



Condensed Interim Financial Statements
For the quarter and three months ended
March 31, 202

The Directors of your Company are pleased to present the condensed interim financial statements (un-audited) for the quarter and three months' ended March 31, 2023:

Financial Highlights:
Profit / (Loss)

	March 31 2023	March 31 2022
	(Rs. in 000') (Unaudited)	
Net profit before tax	31,495	5,238
Taxation	(9,273)	(1,521)
Net profit after tax	22,222	3,717
Other comprehensive loss - net	(11,180)	(9,036)
	(in Rupees)	
Earnings per share	0.13	0.02
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	10.27	10.19

During the first quarter of 2023, gross premium written by your Company (including takaful contributions) stood at Rs. 1.778 billion as against Rs. 1.631 billion in the corresponding period last year. Individual life regular premium (including takaful contributions) posted growth of 3% and stood at Rs. 935 million as against Rs. 906 million in the corresponding period last year.

Group Life premiums / contribution (including takaful group family) stood at Rs. 252 million (2022: Rs. 188 million), posting an increase of 34% from corresponding period of last year. Group Health premium / contribution (including takaful group health) stood at Rs 454 million (2022: Rs. 332 million), posting an increase of 37% from corresponding period of last year.

Single premium / contribution individual policies stood at Rs 136 million as compared to Rs. 206 million written in the corresponding period last year.

The Company posted profit after tax of Rs. 22.22 million as compared to profit after tax of Rs. 3.717 million in corresponding period of last year.

The management is addressing the issues of higher acquisition costs and repricing the products of corporate life and health business to improve the profitability of the company.

Window Takaful Operations

Summarized results of Company's Window Takaful Operations for the quarter under review are as follows:

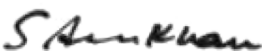
	March 31 2023	March 31 2022
	(Rs. in 000') (Unaudited)	
Policyholder' Fund		
Gross Contribution	491,857	541,344
Net Contribution	345,908	363,441
Investment Income	37,050	10,306
Operator's Fund		
Investment Income	428	-
Operators' loss before tax	(45,897)	(45,482)
Operators' loss after tax	(32,730)	(34,775)

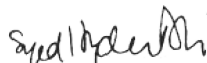
Future Outlook

Despite the adverse macroeconomic environment in the country, we are committed to maintaining the Company's positive direction by building on the momentum and strategy we set last year. With our efforts, we hope that the Company's performance in the upcoming months will be better than they were the previous year.

The Board of Directors would like to express their gratitude to IGI Life customers and business partners. We thank our Stakeholders for the trust they have placed in the Company and our employees for their valuable contributions.

On behalf of the Board of Directors


Shamim Ahmad Khan
Chairman
Dated: April 25, 2023


Syed Hyder Ali
Chief Executive Officer
Dated: April 25, 2023

ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ، 2023 کو ختم ہونے والی سہ ماہی کے عبوری مالیاتی گوشوارے (غیر آڈٹ شدہ) پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی جھلکیاں:

نفع نقصان	31 مارچ 2023	31 مارچ 2022
	(روپے ہزاروں میں)	
	(غیر آڈٹ شدہ)	
خالص نفع قبل از ٹیکس	31,495	5,238
ٹیکسیشن	(9,273)	(1,521)
خالص نفع بعد از ٹیکس	22,222	3,717
دیگر مجموعی نقصان - خالص	(11,180)	(9,036)

(روپوں میں)

آمدن فی شیئر	0.13	0.02
آمدن فی شیئر بریک اپ ویلیو (اس میں انشورنس آرڈیننس کی تعمیل میں اسٹیچوری فنڈ میں رکھی گئی رقم بھی شامل ہے)	10.27	10.19

2023 کی پہلی سہ ماہی میں آپ کی کمپنی کا تحریر کردہ مجموعی پربیم (بشمول تکافل زرتعاون) گزشتہ سال کے اسی مدت کے 1.631 ملین کے مقابلے میں 1.778 ملین رہا۔ انفرادی لائف ریگولر پربیم (بشمول تکافل زرتعاون) گزشتہ سال کے اسی مدت کے 906 ملین کے مقابلے میں 3% اضافہ کے ساتھ 935 ملین رہا۔ گروپ لائف پربیم زرتعاون (بشمول تکافل گروپ فیملی) گزشتہ سال کے اسی مدت کے مقابلے میں 34% اضافے کے ساتھ 252 ملین رہا (2022: 188 ملین)۔ گروپ ہیلتھ پربیم زرتعاون (بشمول تکافل گروپ ہیلتھ) گزشتہ سال کے اسی مدت کے مقابلے میں 37% اضافے کے ساتھ 454 ملین رہا (2022: 332 ملین)۔ سنگل پربیم زرتعاون انفرادی پالیسیز گزشتہ سال کے اسی مدت کے تحریر کردہ 206 ملین کے مقابلے میں 136 ملین رہا۔ گزشتہ سال اسی مدت کے 3.717 ملین بعد از ٹیکس نفع کے مقابلے میں کمپنی کو اس سال 22.22 ملین بعد از ٹیکس کا نفع ہوا۔ کمپنی کی انتظامیہ کمپنی کے نفع کو بڑھانے کے لیے بزنس کے حصول کی اضافی لاگت کے مسئلہ کو حل کرنے اور کارپوریٹ لائف اور ہیلتھ بزنس کی پراڈکٹ کی نئی قیمت سازی کے مرحلے سے گزر رہی ہے۔

ونڈ و تکافل آپریشنز

کمپنی کے وونڈ و تکافل آپریشنز کے زیر جائزہ سہ ماہی نتائج کا خلاصہ ذیل میں مذکور ہے:

پالیسی ہولڈرز فنڈ	31 مارچ 2023	31 مارچ 2022
	(روپے ہزاروں میں)	
	(غیر آڈٹ شدہ)	
مجموعی زرتعاون	491,857	541,344
خالص زرتعاون	345,908	363,441
سرمایہ کاری آمدن	37,050	10,306
آپریٹنگ فنڈ		
سرمایہ کاری آمدن	428	-
آپریٹنگ نقصان قبل از ٹیکس	(45,897)	(45,482)
آپریٹنگ نقصان بعد از ٹیکس	(32,730)	(34,775)

مستقبل کا منظر نامہ

ملک کے اندر ناموافق بڑے اقتصادی مسائل کے باوجود ہم پر عزم ہیں کہ انہیں خطوط اور حکمت عملی پر کمپنی کا مثبت سفر جاری رکھیں گے جو ہم نے گزشتہ سال مقرر کیے تھے۔ ہماری کوششوں سے امید ہے کہ آنے والے مہینوں میں کمپنی کی کارکردگی گزشتہ سال کے مقابلے میں بہت بہتر رہے گی۔

بورڈ آف ڈائریکٹرز اپنے آئی جی آئی لائف کے کسٹرز اور بزنس پارٹنر کے ممنون ہیں۔ ہم اپنے اسٹیک ہولڈرز کے کمپنی پر اعتماد اور اپنی کمپنی کے ملازمین کی قابل قدر اور انتھک محنت پر تہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

Said Akhbari

سید حیدر علی

چیف ایگزیکٹو آفیسر

تاریخ: 25 اپریل، 2023

S. Akhbar

شہیم احمد خان

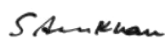
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تاریخ: 25 اپریل، 2023

IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

	(Un-audited) March 31 2023	(Audited) December 31, 2022
Note	----- Rupees in 000 -----	
Assets		
Property and equipment	9 198,961	216,616
Intangible assets	9 334,826	326,960
Investments		
Mutual funds	10 6,151,993	6,039,945
Government securities	11 12,204,803	11,862,395
Debt securities	12 370,000	600,000
	18,726,796	18,502,340
Loans secured against life insurance policies	192,174	175,139
Insurance / takaful / reinsurance / retakaful receivables	410,179	239,119
Other loans and receivables	446,047	475,852
Taxation - payments less provision	810,079	780,540
Deferred tax asset - net	447,363	447,065
Prepayments	65,651	63,174
Cash and bank	13 195,823	218,118
Total assets	<u>21,827,899</u>	<u>21,444,923</u>
Equity and liabilities		
Capital and reserves attributable to Company's equity holders		
Authorised share capital (300,000,000 (2022: 300,000,000) ordinary shares of Rs. 10 each)	<u>3,000,000</u>	<u>3,000,000</u>
Issued, subscribed and paid-up capital	1,705,672	1,705,672
Ledger account C & D	(1,019,547)	(1,029,779)
Unappropriated profit	1,164,609	1,152,619
Deficit on revaluation of available for sale investments - net	<u>(99,304)</u>	<u>(88,124)</u>
Total equity	1,751,430	1,740,388
Liabilities		
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	14 18,516,451	18,159,025
Outstanding claims	580,569	623,709
Retirement benefit obligations	29,261	29,261
Premium received in advance	101,718	113,186
Reinsurance / retakaful payables	175,276	129,914
Other creditors and accruals	610,580	573,080
Lease liability against right-of-use assets	62,614	76,360
Total liabilities	<u>20,076,469</u>	<u>19,704,535</u>
Total equity and liabilities	<u>21,827,899</u>	<u>21,444,923</u>
Contingencies and commitments	15	

The annexed notes from 1 to 28 form an integral part of these financial statements.


