

## Directors' Review

We are pleased to present the unaudited financial statements for the six months period ended 30 June 2023.

## Performance Review

The Written Premium for the period increased by 31% to Rs. 18 357 million (including Takaful Contribution of Rs. 1 361 million) as against Rs. 14 020 million (including Takaful Contribution of Rs. 1 302 million) for the corresponding period of last year. The Net Premium Revenue was Rs. 5 894 million as against Rs. 5 190 million for the corresponding period of last year. The overall Claims ratio to Net Premium Revenue was 61% as compared to 55% for the corresponding period of last year.

Investment income (including rental income, profit on deposits and other income) for the period was Rs. 1 288 million as compared to Rs. 1 291 million for the corresponding period of last year.

The profit before tax for the period was Rs. 1 196 million as compared to Rs. 1 521 million in the corresponding period of last year. The after-tax profit for the period was Rs. 647 million as compared to Rs. 942 million in the corresponding period last year. The incidence of tax is higher in current period as compared to corresponding period of last year due to the introduction of an additional 6% super tax in the June 2023 Budget retrospectively from 2022.

The earnings per share for the period was Rs. 3.23 against Rs. 4.71 in the corresponding period of last year.

Your Directors have pleasure in declaring the second interim cash dividend of Rs. 1.50 (15.00 %) per share for the year 2023.


## Outlook

The recently approved IMF Stand-By Arrangement (SBA) is expected to assist the country. It is also anticipated to provide the much-needed stability to the economic landscape.

## Acknowledgments

It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by officers, field force and staff who had contributed to the growth of the Company and the continued success of its operations.

Your Directors would also like to thank the Securities & Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.




Iqbal Sarwar  
Director



Kamran Arshad Inam  
Director



KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer



SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 29 August 2023

## ڈائریکٹرز ریویو

(یہ انگریزی ڈائریکٹرز ریویو کا ترجمہ ہے)

ہم بمسرت ۳۰ جون ۲۰۲۳ء کو ختم ہونے والی ششماہی کے لئے غیر آڈٹ شدہ مالیاتی حسابات پیش کر رہے ہیں۔

### کارکردگی کا جائزہ

اس مدت کیلئے تحریری پریبینیم ۳۱ فیصد بڑھ کر ۱۸،۳۵۷ ملین روپے (بشمول تکافل کنٹری بیوشن ۳۶۱،۱ ملین روپے) رہا جو اس کے مقابلے میں گزشتہ سال کی اس مدت کے لئے ۱۴،۰۲۰ ملین روپے (بشمول تکافل کنٹری بیوشن ۳۰۲،۱ ملین روپے) رہا تھا۔ خالص پریبینیم ریونیو ۵،۸۹۴ ملین روپے تھا جو اس کے مقابلے میں گزشتہ سال کی اس مدت کے لئے ۵،۱۹۰ ملین روپے رہا تھا۔ خالص پریبینیم ریونیو کے لئے مجموعی کلیمز کا تناسب ۶۱ فیصد رہا جو اس کے مقابلے میں گزشتہ سال کی اسی مدت کے لئے ۵۵ فیصد تھا۔ سرمایہ کاری کی آمدنی (بشمول ریٹیل آمدنی، ڈپازٹس اور دیگر آمدنی پر منافع جات) برائے زیر جائزہ مدت ۲۸۸،۱ ملین روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس مدت میں ۲۹۱،۱ ملین روپے تھی۔

اس مدت کیلئے منافع قبل از ٹیکس ۱،۱۹۶ ملین روپے رہا جو گزشتہ سال کی اس مدت کے مقابلے میں ۵۲۱،۱ ملین روپے تھا۔ اس مدت کیلئے منافع بعد از ٹیکس ۶۴۷ ملین روپے رہا جو اس کے مقابلے میں گزشتہ سال کی اس مدت میں ۹۳۲ ملین روپے تھا۔ رواں مدت میں ٹیکس کی شرح گزشتہ سال کی اس مدت کے مقابلے میں زیادہ رہی جس کی وجہ سے ۲۰۲۳ء کے بجٹ میں اضافی ۶ فیصد سپرنٹیکس کا تعارف تھا جو ۲۰۲۲ء سے لاگو کیا گیا۔

اس مدت کے لئے آمدنی فی شیئر ۲۳ روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس مدت میں ۴۷ روپے تھی۔

آپ کے ڈائریکٹرز بمسرت سال ۲۰۲۳ء کے لئے دوسرے عبوری نقد منافع منقسمہ بشرح ۵۰ روپے (۱۵ فیصد) کا اعلان کرتے ہیں۔

### مستقبل کا نقطہ نظر

آئی ایم ایف کے حالیہ اسٹینڈ بائی آرٹیکل (ایس بی اے) سے توقع ہے کہ ملک کو معاونت حاصل ہوگی اس سے یہ امید بھی ہے کہ معاشی منظر نامے میں انتہائی ضرورت کے حامل استحکام کو بھی حاصل کیا جاسکے گا۔

### اظہار تشکر

آپ کے ڈائریکٹرز تہ دل سے یہ امر ریکارڈ پر لاتے ہیں کہ ہمارے آفیسرز، فیلڈ فورس اور دیگر اسٹاف نے نہایت جانفشانی سے کمپنی کی ترقی کے لئے محنت کی ہے اور کاروبار کے اضافے اور کامیابیوں کے تسلسل کو برقرار رکھنے میں کردار ادا کیا ہے۔

آپ کے ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ اور اپنے تمام ری انشوررز کا ان کی مسلسل رہنمائی اور تعاون کیلئے شکر یہ بھی ادا کرنا چاہتے ہیں۔

سیف الدین این۔ زومکا والا  
چیئرمین

کامران ارشد انعام  
ٹیچنگ ڈائریکٹر و چیف ایگزیکٹو

ڈائریکٹر

ڈائریکٹر

کراچی، ۲۹ اگست ۲۰۲۳ء

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of EFU General Insurance Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

### *Introduction*

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of EFU General Insurance Limited ("the Company") as at 30 June 2023 and the related unconsolidated condensed interim statement of profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures for the quarters ended 30 June 2023 and 30 June 2022 in the unconsolidated condensed interim statement of profit and loss and unconsolidated condensed interim statement of comprehensive income have not been subject to the review and therefore, we do not express a conclusion thereon.

### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Statements 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.

### *Conclusion*

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



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



**Chartered Accountants**

**Date:** 29 August 2023

**Karachi**

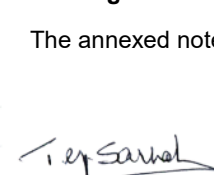
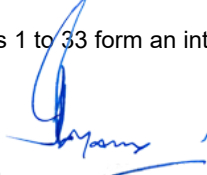
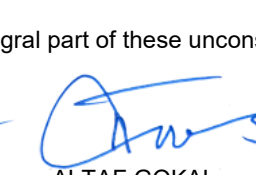
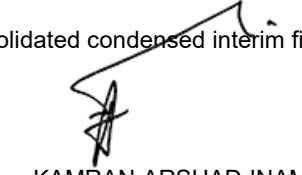
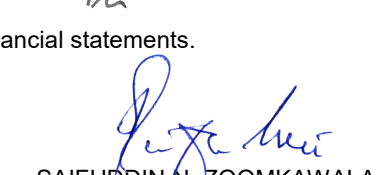
**UDIN:** RR202310191tsaYOS0hN

## Unconsolidated Condensed Interim Statement of Financial Position As at 30 June 2023 (Unaudited)

		Rupees '000	
	Note	30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>Assets</b>			
Property and equipment	6	3 213 751	3 101 685
Investment property	7	3 050 470	3 050 470
Investment in subsidiary	8	9 709 846	9 516 994
<b>Investments</b>			
Equity securities	9	2 599 286	2 718 022
Debt securities	10	11 413 279	11 923 983
Term deposits		904 809	551 692
Loans and other receivables	11	431 698	431 327
Insurance / reinsurance receivables	12	8 902 363	5 876 086
Reinsurance recoveries against outstanding claims	19	10 130 807	6 503 793
Salvage recoveries accrued		33 962	45 757
Deferred commission expense	20	985 268	1 111 775
Retirement benefit		9 856	-
Deferred taxation		29 370	-
Prepayments	13	10 395 414	8 551 868
Cash and bank	14	1 532 744	1 634 869
		<u>63 342 923</u>	<u>55 018 321</u>
Total assets of window takaful operations - Operator's Fund		<u>1 773 934</u>	<u>1 601 167</u>
<b>Total assets</b>		<u><u>65 116 857</u></u>	<u><u>56 619 488</u></u>
<b>Equity and Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		2 000 000	2 000 000
Reserves	15	15 126 375	15 099 111
Unappropriated profit		746 771	1 327 614
<b>Total equity</b>		17 873 146	18 426 725
<b>Surplus on revaluation of property and equipment</b>		1 028 014	1 133 089
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR	19	14 985 471	10 368 176
Unearned premium reserve	18	15 837 132	14 167 219
Unearned reinsurance commission	20	187 698	201 585
Retirement benefit obligations		-	14 009
Deferred taxation		-	20 483
Premium received in advance		28 275	79 385
Insurance / reinsurance payables		10 687 374	7 683 702
Other creditors and accruals	16	3 689 131	3 766 305
Taxation - provision less payments		73 920	35 035
<b>Total liabilities</b>		45 489 001	36 335 899
		<u>64 390 161</u>	<u>55 895 713</u>
Total liabilities of window takaful operations - Operator's Fund		<u>726 696</u>	<u>723 775</u>
<b>Total equity and liabilities</b>		<u><u>65 116 857</u></u>	<u><u>56 619 488</u></u>

### Contingencies and commitments

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

 Director  
 Director  
 ALTAF GOKAL  
Chief Financial Officer  
 KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer  
 SAIFUDDIN N. ZOOMKAWALA  
Chairman






## Unconsolidated Condensed Interim Profit and Loss Account

For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	Note	Three months period ended		Six months period ended	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
Net insurance premium	18	3 143 582	2 633 244	5 893 985	5 190 177
Net insurance claims	19	(2 285 086)	(1 658 717)	(3 573 712)	(2 863 294)
Net commission and other acquisition cost	20	(503 091)	(380 467)	(979 708)	(735 809)
Insurance claims and acquisition expenses		(2 788 177)	(2 039 184)	(4 553 420)	(3 599 103)
Management expenses		(909 426)	(768 302)	(1 711 125)	(1 451 573)
Underwriting results		(554 021)	(174 242)	(370 560)	139 501
Investment income	21	109 109	282 874	1 006 628	1 102 919
Rental income		29 734	28 836	63 439	59 971
Other income	22	112 122	88 771	218 301	127 923
Other expenses		(28 859)	(21 568)	(48 676)	(42 943)
		222 106	378 913	1 239 692	1 247 870
Results of operating activities		(331 915)	204 671	869 132	1 387 371
Profit from window takaful operations - Operator's Fund	23	172 843	66 126	327 160	133 501
Profit before tax		(159 072)	270 797	1 196 292	1 520 872
Income tax expense	24				
Current period		79 827	(67 277)	(369 721)	(416 566)
Prior period		(179 649)	(162 565)	(179 649)	(162 565)
		(99 822)	(229 842)	(549 370)	(579 131)
Profit after tax		(258 894)	40 955	646 922	941 741
<b>Earnings (after tax) per share - Rupees</b>	25	(1.29)	0.20	3.23	4.71

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

 Director  
 Director  
 ALTAF GOKAL  
Chief Financial Officer  
 KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer  
 SAIFUDDIN N ZOOMKAWALA  
Chairman

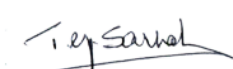
## Unconsolidated Condensed Interim Statement of Comprehensive Income For the six months period ended 30 June 2023 (Unaudited)

Rupees '000


	Three months period ended		Six months period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Profit after tax	(258 894)	40 955	646 922	941 741
Other comprehensive income				
Total items that may be reclassified subsequently to profit and loss account				
Unrealized loss on available-for-sale investments during the period	(110 174)	(305 649)	(398 108)	(655 494)
Reclassification adjustments relating to available-for-sale investments disposed off during the period	86 752	-	43 376	-
Unrealized gain / (loss) on available-for-sale investments during the period of subsidiary company	602 043	18 485	602 043	(249 513)
Total unrealized gain / (loss) on available-for-sale investments	578 621	(287 164)	247 311	(905 007)
Deferred tax on available-for-sale investments	32 359	76 301	141 691	177 758
Deferred tax on available-for-sale investments of subsidiary company	(243 795)	(11 164)	(243 795)	66 555
Effect of translation of foreign branches	(11 123)	21 836	58 198	29 865
Net unrealized (loss) / gain from window takaful operations - Operator's Fund (net of deferred tax)	1 537	(2 533)	(7 266)	1 283
Other comprehensive income / (loss)	357 599	(202 724)	196 139	(629 546)
Total comprehensive income / (loss) for the period	98 705	(161 769)	843 061	312 195

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

  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

2023

Second Quarter

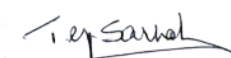
## Unconsolidated Condensed Interim Cash Flow Statement

For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	2023	2022
<b>Operating cash flows</b>		
a) Underwriting activities		
Insurance premium received	13 948 830	12 820 809
Reinsurance premium paid	(8 203 019)	(6 255 230)
Claims paid	(4 242 549)	(2 396 177)
Reinsurance and other recoveries received	1 640 894	480 516
Commission paid	(1 102 156)	(876 813)
Commission received	200 932	122 322
Management expenses paid	(1 663 230)	(1 379 800)
Net cash flow from underwriting activities	579 702	2 515 627
b) Other operating activities		
Income tax paid	(663 464)	(488 761)
Other operating payments	(86 014)	(79 981)
Other operating receipts	146 741	149 709
Loans advanced	(435)	(3 273)
Loans repayments received	535	1 930
Net cash flow used in other operating activities	(602 637)	(420 376)
<b>Total cash flow (used in) / from all operating activities</b>	<b>(22 935)</b>	<b>2 095 251</b>
<b>Investment activities</b>		
Profit / return received	923 807	695 430
Dividend received	698 100	666 349
Rentals received	68 330	50 335
Payment for investments / investment properties	(3 979 855)	(5 730 309)
Proceeds from investments / investment properties	3 818 285	3 974 914
Fixed capital expenditures	(257 570)	(237 691)
Proceeds from sale of property and equipment	55 392	37 524
<b>Total cash flow from / (used in) investing activities</b>	<b>1 326 489</b>	<b>(543 448)</b>
<b>Financing activities</b>		
Payments against lease liabilities	(24 110)	(21 694)
Dividends paid	(1 381 569)	(1 354 193)
<b>Total cash flow used in financing activities</b>	<b>(1 405 679)</b>	<b>(1 375 887)</b>
<b>Net cash flow (used in) / from all activities</b>	<b>(102 125)</b>	<b>175 916</b>
Cash and cash equivalents at the beginning of period	1 634 869	1 189 522
<b>Cash and cash equivalents at the end of period</b>	<b>1 532 744</b>	<b>1 365 438</b>
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(22 935)	2 095 251
Depreciation / amortization expense	(140 968)	(134 433)
Finance cost	(5 631)	(6 725)
Profit on disposal of property and equipment	51 280	16 225
Profit on disposal of investments / investment properties	25 995	90 572
Rental income	63 439	59 971
Dividend Income	698 100	667 094
Other investment income	282 532	345 253
Profit on deposits	163 058	76 396
Other income	3 963	35 302
Increase in assets other than cash	8 354 108	3 486 017
Increase in liabilities other than borrowings	(9 153 179)	(5 922 683)
<b>Profit after tax from conventional insurance operations</b>	<b>319 762</b>	<b>808 240</b>
<b>Profit from window takaful operations - Operator's Fund</b>	<b>327 160</b>	<b>133 501</b>
<b>Profit after tax</b>	<b>646 922</b>	<b>941 741</b>

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



Iqbal Sarwar  
Director



ALTAF GOKAL  
Chief Financial Officer



KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer



SAIFUDDIN N. ZOOMKAWALA  
Chairman



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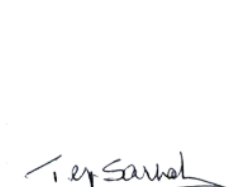
## Unconsolidated Condensed Interim Statement of Changes in Equity

For the six months period ended 30 June 2023 (Unaudited)

Rupees '000


	Attributable to equity holders of the Company							
	Share capital	Capital Reserve- Reserve for exceptional losses	Revenue reserves				Unappropriated profit	Total
			General reserve	Exchange translation reserve	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Unrealized gain on fair value of investment property		
Balance as at 01 January 2022	2 000 000	12 902	15 650 000	81 195	961 124	1 679 190	(1 110 599)	19 273 812
<b>Total comprehensive income for the period ended 30 June 2022</b>								
Profit after tax				29 865	(659 411)	(94 602)	1 036 343	941 741
Other comprehensive loss				29 865	(659 411)	(94 602)	1 036 343	312 195
Transferred from surplus on revaluation of property, and equipment on account of incremental depreciation- net of tax							1 073	1 073
<b>Transactions with owners recorded directly in equity</b>								
Final dividend for the year 2021 at the rate of Rs. 5.50 (55.00%) per share							(1 100 000)	(1 100 000)
1st Interim dividend paid for the year 2022 at the rate of Rs. 1.50 (15.00%) per share							(300 000)	(300 000)
<b>Other transfer within equity</b>								
Transfer to general reserve			750 000				(750 000)	-
Balance as at 30 June 2022	2 000 000	12 902	16 400 000	111 060	301 713	1 584 588	(2 223 183)	18 187 080
Balance as at 01 January 2023	2 000 000	12 902	13 000 000	142 661	57 775	1 885 773	1 327 614	18 426 725
<b>Total comprehensive income for the period ended 30 June 2023</b>								
Profit after tax				58 198	137 941	(168 875)	815 797	646 922
Other comprehensive income				58 198	137 941	(168 875)	815 797	843 061
Transferred from surplus on revaluation of property, and equipment on account of incremental depreciation- net of tax							3 360	3 360
<b>Transactions with owners recorded directly in equity</b>								
Final dividend for the year 2022 at the rate of Rs. 5.50 (55.00%) per share							(1 100 000)	(1 100 000)
1st Interim dividend paid for the year 2023 at the rate of Rs. 1.50 (15.00%) per share							(300 000)	(300 000)
Balance as at 30 June 2023	2 000 000	12 902	13 000 000	200 859	195 716	1 716 898	746 771	17 873 146

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

  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the six months period ended 30 June 2023 (Unaudited)

### 1. Legal status and nature of business

EFU General Insurance Limited (the Company) was incorporated as a public limited company on 02 September 1932. The Company is listed on the Pakistan Stock Exchange and is engaged in non-life insurance business comprising of fire and property damage, marine, aviation and transport, motor, miscellaneous etc.

The Registered Office of the Company is situated at Kamran Centre, 1st Floor 85, East, Jinnah Avenue Blue Area Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Company operates through 49 (2022: 53) branches in Pakistan including a branch in Export Processing Zone (EPZ) and a branch in Gwadar Free Zone.

- 1.1 In 2018, the Company had assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it was concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018.

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

These unconsolidated condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

Total assets, total liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these unconsolidated condensed interim financial statements in accordance with the requirements of Circular 25 of 2015 dated 09 July 2015. A separate set of condensed interim financial statements of the General Window Takaful Operations has been reported which is annexed to these unconsolidated condensed interim financial statements as per the requirements of the SECP Takaful Rules, 2012, General Takaful Accounting Regulations, 2019.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual unconsolidated financial statements and should be read in conjunction with the Company's audited annual unconsolidated financial statements for the year ended 31 December 2022.

#### 2.1 Basis of measurement

The unconsolidated condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments, property and equipment and investment property that have been measured at fair value and the Company's liability under defined benefit plan that is determined based on present value of defined benefit obligation less fair value of plan assets.

