

# FACES OF **SUCCESS**

INTERIM FINANCIAL INFORMATION  
FOR THE FIRST QUARTER ENDED  
31 MARCH 2023









# Table of Contents

Vision & Mission	04
Core Values	07
Company Information	08
Directors' Review to the members on Unconsolidated Condensed Interim Financial Information	10
Directors' Review to the members on Unconsolidated Condensed Interim Financial Information (Urdu)	11
Unconsolidated Condensed Interim Financial Information	13
Directors' Review to the members on Consolidated Condensed Interim Financial Information	36
Consolidated Condensed Interim Financial Information	37
Condensed Interim Financial Information - Window Takaful Operations	63



# VISION & MISSION

Our will is to **Explore, Innovative** and **Differentiate**.

Our Passion is to provide **leadership** to the insurance industry.









# CORE VALUES

**Integrity** - Transparently and honestly without compromise

**Humility** - Empathy, self-esteem and respect in all relationships

**Fun at Workplace** - Work-life balance

**Corporate Social Responsibility** - Service to humanity



# Company Information

## BOARD OF DIRECTORS

Umer Mansha	Chairman
Ibrahim Shamsi	Director
Imran Maqbool	Director
Khawaja Jalaluddin	Director
Muhammad Arif Hameed	Director
Sadia Younas Mansha	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & Chief Executive Officer

## ADVISOR

Mian Muhammad Mansha

## AUDIT COMMITTEE

Muhammad Airf Hameed	Chairman
Ibrahim Shamsi	Member
Shaikh Muhammad Jawed	Member
Umer Mansha	Member

## ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

Khawaja Jalaluddin	Chairman
Umer Mansha	Member
Ibrahim Shamsi	Member
Muhammad Ali Zeb	Member

## INVESTMENT COMMITTEE

Shaikh Muhammad Jawed	Chairman
Umer Mansha	Member
Imran Maqbool	Member
Muhammad Ali Zeb	Member
Muhammad Asim Nagi	Member

## COMPANY SECRETARY

Tameez ul Haque, FCA

## CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, FCA

## **EXECUTIVE MANAGEMENT TEAM**

Muhammad Ali Zeb  
Muhammad Asim Nagi  
Adnan Ahmad Chaudhry  
Asif Jabbar  
Muhammad Salim Iqbal

## **AUDITORS**

Yousuf Adil  
Chartered Accountants  
134-A, Abu Bakar Block  
New Garden Town  
Lahore, Pakistan

## **SHARIAH ADVISOR**

Mufti Muhammad Hassan Kaleem

## **SHARE REGISTRAR**

CDC Share Registrar Services Ltd  
CDC House, 99-B, Block-B, S.M.C.H.S.,  
Main Shakra-e-Faisal, Karachi-74400  
Tel: (92) 0800-23275  
Fax: (92-21) 34326053

## **BANKERS**

Askari Bank Limited  
Abu Dhabi Commercial Bank, UAE  
Allied Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
FINCA Microfinance Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank  
Khushali Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
Mobilink Microfinance Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Soneri Bank Limited  
The Punjab Provincial Cooperative Bank Limited  
United Bank Limited  
Zarai Taraqiati Bank Limited

## **REGISTERED OFFICE**

Adamjee House, 80/A, Block E-1,  
Main Boulevard, Gulberg III,  
Lahore - 54000, Pakistan  
Phone: (92-42) 35772960-79  
Fax (92-42) 35772868  
Email: info@adamjeeinsurance.com  
Web: www.adamjeeinsurance.com



# Directors' Review

## to the Members on Unconsolidated Condensed Interim Financial Information (Unaudited) For the Quarter Ended 31 March 2023

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial information of the Company for the first quarter ended 31 March 2023.

### Financial Highlights:

The highlights for the period under review are as follows:

	(Unaudited)	
	31 March 2023	31 March 2022
	Rupees in thousand	
Gross Premium	7,091,143	7,547,584
Net Premium	4,839,869	3,756,123
Underwriting results	(386,821)	228,947
Investment Income	704,903	958,636
Profit before tax	823,624	1,308,067
Profit after tax	504,564	928,358
	(Unaudited)	
	31 March 2023	31 March 2022
	Rupees	
Earnings (after tax) per share	1.44	2.65

### Performance Review:

The gross premium of the Company decreased by 6% and the net premium increased by 29%. There was decline in profitability of the Company due to higher than expected losses suffered in UAE operations. The Company sustained underwriting losses due to higher claim ratio of 73% as compared to 58% loss ratio during corresponding period of last year. This resulted in decline in profit before tax and profit after tax in current quarter of 37% and 46% respectively.

### Window Takaful Operations:

The gross contribution written and surplus of Participants' Takaful Fund is Rs. 1,134,506 thousands (2022: Rs. 838,787 thousands) and Rs. 60,237 thousands (2022: deficit of Rs. 6,083 thousands), respectively. Most of the growth in contribution written came from Health line of business which contributed 64% to the total contribution written in first quarter of 2023. Window Takaful Operations profit before tax increased by 34% amounting to Rs. 98,759 thousands for the quarter ended 31 March 2023 (2022: Rs. 73,523 thousands).

### Future Outlook:

The Country is facing economic slowdown as GDP growth rate for FY2023 is forecasted at 0.5% by the IMF. This is mainly due to the current political turmoil, inflation and depleting foreign exchange reserves that have negatively impacted the overall economy and have necessitated contractionary measures. The heightened domestic political uncertainty contributed to depreciation in the rupee. The State Bank of Pakistan (SBP) raised SBP policy rate to 21% which is aimed at anchoring the unexpectedly higher inflation and achieving the objective of price stability. The management is constantly evaluating the ongoing developments and is keen on taking steps to further strengthen the outlook of the Company.

### Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Insurance emerge as one of the Pakistan's leading insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan for their continued guidance and assistance.

For and on behalf of the Board

  
Shaikh Muhammad Jawed  
Director

  
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 28 April 2023

# غیرمجمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر ممبران کوڈائریکٹرز کا جائزہ

بابت سہ ہی مختتمہ 31 مارچ 2023ء

بورڈ کی جانب سے 31 مارچ 2023ء کو ختم ہونے والی سہ ماہی کیلئے کمپنی کے غیر آڈٹ شدہ غیرمجمع عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں		زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:	
31 مارچ 2023ء	31 مارچ 2022ء	31 مارچ 2023ء	31 مارچ 2022ء
(غیر آڈٹ شدہ)	ہزار روپے میں (غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)	روپے میں (غیر آڈٹ شدہ)
7,091,143	7,547,584	46% منافع قبل از ٹیکس اور منافع بعد از ٹیکس کی صورت میں ظاہر ہوا۔	2.65
4,839,869	3,756,123	مجموعی پر بیم	
(386,821)	228,947	خالص پر بیم	
704,903	958,636	زیر تحریر نتائج	
823,624	1,308,067	سرماہ کاری سے آمدنی	
504,564	928,358	منافع قبل از ٹیکس	
		منافع بعد از ٹیکس	
		آمدنی (بعد از ٹیکس) (نی شیئر	

## کارکردگی کا جائزہ

کمپنی کی مجموعی اقساط (گراس پر بیم) 6% تک ہو گئی ہیں اور خالص اقساط (نیٹ پر بیم) میں 29% تک کا اضافہ ہو گیا ہے۔ متحدہ عرب امارات کے آپریشنز میں متوقع گھٹانے سے زیادہ نقصانات کی وجہ سے کمپنی کے منافع میں کمی واقع ہوئی ہے۔ پچھلے سال کے تقابلی عرصے کے دوران کمپنی کو ضمانتوں کے نقصانات اٹھانے پڑے ہیں، جس کی وجہ پچھلے سال کے 58% کے نقصانات کے مقابلے میں اس سال کے 73% بلند تر تناسب دعویٰ جات ہیں۔ اس کا نتیجہ جاری سہ ماہی کے علی الترتیب 37% اور 46% منافع قبل از ٹیکس اور منافع بعد از ٹیکس کی صورت میں ظاہر ہوا۔

## وڈ ونگل آپریشنز

پارٹنرس ٹیکافل فنڈ کی مجموعی تحریر کردہ اور فاضل اعانت علی الترتیب 1,134,506 ہزار روپے (2022ء میں 838,787 ہزار روپے) اور 60,237 ہزار روپے (2022ء میں 6,083 ہزار روپے) کی کہیں تحریر کردہ اعانت میں اکثر اضافہ دیکھنے لائن کے کاروبار سے ہوا جو کہ 2023ء کی پہلی سہ ماہی میں تحریر کردہ کل اعانت کا 64% ہے۔ وڈ ونگل آپریشنز کے قبل از ٹیکس منافع میں 34% تک کا اضافہ دیکھا گیا جس کی مالیت 31 مارچ 2023ء کو ختم شدہ سہ ماہی کیلئے 98,759 ہزار روپے (2022ء میں 73,523 ہزار روپے) بنتی ہے۔

## توقعات مستقبل

اس وقت ہمارے ملک کو معاشی سُست روی کا سامنا ہے کیونکہ آئی ایم ایف کی جانب سے مالی سال 2023ء کیلئے شرح نمو 0.5% کی پیش گوئی کر دی گئی ہے۔ اس کی سب سے بڑی وجہ موجود سیاسی خلفشار، افراط زر اور ختم ہوتے زرمبادلہ کے ذخائر ہیں جس نے پوری معیشت کو منفی طور پر متاثر کر رکھا ہے اور اس نے کچھ روک تھام کے اقدامات کو بے حد ضروری بنا دیا ہے۔ عروج پر پہنچی ہوئی سیاسی غیر یقینی کیفیت نے روپے کی قدر میں کمی میں بڑی معاونت کی ہے۔ بینک دولت پاکستان نے شرح پالیسی 21% تک بڑھادی ہے جس کا مقصد غیر متوقع بلند تر مہنگائی کی سطح کو روکنا اور قیمتوں میں استحکام کے مقاصد کو حاصل کرنا ہے۔ انتظامیہ مستقل طور پر جاری پیش ہائے رفت کا جائزہ لے رہی ہے اور کمپنی کی توقعات مستقبل کو مزید تقویت دینے کیلئے اقدامات کے حوالے سے نہایت پرعزم بھی ہے۔

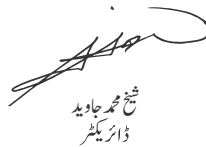
## اعتراف

ہم اپنے شیئر ہولڈرز، معزز صارفین، ملازمین اور ترقیاتی عملے کا اُن کی مستقل معاونت پر تہہ دل سے شکر ادا کرتے ہیں جنہوں نے آدھی انشورنس کو پاکستان کی بڑی اور نمایاں انشورنس کمپنی بننے میں مدد کی۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی مستقل کی معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

منجانب ویرائے بورڈ


  
محمد علی زید

منجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو آفیسر

  
شجاع محمد جاوید  
ڈائریکٹر

لاہور: 28 اپریل 2023ء





UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL INFORMATION  
FIRST QUARTER ENDED 31 MARCH 2023

The background image shows a blurred view of financial documents. On the right side, there is a pie chart with three segments labeled 10%, 9%, and 23%. Below the pie chart, there is a legend with two entries: 'Quarter 1' and 'Quar'. The rest of the background consists of various tables and charts, including a bar chart with blue bars and a line graph with blue lines, all rendered in a light blue and white color scheme.

Adamjee Insurance Company Limited  
Unconsolidated Condensed Interim Statement of Financial Position  
As at 31 March 2023

	Note	31 March 2023	31 December 2022
		----- (Rupees in thousand) ----- (Unaudited)	(Audited)
<b>ASSETS</b>			
Property and equipment	8	4,243,574	4,246,725
Intangible assets	9	110,401	108,977
Investment properties	10	2,855,039	2,427,337
Investment in Subsidiary <i>Investments</i>	11	2,396,166	2,396,166
Equity securities	12	20,070,831	17,651,665
Debt securities	13	1,216,134	382,288
Term deposits	14	8,225,226	6,644,432
Advance against issue of shares		-	900,000
Loans and other receivable	15	1,150,478	840,880
Insurance / reinsurance receivables	16	7,874,071	8,526,017
Reinsurance recoveries against outstanding claims		17,730,658	14,873,098
Salvage recoveries accrued		365,740	360,380
Deferred commission expense / acquisition cost		1,436,788	1,489,080
Prepayments	17	5,987,669	6,676,739
Cash and bank	18	4,196,281	5,192,695
		77,859,056	72,716,479
Total assets of Window Takaful Operations - Operator's Fund	19	1,266,284	1,049,420
<b>Total Assets</b>		<b>79,125,340</b>	<b>73,765,899</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	20	5,128,310	3,527,175
Unappropriated Profit		18,396,328	17,891,764
<b>Total Equity</b>		<b>27,024,638</b>	<b>24,918,939</b>
<b>Surplus on revaluation of fixed assets</b>		<b>34,012</b>	-
<b>LIABILITIES</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR		24,626,105	20,726,702
Unearned premium reserves		14,521,410	14,996,454
Unearned reinsurance commission		352,900	365,610
Retirement benefit obligation		241,154	201,407
Deferred taxation		1,476,061	805,888
Premium received in advance		353,010	640,259
Insurance / reinsurance payables		5,620,142	6,959,398
Other creditors and accruals	21	3,778,479	3,196,575
Deposits and other liabilities		515,104	541,199
Taxation - provision less payments		46,657	28,495
		51,531,022	48,461,987
Total liabilities of Window Takaful Operations - Operator's Fund	19	535,668	384,973
<b>Total Equity and Liabilities</b>		<b>79,125,340</b>	<b>73,765,899</b>
<b>Contingencies and commitments</b>	22		

The annexed notes 1 to 33 form an integral part of this unconsolidated condensed interim financial information.




Chairman



Director



Director



Chief Financial  
Officer



Managing Director &  
Chief Executive Officer



# Adamjee Insurance Company Limited

## Unconsolidated Condensed Interim Statement of Profit or Loss Account (Un-audited)

For the Quarter Ended 31 March 2023

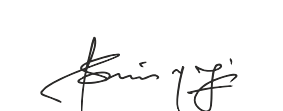
	Note	Quarter Ended	
		31 March 2023	31 March 2022
Rupees in thousand			
Net Insurance Premium	23	4,839,869	3,756,123
Net Insurance Claims	24	(3,542,850)	(2,172,668)
Net Commission and other acquisition costs	25	(690,654)	(471,665)
Insurance claims and acquisition expenses		(4,233,504)	(2,644,333)
Management expenses		(993,186)	(882,843)
<b>Underwriting results</b>		<b>(386,821)</b>	<b>228,947</b>
Investment income	26	704,903	958,636
Rental income		44,219	38,880
Other income		105,400	47,104
Fair value adjustment to investment property		286,828	-
Other expenses		(21,258)	(14,390)
Workers' Welfare Fund charge		(7,859)	-
<b>Results of operating activities</b>		<b>725,412</b>	<b>1,259,177</b>
Finance cost		(547)	(24,633)
Profit from window takaful operations		98,759	73,523
<b>Profit before tax</b>		<b>823,624</b>	<b>1,308,067</b>
Income tax expense		(319,060)	(379,709)
<b>Profit after tax</b>		<b>504,564</b>	<b>928,358</b>
------(Rupees)-----			
Earnings (after tax) per share	27	1.44	2.65

The annexed notes 1 to 33 form an integral part of this unconsolidated condensed interim financial information.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

# Adamjee Insurance Company Limited

## Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2023

	<b>Quarter Ended</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
	<b>Rupees in thousand</b>	
<b>Profit after tax for the period</b>	<b>504,564</b>	928,358
<b><u>Other comprehensive income</u></b>		
<b><i>Items that will not be subsequently reclassified to profit and loss account</i></b>		
Surplus on revaluation of fixed assets - net of tax	<b>34,012</b>	-
<b><i>Items that may be reclassified subsequently to profit and loss:</i></b>		
Unrealized gain / ( loss) on 'available-for-sale' investments - net of tax	<b>1,018,416</b>	(435,090)
Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	<b>(767)</b>	309,570
Other comprehensive income from window takaful operations net of tax	-	1
Effect of translation of investment in foreign branches - net	<b>583,486</b>	98,693
<b>Total comprehensive income for the period</b>	<b><u>2,139,711</u></b>	<b><u>901,532</u></b>

The annexed notes 1 to 33 form an integral part of this unconsolidated condensed interim financial information.



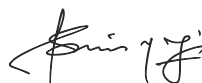
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Unconsolidated Condensed Interim Statement of Cash Flow (Unaudited)  
For the Quarter Ended 31 March 2023

	Quarter Ended 31 March 2023	Quarter Ended 31 March 2022
------(Rupees in thousand)-----		
<b><u>Cash flows from operating activities</u></b>		
<b>Underwriting activities</b>		
Insurance premiums received	8,427,336	7,970,396
Reinsurance premiums paid	(4,353,398)	(2,977,347)
Claims paid	(5,738,299)	(3,498,728)
Surrenders paid	(129,737)	(32,963)
Reinsurance and other recoveries received	1,746,076	1,433,992
Commissions paid	(712,907)	(814,308)
Commissions received	198,608	212,682
Other underwriting payments	(95,064)	(927,740)
<b>Net cash inflow from underwriting activities</b>	<b>(657,385)</b>	<b>1,365,984</b>
<b>Other operating activities</b>		
Income tax paid	(99,365)	(112,232)
Other operating payments	(94,214)	(70,917)
Loans advanced	(15,493)	(6,622)
Loans repayments received	19,944	13,447
Other operating receipts	11,025	9,306
<b>Net cash outflow from other operating activities</b>	<b>(178,103)</b>	<b>(167,018)</b>
<b>Total cash inflow from all operating activities</b>	<b>(835,488)</b>	<b>1,198,966</b>
<b><u>Cash flows from investing activities</u></b>		
Profit / return received on bank deposits	144,694	54,565
Income received from Pakistan Investment Bonds	-	4,500
Income from Treasury Bills	-	5,592
Dividends received	404,910	398,999
Rentals received	28,734	31,990
Payments for investments	(4,423,528)	(2,340,329)
Proceeds from disposal of investments	3,696,935	3,326,760
Fixed capital expenditure - operating assets	(17,051)	(22,120)
Fixed capital expenditure - intangible assets	(7,503)	(6,003)
Proceeds from disposal of operating fixed assets	11,957	6,142
<b>Total cash inflow from investing activities</b>	<b>(160,852)</b>	<b>1,460,096</b>
<b><u>Cash flows from financing activities</u></b>		
Dividends paid	(74)	(165)
Loan principal payment made	-	(122,326)
Interest expense against loan paid	-	(19,034)
<b>Net cash outflow from financing activities</b>	<b>(74)</b>	<b>(141,525)</b>
<b>Net cash inflow from all activities</b>	<b>(996,414)</b>	<b>2,517,537</b>
Cash and cash equivalent at the beginning of the period	5,192,695	2,174,053
<b>Cash and cash equivalent at the end of the period</b>	<b>4,196,281</b>	<b>4,691,590</b>



Quarter Ended 31 March 2023	Quarter Ended 31 March 2022
--------------------------------	--------------------------------

