



**Condensed Interim Financial Statements**  
**For the half year ended June 30, 2023**

The Directors of your Company are pleased to present the condensed interim financial statements (un-audited) for six months' ended June 30, 2023:

**Financial Highlights:**
**Profit / (Loss)**

	<b>June 30 2023</b>	<b>June 30 2022</b>
	<b>(Rs. in 000') (Unaudited)</b>	
Net profit before tax	85,340	15,197
Taxation	(24,729)	(4,375)
Net profit after tax	60,591	10,822
Other comprehensive Income/(Loss) – net	5,160	(57,783)
	<b>(in Rupees)</b>	
Earnings per share	0.36	0.06
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	10.59	9.95

During the half year of 2023, gross premium written by your Company (including takaful contributions) stood at Rs. 3,344.8 million as against Rs. 2,940.2 million in the corresponding period last year. Individual life regular premium (including takaful contributions) posted growth of 7% and stood at Rs. 1,864.5 million as against Rs. 1,745.4 million in the corresponding period last year.

Group Life premiums / contribution (including takaful group family) stood at Rs. 375.2 million (2022: Rs. 373.7 million), posting an increase of 0.4% from corresponding period of last year. Group Health premium / contribution (including takaful group health) stood at Rs 615.4 million (2022: Rs. 543.5 million), posting an increase of 13% from corresponding period of last year.

Single premium / contribution individual policies stood at Rs 489.7 million as compared to Rs. 277.5 million written in the corresponding period last year.

The Company posted profit after tax of Rs. 60.6 million as compared to profit after tax of Rs. 10.8 million in corresponding period of last year.

**Window Takaful Operations**

Summarised results of Company's Window Takaful Operations for the six months under review are as follows:

	<b>June 30 2023</b>	<b>June 30 2022</b>
	<b>(Rs. in 000')</b>	
	<b>(Unaudited)</b>	
<b>Policyholder' Fund</b>		
Gross Contribution	1,081,868	1,125,309
Net Contribution	741,584	431,335
Investment Income	116,489	179,803
<b>Operator's Fund</b>		
Investment Income	1,034	15,744
Operators' loss before tax	(102,323)	(62,667)
Operators' loss after tax	(72,659)	(40,744)

**Future Outlook**

We are determined to continuing the Company's good path by building on the momentum and strategy we established last year, despite the challenging macroeconomic situation in the country with rising inflation. As a result of our efforts, we anticipate that the Company's performance will improve over the next months.


Customers and partners of IGI Life are appreciated by the Board of Directors. We appreciate the confidence our Stakeholders have shown in the Company and the hard work of all of our staff.

On behalf of the Board of Directors



**Shamim Ahmad Khan**  
**Chairman**

Dated: August 23, 2023



**Ali Nadim**  
**Chief Executive Officer**

Dated: August 23, 2023

## ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز 30 جون، 2023 کو ختم ہونے والی ششماہی کے عبوری مالیاتی گوشوارے (غیر آڈٹ شدہ) پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی جھلکیاں:

نفع (نقصان)	2023 جون 30	2022 جون 30
	(روپے ہزاروں میں)	
	(غیر آڈٹ شدہ)	
خالص نفع قبل از ٹیکس	85,340	15,197
ٹیکسیشن	(24,729)	(4,375)
خالص نفع بعد از ٹیکس	60,591	10,822
دیگر مجموعی آمدن (نقصان) - خالص	5,160	(57,783)
	(روپوں میں)	
آمدن فی شیئر	0.36	0.06
فی شیئر بریک اپ ویلیو (اس میں انشورنس آرڈیننس کی تعمیل میں اسٹیپوری فنڈ میں رکھی گئی رقم بھی شامل ہے)	10.59	9.95

2023 کی پہلی ششماہی میں آپ کی کمپنی کا تحریر کردہ مجموعی پربیم (بشمول ہکافل زرتعاون) گزشتہ سال کے اسی مدت کے 2,940.2 ملین کے مقابلے میں 3,344.8 ملین رہا۔ انفرادی لائف ریگولر پربیم (بشمول ہکافل زرتعاون) گزشتہ سال کے اسی مدت کے 1,745.4 ملین کے مقابلے میں 7% اضافے کے ساتھ 1,864.5 ملین رہا۔ گروپ لائف پربیم زرتعاون (بشمول ہکافل گروپ فیملی) گزشتہ سال کے اسی مدت کے مقابلے میں 0.4% اضافے کے ساتھ 375.2 ملین رہا (2022: 373.7 ملین)۔ گروپ ہیلتھ پربیم زرتعاون (بشمول ہکافل گروپ ہیلتھ) گزشتہ سال کے اسی مدت کے مقابلے میں 13% اضافے کے ساتھ 615.4 ملین رہا (2022: 543.5 ملین)۔ سنگل پربیم زرتعاون انفرادی پالیسیز گزشتہ سال کے اسی مدت کے تحریر کردہ 277.5 ملین کے مقابلے میں 489.7 ملین رہا۔ گزشتہ سال اسی مدت کے 10.8 ملین بعد از ٹیکس نفع کے مقابلے میں کمپنی کو اس سال 60.6 ملین بعد از ٹیکس کا نفع ہوا۔

ونڈ و ہکافل آپریشنز

کمپنی کے ونڈ و ہکافل آپریشنز کے زیر جائزہ ششماہی نتائج کا خلاصہ ذیل میں مذکور ہے:

پالیسی ہولڈرز فنڈ	2023 جون 30	2022 جون 30
	(روپے ہزاروں میں)	
	(غیر آڈٹ شدہ)	
مجموعی زرتعاون	1,081,868	1,125,309
خالص زرتعاون	741,584	431,335
سرمایہ کاری آمدن	116,489	179,803
آپریٹنگ فنڈ		
سرمایہ کاری آمدن	1,034	15,744
آپریٹنگ نقصان قبل از ٹیکس	(102,323)	(62,667)
آپریٹنگ نقصان بعد از ٹیکس	(72,659)	(40,744)

مستقبل کا منظر نامہ

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

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

منجانب بورڈ آف ڈائریکٹرز

Al. Nadiw

علی ندیم

چیف ایگزیکٹو آفیسر

بتاریخ: 23 اگست، 2023

S. An Khan

شمیم احمد خان

چیرمین

بتاریخ: 23 اگست، 2023



**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of IGI Life Insurance Limited**  
**Report on review of Interim Financial Statements**

***Introduction***

We have reviewed the accompanying condensed interim statement of financial position of **IGI Life Insurance Limited** ("the Company") as at June 30, 2023 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement and notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 interim financial statements based on our review. The figures for the quarters ended June 30, 2023 and June 30, 2022 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

***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 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 the 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.

***Emphasis of Matter***

We draw attention to note 15 to the interim financial statements describing the matter related to the provincial sales tax liability on premium charged to the policyholders in respect of group health and life insurance. Our conclusion is not modified in respect of this matter.

**Conclusion**

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

The engagement partner on the review resulting in this independent auditor's review report is **Noman Abbas Sheikh**.

*A.F. Ferguson & Co.*

A.F. Ferguson & Co.  
Chartered Accountants  
Karachi

Dated: August 25, 2023  
UDIN: RR202310061k8rC7YK4F

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



IGI LIFE INSURANCE LIMITED  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT JUNE 30, 2023

	Note	(Un-audited) June 30, 2023	(Audited) December 31, 2022
----- Rupees in 000 -----			
<b>Assets</b>			
Property and equipment	9	177,324	216,616
Intangible assets	9	351,711	326,960
Investments			
Mutual funds	10	6,610,108	6,039,945
Government securities	11	12,517,484	11,862,395
Debt securities	12	300,000	600,000
		19,427,592	18,502,340
Loans secured against life insurance policies		192,256	175,139
Insurance / takaful / reinsurance / retakaful receivables		232,605	239,119
Other loans and receivables		480,345	475,852
Taxation - payments less provision		840,576	780,540
Deferred tax asset - net		432,854	447,065
Prepayments		91,207	63,174
Cash and bank	13	568,120	218,118
<b>Total assets</b>		<u>22,794,590</u>	<u>21,444,923</u>
<b>Equity and liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Authorised share capital		3,000,000	3,000,000
[300,000,000 (December 31, 2022: 300,000,000) ordinary shares of Rs. 10 each]			
Issued, subscribed and paid-up capital		1,705,672	1,705,672
Ledger account C & D		(993,770)	(1,029,779)
Unappropriated profit		1,177,201	1,152,619
Deficit on revaluation of available for sale investments - net		(82,964)	(88,124)
<b>Total equity</b>		1,806,139	1,740,388
<b>Liabilities</b>			
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	14	19,235,699	18,159,025
Outstanding claims		571,598	623,709
Retirement benefit obligations		29,261	29,261
Premium received in advance		126,483	113,186
Reinsurance / retakaful payables		207,633	129,914
Other creditors and accruals		771,468	573,080
Lease liability against right-of-use assets		46,309	76,360
<b>Total liabilities</b>		20,988,451	19,704,535
<b>Total equity and liabilities</b>		<u>22,794,590</u>	<u>21,444,923</u>
<b>Contingencies and commitments</b>			