 Chairman


 Director


 Director

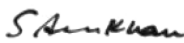


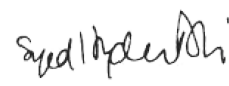


 Chief Executive Officer


 Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2023

		----- (Un-audited) -----	
		For the quarter and three months ended March 31	
Note		2023	2022
		----- Rupees in 000 -----	
	Gross premium / contribution revenue	1,778,578	1,631,109
	Less: premium / contribution ceded to reinsurers / retakaful operators	90,614	55,045
	Net premium / contribution revenue	1,687,964	1,576,064
	Investment income	492,027	344,195
	Net realised fair value losses on financial assets	7,371	(20,527)
	Other income - net	13,997	16,087
		513,395	339,755
	Net income	2,201,359	1,915,819
	Insurance benefits	1,199,122	1,453,358
	Recoveries from reinsurers / retakaful operators	(44,751)	(43,758)
	Net insurance benefits	1,154,371	1,409,600
		1,046,988	506,219
	Change in insurance liabilities (other than outstanding claims)	396,442	(67,972)
	Acquisition expenses	448,068	385,566
	Marketing and administration expenses	166,712	179,302
	Other expenses	2,374	1,815
	Total expenses	1,013,596	498,711
		33,392	7,508
	Finance costs	1,897	2,270
	Profit before tax	31,495	5,238
	Income tax	(9,273)	(1,521)
	Profit after tax	22,222	3,717
		----- Rupees -----	
	Earnings per share	0.13	0.02


The annexed notes from 1 to 28 form an integral part of these financial statements.

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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IGI LIFE INSURANCE LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2023

	----- (Un-audited) -----	
	For the quarter and three months ended March 31	
	2023	2022
	----- Rupees in 000 -----	
Profit after tax	22,222	3,717
Other comprehensive loss		
Change in unrealised loss on available-for-sale financial assets	(54,733)	(36,671)
Less: taxation	4,537	1,894
Change in unrealised loss on available-for-sale financial assets - net of tax	(50,196)	(34,777)
Change in insurance liabilities - net	39,016	25,741
Other comprehensive loss for the period	<u>(11,180)</u>	<u>(9,036)</u>
Total comprehensive income / (loss) for the period	<u><u>11,042</u></u>	<u><u>(5,319)</u></u>

The annexed notes from 1 to 28 form an integral part of these financial statements.



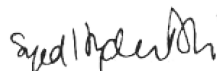
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2023

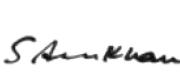

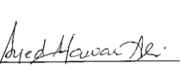
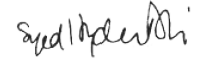

	Attributable to equity holders of the Company				Total
	Share capital	Un-appropriated profit *	Ledger C & D account **	Capital reserve Net (deficit) / surplus on revaluation of available for sale investments ***	
	-----Rupees in '000-----				
Balance as at December 31, 2021 (audited)	1,705,672	1,121,879	(1,043,446)	(39,924)	1,744,181
Profit / (loss) for the three months ended March 31, 2022	-	10,037	(6,320)	-	3,717
Other comprehensive loss for the three months ended March 31, 2022	-	-	-	(9,036)	(9,036)
	-	10,037	(6,320)	(9,036)	(5,319)
Balance as at March 31, 2022 (un-audited)	1,705,672	1,131,916	(1,049,766)	(48,960)	1,738,862
Total comprehensive income / (loss)					
Profit for the nine months ended December 31, 2022	-	20,703	17,611	-	38,314
Other comprehensive income / (loss) for the nine months ended 'December 31, 2022	-	-	2,376	(39,164)	(36,788)
	-	20,703	19,987	(39,164)	1,526
Balance as at December 31, 2022 (audited)	1,705,672	1,152,619	(1,029,779)	(88,124)	1,740,388
Total comprehensive income / (loss)					
Profit for the three months ended March 31, 2023	-	11,990	10,232	-	22,222
Other comprehensive loss for the three months ended March 31, 2023	-	-	-	(11,180)	(11,180)
	-	11,990	10,232	(11,180)	11,042
Balance as at March 31, 2023 (un-audited)	1,705,672	1,164,609	(1,019,547)	(99,304)	1,751,430

* This includes an amount of Rs. 50 million set aside by the Company in respect of Takaful operations.

** This represents reserve appropriated to shareholders.

*** This balance is net of related change in insurance liabilities.

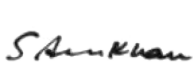
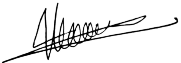

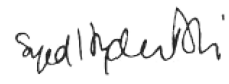

The annexed notes from 1 to 28 form an integral part of these financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CASH FLOW STATEMENT
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2023

	For the quarter and three months ended March 31	
Note	2023	2022
	-----Rupees in 000-----	
Operating cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers	1,594,788	1,413,428
Reinsurance premium paid	(135,976)	(72,819)
Claims paid	(409,995)	(359,546)
Surrenders paid	(794,266)	(1,057,681)
Reinsurance recovery received	46,013	49,297
Commission paid	(208,791)	(255,317)
Commission received	-	12,024
Net cash inflow from / (outflow on) from underwriting activities	91,773	(270,614)
(b) Other operating activities		
Income tax paid	(34,436)	(19,035)
Marketing and administrative expenses paid	(379,134)	(385,609)
Other operating receipts	5,430	5,718
Loans advanced	(11,179)	9,834
Loan repayments received	496	1,222
Net cash outflow on other operating activities	(418,823)	(387,870)
Total cash outflow on all operating activities	(327,050)	(658,484)
Investment activities		
Profit / return received	477,822	288,233
Dividend received	12,189	21,069
Payment for investments	(8,989,045)	(653,773)
Proceeds from disposal of investments	11,470,710	474,443
Proceeds from disposals of fixed assets	(5,649)	1,729
Fixed capital expenditure	(22,076)	(2,913)
Total cash inflow from investing activities	2,943,951	128,788
Financing activities		
Dividends paid	-	(1)
Total cash outflow on financing activities	-	(1)
Net cash inflow from / (outflow on) all activities	2,616,901	(529,697)
Cash and cash equivalents at beginning of the year	3,767,513	903,117
Cash and cash equivalents at end of the year	6,384,414	373,420
	13.2	
Reconciliation to the profit and loss account		
Operating cash flows	(327,050)	(658,484)
Depreciation and amortisation expenses	(28,656)	(34,125)
Gain on disposal of fixed assets	(203)	(1,027)
Increase in assets other than cash	17,333	705
Decrease / (increase) in liabilities	(93,706)	395,376
Investment income	451,793	295,044
Profit received on bank deposits	2,711	6,228
Profit / (loss) after taxation	22,222	3,717

The annexed notes from 1 to 28 form an integral part of these financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The registered office is also the principal office of the Company.
- 1.2 The Company is a subsidiary of IGI Holdings Limited ("Holding Company") which holds 82.69% (December 31, 2022: 82.69%) share capital of the Company.
- 1.3 The Company is engaged in life insurance, carrying on both participating and non-participating business. The Company is also engaged in providing Shariah Compliant family takaful products as an approved window takaful operator.
- 1.4 In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary, are as follows:
- Life (participating)
 - Life (non-participating) – Individual
 - Life (non-participating) – Group
 - Accident & Health – Individual
 - Accident & Health – Group
 - Pension Business Fund
 - Investment Linked
 - Individual Family Takaful
 - Accident & Health Takaful – Individual
 - Group Family Takaful
 - Group Health Takaful

2 BASIS OF PREPARATION

These condensed interim financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

Accordingly, the Company has prepared and annexed to these financial statements, a standalone set of the financial statements for Window Takaful Operations of the Company, as if these are carried out by a Standalone Takaful Operator. This standalone set of financial statements for Window Takaful Operations of the Company is unaudited and un-reviewed and are being submitted in compliance with the conditions imposed by the SECP as detailed above.