------(Rupees in thousand)-----

**Reconciliation to profit and loss account**

Operating cash flows	(835,488)	1,198,966
Depreciation expense	(47,153)	(43,672)
Provision for retirement benefit obligations	(13,246)	(14,104)
Finance cost	(547)	(24,633)
Other income - bank & term deposits	140,937	60,202
Gain on disposal of operating assets	8,195	4,105
Rental income	44,420	39,082
Fair value adjustment to investment property	286,828	-
Decrease in assets other than cash	1,556,796	140,696
Decrease in liabilities	(1,626,892)	11,323
Gain on disposal of investments	(1,145)	430,421
Amortization expense	(9,090)	(7,666)
Increase in unearned premium	475,044	(1,167,288)
Decrease in loans	(4,451)	(6,825)
Income taxes paid	99,365	112,232
Increase in tax liabilities	(319,060)	(379,709)
Reversal for impairment in value of 'available-for-sale' investments	-	5,593
Dividend and other income	617,420	484,128
Income from treasury bills	33,872	7,624
Income from Pakistan Investment Bonds	-	2,250
Income against deferred grant	-	2,110
Profit for the period from Window Takaful Operations	98,759	73,523
<b>Profit after tax</b>	<b>504,564</b>	<b>928,358</b>

Quarter Ended 31 March 2023	Quarter Ended 31 March 2022
--------------------------------	--------------------------------

------(Rupees in thousand)-----

Cash for the purposes of the statement of cash flows consists of:

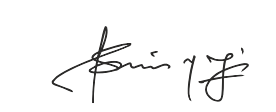
Cash and other equivalents	5,392	14,350
Current and other accounts	4,190,889	4,677,240
<b>Total cash and cash equivalents</b>	<b>4,196,281</b>	<b>4,691,590</b>

The annexed notes 1 to 33 form an integral part of this unconsolidated condensed interim financial information.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Statement of Changes in Equity

For the Quarter Ended 31 March 2023

	Share capital	Capital reserve				Surplus on revaluation of fixed assets	Revenue reserve		Total
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair value Reserve		General reserve	Unappropriated Profit	
------(Rupees in thousand)-----									
<b>Balance as at 31 December 2021 - (Audited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>899,883</b>	<b>3,623,873</b>	<b>-</b>	<b>936,500</b>	<b>16,402,885</b>	<b>25,389,764</b>
Profit for the period 01 January 2022 to 31 March 2022	-	-	-	-	-	-	-	928,358	928,358
Other comprehensive income for the period 01 January 2022 to 31 March 2022	-	-	-	98,693	(125,519)	-	-	-	(26,826)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98,693</b>	<b>(125,519)</b>	<b>-</b>	<b>-</b>	<b>928,358</b>	<b>901,532</b>
<b>Balance as at 31 March 2022 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>998,576</b>	<b>3,498,354</b>	<b>-</b>	<b>936,500</b>	<b>17,331,243</b>	<b>26,291,296</b>
Profit for the period 01 April 2022 to 31 December 2022	-	-	-	-	-	-	-	1,656,655	1,656,655
Other comprehensive income for the period 01 April 2022 to 31 December 2022	-	-	-	533,868	(2,466,746)	-	-	(46,134)	(1,979,012)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>533,868</b>	<b>(2,466,746)</b>	<b>-</b>	<b>-</b>	<b>1,610,521</b>	<b>(322,357)</b>
<b>Transactions with owners of the Company</b>									
Final dividend for the year ended 31 December 2021 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	(525,000)
Interim dividend for the half year ended 30 June 2022 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	(525,000)
	-	-	-	-	-	-	-	(1,050,000)	(1,050,000)
<b>Balance as at 31 December 2022 - (Audited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>1,532,444</b>	<b>1,031,608</b>	<b>-</b>	<b>936,500</b>	<b>17,891,764</b>	<b>24,918,939</b>
Profit for the period 01 January 2023 to 31 March 2023	-	-	-	-	-	-	-	504,564	504,564
Other comprehensive income for the period 01 January 2023 to 31 March 2023	-	-	-	583,486	1,017,649	34,012	-	-	1,635,147
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>583,486</b>	<b>1,017,649</b>	<b>34,012</b>	<b>-</b>	<b>504,564</b>	<b>2,139,711</b>
<b>Balance as at 31 March 2023 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>2,115,930</b>	<b>2,049,257</b>	<b>34,012</b>	<b>936,500</b>	<b>18,396,328</b>	<b>27,058,650</b>

The annexed notes 1 to 33 form an integral part of this unconsolidated condensed interim financial information.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

# Adamjee Insurance Company Limited

## Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

For the Quarter Ended 31 March 2023

### 1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Company") is a public limited Company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business. The registered office of the Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Company was granted authorization on December 23, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on January 01, 2016.

### 2 Basis of preparation and statement of compliance

This unconsolidated condensed interim financial information of the Company for the quarter ended 31 March 2023 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

- International Accounting Standard 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, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

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

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. A separate set of condensed interim financial information of the Window Takaful Operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity, interim cash flow statement and related notes are extracted from condensed interim financial information of the Company for the quarter ended 31 March 2022.

This unconsolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

### 3 Basis of measurement

This unconsolidated condensed interim financial information has been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, investment property carried at fair value and defined benefit obligations under employee benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statement.

### 4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the unconsolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2022.



#### 4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosures in this condensed interim financial information.

##### IFRS 9

IFRS 9 " Financial Instruments" has become applicable , however as 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 being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

The tables below set out the fair values as at the end of reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:

- financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- all other financial assets

	March 31, 2023				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----					
Cash and Bank*	2,946,558	-	1,249,723	-	-
Investment in subsidiary	4,747,463	-	-	-	-
Investments in equity securities - available-for-sale	20,070,831	1,518,879	-	-	-
Investment in debt securities - held-to-maturity	-	-	1,216,134	-	-
Term deposits*	-	-	8,225,226	-	-
Loans and other receivables*	741,015	-	2,712	-	-
<b>Total</b>	<b>28,505,867</b>	<b>1,518,879</b>	<b>10,693,795</b>	-	-

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

#### 5 Use of estimates and judgments

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an 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.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2022.

#### 6 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistani Rupees, which is also the Company's functional currency.

#### 7 Insurance and Financial risk management

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

	(Unaudited)	(Audited)
	31 March	31 December
	2023	2022
<i>Note</i>	---- (Rupees in thousand) ----	
<b>8 Property and equipment</b>		
Opening balance - net book value	4,223,888	4,221,959
Additions during the period / year	8,473	110,524
Transfer to investment property	(102,929)	(467)
Book value of disposals during the period / year	(3,762)	(15,645)
Depreciation charged during the period / year	(47,153)	(218,659)
Exchange differences and other adjustments	126,139	126,176
	75,224	(108,128)
	4,204,656	4,223,888
Capital work in progress	38,918	22,837
	4,243,574	4,246,725

**8.1 Additions during the period / year:**

Land and buildings	-	26,463
Furniture and fixtures	4,290	5,179
Motor vehicles	1,052	42,692
Machinery and equipment	775	5,942
Computer and related accessories	2,356	26,539
Right of use asset	-	3,709
	8,473	110,524

**8.2 Written down values of property and equipment disposed of during the period / year**

Motor vehicles	3,736	14,504
Machinery and equipment	26	1,141
	3,762	15,645

### 8.3 Capital work in progress

Capital work in progress as of 31 March 2023 includes advances to different contractors, suppliers and vendors amounting to Rs. 38,918 thousands (31 December 2022: Rs. 22,837 thousands).

(Unaudited)	(Audited)
31 March 2023	31 December 2022
---- (Rupees in thousand) ----	

### 9 Intangible assets

Opening balance - net book value	108,977	100,379
Additions during the period / year	-	29,504
Amortization charged during the period / year	(9,090)	(33,282)
Exchange differences and other adjustments	10,514	12,376
	1,424	(20,906)
	110,401	108,977

### 10 Investment Properties

Opening balance - net book value	2,427,337	1,632,498
Transfer from Property and equipment	102,929	467
Unrealized fair value gain	286,828	794,372
Exchange differences and other adjustments	37,945	-
	2,855,039	2,427,337

### 11 Investment in subsidiary

Adamjee Life Assurance Company Limited - At cost	2,396,166	2,396,166
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12 Investment in equity securities

Available-for-sale

31 March 2023 (Unaudited)				31 December 2022 (Audited)			
Cost	Impairment / Provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / Provision	Unrealized Gain / (loss)	Carrying value

----- Rupees in thousands -----

Related parties

Listed shares	9,986,598	(31)	(2,375,818)	7,610,749	9,986,598	(31)	(2,337,869)	7,648,698
Unlisted shares	1,956,956	-	3,191,841	5,148,797	1,056,956	-	1,723,041	2,779,997
	11,943,554	(31)	816,023	12,759,546	11,043,554	(31)	(614,828)	10,428,695

Others

Listed shares	6,055,228	(1,944,932)	845,744	4,956,040	6,055,228	(1,944,932)	757,218	4,867,514
Unlisted shares	925,360	-	1,396,718	2,322,078	925,360	-	1,396,718	2,322,078
Mutual Funds	49,266	(16,366)	(382)	32,518	48,979	(16,366)	40	32,653
NIT Units	161	-	488	649	161	-	564	725
	7,030,015	(1,961,298)	2,242,568	7,311,285	7,029,728	(1,961,298)	2,154,540	7,222,970

<b>Total</b>	<b>18,973,569</b>	<b>(1,961,329)</b>	<b>3,058,591</b>	<b>20,070,831</b>	<b>18,073,282</b>	<b>(1,961,329)</b>	<b>1,539,712</b>	<b>17,651,665</b>
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- 12.1 5,700,000 (2022 : 5,286,710) shares of MCB Bank Limited and 4,800,000 (2022 : 4,800,000) shares of Fauji Fertilizer Company Limited have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

13 Investment in debt securities

Held-to-maturity

	(Unaudited)		(Audited)	
	31 March	31 December	2023	2022
	----- (Rupees in thousand) -----			
Treasury Bills	1,216,134	382,288	1,216,134	382,288

Note

14 Investments in Term Deposits

Held to maturity

Deposits maturing within 12 months

Outside Pakistan

- related parties	2,318,181	1,849,572
- others	5,823,046	4,710,861
	8,141,227	6,560,433
	8,141,227	6,560,433

Deposits maturing after 12 months

Inside Pakistan

- related parties	8,811	8,811
- others	75,188	75,188
	83,999	83,999

14.1

	8,225,226	6,644,432
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- 14.1 These include fixed deposits amounting to Rs. 463,636 thousands (AED 6,000 thousands) [2022: Rs. 369,914 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2022: Rs. 83,999 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company and bid bond guarantees.



	(Unaudited) 31 March 2023	(Audited) 31 December 2022
Note	----- (Rupees in thousand) -----	
<b>15 Loans and other receivables</b>		
<b>Considered good</b>		
Rent receivable	29,169	13,483
Receivable from related parties	86,635	74,357
Accrued income	304,818	96,064
Security deposits	60,459	54,590
Advances to employees and suppliers	401,589	373,275
Advance agent commission	5,162	4,182
Loans to employees	63,434	65,460
Other receivables	199,212	159,469
	<b>1,150,478</b>	<b>840,880</b>
<b>15.1</b>	This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of life policies obtained for key management personnel of the Company. The Company is the beneficiary in respect of policies obtained for the employees.	
<b>16 Insurance / reinsurance receivables - unsecured and considered good</b>		
Due from insurance contract holders	8,515,167	9,403,294
Provision for impairment of receivables from insurance contract holders	(1,657,914)	(1,371,044)
	<b>6,857,253</b>	<b>8,032,250</b>
Due from other insurers / other reinsurers	1,218,120	695,069
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	<b>1,016,818</b>	<b>493,767</b>
	<b>7,874,071</b>	<b>8,526,017</b>
<b>16.1</b>	Due from insurance contact holders include an amount of Rs. 112,681 thousands (2022: Rs. 122,492 thousands) held with related parties.	
<b>17 Prepayments</b>		
Prepaid reinsurance premium ceded	5,723,083	6,536,997
Prepaid miscellaneous expenses	264,586	139,742
	<b>5,987,669</b>	<b>6,676,739</b>
<b>18 Cash and Bank</b>		
<b><u>Cash and cash equivalents</u></b>		
<b><i>Inside Pakistan</i></b>		
Cash in hand	581	367
Policy & revenue stamps, bond papers	3,726	17,299
	<b>4,307</b>	<b>17,666</b>
<b><i>Outside Pakistan</i></b>		
Cash in hand	1,085	-
Policy & revenue stamps, bond papers	-	-
	<b>1,085</b>	<b>-</b>
	<b>5,392</b>	<b>17,666</b>
<b><u>Cash at bank</u></b>		
<b><i>Inside Pakistan</i></b>		
Current accounts	84,091	874,810
Saving accounts	1,247,361	1,073,025
	<b>1,331,452</b>	<b>1,947,835</b>
<b><i>Outside Pakistan</i></b>		
Current accounts	2,857,075	3,225,294
Savings accounts	2,362	1,900
	<b>2,859,437</b>	<b>3,227,194</b>
	<b>4,190,889</b>	<b>5,175,029</b>
	<b>4,196,281</b>	<b>5,192,695</b>
<b>18.1</b>	Cash at bank includes an amount of Rs. 2,674,230 thousands (2022: Rs. 1,959,018 thousands) held with MCB Bank Limited, a related party of the Company.	
<b>18.2</b>	Lien of Rs. 621,354 thousands (2022: Rs. 633,240 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company and for claims under litigation filed against the Company.	

	(Unaudited) 31 March 2023	(Audited) 31 December 2022
----- (Rupees in thousand) -----		
<b>19 Window takaful operations - operator's fund</b>		
<b>Assets</b>		
Cash and bank deposits	75,288	164,215
Qard-e-Hasna to Participant Takaful Fund	221,460	221,460
Investments - Equity securities	259,360	251,052
Investments - Debt securities	50,000	125,000
Investments - Term Deposits	200,000	-
Intangible assets	12,899	6,047
Property and equipment	43,956	46,276
Current assets - others	403,321	235,370
<b>Total Assets</b>	<b>1,266,284</b>	<b>1,049,420</b>
<b>Total liabilities</b>	<b>535,668</b>	<b>384,973</b>
	(Unaudited)	(Unaudited)
	31 March	31 March
	2023	2022
----- (Rupees in thousand) -----		
Wakala Fee	193,118	140,252
Commission expense	(61,466)	(33,774)
Management expense	(61,922)	(43,859)
Other Income	12,775	7,017
Investment income	13,244	2,831
Mudarib's share of PTF investment income	3,010	1,056
Profit before taxation	98,759	73,523
Taxation	(32,590)	(20,831)
<b>Profit after taxation</b>	<b>66,169</b>	<b>52,692</b>

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the quarter ended 31 March 2023.

	(Unaudited) 31 March 2023	(Audited) 31 December 2022
----- (Rupees in thousand) -----		
<b>20 Reserves</b>		
<b><u>Capital reserves</u></b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,115,930	1,532,444
Fair value reserve	2,049,257	1,031,608
	4,191,810	2,590,675
<b><u>Revenue reserves</u></b>		
General reserves	936,500	936,500
	<b>5,128,310</b>	<b>3,527,175</b>
<b>21 Other creditors and accruals</b>		
Agents commission payable	991,053	977,109
Federal Excise Duty / Sales Tax / VAT	387,417	449,746
Federal Insurance Fee payable	57,977	45,483
Workers' welfare fund payable	232,365	224,506
Tax deducted at source	69,052	61,689
Accrued expenses	152,628	225,382
Unpaid and Unclaimed Dividend	160,467	160,541
Payable to Employees' Provident Fund	32	211
Sundry creditors	1,727,488	1,051,908
	<b>3,778,479</b>	<b>3,196,575</b>
<b>22 Contingencies and commitments</b>		
<b>22.1 Contingencies</b>		

There has been no significant change in the status of contingencies as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended 31 December 2022 except for the following.

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,238,471 thousands (2022: Rs. 1,250,357 thousands).
- The Company has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,886,361 thousands (2022: AED 115,000,000 amounting to Rs. 7,090,026 thousands) relating to UAE branch.

	<b>Quarter Ended</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
	<b>Rupees in thousand</b>	
<b>23 Net Insurance Premium</b>		
Written Gross Premium	7,091,143	7,547,584
Unearned premium reserve opening	14,996,454	11,010,289
Unearned premium reserve closing	(14,521,410)	(12,177,577)
Currency translation effect	1,302,228	179,732
Premium earned	<b>8,868,415</b>	6,560,028
Reinsurance premium ceded	<b>(3,014,142)</b>	(2,483,991)
Prepaid reinsurance premium opening	<b>(6,536,997)</b>	(4,627,169)
Prepaid reinsurance premium closing	5,723,083	4,327,264
Currency translation effect	<b>(200,490)</b>	(20,009)
Reinsurance expense	<b>(4,028,546)</b>	(2,803,905)
	<b>4,839,869</b>	3,756,123
<b>23.1 Net Insurance Premium - Business underwritten inside Pakistan</b>		
Written Gross Premium	5,232,835	4,643,265
Unearned premium reserve opening	9,454,477	7,393,851
Unearned premium reserve closing	(8,841,192)	(7,299,535)
Premium earned	<b>5,846,120</b>	4,737,581
Reinsurance premium ceded	<b>(2,594,362)</b>	(2,057,068)
Prepaid reinsurance premium opening	<b>(5,699,784)</b>	(4,302,258)
Prepaid reinsurance premium closing	4,818,188	3,772,341
Reinsurance expense	<b>(3,475,958)</b>	(2,586,985)
	<b>2,370,162</b>	2,150,596
<b>23.2 Net Insurance Premium - Business underwritten outside Pakistan</b>		
Written Gross Premium	1,858,308	2,904,319
Unearned premium reserve opening	5,541,977	3,616,438
Unearned premium reserve closing	(5,680,218)	(4,878,042)
Currency translation effect	1,302,228	179,732
Premium earned	<b>3,022,295</b>	1,822,447
Reinsurance premium ceded	<b>(419,780)</b>	(426,923)
Prepaid reinsurance premium opening	<b>(837,213)</b>	(324,911)
Prepaid reinsurance premium closing	904,895	554,923
Currency translation effect	<b>(200,490)</b>	(20,009)
Reinsurance expense	<b>(552,588)</b>	(216,920)
	<b>2,469,707</b>	1,605,527
<b>24 Net Insurance Claims Expense</b>		
Claim paid	5,738,299	3,498,728
Outstanding claims including IBNR - closing	24,626,105	13,113,223
Outstanding claims including IBNR - opening	(20,726,702)	(12,686,045)
Currency translation effect	<b>(2,159,821)</b>	(220,439)
Claim expense	<b>7,477,881</b>	3,705,467
Reinsurance and other recoveries received	<b>(2,269,127)</b>	(1,392,120)
Reinsurance and other recoveries in respect of outstanding claims - closing	<b>(18,096,398)</b>	(8,182,308)
Reinsurance and other recoveries in respect of outstanding claims - opening	15,233,478	7,943,513
Currency translation effect	<b>1,197,016</b>	98,116
Reinsurance and other recoveries revenue	<b>(3,935,031)</b>	(1,532,799)
	<b>3,542,850</b>	2,172,668

