

## DIRECTORS' REVIEW REPORT TO THE MEMBERS'

Your Directors are pleased to present their report together with un-audited quarterly Financial Statements for the period ended September 30, 2022

The statistic covers the annexed Financial Statements of conventional general insurance and Window Takaful operation comprising:

- 0 Condnsed interim statement of financial position;
- 0 Condnsed interim statement of profit and loss account;
- 0 Condnsed interim statement of comprehensive income;
- 0 Condnsed interim statement of changes and equity;
- 0 Condnsed interim cash flow statement;
- 0 Notes to the condnsed interim financial information;

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The financial highlight of the company for the period ended September 30, 2022 is as follows:

	(Unaudited)	
Result of operating activites	332,665,153	
Profit before tax from Window Takaful Operations	23,301,388	
Profit before tax	355,966,541	
Income tax expenses	(90,820,780)	
Profit after taxation	265,145,761	
Other Comprehensive income	2,227,214	
Total Comprehensive income	267,372,975	
Unappropriated profit at beginning of the year	231,950,574	
Profit for the period	265,145,761	
Issue of bonus shares	(102,064,630)	
Transferered to general reserve	(130,000,000)	
Unappropriated at the end of the period	265,031,705	

	September, 30 2022	September, 30 2021
	----- (Unaudited) -----	
Gross premium	3,553,684,142	2,794,796,955
Net premium	1,899,993,954	1,603,250,809
Underwriting results	328,231,322	305,122,310
Investment income	120,731,961	64,572,860
Profit before tax (including Window Takaful Operations)	355,966,541	290,116,578
Profit after tax (including Window Takaful Operations)	265,145,761	217,393,261
Earnings per share - basic and diluted (Rupees)	1.66	1.36

On behalf of the Board of Directors



**Naved Yunus**

Chief Executive Officer  
Karachi : October 29, 2022

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT SEPTEMBER 30, 2022**

		September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
	Note	----- Rupees-----	
<b>ASSETS</b>			
Property and equipment	6	114,830,734	115,337,232
Intangible assets	7	891,811	946,046
Investment properties	8	43,535,418	45,231,603
Investments			
Equity securities	9	1,502,488,673	1,306,177,282
Debt securities	10	340,703,056	402,638,123
Term deposit receipts (TDRs)	11	56,000,000	163,382,338
		1,899,191,729	1,872,197,743
Loans and other receivables	12	182,920,892	100,416,094
Insurance / reinsurance receivables	13	996,434,983	799,710,582
Reinsurance recoveries against outstanding claims	21	904,590,857	535,855,031
Deferred commission expense	22	323,292,600	329,200,886
Deferred tax assets		1,492,736	-
Prepayments	14	598,281,888	535,261,819
Cash and bank	15	105,468,609	27,915,325
		5,170,932,257	4,362,072,361
Total assets of window takaful operations			
Operator's fund		198,811,753	171,732,299
<b>TOTAL ASSETS</b>		5,369,744,010	4,533,804,660
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves attributable to Company's equity holders			
Issued, subscribed and paid-up capital		1,599,012,620	1,360,861,810
Reserves	16	500,357,051	368,129,837
Unappropriated profit		265,031,705	231,950,574
<b>TOTAL EQUITY</b>		2,364,401,376	1,960,942,221
<b>LIABILITIES</b>			
Underwriting provisions			
Outstanding claims including IBNR	21	1,075,715,556	798,276,118
Unearned premium reserves	20	1,402,999,228	1,335,760,872
Unearned reinsurance commission	22	136,575,274	120,510,380
		2,615,290,058	2,254,547,370
Retirement benefit obligations		3,293,157	2,679,452
Premium received in advance	17	42,319,888	45,610,434
Insurance / reinsurance payables		21,920,825	3,665,035
Other creditors and accruals	18	119,510,681	137,163,438
Deferred taxation		-	254,684
Taxation - net		134,961,959	69,763,189
<b>TOTAL LIABILITIES</b>		2,937,296,568	2,513,683,602
Total liabilities of window Takaful			
Operations - Operator's Fund		68,046,066	59,178,837
<b>TOTAL EQUITY AND LIABILITIES</b>		5,369,744,010	4,533,804,660
<b>CONTINGENCIES AND COMMITMENTS</b>			
	19		

The annexed notes from 1 to 36 form an integral part of this condensed interim financial information.

CHAIRMAN

CHIEF EXECUTIVE OFFICER

DIRECTOR

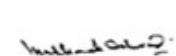
DIRECTOR

CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	Note	Nine months period ended		Three months period ended	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net insurance premium	20	1,899,993,954	1,603,250,809	582,484,977	541,340,901
Net insurance claims	21	(865,831,358)	(713,590,100)	(277,756,047)	(251,918,647)
Net commission	22	(378,239,572)	(319,648,610)	(93,868,921)	(109,049,055)
Insurance claims and acquisition expenses		(1,244,070,930)	(1,033,238,710)	(371,624,968)	(360,967,702)
Management expenses	23	(327,691,702)	(264,889,789)	(140,000,000)	(111,293,040)
Underwriting results		328,231,322	305,122,310	70,860,009	69,080,159
Investment income / (loss)	24	120,731,961	64,572,860	46,642,540	22,299,120
Other income	25	8,739,760	5,855,506	3,196,040	975,365
Other expenses	26	(124,739,424)	(107,408,918)	(38,883,370)	(35,246,649)
Finance cost	27	(298,466)	(399,911)	(50,606)	(58,185)
<b>Results of operating activities</b>		<b>332,665,153</b>	<b>267,741,847</b>	<b>81,764,613</b>	<b>57,049,810</b>
Profit / (loss) before tax from					
Window takaful operations	28	23,301,388	22,374,731	5,436,198	7,459,197
<b>Profit before tax</b>		<b>355,966,541</b>	<b>290,116,578</b>	<b>87,200,811</b>	<b>64,509,007</b>
Income tax expense		(90,820,780)	(72,723,317)	(19,619,222)	(11,499,997)
<b>Profit after taxation</b>		<b>265,145,761</b>	<b>217,393,261</b>	<b>67,581,589</b>	<b>53,009,010</b>
		<b>(Restated)</b>		<b>(Restated)</b>	
<b>Earnings per share - basic and diluted</b>	30	<b>1.66</b>	<b>1.36</b>	<b>0.42</b>	<b>0.33</b>

The annexed notes from 1 to 36 form an integral part of this condensed interim financial information.









CHAIRMAN

CHIEF EXECUTIVE OFFICER

DIRECTOR

DIRECTO

CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	<u>Nine months period ended</u>		<u>Three months period ended</u>	
	<u>September 30</u>	<u>September 30</u>	<u>September 30</u>	<u>September 30</u>
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Note	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
Profit after taxation	265,145,761	217,393,261	67,581,589	53,009,010
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss account				
Unrealised (loss) / gain on available for sale investments - net of deferred tax	-	-	-	-
Reclassification of loss included in profit and loss account	2,227,214	2,156,545	738,945	778,030
	<u>2,227,214</u>	<u>2,156,545</u>	<u>738,945</u>	<u>778,030</u>
Total comprehensive income for the period	<u>267,372,975</u>	<u>219,549,806</u>	<u>68,320,534</u>	<u>53,787,040</u>

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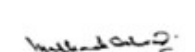


**CHAIRMAN**    **CHIEF EXECUTIVE OFFICER**    **DIRECTOR**    **DIRECTOR**    **CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	Share capital	Reserves		Total reserves	Unappropriated profit	Total
	Issued subscribed and paid-up	General reserve	Unrealized gain on available for sale investment			
	-----Rupees -----					
Balance as at January 01, 2021	1,183,358,100	440,000,000	(71,581,372)	368,418,628	96,987,512	1,648,764,240
Total comprehensive income for the period						
Profit for the period	-	-	-	-	217,393,261	217,393,261
Other comprehensive income	-	-	2,156,545	2,156,545	-	2,156,545
	-	-	2,156,545	2,156,545	217,393,261	219,549,806
Balance as at September 30, 2021	1,183,358,100	440,000,000	(69,424,827)	370,575,173	314,380,773	1,868,314,046
Balance as at January 01, 2022	1,360,861,810	440,000,000	(71,870,163)	368,129,837	231,950,574	1,960,942,221
Total comprehensive income for the period						
Profit for the period	-	-	-	-	265,145,761	265,145,761
Other comprehensive income	-	-	2,227,214	2,227,214	-	2,227,214
Total comprehensive income for the period	-	-	2,227,214	2,227,214	265,145,761	267,372,975
						-
Issue of bonus shares (3 bonus shares for every 40 shares held)	102,064,630				(102,064,630)	-
Right shares application money	136,086,180					136,086,180
	238,150,810				(102,064,630)	136,086,180
Transfer to general reserve	-	130,000,000	-	130,000,000	(130,000,000)	
Balance as at September 30, 2022	1,599,012,620	570,000,000	(69,642,949)	500,357,051	265,031,705	2,364,401,376