#### 2.2 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees in thousand, unless otherwise stated.

#### 2.3 Standards, interpretations and amendments effective during the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2023 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these unconsolidated condensed interim financial statements.

#### 2.4 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

*m*

<b>Amendments</b>	<b>Effective date (annual periods beginning on or after)</b>
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	01 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	01 January 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

The Company expects that such improvements to the standards will not have any material impact on the Company's unconsolidated condensed interim financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January 2024. The Company expects that such improvements to the standards will not have any material impact on the Company's unconsolidated condensed interim financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

<b>Standards</b>	<b>Effective date (annual periods beginning on or after)</b>
IFRS 1 First-time Adoption of International Financial Reporting Standards	01 January 2024
IFRS 17 Insurance Contracts	01 January 2023

The company has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS

**3. Summary of significant accounting policies**

The significant accounting policies and method of computation adopted in preparation of unconsolidated condensed interim financial statements are consistent with those followed in preparation of annual audited unconsolidated financial statements of the Company for the year ended 31 December 2022.

**4. Accounting estimates and judgements**

The preparation of these unconsolidated condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

**5. Management of insurance and financial risk**

Insurance and financial risk management objectives and policies are consistent with those disclosed in the audited unconsolidated financial statements for the year ended 31 December 2022.

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## 6. Property and equipment

The movement of property and equipment during the six months period ended 30 June 2023 are as follows:

	Note	30 June 2023 (Unaudited)	Rupees '000 31 December 2022 (Audited)
Opening balance - net book value		3 101 685	2 887 013
Additions	6.1	257 570	346 944
Depreciation during the period		(140 968)	(259 082)
Book value of disposal		(4 536)	(51 240)
Revaluation		-	178 050
		<u>3 213 751</u>	<u>3 101 685</u>
6.1 Additions			
Building		56 235	33 192
Right of use assets - buildings		4 185	43 222
leasehold improvements		3 041	3 775
Furniture and fixtures		4 052	20 110
Office equipment		20 202	25 758
Computer equipment		3 535	13 141
Vehicles		166 320	207 746
		<u>257 570</u>	<u>346 944</u>

## 7. Investment property

Opening net book value	3 050 470	2 599 970
Additions and capital improvements	-	970
Unrealized fair value gain*	-	449 530
Closing net book value	<u>3 050 470</u>	<u>3 050 470</u>

\* The Company revalues its investment property annually and any change in fair value is accounted for at the end of the year, as per IAS 40.

Rupees' 000

## 8. Investment in subsidiary

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Subsidiary						
Listed shares	13 486 992	(4 529 148)	8 957 844	13 445 927	(4 078 891)	9 367 036
Surplus on revaluation	-	-	752 002	-	-	149 959
	<u>13 486 992</u>	<u>(4 529 148)</u>	<u>9 709 846</u>	<u>13 445 927</u>	<u>(4 078 891)</u>	<u>9 516 995</u>

## 9. Investment in equity securities – available-for-sale

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Related Party*						
Mutual funds	103 630	-	103 630	-	-	-
Listed shares	396 299	(132 239)	264 060	396 299	(117 849)	278 450
	499 929	(132 239)	367 690	396 299	(117 849)	278 450
Others						
Listed shares	2 127 317	(464 892)	1 662 425	2 158 262	(411 192)	1 747 070
Unlisted shares	15 216	(15 216)	-	15 216	(15 216)	-
	2 142 533	(480 108)	1 662 425	2 173 478	(426 408)	1 747 070
Surplus on revaluation	-	-	569 171	-	-	692 502
	<u>2 642 462</u>	<u>(612 347)</u>	<u>2 599 286</u>	<u>2 569 777</u>	<u>(544 257)</u>	<u>2 718 022</u>

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\* The Company has not accounted for investment in related parties as associates under IAS 28 "Investment in Associates and Joint Ventures", as the management has concluded that the Company does not have significant influence in these companies.

Rupees '000

**10. Investment in debt securities – available-for-sale**

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Government securities	12 264 237	-	12 264 237	12 531 040	-	12 531 040
Term finance certificates	240 637	(40 637)	200 000	244 118	(44 118)	200 000
Corporate sukuks	114 500	-	114 500	127 000	-	127 000
	12 619 374	(40 637)	12 578 737	12 902 158	(44 118)	12 858 040
Deficit on revaluation	-	-	(1 165 458)	-	-	(934 057)
	12 619 374	(40 637)	11 413 279	12 902 158	(44 118)	11 923 983

Rupees '000

	Note	30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>11. Loans and other receivables – considered good</b>			
Loans to employees		2 600	2 700
Accrued investment income		360 007	315 983
Security deposits		18 468	19 154
Advances to suppliers		35 709	71 725
Advances to employees		9 986	6 027
Other receivables		4 928	15 738
		431 698	431 327
<b>12. Insurance / reinsurance receivables – unsecured and considered good</b>			
Due from insurance contract holders		8 865 437	5 869 227
Provision for impairment of receivables from insurance contract holders		(476)	(524)
		8 864 961	5 868 703
Due from other insurer / reinsurers		37 402	7 383
		8 902 363	5 876 086
<b>13. Prepayments</b>			
Prepaid reinsurance premium ceded	18	10 264 075	8 489 684
Software and hardware support services		-	1 201
Group health insurance premium		16 095	-
Group life insurance premium		7 162	-
Prepaid charges for vehicle tracking devices		43 265	51 499
Annual supervision fee		17 525	-
Others		47 292	9 484
		10 395 414	8 551 868
<b>14. Cash and bank</b>			
Cash and cash equivalents			
Cash in hand		69	-
Policy and revenue stamps, bond papers		34 190	36 587
		34 259	36 587
Cash at bank			
Current accounts		159 245	136 857
Saving accounts		1 339 240	1 461 425
		1 498 485	1 598 282
		1 532 744	1 634 869

	Rupees '000	
	30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>15. Reserves and unappropriated profit</b>		
Capital reserve		
Reserve for exceptional losses	12 902	12 902
Revenue reserves		
General reserve	13 000 000	13 000 000
Revaluation reserve for unrealized gain on available-for-sale investments - net	195 716	57 775
Reserve for change in fair value of investment property - net	1 716 898	1 885 773
Exchange translation reserves	200 859	142 661
	<u>15 126 375</u>	<u>15 099 111</u>

<b>16. Other creditors and accruals</b>		
Federal insurance fee payable	38 388	18 789
Sales tax payable	532 332	504 791
Accrued expenses	209 311	301 981
Agent commission payable	534 215	568 352
Unearned rentals	71 323	74 344
Other deposits	1 667 394	1 699 486
Unclaimed dividends	493 517	475 085
Lease liability	98 412	113 201
Others	44 239	10 276
	<u>3 689 131</u>	<u>3 766 305</u>

**17. Contingencies and commitments**  
The status of the contingencies and commitments remains unchanged as disclosed in the annual audited unconsolidated financial statements as at 31 December 2022.

	Rupees '000			
	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>18. Net insurance premium</b>				
Written gross premium	9 534 526	6 603 520	16 996 198	12 718 761
Unearned premium reserve - opening	14 209 843	10 998 822	14 167 219	10 517 726
Unearned premium reserve - closing	(15 837 132)	(11 648 905)	(15 837 132)	(11 648 905)
Premium earned	7 907 237	5 953 437	15 326 285	11 587 582
Less:				
Reinsurance premium ceded	7 029 964	4 599 984	11 206 691	7 863 279
Prepaid reinsurance premium - opening	7 997 766	5 655 081	8 489 684	5 468 998
Prepaid reinsurance premium - closing	(10 264 075)	(6 934 872)	(10 264 075)	(6 934 872)
Reinsurance expense	4 763 655	3 320 193	9 432 300	6 397 405
	<u>3 143 582</u>	<u>2 633 244</u>	<u>5 893 985</u>	<u>5 190 177</u>

*M*

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>19. Net insurance claim expense</b>				
Claims Paid	2 815 377	1 276 282	4 254 344	2 384 054
Outstanding claims including IBNR - closing	14 985 471	10 055 888	14 985 471	10 055 888
Outstanding claims including IBNR - opening	(11 136 879)	(8 524 553)	(10 368 176)	(7 085 599)
Claim expense	6 663 969	2 807 617	8 871 639	5 354 343
Less:				
Reinsurance and other recoveries received	1 374 855	203 271	1 670 913	411 539
Reinsurance and other recoveries in respect of outstanding claims - opening	(7 126 779)	(5 108 178)	(6 503 793)	(3 974 297)
Reinsurance and other recoveries in respect of outstanding claims - closing	10 130 807	6 053 807	10 130 807	6 053 807
Reinsurance and other recoveries revenue	4 378 883	1 148 900	5 297 927	2 491 049
	<u>2 285 086</u>	<u>1 658 717</u>	<u>3 573 712</u>	<u>2 863 294</u>
<b>20. Net commission expense</b>				
Commission paid or payable	560 099	424 734	1 068 019	872 605
Deferred commission expense - opening	1 038 830	798 170	1 111 775	772 985
Deferred commission expense - closing	(985 268)	(779 765)	(985 268)	(779 765)
Net commission	613 661	443 139	1 194 526	865 825
Less:				
Commission received or recoverable	97 712	56 784	200 931	122 323
Unearned reinsurance commission - opening	200 556	133 409	201 585	135 214
Unearned reinsurance commission - closing	(187 698)	(127 521)	(187 698)	(127 521)
Commission from reinsurers	110 570	62 672	214 818	130 016
	<u>503 091</u>	<u>380 467</u>	<u>979 708</u>	<u>735 809</u>
<b>21. Investment Income</b>				
Income from subsidiary - available-for-sale				
Dividend income	69 623	68 909	556 319	549 607
Income from equity securities - available-for-sale				
Dividend income - Equity shares	59 688	35 139	137 512	117 487
Dividend income - Mutual funds	4 269	-	4 269	-
Income from debt securities - available-for-sale				
Return on debt securities	392 517	279 988	782 072	541 282
Income from term deposits				
Return on term deposits	10 180	1 849	19 257	6 489
	<u>536 277</u>	<u>385 885</u>	<u>1 499 429</u>	<u>1 214 865</u>
Net realized gains / (losses) on investments				
Available-for-sale financial assets				
Realized gains on:				
Equity securities	-	800	25 995	97 372
Realized losses on:				
Equity securities	-	(6 800)	-	(6 800)
	<u>-</u>	<u>(6 000)</u>	<u>25 995</u>	<u>90 572</u>
	536 277	379 885	1 525 424	1 305 437
Impairment in value of available-for-sale				
Subsidiary company	(450 257)	-	(450 257)	-
equity securities	23 219	(96 688)	(68 090)	(202 069)
Investment related expenses	(130)	(323)	(449)	(449)
	<u>109 109</u>	<u>282 874</u>	<u>1 006 628</u>	<u>1 102 919</u>

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>22. Other income</b>				
Gain on sale of property and equipment	22 870	30 056	51 280	36 103
Return on loans to employees	55	101	104	131
Exchange gains / (losses)	(983)	9 317	3 789	9 608
Gain on early termination of lease agreements	70	5 685	70	5 685
Return on bank balances	90 110	43 612	163 058	76 396
	<u>112 122</u>	<u>88 771</u>	<u>218 301</u>	<u>127 923</u>
<b>23. Profit from window takaful operations – Operator's Fund</b>				
Wakala fee	295 923	214 637	578 967	430 132
Commission expense	(85 850)	(77 302)	(170 824)	(157 839)
General, administrative and management expenses	(109 579)	(104 148)	(212 967)	(196 491)
Modarib's share of PTF investment income	23 780	16 044	47 150	25 289
Investment income	46 293	15 972	80 692	30 815
Direct expenses	(495)	(275)	(604)	(570)
Other income	2 771	1 198	4 746	2 165
	<u>172 843</u>	<u>66 126</u>	<u>327 160</u>	<u>133 501</u>
<b>24. Income tax expense</b>				
For current period				
Current	78 847	103 167	500 370	496 753
Deferred	(273 663)	(104 749)	(303 876)	(149 046)
Super tax	114 989	68 859	173 227	68 859
	(79 827)	67 277	369 721	416 566
For prior year(s)				
Super tax	179 649	162 565	179 649	162 565
	<u>99 822</u>	<u>229 842</u>	<u>549 370</u>	<u>579 131</u>
<b>25. Earnings per share – basic and diluted</b>				
Profit ( after tax ) for the period (Rupees '000)	( 258 894)	40 955	646 922	941 741
Weighted average number of ordinary shares (Numbers '000)	200 000	200 000	200 000	200 000
Earnings per share (Rupees)	(1.29)	0.20	3.23	4.71
<b>26. Related party transactions</b>				

Related parties comprise of directors, major shareholders, key management personnel, associated companies, subsidiary company, and entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:





Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Transactions</b>				
<b>Subsidiary company</b>				
Premium written	202	278	28 822	28 665
Premium paid	-	800	13 457	13 424
Claims paid including salvage recovered	225	724	1 051	946
Dividends received	556 319	549 607	556 319	549 607
Dividends paid	32 767	32 767	32 767	32 767
<b>Associated companies</b>				
Premium written	10 483	95 278	43 013	143 659
Premium paid / (refund)	(425)	354	28 437	25 960
Claims paid including salvage recovered	8 591	56 724	16 277	130 729
Dividends received	18 431	-	18 431	-
Dividends paid	473 226	475 052	473 226	475 050
Bank deposits withdrawn	(700 000)	310 000	200 000	210 000
<b>Key management personnel</b>				
Premium written	15	20	152	114
Claims paid	167	-	409	168
Dividends paid	6 283	6 283	6 283	6 283
Compensation	73 105	63 770	130 778	112 343
<b>Others</b>				
Premium written	1 077	851	7 475	8 485
Claims paid including salvage recovered	38 434	6 674	44 399	7 025
Dividends paid	465 724	470 523	465 724	470 523
Brokerage paid	241	120	241	184
<b>Employees' funds</b>				
Contribution to provident fund	9 191	9 598	18 055	17 419
Contribution to gratuity fund	8 512	7 129	17 306	14 360
Contribution released to pension fund	(3 528)	(1 855)	(5 264)	(3 710)
Dividends paid	3 146	3 146	3 146	3 146
			30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>Balances</b>				
<b>Others</b>				
Balances receivable			13 951	21 450
Balances payable			3 921	406
Deposits maturing within 12 months			288 500	88 500
Bank balances			456 476	417 141
<b>Employees' funds receivable / ( payable )</b>				
EFU gratuity fund			(64 730)	(83 233)
EFU pension fund			74 586	69 224

## 27. Segment Information

For six months period ended 30 June 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	12 370 670	3 993 915	2 063 062	1 273 014	-	19 700 661
Less: Sales tax	1 584 527	440 602	255 117	161 497	-	2 441 743
Stamp duty	169	91 611	565	451	-	92 796
Federal insurance fee	106 782	34 266	17 895	10 981	-	169 924
Gross written premium (inclusive of administrative surcharge)	10 679 192	3 427 436	1 789 485	1 100 085	-	16 996 198
Gross direct premium	10 664 867	3 400 869	1 704 930	1 090 784	-	16 861 450
Facultative inward premium	1 012	827	-	2 106	-	3 945
Administrative surcharge	13 313	25 740	84 555	7 195	-	130 803
Insurance premium earned	10 638 641	1 867 061	1 908 929	911 654	-	15 326 285
Insurance premium ceded to reinsurers	(8 133 299)	(952 416)	(16 708)	(329 877)	-	(9 432 300)
Net insurance premium	2 505 342	914 645	1 892 221	581 777	-	5 893 985
Commission income	181 801	10 339	14	22 664	-	214 818
Net underwriting income	2 687 143	924 984	1 892 235	604 441	-	6 108 803
Insurance claims	(6 171 019)	(1 534 734)	(917 278)	(248 608)	-	(8 871 639)
Insurance claims recovered from reinsurers	4 101 531	1 152 217	(1 234)	45 413	-	5 297 927
Net insurance claims	(2 069 488)	(382 517)	(918 512)	(203 195)	-	(3 573 712)
Commission expense	(776 124)	(160 089)	(183 599)	(74 714)	-	(1 194 526)
Management expenses	(733 854)	(255 285)	(550 579)	(171 407)	-	(1 711 125)
Net insurance claims and expenses	(3 579 466)	(797 891)	(1 652 690)	(449 316)	-	(6 479 363)
Underwriting results	(892 323)	127 093	239 545	155 125	-	(370 560)
Investment income						1 006 628
Rental income						63 439
Other income						218 301
Other expenses						(48 676)
Profit from window takaful operations - Operator's Fund						327 160
Profit before tax						1 196 292
						As at 30 June 2023 (Unaudited)
Corporate segment assets	22 648 918	6 336 339	476 523	897 960	-	30 359 740
Corporate segment assets - Takaful OPF	79 365	15 580	255 468	6 753	-	357 166
Corporate unallocated assets						32 983 183
Corporate unallocated assets - Takaful OPF						1 416 768
Total assets						65 116 857
Corporate segment liabilities	29 765 763	7 487 457	2 615 214	4 059 125	-	43 927 559
Corporate segment liabilities - Takaful OPF	102 530	14 670	455 218	14 725	-	587 143
Corporate unallocated liabilities						1 561 442
Corporate unallocated liabilities - Takaful OPF						139 553
Total liabilities						46 215 697

Location	External premium less reinsurance by geographical segments 2023 (Unaudited)
Pakistan	5 878 846
* EPZ	15 139
Total	5 893 985

\* This represents US Dollar Equivalent in Pak Rupees



Rupees '000

For six months period ended 30 June 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	8 795 621	2 654 503	1 990 708	1 127 602	-	14 568 434
Less: Sales tax	965 501	283 330	242 480	132 933	-	1 624 244
Stamp duty	203	96 977	601	542	-	98 323
Federal insurance fee	77 453	22 509	17 301	9 843	-	127 106
Gross written premium (inclusive of administrative surcharge)	7 752 464	2 251 687	1 730 326	984 284	-	12 718 761
Gross direct premium	7 727 336	2 222 817	1 635 259	977 377	-	12 562 789
Facultative inward premium	11 246	718	-	-	-	11 964
Administrative surcharge	13 882	28 152	95 067	6 907	-	144 008
Insurance premium earned	7 359 893	1 594 144	1 772 355	861 190	-	11 587 582
Insurance premium ceded to reinsurers	(5 453 122)	(690 047)	(10 328)	(243 908)	-	(6 397 405)
Net insurance premium	1 906 771	904 097	1 762 027	617 282	-	5 190 177
Commission income	102 924	8 070	4	19 018	-	130 016
Net underwriting income	2 009 695	912 167	1 762 031	636 300	-	5 320 193
Insurance claims	(3 663 433)	(265 717)	(988 451)	(436 742)	-	(5 354 343)
Insurance claims recovered from reinsurers	2 449 130	(18 097)	(2 017)	62 033	-	2 491 049
Net insurance claims	(1 214 303)	(283 814)	(990 468)	(374 709)	-	(2 863 294)
Commission expense	(489 365)	(151 313)	(158 100)	(67 047)	-	(865 825)
Management expenses	(546 162)	(241 871)	(492 076)	(171 464)	-	(1 451 573)
Net insurance claims and expenses	(2 249 830)	(676 998)	(1 640 644)	(613 220)	-	(5 180 692)
Underwriting results	(240 135)	235 169	121 387	23 080	-	139 501
Investment income						1 102 919
Rental income						59 971
Other income						127 923
Other expenses						(42 943)
Profit from window takaful operations - Operator's Fund						133 501
Profit before tax						1 520 872
						As at 31 December 2022 (Audited)
Corporate segment assets	18 675 990	1 963 179	595 833	843 592	-	22 078 594
Corporate segment assets - Takaful OPF	157 225	17 208	365 513	17 761	-	557 707
Corporate unallocated assets						32 939 727
Corporate unallocated assets - Takaful OPF						1 043 460
Total assets						56 619 488
Corporate segment liabilities	24 933 928	3 300 167	2 746 514	3 787 296	-	34 767 905
Corporate segment liabilities - Takaful OPF	152 456	16 489	479 499	27 619	-	676 063
Corporate unallocated liabilities						1 567 994
Corporate unallocated liabilities - Takaful OPF						47 712
Total liabilities						37 059 674