	<b>Quarter Ended</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
	<b>Rupees in thousand</b>	
<b>24.1 Net Insurance Claims Expense - Business underwritten inside Pakistan</b>		
Claim paid	1,829,936	1,800,490
Outstanding claims including IBNR - closing	14,091,244	7,301,206
Outstanding claims including IBNR - opening	(12,123,015)	(7,131,251)
Claim expense	<u>3,798,165</u>	<u>1,970,445</u>
Reinsurance and other recoveries received	(471,139)	(659,338)
Reinsurance and other recoveries in respect of outstanding claims - closing	(12,285,691)	(5,593,681)
Reinsurance and other recoveries in respect of outstanding claims - opening	<u>10,450,405</u>	<u>5,482,393</u>
Reinsurance and other recoveries revenue	<u>(2,306,425)</u>	<u>(770,626)</u>
	<u><b>1,491,740</b></u>	<u><b>1,199,819</b></u>
<b>24.2 Net Insurance Claims Expense - Business underwritten outside Pakistan</b>		
Claim paid	3,908,363	1,698,238
Outstanding claims including IBNR - closing	10,534,861	5,812,017
Outstanding claims including IBNR - opening	(8,603,687)	(5,554,794)
Currency translation effect	<u>(2,159,821)</u>	<u>(220,439)</u>
Claim expense	<u>3,679,716</u>	<u>1,735,022</u>
Reinsurance and other recoveries received	(1,797,988)	(732,782)
Reinsurance and other recoveries in respect of outstanding claims - closing	(5,810,707)	(2,588,627)
Reinsurance and other recoveries in respect of outstanding claims - opening	<u>4,783,073</u>	<u>2,461,120</u>
Currency translation effect	<u>1,197,016</u>	<u>98,116</u>
Reinsurance and other recoveries revenue	<u>(1,628,606)</u>	<u>(762,173)</u>
	<u><b>2,051,110</b></u>	<u><b>972,849</b></u>
<b>25 Net commission and other acquisition costs</b>		
Commission Paid or payable	617,914	932,004
Deferred Commission expense opening	1,489,080	1,055,480
Deferred Commission expense closing	(1,436,788)	(1,355,686)
Currency translation effect	<u>241,850</u>	<u>35,104</u>
Net Commission	<u>912,056</u>	<u>666,902</u>
Commission received or recoverable	(198,608)	(212,682)
Unearned reinsurance commission opening	(365,610)	(241,094)
Unearned reinsurance commission closing	<u>352,900</u>	<u>259,539</u>
Currency translation effect	<u>(10,084)</u>	<u>(1,000)</u>
Commission from reinsurance	<u>(221,402)</u>	<u>(195,237)</u>
	<u><b>690,654</b></u>	<u><b>471,665</b></u>
<b>25.1 Net commission and other acquisition costs Business underwritten Inside Pakistan</b>		
Commission paid or payable	296,486	322,011
Deferred Commission expense opening	447,607	393,554
Deferred Commission expense closing	(404,990)	(396,169)
Net Commission	<u>339,103</u>	<u>319,396</u>
Commission received or recoverable	(180,161)	(181,200)
Unearned reinsurance commission opening	(323,930)	(239,650)
Unearned reinsurance commission closing	<u>306,562</u>	<u>229,513</u>
Commission from reinsurance	<u>(197,529)</u>	<u>(191,337)</u>
	<u><b>141,574</b></u>	<u><b>128,059</b></u>
<b>25.2 Net commission and other acquisition costs Business underwritten Outside Pakistan</b>		
Commission paid or payable	321,428	609,993
Deferred Commission expense opening	1,041,473	661,926
Deferred Commission expense closing	(1,031,798)	(959,517)
Currency translation effect	<u>241,850</u>	<u>35,104</u>
Net Commission	<u>572,953</u>	<u>347,506</u>
Commission received or recoverable	(18,447)	(31,482)
Unearned reinsurance commission opening	(41,680)	(1,444)
Unearned reinsurance commission closing	<u>46,338</u>	<u>30,026</u>
Currency translation effect	<u>(10,084)</u>	<u>(1,000)</u>
Commission from reinsurance	<u>(23,873)</u>	<u>(3,900)</u>
	<u><b>549,080</b></u>	<u><b>343,606</b></u>



26 **Investment Income**

**Business underwritten Inside Pakistan**

**Available-for-sale**

**Income from equity securities**

Dividend income

- associated undertakings
- others

31 March 2023	31 March 2022
406,616	275,982
210,804	208,040
<b>617,420</b>	<b>484,022</b>

**Income from debt securities - Held to maturity**

Return on Pakistan Investment Bonds

Profit on Treasury Bills

-	2,250
33,872	7,624
<b>33,872</b>	<b>9,874</b>

**Income from term deposits - Held to maturity**

Related parties

Others

-	-
-	2,849
-	2,849

**Net realized gains on investments**

Realized gains on

- associated undertakings
- others

(1,145)	412,087
-	18,334
<b>(1,145)</b>	<b>430,421</b>
<b>650,147</b>	<b>927,166</b>

Reversal / (Provision) for impairment in value of 'available-for-sale' investments

-	5,593
<b>650,147</b>	<b>932,759</b>

**Business underwritten Outside Pakistan**

**Available-for-sale**

**Income from equity securities**

Dividend income

- associated undertakings
- others

-	-
-	106
-	106

**Income from term deposits**

- associated undertakings
- others

17,082	6,788
37,674	18,983
<b>54,756</b>	<b>25,771</b>

<b>54,756</b>	<b>25,877</b>
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**Net investment income**

<b>704,903</b>	<b>958,636</b>
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27 **Earnings (after tax) per share - basic and diluted**

There is no dilutive effect on the basic earnings per share which is based on:

Profit after tax for the period attributable to ordinary shareholders

<b>504,564</b>	<b>928,358</b>
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----- Number of shares -----

Weighted average number of ordinary shares

<b>350,000,000</b>	<b>350,000,000</b>
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----- (Rupees) -----

Earnings (after tax) per share - basic and diluted

<b>1.44</b>	<b>2.65</b>
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## 28 Transactions with related parties

The Company has related party relationships with its associates, subsidiary company, entities with common directors, directors, employee retirement benefit plans, key management personnel and other parties. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. There are no transactions with key management personnel other than those specified in their terms of employment.

The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in this unconsolidated condensed interim financial information are as follows:

	<b>(Unaudited)</b> <b>31 March</b> <b>2023</b>	(Unaudited) 31 March 2022
	<b>---- (Rupees in thousand) ----</b>	
<b>i) Transactions</b>		
<b>Subsidiary company</b>		
Premiums underwritten	22,431	21,918
Premiums received	2,391	3,942
Investment sold	-	700,000
Claims paid	1,541	960
Claims received	-	-
Premium paid	14,986	14,950
Security deposit received	-	1,105
Rent paid / payable	750	1,000
Rent / service charges / expenses received	22,778	19,300
<b>Other related parties</b>		
Premiums underwritten	489,932	448,589
Premiums received	533,813	439,073
Claims paid	208,846	172,234
Commission Paid	9,023	-
Rent paid	2,582	2,041
Rent received	24,171	9,741
Dividends received	344,730	234,585
Loan repaid	-	122,326
Interest on loan paid	-	19,034
Income on bank deposits	36,933	13,784
Investments made	-	145,115
Fee / service charges paid	3,279	2,561
Fee / service charges / expenses received / receivable	20,665	1,944
Charge in respect of gratuity expense	9,088	11,541
Contribution to Employees' Provident Fund	10,572	10,312
Compensation paid to Key management personnel	494,335	420,292
	<b>(Unaudited)</b> <b>31 March</b> <b>2023</b>	(Audited) 31 December 2022
	<b>---- (Rupees in thousand) ----</b>	
<b>ii) Period end balances</b>		
<b>Subsidiary company</b>		
Balances receivable	114,349	80,386
Balances payable	1,491	7,668
<b>Other related parties</b>		
Balances receivable	98,028	134,023
Advance against issue of shares	-	900,000
Balances payable	404,925	370,730
Cash and bank balances including term deposits	5,001,222	3,817,401
Payable to Staff Gratuity Fund	79,343	70,255

Quarter Ended 31 March 2023													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
<b>Rupees in thousand</b>													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,099,095	10,618	1,123,487	9,050	1,150,203	1,391,259	982,319	532,032	534,949	8,319	5,890,053	1,951,278	7,841,331
Less: Federal excise duty / VAT	(275,935)	(529)	(126,425)	(454)	(137,055)	(66,250)	(8,203)	(25,335)	(57,272)	(396)	(604,890)	(92,964)	(697,854)
Federal insurance fee	(18,241)	(3)	(9,885)	(3)	(10,114)	-	(9,645)	-	(4,443)	-	(52,328)	(6)	(52,334)
	1,804,919	10,086	987,177	8,593	1,003,034	1,325,009	964,471	506,697	473,234	7,923	5,232,835	1,858,308	7,091,143
Gross written premium (inclusive of administrative surcharge)	1,804,919	10,086	987,177	8,593	1,003,034	1,325,009	964,471	506,697	473,234	7,923	5,232,835	1,858,308	7,091,143
Gross direct premium	1,800,771	10,047	980,089	8,592	970,522	1,323,488	963,839	506,697	439,487	7,916	5,154,708	1,856,740	7,011,448
Facultative inward premium	54	-	-	-	-	-	-	-	29,114	-	29,168	-	29,168
Administrative surcharge	4,094	39	7,088	1	32,512	1,521	632	-	4,633	7	48,959	1,568	50,527
	1,804,919	10,086	987,177	8,593	1,003,034	1,325,009	964,471	506,697	473,234	7,923	5,232,835	1,858,308	7,091,143
Insurance premium earned	3,239,247	7,381	601,242	6,837	897,968	2,322,555	764,313	682,745	343,350	2,777	5,846,120	3,022,295	8,868,415
Insurance premium ceded to reinsurers	(2,967,011)	(6,176)	(342,828)	-	(17,498)	(168,646)	-	(375,496)	(148,621)	(2,270)	(3,475,958)	(552,588)	(4,028,546)
Net insurance premium	272,236	1,205	258,414	6,837	880,470	2,153,909	764,313	307,249	194,729	507	2,370,162	2,469,707	4,839,869
Commission income	183,107	1,189	815	-	1,394	22,522	-	-	12,213	162	197,529	23,873	221,402
<b>Net underwriting income</b>	455,343	2,394	259,229	6,837	881,864	2,176,431	764,313	307,249	206,942	669	2,567,691	2,493,580	5,061,271
Insurance claims	(2,328,710)	(2,797)	(293,075)	-	(415,966)	(3,078,622)	(661,323)	(598,297)	(99,091)	-	(3,798,165)	(3,679,716)	(7,477,881)
Insurance claim recoveries from reinsurer	2,105,928	2,238	164,647	-	(12,460)	1,209,616	-	416,752	48,310	-	2,306,425	1,628,606	3,935,031
Net claims	(222,782)	(559)	(128,428)	-	(428,426)	(1,869,006)	(661,323)	(181,545)	(50,781)	-	(1,491,740)	(2,051,110)	(3,542,850)
Commission expense	(149,448)	(937)	(43,086)	(728)	(92,561)	(492,315)	(23,442)	(78,935)	(30,566)	(38)	(339,103)	(572,953)	(912,056)
Management expense	(103,807)	(771)	(114,965)	(6,623)	(289,875)	(302,138)	(44,317)	(58,376)	(71,697)	(617)	(624,661)	(368,525)	(993,186)
Net insurance claims and expenses	(476,037)	(2,267)	(286,479)	(7,351)	(810,862)	(2,663,459)	(729,082)	(318,856)	(153,044)	(655)	(2,455,504)	(2,992,588)	(5,448,092)
<b>Underwriting result</b>	(20,694)	127	(27,250)	(514)	71,002	(487,028)	35,231	(11,607)	53,898	14	112,187	(499,008)	(386,821)
Net investment income											650,147	54,756	704,903
Rental income											43,343	876	44,219
Other income											74,987	30,413	105,400
Change in fair value of investment property											151,259	135,569	286,828
Other expenses											(15,109)	(6,149)	(21,258)
Finance cost											(547)	-	(547)
Workers' Welfare Fund charge											(7,859)	-	(7,859)
Profit from Window Takaful Operations											98,759	-	98,759
<b>Profit before tax</b>											1,107,167	(283,543)	823,624

31 March 2023													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
<b>Rupees in thousand</b>													
Segment Assets	16,576,256	44,400	1,937,556	5,711	1,527,066	7,786,532	1,156,600	1,694,221	2,372,895	29,103	23,570,373	9,559,967	33,130,340
Unallocated assets											33,358,331	12,636,669	45,995,000
											<b>56,928,704</b>	<b>22,196,636</b>	<b>79,125,340</b>
Segment Liabilities	17,233,742	49,932	2,248,254	42,689	3,233,846	14,856,403	2,797,251	2,169,554	2,807,334	34,563	28,320,427	17,153,141	45,473,568
Unallocated Liabilities											4,413,858	2,179,264	6,593,122
											<b>32,734,285</b>	<b>19,332,405</b>	<b>52,066,690</b>

## 29.1 Segment Information

Quarter ended 31 March 2022													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,722,916	8,018	988,079	4,252	1,106,558	2,538,748	893,449	493,551	488,909	4,994	5,199,911	3,049,563	8,249,474
Less: Federal excise duty / VAT	(214,271)	(398)	(107,256)	(210)	(132,442)	(120,893)	(3,878)	(23,502)	(52,692)	(238)	(510,539)	(145,241)	(655,780)
Federal insurance fee	(14,645)	(2)	(8,756)	(1)	(9,729)	-	(8,807)	-	(4,170)	-	(46,107)	(3)	(46,110)
	1,494,000	7,618	872,067	4,041	964,387	2,417,855	880,764	470,049	432,047	4,756	4,643,265	2,904,319	7,547,584
Gross written premium (inclusive of administrative surcharge)	1,494,000	7,618	872,067	4,041	964,387	2,417,855	880,764	470,049	432,047	4,756	4,643,265	2,904,319	7,547,584
Gross direct premium	1,458,396	7,584	863,047	4,040	929,863	2,408,328	880,094	470,049	401,241	4,752	4,532,641	2,894,753	7,427,394
Facultative inward premium	31,738	-	479	-	65	-	-	-	27,172	-	59,454	-	59,454
Administrative surcharge	3,866	34	8,541	1	34,459	9,527	670	-	3,634	4	51,170	9,566	60,736
	1,494,000	7,618	872,067	4,041	964,387	2,417,855	880,764	470,049	432,047	4,756	4,643,265	2,904,319	7,547,584
Insurance premium earned	2,472,922	6,162	539,749	9,317	811,935	1,527,447	597,655	277,208	315,320	2,313	4,737,581	1,822,447	6,560,028
Insurance premium ceded to reinsurers	(2,190,533)	(4,413)	(248,301)	(124)	(12,146)	(53,442)	-	(157,506)	(136,005)	(1,435)	(2,586,985)	(216,920)	(2,803,905)
Net insurance premium	282,389	1,749	291,448	9,193	799,789	1,474,005	597,655	119,702	179,315	878	2,150,596	1,605,527	3,756,123
Commission income	154,001	575	2,216	-	738	2,932	-	-	34,382	393	191,337	3,900	195,237
<b>Net underwriting income</b>	436,390	2,324	293,664	9,193	800,527	1,476,937	597,655	119,702	213,697	1,271	2,341,933	1,609,427	3,951,360
Insurance claims	(827,266)	-	(129,011)	-	(442,292)	(1,542,681)	(522,309)	(192,341)	(49,567)	-	(1,970,445)	(1,735,022)	(3,705,467)
Insurance claim recoveries from reinsurer	686,640	-	34,337	-	20,158	628,697	-	133,476	29,491	-	770,626	762,173	1,532,799
Net claims	(140,626)	-	(94,674)	-	(422,134)	(913,984)	(522,309)	(58,865)	(20,076)	-	(1,199,819)	(972,849)	(2,172,668)
Commission expense	(168,552)	(729)	(44,565)	(1,488)	(57,585)	(315,100)	(15,126)	(30,102)	(33,568)	(87)	(319,396)	(347,506)	(666,902)
Management expense	(111,597)	(240)	(109,460)	(3,420)	(263,168)	(263,946)	(38,188)	(30,573)	(62,101)	(150)	(584,514)	(298,329)	(882,843)
Net insurance claims and expenses	(420,775)	(969)	(248,699)	(4,908)	(742,887)	(1,493,030)	(575,623)	(119,540)	(115,745)	(237)	(2,103,729)	(1,618,684)	(3,722,413)
<b>Underwriting result</b>	15,615	1,355	44,965	4,285	57,640	(16,093)	22,032	162	97,952	1,034	238,204	(9,257)	228,947
Net investment income											932,759	25,877	958,636
Rental income											38,397	483	38,880
Other income											34,420	12,684	47,104
Other expenses											(10,488)	(3,902)	(14,390)
Finance cost											(24,130)	(503)	(24,633)
Profit from Window Takaful Operations											73,523	-	73,523
<b>Profit before tax</b>											1,282,685	25,382	1,308,067
31 December 2022													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment Assets	18,159,470	30,234	898,705	4,550	1,545,592	6,549,649	992,218	1,487,171	2,099,230	18,751	23,695,215	8,090,355	31,785,570
Unallocated assets											31,012,953	10,967,376	41,980,329
											54,708,168	19,057,731	73,765,899
Segment Liabilities	18,934,925	35,283	1,305,146	32,906	3,287,709	13,023,403	2,508,776	1,974,799	2,564,035	21,441	28,600,591	15,087,832	43,688,423
Unallocated Liabilities											3,676,928	1,481,609	5,158,537
											32,277,519	16,569,441	48,846,960

### 30 Fair value measurement of financial instruments

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 and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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:

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

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

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

		31 March 2023 (Unaudited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<b><u>Financial assets - measured at fair value</u></b>											
Investments											
	12	12,599,956	-	-	-	-	12,599,956	12,599,956	-	-	12,599,956
	12	7,470,875	-	-	-	-	7,470,875	-	-	7,470,875	7,470,875
	19	259,360	250,000	-	-	-	509,360	309,360	-	-	309,360
<b><u>Financial assets - not measured at fair value</u></b>											
	13	-	1,216,134	-	-	-	1,216,134	-	1,216,134	-	1,216,134
	15	-	-	743,727	-	-	743,727	-	-	-	-
	14	-	8,225,226	-	-	-	8,225,226	-	-	-	-
	11	-	-	2,396,166	-	-	2,396,166	4,747,463	-	-	4,747,463
	16	-	-	7,874,071	-	-	7,874,071	-	-	-	-
		-	-	17,730,658	-	-	17,730,658	-	-	-	-
	18	-	-	-	4,196,281	-	4,196,281	-	-	-	-
	19	-	-	624,781	75,288	-	700,069	-	-	-	-
		20,330,191	9,691,360	29,369,403	4,271,569	-	63,662,523	17,656,779	1,216,134	7,470,875	26,343,788
<b><u>Financial liabilities - not measured at fair value</u></b>											
Underwriting provisions:											
	24	-	-	-	-	24,626,105	24,626,105	-	-	-	-
		-	-	-	-	5,620,142	5,620,142	-	-	-	-
		-	-	-	-	3,031,668	3,031,668	-	-	-	-
		-	-	-	-	515,104	515,104	-	-	-	-
	19	-	-	-	-	535,668	535,668	-	-	-	-
		-	-	-	-	34,328,687	34,328,687	-	-	-	-

\* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.



### 30.1 Fair value measurement of financial instruments

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

		31 December 2022									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees in thousand -----									
<b><u>Financial assets - measured at fair value</u></b>											
<i>Investment</i>											
	12	12,549,590	-	-	-	-	12,549,590	12,549,590	-	-	12,549,590
	12	5,102,075	-	-	-	-	5,102,075	-	-	5,102,075	5,102,075
	19	251,052	125,000	-	-	-	376,052	376,052	-	-	376,052
<b><u>Financial assets - not measured at fair value</u></b>											
	13	-	382,288	-	-	-	382,288	-	382,288	-	382,288
	15	-	-	463,423	-	-	463,423	-	-	-	-
	14	-	6,644,432	-	-	-	6,644,432	-	-	-	-
	11	-	-	2,396,166	-	-	2,396,166	4,385,216	-	-	4,385,216
	16	-	-	8,526,017	-	-	8,526,017	-	-	-	-
		-	-	14,873,098	-	-	14,873,098	-	-	-	-
	18	-	-	-	5,192,695	-	5,192,695	-	-	-	-
	19	-	-	456,830	164,215	-	621,045	-	-	-	-
		17,902,717	7,151,720	26,715,534	5,356,910	-	57,126,881	17,310,858	382,288	5,102,075	22,795,221
<b><u>Financial liabilities - not measured at fair value</u></b>											
<i>Underwriting provisions:</i>											
	24	-	-	-	-	20,726,702	20,726,702	-	-	-	-
		-	-	-	-	6,959,398	6,959,398	-	-	-	-
		-	-	-	-	2,415,151	2,415,151	-	-	-	-
		-	-	-	-	541,199	541,199	-	-	-	-
	19	-	-	-	-	384,973	384,973	-	-	-	-
		-	-	-	-	31,027,423	31,027,423	-	-	-	-

\* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

**31 Date of authorization for issue**

This unconsolidated condensed interim financial information was authorized for issue on 28 April 2023 by the Board of Directors of the Company.