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 for interim financial reporting. The accounting and reporting standards comprise of:
- Accounting Standards (IAS 34) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

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 and the Takaful rules, 2012 shall prevail.

2.1.2 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 and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022.

2.1.3 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2022.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2023, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments or interpretations:

	Effective date (period beginning on or after)
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IAS 12 - 'Income taxes' (amendments)	January 1, 2023
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2023*
- IFRS 16 - 'Leases' (amendments)	January 1, 2024
- IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023 and yet to be notified by the Securities and Exchange Commission of Pakistan.	

* 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. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

The management is in the process of assessing the impact of these amendments on the condensed interim financial statements of the Company.

5.2.2 There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2023, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual audited financial statements for the year ended December 31, 2022. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2023 conducted at the year end. Hence actuarial gains / losses for the three months ended March 31, 2023 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2022.

8 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 the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 8.1 below:

8.1 Fair value of financial assets as at March 31, 2023 and change in the fair values during the three months ended March 31, 2023:

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	Note	(Un-audited) March 31, 2023	(Audited) December 31, 2022
		----- Rupees in 000 -----	
<i>Pakistan Investment Bonds - available for sale (refer note 11)</i>			
Opening fair value		4,775,838	4,966,853
Additions during the period		10,551	40,443
Decrease in fair value		(190,696)	(231,458)
Closing fair value		<u>4,595,693</u>	<u>4,775,838</u>
<i>Market Treasury Bills - available for sale (refer note 11)</i>			
Opening fair value		6,808,483	6,869,422
Disposals during the period		518,564	(49,049)
Decrease in fair value		4,625	(11,890)
Closing fair value		<u>7,331,672</u>	<u>6,808,483</u>
<i>GOP Ijarah Sukuk - available for sale (refer note 11)</i>			
Opening fair value		278,074	277,409
Disposals during the period		341	(5,484)
Increase in fair value		(977)	6,149
Closing fair value		<u>277,438</u>	<u>278,074</u>
<i>Debt Securities - available for sale (refer note 12)</i>			
Opening fair value		600,000	225,000
Additions / disposals during the period		(230,000)	375,000
Increase / (decrease) in fair value		-	-
Closing fair value		<u>370,000</u>	<u>600,000</u>
Financial assets that do not meet the SPPI criteria			
<i>Mutual funds - available for sale (refer note 10)</i>			
Opening fair value		6,039,945	6,095,600
Additions during the period		(78,793)	(45,511)
Decrease in fair value		190,841	(10,144)
Closing fair value		<u>6,151,993</u>	<u>6,039,945</u>
<i>Listed equities - available for sale (refer note 10)</i>			
Opening fair value		-	47,116
Additions during the period		-	(43,077)
(Decrease) / increase in fair value		-	(4,039)
Closing fair value		<u>-</u>	<u>-</u>
9 PROPERTY AND EQUIPMENT			
Tangible assets (including right-of-use-assets)		193,777	211,474
Capital work-in-progress		5,184	5,142
		<u>198,961</u>	<u>216,616</u>
Intangible assets		334,826	326,960
	9.1	<u>533,787</u>	<u>543,576</u>

Note	(Un-audited)	(Audited)	
	March 31, 2023	December 31, 2022	
	----- Rupees in 000 -----		
9.1	Opening net book value	525,082	695,625
	Add: additions during the period / year		
	- Leasehold improvements	-	2,161
	- Furniture and fixtures	157	241
	- Office equipment	-	35
	- Computer equipment	1,904	2,658
	- Motor vehicles - owned	-	-
	- Right-of-use assets	-	2,444
	- Software and licenses	19,549	16,028
		21,610	23,567
	Less: net book value of disposals		
	- Leasehold improvements	-	11,059
	- Furniture and fixtures	-	8,418
	- Office equipment	-	1,292
	- Computer equipment	-	128
	- Right-of-use assets	3,358	32,906
		3,358	53,803
	Less: depreciation and amortisation for the period / year	28,658	140,307
	Closing net book value	514,676	525,082
	Add: capital work-in-progress		
	- Advance against civil works	5,184	5,142
	- Advance against software	13,927	13,352
		533,787	543,576

(Un-audited)			(Audited)		
March 31, 2023			December 31, 2022		
Carrying amount	Market value	Deficit on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments
----- Rupees in 000 -----					

10 INVESTMENTS IN EQUITY SECURITIES

Available for sale

Mutual Funds	6,062,867	6,151,993	89,126	6,161,660	6,039,945	(101,715)
	<u>6,062,867</u>	<u>6,151,993</u>	<u>89,126</u>	<u>6,161,660</u>	<u>6,039,945</u>	<u>(101,715)</u>

11 INVESTMENTS IN GOVERNMENT SECURITIES

Available for sale

Pakistan Investment Bonds	11.1 & 11.2	5,134,606	4,595,693	(536,794)	5,121,936	4,775,838	(346,098)
Market Treasury Bills	11.3	7,344,655	7,331,672	(12,983)	6,826,091	6,808,483	(17,608)
GOP Ijarah Sukuk	11.4	279,485	277,438	(2,047)	279,144	278,074	(1,070)
		<u>12,758,746</u>	<u>12,204,803</u>	<u>(551,824)</u>	<u>12,227,171</u>	<u>11,862,395</u>	<u>(364,776)</u>

11.1 The effective yield on Pakistan Investment Bonds ranges from 7.5% to 18.55% (December 31, 2022: 7.50% to 16.28%) per annum. The market yield ranges from 7.5% to 21.34% (December 31, 2022: 15.79% to 16.99%) per annum. These are due to mature by August, 2029.

11.2 The Company has deposited 5 years Pakistan Investment Bonds having face value amounting to Rs. 193 million (December 31, 2022: Rs. 193 million) with the State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

11.3 The effective yield on Market Treasury Bills ranges from 15.62% to 21.06% (December 31, 2022: 11.90% to 16.97%) per annum. The market yield ranges from 20.33% to 21.43% (December 31, 2022: 15% to 17%) per annum. These are due to mature by March, 2023.

11.4 The effective yield on GOP Ijarah Sukuk ranges from 14.44% to 15.93% (December 31, 2022: 14.91% to 15.93%) per annum and are due to mature by April, 2025.

12 INVESTMENTS IN DEBT SECURITIES

Note	(Un-audited)			(Audited)		
	March 31, 2023			December 31, 2022		
	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments
Rupees in 000						

Available for sale

Listed Term Finance Certificates	12.1	300,000	300,000	-	300,000	300,000	-
Corporate Sukuk	12.2	70,000	70,000	-	300,000	300,000	-
		<u>370,000</u>	<u>370,000</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>

12.1 The effective yield on term finance certificates ranges from 15.76% to 22.01% (December 31, 2022: 16.37% to 17.51%) per annum.

12.2 The effective yield on Corporate Sukuk ranges from 17.06% to 19.44% (December 31, 2022: 17.06% to 18.45%) per annum.

	Note	(Un-audited) March 31, 2023	(Audited) December 31, 2022
Rupees in 000			
13 CASH AND BANK			
Cash in hand		862	94
Cash at bank - Savings accounts	13.1	194,961	218,024
		<u>195,823</u>	<u>218,118</u>

13.1 These savings accounts carry mark-up rate ranges from 6.6% to 14.5% per annum (December 31, 2022: 14% to 15.5%).

	Note	(Un-audited) March 31, 2023	(Audited) December 31, 2022
Rupees in 000			
13.2 Cash and cash equivalents			
Cash and bank balances	13	195,823	218,118
Treasury Bills (with original maturity of less than 3 months)		<u>6,188,591</u>	<u>3,549,395</u>
		<u>6,384,414</u>	<u>3,767,513</u>

Note	(Un-audited) March 31, 2023	(Audited) December 31, 2022
	----- Rupees in 000 -----	
14 INSURANCE LIABILITIES		
Incurred but not reported claims	181,653	167,653
Investment component of unit-linked and account value policies	10,338,612	10,040,827
Liabilities under individual conventional insurance contracts	6,390,158	6,447,583
Liabilities under group insurance contracts	482,060	365,749
Other insurance liabilities	592,640	621,438
Ledger account A and B	531,328	515,775
	<u>18,516,451</u>	<u>18,159,025</u>

15 CONTINGENCIES AND COMMITMENTS

- 15.1** With effect from November 1, 2018, the Punjab Revenue Authority (PRA), withdrew the exemption on both, life and health insurance, and subjected the same to the levy of Punjab Sales Tax (PST). Previously, the Sindh Revenue Board (SRB) had withdrawn similar exemptions granted in Sindh. However, during 2019, the Sindh Revenue Board, vide notification no. SRB 3-4/5/2019 dated May 8, 2019, restored the exemption on both, life and health insurance business upto June 30, 2019.

