487,104
Unallocated corporate assets											1,812,342	1,991,753
Total assets											3,118,279	3,478,856
Segment Liabilities	610,249	733,929	162,108	123,001	180,667	192,490	607,428	591,710	188,819	147,858	1,749,271	1,788,988
Unallocated corporate liabilities											292,495	314,225
Total liabilities											2,041,766	2,103,213

29. MOVEMENT IN INVESTMENTS

Available for Sale
(Rupees in '000)

01 January, 2021	888,933
Additions	256,561
Disposals (sale and redemptions)	(350,038)
Fair value net gains (excluding net realized gains)	2,166
Impairment losses	(9,397)
31 December, 2021	788,225
Additions	5,133
Disposals (sale and redemptions)	-
Fair value net gains (excluding net realized gain)	(98,339)
Designated at fair value through profit of loss upon initial recognition	-
Classified as held for trading	-
Designated at fair value through profit of loss upon initial recognition	-
Impairment losses	(24,257)
30 September, 2022	670,762

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 & Nine Months Period Ended 30 September 2022

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

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

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

30 September 2022 (unaudited)			
Fair Value Measurement			
Level 1	Level 2	Level 3	
(Rupees in ` 000)			
Available for sale investments (measured at fair value)			
Equity securities	600,559		1,483
Mutual fund units	-	68,720	-
Debt securities - Treasury bills	-	-	-
600,559	68,720	1,483	

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

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **25 October 2022** by the Board of directors of the Company.

32. GENERAL

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

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

As at 30 September 2022

Note	Operator's Fund		Participant's Takaful Fund	
	30 September 2022 (Unaudited)	31 December 2021 (Audited)	30 September 2022 (Unaudited)	31 December 2021 (Audited)
(Rupees in '000)				
Assets				
Investments				
Mutual funds	7	-	4,633	5,035
Term deposits	8	-	600	600
Loans and other receivables	10	164	36,215	31,431
Takaful / retakaful receivables	12	-	55,501	68,987
Retakaful recoveries against outstanding claims	19	-	8,070	20,271
Qard-e-hasna contributed to PTF	9	58,403	-	-
Salvage recoveries accrued		-	348	350
Receivable from OPF / PTF	11	19,727	-	-
Deferred wakala expense	22	-	32,232	31,140
Deferred commission expense	23	8,939	-	-
Prepayments	13	-	10,539	13,027
Cash and bank	14	9,397	57,560	45,782
Total Assets		96,630	205,698	216,623
Funds and Liabilities				
Reserve attributable to:				
Operator's Fund (OPF)				
Statutory fund		50,000	-	-
Accumulated deficit		(100,782)	-	-
Balance of Operator's Fund		(50,782)	-	-
Participant's Takaful Fund (PTF) / Waqf				
Seed money		-	500	500
Revaluation reserves		-	(936)	(533)
Accumulated deficit		-	(61,660)	(43,327)
Balance of Participant's Takaful Fund / Waqf		-	(62,096)	(43,360)
Qard-e-Hasna		-	58,403	44,403
Liabilities				
PTF Underwriting provisions				
Unearned contribution reserve	18	-	92,798	88,967
Outstanding claims (including IBNR)	19	-	66,651	70,595
Contribution deficiency reserve		-	4,160	4,160
Reserve for Unearned retakaful rebate	21	-	1,987	2,134
		-	165,596	165,856
Unearned wakala fees	22	32,232	-	-
Takaful / retakaful payables		-	22,752	25,506
Payable to OPF / PTF	16	-	19,727	22,336
Other creditors and accruals	15	115,180	1,316	1,882
		147,412	43,795	49,724
Total Fund and Liabilities		96,630	205,698	216,623

Contingencies and commitments

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Profit and Loss (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