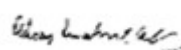
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**CHAIRMAN**



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**DIRECTOR**

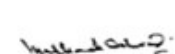


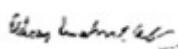
**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	September 30, 2022	September 30, 2021
	----- Rupees-----	
<b>OPERATING CASH FLOWS</b>		
(a) Underwriting activities		
Insurance premium received	3,516,699,823	2,762,825,600
Reinsurance premium paid	(1,830,171,640)	(1,338,510,108)
Claims paid	(1,751,617,933)	(1,078,041,048)
Reinsurance and other recoveries received	794,490,187	404,798,091
Commission paid	(780,638,477)	(532,149,816)
Commission received	424,372,085	303,334,439
Underwriting payments	(269,493,505)	(235,030,160)
Net cash inflows from underwriting activities	103,640,540	287,226,998
(b) Other operating activities		
Income tax paid	(25,622,010)	(12,403,764)
Other expenses paid	(111,689,572)	(92,112,487)
Other operating payments	(113,031,883)	(104,432,080)
Net cash used in other operating activities	(250,343,465)	(208,948,331)
Total cash (used in) / generated from all operating activities	(146,702,925)	78,278,667
<b>INVESTMENT ACTIVITIES</b>		
Profit / return received	21,171,434	19,891,348
Dividend received	100,044,226	43,232,856
Other income received	4,251,957	4,999,345
Payment for investments	(306,190,415)	(563,116,341)
Proceeds from investment	171,814,086	110,025,707
Fixed capital expenditure	(11,604,361)	(3,182,208)
Proceeds from sale of property and equipment	5,200,764	678,000
Total cash used in all operating activities	(15,312,309)	(387,471,293)
<b>FINANCING ACTIVITIES</b>		
Loan received from director	1,000,000	13,017,500
Loan repaid to director	(4,900,000)	(15,615,000)
Right share subscription money	136,086,180	-
Payment of finance charges	-	(177,486)
Total cash (used in) / generated from all financing activities	132,186,180	(2,774,986)
Net cash (used in) / generated from all activities	(29,829,054)	(311,967,612)
Cash and cash equivalents at beginning of the period	191,297,663	411,767,289
Cash and cash equivalents at end of the period	161,468,609	99,799,677

The annexed notes from 1 to 36 form an integral part of this condensed interim financial information.







**CHAIRMAN   CHIEF EXECUTIVE OFFICER   DIRECTOR   DIRECTOR   CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	September 30, 2022	September 30, 2021
	----- Rupees-----	
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(146,702,925)	78,278,667
Depreciation expense	(11,299,432)	(12,522,379)
Amortization of intangible	(54,235)	(77,479)
Profit on disposal of fixed assets	4,189,337	633,736
Investment income	21,171,434	19,891,348
Loss on disposal of investment securities	(5,886,943)	(2,156,879)
Dividend income	100,044,226	43,232,856
Other income	4,251,957	4,999,345
Gain on takaful operations	23,301,388	22,374,731
Increase in assets other than cash	733,648,998	(46,409,315)
Increase in operating liabilities	(457,518,043)	109,148,630
<b>Profit for the period</b>	<u>265,145,761</u>	<u>217,393,261</u>

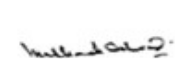
**Definition of cash**

Cash comprises of cash in hand, policy stamps in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Cash for the purpose of statement of cash flows consist of:

	September 30, 2022	September 30, 2021
	----- Rupees-----	
Cash and other equivalents	29,834	33,564
Current and other accounts	105,438,775	41,266,113
Deposits maturing within 12 months	56,000,000	58,500,000
	<u>161,468,609</u>	<u>99,799,677</u>

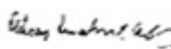
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**CHAIRMAN**



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

East West Insurance Company Limited (the Company) was incorporated as a public limited company in the year 1983 under the repealed Companies Act, 1913 (now Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange. The Company is engaged in the general insurance business comprising of fire and property, marine, aviation and transport, motor and miscellaneous etc. The company commenced Window Takaful Operations (WTO) from May 08, 2018 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012.

**2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi. The Company operates through 3 (2021: 3) principal offices and 25 (2021: 25) branches in Pakistan.

**3 BASIS OF PREPARATION**

**3.1 Statement of compliance**

This condensed interim financial information is unaudited but subject to the limited scope review by the auditors as required under Code of Corporate Governance for Insurers, 2016. This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2021 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

This condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 89(1)/2017 dated February 9, 2017 has prescribed the format of the presentation of annual financial statements for the general insurance companies. These condensed interim financial statements have been prepared in accordance with the format prescribed by the SECP.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2021, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the Nine months ended September 30, 2021.

In terms of the requirement of the Takaful Rules 2012, read with SECP circular 25 of 2015 dated July 9, 2015, the assets, liabilities and profit and loss of the Operator's fund of the General Takaful Operations of the Company have been presented as single line item in the condensed interim statement of financial position and condensed interim statement of profit and loss account of the Company respectively.

**3.2 Basis of measurement**



This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets which are stated at fair value or amortized cost.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

### 3.3 Functional and presentation currency

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

## 4 USE OF ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the financial statements of the Company for the year ended December 31, 2021.

## 5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted by the Company in the preparation of this condensed interim financial information are same as those applied in the preparation of the preceding annual audited financials statements for the year ended December 31, 2021.

### 5.1 Temporary Exemption from Application of IFRS 9

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for the financial assets with contractual cash flows that meet the 'Solely for Payment of Principal and Interest' (SPPI) criteria excluding those held for trading and for the financial assets that do not meet the SPPI criteria for being eligible to apply the temporary exemption from the application of IFRS 9.

		September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
	Note	Rupees	
<b>6 PROPERTY AND EQUIPMENT</b>			
Operating fixed assets	6.1	114,830,734	115,337,232
<b>6.1 Operating fixed assets</b>			
Opening balance as at January 1		115,337,232	128,693,753
Additions during the period / year			
Furniture and fixtures		13,000	33,000
Electrical fittings and equipments		2,684,762	1,269,523
Office equipments		161,500	-
Motor vehicles		8,455,250	2,039,350
Computers equipments		289,849	120,704
		11,604,361	3,462,577
Less:			
Written down value of assets disposed during the period / year		(811,427)	(44,264)
Deprecation charge for the period / year		(11,299,432)	(16,774,834)
		114,830,734	115,337,232

## 7 INTANGIBLE ASSETS

Computer software	7.1	186,811	241,046
Capital work in progress	7.2	705,000	705,000
		<u>891,811</u>	<u>946,046</u>

### 7.1 Net carrying value basis

Opening net book value	241,046	344,352
Amortization charge	(54,235)	(103,306)
Closing net book value	<u>186,811</u>	<u>241,046</u>

7.2 This represents amount paid to the vendor for the development of computer software.

## 8 INVESTMENT PROPERTIES

Investment properties	8.2	<u>43,535,418</u>	<u>45,231,603</u>
8.1 Balance as at January 01		45,231,603	47,612,214
Depreciation charge during the period / year		(1,696,185)	(2,380,611)
Deletion / Transfer out during the period / year		-	-
		<u>43,535,418</u>	<u>45,231,603</u>

8.2 Revaluation was carried out by the Company in the month of September 2021. The valuation exercise was carried out by independent valuers M/s. Al-Shabaz Surveyors (Private) Limited and M/s. Salam Associates (Private) Limited and revalued market values is estimated at Rs. 172.50 million (2021: Rs. 172.50 million).

	Note	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
		Rupees	
<b>9 INVESTMENTS IN EQUITY SECURITIES</b>			
<b>Held For Trading</b>			
Listed shares	9.1	72,905,701	84,002,788
Mutual funds	9.1	1,210,207,571	#####
<b>Available For Sale</b>			
Listed shares	9.1	<u>219,375,401</u>	<u>218,531,719</u>
		<u>1,502,488,673</u>	<u>#####</u>

### 9.1 Detail of investments in equities securities is as follows

	September 30, 2022 (Unaudited)			December 31, 2021 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	Rupees					
Investments - Held for Trading						
Listed securities	84,782,440	(11,876,739)	72,905,701	93,969,321	(9,966,533)	84,002,788
Mutual funds	<u>1,204,217,774</u>	<u>5,989,797</u>	<u>1,210,207,571</u>	<u>1,002,441,673</u>	<u>1,201,102</u>	<u>1,003,642,775</u>
	<u>1,289,000,214</u>	<u>(5,886,942)</u>	<u>1,283,113,272</u>	<u>1,096,410,994</u>	<u>(8,765,431)</u>	<u>1,087,645,563</u>
Investments-Available For Sale						
Related Party						
Listed securities (Note 9.2)	291,149,366	-	291,149,366	290,305,684	(3,988,715)	286,316,969
Others						
Listed securities	<u>10,593,327</u>	<u>-</u>	<u>10,593,327</u>	<u>10,593,327</u>	<u>(399,391)</u>	<u>10,193,936</u>
Deficit on revaluation	-	-	(82,367,292)	-	-	(77,979,186)
	<u>301,742,693</u>	<u>-</u>	<u>219,375,401</u>	<u>300,899,011</u>	<u>(4,388,106)</u>	<u>218,531,719</u>
			<u>1,502,488,673</u>			<u>1,306,177,282</u>