External premium  
less reinsurance  
by geographical  
segments  
2022

Location

Pakistan	5 174 761
* EPZ	15 416
Total	5 190 177

\* This represents US Dollar Equivalent in Pak Rupees

For three months period ended 30 June 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	6 547 438	2 974 083	897 541	626 958	-	11 046 020
Less: Sales tax	847 311	333 439	114 528	76 867	-	1 372 145
Stamp duty	68	43 494	248	222	-	44 032
Federal insurance fee	56 436	25 706	7 750	5 425	-	95 317
Gross written premium (inclusive of Administrative surcharge)	5 643 623	2 571 444	775 015	544 444	-	9 534 526
Gross direct premium	5 638 484	2 557 060	738 482	539 091	-	9 473 117
Facultative inward premium	45	827	-	2 106	-	2 978
Administrative surcharge	5 094	13 557	36 533	3 247	-	58 431
Insurance premium earned	5 528 999	954 861	957 465	465 912	-	7 907 237
Insurance premium ceded to reinsurers	(4 095 632)	(501 624)	(7 572)	(158 827)	-	(4 763 655)
Net insurance premium	1 433 367	453 237	949 893	307 085	-	3 143 582
Commission income	93 924	5 198	8	11 440	-	110 570
Net underwriting income	1 527 291	458 435	949 901	318 525	-	3 254 152
Insurance claims	(4 770 936)	(1 348 484)	(427 773)	(116 776)	-	(6 663 969)
Insurance claims recovered from reinsurers	3 227 467	1 140 600	(50)	10 866	-	4 378 883
Net insurance claims	(1 543 469)	(207 884)	(427 823)	(105 910)	-	(2 285 086)
Commission expense	(404 936)	(76 925)	(92 948)	(38 852)	-	(613 661)
Management expenses	(412 769)	(127 900)	(278 343)	(90 414)	-	(909 426)
Net insurance claims and expenses	(2 361 174)	(412 709)	(799 114)	(235 176)	-	(3 808 173)
Underwriting results	(833 883)	45 726	150 787	83 349	-	(554 021)
Investment income						109 109
Rental income						29 734
Other income						112 122
Other expenses						(28 859)
Profit from window takaful operations - Operator's Fund						172 843
Profit before tax						(159 072)

For three months period ended 30 June 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	4 333 292	1 916 310	876 682	529 767	-	7 656 051
Less: Sales tax	550 108	208 435	106 463	70 634	-	935 640
Stamp duty	84	50 255	266	285	-	50 890
Federal insurance fee	37 430	16 404	7 624	4 543	-	66 001
Gross written premium (inclusive of Administrative surcharge)	3 745 670	1 641 216	762 329	454 305	-	6 603 520
Gross direct premium	3 733 489	1 626 536	719 607	451 339	-	6 530 971
Facultative inward premium	6 638	718	-	-	-	7 356
Administrative surcharge	5 543	13 962	42 722	2 966	-	65 193
Insurance premium earned	3 810 879	818 198	895 149	429 211	-	5 953 437
Insurance premium ceded to reinsurers	(2 852 641)	(356 449)	(4 538)	(106 565)	-	(3 320 193)
Net insurance premium	958 238	461 749	890 611	322 646	-	2 633 244
Commission income	48 715	4 097	-	9 860	-	62 672
Net underwriting income	1 006 953	465 846	890 611	332 506	-	2 695 916
Insurance claims	(1 803 855)	(186 400)	(527 819)	(289 543)	-	(2 807 617)
Insurance claims recovered from reinsurers	1 038 765	42 284	(11)	67 862	-	1 148 900
Net insurance claims	(765 090)	(144 116)	(527 830)	(221 681)	-	(1 658 717)
Commission expense	(253 818)	(75 948)	(79 878)	(33 495)	-	(443 139)
Management expenses	(287 807)	(129 406)	(257 780)	(93 309)	-	(768 302)
Net insurance claims and expenses	(1 306 715)	(349 470)	(865 488)	(348 485)	-	(2 870 158)
Underwriting results	(299 762)	116 376	25 123	(15 979)	-	(174 242)
Investment income						282 874
Rental income						28 836
Other income						88 771
Other expenses						(21 568)
Profit from window takaful operations - Operator's Fund						66 126
Profit before tax						270 797

**28. Movement in investment**

Name of investment	Held to maturity - Term Deposits	Available-for-sale - Subsidiary	Available-for-sale - Debt Securities	Available-for-sale - Equity Securities	Total
<b>At beginning of previous year</b>	678 785	9 644 327	9 405 824	3 705 178	23 434 114
Additions	1 026 288	117 309	10 692 090	231 110	12 066 797
Disposals (sale and redemptions)	(1 153 381)	-	(7 669 702)	(333 993)	(9 157 076)
Fair value net gains / (losses) (excluding net realized gains / (losses))	-	(244 642)	(504 229)	(516 045)	(1 264 916)
Impairment losses	-	-	-	(368 228)	(368 228)
<b>At beginning of current year</b>	551 692	9 516 994	11 923 983	2 718 022	24 710 691
Additions	1 262 176	41 066	2 550 953	125 660	3 979 855
Disposals (sale and redemptions)	(909 059)	-	(2 830 257)	(52 974)	(3 792 290)
Fair value net gains / (losses) (excluding net realized gains / (losses))	-	602 043	(231 400)	(123 332)	247 311
Impairment losses	-	(450 257)	-	(68 090)	(518 347)
<b>At end of current period</b>	904 809	9 709 846	11 413 279	2 599 286	24 627 220

**29 Fair value**

29.1 IFRS 13 defines fair value as an exit price. 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.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

	As at 30 June 2023 (Unaudited)					Fair value measurement using		
	Available-for-sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Equity securities - quoted	2 599 286				2 599 286	2 599 286		
Debt securities	11 413 279				11 413 279		11 413 279	
Investment in subsidiary	9 709 846				9 709 846	9 709 846		
<b>Financial assets not measured at fair value</b>								
Term deposits*			904 809		904 809			
Loans and other receivables*		431 698			431 698			
Insurance / reinsurance receivables*		8 902 363			8 902 363			
Reinsurance recoveries against outstanding claims*		10 130 807			10 130 807			
Cash and bank*			1 532 744		1 532 744			
Total assets of window takaful operations - Operator's fund*	1 079 878	470 099	66 928	-	1 616 905		1 079 878	
	24 802 289	19 934 967	2 504 481	-	47 241 737	12 309 132	12 493 157	-
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(14 985 471)	(14 985 471)			
Premium received in advance*				(28 275)	(28 275)			
Insurance / reinsurance payables*				(10 687 374)	(10 687 374)			
Other creditors and accruals*				(3 689 131)	(3 689 131)			
Total liabilities of window takaful operations - Operator's Fund*				(110 205)	(110 205)			
	24 802 289	19 934 967	2 504 481	(29 500 456)	17 741 281	12 309 132	12 493 157	-

## As at 31 December 2022 (Audited)

	Available-for-sale	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Equity securities - quoted	2 718 022				2 718 022	2 718 022		
Debt securities	11 923 983				11 923 983		11 923 983	
Investment in subsidiary	9 516 994				9 516 994	9 516 994		
<b>Financial assets not measured at fair value</b>								
Term deposits*			551 692		551 692			
Loans and other receivables*		431 327			431 327			
Insurance / reinsurance receivables*		5 876 086			5 876 086			
Reinsurance recoveries against outstanding claims*		6 503 793			6 503 793			
Cash and bank*			1 634 869		1 634 869			
Total assets of window takaful operations - Operator's fund*	948 921	432 194	48 929		1 430 044		948 921	
	25 107 920	13 243 400	2 235 490		40 586 810	12 235 016	12 872 904	-
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(10 368 176)	(10 368 176)			
Premium received in advance*				(79 385)	(79 385)			
Insurance / reinsurance payables*				(7 683 702)	(7 683 702)			
Other creditors and accruals*				(3 766 305)	(3 766 305)			
Total liabilities of window takaful operations - Operator's Fund*				(109 733)	(109 733)			
	25 107 920	13 243 400	2 235 490	(22 007 301)	18 579 509	12 235 016	12 872 904	-

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

### 30. Non-adjusting event after the unconsolidated condensed interim financial statement date

The Board of Directors in their meeting held on 29 August 2023 have announced a second interim cash dividend in respect of the year ended 31 December 2023 of Rs. 1.50 per share i.e. 15.00 % (2022: Rs. 1.50 per share i.e. 15.00 %). These unconsolidated condensed interim financial statements for the six months period ended 30 June 2023 do not include the effect of these appropriations, which will be accounted for subsequent to the period end.

### 31. Corresponding Figures

31.1 Corresponding figures have been rearranged and reclassified wherever necessary.

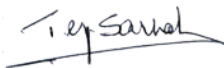


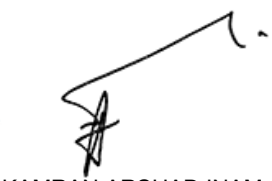

### 32. General

Figures have been rounded off to the nearest thousand rupees.

### 33. Date of authorization for issue of unconsolidated condensed interim financial statements

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 29 August 2023.

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 Director	 Director	 ALTAF GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
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## Directors' Review to the Members on Consolidated Condensed Interim Financial Information for the six months period ended 30 June 2023

We are pleased to present the consolidated condensed interim financial information of EFU General Insurance Limited and our subsidiary, EFU Life Assurance Limited.

### Performance Review

The consolidated gross premium was Rs. 34.5 billion (2022: Rs. 31.1 billion), the net premium was Rs. 22.7 billion (2022: Rs. 22.9 billion) and profit before tax was Rs. 2 735 million (2022: Rs. 1 899 million). Consolidated investment income (including rental and other income) for the six months period was Rs. 14 827 million (2022: Rs. 5 522 million). The consolidated total assets were Rs. 251 billion (31 December 2022: Rs. 235 billion) and total investments stood at Rs. 187 billion (31 December 2022: Rs. 180 billion).

### Movement of Reserves

	Rupees in '000
	30 June 2023 (Unaudited)
Unappropriated profit brought forward	106 701
Profit attributable to ordinary shares	547 529
Transferred from surplus on revaluation of property and equipment	14 942
Acquisition of Non-Controlling Interest without a change in control	(24 272)
	538 199
Profit available for appropriations	644 900
<b>Earnings per share (Rupees)</b>	<b>1.89</b>

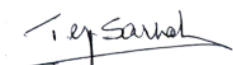
### Outlook


The recently approved IMF Stand-By Arrangement (SBA) is expected to assist the country. It is also anticipated to provide the much-needed stability to the economic landscape.

### Acknowledgements


It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by officers, field force and staff who had contributed to the growth of the Company and the continued success of its operations.

Your Directors would also like to thank the Securities & Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.

  
Iqbal Sarwar  
Director

  
Kamran Arshad Inam  
Director

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

Karachi 29 August 2023

## مجموعی کنڈینسڈ عبوری مالیاتی حسابات پر ممبران کیلئے ڈائریکٹرز کا جائزہ

۳۰ جون ۲۰۲۳ء کو ختم ہونے والی ششماہی کیلئے

ہم، مسرت ای ایف یو جزل انشورنس لمیٹڈ اور اپنے ذیلی ادارے ای ایف یو لائف انشورنس لمیٹڈ کے مجموعی کنڈینسڈ عبوری مالیاتی حسابات پیش کر رہے ہیں۔

### کارکردگی کا جائزہ

یکجا شدہ مجموعی پرمیئم ۳۳۵ بلین روپے (۲۰۲۲ء: ۳۱۱ بلین روپے)، خالص پرمیئم ۲۲۷ بلین روپے (۲۰۲۲ء: ۲۲۹ بلین روپے) اور منافع قبل از ٹیکس ۲۷۵ بلین روپے رہا (۲۰۲۲ء: ۱۸۹۹ بلین روپے)۔ یکجا شدہ انویسٹمنٹ آمدنی (بشمول ریٹیل اور دیگر آمدنی) برائے ششماہی مدت ۱۴،۸۲۷ بلین روپے رہی (۲۰۲۲ء: ۵،۵۲۲ بلین روپے)۔ یکجا شدہ مجموعی اثاثہ جات ۲۵۱ بلین روپے (۳۱ دسمبر ۲۰۲۲: ۲۳۵ بلین روپے) اور مجموعی سرمایہ کاری ۱۸۷ بلین روپے رہی (۳۱ دسمبر ۲۰۲۲: ۱۸۰ بلین روپے)۔

### محفوظ اثاثہ جات کی منتقلی

روپے ہزاروں میں  
۳۰ جون ۲۰۲۳ء  
(غیر آڈٹ شدہ)

۱۰۶ ۷۰۱
۵۴۷ ۵۲۹
۱۴ ۹۴۲
(۲۳ ۲۷۲)
۵۳۸ ۱۹۹
۶۴۴ ۹۰۰
۱۸۹

غیر مختص کردہ منافع جو آئندہ شامل کیا جائے گا

عمومی شیئرز کیلئے قابل منسوب منافع

جائیداد اور ایکویٹی کی ری ویلیویشن پر اضافے سے منتقل

کنٹرول میں کسی تبدیلی کے بغیر نان-کنٹرولنگ انٹرسٹ کا حصول

تناسب کے تحت دستیاب منافع

آمدنی نی شیئرز (روپے)

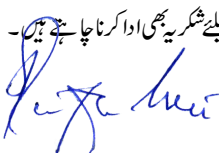
### مستقبل کا نقطہ نظر

آئی ایم ایف کے حالیہ اسٹینڈ بائی آرٹیکل (ایس بی اے) سے توقع ہے کہ ملک کو معاونت حاصل ہوگی اس سے یہ امید بھی ہے کہ معاشی منظر نامے میں انتہائی ضرورت کے حامل استحکام کو بھی حاصل کیا جاسکے گا۔

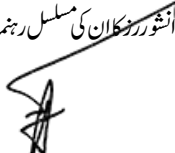
### اظہار تشکر

آپ کے ڈائریکٹرز تہ دل سے یہ امر ریکارڈ پر لاتے ہیں کہ ہمارے آفیسرز، فیلڈ فورس اور دیگر اسٹاف نے نہایت جانفشانی سے کمپنی کی ترقی کیلئے محنت کی ہے اور کاروبار کے اضافے اور کامیابیوں کے تسلسل کو برقرار رکھنے میں مثالی کردار ادا کیا ہے۔

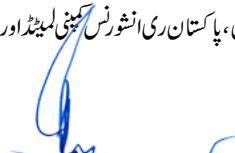
آپ کے ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ اور اپنے تمام ری انشوررز کا ان کی مسلسل رہنمائی اور تعاون کیلئے شکر یہ بھی ادا کرنا چاہتے ہیں۔



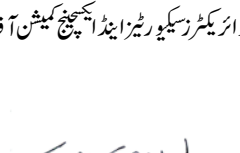
سیف الدین این۔ زمکا والا  
چیرمین



کامران ارشد انعام  
مینیجنگ ڈائریکٹر و چیف ایگزیکٹو



ڈائریکٹر



ڈائریکٹر

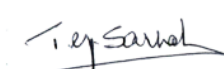
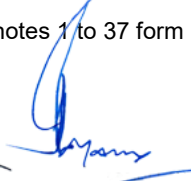

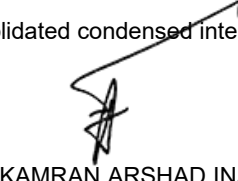
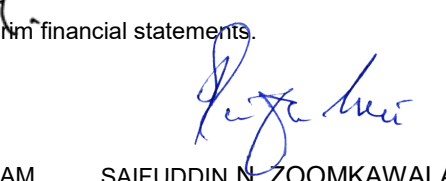
کراچی: ۲۹ اگست ۲۰۲۳ء



## Consolidated Condensed Interim Statement of Financial Position As at 30 June 2023 (Unaudited)

		30 June 2023 (Unaudited)	Rupees '000 31 December 2022 (Audited)
<b>Assets</b>			
Property and equipment	6	9 149 242	9 206 377
Intangible assets	7	5 857 439	6 051 090
Investment property	8	3 050 470	3 050 470
Investments			
Equity securities	9	20 146 364	23 291 856
Debt securities	10	155 905 521	141 556 899
Term deposits		11 012 238	14 978 121
Loans and other receivables	11	5 425 166	4 756 358
Insurance / reinsurance receivables	12	9 561 742	6 595 126
Reinsurance recoveries against outstanding claims	21	10 130 807	6 503 793
Salvage recoveries accrued		33 962	45 757
Deferred commission expense	22	985 268	1 111 775
Retirement benefit		9 856	-
Taxation - payments less provision		1 028 543	1 071 919
Prepayments	13	10 606 541	8 701 054
Cash and bank	14	6 431 095	6 193 736
		249 334 254	233 114 331
Total assets of window general takaful operations - Operator's Fund		1 773 934	1 601 167
<b>Total assets</b>		251 108 188	234 715 498
<b>Equity and Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital	15	2 000 000	2 000 000
Reserves	16	14 622 234	14 952 263
Unappropriated (loss) / profit		(754 952)	106 701
Capital and reserve attributable to Company's equity holders		15 867 282	17 058 964
Non-controlling interest		3 949 786	4 279 886
<b>Total equity</b>		19 817 068	21 338 850
<b>Surplus on revaluation of property and equipment</b>		2 098 354	2 343 385
<b>Liabilities</b>			
Insurance liabilities - life insurance business	17	175 166 478	166 382 685
<b>Underwriting provisions</b> - general insurance business			
Outstanding claims including IBNR	21	14 985 471	10 368 176
Unearned premium reserves	20	15 837 132	14 167 219
Unearned reinsurance commission	23	187 698	201 585
Retirement benefit obligations		-	14 009
Deferred taxation		3 372 588	2 932 554
Premium received in advance		1 567 719	1 281 718
Insurance / reinsurance payables		11 179 911	8 047 592
Other creditors and accruals	18	6 169 073	6 913 950
		53 299 592	43 926 803
<b>Total liabilities</b>		228 466 070	210 309 488
		250 381 492	233 991 723
Total liabilities of window general takaful operations - Operator's Fund		726 696	723 775
<b>Total equity and liabilities</b>		251 108 188	234 715 498

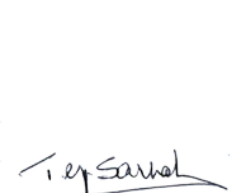
The annexed notes 1 to 37 form an integral part of these consolidated condensed interim financial statements.