Note	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
(Rupees in '000)				
Participant's Takaful Fund				
Contribution earned - net of wakala fee	18	29,422	20,790	85,302
Less: Contribution ceded to retakaful	18	(6,193)	(4,389)	(17,237)
Net contribution revenue	18	23,229	16,401	68,065
Re-takaful rebate earned	21	1,163	841	3,292
Net underwriting income		24,392	17,242	71,357
Re-takaful rebate earned	19	(24,086)	(18,961)	(77,468)
Net underwriting income	19	(7,209)	(7,206)	(8,659)
		(31,295)	(26,167)	(86,127)
Provision for doubtful contribution	12	-	-	-
Other direct expenses	20	(2,283)	(3,913)	(6,618)
Deficit before investment income		(9,186)	(12,838)	(21,388)
Investment income	26	10	7	23
Other income	27	2,075	649	4,611
Less: Modarib's share of investment income	28	(731)	(229)	(1,580)
Deficit for the period		(7,832)	(12,411)	(18,334)
Operator's Fund				
Wakala fee	22	15,904	11,194	46,134
Commission expense	23	(4,264)	(2,122)	(11,442)
General, administrative and management expenses	24	(2,233)	(8,322)	(41,045)
		9,407	750	(6,353)
Modarib's share of PTF investment income	28	731	229	1,580
Profit on bank accounts		48	14	194
Other expenses	25	(467)	(448)	(2,190)
Profit / (Loss) for the period		9,719	545	(6,769)
				(18,712)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
			(Rupees in ` 000)	
Participant's Takaful Fund				
Deficit for the period	(7,832)	(12,411)	(18,334)	(15,143)
Other comprehensive loss for the period:				
Unrealized loss on available for sale securities	14	(104)	(402)	(111)
Total comprehensive loss for the period	(7,818)	(12,515)	(18,736)	(15,254)
Operator's Fund				
Profit / (Loss) for the period	9,719	545	(6,769)	(18,712)
Other comprehensive income / (loss) for the period:				
Unrealized income on available for sale securities	-	-	-	-
Total comprehensive Income / (Loss) for the period	9,719	545	(6,769)	(18,712)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

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

For the Quarter and Nine Months Period Ended 30 September 2022

	Attributable to Operator's Fund			Total
	Statutory fund	Unrealized	Accumulated	
		gain / (loss) on revaluation of available-for-sale (Rupees in '000)	deficit	
Balance as at 01 January 2021	50,000	-	(72,512)	(22,512)
Net loss for the period	-	-	(18,712)	(18,712)
Other comprehensive income for the period	-	-	-	-
Balance as at 30 September 2021	50,000	-	(91,224)	(41,224)
Balance as at 01 January 2022	50,000	-	(94,013)	(44,013)
Net loss for the period	-	-	(6,769)	(6,769)
Other comprehensive income for the period	-	-	-	-
Balance as at 30 September 2022	50,000	-	(100,782)	(50,782)

	Attributable to participants of the Participant's Fund			Total
	Seed Money	Unrealized	Accumulated	
		gain / (loss) on revaluation of available-for-sale (Rupees in '000)	deficit	
Balance as at 01 January 2021	500	(462)	(28,901)	(28,863)
Deficit for the period	-	-	(15,143)	(15,143)
Other comprehensive loss for the period	-	(111)	-	(111)
Balance as at 30 September 2021	500	(573)	(44,044)	(44,117)
Balance as at 01 January 2022	500	(534)	(43,326)	(43,360)
Deficit for the period	-	-	(18,334)	(18,334)
Other comprehensive loss for the period	-	(402)	-	(402)
Balance as at 30 September 2022	500	(936)	(61,660)	(62,096)

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

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Condensed Interim Statement of Cash Flows (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

Note	Nine Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
(Rupees in '000)				
Operating Activities				
a) Takaful activities				
Contribution received	-	-	98,788	37,007
Re-takaful contributions paid	-	-	(19,876)	(7,319)
Claims / benefit paid	-	-	(91,902)	(35,450)
Re-takaful and other recoveries received	-	-	8,756	817
Commissions (paid) / re-takaful rebate received	(10,473)	(7,956)	3,145	2,852
Wakala fees received	49,835	35,071	-	-
Wakala fees paid	-	-	(49,835)	(35,071)
Modarib share received / (paid)	1,580	783	(1,580)	(783)
Total cash generated / (used in) takaful activities	40,942	27,898	(52,504)	(37,947)
b) Other operating activities				
General and administration expenses paid	(43,364)	(40,466)	(4,245)	(6,764)
Amounts due from other takaful / retakaful operators	-	-	13,486	36,424
Deposits and other receivables	77	11	4,365	24,137
Paid to Premier Insurance Limited	10,389	17,963	31,614	(15,247)
Accrued salvage recoveries	2	(288)	-	-
Other liabilities paid	(165)	1,395	566	(2,601)
Qard-e-hasna contributions	(14,000)	(3,300)	14,000	3,300
Total cash used in other operating activities	(47,061)	(24,685)	59,786	39,249
Total cash used in from operating activities	(6,119)	3,213	7,282	1,302
Investment Activities				
Investment loss received	-	-	(396)	195
Bank profit received	194	30	4,490	-
Sale of investment - net	-	-	402	111
Total cash generated / (used in) from investing activities	194	30	4,496	306
Total cash generated from all activities	(5,925)	3,243	11,778	1,608
Cash and cash equivalents at beginning of the period	15,322	3,701	45,782	36,440
Cash and cash equivalents at the end of the period	14	9,397	57,560	38,048