9.2 This represent investment in associated undertaking.

## 10 INVESTMENTS IN DEBT SECURITIES

### Held To Maturity

#### Government Securities

Pakistan Investment Bonds	10.1	320,703,056	282,088,168
T - Bills	10.1	-	100,549,955

### Available for sale

#### Term Finance Certificates

#### Corporate Sukuk

10.1	10,000,000	10,000,000
10.1	10,000,000	10,000,000
	<u>340,703,056</u>	<u>402,638,123</u>

### 10.1 Detail of investments in debt securities is as follows

	September 30, 2022 (Unaudited)			December 31, 2021 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	----- Rupees -----					
Held to Maturity						
Government securities						
Pakistan Investment Bonds (Note 10.2 & 10.3)	320,703,056	-	320,703,056	282,088,168	-	282,088,168
T - Bills	-	-	-	100,549,955	-	100,549,955
	<u>320,703,056</u>	<u>-</u>	<u>320,703,056</u>	<u>382,638,123</u>	<u>-</u>	<u>382,638,123</u>
Available for sale						
Others						
Term Finance Certificates	10,000,000	-	10,000,000	10,000,000	-	10,000,000
Corporate Sukuk	10,000,000	-	10,000,000	10,000,000	-	10,000,000
	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>
Deficit on revaluation	-	-	-	-	-	-
			<u>340,703,056</u>			<u>402,638,123</u>

10.2 This represents Pakistan Investment Bonds (PIBs) carrying interest ranging from 7% to 12% (2021: 7% to 12%).

10.3 The amount of Pakistan Investment Bonds includes Rs. 200 million (2021: Rs. 150 million) deposited with the State Bank of Pakistan as required by Section 29 of the Insurance Ordinance, 2000.

		September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
	Note	----- Rupees -----	

## 11 INVESTMENTS IN TERM DEPOSITS

### Deposits maturing within 12 months

11.1	<u>56,000,000</u>	<u>163,382,338</u>
------	-------------------	--------------------

11.1 These represent Term Deposit Receipts (TDRs) in local currency carrying interest rates ranging from 7.2% to 12.25% per annum (2021: 7.2% to 13.90% per annum).

## 12 LOANS AND OTHER RECEIVABLES

### (Unsecured - considered good)

#### Accrued investment income

#### Pakistan Investment bonds

#### Corporate Sukuks

#### Others

10,862,890	5,552,501
135,945	80,940
583,566	545,716

#### Advances

#### Deposits

#### Other receivables

12.1

11,582,401	6,179,157
137,271,636	72,256,600
15,067,600	13,909,779
18,999,255	8,070,558
<u>182,920,892</u>	<u>100,416,094</u>

12.1 This represents advances in the normal course of business which do not carry any interest / mark-up.

		September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
	Note	Rupees	
<b>13 INSURANCE / REINSURANCE RECEIVABLES</b>			
(Unsecured - considered good)			
Premium due but unpaid		351,610,278	313,075,295
Less: Provision for impairment of receivables from insurance contract holders		(6,890,535)	-
Premium written off		-	(2,049,325)
		344,719,743	311,025,970
Amount due from other insurers / reinsurers		651,715,240	488,684,612
		<u>996,434,983</u>	<u>799,710,582</u>
<b>14 PREPAYMENTS</b>			
Prepaid reinsurance premium ceded		597,909,577	534,873,154
Prepaid rent		146,667	163,021
Others		225,644	225,644
		<u>598,281,888</u>	<u>535,261,819</u>
<b>15 CASH AND BANK</b>			
Cash and cash equivalents		29,834	14,384
Cash at bank			
Current accounts		45,321,434	8,448,655
Saving accounts	15.1	60,117,341	19,452,286
		<u>105,468,609</u>	<u>27,915,325</u>
15.1 These include interest bearing accounts carrying interest rates ranging from 5% to 10% (December 31, 2021: 4.10% to 8.20% ) per annum.			
<b>16 RESERVES</b>			
General reserve		570,000,000	440,000,000
Unrealized loss on available for sale investments		(69,642,949)	(71,870,163)
		<u>500,357,051</u>	<u>368,129,837</u>
<b>17 PREMIUM RECEIVED IN ADVANCE</b>			
Premium received in advance		<u>42,319,888</u>	<u>45,610,434</u>
17.1 This includes cash margin (bond) received from policy holders amounting to Rs. 22.87 million (2021: Rs. 45.298 million).			

		September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
	Note	Rupees	
<b>18 OTHER CREDITORS AND ACCRUALS</b>			
Sundry creditors		54,276,976	15,921,122
Commission payable		-	61,347,826
Federal excise duty		6,720,785	2,022,492
Federal insurance fee		2,271,625	1,287,701
Workers' welfare fund		44,055,542	44,055,542
Withholding tax		2,202,376	2,082,091
Unclaimed dividend		31,303	31,303
Due to director	18.1	9,952,074	10,415,361
		<u>119,510,681</u>	<u>137,163,438</u>

18.1 The amount of loan is payable to directors which is unsecured and interest free.

## 19 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at September 30, 2022 (December 31, 2021: Nil).

	Nine months period ended		Three months period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Note	(Rupees)		(Rupees)	
<b>20 NET INSURANCE PREMIUM</b>				
Written gross premium	3,553,684,142	2,794,796,955	1,374,478,533	1,013,587,256
Add: Unearned premium reserve - opening	1,335,760,872	1,223,128,077	1,298,684,428	1,113,462,770
Less: Unearned premium reserve - closing	(1,402,999,228)	(1,112,912,885)	(1,402,999,228)	#####
Premium earned	3,486,445,786	2,905,012,147	1,270,163,733	1,014,137,141
Less: Reinsurance premium ceded	1,649,488,255	1,357,234,867	676,067,076	471,011,000
Add: Prepaid reinsurance premium - opening	534,873,154	565,677,650	609,521,257	622,936,419
Less: Prepaid reinsurance premium - closing	(597,909,577)	(621,151,179)	(597,909,577)	(621,151,179)
Reinsurance expense	1,586,451,832	1,301,761,338	687,678,756	472,796,240
	1,899,993,954	1,603,250,809	582,484,977	541,340,901

## 21 NET INSURANCE CLAIMS EXPENSE

Claims paid	1,751,617,933	1,078,041,048	698,972,220	382,180,000
Add: Outstanding claims (including IBNR) - closing	1,075,715,556	631,002,757	1,075,715,556	631,002,757
Less: Outstanding claims (including IBNR) - opening	(798,276,118)	(652,587,244)	(1,261,607,354)	(629,937,577)
Claims expense	2,029,057,371	1,056,456,561	513,080,422	383,245,180
Less: Reinsurance and other recoveries received	794,490,187	404,798,091	349,122,217	133,584,045
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	904,590,857	393,734,531	904,590,857	393,734,531
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(535,855,031)	(455,666,161)	(1,018,388,699)	(395,992,043)
Reinsurance and other recoveries revenue	1,163,226,013	342,866,461	235,324,375	131,326,533
	865,831,358	713,590,100	277,756,047	251,918,647

	Nine months period ended		Three months period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Note	(Rupees)		(Rupees)	
<b>22 NET COMMISSION</b>				
Commission paid or payable	780,638,477	532,149,816	220,564,203	147,380,243
Add: Deferred commission expense - opening	329,200,886	290,582,372	338,813,285	258,775,274
Less: Deferred commission expense - closing	(323,292,600)	(259,568,746)	(323,292,600)	(259,568,746)
Net commission	786,546,763	563,163,442	236,084,888	146,586,771
Less: Commission received or recoverable	424,372,085	303,334,439	152,113,224	94,232,225
Add: Unearned reinsurance commission - opening	120,510,380	125,918,778	126,678,017	129,043,876
Less: Unearned reinsurance commission - closing	(136,575,274)	(185,738,385)	(136,575,274)	(185,738,385)
Commission from reinsurers	408,307,191	243,514,832	142,215,967	37,537,716
	378,239,572	319,648,610	93,868,921	109,049,055