**32 Non-adjusting events after balance sheet date**

The Board of Directors of the Company in their meeting held on March 21, 2023 proposed final cash dividend for the year ended 31 December, 2022 @ 15% i.e. Rs. 1.50/- per share which has been approved by the members in the Annual General Meeting held on April 28, 2023. This unconsolidated condensed interim financial information for the quarter ended 31 March, 2023 does not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial information for the half year ending 30 June, 2023.

**33 General**

**33.1** Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

**33.2** Figures have been rounded off to the nearest thousand rupees unless other wise stated.

  
Chairman

  
Director

  
Director

  
Chief Financial  
Officer

  
Managing Director & Chief  
Executive Officer

# CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FIRST QUARTER ENDED 31 MARCH 2023

## Financial report

### Balance sheet

Assets	
Current assets	1,734,828
Non-current assets	186,830
Total assets	1,921,658
Equity	74,393
Liabilities	1,847,265

### Income statement

Revenues	12,975,516
Expenses	6,372,535
Net income	6,602,981

# Directors' Review

## to the Members on Consolidated Condensed Interim Financial Information (Unaudited) For the Quarter Ended 31 March 2023

On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the three months ended 31 March 2023.

The following appropriation of profit has been recommended by the Board of Directors:

	(Unaudited)	
	31 March 2023	31 March 2022
	Rupees in thousand	
Profit before tax	890,799	991,146
Taxation	(394,006)	(408,410)
Profit after tax	496,793	582,736
Less: Profit attributable to non-controlling interest	(13,050)	(2,177)
Profit attributable to ordinary shares	483,743	580,559
Unappropriated profit brought forward	18,214,850	16,638,433
Transaction between owners	-	348,358
Profit available for appropriation	18,698,593	17,567,350

	(Unaudited)	
	31 March 2023	31 March 2022
	Rupees	
Earnings per share - Basic and diluted	1.38	1.66

For and on behalf of the Board



Shaikh Muhammad Jawed  
Director



Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 28 April 2023

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Statement of Financial Position  
As at 31 March 2023

Note	31 March	31 December	
	2023	2022	
----- (Rupees in thousand) -----			
	(Unaudited)	(Audited)	
<b>Assets</b>			
Property and equipment	7	5,448,628	5,460,290
Intangible assets	8	142,718	131,802
Investment properties	9	2,128,577	1,757,365
Investments			
Equity securities	10	39,223,474	33,961,136
Debt securities	11	41,866,680	42,567,371
Term deposits	12	10,601,226	8,920,432
Loan secured against life insurance policies		44,640	42,163
Advance against issue of shares		-	900,000
Loans and other receivables	13	2,182,645	1,540,534
Insurance / reinsurance receivables	14	7,921,967	8,586,697
Reinsurance recoveries against outstanding claims		17,730,658	14,873,098
Salvage recoveries accrued		365,740	360,380
Deferred commission expense / acquisition cost		1,436,788	1,489,080
Taxation - payment less provisions		900,441	815,211
Prepayments	15	6,059,849	6,718,394
Cash and bank	16	9,691,764	10,509,692
		145,745,795	138,633,645
Total assets of Window Takaful Operations - Operator's Fund (Parent Company)	17	1,266,284	1,049,420
<b>Total Assets</b>		<b>147,012,079</b>	<b>139,683,065</b>
<b>Equity And Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	5,123,500	3,522,068
Unappropriated Profit		18,698,593	18,214,850
<b>Equity attributable to equity holders of the parent</b>		<b>27,322,093</b>	<b>25,236,918</b>
<b>Surplus on revaluation of fixed assets</b>		<b>34,012</b>	
Non-controlling interest		387,911	374,828
<b>Total Equity</b>		<b>27,744,016</b>	<b>25,611,746</b>
<b>Liabilities</b>			
Insurance liabilities		65,449,483	63,334,304
<b>Underwriting provisions:</b>			
Outstanding claims including IBNR		24,626,105	20,726,702
Unearned premium reserve		14,521,410	14,996,454
Unearned reinsurance commission		352,900	365,610
Retirement benefits obligations		241,154	206,273
Deferred taxation		1,899,419	1,182,532
Premium received in advance		675,128	1,007,365
Insurance / reinsurance payables		5,707,789	7,134,481
Other creditors and accruals	19	4,612,794	4,105,611
Deposits and other liabilities		599,556	627,014
Taxation - provision less payments		46,657	-
		53,282,912	50,352,042
Total liabilities of Window Takaful Operations - Operator's Fund (Parent Company)	17	535,668	384,973
<b>Total Equity and Liabilities</b>		<b>147,012,079</b>	<b>139,683,065</b>
<b>Contingencies and commitments</b>	20		

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.

  
Chairman

  
Director

  
Director

  
Chief Financial  
Officer

  
Managing Director &  
Chief Executive Officer





# Adamjee Insurance Company Limited

## Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter Ended 31 March 2023

	<b>Quarter Ended</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Rupees in thousand</b>		
<b>Profit after tax</b>	<b>496,793</b>	<b>582,736</b>
<b>Other comprehensive income</b>		
<b>Items that will not be subsequently reclassified to profit and loss account</b>		
Surplus on revaluation of fixed assets - net of tax	<b>34,012</b>	
<b>Items that may be reclassified subsequently to profit and loss:</b>		
Unrealized loss on 'available-for-sale' investments - net of tax	<b>1,018,746</b>	(143,356)
Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	<b>(767)</b>	16,988
Other comprehensive income from window takaful operations net of tax	-	1
Effect of translation of investment in foreign branches - net	<b>583,486</b>	98,693
<b>Total comprehensive income for the period</b>	<b>2,132,270</b>	<b>555,062</b>
<b>Total comprehensive income attributable to:</b>		
Equity holders of the parent	<b>2,119,187</b>	552,912
Non-controlling interest	<b>13,083</b>	2,150
	<b>2,132,270</b>	<b>555,062</b>

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.



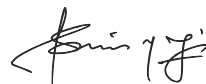
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Cash Flow Statement (Un-audited)  
For the Quarter Ended 31 March 2023

	Quarter Ended	
	31 March 2023	31 March 2022
Rupees in thousand		
<b>Cash flows from operating activities</b>		
<b>Underwriting activities</b>		
Insurance premium received	14,365,285	13,729,397
Reinsurance premiums paid	(4,511,092)	(2,949,502)
Claims paid	(10,477,012)	(6,583,057)
Surrenders paid	(129,737)	-
Reinsurance and other recoveries received	1,746,076	1,433,992
Commissions paid	(1,290,656)	(1,461,891)
Commissions received	198,608	212,682
Other underwriting payments	(605,095)	(1,460,521)
<b>Net cashflow from underwriting activities</b>	<b>(703,623)</b>	<b>2,921,100</b>
<b>Other operating activities</b>		
Income tax paid	(184,480)	(131,169)
Other operating payments	(94,214)	(70,917)
Loans advanced	(15,493)	(6,622)
Loans repayments received	19,944	13,447
Other operating receipts	11,025	9,306
<b>Net cashflow from other operating activities</b>	<b>(263,218)</b>	<b>(185,955)</b>
<b>Total cashflow from operating activities</b>	<b>(966,841)</b>	<b>2,735,145</b>
<b>Cash flows from investing activities</b>		
Profit / return received on bank deposits	1,836,398	1,024,567
Income received from Pakistan Investment Bonds		
Income from Treasury Bills	-	10,092
Dividends received	543,031	476,631
Rentals received	28,978	32,490
Payment for investments/ investment properties	(91,868,330)	(203,856,073)
Loan to policy holder	(1,242)	1,727
Proceeds from disposal of investments	89,738,876	215,865,500
Fixed capital expenditure - operating assets	(34,200)	(50,842)
Fixed capital expenditure - intangible assets	(7,503)	(6,003)
Proceeds from disposal of operating fixed assets	12,979	6,142
<b>Total cashflow for investing activities</b>	<b>248,987</b>	<b>13,504,231</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(74)	(165)
Loan principal & interest expense payment made	-	(163,891)
<b>Total cashflow for financing activities</b>	<b>(74)</b>	<b>(164,056)</b>
<b>Net cash outflow for all activities</b>	<b>(717,928)</b>	<b>16,075,320</b>
Cash and cash equivalents at beginning of period	11,784,692	19,480,126
<b>Cash and cash equivalents at end of the period</b>	<b>11,066,764</b>	<b>35,555,446</b>

Quarter Ended	
31 March 2023	31 March 2022
Rupees in thousand	


**Reconciliation to profit and loss account**

Operating cash flows	(966,841)	2,735,145
Depreciation and amortization expense	(69,365)	(70,238)
Provision for retirement benefit obligations	(13,246)	(13,757)
Finance cost	(2,719)	(27,375)
Other income - bank and term deposits	140,937	60,202
Gain on disposal of property and equipment	3,631	4,105
Rental income	28,655	24,405
Fair value adjustment to investment property	150,613	-
(Increase)/decrease in assets other than cash	1,735,058	264,124
Increase in liabilities	(3,655,189)	(2,633,744)
Gain on disposal of investments	192,785	84,020
Amortization expense	(9,090)	-
(Increase) in unearned premium	475,044	(1,167,288)
(Decrease)/increase in loans	(4,451)	(6,825)
Income taxes paid	99,365	112,232
Increase in tax liabilities	(319,060)	(379,709)
Reversal for impairment in value of 'available-for-sale' investments	-	5,593
Dividend and other investment income	3,025,357	1,786,729
Revaluation of investment	(413,450)	(268,406)
Profit for the year from Window Takaful Operations	98,759	73,523
<b>Profit after taxation</b>	<b>496,793</b>	<b>582,736</b>

Cash and bank for the purposes of the cash flow statement consists of:

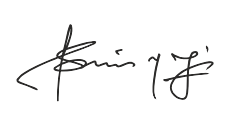
Cash and other equivalents	13,699	23,097
Current and other accounts	9,678,065	17,182,349
Term deposit maturing within three months	1,375,000	18,350,000
	<b>11,066,764</b>	<b>35,555,446</b>

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)  
 For the Quarter Ended 31 March 2023

	Share capital	Capital reserves			Surplus on revaluation of fixed assets	Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve		Fair Value Reserve	General reserve				Retained earnings
	------(Rupees in thousand)-----										
<b>Balance as at 31 December 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,619,130	-	936,500	16,638,433	25,620,569	-	25,620,569
Transaction between owners	-	-	-	-	474	-	-	348,358	348,832	329,495	678,327
	-	-	-	-	474	-	-	348,358	348,832	329,495	678,327
Profit for the period 01 January 2022 to 31 March 2022	-	-	-	-	-	-	-	580,559	580,559	2,177	582,736
Other comprehensive income for the period 01 January 2022 to 31 March 2022	-	-	-	98,693	(126,340)	-	-	-	(27,647)	(27)	(27,674)
<b>Total comprehensive income for the period</b>	-	-	-	98,693	(126,340)	-	-	580,559	552,912	2,150	555,062
<b>Balance as at 31 March 2022 - (Unaudited)</b>	3,500,000	22,859	3,764	998,576	3,493,264	-	936,500	17,567,350	26,522,313	331,645	26,853,958
Profit for the period 01 April 2022 to 31 December 2022	-	-	-	-	-	-	-	1,742,021	1,742,021	43,013	1,785,034
Other comprehensive income for the period 01 April 2022 to 31 December 2022	-	-	-	533,868	(2,466,763)	-	-	(44,521)	(1,977,416)	170	(1,977,246)
<b>Total comprehensive income for the period</b>	-	-	-	533,868	(2,466,763)	-	-	1,697,500	(235,395)	43,183	(192,212)
<b>Transactions with owners of the Company</b>											
Final cash dividend at Rs. 1.25 per share - December 31, 2021	-	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
Interim cash dividend at Rs. 1.5 per share - June 30, 2022	-	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
	-	-	-	-	-	-	-	(1,050,000)	(1,050,000)	-	(1,050,000)
<b>Balance as at 31 December 2022 - (Audited)</b>	3,500,000	22,859	3,764	1,532,444	1,026,501	-	936,500	18,214,850	25,236,918	374,828	25,611,746
Profit for the period 01 January 2023 to 31 March 2023	-	-	-	-	-	-	-	483,743	483,743	13,050	496,793
Other comprehensive income for the period 01 January 2023 to 31 March 2023	-	-	-	583,486	1,017,946	34,012	-	-	1,635,444	33	1,635,477
<b>Total comprehensive income for the period</b>	-	-	-	583,486	1,017,946	34,012	-	483,743	2,119,187	13,083	2,132,270
<b>Balance as at 31 March 2023 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>2,115,930</b>	<b>2,044,447</b>	<b>34,012</b>	<b>936,500</b>	<b>18,698,593</b>	<b>27,356,105</b>	<b>387,911</b>	<b>27,744,016</b>

The annexed notes 1 to 31 form an integral part of these consolidated financial statements.

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer



Adamjee Insurance Company Limited  
Notes to the Consolidated Condensed Interim Financial Information (Un-audited)  
For the Quarter Ended 31 March 2023

**1 The group and its operations:**

1.1 The group comprises of:

	2023 (Holding percentage)	2022
<b>Parent Company</b>		
Adamjee Insurance Company Limited	100%	100%
<b>Subsidiary Company</b>		
Adamjee Life Assurance Company Limited	90%	90%

**Adamjee Insurance Company Limited (Parent Company)**

The Parent Company is a public limited company incorporated in Pakistan on September 28, 1960 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Parent Company is listed on Pakistan Stock Exchange limited and is principally engaged in the general insurance business. The registered office of the Parent Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Parent Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Parent Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

**Adamjee Life Assurance Company Limited (Subsidiary Company)**

Adamjee Life Assurance Company Limited ("the Subsidiary Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017. The Subsidiary Company started its operations from April 24, 2009. Registered office of the Subsidiary Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

The Subsidiary Company is engaged in life assurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Subsidiary Company has established a shareholders' fund and the following statutory funds in respect of each class of its life assurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitized Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business
- Group Family Takaful Business

The Subsidiary Company was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Subsidiary Company commenced Window Takaful Operations from July 14, 2016. The Subsidiary Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF)) on December 22, 2015 under a Waqf deed executed by the Subsidiary Company with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Subsidiary Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Subsidiary Company.

**2 Basis of preparation and statement of compliance**

This consolidated condensed interim financial information of the Group for the quarter ended 31 March 2023 has been prepared in accordance with 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, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

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

As per the requirements of the Takaful Rules, 2012 and SECP Circular No. 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss account of the Operator's Fund of the Window Takaful Operations of the Parent Company have been presented as a single line item in the statement of financial position and profit and loss account of the Parent Company respectively. A separate set of financial statements of the Window Takaful Operations of Parent Company has been annexed to these consolidated financial statements as per the requirements of the Takaful Rules, 2012.

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the quarter ended 31 March 2022.

Items included in the consolidated financial information are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. All the financial information presented in Pak Rupees has been rounded off to the nearest thousand in rupee, unless otherwise stated.

### 3 Basis of measurement

This consolidated financial information has been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and retirement benefit obligations under employee benefits carried at present value.

### 4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2022.

#### 4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosed in this condensed interim financial information.

#### IFRS 9

IFRS 9 " Financial Instruments" has become applicable , however as 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 being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

The tables below set out the fair values as at the end of reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:

- financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- all other financial assets

	March 31, 2023				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----					
Cash and Bank*	9,691,764	-	-	-	-
Investments in equity securities - available-for-sale	20,083,701	1,519,359	-	-	-
Investment in debt securities	-	-	41,866,680	-	-
Term deposits*	-	-	10,601,226	-	-
Loan secured against life insurance policies	-	-	44,640	-	-
Loans and other receivables*	2,179,933	-	2,712	-	-
<b>Total</b>	<b>31,955,398</b>	<b>1,519,359</b>	<b>52,515,258</b>	<b>-</b>	<b>-</b>

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

### 5 Use of estimates and judgments

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an 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.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2022.

### 6 Insurance and Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2022.

	(Unaudited)	(Audited)
	31 March	31 December
	2023	2022
Note	Rupees in thousand	
<b>7 Property and equipment</b>		
Opening balance - net book value	5,430,530	5,361,726
Additions / transfers during the period	24,772	258,941
Transfer to investment property	(102,929)	-
Book value of disposals / transfers during the period	(9,081)	(20,533)
Depreciation charged during the period / year	(66,896)	(290,649)
Derecognition / Adjustments in Agency branches	-	(5,131)
Exchange differences and other adjustments	126,139	126,176
	50,162	(190,137)
	5,402,535	5,430,530
Capital work in progress	46,093	29,760
	5,448,628	5,460,290

#### 7.1 Additions / transfers during the period

Land and Building - Freehold	-	26,463
Furniture and fixtures	4,582	13,643
Motor vehicles	8,241	119,731
Machinery and equipment	906	11,733
Computer equipment	10,511	63,988
Leasehold Improvements	532	19,674
Right of use asset	-	3,709
	24,772	258,941

#### 7.2 Written down values of property and equipment disposed off / transfers during the period / year

Land and Building - Freehold	-	-
Furniture and fixtures	1,865	169
Motor vehicles	3,736	15,121
Machinery and equipment	178	1,352
Computer equipment	-	397
Leasehold Improvements	3,302	3,494
	9,081	20,533

#### 7.3 Capital work in progress

Capital work in progress as of 31 March 2023 includes advances to different contractors, suppliers and vendors amounting to Rs. 46,093 thousands (31 December 2022: Rs. 29,760 thousands).