Condensed Interim Statement of Cash Flows (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

Note	Nine Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
(Rupees in ` 000)				
Reconciliation to profit and loss account				
Operating cash flows	(6,119)	3,213	7,282	1,302
Depreciation expense	-	-	-	-
Investment income	-	-	23	396
Increase / (Decrease) in assets other than cash	(531)	23,119	(17,828)	87,464
(Increase) / Decrease in liabilities	(14,119)	(41,744)	6,189	(107,605)
Qard-e-hasna contributions	14,000	(3,300)	(14,000)	3,300
Loss for the period	(6,769)	(18,712)	(18,334)	(15,143)

Attributed to

Operator's Fund	(6,769)	(18,712)	-	-
Participants' Takaful Fund	-	-	(18,334)	(15,143)
	(6,769)	(18,712)	(18,334)	(15,143)

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	-	-	-	-
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Current and other accounts

Current and savings accounts	9,397	6,944	57,560	38,048
Term deposit receipt	-	-	-	-

Total cash and cash equivalent	14	9,397	6,944	57,560	38,048
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The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

Chairman

Chief Executive Officer

Director

Director

Chief Financial Officer

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

2. BASIS OF PRESENTATION

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2021.

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

2.1 Statement of Compliance

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

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

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

2.2 Basis of measurement

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

2.3 Functional and Presentation Currency

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

3. ACCOUNTING POLICIES

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

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

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

4. ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2021.

5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2021.

6. CONTRIBUTION DEFICIENCY RESERVE

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

7. INVESTMENTS IN MUTUAL FUNDS - PTF

Note	30 September 2022			31 December 2021		
	Cost	Impairment / provision for the year	Carrying value	Cost	Impairment / Provision for the year	Carrying value
(Rupees in ` 000)						
Classified at available for sale						
Mutual fund units	5,100	-	4,633	5,100	-	5,035
	5,100	-	4,633	5,100	-	5,035

8. INVESTMENTS IN TERM DEPOSITS - PTF

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

- 8.1** This represents a term deposit with bank having profit at the average rate of 6.8% per annum (31 December 2021: 5%) having maturity till 1st November 2022.

9. QARD-E-HASNA

Note	Unaudited 30 September 2022	Audited 31 December 2021
	(Rupees in ` 000)	
Balance as at the beginning of the period	44,403	83,020
Repayment during the period	-	(41,917)
Qard-e-Hasna contributed during the period	14,000	3,300
Balance as at the end of the period	58,403	44,403

10. LOANS AND OTHER RECEIVABLES - Considered good

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in ` 000)			
Profit receivable	6	33	718	299
Federal excise duty	158	81	6,231	5,748
Others	-	-	29,266	25,384
	164	114	36,215	31,431

11. RECEIVABLE FROM PTF

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in ` 000)			
Wakala fee receivable	19,727	22,336	-	-
	19,727	22,336	-	-

12. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	(Rupees in ` 000)			
Contribution due but unpaid	-	-	48,353	63,453
Less: Provision for doubtful receivables takaful participants' holders	-	-	(5,714)	(5,714)
	-	-	42,639	57,739
Amounts due from other takaful / retakaful operators	-	-	12,862	11,248
	-	-	55,501	68,987

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

13. PREPAYMENTS

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in ` 000)				
Prepaid retakaful contribution ceded	-	-	10,006	10,121
Other prepaid expense	-	-	533	2,906
	-	-	10,539	13,027

14. CASH AND BANK

Note	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in ` 000)				
Cash and cash equivalent				
Policy, revenue stamps and bond papers	-	-	28	36
Cash at bank				
Current accounts	15	15	16	403
Profit & Loss sharing accounts	14.1 9,382	15,307	57,516	45,343
	9,397	15,322	57,560	45,782

14.1 The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 2.84% to 14.03% per annum (December 31, 2021: 2.75% to 8.25%).