With effect from July 1, 2019, in Sindh, the SRB, vide its notifications SRB-3-4/16/2019 and SRB-3-4/14/2020, extended the exemption to health insurance upto June 30, 2021. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. The Company, however, has not availed this exemption.

With effect from April 2, 2020, in Punjab, the Government of the Punjab (Finance department), as part of COVID relief, amended Second Schedule to the Punjab Sales Tax on Services Act, 2012 and changed sales tax rates on health and life insurance to 0% without input tax adjustment for the period from notification's effective date till June 30, 2020. This tax exemption is however retained only in case of Individual Health Insurance through the Punjab Finance Act, 2020 which is effective from July 1, 2020.

The Insurance Association of Pakistan (IAP) had taken up the matter extensively with PRA and SRB for restoration of the exemptions that were withdrawn, besides seeking legal advice. The legal advisors of the IAP/Company have confirmed the contention of the Company that insurance is not a service, but infact, in sum and substance, a contingent contract under which payment is made on the occurrence of an event, specified in the terms of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service.

The legal advisors have also raised the important question of constitutionality of the levy of provincial sales tax on life insurance, which is a Federal subject, and have expressed the view that under Article 142 of the Constitution of Pakistan, only those matters which are not enumerated in the Federal Legislative List, may be legislated upon by the provinces. In their view, since the Federation has retained a legislative mandate over all laws relating to insurance, therefore, only the Federation is entitled to levy any tax in relation to insurance business.

Without prejudice to the main contentions as stated above, even otherwise, the legal advisors have expressed in their opinions a further flaw in the context of the manner in which the entire premium payment, i.e. Gross Written Premium (GWP) is being charged to the levy of provincial sales tax. This is despite the fact that there are two distinct elements of GWP (i) the amount allocated towards the policyholders' investment, which belongs to them and (ii) the difference between the GWP charged and the investment amount allocated. Thus, in their view, if the entire GWP is subjected to provincial sales tax, then this is akin to a direct tax on policyholders, in the nature of income tax, wealth tax, or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

Based on the above contentions, the Company and other life insurance / health insurance companies challenged the levy of PST on life and health insurance in the Punjab through a writ petition in the Honourable Lahore High Court (LHC) in September 2019. Subsequent to the filing of the petition, in October 2019, the PRA issued a show cause notice to the Company and other life insurance companies, attempting to levy PST on the Pan Pakistan GWP, i.e. beyond their jurisdiction, and for the entire calendar year 2018, besides other inaccuracies. The Company and other life insurance companies have filed further writ petitions in the Honourable Lahore High Court against the same. The petitions are pending adjudication.

In Sindh, extensive discussions were held at the collective level of IAP with the SRB for the restoration of exemption on life insurance, which remained inconclusive. In November 2019, the Company, and other life insurance companies received show cause notices from the SRB, requiring the companies to deposit the SST on life insurance. Based on the same contentions as PST, the Company and other life insurance companies, have filed a petition in the Honourable Sindh High Court (SHC) in November 2019, challenging the levy of SST. The Honourable SHC, in their interim order dated December 2, 2019, directed that the request of the petitioners, seeking exemption in terms of Section 10 of the SST Act, 2011, shall be considered by the SRB in accordance with the law. The petition is pending adjudication.

In January 2020, the SRB, PRA and BRA invited the IAP and insurance industry to hold a dialogue for an amicable settlement of the matter. The Company, along with the IAP and other insurance companies participated in the meeting convened by the Chairman SRB, and will continue its efforts to convince the provincial revenue authorities about the merits of the case.

During the hearing conducted in December, 2020, the Honorable Sindh High Court observed that one of the grounds in the petition is that "insurance" is a federal subject. On this basis, the Honourable Court was of the view that the Federation of Pakistan ought to be made a party. The Honourable Court therefore directed to amend the title of the petition, impleading the Federation as a Party, which has been duly done.

The legal advisors, in their opinion, have expressed the view that the Company has a reasonably strong case on the merits of the petitions filed in both, the Honorable Lahore High Court and Honorable Sindh High Court, against the imposition of the provincial sales taxes on life and health insurance in the Punjab and on life insurance in Sindh.

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax would have decreased by Rs. 451.617 million (December 31, 2022: Rs 434.333 million) while sales tax liability as at March 31, 2023 would have been higher by Rs. 636 million (December 31, 2022: Rs 611.737 million).

15.2 There has been no major change, during the period, in contingencies and commitments other than described above.

	------(Un-audited)-----	
	March 31, 2023	March 31, 2022
	-----Rupees in 000-----	
16 NET PREMIUM / CONTRIBUTION REVENUE		
Gross premiums / contribution:		
Regular premium / contribution individual policies*		
First year	278,543	335,604
Second year renewal	232,275	239,926
Subsequent year renewal	424,731	330,449
Single premium / contribution individual policies	136,534	205,607
Group policies without cash value	706,495	519,523
Total gross premiums / contribution	1,778,578	1,631,109
Less: reinsurance premium / contribution ceded		
On individual life first year business	7,999	8,795
On individual life second year business	5,283	5,400
On individual life renewal business	12,154	11,621
On single premium policies	3,375	498
On individual accident and health first year	907	937
On group policies	60,896	39,818
Less: commission from reinsurers	-	(12,024)
	90,614	55,045
Net premium / contribution	1,687,964	1,576,064

* Individual policies are those underwritten on an individual basis and include joint life policies underwritten as such.

		------(Un-audited)-----	
		March 31, 2023	March 31, 2022
		-----Rupees in 000-----	
17	INVESTMENT INCOME		
	Return on government securities	447,675	294,524
	Amortisation of discount	11,245	10,766
	Dividend income	12,189	21,069
	Profit on term deposit receipts	-	11,423
	Profit on debt securities	20,918	6,413
		<u>492,027</u>	<u>344,195</u>
18	NET INSURANCE BENEFITS		
	Gross claims		
	Claims under individual policies		
	By death	78,212	54,075
	By maturity	2,247	2,182
	By surrender	792,019	1,055,499
	Total gross individual policy claims	<u>872,478</u>	<u>1,111,756</u>
	Claims under group policies		
	by death	85,496	120,005
	by insured event other than death	203,148	221,597
	experience refund	38,000	-
	Total gross group policy claims	<u>326,644</u>	<u>341,602</u>
	Total gross policy claims	<u>1,199,122</u>	<u>1,453,358</u>
	Less: reinsurance recoveries		
	On individual life claims	28,239	10,738
	On group life claims	16,512	33,020
		<u>44,751</u>	<u>43,758</u>
	Net insurance benefit expense	<u>1,154,371</u>	<u>1,409,600</u>
19	ACQUISITION EXPENSES		
	Remuneration to insurance intermediaries		
	on individual policies:		
	- Commission on first year premiums / contribution	106,772	134,086
	- Commission on second year premiums / contribution	14,101	15,571
	- Commission on subsequent renewal premiums / contribution	13,319	9,982
	- Commission on single premiums / contribution	4,128	5,940
	- Other benefits to insurance intermediaries	149,300	104,638
		<u>287,620</u>	<u>270,217</u>
	Remuneration to insurance intermediaries on group policies:		
	- Commission	44,973	47,611
	- Other benefits to insurance intermediaries	578	1,016
		<u>45,551</u>	<u>48,627</u>
	Branch overheads:		
	- Salaries and other benefits	38,982	27,328
	- Other operational cost	70,587	34,789
		<u>109,569</u>	<u>62,117</u>
	Other acquisition cost :		
	- Policy stamps	5,328	4,605
		<u>448,068</u>	<u>385,566</u>