15

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

AHCo

S. Anwar Khan

Chairman

[Signature]

Director

[Signature]

Director

Al. Nadin

Chief Executive Officer

[Signature]

Chief Financial Officer



IGI LIFE INSURANCE LIMITED  
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Note	Half Year ended		Quarter ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
-----Rupees in 000-----					
Gross premium / contribution revenue		3,344,813	2,940,163	1,566,235	1,309,054
Less: premium / contribution ceded to reinsurers / retakaful operators		145,420	126,610	54,806	71,565
<b>Net premium / contribution revenue</b>	16	<u>3,199,393</u>	<u>2,813,553</u>	<u>1,511,429</u>	<u>1,237,489</u>
Investment income	17	1,098,827	931,976	606,800	587,781
Net realised fair value gains / (losses) on financial assets		60,954	(85,743)	53,583	(65,216)
Other income - net		83,888	34,115	69,891	18,028
		<u>1,243,669</u>	<u>880,348</u>	<u>730,274</u>	<u>540,593</u>
<b>Net income</b>		<u>4,443,062</u>	<u>3,693,901</u>	<u>2,241,703</u>	<u>1,778,082</u>
Insurance benefits		2,223,317	2,895,186	1,024,195	1,441,828
Recoveries from reinsurers / retakaful operators		(60,239)	(92,819)	(15,488)	(49,061)
<b>Net insurance benefits</b>	18	<u>2,163,078</u>	<u>2,802,367</u>	<u>1,008,707</u>	<u>1,392,767</u>
		<u>2,279,984</u>	<u>891,534</u>	<u>1,232,996</u>	<u>385,315</u>
Change in insurance liabilities (other than outstanding claims)		953,882	(297,107)	557,440	(229,135)
Acquisition expenses	19	887,237	726,286	439,169	340,720
Marketing and administration expenses	20	344,869	430,170	178,157	250,868
Other expenses	21	4,791	4,749	2,417	2,934
<b>Total expenses</b>		<u>2,190,779</u>	<u>864,098</u>	<u>1,177,183</u>	<u>365,387</u>
		<u>89,205</u>	<u>27,436</u>	<u>55,813</u>	<u>19,928</u>
Finance costs		3,865	12,239	1,968	9,969
<b>Profit before tax</b>		<u>85,340</u>	<u>15,197</u>	<u>53,845</u>	<u>9,959</u>
Income tax	22	(24,749)	(4,375)	(15,476)	(2,854)
<b>Profit after tax</b>		<u>60,591</u>	<u>10,822</u>	<u>38,369</u>	<u>7,105</u>
-----Rupees-----					
Earnings per share	23	<u>0.36</u>	<u>0.06</u>	<u>0.22</u>	<u>0.04</u>

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

AHCO

S. Khan

Chairman

[Signature]

Director

[Signature]

Director

[Signature]

Chief Executive Officer

[Signature]

Chief Financial Officer

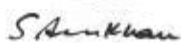


IGI LIFE INSURANCE LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Half year ended		Quarter ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	-----Rupees in 000-----			
Profit after tax	60,591	10,822	38,369	7,105
<b>Other comprehensive loss</b>				
Change in unrealised gain / (loss) on available-for-sale financial assets	127,452	(533,717)	182,185	(497,046)
Less: taxation	500	10,889	(4,037)	8,995
Change in unrealised gain / (loss) on available-for-sale financial assets - net of tax	127,952	(522,828)	178,148	(488,051)
Change in insurance liabilities - net	(122,792)	465,045	(161,808)	439,304
<b>Other comprehensive income / (loss) for the period</b>	5,160	(57,783)	16,340	(48,747)
<b>Total comprehensive income / (loss) for the period</b>	<u>65,751</u>	<u>(46,961)</u>	<u>54,709</u>	<u>(41,642)</u>

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

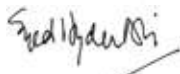
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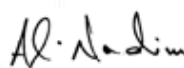
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Attributable to equity holders of the Company				Total
	Share capital	Un-appropriated profit *	Ledger C & D account **	Capital reserve Net deficit on revaluation of available for sale investments ***	
	-----Rupees in '000-----				
<b>Balance as at December 31, 2021 (audited)</b>	1,705,672	1,121,879	(1,043,446)	(39,924)	1,744,181
<b>Total comprehensive income / (loss)</b>					
Profit / (loss) for half year ended June 30, 2022	-	32,747	(21,925)	-	10,822
Other comprehensive loss for half year ended June 30, 2022	-	-	-	(57,783)	(57,783)
	-	32,747	(21,925)	(57,783)	(46,961)
<b>Balance as at June 30, 2022 (un-audited)</b>	1,705,672	1,154,626	(1,065,371)	(97,707)	1,697,220
<b>Total comprehensive (loss) / income</b>					
(Loss) / profit for half year ended December 31, 2022	-	(2,007)	33,216	-	31,209
Other comprehensive income for half year ended December 31, 2022	-	-	2,376	9,583	11,959
	-	(2,007)	35,592	9,583	43,168
<b>Balance as at December 31, 2022 (audited)</b>	1,705,672	1,152,619	(1,029,779)	(88,124)	1,740,388
<b>Total comprehensive income</b>					
Profit for half year ended June 30, 2023	-	24,582	36,009	-	60,591
Other comprehensive income for half year ended June 30, 2023	-	-	-	5,160	5,160
	-	24,582	36,009	5,160	65,751
<b>Balance as at June 30, 2023 (un-audited)</b>	1,705,672	1,177,201	(993,770)	(82,964)	1,806,139

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

\*\* This represents reserve appropriated to shareholders.

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

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

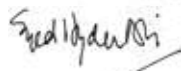
AHCO

S. Anwar Khan

Chairman



Director



Director

Al. Nadin

Chief Executive Officer



Chief Financial Officer



IGI LIFE INSURANCE LIMITED  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

Note	Half year ended	
	June 30, 2023	June 30, 2022
-----Rupees in 000-----		
<b>Operating cash flows</b>		
<b>(a) Underwriting activities</b>		
	3,357,160	2,838,553
Premiums received net of policy transfers	(258,062)	(168,976)
Reinsurance premium paid	(715,979)	(731,160)
Claims paid	(1,498,448)	(2,088,689)
Surrenders paid	67,703	99,997
Reinsurance recovery received	(385,281)	(467,712)
Commission paid	34,923	28,433
Commission received	602,016	(489,554)
<b>Net cash inflow from / (outflow on) from underwriting activities</b>		
<b>(b) Other operating activities</b>		
	(70,077)	(45,945)
Income tax paid	(724,246)	(658,596)
Marketing and administrative expenses paid	43,034	7,635
Other operating receipts	(5,366)	14,863
Loans advanced	768	2,178
Loan repayments received	(755,887)	(679,865)
<b>Net cash outflow on other operating activities</b>		
<b>Total cash outflow on all operating activities</b>	(153,871)	(1,169,419)
<b>Investment activities</b>		
	1,077,462	643,167
Profit / return received	27,236	244,685
Dividend received	(29,250,363)	(2,495,319)
Payment for investments	31,722,434	190,454
Proceeds from disposal of investments	26,040	9,459
Proceeds from disposals of fixed assets	(53,010)	(37,697)
Capital work in progress	3,549,799	(1,445,251)
<b>Total cash inflow from / (outflow on) investing activities</b>		
<b>Financing activities</b>		
	-	(1)
Dividends paid	-	(1)
<b>Total cash outflow on financing activities</b>		
<b>Net cash inflow from / (outflow on) all activities</b>	3,395,928	(2,614,671)
Cash and cash equivalents at beginning of the period	3,767,513	7,772,539
<b>Cash and cash equivalents at end of the period</b>	13.2 <u>7,163,441</u>	<u>5,157,868</u>
<b>Reconciliation to the profit and loss account</b>		
	(153,871)	(1,169,419)
Operating cash flows	(63,105)	(76,132)
Depreciation and amortisation expenses	23,782	(6,459)
Gain / (loss) on disposal of fixed assets	2,906	14,107
Increase in assets other than cash	(1,070,216)	892,979
Decrease / (increase) in liabilities	1,291,223	338,380
Investment income	29,872	17,366
Profit received on bank deposits	60,591	10,822
<b>Profit after taxation</b>		

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

AHCO

S. Shankar

Chairman

[Signature]

Director

[Signature]

Director

A. N. N. N. N.

Chief Executive Officer

[Signature]

Chief Financial Officer



**IGI LIFE INSURANCE LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The registered office is also the principal office of the Company.
- 1.2 The Company is a subsidiary of IGI Holdings Limited ("Holding Company") which holds 82.69% (December 31, 2022: 82.69%) share capital of the Company.
- 1.3 The Company is engaged in life insurance, carrying on both participating and non-participating business. The Company is also engaged in providing Shariah Compliant family takaful products as an approved window takaful operator. Subsequent to the year end, SECP has registered the Company as Pension Fund Manager under the Voluntary Pension System Rules, 2005 vide certificate of registration dated July 27, 2023.
- 1.4 In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary, are as follows:
- Life (participating)
  - Life (non-participating) – Individual
  - Life (non-participating) – Group
  - Accident & Health – Individual
  - Accident & Health – Group
  - Pension Business Fund
  - Investment Linked
  - Individual Family Takaful
  - Accident & Health Takaful – Individual
  - Group Family Takaful
  - Group Health Takaful

**2 BASIS OF PREPARATION**

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

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

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

**2.1 Statement of compliance**

- 2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:
- Accounting Standards (IAS 34) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
  - Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

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

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**2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022.