 Director	 Director	 ALTAf GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
--	---	---	--	--

**Consolidated Condensed Interim Profit and Loss Account**  
For the six months period ended 30 June 2023 (Unaudited)

	Note	Three months period ended		Six months period ended	
		30 June	30 June	30 June	30 June
		2023	2022	2023	2022
					Rupees '000
Net insurance premium	20	11 508 077	11 178 137	22 718 423	22 910 033
Net insurance claims	21	(9 871 450)	(8 387 248)	(18 416 526)	(15 636 746)
Net commission and other acquisition costs	22	(2 104 459)	(2 176 296)	(4 303 591)	(4 447 161)
Insurance claims and acquisition expenses		(11 975 909)	(10 563 544)	(22 720 117)	(20 083 907)
Management expenses		(1 922 374)	(1 548 668)	(3 525 926)	(2 896 759)
Net change in insurance liabilities (other than outstanding claims)		(5 730 724)	(635 030)	(8 814 649)	(3 619 567)
Underwriting result		(8 120 930)	(1 569 105)	(12 342 269)	(3 690 200)
Investment income	23	8 481 008	4 562 865	15 494 527	8 698 790
Net realized fair value losses on financial assets	24	(651 200)	(973 856)	(2 180 046)	(716 503)
Net fair value gains / (losses) on financial assets at fair value through profit and loss	25	1 246 268	(1 546 917)	1 144 913	(2 693 787)
Rental income		29 734	28 836	63 439	59 971
Other income	26	169 547	114 385	304 077	174 132
Other expenses		(47 252)	(43 242)	(76 326)	(66 054)
		9 228 105	2 142 071	14 750 584	5 456 549
Results of operating activities		1 107 175	572 966	2 408 315	1 766 349
Profit from window general takaful operations - Operator's Fund	27	172 843	66 126	327 160	133 501
Profit before tax		1 280 018	639 092	2 735 475	1 899 850
Income tax expense					
Current period	28	(1 052 219)	(526 874)	(1 699 745)	(1 017 881)
Prior period		(341 049)	(240 719)	(341 049)	(240 719)
		(1 393 268)	(767 593)	(2 040 794)	(1 258 600)
Profit / (loss) after tax		(113 250)	(128 501)	694 681	641 250
<b>Profit attributable to:</b>					
Equity holders of the parent		(212 674)	(161 712)	378 802	410 037
Non-controlling interest		99 424	33 211	315 879	231 213
		(113 250)	(128 501)	694 681	641 250
<b>Earnings (after tax) per share - Rupees</b>	29	(1.06)	(0.81)	1.89	2.05

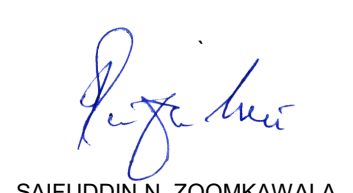
The annexed notes 1 to 37 form an integral part of these consolidated condensed interim financial statements.

  
T. S. Sarwat  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

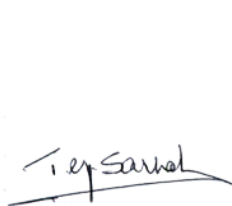
## Consolidated Condensed Interim Statement of Comprehensive Income

For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Profit / (loss) after tax	(113 250)	(128 501)	694 681	641 250
Other comprehensive income				
Total items that may be reclassified subsequently to profit and loss account				
Unrealized loss on available-for-sale investments during the period	(101 139)	(327 684)	(383 273)	(664 017)
Reclassification adjustments relating to available-for-sale investments disposed of during the period	86 752	-	43 376	-
Total unrealized loss for the period	(14 387)	(327 684)	(339 897)	(664 017)
Deferred tax on available-for-sale investments	21 501	80 904	128 919	180 571
Effect of translation of foreign branches (net of tax)	(11 123)	21 836	58 198	29 865
Net unrealized (loss) / gain from window takaful operations - Operator's Fund (net of deferred tax)	1 537	(2 533)	(7 266)	1 283
Other comprehensive loss for the period	(2 472)	(227 477)	(160 046)	(452 298)
Total comprehensive income / (loss) for the period	(115 722)	(355 978)	534 635	188 952
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	(214 169)	(379 765)	217 648	(39 193)
Non-controlling interest	98 447	23 787	316 987	228 145
	(115 722)	(355 978)	534 635	188 952


The annexed notes 1 to 37 form an integral part of these consolidated condensed interim financial statements.

  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

2023

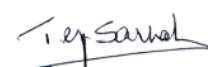
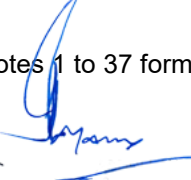
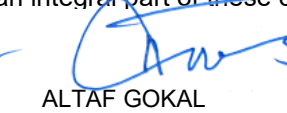
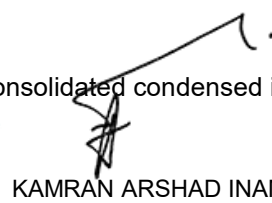
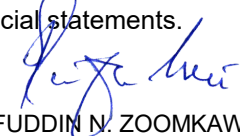
Second Quarter

# Consolidated Condensed Interim Cash Flow Statement

For the six months period ended 30 June 2023 (Unaudited)

	30 June 2023	30 June 2022
		Rupees '000
<b>Operating cash flows</b>		
a) Underwriting activities		
Insurance premium / contribution received	31 869 460	31 343 084
Reinsurance premium / retakaful contribution paid	(8 634 366)	(6 278 534)
Claims paid	(19 566 382)	(15 453 070)
Reinsurance and other recoveries received	1 962 496	480 516
Commission paid	(3 310 251)	(3 313 414)
Commission received	200 932	122 322
Management expenses paid	(5 102 579)	(4 839 003)
Net cash flow (used in) / from underwriting activities	(2 580 690)	2 061 901
b) Other operating activities		
Income tax paid	(1 544 473)	(861 322)
Other operating payments	(90 858)	(609 966)
Other operating receipts	146 741	149 709
Loans advanced	(76 557)	(48 020)
Loans repayments received	78 988	108 763
Net cash flow used in other operating activities	(1 486 159)	(1 260 836)
<b>Total cash flow (used in) / from all operating activities</b>	(4 066 849)	801 065
<b>Investment activities</b>		
Profit / return received	13 864 741	6 659 456
Dividend received	1 434 343	1 482 093
Rentals received	68 330	50 335
Payment for investments / investment properties	(60 742 130)	(23 267 787)
Proceeds from investments / investment properties	47 853 774	12 644 479
Fixed capital expenditures	(471 527)	(320 879)
Proceeds from sale of property and equipment	121 843	65 338
<b>Total cash flow from / (used in) investing activities</b>	2 129 374	(2 686 965)
<b>Financing activities</b>		
Payments against lease liabilities	(118 916)	(107 708)
Dividends paid	(2 025 250)	(2 004 586)
<b>Total cash flow used in financing activities</b>	(2 144 166)	(2 112 294)
<b>Net cash flow used in all activities</b>	(4 081 641)	(3 998 194)
Cash and cash equivalents at beginning of period	20 620 165	30 174 076
<b>Cash and cash equivalents at end of period</b>	16 538 524	26 175 882
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(4 066 849)	801 065
Depreciation / amortization expense	(726 874)	(686 545)
Finance cost	(38 375)	(35 202)
Profit on disposal of property and equipment	95 101	35 712
Loss on disposal of investments / investment properties	(2 154 051)	(625 931)
Rental income	63 439	59 971
Dividend income	1 431 683	1 477 416
Other investment income	14 401 094	7 338 027
Profit on lease termination	17 519	3 154
Profit on deposits	163 058	76 396
Other income	18 241	49 869
Appreciation / (depreciation) in market value of investments	1 267 517	(2 448 644)
Reversal / (impairment) in the value of available-for-sale equity investments	3 479	(19 792)
Increase in assets other than cash	7 797 677	3 579 160
Increase in liabilities other than running finance	(17 905 138)	(9 096 907)
<b>Profit after tax from conventional insurance operations</b>	367 521	507 749
Profit from window takaful operations - Operator's Fund	327 160	133 501
<b>Profit after tax</b>	694 681	641 250

The annexed notes 1 to 37 form an integral part of these consolidated condensed interim financial statements.

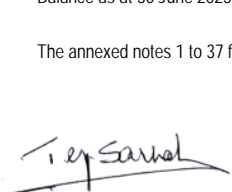
 Director	 Director	 ALTAf GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
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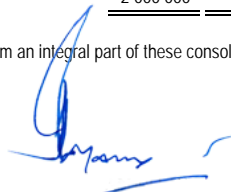
Consolidated Condensed Interim Statement of Changes in Equity  
For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

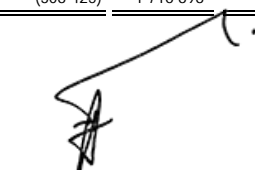
	Attributable to equity holders of the Company									
	Share capital	Capital reserve - Reserve for exceptional losses	Revenue reserves				Unappropriated profit	Equity attributable to equity holder of parent	Non-controlling interest	Total
			General reserve	Exchange translation reserve	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Unrealized gain on fair value of investment property				
Balance as at 01 January 2022	2 000 000	12 902	15 650 000	81 195	644 699	1 679 190	(964 792)	19 376 538	4 424 870	23 801 408
<b>Total comprehensive income for the period ended 30 June 2022</b>										
Profit after tax						(94 602)	504 639	410 037	231 213	641 250
Other comprehensive loss				29 865	(479 095)		-	(449 230)	(3 068)	(452 298)
				29 865	(479 095)	(94 602)	504 639	(39 193)	228 145	188 952
Transferred from surplus on revaluation of property and equipment on account of incremental depreciation- net of tax							8 874	8 874	7 953	16 827
Acquisition of NCI without a change in control							(43 390)	(43 390)	(26 739)	(70 129)
<b>Transactions with owners recorded directly in equity</b>										
Final dividend for the year 2021 at the rate of Rs. 5.50 (55.00%) per share							(1 100 000)	(1 100 000)		(1 100 000)
Final dividend for the year 2021 at the rate of Rs. 10.50 (105.00%) per share									(569 302)	(569 302)
1st Interim dividend paid for the year 2022 at the rate of Rs. 1.50 (15.00%) per share							(300 000)	(300 000)		(300 000)
1st Interim dividend paid for the year 2022 at the rate of Rs. 1.50 (15.00%) per share									(81 091)	(81 091)
<b>Other transfer within equity</b>										
Transfer to general reserve			750 000				(750 000)	-		-
Balance as at 30 June 2022	2 000 000	12 902	16 400 000	111 060	165 604	1 584 588	(2 644 669)	17 902 829	3 983 836	21 886 665
Balance as at 01 January 2023	2 000 000	12 902	13 000 000	142 661	(89 073)	1 885 773	106 701	17 058 964	4 279 886	21 338 850
<b>Total comprehensive income for the period ended 30 June 2023</b>										
Profit after tax						(168 875)	547 677	378 802	315 879	694 681
Other comprehensive loss				58 198	(219 352)		-	(161 154)	1 108	(160 046)
				58 198	(219 352)	(168 875)	547 677	217 648	316 987	534 635
Transferred from surplus on revaluation of property and equipment on account of incremental depreciation- net of tax							14 942	14 942	13 388	28 330
Acquisition of NCI without a change in control							(24 272)	(24 272)	(16 794)	(41 066)
<b>Transactions with owners recorded directly in equity</b>										
Final dividend for the year 2022 at the rate of Rs. 5.50 (55.00%) per share							(1 100 000)	(1 100 000)		(1 100 000)
Final dividend for the year 2022 at the rate of Rs. 10.50 (105.00%) per share									(563 304)	(563 304)
1st Interim dividend paid for the year 2023 at the rate of Rs. 1.50 (15.00%) per share							(300 000)	(300 000)		(300 000)
1st Interim dividend paid for the year 2023 at the rate of Rs. 1.50 (15.00%) per share									(80 377)	(80 377)
Balance as at 30 June 2023	2 000 000	12 902	13 000 000	200 859	(308 425)	1 716 898	(754 952)	15 867 282	3 949 786	19 817 068

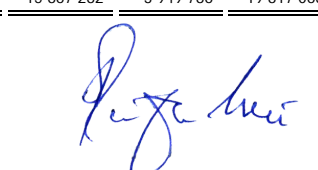
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Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

## **EFU GENERAL INSURANCE LIMITED**

### **Notes to the Consolidated Condensed Interim Financial Statements**

For the six months period ended 30 June 2023

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

1.1 EFU General Insurance Limited (The Company) has assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it has been concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018. The consolidated financial statements have been prepared and are presented as per the requirements of Section 228 of the Companies Act 2017.

1.2 The group comprises of:

##### **1.2.1 EFU General Insurance Limited (Holding Company)**

EFU General Insurance Limited was incorporated as a public limited company on 02 September 1932. The Holding Company is listed on the Pakistan Stock Exchange Limited and is engaged in non-life insurance business comprising of fire and property damage, marine, aviation and transport, motor, miscellaneous etc.

The Registered Office of the Holding Company is situated at Kamran Centre, 1<sup>st</sup> Floor, 85 East, Jinnah Avenue Blue Area Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Holding Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Holding Company operates through 49 (2022: 53) branches in Pakistan including a branch in Export Processing Zone (EPZ) and a branch in Gwadar Free Zone.

##### **1.2.2 EFU Life Assurance Limited (Subsidiary Company)**

EFU Life Assurance Limited with 46.56 % effective holding was incorporated as public limited company on 09 August 1992 and started its operations from 18 November 1992. The Subsidiary Company is listed on Pakistan Stock Exchange Limited and is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000:

- Investment linked business (includes individual life business)
- Conventional business (includes group life and individual life businesses)
- Pension business (unit-linked) \*
- Accident and health business
- Family takaful investment linked business
- Family takaful protection business

\* The Subsidiary Company has discontinued pension business and accordingly no new business has been written under this fund.

The Registered Office of the Subsidiary Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at Plot No.112, 8th East Street, Phase 1, DHA, Karachi. The Subsidiary Company commenced Window Takaful Operations on 06 February 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012.

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

These consolidated 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 as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

Total assets, total liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these consolidated condensed interim financial statements in accordance with the requirements of Circular 25 of 2015 dated 09 July 2015. A separate set of condensed interim financial statements of the General Window Takaful Operations has been reported which is annexed to these consolidated condensed interim financial statements as per the requirements of the SECP Takaful Rules, 2012, General Takaful Accounting Regulations, 2019.

These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended 31 December 2022.

#### 2.1 Basis of measurement

These consolidated condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments, land and building and investment property that have been measured at fair value and the Group's liability under defined benefit plan that is determined based on present value of defined benefit obligation less fair value of plan assets.

#### 2.2 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also the Group's functional currency. All financial information presented in Pakistani Rupees has been rounded to the nearest rupees in thousand, unless otherwise stated.

#### 2.3 Standards, interpretations and amendments effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after 01 January 2023 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated condensed interim financial statements.

#### 2.4 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

<b>Amendments</b>	<b>Effective date (annual periods beginning on or after)</b>
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	01 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	01 January 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

The Group expects that such improvements to the standards will not have any material impact on the Group's consolidated condensed interim financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January 2024. The Group expects that such improvements to the standards will not have any material impact on the Group's consolidated condensed interim financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

<b>Standards</b>	<b>Effective date (annual periods beginning on or after)</b>
IFRS 1 First-time Adoption of International Financial Reporting Standards	01 January 2024
IFRS 17 Insurance Contracts	01 January 2023

The group has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS

### 3. Summary of significant accounting policies

The significant accounting policies and method of computation adopted in preparation of consolidated condensed interim financial statements are consistent to all years presented in these consolidated condensed interim financial statements.

### 4. Accounting estimates and judgements

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparation of these consolidated condensed interim financial statements, the significant judgment made by management in applying the Group's accounting policies and the key sources of estimation, uncertainty were the same as those that applied to the consolidated financial statement as at and for the year ended 31 December 2022.

4.1 Change in assumptions;

Conventional business / Family takaful protection business of Subsidiary Company

In the process of applying the Subsidiary Company's accounting policies, management has made the following estimates and judgments which are significant to the consolidated interim financial statements:

Expected Loss Ratio (ELR) assumptions being used for IBNR claim reserve pertaining to conventional group life business of Subsidiary Company have been revised to provide for possible decrease in incidence of reporting of claims. Furthermore, the methodology for third quarter have been moved from Chain Ladder (CL) to ELR.

**5. Management of insurance and financial risk**

Insurance and financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2022.

**6. Property and equipment**

The movement of property and equipment during the six months period ended 30 June 2023 are as follows:

	Note	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value		9 206 377	8 649 723
Additions	6.1	550 125	885 223
Depreciation during the period		(533 648)	(980 104)
Book value of disposal		(73 612)	(108 915)
Revaluation		-	760 450
		<u>9 149 242</u>	<u>9 206 377</u>

6.1 Additions

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Building	56 235	33 192
Right of use assets - buildings	82 783	220 045
Leasehold improvements	11 432	45 425
Furniture and fixtures	6 355	33 852
Office equipment	31 844	46 264
Computer equipment	70 610	72 763
Vehicles	290 866	433 682
	<u>550 125</u>	<u>885 223</u>

**7. Intangible assets**

The movement of intangible assets during the six months period ended 30 June 2023 are as follows:

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value	6 051 090	8 416 816
Amortization	(193 651)	(396 804)
Impairment	-	(1 968 922)
	<u>5 857 439</u>	<u>6 051 090</u>

**8. Investment property**

	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Opening net book value	3 050 470	2 599 970
Additions and capital improvements	-	970
Unrealized fair value gain*	-	449 530
Closing net book value	<u>3 050 470</u>	<u>3 050 470</u>

\* The Group revalues its investment property annually and any change in fair value is accounted for at the end of the year, as per IAS 40.



Rupees '000

**9. Investment in equity securities**

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
At available-for-sale						
Related Party*						
Listed shares	600 521	(314 016)	286 505	600 521	(180 052)	314 051
Mutual funds	869 709	-	869 709	523	-	523
	1 470 230	(314 016)	1 156 214	601 044	(180 052)	314 574
Others						
Listed shares	2 172 385	(464 892)	1 707 493	2 346 383	(549 973)	1 796 410
Unlisted shares	42 311	(41 803)	508	30 927	(30 419)	508
Mutual funds	238 310	(36 705)	201 605	183 034	(32 361)	150 673
	2 453 006	(543 400)	1 909 606	2 560 344	(612 753)	1 947 591
Surplus on revaluation	-	-	616 309	-	-	725 116
	3 923 236	(857 416)	3 682 129	3 161 388	(792 805)	2 987 281
At fair value through profit and loss - designated upon initial recognition						
Related Party*						
Listed shares	36 609	-	58 915	476 556	-	496 431
Mutual funds	1 691 944	-	1 689 915	158 817	-	143 459
	1 728 553	-	1 748 830	635 373	-	639 890
Others						
Listed shares	17 373 829	-	14 607 692	23 979 659	-	19 579 186
Mutual funds	85 763	-	107 713	74 062	-	85 499
	17 459 592	-	14 715 405	24 053 721	-	19 664 685
	19 188 145	-	16 464 235	24 689 094	-	20 304 575
	23 111 381	(857 416)	20 146 364	27 850 482	(792 805)	23 291 856

\* The Group has not accounted for investment in related parties as associates under IAS 28 "Investment in Associates and Joint Ventures", as management has concluded that the Group does not have significant influence in these companies.