## 23 MANAGEMENT EXPENSES

Employee benefit cost	23.1	132,250,274	119,991,688	45,574,606	46,663,896
Office repairs and maintenance		8,049,940	6,248,711	4,016,647	3,416,237
Vehicle running expenses		90,313,232	60,927,156	51,867,726	30,975,719
Traveling expenses		46,677,666	34,053,412	17,559,222	12,684,471
Electricity, gas and water		11,135,432	6,644,087	6,413,319	2,548,029
Printing and stationery		9,282,044	5,420,909	3,094,015	2,140,303
Office rent		4,816,281	4,972,308	1,587,852	2,324,103
Entertainment		15,262,561	10,385,562	5,087,520	4,128,521
Postage, telegram and telephone		4,832,953	2,990,789	1,610,985	996,930
Advertisement and publicity		1,421,692	2,157,656	1,140,564	2,052,552
Rent, rates and taxes		289,405	502,427	260,805	497,251
Miscellaneous		3,360,222	10,595,084	1,786,739	2,865,028
		<u>327,691,702</u>	<u>264,889,789</u>	<u>140,000,000</u>	<u>111,293,040</u>

### 23.1 Employee benefit cost

Salaries, allowance and other benefits	129,519,543	117,686,116	44,652,706	45,897,352
Charges for post employment benefit	2,730,731	2,305,572	921,900	766,544
	<u>132,250,274</u>	<u>119,991,688</u>	<u>45,574,606</u>	<u>46,663,896</u>

## 24 INVESTMENT INCOME / (LOSS)

Income from equity securities				
Held-for-trading				
Gain on sale of investments	-	5,224	-	-
Dividend income	100,044,226	43,232,856	35,720,805	15,979,966
	<u>100,044,226</u>	<u>43,238,080</u>	<u>35,720,805</u>	<u>15,979,966</u>

### Income from debt securities

#### Held-to-maturity

Pakistan Investment Bond	22,775,894	17,417,576	8,456,381	6,165,209
Treasury Bills	514,070	47,017	-	-
	<u>23,289,964</u>	<u>17,464,593</u>	<u>8,456,381</u>	<u>6,165,209</u>

	Nine months period ended		Three months period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Note	----- (Rupees) -----		----- (Rupees) -----	

### Available for sale

Pakistan Investment Bond	-	-	-	-
Gop Ijara Sukuk	-	-	-	-
Treasury Bills	-	-	-	-
Term Finance Certificate	1,500,263	726,338	517,901	250,290
Corporate Sukuk	917,580	687,657	276,422	232,142
	<u>2,417,843</u>	<u>1,413,995</u>	<u>794,323</u>	<u>482,432</u>
Return on term deposits	1,928,826	5,615,071	110,633	3,013
Net unrealised (losses) / gain on investments at fair value through profit or loss (held for trading)	(5,886,943)	(2,156,879)	1,912,898	-
	<u>121,793,916</u>	<u>65,574,860</u>	<u>46,995,040</u>	<u>22,630,620</u>
Less: Investment related expenses	(1,061,955)	(1,002,000)	(352,500)	(331,500)
	<u>120,731,961</u>	<u>64,572,860</u>	<u>46,642,540</u>	<u>22,299,120</u>

## 25 OTHER INCOME

Return on bank balances	4,350,423	1,061,153	1,921,125	368,593
Profit on disposal of fixed assets	4,189,337	633,736	1,274,915	606,772
Reversal of bad debts	-	2,414,077	-	-
Others	200,000	1,746,540	-	-
	<u>8,739,760</u>	<u>5,855,506</u>	<u>3,196,040</u>	<u>975,365</u>

## 26 OTHER EXPENSES

Employee benefit cost	26.1	50,592,229	47,701,741	16,598,501	17,233,914
Office repairs and maintenance		12,228,579	9,257,712	3,010,378	3,442,627
Vehicle running expenses		12,299,908	7,758,754	5,953,814	3,252,918
Auditors' remuneration		1,286,512	1,794,592	231,120	961,628
Remuneration of directors and executives		12,020,000	11,780,000	4,150,000	4,030,000
Legal and professional charges		2,955,294	1,599,903	182,225	533,301
Depreciation and amortization		13,049,852	14,385,316	4,436,096	4,874,851
Subscription and membership		6,256,981	327,089	3,173,771	109,030
Annual supervision fee		4,583,587	2,986,022	-	-
Bed debts expense		6,890,535	7,392,652	-	-
Rent, rates and taxes		1,123,296	719,740	621,190	239,914
Electricity, gas and water		303,591	472,785	94,050	157,595
Postage, telegram and telephone		1,038,267	1,007,742	376,101	335,914
Others		110,793	224,870	56,124	74,957
		<u>124,739,424</u>	<u>107,408,918</u>	<u>38,883,370</u>	<u>35,246,649</u>

### 26.1 Employee benefit cost

Salaries, allowance and other benefits	43,991,747	42,218,296	15,526,341	15,406,099
Charges for post employment benefit	6,600,482	5,483,445	1,072,160	1,827,815
	<u>50,592,229</u>	<u>47,701,741</u>	<u>16,598,501</u>	<u>17,233,914</u>

## 27 FINANCE COST

Bank charges	298,466	222,425	50,606	35,607
Lease finance charges	-	177,486	-	22,578
	<u>298,466</u>	<u>399,911</u>	<u>50,606</u>	<u>58,185</u>

Nine months period ended		Three months period ended	
September 30,	September 30,	September 30,	September 30,
2022	2021	2022	2021
----- (Rupees) -----		----- (Rupees) -----	

## 28 Window takaful operations - Operator's fund

Wakala fee	105,376,195	78,332,366	43,724,529	25,693,423
Management expense	(7,819,333)	(12,224,113)	(2,171,591)	(3,895,870)
Commission expense	(76,252,527)	(45,432,734)	(36,735,616)	(14,869,227)
Modarib's share	14,939	16,935	8,587	3,247
Investment income	41,284	35,085	11,639	23,832
Rental income	2,089,830	1,844,100	598,650	590,700
Other expenses	(149,000)	(186,908)	-	(86,908)
	<u>23,301,388</u>	<u>22,384,731</u>	<u>5,436,198</u>	<u>7,459,197</u>

## 29 SEGMENT REPORTING

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

[illegible]



Segment Prior Period	Fire and property damage	Marine, aviation and transport	Motor	Engineering	Miscellaneous	Treaty	TOTAL
	September 30, 2021						
	Rupees						
Gross written premium	957,865,006	319,359,630	321,616,085	772,295,933	423,660,301	-	2,794,796,955
Unearned-Opening	361,270,936	71,682,629	222,248,890	402,465,683	165,459,939	-	1,223,128,077
Unearned-Closing	(371,457,485)	(57,244,213)	(168,464,987)	(355,355,066)	(160,391,134)	-	(1,112,912,885)
Premium Earned	947,678,457	333,798,046	375,399,988	819,406,550	428,729,106	-	2,905,012,147
Reinsurance-Ceded	(438,032,750)	(145,080,165)	(61,790,848)	(617,446,164)	(94,884,940)	-	(1,357,234,867)
Prepaid Reinsurance-Opening	(171,486,152)	(27,860,167)	(37,021,358)	(288,530,121)	(40,749,852)	-	(565,647,650)
Prepaid Reinsurance-Closing	176,996,305	24,467,576	29,474,173	355,565,050	34,648,075	-	621,151,179
Reinsurance Expenses	(432,522,597)	(148,472,756)	(69,338,033)	(550,411,235)	(100,986,717)	-	(1,301,731,338)
Net insurance premium	515,155,860	185,325,290	306,061,955	268,995,315	327,742,389	-	1,603,280,809
Commission income	102,141,695	34,810,003	12,521,979	70,099,991	23,941,164	-	243,514,832
Net underwriting income	617,297,555	220,135,293	318,583,934	339,095,306	351,683,553	-	1,846,795,641
Insurance claims paid	(316,274,226)	(122,729,743)	(159,472,729)	(301,329,618)	(178,234,732)	-	(1,078,041,048)
Outstanding-opening	104,633,446	38,286,714	27,232,803	421,315,674	61,118,607	-	652,587,244
Outstanding-closing	(105,691,422)	(24,248,460)	(43,054,258)	(381,427,853)	(76,580,764)	-	(631,002,757)
Insurance claims expenses	(317,332,202)	(108,691,489)	(175,294,184)	-	(193,696,889)	-	(1,056,456,561)
Reinsurance Recoveries Received	145,326,845	40,429,017	21,380,692	186,686,153	10,975,384	-	404,798,091
Recovery-opening	(58,964,408)	(6,271,179)	(9,364,005)	(355,505,935)	(25,540,634)	-	(455,646,161)
Recovery-closing	46,404,133	4,782,290	6,333,695	319,969,865	16,244,548	-	393,734,531
Insurance claims recovered from reinsurers	132,766,570	38,940,128	18,350,382	151,150,083	1,679,298	-	342,886,461
Net claims	(184,565,632)	(69,751,361)	(156,943,802)	151,150,083	(192,017,591)	-	(713,570,100)
Commission expense	(244,150,833)	(65,227,883)	(63,659,681)	(123,083,259)	(67,041,786)	-	(563,163,442)
Management expense	(85,114,273)	(30,614,568)	(50,568,688)	(44,441,522)	(54,149,738)	-	(264,888,789)
Net insurance claims and expenses	(513,830,738)	(165,593,812)	(271,172,171)	(16,374,698)	(313,209,115)	-	(1,541,622,331)
Underwriting results	103,466,817	54,541,481	47,411,763	322,720,608	38,474,438	-	305,173,310
Investment income							64,572,860
Other expenses							(107,408,918)
Finance cost							(399,911)
Other income							5,855,506
Window takaful operations							22,374,731
Profit before tax							290,167,578
Segment Assets	729,991,302	262,611,493	433,698,968	381,174,428	464,420,793		2,271,896,985
Unallocated Assets							1,865,665,971
							4,137,562,956
Segment Liabilities	654,026,760	235,283,549	388,567,275	341,508,557	416,092,118		2,035,478,229
Unallocated Liabilities							233,770,681
							2,269,248,910

29.1 Management has allocated indirect management expenses to underwriting business on the basis of net premium revenue under individual business as per the stated accounting policy of the Company.