15. OTHER CREDITORS AND ACCRUALS

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in ` 000)				
Payable to Premier Insurance Limited	101,010	90,621	-	-
Federal takaful fee	-	-	14	39
Sales tax on services	-	-	628	19
Commission payable	14,374	11,571	-	-
Auditor's fee	358	416	-	-
Others	(562)	(455)	674	1,824
	115,180	102,153	1,316	1,882

16. PAYABLE TO OPF

	Operator's Fund		Participant's Takaful Fund	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
(Rupees in ` 000)				
Wakala fee receivable	-	-	19,727	22,336
	-	-	19,727	22,336

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

17. CONTINGENCES AND COMMITMENTS

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

18. NET CONTRIBUTION

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Written gross contribution	54,607	74,974	135,267	134,668
Less: Wakala fee	(15,904)	(11,194)	(46,134)	(25,722)
Contribution Net of Wakala Fee	38,703	63,780	89,133	108,946
Add: Unearned contribution reserve opening	83,517	53,251	88,967	35,064
Less: Unearned contribution reserve closing	(92,798)	(96,241)	(92,798)	(96,241)
Contribution earned	29,422	20,790	85,302	47,769
Less: Retakaful contribution ceded	7,910	9,858	17,122	14,812
Add: Prepaid retakaful contribution opening	8,289	3,520	10,121	5,575
Less: Prepaid retakaful contribution closing	(10,006)	(8,989)	(10,006)	(8,989)
Retakaful expense	6,193	4,389	17,237	11,398
Net contribution	23,229	16,401	68,065	36,371

19. NET CLAIMS EXPENSE

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Claims paid or payable	27,114	23,482	91,902	35,450
Less: Outstanding claims including IBNR opening	(61,354)	(58,344)	(70,595)	(37,789)
Add: Outstanding claims including IBNR closing	66,651	61,357	66,651	61,357
Claims expense	32,411	26,495	87,958	59,018
Less: Retakaful and other recoveries received	10	146	14,032	817
Less: Retakaful recoveries against outstanding claims - opening	(6,964)	(14,633)	(20,271)	(5,004)
Add: Retakaful recoveries against outstanding claims - closing	8,070	14,815	8,070	14,815
Retakaful and other recoveries revenue	1,116	328	1,831	10,628
Net claim	31,295	26,167	86,127	48,390

20. DIRECT EXPENSES - PTF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Tracking services	200	-	194	21
Service charges	2,264	3,569	5,598	5,000
Others	(181)	344	826	1,683
	2,283	3,913	6,618	6,704

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

21. RETAKAFUL REBATE - PTF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Rebate from re-takaful received	1,486	1,976	3,145	2,852
Add: Deferred rebate opening	1,664	735	2,134	1,167
Less: Deferred rebate closing	(1,987)	(1,870)	(1,987)	(1,870)
Rebate from rebakaful earned	1,163	841	3,292	2,149

22. WAKALA FEE - OPF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Gross wakala fee	18,562	26,241	47,226	47,134
Add: Deferred wakala opening	29,574	18,638	31,140	12,273
Less: Deferred wakala closing	(32,232)	(33,685)	(32,232)	(33,685)
Net wakala fee	15,904	11,194	46,134	25,722

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

23. COMMISSION EXPENSE - OPF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Commission paid or payable	4,352	5,293	13,276	9,559
Add: Deferred commission opening	8,851	3,712	7,105	2,105
Less: Deferred commission closing	(8,939)	(6,883)	(8,939)	(6,883)
Commission expense	4,264	2,122	11,442	4,781

24. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES - OPF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in '000)			
Employee benefit cost	1,178	6,890	34,389	31,414
Rent, rates and taxes	69	107	330	335
Communications	5	64	348	354
Fuel and power	292	451	1,331	1,158
Travelling expenses	(21)	113	235	270
Entertainments	(5)	132	508	514
Advertisements and sales promotions	577	430	1,302	1,617
Repair and maintenance	2	(142)	758	687
Printing and stationery	(79)	29	571	627
Vehicle running expenses	182	131	408	328
Annual supervision fee SECP	-	-	119	262
Miscellaneous	33	117	746	723
	2,233	8,322	41,045	38,289

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

25. OTHER EXPENSES - OPF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Auditors' remuneration	111	104	499	519
Inadmissible input tax expense	-	-	-	(12)
Fees and subscription	356	344	1,691	1,670
	467	448	2,190	2,177

26. INVESTMENT INCOME - PTF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Income from mutual funds				
Realized gain on sale of mutual fund units	-	-	-	375
Dividend income	-	-	-	-
Income from term deposits				
Return on term deposits	10	7	23	21
	10	7	23	396

27. OTHER INCOME - PTF

	(Unaudited)			
	Quarter ended		Nine Months Period Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	(Rupees in ` 000)			
Profit on bank deposits	2,075	649	4,490	1,842
Exchange gain	-	-	121	36
	2,075	649	4,611	1,878

28. MODARIB FEE

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

29. RELATED PARTY TRANSACTIONS - PTF

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

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

	(Unaudited) Nine Months Period Ended	
	30 September 2022	30 September 2021
	(Rupees in ` 000)	
Transactions during the period		
Associated Companies		
Contribution underwritten	7,505	8,705
Contribution received	10,941	8,231
Claims paid	2,679	875
	(Unaudited)	(Audited)
	30 September 2022	31 December 2021
	(Rupees in ` 000)	
Period end balances		
Associated Companies		
Contribution receivable	5,497	6,835
Claims outstanding	1,691	1,639
Commission outstanding	753	706

29.1 Company's contribution toward staff provident fund during the period is Rs. 1,121,549/- (2021: Rs. 998,370)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

30. SEGMENT INFORMATION

30.1 Participants Takaful Fund

Segment profit and loss

											(Unaudited) Quarter ended	
											30 September 2022	30 September 2021
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
(Rupees in '000)												
Participants Takaful Fund												
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	7,016	7,898	2,629	2,241	28,049	26,453	20,647	42,106	1,297	1,488	59,637	80,186
Less: Federal excise duty	733	972	328	276	3,260	3,032	-	-	172	188	4,493	4,468
Less: Federal takaful fee	54	66	23	20	245	228	204	417	11	13	537	744
Gross written contribution (inclusive of Administrative surcharge)	6,229	6,860	2,278	1,945	24,544	23,193	20,442	41,689	1,114	1,287	54,607	74,974
Gross direct contribution	5,329	6,591	2,206	1,896	23,737	22,319	20,422	41,657	1,096	1,260	52,790	73,723
Facultative inward contribution	833	221	-	-	79	356	-	-	-	-	912	577
Administrative surcharge	65	49	74	48	729	518	20	32	18	27	905	674
Less: Wakala expense	(1,373)	(942)	(764)	(496)	(6,932)	(5,055)	(6,304)	(4,588)	(530)	(113)	(15,904)	(11,194)
Takaful contribution earned	4,117	2,694	2,184	1,418	19,806	14,441	18,013	13,107	1,206	324	45,326	31,984
Takaful contribution ceded to retakaful operators	(3,176)	(2,289)	(1,381)	(1,272)	(1,357)	(596)	-	-	(279)	(231)	(6,193)	(4,389)
Net takaful contribution	(432)	(538)	39	(350)	11,517	8,790	11,709	8,519	397	(20)	23,229	16,401
Rebate earned	721	491	291	286	87	9	-	-	64	53	1,163	841
Net underwriting income	289	(47)	330	(64)	11,604	8,799	11,709	8,519	461	33	24,392	17,240
Takaful claims	(983)	(499)	(219)	(191)	(14,562)	(9,662)	(16,616)	(16,456)	(31)	312	(32,411)	(26,495)
Takaful claims recovered from retakaful operators	918	443	162	153	10	-	-	-	28	(270)	1,116	328
Net claim	(65)	(56)	(57)	(38)	(14,552)	(9,662)	(16,616)	(16,456)	(3)	42	(31,295)	(26,167)
Other direct expense	3	(349)	6	(103)	128	(1,268)	(2,421)	(2,128)	1	(64)	(2,283)	(3,913)
(Deficit) / Surplus before investment income	227	(454)	279	(205)	(2,820)	(2,120)	(7,328)	(10,073)	459	10	(9,186)	(12,838)
Investment income											10	7
Other Income											2,075	649
Less: Modarib's share of investment income											(731)	(229)
Deficit transferred to accumulated surplus											(7,832)	(12,411)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

