



ASKARI LIFE ASSURANCE COMPANY LIMITED

REPORT FOR THE HALF YEAR ENDE JUNE 30, 2023

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VISION

To be a trusted, globally acknowledged, top rated Financial Solutions Providing Company.

MISSION

To uplift the financial well-being of Policy Holders, Customers, Advisors, Employees; and Shareholder profitability by continuously reinforcing deep commitment to our Core Values.

CORE VALUES

1. FINANCIAL ACUMEN

We believe in empowering our customers through need based packaged financial solutions to cater specific needs with an extensive distribution network.

2. CUSTOMER CARE

We believe in creating value for society by optimizing customer experience through superior financial advisory that makes positive difference in our customer's life.

3. ETHICAL CONDUCT

We believe in exhibiting and ensuring honesty and integrity at all times by encouraging open communication, transparency and humility.

4. SUSTAINABILITY

We believe in generating revenue from multiple channels to build a strong asset base for long term sustainable income and growth for the Trust.

COMPANY INFORMATION

Board of Directors

Lt. Gen. Naveed Mukhtar (Retd.)-Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)
Rizwan Ullah Khan
Malik Riffat Mahmood
Tariq Hameed
Ayesha Rafique
Javed Yunus
Jehanzeb Zafar- CEO

Board Committees

Audit Committee:

Tariq Hameed	Chairman
Rizwan Ullah Khan	Member
Malik Riffat Mahmood	Member
Muhammad Nadeem Rajput	Secretary

Investment Committee:

Malik Riffat Mahmood	Chairman
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Azmatullah Sharif	Member
Rehan Mobin	Member
Muhammad Nadeem Rajput	Secretary

Ethics, Human Resource Remuneration & Nomination Committee:

Ayesha Rafique	Chairperson
Rizwan Ullah Khan	Member
Air Vice Marshal Muhammad Athar Shams (Retd)	Member
Jehanzeb Zafar	Member
Waqas Waseem	Secretary

Management Committees

Risk Management & Compliance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Tariq Hameed	Member
Jehanzeb Zafar	Member
Azmatullah Sharif	Member
Rehan Mobin	Member
Atif Shamim Syed	Member & Secretary

Underwriting & Reinsurance Committee:

Air Vice Marshal Muhammad Athar Shams (Retd)	Chairman
Jehanzeb Zafar	Member
Azmatullah Sharif	Member
Sumair Sarwar	Member & Secretary

Claim Settlement Committee:

Rizwan Ullah Khan	Chairman
Jehanzeb Zafar	Member
Rehan Mobin	Member
Bushra Aftab	Member & Secretary

Appointed Actuary

Shujat Siddiqui, MA, FIA, FPSA
Akhtar & Hasan (Pvt.) Ltd.

Legal Advisor

Saiduddin & Co

External Auditor

RSM Avais Hyder Liaquat Nauman- Chartered Accountants
(Chartered Accountants)

Registered Office

8th Floor Army Welfare Trust, AWT plaza, The Mall, Rawalpindi

Head Office

Emerald Tower, Officer No 1104, 11th Floor, Plot G-19, Block 5, KDA Improvement Scheme No. 5
Clifton Karachi, Pakistan.

Phone: +92 (021) 3629941-44, 021-111-225-275

Fax: +92(021)35630429

Website

www.askarilife.com

Email:

info@askarilife.com

Share Registrar

THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street 2,
D.H.A., Phase VII,
Karachi-75500

Dir: +92 (021) 021-111-000-322

Fax: +92 (021) 35310191

E-mail: secretariat@thk.com.pk

Web: www.thk.com.pk

Directors' Review Report

The Directors of Askari Life Assurance Company Limited ("the Company") are pleased to present Half Yearly Report of the Company accompanied by the Audited Financial Statements for the period ended June 30, 2023. The external auditors of the Company have performed limited scope review on these financial statements and have issued unqualified opinion.

Financial Highlights:

Financial Statement Line item	30-Jun-2023	30-Jun-2022
	Rs. in ('000)	
Gross premium revenue	712,828	499,813
Investment and other income	128,128	51,630
Net Insurance Benefits	149,311	60,019
Acquisition expense	319,443	320,816
Marketing and administration expenses	146,817	109,203
Other expenses	6,031	6,239
(Loss)/profit after tax	(115,366)	(156,969)
Loss per share	(0.77)	(1.05)

Economy:

Pakistan's economy has been going through some very serious challenges. The Ukraine war, the surge in energy and food prices, high levels of overall inflation, and devaluation of Pak Rupee are some of the key contributing factors to the difficult economic and market situation. However, with the help of IMF and some friendly countries, government has taken certain steps to control the situation and to bring stability in the economic conditions.

Financial Analysis of the Company

Gross Premium:

Inflation has impacted capacity of saving for majority of the population, however, your Company has performed well and managed to generate growth in gross written premium by a focused distribution strategy. The gross written premium is increased by 43% and stood at Rs.712.83 as compared to Rs.499.81 for the same period last year result.

The premium underwritten under Individual and Group life segment was Rs.443.95 million and Rs.268.88 million as compared to the corresponding period last year result of Rs. 382.61 million and 117.21 million respectively.

Investment Income:

The Investment income (including returns on Bank Deposits) for the half year ended 30th June 2023 is Rs.127.32 million as compared to Rs 49.97 million for the same period of last year mainly due to better management of portfolio and increase in discount rates.

There is a growth in Company's Investment portfolio which stood at Rs.1,559.59 million, as against Rs 1,430.77 million in the comparative prior period.

Net Insurance Benefits:

The overall net insurance benefits expense for the half year of 2023 is Rs 149.31 million as compared to Rs 60.02 million for the same period of 2022 mainly due to expansion in business.

Expenses:

The Marketing & Administration expenses for the first half year of 2023 were Rs.146.82 million as compared to Rs 109.2 million for corresponding period of last year showing a rise of 34% due to growth in business and impact of inflation. Other expenses stood at Rs.6.03 million compared to Rs. 6.2 million in the same period of 2022.

The loss after tax for the half year of 2023 has been reduced to Rs.115.37 million as compared to Rs. 156.97 million for the same period last year.

Future Outlook

The Company will continue to focus on increasing its distribution outreach through hiring of competent staff and also through engaging third-party distributors. Further we will continue to focus on our risk management, underwriting discipline and improving persistency levels for better management of our business. The Company also continues to invest in and improve its IT systems.

We expect that economic and market conditions will continue to be difficult for the next few years. However, we are confident that with our plans in place, we will continue to improve our market share of the life insurance business in Pakistan and the Company's profitability.

Acknowledgment

We would like to acknowledge and appreciate our regulators and reinsurers for their continued guidance and support to the Company towards the betterment of business processes. The Board is also grateful to the Company's policyholders, shareholders, and staff members for placing their trust and confidence in our organization.

On behalf of the Board of Directors



Director



Chief Executive Officer

Rawalpindi

Date: August 24, 2023

ڈائریکٹرز کی نظر ثانی رپورٹ

عسکری لائف ایشرنس کمپنی لمیٹڈ ("کمپنی") کے ڈائریکٹرز ۳۰ جون ۲۰۲۳ء کو ختم ہونے والی پہلی ششماہی کیلئے آڈٹ شدہ مالیاتی حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔ کمپنی کے بیرونی آڈیٹرز نے ان مالیاتی حسابات پر محدود حد تک نظر ثانی کر کے غیر مشروط رائے پیش کی ہے۔

مالیاتی سرخیاں

۳۰ جون ۲۰۲۲ء	۳۰ جون ۲۰۲۳ء	مالیاتی حساب کے سلسلے سے متعلقہ
'000 روپوں میں		
499,813	712,828	مجموعی پرمیٹیم سے آمدنی
51,630	128,128	سرمایہ کاری اور دیگر آمدنی
60,019	149,311	خالص بیمہ فوائد
320,816	319,443	اخراجات برائے حصول
109,203	146,817	مارکیٹنگ اور انتظامی اخراجات
6,239	6,031	دیگر اخراجات
(156,969)	(115,366)	بعد از ٹیکس (نقصان) فائدہ
(1.05)	(0.77)	فی حصص نقصان

معیشت:

پاکستان کی معیشت کچھ بہت سنگین چیلنجوں سے گزر رہی ہے، یوکرین کی جنگ، توانائی اور خوراک کے قیمتوں میں تیزی سے اضافہ، جملہ افراط زر کی اعلیٰ سطح اور پاکستانی روپے کی قدر میں کمی، معاشی اور مارکیٹ کی مشکل صورت حال کا سبب بننے والے کلیدی عناصر میں سے کچھ ہیں۔ البتہ، حکومت نے بین الاقوامی مالیاتی فنڈ اور کچھ دوست ممالک کی مدد سے صورت حال پر قابو پانے کے لئے اور معاشی حالات میں استحکام پیدا کرنے کیلئے کئی اقدامات کئے ہیں۔

کمپنی کا مالی تجزیہ

مجموعی پرمیٹیم

افراط زر نے آبادی کے ایک کثیر حصے کی بچت کرنے کی صلاحیت پر اثر ڈالا ہے، البتہ، آپ کی کمپنی نے اچھی کارکردگی کا مظاہرہ کیا ہے اور ایک مرکوز سیمی حکمت عملی کے ذریعے مجموعی تحریری پرمیٹیم میں نشوونما حاصل کی۔ مجموعی تحریری پرمیٹیم 43 فیصد سے بڑھ کر گزشتہ سال کے اسی دورانیے کے 499.81 بلین روپے کے مقابلے میں 712.83 بلین روپے رہا۔