	Nine months period ended September 30, 2022		Three months period ended September 30, 2022	
	September 30, 2021	September 30, 2021	September 30, 2021	September 30, 2021
	(Rupees)		(Rupees)	
<b>30 EARNINGS PER SHARE - basic and diluted</b>				
Profit for the period	265,145,761	217,393,261	67,581,589	53,009,010
	(No. of shares)		(No. of shares)	
	(Restated)		(Restated)	
Weighted average number of ordinary shares of Rs. 10 each	159,901,262	159,901,262	159,901,262	159,901,262
	(Restated)		(Restated)	
Earnings per share - rupees	1.66	1.36	0.42	0.33

30.1 There is no dilutive effect on basic earning per share of the Company.

### 31 TRANSACTIONS WITH RELATED PARTIES

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

		Nine months period ended		Three months period ended	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
		(Rupees)		(Rupees)	
Nature of relationship	Nature of transaction				
Directors and Key Management Personnel	Loan received from directors	1,000,000	13,017,500	-	13,017,500
	Loan repaid to directors	4,900,000	15,615,000	-	15,615,000
	Remuneration paid	12,020,000	11,780,000	4,030,000	3,910,000
Nature of Transaction	Nature of relationship with the Company				
		(Rupees)		(Rupees)	
<b>Loan received from directors</b>					
Javed Yunus	Director	1,000,000	13,017,500	-	13,017,500
Naved Yunus	Director	-	-	-	-
		1,000,000	13,017,500	-	13,017,500
<b>Loan repaid to directors</b>					
Javed Yunus	Director	4,900,000	10,615,000	-	10,615,000
Naved Yunus	Director	-	5,000,000	-	5,000,000
		4,900,000	15,615,000	-	15,615,000

### 32 FAIR VALUE OF FINANCIAL INSTRUMENTS

#### 32.1 Carrying amount versus fair value

The following table compares the carrying amounts and fair values of the Company's financial assets and financial liabilities as at September 30, 2022.

	<b>As at September 30, 2022 - (Unaudited)</b>		<b>As at December 31, 2021 - (Audited)</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>Rupees</b>		<b>Rupees</b>	
<b>Financial Assets</b>				
Investment property	43,535,418	172,500,000	45,231,603	172,500,000
Investments				
<b>Equity securities</b>				
<b>Held for trading</b>				
Ordinary shares - listed	72,905,701	72,905,701	84,002,788	84,002,788
Mutual fund units	1,210,207,571	1,210,207,571	1,003,642,775	1,003,642,775
<b>Available for sale</b>				
Ordinary shares - listed	301,742,693	219,375,401	300,899,011	218,531,719
<b>Debt securities</b>				
Government securities-PIBs	320,703,056	320,703,056	282,088,168	282,088,168
Others	20,000,000	20,000,000	20,000,000	20,000,000
Loans and other receivables	182,920,892	182,920,892	100,416,094	100,416,094
Insurance / reinsurance receivables	996,434,983	996,434,983	799,710,582	799,710,582
Reinsurance recoveries against outstanding claims	904,590,857	904,590,857	535,855,031	535,855,031
Cash and bank	105,468,609	105,468,609	27,915,325	27,915,325
<b>Financial Liabilities</b>				
Outstanding claims including IBNR	1,075,715,556	1,075,715,556	798,276,118	798,276,118
Retirement benefit obligations	3,293,157	3,293,157	2,679,452	2,679,452
Insurance / reinsurance payables	119,510,681	119,510,681	137,163,438	137,163,438
Other creditors and accruals	119,510,681	119,510,681	137,163,438	137,163,438

### 32.2 Fair value hierarchy

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	<b>As at September 30, 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>Rupees</b>			
<b>Financial assets measured at fair value</b>				
<b>Investments at fair value through profit or loss - held for trading</b>				
Ordinary shares - Listed	72,905,701	72,905,701	-	-
Mutual funds	1,210,207,571	-	1,210,207,571	-
<b>Investments-Available For Sale</b>				
Ordinary shares - Listed	301,742,693	301,742,693	-	-
Corporate sukuks	10,000,000	-	10,000,000	-
Term finance certificates	10,000,000	-	10,000,000	-

### 32.3 Transfers during the period

During the period ended September 30, 2022:

- There were no transfers between Level 1 and Level 2 fair value measurements
- There were no transfers into or out of Level 3 fair value measurements

### 32.4 Valuation techniques

#### Investments at fair value through profit or loss - held for trading

Subsequent to initial recognition, these investments are remeasured at fair value using stock exchange quotation rates in respect of investment in shares of listed companies and on the basis of closing NAV in respect of investment in units of mutual funds.

### 33 COVID-19 AND ITS IMPACT ON BUSINESS

The COVID-19 pandemic had spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. This crisis continues to have a significant impact on individuals, society, business and the wider economy across the globe. The Company has not escaped its impact but has responded quickly to the crisis by providing the facilities to its employees to work from home, informing employees regularly about the risk of infection, good hygiene standards and ways to manage customer contact at Company offices. Consequently, at this stage, impact on the Company's business and results is limited. Gross premium for the period ended September 30, 2022 stood at Rs. 3,553.684 million with only a 27.2% increase for the same period last year of Rs. 2,794.796 million. However, an increase is witnessed in profit before tax of Rs. 355.966 million against Rs. 290.116 million in the same period last year. Company believes their current liquidity availability provides them with sufficient financial resources to meet their obligations as they come due and no such indication exists for the Company that triggered impairment of its assets. Further, the Company will continue to follow the policies and advice published by the Government of Pakistan and in parallel will do the utmost to continue its operations in the best and safest way possible without jeopardizing the health of its staff.

### 34 CORRESPONDING FIGURES

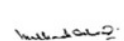
Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and for better presentation.

### 35 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue in the Board of Directors meeting of the Company held on October 29, 2022.

### 36 GENERAL

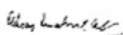
The figures for the quarter and nine month period ended September 30, 2022 have been rounded off to the nearest Rupee.



CHAIRMAN



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



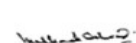
CHIEF FINANCIAL OFFICER



**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT SEPTEMBER 30, 2022**

	Note	Operator's Fund		Participant's Takaful Fund	
		September 30,	December 31,	September 30,	December 31,
		2022	2021	2022	2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		-----Rupees-----		-----Rupees-----	
<b>ASSETS</b>					
Property and equipment	7	9,719,403	10,250,060	-	-
Investment property - at cost	8	32,227,145	33,482,748	-	-
Investment - Term Deposit		-	1,000,000		
Accrued investment income	9	1,877	4,468	2,472	2,418
Qard-e-Hasna to Participants' Takaful Fund (PTF)	10	18,150,000	18,150,000	-	-
Takaful / re-takaful receivables	11	-	-	222,791,721	150,447,508
Retakaful recoveries against outstanding claims		-	-	48,353,814	-
Receivable from PTF	12	121,015,807	83,454,307	-	-
Taxation - payment less provision	13	27,565	23,392	11,850	7,783
Deferred wakala fee expense		-	-	47,652,565	41,586,885
Deferred commission expense	23	16,896,899	24,336,954	-	-
Prepayments	14	707,500	810,300	54,533,616	61,240,665
Cash and bank	15	65,557	220,070	713,515	783,022
<b>TOTAL ASSETS</b>		<b>198,811,753</b>	<b>171,732,299</b>	<b>374,059,553</b>	<b>254,068,281</b>
<b>FUND AND LIABILITIES</b>					
<b>Operators' Fund</b>					
Statutory Fund		50,000,000	50,000,000	-	-
Accumulated profit		80,602,385	57,300,997	-	-
Total Operators Fund		130,602,385	107,300,997	-	-
<b>Participants' Takaful Fund</b>					
Ceded money		-	-	500,000	500,000
Accumulated surplus		-	-	45,592,384	30,618,322
Balance of Participant Takaful Fund		-	-	46,092,384	31,118,322
Qard-e-Hasna from Operator's Fund	10	-	-	18,150,000	18,150,000
<b>LIABILITIES</b>					
<b>Underwriting provisions</b>					
Outstanding claims		-	-	51,625,000	-
Unearned contribution reserve		-	-	127,620,603	110,072,202
Unearned Re-takaful rebate		-	-	6,711,049	9,412,256
		-	-	185,956,652	119,484,458
Takaful / Re-takaful payable	16	-	-	3,219,947	816,714
Unearned wakala fee		47,652,565	41,586,885	-	-
Contribution received in advance		-	-	-	134,486
Payable to OPF	12	-	-	120,515,807	82,954,307
Other creditors and accruals	17	20,393,501	17,591,952	124,763	1,409,994
Payable to East West Insurance Company Limited	18	163,302	5,252,465	-	-
<b>TOTAL LIABILITIES</b>		<b>68,209,368</b>	<b>64,431,302</b>	<b>309,817,169</b>	<b>204,799,959</b>
<b>TOTAL FUND AND LIABILITIES</b>		<b>198,811,753</b>	<b>171,732,299</b>	<b>374,059,553</b>	<b>254,068,281</b>
<b>CONTINGENCIES AND COMMITMENTS</b>					
	19				

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.