		------(Un-audited)-----	
		March 31, 2023	March 31, 2022
		-----Rupees in 000-----	
20	MARKETING AND ADMINISTRATION EXPENSES		
	Salaries, allowances & other benefits	87,555	73,587
	Travelling expenses	4,301	703
	Directors fees	2,152	2,551
	Regulators fee	3,404	4,489
	Actuary's fees	3,402	2,148
	Legal and professional charges	1,141	1,126
	Advertisement and publicity	10,045	2,005
	Printing and stationery	1,438	3,443
	Depreciation and amortisation	28,657	34,125
	Rentals	6,392	516
	Vehicles and general repair and maintenance	2,011	14,576
	Utilities-electricity, water and gas	2,781	664
	Transportation	613	778
	Communication	1,250	3,434
	Consultancy fee	1,889	1,767
	Training and workshop	697	69
	Insurance	600	1,451
	Interest on premium deposit in advance	116	205
	Social security	334	765
	Entertainment	3,612	781
	Miscellaneous expenses	4,322	30,119
		<u>166,712</u>	<u>179,302</u>
21	OTHER EXPENSES		
	Auditors' remuneration	<u>2,374</u>	<u>1,815</u>
22	TAXATION		

As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the three months ended March 31, 2023, the shareholder's fund reflected a profit before tax of Rs.16.887 million resulting in current tax amounting to Rs.4.897 million.

The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in profit and loss account on aggregate basis. Therefore the Company has recognised deferred tax of Rs. 416.379 million (December 31, 2022: Rs. 423.697 million) in this respect.

		-----Un-audited-----	
		Quarter and three months ended	
		March 31, 2023	March 31, 2022
		-----Rupees in 000-----	
23	EARNINGS PER SHARE		
	Basic / diluted earning per share		
	Profit for the period	<u>22,222</u>	<u>3,717</u>
		-----No of shares-----	
	Weighted average number of ordinary shares	<u>170,567,200</u>	<u>170,567,200</u>
		----- (Rupees)-----	
	Earning per share	<u>0.13</u>	<u>0.02</u>

24 SEGMENT INFORMATION

Each class of business has been identified as a reportable segment. The following is a schedule of class of business wise assets, liabilities, revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017:

24.1 Revenue account by statutory funds

(Un-audited)												
For the three months ended March 31, 2023												
CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS				Total	
Life (Participating)	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accident and	Group Family	Group Health		
	Individual	Group		Individual	Group							
-----Rupees in '000-----												
INCOME												
Premiums / contribution less reinsurances / retakaful	3,349	167,813	190,866	416,542	2,031	427,353	9,796	452,473	157	282	17,302	1,687,964
Net investment income	51,781	77,854	(5,230)	171,248	3	-	5,938	126,644	-	310	1,057	429,605
Other income - net	2,277	3,730	130	197	4	5,073	697	1,795	2	28	64	13,997
Total net income	57,407	249,397	185,766	587,987	2,038	432,426	16,431	580,912	159	620	18,423	2,131,566
CLAIMS AND EXPENDITURE												
Claims, including bonuses, net of reinsurance recoveries	57,939	202,564	103,345	347,891	1,057	193,407	-	234,788	-	3,639	9,741	1,154,371
Management expenses less recoveries	5,122	86,481	36,998	177,595	4,239	69,932	-	210,190	462	8,814	13,917	613,750
Total claims and expenditure	63,061	289,045	140,343	525,486	5,296	263,339	-	444,978	462	12,453	23,658	1,768,121
Excess / (shortage) of income over claims and expenditure	(5,654)	(39,648)	45,423	62,501	(3,258)	169,087	16,431	135,934	(303)	(11,833)	(5,235)	363,445
Add: Policyholders' liabilities at beginning of the period	1,562,449	5,092,807	165,940	5,472,909	17,861	302,137	355,811	4,719,947	3,291	(30,717)	(19,185)	17,643,250
Less: Policyholders' liabilities at end of the period	(1,541,242)	(4,999,804)	(195,228)	(5,616,380)	(17,861)	(409,871)	(371,545)	(4,890,524)	(3,103)	42,211	18,224	(17,985,123)
Movement in policyholders' liabilities	21,207	93,003	(29,288)	(143,471)	-	(107,734)	(15,734)	(170,577)	188	11,494	(961)	(341,873)
Surplus / (deficit) before tax	15,553	53,355	16,135	(80,970)	(3,258)	61,353	697	(34,643)	(115)	(339)	(6,196)	21,572
Taxation	-	(15,535)	(8,475)	23,511	946	(17,792)	(202)	11,234	(106)	64	1,979	(4,376)
Surplus / (deficit) after tax	15,553	37,820	7,660	(57,459)	(2,312)	43,561	495	(23,409)	(221)	(275)	(4,217)	17,196
Movement in policyholders' liabilities	(21,207)	(93,003)	29,288	143,471	-	107,734	15,734	170,577	(188)	(11,494)	961	341,873
Transfers (to) or from shareholders' fund												
- Capital contributions from shareholders' fund	-	-	-	-	2,000	-	-	-	-	6,000	-	8,000
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	6,000	-	6,000
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	2,000	-	-	-	-	6,000	-	8,000
Balance of statutory fund at beginning of the period	2,078,224	5,635,062	314,603	5,368,342	869	292,243	367,636	4,516,808	8,050	7,665	45,650	18,635,152
Balance of statutory fund at end of the period	2,072,570	5,579,879	351,551	5,454,354	557	443,538	383,865	4,663,976	7,641	1,896	42,394	19,002,221
Represented by:												
Capital contributed by shareholders' fund	-	-	150,000	584,831	44,000	32,057	6,000	555,148	4,095	42,200	151,554	1,569,885
Policyholders' liabilities / PTF	1,541,242	4,999,804	195,228	5,616,380	17,861	409,871	371,545	4,890,524	3,103	(42,211)	(18,224)	17,985,123
Retained earnings attributable to policyholders (Ledger Account A)	497,531	-	-	-	-	-	-	-	-	-	-	497,531
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	33,797	-	-	-	-	-	-	-	-	-	-	33,797
Retained earnings on other than participating business (Ledger Account D) / PTF	-	596,473	7,283	(741,639)	(61,151)	1,610	6,320	(777,449)	582	2,337	(90,798)	(1,056,432)
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(16,398)	(960)	(5,218)	(153)	-	-	(4,247)	(139)	(430)	(138)	(27,683)
BALANCE OF STATUTORY FUND	2,072,570	5,579,879	351,551	5,454,354	557	443,538	383,865	4,663,976	7,641	1,896	42,394	19,002,221

(audited)											
For the three months ended March 31, 2022											
CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS				Total
Life (Participating)	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accident and	Group Family	Group Health	
	Individual	Group		Individual	Group						

----- Rupees in '000 -----

INCOME

Premiums/contribution less reinsurances/retakaful	4,031	159,694	145,421	410,470	2,674	289,997	26,363	506,312	1,154	2,602	15,322	1,564,040
Net investment income	43,874	94,545	(23)	95,953	(4)	-	4,266	25,261	-	(215)	(857)	262,800
Other income - net	2,124	11,498	663	2,731	19	7,212	648	2,522	(1)	(4)	23	27,435
Total net income	50,029	265,737	146,061	509,154	2,689	297,209	31,277	534,095	1,153	2,383	14,488	1,854,275

CLAIMS AND EXPENDITURE

Claims, including bonuses, net of reinsurance recoveries	84,911	238,185	80,885	595,875	2,279	208,475	32	179,768	-	6,100	13,090	1,409,600
Management expenses less recoveries	1,783	55,353	27,800	146,233	5,772	59,343	-	240,546	563	3,446	9,331	550,170
Total claims and expenditure	88,477	348,891	136,485	888,341	13,823	327,161	32	660,860	1,126	12,992	31,752	1,959,770

Excess / (shortage) of income over claims and expenditure	(38,448)	(83,154)	9,576	(379,187)	(11,134)	(29,952)	31,245	(126,765)	27	(10,609)	(17,264)	(105,495)
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Add: Policyholders' liabilities at beginning of the period	1,627,464	5,373,432	120,654	6,336,304	20,256	325,979	267,072	4,184,891	5,763	(15,479)	(2,546)	18,243,790
Less: Policyholders' liabilities at end of the period	(1,582,691)	(5,273,283)	(150,144)	(6,141,524)	(20,256)	(357,132)	(297,685)	(4,333,659)	(5,997)	19,371	1,031	(18,141,969)
Movement in policyholders' liabilities	44,773	100,149	(29,490)	194,780	-	(31,153)	(30,613)	(148,768)	(234)	3,892	(1,515)	101,821