انفرادی لائف کا کاروبار اور گروپ لائف کاروبار گزشتہ سال کے بالترتیب 382.61 بلین روپے اور 117.21 بلین روپے کے مقابلے میں 443.95 بلین روپے اور 268.88 بلین روپے رہا۔

سرمایہ کاری کی آمدنی

پورٹ فولیو کے بہتر انتظام اور شرح سود کے بڑھنے کی وجہ سے ۲۰۲۳ء کی پہلی ششماہی کے لئے سرمایہ کاری کی آمدنی (شہمول بینک میں موجود رقم پر منافع)، گزشتہ سال کے اسی دورانیے کے 49.97 بلین روپے کے مقابلے میں 127.32 بلین روپے رہی۔

کمپنی کی سرمایہ کاری کا حجم، اس سے قبل تقابلی دورانیے میں 1,430.77 بلین روپے کے مقابلے میں 1,559.59 بلین روپے رہا۔

خالص بیمہ فوائد

کاروبار میں وسعت کے باعث ۲۰۲۲ء کی اسی ششماہی کے 60.02 بلین روپے کے مقابلے میں ۲۰۲۳ء کی پہلی ششماہی کے لئے، مجموعی خالص بیمہ فوائد کے اخراجات 149.31 بلین روپے رہے۔

اخراجات

مارکیٹنگ اور انتظامی اخراجات ۲۰۲۲ء کی اسی ششماہی کے مقابلے میں جو کہ 109.2 بلین روپے تھے کاروبار میں نشوونما اور افراط زر کے اثر کی وجہ سے، 34 فیصد کے اضافے سے ۲۰۲۳ء کی پہلی ششماہی میں 146.82 بلین روپے ہو گئے۔ دیگر اخراجات ۲۰۲۲ء کی اسی ششماہی کے 6.2 بلین روپے کے مقابلے میں، 6.03 بلین روپے رہے۔

۲۰۲۳ء کی پہلی ششماہی کے لئے، گزشتہ سال کے اسی دورانیے کے 156.97 بلین روپے کے مقابلے میں، بعد از ٹیکس نقصان کم ہو کر 115.37 بلین روپے تک رہ گیا۔

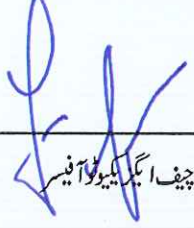
مستقبل پر نظر

آپ کی کمپنی قابل عملی کی تفری اور دیگر فریق تقسیم کاروں کے ذریعے بھی اپنے تقسیمی پھیلاؤ پر مسلسل توجہ مرکوز کئے ہوئے ہے۔ مزید یہ کہ اپنے کاروبار کی بہتر تنظیم کے لئے ہم رسک مینجمنٹ، بیمہ کاری کے نظم و ضبط اور ثابت قدمی کے درجات کو بہتر بنانے پر توجہ جاری رکھیں گے۔ کمپنی اپنے انفارمیشن ٹیکنالوجی سسٹمز میں سرمایہ کاری کرنے اور اسے بہتر بنانے کا سلسلہ بھی جاری رکھے ہوئے ہے۔

ہم امید کرتے ہیں کہ آنے والے چند سالوں کے لئے معاشی اور مارکیٹ کے حالات مشکل رہنے کا سلسلہ جاری رہے گا۔ البتہ ہم پر اعتماد ہیں کہ ان منصوبوں کے ہوتے ہوئے، ہم پاکستان میں بیمہ حیات کے کاروبار میں مارکیٹ میں اپنا حصہ بہتر بنانے اور کمپنی کی سود مندی میں کامیاب رہیں گے۔

اظہار تشکر

کاروبار کے طریقہ ہائے جات کی بہتری کے لئے کمپنی کی حمایت اور مسلسل رہنمائی کیلئے ہم ریگولیشنز اور ری انشور کے مشکور ہیں۔ بورڈ کمپنی کے پالیسی ہولڈرز، حصص کنندگان اور عملے کے ارکان کا بھی شکر گزار ہے جنہوں نے ہمارے ادارے میں اپنا اعتماد اور اعتبار قائم رکھا۔


چیف ایگزیکٹو آفیسر


ڈائریکٹر

بورڈ آف ڈائریکٹرز کی جانب سے

ڈائریکٹر

راولپنڈی،

۲۳ اگست ۲۰۲۳ء

ASSURANCE DEPARTMENT

ASKARI LIFE ASSURANCE COMPANY LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF ASKARI LIFE ASSURANCE COMPANY LIMITED

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Askari Life Assurance Company Limited as at June 30, 2023 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed financial statements for the six months period then ended (hereinafter referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter


We draw attention to note 15.1.3 to the financial statements, which describes that the Company has challenged the scope and applicability of the provincial sales tax on services on the premium from life insurance business.

Our conclusion is not qualified in respect of this matter.

Other Matter

The figures for the quarters ended June 30, 2023 and June 30, 2022 in the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's report is Adnan Zaman.

A handwritten signature in black ink, appearing to read 'Adnan Zaman', with a long horizontal flourish extending to the right.
Chartered Accountants
Karachi

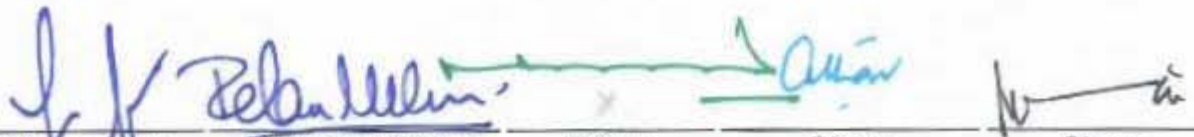
Date: 12 8 AUG 2023

UDIN: RR2023102420t9IAxwrU

ASKARI LIFE ASSURANCE COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
 AS AT JUNE 30, 2023

	Note	June 30, 2023 Un-Audited	December 31, 2022 Audited
		----- (Rupees in '000) -----	
ASSETS			
Property and equipment	6	17,354	20,636
Right of use assets	7	6,731	12,576
Intangible assets	8	-	12
Investments			
Equity securities	9	6,438	6,287
Government securities	10	1,226,482	1,024,452
Mutual funds	11	196,383	145,510
Loans secured against life insurance policies		5,485	5,824
Insurance receivables		41,639	100,272
Other loans and receivables		39,140	22,302
Taxation - payments less provision		38,992	29,737
Prepayments		6,184	1,927
Cash and bank	12	130,286	254,525
TOTAL ASSETS		1,715,114	1,624,060
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO COMPANY'S EQUITY HOLDERS			
Share capital		1,501,720	1,501,720
Money ceded to Waqf Fund		500	500
Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)		(1,636,358)	(1,508,107)
Unrealised (loss)/ gain on available-for-sale financial assets	13	(537)	275
Accumulated losses		(52,179)	(65,064)
Advance against equity		530,000	430,000
TOTAL EQUITY		343,146	359,324
LIABILITIES			
Insurance liabilities	14	1,104,943	951,820
Retirement benefit obligations		43,197	35,421
Premium received in advance		88,564	82,933
Insurance / reinsurance payables		71,801	58,403
Other creditors and accruals		58,815	122,312
Lease liability against right of use assets		4,648	13,847
TOTAL LIABILITIES		1,371,968	1,264,736
TOTAL EQUITY AND LIABILITIES		1,715,114	1,624,060
CONTINGENCIES AND COMMITMENTS	15		<i>Reun</i>

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


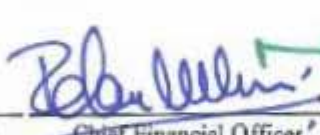




 Chief Executive Officer Chief Financial Officer Chairman Director Director

ASKARI LIFE ASSURANCE COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

	Half Year ended		Quarter ended	
	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
Note	(Rupees in '000)		(Rupees in '000)	
Gross premium / contribution revenue	712,828	499,813	295,604	234,953
Re insurance premium / contribution ceded	(201,545)	(92,841)	(76,502)	(32,373)
Net premium / contribution revenue	16 511,283	406,972	219,102	202,580
Investment income	17 117,192	46,742	66,154	27,759
Net realised fair value gains on financial assets	18 2,077	86	2,077	86
Net fair value (losses) on financial assets at fair value	19 (60)	(301)	(5)	(299)
Other income	20 8,919	5,193	4,767	2,028
	128,128	51,630	72,993	29,574
Total income	639,411	458,602	292,095	232,154
Insurance benefits	322,735	282,187	159,992	178,597
Reinsurance recoveries	(173,424)	(222,168)	(94,801)	(145,553)
Net insurance benefits expense	21 149,311	60,019	65,191	33,044
Net change in insurance liabilities (other than outstanding claims)	132,818	119,091	48,668	81,430
Acquisition expenses	22 319,443	320,816	154,473	160,296
Marketing and administration expenses	23 146,817	109,203	73,344	56,500
Other expenses	24 6,031	6,239	3,815	4,219
Total expenses	605,109	555,349	280,300	302,445
Loss before tax	(115,009)	(156,766)	(83,396)	(103,335)
Income tax expense	(357)	(203)	(194)	(115)
Loss for the period	(115,366)	(156,969)	(83,590)	(103,450)
Other comprehensive loss:				
Unrealised loss on remeasurement of available-for-sale financial assets	13 (812)	(1,659)	(1,600)	(2,102)
	(812)	(1,659)	(1,600)	(2,102)
Total comprehensive loss for the period	(116,178)	(158,628)	(85,190)	(105,552)
Loss per share - Rupees	(0.77)	(1.05)	(0.36)	(0.69)

The annexed notes from 1 to 22 form an integral part of these financial statements.