	(Unaudited)	(Audited)
	31 March	31 December
	2023	2022
Note	Rupees in thousand	
<b>8 Intangible assets</b>		
Opening balance - net book value	131,802	123,465
Additions during the period	13,138	33,035
Book value of disposals during the period	-	-
Amortization charged during the period	(12,736)	(46,432)
Exchange differences and other adjustments	10,514	21,734
	(2,222)	(24,698)
	142,718	131,802
<b>9 Investment Properties</b>		
Opening balance - net book value	1,757,365	1,259,667
Additions and capital improvements	-	-
Transfer to property and equipment	102,929	-
Unrealized fair value gain	230,338	497,698
Exchange differences and other adjustments	37,945	-
	2,128,577	1,757,365

**10 Investment in equity securities**

	31 March 2023 (Unaudited)				31 December 2022 (Audited)			
	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
Rupees in thousands								
<b>Available-for-sale</b>								
<b>Related parties</b>								
Listed shares	9,987,958	(31)	(2,376,454)	7,611,473	10,029,959	(25,215)	(2,338,500)	7,666,244
Unlisted shares	1,956,956	-	3,191,841	5,148,797	1,056,956	-	1,723,041	2,779,997
	<b>11,944,914</b>	<b>(31)</b>	<b>815,387</b>	<b>12,760,270</b>	<b>11,086,915</b>	<b>(25,215)</b>	<b>(615,459)</b>	<b>10,446,241</b>
<b>Others</b>								
Listed shares	6,074,461	(1,944,932)	838,657	4,968,186	6,032,460	(1,919,748)	749,646	4,862,358
Unlisted shared	925,360	-	1,396,718	2,322,078	925,360	-	1,396,718	2,322,078
Mutual Funds	49,266	(16,366)	(382)	32,518	48,979	(16,366)	40	32,653
NIT Units	161	-	488	649	161	-	564	725
	<b>7,049,248</b>	<b>(1,961,298)</b>	<b>2,235,481</b>	<b>7,323,431</b>	<b>7,006,960</b>	<b>(1,936,114)</b>	<b>2,146,968</b>	<b>7,217,814</b>
<b>Total - available for sale</b>	<b>18,994,162</b>	<b>(1,961,329)</b>	<b>3,050,868</b>	<b>20,083,701</b>	<b>18,093,875</b>	<b>(1,961,329)</b>	<b>1,531,509</b>	<b>17,664,055</b>
<b>Fair value through profit and loss</b>								
<b>Related parties</b>								
Listed shares	900,944	-	(23,563)	877,381	1,297,356	-	(354,418)	942,938
Mutual Funds	7,401,098	-	61,520	7,462,618	6,099,261	-	(695,661)	5,403,600
	<b>8,302,042</b>	<b>-</b>	<b>37,957</b>	<b>8,339,999</b>	<b>7,396,617</b>	<b>-</b>	<b>(1,050,079)</b>	<b>6,346,538</b>
<b>Others</b>								
Listed shares	8,392,311	-	(735,494)	7,656,817	8,001,073	-	(664,232)	7,336,841
Mutual Funds	2,779,879	-	363,078	3,142,957	1,612,973	-	1,000,729	2,613,702
	<b>11,172,190</b>	<b>-</b>	<b>(372,416)</b>	<b>10,799,774</b>	<b>9,614,046</b>	<b>-</b>	<b>336,497</b>	<b>9,950,543</b>
<b>Total - fair value through profit and loss</b>	<b>19,474,232</b>	<b>-</b>	<b>(334,459)</b>	<b>19,139,773</b>	<b>17,010,663</b>	<b>-</b>	<b>(713,582)</b>	<b>16,297,081</b>
	<b>38,468,394</b>	<b>(1,961,329)</b>	<b>2,716,409</b>	<b>39,223,474</b>	<b>35,104,538</b>	<b>(1,961,329)</b>	<b>817,927</b>	<b>33,961,136</b>

**10.1** 5,700,000 (2022 : 5,286,710) shares of MCB Bank Limited and 4,800,000 (2022 : 4,800,000) shares of Fauji Fertilizer Company Limited ave been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>31 March</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
Note	<u>Rupees in thousand</u>	
<b>11 Investments in debt securities</b>		
<b>Held to maturity</b>		
Treasury Bills	<u>1,216,134</u>	<u>382,288</u>
	<b>1,216,134</b>	<b>382,288</b>
<b>Fair value through profit and loss</b>		
Term Finance Certificate	<u>2,021,443</u>	<u>2,416,091</u>
Advance against purchase of term finance certificate	<u>122,000</u>	<u>472,000</u>
Corporate sukuk	<u>1,656,836</u>	<u>1,366,754</u>
Ijarah sukuk	<u>1,908,937</u>	<u>1,707,959</u>
Treasury Bills	<u>18,436,531</u>	<u>25,456,108</u>
Pakistan Investment Bonds	<u>16,504,799</u>	<u>10,766,171</u>
	<b>40,650,546</b>	<b>42,185,083</b>
	<u><b>41,866,680</b></u>	<u><b>42,567,371</b></u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>31 March</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	<u>Rupees in thousand</u>	
<b>12 Investments in Term Deposits</b>		
<b>Held to maturity</b>		
<b>Deposits maturing within 12 months</b>		
<b>Inside Pakistan</b>		
- related parties	<u>1,001,000</u>	<u>1,001,000</u>
- others	<u>1,375,000</u>	<u>1,275,000</u>
	<b>2,376,000</b>	<b>2,276,000</b>
<b>Outside Pakistan</b>		
- related parties	<u>2,318,181</u>	<u>1,849,572</u>
- others	<u>5,823,046</u>	<u>4,710,861</u>
	<b>8,141,227</b>	<b>6,560,433</b>
<b>Deposits maturing after 12 months</b>	<b>10,517,227</b>	<b>8,836,433</b>
<b>Inside Pakistan</b>		
- related parties	<u>8,811</u>	<u>8,811</u>
- others	<u>75,188</u>	<u>75,188</u>
	<b>83,999</b>	<b>83,999</b>
	<u><b>10,601,226</b></u>	<u><b>8,920,432</b></u>
12.1		

- 12.1** These include fixed deposits amounting to Rs. 463,636 thousands (AED 6,000 thousands) [2022: Rs. 369,914 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches of the Parent Company for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2022: Rs. 83,999 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company, bid bond guarantees and guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party.



	Note	(Unaudited)	(Audited)
		31 March	31 December
		2023	2022
		Rupees in thousand	
<b>13 Loans and other receivables - considered good</b>			
Rent receivable		23,770	13,483
Accrued income		1,114,718	523,857
Security deposits		116,627	111,707
Advances to employees and suppliers		418,623	417,255
Advance agent commission		5,162	4,182
Loans to employees		86,160	87,333
Receivable against the sale of investment		51,479	132,912
Receivable from related parties		6	6
Receivable from gratuity fund		11,694	-
Other receivables		354,406	249,799
		<b>2,182,645</b>	<b>1,540,534</b>

**14 Insurance / reinsurance receivables - unsecured and considered good**

Due from insurance contract holders	14.1	8,536,705	9,437,616
Provision for impairment of receivables from insurance contract holders		(1,657,914)	(1,371,044)
		6,878,791	8,066,572
Due from other insurers / reinsurers		1,244,478	721,427
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		1,043,176	520,125
		<b>7,921,967</b>	<b>8,586,697</b>

**14.1** Due from insurance contract holders include an amount Rs. 134,895 thousands (2022: Rs. 122,492 thousands) held with related parties.

	Note	(Unaudited)	(Audited)
		31 March	31 December
		2023	2022
		Rupees in thousand	
<b>15 Prepayments</b>			
Prepaid reinsurance premium ceded		5,723,083	6,536,997
Prepaid miscellaneous expenses		336,766	181,397
		<b>6,059,849</b>	<b>6,718,394</b>
<b>16 Cash and bank</b>			
<b>Cash and cash equivalents</b>			
<b>Inside Pakistan</b>			
Cash in hand		917	438
Policy and revenue stamps, bond papers		11,697	27,169
		12,614	27,607
<b>Outside Pakistan</b>		1,085	-
		13,699	27,607
<b>Cash at bank</b>			
<b>Inside Pakistan</b>			
Current accounts		296,768	1,035,834
Savings accounts		6,521,860	6,219,057
		6,818,628	7,254,891
<b>Outside Pakistan</b>			
Current accounts		2,857,075	3,225,294
Savings accounts		2,362	1,900
		2,859,437	3,227,194
		9,678,065	10,482,085
		<b>9,691,764</b>	<b>10,509,692</b>

- 16.1** Cash at bank includes an amount of Rs. 5,514,104 thousands (2022: Rs. 3,810,174 thousands) held with MCB Bank Limited and MCB Islamic Bank Limited, related parties of the Group.
- 16.2** Lien of Rs. 621,354 thousands (2022: Rs. 633,240 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>31 March</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
<b>Note</b>	<b>Rupees in thousand</b>	
<b>17 Window Takaful Operations - Parent Company</b>		
<b>Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	75,288	164,215
Qard-e-Hasna to Participant Takaful Fund	221,460	221,460
Investments - Equity securities	259,360	251,052
Investments - Debt securities	50,000	125,000
Investments - Term Deposits	200,000	-
Intangible assets	12,899	6,047
Property and equipment	43,956	46,276
Current assets - others	403,321	235,370
<b>Total Assets</b>	<b>1,266,284</b>	<b>1,049,420</b>
<b>Total liabilities</b>	<b>535,668</b>	<b>384,973</b>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	<u>31 March</u>	<u>31 March</u>
	<u>2022</u>	<u>2022</u>
<b>Note</b>	<b>Rupees in thousand</b>	
<b>Profit and loss account</b>		
Wakala Fee	193,118	140,252
Commission expense	(61,466)	(33,774)
Management expense	(61,922)	(43,859)
Other Income	12,775	7,017
Investment income	13,244	2,831
Mudarib's share of PTF investment income	3,010	1,056
Profit before taxation	98,759	73,523
Taxation	(32,590)	(20,831)
<b>Profit after taxation</b>	<b>66,169</b>	<b>52,692</b>

Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial information for the quarter ended 31 March 2023.

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>31 March</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
<b>Note</b>	<b>Rupees in thousand</b>	
<b>18 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,115,930	1,532,444
Fair value reserve	2,044,447	1,026,501
	<b>4,187,000</b>	<b>2,585,568</b>
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	<b>5,123,500</b>	<b>3,522,068</b>

	(Unaudited)		(Audited)	
	31 March		31 December	
	2023		2022	
Note	Rupees in thousand			
<b>19 Other creditors and accruals</b>				
Agents commission payable	1,284,403		1,394,483	
Payable against the purchase of investment	89,682		152,701	
Federal Excise Duty / Sales Tax / VAT	387,417		449,746	
Federal Insurance Fee payable	57,977		45,483	
Payable to related parties	19,995		6,350	
Workers' welfare fund payable	232,365		224,506	
Tax deducted at source	111,277		100,398	
Accrued expenses	580,097		534,225	
Unpaid and unclaimed dividend	160,467		160,541	
Payable to employees' provident fund	32		211	
Sundry creditors	1,689,082		1,036,967	
	<b>4,612,794</b>		<b>4,105,611</b>	

## 20 Contingencies and commitments

### Contingencies & Commitments

#### General Insurance

There has been no significant change in the status of contingencies as reported in the preceding published consolidated annual financial statements of the Group for the year ended 31 December 2022 except for the following.

- The Group has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,238,471 thousands (2022: Rs. 1,250,357 thousands).
- The Group has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,886,361 thousands (2022: AED 115,000,000 amounting to Rs. 7,090,026 thousands) relating to UAE branch.

#### Life Insurance

##### Sales tax on life insurance premium

During the period, there has been no major change in the status of contingencies relating to provincial sales tax on life insurance as disclosed in annual financial statements for the year ended December 31, 2022.

In view of the opinion of the legal advisors, and pending the adjudication of the petitions filed, the Company has neither billed its customers, nor recognised the contingent liability for PST & SST which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of the legal advisors, aggregated to Rs. 846.37 million (December 31, 2022: Rs. 775.53 million).

The management contends that should the administrative efforts fail, the amount will be charged to the policyholders

#### Ijarah rentals

	(Unaudited)		(Audited)	
	31 March		31 December	
	2023		2022	
	Rupees in thousand			
Not later than one year	78,518		80,066	
Later than one year and not later than five years	148,095		176,989	
	<b>226,613</b>		<b>257,055</b>	

Commitments represent Ijarah rentals for vehicles payable in future period.

	Note	Quarter Ended	
		31 March 2023	31 March 2022
		Rupees in thousand	
<b>21 Net Insurance Premium</b>			
<b>Parent Company</b>			
Written gross premium		7,068,712	7,525,666
Unearned premium reserve opening		14,996,454	11,010,289
Unearned premium reserve closing		(14,521,410)	(12,177,577)
Currency translation effect		1,302,228	179,732
Premium earned		8,845,984	6,538,110
Reinsurance premium ceded		(3,014,142)	(2,483,991)
Prepaid reinsurance premium opening		(6,536,997)	(4,627,169)
Prepaid reinsurance premium closing		5,723,083	4,327,264
Currency translation effect		(200,490)	(20,009)
Reinsurance expense		(4,028,546)	(2,803,905)
<b>Net insurance premium - Parent Company</b>	21.1 & 21.2	<b>4,817,438</b>	3,734,205
<b>Subsidiary Company</b>			
<b>Regular premium / contributions individual policies</b>	21.3		
- first year		652,015	891,380
- second year renewal		764,288	750,871
- subsequent years renewal		2,015,708	1,863,537
Single premium / contributions individual policies	21.3	2,340,854	2,246,160
Group policies without cash values		253,525	205,385
Less: Experience refund		(38,249)	(10,194)
<b>Total gross premiums / contributions</b>		<b>5,988,141</b>	5,947,139
<b>Less: reinsurance premiums / retakaful contributions ceded</b>			
On individual life first year business		(12,016)	(15,216)
On individual life second year business		(9,202)	(8,367)
On individual life subsequent renewal business		(41,971)	(44,481)
On single premium individual policies		(1,606)	(1,244)
On group policies		(141,283)	(113,500)
Profit commission on reinsurance		-	-
		(206,078)	(182,808)
Net premiums / contributions - Subsidiary Company		5,782,063	5,764,331
		<b>10,599,501</b>	9,498,536
<b>21.1 Net insurance premium - Business underwritten inside Pakistan</b>			
Written gross premium		5,210,404	4,621,347
Unearned premium reserve opening		9,454,477	7,393,851
Unearned premium reserve closing		(8,841,192)	(7,299,535)
Premium earned		5,823,689	4,715,663
Reinsurance premium ceded		(2,594,362)	(2,057,068)
Prepaid reinsurance premium opening		(5,699,784)	(4,302,258)
Prepaid reinsurance premium closing		4,818,188	3,772,341
Reinsurance expense		(3,475,958)	(2,586,985)
		<b>2,347,731</b>	2,128,678
<b>21.2 Net insurance premium - Business underwritten outside Pakistan</b>			
Written gross premium		1,858,308	2,904,319
Unearned premium reserve opening		5,541,977	3,616,438
Unearned premium reserve closing		(5,680,218)	(4,878,042)
Currency translation effect		1,302,228	179,732
Premium earned		3,022,295	1,822,447
Reinsurance premium ceded		(419,780)	(426,923)
Prepaid reinsurance premium opening		(837,213)	(324,911)
Prepaid reinsurance premium closing		904,895	554,923
Currency translation effect		(200,490)	(20,009)
Reinsurance expense		(552,588)	(216,920)
		<b>2,469,707</b>	1,605,527
<b>21.3 Individual policies are those underwritten on an individual basis.</b>			

22 **Net insurance claims expense**

**Parent Company**

	Quarter Ended	
	31 March 2023	31 March 2022
	Rupees in thousand	
Claims paid	5,738,299	3,498,728
Outstanding claims including IBNR closing	24,626,105	13,113,223
Outstanding claims including IBNR opening	(20,726,702)	(12,686,045)
Currency translation effect	(2,159,821)	(220,439)
Claims expense	7,477,881	3,705,467
Reinsurance and other recoveries received	(2,269,127)	(1,392,120)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(18,096,398)	(8,182,308)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	15,233,478	7,943,513
Reinsurance and other recoveries revenue	1,197,016	98,116
Reinsurance and other recoveries revenue	(3,935,031)	(1,532,799)
<b>Net insurance claims expense</b>	<b>3,542,850</b>	<b>2,172,668</b>

Note

22.1 & 22.2

**Subsidiary Company**

**Gross claims**

Claims under individual policies		
- by death	214,682	225,794
- by insured event other than death	217	92
- by maturity	1,454,742	698,875
- by surrender	2,512,269	1,975,590
Total gross individual policy claims	4,181,910	2,900,351
Claims under group policies		
- by death	128,319	101,107
- by insured event other than death	4,363	5,410
Total gross group policy claims	132,682	106,517
Claim related expenses	1,933	1,028
<b>Total gross claims</b>	<b>4,316,525</b>	<b>3,007,896</b>

**Less: Reinsurance recoveries**

- on individual claims	53,593	86,752
- on group claims	82,227	56,709
	135,820	143,461

**Net claims - Subsidiary Company**

	4,180,705	2,864,435
	7,723,555	5,037,103

**22.1 Net insurance claims expense - Business underwritten inside Pakistan**

Claim Paid	1,829,936	1,800,490
Outstanding claims including IBNR closing	14,091,244	7,301,206
Outstanding claims including IBNR opening	(12,123,015)	(7,131,251)
Claim expense	3,798,165	1,970,445
Reinsurance and other recoveries received	(471,139)	(659,338)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(12,285,691)	(5,593,681)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	10,450,405	5,482,393
Reinsurance and other recoveries revenue	(2,306,425)	(770,626)
	1,491,740	1,199,819

**22.2 Net insurance claims expense - Business underwritten outside Pakistan**

Claim Paid	3,908,363	1,698,238
Outstanding claims including IBNR closing	10,534,861	5,812,017
Outstanding claims including IBNR opening	(8,603,687)	(5,554,794)
Currency translation effect	(2,159,821)	(220,439)
Claim expense	3,679,716	1,735,022
Reinsurance and other recoveries received	(1,797,988)	(732,782)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(5,810,707)	(2,588,627)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	4,783,073	2,461,120
Currency translation effect	1,197,016	98,116
Reinsurance and other recoveries revenue	(1,628,606)	(762,173)
	2,051,110	972,849

	Note	Quarter Ended	
		31 March 2023	31 March 2022
		Rupees in thousand	
<b>23 Net commission expense / acquisition costs</b>			
<b>Parent Company</b>			
Commission paid or payable		617,914	932,004
Deferred commission expense opening		1,489,080	1,055,480
Deferred commission expense closing		(1,436,788)	(1,355,686)
Currency translation effect		241,850	35,104
Net commission		912,056	666,902
Commission received or recoverable		(198,608)	(212,682)
Unearned reinsurance commission opening		(365,610)	(241,094)
Unearned reinsurance commission closing		352,900	259,539
Currency translation effect		(10,084)	(1,000)
Commission from reinsurance		(221,402)	(195,237)
<b>Net commission expense / acquisition costs - Parent Company</b>	23.1 & 23.2	<b>690,654</b>	<b>471,665</b>
<b>Subsidiary Company</b>			
Remuneration to insurance / takaful intermediaries on individual policies:			
- Commission on first year contribution / premium		229,109	355,488
- Commission on second year contribution / premium		45,448	44,956
- Commission on subsequent years renewal contribution / premium		44,155	43,666
- Commission on single contribution / premium		66,705	64,628
- Other benefits to insurance intermediaries		59,364	90,257
		444,781	598,995
Remuneration to insurance intermediaries on group policies:			
- Commission		7,223	6,944
- Other benefits to insurance intermediaries		1,721	764
		8,944	7,708
Other acquisition costs		191,579	222,354
		645,304	829,057
		1,335,958	1,300,722
<b>23.1 Net commission and other acquisition costs - Business underwritten inside Pakistan</b>			
Commission paid or payable		296,486	322,011
Deferred commission expense opening		447,607	393,554
Deferred commission expense closing		(404,990)	(396,169)
Net commission		339,103	319,396
Commission received or recoverable		(180,161)	(181,200)
Unearned reinsurance commission opening		(323,930)	(239,650)
Unearned reinsurance commission closing		306,562	229,513
Commission from reinsurance		(197,529)	(191,337)
		141,574	128,059
<b>23.2 Net commission and other acquisition costs - Business underwritten outside Pakistan</b>			
Commission paid or payable		321,428	609,993
Deferred commission expense opening		1,041,473	661,926
Deferred commission expense closing		(1,031,798)	(959,517)
Currency translation effect		241,850	35,104
Net commission		572,953	347,506
Commission received or recoverable		(18,447)	(31,482)
Unearned reinsurance commission opening		(41,680)	(1,444)
Unearned reinsurance commission closing		46,338	30,026
Currency translation effect		(10,084)	(1,000)
Commission from reinsurance		(23,873)	(3,900)
		549,080	343,606



	<b>Quarter Ended</b>	
	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Rupees in thousand</b>		
<b>24 Investment income</b>		
<b>Business underwritten Inside Pakistan</b>		
<b>Income from equity securities</b>		
<b>Dividend Income</b>		
- Available for sale	617,420	484,130
- Fair value through profit or loss	188,038	150,558
	<b>805,458</b>	634,688
<b>Income from debt securities</b>		
<b>Return on debt securities</b>		
- Fair value through profit or loss	175,145	115,654
- Held to maturity	-	-
	<b>175,145</b>	115,654
<b>Return on government securities</b>		
- Available for Sale	3,369	4,156
- Fair value through profit or loss	1,616,470	722,453
- Held to maturity	33,872	9,874
	<b>1,653,711</b>	736,483
<b>Income from term deposit receipts</b>		
- Held to maturity	101,009	147,257
	<b>101,009</b>	147,257
Tax on dividend under final tax regime	-	-
	-	-
<b>Net realized fair value gains on investments</b>		
<b>Available for sale</b>		
- Equity securities	(1,145)	18,334
- Government securities	(6)	14
	<b>(1,151)</b>	18,348
<b>Fair value through profit or loss</b>		
- Equity securities	268,818	96,557
- Fixed income securities	-	-
- Government securities	(74,882)	(30,885)
	<b>193,936</b>	65,672
Reversal of impairment in value of 'available-for-sale' investments	-	5,593
	<b>2,928,108</b>	1,723,695
<b>Business underwritten Outside Pakistan</b>		
<b>Income from equity securities</b>		
<b>Dividend income</b>		
- Available for Sale	-	106
	-	106
<b>Net realized gains on investments</b>		
- Available for Sale	-	-
	-	-
<b>Return on term deposits</b>		
- Held to maturity	54,756	25,771
	<b>54,756</b>	25,771
	<b>54,756</b>	25,877
	<b>2,982,864</b>	1,749,572

**25 Earnings per share - basic and diluted**

There is no dilutive effect on the basic earnings per share which is based on:

	Quarter Ended	
	31 March 2023	31 March 2022
Rupees in thousand		
Profit after tax for the period attributable to ordinary shareholders	483,743	580,559
	Number of shares	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000
	Rupees	
Earnings per share - basic and diluted	1.38	1.66

**26 Transactions with related parties**

The Group has related party relationships with its associates, subsidiary company, entities with common directors, directors, employee retirement benefit plans, key management personnel and other parties. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. There are no transactions with key management personnel other than those specified in their terms of employment.