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

### **3 BASIS OF MEASUREMENT**

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

### **4 FUNCTIONAL AND PRESENTATION CURRENCY**

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

### **5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

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

	<b>Effective date (period beginning on or after)</b>
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 7 - 'Financial Instruments: Disclosures' (amendments)	January 1, 2024
- IAS 7 - 'Statement of Cash Flows' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2023*
- IFRS 16 - 'Leases' (amendments)	January 1, 2024
- IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023 and yet to be notified by the Securities and Exchange Commission of Pakistan.	

\* The management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

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

##### **5.2.2** There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2024, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

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## 6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual audited financial statements for the year ended December 31, 2022. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2023 conducted at the year end. Hence actuarial gains / losses for the half year ended June 30, 2023 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

## 7 INSURANCE AND FINANCIAL RISK MANAGEMENT

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

## 8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

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

### 8.1 Fair value of financial assets as at June 30, 2023 and change in the fair values during the half year ended June 30, 2023:

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- Rupees in 000 -----	
<b>Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading</b>		
<i>Pakistan Investment Bonds - available for sale (refer note 11)</i>		
Opening fair value	4,775,838	4,966,853
Additions during the period	18,102	40,443
Decrease in fair value	(180,783)	(231,458)
Closing fair value	<u>4,613,157</u>	<u>4,775,838</u>
<i>Market Treasury Bills - available for sale (refer note 11)</i>		
Opening fair value	6,808,483	6,869,422
Additions / (disposals) during the period	810,559	(49,049)
Increase / (decrease) in fair value	8,087	(11,890)
Closing fair value	<u>7,627,129</u>	<u>6,808,483</u>
<i>GOP Ijarah Sukuk - available for sale (refer note 11)</i>		
Opening fair value	278,074	277,409
Additions / (disposals) during the period	59	(5,484)
(Decrease) / increase in fair value	(935)	6,149
Closing fair value	<u>277,198</u>	<u>278,074</u>
<i>Debt Securities - available for sale (refer note 12)</i>		
Opening fair value	600,000	225,000
(Disposals) / additions during the period	(300,000)	375,000
Closing fair value	<u>300,000</u>	<u>600,000</u>
<b>Financial assets that do not meet the SPPI criteria</b>		
<i>Mutual funds - available for sale (refer note 10)</i>		
Opening fair value	6,039,945	6,095,600
Additions / (disposals) during the period	223,762	(45,511)
Increase / (decrease) in fair value	346,401	(10,144)
Closing fair value	<u>6,610,108</u>	<u>6,039,945</u>

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9	PROPERTY AND EQUIPMENT	Note	(Un-audited)	(Audited)
			June 30, 2023	December 31, 2022
			----- Rupees in 000 -----	
	Tangible assets (including right-of-use-assets)		168,923	211,474
	Capital work-in-progress		8,401	5,142
			<u>177,324</u>	<u>216,616</u>
	Intangible assets		351,711	326,960
		9.1	<u>529,035</u>	<u>543,576</u>
9.1	Opening net book value		525,082	695,625
	Add: additions during the period / year			
	- Leasehold improvements		-	2,161
	- Furniture and fixtures		157	241
	- Office equipment		-	35
	- Computer equipment		2,290	2,658
	- Right-of-use assets		-	2,444
	- Software and licenses		44,473	16,028
			<u>46,920</u>	<u>23,567</u>
	Less: net book value of disposals			
	- Leasehold improvements		-	11,059
	- Furniture and fixtures		-	8,418
	- Office equipment		-	1,292
	- Computer equipment		-	128
	- Right-of-use assets		6,893	32,906
			<u>6,893</u>	<u>53,803</u>
	Less: depreciation and amortisation for the period / year		63,105	140,307
	Closing net book value		<u>502,004</u>	<u>525,082</u>
	Add: capital work-in-progress			
	- Advance against civil works		8,401	5,142
	- Advance against software		18,630	13,352
			<u>529,035</u>	<u>543,576</u>

(Un-audited)			(Audited)		
June 30, 2023			December 31, 2022		
Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Deficit on revaluation of investments
----- Rupees in 000 -----					

## 10 INVESTMENTS IN EQUITY SECURITIES

### Available for sale

Mutual Funds	6,365,423	6,610,108	244,686	6,161,660	6,039,945	(101,715)
	<u>6,365,423</u>	<u>6,610,108</u>	<u>244,686</u>	<u>6,161,660</u>	<u>6,039,945</u>	<u>(101,715)</u>

## 11 INVESTMENTS IN GOVERNMENT SECURITIES

### Available for sale

Pakistan Investment Bonds	1.1 & 11.2	5,140,038	4,613,157	(526,881)	5,121,936	4,775,838	(346,098)
Market Treasury Bills	11.3	7,636,650	7,627,129	(9,521)	6,826,091	6,808,483	(17,608)
GOP Ijarah Sukuk	11.4	279,203	277,198	(2,005)	279,144	278,074	(1,070)
		<u>13,055,891</u>	<u>12,517,484</u>	<u>(538,407)</u>	<u>12,227,171</u>	<u>11,862,395</u>	<u>(364,776)</u>

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- 11.1 The effective yield on Pakistan Investment Bonds ranges from 9.12% to 22.42% (December 31, 2022: 7.50% to 16.28%) per annum. The market yield ranges from 19.63% to 22.79% (December 31, 2022: 15.79% to 16.99%) per annum. These are due to mature by August, 2029.
- 11.2 The Company has deposited 5 years Pakistan Investment Bonds having face value amounting to Rs. 193 million (December 31, 2022: Rs. 193 million) with the State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.
- 11.3 The effective yield on Market Treasury Bills ranges from 17.55% to 21.99% (December 31, 2022: 11.90% to 16.97%) per annum. The market yield ranges from 22.30% to 22.69% (December 31, 2022: 15% to 17%) per annum. These are due to mature by October, 2023.
- 11.4 The effective yield on GOP Ijarah Sukuk ranges from 20.62% to 22.68% (December 31, 2022: 14.91% to 15.93%) per annum and are due to mature by April, 2025.

## 12 INVESTMENTS IN DEBT SECURITIES

Note	(Un-audited)			(Audited)		
	June 30, 2023			December 31, 2022		
	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments

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

### Available for sale

Term Finance Certificates	12.1	300,000	300,000	-	300,000	300,000	-
Corporate Sukuk		-	-	-	300,000	300,000	-
		<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>600,000</u>	<u>600,000</u>	<u>-</u>

- 12.1 The effective yield on term finance certificates ranges from 17.31% to 24.14% (December 31, 2022: 16.37% to 17.51%) per annum.

Note	(Un-audited) June 30, 2023	(Audited) December 31, 2022
------	----------------------------------	-----------------------------------

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

## 13 CASH AND BANK

Cash in hand		796	94
Cash at bank	13.1	567,324	218,024
		<u>568,120</u>	<u>218,118</u>

- 13.1 These savings accounts carry mark-up rate ranging from 14.5% to 20% per annum (December 31, 2022: 14% to 15.5%).