Rupees '000

**10. Investment in debt securities**

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Held to maturity						
Government securities	9 771 883	-	9 771 883	9 189 216	-	9 189 216
Available-for-sale						
Government securities	12 264 237	-	12 264 237	12 531 040	-	12 531 040
Term Finance Certificate	240 637	(40 637)	200 000	244 118	(44 118)	200 000
Corporate Sukuks	114 500	-	114 500	127 000	-	127 000
Deficit on revaluation	-	-	(1 165 458)	-	-	(934 057)
	12 619 374	(40 637)	11 413 279	12 902 158	(44 118)	11 923 983
Fair value through profit and loss (Designated-upon initial recognition)						
Government securities	127 779 051	-	125 793 989	113 403 106	-	112 140 361
Term Finance Certificates	5 634 743	-	5 614 580	4 984 840	-	4 948 393
Corporate Sukuks	2 156 296	(37 500)	2 080 790	2 360 910	(37 500)	2 282 697
Certificates of investment	1 231 000	-	1 231 000	1 072 249	-	1 072 249
	136 801 090	(37 500)	134 720 359	121 821 105	(37 500)	120 443 700
	159 192 347	(78 137)	155 905 521	143 912 479	(81 618)	141 556 899

		Note	30 June 2023 (Unaudited)	Rupees '000 31 December 2022 (Audited)
<b>11.</b>	<b>Loans and other receivables – considered good</b>			
	Loans to employees		73 260	80 132
	Accrued investment income		4 205 254	3 422 242
	Security deposits		92 884	75 168
	Advances to suppliers		439 431	625 329
	Advances to employees		133 908	122 444
	Other receivables		480 429	431 043
			<u>5 425 166</u>	<u>4 756 358</u>
<b>12.</b>	<b>Insurance / reinsurance receivables – unsecured and considered good</b>			
	Due from insurance contract holders		9 344 181	6 251 058
	Provision for impairment of receivables from insurance contract holders		(476)	( 524)
			<u>9 343 705</u>	<u>6 250 534</u>
	Due from other insurer / reinsurers		218 037	344 592
			<u>9 561 742</u>	<u>6 595 126</u>
<b>13.</b>	<b>Prepayments</b>			
	Prepaid reinsurance premium ceded	19	10 264 075	8 489 684
	Software and hardware support services		-	1 201
	Group health insurance premium		16 095	-
	Prepaid tracker expense		43 265	51 499
	Annual supervision fee		17 525	-
	Others		265 581	158 670
			<u>10 606 541</u>	<u>8 701 054</u>
<b>14.</b>	<b>Cash and bank</b>			
	Cash and cash equivalents			
	Cash in hand		2 146	101
	Policy, revenue stamps and bond papers		44 444	36 854
			46 590	36 955
	Cash at bank			
	Current accounts		941 763	1 371 461
	Saving accounts		5 442 742	4 785 320
			<u>6 384 505</u>	<u>6 156 781</u>
			<u>6 431 095</u>	<u>6 193 736</u>
<b>15.</b>	<b>Share capital</b>			
15.1	Authorized capital			
	Number of shares '000			Rupees '000
	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
	<u>200 000</u>	<u>200 000</u>	<u>2 000 000</u>	<u>2 000 000</u>
15.2	Issued, subscribed and paid-up share capital			
	Number of shares '000			Rupees '000
	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
	250	250	2 500	2 500
	199 750	199 750	1 997 500	1 997 500
	<u>200 000</u>	<u>200 000</u>	<u>2 000 000</u>	<u>2 000 000</u>

		Rupees '000	
		30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>16.</b>	<b>Reserves</b>		
	Capital reserve		
	Reserve for exceptional losses	12 902	12 902
	Revenue reserves		
	General reserve	13 000 000	13 000 000
	Revaluation reserve for unrealized losses on available-for-sale investments - net	(308 425)	(89 073)
	Reserve for change in fair value of investment property - net	1 716 898	1 885 773
	Exchange translation reserves	200 859	142 661
		<u>14 622 234</u>	<u>14 952 263</u>

16.1 The reserve for exceptional losses was created prior to 1979 and was charged to income in accordance with the provisions of the repealed Income Tax Act, 1922 and has been so retained to date.

		Rupees '000	
		30 June 2023 (Unaudited)	31 December 2022 (Audited)
	Note		
<b>17.</b>	<b>Insurance liabilities – life insurance business</b>		
	Reported outstanding claims	3 795 176	3 835 327
	Incurred but not reported claims	1 361 756	1 185 211
	Investment component of unit-linked and account value policies	166 929 648	158 534 057
	Liabilities under individual conventional insurance contracts	883 647	962 770
	Liabilities under group insurance contracts (other than investment linked)	1 548 476	1 398 328
	Participant's Takaful Fund Balance	647 775	466 992
		<u>175 166 478</u>	<u>166 382 685</u>
17.1	Reported outstanding claims		
	Gross of reinsurance		
	Payable within one year	3 300 627	3 331 484
	Payable over a period of time exceeding one year	872 589	894 303
		<u>4 173 216</u>	<u>4 225 787</u>
	Recoverable from reinsurers		
	Receivable over a period of time exceeding one year	(378 040)	(390 460)
	Net reported outstanding claims	<u>3 795 176</u>	<u>3 835 327</u>
17.2	Incurred but not reported claims		
	Gross of reinsurance	1 708 472	1 485 969
	Reinsurance recoveries	(346 716)	(300 758)
	Net of reinsurance	<u>1 361 756</u>	<u>1 185 211</u>
17.3	Investment component of unit-linked and account value policies		
	Investment component of unit linked policies	166 929 648	158 534 057
		<u>166 929 648</u>	<u>158 534 057</u>
17.4	Liabilities under individual conventional insurance contracts		
	Gross of reinsurance	1 100 378	1 187 321
	Reinsurance credit	(216 731)	(224 551)
	Net of reinsurance	<u>883 647</u>	<u>962 770</u>

	30 June 2023 (Unaudited)	Rupees '000 31 December 2022 (Audited)
17.5	Liabilities under group insurance contracts (other than investment linked)	
	1 853 182	1 550 978
	<u>(304 706)</u>	<u>(152 650)</u>
	<u>1 548 476</u>	<u>1 398 328</u>
<b>18.</b>	<b>Other creditors and accruals</b>	
	38 388	18 789
	532 332	504 791
	1 034 623	1 415 952
	1 117 369	1 478 734
	71 323	74 344
	1 667 394	1 699 486
	569 998	542 968
	722 217	784 858
	415 429	394 028
	<u>6 169 073</u>	<u>6 913 950</u>

**19. Contingencies and commitments**

- 19.1 The status of the contingencies remains unchanged as disclosed in the annual audited consolidated financial statements as at 31 December 2022.
- 19.2 Bank guarantees amounting to Rs. 56 million have been given in respect of Group Life coverage. These bank guarantees will expire on 31 December 2023.
- 19.3 There are no commitments as at 30 June 2023 (31 December 2022: Nil).

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>20. Net insurance premium</b>				
Written gross premium	18 240 841	15 337 118	34 537 205	31 056 353
Unearned premium reserve - opening	14 209 843	10 998 822	14 167 219	10 517 726
Unearned premium reserve - closing	<u>(15 837 132)</u>	<u>(11 648 905)</u>	<u>(15 837 132)</u>	<u>(11 648 905)</u>
Premium earned	16 613 552	14 687 035	32 867 292	29 925 174
Less:				
Reinsurance premium ceded	7 371 784	4 788 689	11 923 260	8 481 015
Prepaid reinsurance premium - opening	7 997 766	5 655 081	8 489 684	5 468 998
Prepaid reinsurance premium - closing	<u>(10 264 075)</u>	<u>(6 934 872)</u>	<u>(10 264 075)</u>	<u>(6 934 872)</u>
Reinsurance expense	5 105 475	3 508 898	10 148 869	7 015 141
	<u>11 508 077</u>	<u>11 178 137</u>	<u>22 718 423</u>	<u>22 910 033</u>
<b>21. Net insurance claim expense</b>				
Claims Paid	10 543 257	8 169 563	19 415 067	15 511 302
Outstanding claims including IBNR - closing	14 985 471	10 055 888	14 985 471	10 055 888
Outstanding claims including IBNR - opening	<u>(11 136 879)</u>	<u>(8 524 553)</u>	<u>(10 368 176)</u>	<u>(7 085 599)</u>
Claims expense	14 391 849	9 700 898	24 032 362	18 481 591
Less:				
Reinsurance and other recoveries received	1 516 371	368 021	1 988 822	765 335
Reinsurance and other recoveries in respect of outstanding claims - opening	<u>(7 126 779)</u>	<u>(5 108 178)</u>	<u>(6 503 793)</u>	<u>(3 974 297)</u>
Reinsurance and other recoveries in respect of outstanding claims - closing	10 130 807	6 053 807	10 130 807	6 053 807
Reinsurance and other recoveries revenue	4 520 399	1 313 650	5 615 836	2 844 845
	<u>9 871 450</u>	<u>8 387 248</u>	<u>18 416 526</u>	<u>15 636 746</u>

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>22. Net commission and acquisition costs</b>				
Commission paid or payable	1 928 814	1 997 464	3 791 373	4 103 383
Deferred commission expense - opening	1 038 830	798 170	1 111 775	772 985
Deferred commission expense - closing	(985 268)	(779 765)	(985 268)	(779 765)
Net commission	1 982 376	2 015 869	3 917 880	4 096 603
Less:				
Commission received or recoverable	97 712	56 784	200 931	122 323
Unearned reinsurance commission - opening	200 556	133 409	201 585	135 214
Unearned reinsurance commission - closing	(187 698)	(127 521)	(187 698)	(127 521)
Commission from reinsurers	110 570	62 672	214 818	130 016
Other acquisition cost	232 653	223 099	600 529	480 574
	<u>2 104 459</u>	<u>2 176 296</u>	<u>4 303 591</u>	<u>4 447 161</u>
<b>23. Investment income</b>				
Income from equity securities				
- Available-for-sale				
Dividend income - Equity shares	93 696	35 212	175 879	126 947
Dividend income - Mutual funds	4 269	-	4 269	-
-Fair value through profit and loss				
Dividend income	615 862	464 732	1 254 195	1 355 891
Income from debt securities				
- Available-for-sale				
Return on debt securities	392 517	279 988	782 072	541 282
-Held to maturity				
On government securities	391 949	328 616	655 519	436 607
Return on debt securities	114 901	54 054	160 288	85 743
-Fair value through profit and loss				
Return on debt securities	444 998	169 741	886 328	471 549
On government securities	5 904 087	2 756 691	10 719 211	4 822 767
Income from term deposits				
Return on term deposits	495 640	576 842	899 310	969 950
	<u>8 457 919</u>	<u>4 665 876</u>	<u>15 537 071</u>	<u>8 810 736</u>
Net realized gains / (losses) on investments				
Available-for-sale financial assets				
Realized gains on:				
Equity securities	-	800	25 995	97 372
Realized losses on:				
Equity securities	-	(6 800)	-	(6 800)
Net unrealized gains on investments	-	(6 000)	25 995	90 572
	<u>8 457 919</u>	<u>4 659 876</u>	<u>15 537 071</u>	<u>8 810 736</u>
Impairment / (reversal) in value of				
available-for-sale equity securities	23 219	(96 688)	(68 090)	(202 069)
Investment related expenses	(130)	(323)	(449)	(449)
Total Investment income	<u>8 481 008</u>	<u>4 562 865</u>	<u>15 494 527</u>	<u>8 698 790</u>
<b>24. Net realized fair value losses on financial assets</b>				
Net realized fair value gains / (losses) on financial				
assets at fair value through profit and loss				
Realized gain on:				
Equity securities	10 353	230 721	101 269	490 976
Realized losses on				
Equity securities	(600 149)	(1 207 479)	(2 280 205)	(1 207 479)
Government securities	(61 404)	2 902	(1 110)	-
	<u>(651 200)</u>	<u>(973 856)</u>	<u>(2 180 046)</u>	<u>(716 503)</u>

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>25. Net fair value gains / (losses) on financial assets at fair value through profit or loss</b>				
Net unrealized losses on investments in financial assets - government securities and debt securities (designated upon initial recognition)	930 041	(156 865)	(585 895)	(273 855)
Net unrealized gains / (losses) on investments at fair value through profit or loss (designated upon initial recognition)- Equity Securities	299 014	(1 405 655)	1 660 609	(2 429 154)
Total investment loss	1 229 055	(1 562 520)	1 074 714	(2 703 009)
Exchange gain	2 461	23 287	66 877	29 167
Reversal / (Impairment) in value of available-for-sale securities	14 752	(7 583)	3 479	(19 791)
Investment related expenses	-	(101)	(157)	(154)
	<u>1 246 268</u>	<u>(1 546 917)</u>	<u>1 144 913</u>	<u>(2 693 787)</u>
<b>26. Other income</b>				
Gain on sale of property and equipment	49 855	41 620	95 101	55 590
Return on loans to employees	7 729	7 391	14 381	14 698
Exchange difference	(983)	9 317	3 789	9 608
Return on bank balances	90 110	43 612	163 058	76 396
Fee charged to policyholders	5 239	4 513	10 146	8 981
Gain on early termination of lease contracts	17 589	7 920	17 589	8 839
Others	8	12	13	20
	<u>169 547</u>	<u>114 385</u>	<u>304 077</u>	<u>174 132</u>
<b>27. Profit from Window Takaful Operations – General Takaful Operator's fund</b>				
Wakala fee	295 923	214 637	578 967	430 132
Commission expense	(85 850)	(77 302)	(170 824)	(157 839)
General, administrative and management expense	(109 579)	(104 148)	(212 967)	(196 491)
Modarib's share of PTF investment income	23 780	16 044	47 150	25 289
Investment income	46 293	15 972	80 692	30 815
Direct expenses	(495)	(275)	(604)	(570)
Other income	2 771	1 198	4 746	2 165
	<u>172 843</u>	<u>66 126</u>	<u>327 160</u>	<u>133 501</u>
<b>28. Taxation</b>				
<b>For current period</b>				
Current	303 058	266 113	1 038 854	854 270
Deferred	390 318	142 573	302 048	45 423
Super tax	358 893	118 188	358 893	118 188
	<u>1 052 269</u>	<u>526 874</u>	<u>1 699 795</u>	<u>1 017 881</u>
<b>For prior period</b>				
super tax	340 999	240 719	340 999	240 719
	<u>1 393 268</u>	<u>767 593</u>	<u>2 040 794</u>	<u>1 258 600</u>
<b>29. Earnings per share – basic and diluted</b>				
Profit (after tax) for the period (Rupees '000)	<u>(212 674)</u>	<u>(161 712)</u>	<u>378 802</u>	<u>410 037</u>
Weighted average number of ordinary shares (Numbers '000)	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>
Earnings per share (Rupees)	<u>(1.06)</u>	<u>(0.81)</u>	<u>1.89</u>	<u>2.05</u>

### 30. Related party transactions

Related parties comprise of directors, major shareholders, key management personnel, associated companies, and entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

	Rupees '000			
	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Transactions</b>				
<b>Associated companies</b>				
Premium written	61 360	113 822	200 206	250 635
Premium paid / (refund)	(10 605)	2 377	51 891	69 236
Claims paid	24 039	65 400	47 405	147 041
Commission paid	37 797	38 968	72 637	67 859
Travelling expenses	219	430.56	8 692	984
Donation paid	2 227	578	6 200	10 040
Dividend received	18 431	-	18 431	-
Dividend paid	991 013	992 836	991 013	992 836
Interest on bank deposits	177 857	218 147	566 705	435 396
Purchase of vehicle	25 350	45 110	48 095	132 783
Investment made	-	400 000	2 293 300	400 000
Investment sold	-	91 810	8 311 000	10 880 239
Bank deposit / (withdrawn)	4 640 000	7 838 429	5 540 000	7 938 429
Payment to K-Electric	-	18 317	-	31 139
<b>Key management personnel</b>				
Premium written	330	2 436	1 056	2 934
Claims paid	167	-	409	168
Dividend paid	8 083	709	8 083	709
Loan to key employees	4 200	-	4 200	-
Loan recovered	1 857	1 863	3 562	3 535
Compensation	127 592	112 639	248 066	223 022
<b>Others</b>				
Premium written	1 077	851	7 475	8 485
Claims paid	38 434	6 674	44 399	7 025
Dividend paid	465 724	470 523	465 724	470 523
Brokerage paid	241	120	241	184
<b>Employees' funds</b>				
Contribution to provident fund	23 655	21 916	46 330	43 200
Contribution to gratuity fund	8 512	7 129	17 306	14 360
Contribution to pension fund	7 945	9 014	17 255	18 581
Dividend paid	3 146	3 146	3 146	3 146
			30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>Balances</b>				
<b>Others</b>				
Balances receivable			66 584	47 390
Balances payable			3 921	3 973
Bank deposits			5 645 929	7 816 929
Bank balances			2 568 952	1 972 396
<b>Employees' funds receivable / (payable)</b>				
EFU gratuity fund			(64 730)	(83 233)
EFU pension fund			74 586	69 224

## 31. Segment Information

For the six months period ended 30 June 2023 (Unaudited)

Current period	General Insurance					Aggregate General Insurance	Life Assurance		Aggregate Life Assurance	Total
	Fire and property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty		Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	12 352 830	3 993 915	2 055 828	1 269 266	-	19 671 839	-	17 569 829	17 569 829	37 241 668
Less: Sales tax	1 584 527	440 602	255 117	161 497	-	2 441 743	-	-	-	2 441 743
Stamp duty	169	91 611	565	451	-	92 796	-	-	-	92 796
Federal insurance fee	106 782	34 266	17 895	10 981	-	169 924	-	-	-	169 924
Gross Written Premium (inclusive of administrative surcharge)	10 661 352	3 427 436	1 782 251	1 096 337	-	16 967 376	-	17 569 829	17 569 829	34 537 205
Gross direct premium	10 647 027	3 400 869	1 697 696	1 087 036	-	16 832 628	-	17 569 829	17 569 829	34 402 457
Facultative inward premium	1 012	827	-	2 106	-	3 945	-	-	-	3 945
Administrative surcharge	13 313	25 740	84 555	7 195	-	130 803	-	-	-	130 803
Insurance premium earned	10 620 801	1 867 061	1 901 695	907 906	-	15 297 463	-	17 569 829	17 569 829	32 867 292
Insurance premium ceded to reinsurers	(8 133 299)	(952 416)	(16 708)	(329 877)	-	(9 432 300)	-	(716 569)	(716 569)	(10 148 869)
Net insurance premium	2 487 502	914 645	1 884 987	578 029	-	5 865 163	-	16 853 260	16 853 260	22 718 423
Commission income	181 801	10 339	14	22 664	-	214 818	-	-	-	214 818
Net underwriting income	2 669 303	924 984	1 885 001	600 693	-	6 079 981	-	16 853 260	16 853 260	22 933 241
Insurance claims	(6 171 019)	(1 534 734)	(916 778)	(248 608)	-	(8 871 139)	-	(15 161 223)	(15 161 223)	(24 032 362)
Insurance claims recovered from reinsurers	4 101 531	1 152 217	(1 234)	45 413	-	5 297 927	-	317 909	317 909	5 615 836
Net claims	(2 069 488)	(382 517)	(918 012)	(203 195)	-	(3 573 212)	-	(14 843 314)	(14 843 314)	(18 416 526)
Commission expense	(776 124)	(160 089)	(183 599)	(74 714)	-	(1 194 526)	-	(3 323 883)	(3 323 883)	(4 518 409)
Management expenses	(728 147)	(253 186)	(546 254)	(170 081)	-	(1 697 668)	-	(1 828 258)	(1 828 258)	(3 525 926)
Net insurance claims and expenses	(3 573 759)	(795 792)	(1 647 865)	(447 990)	-	(6 465 406)	-	(19 995 455)	(19 995 455)	(26 460 861)
Net Change in Insurance Liabilities(Other than outstanding Claims)	-	-	-	-	-	-	-	(8 814 649)	(8 814 649)	(8 814 649)
Underwriting result	(904 456)	129 192	237 136	152 703	-	(385 425)	-	(11 956 844)	(11 956 844)	(12 342 269)
Net investment income	-	-	-	-	-	900 566	-	14 593 961	14 593 961	15 494 527
Net realized fair value losses on financial assets	-	-	-	-	-	-	-	(2 180 046)	(2 180 046)	(2 180 046)
Net fair value gain on financial assets at fair value through profit and loss	-	-	-	-	-	-	-	1 144 913	1 144 913	1 144 913
Rental income	-	-	-	-	-	63 439	-	-	-	63 439
Other income	-	-	-	-	-	218 301	-	85 776	85 776	304 077
Other expense	-	-	-	-	-	(48 676)	-	(27 650)	(27 650)	(76 326)
Profit before tax from general takaful operations - OPF	-	-	-	-	-	327 160	-	-	-	327 160
Profit before tax	-	-	-	-	-	1 075 365	-	1 660 110	1 660 110	2 735 475

As at 30 June 2023 (Unaudited)

Corporate segment assets-conventional	22 648 918	6 336 339	476 523	897 960	-	30 359 740	-	186 003 455	186 003 455	216 363 195
Corporate segment assets - Takaful OPF	79 365	15 580	255 468	6 753	-	357 166	-	-	-	357 166
Corporate unallocated assets-conventional	-	-	-	-	-	28 342 684	4 628 375	-	4 628 375	32 971 059
Corporate unallocated assets - Takaful OPF	-	-	-	-	-	1 416 768	-	-	-	1 416 768
Consolidated total assets	-	-	-	-	-	60 476 358	4 628 375	186 003 455	190 631 830	251 108 188
Corporate segment liabilities	29 765 763	7 487 457	2 615 214	4 059 125	-	43 927 559	-	180 362 935	180 362 935	224 290 494
Corporate segment liabilities - Takaful OPF	102 530	14 670	455 218	14 725	-	587 143	-	-	-	587 143
Corporate unallocated liabilities	-	-	-	-	-	2 089 527	2 086 049	-	2 086 049	4 175 576
Corporate unallocated liabilities - Takaful OPF	-	-	-	-	-	139 553	-	-	-	139 553
Consolidated total liabilities	-	-	-	-	-	46 743 782	2 086 049	180 362 935	182 448 984	229 192 766