Chief Executive Officer Chief Financial Officer Chairman Director Director

ASKARI LIFE ASSURANCE COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

	(Rupees in '000)					Total Equity
	Share Capital	Revenue reserves Accumulated losses	Retained earnings arising from business other than participating business attributable to the shareholders (Ledger Account D)	Money Ceded to Waqf Fund	Other Reserves Unrealised gain on available-for-sale financial assets	
Balance as at January 1, 2022	1,501,720	(72,857)	(1,222,977)	500	2,283	308,669
Total comprehensive loss for the period	-	(156,969)	-	-	-	(156,969)
Change in fair value of available for sale investments	-	-	-	-	(1,659)	(1,659)
Deficit for the period in statutory funds	-	161,598	(161,598)	-	-	-
Advance received during the year	-	-	-	-	-	200,000
Balance as at June 30, 2022	1,501,720	(68,228)	(1,384,573)	500	624	350,041
Balance as at January 1, 2023	1,501,720	(65,064)	(1,508,107)	500	275	359,324
Total comprehensive loss for the period	-	(115,366)	-	-	-	(115,366)
Change in fair value of available for sale investments	-	-	-	-	(812)	(812)
Deficit for the period in statutory funds	-	128,251	(128,251)	-	-	-
Advance received during the year	-	-	-	-	-	100,000
Balance as at June 30, 2023	1,501,720	(52,179)	(1,636,358)	500	(537)	343,146

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


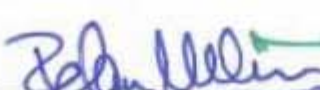








Chief Executive Officer Chief Financial Officer Chairman Director Director

ASKARI LIFE ASSURANCE COMPANY LIMITED
 CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

	Note	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
----- (Rupees in '000) -----			
Operating Cashflows			
(a) Underwriting activities			
Insurance premium / contribution received		732,350	522,341
Reinsurance recovery		34,979	-
Claims paid		(307,387)	(217,336)
Commission paid		(233,766)	(210,154)
Marketing and administrative expenses paid		(304,527)	(233,727)
Net cash used in underwriting activities		(78,351)	(138,876)
(b) Other operating activities			
Income tax paid		(9,611)	(3,790)
Other operating payments		(11,245)	(1,750)
Gratuity paid		(1,403)	(1,061)
Other operating receipts		14,504	6,675
Net cash flow (used in)/ generated from other operating activities		(7,755)	74
Total cash used in from all operating activities		(86,106)	(138,802)
Investment activities			
Profit received		103,344	42,873
Dividend received		12,728	6,836
Payment for purchase of investments		(3,064,930)	(2,240,393)
Proceeds from disposal of investments		2,813,079	2,099,301
Addition to property and equipment		(2,386)	(3,237)
Proceeds from sale of property and equipment		32	-
Total cash flow (used in) investing activities		(138,133)	(94,620)
Financing activities			
Advance received against equity		100,000	200,000
Total cash generated from financing activities		100,000	200,000
Net decrease in cash and cash equivalents		(124,239)	(33,422)
Cash and cash equivalents at beginning of period		254,525	143,773
Cash and cash equivalents at end of period	12	130,286	110,351
Reconciliation to profit and loss account			
Operating cash flows		(86,106)	(138,802)
Depreciation expense on property and equipment		(5,643)	(5,359)
Amortization expense on intangible assets		(13)	(220)
Depreciation on right of use asset		(5,845)	(4,411)
Profit on disposal of property and equipment		6	-
Net realised fair value losses on financial assets		2,077	86
Dividend and other investment income		126,105	51,935
(Decrease)/ increase in assets other than cash		(43,617)	51,306
(Increase) in liabilities		(102,270)	(111,113)
Net fair value (gain) on financial assets at fair value		(60)	(391)
Loss after taxation		(115,366)	(156,969)

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

Chief Executive Officer Chief Financial Officer Chairman Director Director

1. LEGAL, STATUS AND NATURE OF BUSINESS

1.1 Askari Life Assurance Company Limited (the Company) was incorporated in Pakistan on August 18, 1992 as a public limited company under the repealed Companies Ordinance, 1984 (replaced by Companies Act 2017). Its shares are quoted on Pakistan Stock Exchange. The Company commenced life insurance operations on February 22, 1993 after registration with Controller of Insurance on February 14, 1993. The address of its registered and principal office are 8th Floor, Army Welfare Trust, AWT Plaza, The Mall, Rawalpindi and 11th Floor, Emerald Tower, Plot No. G-19, Block 5, KDA Improvement Scheme No.5, Clifton, Karachi respectively. The major shareholding in the Company was taken over by Army Welfare Trust on October 27, 2017. The geographical locations other than stated above are as under:

Karachi Regional Development Centre: Showroom 4-5, Zubaida Garden Ground Floor, Near Awami Markaz, K.M.C.H.S Main Shahrah e Faisal, Karachi

Lahore Regional Development Center: Plot # 524, Block-15, Sector B-1, Quaid-e-Azam Town Scheme, College Road, Lahore.

Army Welfare Trust as a Holding Company holds 66.65% (December 2022: 66.65%) shares of the Company.

1.2 The Company is engaged in life insurance and window family takaful business including ordinary life business and accidental and health business.

In accordance with the requirement of Insurance Ordinance, 2000, the Company has established a Shareholder Fund and separate Statutory Funds in respect of each class of its life insurance business. The Statutory Funds established by the Company, in accordance with the advice of Appointed Actuary are as follow:

- Ordinary Life
- Universal Life
- Accidental and Health

Company's Board of Directors in its meeting held on October 24, 2018 approved the contribution of seed money of Rs. 50 million from share holder's fund for the commencement of operation. The Window Takaful Operation is also approved by SECP and Company has also established Individual Family Takaful and Group Family Takaful Funds.

Further, the company has sufficient assets in excess of the solvency margin required to be maintained under the Insurance Ordinance, 2000 and will be able to discharge its liabilities in the normal course of business.

2. BASIS FOR PRESENTATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act 2017 and Insurance Accounting Regulations, 2017 provisions of and directives issued under the Companies Act 2017, the Insurance Ordinance, 2000 and Insurance Rules, 2017, and the Takaful Rules, 2012. In case requirements differ, the provisions or directives of the Companies Act 2017, Insurance Ordinance, 2000, Insurance Accounting Regulations 2017 and Insurance Rules, 2017 and Takaful Rules, 2012 shall prevail.

2.2 Accounting Standards, IFRIC Interpretations and Amendments which became effective during the period

There are certain adoptions, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Company's condensed interim financial statements in the period of initial application.

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for valuation of certain investments at their market value.

4. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees (rounded up to thousand) which is the Company's functional and presentation currency.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed financial statements are in the line with the audited annual accounts for the year ended December 31, 2022.

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

6 PROPERTY AND EQUIPMENT

	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
	-----Rupees in '000-----	
Property and equipments	17,354	20,636
	<u>17,354</u>	<u>20,636</u>

	June 30, 2023 (Un-Audited)		June 30, 2022 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Furniture & fixture	642	-	1,199	-
Office equipment	49	-	-	-
Computer and accessories	1,695	243	2,038	394
Vehicles	-	-	-	-
Lease improvements	-	-	-	-
	<u>2,386</u>	<u>243</u>	<u>3,237</u>	<u>394</u>

7 RIGHT OF USE ASSETS

	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
	-----Rupees in '000-----	
Right of use assets	6,731	12,576
	<u>6,731</u>	<u>12,576</u>

	June 30, 2023 (Un-Audited)		June 30, 2022 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Right to use of assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

8 INTANGIBLE ASSETS

	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
	-----Rupees in '000-----	
Intangible assets	-	12
	<u>-</u>	<u>12</u>

	June 30, 2023 (Un-Audited)		June 30, 2022 (Un-Audited)	
	Addition	Deletion	Addition	Deletion
	-----Rupees in '000-----			
Intangible assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

9 INVESTMENTS IN EQUITY SECURITIES

	June 30, 2023 (Un-Audited)			December 31, 2022 (Audited)				
	Cost	Unrealised Gain / (Loss)	Impairment	Fair Value	Cost	Unrealised Gain / (Loss)	Impairment	Fair Value
Rupees in '000								
AVAILABLE FOR SALE								
Related party								
Listed Shares								
East West Insurance Company Limited	281	210	-	491	281	368	-	649
Others								
Listed Shares								
Kohat Cement Company Limited	340	111	-	451	340	44	-	384
D. G. Khan Cement Company Limited	512	-	(358)	154	512	-	(357)	155
Habib Bank Limited	1,351	-	(838)	513	1,351	-	(905)	446
Ghaadham Industries Limited	1,633	-	(1,311)	322	1,633	-	(1,198)	435
Milhat Tractor Limited	744	199	-	943	744	(33)	-	711
Bifo Industries Limited	350	-	(211)	139	350	-	(226)	124
Descon Oxychem Limited	101	39	-	140	101	27	-	128
Packages Limited	2,221	(665)	-	1,556	2,221	(740)	-	1,481
Al-Shaher Corporation	78	-	(60)	18	78	-	(52)	26
Friesland Campina Fagru Pakistan Limited	323	-	(146)	177	323	-	(126)	197
Ferrous Laboratories Limited	1,958	(480)	-	1,478	1,958	(472)	-	1,486
AGP Limited	103	(47)	-	56	103	(38)	-	65
	9,995	(633)	(2,924)	6,438	9,995	(844)	(2,864)	6,287