Note	(Un-audited) June 30, 2023	(Audited) December 31, 2022
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----- Rupees in 000 -----

### 13.2 Cash and cash equivalents

Cash and bank balances	13	568,120	218,118
Treasury Bills (with original maturity of less than 3 months)		6,595,321	3,549,395
		<u>7,163,441</u>	<u>3,767,513</u>

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Note	(Un-audited) Rupees in 000 · 2023	(Audited) 0-Jan-00 2022
	----- Rupees in 000 -----	
<b>14 INSURANCE LIABILITIES</b>		
Incurring but not reported claims	145,742	167,653
Investment component of unit-linked and account value policies	11,049,127	10,040,827
Liabilities under individual conventional insurance contracts	6,372,462	6,447,583
Liabilities under group insurance contracts	378,336	365,749
Other insurance liabilities	697,872	621,438
Ledger account A and B	592,160	515,775
	<u>19,235,699</u>	<u>18,159,025</u>

#### 15 CONTINGENCIES AND COMMITMENTS

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

With effect from July 1, 2019, in Sindh, the SRB, vide its notifications SRB-3-4/16/2019, SRB-3-4/14/2020 and SRB-3-4/19/2022, extended the exemption to health insurance upto June 30, 2023. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. The Company, however, has not availed this exemption.

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

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

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

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

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

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

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

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

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

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax would have decreased by Rs. 488.897 million (December 31, 2022: Rs 434.333 million) while sales tax liability as at June 30, 2023 would have been higher by Rs. 688.588 million (December 31, 2022: Rs 611.737 million).

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

		------(Un-audited)-----	
		For the half year ended	
		June 30, 2023	June 30, 2022
		-----Rupees in 000-----	
16	<b>NET PREMIUM / CONTRIBUTION REVENUE</b>		
	<b>Gross premiums / contribution:</b>		
	Regular premium / contribution individual policies*		
	First year	632,394	681,753
	Second year renewal	429,786	444,147
	Subsequent year renewal	802,326	619,554
	Single premium / contribution individual policies	489,693	277,530
	Group policies without cash value	990,614	917,179
	<b>Total gross premiums / contribution</b>	<b>3,344,813</b>	<b>2,940,163</b>
	<b>Less: reinsurance premium / contribution ceded</b>		
	On individual life first year business	18,742	14,983
	On individual life second year business	12,539	18,718
	On individual life renewal business	31,281	19,522
	On single premium policies	911	831
	On individual accident and health first year	1,156	1,651
	On group policies	115,714	99,338
	Less: commission from reinsurers	(34,923)	(28,433)
		145,420	126,610
	<b>Net premium / contribution</b>	<b>3,199,393</b>	<b>2,813,553</b>

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

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		----- (Un-audited) -----	
		For the half year ended	
		June 30, 2023	June 30, 2022
		----- Rupees in 000 -----	
<b>17</b>	<b>INVESTMENT INCOME</b>		
	Return on government securities	1,010,700	640,689
	Amortisation of discount	22,476	20,379
	Dividend income	27,236	244,685
	Profit on term deposit receipts	-	11,750
	Profit on debt securities	38,415	14,473
		<u>1,098,827</u>	<u>931,976</u>
<b>18</b>	<b>NET INSURANCE BENEFITS</b>		
	<b>Gross claims</b>		
	Claims under individual policies		
	By death	94,153	115,129
	By maturity	3,030	3,416
	By surrender	1,495,418	2,085,273
	<b>Total gross individual policy claims</b>	<u>1,592,601</u>	<u>2,203,818</u>
	Claims under group policies		
	by death	167,415	258,331
	by insured event other than death	402,301	430,037
	experience refund	61,000	3,000
	<b>Total gross group policy claims</b>	<u>630,716</u>	<u>691,368</u>
	<b>Total gross policy claims</b>	<u>2,223,317</u>	<u>2,895,186</u>
	<b>Less: reinsurance recoveries</b>		
	On individual life claims	26,434	37,064
	On group life claims	33,805	55,755
		<u>60,239</u>	<u>92,819</u>
	<b>Net insurance benefit expense</b>	<u>2,163,078</u>	<u>2,802,367</u>
<b>19</b>	<b>ACQUISITION EXPENSES</b>		
	Remuneration to insurance intermediaries		
	on individual policies:		
	- Commission on first year premiums / contribution	241,532	269,109
	- Commission on second year premiums / contribution	25,910	27,929
	- Commission on subsequent renewal premiums / contribution	32,653	17,972
	- Commission on single premiums / contribution	14,374	7,840
	- Other benefits to insurance intermediaries	267,173	243,856
		581,642	566,706
	Remuneration to insurance intermediaries on group policies:		
	- Commission	70,175	84,461
	- Other benefits to insurance intermediaries	1,155	3,719
		71,330	88,180
	Branch overheads:		
	- Salaries and other benefits	80,780	27,329
	- Other operational cost	144,174	34,789
		224,954	62,118
	Other acquisition cost :		
	- Policy stamps	9,311	9,282
		<u>887,237</u>	<u>726,286</u>

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		-----Un-audited-----	
		For the half year ended	
		June 30, 2023	June 30, 2022
		-----Rupees in 000-----	
<b>20</b>	<b>MARKETING AND ADMINISTRATION EXPENSES</b>		
	Salaries, allowances & other benefits	197,166	193,173
	Travelling expenses	7,886	9,715
	Directors fees	5,634	4,177
	Regulators fee	6,853	8,144
	Actuary's fees	7,434	4,430
	Legal and professional charges	2,465	2,138
	Advertisement and publicity	2,210	6,603
	Printing and stationery	3,005	7,552
	Depreciation and amortisation	63,105	76,132
	Rentals	8,313	12,213
	Vehicles and general repair and maintenance	5,963	64,498
	Utilities-electricity, water and gas	6,621	9,736
	Transportation	731	4,407
	Communication	2,887	8,348
	Consultancy fee	3,564	3,752
	Training and workshop	1,957	995
	Insurance	2,750	3,030
	Interest on premium deposit in advance	238	386
	Social security	667	522
	Entertainment	5,565	4,540
	Miscellaneous expenses	9,855	5,679
		<u>344,869</u>	<u>430,170</u>
<b>21</b>	<b>OTHER EXPENSES</b>		
	Auditors' remuneration	<u>4,791</u>	<u>4,749</u>
<b>22</b>	<b>TAXATION</b>		

As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the half year ended June 30, 2023, the shareholder's fund reflected a profit before tax of Rs 35.063 million resulting in current tax amounting to Rs 10.168 million.

The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in profit and loss account on aggregate basis. Therefore the Company has recognised deferred tax of Rs. 405.908 million (December 31, 2022: Rs. 423.697 million) in this respect.

		-----Un-audited-----			
		Half year ended		Quarter ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
		-----Rupees in 000-----			
<b>23</b>	<b>EARNINGS PER SHARE</b>				
	<b>Basic / diluted earning per share</b>				
	Profit for the period	<u>60,591</u>	<u>10,822</u>	<u>38,369</u>	<u>7,105</u>
		-----No. of shares-----		-----No. of shares-----	
	Weighted average number of ordinary shares	<u>170,567,200</u>	<u>170,567,200</u>	<u>170,567,200</u>	<u>170,567,200</u>
		----- (Rupees)-----		----- (Rupees)-----	
	Earning per share	<u>0.36</u>	<u>0.06</u>	<u>0.22</u>	<u>0.04</u>