CHAIRMAN



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2022**

		Nine months period ended		Three months period ended	
		September 30	September 30	September 30	September 30
		2022	2021	2022	2021
	Note	Rupees		Rupees	
<b>Participants' Takaful Fund</b>					
Contributions earned	20	173,039,665	133,344,650	65,232,957	45,692,231
Less: Contributions ceded to retakaful	20	(112,847,918)	(102,181,458)	(32,849,985)	(31,418,486)
Net contributions revenue		60,191,747	31,163,192	32,382,972	14,273,745
Retakaful rebate	22	16,917,654	14,667,902	4,211,837	4,614,455
Net underwriting income		77,109,401	45,831,094	36,594,809	18,888,200
Net claims - reported / settled	21	(62,148,425)	(31,289,016)	(30,191,656)	(13,864,608)
Other direct expenses		(1,853)	(3,565)	(1,453)	(3,339)
Surplus before investment income		14,959,123	14,538,513	6,401,700	5,020,253
Investment income	26	29,878	33,870	17,174	6,495
Less: Modarib share of investment income	26	(14,939)	(16,935)	(8,587)	(3,247)
Surplus / (deficit) transferred to accumulated surplus		14,974,062	14,555,448	6,410,287	5,023,501
<b>Operator's Fund</b>					
Wakala fee	24	105,376,195	78,322,366	43,724,529	25,693,423
Commission expense	23	(76,252,527)	(45,432,734)	(36,735,616)	(14,869,227)
Management expenses	25	(7,819,333)	(12,224,113)	(2,171,591)	(3,895,870)
		21,304,335	20,665,519	4,817,322	6,928,326
Modarib's share of PTF investment income		14,939	16,935	8,587	3,247
Investment income	26	41,284	35,085	11,639	23,832
Rental income		2,089,830	1,844,100	598,650	590,700
Other expenses	27	(149,000)	(186,908)	-	(86,908)
Profit / (loss) for the period		23,301,388	22,374,731	5,436,198	7,459,197

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.

CHAIRMAN CHIEF EXECUTIVE OFFICER DIRECTOR DIRECTOR CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2022**

	Nine months period ended September 30 2022		Three months period ended September 30 2022	
	September 30 2021		September 30 2021	
	-----Rupees-----		-----Rupees-----	
<b>Participants' Takaful Fund</b>				
Surplus / (deficit) for the period	14,974,062	14,555,448	6,410,287	5,023,501
Other comprehensive income	-	-	-	-
Total comprehensive surplus / (deficit) for the period	<u>14,974,062</u>	<u>14,555,448</u>	<u>6,410,287</u>	<u>5,023,501</u>
<b>Operator's Fund</b>				
Profit / (loss) for the period	23,301,388	22,374,731	5,436,198	7,459,197
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>23,301,388</u>	<u>22,374,731</u>	<u>5,436,198</u>	<u>7,459,197</u>

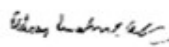
The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.



CHAIRMAN



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER



**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2022**

	<b>Operator's Fund</b>		
	<b>Statutory Fund</b>	<b>Accumulated (Losses) / Profit</b>	<b>Total</b>
	<b>----- Rupees -----</b>		
Balance as at January 1, 2021	50,000,000	24,227,792	74,227,792
Total comprehensive income for the period			
Profit for the period	-	22,374,731	22,374,731
Other comprehensive income	-	-	-
	-	22,374,731	22,374,731
Balance as at September 30, 2021	50,000,000	46,602,523	96,602,523
Balance as at January 1, 2022	50,000,000	57,300,997	107,300,997
Total comprehensive income for the period			
Profit for the period	-	23,301,388	23,301,388
Other comprehensive income	-	-	-
	-	23,301,388	23,301,388
Balance as at September 30, 2022	50,000,000	80,602,385	130,602,385

	<b>Participants' Fund</b>		
	<b>Ceded Money</b>	<b>Accumulated (Deficit) / Surplus</b>	<b>Total</b>
	<b>----- Rupees -----</b>		
Balance as at January 1, 2021	500,000	15,104,934	15,604,934
Total comprehensive income for the period			
Surplus for the period	-	14,555,448	14,555,448
Other comprehensive income	-	-	-
	-	14,555,448	14,555,448
Balance as at September 30, 2021	500,000	29,660,382	30,160,382
Balance as at January 1, 2022	500,000	30,618,322	31,118,322
Total comprehensive income for the period			
Surplus for the period	-	14,974,062	14,974,062
Other comprehensive income	-	-	-
	-	14,974,062	14,974,062
Balance as at September 30, 2022	500,000	45,592,384	46,092,384

The annexed notes from 1 to 31 form an integral part of this condensed interim financial information.







CHAIRMAN      CHIEF EXECUTIVE OFFICER      DIRECTOR      DIRECTOR      CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2022**

	Operator's Fund		Participant's Takaful Fund	
	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
	-----Rupees-----			
<b>OPERATING CASH FLOWS</b>				
(a) Takaful activities				
Contribution received	-	-	225,888,795	158,899,163
Retakaful contribution paid	-	-	(106,140,869)	(106,875,793)
Claims paid	-	-	(144,564,238)	(117,548,034)
Retakaful and recoveries received	-	-	85,686,999	86,259,018
Commission paid	(66,831,918)	(41,919,626)	-	-
Retakaful rebate received	-	-	14,216,447	15,175,757
Wakala fee received	111,441,875	82,821,787	-	-
Wakala fee paid	-	-	(111,441,875)	(82,821,787)
Net cash flow tactful activities	44,609,957	40,902,161	(36,354,741)	(46,911,676)
(b) Other operating activities				
Income tax paid	(4,173)	(9,868)	(4,067)	(6,753)
Direct expenses paid	-	-	(1,853)	(3,565)
Other operating payment	(540,000)	(677,908)	-	-
Management expenses paid	(4,821,078)	(11,915,068)	-	-
Other operating receipts	(42,650,663)	(24,572,523)	36,276,269	26,924,512
Net cash flow from other operating activities	(48,015,914)	(37,175,367)	36,270,349	26,914,194
<b>Total cash used in all operating activities</b>	<b>(3,405,957)</b>	<b>3,726,794</b>	<b>(84,392)</b>	<b>(19,997,482)</b>
<b>INVESTMENT ACTIVITIES</b>				
Profit received on investment income	58,814	44,461	14,885	28,102
Rental income	2,192,630	1,844,100	-	-
Addition to plant and equipment	-	-	-	-
Addition to investment	-	-	-	-
Proceeds from disposal of investments	-	-	-	-
<b>Total cash flow generated from / (used in) investing activities</b>	<b>2,251,444</b>	<b>1,888,561</b>	<b>14,885</b>	<b>28,102</b>
<b>Net cash flow from all activities</b>	<b>(1,154,513)</b>	<b>5,615,355</b>	<b>(69,507)</b>	<b>(19,969,380)</b>
Cash and cash equivalents at beginning of the period	1,220,070	31,357	783,022	20,879,038
<b>Cash and cash equivalents at end of the period</b>	<b>65,557</b>	<b>5,646,712</b>	<b>713,515</b>	<b>909,658</b>
<b>Reconciliation to profit and loss account:</b>				
Operating cash flows	(3,405,957)	3,726,794	(84,392)	(19,997,482)
Depreciation	(1,786,260)	(1,918,770)	-	-
Investment income	58,814	44,461	14,885	28,102
Rental income	2,192,630	1,844,100	-	-
Increase / (decrease) in assets other than cash	30,020,227	31,529,266	120,060,779	72,162,850
Increase / (decrease) in liabilities	(3,778,066)	(12,851,120)	(105,017,210)	(37,638,022)
<b>Profit / (loss) / surplus for the period</b>	<b>23,301,388</b>	<b>22,374,731</b>	<b>14,974,062</b>	<b>14,555,448</b>

The annexed notes from 1 to 31 form an integral part of this condensed interim financial

				
<b>CHAIRMAN</b>	<b>CHIEF EXECUTIVE OFFICER</b>	<b>DIRECTOR</b>	<b>DIRECTOR</b>	<b>CHIEF FINANCIAL OFFICER</b>

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2022**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

East West Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 08, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the Takaful business, the Operator has formed a Participants' Takaful Fund (PTF) on April 06, 2018 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

**2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

This condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017: and

Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulation, 2019.