9.1 Movement in accumulated impairment losses on available for sale investments.

	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
Opening balance	(2,864)	(2,028)
(Provision) for the period	(60)	(836)
Closing balance	(2,924)	(2,864)

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

10 INVESTMENTS IN GOVERNMENT SECURITIES

	June 30, 2023 (Un-Audited)				December 31, 2022 (Audited)			
	Maturity Year	Effective Yield (%)	Face Value	Principal Repayment	Carrying Value	Effective Yield (%)	Face Value	Carrying Value
HELD TO MATURITY								
10 year Pakistan Investment Bonds	21-Apr-26	9.19%	10,000	on Maturity	9,891	9.19%	10,000	9,874
10 year Pakistan Investment Bonds	21-Apr-26	8.07%	22,500	on Maturity	22,883	8.07%	22,500	22,042
10 year Pakistan Investment Bonds	21-Feb-29	18.54%	39,200	on Maturity	39,346	11.21%	39,200	39,355
10 year Pakistan Investment Bonds	09-Dec-30	21.94%	42,200	on Maturity	40,388	7.81%	42,200	40,908
03 Months Treasury Bills	09-Mar-23	-	-	on Maturity	-	16.97%	187,985	182,223
03 Months Treasury Bills	26-Jan-23	-	-	on Maturity	-	15.70%	131,795	130,338
03 Months Treasury Bills	23-Feb-23	-	-	on Maturity	-	16.88%	28,189	28,409
03 Months Treasury Bills	23-Feb-23	-	-	on Maturity	-	16.76%	34,200	33,372
06 Months Treasury Bills	23-Feb-23	-	-	on Maturity	-	15.81%	65,105	63,617
06 Months Treasury Bills	09-Feb-23	-	-	on Maturity	-	15.79%	60,875	59,840
12 Months Treasury Bills	18-May-23	0.00%	-	on Maturity	-	14.75%	21,500	20,364
12 Months Treasury Bills	12-Jan-23	-	-	on Maturity	-	11.48%	16,500	16,438
03 Months Treasury Bills	13-Jul-23	21.85%	21,010	on Maturity	20,847	-	-	-
03 Months Treasury Bills	13-Jul-23	21.98%	65,660	on Maturity	65,150	-	-	-
03 Months Treasury Bills	27-Jul-23	21.99%	66,670	on Maturity	65,681	-	-	-
03 Months Treasury Bills	10-Aug-23	21.99%	183,650	on Maturity	179,223	-	-	-
03 Months Treasury Bills	24-Aug-23	21.97%	164,180	on Maturity	158,918	-	-	-
03 Months Treasury Bills	21-Sep-23	21.99%	71,955	on Maturity	68,329	-	-	-
03 Months Treasury Bills	21-Sep-23	22.20%	31,380	on Maturity	30,300	-	-	-
1 Year GOP Sukuk	20-Feb-24	17.84%	25,000	on Maturity	24,900	-	-	-
1 Year GOP Sukuk	08-Mar-24	20.32%	25,000	on Maturity	22,973	-	-	-
1 Year GOP Sukuk	17-Apr-24	22.68%	31,500	on Maturity	31,464	-	-	-
5 Years GOP Sukuk	09-Dec-25	21.84%	329,450	on Maturity	330,442	16.25%	329,450	330,614
5 Years GOP Sukuk	29-Oct-25	21.85%	31,500	on Maturity	31,739	14.30%	31,500	31,767
5 Years GOP Sukuk	29-Jul-25	17.65%	14,600	on Maturity	14,709	15.03%	14,600	14,731
5 Years GOP Sukuk	29-Jul-25	17.65%	29,600	on Maturity	29,794	-	-	-
5 Years GOP Sukuk	29-Jul-25	17.65%	19,500	on Maturity	19,625	-	-	-
5 Years GOP Sukuk	30-Apr-25	23.00%	20,100	on Maturity	19,410	-	-	-
					<u>1,226,482</u>			<u>1,034,452</u>

11 INVESTMENTS IN MUTUAL FUNDS

	June 30, 2023 (Un-Audited)				December 31, 2022 (Audited)			
	Cost	Unrealized gain	Carrying Value	Repeats in '000	Cost	Unrealized gain	Carrying Value	Repeats in '000
AVAILABLE FOR SALE								
NBP islamic money market fund	146	-	147	1	129	-	138	9
Alhanna islamic money market fund	20,795	-	20,795	-	19,357	-	19,357	-
ABL islamic cash fund	17,171	-	17,171	-	11,493	-	11,493	-
Alfah islamic roznah arabic fund	34,170	-	34,170	-	11,120	-	11,120	-
Fayal huld aridani fund	-	-	-	-	16,704	1,079	17,863	-
NBP islamic daily dividend fund	6,206	-	6,206	-	12,522	-	12,522	-
Al-Azcon islamic cash fund	14,474	-	14,474	-	12,539	-	12,539	-
Meezan wsiama aridani fund	10,457	-	10,457	-	9,743	-	9,743	-
Meezan daily income fund	34,889	-	34,889	-	17,956	-	17,956	-
Fayal islamic cash fund	-	-	-	-	-	-	-	-
IIML islamic income fund	42,591	-	42,591	-	18,544	-	18,544	-
IIML islamic money market fund	15,288	-	15,288	95	14,204	-	14,204	31
NBP financial sector income fund	196,287	-	196,287	96	144,301	-	144,301	1,119

ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

	Note	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
----- Rupees in '000 -----			
12 CASH AND BANK			
Cash and Stamps		2,165	1,454
Cash at bank			
- current account		32,112	113,881
- saving account		96,009	139,190
Cash and cash equivalents		130,286	254,525
13 UNREALIZED GAIN ON AVAILABLE FOR SALE FINANCIAL ASSETS			
Investment in equity securities	9	(633)	(844)
Investment in mutual funds	11	96	1,119
		(537)	275
	Note	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
----- Rupees in '000 -----			
13.1 Movement in balance			
Opening balance		275	2,283
Unrealised gain for the year		(812)	(1,659)
Closing balance		(537)	624
14 INSURANCE LIABILITIES			
Reported outstanding claims (including claims in payment)	14.1	152,026	131,719
Incurred but not reported claims (IBNR)	14.2	17,041	8,832
Investment component of account value policies / certificates	14.3	887,881	691,718
Liabilities under individual conventional insurance / takaful contracts	14.4	3,758	1,683
Liabilities under group insurance / group family takaful contracts (other than investment linked)	14.5	13,007	87,834
Other insurance / family takaful liabilities	14.6	31,230	30,034
		952,917	820,101
		1,104,943	951,820
14.1 Reported outstanding claims			
Gross of Reinsurance / Re takaful			
Payable within one year		321,965	307,367
Payable over a period of time exceeding one year		15,376	14,626
		337,341	321,993
Recoverable from Reinsurance / Re takaful			
Receivable within one year		(171,686)	(177,153)
Receivable over a period of time exceeding one year		(13,629)	(13,119)
		(185,315)	(190,274)
Net reported outstanding claims		152,026	131,719
14.2 Incurred but not reported claims			
Gross of reinsurance		100,029	82,101
Reinsurance recoveries		(82,988)	(73,269)
Net of reinsurance		17,041	8,832
14.3 Investment component of universal life and account value policies / certificates			
Investment component of account value policies		887,881	691,718
14.4 Liabilities under individual conventional insurance / takaful contracts			
Gross of reinsurance		4,170	1,742
Reinsurance credit		(412)	(59)
Net of reinsurance		3,758	1,683

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	Note	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
----- Rupees in '000 -----			
14.5 Liabilities under Group Insurance / Group Family Takaful Contracts (other than Investment linked)			
Gross of reinsurance		57,906	131,244
Reinsurance credit		(44,899)	(43,410)
Net of reinsurance		13,007	87,834
14.6 Other insurance liabilities			
Gross of reinsurance		38,122	31,308
Reinsurance recoveries		(6,892)	(1,274)
		31,230	30,034

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

15.1.1 There is pending adjudication bearing No 125/2012 before the Session Court, South, Karachi in respect of a employee who was previously working on contract basis at company's Hyderabad branch and committed fraud. As the Company is taken over by AWT (the buyer) it was agreed with the previous management (the seller) that if any stage the Company or any of its director(s) become party and as such any liability is imposed by any Court on the Company or its Director(s) in this regard, the accused liability would be paid by the sellers to the Company for onward payment to the affectees at earliest. The Company will accordingly ensure timely and fair payment of liability.

That to guarantee the covenants made by the seller above and to fully indemnify the Buyer against any liability/loss the Sellers have furnished in favour of the buyer an irrevocable and unconditional Insurance Guarantee from a AA+ rated insurance company, East West Insurance Company Limited bearing number EWL/110/PB-009/01/2017 to an amount of PKR 118.467 million. Further to this effect a duly executed and notarized undertaking dated 13-01-2017 has also been furnished by the Sellers to the Federal Insurance Ombudsman.

15.1.2 Pakistan Steel Mill had filed instant suit against the Company in respect of the claims of their employees amounting to Rs. 4 million. The claim had been repudiated by the previous management on the grounds of delayed intimation. The Company is contesting the case in and is at the stage of appointment of commissioner. In view of Company's legal consultant, the Company has a prima facie case and unfavourable outcome is not expected.