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## 24 SEGMENT INFORMATION

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

## 24.1 Revenue account by statutory funds

(Un-audited)												
For half year ended June 30, 2023												
CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS				Total	
Life (Participating)	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health		
	Individual	Group		Individual	Group							
----- Rupees in '000 -----												
<b>INCOME</b>												
Premiums / contribution less reinsurances / retakaful	7,059	410,504	248,469	865,684	3,186	555,265	28,667	1,002,541	596	11,972	30,527	3,164,470
Net investment income	153,269	314,983	9,892	429,519	8	-	17,542	312,407	-	2,174	6,087	1,245,881
Other income - net	4,812	10,178	3,279	32,018	39	14,228	1,697	17,069	11	193	365	83,889
<b>Total net income</b>	<b>165,140</b>	<b>735,665</b>	<b>261,640</b>	<b>1,327,221</b>	<b>3,233</b>	<b>569,493</b>	<b>47,906</b>	<b>1,332,017</b>	<b>607</b>	<b>14,339</b>	<b>36,979</b>	<b>4,494,240</b>
<b>CLAIMS AND EXPENDITURE</b>												
Claims, including bonuses, net of reinsurance recoveries	97,248	435,200	181,585	623,987	1,701	379,063	-	408,031	-	13,025	23,238	2,163,078
Management expenses less recoveries	10,201	193,214	48,094	300,259	8,448	132,913	-	465,307	798	12,625	23,262	1,195,121
<b>Total claims and expenditure</b>	<b>107,449</b>	<b>628,414</b>	<b>229,679</b>	<b>924,246</b>	<b>10,149</b>	<b>511,976</b>	<b>-</b>	<b>873,338</b>	<b>798</b>	<b>25,650</b>	<b>46,500</b>	<b>3,358,199</b>
<b>Excess / (shortage) of income over claims and expenditure</b>	<b>57,691</b>	<b>107,251</b>	<b>31,961</b>	<b>402,975</b>	<b>(6,916)</b>	<b>57,517</b>	<b>47,906</b>	<b>458,679</b>	<b>(191)</b>	<b>(11,311)</b>	<b>(9,521)</b>	<b>1,136,041</b>
Add: Policyholders' liabilities at beginning of the period	1,562,449	5,092,807	165,940	5,472,909	17,861	302,137	355,811	4,719,947	3,291	(30,717)	(19,185)	17,643,250
Less: Policyholders' liabilities at end of the period	(1,543,755)	(5,051,553)	(140,520)	(5,968,808)	(14,962)	(319,332)	(402,020)	(5,268,035)	(2,086)	43,750	23,782	(18,643,539)
Movement in policyholders' liabilities	18,694	41,254	25,420	(495,899)	2,899	(17,195)	(46,209)	(548,088)	1,205	13,033	4,597	(1,000,289)
<b>Surplus / (deficit) before tax</b>	<b>76,385</b>	<b>148,505</b>	<b>57,381</b>	<b>(92,924)</b>	<b>(4,017)</b>	<b>40,322</b>	<b>1,697</b>	<b>(89,409)</b>	<b>1,014</b>	<b>1,722</b>	<b>(4,924)</b>	<b>135,752</b>
Taxation	-	(41,215)	(19,177)	27,025	1,167	(11,693)	(492)	27,219	(294)	(155)	2,907	(14,708)
<b>Surplus / (deficit) after tax</b>	<b>76,385</b>	<b>107,290</b>	<b>38,204</b>	<b>(65,899)</b>	<b>(2,850)</b>	<b>28,629</b>	<b>1,205</b>	<b>(62,190)</b>	<b>720</b>	<b>1,567</b>	<b>(2,017)</b>	<b>121,044</b>
Movement in policyholders' liabilities	(18,694)	(41,254)	(25,420)	495,899	(2,899)	17,195	46,209	548,088	(1,205)	(13,033)	(4,597)	1,000,289
<b>Transfers from or (to) shareholders' fund</b>												
- Capital contributions from shareholders' fund	-	-	-	-	5,214	-	-	-	-	6,000	-	11,214
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	6,000	-	6,000
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	5,214	-	-	-	-	6,000	-	11,214
<b>Balance of statutory fund at beginning of the period</b>	<b>2,078,224</b>	<b>5,635,062</b>	<b>314,603</b>	<b>5,368,342</b>	<b>869</b>	<b>292,243</b>	<b>367,636</b>	<b>4,516,808</b>	<b>8,050</b>	<b>7,665</b>	<b>45,650</b>	<b>18,635,152</b>
<b>Balance of statutory fund at end of the period</b>	<b>2,135,915</b>	<b>5,701,098</b>	<b>327,387</b>	<b>5,798,342</b>	<b>334</b>	<b>338,067</b>	<b>415,050</b>	<b>5,002,706</b>	<b>7,565</b>	<b>2,199</b>	<b>39,036</b>	<b>19,767,699</b>
<b>Represented by:</b>												
Capital contributed by shareholders' fund	-	-	150,000	584,831	47,214	32,057	6,000	555,148	4,095	42,200	151,554	1,573,099
Policyholders' liabilities / PTF	1,543,755	5,051,553	140,520	5,968,808	14,962	319,332	402,020	5,268,035	2,086	(43,750)	(23,782)	18,643,539
Retained earnings attributable to policyholders (Ledger Account A)	558,363	-	-	-	-	-	-	-	-	-	-	558,363
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	33,797	-	-	-	-	-	-	-	-	-	-	33,797
Retained earnings / (accumulated loss) on other than participating business (Ledger Account D) / PTF	-	666,526	37,797	(750,243)	(61,694)	(13,322)	7,030	(816,583)	1,384	2,873	(93,069)	(1,019,301)
Revaluation (deficit) / surplus on revaluation of available for sale investments	-	(16,981)	(930)	(5,054)	(148)	-	-	(3,894)	-	876	4,333	(21,798)
<b>BALANCE OF STATUTORY FUND</b>	<b>2,135,915</b>	<b>5,701,098</b>	<b>327,387</b>	<b>5,798,342</b>	<b>334</b>	<b>338,067</b>	<b>415,050</b>	<b>5,002,706</b>	<b>7,565</b>	<b>2,199</b>	<b>39,036</b>	<b>19,767,699</b>

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(un-audited)											
For half year ended June 30, 2022											
CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS				Total
Life (Participating)	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health	
	Individual	Group		Individual	Group						

Rupees in '000

**INCOME**

Premiums/contribution less reinsurances/retakaful	8,534	311,075	215,866	638,547	4,833	480,538	37,058	1,002,450	1,840	58,810	25,569	2,785,120
Net investment income	82,524	149,444	(281)	35,154	(45)	-	8,277	(19,915)	324	853	4,006	260,341
Other income - net	4,295	15,730	1,573	8,953	38	12,313	1,317	1,596	(5)	(142)	(19)	45,649
<b>Total net income</b>	<b>95,353</b>	<b>476,249</b>	<b>217,158</b>	<b>682,654</b>	<b>4,826</b>	<b>492,851</b>	<b>46,652</b>	<b>984,131</b>	<b>2,159</b>	<b>59,521</b>	<b>29,556</b>	<b>3,091,110</b>

**CLAIMS AND EXPENDITURE**

Claims, including bonuses, net of reinsurance recoveries	117,030	452,870	183,225	1,006,027	3,452	406,417	181	586,360	1,015	22,351	23,439	2,802,367
Management expenses less recoveries	4,084	124,814	53,659	309,000	12,095	111,118	-	481,254	1,296	10,039	17,269	1,124,628
<b>Total claims and expenditure</b>	<b>121,114</b>	<b>577,684</b>	<b>236,884</b>	<b>1,315,027</b>	<b>15,547</b>	<b>517,535</b>	<b>181</b>	<b>1,067,614</b>	<b>2,311</b>	<b>32,390</b>	<b>40,708</b>	<b>3,926,995</b>

**(Shortage) / excess of income over claims and expenditure**

	(25,761)	(101,435)	(19,726)	(632,373)	(10,721)	(24,684)	46,471	(83,483)	(152)	27,131	(11,152)	(835,885)
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## Add: Policyholders' liabilities at beginning of the period

	1,627,464	5,373,432	120,654	6,336,304	20,256	325,979	267,072	4,184,891	5,763	(15,479)	(2,546)	18,243,790
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## Less: Policyholders' liabilities at end of the period

	(1,588,309)	(5,193,926)	(127,362)	(5,775,596)	(21,026)	(270,490)	(315,172)	(4,163,983)	(6,014)	(13,358)	6,992	(17,468,244)
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## Movement in policyholders' liabilities

	39,155	179,506	(6,708)	560,708	(770)	55,489	(48,100)	20,908	(251)	(28,837)	4,446	775,546
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## Surplus / (deficit) before tax

	13,394	78,071	(26,434)	(71,665)	(11,491)	30,805	(1,629)	(62,575)	(403)	(1,706)	(6,706)	(60,339)
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## Taxation

	-	(38,751)	10,631	20,340	3,319	(8,934)	472	18,018	150	742	3,013	9,000
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## Surplus / (deficit) after tax

	13,394	39,320	(15,803)	(51,325)	(8,172)	21,871	(1,157)	(44,557)	(253)	(964)	(3,693)	(51,339)
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## Movement in policyholders' liabilities

	(39,155)	(179,506)	6,708	(560,708)	770	(55,489)	48,100	(20,908)	251	28,837	(4,446)	(775,546)
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**Transfers (to) or from shareholders' fund**

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

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

**Balance of statutory fund at beginning of the period**

	2,084,241	5,713,320	242,059	6,016,888	14,275	284,191	276,570	3,642,390	5,818	(6,846)	16,945	18,289,851
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**Balance of statutory fund at end of the period**

	2,058,480	5,573,134	232,964	5,404,855	6,873	250,573	323,513	3,576,925	5,816	21,027	8,806	17,462,966
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**Represented by:**

## Capital contributed by shareholders' fund

	-	-	150,000	242,100	42,000	-	6,000	101,500	-	16,200	92,500	650,300
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## Policyholders' liabilities / PTF

	1,588,309	5,193,926	127,362	5,775,596	21,026	270,490	315,172	4,163,983	6,014	13,358	(6,992)	17,468,244
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## Retained earnings attributable to policyholders

## (Ledger Account A)

	442,274	-	-	-	-	-	-	-	-	-	-	442,274
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## Retained earnings on par business attributable