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

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the audited financial statements of the Operator as at and for the period ended December 31, 2021 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the audited financial statements of the Operator for the period ended December 31, 2021, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in fund is extracted from the unaudited condensed interim financial information for the period ended September 30, 2021.

## **2.1 Functional and presentation currency**

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Operator's functional and presentation currency.

## **3 BASIS OF MEASUREMENT**

This condensed interim financial information has been prepared under the historical cost. Accrual basis of accounting has been used except for cash flow information.

## **4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same and are consistent with those followed in the preparation of the audited financial statements of the Operator for the period ended December 31, 2021 except as disclosed below.

### **4.1 General Takaful Accounting Regulations, 2019**

The Securities and Exchange Commission of Pakistan (SECP) issued the General Takaful Accounting Regulations, 2019 (the Regulation), through S.R.O. 1416 (I)/2019 dated November 20, 2019. These Regulations came into force for the accounting period commencing on or after January 1, 2020.

The Regulations provide the principles based on which accounting and reporting of general takaful business of general takaful operators and window general takaful operators shall be made. The Regulations also contain the formats for reporting of published financial information and regulatory returns of general takaful / window takaful operators. As per the Regulations, the provision of Rule 19 of the Insurance Rules, 2017 along with Annexure – II and the provision of the Insurance Accounting Regulations, 2017 shall stand applicable on the Window Takaful Operator to the extent of its conventional insurance business modified to the extent stated at regulation 6 of these Regulations in respect of its Window Takaful business.

In accordance, with directives of SECP, with effect from January 1, 2020 the Operator has adopted these Regulations and changed its accounting policy in respect of the presentation of its financial information.

## 4.2 Temporary exemption from application of IFRS 9

As a takaful operator, the management has continued its accounting policy to opt for temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful. As on reporting dates the fair value of the Operator's financial assets are not significantly different from their carrying amounts since these assets are short term in nature or are frequently repriced to market rate.

## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards 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 this condensed interim financial information, the significant judgments made by management in applying the Operators' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Operator as at and for the period ended December 31, 2021.

## 6 INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in financial statements of the Operator for the period ended December 31, 2021.

## 7 PROPERTY AND EQUIPMENT (OPF)

September 30, 2022 (Unaudited)									
Cost				Accumulated depreciation				Written down value	Depreciation rate %
As at January 1, 2022	Additions during the period	Transfer to investment property	As at September 30, 2022	As at January 1, 2022	Depreciation for the period	Transfer to investment property	As at September 30, 2022		
----- Rupees -----				----- Rupees -----					
Office Premises	10,000,000	-	-	10,000,000	1,050,208	335,617	-	1,385,825	5%
Vehicles	2,300,000	-	-	2,300,000	999,732	195,040	-	1,194,772	20%
	12,300,000	-	-	12,300,000	2,049,940	530,657	-	2,580,597	9,719,403
December 31, 2021 - audited	12,300,000	-	-	12,300,000	1,253,832	796,108	-	2,049,940	10,250,060

## 8 INVESTMENT PROPERTIES - AT COST (OPF)

September 30, 2022 (Unaudited)									
Cost				Accumulated depreciation				Written down value	Depreciation rate %
As at January 1, 2022	Additions during the period	Transfer to investment property	As at September 30, 2022	As at January 1, 2022	Depreciation for the period	Transfer to investment property	As at September 30, 2022		
----- Rupees -----				----- Rupees -----					
Office premises	38,000,000	-	-	38,000,000	4,517,252	1,255,603	-	5,772,855	32,227,145
	38,000,000	-	-	38,000,000	4,517,252	1,255,603	-	5,772,855	32,227,145
December 31, 2021 - audited	38,000,000	-	-	38,000,000	2,755,000	1,762,252	-	4,517,252	33,482,748

- 8.1 The fair value of investment is approximately same as the cost, however, we are carrying it at cost model due to the difficulties of identifying sale of the similar type of properties recently.

	Operator's Fund		Participants Takaful Fund	
	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
Note	-----Rupees-----			

## 9 ACCRUED INVESTMENT INCOME

Income accrued on savings account	1,877	4,468	2,472	2,418
	<u>1,877</u>	<u>4,468</u>	<u>2,472</u>	<u>2,418</u>

September 30,  
2022  
(Unaudited)  
----- Rupees -----  
December 31,  
2021  
(Audited)

## 10 QARD-E-HASNA TO PARTICIPANT'S TAKAFUL FUND (PTF)

Opening as at January 1st	18,150,000	18,150,000
Qard-e-hasna transferred from OPF during the period / year	-	-
Closing	<u>18,150,000</u>	<u>18,150,000</u>

## 11 TAKAFUL / RE-TAKAFUL RECEIVABLES (PTF)

Participants' Takaful Fund		
Due from takaful participant holders	92,478,127	80,273,075
Less: provision for impairment of receivables from takaful participant holders	-	-
	<u>92,478,127</u>	<u>80,273,075</u>
Due from other takaful / re-takaful operators	130,313,594	70,174,433
Less: provision for impairment of receivables from takaful participant holders	-	-
	<u>222,791,721</u>	<u>150,447,508</u>

## 12 RECEIVABLE FROM PTF / PAYABLE TO OPF

Other receivable / payable	121,015,807	83,454,307	(120,515,807)	(82,954,307)
	<u>121,015,807</u>	<u>83,454,307</u>	<u>(120,515,807)</u>	<u>(82,954,307)</u>

## 13 TAXATION - PAYMENT LESS PROVISION

Tax deducted at source	<u>27,565</u>	<u>23,392</u>	<u>11,850</u>	<u>7,783</u>
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## 14 PREPAYMENTS

Prepaid retakaful contribution ceded	-	-	54,533,616	61,240,665
Other prepayments	707,500	810,300	-	-
	<u>707,500</u>	<u>810,300</u>	<u>54,533,616</u>	<u>61,240,665</u>

Operator's Fund		Participants Takaful Fund	
September 30, 2022 (Unaudited)	December 31, 2021 (Audited)	September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
-----Rupees-----			

# 15 CASH AND BANK

Cash in hand	-	-	99,115	-
Cash at bank				
Current accounts	1,337	1,337	75	75
PLS savings accounts	64,220	218,733	614,325	782,947
	<u>65,557</u>	<u>220,070</u>	<u>713,515</u>	<u>783,022</u>

September 30, 2022 (Unaudited)	December 31, 2021 (Audited)
----- Rupees -----	

# 16 TAKAFUL / RETAKAFUL PAYABLE (PTF)

Participants' Takaful Fund		
Due to other takaful / re-takaful		
Local	3,219,947	816,714
	<u>3,219,947</u>	<u>816,714</u>

# 17 OTHER CREDITORS AND ACCRUALS

Salaries payable	651,518	786,810	-	-
Staff provident fund	425,948	467,452	-	-
Commission payable	17,008,835	15,028,281	-	-
Withholding tax payable	53,090	23,187	-	-
Accrued expenses	2,254,110	1,286,222	124,763	1,409,994
	<u>20,393,501</u>	<u>17,591,952</u>	<u>124,763</u>	<u>1,409,994</u>

# 18 PAYABLE TO EAST WEST INSURANCE COMPANY LIMITED (OPF)

This represents the amount payable in respect of expenses incurred by East West Insurance Company Limited on behalf of the Operator.