15.1.3 During the year 2019, Sindh Revenue Board (SRB) vide notification No. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. With effect from July 1, 2019, life insurance has been made taxable at the rate of 3% on individual life and group life insurance at the rate of 13%. Further, the Punjab Revenue Authority (PRA) also withdrew the exemption on life insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan (IAP) had filed a writ / constitutional petition in the Lahore High Court (LHC) and in the High Court of Sindh (HCS) on September 28, 2019 and November 28, 2019 against PRA and SRB respectively.

According to the opinion provided by the legal advisor, the insurance premium does not fall under definition of service rather an insurance policy is a financial arrangement, which is in the nature of contingent contract and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service). The petitions filed in the Punjab and Sindh High Courts also includes the same grounds. It is also the opinion of life insurance companies that a vast majority of premium received from a policy holder, during the life of the policy, is in fact accounted for in the policyholders' investment which cannot be termed as service.

In view of the above the Company has not started invoicing sales tax to it's customers. The amount of sales tax involved is around Rs. 138.4 million computed on the basis of risk based premium, as per the advice of the legal advisor. Moreover, based on legal view, sales tax cannot be levied as insurance is not a service.

Further, subsequent to filing petition, the matters relating to sales tax on life insurance premium were also discussed in the meeting of all the provincial tax authorities i.e. SRB, PRA, BRA and representatives of life insurance industry, where it was agreed to form a joint committee of the insurance representatives to resolve these matters. Based on the above legal opinion and ongoing discussions, the Company considers it has a reasonable strong case on the merit in the constitutional petition and the writ petition filed in the Honourable High Courts.

15.1.4 During the year 2019, SECP has conducted the anti-money laundering audit, as a result of which SRCP imposed a penalty of Rs. 400,000, vide order No. ID/Inf/EWLA/2017-297 dated March 24, 2020 for the non compliance made by the company. The company has filed an appeal against the said order before the Appellate bench of SECP. The company and its legal advisor is confident that any unfavourable outcome is not expected.

15.1.5 Before acquisition of the East and West Life Assurance Company (the "EWLA") by Army Welfare Trust (AWT), SECP had imposed penalty of Rs.120,000/- and Rs. 200,000/- on the EWLA vide order No: EMD/Enf/EWLA/2016/4299 and order No: ID/Enf/EWLA/2017/8348 respectively. The appeals on the said orders were filed before the Appellate bench of SECP by EWLA.

The Appellate Bench of the Securities & Exchange Commission of Pakistan disposed of Appeal No. 37 of 2016 on November 16, 2021 through Order dated November 16, 2021. The said order set aside the impugned order to the extent of penalty imposed on Chairman, CEO, and Directors of the Company, whereas, Impugned Order was upheld and the appeal was dismissed to the fine imposed on the Company. The other appeal against is pending and the outcome is awaited.

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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

- 15.1.6 There is a case filed by the Nobel Hospital against the IWLIA in learned court, Lahore for the recovery of health insurance bill amounting to Rs. 1.6 million (approx.). After the acquisition, the Company is in coordination with the relevant parties for the possible resolution of the case.
- 15.1.7 There is outstanding petition filed by the Punjab Employees Social Security Institution (PSSSI) against IWLIA in Insurance Tribunal, Lahore for the recovery of the group claims of their employees amounting to Rs.11.8 million (approx.). After the acquisition, the Company is in co-ordination with the relevant parties for the possible resolution of the case.
- 15.1.8 An incident was discovered where an agent misappropriated a premium of Rs. 7 Million from a prospective customer. The Company took timely action and apprehended the agent. The case was also reported to the police. The agent provided a written confession, and paid back the amount in the form of 7 monthly post-dated cheques of PKR 1 million each. As of June 30, 2023, the first cheque has been credited into the company account. The management is of the view that the matter will be settled in company's favor.

15.2 Commitments
Operating leases

	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
	----- Rupees in '000 -----	
Not later than one year	26,353	14,030
Later than one year and not later than five years	77,926	41,547
	<u>104,279</u>	<u>55,577</u>

16 NET INSURANCE PREMIUM / CONTRIBUTION REVENUE

	Half year ended		Quarter ended	
	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
	----- Rupees in '000 -----			
Gross Premiums / Contributions revenue				
Regular Premium / Contributions Individual Policies*				
First year	210,843	261,836	87,171	136,712
Second year renewal	128,754	64,836	64,205	31,492
Subsequent year renewal	69,093	28,697	31,434	10,672
Single premium / Contribution individual policies	35,258	27,237	7,214	18,912
Group policies without cash value	268,880	117,207	105,690	37,185
Total Gross Premiums / Contribution	<u>712,828</u>	<u>499,813</u>	<u>205,604</u>	<u>234,953</u>
Less: Reinsurance Premium / Contribution Ceded				
On individual life first year business	1,563	1,171	825	545
On individual life second year business	702	152	326	13
On individual life renewal business	448	168	195	99
On group policies	198,838	91,475	78,161	31,721
Less: Reinsurance commission on risk premium	(6)	(5)	(5)	(5)
Total Reinsurance Premium / Contribution Ceded	<u>201,545</u>	<u>92,811</u>	<u>76,502</u>	<u>32,373</u>
Net Premium / Contribution Revenue	<u>511,283</u>	<u>406,972</u>	<u>219,102</u>	<u>202,580</u>

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

17 INVESTMENT INCOME

	Half year ended		Quarter ended	
	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
	----- Rupees in '000 -----			
Income from equity securities				
<i>Available for Sale</i>				
Dividend income	12,728	6,837	7,883	5,163
Income from debt securities				
<i>Held to Maturity</i>				
Return on government securities	104,464	39,915	58,254	22,659
	<u>117,192</u>	<u>46,742</u>	<u>66,154</u>	<u>27,759</u>

18 NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS

Available for sale				
Realised gains on:				
Equity securities	2,077	86	2,077	86
Mutual funds	-	-	-	-
Total	<u>2,077</u>	<u>86</u>	<u>2,077</u>	<u>86</u>

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

	Half year ended		Quarter ended	
	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
	Rupees in '000			
19 NET FAIR VALUE GAINS/ LOSSES ON FINANCIAL ASSETS AT FAIR VALUE				
(Impairment) in value of available for sale investments	(60)	(391)	(5)	(299)
20 OTHER INCOME				
Return on bank saving accounts	8,771	3,576	4,723	1,809
Return on other bank deposits	-	1,532	-	210
Gain on sale of property and equipment	6	-	6	-
Miscellaneous	142	83	38	9
	<u>8,919</u>	<u>5,193</u>	<u>4,767</u>	<u>2,028</u>
21 NET INSURANCE BENEFITS				
Gross Claims				
Claims under individual policies				
by death	15,573	7,425	12,057	4,206
by insured event other than death	-	-	-	-
by maturity	7,065	6,519	4,055	3,912
by surrender	34,709	26,603	17,502	13,377
Total gross individual policy claims	57,347	40,547	33,614	21,495
Claims under group policies				
by death	259,861	234,244	124,468	149,706
by insured event other than death	5,527	7,396	1,910	7,396
Total gross group policy claims	265,388	241,640	126,378	157,102
Total gross claims	322,735	282,187	159,992	178,597
Less: Reinsurance recoveries				
On Individual life claims	(5,174)	(3,849)	(4,516)	(1,610)
On Group life claims	(168,250)	(218,319)	(90,285)	(143,945)
Total reinsurance recoveries	(173,424)	(222,168)	(94,801)	(145,555)
Net insurance benefit expense	149,311	60,019	65,191	33,044
22 ACQUISITION EXPENSES				
Remuneration to insurance intermediaries on individual policies				
Commission to agent on first year premiums	137,512	173,003	56,160	89,643
Commission to agent on second year premiums	13,698	5,257	6,707	2,482
Commission to agent on subsequent renewal premiums	2,299	833	1,186	324
	<u>153,509</u>	<u>179,093</u>	<u>64,053</u>	<u>92,449</u>
Remuneration to insurance intermediaries on group policies:				
Commission	20,283	16,534	9,238	166
Other acquisition costs				
Employee benefit cost	93,638	85,869	45,821	44,764
Depreciation on right of use asset	-	161	-	(2)
Advertisements and sales promotion	26,578	16,957	22,103	11,279
Vehicle running expenses	4,799	3,438	2,554	1,710
Depreciation on property and equipment	1,751	1,642	878	772
Repair and maintenance	628	1,410	308	1,068
Travel and conveyance	1,654	3,961	1,244	873
Finance charges on lease liability against right of use asset	-	-	(657)	-
Electricity, gas and water	1,455	1,072	1,007	874
Ijara rental	3,123	1,203	1,961	610
Postage, telegrams and telephone	1,804	1,329	751	764
Entertainment	1,340	657	991	275
Stamp duty	2,788	3,007	1,181	1,417
Rent, rates and taxes	4,596	4,001	1,876	2,967
Printing and stationery	814	473	481	309
Bank charges	14	9	14	1
Miscellaneous	669	-	669	-
	<u>145,651</u>	<u>125,189</u>	<u>81,182</u>	<u>67,681</u>
	<u>319,443</u>	<u>320,816</u>	<u>154,473</u>	<u>160,296</u>