External premium less reinsurance by geographical segments 2023

Pakistan	-	-	-	-	-	-	-	-	-	22 703 284
* EPZ	-	-	-	-	-	-	-	-	-	15 139
Total	-	-	-	-	-	-	-	-	-	22 718 423

\* This represents US Dollar Equivalent in Pak Rupees



## For the six months period ended 30 June 2022 (Unaudited)

**Prior period**

	General Insurance					Aggregate General Insurance	Life Assurance		Aggregate Life Assurance	Total
	Fire and property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty		Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	8 777 574	2 654 503	1 984 009	1 123 687	-	14 539 773	-	18 366 257	18 366 257	32 906 030
Less: Sales tax	965 501	283 330	242 480	132 933	-	1 624 244	-	-	-	1 624 244
Stamp duty	203	96 977	601	542	-	98 323	-	-	-	98 323
Federal insurance fee	77 453	22 509	17 305	9 843	-	127 110	-	-	-	127 110
Gross Written Premium (inclusive of administrative surcharge)	7 734 417	2 251 687	1 723 623	980 369	-	12 690 096	-	18 366 257	18 366 257	31 056 353
Gross direct premium	7 709 289	2 222 817	1 628 556	973 462	-	12 534 124	-	18 366 257	18 366 257	30 900 381
Facultative inward premium	11 246	718	-	-	-	11 964	-	-	-	11 964
Administrative surcharge	13 882	28 152	95 067	6 907	-	144 008	-	-	-	144 008
Insurance premium earned	7 341 846	1 594 144	1 765 652	857 275	-	11 558 917	-	18 366 257	18 366 257	29 925 174
Insurance premium ceded to reinsurers	(5 453 122)	(690 047)	(10 328)	(243 908)	-	(6 397 405)	-	(617 736)	(617 736)	(7 015 141)
Net insurance premium	1 888 724	904 097	1 755 324	613 367	-	5 161 512	-	17 748 521	17 748 521	22 910 033
Commission income	102 924	8 070	4	19 018	-	130 016	-	-	-	130 016
Net underwriting income	1 991 648	912 167	1 755 328	632 385	-	5 291 528	-	17 748 521	17 748 521	23 040 049
Insurance claims	(3 662 501)	(265 717)	(988 451)	(436 728)	-	(5 353 397)	-	(13 128 194)	(13 128 194)	(18 481 591)
Insurance claims recovered from reinsurers	2 449 130	(18 097)	(2 017)	62 033	-	2 491 049	-	353 796	353 796	2 844 845
Net claims	(1 213 371)	(283 814)	(990 468)	(374 695)	-	(2 862 348)	-	(12 774 398)	(12 774 398)	(15 636 746)
Commission expense	(489 365)	(151 313)	(158 100)	(67 047)	-	(865 825)	-	(3 711 352)	(3 711 352)	(4 577 177)
Management expenses	(541 250)	(239 520)	(487 511)	(169 868)	-	(1 438 149)	-	(1 458 610)	(1 458 610)	(2 896 759)
Net insurance claims and expenses	(2 243 986)	(674 647)	(1 636 079)	(611 610)	-	(5 166 322)	-	(17 944 360)	(17 944 360)	(23 110 682)
Net Change in Insurance Liabilities (Other than outstanding Claims)	-	-	-	-	-	-	-	(3 619 567)	(3 619 567)	(3 619 567)
Underwriting result	(252 338)	237 520	119 249	20 775	-	125 206	-	(3 815 406)	(3 815 406)	(3 690 200)
Net Investment income						553 312	-	8 145 478	8 145 478	8 698 790
Net realized fair value losses on financial assets						-	-	(716 503)	(716 503)	(716 503)
Net fair value losses on financial assets at fair value through profit and loss						-	-	(2 693 787)	(2 693 787)	(2 693 787)
Rental income						59 971	-	-	-	59 971
Other income						172 497	-	1 635	1 635	174 132
Other expense						(42 943)	-	(23 111)	(23 111)	(66 054)
Profit before tax from general takaful operations - OPF						133 501	-	-	-	133 501
Profit before tax						1 001 544	-	898 306	898 306	1 899 850
						As at 31 December 2022 (Audited)				

Corporate segment assets-conventional	18 675 990	1 963 179	595 833	843 592	-	22 078 594	-	177 589 020	177 589 020	199 667 614
Corporate segment assets - Takaful OPF	157 225	17 208	365 513	17 761	-	557 707	-	-	-	557 707
Corporate unallocated assets-conventional						28 576 210	4 870 507	-	4 870 507	33 446 717
Corporate unallocated assets - Takaful OPF						1 043 460	-	-	-	1 043 460
Consolidated total assets						52 255 971	4 870 507	177 589 020	182 459 527	234 715 498
Corporate segment liabilities	24 933 928	3 300 167	2 746 514	3 787 296	-	34 767 905	-	171 491 705	171 491 705	206 259 610
Corporate segment liabilities - Takaful OPF	152 456	16 489	479 499	27 619	-	676 063	-	-	-	676 063
Corporate unallocated liabilities						2 178 418	1 871 460	-	1 871 460	4 049 878
Corporate unallocated liabilities - Takaful OPF						47 712	-	-	-	47 712
Consolidated total liabilities						37 670 098	1 871 460	171 491 705	173 363 165	211 033 263

External premium less reinsurance by geographical segments 2022

<u>Location</u>										
Pakistan										11 716 480
* EPZ										15 416
Total										11 731 896

\* This represents US Dollar Equivalent in Pak Rupees

Rupees '000

For the three months period ended 30 June 2023 (Unaudited)

**Current period**

	General Insurance					Aggregate General Insurance	Life Assurance		Aggregate Life Assurance	Total
	Fire and property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty		Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	6 547 563	2 974 083	897 214	626 958	-	11 045 818	-	8 706 517	8 706 517	19 752 335
Less: Sales tax	847 311	333 439	114 528	76 867	-	1 372 145	-	-	-	1 372 145
Stamp duty	68	43 494	248	222	-	44 032	-	-	-	44 032
Federal insurance fee	56 436	25 706	7 750	5 425	-	95 317	-	-	-	95 317
Gross Written Premium (inclusive of administrative surcharge)	5 643 748	2 571 444	774 688	544 444	-	9 534 324	-	8 706 517	8 706 517	18 240 841
Gross direct premium	5 638 609	2 557 060	738 155	539 091	-	9 472 915	-	8 706 517	8 706 517	18 179 432
Facultative inward premium	45	827	-	2 106	-	2 978	-	-	-	2 978
Administrative surcharge	5 094	13 557	36 533	3 247	-	58 431	-	-	-	58 431
Insurance premium earned	5 529 124	954 861	957 138	465 912	-	7 907 035	-	8 706 517	8 706 517	16 613 552
Insurance premium ceded to reinsurers	(4 095 632)	(501 624)	(7 572)	(158 827)	-	(4 763 655)	-	(341 820)	(341 820)	(5 105 475)
Net insurance premium	1 433 492	453 237	949 566	307 085	-	3 143 380	-	8 364 697	8 364 697	11 508 077
Commission income	93 924	5 198	8	11 440	-	110 570	-	-	-	110 570
Net underwriting income	1 527 416	458 435	949 574	318 525	-	3 253 950	-	8 364 697	8 364 697	11 618 647
Insurance claims	(4 770 936)	(1 348 484)	(427 773)	(116 776)	-	(6 663 969)	-	(7 727 880)	(7 727 880)	(14 391 849)
Insurance claims recovered from reinsurers	3 227 467	1 140 600	(50)	10 866	-	4 378 883	-	141 516	141 516	4 520 399
Net claims	(1 543 469)	(207 884)	(427 823)	(105 910)	-	(2 285 086)	-	(7 586 364)	(7 586 364)	(9 871 450)
Commission expense	(404 936)	(76 925)	(92 948)	(38 852)	-	(613 661)	-	(1 601 368)	(1 601 368)	(2 215 029)
Management expenses	(412 693)	(128 106)	(278 303)	(90 324)	-	(909 426)	-	(1 012 948)	(1 012 948)	(1 922 374)
Net insurance claims and expenses	(2 361 098)	(412 915)	(799 074)	(235 086)	-	(3 808 173)	-	(10 200 680)	(10 200 680)	(14 008 853)
Net Change in Insurance Liabilities(Other than outstanding Claims)	-	-	-	-	-	-	-	(5 730 724)	(5 730 724)	(5 730 724)
Underwriting result	(833 682)	45 520	150 500	83 439	-	(554 223)	-	(7 566 707)	(7 566 707)	(8 120 930)
Net Investment income	-	-	-	-	-	489 743	-	7 991 265	7 991 265	8 481 008
Net realized fair value losses on financial assets	-	-	-	-	-	-	-	(651 200)	(651 200)	(651 200)
Net fair value gain on financial assets at fair value through profit and loss	-	-	-	-	-	-	-	1 246 268	1 246 268	1 246 268
Rental income	-	-	-	-	-	29 734	-	-	-	29 734
Other income	-	-	-	-	-	112 122	-	57 425	57 425	169 547
Other expense	-	-	-	-	-	(28 859)	-	(18 393)	(18 393)	(47 252)
Profit before tax from takaful operations - OPF	-	-	-	-	-	172 843	-	-	-	172 843
Profit before tax	-	-	-	-	-	221 360	-	1 058 658	1 058 658	1 280 018

## For the three months period ended 30 June 2022 (Unaudited)

**Prior period**

	General Insurance					Aggregate General Insurance	Life Assurance		Aggregate Life Assurance	Total
	Fire and property damage	Marine, aviation & transport	Motor	Miscellaneous	Treaty		Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	4 333 292	1 916 310	876 358	529 787	-	7 655 747	-	8 733 902	8 733 902	16 389 649
Less: Sales tax	550 108	208 435	106 463	70 634	-	935 640	-	-	-	935 640
Stamp duty	84	50 255	266	285	-	50 890	-	-	-	50 890
Federal insurance fee	37 430	16 404	7 624	4 543	-	66 001	-	-	-	66 001
Gross Written Premium (inclusive of administrative surcharge)	3 745 670	1 641 216	762 005	454 325	-	6 603 216	-	8 733 902	8 733 902	15 337 118
Gross direct premium	3 733 489	1 626 536	719 283	451 359	-	6 530 667	-	8 733 902	8 733 902	15 264 569
Facultative inward premium	6 638	718	-	-	-	7 356	-	-	-	7 356
Administrative surcharge	5 543	13 962	42 722	2 966	-	65 193	-	-	-	65 193
Insurance premium earned	3 810 879	818 198	894 825	429 231	-	5 953 133	-	8 733 902	8 733 902	14 687 035
Insurance premium ceded to reinsurers	(2 852 641)	(356 449)	(4 538)	(106 565)	-	(3 320 193)	-	(188 705)	(188 705)	(3 508 898)
Net insurance premium	958 238	461 749	890 287	322 666	-	2 632 940	-	8 545 197	8 545 197	11 178 137
Commission income	48 715	4 097	-	9 860	-	62 672	-	-	-	62 672
Net underwriting income	1 006 953	465 846	890 287	332 526	-	2 695 612	-	8 545 197	8 545 197	11 240 809
Insurance claims	(1 802 923)	(186 400)	(528 027)	(289 543)	-	(2 806 893)	-	(6 894 005)	(6 894 005)	(9 700 898)
Insurance claims recovered from reinsurers	1 038 765	42 284	(11)	67 862	-	1 148 900	-	164 750	164 750	1 313 650
Net claims	(764 158)	(144 116)	(528 038)	(221 681)	-	(1 657 993)	-	(6 729 255)	(6 729 255)	(8 387 248)
Commission expense	(253 818)	(75 948)	(79 878)	(33 495)	-	(443 139)	-	(1 795 829)	(1 795 829)	(2 238 968)
Management expenses	(287 540)	(129 263)	(257 534)	(93 165)	-	(767 502)	-	(781 166)	(781 166)	(1 548 668)
Net insurance claims and expenses	(1 305 516)	(349 327)	(865 450)	(348 341)	-	(2 868 634)	-	(9 306 250)	(9 306 250)	(12 174 884)
Net Change in Insurance Liabilities(Other than outstanding Claims)	-	-	-	-	-	-	-	(635 030)	(635 030)	(635 030)
Underwriting result	(298 563)	116 519	24 837	(15 815)	-	(173 022)	-	(1 396 083)	(1 396 083)	(1 569 105)
Net Investment income	-	-	-	-	-	213 965	-	4 348 900	4 348 900	4 562 865
Net realized fair value gains on financial assets	-	-	-	-	-	-	-	(973 856)	(973 856)	(973 856)
Net fair value gain on financial assets at fair value through profit and loss	-	-	-	-	-	-	-	(1 546 917)	(1 546 917)	(1 546 917)
Rental income	-	-	-	-	-	28 836	-	-	-	28 836
Other income	-	-	-	-	-	88 771	-	25 614	25 614	114 385
Other expense	-	-	-	-	-	(21 568)	-	(21 674)	(21 674)	(43 242)
Profit before tax from takaful operations - OPF	-	-	-	-	-	66 126	-	-	-	66 126
Profit before tax	-	-	-	-	-	203 108	-	435 984	435 984	639 092

Rupees '000

**32. Movement in investment**

Name of investment	Held to maturity	Available-for-sale	Fair value through P & L	Total
<b>At beginning of previous year</b>	33 247 392	16 524 822	114 919 753	164 691 967
Additions	119 906 944	11 486 431	92 959 274	224 352 649
Disposals (sale and redemptions)	(134 690 321)	(8 068 774)	(60 604 116)	(203 363 211)
Fair value net gains / (losses) (excluding net realized gains / (losses))	-	(1 003 948)	(4 462 393)	(5 466 341)
Impairment losses	-	(388 188)	-	(388 188)
<b>At beginning of current year</b>	18 464 015	18 550 343	142 812 518	179 826 876
Additions	31 604 271	3 989 189	55 318 604	90 912 064
Disposals (sale and redemptions)	(37 705 469)	(2 884 291)	(43 948 065)	(84 537 825)
Fair value net gains (excluding net realized gains / (losses))	-	(328 249)	1 255 868	927 619
Impairment losses	-	(64 611)	-	(64 611)
<b>At end of current period</b>	12 362 817	19 262 381	155 438 925	187 064 123

**33. Fair value**

33.1 IFRS 13 defines fair value as an exit price. 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.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

Rupees '000

	As at 30 June 2023 (Unaudited)						Fair value measurement using			
	Available-for-sale	Fair value through profit and loss	HTM	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>										
Investments										
Equity securities - quoted	2 805 957	14 666 607					17 472 564	17 472 564		
Equity securities - unquoted	508						508			508
Government securities		129 450 493					129 450 493		129 450 493	
Mutual funds	994 081	1 797 628					2 791 709		2 791 709	
Sukuk Bonds		2 080 790					2 080 790		2 080 790	
Debt securities	11 413 279	5 614 581					17 027 860		17 027 860	
<b>Financial assets not measured at fair value</b>										
Term deposits*					904 809		904 809			
Government securities			6 115 378				6 115 378			
Loans and other receivables*				431 698			431 698			
Insurance / reinsurance receivables*				8 902 363			8 902 363			
Reinsurance recoveries against outstanding claims*				10 130 807			10 130 807			
Advances*				194 582			194 582			
Other assets*					4 798 886		4 798 886			
Certificate of investment*			1 231 000				1 231 000			
Cash and bank*		14 993 449			1 532 744		16 526 193			
Total assets of window takaful operations - Operator's fund*	1 079 878			470 099			1 616 905		1 079 878	
	16 293 703	168 603 548	7 346 378	20 129 549	7 303 367	-	219 676 545	17 472 564	152 430 730	508
<b>Financial liabilities not measured at fair value</b>										
Outstanding claims including IBNR*						(14 985 471)	(14 985 471)			
Premium received in advance*						(1 567 719)	(1 567 719)			
Insurance / reinsurance payables*						(11 179 911)	(11 179 911)			
Other creditors and accruals*						(6 169 073)	(6 169 073)			
Total liabilities of window takaful operations - Operator's fund*						(110 205)	(110 205)			
	16 293 703	168 603 548	7 346 378	20 129 549	7 303 367	(34 012 379)	185 664 166	17 472 564	152 430 730	508

Rupees '000

As at 31 December 2022 (Audited)							Fair value measurement using		
Available-for-sale	Fair value through profit and loss	HTM	Loan & Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>									
Investments									
Equity securities - quoted	3 811 804	20 075 617				23 887 421	23 887 421		
Equity securities - unquoted	508					508			508
Government securities		112 140 361				112 140 361		112 140 361	
Mutual funds	162 125	228 958				391 083		391 083	
Sukuk Bonds		1 644 551				1 644 551		1 644 551	
Debt securities	11 923 983	5 586 539				17 510 522		17 510 522	
<b>Financial assets not measured at fair value</b>									
Term deposits*				551 692		551 692			
Government securities		9 189 216		431 327		9 189 216			
Loans and other receivables*				5 876 086		431 327			
Insurance / reinsurance receivables*						5 876 086			
Reinsurance recoveries against outstanding claims*				6 503 793		6 503 793			
Advances*				193 849		193 849			
Other assets*					4 131 182	4 131 182			
Certificate of investment*		1 072 249				1 072 249			
Cash and bank*		18 984 928		1 634 869		20 619 797			
Total assets of window takaful operations - Operator's fund*	948 921		432 194	48 929		1 430 044		948 921	
	16 847 341	158 660 954	10 261 465	13 437 249	6 366 672	-	205 573 681	23 887 421	132 635 438
<b>Financial liabilities not measured at fair value</b>									
Outstanding claims including IBNR*					(10 368 176)	(10 368 176)			
Premium received in advance*					(1 281 718)	(1 281 718)			
Insurance / reinsurance payables*					(8 047 592)	(8 047 592)			
Other creditors and accruals*					(6 913 950)	(6 913 950)			
Total liabilities of window takaful operations - Operator's fund*					(109 733)	(109 733)			
	16 847 341	158 660 954	10 261 465	13 437 249	6 366 672	(26 721 169)	178 852 512	23 887 421	132 635 438

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

#### 34. Non-adjusting event after the condensed interim financial statement date

The Board of Directors in their meeting held on 29 August 2023 have announced a second interim cash dividend in respect of the year ended 31 December 2023 of Rs. 1.50 per share i.e. 15.00 % (2022: Rs. 1.50 per share i.e. 15.00 %). These consolidated condensed interim financial statements for the six months period ended 30 June 2023 do not include the effect of these appropriations, which will be accounted for subsequent to the period end.

#### 35. Corresponding Figures

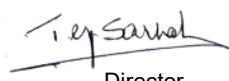




35.1 Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparisons.

#### 36. General

Figures have been rounded off to the nearest thousand rupees.

#### 37. Date of authorization for issue of consolidated condensed interim financial statements

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 29 August 2023.

 Director	 Director	 ALTAF GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
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**Condensed Interim  
Financial Statements  
EFU General Insurance Limited -  
Window Takaful Operations**  
For the six months period ended 30 June 2023 (Unaudited)

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of EFU General Insurance Limited - Window Takaful Operations

Report on review of Condensed Interim Financial Statements

### *Introduction*

We have reviewed the accompanying condensed interim statement of financial position of **EFU General Insurance Limited - Window Takaful Operations** (the Operator) as at **30 June 2023** and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in funds, condensed interim cash flow statement, and notes forming part thereof (here-in-after referred to as the "Condensed interim financial statements") for the six-months' period then ended. Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting 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 30 June 2023 and 30 June 2022 in the condensed interim statement of profit and loss account and condensed interim statement of comprehensive income have not been subject to the review and therefore, we do not express a conclusion thereon.