## to shareholders - undistributable (Ledger Account B)

	27,897	-	-	-	-	-	-	-	-	-	-	27,897
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## Retained earnings / (accumulated loss) on other than

## participating business (Ledger Account D) / PTF

	-	415,392	(43,458)	(607,728)	(56,003)	(19,917)	2,341	(678,399)	(117)	(7,687)	(73,245)	(1,068,821)
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## Revaluation deficit on revaluation

## of available for sale investments

	-	(36,184)	(940)	(5,113)	(150)	-	-	(10,159)	(81)	(844)	(3,457)	(56,928)
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**BALANCE OF STATUTORY FUND**

	2,058,480	5,573,134	232,964	5,404,855	6,873	250,573	323,513	3,576,925	5,816	21,027	8,806	17,462,966
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## 24.2 Condensed Interim Statement of Financial Position by Segment

	----- Un-audited -----			----- Audited -----		
	June 30, 2023			December 31, 2022		
	Shareholders Fund	Statutory Funds	Total	Shareholders Fund	Statutory Funds	Total
	----- Rupees in '000 -----			----- Rupees in '000 -----		
<b>Assets</b>						
Property and equipment	8,401	168,923	177,324	31,701	184,915	216,616
Intangible assets	18,630	333,081	351,711	-	326,960	326,960
Investments						
Equity securities	-	-	-	-	-	-
Mutual funds	-	6,610,108	6,610,108	-	6,039,945	6,039,945
Government securities	307,830	12,209,654	12,517,484	242,637	11,619,758	11,862,395
Debt securities	-	300,000	300,000	-	600,000	600,000
Term deposits	-	-	-	-	-	-
Loans secured against life insurance policies	-	192,256	192,256	-	175,139	175,139
Insurance / takaful / reinsurance / retakaful receivables	-	232,605	232,605	-	239,119	239,119
Other loans and receivables	51,657	428,688	480,345	58,030	417,822	475,852
Taxation - payments less provision	840,576	-	840,576	780,540	-	780,540
Deferred tax asset - net	432,854	-	432,854	447,065	-	447,065
Prepayments	5,935	85,272	91,207	2,847	60,327	63,174
Cash and bank	796	567,324	568,120	94	218,024	218,118
<b>Total assets</b>	<b>1,666,679</b>	<b>21,127,911</b>	<b>22,794,590</b>	<b>1,562,914</b>	<b>19,882,009</b>	<b>21,444,923</b>
<b>Liabilities</b>						
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	-	19,235,699	19,235,699	-	18,159,025	18,159,025
Outstanding claims	-	571,598	571,598	-	623,709	623,709
Retirement benefit obligations	29,261	-	29,261	29,261	-	29,261
Premium received in advance	-	126,483	126,483	-	113,186	113,186
Reinsurance / retakaful payables	-	207,633	207,633	-	129,914	129,914
Other creditors and accruals	289,939	481,529	771,468	193,033	380,047	573,080
Liabilities against right-of-use assets	46,309	-	46,309	76,360	-	76,360
<b>Total liabilities</b>	<b>365,509</b>	<b>20,622,942</b>	<b>20,988,451</b>	<b>298,654</b>	<b>19,405,881</b>	<b>19,704,535</b>

## 25 TRANSACTIONS WITH RELATED PARTIES

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

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

	Un-audited							
	For half year ended June 30,							
	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	2023	2022	2023	2022	2023	2022	2023	2022
(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		
<b>Transactions</b>								
Premium underwritten	1,663	-	-	-	-	-	99,208	73,126
Premium paid for general insurance	-	-	-	-	-	-	1,047	1,852
Claims paid	5,284	795	-	-	-	-	41,321	36,672
Claims received	-	-	-	-	-	-	-	490
Charge for administrative services received	3,000	-	-	-	-	-	54,613	44,996
Charge for administrative services provided	1,673	-	-	-	-	-	25,368	5,873
Rent expense	-	-	-	-	-	-	14,636	15,260
Remuneration paid	-	-	-	-	91,917	84,444	-	-
Charged in respect of employees gratuity fund	-	-	8,594	8,005	-	-	-	-
Charge in respect of provident fund	-	-	4,402	7,143	-	-	-	-

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Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
un-audited	audited	un-audited	audited	un-audited	audited	un-audited	audited
June 2023	December 2022	June 2023	December 2022	June 2023	December 2022	June 2023	December 2022
(Rupees in '000)		(Rupees in '000)		(Rupees in '000)		(Rupees in '000)	

**Balances**

Payable for group shared services	2,696	1,368	-	-	-	-	63,267	79,448
Premium receivable	-	438	-	-	-	-	352	1,024
Payable to employee gratuity fund	-	-	29,260	29,260	-	-	-	-
Payable to employee provident fund	-	-	3,123	813	-	-	-	-

**26 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES**

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

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

Fair value of investments is determined as follows:

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

**26.1 Fair value hierarchy**

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

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

As at June 30, 2023 and December 31, 2022, the Company held the following financial instruments measured at fair value:

	-----Un-audited-----		
	As at June 30, 2023		
	Level 1	Level 2	Level 3
	----- Rupees in 000 -----		
<b>Assets carried at fair value</b>			
Available-for-sale investments	-	19,427,592	-
	-----Audited-----		
	As at December 31, 2022		
	Level 1	Level 2	Level 3
	----- Rupees in 000 -----		
<b>Assets carried at fair value</b>			
Available-for-sale investments	-	18,502,340	-

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## 27 GENERAL

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

## 28 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 23 Aug 2023 by the Board of Directors of the Company.

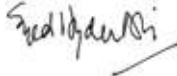
AHCO

S. Sankaran

Chairman



Director



Director

Al. Nadin

Chief Executive Officer



Chief Financial Officer



**Condensed Interim Financial Statements (Window  
Takaful Operation)**  
**For the half year ended June 30, 2023**



**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT JUNE 30, 2023**

	As at			As at
	June 30, 2023			December 31, 2022
	Operator sub fund	Policyholders fund	Total	Total
Note	----- Rupees in 000 -----			
<b>Assets</b>				
Property and equipment	49,265	-	49,265	59,250
Investments				
Mutual funds	350,723	4,505,268	4,855,991	4,073,660
Government Securities	-	161,402	161,402	161,625
Listed Securities	-	-	-	300,000
Term deposits	-	-	-	-
	350,723	4,666,670	5,017,393	4,535,285
Takaful / retakaful receivables	-	12,179	12,179	21,720
Other loans and receivables	72,467	-	72,467	81,729
Taxation - payments less provision	-	-	-	-
Deferred tax asset - net	-	-	-	-
Prepayments	27,827	-	27,827	16,527
Cash and bank	-	137,292	137,292	98,014
<b>Total assets</b>	<b>500,282</b>	<b>4,816,141</b>	<b>5,316,423</b>	<b>4,812,525</b>
<b>Equity and liabilities</b>				
<b>Equity and reserves</b>				
Waqf Ceded Money	-	500	500	500
Capital contributed	752,497	-	752,497	746,497
Ledger account C & D	(905,394)	-	(905,394)	(832,736)
Surplus / (deficit) on revaluation of available for sale investments	1,315	-	1,315	(9,424)
<b>Total equity</b>	<b>(151,582)</b>	<b>500</b>	<b>(151,082)</b>	<b>(95,163)</b>
<b>Liabilities</b>				
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]	14,300	5,188,289	5,202,589	4,673,336
Outstanding claims	-	122,564	122,564	137,527
Contribution received in advance	-	36,621	36,621	30,541
Takaful / retakaful payables	-	45,592	45,592	16,496
Other creditors and accruals	60,140	-	60,140	49,788
Interfund receivable / (payable)	577,424	(577,425)	(1)	-
Lease liability against right-of-use assets	-	-	-	-
<b>Total liabilities</b>	<b>651,864</b>	<b>4,815,641</b>	<b>5,467,505</b>	<b>4,907,688</b>
<b>Total equity and liabilities</b>	<b>500,282</b>	<b>4,816,141</b>	<b>5,316,423</b>	<b>4,812,525</b>
<b>Contingencies and commitments</b>				

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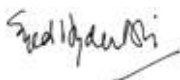
The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



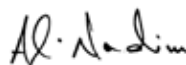
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE SIX MONTHS ENDED JUNE 30, 2023**