Surplus / (deficit) before tax	6,325	16,995	(19,914)	(184,407)	(11,134)	(61,105)	632	(275,533)	(207)	(6,717)	(18,779)	(3,674)
Taxation	-	(20,948)	(2,110)	12,428	1,623	1,062	(183)	7,807	(104)	747	2,257	2,579
Surplus / (deficit) after tax	6,325	(3,953)	(22,024)	(171,979)	(9,511)	(60,043)	449	(267,726)	(311)	(5,970)	(16,522)	(1,095)

Movement in policyholders' liabilities	(44,773)	(100,149)	29,490	(194,780)	-	31,153	30,613	148,768	234	(3,892)	1,515	(101,821)
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Transfers (to) or from shareholders' fund

- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	-	-	-
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	-	-	-
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-

Balance of statutory fund at beginning of the period	2,084,241	5,713,320	242,059	6,016,888	14,275	284,191	276,570	3,642,390	5,818	(6,846)	16,945	18,289,851
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Balance of statutory fund at end of the period	2,045,793	5,609,218	249,525	5,650,129	4,764	255,301	307,632	3,523,432	5,741	(16,708)	1,938	18,186,935
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Represented by:

Capital contributed by shareholders' fund	-	-	150,000	242,100	42,000	-	6,000	101,500	-	16,200	92,500	650,300
Policyholders' liabilities / PTF	1,582,691	5,273,283	150,144	6,141,524	20,256	357,132	297,685	4,333,659	5,997	(19,371)	(1,031)	18,141,969
Retained earnings attributable to policyholders (Ledger Account A)	436,988	-	-	-	-	-	-	-	-	-	-	436,988
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	27,897	-	-	-	-	-	-	-	-	-	-	27,897
Retained earnings on other than participating business (Ledger Account D) / PTF	-	396,101	(22,136)	(583,549)	(51,611)	(42,488)	3,947	(669,495)	307	(9,829)	(79,109)	(1,057,862)
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(4,813)	(683)	(3,713)	(109)	-	-	(1,686)	-	(262)	(1,091)	(12,357)

BALANCE OF STATUTORY FUND	2,047,576	5,664,571	277,325	5,796,362	10,536	314,644	307,632	3,763,978	6,304	(13,262)	11,269	18,186,935
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24.2 Condensed Interim Statement of Financial Position by Segment

	----- Un-audited -----			----- Audited -----		
	March 31, 2023			December 31, 2022		
	Shareholders Fund	Statutory Funds	Total	Shareholders Fund	Statutory Funds	Total
	----- Rupees in '000 -----			----- Rupees in '000 -----		
Assets						
Property and equipment	5,184	193,777	198,961	31,701	184,915	216,616
Intangible assets	13,929	320,897	334,826	-	326,960	326,960
Investments						
Mutual funds	-	6,151,993	6,151,993	-	6,039,945	6,039,945
Government securities	250,280	11,954,523	12,204,803	242,637	11,619,758	11,862,395
Debt securities	-	370,000	370,000	-	600,000	600,000
Loans secured against life insurance policies	-	192,174	192,174	-	175,139	175,139
Insurance / takaful / reinsurance / retakaful receivables	-	410,179	410,179	-	239,119	239,119
Other loans and receivables	59,365	386,682	446,047	58,030	417,822	475,852
Taxation - payments less provision	810,079	-	810,079	780,540	-	780,540
Deferred tax asset - net	447,363	-	447,363	447,065	-	447,065
Prepayments	5,759	59,892	65,651	2,847	60,327	63,174
Cash and bank	862	194,961	195,823	94	218,024	218,118
Total assets	1,592,821	20,235,078	21,827,899	1,562,914	19,882,009	21,444,923
Liabilities						
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	-	18,516,451	18,516,451	-	18,159,025	18,159,025
Outstanding claims	-	580,569	580,569	-	623,709	623,709
Retirement benefit obligations	29,261	-	29,261	29,261	-	29,261
Premium received in advance	-	101,718	101,718	-	113,186	113,186
Reinsurance / retakaful payables	-	175,276	175,276	-	129,914	129,914
Other creditors and accruals	216,173	394,407	610,580	193,033	380,047	573,080
Liabilities against right-of-use assets	62,614	-	62,614	76,360	-	76,360
Total liabilities	308,048	19,768,421	20,076,469	298,654	19,405,881	19,704,535

25 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Company, associated companies, retirement benefit funds, directors and key management personnel of the Company. Remuneration to the key personnel is determined in accordance with the terms of their appointments. All transactions involving related parties arise in the normal course of business. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

25.1 The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the condensed interim financial statements are as follows:

	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	
Transactions								
Premium underwritten	556	-	-	-	-	-	1,945	135,265
Premium paid for general insurance	-	-	-	-	-	-	850	1,846
Claims paid	313	-	-	-	-	-	22,217	14,187
Claims received	-	-	-	-	-	-	-	432
Charge for administrative services received	1,500	-	-	-	-	-	32,146	18,293
Charge for administrative services provided	-	-	-	-	-	-	5,811	2,440
Rent expense	-	-	-	-	-	-	7,385	7,885
Remuneration paid	-	-	-	-	30,385	35,459	-	-
Charged in respect of employees gratuity fund	-	-	4,361	4,011	-	-	-	-
Charge in respect of provident fund	-	-	2,219	3,569	-	-	-	-

	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	
Balances								
(Receivable) / payable for group shared services	2,868	1,368	-	-	-	-	85,968	79,447
Premium receivable	-	438	-	-	-	-	-	1,024
Payable to employee gratuity fund	-	-	29,260	29,260	-	-	-	-
Payable to employee provident fund	-	-	4,076	813	-	-	-	-

26 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the Pakistan Stock Exchange.
- Fair value of mutual funds is determined on the basis of closing net assets value (NAV) per unit published by Mutual Fund Association of Pakistan (MUFAP).
- Fair values of Treasury Bills and Pakistan Investment Bonds are derived using the PKRV rates (Reuters page).
- The fair value of all other financial assets and financial liabilities of the Company approximate their carrying amounts due to short term maturities of these instruments.

26.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: fair value measurements using 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: fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2023 and December 31, 2022, the Company held the following financial instruments measured at fair value:

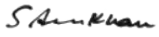
		-----Un-audited-----		
		As at March 31, 2023		
		Level 1	Level 2	Level 3
		----- Rupees in 000 -----		
Assets carried at fair value				
Available-for-sale investments		-	18,726,796	-
		----- Audited -----		
		As at December 31, 2022		
		Level 1	Level 2	Level 3
		----- Rupees in 000 -----		
Assets carried at fair value				
Available-for-sale investments		-	18,502,340	-

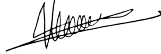
27 GENERAL


All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

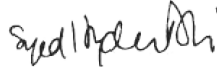
28 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 25, 2023 by the Board of Directors of the Company.



Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer

IGI

Life | Window Takaful Operations

Vitality[®]

**Condensed Interim Financial Statements (Window
Takaful Operation)**

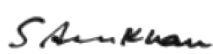
**For the quarter and three months ended
March 31, 2023**

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2023

	As at			As at
	March 31, 2023			December 31, 2022
	Operator sub fund	Policyholders fund	Total	Total
Note	----- Rupees in 000 -----			
Assets				
Property and equipment	56,454	-	56,454	59,250
Investments				
Mutual funds	334,372	4,147,817	4,482,189	4,073,660
Government Securities	-	161,541	161,541	161,625
Listed Securities	-	70,000	70,000	300,000
Term deposits	-	-	-	-
	334,372	4,379,358	4,713,730	4,535,285
Takaful / retakaful receivables	-	27,802	27,802	21,720
Other loans and receivables	76,413	-	76,413	81,729
Taxation - payments less provision	-	-	-	-
Deferred tax asset - net	-	-	-	-
Prepayments	9,232	-	9,232	16,527
Cash and bank	-	42,374	42,374	98,014
Total assets	476,471	4,449,534	4,926,005	4,812,525
Equity and liabilities				
Equity and reserves				
Waqf Ceded Money	-	500	500	500
Capital contributed	752,497	-	752,497	746,497
Ledger account C & D	(865,465)	-	(865,465)	(832,736)
Surplus / (deficit) on revaluation of available for sale investments	(4,816)	-	(4,816)	(9,424)
Total equity	(117,784)	500	(117,284)	(95,163)
Liabilities				
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]	22,097	4,811,095	4,833,192	4,673,336
Outstanding claims	-	131,521	131,521	137,527
Contribution received in advance	-	23,737	23,737	30,541
Takaful / retakaful payables	-	30,355	30,355	16,496
Other creditors and accruals	24,485	-	24,485	49,788
Interfund receivable / (payable)	547,673	(547,674)	(1)	-
Lease liability against right-of-use assets	-	-	-	-
Total liabilities	594,255	4,449,034	5,043,289	4,907,688
Total equity and liabilities	476,471	4,449,534	4,926,005	4,812,525
Contingencies and commitments				