### *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.

### *Conclusion*

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



-: 2 :-

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



**Chartered Accountants**

**Date:** 29 August 2023

**Karachi**

**UDIN:** RR202310191xviMqjepK

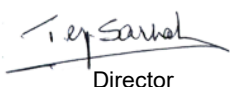


**EFU General Insurance Limited - Window Takaful Operations**  
**Condensed Interim Statement of Financial Position**  
**As at 30 June 2023 (Unaudited)**

Rupees '000

	Note	Operator's Fund		Participants' Takaful Fund	
		30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
<b>Assets</b>					
Property and equipment	6	1 848	2 111	-	-
Investments					
Debt securities	7	1 079 878	948 921	2 150 400	2 394 006
Loans and other receivables	8	2 134	3 139	5 562	2 217
Takaful / retakaful receivables	9	12 711	14 791	440 112	379 772
Retakaful recoveries against outstanding claims / benefits	17	-	-	957 715	746 866
Salvage recoveries accrued		-	-	43 480	44 020
Deferred commission expense	18	141 204	163 440	-	-
Receivable from PTF	10	420 441	392 211	-	-
Accrued investment income		34 813	22 053	59 801	49 814
Deferred wakala fee		-	-	502 976	572 278
Deferred taxation		11 818	5 572	-	-
Prepayments	11	2 159	-	284 760	388 124
Cash and bank	12	66 928	48 929	223 758	195 563
<b>Total assets</b>		<b>1 773 934</b>	<b>1 601 167</b>	<b>4 668 564</b>	<b>4 772 660</b>
<b>Funds and liabilities</b>					
<b>Operator's Fund</b>					
Statutory fund		100 000	100 000	-	-
Revaluation reserve - available-for-sale investments		(12 389)	(5 123)	-	-
Accumulated profit		959 627	782 515	-	-
Total Operator's Fund		1 047 238	877 392	-	-
<b>Participants' Takaful Fund (PTF)</b>					
Cede money		-	-	500	500
Revaluation reserve - available-for-sale investments		-	-	(34 698)	(20 909)
Accumulated surplus		-	-	1 167 674	1 159 390
Balance of Participants' Takaful Fund		-	-	1 133 476	1 138 981
<b>Liabilities</b>					
<b>PTF Underwriting provisions</b>					
Outstanding claims / benefits including IBNR	17	-	-	1 558 063	1 282 538
Unearned contribution reserves		-	-	1 310 574	1 438 843
Reserve for unearned retakaful rebate	16	-	-	22 415	65 847
Contribution received in advance		-	-	9 714	4 488
Takaful / retakaful payables		1 748	1 743	189 742	423 452
Unearned wakala fee		502 976	572 278	-	-
Payable to OPF	10	-	-	420 441	392 211
Taxation - provision less payments		111 767	40 021	-	-
Other creditors and accruals	13	110 205	109 733	24 139	26 300
<b>Total liabilities</b>		<b>726 696</b>	<b>723 775</b>	<b>3 535 088</b>	<b>3 633 679</b>
<b>Total funds and liabilities</b>		<b>1 773 934</b>	<b>1 601 167</b>	<b>4 668 564</b>	<b>4 772 660</b>
<b>Contingencies and commitments</b>	14				

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer






  
SAIFUDDIN N. ZOOMKAWALA  
Chairman

**EFU General Insurance Limited - Window Takaful Operations**  
**Condensed Interim Profit and Loss Account**  
For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	Note	Three months period ended		Six months period ended	
		30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Participants' Takaful Fund - (PTF)</b>					
Contributions earned		453 570	464 558	909 869	927 003
Less: Contributions ceded to retakaful		(210 205)	(164 177)	(412 995)	(329 079)
Net contribution revenue	15	243 365	300 381	496 874	597 924
Retakaful rebate earned	16	27 548	32 122	57 734	65 292
Net underwriting income		270 913	332 503	554 608	663 216
Net claims - reported / settled - IBNR	17	(277 380)	(235 917)	(645 822)	(563 862)
Other direct expenses		(20 146)	(15 247)	(41 951)	(37 046)
(Deficit) / surplus before investment income		(26 613)	81 339	(133 165)	62 308
Investment Income	19	87 177	60 050	175 191	94 013
Other income	20	7 942	4 132	13 408	7 148
Less: Modarib's share of investment income		(23 780)	(16 044)	(47 150)	(25 289)
Surplus transferred to accumulated surplus		44 726	129 477	8 284	138 180
<b>Operator's Fund - (OPF)</b>					
Wakala fee		295 923	214 637	578 967	430 132
Commission expense	18	(85 850)	(77 302)	(170 824)	(157 839)
General, administrative and management expense		(109 579)	(104 148)	(212 967)	(196 491)
		100 494	33 187	195 176	75 802
Modarib's share of PTF investment income		23 780	16 044	47 150	25 289
Investment income	19	46 293	15 972	80 692	30 815
Direct expenses		(495)	(275)	(604)	(570)
Other income	20	2 771	1 198	4 746	2 165
Profit before taxation		172 843	66 126	327 160	133 501
Taxation	21	(99 101)	(32 369)	(150 048)	(51 907)
Profit after taxation		73 742	33 757	177 112	81 594

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.


 Director	 Director	 ALTAF GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
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**EFU General Insurance Limited - Window Takaful Operations**  
**Condensed Interim Statement of Comprehensive Income**  
**For the six months period ended 30 June 2023 (Unaudited)**


Rupees '000


	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Participants' Takaful Fund - (PTF)</b>				
Surplus for the period	44 726	129 477	8 284	138 180
<b>Other comprehensive income</b>				
Unrealized (loss) / gain on available-for-sale investments during the period - net	10 868	7 280	(13 789)	4 405
Total items that may be reclassified subsequently to profit and loss account	10 868	7 280	(13 789)	4 405
<b>Total comprehensive (loss) / income for the period</b>	55 594	136 757	(5 505)	142 585
<b>Operator's Fund - (OPF)</b>				
<b>Profit after tax for the period</b>	73 742	33 757	177 112	81 594
<b>Other comprehensive income</b>				
Fair value (loss) / gain on available for sale investments during the period	475	(3 568)	(12 664)	1 807
Deferred tax on available-for-sale investments	1 062	1 035	5 398	(524)
Total items that may be reclassified subsequently to profit and loss account	1 537	(2 533)	(7 266)	1 283
<b>Total comprehensive income for the period</b>	75 279	31 224	169 846	82 877

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
 T. Iqbal Sarwar  
 Director

  
 ALTAF GOKAL  
 Chief Financial Officer

  
 KAMRAN ARSHAD INAM  
 Managing Director &  
 Chief Executive Officer

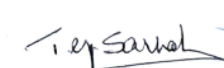

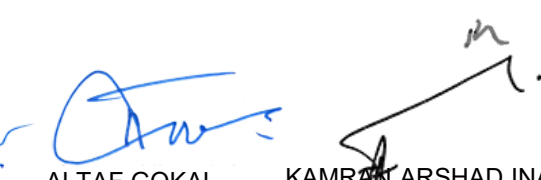
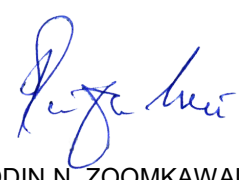
  
 SAIFUDDIN N. ZOOMKAWALA  
 Chairman

EFU General Insurance Limited - Window Takaful Operations  
Condensed Interim Statement of Changes in Funds  
For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	Operator's Fund			Total
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Accumulated profit	
Balance as at 01 January 2022	100 000	(3 396)	530 643	627 247
<b>Total comprehensive income for the period ended 30 June 2022</b>				
Profit for the period			81 594	81 594
Other comprehensive income		1 283		1 283
Balance as at 30 June 2022	100 000	(2 113)	612 237	710 124
Balance as at 01 January 2023	100 000	(5 123)	782 515	877 392
<b>Total comprehensive income for the period ended 30 June 2023</b>				
Profit for the period			177 112	177 112
Other comprehensive loss		(7 266)		(7 266)
Balance as at 30 June 2023	100 000	(12 389)	959 627	1 047 238
	Participants' Takaful Fund			
	Cede money	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Accumulated surplus	Total
Balance as at 01 January 2022	500	(16 099)	871 978	856 379
Surplus for the period			138 180	138 180
Other comprehensive income		4 405		4 405
Balance as at 30 June 2022	500	(11 694)	1 010 158	998 964
Balance as at 01 January 2023	500	(20 909)	1 159 390	1 138 981
Surplus for the period			8 284	8 284
Other comprehensive loss		(13 789)		(13 789)
Balance as at 30 June 2023	500	(34 698)	1 167 674	1 133 476

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

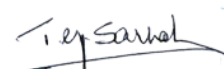
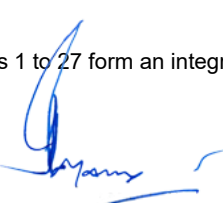


 T.ey Sarhad Director	 ALTAF GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN N. ZOOMKAWALA Chairman
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**EFU General Insurance Limited - Window Takaful Operations**  
**Condensed Interim Cash Flow Statement**  
For the six months period ended 30 June 2023 (Unaudited)

Rupees '000

	Operator's Fund		Participants' Takaful Fund	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Operating cash flows</b>				
a) Takaful activities				
Contributions received	-	-	1 375 605	1 293 704
Retakaful contribution paid	-	-	(549 813)	(185 145)
Claims / benefits paid	-	-	(897 168)	(564 387)
Retakaful and other recoveries received	-	-	246 407	30 569
Commission paid	(146 285)	(150 271)	-	-
Retakaful rebate received	-	-	14 303	25 189
Wakala fee received / (paid)	522 916	411 805	(522 916)	(411 805)
Modarib received / (paid)	5 668	19 609	(5 668)	(19 609)
Net cash flow (used in) / from takaful activities	382 299	281 143	(339 250)	168 516
b) Other operating activities				
Income tax paid	(79 150)	(34 743)	-	-
General and other expenses paid	(214 334)	(197 101)	(41 950)	(37 047)
Other operating payments	926	(3 708)	3 128	(3 595)
Other operating receipts	(722)	1 042	(2 161)	(13 411)
Net cash flow used in other operating activities	(293 280)	(234 510)	(40 983)	(54 053)
<b>Total cash flow (used in) / from all operating activities</b>	89 019	46 633	(380 233)	114 463
<b>Investment activities</b>				
Profit / return received	72 678	32 607	178 611	99 582
Payment for investments	(203 395)	(136 813)	(335 265)	(501 232)
Proceeds from investments	59 774	32 500	565 082	156 836
Fixed capital expenditure	(77)	-	-	-
Proceeds from disposal of property and equipment	-	10	-	-
<b>Total cash flow (used in) / from investing activities</b>	(71 020)	(71 696)	408 428	(244 814)
<b>Net cash flow from / (used in) all activities</b>	17 999	(25 063)	28 195	(130 351)
Cash and cash equivalents at the beginning of the period	48 929	100 883	195 563	239 302
<b>Cash and cash equivalents at the end of the period</b>	66 928	75 820	223 758	108 951
<b>Reconciliation to profit and loss account</b>				
Operating cash flow	89 019	46 633	(380 233)	114 463
Depreciation expense	(340)	(339)	-	-
Other investment income	80 692	30 815	175 191	94 013
Other income	4 746	2 165	13 408	7 145
Increase in assets other than cash	5 916	247	101 327	145 779
Increase in liabilities other than borrowings	(2 921)	2 073	98 591	(223 220)
<b>Surplus after tax for the period</b>	177 112	81 594	8 284	138 180
<b>Attributed to</b>				
Operator's Fund	177 112	81 594	-	-
Participants' Takaful Fund	-	-	8 284	138 180
	177 112	81 594	8 284	138 180

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

 T.ey Sarhad Director	 ALTAF GOKAL Chief Financial Officer	 KAMRAN ARSHAD INAM Managing Director & Chief Executive Officer	 SAIFUDDIN-N. ZOOMKAWALA Chairman
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# EFU General Insurance Limited – Window Takaful Operations

## Notes to the Condensed Interim Financial Statements

For the six months period ended 30 June 2023 (Unaudited)

### 1. Legal status and nature of business

EFU General Insurance Limited (the Operator) was allowed to undertake Window Takaful Operations (the Operations) on 16 April 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf / Participants' Takaful Fund (PTF) on 06 May 2015 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

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

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

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

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

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

These condensed interim financial statements reflect the financial position and results of operations of both the Operator and Participant in a manner that the assets, liabilities, income and expenses of the Operator and Participant remain separately identifiable.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Operators' annual financial statements for the year ended 31 December 2022.

#### 2.1 Basis of measurement

The condensed interim financial statements have been prepared under the historical cost basis except for the available-for-sale investments that have been measured at fair value.

#### 2.2 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees, which is also the Operator's functional currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupees in thousand, unless otherwise stated.

### 3. Summary of significant accounting policies

The significant accounting policies and method of computation adopted in preparation of condensed interim financial statements are consistent with those followed in preparation of the annual financial statement of the Operator for the year ended 31 December 2022.

#### 3.1 Standards, interpretations and amendments effective during the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Operator's accounting periods beginning on or after 01 January 2023 but are considered not to be relevant or do not have any significant effect on the Operator's operation and therefore not detailed in these condensed interim financial statements.

#### 3.2 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

*h*

<b>Amendments</b>	<b>Effective date (annual periods beginning on or after)</b>
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	01 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	01 January 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture -Amendments to IFRS 10 and IAS 28	Not yet finalized

The Operator expects that such improvements to the standards will not have any material impact on the Operator's condensed interim financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January 2024. The Operator expects that such improvements to the standards will not have any material impact on the Operator's condensed interim financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

<b>Standards</b>	<b>Effective date (annual periods beginning on or after)</b>
IFRS 1 First-time Adoption of International Financial Reporting Standards	01 January 2024
IFRS 17 Insurance Contracts	01 January 2023

The operator has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS

#### 4. Accounting estimates and judgements

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparation of these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation, uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2022.

#### 5. Management of takaful and financial risk

Takaful and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2022.

#### 6. Property and equipment

The movement of property and equipment during the six months period ended 30 June 2023 are as follows:

		Rupees '000	
	Note	30 June 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value		2 111	2 777
Additions	6.1	77	10
Depreciation during the period		(340)	(676)
		<u>1 848</u>	<u>2 111</u>
6.1 Additions			
Office equipment		77	-
Computer equipment		-	10
		<u>77</u>	<u>10</u>

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**7. Investment in debt securities – available-for-sale**

7.1 Operator's Fund

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Fixed Income Securities						
Ijara Sukuks	1 068 170	-	1 068 170	915 540	-	915 540
Corporate Sukuks	40 950	(8 931)	32 019	49 959	(8 931)	41 028
	1 109 120	(8 931)	1 100 189	965 499	(8 931)	956 568
Deficit on revaluation	-	-	(20 311)	-	-	(7 647)
	1 109 120	(8 931)	1 079 878	965 499	(8 931)	948 921

7.2 Participants' Takaful Fund

	30 June 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Fixed Income Securities						
Ijara Sukuks	2 120 095	-	2 120 095	2 331 550	-	2 331 550
Corporate Sukuks	73 933	(8 931)	65 002	92 295	(8 931)	83 364
	2 194 028	(8 931)	2 185 097	2 423 845	(8 931)	2 414 914
Deficit on revaluation	-	-	(34 697)	-	-	(20 908)
	2 194 028	(8 931)	2 150 400	2 423 845	(8 931)	2 394 006

	Operator's Fund		Participants' Takaful Fund	
	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)

**8. Loans and other receivables – considered good**

Security deposits	301	301	-	-
Other receivables	1 833	2 838	5 562	2 217
	2 134	3 139	5 562	2 217

**9. Takaful / retakaful receivables – unsecured and considered good**

Due from takaful participants holders	-	-	356 616	366 430
Due from other takaful / retakaful operators	12 711	14 791	83 496	13 342
	12 711	14 791	440 112	379 772

**10. Receivable (OPF) / Payable (PTF)**

Wakala fee	366 225	379 476	366 225	379 476
Modarib fee	54 216	12 735	54 216	12 735
	420 441	392 211	420 441	392 211

*Handwritten mark*



Rupees'000

	Operator's Fund		Participants' Takaful Fund	
	30 June 2023 (Unaudited)	31 December 2022 (Audited)	30 June 2023 (Unaudited)	31 December 2022 (Audited)
	<b>11. Prepayments</b>			
Annual supervision fees	2 159	-	-	-
Prepaid retakaful contribution ceded	-	-	255 994	352 886
Prepaid charges for vehicle tracking devices	-	-	28 766	35 238
	<u>2 159</u>	<u>-</u>	<u>284 760</u>	<u>388 124</u>
<b>12. Cash and bank balances</b>				
Cash and cash equivalents				
Policy stamps	-	-	1 574	3 040
Cash at bank				
Current accounts	5 584	1 415	676	635
Saving accounts	61 344	47 514	221 508	191 888
	<u>66 928</u>	<u>48 929</u>	<u>223 758</u>	<u>195 563</u>
<b>13. Other creditors and accruals</b>				
Federal insurance fee payable	-	-	2 162	2 322
Sales tax payable	848	1 465	21 726	22 797
Accrued expenses	3 056	4 160	-	-
Agent commission payable	106 084	103 785	-	-
Retirement benefit obligations	136	272	-	-
Other creditors	81	51	251	1 181
	<u>110 205</u>	<u>109 733</u>	<u>24 139</u>	<u>26 300</u>

**14. Contingencies and commitments**

There are no contingencies and commitments as at 30 June 2023 (31 December 2022: Nil).