The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in this consolidated condensed interim financial information are as follows:

	Quarter Ended	
	31 March 2023	31 March 2022
Rupees in thousand		
<b>Parent Company</b>		
<b>i) Transactions</b>		
Premiums underwritten	489,932	448,589
Premiums received	533,813	439,073
Claims paid	208,846	172,234
Commission Paid	9,023	-
Rent paid	2,582	2,041
Rent received	24,171	9,741
Dividends received	344,730	234,585
Loan repaid	-	122,326
Interest on loan paid	-	19,034
Income on bank deposits	36,933	13,784
Investments made	-	145,115
Fee / service charges paid	3,279	2,561
Fee / service charges / expenses received / receivable	20,665	1,944
Charge in respect of gratuity expense	9,088	11,541
Contribution to Employees' Provident Fund	10,572	10,312
Compensation paid to Key management personnel	494,335	420,292
	(Unaudited)	(Audited)
	31 March	31 December
	2023	2022
Rupees in thousand		
<b>ii) Period end balances</b>		
Balances receivable	98,028	134,023
Advance against issue of shares	-	900,000
Balances payable	404,925	370,730
Cash and bank balances including term deposits	5,001,222	3,817,401
Payable to Staff Gratuity Fund	79,343	70,255

**Subsidiary Company****i) Transactions****Associated undertakings**

Premium written	16,790	33,116
Claims expense	7,284	77,247
Commission and other incentives in respect of bancassurance	303,627	360,619
Profit on bank deposits	102,688	50,682
Bank charges	247	259
Investments purchased	3,054,090	6,656,169
Investments sold	(1,123,270)	5,845,153
Dividend income	15,938	12,851

**Other related parties**

Premium written	14,899	6,285
Claims expense	88,293	-
Investment advisor fee	13,381	9,216
Trustee fee	3,156	2,288

Quarter Ended	
31 March 2023	31 March 2022
Rupees in thousand	

(Unaudited) 31 March 2023	(Audited) 31 December 2022
Rupees in thousand	

**ii) Period end balances****Associated undertakings**

Premium due but unpaid	12,053	14,106
Bank deposits	2,839,874	1,851,156
Investments held	9,341,723	7,348,266
Dividend receivables	78,942	26,788
Accrued Income	78,942	41,548
Commission payable	220,521	334,192
Claims payable	4,311	-

**Other related parties**

Premium due but unpaid	10,161	5,278
Remuneration payable for the management of discretionary investment portfolio	17,993	6,934
Remuneration payable to trustee	2,000	1,192

**Staff Retirement Benefit Plan (Gratuity Fund)**

Payable to / (receivable from) gratuity fund	-	(4,866)
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27 Segment Information

The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Quarter Ended 31 March 2023														Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	2,097,693	10,618	1,123,487	9,050	1,150,203	1,391,259	961,987	532,032	534,252	8,319	5,867,622	1,951,278	7,818,900	5,988,141	13,807,041
Federal excise duty / VAT	(275,935)	(529)	(126,425)	(454)	(137,055)	(66,250)	(8,203)	(25,335)	(57,272)	(396)	(604,890)	(92,964)	(697,854)	-	(697,854)
Federal insurance fee	(18,241)	(3)	(9,885)	(3)	(10,114)	-	(9,645)	-	(4,443)	-	(52,328)	(6)	(52,334)	-	(52,334)
	1,803,517	10,086	987,177	8,593	1,003,034	1,325,009	944,139	506,697	472,537	7,923	5,210,404	1,858,308	7,068,712	5,988,141	13,056,853
Gross written premium (inclusive of administrative surcharge)	1,803,517	10,086	987,177	8,593	1,003,034	1,325,009	944,139	506,697	472,537	7,923	5,210,404	1,858,308	7,068,712	5,988,141	13,056,853
Gross direct premium	1,799,369	10,047	980,089	8,592	970,522	1,323,488	943,507	506,697	438,790	7,916	5,132,277	1,856,740	6,989,017	5,988,141	12,977,158
Facultative inward premium	54	-	-	-	-	-	-	-	29,114	-	29,168	-	29,168	-	29,168
Administrative surcharge	4,094	39	7,088	1	32,512	1,521	632	-	4,633	7	48,959	1,568	50,527	-	50,527
	1,803,517	10,086	987,177	8,593	1,003,034	1,325,009	944,139	506,697	472,537	7,923	5,210,404	1,858,308	7,068,712	5,988,141	13,056,853
Insurance premium earned	3,237,845	7,381	601,242	6,837	897,968	2,322,555	743,981	682,745	342,653	2,777	5,823,689	3,022,295	8,845,984	5,988,141	14,834,125
Insurance premium ceded to reinsurers	(2,967,011)	(6,176)	(342,828)	-	(17,498)	(168,646)	-	(375,496)	(148,621)	(2,270)	(3,475,958)	(552,588)	(4,028,546)	(206,078)	(4,234,624)
Net insurance premium	270,834	1,205	258,414	6,837	880,470	2,153,909	743,981	307,249	194,032	507	2,347,731	2,469,707	4,817,438	5,782,063	10,599,501
Commission income	183,107	1,189	815	-	1,394	22,522	-	-	12,213	162	197,529	23,873	221,402	-	221,402
<b>Net underwriting income</b>	453,941	2,394	259,229	6,837	881,864	2,176,431	743,981	307,249	206,245	669	2,545,260	2,493,580	5,038,840	5,782,063	10,820,903
Insurance claims	(2,328,710)	(2,797)	(293,075)	-	(415,966)	(3,078,622)	(661,323)	(598,297)	(99,091)	-	(3,798,165)	(3,679,716)	(7,477,881)	(4,316,525)	(11,794,406)
Insurance claim recoveries from reinsurer	2,105,928	2,238	164,647	-	(12,460)	1,209,616	-	416,752	48,310	-	2,306,425	1,628,606	3,935,031	135,820	4,070,851
Net claims	(222,782)	(559)	(128,428)	-	(428,426)	(1,869,006)	(661,323)	(181,545)	(50,781)	-	(1,491,740)	(2,051,110)	(3,542,850)	(4,180,705)	(7,723,555)
Commission expense	(149,448)	(937)	(43,086)	(728)	(92,561)	(492,315)	(23,442)	(78,935)	(30,566)	(38)	(339,103)	(572,953)	(912,056)	(645,304)	(1,557,360)
Management expense	(103,807)	(771)	(114,965)	(6,623)	(289,875)	(302,138)	(44,317)	(58,376)	(68,121)	(617)	(621,085)	(368,525)	(989,610)	(319,703)	(1,309,313)
Net insurance claims and expenses	(476,037)	(2,267)	(286,479)	(7,351)	(810,862)	(2,663,459)	(729,082)	(318,856)	(149,468)	(655)	(2,451,928)	(2,992,588)	(5,444,516)	(5,145,712)	(10,590,228)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,549,645)	(2,549,645)
<b>Underwriting result</b>	(22,096)	127	(27,250)	(514)	71,002	(487,028)	14,899	(11,607)	56,777	14	93,332	(499,008)	(405,676)	(1,913,294)	(2,318,970)
Investment income											650,147	54,756	704,903	2,277,961	2,982,864
Net fair value unrealized gain / (loss) on financial assets at fair value through profit or loss											-	-	-	(413,450)	(413,450)
Change in fair value of investment property											94,769	135,569	230,338	-	230,338
Rental income											27,578	876	28,454	-	28,454
Other income											74,766	30,413	105,179	210,154	315,333
Other expenses											(15,109)	(6,149)	(21,258)	(2,095)	(23,353)
Workers' Welfare Fund charge											(7,859)	-	(7,859)	(7,859)	(7,859)
<b>Results of operating activities</b>											917,624	(283,543)	634,081	159,276	793,357
Finance cost											(542)	-	(542)	(775)	(1,317)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											98,759	-	98,759	-	98,759
<b>Profit before taxation</b>											1,015,841	(283,543)	732,298	158,501	890,799

31 March 2023														Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	16,576,256	44,400	1,937,556	5,711	1,527,066	7,786,532	1,156,600	1,694,221	2,372,895	29,103	23,570,373	9,559,967	33,130,340	68,118,568	101,248,908
Unallocated assets											30,287,134	12,636,669	42,923,803	2,839,368	45,763,171
											53,857,507	22,196,636	76,054,143	70,957,936	147,012,079
Segment Liabilities	17,233,742	49,932	2,248,254	42,689	3,233,846	14,856,403	2,797,251	2,169,554	2,807,334	34,563	28,320,427	17,153,141	45,473,568	66,893,178	112,366,746
Unallocated Liabilities											4,399,361	2,179,264	6,578,625	322,692	6,901,317
											32,719,788	19,332,405	52,052,193	67,215,870	119,268,063

## 27.1 Segment Information

The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Quarter Ended 31 March 2022															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	1,721,858	8,018	988,079	4,252	1,106,103	2,538,748	873,898	493,551	488,055	4,994	5,177,993	3,049,563	8,227,556	5,947,139	14,174,695
Federal excise duty / VAT	(214,271)	(398)	(107,256)	(210)	(132,442)	(120,893)	(3,878)	(23,502)	(52,692)	(238)	(510,539)	(145,241)	(655,780)	-	(655,780)
Federal insurance fee	(14,645)	(2)	(8,756)	(1)	(9,729)	-	(8,807)	-	(4,170)	-	(46,107)	(3)	(46,110)	-	(46,110)
	1,492,942	7,618	872,067	4,041	963,932	2,417,855	861,213	470,049	431,193	4,756	4,621,347	2,904,319	7,525,666	5,947,139	13,472,805
Gross written premium (inclusive of administrative surcharge)	1,492,942	7,618	872,067	4,041	963,932	2,417,855	861,213	470,049	431,193	4,756	4,621,347	2,904,319	7,525,666	5,947,139	13,472,805
Gross direct premium	1,457,338	7,584	863,047	4,040	929,408	2,408,328	860,543	470,049	400,387	4,752	4,510,723	2,894,753	7,405,476	5,947,139	13,352,615
Facultative inward premium	31,738	-	479	-	65	-	-	-	27,172	-	59,454	-	59,454	-	59,454
Administrative surcharge	3,866	34	8,541	1	34,459	9,527	670	-	3,634	4	51,170	9,566	60,736	-	60,736
	1,492,942	7,618	872,067	4,041	963,932	2,417,855	861,213	470,049	431,193	4,756	4,621,347	2,904,319	7,525,666	5,947,139	13,472,805
Insurance premium earned	2,471,864	6,162	539,749	9,317	811,480	1,527,447	578,104	277,208	314,466	2,313	4,715,663	1,822,447	6,538,110	5,947,139	12,485,249
Insurance premium ceded to reinsurers	(2,190,533)	(4,413)	(248,301)	(124)	(12,146)	(53,442)	-	(157,506)	(136,005)	(1,435)	(2,586,985)	(216,920)	(2,803,905)	(182,808)	(2,986,713)
Net insurance premium	281,331	1,749	291,448	9,193	799,334	1,474,005	578,104	119,702	178,461	878	2,128,678	1,605,527	3,734,205	5,764,331	9,498,536
Commission income	154,001	575	2,216	-	738	2,932	-	-	34,382	393	191,337	3,900	195,237	-	195,237
Net underwriting income	435,332	2,324	293,664	9,193	800,072	1,476,937	578,104	119,702	212,843	1,271	2,320,015	1,609,427	3,929,442	5,764,331	9,693,773
Insurance claims	(827,266)	-	(129,011)	-	(442,292)	(1,542,681)	(522,309)	(192,341)	(49,567)	-	(1,970,445)	(1,735,022)	(3,705,467)	(3,007,896)	(6,713,363)
Insurance claim recoveries from reinsurer	686,640	-	34,337	-	20,158	628,697	-	133,476	29,491	-	770,626	762,173	1,532,799	143,461	1,676,260
Net claims	(140,626)	-	(94,674)	-	(422,134)	(913,984)	(522,309)	(58,865)	(20,076)	-	(1,199,819)	(972,849)	(2,172,668)	(2,864,435)	(5,037,103)
Commission expense	(168,552)	(729)	(44,565)	(1,488)	(57,585)	(315,100)	(15,126)	(30,102)	(33,568)	(87)	(319,396)	(347,506)	(666,902)	(829,057)	(1,495,959)
Management expense	(111,597)	(240)	(109,460)	(3,420)	(263,168)	(263,946)	(38,188)	(30,573)	(58,469)	(150)	(580,882)	(298,329)	(879,211)	(243,844)	(1,123,055)
Net insurance claims and expenses	(420,775)	(969)	(248,699)	(4,908)	(742,887)	(1,493,030)	(575,623)	(119,540)	(112,113)	(237)	(2,100,097)	(1,618,684)	(3,718,781)	(3,937,336)	(7,656,117)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,785,549)	(2,785,549)
Underwriting result	14,557	1,355	44,965	4,285	57,185	(16,093)	2,481	162	100,730	1,034	219,918	(9,257)	210,661	(958,554)	(747,893)
Investment income											520,672	25,877	546,549	1,203,023	1,749,572
Net fair value unrealized gain / (loss) on financial assets at fair value through profit or loss											-	-	-	(268,406)	(268,406)
Net unrealized gains on investment property											-	-	-	-	-
Rental income											23,720	483	24,203	-	24,203
Other income											33,785	12,684	46,469	156,023	202,492
Other expenses											(10,488)	(3,902)	(14,390)	(2,549)	(16,939)
Results of operating activities											787,607	25,885	813,492	129,537	943,029
Finance cost											(24,067)	(503)	(24,570)	(836)	(25,406)
Profit from Window Takaful Operations - Operators Fund (Parent Company)											73,523	-	73,523	-	73,523
Profit before taxation											837,063	25,382	862,445	128,701	991,146
31 December 2022															
General Insurance													Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Accident & health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	18,159,470	30,234	898,705	4,550	1,545,592	6,549,649	992,218	1,487,171	2,099,230	18,751	23,695,215	8,090,355	31,785,570	66,115,952	97,901,522
Unallocated assets											28,031,246	10,967,376	38,998,622	2,782,921	41,781,543
											51,726,461	19,057,731	70,784,192	68,898,873	139,683,065
Segment Liabilities	18,934,925	35,283	1,305,146	32,906	3,287,709	13,023,403	2,508,776	1,974,799	2,564,035	21,441	28,600,591	15,087,832	43,688,423	64,974,743	108,663,166
Unallocated Liabilities											3,666,489	1,481,609	5,148,098	260,055	5,408,153
											32,267,080	16,569,441	48,836,521	65,234,798	114,071,319

## 28 Fair value measurement of financial instruments

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 Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Group 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:

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

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

		31 March 2023										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in thousand) -----										
<b>Financial assets - measured at fair value</b>												
Investment												
	Equity securities- quoted	10	12,612,826	-	19,139,773	-	-	31,752,599	31,752,599	-	-	31,752,599
	Equity securities- unquoted	10	7,470,875	-	-	-	-	7,470,875	-	-	7,470,875	7,470,875
	Debt securities	11	-	1,216,134	40,650,546	-	-	41,866,680	-	41,866,680	-	41,866,680
	Investments of Window Takaful Operations - Operator's Fund	17	259,360	250,000	-	-	-	509,360	509,360	-	-	509,360
<b>Financial assets - not measured at fair value</b>												
	Loans and other receivables *	13	-	-	-	2,182,645	-	2,182,645	-	-	-	-
	Loan secured against life insurance policies*		-	-	-	44,640	-	44,640	-	-	-	-
	Investment - Term deposits*	12	-	10,601,226	-	-	-	10,601,226	-	-	-	-
	Insurance / reinsurance receivables											
	- unsecured and considered good *	14	-	-	-	7,921,967	-	7,921,967	-	-	-	-
	Reinsurance recoveries against outstanding claims *		-	-	-	17,730,658	-	17,730,658	-	-	-	-
	Cash and bank *	16	-	-	-	-	9,691,764	9,691,764	-	-	-	-
	Other Assets of Window Takaful Operations - Operator's Fund*	17	-	-	-	624,781	75,288	700,069	-	-	-	-
			20,343,061	12,067,360	59,790,319	28,504,691	9,767,052	130,472,483	32,261,959	41,866,680	7,470,875	81,599,514
<b>Financial liabilities - not measured at fair value</b>												
Underwriting provisions:												
	Outstanding claims (including IBNR)*		-	-	-	-	-	24,626,105	24,626,105	-	-	-
	Insurance / reinsurance payables *		-	-	-	-	-	5,707,789	5,707,789	-	-	-
	Other creditors and accruals*	19	-	-	-	-	-	4,312,589	4,312,589	-	-	-
	Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	-	-	535,668	535,668	-	-	-
			-	-	-	-	-	35,182,151	35,182,151	-	-	-

\* The Group has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

28.1 Fair value measurement of financial instruments

		31 December 2022									
Note	Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in thousand)											
Financial assets - measured at fair value											
Investment											
10	12,561,980	-	16,297,081	-	-	-	28,859,061	28,859,061	-	-	28,859,061
10	5,102,075	-	-	-	-	-	5,102,075	-	-	5,102,075	5,102,075
11	-	382,288	42,185,083	-	-	-	42,567,371	-	42,567,371	-	42,567,371
Investments of Window Takaful Operations - Operator's Fund											
17	251,052	125,000	-	-	-	-	376,052	376,052	-	-	376,052
Financial assets - not measured at fair value											
13	-	-	-	1,540,534	-	-	1,540,534	-	-	-	-
	-	-	-	42,163	-	-	42,163	-	-	-	-
12	-	8,920,432	-	-	-	-	8,920,432	-	-	-	-
Insurance / reinsurance receivables											
14	-	-	-	8,586,697	-	-	8,586,697	-	-	-	-
Reinsurance recoveries against outstanding claims *											
16	-	-	-	14,873,098	-	-	14,873,098	-	-	-	-
Cash and bank *											
16	-	-	-	-	10,509,692	-	10,509,692	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*											
17	-	-	-	456,830	164,215	-	621,045	-	-	-	-
	17,915,107	9,427,720	58,482,164	25,499,322	10,673,907	-	121,998,220	29,235,113	42,567,371	5,102,075	76,904,559
Financial liabilities - not measured at fair value											
Underwriting provisions:											
	-	-	-	-	-	20,726,702	20,726,702	-	-	-	-
	-	-	-	-	-	7,134,481	7,134,481	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
19	-	-	-	-	-	3,780,870	3,780,870	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*											
17	-	-	-	-	-	384,973	384,973	-	-	-	-
	-	-	-	-	-	32,027,026	32,027,026	-	-	-	-

\* The Group has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.