9

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



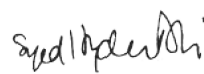
Chairman



Director



Director



Chief Executive Officer




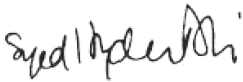



Chief Financial Officer

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2023**

	Note	March 31, 2023			March 31, 2022		
		Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
		-----Rupees in 000-----					
Contribution revenue	10	-	491,857	491,857	-	541,344	541,344
Less: wakala fee recognised		124,306	(124,306)	-	164,471	(164,471)	-
		124,306	367,551	491,857	164,471	376,873	541,344
Less: contribution ceded to retakaful operators	10	-	21,643	21,643	-	13,432	13,432
Net contribution revenue		124,306	345,908	470,214	164,471	363,441	527,912
Investment income		428	24,077	24,505	-	15,414	15,414
Net realised fair value gains / (losses) on financial assets		-	12,973	12,973	-	(5,108)	(5,108)
Takaful operator fee income		44,297	(44,297)	-	34,581	(34,581)	-
Other income - net		1,889	-	1,889	(384)	1,058	674
		46,614	(7,247)	39,367	34,197	(23,217)	10,980
Net income		170,920	338,661	509,581	198,668	340,224	538,892
Takaful benefits		-	253,619	253,619	-	205,966	205,966
Recoveries from retakaful operators		-	(5,451)	(5,451)	-	(7,008)	(7,008)
Net takaful benefits	11	-	248,168	248,168	-	198,958	198,958
		170,920	90,493	261,413	198,668	141,266	339,934
Change in takaful liabilities (including profit retained in waqf fund)		(16,564)	90,493	73,929	(12,256)	141,266	129,010
Acquisition expenses	12	183,711	-	183,711	200,418	-	200,418
Marketing and administration expenses		49,670	-	49,670	55,988	-	55,988
Total expenses		216,817	90,493	307,310	244,150	141,266	385,416
Loss before tax attributable to Operator		(45,897)	-	(45,897)	(45,482)	-	(45,482)
Taxation		(13,167)	-	(13,167)	(10,707)	-	(10,707)
Loss after tax attributable to Operator		(32,730)	-	(32,730)	(34,775)	-	(34,775)


The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2023

	March 31, 2023			March 31, 2022		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	-----Rupees in 000-----					
Loss after tax attributable to Operator	(32,730)	-	(32,730)	(34,775)	-	(34,775)
Other comprehensive income / (loss)						
Change in unrealised (loss) / gains on available-for-sale financial assets - net of tax	4,608	85,925	90,533	(1,868)	17,617	15,749
Change in takaful liabilities - net	-	(85,925)	(85,925)	-	(17,617)	(17,617)
Other comprehensive income / (loss) for the period	4,608	-	4,608	(1,868)	-	(1,868)
Total comprehensive loss for the period attributable to Operator	(28,122)	-	(28,122)	(36,643)	-	(36,643)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



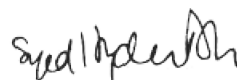
Chairman



Director



Director



Chief Executive Officer

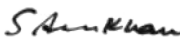

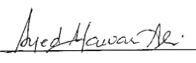
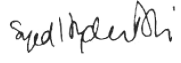



Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2023

Note	For The three months ended March 31, 2023	
	2023	2022
-----Rupees in 000-----		
Operating Cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers - net of retakaful	443,469	482,232
Claims paid - net of retakaful recoveries	(23,494)	(8,963)
Surrenders paid	(228,346)	(164,144)
Commissions paid	(80,623)	(132,781)
Net cash inflow from underwriting activities	111,006	176,344
(b) Other operating activities		
Payment for expenses	(161,702)	(213,089)
Other operating receipts	69	(1,020)
Inter fund transactions	(698,043)	19,273
Net cash outflow on other operating activities	(859,676)	(194,836)
Total cash outflow on all operating activities	(748,670)	(18,492)
Investment activities		
Profit / return received	21,903	4,576
Dividend received	7,013	10,431
Payments (made) / received on investments	664,114	(383,193)
Fixed capital expenditure	-	1,440
Total cash inflow from / (outflow on) investing activities	693,030	(366,746)
Net cash outflow on all activities	(55,640)	(385,238)
Cash and cash equivalents at beginning of period	98,014	148,477
Cash and cash equivalents at end of period	42,374	(236,761)
Reconciliation to Profit and Loss Account		
Operating cash flows	(748,670)	(18,492)
Depreciation and amortisation expenses	9,524	11,234
Increase in assets other than cash	740,978	327,281
Decrease in liabilities	(73,929)	(365,778)
Investment income and other income	37,547	9,286
Profit received on bank deposits	1,820	1,694
Loss after taxation	(32,730)	(34,775)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

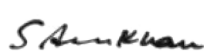
				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2023


	Attributable to equity holders of the Company				Total
	Capital contributed	Waqf Ceded Money	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments **	
	-----Rupees in 000-----				
Balance as at December 31, 2021	209,700	500	(719,813)	(4,709)	(514,322)
Total comprehensive loss					
Loss for the three months ended March 31, 2022	-	-	(34,775)	-	(34,775)
Other comprehensive loss for the three months ended March 31, 2022	-	-	-	(1,868)	(1,868)
	-	-	(34,775)	(1,868)	(36,643)
Balance as at March 31, 2022	209,700	500	(754,588)	(6,577)	(550,965)
Total comprehensive loss					
Loss for the nine months ended December 31, 2022	-	-	(78,147)	-	(78,147)
Other comprehensive loss for the nine months ended December 31, 2022	-	-	-	(2,847)	(2,847)
	-	-	(78,147)	(2,847)	(80,994)
Transactions with owners recorded directly in equity					
Capital Contributed	536,797	-	-	-	536,797
Balance as at December 31, 2022	746,497	500	(832,735)	(9,424)	(95,162)
Total comprehensive income / (loss)					
Loss for the three months ended March 31, 2023	-	-	(32,730)	-	(32,730)
Other comprehensive income for the three months ended March 31, 2023	-	-	-	4,608	4,608
	-	-	(32,730)	4,608	(28,122)
Transactions with owners recorded directly in equity					
Capital Contributed	6,000	-	-	-	6,000
Balance as at March 31, 2023	752,497	500	(865,465)	(4,816)	(117,284)

** This balance is net of related change in insurance liabilities.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



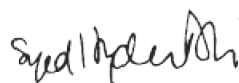
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED
FOR THE THREE MONTHS ENDED MARCH 31, 2023

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Company.
- 1.2 The Company was granted approval on July 02, 2015 under Rule 6 of the Takaful Rules, 2012 to start its Window Takaful Operations ("the Operations") by the Securities and Exchange Commission of Pakistan ("the SECP") in Pakistan. The Waqf deed was executed on June 20, 2015 and the operations were commenced also commenced in year 2015.
- 1.3 In accordance with the requirements of the Insurance Ordinance, 2000 and Takaful Rules, 2012, the Company established a Operator Sub Fund (OSF), Participant Investment Fund (PIF) and Participant Waqf Fund (PTF) under each statutory funds mentioned below:
- Individual Family Takaful
 - Individual Accidental and Health Takaful
 - Group Family Takaful
 - Group Health Takaful

2 BASIS OF PREPARATION

These financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

2.1 Statement of compliance

These 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) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

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 and the Takaful rules, 2012 shall prevail.

- 2.2 Where the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.
- 2.3 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 and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022.
- 2.4 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2022.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2023, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments or interpretations:

	Effective date (period beginning on or after)
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IAS 12 - 'Income taxes' (amendments)	January 1, 2023
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2023*
- IFRS 16 - 'Leases' (amendments)	January 1, 2024
- IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023 and yet to be notified by the Securities and Exchange Commission of Pakistan.	