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

Note	Half year ended		Quarter ended	
	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
	----- Rupees in '000 -----		----- Rupees in '000 -----	
23	MARKETING AND ADMINISTRATION EXPENSES			
Employee benefit cost	87,632	69,428	42,806	36,142
Advertisements and sales promotion	3,027	2,485	715	539
Depreciation on right of use asset	5,845	4,250	2,922	2,125
Vehicle running expenses	9,496	4,979	5,026	2,913
Travel and conveyance	2,560	1,150	1,262	478
Repair and maintenance	10,285	7,835	5,840	4,188
Depreciation on property and equipment	3,892	3,717	1,977	1,808
Postage, telegrams and telephone	5,021	2,947	2,377	2,171
Printing and stationery	5,144	4,494	2,383	2,532
Finance charges on lease liability against right of use asset	672	713	261	309
Entertainment	2,872	837	2,313	488
Lease rental	2,603	1,216	1,704	618
Rent, rates and taxes	141	91	5	(290)
Electricity, gas and water	1,012	1,119	742	662
Insurance	4,078	1,941	2,269	1,140
Fees, subscription and periodicals	96	238	70	18
Miscellaneous	659	423	424	196
Amortisation of intangible assets	13	220	2	109
Bank charges	431	402	245	354
Annual supervision fee SECP	1,338	718	1	-
	<u>146,817</u>	<u>109,203</u>	<u>73,344</u>	<u>56,500</u>
24	OTHER EXPENSES			
Legal and professional charges	1,860	2,275	1,658	2,155
Appointed actuary fees	2,034	2,034	1,017	1,017
Auditors' remuneration	587	530	385	347
Shareholder Advisor Fee	1,200	1,050	600	525
Director meeting fee	350	350	155	175
	<u>6,031</u>	<u>6,239</u>	<u>3,815</u>	<u>4,219</u>

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

28 SEGMENTAL INFORMATION

25.1 Revenue Account by Statutory Fund

For the six months period ended June 30, 2023

	Statutory funds					Total	Quarter ended June 30, 2023
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful		
	----- Rs in '000' -----						
Income							
Premium / Contributions less reinsurance	40,518	97,211	-	343,954	29,600	511,283	219,102
Net investment income	12,712	48,990	781	37,122	4,499	104,104	59,773
Other income	-	-	-	-	-	-	-
Total net income	53,230	146,201	781	381,076	34,099	615,387	278,875
Insurance benefits and expenditure							
Insurance benefits including bonuses, net of reinsurance recoveries	75,908	29,256	-	22,533	21,614	149,311	65,191
Management expenses less recoveries	50,308	71,060	-	309,994	30,147	461,509	226,085
Total insurance benefits and expenditure	126,216	100,316	-	332,527	51,761	610,820	291,276
(Deficit)/ surplus of income over claims and expenditure	(72,986)	45,885	781	48,549	(17,662)	4,567	(12,401)
Add: Policyholders' liabilities at beginning of the period	96,771	422,858	-	293,696	6,775	820,100	904,250
Less: Policyholders' liabilities at end of the period	19,954	490,621	-	431,105	11,238	952,918	952,918
(Deficit)/surplus	3,831	(21,878)	781	(88,860)	(22,125)	(128,251)	(61,069)
Movement in policyholders' liabilities	(76,817)	67,763	-	137,409	4,463	132,818	48,668
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	5,500	10,000	-	125,000	16,000	156,500	94,000
- Money ceded to Waqf	-	-	-	-	-	-	-
Balance of statutory fund at beginning of the period	117,091	441,537	7,938	308,157	13,526	888,249	967,717
Balance of statutory fund at end of the period	49,605	497,422	8,719	481,706	11,864	1,049,316	1,049,316

For the six months period ended June 30, 2022

	Statutory funds					Total	Quarter ended June 30, 2022
	Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful Contracts	Group Family Takaful		
	----- Rs in '000' -----						
Income							
Premium / Contribution reinsurance	12,115	101,959	-	279,016	13,882	406,972	212,580
Net investment income	4,553	23,899	459	8,333	1,223	38,467	22,222
Total net income	16,668	125,858	459	287,349	15,105	445,439	234,802
Claims and expenditure							
Claims, including bonuses, net of reinsurance recoveries	18,575	26,728	-	9,679	5,037	60,019	33,044
Management expenses less recoveries	31,908	102,061	-	279,294	14,664	427,927	216,776
Total claims and expenditure	50,483	128,789	-	288,973	19,701	487,946	249,820
(Deficit)/surplus of income over claims and expenditure	(33,815)	(2,931)	459	(1,624)	(4,596)	(42,907)	(25,018)
Add: Policyholders' liabilities at beginning of the period	22,953	348,734	-	103,317	1,823	476,827	514,488
Less: Policyholders' liabilities at end of the period	9,309	402,150	-	179,259	5,200	595,918	595,918
(Deficit) / Surplus	(20,171)	(56,347)	459	(77,566)	(7,973)	(161,598)	(106,448)
Movement in policyholders' liabilities	(13,644)	53,416	-	75,942	3,377	119,091	81,430
Transfers from shareholders' fund							
- Capital contributions from shareholders' fund	30,500	57,500	-	81,500	500	170,000	114,500
Balance of statutory fund at beginning of the period	39,015	349,058	6,842	104,100	9,594	508,609	546,620
Balance of statutory fund at end of the period	35,700	403,627	7,301	183,976	5,498	636,102	636,102

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

26 Segment Statement of financial position

	Shareholders' fund	Statutory funds			June 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
		Ordinary Life	Universal Life	Accident & health business	Individual Family Takaful	Group Family Takaful	Total	Total
Rs in '000								
Property and equipment	17,354	-	-	-	-	17,354	-	20,636
Right of use assets	6,731	-	-	-	-	6,731	-	12,576
Intangible assets	-	-	-	-	-	-	-	12
Investments	228,066	57,026	569,563	7,412	501,931	1,429,303	65,305	1,176,249
Term deposits	-	-	-	-	-	-	-	-
Loans secured against life insurance policies	-	1,487	3,998	-	-	5,485	-	5,824
Insurance receivables	-	47,436	(6,173)	376	-	41,639	-	100,272
Other loans and receivables	19,686	2,505	-	1,195	15,754	39,140	-	22,302
Taxation - payments less provision	38,992	-	-	-	-	38,992	-	29,737
Prepayments	6,184	-	-	-	-	6,184	-	1,927
Cash & Bank	13,210	16,651	28,785	3,497	47,991	130,286	20,152	254,525
Total assets	330,223	125,105	596,173	12,480	565,676	1,715,114	85,457	1,624,060
Insurance liabilities net of reinsurance recoveries	-	77,078	561,672	3,599	439,365	1,104,943	23,229	951,820
Retirement benefit obligations	43,197	-	-	-	-	43,197	-	35,421
Premium received in advance	-	9,124	15,096	-	63,409	88,564	935	82,933
Insurance / reinsurance payables	-	-	4,962	161	8,966	71,801	57,712	58,403
Lease liability against right of use assets	4,648	-	-	-	-	4,648	-	122,312
Other creditors and accruals	35,922	9,249	7,646	-	3,340	58,815	2,658	13,847
Total Liabilities	83,767	95,451	589,376	3,760	515,080	1,371,968	84,534	1,264,736

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27 WINDOW TAKAFUL OPERATIONS

The statement of financial position of Window Takaful Operations as at June 30, 2023 and its financial performance for the period ended June 30, 2023 is as follows

27.1 Statement of Financial Position
 As at June 30, 2023

Operator's Sub Fund	Statutory funds		Aggregate	Aggregate	
	Individual Family Takaful	Group Family Takaful	June 30, 2023 (Un-audited)	December 31, 2022 (Audited)	
-----Rupees in '000-----					
Share capital and reserves					
Funds received from Shareholders' Fund	-	-	-	-	
Capital returned to Shareholders' Fund	-	-	-	-	
Accumulated Surplus / (Deficit)	4,316	-	4,316	6,452	
Qard-e-Hassna contributed by the Window Takaful Operator	-	-	-	-	
Net shareholders' equity	4,316	-	4,316	6,452	
Balance of statutory fund (including Technical reserves Rs. 442.343 million (December 31, 2022 : Rs.300.471 million)	-	480,881	8,668	489,549	315,233
Deferred liabilities					
Staff retirement benefits	-	-	-	-	
Creditors and accruals					
Outstanding claims	-	8,261	11,992	20,253	12,362
Contributions received in advance	-	63,409	935	64,344	63,592
Amount due to takaful / re-takaful operators	-	8,966	57,712	66,678	53,555
Amounts due to agents	295	-	-	295	52,867
Accrued expenses	-	-	-	-	-
Other creditors and accruals	5,696	-	-	5,696	6,460
	5,991	80,636	70,639	157,266	188,836
Total liabilities	5,991	561,517	79,307	646,815	504,069
Commitments	-	-	-	-	-
Total equity and liabilities	10,307	561,517	79,307	651,131	510,521
-----Rupees in '000-----					
Operator's Sub Fund	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2023 (Un-audited)	Aggregate December 31, 2022 (Audited)	
Cash and bank deposits					
Cash and others	1,883	-	-	1,883	1,186
Current and other accounts	21,740	21,811	22,708	66,259	148,073
	23,623	21,811	22,708	68,142	149,259
Unsecured loans to employees	-	-	-	-	-
Investments					
Government securities	17,894	362,171	31,872	411,937	249,380
Open end mutual funds	-	132,089	23,209	155,298	107,400
	17,894	494,260	55,081	567,235	356,780
Current assets - others					
Investment income accrued	-	15,454	-	15,454	4,182
Advances and deposits	300	-	-	300	300
Inter fund balance	(31,510)	29,992	1,518	-	-
	(31,210)	45,446	1,518	15,754	4,482
Fixed assets					
Tangible assets					
Furniture & fixture, office equipments	-	-	-	-	-
Motor vehicles	-	-	-	-	-
Rights of use	-	-	-	-	-
Computer equipments	-	-	-	-	-
Intangible assets					
Softwares	-	-	-	-	-
	-	-	-	-	-
Total assets	10,307	561,517	79,307	651,131	510,521