# 19 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 (December 31, 2021: Nil).

	Nine months period ended		Three months period ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Note	-----Rupees-----		-----Rupees-----	

## 20 NET TAKAFUL CONTRIBUTION

Participants' Takaful Fund				
Written gross contribution	295,964,261	220,107,688	120,650,287	82,953,365
Wakala fee	(105,376,195)	(78,322,366)	(43,724,529)	(25,693,423)
Contribution net of wakala	190,588,066	141,785,322	76,925,758	57,259,942
Unearned contribution reserve -Opening	110,072,202	86,086,761	115,927,802	82,959,722
Unearned contribution reserve -Closing	(127,620,603)	(94,527,433)	(127,620,603)	(94,527,433)
Contribution earned	173,039,665	133,344,650	65,232,957	45,692,231
Less:				
Re-takaful contribution ceded	106,140,869	106,875,793	33,959,767	42,861,788
Prepaid retakaful contribution ceded-Opening	61,240,665	45,757,947	53,423,834	39,008,980
Prepaid retakaful contribution ceded -Closing	(54,533,616)	(50,452,282)	(54,533,616)	(50,452,282)
Retakaful expense	112,847,918	102,181,458	32,849,985	31,418,486
	60,191,747	31,163,192	32,382,972	14,273,745

## 21 NET TAKAFUL CLAIMS

Claims paid	144,564,238	117,548,034	56,084,516	46,477,500
Outstanding claims -Opening	-	-	-	-
Outstanding claims -Closing	51,625,000	-	51,625,000	-
Claim expense	196,189,238	117,548,034	107,709,516	46,477,500
Retakaful and other recoveries received	85,686,999	86,259,018	29,164,046	32,612,892
Add: Retakaful and other recoveries in respect of outstanding claim - closing	48,353,814	-	48,353,814	-
Less: Retakaful and other recoveries in respect of outstanding claim - opening	-	-	-	-
	134,040,813	86,259,018	77,517,860	32,612,892
	62,148,425	31,289,016	30,191,656	13,864,608

## 22 RETAKAFUL REBATE

Participants' Takaful Fund				
Retakaful rebate received	14,216,447	15,175,757	4,323,328	6,256,415
Unearned retakaful rebate - opening	9,412,256	6,804,133	6,599,558	5,670,028
Unearned retakaful rebate - closing	(6,711,049)	(7,311,988)	(6,711,049)	(7,311,988)
Rebate from takaful operator	16,917,654	14,667,902	4,211,837	4,614,455

## 23 COMMISSION EXPENSE

Operators' Fund				
Commission paid	68,812,472	50,298,389	26,086,138	18,427,094
Deferred commission expense - opening	24,336,954	17,075,306	27,546,377	18,383,094
Deferred commission expense - closing	(16,896,899)	(21,940,961)	(16,896,899)	(21,940,961)
	76,252,527	45,432,734	36,735,616	14,869,227

## 24 WAKALA EXPENSE

Participants' Takaful Fund				
Gross wakala fee	111,441,875	82,821,787	45,461,133	31,177,909
Deferred wakala expense - opening	41,586,885	31,668,279	45,915,961	30,683,214
Deferred wakala expense - closing	(47,652,565)	(36,167,700)	(47,652,565)	(36,167,700)
Deferred wakala expense	105,376,195	78,322,366	43,724,529	25,693,423



The operator manages the general takaful operations for the participants' and charges 40% for fire, 35% for motor, 40% for marine and 35% for miscellaneous classes, of gross contribution including administrative surcharges as wakala fee against the services.

	Nine months period ended		Three months period ended	
	September 30,	September 30,	September 30,	September 30,
	2022	2021	2022	2021
Note	-----Rupees-----		-----Rupees-----	

## 25 MANAGEMENT EXPENSES

Operators' Fund				
Salaries, allowances and employee benefit	4,925,278	7,815,434	1,274,476	2,440,027
Staff welfare expenses	9,663	39,960	-	6,070
Depreciation expenses	7 1,786,260	1,918,770	595,420	639,590
Office rent and maintenance	163,190	1,403,856	-	461,500
Motor vehicle running expense	23,151	26,240	-	2,760
Printing and stationary	1,200	3,678	-	-
Postage and telegram	-	1,050	-	-
Utility expenses	8,020	110,626	-	45,410
Repair and maintenance	-	400	-	400
Newspaper and periodicals	-	935	-	-
Shariah registrar fees	900,000	900,000	300,000	300,000
Bank charges	2,571	3,164	1,695	113
	<u>7,819,333</u>	<u>12,224,113</u>	<u>2,171,591</u>	<u>3,895,870</u>

## 26 INVESTMENT INCOME

### Income from equity securities

- Dividend income	-	-	-	-
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### Income from term deposits

- Return on term deposits	-	-	-	-
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### Return on bank balances

- Return on PLS saving Accounts	41,284	35,085	11,639	23,832
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Total investment income	<u>41,284</u>	<u>35,085</u>	<u>11,639</u>	<u>23,832</u>
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Participants' Fund				
Return on bank balances				
- Return on PLS saving Accounts	29,878	33,870	17,174	6,495
Less: Investment related expenses	(14,939)	(16,935)	(8,587)	(3,247)
	<u>14,939</u>	<u>16,935</u>	<u>8,587</u>	<u>3,248</u>

	Nine months period ended		Three months period ended	
	September 30,	September 30,	September 30,	September 30,
	2022	2021	2022	2021
Note	-----Rupees-----		-----Rupees-----	

## 27 OTHER EXPENSES

	Operators' Fund			
Auditor's remuneration	149,000	186,908	-	86,908
	<u>149,000</u>	<u>186,908</u>	<u>-</u>	<u>86,908</u>

## 28 RELATED PARTY TRANSACTIONS

The Operator has related party comprise of the associates, subsidiary company, directors, key management personnel and staff retirement funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Detail of related parties transactions with balances, other than those which have been disclosed elsewhere in these financial statements are as follows:

Transaction:			Nine months period ended		Three months period ended	
			September 30	September 30	September 30	September 30
			2022	2021	2022	2021
			-----Rupees-----		-----Rupees-----	
Name of related party	Nature of relationship	Nature of transaction				
East West Insurance Company	Management company	Interest free loan	(5,089,163)	2,073,661	(2,582,491)	(686,312)
Remuneration Paid	Key Management	Services	1,560,000	1,350,000	300,000	555,000
Period end balances					September 30, 2022	December 31, 2021
Payable to related parties					(Unaudited) Rupees	(Audited) Rupees
East West Insurance Company Limited					163,302	5,252,465
Key management personal					300,000	300,000
					<u>463,302</u>	<u>5,552,465</u>

## 29 CORRESPONDING FIGURES

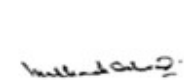
The corresponding figures have been reclassified or re-arranged, wherever considered necessary,

## 30 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue on October 29, 2022 by the Board of Directors of the Operator.

## 31 GENERAL

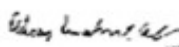
All figures have been rounded off to the nearest rupee, unless otherwise stated.



CHAIRMAN



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE CO., LIMITED**

**Pattern of Shareholdings**

**As At September 30, 2022**

Number of Shareholders	Shareholdings			Share Held	Percentage
	From		To		
48	1		200	4,236	0.0026
168	201		500	50,468	0.0316
7	501		1,000	4,540	0.0028
5	1,001		5,000	13,397	0.0084
5	5,001		10,000	33,377	0.0209
4	10,001		25,000	97,058	0.0607
5	25,001		30,000	139,026	0.0869
5	30,001		35,000	165,213	0.1033
5	35,001		50,000	205,925	0.1288
3	50,001		70,000	178,197	0.1114
2	70,001		100,000	145,436	0.0910
1	100,001		200,000	157,180	0.0983
2	2,000,001		3,000,000	4,769,628	2.9829
1	3,000,001		5,000,000	4,382,226	2.7406
3	5,000,001		6,000,000	16,686,964	10.4358
4	6,000,001		7,000,000	25,817,576	16.1459
1	7,000,001		8,000,000	7,706,251	4.8194
1	8,000,001		9,000,000	8,348,269	5.2209
3	9,000,001		11,000,000	31,473,055	19.6828
3	11,000,001		12,000,000	34,432,277	21.5335
1	12,000,001		13,000,000	25,090,963	15.6915
<b>277</b>				<b>159,901,262</b>	<b>100.0000</b>

Categories Of Shareholders	Number	Share Held	Percentage
CEO, Directors and their spouses and minor children	12	69,021,413	43.1650
Joint Stock Companies, Insurance Companies, Investment Companies & Modaraba	2	25,098,794	15.6964
<b>Individual</b>	<b>263</b>	<b>65,781,055</b>	<b>41.1385</b>
<b>Total</b>	<b>277</b>	<b>159,901,262</b>	<b>100.0000</b>

**Information as required under the Code of Corporate Governance**

Categories of Shareholders	Shareholders	Share Held	Percentage
<b><u>Associated Company</u></b>			
M/s. Askari Life Assurance Co., Ltd.	1	7,831	0.0049
M/s. East West Holding Company Ltd.	1	25,090,963	15.6915
<b><u>CEO, Directors, their Spouses and Minor Children</u></b>			
Chief Justice ( R ) Mian Mahboob Ahmed	1	5,255	0.0033
Javed Yunus	1	6,249,046	3.9081
Pervez Yunus	1	11,000,219	6.8794
Naved Yunus	1	10,585,595	6.6201
Saad Yunus	1	6,782,222	4.2415
Urooj Yunus Ansari	1	4,382,226	2.7406
Umeed Ansari	1	1,955	0.0012
Ahsan Mahmood Alvi	1	1,775	0.0011
Mazhar Zubair Abbasi	1	618	0.0004
Ambreen N. Yunus	1	11,947,941	7.4721
Rubina J. Yunus	1	11,484,117	7.1820
Samina P. Yunus	1	6,580,444	4.1153
<b>Individual</b>	<b>263</b>	<b>65,781,055</b>	<b>41.1385</b>
<b>Total</b>	<b>277</b>	<b>159,901,262</b>	<b>100.0000</b>