	(Unaudited)											
	Nine Months Period Ended											
	30 September 2022						30 September 2021					
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Segment profit and loss	(Rupees in '000)											
Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)	14,078	10,735	6,205	4,630	77,732	69,060	47,142	59,920	2,743	1,610	147,899	145,955
Less: Federal excise duty	1,423	1,307	744	549	8,822	7,896	-	-	338	202	11,327	9,955
Less: Federal takaful fee	98	90	54	40	663	596	467	593	24	14	1,306	1,333
Gross written contribution (inclusive of administrative surcharge)	12,558	9,338	5,407	4,041	68,247	60,568	46,675	59,327	2,381	1,394	135,267	134,668
Gross direct contribution	9,768	8,939	5,200	3,823	64,231	57,908	46,620	59,281	2,330	1,361	128,150	131,312
Facultative inward contribution	2,673	323	-	85	1,903	934	-	-	-	-	4,576	1,342
Administrative surcharge	117	76	207	133	2,113	1,726	55	46	50	32	2,542	2,014
Less: Wakala expense	(3,770)	(2,285)	(1,820)	(1,343)	(19,355)	(11,380)	(19,781)	(10,373)	(1,409)	(341)	(46,134)	(25,722)
Takaful contribution earned	10,964	6,530	5,199	3,837	55,299	32,513	56,516	29,636	3,458	974	131,436	73,491
Takaful contribution ceded to retakaful operators	(9,158)	(5,497)	(3,825)	(3,361)	(3,272)	(1,762)	-	-	(982)	(778)	(12,237)	(11,398)
Net takaful contribution	(1,964)	(1,253)	(446)	(866)	32,672	19,371	36,735	19,264	1,067	(144)	68,065	36,371
Rebate earned	2,050	1,182	838	761	179	26	-	-	225	179	3,292	2,149
Net underwriting income	86	(71)	392	(105)	32,851	19,397	36,735	19,264	1,292	34	71,357	38,520
Takaful claims	(2,692)	(11,365)	439	(790)	(25,784)	(15,023)	(59,549)	(32,196)	(372)	356	(87,958)	(59,018)
Takaful claims recovered from retakaful	2,407	10,211	(431)	704	21	-	-	-	(164)	(288)	1,831	10,628
Net claim	(285)	(1,154)	8	(86)	(25,763)	(15,023)	(59,549)	(32,196)	(536)	68	(86,127)	(48,390)
Provision for doubtful contribution	-	(4)	-	(2)	-	(27)	-	(26)	-	(1)	-	(60)
Other direct expense	(73)	(465)	(31)	(201)	(396)	(3,015)	(6,103)	(2,953)	(14)	(69)	(6,618)	(6,704)
Surplus before investment income	(272)	(1,694)	369	(394)	6,692	1,331	(28,916)	(15,912)	743	32	(21,388)	(16,634)
Investment income											23	396
Other Income											4,611	1,878
Less: Modarib's share of investment income											(1,580)	(783)
Deficit transferred to accumulated surplus											(18,334)	(15,143)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

Segment assets and liabilities

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

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
(Rupees in '000)												
Segment assets	9,905	10,522	4,264	4,577	53,829	57,153	36,814	58,495	1,878	3,030	106,691	133,775
Unallocated corporate assets											99,007	82,848
Total assets											205,698	216,623
Segment liabilities	17,100	14,724	7,362	6,404	92,929	79,978	63,555	81,857	3,243	4,240	184,188	187,202
Unallocated corporate liabilities											25,203	28,378
Total liabilities											209,391	215,580