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ANSAARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.2 Revenue Account
 For the six months period ended June 30, 2023

	Statutory Funds		Six Months ended		Quarter ended	
	Universal Life Family Takaful	Group Family Takaful	Aggregate			
			June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
	Rupees in '000					
27.2.1 Participants' Investment Fund (PIF)						
Income						
Allocated contribution	177,466	-	177,466	91,199	73,879	63,966
Investment income	34,530	-	34,530	7,422	20,925	4,938
Total net income	211,996	-	211,996	98,621	94,804	68,904
Less: Claims and Expenditure						
Claims	18,253	-	18,253	9,179	9,698	4,908
Takaful operator fee	27,344	-	27,344	12,050	14,244	6,798
	45,597	-	45,597	21,229	23,942	11,706
Excess of income over Claims and expenditure	166,399	-	166,399	77,392	70,862	57,198
Add : Technical reserves at the beginning of the period	172,630	-	172,630	97,930	373,711	110,566
Less : Technical reserves at the end of the period	426,044	-	426,044	172,630	426,044	172,630
Income retained in PIF	(87,015)	-	(87,015)	2,692	18,529	(4,866)
Movement in technical reserves	(166,399)	-	(166,399)	(77,392)	(70,862)	(57,198)
Surplus before distribution	166,399	-	166,399	77,392	70,862	57,198
Movement in technical reserves						
Transfers from Qard-e-Hassna contributed by Window Takaful Operator	-	-	-	-	-	-
Money ceded to Waqf Balance of PIF at the beginning of the period	299,708	-	299,708	97,969	395,245	118,163
Balance of PIF at the end of the period	466,107	-	466,107	175,361	466,107	175,361

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.3 Revenue Account

For the six months period ended June 30, 2023

Statutory Funds		Six Months ended		Quarter ended	
		Aggregate	Aggregate	Aggregate	Aggregate
Individual Family Takaful	Group Family Takaful	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)

Rupees in '000

27.3.1 Participants' Takaful Fund (PTF)

Income

Contribution net of retakaful

Net investment income

Other income

Less: Claims and Expenditure

Claims

Takaful operator fee

Excess / (Deficit) of Income over Claims and expenditure

Add: Technical reserves at the beginning of the period

Less: Technical reserves at the end of the period

Deficit retained in PTF

Movement in technical reserves

Surplus before distribution

Movement in technical reserves

Transfers from

Qard-e-Hasna contributed by Window Takaful Operator

Money ceded to Waqf

Balance of PTF at the beginning of the period

Balance of PTF at the end of the period

166,488	29,599	196,087	201,699	87,682	95,042
1,641	4,556	6,197	1,264	3,713	816
-	-	-	-	-	-
168,129	34,155	202,284	202,963	91,395	95,858
4,280	21,614	25,894	5,537	14,530	4,205
157,029	11,444	168,473	190,080	70,680	85,965
161,309	33,058	194,367	195,617	85,210	90,170
6,820	1,097	7,917	7,346	6,185	5,688
6,629	5,200	11,829	7,210	28,178	6,889
5,061	11,238	16,299	11,829	16,299	11,829
8,388	(4,941)	3,447	2,727	18,064	748
(6,820)	(1,097)	(7,917)	(7,346)	(6,185)	(5,688)
6,820	1,097	7,917	7,346	6,185	5,688
-	-	-	-	-	-
-	-	-	-	-	-
7,954	7,571	15,525	3,574	17,257	5,232
14,774	8,668	23,442	10,920	23,442	10,920

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.4 Operators' Sub Fund (OSF)	Statutory Funds		Six Months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2023 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2023 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)
-----Rupees in '000'-----						
Income						
Allocation fee	40,227	-	40,227	4,850	14,393	2,640
Investment income	952	239	1,191	870	405	569
Takaful operator fee	133,691	11,444	145,135	194,025	64,948	88,256
Certificate admin fee	7,345	-	7,345	2,250	3,887	1,294
Wakalat-ul-Ishtimar	3,110	-	3,110	1,005	1,696	573
	185,325	11,683	197,008	203,000	85,329	93,332
Less: Expenses						
Acquisition cost	238,402	8,200	246,602	223,000	117,003	121,269
Administration expenses	71,595	21,947	93,542	70,938	49,581	41,718
Total management cost	309,997	30,147	340,144	293,938	166,584	162,987
	(124,672)	(18,464)	(143,136)	(90,958)	(81,255)	(69,655)
Excess of (expenditure)	-	-	-	-	-	-
Add : Technical reserves at the beginning of the period	-	-	-	-	-	-
Less : Technical reserves at the end of the period	-	-	-	-	-	-
(Deficit)	(124,672)	(18,464)	(143,136)	(90,958)	(81,255)	(69,655)
Movement in technical reserves						
Capital Contribution during the period	125,000	16,000	141,000	82,000	84,000	70,500
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	-
Balance of OSF at the beginning of the period	493	5,959	6,452	12,150	1,571	2,347
Balance of OSF at the end of the period	821	3,495	4,316	3,192	4,316	3,192

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ASKARI LIFE ASSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.5 Statement of Contribution

For the six months period ended June 30, 2023

	Statutory Funds		Six months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate		Aggregate	
			June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
Gross Contributions						
Regular contributions individual family takaful*						
- First year	191,694	-	191,694	230,559	77,365	118,364
- Second year	104,720	-	104,720	22,772	51,232	12,724
- Subsequent year renewal	15,405	-	15,405	348	11,471	348
Single Contribution individual family takaful	34,248	-	34,248	26,035	7,054	19,617
Group family takaful contribution without cash value	-	107,110	107,110	38,334	56,576	23,961
Total Gross Contributions	346,067	107,110	453,177	318,048	203,698	175,014
Participants' Investment Fund						
Allocated regular contribution	144,931	-	144,931	66,406	67,178	45,312
Allocated single contribution	32,535	-	32,535	24,793	6,701	18,654
	177,466	-	177,466	91,199	73,879	63,966
Less: Retakaful Contribution Ceded						
On individual first year business	1,491	-	1,491	545	791	182
On individual second year business	572	-	572	94	266	94
On individual renewal business	50	-	50	59	(2)	59
On group family takaful	-	77,511	77,511	24,452	41,082	15,671
Net Contributions	166,488	29,599	196,087	201,699	87,682	95,042

*Individual family takaful those underwritten on an individual basis, and includes Joint Life Family takaful underwritten as such.

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.6 Statement of Claims
 For the six months period ended June 30, 2023

	Statutory Funds		Six months ended		Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2023 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2023 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)
Rupees in '000						
Gross claims						
Claims under individual family takaful						
- by death	5,162	-	5,162	1,919	3,014	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	18,137	-	18,137	9,179	9,648	4,908
Total gross individual family takaful claims	23,299	-	23,299	11,098	12,662	4,908
Claims under group family takaful						
- by death	-	98,507	98,507	22,517	52,507	19,389
- by covered event other than death	-	4,819	4,819	1,309	2,068	1,861
Total gross family takaful claims	-	103,326	103,326	23,826	54,575	21,250
Total Gross Claims	23,299	103,326	126,625	34,924	67,237	26,158
Participants' Investment Fund (PIF)						
Claims under individual family takaful						
- by death	116	-	116	-	50	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	18,137	-	18,137	9,179	9,648	4,908
Total gross individual family takaful claims	18,253	-	18,253	9,179	9,698	4,908
Participants' Takaful Fund (PTF)						
Claims under individual family takaful						
- by death	5,046	-	5,046	1,919	2,964	-
- by covered event other than death	-	-	-	-	-	-
- by maturity	-	-	-	-	-	-
- by surrender	-	-	-	-	-	-
Total gross individual family takaful claims	5,046	-	5,046	1,919	2,964	-
Claims under group family takaful						
- by death	-	98,507	98,507	22,517	52,507	19,389
- by covered event other than death	-	4,819	4,819	1,309	2,068	1,861
Total gross family takaful claims	-	103,326	103,326	23,826	54,575	21,250
Less: Retakaful recoveries						
On individual family takaful first year claims	766	-	766	1,419	108	-
On individual family takaful second year claims	-	-	-	-	-	-
On individual family takaful renewal claims	-	-	-	-	-	-
On group takaful claims	-	81,712	81,712	18,789	42,901	17,045
Net Claims	22,533	21,614	44,147	14,716	24,228	9,113