* 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 takaful. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

5.2.2 There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2023, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, 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 annual financial statements for the year ended December 31, 2022. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2023 conducted at the year end. Hence actuarial gains / losses for the three months ended March 31, 2023 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 TAKAFUL FINANCIAL AND RISK MANAGEMENT

The Company's takaful risk management objectives and policies are consistent with those disclosed in the condensed Interim Financial statements as at and for the three months ended March 31, 2023.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an takaful operator, 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 takaful.

9 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at March 31, 2023. There were no other material contingencies and commitments as at March 31, 2023.

10 NET CONTRIBUTION REVENUE

Gross contribution:

Regular contribution individual policies*

	(Un-audited)	
	For the three months ended March, 31	
	2023	2022
	---- (Rupees in '000) ----	
First year	130,843	228,427
Second year renewal	196,032	139,710
Subsequent year renewal	134,767	135,158
Single contribution individual policies	5,380	17,474
Group policies without cash value	24,835	20,575
Total gross contribution	491,857	541,344

Less: retakaful contribution ceded

On individual life first year business	3,632	5,202
On individual life second year business	3,217	3,611
On individual life renewal business	4,171	4,082
On single premium policies	2,954	28
On group policies	7,669	3,031
Commission from reinsurers	-	(2,522)
	21,643	13,432

Net contribution

470,214	527,912
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* Individual policies are those underwritten on an individual basis, and includes joint life policies underwritten as such.

11 NET TAKAFUL BENEFITS

Gross Claims

Claims under individual policies

By death	11,093	21,232
By surrender	228,346	164,144
Total gross individual policy claims	239,439	185,376

Claims under group policies

by death	4,439	7,500
by insured event other than death	9,741	13,090
Total gross group policy claims	14,180	20,590

Total gross policy claims

253,619	205,966
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Less: retakaful recoveries

On Individual life claims	4,651	5,608
On Group Life claims	800	1,400
	5,451	7,008

Net takaful benefit expense

248,168	198,958
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12 ACQUISITION EXPENSES

Remuneration to takaful intermediaries on individual policies:

	2023	2022
- Commission on first year contribution	47,941	88,945
- Commission on second year contribution	7,650	9,058
- Commission on subsequent renewal contribution	5,492	3,138
- Commission on single contribution	143	486
- Other benefits to takaful intermediaries	74,503	74,639
	135,729	176,266

Remuneration to takaful intermediaries on group policies:

- Commission	12,630	889
- Other benefits to takaful intermediaries	-	438
	12,630	1,327

Branch overheads :

- Salaries and other benefits	11,686	8,663
- Other operational cost	21,163	11,027
	32,849	19,690

Other acquisition cost :

- Policy stamps	2,503	3,135
	183,711	200,418

13 SEGMENT INFORMATION

Each fund of business under takaful statutory funds has been identified as a reportable segment. The following is a schedule of class of business wise revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, and the Takaful Rules, 2012.

13.1 Participants' Investment Fund (PIF)

	(Un-audited)					
	TAKAFUL - STATUTORY FUNDS				Aggregate	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31, 2023	For the year ended December 31, 2022
	----- (Rupees in '000) -----					
Income						
Allocated Contribution	349,291	-	-	-	349,291	1,513,074
Net Investment Income	123,322	-	-	-	123,322	159,830
Other Income	-	-	-	-	-	5,148
Total Net Income	472,613	-	-	-	472,613	1,678,052
Less: Claims and Expenditure						
Surrenders / Partial Surrenders	228,346	-	-	-	228,346	869,771
Risk Contributions	45,656	-	-	-	45,656	168,694
Wakalat-ul-Istismar	17,059	-	-	-	17,059	66,586
Policy admin fee	27,238	-	-	-	27,238	76,323
	318,299	-	-	-	318,299	1,181,374
Excess of Income over Claims and expenditure	154,314	-	-	-	154,314	496,678
Add: Technical reserves at the beginning	4,605,110	-	-	-	4,605,110	4,108,432
Less: Technical reserves at the end	(4,759,424)	-	-	-	(4,759,424)	(4,605,110)
	(154,314)	-	-	-	(154,314)	(496,678)
Surplus	-	-	-	-	-	-
Movement in technical reserves	154,314	-	-	-	154,314	496,678
Balance of PIF at the beginning of the period	4,605,110	-	-	-	4,605,110	4,108,432
Balance of PIF at the end of the period	4,759,424	-	-	-	4,759,424	4,605,110

13.2 Participants' Takaful Fund (PTF)

(Un-audited)						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31,		For the year ended December 31,
				2023	2022	2022
(Rupees in '000)						
Income						
Contribution net of retakaful	15,451	(188)	(1,943)	12,722	26,042	100,663
Net investment income	7,255	-	428	-	7,683	19,192
Other income	-	-	-	-	-	10,487
	22,706	(188)	(1,515)	12,722	33,725	130,342
Less: Claims and Expenditure						
Claims	6,442	-	3,639	9,741	19,822	128,170
Wakala fee	-	-	-	-	-	-
	6,442	-	3,639	9,741	19,822	128,170
Excess of Income over Claims and expenditure	16,264	(188)	(5,154)	2,981	13,903	2,172
Add : Technical reserves at the beginning	112,852	1,580	(44,770)	(31,891)	37,771	35,598
Less : Technical reserves at the end	(112,852)	(818)	(26,065)	(28,033)	(167,768)	(173,078)
Add: Deficit retained in technical reserves	-	(762)	73,875	56,944	130,057	126,046
	-	-	3,040	(2,980)	60	(11,434)
Surplus / (deficit)	16,264	(188)	(2,114)	1	13,963	(9,262)
Movement in technical reserves	-	-	(3,040)	2,980	(60)	11,434
Qard-e-Hasna contributed by Window Takaful Oper	-	-	6,000	-	6,000	20,000
Balance of PTF at the beginning of the period	112,852	1,580	377	14,517	129,326	107,154
Balance of PTF at the end of the period	129,116	1,392	1,223	17,498	149,229	129,326

13.3 Operators' Sub Fund (OSF)

(Un-audited)						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31,		For the year ended December 31,
				2023	2022	2022
(Rupees in '000)						
Income						
Allocation fee	117,156	345	2,225	4,580	124,306	661,898
Investment income	(3,933)	-	(118)	1,057	(2,994)	11,359
Other Income	1,795	2	28	64	1,889	14,111
Wakala fee - PTF	16,231	-	-	-	16,231	59,634
Policy admin fee	27,238	-	-	-	27,238	76,322
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	17,059	-	-	-	17,059	66,586
	175,546	347	2,135	5,701	183,729	889,910
Less: Expenses						
Acquisition cost	137,770	462	5,676	6,954	150,862	772,820
Administration expenses / deferred taxation	61,186	106	3,074	4,984	69,350	232,872
	198,956	568	8,750	11,938	220,212	1,005,692
Excess of (expenditure)/over income	(23,410)	(221)	(6,615)	(6,237)	(36,483)	(115,782)
Add : Technical reserves at the beginning	1,985	1,711	14,053	12,707	30,456	28,599
Less : Technical reserves at the end	(1,985)	(1,711)	(7,713)	(10,688)	(22,097)	(30,456)
	-	-	6,340	2,019	8,359	(1,857)
Deficit	(23,410)	(221)	(275)	(4,218)	(28,124)	(117,639)
Movement in technical reserves	-	-	(6,340)	(2,019)	(8,359)	1,857
Capital Contribution during the period	-	-	6,000	-	6,000	536,797
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	(6,000)	-	(6,000)	(20,000)
Balance of OSF at the beginning of the period	(201,155)	6,470	7,288	31,133	(156,264)	(557,279)
Balance of OSF at the end of the period	(224,565)	6,249	673	24,896	(192,747)	(156,264)
Balance of Family Takaful statutory fund	4,663,975	7,641	1,896	42,394	4,715,906	4,578,172

14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: fair value measurements using 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: fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2023 the Operator and policyholders held the following financial instruments measured at fair value:

As at March 31, 2023		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	4,643,730	-

As at December 31, 2022		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	4,235,285	-

15 GENERAL

All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 25, 2023 by the Board of Directors of the Company.



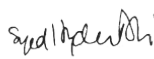
Chairman



Director



Director



Chief Executive Officer



Chief Financial Office