30.2 Operators Fund

Segment profit and loss	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
(Rupees in '000)												
Wakala fee earned	1,373	942	764	496	6,932	5,055	6,304	4,588	530	113	15,904	11,194
Commission expense	(462)	(307)	(166)	(102)	(2,498)	(1,415)	(574)	(253)	(565)	(44)	(4,264)	(2,122)
Management expense	(142)	246	(150)	138	(1,388)	(4,515)	(488)	(4,156)	(64)	(35)	(2,233)	(8,322)
	769	881	448	531	3,046	(875)	5,242	179	(98)	34	9,407	750
Modarib's share of PTF investment income											731	229
Profit on bank deposits											48	14
Other expenses											(467)	(448)
Loss before taxation											9,719	545

Segment profit and loss	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
(Rupees in '000)												
Wakala fee earned	3,770	2,285	1,820	1,343	19,355	11,380	19,781	10,373	1,409	341	46,134	25,722
Commission expense	(1,220)	(810)	(375)	(259)	(6,564)	(3,045)	(1,807)	(599)	(1,477)	(68)	(11,442)	(4,781)
Management expense	1,184	1,319	269	912	(19,702)	(20,393)	(22,152)	(20,279)	(644)	152	(41,045)	(38,289)
	3,735	2,794	1,713	1,996	(6,911)	(12,058)	(4,179)	(10,506)	(711)	425	(6,353)	(17,348)
Modarib's share of PTF investment income											1,580	783
Profit on bank deposits											194	30
Other expenses											(2,190)	(2,177)
Loss before taxation											(6,769)	(18,712)

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

Segment assets and liabilities

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

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Rupees in '000)											
Segment assets	830	559	357	243	4,510	3,035	3,084	3,107	157	161	8,940	7,105
Unallocated corporate assets											87,690	82,175
Total assets											96,630	89,280
Segment Liabilities	2,992	2,449	1,288	1,065	16,262	13,304	11,122	13,616	567	705	32,232	31,140
Unallocated corporate liabilities											115,180	102,153
Total liabilities											147,412	133,293

31. MOVEMENT IN INVESTMENTS

	OPF	PTF		Total
	Available for sale	Available for sale	Held to maturity	
	(Rupees in '000)			
01 January 2021	-	6,820	600	7,420
Addition	-	5,100	2,400	7,500
Disposal (sale and redemption)	-	(6,813)	(2,400)	(9,213)
Designated at available for sale upon initial recognition	-	(72)	-	(72)
31 December 2021	-	5,035	600	5,635
Addition	-	-	1,800	1,800
Disposal (sale and redemption)	-	-	(1,800)	(1,800)
Designated at available for sale upon initial recognition	-	(402)	-	(402)
30 September 2022	-	4,633	600	5,233

32. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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

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

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

Notes to the Condensed Interim Financial Statements (unaudited)

For the Quarter and Nine Months Period Ended 30 September 2022

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 September 2022			
Fair Value Measurement			
Level 1	Level 2	Level 3	
(Rupees in ` 000)			
PTF			
Available for sale investments (measured at fair value)			
Mutual fund units	-	4,633	-
	-	4,633	-

(Audited)			
31 December 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	-	5,035	-
	-	5,035	-

33. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **25th October 2022** by the Board of Directors of the Operator.

34. GENERAL

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

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

Phone: 021-32416331-4

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CSD South Karachi

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Off. I.I. Chundrigar Road, Karachi, Pakistan.

Phone: 021-32416331-4

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Lahore

Zonal Office Lahore

162 Shadman II Lahore.

Phone: 042-35407001-5

Fax: 042-35407006

CSD North Lahore

162 Shadman II Lahore.

Phone: 042-35407001-5

Fax: 042-35407006

Mall Branch Lahore

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

Phone: 042-37230602-3

Multan Branch

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

Phone: 061-4515007-9

Fax: 061-4587143

Islamabad Branch

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

Phone: 051-2803024-5

Fax: 051-2348169

Faisalabad Branch

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

Phone: 041-2632211-3

Fax: 041-2617802

Sialkot Branch

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

Phone: 052-3572192-3

Fax: 052-3572194

Gujranwala Branch

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

Phone: 055-3256432

Peshawar Branch

Lamsy Arcade, 1st Floor, Fakhar-e-Alam Road,
Peshawar Cantt.

Phone: 091-5273757 / 5277809

Fax: 091-5277809

Quetta Branch

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

Phone: 081-2842883

Fax: 081-2821383



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