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
	<b>15. Net contribution</b>			
Written gross contribution	625 319	613 036	1 360 567	1 301 615
Wakala fee	(233 468)	(195 668)	(509 665)	(413 958)
Contribution net of wakala fee	391 851	417 368	850 902	887 657
Unearned contribution reserve - opening	869 317	901 720	866 565	893 876
Unearned contribution reserve - closing	(807 598)	(854 530)	(807 598)	(854 530)
Contribution earned	453 570	464 558	909 869	927 003
Less:				
Retakaful contribution ceded	118 261	101 165	316 103	253 603
Prepaid retakaful contribution - opening	347 938	271 354	352 886	283 818
Prepaid retakaful contribution - closing	(255 994)	(208 342)	(255 994)	(208 342)
Retakaful expense	210 205	164 177	412 995	329 079
	<u>243 365</u>	<u>300 381</u>	<u>496 874</u>	<u>597 924</u>

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Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
	<b>16. Retakaful rebate</b>			
Rebate received or recoverable	21 575	13 459	14 302	60 467
Unearned retakaful rebate-opening	28 388	43 690	65 847	29 852
Unearned retakaful rebate-closing	(22 415)	(25 027)	(22 415)	(25 027)
	<u>27 548</u>	<u>32 122</u>	<u>57 734</u>	<u>65 292</u>
<b>17. Takaful benefits / claims expense</b>				
Benefits / claims paid	606 098	298 174	897 708	538 290
Outstanding benefits / claims including IBNR - opening	(1 921 493)	(1 200 383)	(1 282 538)	(1 088 118)
Outstanding benefits / claims including IBNR - closing	1 558 063	1 340 032	1 558 063	1 340 032
Claim expense	242 668	437 823	1 173 233	790 204
Less:				
Retakaful and other recoveries received	302 847	14 763	316 562	36 208
Retakaful and other recoveries in respect of outstanding claims - opening	(1 295 274)	(544 242)	(746 866)	(541 251)
Retakaful and other recoveries in respect of outstanding claims - closing	957 715	731 385	957 715	731 385
Retakaful and other recoveries revenue	(34 712)	201 906	527 411	226 342
	<u>277 380</u>	<u>235 917</u>	<u>645 822</u>	<u>563 862</u>
<b>18. Commission expense</b>				
Commission paid or payable	65 490	68 347	148 588	146 532
Deferred commission expense - opening	161 564	147 143	163 440	149 495
Deferred commission expense - closing	(141 204)	(138 188)	(141 204)	(138 188)
	<u>85 850</u>	<u>77 302</u>	<u>170 824</u>	<u>157 839</u>
<b>19. Investment income</b>				
<b>19.1 Operator's Fund</b>				
<b>Income from debt securities - available-for-sale</b>				
- Return on debt securities (Sukuk)	46 293	15 972	81 022	30 739
<b>Income from term deposits</b>				
- Return on term deposits	-	-	-	76
	<u>46 293</u>	<u>15 972</u>	<u>81 022</u>	<u>30 815</u>
Net realized losses on investment available for sale financial assets				
Realized losses on:				
-Debt securities	-	-	(330)	-
	<u>46 293</u>	<u>15 972</u>	<u>80 692</u>	<u>30 815</u>
<b>19.2 Participants' Takaful Fund</b>				
<b>Income from debt securities - available-for-sale</b>				
- Return on debt securities (Sukuk)	98 613	60 050	189 288	93 138
Income from term deposits				
- Return on term deposits	-	-	-	875
	<u>98 613</u>	<u>60 050</u>	<u>189 288</u>	<u>94 013</u>
Net realized losses on investment available for sale financial assets				
Realized losses on:				
-Debt securities	(11 436)	-	(14 097)	-
	<u>87 177</u>	<u>60 050</u>	<u>175 191</u>	<u>94 013</u>

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Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>20. Other income</b>				
<b>20.1 Operator's Fund</b>				
Profit on bank deposits	2 771	1 188	4 746	2 155
Gain on property and equipment	-	10	-	10
	<u>2 771</u>	<u>1 198</u>	<u>4 746</u>	<u>2 165</u>
<b>20.2 Participants' Takaful Fund</b>				
Profit on bank deposits	7 942	4 129	13 408	7 145
Exchange gain / (loss)	-	3	-	3
	<u>7 942</u>	<u>4 132</u>	<u>13 408</u>	<u>7 148</u>
<b>21. Taxation</b>				
For current period				
Current	50 114	19 207	94 900	38 753
Super tax	32 740	5 345	32 724	5 345
Deferred	(7 026)	(3)	(849)	(11)
	75 828	24 549	126 775	44 087
For prior year(s)				
Super tax	23 273	7 820	23 273	7 820
	<u>99 101</u>	<u>32 369</u>	<u>150 048</u>	<u>51 907</u>
<b>22. Related party transactions</b>				

Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employees' retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel, which are on employment terms. The transactions and balances with related parties are as follows:

Rupees '000

	Three months period ended		Six months period ended	
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)
<b>Participants' Takaful Fund</b>				
Associated company				
Contributions written	23	20	19	132
Premium paid	-	-	118	103
Claims paid	40	223	547	468
Key management personnel				
Contribution written	73	78	70	78
Others				
Contributions written	285	1 132	285	1 922
Claims paid	-	32	-	147
Employees' funds				
Contributions to gratuity fund	68	68	136	136
			30 June 2023 (Unaudited)	31 December 2022 (Audited)
Balances payable			509	509
EFU gratuity fund payable			136	136

## 23. Segment reporting

Rupees '000

### 23.1. Operator's Fund

For the six months period ended 30 June 2023 (Unaudited)

<b>Current period</b>	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	112 514	29 725	417 254	19 474	-	578 967
Commission expense	(43 902)	(14 214)	(107 783)	(4 925)	-	(170 824)
General, administrative and management expenses	(6 756)	(4 190)	(198 746)	(3 275)	-	(212 967)
Net commission and expenses	(50 658)	(18 404)	(306 529)	(8 200)	-	(383 791)
	61 856	11 321	110 725	11 274	-	195 176
Modarib's share of PTF investment income						47 150
Investment income						80 692
Direct expenses						(604)
Other income						4 746
Profit before taxation						327 160
Taxation						(150 048)
Profit after taxation						177 112
						As at 30 June 2023 (Unaudited)
Corporate segment assets	113 153	18 526	376 467	11 994	-	520 140
Corporate unallocated assets						1 253 794
Total assets						1 773 934
Corporate segment liabilities	102 530	14 670	455 218	14 724	-	587 142
Corporate unallocated liabilities						139 554
Total liabilities						726 696

For the six months period ended 30 June 2022 (Unaudited)

<b>Prior period</b>	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	67 421	26 076	328 662	7 973	-	430 132
Commission expense	(34 327)	(12 366)	(107 680)	(3 466)	-	(157 839)
General, administrative and management expenses	(5 660)	(3 971)	(185 746)	(1 114)	-	(196 491)
Net commission and expenses	(39 987)	(16 337)	(293 426)	(4 580)	-	(354 330)
	27 434	9 739	35 236	3 393	-	75 802
Modarib's share of PTF investment income						25 289
Investment income						30 815
Direct expenses						(570)
Other income						2 165
Profit before taxation						133 501
Taxation						(51 907)
Profit after taxation						81 594
						As at 31 December 2022 (Audited)
Corporate segment assets	157 225	17 208	365 513	17 761	-	557 707
Corporate unallocated assets						1 043 460
Total assets						1 601 167
Corporate segment liabilities	152 456	16 489	479 499	27 619	-	676 063
Corporate unallocated liabilities						47 712
Total liabilities						723 775

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Rupees '000

For the three months period ended 30 June 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	57 941	15 248	212 825	9 909	-	295 923
Commission expense	(22 298)	(7 304)	(53 861)	(2 387)	-	(85 850)
General, administrative and management expenses	(2 935)	(1 898)	(102 990)	(1 756)	-	(109 579)
Net commission and expenses	(25 233)	(9 202)	(156 851)	(4 143)	-	(195 429)
	<u>32 708</u>	<u>6 046</u>	<u>55 974</u>	<u>5 766</u>	<u>-</u>	<u>100 494</u>
Modarib's share of PTF investment income						23 780
Investment income						46 293
Direct expenses						(495)
Other income						2 771
Profit before taxation						172 843
Taxation						(99 101)
Profit after taxation						<u>73 742</u>

For the three months period ended 30 June 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	34 911	12 958	163 439	3 329	-	214 637
Commission expense	(17 587)	(6 156)	(51 732)	(1 827)	-	(77 302)
General, administrative and management expenses	(2 836)	(1 752)	(99 045)	(515)	-	(104 148)
Net commission and expenses	(20 423)	(7 908)	(150 777)	(2 342)	-	(181 450)
	<u>14 488</u>	<u>5 050</u>	<u>12 662</u>	<u>987</u>	<u>-</u>	<u>33 187</u>
Modarib's share of PTF investment income						16 044
Investment income						15 972
Direct expenses						(275)
Other income						1 198
Profit before taxation						66 126
Taxation						(32 369)
Profit after taxation						<u>33 757</u>

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## 23.2. Participants' Takaful Fund

For the six months period ended 30 June 2023 (Unaudited)						
Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	263 355	100 178	1 177 454	21 882	-	1 562 869
Less: Sales tax	28 832	10 153	140 554	2 524	-	182 063
Stamp duty	25	6 509	93	5	-	6 632
Federal insurance fee	2 322	827	10 266	192	-	13 607
Gross written contribution (inclusive of administrative surcharge)	232 176	82 689	1 026 541	19 161	-	1 360 567
Gross direct contribution	230 447	78 987	964 684	19 047	-	1 293 165
Administrative surcharge	1 729	3 702	61 857	114	-	67 402
Wakala fee	(78 111)	(28 941)	(395 907)	(6 706)	-	(509 665)
Contributions earned	206 420	55 206	613 102	35 141	-	909 869
Contributions ceded to retakaful	(294 841)	(65 068)	(14 470)	(38 616)	-	(412 995)
Net contribution revenue	(88 421)	(9 862)	598 632	(3 475)	-	496 874
Retakaful rebate earned	36 131	14 640	-	6 963	-	57 734
Net underwriting income	(52 290)	4 778	598 632	3 488	-	554 608
Takaful claims	(560 831)	(7 084)	(598 126)	(7 192)	-	(1 173 233)
Takaful claims recovered from retakaful	518 793	5 667	-	2 951	-	527 411
Net claims	(42 038)	(1 417)	(598 126)	(4 241)	-	(645 822)
Other direct expenses	(84)	(69)	(41 742)	(56)	-	(41 951)
Surplus / (deficit) before investment income	(94 412)	3 292	(41 236)	(809)	-	(133 165)
Investment income						175 191
Other income						13 408
Modarib share of investment income						(47 150)
Surplus transferred to accumulated surplus						8 284
						As at 30 June 2023 (Unaudited)
Corporate segment assets	1 346 640	111 462	698 544	87 634	-	2 244 280
Corporate unallocated assets						2 424 284
Total assets						4 668 564
Corporate segment liabilities	1 403 054	106 428	1 838 053	109 198	-	3 456 733
Corporate unallocated liabilities						78 355
Total liabilities						3 535 088

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For the six months period ended 30 June 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	218 536	89 228	1 168 997	15 594	-	1 492 355
Less: Sales tax	25 243	9 183	135 826	1 798	-	172 050
Stamp duty	26	5 536	105	5	-	5 672
Federal insurance fee	1 914	738	10 229	137	-	13 018
Gross written contribution (inclusive of Administrative surcharge)	191 353	73 771	1 022 837	13 654	-	1 301 615
Gross direct contribution	189 663	70 253	945 973	13 542	-	1 219 431
Administrative surcharge	1 690	3 518	76 864	112	-	82 184
Wakala fee	(52 303)	(25 820)	(332 421)	(3 414)	-	(413 958)
Contributions earned	182 299	48 494	669 555	26 655	-	927 003
Contributions ceded to retakaful	(230 733)	(56 899)	(11 215)	(30 232)	-	(329 079)
Net contribution revenue	(48 434)	(8 405)	658 340	(3 577)	-	597 924
Rebate from retakaful operator	46 712	12 802	3	5 775	-	65 292
Net underwriting income	(1 722)	4 397	658 343	2 198	-	663 216
Takaful claims	(233 850)	(6 021)	(543 921)	(6 412)	-	(790 204)
Takaful claims recovered from retakaful	214 329	4 817	-	7 196	-	226 342
Net claims	(19 521)	(1 204)	(543 921)	784	-	(563 862)
Other direct expense	(48)	(44)	(36 943)	(11)	-	(37 046)
Surplus / (deficit) before investment income	(21 291)	3 149	77 479	2 971	-	62 308
Investment income						94 013
Other income						7 148
Modarib share of investment income						(25 289)
Surplus transferred to accumulated surplus						138 180
						As at 31 December 2022 (Audited)
Corporate segment assets	1 256 862	55 657	693 389	125 152	-	2 131 060
Corporate unallocated assets						2 641 600
Total assets						4 772 660
Corporate segment liabilities	1 385 422	126 350	1 357 415	153 179	-	3 022 366
Corporate unallocated liabilities						611 313
Total liabilities						3 633 679

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For the three months period ended 30 June 2023 (Unaudited)

<b>Current period</b>	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	80 798	51 033	572 752	14 148	-	718 731
Less: Sales tax	7 132	5 160	69 854	1 697	-	83 843
Stamp duty	9	3 260	42	2	-	3 313
Federal insurance fee	730	422	4 980	124	-	6 256
Gross written contribution (inclusive of administrative surcharge)	72 927	42 191	497 876	12 325	-	625 319
Gross direct contribution	72 336	40 310	469 588	12 291	-	594 525
Administrative surcharge	591	1 881	28 288	34	-	30 794
Wakala fee	(23 333)	(14 767)	(191 055)	(4 313)	-	(233 468)
Contributions earned	104 292	28 318	303 240	17 720	-	453 570
Contributions ceded to retakaful	(150 073)	(33 426)	(7 044)	(19 662)	-	(210 205)
Net contribution revenue	(45 781)	(5 108)	296 196	(1 942)	-	243 365
Rebate from retakaful operator	16 406	7 521	-	3 621	-	27 548
Net underwriting income	(29 375)	2 413	296 196	1 679	-	270 913
Takaful claims	32 194	631	(276 430)	937	-	(242 668)
Takaful claims recovered from retakaful	(31 043)	(505)	-	(3 164)	-	(34 712)
Net claims	1 151	126	(276 430)	(2 227)	-	(277 380)
Other direct expense	(42)	(37)	(20 038)	(29)	-	(20 146)
Surplus / (deficit) before investment income	(28 266)	2 502	(272)	(577)	-	(26 613)
Investment income						87 177
Other income						7 942
Modarib share of investment income						(23 780)
Surplus transferred to accumulated surplus						44 726

For the three months period ended 30 June 2022 (Unaudited)

<b>Prior period</b>	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	82 095	44 780	565 168	10 113	-	702 156
Less: Sales tax	8 744	4 539	65 606	1 210	-	80 099
Stamp duty	12	2 824	49	3	-	2 888
Federal insurance fee	727	371	4 946	89	-	6 133
Gross written contribution (inclusive of administrative surcharge)	72 612	37 046	494 567	8 811	-	613 036
Gross direct contribution	71 988	35 287	457 189	8 783	-	573 247
Administrative surcharge	624	1 759	37 378	28	-	39 789
Wakala fee	(19 766)	(12 966)	(160 733)	(2 203)	-	(195 668)
Contributions earned	93 360	24 064	337 147	9 987	-	464 558
Contributions ceded to retakaful	(118 507)	(28 274)	(5 394)	(12 002)	-	(164 177)
Net contribution revenue	(25 147)	(4 210)	331 753	(2 015)	-	300 381
Rebate from retakaful operator	23 540	6 361	-	2 221	-	32 122
Net underwriting income	(1 607)	2 151	331 753	206	-	332 503
Takaful claims	(208 324)	(3 269)	(216 872)	(9 358)	-	(437 823)
Takaful claims recovered from retakaful	191 092	2 615	(1)	8 200	-	201 906
Net claims	(17 232)	(654)	(216 873)	(1 158)	-	(235 917)
Other direct expense	(13)	(13)	(15 221)	-	-	(15 247)
Surplus / (deficit) before investment income	(18 852)	1 484	99 659	(952)	-	81 339
Investment income						60 050
Other income						4 132
Modarib share of investment income						(16 044)
Deficit transferred to accumulated surplus						129 477

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## 24. Movement in investments

### 24.1. Operator's Fund

Name of investment	Available-for-sale debt securities	Held to maturity - term deposit	Total
<b>At beginning of previous year</b>	643 122	9 000	652 122
Additions	370 708		370 708
Disposals (sale and redemptions)	(62 046)	(9 000)	(71 046)
Fair value net losses (excluding net realized gains / (losses))	(2 863)		(2 863)
<b>At beginning of current year</b>	948 921	-	948 921
Additions	203 395	-	203 395
Disposals (sale and redemptions)	(59 774)	-	(59 774)
Fair value net losses (excluding net realized gains / (losses))	(12 664)	-	(12 664)
<b>At end of current period</b>	<u>1 079 878</u>	<u>-</u>	<u>1 079 878</u>

### 24.2. Participants' Takaful Fund

Name of investment	Available-for-sale debt securities	Held to maturity - term deposit	Total
<b>At beginning of previous year</b>	1 735 650	120 000	1 855 650
Additions	860 034	35 000	895 034
Disposals (sale and redemptions)	(196 868)	(155 000)	(351 868)
Fair value net losses (excluding net realized gains / (losses))	(4 810)	-	(4 810)
<b>At beginning of current year</b>	2 394 006	-	2 394 006
Additions	335 265	-	335 265
Disposals (sale and redemptions)	(565 082)	-	(565 082)
Fair value net losses (excluding net realized gains / (losses))	(13 789)	-	(13 789)
<b>At end of current period</b>	<u>2 150 400</u>	<u>-</u>	<u>2 150 400</u>

## 25 Fair value

25.1 IFRS 13 defines fair value as an exit price. 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.

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

*in*

## 25.3 Operator's Fund

Rupees '000

As at 30 June 2023 (Unaudited)							
Available-for-sale	Loan and Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
					Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>							
Investments							
Ijara Sukuks	1 043 326			1 043 326		1 043 326	
Corporate Sukuks	36 552			36 552		36 552	
<b>Financial assets not measured at fair value</b>							
Loans and other receivables*		2 134		2 134			
Takaful / retakaful receivables*		12 711		12 711			
Receivable from PTF*		420 441		420 441			
Accrued investment income*		34 813		34 813			
Cash and bank balances*		66 928		66 928			
	1 079 878	470 099	66 928	-	1 616 905		1 079 878
<b>Financial liabilities not measured at fair value</b>							
Other creditors and accruals*			(110 205)	(110 205)			
	1 079 878	470 099	66 928	(110 205)	1 506 700	-	1 079 878
As at 31 December 2022 (Audited)							
Available-for-sale	Loan and Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
					Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>							
Investments							
Ijara Sukuk	905 529			905 529		905 529	
Corporate Sukuks	43 392			43 392		43 392	
<b>Financial assets not measured at fair value</b>							
Loans and other receivables*		3 139		3 139			
Takaful / retakaful receivables*		14 791		14 791			
Receivable from PTF*		392 211		392 211			
Accrued investment income*		22 053		22 053			
Cash and bank balances*		48 929		48 929			
	948 921	432 194	48 929		1 430 044		948 921
<b>Financial liabilities not measured at fair value</b>							
Other creditors and accruals*			(109 733)	(109 733)			
	948 921	432 194	48 929	(109 733)	1 320 311	-	948 921

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

## 25.4 Participants' Takaful Fund

As at 30 June 2023 (Unaudited)								
	Available-for-sale	Loan and Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Ijara Sukuk	2 085 330				2 085 330	2 085 330		
Corporate Sukuk	65 070				65 070	65 070		
<b>Financial assets not measured at fair value</b>								
Loans and other receivables*		5 562			5 562			
Takaful / retakaful receivables*		440 112			440 112			
Retakaful recoveries against outstanding claims*		957 715			957 715			
Accrued investment income*		59 801			59 801			
Cash and bank balances*			223 758		223 758			
	2 150 400	1 463 190	223 758		3 837 348		2 150 400	
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(1 558 063)	(1 558 063)			
Contributions received in advance*				(9 714)	(9 714)			
Takaful / retakaful payable*				(189 742)	(189 742)			
Payable to OPF*				(420 441)	(420 441)			
Other creditors and accruals*				(24 139)	(24 139)			
	2 150 400	1 463 190	223 758	(2 202 099)	1 635 249	-	2 150 400	-

As at 31 December 2022 (Audited)								
	Available - for-sale	Loan and Receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
<b>Financial assets measured at fair value</b>								
Investments								
Ijara Sukuks	2 302 036				2 302 036	2 302 036		
Corporate Sukuks	91 970				91 970	91 970		
<b>Financial assets not measured at fair value</b>								
Loans and other receivables*		2 217			2 217			
Takaful / retakaful receivables*		379 772			379 772			
Retakaful recoveries against outstanding claims*		746 866			746 866			
Accrued investment income*		49 814			49 814			
Cash and bank balances*			195 563		195 563			
	2 394 006	1 178 669	195 563		3 768 238		2 394 006	
<b>Financial liabilities not measured at fair value</b>								
Outstanding claims including IBNR*				(1 282 538)	(1 282 538)			
Contributions received in advance*				(4 488)	(4 488)			
Takaful / retakaful payable*				(423 452)	(423 452)			
Payable to OPF*				(392 211)	(392 211)			
Other creditors and accruals*				(26 300)	(26 300)			
	2 394 006	1 178 669	195 563	(2 128 989)	1 639 249	-	2 394 006	-

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

**26. General**

Figures have been rounded off to the nearest thousand rupees.

**27. Date of authorization for issue of condensed interim financial statements**

These condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 29 August 2023.

  
Director

  
Director

  
ALTAF GOKAL  
Chief Financial Officer

  
KAMRAN ARSHAD INAM  
Managing Director &  
Chief Executive Officer

  
SAIFUDDIN N. ZOOMKAWALA  
Chairman