**29 Date of authorization for issue**

This consolidated condensed interim financial information was authorized for issue on 28 April 2023 by the Board of Directors of the Group.






**30 Non - adjusting events after balance sheet date**

The Board of Directors of the Company in their meeting held on March 21, 2023 proposed final cash dividend for the year ended 31 December, 2022 @ 15% i.e. Rs. 1.50/- per share which has been approved by the members in the Annual General Meeting held on April 28, 2023. This unconsolidated condensed interim financial information for the quarter ended 31 March, 2023 does not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial information for the half year ending 30 June, 2023.

**31 General**

**31.1** Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

**31.2** Figures have been rounded off to the nearest thousand rupees unless other wise stated.

				
<hr/> Chairman	<hr/> Director	<hr/> Director	<hr/> Chief Financial Officer	<hr/> Managing Director & Chief Executive Officer



# WINDOW TAKAFUL OPERATIONS

FIRST QUARTER ENDED  
31 MARCH 2023

Adamjee Insurance Company Limited  
Window Takaful Operations  
Condensed Interim Statement of Financial Position (Unaudited)  
As at March 31, 2023

	Note	Operator's Takaful Fund		Participants' Takaful Fund	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		Rupees in thousand		Rupees in thousand	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>ASSETS</b>					
<b>Qard-e-Hasna to Participants' Takaful Fund</b>					
		221,460	221,460	-	-
Property and equipment	7	43,956	46,276	-	-
Intangible assets	8	12,899	6,047	-	-
Investments					
Equity securities	9	259,360	251,052	152,607	147,762
Debt securities	10	50,000	125,000	18,750	37,500
Term Deposits	11	200,000	-	306,000	150,000
Loans and other receivables	12	13,660	14,617	180,439	161,165
Takaful / re - takaful receivables	13	-	-	1,164,100	653,424
Re - takaful recoveries against outstanding claims		-	-	124,073	147,898
Salvage recoveries accrued		-	-	70,121	78,872
Wakala and mudarib fee receivable		322,201	146,414	-	-
Deferred wakala fee	23	-	-	-	-
Deferred commission expense	22	67,460	74,339	-	-
Prepayments	14	-	-	133,486	144,099
Cash and bank	15	75,288	164,215	487,643	619,465
		1,044,824	827,960	2,637,219	2,140,185
<b>TOTAL ASSETS</b>		<b>1,266,284</b>	<b>1,049,420</b>	<b>2,637,219</b>	<b>2,140,185</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Funds attributable to Operator's and Participants'</b>					
<b>Operator's Takaful Fund</b>					
Statutory fund		50,000	50,000	-	-
Reserves		-	-	-	-
Unappropriated profit		680,616	614,447	-	-
		730,616	664,447	-	-
<b>Waqf / Participants' Takaful Fund</b>					
Ceded money		-	-	500	500
Reserves		-	-	-	-
Accumulated surplus		-	-	249,940	199,477
		-	-	250,440	199,977
<b>Qard-e-Hasna from Operator's Takaful Fund</b>		-	-	221,460	221,460
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	21	-	-	550,620	524,563
Unearned contribution reserve	19	-	-	1,002,441	663,817
Unearned retakaful rebate	20	-	-	23,498	25,251
Contribution deficiency reserve		-	-	14,488	14,488
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		1,379	1,431	-	-
Contribution received in advance		-	-	37,136	72,759
Takaful / re - takaful payables	16	-	-	117,277	186,586
Wakala and mudarib fee payable		-	-	322,201	146,414
Unearned wakala fee	23	391,881	274,883	-	-
Other creditors and accruals	17	98,458	93,443	84,456	76,028
Taxation - provision less payments		40,072	11,338	13,202	8,842
<b>Total Liabilities</b>		<b>535,668</b>	<b>384,973</b>	<b>2,165,319</b>	<b>1,718,748</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>1,266,284</b>	<b>1,049,420</b>	<b>2,637,219</b>	<b>2,140,185</b>
<b>Contingencies and commitments</b>	18				

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
 Window Takaful Operations  
 Condensed Interim Profit and Loss Account (Unaudited)  
 For the Three Months Period Ended March 31, 2023


Note	For three months period ended	
	March 31, 2023	March 31, 2022
Rupees in thousand		
<b>PARTICIPANTS' TAKAFUL FUND - REVENUE ACCOUNT</b>		
Contributions earned	485,766	339,126
Contributions ceded to retakaful	(99,483)	(103,040)
<b>Net contribution revenue</b>	<b>386,283</b>	<b>236,086</b>
Retakaful rebate earned	17,660	16,382
<b>Net underwriting income</b>	<b>403,943</b>	<b>252,468</b>
Net takaful claims - reported / settled	(360,707)	(262,439)
Reversal / (charge) of contribution deficiency reserve	-	-
	(360,707)	(262,439)
Other direct expenses	(12,618)	(11,490)
<b>Surplus/Deficit before investment income</b>	<b>30,618</b>	<b>(21,461)</b>
Investment income	15,050	5,282
Other income	17,579	11,152
Mudarib's share of investment income	(3,010)	(1,056)
<b>Surplus/Deficit before taxation</b>	<b>60,237</b>	<b>(6,083)</b>
Provision for taxation	(9,774)	(3,922)
<b>Surplus/Deficit after taxation</b>	<b>50,463</b>	<b>(10,005)</b>
<b>OPERATOR'S TAKAFUL FUND - REVENUE ACCOUNT</b>		
Wakala fee	193,118	140,252
Commission expense	(61,466)	(33,774)
General, administrative and management expenses	(61,152)	(43,090)
	70,500	63,388
Other income	12,775	7,017
Mudarib's share of PTF investment income	3,010	1,056
Investment income	13,244	2,831
Direct expenses	(770)	(769)
<b>Profit before taxation</b>	<b>98,759</b>	<b>73,523</b>
Provision for taxation	(32,590)	(20,831)
<b>Profit after taxation</b>	<b>66,169</b>	<b>52,692</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

Adamjee Insurance Company Limited  
 Window Takaful Operations  
 Condensed Interim Statement of Comprehensive Income (Unaudited)  
 For the Three Months Period Ended March 31, 2023

For three months period ended	
March 31, 2023	March 31, 2022
Rupees in thousand	

**PARTICIPANTS' TAKAFUL FUND**

Profit /(Loss) after taxation	50,463	(10,005)
Unrealized gain on available-for-sale investment- Net of tax	-	831
<b>Total comprehensive surplus/ (Deficit) for the period</b>	<b>50,463</b>	<b>(9,174)</b>

**OPERATOR'S TAKAFUL FUND**

Profit after taxation	66,169	52,692
<b>Other comprehensive income:</b>		
Unrealized gain on available-for-sale investment- Net of tax	-	1
<b>Total comprehensive income for the period</b>	<b>66,169</b>	<b>52,693</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer


  
 Managing Director &  
 Chief Executive Officer

Adamjee Insurance Company Limited  
Window Takaful Operations  
Condensed Interim Statement of Changes in Equity (Unaudited)  
As at March 31, 2023

	Operator's Takaful Fund			Total
	Statutory fund	Unappropriated profit	Fair value reserve	
Rupees in thousand				
<b>Balance as at December 31, 2021 - (Audited)</b>	50,000	394,351	968	<b>445,319</b>
Profit after tax for the period January 01, 2022 to March 31, 2022	-	52,692	-	<b>52,692</b>
Other comprehensive income for the period January 01, 2022 to March 31, 2022	-	-	1	<b>1</b>
<b>Total comprehensive income for the period</b>	-	52,692	1	<b>52,693</b>
<b>Balance as at March 31, 2022 - (Unaudited)</b>	50,000	447,043	969	<b>498,012</b>
Profit after tax for the period April 01, 2022 to December 31, 2022	-	167,404	-	<b>167,404</b>
Other comprehensive loss for the period April 01, 2022 to December 31, 2022	-	-	(969)	<b>(969)</b>
<b>Total comprehensive income for the period</b>	-	167,404	(969)	<b>166,435</b>
<b>Balance as at December 31, 2022 - (Audited)</b>	50,000	614,447	-	<b>664,447</b>
Profit after tax for the period January 01, 2023 to March 31, 2023	-	66,169	-	<b>66,169</b>
Other comprehensive income for the period January 01, 2023 to March 31, 2023	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	66,169	-	<b>66,169</b>
<b>Balance as at March 31, 2023 - (Unaudited)</b>	<b>50,000</b>	<b>680,616</b>	<b>-</b>	<b>730,616</b>

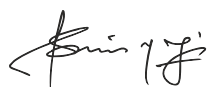
	Participants' Takaful Fund			Total
	Ceded money	Accumulated surplus / (deficit)	Fair value reserve	
Rupees in thousand				
<b>Balance as at December 31, 2021 - (Audited)</b>	500	239,134	11	<b>239,645</b>
Deficit after tax for the period January 01, 2022 to March 31, 2022	-	(10,005)	-	<b>(10,005)</b>
Other comprehensive income for the period January 01, 2022 to March 31, 2022	-	-	831	<b>831</b>
<b>Total comprehensive (loss) for the period</b>	-	(10,005)	831	<b>(9,174)</b>
<b>Balance as at March 31, 2022 - (Unaudited)</b>	500	229,129	842	<b>230,471</b>
Deficit after tax for the period April 01, 2022 to December 31, 2022	-	(29,652)	-	<b>(29,652)</b>
Other comprehensive loss for the period April 01, 2022 to December 31, 2022	-	-	(842)	<b>(842)</b>
<b>Total comprehensive (loss) for the period</b>	-	(29,652)	(842)	<b>(30,494)</b>
<b>Balance as at December 31, 2022 - (Audited)</b>	500	199,477	-	<b>199,977</b>
Surplus after tax for the period January 01, 2022 to March 31, 2022	-	50,463	-	<b>50,463</b>
Other comprehensive income for the period January 01, 2023 to March 31, 2023	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	50,463	-	<b>50,463</b>
<b>Balance as at March 31, 2023 - (Unaudited)</b>	<b>500</b>	<b>249,940</b>	<b>-</b>	<b>250,440</b>

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

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Window Takaful Operations  
Condensed Interim Cash Flow Statement (Unaudited)  
For the Three Months Period Ended March 31, 2023

**Operating cash flows**

**(a) Takaful activities**

Contributions received	
Wakala fee received / (paid)	
Retakaful / co-takaful paid	
Claims paid	
Commissions paid	
Commissions received	
Management expenses paid	
Other underwriting payments	
Net cash inflows / (outflows) from takaful activities	

Operator's Takaful Fund		Participants' Takaful Fund	
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Rupees in thousand		Rupees in thousand	

-	-	596,947	614,308
137,339	108,181	(137,339)	(108,181)
-	-	(136,174)	(71,522)
-	-	(331,792)	(221,451)
(52,658)	(33,485)	-	-
-	-	15,907	14,641
(54,334)	(43,696)	-	-
-	-	(14,668)	(11,330)
30,347	31,000	(7,119)	216,465

**(b) Other operating activities**

Income tax paid	
Other receipts / (payments)	
Net cash (outflows) / inflows from other operating activities	

(3,910)	(1,444)	(5,414)	(2,455)
-	-	(12,174)	5,141
(3,910)	(1,444)	(17,588)	2,686

**Total cash inflows / (outflows) from operating activities**

26,437	29,556	(24,707)	219,151
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**(c) Investment activities**

Profit received on bank deposits and investments	
Payment for investments	
Proceeds from disposal of investments	
Fixed capital expenditures	

25,765	8,493	34,980	14,611
(208,308)	-	(160,845)	(55,000)
75,000	-	18,750	-
(7,821)	(3,448)	-	-

**Total cash inflows / (outflows) from investing activities**

(115,364)	5,045	(107,115)	(40,389)
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**(d) Financing activities**

Contribution to Operator's fund	
Qard-e-Hasna paid from Operator's Fund	
Ceded money	

-	-	-	-
-	-	-	-
-	-	-	-

**Total cash inflows from financing activities**

-	-	-	-
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**Net Cash inflows / (outflows) from all activities**

(88,927)	34,601	(131,822)	178,762
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Cash and cash equivalent at the beginning of the period

164,215	264,235	619,465	522,515
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**Cash and cash equivalent at the end of the period**

75,288	298,836	487,643	701,277
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**Reconciliation to profit and loss account**

Operating cash flows	
Depreciation expense	
Amortization expense	
Increase / (Decrease) in assets other than cash	
(Increase) / Decrease in liabilities other than cash	
Investment income	
Return on bank deposits	

26,437	29,556	(24,707)	219,151
(1,465)	(772)	-	-
(1,824)	(1,358)	-	-
167,697	136,920	524,736	142,160
(150,695)	(121,502)	(482,195)	(387,750)
13,244	2,831	15,050	5,282
12,775	7,017	17,579	11,152

**Net profit / (deficit) for the period**

66,169	52,692	50,463	(10,005)
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**Definition of cash**

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

**Attributed to**

Operator's Takaful Fund	
Participants' Takaful Fund	


Operator's Fund		Participants' Takaful Fund	
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Rupees in thousand		Rupees in thousand	

66,169	52,692	50,463	(10,005)
66,169	52,692	50,463	(10,005)

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



Chairman



Director



Director



Chief Financial Officer



Managing Director & Chief Executive Officer

# Adamjee Insurance Company Limited

## Window Takaful Operations

### Notes to the Condensed Interim Financial Statements (Unaudited)

For the Three Months Period Ended March 31, 2023

#### **1 Legal status and nature of business**

Adamjee Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on September 28, 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Operator is listed on Pakistan Stock Exchange and is engaged in general takaful business comprising fire & property, marine aviation & transport, motor, accident & health and miscellaneous. The registered office of the Operator is situated at Adamjee House, 80/A, Block E-1, Main Boulevard, Gulberg-III, Lahore. The Operator operates 3 (2021: 3) branches within Pakistan.

The Operator was granted authorization on December, 23 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("WTO") in respect of general takaful products by the Securities and Exchange Commission of Pakistan ("SECP").

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on January 01, 2016 under the Waqf deed with a ceded money of Rs. 500,000. The Waqf deed govern the relationship of Operator and Participants' for management of Takaful operations.

#### **2 Basis of preparation and statement of compliance**

This condensed interim financial information for the three months period ended March 31, 2023 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations 2019 and the Takaful Rules, 2012 shall prevail.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator's for the year ended December 31, 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator's for the three months period ended March 31, 2023.

The condensed interim financial information reflect the financial position and result of operations of both Operator's Fund ('OPF') and PTF in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable.



This condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This condensed interim financial information is presented in Pakistan Rupees which is the Operator's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

### **3 Basis of measurement**

This condensed interim financial information has been prepared under historical cost convention except certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statement.

### **4 Accounting policies**

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2022.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of January 01, 2022, as mentioned in the financial statement for the year ended December 31, 2021. Furthermore, the Company has adopted the temporary exemption which allows the Company to defer the application of IFRS 9.

There is no significant impact of such changes on this condensed interim financial information of the Operator.

### **5 Use of estimates and judgments**

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Operator's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an 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.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended December 31, 2022.

### **6 Takaful and Financial risk management**

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





			Participants' Takaful Fund	
			March 31,	31-Dec-22
			2023	
			Rupees in thousand	
		(Unaudited)	(Audited)	
<b>14 Prepayments</b>				
Prepaid re - takaful contribution ceded		119,853	131,491	
Prepaid monitoring charges (Tracking device)		13,633	12,608	
Prepaid Expense		-	-	
		<u>133,486</u>	<u>144,099</u>	

			Operator's Takaful Fund		Participants' Takaful Fund	
			March 31,	31-Dec-22	March 31,	31-Dec-22
			2023		2023	
			Rupees in thousand			
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<b>15 Cash and bank</b>						
<b>Cash and cash equivalents:</b>						
Cash in hand		184	175	-	-	
<b>Current and other accounts:</b>						
Profit or loss accounts	15.1	75,104	164,040	487,643	619,465	
		<u>75,288</u>	<u>164,215</u>	<u>487,643</u>	<u>619,465</u>	

15.1 Saving accounts carry expected profit rates ranging from 7% to 17% (2022: 5.5% to 11.5%)

			Participants' Takaful Fund	
			March 31,	31-Dec-22
			2023	
			Rupees in thousand	
		(Unaudited)	(Audited)	
<b>16 Takaful / re - takaful payables</b>				
Due to takaful participants' holders		21,834	21,899	
Due to other takaful / re - takaful operator's		95,443	164,687	
		<u>117,277</u>	<u>186,586</u>	

			Operator's Takaful Fund		Participants' Takaful Fund	
			March 31,	31-Dec-22	March 31,	31-Dec-22
			2023		2023	
			Rupees in thousand			
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<b>17 Other creditors and accruals</b>						
Agents commission payable		69,306	67,378	-	-	
Federal insurance fee		-	-	11,438	4,927	
Sales tax payable		2,320	3,017	-	-	
Income tax deducted at source		3,200	3,162	42,709	39,767	
Accrued expenses		14,907	8,761	-	-	
Others		8,725	11,125	30,309	31,334	
		<u>98,458</u>	<u>93,443</u>	<u>84,456</u>	<u>76,028</u>	

**18 Contingencies and commitments**

There has been no significant change in the contingencies and commitments since the date of preceding published annual financial statements.