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.7 Statement of Expenses

For the six months period ended June 30, 2023

Operators' Sub Fund	Statutory funds		Six months ended		Quarter ended	
	Individual	Group Family	Aggregate	Aggregate	Aggregate	Aggregate
	Family Takaful	Takaful	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)	June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
Rupees in '000						
Acquisition costs						
Remuneration to takaful intermediaries on individual family takaful:						
- Commission on first year contributions	129,175	-	129,175	157,372	52,094	80,307
- Commission on second year contributions	12,156	-	12,156	2,452	5,879	1,267
- Commission on subsequent renewal contributions	825	-	825	12	632	12
	142,156	-	142,156	159,836	58,605	81,586
Remuneration to takaful intermediaries on group family takaful:						
- Commission	-	5,016	5,016	4,322	2,313	2,539
Other acquisition costs:						
Employee benefit cost	61,489	1,831	63,320	39,352	30,516	24,041
Depreciation on right of use asset	-	-	-	103	-	15
Advertisements and sales promotion	18,791	9	18,800	8,419	16,446	6,222
Vehicle running expenses	1,654	479	2,133	1,180	1,187	672
Depreciation on property and equipment	1,365	-	1,365	1,044	843	574
Repair and maintenance	472	-	472	787	238	621
Travel and conveyance	752	236	988	815	799	482
Electricity, gas and water	1,134	-	1,134	600	783	504
Lease rental	1,375	541	1,916	609	1,254	354
Postage, telegrams and telephone	1,141	37	1,178	506	472	333
Entertainment	979	5	984	353	718	171
Stamp duty	2,357	46	2,403	2,571	998	1,235
Rent, rates and taxes	3,583	-	3,583	2,239	1,453	1,737
Printing and stationery	628	-	628	259	367	182
Bank charges	11	-	11	5	11	1
Miscellaneous	515	-	515	-	-	-
	96,246	3,184	99,430	58,842	56,085	37,144
Total acquisition cost	238,402	8,200	246,602	223,000	117,003	121,269
Administration expenses						
Employee benefit cost	40,886	12,653	53,539	42,121	27,976	24,525
Advertisements and sales promotion	1,322	409	1,731	1,887	487	383
Depreciation on right of use asset	2,554	790	3,344	2,434	1,771	1,401
Vehicle running expenses	4,420	1,368	5,788	3,024	3,213	1,952
Travel and conveyance	1,130	350	1,480	675	775	340
Repair and maintenance	4,494	1,391	5,885	4,489	3,492	2,715
Depreciation on property and equipment	1,700	526	2,226	2,128	1,195	1,200
Postage, telegrams and telephone	2,641	817	3,458	1,937	1,625	1,533
Printing and stationery	2,897	736	3,633	3,513	1,868	2,310
Finance charges on lease liability against right of use asset	294	91	385	408	164	211
Entertainment	1,268	392	1,660	480	1,344	311
Lease rental	1,305	404	1,709	720	1,145	421
Rent, rates and taxes	62	19	81	91	8	159
Electricity, gas and water	442	137	579	641	434	119
Insurance	1,782	551	2,333	1,111	1,360	722
Fees, subscription and periodicals	50	15	65	150	51	37
Miscellaneous	423	87	510	254	345	144
Amortisation of intangible assets	5	2	7	126	1	72
Bank charges	253	78	331	330	192	307
Annual supervision for NECT	584	181	765	412	46	63
Legal and professional charges	830	257	1,087	1,368	978	1,310
Appointed actuary fees	987	306	1,293	1,294	685	745
Auditors' remuneration	266	82	348	315	226	213
Statutory Advisor Fee	916	284	1,200	1,050	600	525
Director meeting fee	84	21	105	-	-	-
	71,595	21,947	93,542	70,958	49,581	41,715
Gross management expenses	309,997	30,147	340,144	293,958	166,584	162,987

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TAJWALI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

27.8 Statement of Investment Income
 For the six months period ended June 30, 2023

Statutory fund	Six months ended			Quarter ended	
	Individual Family Takaful	Group Family Takaful	Aggregate June 30, 2023 (Un-Audited)	Aggregate June 30, 2022 (Un-Audited)	Aggregate June 30, 2023 (Un-Audited)

Rupees in '000

Participants' Investment Fund (PIF)

On government securities	25,117	-	25,117	2,264	14,793	2,095
On other fixed income securities and deposits	438	-	438	1,287	256	181
Dividend income	7,962	-	7,962	3,785	4,863	2,576
Amortization of discount relative to par (Loss)/ gain on sale of investments	-	-	-	-	-	-
Unrealised (loss) / gain on investments	1,013	-	1,013	86	1,013	86
Net investment income of PIF	34,530	-	34,530	7,422	20,925	4,938

a

Participants' Takaful Fund (PTF)

On government securities	1,038	2,703	3,741	246	2,005	246
On other fixed income securities and deposits	84	321	405	593	238	259
Dividend income	427	1,236	1,663	425	1,082	311
Amortization of discount/(premium) (Loss)/ gain on sale of investments	-	-	-	-	-	-
Unrealised (loss) / gain on investments	92	296	388	-	388	-
Net investment income of PTF	1,641	4,556	6,197	1,264	3,713	816

b

Operators' Sub Fund (OSF)

On government securities	156	123	279	371	143	355
On other fixed income securities and deposits	796	116	912	499	262	214
Dividend income	-	-	-	-	-	-
Amortization of discount/(premium) (Loss)/ gain on sale of investments	-	-	-	-	-	-
Unrealised (loss) / gain on investments	-	-	-	-	-	-
Net investment income of OSF	952	239	1,191	870	405	569

c

(a+b+c) 37,123 4,795 41,918 9,556 25,043 6,323

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ASKARI LIFE ASSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

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

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

	Level 1	Level 2	Level 3	Total
June 30, 2023				
Government securities	-	1,226,482	-	1,226,482
Listed securities	6,438	-	-	6,438
Open end mutual funds	196,383	-	-	196,383
	202,821	1,226,482	-	1,429,303
December 31, 2022				
Government securities	-	1,024,452	-	1,024,452
Listed securities	6,287	-	-	6,287
Open end mutual funds	145,510	-	-	145,510
	151,797	1,024,452	-	1,176,249

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ASKARI LIFE ASSURANCE COMPANY LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR SIX MONTHS PERIOD ENDED JUNE 30, 2023

29 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of holding Company, associated companies, staff retirement fund, Directors and key management personnel. The transactions with related parties are in normal course of business. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

		June 30, 2023 (Un-Audited)	June 30, 2022 (Un-Audited)
----- (Rupees in '000) -----			
Relationship	Transactions		
Holding company	Premium revenue	1,579	1,203
Holding company	Insurance benefits	-	1,500
Holding company	Advance received against equity	100,000	200,000
Associated undertaking	Premium revenue	30,353	19,179
Associated undertaking	Insurance benefits	32,046	39,050
Associated undertaking	Expenses and acquisition cost	3,841	7,435
Key Management Personnel	Remuneration	32,338	31,801
Gratuity Fund	Expenses	9,179	7,038
Directors	Fee	350	350
Related Party	Balances	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
Holding Company			
Army Welfare Trust	Due from insurance contract holders	531	258
Army Welfare Trust	Advance against equity	530,000	430,000
Associated undertakings			
Askari Guards Limited	Due from insurance contract holders	-	4,178
Mobil Askari Pakistan Limited	Due from insurance contract holders	-	11
Askari Fuels	Due from insurance contract holders	11	11
Askari Woolen Mills	Due from insurance contract holders	295	291
Askari Development Holding Pvt Limited	Due from insurance contract holders	381	617
AWT Investment	Due from insurance contract holders	-	34
Askari Chartered Aviation Services (ACS)	Due from insurance contract holders	14	4
Fauji Security Services	Due from insurance contract holders	4	3,851

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Related Party	Balances	June 30, 2023 (Un-Audited)	December 31, 2022 (Audited)
MEDASK	Due from insurance contract holders	92	38
Real Estate (Head Office)	Due from insurance contract holders	229	-
AWT Housing Scheme Karachi	Due from insurance contract holders	2	2
Askari Shoes	Due from insurance contract holders	54	-
Askari Lagoon	Due from insurance contract holders	28	28
AWT Plaza	Due from insurance contract holders	28	-
Blue Lagoon	Due from insurance contract holders	-	463
Army Welfare Sugar Mills	Due from insurance contract holders	345	-
Askari Flying Academy	Due from insurance contract holders	22	-
Askari Travel & Tour	Due from insurance contract holders	16	-
Askari General Insurance Company Limited	Due to insurance contract holders	668	668
AWT Housing Scheme - Lahore	Due to insurance contract holders	1	1
Blue Lagoon	Due to insurance contract holders	5	-
Army Welfare Sugar Mills	Due to insurance contract holders	-	2
Askari Shoes	Due to insurance contract holders	-	9
Askari Farms & Seeds Products	Due to insurance contract holders	27	25
Askari Guards Limited	Outstanding claims	14,509	17,891
Fauji Security Services	Outstanding claims	2,100	100
Army Welfare Sugar Mills	Outstanding claims	50	50
Blue Lagoon	Outstanding claims	1,200	3,600
Askari General Insurance Company Limited	Outstanding claims	1,500	-
Askari Travel & Tours	Accrued expenses	-	611
Askari General Insurance Company Limited	Accrued expenses	-	604
Gratuity payable to staff	Staff retirement benefits	43,197	35,421
East West Insurance Company Limited	Equity investments	491	649

30 **CORRESPONDING FIGURE**

Corresponding figures have been re-arranged and re-classified, wherever necessary. However, there were no significant reclassifications to report.






31 **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Company on

24 AUG 2023

32 **GENERAL**

Figures have been rounded off to the nearest thousand.

Chief Executive Officer Chief Financial Officer Chairman Director Director

Branch Network

Branch Network

Head Office – Karachi

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Email: company.secretary@askarilife.com

Registered Office:

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Email: info@askarilife.com

Karachi Office

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Lahore Regional

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Karachi Regional

Development Center

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Rawalpindi Office

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