	June 30, 2023			June 30, 2022		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	-----Rupees in 000-----					
Contribution revenue	-	1,081,868	1,081,868	-	1,125,309	1,125,309
Less: wakala fee recognised	340,284	(340,284)	-	693,974	(693,974)	-
	340,284	741,584	1,081,868	693,974	431,335	1,125,309
Less: contribution ceded to retakaful operators	-	32,201	32,201	-	31,521	31,521
<b>Net contribution revenue</b>	340,284	709,383	1,049,667	693,974	399,814	1,093,788
Investment income	995	49,643	50,638	12,685	197,968	210,653
Net realised fair value gains / (losses) on financial assets	39	66,846	66,885	3,059	(18,165)	(15,106)
Takaful operator fee income	87,090	(87,090)	-	34,581	(34,581)	-
Other income - net	17,638	-	17,638	(2,324)	1,888	(436)
	105,762	29,399	135,161	48,001	147,110	195,111
<b>Net income</b>	446,046	738,782	1,184,828	741,975	546,924	1,288,899
Takaful benefits	-	445,066	445,066	-	657,892	657,892
Recoveries from retakaful operators	-	(772)	(772)	-	(24,727)	(24,727)
<b>Net takaful benefits</b>	-	444,294	444,294	-	633,165	633,165
	446,046	294,488	740,534	741,975	(86,241)	655,734
Change in takaful liabilities (including profit retained in waqf fund)	42,348	294,488	336,836	289,667	(86,241)	203,426
Acquisition expenses	402,483	-	402,483	395,047	-	395,047
Marketing and administration expenses	103,538	-	103,538	119,928	-	119,928
<b>Total expenses</b>	548,369	294,488	842,857	804,642	(86,241)	718,401
<b>(Loss) / profit before tax attributable to Operator</b>	(102,323)	-	(102,323)	(62,667)	-	(62,667)
Taxation	(29,664)	-	(29,664)	(21,923)	-	(21,923)
<b>(Loss) / profit after tax attributable to Operator</b>	(72,659)	-	(72,659)	(40,744)	-	(40,744)

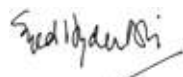
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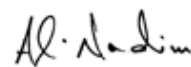
**Chairman**



**Director**



**Director**



**Chief Executive Officer**



**Chief Financial Officer**



**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

	June 30, 2023			June 30, 2022		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	-----Rupees in 000-----					
(Loss) / profit after tax attributable to Operator	(72,659)	-	(72,659)	(40,744)	-	(40,744)
<b>Other comprehensive loss</b>						
Change in unrealised (loss) / gains on available-for-sale financial assets - net of tax	10,739	192,406	203,145	(8,723)	(199,690)	(208,413)
Change in takaful liabilities - net	-	(192,406)	(192,406)	-	199,690	199,690
<b>Other comprehensive loss for the period</b>	10,739	-	10,739	(8,723)	-	(8,723)
<b>Total comprehensive loss for the period attributable to Operator</b>	<b>(61,920)</b>	<b>-</b>	<b>(61,920)</b>	<b>(49,467)</b>	<b>-</b>	<b>(49,467)</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



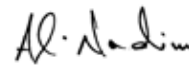
**Chairman**



**Director**



**Director**



**Chief Executive Officer**



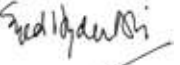
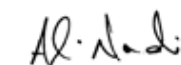



**Chief Financial Officer**

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

Note	For the six months ended June 30, 2023	
	2023	2022
-----Rupees in 000-----		
<b>Operating Cash flows</b>		
(a) <b>Underwriting activities</b>		
Premiums received net of policy transfers - net of retakaful	1,032,161	1,046,214
Claims paid - net of retakaful recoveries	(58,712)	(20,985)
Surrenders paid	(398,211)	(550,740)
Commissions paid	(145,991)	(256,612)
<b>Net cash inflow from underwriting activities</b>	<b>429,247</b>	<b>217,877</b>
(b) <b>Other operating activities</b>		
Payment for expenses	(350,798)	(284,563)
Other operating receipts	6,992	(4,865)
Inter fund transactions	-	151,814
<b>Net cash outflow on other operating activities</b>	<b>(343,806)</b>	<b>(137,614)</b>
<b>Total cash inflow from all operating activities</b>	<b>85,441</b>	<b>80,263</b>
<b>Investment activities</b>		
Profit / return received	57,783	16,136
Dividend received	18,596	197,633
Payments (made) / received on investments	(122,542)	(53,401)
Fixed capital expenditure	-	11,932
<b>Total cash (outflow) / inflow from investing activities</b>	<b>(46,163)</b>	<b>172,300</b>
<b>Net cash (outflow on) / inflow from all activities</b>	<b>39,278</b>	<b>252,563</b>
Cash and cash equivalents at beginning of period	98,014	148,477
<b>Cash and cash equivalents at end of period</b>	<b>137,292</b>	<b>401,040</b>
<b>Reconciliation to Profit and Loss Account</b>		
Operating cash flows	85,441	80,263
Depreciation and amortisation expenses	20,046	23,732
Increase in assets other than cash	23,529	(136,424)
Decrease in liabilities	(336,836)	(203,426)
Investment income and other income	124,515	190,682
Profit received on bank deposits	10,646	4,429
<b>Loss after taxation</b>	<b>(72,659)</b>	<b>(40,744)</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

				
<b>Chairman</b>	<b>Director</b>	<b>Director</b>	<b>Chief Executive Officer</b>	<b>Chief Financial Officer</b>



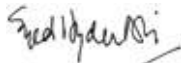
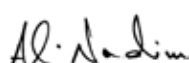



**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

	Attributable to equity holders of the Company				Total
	Capital contributed	Waqf Ceded Money	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments **	
	-----Rupees in 000-----				
<b>Balance as at December 31, 2021</b>	209,700	500	(719,813)	(4,709)	(514,322)
<b>Total comprehensive loss</b>					
Loss for the six months ended June 30, 2022	-	-	(40,744)	-	(40,744)
Other comprehensive loss for the six months ended June 30, 2022	-	-	-	(8,723)	(8,723)
	-	-	(40,744)	(8,723)	(49,467)
Capital Contributed	-	-	-	-	-
<b>Balance as at June 30, 2022</b>	209,700	500	(760,557)	(13,432)	(563,789)
<b>Total comprehensive income</b>					
Loss for the six months ended December 31, 2022	-	-	(72,178)	-	(72,178)
Other comprehensive income for the six months ended December 31, 2022	-	-	-	4,008	4,008
	-	-	(72,178)	4,008	(68,170)
<b>Transactions with owners recorded directly in equity</b>					
Capital Contributed	536,797	-	-	-	536,797
<b>Balance as at December 31, 2022</b>	746,497	500	(832,735)	(9,424)	(95,162)
<b>Total comprehensive loss</b>					
Loss for the six months ended June 30, 2023	-	-	(72,659)	-	(72,659)
Other comprehensive loss for the six months ended June 30, 2023	-	-	-	10,739	10,739
	-	-	(72,659)	10,739	(61,920)
<b>Transactions with owners recorded directly in equity</b>					
Capital Contributed	6,000	-	-	-	6,000
<b>Balance as at June 30, 2023</b>	<u>752,497</u>	<u>500</u>	<u>(905,394)</u>	<u>1,315</u>	<u>(151,082)</u>

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

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

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

**2 BASIS OF PREPARATION**

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

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

**2.1 Statement of compliance**

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

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

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

**2.2 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current year:**

The Company has applied the following standards for the first time for their accounting period commencing January 1, 2023:

Where the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

- 2.3 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022.

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



### 3 BASIS OF MEASUREMENT

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

### 4 FUNCTIONAL AND PRESENTATION CURRENCY

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

### 5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2022, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

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

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

	<b>Effective date (period beginning on or after)</b>
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 7 - 'Financial Instruments: Disclosures' (amendments)	January 1, 2024
- IAS 7 - 'Statement of Cash Flows' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2023*
- IFRS 16 - 'Leases' (amendments)	January 1, 2024
- IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023 and yet to be notified by the Securities and Exchange Commission of Pakistan.	

\* The management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

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

5.2.2 There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2022, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

### 6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2022. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2022 conducted at the year end. Hence actuarial gains / losses for the six months ended June 30, 2023 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

### 7 TAKAFUL FINANCIAL AND RISK MANAGEMENT

The Company's takaful risk management objectives and policies are consistent with those disclosed in the condensed Interim Financial statements as at and for the six months ended June 30, 2023.

## 8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an takaful operator, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful.

## 9 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at June 30, 2023. There were no other material contingencies and commitments as at June 30, 2023.