			For three months period ended	
			March 31,	March 31,
			2023	2022
			Rupees in thousand	
		(Unaudited)	(Unaudited)	
<b>19 Net contribution revenue</b>				
Gross contribution written		1,134,506	838,787	
Wakala fee		(310,116)	(236,141)	
<b>Contribution net of wakala fee</b>		824,390	602,646	
Unearned contribution revenue - opening		663,817	441,519	
Unearned contribution revenue - closing		(1,002,441)	(705,039)	
<b>Contribution earned</b>		485,766	339,126	
<b>Less:</b>				
Re - takaful contribution ceded		87,844	95,365	
Prepaid re - takaful contribution ceded - opening		131,492	109,704	
Prepaid re - takaful contribution ceded - closing		(119,853)	(102,029)	
<b>Re - takaful expense</b>		99,483	103,040	
<b>Net contribution</b>		<u>386,283</u>	<u>236,086</u>	

		For three months period ended	
		Participants' Takaful Fund	
		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>20</b>	<b>Re - takaful rebate</b>		
	Re - takaful rebate received	15,907	14,641
	Unearned re - takaful rebate - opening	25,251	22,466
	Unearned re - takaful rebate - closing	<u>(23,498)</u>	<u>(20,725)</u>
	<b>Net re-takaful rebate</b>	<u>17,660</u>	<u>16,382</u>
<b>21</b>	<b>Net Takaful Claims</b>		
	Claims Paid	331,792	221,451
	Outstanding claims including IBNR - closing	550,620	395,749
	Outstanding claims including IBNR - opening	<u>(524,563)</u>	<u>(354,540)</u>
	<b>Claim expense</b>	<b>357,849</b>	<b>262,660</b>
	<b>Less:</b>		
	Re - takaful and other recoveries received	29,719	24,050
	Re - takaful and other recoveries in respect of	194,193	167,107
	Re - takaful and other recoveries in respect of	<u>(226,770)</u>	<u>(190,936)</u>
	<b>Re-takaful and other recoveries revenue</b>	<u>(2,858)</u>	<u>221</u>
	<b>Net claim expense</b>	<u>360,707</u>	<u>262,439</u>
<b>22</b>	<b>Other Direct Expenses</b>		
	Monitoring charges	7,884	9,076
	Other taxes	778	21
	Inspection charges	2,816	1,504
	Bank charges	111	46
	Others	1,029	843
		<u>12,618</u>	<u>11,490</u>
		For three months period ended	
		Operator's Fund	
		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>22</b>	<b>Commission Expense</b>		
	Commission paid or payable	54,587	41,195
	Deferred commission - opening	74,339	45,347
	Deferred commission - closing	<u>(67,460)</u>	<u>(52,768)</u>
	<b>Net commission</b>	<u>61,466</u>	<u>33,774</u>
<b>23</b>	<b>Wakala Fee</b>		
	Gross Wakala fee	310,116	236,141
	Unearned Wakala fee - opening	274,883	191,460
	Unearned Wakala fee - closing	<u>(391,881)</u>	<u>(287,349)</u>
	<b>Net wakala fee</b>	<u>193,118</u>	<u>140,252</u>
		For three months period ended	
		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>24</b>	<b>Management Expenses</b>		
	Employee benefit cost	41,444	28,558
	Depreciation	1,465	772
	Amortization	1,824	1,358
	Advertisement and sales promotion	842	274
	Rent, rates and taxes	1,228	930
	Communication	243	343
	Legal and professional charges - business related	-	24
	Travelling and conveyance expenses	531	402
	Shared expenses	6,987	6,333
	Entertainment	816	519
	Printing, stationery and postage	121	59
	Annual supervision fee SECP	582	607
	Bank charges	9	56
	Repairs and maintenance	616	231
	Others	4,444	2,624
		<u>61,152</u>	<u>43,090</u>

		For three months period ended	
		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>25</b>	<b>Investment income</b>		
	<b>Operator's Takaful Fund</b>		
	<b>Profit on</b>		
	Mutual funds - dividend income	9,774	946
	Profit on TDR's	197	-
	Sukuks	3,273	1,885
		<u>13,244</u>	<u>2,831</u>
	<b>Participants' Takaful Fund</b>		
	<b>Profit on</b>		
	Mutual funds - dividend income	5,701	-
	Profit on TDR's	8,030	1,853
	Sukuks	1,319	3,429
		<u>15,050</u>	<u>5,282</u>

		For three months period ended	
		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>26</b>	<b>Other income</b>		
	<b>Operator's Takaful Fund</b>		
	Profit on bank deposits	12,775	7,017
		<u>12,775</u>	<u>7,017</u>
	<b>Participants' Takaful Fund</b>		
	Profit on bank deposits	17,579	11,152
		<u>17,579</u>	<u>11,152</u>

**27 Transactions with related parties**

The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to this financial statements.

		March 31, 2023	March 31, 2022
		Rupees in thousand	
		(Unaudited)	(Unaudited)
<b>i)</b>	<b>Transactions</b>		
	<b>Subsidiary Company</b>		
	Contribution underwritten	2,726	3,856
	Contribution received	28	1,272
	Claims paid	144	221
	<b>Other related parties</b>		
	Contribution underwritten	63,430	73,953
	Contribution received	67,717	95,598
	Claims paid	25,333	27,800
	Income on bank deposits	253	5,836
<b>ii)</b>	<b>Period end balances</b>		
	<b>Subsidiary Company</b>		
	Balances payable	154	184
	Balances receivable	3,640	3,226
	Contribution received in advance	2	9
	<b>Other related parties</b>		
	Balances receivable	6,828	39,424
	Balances payable	22,044	12,950
	Cash and bank balances	12	650,073
	Contribution received in advance	437	417

Adamjee Insurance Company Limited  
Window Takaful Operations  
Notes to the Condensed Interim Financial Statements (Unaudited)  
For the Three Months Period Ended March 31, 2023

**28 Segment Information**

Each class of business has been identified as reportable segment. Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000. The following is a schedule of class of business wise assets and liabilities.

	Participants' Takaful Fund					Total
	March 31, 2023					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	<b>Rupees in thousand</b>					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	63,836	23,037	345,739	731,921	38,655	<b>1,203,188</b>
Less : Federal Excise Duty	(8,308)	(2,991)	(41,212)	(4)	(4,823)	<b>(57,338)</b>
Federal Insurance Fee	(550)	(199)	(3,016)	(7,247)	(334)	<b>(11,346)</b>
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	54,978	19,847	301,511	724,670	33,498	<b>1,134,504</b>
Facultative inward contribution	-	-	-	-	-	<b>-</b>
<b>Gross Contribution Written</b>	54,982	19,847	301,511	724,670	33,498	<b>1,134,504</b>
Wakala fee	(15,394)	(6,947)	(97,992)	(181,168)	(8,615)	<b>(310,116)</b>
<b>Contribution net of wakala fee</b>	39,588	12,900	203,519	543,502	24,883	<b>824,392</b>
Contribution earned	58,617	12,883	168,571	233,143	12,552	<b>485,766</b>
Takaful contribution ceded to retakaful	(68,424)	(16,055)	(6,263)	-	(8,741)	<b>(99,483)</b>
Net takaful contribution	(9,807)	(3,172)	162,308	233,143	3,811	<b>386,283</b>
Re-takaful rebate	16,861	3,428	-	-	(2,628)	<b>17,661</b>
<b>Net underwriting income</b>	7,054	256	162,308	233,143	1,183	<b>403,944</b>
Takaful claims	(725)	(1,359)	(81,167)	(269,312)	(5,286)	<b>(357,849)</b>
Re - takaful and other recoveries	522	1,493	(9,631)	-	4,758	<b>(2,858)</b>
Net claims	(203)	134	(90,798)	(269,312)	(528)	<b>(360,707)</b>
Contribution deficiency reserve	-	-	-	-	-	<b>-</b>
Direct expense	(306)	(21)	(11,154)	(1,089)	(51)	<b>(12,621)</b>
<b>Net takaful claims and expenses</b>	(509)	113	(101,952)	(270,401)	(579)	<b>(373,328)</b>
<b>(Deficit) / surplus before investment income</b>	6,545	369	60,356	(37,258)	604	<b>30,616</b>
Other income						<b>15,050</b>
Investment income						<b>17,579</b>
Mudarib fee						<b>(3,010)</b>
<b>Surplus transferred to Balance of PTF</b>						<b>60,235</b>
Corporate segment assets	225,858	32,907	382,915	743,860	92,607	<b>1,478,147</b>
Corporate unallocated assets	-	-	-	-	-	<b>1,159,072</b>
<b>Total assets</b>	<b>225,858</b>	<b>32,907</b>	<b>382,915</b>	<b>743,860</b>	<b>92,607</b>	<b>2,637,219</b>
Corporate segment liabilities	206,966	22,616	630,356	1,127,092	80,629	<b>2,067,659</b>
Corporate unallocated liabilities	-	-	-	-	-	<b>319,118</b>
<b>Total liabilities</b>	<b>206,966</b>	<b>22,616</b>	<b>630,356</b>	<b>1,127,092</b>	<b>80,629</b>	<b>2,386,779</b>

	March 31, 2022 (Unaudited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	46,524	26,384	344,572	431,932	36,348	885,760
Less : Federal Excise Duty	(5,302)	(2,101)	(37,989)	(3)	(4,986)	(50,381)
Federal Insurance Fee	(358)	(141)	(2,742)	(423)	(341)	(4,005)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	40,864	24,142	303,841	431,506	31,021	831,374
Facultative inward contribution	347	54	-	-	7,012	7,413
<b>Gross Contribution Written</b>	41,211	24,196	303,841	431,506	38,033	838,787
Wakala fee	(11,539)	(8,469)	(98,748)	(107,877)	(9,508)	(236,141)
<b>Contribution net of wakala fee</b>	29,672	15,727	205,093	323,629	28,525	602,646
Contribution earned	45,768	15,238	145,405	116,737	15,978	339,126
Retakaful expense	(52,672)	(19,469)	(14,326)	-	(16,573)	(103,040)
Net contribution revenue	(6,904)	(4,231)	131,079	116,737	(595)	236,086
Net rebate on re - takaful	10,541	4,137	(698)	-	2,402	16,382
<b>Net underwriting income</b>	3,637	(94)	130,381	116,737	1,807	252,468
Takaful claims	25,074	1,602	(163,870)	(126,366)	900	(262,660)
Re - takaful and other recoveries	(20,810)	(3,435)	25,431	-	(965)	221
Net claims	4,264	(1,833)	(138,439)	(126,366)	(65)	(262,439)
Contribution deficiency reserve				-		-
Direct expense	(330)	(4)	(10,753)	(406)	3	(11,490)
<b>Net takaful claims and expenses</b>	3,934	(1,837)	(149,192)	(126,772)	(62)	(273,929)
<b>Surplus / (deficit) before investment income</b>	7,571	(1,931)	(18,811)	(10,035)	1,745	(21,461)
Other income						11,152
Investment income						5,282
Mudarib fee						(1,056)
<b>Surplus transferred to Balance of PTF</b>						(6,083)

	31-Dec-22					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Corporate segment assets	153,080	25,331	288,158	305,085	90,573	862,227
Corporate unallocated assets	-	-	-	-	-	1,078,490
<b>Total assets</b>	153,080	25,331	288,158	305,085	90,573	1,940,717
Corporate segment liabilities	156,451	19,651	628,797	586,988	88,360	1,480,247
Corporate unallocated liabilities	-	-	-	-	-	229,999
<b>Total liabilities</b>	156,451	19,651	628,797	586,988	88,360	1,710,246



Operator's Takaful Fund						
March 31, 2023						
Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	22,796	6,938	81,165	77,715	4,504	193,118
Less : Commission expense	(12,727)	(3,959)	(17,928)	(25,203)	(1,649)	(61,466)
Management expenses	(12,664)	(3,939)	(17,836)	(25,074)	(1,641)	(61,154)
	(2,595)	(960)	45,401	27,438	1,214	70,498
Mudarib's share of PTF investment income						3,010
Investment income						13,244
Direct expenses						(770)
Other income						12,775
<b>Profit before tax</b>						<b>98,757</b>
Corporate segment assets	32,359	10,082	116,289	218,797	12,134	389,661
Corporate unallocated assets	-	-	-	-	-	876,623
<b>Total assets</b>	<b>32,359</b>	<b>10,082</b>	<b>116,289</b>	<b>218,797</b>	<b>12,134</b>	<b>1,266,284</b>
Corporate segment liabilities	30,556	489	172,845	180,063	7,928	391,881
Corporate unallocated liabilities	-	-	-	-	-	143,787
<b>Total liabilities</b>	<b>30,556</b>	<b>489</b>	<b>172,845</b>	<b>180,063</b>	<b>7,928</b>	<b>535,668</b>
March 31, 2022 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	17,799	8,205	70,009	38,914	5,325	140,252
Less : Commission expense	(9,291)	(2,297)	(15,817)	(3,474)	(2,895)	(33,774)
Management expenses	(11,855)	(2,931)	(20,179)	(4,432)	(3,693)	(43,090)
	(3,347)	2,977	34,013	31,008	(1,263)	63,388
Mudarib's share of PTF investment income						1,056
Investment income						2,831
Other expenses						(769)
Other income						7,017
<b>Profit before tax</b>						<b>73,523</b>
31-Dec-22						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Corporate segment assets	24,430	9,904	110,804	130,728	14,099	289,965
Corporate unallocated assets	-	-	-	-	-	608,083
<b>Total assets</b>	<b>24,430</b>	<b>9,904</b>	<b>110,804</b>	<b>130,728</b>	<b>14,099</b>	<b>898,048</b>
Corporate segment liabilities	30,574	336	129,324	26,076	5,150	191,460
Corporate unallocated liabilities	-	-	-	-	-	87,071
<b>Total liabilities</b>	<b>30,574</b>	<b>336</b>	<b>129,324</b>	<b>26,076</b>	<b>5,150</b>	<b>278,531</b>

Adamjee Insurance Company Limited  
Window Takaful Operations

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Three Months Period Ended March 31, 2023

**29 Fair values of financial instruments**

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 and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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:

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

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

<b>Participants' Takaful Fund</b>										
<b>March 31, 2023</b>										
<b>Carrying amount</b>						<b>Fair value</b>				
<b>Available-for-sale</b>	<b>Held to maturity</b>	<b>Loans and receivables</b>	<b>Cash and cash equivalents</b>	<b>Other financial liabilities</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
<b>Rupees in thousand</b>										
<b>Note</b>										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	152,607	-	-	-	152,607	-	-	-	152,607
Investments - Debt securities	10	-	18,750	-	-	18,750	-	18,750	-	18,750
<b>Financial assets not measured at fair value</b>										
Investments - Term Deposits	11	-	306,000	-	-	306,000	-	-	-	-
Loan and other receivables	12	-	-	75,791	-	75,791	-	-	-	-
Takaful / re - takaful receivables	13	-	-	1,164,100	-	1,164,100	-	-	-	-
Re - takaful recoveries against outstanding claims		-	-	124,073	-	124,073	-	-	-	-
Salvage recoveries accrued		-	-	70,121	-	70,121	-	-	-	-
Cash and bank deposits	15	-	-	-	487,643	487,643	-	-	-	-
		152,607	324,750	1,434,085	487,643	2,399,085	152,607	18,750	-	18,750
<b>Financial liabilities not measured at fair value</b>										
Outstanding claims including IBNR	21	-	-	-	550,620	550,620	-	-	-	-
Takaful / re - takaful payables		-	-	-	117,277	117,277	-	-	-	-
Wakala and mudarib fee payable		-	-	-	322,201	322,201	-	-	-	-
Other creditors and accruals	17	-	-	-	30,309	30,309	-	-	-	-
		-	-	-	-	1,020,407	-	-	-	-

<b>Participants' Takaful Fund</b>										
<b>31-Dec-22</b>										
<b>Carrying amount</b>						<b>Fair value</b>				
<b>Available-for-sale</b>	<b>Held to maturity</b>	<b>Loans and receivables</b>	<b>Cash and cash equivalents</b>	<b>Other financial liabilities</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	
<b>Rupees in thousand</b>										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	147,762	-	-	-	147,762	147,762	-	-	147,762
Investments - Debt securities	10	-	37,500	-	-	37,500	-	-	-	-
<b>Financial assets not measured at fair value</b>										
Investments - Term Deposits		-	150,000	-	-	150,000	-	-	-	-
Loan and other receivables	12	-	-	67,068	-	67,068	-	-	-	-
Takaful / re - takaful receivables	13	-	-	653,424	-	653,424	-	-	-	-
Retakaful recoveries against outstanding claims		-	-	147,898	-	147,898	-	-	-	-
Salvage recoveries accrued		-	-	78,872	-	78,872	-	-	-	-
Cash and bank deposits	15	-	-	-	619,465	619,465	-	-	-	-
		147,762	187,500	947,262	619,465	1,901,989	147,762	-	-	147,762

Participants' Takaful Fund										
31-Dec-22										
Carrying amount						Fair value				
Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial liabilities not measured at fair value</b>										
Outstanding claims including IBNR	21	-	-	-	524,563	354,540	-	-	-	-
Takaful / retakaful payables		-	-	-	186,586	96,834	-	-	-	-
Wakala and mudarib fee payable		-	-	-	146,414	108,181	-	-	-	-
Other creditors and accruals	17	-	-	-	31,334	33,146	-	-	-	-
		-	-	-	888,897	592,701	-	-	-	-
<b>Operator's Takaful Fund</b>										
March 31, 2023										
Carrying amount						Fair value				
Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	259,360	-	-	-	259,360	259,360	-	-	259,360
Investments - Debt securities	10	-	50,000	-	-	50,000	50,000	-	-	50,000
<b>Financial assets not measured at fair value</b>										
Investments - Term Deposits		200,000	-	-	-	-	-	-	-	-
Loan and other receivables	12	-	-	12,794	-	12,794	-	-	-	-
Wakala and mudarib fee receivable		-	-	322,201	-	322,201	-	-	-	-
Cash and bank deposits	15	-	-	-	75,288	75,288	-	-	-	-
		259,360	250,000	334,995	75,288	-	719,643	309,360	-	309,360
<b>Financial liabilities not measured at fair value</b>										
Other creditors and accruals	17	-	-	-	-	92,938	92,938	-	-	-
		-	-	-	-	92,938	92,938	-	-	-
<b>Operator's Takaful Fund</b>										
31-Dec-22										
Carrying amount						Fair value				
Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	251,052	-	-	-	251,052	251,052	-	-	251,052
Investments - Debt securities	10	-	125,000	-	-	125,000	-	-	-	-
<b>Financial assets not measured at fair value</b>										
Loan and other receivables	12	-	-	11,496	-	11,496	-	125,000	-	125,000
Wakala and mudarib fee receivable		-	-	146,414	-	146,414	-	-	-	-
Cash and bank deposits	15	-	-	-	164,215	164,215	-	-	-	-
		251,052	125,000	157,910	164,215	-	698,177	251,052	125,000	376,052
<b>Financial liabilities not measured at fair value</b>										
Other creditors and accruals	17	-	-	-	-	87,264	87,264	-	-	-
		-	-	-	-	87,264	87,264	-	-	-

Adamjee Insurance Company Limited  
Window Takaful Operations

Notes to the Condensed Interim Financial Statements (Unaudited)  
For the Three Months Period Ended March 31, 2023

	Operator's Takaful Fund		Participants' Takaful Fund	
	Available for sale	Held to Maturity	Available for sale	Held to Maturity
Rupees in thousand				
<b>30 Movement in Investment - Available for sale</b>				
<b>At the beginning of previous year</b>	38,326	-	53,885	175,000
Additions	251,052	125,000	147,762	100,000
Disposals	(38,326)	-	(53,885)	(87,500)
Fair value on gains (excluding net realized gain)	-	-	-	-
<b>At the beginning of current year</b>	<b>251,052</b>	<b>125,000</b>	<b>147,762</b>	<b>187,500</b>
Additions	8,308	200,000	4,845	306,000
Disposals	-	(75,000)	-	(168,750)
Fair value on gains (excluding net realized gain)	-	-	-	-
<b>At the end of current year</b>	<b>259,360</b>	<b>250,000</b>	<b>152,607</b>	<b>324,750</b>

**31 Subsequent events - non adjusting event**

There are no significant events that need to be disclosed for the three months period ended March 31, 2023.

**32 Date of authorization for issue**

This condensed financial information was authorized for issue on April 28, 2023 by the Board of Directors of the Operator.

**33 General**

Figures have been rounded off to the nearest thousand rupees unless other wise stated.



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



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