		(Un-audited)	
		For the six months ended June, 30	
		2023	2022
		---- (Rupees in '000) ----	
<b>10 NET CONTRIBUTION REVENUE</b>			
<b>Gross contribution:</b>			
Regular contribution individual policies*			
First year		328,186	453,973
Second year renewal		405,770	264,167
Subsequent year renewal		263,125	272,063
Single contribution individual policies		38,180	41,404
Group policies without cash value		46,607	93,702
<b>Total gross contribution</b>		<u>1,081,868</u>	<u>1,125,309</u>
<b>Less: retakaful contribution ceded</b>			
On individual life first year business		8,223	8,612
On individual life second year business		9,518	10,879
On individual life renewal business		13,935	6,970
On single premium policies		65	47
On group policies		4,491	10,132
Commission from reinsurers		(4,031)	(5,119)
		<u>32,201</u>	<u>31,521</u>
<b>Net contribution</b>		<u><u>1,049,667</u></u>	<u><u>1,093,788</u></u>

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

		(Un-audited)	
		For the six months ended June, 30	
		2023	2022
		---- (Rupees in '000) ----	
<b>11 NET TAKAFUL BENEFITS</b>			
<b>Gross Claims</b>			
Claims under individual policies			
By death		9,792	57,862
By surrender		398,211	550,740
<b>Total gross individual policy claims</b>		<u>408,003</u>	<u>608,602</u>
Claims under group policies			
by death		13,825	25,851
by insured event other than death		23,238	23,439
experience refund		-	-
<b>Total gross group policy claims</b>		<u>37,063</u>	<u>49,290</u>
<b>Total gross policy claims</b>		<u>445,066</u>	<u>657,892</u>
<b>Less: retakaful recoveries</b>			
On Individual life claims		(28)	21,227
On Group Life claims		800	3,500
		<u>772</u>	<u>24,727</u>
<b>Net takaful benefit expense</b>		<u><u>444,294</u></u>	<u><u>633,165</u></u>



## 12 ACQUISITION EXPENSES

Remuneration to takaful intermediaries on individual policies:

- Commission on first year contribution
- Commission on second year contribution
- Commission on subsequent renewal contribution
- Commission on single contribution
- Other benefits to takaful intermediaries

(Un-audited)	
For the six months ended June, 30	
2023	2022
---- (Rupees in '000) ----	

122,671	174,165
14,515	17,591
18,645	5,951
1,145	1,045
157,816	166,054
314,792	364,806

Remuneration to takaful intermediaries on group policies:

- Commission
- Other benefits to takaful intermediaries

14,915	4,970
-	1,635
14,915	6,605

Branch overheads :

- Salaries and other benefits
- Other operational cost

24,398	7,679
43,546	9,776
67,944	17,455

Other acquisition cost :

- Policy stamps

4,832	6,181
402,483	395,047

## 13 SEGMENT INFORMATION

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

### 13.1 Participants' Investment Fund ( PIF)

----- (Un-audited) -----					
TAKAFUL - STATUTORY FUNDS				Aggregate	
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the six months ended June 30,	For the year ended December 31,
				2023	2022
----- (Rupees in '000) -----					
<b>Income</b>					
Allocated Contribution	704,671	-	-	-	1,513,074
Net Investment Income	386,763	-	-	-	159,830
Other Income	4,607	-	-	-	5,148
Total Net Income	1,096,041	-	-	-	1,678,052
<b>Less: Claims and Expenditure</b>					
Surrenders / Partial Surrenders	398,211	-	-	-	869,771
Risk Contributions	93,127	-	-	-	168,694
Wakalat-ul-Istismar	33,145	-	-	-	66,586
Policy admin fee	53,945	-	-	-	76,323
	578,428	-	-	-	1,181,374
<b>Excess of Income over Claims and expenditure</b>	517,613	-	-	-	496,678
Add: Technical reserves at the beginning	4,605,110	-	-	-	4,108,432
Less: Technical reserves at the end	(5,122,723)	-	-	-	(4,605,110)
	(517,613)	-	-	-	(496,678)
<b>Surplus</b>	-	-	-	-	-
Movement in technical reserves	517,613	-	-	-	496,678
Balance of PIF at the beginning of the period	4,605,110	-	-	-	4,108,432
<b>Balance of PIF at the end of the period</b>	5,122,723	-	-	-	4,605,110

### 13.2 Participants' Takaful Fund ( PTF )

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the six months ended June 30,		For the year ended December 31,
				2023	2022	2022
----- (Rupees in '000) -----						
<b>Income</b>						
Contribution net of retakaful	27,992	9	8,456	23,957	60,414	100,663
Net investment income	8,449	-	986	-	9,435	19,192
Other income	3,937	-	94	-	4,031	10,487
	40,378	9	9,536	23,957	73,880	130,342
<b>Less: Claims and Expenditure</b>						
Claims	9,820	-	13,025	23,238	46,083	128,170
Wakala fee	-	-	-	-	-	-
	9,820	-	13,025	23,238	46,083	128,170
<b>Excess of Income over Claims and expenditure</b>	<b>30,558</b>	<b>9</b>	<b>(3,489)</b>	<b>719</b>	<b>27,797</b>	<b>2,172</b>
Add : Technical reserves at the beginning	112,852	1,580	(44,770)	(31,891)	37,771	35,598
Less : Technical reserves at the end	(111,681)	678	(45,500)	(28,484)	(184,987)	(173,078)
Add: Deficit retained in technical reserves	-	(1,608)	82,760	59,656	140,808	126,046
	1,171	650	(7,510)	(719)	(6,408)	(11,434)
<b>Surplus / (deficit)</b>	<b>31,729</b>	<b>659</b>	<b>(10,999)</b>	<b>-</b>	<b>21,389</b>	<b>(9,262)</b>
Movement in technical reserves	(1,171)	(650)	7,510	719	6,408	11,434
Qard-e-Hasna contributed by Window Takaful Op	-	-	6,000	-	6,000	20,000
Balance of PTF at the beginning of the period	112,852	1,580	377	14,517	129,326	107,154
<b>Balance of PTF at the end of the period</b>	<b>143,410</b>	<b>1,589</b>	<b>2,888</b>	<b>15,236</b>	<b>163,123</b>	<b>129,326</b>

### 13.3 Operators' Sub Fund ( OSF )

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the six months ended June 30,		For the year ended December 31,
				2023	2022	2022
----- (Rupees in '000) -----						
<b>Income</b>						
Allocation fee	329,611	587	3,516	6,570	340,284	661,898
Investment income	(82,805)	-	1,188	6,087	(75,530)	11,359
Other Income	12,462	11	193	365	13,031	14,111
Wakala fee - PTF	33,394	-	-	-	33,394	59,634
Policy admin fee	53,945	-	-	-	53,945	76,322
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	33,145	-	-	-	33,145	66,586
	379,752	598	4,897	13,022	398,269	889,910
<b>Less: Expenses</b>						
Acquisition cost	318,826	798	6,172	8,743	334,539	772,820
Administration expenses / deferred taxation	123,199	294	6,702	11,612	141,807	232,872
	442,025	1,092	12,874	20,355	476,346	1,005,692
<b>Excess of (expenditure)/over income</b>	<b>(62,273)</b>	<b>(494)</b>	<b>(7,977)</b>	<b>(7,333)</b>	<b>(78,077)</b>	<b>(115,782)</b>
Add : Technical reserves at the beginning	1,985	1,711	14,053	12,707	30,456	28,599
Less : Technical reserves at the end	(1,902)	(498)	(4,508)	(7,392)	(14,300)	(30,456)
	83	1,213	9,545	5,315	16,156	(1,857)
<b>Deficit</b>	<b>(62,190)</b>	<b>719</b>	<b>1,568</b>	<b>(2,018)</b>	<b>(61,921)</b>	<b>(117,639)</b>
Movement in technical reserves	(83)	(1,213)	(9,545)	(5,315)	(16,156)	1,857
Capital Contribution during the period	-	-	6,000	-	6,000	536,797
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	(6,000)	-	(6,000)	(20,000)
Balance of OSF at the beginning of the period	(201,155)	6,470	7,288	31,133	(156,264)	(557,280)
<b>Balance of OSF at the end of the period</b>	<b>(263,428)</b>	<b>5,976</b>	<b>(689)</b>	<b>23,800</b>	<b>(234,341)</b>	<b>(156,265)</b>
<b>Balance of Family Takaful statutory fund</b>	<b>5,002,705</b>	<b>7,565</b>	<b>2,199</b>	<b>39,036</b>	<b>5,051,505</b>	<b>4,578,171</b>



#### 14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

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

As at September 30, 2022 the Operator and policyholders held the following financial instruments measured at fair value:

	As at June 30, 2023		
	Level 1	Level 2	Level 3
<b>Assets carried at fair value</b>	Rupees in '000		
Available-for-sale investments	-	5,017,393	-

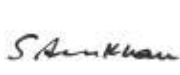

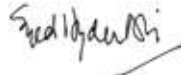
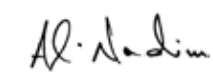

	As at December 31, 2022		
	Level 1	Level 2	Level 3
<b>Assets carried at fair value</b>	Rupees in '000		
Available-for-sale investments	-	4,235,285	-

#### 15 GENERAL

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

#### 16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 23 Aug 2023 by the Board of Directors of the Company.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer