

# FACES OF **SUCCESS**

INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
30 JUNE 2023







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# VISION & MISSION

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

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





# CORE VALUES

**Integrity** - Transparency and honesty without compromise

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

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

**Corporate Social Responsibility** - Service to humanity



# Company Information

## BOARD OF DIRECTORS

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

## ADVISOR

Mian Muhammad Mansha

## AUDIT COMMITTEE

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

## ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

## INVESTMENT COMMITTEE

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

## COMPANY SECRETARY

Tameez ul Haque, FCA

## CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, FCA

## **EXECUTIVE MANAGEMENT TEAM**

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

## **AUDITORS**

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

## **SHARIAH ADVISOR**

Mufti Muhammad Hassan Kaleem

## **SHARE REGISTRAR**

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

## **BANKERS**

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

## **REGISTERED OFFICE**

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

# Directors' Review

## to the Members on Unconsolidated Condensed Interim Financial Statements (Unaudited) For the Six Months Ended 30 June 2023

On behalf of the Board, we are presenting the unaudited unconsolidated condensed interim financial information of the Company for the half year ended 30 June 2023.

### Financial Highlights:

The highlights for the period under review are as follows:

	(Unaudited)	
	30 June 2023	30 June 2022
	Rupees in thousand	
Gross Premium	17,480,941	15,077,539
Net Premium	9,596,924	7,799,632
Underwriting results	(679,474)	439,440
Investment Income	1,255,888	1,202,267
Profit before tax	1,312,165	1,932,530
Profit after tax	676,390	1,009,894

	(Unaudited)	
	30 June 2023	30 June 2022
	Rupees	
Earnings (after tax) per share	1.93	2.89

### Performance Review:

The Gross Premium of the Company increased by 16% while Net Premium increased by 23%. However, the underwriting result witnessed decline of 255% from the corresponding period of last year due to more than expected losses suffered in UAE operations.

Profit before Tax decreased by 32% mainly due to 49% increase in claims expense and accordingly Profit after Tax for the first six months of the year declined by 33% from the corresponding period.

### Window Takaful Operations:

The written contribution and Surplus before tax of Participants' Takaful Fund are Rs. 1,596,536 thousands (2022: Rs. 1,267,289 thousands) and Rs. 81,203 thousands (2022: Deficit of Rs. 11,305 thousands) respectively. The Profit before Tax of Window Takaful Operations amounts to Rs. 221,310 thousands for the half year ended 30 June 2023 (2022: Rs. 158,513 thousands).

### Future Outlook:

The economy of Pakistan has shown meager real GDP growth of 0.29% during the fiscal year 2023 (FY2023). This has been brought about by the deceleration of global economic growth during the year. The government is keen to accelerate the economic growth after the revival of IMF program which is expected to revitalize the economy whilst the country moves towards the political stability as the caretaker government handovers to the new elected government after smooth political transition. Inflation consistently depicted increasing trend during FY2023 showing average National CPI inflation for the year of 29.2% compared to 11.3% for the previous year. The government is adopting tight monetary policies aimed at addressing high inflation and sustained economic growth which includes increasing the SBP policy rate by 600bps during FY2023 to 22%.

### Acknowledgements:

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

For and on behalf of the Board

  
Shaikh Muhammad Jawed  
Director

  
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 29 August 2023

# غیر مجتمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر ممبران کوڈائریکٹرز کا جائزہ بابت ششماہی مختتمہ 30 جون 2023ء

بورڈ کی جانب سے 30 جون 2023ء کو ختم ہونے والی ششماہی کیلئے کمپنی کے غیر آڈٹ شدہ غیر مجتمع عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں	
زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:	
30 جون 2023ء	30 جون 2022ء
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
17,480,941	15,077,539
9,596,924	7,799,632
(679,474)	439,440
1,255,888	1,202,267
1,312,165	1,932,530
676,390	1,009,894
30 جون 2023ء	30 جون 2022ء
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
1.93	2.89

## مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

مجموعی پریمیم

خالص پریمیم

زیر تحریر نتائج

سرمایہ کاری سے آمدنی

منافع قبل از ٹیکس

منافع بعد از ٹیکس

آمدنی (بعد از ٹیکس) فی شیئر

## کارکردگی کا جائزہ:

کمپنی کی مجموعی اقساط 16% تک بڑھ گئی ہیں جبکہ خالص اقساط میں 23% کا اضافہ ہوا ہے۔ تاہم، مٹاؤں (انڈر رائٹنگ) نے پچھلے سال کے اسی عرصے کے مقابلے میں 255% کی گراؤٹ کا مشاہدہ کیا ہے جس کی بڑی وجہ متحدہ عرب امارات کے آپریشنز میں توقع سے کہیں زیادہ نقصانات اٹھانا ہے۔

منافع قبل از ٹیکس 32% تک کم ہو گیا کیونکہ دعویٰ جات کے اخراجات 49% تک بڑھ گئے اور اس کے مطابق پہلے ششماہی منافع بعد از ٹیکس پچھلے سال کے اسی عرصے کے مقابلے میں 33% تک کم ہو گئے۔

## وڈو کنفل آپریشنز:

پارٹنرشپس کنفل فنڈ کی مجموعی تحریر کردہ اور فاضل اعانت علی الترتیب 1,596,536 ہزار روپے (2022ء میں 1,267,289 ہزار روپے) اور 81,203 ہزار روپے (2022ء میں 11,305 ہزار روپے کی کمی) رہی۔ وڈو کنفل آپریشنز کے قبل از ٹیکس منافع کی مالیت 30 جون 2023ء کو ختم شدہ ششماہی کیلئے 221,310 ہزار روپے (2022ء میں 158,513 ہزار روپے) بنتی ہے۔

## ترقیات مستقبل:

پاکستان کی معیشت نے مالی سال 2023ء کے دوران حقیقی شرح نمو میں 0.29% کے کمزور سے اضافے کو ظاہر کیا ہے۔ اس سے جاری سال کے دوران عالمی معاشی ترقی میں سست روی کی وجہ سے کچھ گراؤٹ دیکھی گئی ہے۔ موجودہ حکومت آئی ایم ایف پروگرام کی بحالی کے بعد معاشی ترقی میں تیزی کیلئے کوشاں ہے جس سے امید کی جاتی ہے کہ معیشت میں نئی جان پڑ جائے گی جبکہ ملک بھی سیاسی استحکام کی ڈگر پر چل پڑے گا کیونکہ گمراہ حکومت، ایک ہموار سیاسی تبدیلی کے بعد نئی منتخب حکومت کے سپرد کردے گی۔ افراط زر مالی سال 2023ء کے دوران مسلسل تیزی سے بڑھ رہا ہے جو کہ ملکی سطح پر اوسط سی پی آئی میں 29.2% کو ظاہر کرتا ہے جبکہ پچھلے سال کے اسی عرصے کے دوران یہ 11.3% تھا۔ حکومت کڑی مالیاتی حکمت عملی پر گامزن ہے جس کا مقصد بڑھتے افراط زر یعنی مہنگائی اور پائیدار معاشی ترقی کیلئے راہ ہموار کرنا ہے جس میں مالی سال 2023ء کے دوران اسٹیٹ بینک کی شرح سود کو 600 بی پی ایس سے بڑھا کر 22% تک لے جانا بھی شامل ہے۔

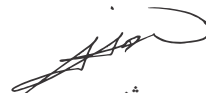
## اعتراف:

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

مخائب و برائے بورڈ

  
محمد علی زبیر

چیئرمین ڈائریکٹرز اینڈ چیف ایگزیکٹو آفیسر

  
شجاعت حسین

شجاعت حسین  
ڈائریکٹر

لاہور: 29 اگست 2023ء

# INDEPENDENT AUDITOR'S REVIEW REPORT

## To the members of Adamjee Insurance Company Limited Report on review of Unconsolidated Condensed Interim Financial Statements

### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Adamjee Insurance Company Limited (the company)** as at June 30, 2023 and the related unconsolidated condensed interim statement of profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim cash flow statement, 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 these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the unconsolidated condensed interim profit and loss account and the unconsolidated condensed interim statement of comprehensive income for the three months period ended June 30, 2023 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2023.

### 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 unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is Rana M. Usman Khan.



Chartered Accountants

Lahore

Date: 29 August 2023

UDIN: RR202310088r8JjKNH93

The background of the cover features a blurred image of financial documents, including bar charts and a pie chart. A prominent blue rectangular box with a white border is centered on the page, containing the title text. The overall color scheme is light blue and white, with a professional and clean aesthetic.

# UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2023

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Financial Position**  
**As at June 30, 2023**

		(Un-Audited) June 30, 2023	(Audited) December 31, 2022
	Note	Rupees in thousand	
<b>ASSETS</b>			
Property and equipment	8	4,230,565	4,246,725
Intangible assets	9	113,134	108,977
Investment properties	10	2,857,147	2,427,337
Investment in subsidiary	11	2,396,166	2,396,166
Investments			
Equity securities	12	20,458,827	17,651,665
Debt securities	13	1,356,057	382,288
Term deposits	14	7,041,675	6,644,432
Advance against issue of shares		-	900,000
Loans and other receivables	15	915,889	840,880
Insurance / reinsurance receivables	16	9,804,275	8,526,017
Reinsurance recoveries against outstanding claims		18,465,305	14,873,098
Salvage recoveries accrued		303,614	360,380
Deferred commission expense / acquisition cost		1,292,025	1,489,080
Taxation - payments less provision		10,479	-
Prepayments	17	7,558,180	6,676,739
Cash and bank	18	4,603,743	5,192,695
		<u>81,407,081</u>	<u>72,716,479</u>
Total assets of Window Takaful Operations - Operator's Fund	19	1,303,351	1,049,420
<b>TOTAL ASSETS</b>		<u><u>82,710,432</u></u>	<u><u>73,765,899</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	20	5,282,083	3,527,175
Unappropriated profit		18,043,154	17,891,764
<b>Total Equity</b>		<u>26,825,237</u>	<u>24,918,939</u>
<b>Surplus on revaluation of fixed assets</b>		31,202	-
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR		25,086,544	20,726,702
Unearned premium reserves		15,352,328	14,996,454
Unearned reinsurance commission		304,394	365,610
Retirement benefit obligations		246,872	201,407
Deferred taxation		1,908,076	805,888
Premium received in advance		496,821	640,259
Insurance / reinsurance payables		7,734,062	6,959,398
Other creditors and accruals	21	3,703,029	3,196,575
Deposits and other liabilities	22	497,735	541,199
Taxation - provision less payments		-	28,495
		<u>55,329,861</u>	<u>48,461,987</u>
Total liabilities of Window Takaful Operations - Operator's Fund	19	524,132	384,973
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>82,710,432</u></u>	<u><u>73,765,899</u></u>
<b>Contingencies and commitments</b>	23		

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



Chairman



Director



Director



Chief Financial  
Officer



Managing Director &  
Chief Executive  
Officer

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Profit or Loss Account (Un-Audited)**  
**For six month period ended June 30, 2023**

	Note	For three month period ended		For six month period ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>Rupees in thousand</b>					
Net insurance premium	24	4,757,055	4,043,509	9,596,924	7,799,632
Net insurance claims	25	(3,290,876)	(2,425,713)	(6,833,726)	(4,598,381)
Net commission and other acquisition costs	26	(638,081)	(513,141)	(1,328,735)	(984,806)
Insurance claims and acquisition expenses		(3,928,957)	(2,938,854)	(8,162,461)	(5,583,187)
Management expenses	27	(1,120,751)	(894,162)	(2,113,937)	(1,777,005)
<b>Underwriting results</b>		<b>(292,653)</b>	210,493	<b>(679,474)</b>	439,440
Investment income	28	550,985	243,631	1,255,888	1,202,267
Rental income		44,179	39,664	88,398	78,544
Other income	29	101,859	68,670	207,259	115,774
Fair value adjustment to investment property		6,456		293,284	
Other expenses	30	(25,234)	(15,693)	(46,492)	(30,083)
Workers' Welfare Fund charge		(18,920)	-	(26,779)	
<b>Results of operating activities</b>		<b>366,672</b>	546,765	<b>1,092,084</b>	1,805,942
Finance costs		(682)	(7,292)	(1,229)	(31,925)
Profit from Window Takaful Operations - Operator's Fund	19	122,551	84,990	221,310	158,513
<b>Profit before taxation</b>		<b>488,541</b>	624,463	<b>1,312,165</b>	1,932,530
Income tax expense		(316,715)	(542,927)	(635,775)	(922,636)
<b>Profit after taxation</b>		<b>171,826</b>	81,536	<b>676,390</b>	1,009,894
----- <b>(Rupees)</b> -----					
Earnings after tax per share - basic and diluted	31	<u>0.49</u>	<u>0.24</u>	<u>1.93</u>	<u>2.89</u>

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For six month period ended June 30, 2023**

	For three month period ended		For six month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand			
<b>Profit after taxation</b>	<b>171,826</b>	81,536	<b>676,390</b>	1,009,894
<b>Other comprehensive income</b>				
<b>Items that will not be subsequently reclassified to profit and loss account</b>				
- Surplus on revaluation of fixed assets - net of tax	(2,810)	-	<b>31,202</b>	-
<b>Items that may be reclassified subsequently to profit and loss:</b>				
- Unrealized gain / (loss) on 'available-for-sale' investments - net of tax	<b>97,424</b>	(1,140,895)	<b>1,115,840</b>	(1,575,985)
- Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	<b>111</b>	44,199	<b>(656)</b>	353,769
- Unrealized loss on 'available for sale' investments from Window Takaful Operations - net of tax	-	(969)	-	(968)
- Net effect of translation of foreign branch	<b>56,238</b>	296,131	<b>639,724</b>	394,824
Other comprehensive income / (loss) for the period	<b>153,773</b>	(801,534)	<b>1,754,908</b>	(828,360)
<b>Total comprehensive income / (loss) for the period</b>	<b>322,789</b>	(719,998)	<b>2,462,500</b>	181,534

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



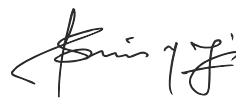
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

Adamjee Insurance Company Limited  
Unconsolidated Condensed Interim Statement of Cash Flow (Unaudited)  
For six month period ended June 30, 2023

	<b>For six month period ended</b>	
	<b>June 30, 2023</b>	June 30, 2022
<b>Rupees in thousand</b>		
<b>Cash flows from operating activities</b>		
<b>Underwriting activities</b>		
Insurance premium received	17,118,109	14,964,223
Reinsurance premium paid	(8,703,509)	(5,318,301)
Claims paid	(11,804,916)	(7,274,203)
Surrenders paid	(178,072)	(54,985)
Reinsurance and other recoveries received	4,276,995	2,488,240
Commission paid	(1,535,983)	(1,577,817)
Commission received	385,001	441,934
Other underwriting payments	(966,695)	(2,166,802)
<b>Net cash (outflows) / inflows from underwriting activities</b>	<b>(1,409,070)</b>	1,502,289
<b>Other operating activities</b>		
Income tax paid	(330,456)	(268,880)
Other operating payments	(138,512)	(102,434)
Loans advanced	(36,008)	(36,298)
Loans instalments received	40,307	28,361
Other operating receipts	21,256	21,976
<b>Net cash outflows from other operating activities</b>	<b>(443,413)</b>	(357,275)
<b>Total cash (outflows) / inflows from all operating activities</b>	<b>(1,852,483)</b>	1,145,014
<b>Cash flows from investing activities</b>		
Profit / return received on bank deposits	304,038	117,320
Income received from Pakistan Investment Bonds	-	4,500
Income from Treasury Bills	30,487	10,937
Dividends received	1,087,887	880,542
Rentals received	93,578	77,752
Payments for investments	(7,735,110)	(7,660,327)
Proceeds from disposal of investments	8,097,379	8,052,097
Fixed capital expenditure - operating assets	(77,297)	(50,307)
Fixed capital expenditure - intangible assets	(30,447)	(10,989)
Proceeds from disposal of operating fixed assets	20,953	14,734
<b>Total cash inflows from investing activities</b>	<b>1,791,468</b>	1,436,259
<b>Cash flows from financing activities</b>		
Payments against lease liabilities	(10,402)	(22,880)
Dividends paid	(517,535)	(513,589)
Loan principal payment made	-	(884,652)
Markup against loan paid	-	(43,270)
<b>Net cash outflows from financing activities</b>	<b>(527,937)</b>	(1,464,391)
<b>Net cash (outflows) / inflows from all activities</b>	<b>(588,952)</b>	1,116,882
Cash and cash equivalents at beginning of the period	5,192,695	2,174,053
<b>Cash and cash equivalents at end of the period</b>	<b>4,603,743</b>	3,290,935

For six month period ended	
June 30, 2023	June 30, 2022

Rupees in thousand

**Reconciliation to profit or loss account**

Operating cash flows	(1,852,483)	1,145,014
Depreciation expense	(94,168)	(98,570)
Provision for retirement benefit obligations	(26,890)	(27,076)
Finance costs	(1,229)	(31,925)
Other income - bank and term deposits	314,935	135,264
Gain on disposal of operating fixed assets	14,195	10,366
Rental income	89,103	78,948
Fair value adjustment to investment property	293,284	-
Increase in assets other than cash	5,568,513	2,732,624
Increase in liabilities other than running finance	(4,278,164)	(1,419,380)
(Loss) / gain on disposal of investments	(25,648)	424,007
Amortization expense	(19,285)	(15,533)
Increase in unearned premium	(355,874)	(2,162,967)
(Decrease) / increase in loans	(4,299)	7,937
Income taxes paid	330,456	268,880
Increase in tax liabilities	(635,775)	(922,636)
Provision for impairment in value of 'available-for-sale' investments	(40,017)	(179,501)
Dividend and other income	1,087,887	880,542
Income from Treasury Bills	90,539	15,551
Income from Pakistan Investment Bonds	-	5,617
Income against deferred grant	-	4,219
Profit from Window Takaful Operations - Operator's fund	221,310	158,513
<b>Profit after tax</b>	<b>676,390</b>	<b>1,009,894</b>

For six month period ended	
June 30, 2023	June 30, 2022

Rupees in thousand

**Cash and cash equivalents for the purposes of the statement of cash flows consists of:**

Cash and cash equivalents	19,939	6,292
Current and saving accounts	4,583,804	3,284,643
<b>Total cash and cash equivalents</b>	<b>4,603,743</b>	<b>3,290,935</b>

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



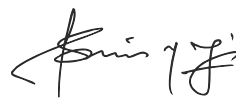
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Changes in Equity**  
**For six month period ended June 30, 2023**

	Share capital	Capital reserves				Revenue reserves		Total	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair value reserve	Surplus on revaluation of fixed assets	General reserve		Unappropriated profit
Rupees in thousand									
<b>Balance as at December 31, 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,623,873	-	936,500	16,402,885	<b>25,389,764</b>
Profit for the period January 01, 2022 to June 30, 2022	-	-	-	-	-	-	-	1,009,894	<b>1,009,894</b>
Other comprehensive income for the period January 01, 2022 to June 30, 2022	-	-	-	394,824	(1,223,184)	-	-	-	<b>(828,360)</b>
<b>Total comprehensive income for the period</b>	-	-	-	394,824	(1,223,184)	-	-	1,009,894	<b>181,534</b>
<b>Transactions with owners of the Company</b>									
Final dividend for the year ended December 31, 2021 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	3,500,000	22,859	3,764	1,294,707	2,400,689	-	936,500	16,887,779	<b>25,046,298</b>
Profit for the period July 01, 2022 to December 31, 2022	-	-	-	-	-	-	-	1,575,119	<b>1,575,119</b>
Other comprehensive income for the period July 01, 2022 to December 31, 2022	-	-	-	237,737	(1,369,081)	-	-	(46,134)	<b>(1,177,478)</b>
<b>Total comprehensive income for the period</b>	-	-	-	237,737	(1,369,081)	-	-	1,528,985	<b>397,641</b>
<b>Balance as at December 31, 2022 - (Audited)</b>	3,500,000	22,859	3,764	1,532,444	1,031,608	-	936,500	18,416,764	<b>25,443,939</b>
<b>Transactions with owners of the Company</b>									
Interim dividend for the half year ended June 30, 2022 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	3,500,000	22,859	3,764	1,532,444	1,031,608	-	936,500	17,891,764	<b>24,918,939</b>
Profit for the period January 01, 2023 to June 30, 2023	-	-	-	-	-	-	-	676,390	<b>676,390</b>
Other comprehensive income for the period January 01, 2023 to June 30, 2023	-	-	-	639,724	1,115,184	31,202	-	-	<b>1,786,110</b>
<b>Total comprehensive income for the period</b>	-	-	-	639,724	1,115,184	31,202	-	676,390	<b>2,462,500</b>
<b>Transactions with owners of the Company</b>									
Final dividend for the year ended December 31, 2022 @ 15% (Rupees 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	3,500,000	22,859	3,764	2,172,168	2,146,792	31,202	936,500	18,043,154	<b>26,856,439</b>

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



**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

## **Adamjee Insurance Company Limited**

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

**For six month period ended June 30, 2023**

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

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

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

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

These unconsolidated condensed interim financial statements of the Company for the six month period ended June 30, 2023 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

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

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

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the unconsolidated condensed interim statement of financial position and statement of profit and loss account of the Company respectively. A separate set of condensed interim financial statements of the Window Takaful operations has been annexed to these financial statements as per the requirements of the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

These unconsolidated 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 annual financial statements of the Company for the year ended December 31, 2022. Comparative figures for unconsolidated condensed interim statement of financial position are stated from annual audited financial statements of the Company for the year ended December 31, 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flow and related notes are extracted from unconsolidated condensed interim financial statements of the Company for the six month ended June 30, 2022.

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

#### **3 Basis of measurement**

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

#### **4 Accounting policies**

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

#### 4.1 Standards, amendments or interpretations

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

#### IFRS 9

IFRS 9 " Financial Instruments" has become applicable , however as insurance company , the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

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

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

	June 30, 2023				
	Fail the SPPI test		Pass the SPPI test		
Financial assets	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----					
Cash and Bank*	3,350,117	-	1,253,626	-	-
Investment in subsidiary	3,102,726	-	-	-	-
Investments in equity securities - available-for-sale	20,458,827	1,979,617	-	-	-
Investments in debt securities - held-to-maturity	-	-	1,356,057	-	-
Term deposits*	-	-	7,041,675	-	-
Loans and other receivables*	570,607	-	2,598	-	-
<b>Total</b>	<b>27,482,277</b>	<b>1,979,617</b>	<b>9,653,956</b>	<b>-</b>	<b>-</b>

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

#### 5 Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

#### 6 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency.

#### 7 Insurance and Financial risk management

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

		(Unaudited)	(Audited)
		June 30,	December 31,
		2023	2022
Note	Rupees in thousand		
<b>8 Property and equipment</b>			
Operating assets	8.1	4,155,106	4,161,207
Capital work in progress		53,084	22,837
Right of use asset		22,375	62,681
		<u>4,230,565</u>	<u>4,246,725</u>
<b>8.1 Operating assets</b>			
Opening balance - net book value		4,161,207	4,132,230
Additions during the period / year	8.1.1	65,187	106,815
Transfer to investment property		(102,929)	(467)
Less:			
Book value of disposals during the period / year	8.1.2	(6,758)	(15,645)
Depreciation charged during the period / year		(84,190)	(178,783)
Exchange differences and other adjustments		122,589	117,057
		<u>31,641</u>	<u>(77,371)</u>
		<u>4,155,106</u>	<u>4,161,207</u>
<b>8.1.1 Additions during the period / year:</b>			
Land and buildings		41,113	26,463
Furniture and fixtures		4,950	5,179
Motor vehicles		14,435	42,692
Machinery and equipment		1,792	5,942
Computer and related accessories		2,897	26,539
		<u>65,187</u>	<u>106,815</u>
<b>8.1.2 Written down values of operating assets disposed off during the period / year:</b>			
Land and buildings		-	-
Furniture and fixtures		156	-
Motor vehicles		6,524	14,504
Machinery and equipment		78	1,141
Computer and related accessories		-	-
		<u>6,758</u>	<u>15,645</u>
<b>9 Intangible assets</b>			
Opening balance - net book value		108,977	100,379
Additions during the period / year		12,310	29,504
Less:			
Amortization charged during the period / year		(19,285)	(33,282)
Exchange difference		11,132	12,376
		<u>(8,153)</u>	<u>(20,906)</u>
		<u>113,134</u>	<u>108,977</u>
<b>10 Investment properties</b>			
Opening net book value		2,427,337	1,632,498
Transfer from Property and equipment		102,929	467
Unrealized fair value gain		293,284	794,372
Exchange differences and other adjustments		33,597	-
<b>Closing book value</b>		<u>2,857,147</u>	<u>2,427,337</u>
<b>11 Investment in a subsidiary</b>			
Adamjee Life Assurance Company Limited - at cost	11.1	<u>2,396,166</u>	<u>2,396,166</u>
<b>11.1</b>			
Adamjee Life Assurance Company Limited ("the Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Company was converted to a listed company on March 04, 2022. It is listed on Pakistan Stock Exchange. Registered office of the Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.			

12 Investments - Equity securities

Available-for-sale

	June 30, 2023 (Unaudited)				December 31, 2022 (Audited)			
	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value
<b>Rupees in thousand</b>								
<b>Related parties</b>								
Listed shares	10,358,756	(31)	(2,026,784)	8,331,941	9,986,598	(31)	(2,337,869)	7,648,698
Unlisted shares	1,956,956	-	3,191,841	5,148,797	1,056,956	-	1,723,041	2,779,997
	12,315,712	(31)	1,165,057	13,480,738	11,043,554	(31)	(614,828)	10,428,695
<b>Others</b>								
Listed shares	5,649,886	(1,984,949)	956,968	4,621,905	6,055,228	(1,944,932)	757,218	4,867,514
Unlisted shares	925,360	-	1,396,718	2,322,078	925,360	-	1,396,718	2,322,078
NIT Units	161	-	501	662	161	-	564	725
Mutual Funds	49,725	(16,366)	85	33,444	48,979	(16,366)	40	32,653
	6,625,132	(2,001,315)	2,354,272	6,978,089	7,029,728	(1,961,298)	2,154,540	7,222,970
<b>Total</b>	<b>18,940,844</b>	<b>(2,001,346)</b>	<b>3,519,329</b>	<b>20,458,827</b>	<b>18,073,282</b>	<b>(1,961,329)</b>	<b>1,539,712</b>	<b>17,651,665</b>

- 12.1 5,700,000 (2022 : 5,286,710) shares of MCB Bank Limited and 4,800,000 (2022 : 4,800,000) shares of Fauji Fertilizer Company Limited have been pledged against SBL (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

	(Unaudited)	(Audited)
	June 30, 2023	December 31, 2022
<b>Rupees in thousand</b>		
<b>13 Investments - Debt securities</b>		
<b>Held to maturity</b>		
Treasury Bills	1,356,057	382,288
	<b>1,356,057</b>	<b>382,288</b>

14 Investments - Term deposits  
Held to maturity

Deposits maturing within 12 months

Outside Pakistan

- related parties	2,335,854	1,849,572
- others	4,621,822	4,710,861
	<b>6,957,676</b>	<b>6,560,433</b>
	<b>6,957,676</b>	<b>6,560,433</b>

Deposits maturing after 12 months

Inside Pakistan

- related parties	8,811	8,811
- others	75,188	75,188
	<b>83,999</b>	<b>83,999</b>
	<b>7,041,675</b>	<b>6,644,432</b>

- 14.1 These include fixed deposits amounting to Rs. 467,171 thousands (AED 6,000 thousands) [2022: Rs. 369,914 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2022: Rs. 83,999 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company and bid bond guarantees.



	Note	(Unaudited)	(Audited)
		June 30, 2023	December 31, 2022
<b>Rupees in thousand</b>			
<b>15 Loans and other receivables - considered good</b>			
Rent receivable		9,008	13,483
Receivable from related parties	15.1	86,635	74,357
Accrued income		106,962	96,064
Security deposits		59,862	54,590
Advances to employees and suppliers		341,433	373,275
Advance agent commission		1,251	4,182
Loans to employees		63,621	65,460
Other receivables		247,117	159,469
		<u>915,889</u>	<u>840,880</u>

15.1 This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of life policies obtained for key management personnel of the Company. Company is the beneficiary in respect of policies obtained for the employees.

	Note	(Unaudited)	(Audited)
		June 30, 2023	December 31, 2022
<b>Rupees in thousand</b>			
<b>16 Insurance / reinsurance receivables - unsecured and considered good</b>			
Due from insurance contract holders		10,451,204	9,403,294
Provision for impairment of receivables from insurance contract holders		(1,668,733)	(1,371,044)
		<u>8,782,471</u>	<u>8,032,250</u>
Due from other insurers / reinsurers		1,223,106	695,069
Provision for impairment of due from other insurers / reinsurers		(201,302)	(201,302)
		<u>1,021,804</u>	<u>493,767</u>
		<u>9,804,275</u>	<u>8,526,017</u>

16.1 Due from insurance contact holders include an amount of Rs. 293,225 thousands (2022: Rs. 122,492 thousands) held with related parties.

	Note	(Unaudited)	(Audited)
		June 30, 2023	December 31, 2022
<b>Rupees in thousand</b>			
<b>17 Prepayments</b>			
Prepaid reinsurance premium ceded		7,322,772	6,536,997
Prepaid miscellaneous expenses		235,408	139,742
		<u>7,558,180</u>	<u>6,676,739</u>
<b>18 Cash and bank</b>			
<b>Cash and cash equivalents</b>			
<b>Inside Pakistan</b>			
Cash in hand		546	367
Policy & Revenue stamps, Bond papers		18,264	17,299
		<u>18,810</u>	<u>17,666</u>
<b>Outside Pakistan</b>			
Cash in hand		1,129	-
		<u>19,939</u>	<u>17,666</u>
<b>Cash at bank</b>			
<b>Inside Pakistan</b>			
Current accounts		421,351	874,810
Saving accounts		1,251,245	1,073,025
		<u>1,672,596</u>	<u>1,947,835</u>
<b>Outside Pakistan</b>			
Current accounts		2,908,827	3,225,294
Saving accounts		2,381	1,900
		<u>2,911,208</u>	<u>3,227,194</u>
		<u>4,583,804</u>	<u>5,175,029</u>
		<u>4,603,743</u>	<u>5,192,695</u>

18.1 Cash at bank includes an amount of Rs. 2,859,342 thousands (2022: Rs. 1,959,018 thousands) held with MCB Bank Limited, a related party of the Company.

18.2 Lien of Rs. 621,354 thousands (2022: Rs. 633,240 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company and for claims under litigation filed against the Company.

18.3 Lien of Rs. 169,709 thousands (AED 2,179,612) [(2022: Rs. 159,883 thousands (AED 2,593,295))] is marked on current accounts by the banks as per the instructions issued by the Court in lieu of execution of legal orders in different cases pertaining to claims in United Arab Emirates.

	(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Rupees in thousand	
<b>19 Window Takaful Operations - Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	77,383	164,215
Qard e Hasna to Participants' Takaful Fund	221,460	221,460
Investments - Equity securities	269,731	251,052
Investments - Debt securities	125,000	125,000
Investments - Term deposits	400,000	-
Intangible assets	11,293	6,047
Property and equipment	43,298	46,276
Current assets - others	155,186	235,370
<b>Total Assets</b>	<b>1,303,351</b>	<b>1,049,420</b>
<b>Total liabilities</b>	<b>524,132</b>	<b>384,973</b>
	(Unaudited) June 30, 2023	(Unaudited) June 30, 2022
	Rupees in thousand	
Wakala income	397,748	292,489
Commission expense	(123,268)	(68,220)
Management expenses	(124,264)	(92,089)
Investment income	44,952	7,257
Other income	19,916	17,307
Mudarib's share of PTF investment income	7,773	3,859
Other Expenses	(1,547)	(2,090)
Profit before taxation	221,310	158,513
Taxation	(106,538)	(57,902)
<b>Profit after taxation</b>	<b>114,772</b>	<b>100,611</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial statements for the six month period ended June 30, 2023.		
	(Unaudited) June 30, 2023	(Audited) December 31, 2022
	Rupees in thousand	
<b>20 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,172,168	1,532,444
Fair value reserves	2,146,792	1,031,608
	4,345,583	2,590,675
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	936,500	936,500
	5,282,083	3,527,175
<b>21 Other creditors and accruals</b>		
Agents commission payable	881,881	977,109
Federal excise duty / Sales tax / VAT	411,026	449,746
Federal insurance fee payable	88,267	45,483
Workers' welfare fund payable	251,285	224,506
Tax deducted at source	82,663	61,689
Accrued expenses	134,067	225,382
Unpaid and unclaimed dividend	168,006	160,541
Payable to employees' provident fund	56	211
Sundry creditors	1,685,778	1,051,908
	3,703,029	3,196,575
<b>22 Deposits and other liabilities</b>		
Cash margin against performance bonds	473,518	495,392
Lease liability	24,217	45,807
	497,735	541,199

## 23 Contingencies and commitments

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

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,238,471 thousands (2022: Rs. 1,250,357 thousands).
- The Company has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,954,107 thousands (2022: AED 115,000,000 amounting to Rs. 7,090,026 thousands) relating to UAE branch.

	For three month period ended		For six month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>Rupees in thousand</b>				
<b>24 Net insurance premium revenue</b>				
Written gross premium	10,389,798	7,529,955	17,480,941	15,077,539
Unearned premium reserve - opening	14,521,410	12,177,577	14,996,454	11,010,289
Unearned premium reserve - closing	(15,352,328)	(13,173,256)	(15,352,328)	(13,173,256)
Currency translation effect	70,257	538,771	1,372,485	718,503
Premium earned	9,629,137	7,073,047	18,497,552	13,633,075
Reinsurance premium ceded	(6,464,031)	(3,326,442)	(9,478,173)	(5,810,433)
Prepaid reinsurance premium - opening	(5,723,083)	(4,327,264)	(6,536,997)	(4,627,169)
Prepaid reinsurance premium - closing	7,322,772	4,692,620	7,322,772	4,692,620
Currency translation effect	(7,740)	(68,452)	(208,230)	(88,461)
Reinsurance expense	(4,872,082)	(3,029,538)	(8,900,628)	(5,833,443)
	4,757,055	4,043,509	9,596,924	7,799,632
<b>24.1 Net insurance premium</b>				
<b>- Business underwritten inside Pakistan</b>				
Written gross premium	8,219,374	5,077,807	13,452,209	9,721,072
Unearned premium reserve - opening	8,841,192	7,299,535	9,454,477	7,393,851
Unearned premium reserve - closing	(10,276,075)	(7,478,871)	(10,276,075)	(7,478,871)
Premium earned	6,784,491	4,898,471	12,630,611	9,636,052
Reinsurance premium ceded	(6,118,775)	(2,874,528)	(8,713,137)	(4,931,596)
Prepaid reinsurance premium - opening	(4,818,188)	(3,772,341)	(5,699,784)	(4,302,258)
Prepaid reinsurance premium - closing	6,535,642	3,921,729	6,535,642	3,921,729
Reinsurance expense	(4,401,321)	(2,725,140)	(7,877,279)	(5,312,125)
	2,383,170	2,173,331	4,753,332	4,323,927
<b>24.2 Net insurance premium</b>				
<b>- Business underwritten outside Pakistan</b>				
Written gross premium	2,170,424	2,452,148	4,028,732	5,356,467
Unearned premium reserve - opening	5,680,218	4,878,042	5,541,977	3,616,438
Unearned premium reserve - closing	(5,076,253)	(5,694,385)	(5,076,253)	(5,694,385)
Currency translation effect	70,257	538,771	1,372,485	718,503
Premium earned	2,844,646	2,174,576	5,866,941	3,997,023
Reinsurance premium ceded	(345,256)	(451,914)	(765,036)	(878,837)
Prepaid reinsurance premium - opening	(904,895)	(554,923)	(837,213)	(324,911)
Prepaid reinsurance premium - closing	787,130	770,891	787,130	770,891
Currency translation effect	(7,740)	(68,452)	(208,230)	(88,461)
Reinsurance expense	(470,761)	(304,398)	(1,023,349)	(521,318)
	2,373,885	1,870,178	4,843,592	3,475,705

<b>For three month period ended</b>		<b>For six month period ended</b>	
<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>

Rupees in thousand

**25 Net insurance claims expense**

Claims paid	<b>6,066,617</b>	3,775,475	<b>11,804,916</b>	7,274,203
Outstanding claims including IBNR - closing	<b>25,086,544</b>	14,699,148	<b>25,086,544</b>	14,699,148
Outstanding claims including IBNR - opening	<b>(24,626,105)</b>	(13,113,223)	<b>(20,726,702)</b>	(12,686,045)
Currency translation effect	<b>(69,690)</b>	(693,837)	<b>(2,229,511)</b>	(914,276)
Claims expense	<b>6,457,366</b>	4,667,563	<b>13,935,247</b>	8,373,030
Reinsurance and other recoveries received	<b>(2,535,905)</b>	(1,119,974)	<b>(4,805,032)</b>	(2,512,094)
Reinsurance and other recoveries in respect of outstanding claims - closing	<b>(18,768,919)</b>	(9,647,254)	<b>(18,768,919)</b>	(9,647,254)
Reinsurance and other recoveries in respect of outstanding claims - opening	<b>18,096,398</b>	8,182,308	<b>15,233,478</b>	7,943,513
Currency translation effect	<b>41,936</b>	343,070	<b>1,238,952</b>	441,186
Reinsurance and other recoveries revenue	<b>(3,166,490)</b>	(2,241,850)	<b>(7,101,521)</b>	(3,774,649)
	<b>3,290,876</b>	2,425,713	<b>6,833,726</b>	4,598,381

**25.1 Net insurance claims expense**

**- Business underwritten inside Pakistan**

Claims paid	<b>2,049,186</b>	1,470,684	<b>3,879,122</b>	3,271,174
Outstanding claims including IBNR - closing	<b>14,960,418</b>	8,006,193	<b>14,960,418</b>	8,006,193
Outstanding claims including IBNR - opening	<b>(14,091,244)</b>	(7,301,206)	<b>(12,123,015)</b>	(7,131,251)
Claims expense	<b>2,918,360</b>	2,175,671	<b>6,716,525</b>	4,146,116
Reinsurance and other recoveries received	<b>(723,764)</b>	(303,632)	<b>(1,194,903)</b>	(962,970)
Reinsurance and other recoveries in respect of outstanding claims - closing	<b>(13,150,941)</b>	(6,290,271)	<b>(13,150,941)</b>	(6,290,271)
Reinsurance and other recoveries in respect of outstanding claims - opening	<b>12,285,691</b>	5,593,681	<b>10,450,405</b>	5,482,393
Reinsurance and other recoveries revenue	<b>(1,589,014)</b>	(1,000,222)	<b>(3,895,439)</b>	(1,770,848)
	<b>1,329,346</b>	1,175,449	<b>2,821,086</b>	2,375,268

**25.2 Net insurance claims expense**

**- Business underwritten outside Pakistan**

Claims paid	<b>4,017,431</b>	2,304,791	<b>7,925,794</b>	4,003,029
Outstanding claims including IBNR - closing	<b>10,126,126</b>	6,692,955	<b>10,126,126</b>	6,692,955
Outstanding claims including IBNR - opening	<b>(10,534,861)</b>	(5,812,017)	<b>(8,603,687)</b>	(5,554,794)
Currency translation effect	<b>(69,690)</b>	(693,837)	<b>(2,229,511)</b>	(914,276)
Claims expense	<b>3,539,006</b>	2,491,892	<b>7,218,722</b>	4,226,914
Reinsurance and other recoveries received	<b>(1,812,141)</b>	(816,342)	<b>(3,610,129)</b>	(1,549,124)
Reinsurance and other recoveries in respect of outstanding claims - closing	<b>(5,617,978)</b>	(3,356,983)	<b>(5,617,978)</b>	(3,356,983)
Reinsurance and other recoveries in respect of outstanding claims - opening	<b>5,810,707</b>	2,588,627	<b>4,783,073</b>	2,461,120
Currency translation effect	<b>41,936</b>	343,070	<b>1,238,952</b>	441,186
Reinsurance and other recoveries revenue	<b>(1,577,476)</b>	(1,241,628)	<b>(3,206,082)</b>	(2,003,801)
	<b>1,961,530</b>	1,250,264	<b>4,012,640</b>	2,223,113

<b>For three month period ended</b>		<b>For six month period ended</b>	
<b>June 30,</b>	June 30,	<b>June 30,</b>	June 30,
<b>2023</b>	2022	<b>2023</b>	2022

Rupees in thousand

**26 Net commission and other acquisition costs**

Commission paid or payable	<b>714,467</b>	841,974	<b>1,332,381</b>	1,773,978
Deferred commission expense - opening	<b>1,436,788</b>	1,355,686	<b>1,489,080</b>	1,055,480
Deferred commission expense - closing	<b>(1,292,025)</b>	(1,568,054)	<b>(1,292,025)</b>	(1,568,054)
Currency translation effect	<b>14,137</b>	101,885	<b>255,987</b>	136,989
Net commission	<b>873,367</b>	731,491	<b>1,785,423</b>	1,398,393
Commission received or recoverable	<b>(186,393)</b>	(229,252)	<b>(385,001)</b>	(441,934)
Unearned reinsurance commission - opening	<b>(352,900)</b>	(259,539)	<b>(365,610)</b>	(241,094)
Unearned reinsurance commission - closing	<b>304,394</b>	273,652	<b>304,394</b>	273,652
Currency translation effect	<b>(387)</b>	(3,211)	<b>(10,471)</b>	(4,211)
Commission from reinsurance	<b>(235,286)</b>	(218,350)	<b>(456,688)</b>	(413,587)
	<b>638,081</b>	513,141	<b>1,328,735</b>	984,806

**26.1 Net commission and other acquisition costs  
- Business underwritten inside Pakistan**

Commission Paid or payable	<b>332,691</b>	387,660	<b>629,177</b>	709,671
Deferred commission expense - opening	<b>404,990</b>	396,169	<b>447,607</b>	393,554
Deferred commission expense - closing	<b>(382,054)</b>	(466,365)	<b>(382,054)</b>	(466,365)
Net Commission	<b>355,627</b>	317,464	<b>694,730</b>	636,860
Commission received or recoverable	<b>(166,819)</b>	(206,201)	<b>(346,980)</b>	(387,401)
Unearned reinsurance commission - opening	<b>(306,562)</b>	(229,513)	<b>(323,930)</b>	(239,650)
Unearned reinsurance commission - closing	<b>262,786</b>	228,811	<b>262,786</b>	228,811
Commission from reinsurance	<b>(210,595)</b>	(206,903)	<b>(408,124)</b>	(398,240)
	<b>145,032</b>	110,561	<b>286,606</b>	238,620

**26.2 Net commission and other acquisition costs  
- Business underwritten outside Pakistan**

Commission Paid or payable	<b>381,776</b>	454,314	<b>703,204</b>	1,064,307
Deferred commission expense - opening	<b>1,031,798</b>	959,517	<b>1,041,473</b>	661,926
Deferred commission expense - closing	<b>(909,971)</b>	(1,101,689)	<b>(909,971)</b>	(1,101,689)
Currency translation effect	<b>14,137</b>	101,885	<b>255,987</b>	136,989
Net Commission	<b>517,740</b>	414,027	<b>1,090,693</b>	761,533
Commission received or recoverable	<b>(19,574)</b>	(23,051)	<b>(38,021)</b>	(54,533)
Unearned reinsurance commission - opening	<b>(46,338)</b>	(30,026)	<b>(41,680)</b>	(1,444)
Unearned reinsurance commission - closing	<b>41,608</b>	44,841	<b>41,608</b>	44,841
Currency translation effect	<b>(387)</b>	(3,211)	<b>(10,471)</b>	(4,211)
Commission from reinsurance	<b>(24,691)</b>	(11,447)	<b>(48,564)</b>	(15,347)
	<b>493,049</b>	402,580	<b>1,042,129</b>	746,186

	For three month period ended		For six month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	<b>Rupees in thousand</b>			
<b>27 Management expenses</b>				
Employee benefit cost	607,048	483,788	1,171,791	988,171
Travelling expenses	20,296	13,127	38,702	24,604
Advertisement and sales promotion	18,574	12,561	38,615	26,713
Printing and stationary	15,589	7,373	27,789	15,431
Depreciation	43,315	54,907	94,168	98,570
Amortization	13,895	7,867	19,285	15,533
Rent, rates and taxes	8,508	1,900	17,290	2,222
Legal and professional charges	63,275	45,033	120,247	79,097
Electricity, gas and water	31,162	26,575	50,545	38,897
Entertainment	7,331	6,844	16,568	13,684
Vehicle running expenses	58,664	36,901	106,750	65,043
Office repairs and maintenance	23,190	25,387	50,746	51,122
Bank charges	41,933	39,043	82,401	62,397
Postages, telegrams and telephone	8,290	6,066	17,176	12,105
Supervision fee	17,719	18,882	31,863	36,436
IT related costs	46,328	28,654	75,626	56,635
Tracking and monitoring charges	26,181	29,515	50,331	59,821
Provision for doubtful balances	-	-	-	-
Regulatory fee	34,512	38,994	60,128	108,203
Miscellaneous	34,941	10,745	43,916	22,321
	<u>1,120,751</u>	<u>894,162</u>	<u>2,113,937</u>	<u>1,777,005</u>
<b>28 Investment Income</b>				
<b>Business underwritten Inside Pakistan</b>				
<b>Available-for-sale</b>				
<b>Income from equity securities</b>				
Dividend income				
- associated undertakings	410,050	280,982	816,666	556,964
- others	60,417	115,432	271,221	323,472
	<u>470,467</u>	<u>396,414</u>	<u>1,087,887</u>	<u>880,436</u>
<b>Income from debt securities - Held to maturity</b>				
Return on Pakistan Investment Bonds	-	3,367	-	5,617
Profit on Treasury Bills	56,667	7,927	90,539	15,551
	<u>56,667</u>	<u>11,294</u>	<u>90,539</u>	<u>21,168</u>
<b>Income from term deposits</b>				
Return on Term Deposits	-	-	-	2,849
<b>Net realized gains on investments</b>				
Realized gains on investments	(24,503)	(6,414)	(25,648)	424,007
	<u>502,631</u>	<u>401,294</u>	<u>1,152,778</u>	<u>1,328,460</u>
Reversal / (Provision) for impairment in value of 'available-for-sale' investments	(40,017)	(185,094)	(40,017)	(179,501)
	<u>462,614</u>	<u>216,200</u>	<u>1,112,761</u>	<u>1,148,959</u>
<b>Business underwritten Outside Pakistan</b>				
<b>Available-for-sale</b>				
<b>Income from equity securities</b>				
Dividend income	-	-	-	106
<b>Income from term deposits</b>				
Return on Term Deposits	88,371	27,431	143,127	53,202
	<u>88,371</u>	<u>27,431</u>	<u>143,127</u>	<u>53,308</u>
<b>Net investment income</b>	<u>550,985</u>	<u>243,631</u>	<u>1,255,888</u>	<u>1,202,267</u>
<b>29 Other income</b>				
Return on bank balances	85,628	47,630	171,808	79,213
Gain on sale of fixed assets	6,000	6,261	14,195	10,366
Return on loan to employees	33	41	68	86
Income against deferred grant	-	2,109	-	4,219
Exchange gain	2,984	3,633	4,524	4,202
Shared expenses received	4,060	4,420	8,600	8,960
Miscellaneous	3,154	4,576	8,064	8,728
	<u>101,859</u>	<u>68,670</u>	<u>207,259</u>	<u>115,774</u>
<b>30 Other expenses</b>				
Legal and professional charges - Other	13,429	6,467	22,381	13,108
Auditors' remuneration	5,993	4,167	11,597	8,034
Subscription fee	1,957	2,281	6,679	4,331
Donations	1,500	-	1,500	400
Directors' fee	575	140	575	140
Central Depository expense	310	460	660	820
Others	1,470	2,178	3,100	3,250
	<u>25,234</u>	<u>15,693</u>	<u>46,492</u>	<u>30,083</u>

31 **Earnings per share - basic and diluted**  
There is no dilutive effect on the basic earnings per share which is based on:  
Net profit after tax for the period

	For three month period ended		For six month period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	<b>Rupees in thousand</b>			
	<b>171,826</b>	81,536	<b>676,390</b>	1,009,894
	----- <b>Number of shares</b> -----			
Weighted average number of shares	<b>350,000,000</b>	350,000,000	<b>350,000,000</b>	350,000,000
	----- <b>(Rupees)</b> -----			
Earnings after tax per share - basic and diluted	<b>0.49</b>	0.24	<b>1.93</b>	2.89

32 **Transactions with related parties**

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

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

		June 30, 2023	June 30, 2022
		<b>Rupees in thousand</b>	
i)	<b>Transactions</b>		
	<b>Subsidiary company</b>		
	Premium underwritten	22,135	22,327
	Premium received	23,905	24,078
	Investments sold	-	700,000
	Claims paid	6,862	6,685
	Premium paid	14,986	14,950
	Security deposits received	-	1,105
	Rent paid / payable	750	1,488
	Rent / service charges / expenses received	17,403	39,311
	<b>Other related parties</b>		
	Premium underwritten	919,757	929,009
	Premium received	764,403	1,073,740
	Claims paid	398,851	332,126
	Commission Paid	26,612	19,464
	Rent paid	11,270	3,289
	Rent received	68,435	36,951
	Loan repaid	-	884,652
	Interest on loan paid	-	43,275
	Dividend received	698,043	473,420
	Dividend paid	170,627	108,347
	Income on bank deposits	113,038	26,542
	Investments made	641	145,115
	Fee / service charges paid	7,260	5,750
	Fee / service charges / expenses received / receivable	14,063	12,102
	Charge in respect of gratuity expense	18,175	21,249
	Contribution to Employees' Provident Fund	21,388	20,752
	Compensation paid to Key management personnel	964,503	806,275
		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>June 30,</b>	<b>December 31,</b>
		<b>2023</b>	<b>2022</b>
		<b>Rupees in thousand</b>	
ii)	<b>Period end balances</b>		
	<b>Subsidiary company</b>		
	Balances receivable	91,393	80,386
	Balances payable	2,779	7,668
	<b>Other related parties</b>		
	Balances receivable	310,112	134,023
	Balances payable	398,441	370,730
	Cash and bank balances including term deposits	5,204,007	3,817,401
	Payable to Staff Gratuity Fund	88,430	70,255

## Six month period ended June 30, 2023 (Un-Audited)

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
<b>Rupees in thousand</b>													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	9,122,358	20,705	1,518,926	21,061	2,031,285	3,125,025	1,692,579	1,054,267	856,548	9,620	15,221,696	4,230,678	<b>19,452,374</b>
Federal excise duty / VAT	(1,126,028)	(1,318)	(172,364)	(1,099)	(242,825)	(148,811)	(12,905)	(50,203)	(82,390)	(458)	(1,636,512)	(201,889)	<b>(1,838,401)</b>
Federal insurance fee	(77,632)	(44)	(13,455)	(13)	(17,850)	-	(16,630)	-	(7,408)	-	(132,975)	(57)	<b>(133,032)</b>
	<u>7,918,698</u>	<u>19,343</u>	<u>1,333,107</u>	<u>19,949</u>	<u>1,770,610</u>	<u>2,976,214</u>	<u>1,663,044</u>	<u>1,004,064</u>	<u>766,750</u>	<u>9,162</u>	<u>13,452,209</u>	<u>4,028,732</u>	<b>17,480,941</b>
Gross written premium (inclusive of administrative surcharge)	7,918,698	19,343	1,333,107	19,949	1,770,610	2,976,214	1,663,044	1,004,064	766,750	9,162	13,452,209	4,028,732	<b>17,480,941</b>
Gross direct premium	7,911,218	19,285	1,318,372	19,940	1,710,828	2,973,057	1,661,889	1,004,064	730,745	9,146	13,333,052	4,025,492	<b>17,358,544</b>
Facultative inward premium	290	-	-	-	-	-	-	-	29,114	-	29,404	-	<b>29,404</b>
Administrative surcharge	7,190	58	14,735	9	59,782	3,157	1,155	-	6,891	16	89,753	3,240	<b>92,993</b>
	<u>7,918,698</u>	<u>19,343</u>	<u>1,333,107</u>	<u>19,949</u>	<u>1,770,610</u>	<u>2,976,214</u>	<u>1,663,044</u>	<u>1,004,064</u>	<u>766,750</u>	<u>9,162</u>	<u>13,452,209</u>	<u>4,028,732</u>	<b>17,480,941</b>
Insurance premium earned	7,505,041	15,963	1,063,221	15,551	1,803,971	4,463,784	1,575,838	1,365,546	682,540	6,097	12,630,611	5,866,941	<b>18,497,552</b>
Insurance premium ceded to reinsurers	(6,962,621)	(12,508)	(592,211)	-	(34,936)	(258,726)	-	(747,055)	(287,511)	(5,060)	(7,877,279)	(1,023,349)	<b>(8,900,628)</b>
Net insurance premium	542,420	3,455	471,010	15,551	1,769,035	4,205,058	1,575,838	618,491	395,029	1,037	4,753,332	4,843,592	<b>9,596,924</b>
Commission income	363,425	2,623	1,336	-	2,774	44,805	-	-	40,589	1,136	408,124	48,564	<b>456,688</b>
<b>Net underwriting income</b>	<b>905,845</b>	<b>6,078</b>	<b>472,346</b>	<b>15,551</b>	<b>1,771,809</b>	<b>4,249,863</b>	<b>1,575,838</b>	<b>618,491</b>	<b>435,618</b>	<b>2,173</b>	<b>5,161,456</b>	<b>4,892,156</b>	<b>10,053,612</b>
Insurance claims	(3,927,982)	(205)	(347,272)	4,875	(825,034)	(6,123,364)	(1,394,871)	(1,100,142)	(221,366)	114	(6,716,525)	(7,218,722)	<b>(13,935,247)</b>
Insurance claim recoveries from reinsurers	3,600,095	(741)	196,044	(236)	(19,655)	2,426,389	-	780,218	118,955	452	3,895,439	3,206,082	<b>7,101,521</b>
Net claims	(327,887)	(946)	(151,228)	4,639	(844,689)	(3,696,975)	(1,394,871)	(319,924)	(102,411)	566	(2,821,086)	(4,012,640)	<b>(6,833,726)</b>
Commission expense	(330,756)	(2,075)	(82,208)	(1,854)	(164,146)	(928,504)	(50,311)	(158,166)	(67,309)	(94)	(694,730)	(1,090,693)	<b>(1,785,423)</b>
Management expenses	(244,175)	(1,170)	(234,682)	(18,514)	(640,246)	(631,558)	(84,954)	(116,814)	(141,114)	(710)	(1,345,171)	(768,766)	<b>(2,113,937)</b>
Net insurance claims and expenses	(902,818)	(4,191)	(468,118)	(15,729)	(1,649,081)	(5,257,037)	(1,530,136)	(594,904)	(310,834)	(238)	(4,860,987)	(5,872,099)	<b>(10,733,086)</b>
<b>Underwriting results</b>	<b>3,027</b>	<b>1,887</b>	<b>4,228</b>	<b>(178)</b>	<b>122,728</b>	<b>(1,007,174)</b>	<b>45,702</b>	<b>23,587</b>	<b>124,784</b>	<b>1,935</b>	<b>300,469</b>	<b>(979,943)</b>	<b>(679,474)</b>
Net investment income											1,112,761	143,127	<b>1,255,888</b>
Rental income											86,723	1,675	<b>88,398</b>
Other income											141,621	65,638	<b>207,259</b>
Change in fair value of investment property											151,259	142,025	<b>293,284</b>
Other expenses											(34,142)	(12,350)	<b>(46,492)</b>
Finance costs											(1,229)	-	<b>(1,229)</b>
Workers' Welfare Fund charge											(26,779)	-	<b>(26,779)</b>
Profit from Window Takaful Operations - Operator's Fund											221,310	-	<b>221,310</b>
<b>Profit before taxation</b>											<b>1,951,993</b>	<b>(639,828)</b>	<b>1,312,165</b>

## As at June 30, 2023 (Un-Audited)

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
<b>Rupees in thousand</b>													
Segment assets	22,014,968	44,832	1,299,442	12,051	1,350,510	7,518,620	1,006,104	1,632,898	2,278,711	29,855	27,949,735	9,238,256	<b>37,187,991</b>
Unallocated assets											34,057,127	11,465,314	<b>45,522,441</b>
											<b>62,006,862</b>	<b>20,703,570</b>	<b>82,710,432</b>
Segment liabilities	22,699,429	48,219	1,629,532	41,201	3,131,735	13,996,044	2,677,192	1,947,952	2,770,502	32,344	32,908,390	16,065,760	<b>48,974,150</b>
Unallocated liabilities											4,890,260	1,989,583	<b>6,879,843</b>
											<b>37,798,650</b>	<b>18,055,343</b>	<b>55,853,993</b>



## 33.1 Segment information

Six month period ended June 30, 2022 (Un-Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	5,168,441	14,496	1,426,142	10,610	2,082,802	4,481,637	1,411,976	1,112,064	874,931	5,724	10,964,292	5,624,531	16,588,823
Federal excise duty / VAT	(644,569)	(867)	(156,533)	(531)	(249,739)	(213,411)	(7,814)	(52,955)	(88,579)	(273)	(1,147,234)	(268,037)	(1,415,271)
Federal insurance fee	(43,538)	(23)	(12,619)	(4)	(18,340)	-	(13,903)	-	(7,586)	-	(95,986)	(27)	(96,013)
	4,480,334	13,606	1,256,990	10,075	1,814,723	4,268,226	1,390,259	1,059,109	778,766	5,451	9,721,072	5,356,467	15,077,539
Gross written premium (inclusive of administrative surcharge)	4,480,334	13,606	1,256,990	10,075	1,814,723	4,268,226	1,390,259	1,059,109	778,766	5,451	9,721,072	5,356,467	15,077,539
Gross direct premium	4,440,730	13,563	1,238,258	10,075	1,747,812	4,252,742	1,389,134	1,059,109	744,577	5,443	9,560,511	5,340,932	14,901,443
Facultative inward premium	31,954	-	1,117	-	82	-	-	-	27,172	-	60,325	-	60,325
Administrative surcharge	7,650	43	17,615	-	66,829	15,484	1,125	-	7,017	8	100,236	15,535	115,771
	4,480,334	13,606	1,256,990	10,075	1,814,723	4,268,226	1,390,259	1,059,109	778,766	5,451	9,721,072	5,356,467	15,077,539
Insurance premium earned	5,087,964	11,530	1,035,606	17,458	1,673,845	3,283,228	1,214,220	680,430	624,417	4,377	9,636,052	3,997,023	13,633,075
Insurance premium ceded to reinsurers	(4,566,274)	(8,788)	(436,747)	(332)	(24,306)	(125,362)	-	(384,260)	(284,798)	(2,576)	(5,312,125)	(521,318)	(5,833,443)
Net insurance premium	521,690	2,742	598,859	17,126	1,649,539	3,157,866	1,214,220	296,170	339,619	1,801	4,323,927	3,475,705	7,799,632
Commission income	337,168	1,530	2,714	-	1,490	12,004	-	-	56,868	1,813	398,240	15,347	413,587
<b>Net underwriting income</b>	858,858	4,272	601,573	17,126	1,651,029	3,169,870	1,214,220	296,170	396,487	3,614	4,722,167	3,491,052	8,213,219
Insurance claims	(1,967,117)	(350)	(139,905)	(2,634)	(889,304)	(3,671,098)	(1,056,320)	(553,134)	(93,470)	302	(4,146,116)	(4,226,914)	(8,373,030)
Insurance claim recoveries from reinsurers	1,721,128	635	(62,154)	156	74,311	1,607,874	-	395,753	37,563	(617)	1,770,848	2,003,801	3,774,649
Net claims	(245,989)	285	(202,059)	(2,478)	(814,993)	(2,063,224)	(1,056,320)	(157,381)	(55,907)	(315)	(2,375,268)	(2,223,113)	(4,598,381)
Commission expense	(322,939)	(1,648)	(85,605)	(3,284)	(130,784)	(681,126)	(31,338)	(75,348)	(66,194)	(127)	(636,860)	(761,533)	(1,398,393)
Management expenses	(218,684)	(1,458)	(223,323)	(7,175)	(528,998)	(539,398)	(73,396)	(71,308)	(112,025)	(1,240)	(1,156,426)	(620,579)	(1,777,005)
Net insurance claims and expenses	(787,612)	(2,821)	(510,987)	(12,937)	(1,474,775)	(3,283,748)	(1,161,054)	(304,037)	(234,126)	(1,682)	(4,168,554)	(3,605,225)	(7,773,779)
<b>Underwriting results</b>	71,246	1,451	90,586	4,189	176,254	(113,878)	53,166	(7,867)	162,361	1,932	553,613	(114,173)	439,440
Net investment income											1,148,959	53,308	1,202,267
Rental income											77,531	1,013	78,544
Other income											79,299	36,475	115,774
Other expenses											(22,122)	(7,961)	(30,083)
Finance costs											(30,922)	(1,003)	(31,925)
Profit from Window Takaful Operations - Operator's Fund											158,513	-	158,513
<b>Profit before taxation</b>											1,964,871	(32,341)	1,932,530

As at December 31, 2022 (Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment assets	18,159,470	30,234	898,705	4,550	1,545,592	6,549,649	992,218	1,487,171	2,099,230	18,751	23,695,215	8,090,355	31,785,570
Unallocated assets											31,012,953	10,967,376	41,980,329
											54,708,168	19,057,731	73,765,899
Segment liabilities	18,934,925	35,283	1,305,146	32,906	3,287,709	13,023,403	2,508,776	1,974,799	2,564,035	21,441	28,600,591	15,087,832	43,688,423
Unallocated liabilities											3,676,928	1,481,609	5,158,537
											32,277,519	16,569,441	48,846,960

### 34 Fair value measurement of financial instruments

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

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

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

		June 30, 2023 (Un-Audited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note	Rupees in thousand										
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	Equity securities- quoted	12	12,987,952	-	-	-	12,987,952	12,987,952	-	-	12,987,952
	Equity securities- unquoted	12	7,470,875	-	-	-	7,470,875	-	-	7,470,875	7,470,875
	Investments of Window Takaful Operations - Operator's Fund	19	269,731	-	-	-	269,731	269,731	-	-	269,731
<b>Financial assets - not measured at fair value</b>											
	Debt securities	13	-	1,356,057	-	-	1,356,057	-	1,356,057	-	1,356,057
	Debt securities of Window Takaful Operations - Operator's Fund	19	-	525,000	-	-	525,000	-	525,000	-	525,000
	Loans and other receivables *	15	-	-	573,205	-	573,205	-	-	-	-
	Investment - Term Deposits*	14	-	7,041,675	-	-	7,041,675	-	-	-	-
	Investment in subsidiary	11	-	-	2,396,166	-	2,396,166	3,102,726	-	-	3,102,726
	Insurance / reinsurance receivables - unsecured and considered good*	16	-	-	9,804,275	-	9,804,275	-	-	-	-
	Reinsurance recoveries against outstanding claims*		-	-	18,465,305	-	18,465,305	-	-	-	-
	Cash and bank*	18	-	-	-	4,603,743	4,603,743	-	-	-	-
	Other Assets of Window Takaful Operations - Operator's Fund*	19	-	-	376,646	77,383	454,029	-	-	-	-
			20,728,558	8,922,732	31,615,597	4,681,126	65,948,013	16,360,409	1,881,057	7,470,875	25,712,341
<b>Financial liabilities - not measured at fair value</b>											
	Outstanding claims (including IBNR)*		-	-	-	25,086,544	25,086,544	-	-	-	-
	Insurance / reinsurance payables *		-	-	-	7,734,062	7,734,062	-	-	-	-
	Other creditors and accruals*		-	-	-	2,869,788	2,869,788	-	-	-	-
	Deposits and other liabilities*		-	-	-	497,735	497,735	-	-	-	-
	Total liabilities of Window Takaful Operations- Operator's Fund*	19	-	-	-	524,132	524,132	-	-	-	-
			-	-	-	36,712,261	36,712,261	-	-	-	-

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

34.1 Fair value measurement of financial instruments

		December 31, 2022 (Audited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand									
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	12	12,549,590	-	-	-	-	12,549,590	12,549,590	-	-	12,549,590
	12	5,102,075	-	-	-	-	5,102,075	-	-	5,102,075	5,102,075
	19	251,052	-	-	-	-	251,052	251,052	-	-	251,052
<b>Financial assets - not measured at fair value</b>											
	13	-	382,288	-	-	-	382,288	-	382,288	-	382,288
	19	-	125,000	-	-	-	125,000	-	125,000	-	125,000
	15	-	-	463,423	-	-	463,423	-	-	-	-
	14	-	6,644,432	-	-	-	6,644,432	-	-	-	-
	11	-	-	2,396,166	-	-	2,396,166	4,385,216	-	-	4,385,216
	16	-	-	8,526,017	-	-	8,526,017	-	-	-	-
		-	-	14,873,098	-	-	14,873,098	-	-	-	-
	18	-	-	-	5,192,695	-	5,192,695	-	-	-	-
	19	-	-	456,830	164,215	-	621,045	-	-	-	-
		17,902,717	7,151,720	26,715,534	5,356,910	-	57,126,881	17,185,858	507,288	5,102,075	22,795,221
<b>Financial liabilities - not measured at fair value</b>											
		-	-	-	-	20,726,702	20,726,702	-	-	-	-
		-	-	-	-	6,959,398	6,959,398	-	-	-	-
		-	-	-	-	2,415,151	2,415,151	-	-	-	-
		-	-	-	-	541,199	541,199	-	-	-	-
	19	-	-	-	-	384,973	384,973	-	-	-	-
		-	-	-	-	31,027,423	31,027,423	-	-	-	-

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

**35 Date of authorization for issue**

These unconsolidated condensed interim financial statements were approved for issue on August 29, 2023 by the Board of Directors of the Company.

**36 Non-adjusting events after statement of financial position date**

The Board of Directors of the Company in their meeting held on August 29, 2023 proposed an interim cash dividend for the six month period ended June 30, 2023 @ 15% i.e. Rupees 1.50/- per share (June 30, 2022 @ 15% i.e. Rupees 1.50/- per share). These unconsolidated condensed interim financial statements for the six month period ended June 30, 2023 do not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending December 31, 2023.

**37 General**

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

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



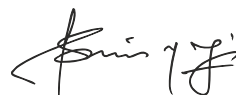
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2023

## Financial report

### Balance sheet

Assets	
Current assets	1,734,828
Non-current assets	186,830
Total assets	1,921,658
Equity	74,293
Liabilities	1,847,365

### Income statement

Revenues	12,975,519
Expenses	6,372,535
Net income	6,602,984

# Directors' Review

## to the Members on Consolidated Condensed Interim Financial Statements (Unaudited) For the Six Months Ended 30 June 2023

On behalf of the Board, We are pleased to present the consolidated condensed interim financial statements of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited, for six months period ended 30 June 2023.

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

	(Unaudited)	
	30 June 2023	30 June 2022
	———— Rupees in thousand ————	
Profit before tax	1,782,170	1,791,630
Taxation	(850,893)	(1,028,069)
Profit after tax	931,277	763,561
Less: Profit attributable to non-controlling interest	(42,184)	(11,977)
Profit attributable to ordinary shares	889,093	751,584
Transaction between owners	-	348,358
Unappropriated profit brought forward	18,214,850	16,638,433
Profit available for appropriation	19,103,943	17,738,375
Final cash dividend at Rs. 1.5 per share - 31 December 2022 [31 December 2021 (Rupee 1.5 per share)]	(525,000)	(525,000)
Other comprehensive (loss) / income - Remeasurement of defined benefit obligation	-	(1,739)
Profit after appropriation	18,578,943	17,211,636

	(Unaudited)	
	30 June 2023	30 June 2022
	———— Rupees ————	
Earnings per share - Basic and diluted	2.54	2.15

For and on behalf of the Board



Shaikh Muhammad Jawed  
Director



Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 29 August 2023

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Statement of Financial Position  
As at 30 June 2023

	Note	(Un-Audited)	(Audited)
		30 June	31 December
		2023	2022
<b>Rupees in thousand</b>			
<b>ASSETS</b>			
Property and equipment	7	5,420,314	5,460,290
Intangible assets	8	142,169	131,802
Investment properties	9	2,106,265	1,757,365
Investments			
Equity securities	10	32,669,627	33,961,136
Debt securities	11	52,700,147	42,567,371
Term deposits	12	10,717,675	8,920,432
Loan secured against life insurance policies		38,557	42,163
Advance against issue of shares		-	900,000
Loans and other receivables	13	1,931,753	1,540,534
Insurance / reinsurance receivables	14	9,926,116	8,586,697
Reinsurance recoveries against outstanding claims		18,465,305	14,873,098
Salvage recoveries accrued		303,614	360,380
Deferred commission expense / acquisition cost		1,292,025	1,489,080
Taxation - payment less provisions		898,733	815,211
Prepayments	15	7,647,361	6,718,394
Cash and bank	16	8,482,023	10,509,692
		152,741,684	138,633,645
Total assets of Window Takaful Operations			
- Operator's Fund (Parent Company)	17	1,303,351	1,049,420
<b>TOTAL ASSETS</b>		<b>154,045,035</b>	<b>139,683,065</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	5,277,657	3,522,068
Unappropriated Profit		18,578,943	18,214,850
<b>Equity attributable to equity holders of the parent</b>		<b>27,356,600</b>	<b>25,236,918</b>
Non-controlling interest		417,088	374,828
<b>Total Equity</b>		<b>27,773,688</b>	<b>25,611,746</b>
<b>Surplus on revaluation of fixed assets</b>		<b>31,202</b>	<b>-</b>
<b>Liabilities</b>			
Insurance liabilities		68,652,162	63,334,304
<b>Underwriting provisions:</b>			
Outstanding claims including IBNR		25,086,544	20,726,702
Unearned premium reserve		15,352,328	14,996,454
Unearned reinsurance commission		304,394	365,610
Retirement benefits obligations		246,872	206,273
Deferred taxation		2,431,494	1,182,532
Premium received in advance		812,824	1,007,365
Insurance / reinsurance payables		7,793,238	7,134,481
Other creditors and accruals	19	4,458,697	4,105,611
Deposits and other liabilities		577,460	627,014
		57,063,851	50,352,042
Total assets of Window Takaful Operations			
- Operator's Fund (Parent Company)	17	524,132	384,973
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>154,045,035</b>	<b>139,683,065</b>
<b>Contingencies and commitments</b>	20		

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer

# Adamjee Insurance Company Limited

## Consolidated Condensed Interim Profit and Loss Account (Un-audited)

For six months period ended 30 June 2023

	Note	For three months period ended		For six months period ended	
		30 June	30 June	30 June	30 June
		2023	2022	2023	2022
<b>Rupees in thousand</b>					
Net insurance premium	21	9,921,111	7,895,077	20,520,612	17,393,613
Net insurance claims	22	(7,674,894)	(5,394,668)	(15,398,449)	(10,431,771)
Net commission and other acquisition costs	23	(1,278,257)	(1,149,224)	(2,614,215)	(2,449,946)
Insurance claims and acquisition expenses		(8,953,151)	(6,543,892)	(18,012,664)	(12,881,717)
Management expenses		(1,488,269)	(1,154,344)	(2,797,582)	(2,277,399)
Net change in insurance liabilities (other than outstanding claims)		(2,591,449)	406,780	(5,141,094)	(2,378,769)
<b>Underwriting results</b>		<b>(3,111,758)</b>	<b>603,621</b>	<b>(5,430,728)</b>	<b>(144,272)</b>
Investment income	24	3,502,279	1,584,769	6,485,143	3,334,341
Net fair value (loss)/gain on financial assets at fair value through profit and loss - unrealised		69,014	(1,779,513)	(344,436)	(2,047,919)
Fair value adjustment to investment property		(17,964)	-	212,374	-
Rental income		28,377	28,196	56,831	52,399
Other income		349,168	304,017	664,501	505,874
Other expenses		(29,939)	(17,080)	(53,292)	(33,384)
Workers' Welfare Fund charge		(18,920)	-	(26,779)	-
<b>Results of operating activities</b>		<b>770,257</b>	<b>724,010</b>	<b>1,563,614</b>	<b>1,667,039</b>
Finance cost		(1,437)	(8,516)	(2,754)	(33,922)
Profit from Window Takaful Operations - Operator's Fund (Parent Company)	17	122,551	84,990	221,310	158,513
<b>Profit before tax</b>		<b>891,371</b>	<b>800,484</b>	<b>1,782,170</b>	<b>1,791,630</b>
Income tax expense		(456,887)	(619,659)	(850,893)	(1,028,069)
<b>Profit after tax for the period</b>		<b>434,484</b>	<b>180,825</b>	<b>931,277</b>	<b>763,561</b>
<b>Profit attributable to:</b>					
Equity holders of the parent		405,350	171,025	889,093	751,584
Non-controlling interest		29,134	9,800	42,184	11,977
		<b>434,484</b>	<b>180,825</b>	<b>931,277</b>	<b>763,561</b>
		----- (Rupees) -----		----- (Rupees) -----	
Earnings after tax per share - basic and diluted	25	1.16	0.49	2.54	2.15

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer



Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)  
 For six months period ended 30 June 2023

	For three months period ended		For six months period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	<b>Rupees in thousand</b>			
<b>Profit after tax</b>	<b>434,484</b>	180,825	<b>931,277</b>	763,561
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to profit and loss:</b>				
Re-measurement of retirement benefit obligations	-	(1,932)	-	(1,932)
Surplus on revaluation of fixed assets - net of tax	(2,810)	-	31,202	-
<b>Items that may be reclassified subsequently to profit and loss:</b>				
Unrealized gain / (loss) on 'available-for-sale' investments - net of tax	97,851	(1,436,296)	1,116,597	(1,579,652)
Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	111	336,781	(656)	353,769
Unrealized loss on 'available for sale' investment from Window Takaful Operations - net of tax	-	(969)	-	(968)
Net effect of translation of foreign branches	56,238	296,131	639,724	394,824
<b>Total comprehensive income for the period</b>	<b>585,874</b>	<b>(625,460)</b>	<b>2,718,144</b>	<b>(70,398)</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	556,697	(634,785)	2,675,884	(81,873)
Non-controlling interest	29,177	9,325	42,260	11,475
	<b>585,874</b>	<b>(625,460)</b>	<b>2,718,144</b>	<b>(70,398)</b>

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



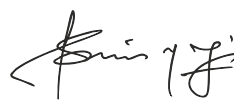
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Cash Flow Statement (Un-audited)  
For six months period ended 30 June 2023

	<b>For six months period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>
	<b>Rupees in thousand</b>	
<b><u>Cash flows from operating activities</u></b>		
<b>Underwriting activities</b>		
Insurance premium received	28,135,973	24,534,901
Reinsurance premium paid	(8,876,545)	(5,355,123)
Claims paid	(20,481,995)	(13,002,941)
Reinsurance and other recoveries received	4,276,995	2,488,240
Commissions paid	(2,555,795)	(2,711,200)
Commissions received	385,001	441,934
Other underwriting payments	(2,052,857)	(3,289,911)
<b>Net cash flow from underwriting activities</b>	<b>(1,169,223)</b>	<b>3,105,900</b>
<b>Other operating activities</b>		
Income tax paid	(443,687)	(440,833)
Other operating payments	(138,512)	(102,434)
Loans advanced	(36,008)	(36,298)
Loans installments received	40,307	28,361
Other operating receipts	21,256	21,976
<b>Net cash outflow for other operating activities</b>	<b>(556,644)</b>	<b>(529,228)</b>
<b>Total cash flow from all operating activities</b>	<b>(1,725,867)</b>	<b>2,576,672</b>
<b><u>Cash flows from investing activities</u></b>		
Profit / return received on bank deposits	4,950,130	2,286,237
Income from treasury bills and Pakistan Investment Bonds	30,487	298,504
Dividends received	1,649,346	880,542
Rentals received	95,066	79,270
Payment for investments/ investment properties	(152,605,895)	(401,429,621)
Loan from policy holder	6,007	2,088
Proceeds from disposal investments/ investment properties	147,623,296	407,323,252
Fixed capital expenditure	(148,048)	(125,190)
Proceeds from disposal of fixed assets	25,746	14,734
<b>Total cash flow from investing activities</b>	<b>1,626,135</b>	<b>9,329,816</b>
<b><u>Cash flows from financing activities</u></b>		
Payments against lease liabilities	(10,402)	(22,880)
Dividends paid	(517,535)	(513,589)
Loan principal and interest expense against loan paid	-	(972,739)
<b>Total cash outflow for financing activities</b>	<b>(527,937)</b>	<b>(1,509,208)</b>
<b>Net cash flow from all activities</b>	<b>(627,669)</b>	<b>10,397,280</b>
Cash and cash equivalents at beginning of the period	11,784,692	19,480,126
<b>Cash and cash equivalents at end of period</b>	<b>11,157,023</b>	<b>29,877,406</b>

For six months period ended	
30 June 2023	30 June 2022
Rupees in thousand	

**Reconciliation to profit and loss account**

Operating cash flows	(1,725,867)	2,576,672
Depreciation and amortization expense	(160,747)	(153,917)
Provision for retirement benefit obligations	(26,890)	(27,076)
Finance cost	(2,754)	(37,762)
Other income - bank and term deposits	314,935	135,264
Gain on disposal of fixed assets	14,195	10,366
Provision / Write offs for doubtful balances	(5,007)	-
Rental income	57,536	52,803
Fair value adjustment to investment property	212,374	-
Increase in assets other than cash	5,721,363	907,335
Increase in liabilities	(10,114,718)	(4,641,846)
Gain on disposal of investments	213,840	212,906
Increase in unearned premium	(355,874)	(2,162,967)
(Decrease) / increase in loans	(4,299)	7,937
Income taxes paid	330,456	268,880
Provision for impairment in value of 'available-for-sale' investments	(40,017)	(179,501)
Dividend and other investment income	6,281,441	3,635,954
Profit from Window Takaful Operations	221,310	158,513
<b>Profit after tax</b>	<b>931,277</b>	<b>763,561</b>

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

Cash and cash equivalents	30,864	14,635
Current and saving accounts	8,451,159	13,967,771
Term deposits	2,675,000	15,895,000
<b>Total cash and cash equivalents</b>	<b>11,157,023</b>	<b>29,877,406</b>

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



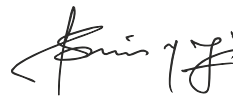
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)  
 For six months period ended 30 June 2023

	Share capital	Capital reserves				Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	Surplus on revaluation of fixed assets	General reserve				Retained earnings
	Rupees in thousand										
<b>Balance as at 31 December 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,619,130	-	936,500	16,638,433	25,620,569	-	<b>25,620,569</b>
<b>Transaction between owners</b>	-	-	-	-	474	-	-	348,358	348,832	329,495	<b>678,327</b>
	-	-	-	-	474	-	-	348,358	<b>348,832</b>	329,495	<b>678,327</b>
Profit for the period 01 January 2022 to 30 June 2022	-	-	-	-	-	-	-	751,584	751,584	11,977	<b>763,561</b>
Other comprehensive income for the period 01 January 2022 to 30 June 2022	-	-	-	394,824	(1,226,542)	-	-	(1,739)	(833,457)	(502)	<b>(833,959)</b>
<b>Total comprehensive income for the period</b>	-	-	-	394,824	(1,226,542)	-	-	749,845	(81,873)	11,475	<b>(70,398)</b>
<b>Transactions with owners of the Company</b>											
Final cash dividend at Rs. 1.5 per share - 31 December 2021	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
<b>Balance as at 30 June 2022 - (Unaudited)</b>	3,500,000	22,859	3,764	1,294,707	2,393,062	-	936,500	17,211,636	25,362,528	340,970	<b>25,703,498</b>
Profit for the period 01 July 2022 to 31 December 2022	-	-	-	-	-	-	-	1,570,996	1,570,996	33,213	<b>1,604,209</b>
Other comprehensive income for the period 01 July 2022 to 31 December 2022	-	-	-	237,737	(1,366,561)	-	-	(42,782)	(1,171,606)	645	<b>(1,170,961)</b>
<b>Total comprehensive income for the period</b>	-	-	-	237,737	(1,366,561)	-	-	1,528,214	399,390	33,858	<b>433,248</b>
<b>Transactions with owners of the Company</b>											
Interim cash dividend at Rs. 1.5 per share - 30 June 2022	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
<b>Balance as at 31 December 2022 - (Audited)</b>	3,500,000	22,859	3,764	1,532,444	1,026,501	-	936,500	18,214,850	25,236,918	374,828	<b>25,611,746</b>
Profit for the period 01 January 2023 to 30 June 2023	-	-	-	-	-	-	-	889,093	889,093	42,184	<b>931,277</b>
Other comprehensive income for the period 01 January 2023 to 30 June 2023	-	-	-	639,724	1,115,865	31,202	-	-	1,786,791	76	<b>1,786,867</b>
<b>Total comprehensive income for the period</b>	-	-	-	639,724	1,115,865	31,202	-	889,093	2,675,884	42,260	<b>2,718,144</b>
	3,500,000	22,859	3,764	2,172,168	2,142,366	31,202	936,500	19,103,943	27,912,802	417,088	<b>28,329,890</b>
<b>Transactions with owners of the Company</b>											
Final cash dividend at Rs. 1.5 per share - 31 December 2022	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
<b>Balance as at 30 June 2023 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>2,172,168</b>	<b>2,142,366</b>	<b>31,202</b>	<b>936,500</b>	<b>18,578,943</b>	<b>27,387,802</b>	<b>417,088</b>	<b>27,804,890</b>

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




Chairman



Director



Director



Chief Financial Officer



Managing Director &  
 Chief Executive Officer

# Adamjee Insurance Company Limited

## Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For six months period ended 30 June 2023

### 1 The group and its operations:

#### 1.1 The group comprises of:

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

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

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

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

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

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

Adamjee Life Assurance Company Limited ("the Subsidiary Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Subsidiary Company was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Subsidiary Company started its operations from April 24, 2009. Registered office of the Subsidiary Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

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

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

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

### 2 Basis of preparation and statement of compliance

These consolidated condensed interim financial statements of the Group for the six months period ended 30 June 2023 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

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

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

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

These consolidated 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 annual financial statements of the Group for the year ended 31 December 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial statements of the Group for the six months period ended 30 June 2022.

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

### 3 Basis of measurement

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

### 4 Accounting policies

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

#### 4.1 Standards, amendments or interpretations

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

#### IFRS

IFRS 9 " Financial Instruments" has become applicable , however as insurance company , the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

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

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

(b) all other financial assets

	June 30, 2023				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----					
Cash and Bank*	3,567,259	-	4,914,764	-	-
Investments in equity securities - available-for-sale	20,472,314	1,980,714	-	-	-
Investment in debt securities	-	-	52,700,147	-	-
Term deposits*	-	-	10,717,675	-	-
Loan secured against life insurance policies*	-	-	38,557	-	-
Loans and other receivables*	1,568,864	-	2,598	-	-
<b>Total</b>	<b>25,608,437</b>	<b>1,980,714</b>	<b>68,373,741</b>	<b>-</b>	<b>-</b>

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

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

## **6 Insurance and Financial risk management**

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

		(Unaudited) 30 June 2023	(Audited) 31 December 2022
	Note	Rupees in thousand	
<b>7 Property and equipment</b>			
Operating assets	7.1	5,287,727	5,309,131
Capital work in progress		59,409	29,760
Right of use asset		73,178	121,399
		<u>5,420,314</u>	<u>5,460,290</u>
<b>7.1 Operating assets</b>			
Opening balance - net book value		5,309,131	5,190,298
Additions during the period / year	7.2	92,353	255,232
Transfer to investment property		(102,929)	-
Less:			
Book value of disposals during the period / year	7.3	(16,776)	(20,533)
Depreciation charged during the period / year		(116,641)	(232,923)
Exchange differences and other adjustments		122,589	117,057
		(10,828)	(136,399)
		<u>5,287,727</u>	<u>5,309,131</u>
<b>7.2 Additions during the period / year - cost</b>			
Land and buildings		41,113	26,463
Furniture and fixtures		5,881	13,643
Motor vehicles		25,333	119,731
Machinery and equipment		2,093	11,733
Computer and related accessories		15,124	63,988
Leasehold Improvements		2,809	19,674
		<u>92,353</u>	<u>255,232</u>
<b>7.3 Written down values of property and equipment disposed off during the period / year</b>			
Land and buildings		-	-
Furniture and fixtures		3,358	169
Motor vehicles		9,685	15,121
Machinery and equipment		447	1,352
Computer and related accessories		125	397
Leasehold Improvements		3,161	3,494
		<u>16,776</u>	<u>20,533</u>
<b>8 Intangible assets</b>			
Opening balance - net book value		131,802	123,465
Additions during the period		25,448	33,035
Book value of disposals during the period		-	-
Amortization charged during the period		(26,214)	(46,432)
Exchange differences and other adjustments		11,133	21,734
		(15,081)	(24,698)
		<u>142,169</u>	<u>131,802</u>
<b>9 Investment Properties</b>			
Opening balance - net book value		1,757,365	1,259,667
Transfer from Property and equipment		102,929	-
Unrealized fair value gain / (loss)		212,374	497,698
Exchange differences and other adjustments		33,597	-
		<u>2,106,265</u>	<u>1,757,365</u>



**10 Investment in equity securities**

	30 June 2023 (Unaudited)				31 December 2022 (Audited)			
	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
<b>Rupees in thousands</b>								
<b>Available-for-sale</b>								
<b>Related parties</b>								
Listed shares	10,360,116	(31)	(2,027,466)	8,332,619	10,029,959	(25,215)	(2,338,500)	7,666,244
Unlisted shares	1,956,956	-	3,191,841	5,148,797	1,056,956	-	1,723,041	2,779,997
	12,317,072	(31)	1,164,375	13,481,416	11,086,915	(25,215)	(615,459)	10,446,241
<b>Others</b>								
Listed shares	5,669,119	(1,984,949)	950,544	4,634,714	6,032,460	(1,919,748)	749,646	4,862,358
Unlisted shared	925,360	-	1,396,718	2,322,078	925,360	-	1,396,718	2,322,078
NIT Units	161	-	501	662	161	-	564	725
Mutual Funds	49,725	(16,366)	85	33,444	48,979	(16,366)	40	32,653
	6,644,365	(2,001,315)	2,347,848	6,990,898	7,006,960	(1,936,114)	2,146,968	7,217,814
<b>Total - available for sale</b>	<b>18,961,437</b>	<b>(2,001,346)</b>	<b>3,512,223</b>	<b>20,472,314</b>	<b>18,093,875</b>	<b>(1,961,329)</b>	<b>1,531,509</b>	<b>17,664,055</b>
<b>Fair value through profit and loss</b>								
<b>Related parties</b>								
Listed shares	1,597,742	-	525	1,598,267	1,297,356	-	(354,418)	942,938
Mutual Funds	4,125,600	-	127,288	4,252,888	6,099,261	-	(695,661)	5,403,600
	5,723,342	-	127,813	5,851,155	7,396,617	-	(1,050,079)	6,346,538
<b>Others</b>								
Listed shares	5,452,649	-	(163,142)	5,289,507	8,001,073	-	(664,232)	7,336,841
Mutual Funds	1,069,222	-	(12,571)	1,056,651	1,612,973	-	1,000,729	2,613,702
	6,521,871	-	(175,713)	6,346,158	9,614,046	-	336,497	9,950,543
<b>Total - fair value through profit and loss</b>	<b>12,245,213</b>	<b>-</b>	<b>(47,900)</b>	<b>12,197,313</b>	<b>17,010,663</b>	<b>-</b>	<b>(713,582)</b>	<b>16,297,081</b>
<b>Grand Total</b>	<b>31,206,650</b>	<b>(2,001,346)</b>	<b>3,464,323</b>	<b>32,669,627</b>	<b>35,104,538</b>	<b>(1,961,329)</b>	<b>817,927</b>	<b>33,961,136</b>

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

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
<b>Note</b>	<b>Rupees in thousand</b>	
<b>11 Investments in debt securities</b>		
<b>Held to maturity</b>		
Treasury Bills	<b>1,356,057</b>	382,288
	<b>1,356,057</b>	382,288
<b>Fair value through profit and loss</b>		
Term Finance Certificate	<b>2,017,171</b>	2,416,091
Advance against purchase of term finance certificate	<b>100,000</b>	472,000
Corporate sukuku	<b>1,670,266</b>	1,366,754
Ijarah sukuku	<b>2,359,904</b>	1,707,959
Treasury Bills	<b>36,115,076</b>	25,456,108
Pakistan Investment Bonds	<b>9,081,673</b>	10,766,171
	<b>51,344,090</b>	42,185,083
	<b>52,700,147</b>	42,567,371
<b>12 Investments in Term Deposits</b>		
<b>Held to maturity</b>		
<b>Deposits maturing within 12 months</b>		
<b>Inside Pakistan</b>		
- related parties	<b>1,001,000</b>	1,001,000
- others	<b>2,675,000</b>	1,275,000
	<b>3,676,000</b>	2,276,000
<b>Outside Pakistan</b>		
- related parties	<b>2,335,854</b>	1,849,572
- others	<b>4,621,822</b>	4,710,861
	<b>6,957,676</b>	6,560,433
<b>Deposits maturing after 12 months</b>	<b>10,633,676</b>	8,836,433
<b>Inside Pakistan</b>		
- related parties	<b>8,811</b>	8,811
- others	<b>75,188</b>	75,188
	<b>83,999</b>	83,999
<b>12.1</b>	<b>10,717,675</b>	8,920,432

**12.1** These include fixed deposits amounting to Rs. 467,171 thousands (AED 6,000 thousands) [2022: Rs. 369,914 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches of the Parent Company for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2022: Rs. 83,999 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company and bid bond guarantees.

	(Unaudited) 30 June 2023	(Audited) 31 December 2022
	Rupees in thousand	
<b>13 Loans and other receivables - considered good</b>		
Rent receivable	9,008	13,483
Accrued income	799,668	523,857
Security deposits	117,896	111,707
Advances to employees and suppliers	359,040	417,255
Advance agent commission	1,251	4,182
Loans to employees	87,453	87,333
Receivable against the sale of investment	278,566	132,912
Receivable from related parties	500	6
Other receivables	278,371	249,799
	<u>1,931,753</u>	<u>1,540,534</u>

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

Due from insurance contract holders	10,486,827	9,437,616
Provision for impairment of receivables from insurance contract holders	(1,668,733)	(1,371,044)
	8,818,094	8,066,572
Due from other insurers / other reinsurers	1,309,324	721,427
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	1,108,022	520,125
	<u>9,926,116</u>	<u>8,586,697</u>

**14.1** Due from insurance contact holders include an amount Rs. 308,336 thousands (2022: Rs. 122,492 thousands) held with related parties.

	(Unaudited) 30 June 2023	(Audited) 31 December 2022
	Rupees in thousand	
<b>15 Prepayments</b>		
Prepaid reinsurance premium ceded	7,322,772	6,536,997
Prepaid miscellaneous expenses	324,589	181,397
	<u>7,647,361</u>	<u>6,718,394</u>
<b>16 Cash and bank</b>		
<b>Cash and cash equivalents</b>		
<b>Inside Pakistan</b>		
Cash in hand	1,280	438
Policy & Revenue stamps, Bond papers	28,455	27,169
	29,735	27,607
<b>Outside Pakistan</b>		
Cash in hand	1,129	-
	<u>30,864</u>	<u>27,607</u>
<b>Cash at bank</b>		
<b>Inside Pakistan</b>		
Current accounts	627,568	1,035,834
Savings accounts	4,912,383	6,219,057
	5,539,951	7,254,891
<b>Outside Pakistan</b>		
Current accounts	2,908,827	3,225,294
Savings accounts	2,381	1,900
	2,911,208	3,227,194
	<u>8,451,159</u>	<u>10,482,085</u>
	<u>8,482,023</u>	<u>10,509,692</u>

**16.1** Cash at bank includes an amount of Rs. 7,495,390 thousands (2022: Rs. 3,810,174 thousands) held with MCB Bank Limited and MCB Islamic Bank Limited, related parties of the Group.

**16.2** Lien of Rs. 621,354 thousands (2022: Rs. 633,240 thousands) is marked on cash deposits in saving accounts of the Parent Company against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group and for claims under litigation filed against the Parent Company.

**16.3** Lien of Rs. 169,709 thousands (AED 2,179,612) [(2022: Rs. 159,883 thousands (AED 2,593,295))] is marked on current accounts by the banks as per the instructions issued by the Court in lieu of execution of legal orders in different cases pertaining to claims in United Arab Emirates of the Parent Company.

	(Unaudited) 30 June 2023	(Audited) 31 December 2022
	Rupees in thousand	
<b>17 Window Takaful Operations - Parent Company</b>		
<b>Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	77,383	164,215
Qard-e-Hasna to Participant Takaful Fund	221,460	221,460
Investments - Equity securities	269,731	251,052
Investments - Debt securities	125,000	125,000
Investments - Term deposits	400,000	-
Intangible assets	11,293	6,047
Property and equipment	43,298	46,276
Current assets - others	155,186	235,370
<b>Total Assets</b>	<b>1,303,351</b>	<b>1,049,420</b>
<b>Total Liabilities</b>	<b>524,132</b>	<b>384,973</b>
	<b>For six month period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	Rupees in thousand	
Wakala income	397,748	292,489
Commission expense	(123,268)	(68,220)
Management expenses	(124,264)	(92,089)
Investment income	44,952	7,257
Other income	19,916	17,307
Mudarib's share of PTF investment income	7,773	3,859
Other Expenses	(1,547)	(2,090)
Profit before tax	221,310	158,513
Provision for tax	(106,538)	(57,902)
<b>Profit from Window Takaful Operations</b>	<b>114,772</b>	<b>100,611</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial statements.		
	(Unaudited)	(Audited)
	30 June	31 December
	2023	2022
	Rupees in thousand	
<b>18 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,172,168	1,532,444
Fair value reserve	2,142,366	1,026,501
	<b>4,341,157</b>	<b>2,585,568</b>
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	<b>5,277,657</b>	<b>3,522,068</b>
<b>19 Other creditors and accruals</b>		
Agents commission payable	1,200,429	1,394,483
Payable against the purchase of investments	60,968	152,701
Federal Excise Duty / Sales Tax / VAT	411,026	449,746
Federal Insurance Fee payable	88,267	45,483
Payable to related parties	7,811	6,350
Workers' welfare fund payable	251,285	224,506
Tax deducted at source	130,749	100,398
Accrued expenses	469,768	534,225
Unpaid and unclaimed dividend	168,006	160,541
Payable to employees' provident fund	56	211
Sundry creditors	1,670,332	1,036,967
	<b>4,458,697</b>	<b>4,105,611</b>

## 20 Contingencies and commitments

### Parent Company

#### Contingencies and commitments

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

- The Parent Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,238,471 thousands (2022: Rs. 1,250,357 thousands).
- The Parent Company has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,954,107 thousands (2022: AED 115,000,000 amounting to Rs. 7,090,026 thousands) relating to UAE branch.

### Subsidiary Company

#### Contingencies

##### Sales tax on life insurance premium

During the period, there has been no major change in the status of contingencies relating to Punjab Sales Tax ("PST") and Sindh Sales Tax ("SST") on life insurance as disclosed in annual financial statements for the year ended December 31, 2022.

In view of the opinion of the legal advisors, and pending the adjudication of the petitions filed, the Company has neither billed its customers, nor recognised the contingent liability for PST & SST which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of the legal advisors, aggregated to Rs. 884.605 million (December 31, 2022: Rs. 775.53 million).

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

#### Commitments

##### Commitments in respect of ljarah rentals

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>30 June</u>	<u>31 December</u>
	<u>2023</u>	<u>2022</u>
	<u>Rupees in thousand</u>	
Not later than one year	<u>78,657</u>	80,066
Later than one year and not later than five years	<u>141,307</u>	176,989
	<u><u>219,964</u></u>	<u><u>257,055</u></u>

Commitments represent ljarah rentals for vehicles payable in future period.

Note	For three month period ended		For six month period ended	
	30 June	30 June	30 June	30 June
	2023	2022	2023	2022
<b>Rupees in thousand</b>				
<b>21 Net insurance premium</b>				
<b>Parent Company</b>				
Written gross premium	10,390,094	7,529,546	17,458,806	15,055,212
Unearned premium reserve opening	14,521,410	12,177,577	14,996,454	11,010,289
Unearned premium reserve closing	(15,352,328)	(13,173,256)	(15,352,328)	(13,173,256)
Currency translation effect	70,257	538,771	1,372,485	718,503
Premium earned	9,629,433	7,072,638	18,475,417	13,610,748
Reinsurance premium ceded	(6,464,031)	(3,326,442)	(9,478,173)	(5,810,433)
Prepaid reinsurance premium opening	(5,723,083)	(4,327,264)	(6,536,997)	(4,627,169)
Prepaid reinsurance premium closing	7,322,772	4,692,620	7,322,772	4,692,620
Currency translation effect	(7,740)	(68,452)	(208,230)	(88,461)
Reinsurance expense	(4,872,082)	(3,029,538)	(8,900,628)	(5,833,443)
<b>21.1 &amp; 21.2</b>	<b>4,757,351</b>	<b>4,043,100</b>	<b>9,574,789</b>	<b>7,777,305</b>
<b>Subsidiary Company</b>				
<b>Regular premium / contributions individual policies</b>	<b>21.3</b>			
- first year	691,444	724,503	1,343,459	1,615,883
- second year renewal	482,436	565,706	1,246,724	1,316,577
- subsequent years renewal	1,473,546	1,319,425	3,489,254	3,182,962
Single premium / contributions individual policies	21.3			
Group policies without cash values	2,537,506	1,282,818	4,878,360	3,528,978
Less: Experience refund	71,417	52,324	324,942	257,709
	-	-	(38,249)	(10,194)
	5,256,349	3,944,776	11,244,490	9,891,915
<b>Less: reinsurance premiums / retakaful contributions ceded</b>				
On individual life first year business	(11,469)	(15,055)	(23,485)	(30,271)
On individual life second year business	(9,138)	(10,211)	(18,340)	(18,578)
On individual life subsequent renewal business	(38,115)	(45,051)	(80,086)	(89,532)
On individual life single premium business	(1,977)	(2,051)	(3,583)	(3,295)
On group policies	(35,160)	(20,431)	(176,443)	(133,931)
Profit commission on reinsurance	3,270	-	3,270	-
	(92,589)	(92,799)	(298,667)	(275,607)
	5,163,760	3,851,977	10,945,823	9,616,308
	9,921,111	7,895,077	20,520,612	17,393,613
<b>21.1 Net insurance premium - Business underwritten inside Pakistan</b>				
Written gross premium	8,219,670	5,077,398	13,430,074	9,698,745
Unearned premium reserve opening	8,841,192	7,299,535	9,454,477	7,393,851
Unearned premium reserve closing	(10,276,075)	(7,478,871)	(10,276,075)	(7,478,871)
Premium earned	6,784,787	4,898,062	12,608,476	9,613,725
Reinsurance premium ceded	(6,118,775)	(2,874,528)	(8,713,137)	(4,931,596)
Prepaid reinsurance premium opening	(4,818,188)	(3,772,341)	(5,699,784)	(4,302,258)
Prepaid reinsurance premium closing	6,535,642	3,921,729	6,535,642	3,921,729
Reinsurance expense	(4,401,321)	(2,725,140)	(7,877,279)	(5,312,125)
	2,383,466	2,172,922	4,731,197	4,301,600
<b>21.2 Net insurance premium - Business underwritten outside Pakistan</b>				
Written gross premium	2,170,424	2,452,148	4,028,732	5,356,467
Unearned premium reserve opening	5,680,218	4,878,042	5,541,977	3,616,438
Unearned premium reserve closing	(5,076,253)	(5,694,385)	(5,076,253)	(5,694,385)
Currency translation effect	70,257	538,771	1,372,485	718,503
Premium earned	2,844,646	2,174,576	5,866,941	3,997,023
Reinsurance premium ceded	(345,256)	(451,914)	(765,036)	(878,837)
Prepaid reinsurance premium opening	(904,895)	(554,923)	(837,213)	(324,911)
Prepaid reinsurance premium closing	787,130	770,891	787,130	770,891
Currency translation effect	(7,740)	(68,452)	(208,230)	(88,461)
Reinsurance expense	(470,761)	(304,398)	(1,023,349)	(521,318)
	2,373,885	1,870,178	4,843,592	3,475,705
<b>21.3 Individual policies are those underwritten on an individual basis.</b>				

Note	For three month period ended		For six month period ended		
	30 June	30 June	30 June	30 June	
	2023	2022	2023	2022	
	<b>Rupees in thousand</b>				
<b>22 Net insurance claims expense</b>					
<b>Parent Company</b>					
Claims paid	6,066,617	3,775,475	11,804,916	7,274,203	
Outstanding claims including IBNR closing	25,086,544	14,699,148	25,086,544	14,699,148	
Outstanding claims including IBNR opening	(24,626,105)	(13,113,223)	(20,726,702)	(12,686,045)	
Currency translation effect	(69,690)	(693,837)	(2,229,511)	(914,276)	
Claims expense	6,457,366	4,667,563	13,935,247	8,373,030	
Reinsurance and other recoveries received	(2,535,905)	(1,119,974)	(4,805,032)	(2,512,094)	
Reinsurance and other recoveries in respect of outstanding claims closing	(18,768,919)	(9,647,254)	(18,768,919)	(9,647,254)	
Reinsurance and other recoveries in respect of outstanding claims opening	18,096,398	8,182,308	15,233,478	7,943,513	
Currency translation effect	41,936	343,070	1,238,952	441,186	
Reinsurance and other recoveries revenue	(3,166,490)	(2,241,850)	(7,101,521)	(3,774,649)	
	22.1 & 22.2	3,290,876	2,425,713	6,833,726	4,598,381
<b>Subsidiary Company</b>					
<b>Gross claims</b>					
Claims under individual policies					
- by death	147,779	128,596	362,461	354,390	
- by insured event other than death	1,912	4,113	2,129	4,205	
- by maturity	1,897,046	1,022,391	3,351,788	1,721,266	
- by surrender	2,317,799	1,789,574	4,830,068	3,765,164	
Total gross individual policy claims	4,364,536	2,944,674	8,546,446	5,845,025	
Claims under group policies					
- by death	182,485	90,251	310,804	191,358	
- by insured event other than death	686	1,290	5,049	6,700	
Total gross group policy claims	183,171	91,541	315,853	198,058	
Claim related expenses	1,889	3,079	3,822	4,107	
<b>Total gross claims</b>	4,549,596	3,039,294	8,866,121	6,047,190	
<b>Less: Reinsurance recoveries</b>					
- on individual claims	34,949	23,995	88,542	110,747	
- on group claims	130,629	46,344	212,856	103,053	
	165,578	70,339	301,398	213,800	
	4,384,018	2,968,955	8,564,723	5,833,390	
	7,674,894	5,394,668	15,398,449	10,431,771	
<b>22.1 Net insurance claims expense - Business underwritten inside Pakistan</b>					
Claim paid	2,049,186	1,470,684	3,879,122	3,271,174	
Outstanding claims including IBNR closing	14,960,418	8,006,193	14,960,418	8,006,193	
Outstanding claims including IBNR opening	(14,091,244)	(7,301,206)	(12,123,015)	(7,131,251)	
Claim expense	2,918,360	2,175,671	6,716,525	4,146,116	
Reinsurance and other recoveries received	(723,764)	(303,632)	(1,194,903)	(962,970)	
Reinsurance and other recoveries in respect of outstanding claims closing	(13,150,941)	(6,290,271)	(13,150,941)	(6,290,271)	
Reinsurance and other recoveries in respect of outstanding claims opening	12,285,691	5,593,681	10,450,405	5,482,393	
Reinsurance and other recoveries revenue	(1,589,014)	(1,000,222)	(3,895,439)	(1,770,848)	
	1,329,346	1,175,449	2,821,086	2,375,268	
<b>22.2 Net insurance claims expense - Business underwritten outside Pakistan</b>					
Claim Paid	4,017,431	2,304,791	7,925,794	4,003,029	
Outstanding claims including IBNR closing	10,126,126	6,692,955	10,126,126	6,692,955	
Outstanding claims including IBNR opening	(10,534,861)	(5,812,017)	(8,603,687)	(5,554,794)	
Currency translation effect	(69,690)	(693,837)	(2,229,511)	(914,276)	
Claim expense	3,539,006	2,491,892	7,218,722	4,226,914	
Reinsurance and other recoveries received	(1,812,141)	(816,342)	(3,610,129)	(1,549,124)	
Reinsurance and other recoveries in respect of outstanding claims closing	(5,617,978)	(3,356,983)	(5,617,978)	(3,356,983)	
Reinsurance and other recoveries in respect of outstanding claims opening	5,810,707	2,588,627	4,783,073	2,461,120	
Currency translation effect	41,936	343,070	1,238,952	441,186	
Reinsurance and other recoveries revenue	(1,577,476)	(1,241,628)	(3,206,082)	(2,003,801)	
	1,961,530	1,250,264	4,012,640	2,223,113	

Note	For three month period ended		For six month period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
	Rupees in thousand			
<b>23 Net commission and other acquisition costs</b>				
<b>Parent Company</b>				
Commission paid or payable	714,467	841,974	1,332,381	1,773,978
Deferred commission expense opening	1,436,788	1,355,686	1,489,080	1,055,480
Deferred commission expense closing	(1,292,025)	(1,568,054)	(1,292,025)	(1,568,054)
Currency translation effect	14,137	101,885	255,987	136,989
Net commission	873,367	731,491	1,785,423	1,398,393
Commission received or recoverable	(186,393)	(229,252)	(385,001)	(441,934)
Unearned reinsurance commission opening	(352,900)	(259,539)	(365,610)	(241,094)
Unearned reinsurance commission closing	304,394	273,652	304,394	273,652
Currency translation effect	(387)	(3,211)	(10,471)	(4,211)
Commission from reinsurance	(235,286)	(218,350)	(456,688)	(413,587)
<b>23.1 &amp; 23.2</b>	<b>638,081</b>	<b>513,141</b>	<b>1,328,735</b>	<b>984,806</b>
<b>Subsidiary Company</b>				
Remuneration to insurance / takaful intermediaries on individual policies:				
- Commission on first year contribution / premium	246,881	288,891	475,990	644,379
- Commission on second year contribution / premium	29,006	24,636	74,454	69,592
- Commission on subsequent years renewal contribution / premium	32,510	24,812	76,665	68,478
- Commission on single contribution / premium	72,135	35,588	138,840	100,216
- Other benefits to insurance intermediaries	84,929	102,618	144,293	192,875
	465,461	476,545	910,242	1,075,540
Remuneration to insurance intermediaries on group policies:				
- Commission	1,455	2,182	8,678	9,126
- Other benefits to insurance intermediaries	345	1,217	2,066	1,981
	1,800	3,399	10,744	11,107
Other acquisition costs	172,915	156,139	364,494	378,493
	640,176	636,083	1,285,480	1,465,140
	1,278,257	1,149,224	2,614,215	2,449,946
<b>23.1 Net commission and other acquisition costs - Business underwritten inside Pakistan</b>				
Commission paid or payable	332,691	387,660	629,177	709,671
Deferred commission expense opening	404,990	396,169	447,607	393,554
Deferred commission expense closing	(382,054)	(466,365)	(382,054)	(466,365)
Net commission	355,627	317,464	694,730	636,860
Commission received or recoverable	(166,819)	(206,201)	(346,980)	(387,401)
Unearned reinsurance commission opening	(306,562)	(229,513)	(323,930)	(239,650)
Unearned reinsurance commission closing	262,786	228,811	262,786	228,811
Commission from reinsurance	(210,595)	(206,903)	(408,124)	(398,240)
	145,032	110,561	286,606	238,620
<b>23.2 Net commission and other acquisition costs - Business underwritten outside Pakistan</b>				
Commission paid or payable	381,776	454,314	703,204	1,064,307
Deferred commission expense opening	1,031,798	959,517	1,041,473	661,926
Deferred commission expense closing	(909,971)	(1,101,689)	(909,971)	(1,101,689)
Currency translation effect	14,137	101,885	255,987	136,989
Net commission	517,740	414,027	1,090,693	761,533
Commission received or recoverable	(19,574)	(23,051)	(38,021)	(54,533)
Unearned reinsurance commission opening	(46,338)	(30,026)	(41,680)	(1,444)
Unearned reinsurance commission closing	41,608	44,841	41,608	44,841
Currency translation effect	(387)	(3,211)	(10,471)	(4,211)
Commission from reinsurance	(24,691)	(11,447)	(48,564)	(15,347)
	493,049	402,580	1,042,129	746,186



24 Investment income

**Business underwritten Inside Pakistan**

**Income from equity securities**

**Dividend Income**

- Available for sale
- Fair value through profit or loss

	30 June 2023	30 June 2022	30 June 2023	30 June 2022
- Available for sale	471,268	396,990	1,088,688	881,120
- Fair value through profit or loss	324,338	139,703	512,376	290,261
	<b>795,606</b>	536,693	<b>1,601,064</b>	1,171,381

**Income from debt securities**

**Return on debt securities**

- Fair value through profit or loss
- Held to maturity

- Fair value through profit or loss	194,122	143,241	369,267	258,895
- Held to maturity	90,539	21,168	90,539	21,168
	<b>284,661</b>	164,409	<b>459,806</b>	280,063

**Return on government securities**

- Available for Sale
- Fair value through profit or loss
- Held to maturity

- Available for Sale	3,369	4,823	6,738	8,979
- Fair value through profit or loss	2,249,221	666,787	3,865,691	1,389,240
- Held to maturity	(33,872)	(9,874)	-	-
	<b>2,218,718</b>	661,736	<b>3,872,429</b>	1,398,219

**Income from term deposit receipts**

- Held to maturity

- Held to maturity	133,885	250,708	234,894	397,965
	<b>133,885</b>	250,708	<b>234,894</b>	397,965

**Net realized gains / (losses) on investments**

**Available for sale**

- Equity securities
- Government securities

- Equity securities	(24,503)	(6,414)	(25,648)	11,920
- Government securities	6	(23)	-	(9)
	<b>(24,497)</b>	(6,437)	<b>(25,648)</b>	11,911

**Fair value through profit or loss**

- Equity securities
- Debt securities
- Government securities

- Equity securities	74,738	142,200	343,556	238,757
- Debt securities	(14,942)	-	(14,942)	-
- Government securities	(14,244)	(6,877)	(89,126)	(37,762)
	<b>45,552</b>	135,323	<b>239,488</b>	200,995

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

	(40,017)	(185,094)	(40,017)	(179,501)
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	<b>3,413,908</b>	1,557,338	<b>6,342,016</b>	3,281,033
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**Business underwritten Outside Pakistan**

**Income from equity securities**

**Dividend income**

- Available for Sale

- Available for Sale	-	-	-	106
	-	-	-	106

**Return on term deposits**

- Held to maturity

- Held to maturity	88,371	27,431	143,127	53,202
	<b>88,371</b>	27,431	<b>143,127</b>	53,202

	<b>88,371</b>	27,431	<b>143,127</b>	53,308
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**Total investment income**

	<b>3,502,279</b>	1,584,769	<b>6,485,143</b>	3,334,341
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For three month period ended		For six month period ended	
30 June 2023	30 June 2022	30 June 2023	30 June 2022

Rupees in thousand

For three months period ended		For six months period ended	
30 June	30 June	30 June	30 June
2023	2022	2023	2022

Rupees in thousand

## 25 Earnings per share - basic and diluted

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

Profit after tax for the period attributable to ordinary shareholders	405,350	171,025	889,093	751,584
	Number of shares		Number of shares	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000	350,000,000	350,000,000
	Rupees		Rupees	
Earnings after tax per share - basic and diluted	1.16	0.49	2.54	2.15

## 26 Transactions with related parties

The Group has related party relationships with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. Transactions are entered into with these related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than those specified in their terms of employment.

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

	For six month period ended	
	30 June	30 June
	2023	2022
	Rupees in thousand	
<b>Parent Company</b>		
<b>i) Transactions</b>		
Premium underwritten	919,757	929,009
Premium received	764,403	1,073,740
Claims paid	398,851	332,126
Commission Paid	26,612	19,464
Rent paid	11,270	3,289
Rent received	68,435	36,951
Loan repaid	-	884,652
Interest on loan paid	-	43,275
Dividend received	698,043	473,420
Dividend paid	170,627	108,347
Income on bank deposits	113,038	26,542
Investments made	641	145,115
Fee / service charges paid	7,260	5,750
Fee / service charges / expenses received / receivable	14,063	12,102
Charge in respect of gratuity expense	18,175	21,249
Contribution to Employees' Provident Fund	21,388	20,752
Compensation paid to Key management personnel	964,503	806,275
	(Unaudited)	(Audited)
	30 June	31 December
	2023	2022
	Rupees in thousand	
<b>ii) Period end balances</b>		
Balances receivable	310,112	134,023
Balances payable	398,441	370,730
Cash and bank balances including term deposits	5,204,007	3,817,401
Payable to Staff Gratuity Fund	88,430	70,255

Subsidiary Company	For six month period ended	
	30 June	30 June
	2023	2022
Rupees in thousand		
<b>i) Transactions</b>		
<b>Associated undertakings</b>		
Premium written	51,275	39,440
Claims expense	9,018	116,480
Commission and other incentives in respect of bancassurance	611,671	668,804
Profit on bank deposits	228,977	121,902
Bank charges	5,362	3,004
Investments purchased	4,097,625	20,402,318
Investments sold	4,740,639	17,460,029
Dividend income	63,816	66,211
<b>Other related parties</b>		
Premium written	17,760	7,711
Claims expense	9,818	-
Investment advisor fee	24,449	19,050
Trustee fee	4,863	4,590
<b>Directors</b>		
Fee	761	290
<b>Transactions with key management personnel</b>		
Remuneration	109,056	86,301
Advances given to key management personnels	5,000	1,000
Recoveries against advances to key management personnels	2,557	308
<b>Staff Retirement Benefit Plan (Gratuity Fund)</b>		
Charge for the period	22,850	21,061
	(Unaudited)	(Audited)
	30 June	31 December
	2023	2022
	Rupees in thousand	
<b>ii) Period end balances</b>		
<b>Associated undertakings</b>		
Premium due but unpaid	6,119	14,106
Bank deposits	1,981,286	1,851,156
Investments held	10,062,563	7,348,266
Dividend receivables	199	26,788
Accrued Income	116,751	41,548
Commission payable	244,750	334,192
Claims payable	8,834	-
<b>Other related parties</b>		
Premium due but unpaid	8,992	5,278
investment portfolio	6,528	6,934
Remuneration payable to trustee	1,282	1,192
Claims payable	22,478	-
<b>Key management personnel</b>		
Short term loans (as per policy)	5,508	3,732
<b>Staff retirement benefit plan (gratuity fund)</b>		
Receivable / (Payable) to gratuity fund	299	(4,866)

27 Segment Information

For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Six month period ended 30 June 2023															
General Insurance													Aggregate Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	9,120,939	20,705	1,518,926	21,061	2,031,285	3,125,025	1,672,568	1,054,267	855,843	9,620	15,199,561	4,230,678	19,430,239	11,244,490	30,674,729
Less: Federal excise duty / VAT	(1,126,028)	(1,318)	(172,364)	(1,099)	(242,825)	(148,811)	(12,905)	(50,203)	(82,390)	(458)	(1,636,512)	(201,889)	(1,838,401)	-	(1,838,401)
Federal insurance fee	(77,632)	(44)	(13,455)	(13)	(17,850)	-	(16,630)	-	(7,408)	-	(132,975)	(57)	(133,032)	-	(133,032)
	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296
Gross written premium (inclusive of administrative surcharge)	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296
Gross direct premium	7,909,799	19,285	1,318,372	19,940	1,710,828	2,973,057	1,641,878	1,004,064	730,040	9,146	13,310,917	4,025,492	17,336,409	11,244,490	28,580,899
Facultative inward premium	290	-	-	-	-	-	-	-	29,114	-	29,404	-	29,404	-	29,404
Administrative surcharge	7,190	58	14,735	9	59,782	3,157	1,155	-	6,891	16	89,753	3,240	92,993	-	92,993
	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296
Insurance premium earned	7,503,622	15,963	1,063,221	15,551	1,803,971	4,463,784	1,555,827	1,365,546	681,835	6,097	12,608,476	5,866,941	18,475,417	11,244,490	29,719,907
Insurance premium ceded to reinsurers	(6,962,621)	(12,508)	(592,211)	-	(34,936)	(258,726)	-	(747,055)	(287,511)	(5,060)	(7,877,279)	(1,023,349)	(8,900,628)	(298,667)	(9,199,295)
Net insurance premium	541,001	3,455	471,010	15,551	1,769,035	4,205,058	1,555,827	618,491	394,324	1,037	4,731,197	4,843,592	9,574,789	10,945,823	20,520,612
Commission income	363,425	2,623	1,336	-	2,774	44,805	-	-	40,589	1,136	408,124	48,564	456,688	-	456,688
<b>Net underwriting income</b>	904,426	6,078	472,346	15,551	1,771,809	4,249,863	1,555,827	618,491	434,913	2,173	5,139,321	4,892,156	10,031,477	10,945,823	20,977,300
Insurance claims	(3,927,982)	(205)	(347,272)	4,875	(825,034)	(6,123,364)	(1,394,871)	(1,100,142)	(221,366)	114	(6,716,525)	(7,218,722)	(13,935,247)	(8,866,121)	(22,801,368)
Insurance claim recoveries from reinsurer	3,600,095	(741)	196,044	(236)	(19,655)	2,426,389	-	780,218	118,955	452	3,895,439	3,206,082	7,101,521	301,398	7,402,919
Net claims	(327,887)	(946)	(151,228)	4,639	(844,689)	(3,696,975)	(1,394,871)	(319,924)	(102,411)	566	(2,821,086)	(4,012,640)	(6,833,726)	(8,564,723)	(15,398,449)
Commission expense	(330,756)	(2,075)	(82,208)	(1,854)	(164,146)	(928,504)	(50,311)	(158,166)	(67,309)	(94)	(694,730)	(1,090,693)	(1,785,423)	(1,285,480)	(3,070,903)
Management expense	(244,175)	(1,170)	(234,682)	(18,514)	(640,246)	(631,558)	(84,954)	(116,814)	(137,378)	(710)	(1,341,435)	(768,766)	(2,110,201)	(687,381)	(2,797,582)
Net insurance claims and expenses	(902,818)	(4,191)	(468,118)	(15,729)	(1,649,081)	(5,257,037)	(1,530,136)	(594,904)	(307,098)	(238)	(4,857,251)	(5,872,099)	(10,729,350)	(10,537,584)	(21,266,934)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,141,094)	(5,141,094)
<b>Underwriting result</b>	1,608	1,887	4,228	(178)	122,728	(1,007,174)	25,691	23,587	127,815	1,935	282,070	(979,943)	(697,873)	(4,732,855)	(5,430,728)
Net investment income											1,112,761	143,127	1,255,888	5,229,255	6,485,143
Net fair value loss on financial assets at fair value through profit or loss											-	-	-	(344,436)	(344,436)
Fair value adjustment to investment property											70,349	142,025	212,374	-	212,374
Rental income											55,156	1,675	56,831	-	56,831
Other income											141,400	65,638	207,038	457,463	664,501
Other expenses											(34,142)	(12,350)	(46,492)	(6,800)	(53,292)
Finance Cost											(1,224)	-	(1,224)	(1,530)	(2,754)
Workers' Welfare Fund charge											(26,779)	-	(26,779)	-	(26,779)
Profit from Window Takaful Operations											221,310	-	221,310	-	221,310
<b>Profit before tax</b>											1,820,901	(639,828)	1,181,073	601,097	1,782,170

30 June 2023															
General Insurance													Aggregate Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	22,014,968	44,832	1,299,442	12,051	1,350,510	7,518,620	1,006,104	1,632,898	2,278,711	29,855	27,949,735	9,238,256	37,187,991	71,575,098	108,763,089
Unallocated assets											30,984,599	11,465,314	42,449,913	2,832,033	45,281,946
											<b>58,934,334</b>	<b>20,703,570</b>	<b>79,637,904</b>	<b>74,407,131</b>	<b>154,045,035</b>
Segment Liabilities	22,699,429	48,219	1,629,532	41,201	3,131,735	13,996,044	2,677,192	1,947,952	2,770,502	32,344	32,908,390	16,065,760	48,974,150	70,002,969	118,977,119
Unallocated Liabilities											4,877,004	1,989,583	6,866,587	396,439	7,263,026
											<b>37,785,394</b>	<b>18,055,343</b>	<b>55,840,737</b>	<b>70,399,408</b>	<b>126,240,145</b>

## 27.1 Segment Information

For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Six month period ended 30 June 2022														Aggregate General Insurance	Aggregate Life Insurance	Aggregate	
General Insurance																	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Aggregate Life Insurance				Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan						
Rupees in thousands																	
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	5,167,200	14,496	1,426,142	10,610	2,082,161	4,481,637	1,392,428	1,112,064	874,034	5,724	10,941,965	5,624,531	16,566,496	9,891,915	26,458,411		
Less: Federal excise duty / VAT	(644,569)	(867)	(156,533)	(531)	(249,739)	(213,411)	(7,814)	(52,955)	(88,579)	(273)	(1,147,234)	(268,037)	(1,415,271)	-	(1,415,271)		
Federal insurance fee	(43,538)	(23)	(12,619)	(4)	(18,340)	-	(13,903)	-	(7,586)	-	(95,986)	(27)	(96,013)	-	(96,013)		
	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127		
Gross written premium (inclusive of administrative surcharge)	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127		
Gross direct premium	4,439,489	13,563	1,238,258	10,075	1,747,171	4,252,742	1,369,586	1,059,109	743,680	5,443	9,538,184	5,340,932	14,879,116	9,891,915	24,771,031		
Facultative inward premium	31,954	-	1,117	-	82	-	-	-	27,172	-	60,325	-	60,325	-	60,325		
Administrative surcharge	7,650	43	17,615	-	66,829	15,484	1,125	-	7,017	8	100,236	15,535	115,771	-	115,771		
	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127		
Insurance premium earned	5,086,723	11,530	1,035,606	17,458	1,673,204	3,283,228	1,194,672	680,430	623,520	4,377	9,613,725	3,997,023	13,610,748	9,891,915	19,072,658		
Insurance premium ceded to reinsurers	(4,566,274)	(8,788)	(436,747)	(332)	(24,306)	(125,362)	-	(384,260)	(284,798)	(2,576)	(5,312,125)	(521,318)	(5,833,443)	(275,607)	(6,109,050)		
Net insurance premium	520,449	2,742	598,859	17,126	1,648,898	3,157,866	1,194,672	296,170	338,722	1,801	4,301,600	3,475,705	7,777,305	9,616,308	17,393,613		
Commission income	337,168	1,530	2,714	-	1,490	12,004	-	-	56,868	1,813	398,240	15,347	413,587	-	413,587		
Net underwriting income	857,617	4,272	601,573	17,126	1,650,388	3,169,870	1,194,672	296,170	395,590	3,614	4,699,840	3,491,052	8,190,892	9,616,308	17,807,200		
Insurance claims	(1,967,117)	(350)	(139,905)	(2,634)	(889,304)	(3,671,098)	(1,056,320)	(553,134)	(93,470)	(302)	(4,146,116)	(4,226,914)	(8,373,030)	(6,047,190)	(14,420,220)		
Insurance claim recoveries from reinsurer	1,721,128	635	(62,154)	156	74,311	1,607,874	-	395,753	37,563	(617)	1,770,848	2,003,801	3,774,649	213,800	3,988,449		
Net claims	(245,989)	285	(202,059)	(2,478)	(814,993)	(2,063,224)	(1,056,320)	(157,381)	(55,907)	(315)	(2,375,268)	(2,223,113)	(4,598,381)	(5,833,390)	(10,431,771)		
Commission expense	(322,939)	(1,648)	(85,605)	(3,284)	(130,784)	(681,126)	(31,338)	(75,348)	(66,194)	(127)	(636,860)	(761,533)	(1,398,393)	(1,465,140)	(2,863,533)		
Management expense	(218,684)	(1,458)	(223,323)	(7,175)	(528,998)	(539,398)	(73,396)	(71,308)	(107,433)	(1,240)	(1,151,834)	(620,579)	(1,772,413)	(504,986)	(2,277,399)		
Net insurance claims and expenses	(787,612)	(2,821)	(510,987)	(12,937)	(1,474,775)	(3,283,748)	(1,161,054)	(304,037)	(229,534)	(1,682)	(4,163,962)	(3,605,225)	(7,769,187)	(7,803,516)	(15,572,703)		
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,378,769)	(2,378,769)		
Underwriting result	70,005	1,451	90,586	4,189	175,613	(113,878)	33,618	(7,867)	166,056	1,932	535,878	(114,173)	421,705	(565,977)	(144,272)		
Net investment income											736,872	53,308	790,180	2,544,161	3,334,341		
Net fair value loss on financial assets at fair value through profit or loss											-	-	-	(2,047,919)	(2,047,919)		
Net unrealized loss on investment property											-	-	-	-	-		
Rental income											51,386	1,013	52,399	-	52,399		
Other income											78,332	36,475	114,807	391,067	505,874		
Other expenses											(22,122)	(7,961)	(30,083)	(3,301)	(33,384)		
Finance Cost											(30,811)	(1,003)	(31,814)	(2,108)	(33,922)		
Profit from Window Takaful Operations											158,513	-	158,513	-	158,513		
Profit before tax											1,508,048	(32,341)	1,475,707	315,923	1,791,630		

31 December 2022

General Insurance														Aggregate General Insurance	Aggregate Life Insurance	Aggregate	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Aggregate Life Insurance				Aggregate
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan						
Rupees in thousands																	
Segment Assets	18,159,470	30,234	898,705	4,550	1,545,592	6,549,649	992,218	1,487,171	2,099,230	18,751	23,695,215	8,090,355	31,785,570	66,115,952	97,901,522		
Unallocated assets											28,031,246	10,967,376	38,998,622	2,782,921	41,781,543		
											51,726,461	19,057,731	70,784,192	68,898,873	139,683,065		
Segment Liabilities	18,934,925	35,283	1,305,146	32,906	3,287,709	13,023,403	2,508,776	1,974,799	2,564,035	21,441	28,600,591	15,087,832	43,688,423	64,974,743	108,663,166		
Unallocated Liabilities											3,666,489	5,148,609	8,815,098	260,055	13,880,251		
											32,267,080	16,569,441	48,836,521	65,234,798	114,071,319		

## 28 Fair value measurement of financial instruments

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

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

		30 June 2023										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<b><u>Financial assets - measured at fair value</u></b>												
Investment												
	10	13,001,439	-	12,197,313	-	-	-	25,198,752	25,198,752	-	-	25,198,752
	10	7,470,875	-	-	-	-	-	7,470,875	-	-	7,470,875	7,470,875
	11	-	-	51,344,090	-	-	-	51,344,090	-	51,344,090	-	51,344,090
Investments of Window Takaful Operations -												
	17	269,731	-	-	-	-	-	269,731	269,731	-	-	269,731
<b><u>Financial assets - not measured at fair value</u></b>												
	11	-	1,356,057	-	-	-	-	1,356,057	-	1,356,057	-	1,356,057
Debt securities of Window Takaful Operations -												
	17	-	525,000	-	-	-	-	525,000	-	525,000	-	525,000
	13	-	-	-	1,571,462	-	-	1,571,462	-	-	-	-
	12	-	10,717,675	-	-	-	-	10,717,675	-	-	-	-
		-	-	-	38,557	-	-	38,557	-	-	-	-
Insurance / reinsurance receivables												
	14	-	-	-	9,926,116	-	-	9,926,116	-	-	-	-
		-	-	-	18,465,305	-	-	18,465,305	-	-	-	-
	16	-	-	-	-	8,482,023	-	8,482,023	-	-	-	-
Other Assets of Window Takaful Operations -												
	17	-	-	-	376,646	77,383	-	454,029	-	-	-	-
		20,742,045	12,598,732	63,541,403	30,378,086	8,559,406	-	135,819,672	25,468,483	53,225,147	7,470,875	86,164,505
<b><u>Financial liabilities - not measured at fair value</u></b>												
Underwriting provisions:												
	22	-	-	-	-	-	25,086,544	25,086,544	-	-	-	-
		-	-	-	-	-	7,793,238	7,793,238	-	-	-	-
	19	-	-	-	-	-	3,577,370	3,577,370	-	-	-	-
		-	-	-	-	-	577,460	577,460	-	-	-	-
Total liabilities of Window Takaful Operations-												
	17	-	-	-	-	-	524,132	524,132	-	-	-	-
		-	-	-	-	-	37,558,744	37,558,744	-	-	-	-

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

28.1 Fair value measurement of financial instruments

		31 December 2022										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<u>Financial assets - measured at fair value</u>												
Investment												
	10	12,561,980	-	16,297,081	-	-	-	28,859,061	28,859,061	-	-	28,859,061
	10	5,102,075	-	-	-	-	-	5,102,075	-	-	5,102,075	5,102,075
	11	-	-	42,185,083	-	-	-	42,185,083	-	42,185,083	-	42,185,083
	17	251,052	125,000	-	-	-	-	376,052	376,052	-	-	376,052
<u>Financial assets - not measured at fair value</u>												
	11	-	382,288	-	-	-	-	382,288	-	382,288	-	382,288
	17	-	125,000	-	-	-	-	125,000	-	125,000	-	125,000
	13	-	-	-	1,119,097	-	-	1,119,097	-	-	-	1,119,097
	12	-	8,920,432	-	-	-	-	8,920,432	-	-	-	8,920,432
		-	-	-	42,163	-	-	42,163	-	-	-	42,163
	14	-	-	-	8,586,697	-	-	8,586,697	-	-	-	8,586,697
	16	-	-	-	14,873,098	-	-	14,873,098	-	-	-	14,873,098
	17	-	-	-	456,830	164,215	-	621,045	-	-	-	621,045
		17,915,107	9,552,720	58,482,164	25,077,885	10,673,907	-	121,701,783	29,235,113	42,692,371	5,102,075	77,029,559
<u>Financial liabilities - not measured at fair value</u>												
Underwriting provisions:												
	22	-	-	-	-	-	20,726,702	20,726,702	-	-	-	20,726,702
	19	-	-	-	-	-	7,134,481	7,134,481	-	-	-	7,134,481
		-	-	-	-	-	3,285,478	3,285,478	-	-	-	3,285,478
		-	-	-	-	-	627,014	627,014	-	-	-	627,014
	17	-	-	-	-	-	384,973	384,973	-	-	-	384,973
		-	-	-	-	-	32,158,648	32,158,648	-	-	-	32,158,648

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

**29 Date of authorization for issue**

These consolidated condensed interim financial statements were authorized for issue on August 29, 2023 by the Board of Directors of the Parent Company.

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

The Board of Directors of the Parent Company in their meeting held on August 29, 2023 proposed an interim cash dividend for the six month period ended June 30, 2023 @15% i.e. Rupees 1.50/- per share (June 30, 2022 @ 15 % i.e. Rupee 1.5/- per share). These consolidated condensed interim financial statements for the six month period ended June 30, 2023 do not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending December 31, 2023.

**31 General**

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

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



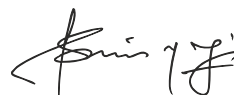
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**





# WINDOW TAKAFUL OPERATIONS

SIX MONTHS ENDED  
30 JUNE 2023

# INDEPENDENT AUDITOR'S REVIEW REPORT

## To the members of Adamjee Insurance Company Limited – Window Takaful Operations Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Adamjee Insurance Company Limited – Window Takaful Operations (the operator)** as at June 30, 2023 and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in shareholders equity and participants' takaful fund, condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the three months period ended June 30, 2023 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2023.

### 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 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 interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's report is Rana M. Usman Khan.



**Chartered Accountants**

Lahore

Date: 29 August 2023

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Financial Position (Unaudited)**  
**As at June 30, 2023**

	Note	Operator's Takaful Fund		Participants' Takaful Fund	
		June 30,	December 31,	June 30,	December 31,
		2023	2022	2023	2022
		Rupees in thousand		Rupees in thousand	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>ASSETS</b>					
<b>Qard-e-Hasna to Participants' Takaful Fund</b>					
		221,460	221,460	-	-
Property and equipment	7	43,298	46,276	-	-
Intangible assets	8	11,293	6,047	-	-
Investments					
Equity securities	9	269,731	251,052	361,121	147,762
Debt securities	10	125,000	125,000	18,750	37,500
Term Deposits	11	400,000	-	312,500	150,000
Loans and other receivables	12	13,665	14,617	210,022	161,165
Takaful / re - takaful receivables	13	-	-	788,521	653,424
Re - takaful recoveries against outstanding claims		-	-	105,998	147,898
Salvage recoveries accrued		-	-	72,868	78,872
Wakala and mudarib fee receivable		75,438	146,414	-	-
Deferred wakala fee	24	-	-	-	-
Deferred commission expense	23	66,083	74,339	-	-
Prepayments	14	-	-	83,830	144,099
Cash and bank	15	77,383	164,215	283,883	619,465
		1,081,891	827,960	2,237,493	2,140,185
<b>TOTAL ASSETS</b>		<b>1,303,351</b>	<b>1,049,420</b>	<b>2,237,493</b>	<b>2,140,185</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Funds attributable to Operator's and Participants'</b>					
<b>Operator's Takaful Fund</b>					
Statutory fund		50,000	50,000	-	-
Unappropriated profit		729,219	614,447	-	-
		779,219	664,447	-	-
<b>Waqf / Participants' Takaful Fund</b>					
Ceded money		-	-	500	500
Reserves		-	-	2,383	-
Accumulated surplus		-	-	262,159	199,477
		-	-	265,042	199,977
<b>Qard-e-Hasna from Operator's Takaful Fund</b>		-	-	221,460	221,460
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	21	-	-	509,611	524,563
Unearned contribution reserve	19	-	-	807,779	663,817
Unearned retakaful rebate	20	-	-	14,496	25,251
Contribution deficiency reserve		-	-	14,488	14,488
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		1,205	1,431	-	-
Contribution received in advance		-	-	57,510	72,759
Takaful / re - takaful payables	16	-	-	146,999	186,586
Wakala and mudarib fee payable		-	-	75,438	146,414
Unearned wakala fee	24	322,930	274,883	-	-
Other creditors and accruals	17	120,839	93,443	112,574	76,028
Taxation - provision less payments		75,280	11,338	12,096	8,842
<b>Total Liabilities</b>		<b>524,132</b>	<b>384,973</b>	<b>1,750,991</b>	<b>1,718,748</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>1,303,351</b>	<b>1,049,420</b>	<b>2,237,493</b>	<b>2,140,185</b>
<b>Contingencies and commitments</b>	18				

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statements.

**Chairman**

**Director**

**Director**

**Chief Financial Officer**

**Managing Director &  
Chief Executive Officer**

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Profit and Loss Account (Unaudited)**  
**For the six months period ended June 30, 2023**

Note	For three months period ended		For six months period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND - REVENUE ACCOUNT</b>				
	521,013	375,517	1,006,779	714,643
Contributions earned	(114,287)	(97,568)	(213,770)	(200,608)
Contributions ceded to retakaful	<b>406,726</b>	277,949	<b>793,009</b>	514,035
<b>Net contribution revenue</b>	19	20	21	22
Retakaful rebate earned	18,617	18,516	36,277	34,898
<b>Net underwriting income</b>	425,343	296,465	829,286	548,933
Net takaful claims - reported / settled	(429,823)	(312,703)	(790,530)	(575,142)
Other direct expenses	(13,142)	(11,376)	(25,760)	(22,866)
<b>Surplus / (deficit) before investment income</b>	(17,622)	(27,614)	12,996	(49,075)
Investment income	23,817	14,012	38,867	19,294
Other income	19,534	11,183	37,113	22,335
Mudarib's share of investment income	(4,763)	(2,803)	(7,773)	(3,859)
<b>Surplus / (deficit) before taxation</b>	20,966	(5,222)	81,203	(11,305)
Taxation expense	(8,747)	(10,088)	(18,521)	(14,010)
<b>Surplus / (deficit) after taxation</b>	12,219	(15,310)	62,682	(25,315)
<b>OPERATOR'S TAKAFUL FUND - REVENUE ACCOUNT</b>				
Wakala fee	204,630	152,237	397,748	292,489
Commission expense	(61,802)	(34,446)	(123,268)	(68,220)
General, administrative and management expenses	(63,112)	(48,999)	(124,264)	(92,089)
	79,716	68,792	150,216	132,180
Other income	7,141	10,290	19,916	17,307
Mudarib's share of PTF investment income	4,763	2,803	7,773	3,859
Investment income	31,708	4,426	44,952	7,257
Direct expenses	(777)	(1,321)	(1,547)	(2,090)
<b>Profit before taxation</b>	122,551	84,990	221,310	158,513
Taxation expense	(73,948)	(37,071)	(106,538)	(57,902)
<b>Profit after taxation</b>	48,603	47,919	114,772	100,611

The annexed notes from 1 to 34 form an integral part of these condensed interim financial information.



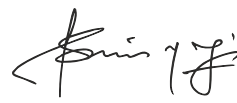
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Comprehensive Income (Unaudited)**  
**For the six months period ended June 30, 2023**

	For three months period ended		For six months period ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND</b>				
Surplus / (deficit) after taxation	12,219	(15,310)	62,682	(25,315)
<b>Other comprehensive income:</b>				
Unrealized gain / (loss) on available-for-sale investment- net of tax	2,383	(842)	2,383	(11)
<b>Total comprehensive surplus / (deficit) for the period</b>	<b>14,602</b>	<b>(16,152)</b>	<b>65,065</b>	<b>(25,326)</b>
<b>OPERATOR'S TAKAFUL FUND</b>				
Profit after taxation	48,603	27,622	114,772	100,611
<b>Other comprehensive income:</b>				
Unrealized losses on available-for-sale investment- net of tax	-	(1,261)	-	(968)
<b>Total comprehensive income for the period</b>	<b>48,603</b>	<b>26,361</b>	<b>114,772</b>	<b>99,643</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial information.



**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director &  
Chief Executive Officer**

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Changes in Shareholders Equity and Participants' Takaful Funds (Unaudited)**  
**As at June 30, 2023**

	Operator's Takaful Fund			Total
	Statutory fund	Unappropriated profit	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2021 - (Audited)</b>	50,000	394,351	968	<b>445,319</b>
Profit after tax for the period January 01, 2022 to June 30, 2022	-	100,611	-	<b>100,611</b>
Other comprehensive income for the period January 01, 2022 to June 30 2022	-	-	(968)	<b>(968)</b>
<b>Total comprehensive income / (loss) for the period</b>	-	100,611	(968)	<b>99,643</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	50,000	494,962	-	<b>544,962</b>
Profit after tax for the period July 01, 2022 to December 31, 2022	-	119,485	-	<b>119,485</b>
Other comprehensive income for the period July 01, 2022 to December 31, 2022	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	119,485	-	<b>119,485</b>
<b>Balance as at December 31, 2022 - (Audited)</b>	50,000	614,447	-	<b>664,447</b>
Profit after tax for the period January 01, 2023 to June 30, 2023	-	114,772	-	<b>114,772</b>
Other comprehensive income for the period January 01, 2023 to June 30, 2023	-	-	-	<b>-</b>
<b>Total comprehensive income / (loss) for the period</b>	-	114,772	-	<b>114,772</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	<b>50,000</b>	<b>729,219</b>	<b>-</b>	<b>779,219</b>

	Participants' Takaful Fund			Total
	Ceded money	Accumulated surplus / (deficit)	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2021 - (Audited)</b>	500	239,134	11	<b>239,645</b>
Surplus after tax for the period January 01, 2022 to June 30, 2022	-	(25,315)	-	<b>(25,315)</b>
Other comprehensive loss for the period January 01, 2022 to June 30, 2022	-	-	(11)	<b>(11)</b>
<b>Total comprehensive deficit for the period</b>	-	(25,315)	(11)	<b>(25,326)</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	500	213,819	-	<b>214,319</b>
Deficit after tax for the period July 01, 2022 to December 31, 2022	-	(14,342)	-	<b>(14,342)</b>
Other comprehensive loss for the period July 01, 2022 to December 31, 2022	-	-	(425)	<b>(425)</b>
<b>Total comprehensive deficit for the period</b>	-	(14,342)	(425)	<b>(14,767)</b>
<b>Balance as at December 31, 2022 - (Audited)</b>	500	199,477	-	<b>199,977</b>
Surplus after tax for the period January 01, 2023 to June 30, 2023	-	62,682	-	<b>62,682</b>
Other comprehensive surplus for the period January 01, 2023 to June 30, 2023	-	-	2,383	<b>2,383</b>
<b>Total comprehensive deficit for the period</b>	-	62,682	2,383	<b>65,065</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	<b>500</b>	<b>262,159</b>	<b>2,383</b>	<b>265,042</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial information.



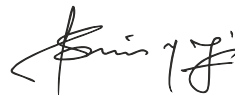
**Chairman**



**Director**



**Director**



**Chief Financial Officer**



**Managing Director & Chief Executive Officer**

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
**For the six months period ended June 30, 2023**

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
<b>Operating cash flows</b>				
<b>(a) Takaful activities</b>				
Contributions received	-	-	1,432,669	1,034,082
Wakala fee received / (paid)	524,544	345,378	(524,544)	(345,378)
Retakaful / co-takaful paid	-	-	(125,507)	(124,372)
Claims paid	-	-	(811,771)	(499,988)
Retakaful and other recoveries received	-	-	-	-
Commissions paid	(120,842)	(68,280)	-	-
Commissions received	-	-	25,522	25,235
Management expenses paid	(84,353)	(90,461)	-	-
Other underwriting payments	-	-	1,694	(48,355)
Net cash inflows from takaful activities	319,349	186,637	(1,937)	41,224
<b>(b) Other operating activities</b>				
Income tax paid	(42,823)	(76,551)	(15,270)	(18,114)
Other payments / (receipts)	-	-	(38,911)	3,278
Expenses paid	-	-	-	-
Net cash outflows from other operating activities	(42,823)	(76,551)	(54,181)	(14,836)
<b>Total cash inflows / (outflows) from operating activities</b>	<b>276,526</b>	<b>110,086</b>	<b>(56,118)</b>	<b>26,388</b>
<b>(c) Investment activities</b>				
Profit received on bank deposits and investments	64,093	19,308	75,262	38,613
Payment for investments	(493,679)	(200,000)	(523,476)	(427,380)
Proceeds from disposal of investments	75,000	39,387	168,750	-
Fixed capital expenditure	(8,772)	(9,402)	-	-
<b>Total cash outflows from investing activities</b>	<b>(363,358)</b>	<b>(150,707)</b>	<b>(279,464)</b>	<b>(388,767)</b>
<b>Net Cash outflows from all activities</b>	<b>(86,832)</b>	<b>(40,621)</b>	<b>(335,582)</b>	<b>(362,379)</b>
Cash and cash equivalent at the beginning of the period	164,215	264,235	619,465	522,515
<b>Cash and cash equivalent at the end of the period</b>	<b>77,383</b>	<b>223,614</b>	<b>283,883</b>	<b>160,136</b>
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	276,526	-	(56,118)	26,388
Depreciation	(3,013)	110,086	-	-
Amortization	(3,491)	(1,680)	-	-
(Decrease) / Increase in assets other than cash	(80,959)	-	90,309	233,824
(Increase) / Decrease in liabilities other than cash	(139,159)	30,419	(47,489)	(327,156)
Investment income	44,952	(60,051)	38,867	19,294
Return on bank deposits	19,916	17307	37,113	22,335
<b>Net profit / (loss) for the period</b>	<b>114,772</b>	<b>100,611</b>	<b>62,682</b>	<b>(25,315)</b>
<b>Attributed to</b>				
Operator's Takaful Fund	114,772	100,611	-	-
Participants' Takaful Fund	-	-	62,682	(25,315)
	<b>114,772</b>	<b>100,611</b>	<b>62,682</b>	<b>(25,315)</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial information.

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Notes to the Condensed Interim Financial Statements (Unaudited)**  
**For the six months period ended June 30, 2023**

**1 Legal status and nature of business**

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

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

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

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

This condensed interim financial information for the six months period ended June 30, 2023 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator's for the year ended December 31, 2022. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2022, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator's for the three months period ended June 30, 2023.

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

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

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

**3 Basis of measurement**

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

**4 Accounting policies**

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

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of January 01, 2022, as mentioned in the financial statement for the year ended December 31, 2022. Furthermore, the Company has adopted the temporary exemption which allows the Company to defer the application of both IFRS 9 and IFRS 17.

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

**4.1 Standards, amendments or interpretations**

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

**IFRS 9**

IFRS 9 " Financial Instruments" has become applicable, however as insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given below:

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

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



**Financial assets**

Investments in equity securities - available-for-sale  
Investments in debt securities - held-to-maturity  
Term deposits\*  
Loans and other receivables\*  
**Total**

Operator's Takaful Fund				
June 30, 2023				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----				
269,731	-	269,731	-	-
125,000	-	125,000	-	-
400,000	-	400,000	-	-
89,103	-	89,103	-	-
<b>883,834</b>	<b>-</b>	<b>883,834</b>	<b>-</b>	<b>-</b>

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

**Financial assets**

Investments in equity securities - available-for-sale  
Investments in debt securities - held-to-maturity  
Term deposits\*  
Loans and other receivables\*  
**Total**

Participants' Takaful Fund				
June 30, 2023				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----				
361,121	-	361,121	-	-
18,750	-	18,750	-	-
312,500	-	312,500	-	-
1,065,780	-	1,065,780	-	-
<b>1,758,151</b>	<b>-</b>	<b>1,758,151</b>	<b>-</b>	<b>-</b>

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

**5 Use of estimates and judgments**

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

**6 Takaful and Financial risk management**

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

	Note	Operator's Takaful Fund	
		June 30, 2023	December 31, 2022
		Rupees in thousand	
		(Unaudited)	(Audited)
<b>7 Property and equipment</b>			
Opening balance - net book value		36,645	18,903
Additions during the period	7.1	4,909	23,170
Book value of disposals during the period		(892)	(1,436)
Depreciation charged during the period		(3,013)	(3,992)
		(3,905)	(5,428)
Closing balance - net book value		37,649	36,645
Capital work - in - progress	7.2	5,649	9,631
		<b>43,298</b>	<b>46,276</b>
<b>7.1 Additions during the period</b>			
Motor vehicles		4,909	22,305
Office equipment		-	182
Computer and related accessories		-	683
		<b>4,909</b>	<b>23,170</b>
<b>7.2 Capital work in progress</b>			
Opening balance		9,631	3,980
Additions during the year		4,650	5,651
Transfer to intangibles		(8,632)	-
Closing balance		<b>5,649</b>	<b>9,631</b>

This represent amount advanced to Ozoned Digital (Private) Limited for digital plat'form of motor Takaful.

<b>8 Intangible assets</b>			
Opening balance - net book value		6,047	10,409
Additions during the period		8,737	1,124
Book value of disposal during the period		-	-
Amortization charged during the period		(3,491)	(5,486)
		(3,491)	(5,486)
Closing balance		<b>11,293</b>	<b>6,047</b>

No of Units		Value of Units		
June 30,2023	December 31, 2022	Face Value	June 30,2023	December 31, 2022
			Rupees in thousand	

**9 Investments in equity securities**

**Operator's Takaful Fund**

**Available for sale - Mutual fund**

HBL Islamic Money Market Fund

NBP Islamicdaily Dividend Fund

ABL Islamic Cash Fund

Al Ameen Islamic Cash Fund Plan 1

801,608	746,052	101.17	81,102	75,481
8,099,279	7,457,521	10.00	80,993	75,413
5,381,495	5,010,464	10.00	53,815	50,105
537,604	500,532	100.00	53,821	50,053
			<b>269,731</b>	<b>251,052</b>

These represent investment in Mutual Funds which carries profit ranging from 18.5% to 19% per annum.

**Participants' Takaful Fund**

**Available for sale - Mutual fund**

Al Hamra Islamic Income Fund

Al Hamra Daily Dividend Fund

Al-Habib Islamic Munafa Fund

1,595,028	1,484,733	100	158,721	147,746
166	155	100	17	16
2,021,732	-	100	202,383	-
			<b>361,121</b>	<b>147,762</b>

These represent investment in Mutual Funds which carries profit ranging from 18.5% to 20.05% per annum.

No. of Certificates		Face Value	Value of Certificates	
June 30,2023	December 31, 2022		June 30,2023	December 31, 2022
			Rupees in thousand	

**10 Investments in debt securities**

**Participants' Takaful Fund**

**Held - to - maturity**

**Sukuk certificates**

The Hub Power Company Limited (HUBCO) \*

187.5	375	100,000	18,750	37,500
			<b>18,750</b>	<b>37,500</b>

\* These represent placement in Sukuks with HUBCO having tenure of four years with return 3 M KIBOR+1.9% and will be mature at August 22,2023.

Operator's Takaful Fund	No. of Certificates		Face Value	Value of Certificates	
	June 30, 2023	December 31, 2022		June 30, 2023	December 31, 2022
<b>Held - to - maturity</b>	<b>Rupees in thousand</b>				
<b>Sukuk certificates</b>					
Pak Electron Limited (PEL)	-	75	1,000,000	-	75,000
The Hub Power Company Limited (HUBCO) *	750	-	100,000	75,000	-
K-Electric **	500	500	100,000	50,000	50,000
				<b>125,000</b>	<b>125,000</b>

\* These represent placement in Sukuks with HUBCO having tenure of six months with return of 3M KIBOR+ 0.3% and will be mature at November 18, 2023.

\*\* These represent placement in Sukuks with K-Electric having tenure of five years with return of 3M KIBOR+ 1.7% and will be mature at November 01, 2027.

11 Investments in Term Deposits	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Held - to - maturity</b>	<b>Rupees in thousand</b>			
Deposit maturing within one month	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	<b>400,000</b>	-	<b>312,500</b>	150,000
	<b>400,000</b>	-	<b>312,500</b>	150,000

These represent placement in Term Deposit Receipts with financial institutions having tenure of one month with returns ranging from 18.50% to 19.50% per annum (2022: 14.15% to 15% per annum).

12 Loans and other receivables - Considered good	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
	<b>Rupees in thousand</b>			
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Federal excise duty	-	-	111,629	94,097
Accrued income	8,605	7,830	8,279	7,561
Loan to employees	3,880	3,356	-	-
Security deposits	310	310	-	-
Bid money for tenders	-	-	90,114	59,507
Advances	870	3,121	-	-
	<b>13,665</b>	<b>14,617</b>	<b>210,022</b>	<b>161,165</b>

13 Takaful / Re - takaful receivables - Unsecured and considered good	Participants' Takaful Fund	
	June 30, 2023	December 31, 2022
	<b>Rupees in thousand</b>	
	(Unaudited)	(Audited)
Due from takaful participants' holders	697,366	548,748
Less: provision for impairment of takaful participants' holder	-	-
	<b>697,366</b>	<b>548,748</b>
Due from other takaful / re - takaful operator's	91,155	104,676
Less: provision for impairment of due from other takaful / re - takaful operator's	-	-
	<b>91,155</b>	<b>104,676</b>
	<b>788,521</b>	<b>653,424</b>

14 Prepayments	Participants' Takaful Fund	
	June 30, 2023	December 31, 2022
	<b>Rupees in thousand</b>	
	(Unaudited)	(Audited)
Prepaid re - takaful contribution ceded	71,358	131,491
Prepaid monitoring charges (Tracking device)	12,472	12,608
	<b>83,830</b>	<b>144,099</b>

15 Cash and bank	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<b>Cash and cash equivalents:</b>	<b>Rupees in thousand</b>			
Cash in hand	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	175	175	-	-
<b>Current and other accounts:</b>	<b>Rupees in thousand</b>			
Profit or loss accounts	15.1	77,208	164,040	283,883
		<b>77,383</b>	<b>164,215</b>	<b>619,465</b>
			<b>283,883</b>	<b>619,465</b>

15.1 Saving accounts carry expected profit rates ranging from 7% to 18.5% (2022: 7% to 14%).

	Participants' Takaful Fund	
	June 30,2023	December 31, 2022
	Rupees in thousand	
	(Unaudited)	(Audited)
<b>16 Takaful / re - takaful payables</b>		
Due to takaful participants' holders	86,658	21,899
Due to other takaful / re - takaful operator's	60,341	164,687
	<b>146,999</b>	<b>186,586</b>

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30,2023	December 31, 2022	June 30,2023	December 31, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>17 Other creditors and accruals</b>				
Agents commission payable	61,548	67,378	-	-
Federal insurance fee	-	-	4,717	4,927
Sales tax payable	2,321	3,017	-	-
Income tax deducted at source	4,694	3,162	49,205	39,767
Accrued expenses	1,070	8,761	-	-
Others	51,206	11,125	58,652	31,334
	<b>120,839</b>	<b>93,443</b>	<b>112,574</b>	<b>76,028</b>

**18 Contingencies and commitments**

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

	For three months period ended		For six months period ended	
	June 30,2023	June 30, 2022	June 30,2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>19 Net contribution revenue</b>				
Gross contribution written	462,030	428,502	1,596,536	1,267,289
Wakala fee	(135,679)	(127,612)	(445,795)	(363,753)
<b>Contribution net of wakala fee</b>	<b>326,351</b>	<b>300,890</b>	<b>1,150,741</b>	<b>903,536</b>
Unearned contribution reserve - opening	1,002,441	705,039	663,817	441,519
Unearned contribution reserve - closing	(807,779)	(630,412)	(807,779)	(630,412)
<b>Contribution earned</b>	<b>521,013</b>	<b>375,517</b>	<b>1,006,779</b>	<b>714,643</b>
<b>Less:</b>				
Re - takaful contribution ceded	65,791	56,902	153,635	152,267
Prepaid re - takaful contribution ceded - opening	119,853	102,029	131,492	109,704
Prepaid re - takaful contribution ceded - closing	(71,357)	(61,363)	(71,357)	(61,363)
<b>Re - takaful expense</b>	<b>114,287</b>	<b>97,568</b>	<b>213,770</b>	<b>200,608</b>
<b>Net contribution</b>	<b>406,726</b>	<b>277,949</b>	<b>793,009</b>	<b>514,035</b>

**20 Re - takaful rebate**

Re - takaful rebate received	9,615	10,594	25,522	25,235
Unearned re - takaful rebate - opening	23,498	20,725	25,251	22,466
Unearned re - takaful rebate - closing	(14,496)	(12,803)	(14,496)	(12,803)
<b>Net re-takaful rebate</b>	<b>18,617</b>	<b>18,516</b>	<b>36,277</b>	<b>34,898</b>

**21 Net Takaful Claims**

Claims Paid	479,979	278,537	811,771	499,988
Outstanding claims including IBNR - closing	509,611	468,949	509,611	468,949
Outstanding claims including IBNR - opening	(550,620)	(395,749)	(524,563)	(354,540)
<b>Claims expense</b>	<b>438,970</b>	<b>351,737</b>	<b>796,819</b>	<b>614,397</b>

**Less:**

Re - takaful and other recoveries received	24,475	609	54,194	24,659
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) closing	178,865	205,532	178,865	205,532
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) opening	(194,193)	(167,107)	(226,770)	(190,936)
<b>Re-takaful and other recoveries revenue</b>	<b>9,147</b>	<b>39,034</b>	<b>6,289</b>	<b>39,255</b>
<b>Net claims expense</b>	<b>429,823</b>	<b>312,703</b>	<b>790,530</b>	<b>575,142</b>

	For six months period ended			
	Participants' Takaful Fund			
	June 30, 2023		June 30, 2022	
	Rupees in thousand			
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>22 Other Direct Expenses</b>				
Monitoring charges		15,543		17,481
Other taxes		779		27
Inspection charges		5,582		3,245
Bank charges		194		103
Others		3,662		2,010
		<u>25,760</u>		<u>22,866</u>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>23 Commission Expense</b>				
Commission paid or payable	60,425	32,449	115,012	73,644
Deferred commission - opening	67,460	52,768	74,339	45,347
Deferred commission - closing	(66,083)	(50,771)	(66,083)	(50,771)
<b>Net commission expense</b>	<u>61,802</u>	<u>34,446</u>	<u>123,268</u>	<u>68,220</u>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>24 Wakala Fee</b>				
Gross Wakala fee	135,679	127,612	445,795	363,753
Unearned Wakala fee - Opening	391,881	287,349	274,883	191,460
Unearned Wakala fee - Closing	(322,930)	(262,724)	(322,930)	(262,724)
<b>Net wakala fee</b>	<u>204,630</u>	<u>152,237</u>	<u>397,748</u>	<u>292,489</u>

The Operator manages the general takaful operations for the participants' and charges 28 % (2022: 28 %) for Fire & Property, 35 % (2022: 35 %) for Marine, Aviation & Transport, 32.5 % (2022: 27.5 %) for Motor, 25 % (2022: 25%) for Health and 25 % (2022: 25 %) for Miscellaneous classes, of gross contribution written including administrative surcharge as wakala fee against the services.

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>25 Management Expenses</b>				
Employee benefit cost	43,691	30,945	85,135	59,503
Depreciation	1,548	907	3,013	1,679
Amortization	1,667	1,369	3,491	2,727
Advertisement and sales promotion	764	2,586	1,606	2,860
Rent, rates and taxes	1,074	930	2,302	1,860
Communication	214	324	457	667
Legal and professional charges - business related	-	374	-	398
Travelling and conveyance expenses	335	592	866	994
Shared expenses	5,929	6,165	12,916	12,498
Entertainment	833	594	1,649	1,113
Printing, stationery and postage	581	503	702	562
Annual supervision fee SECP	582	608	1,164	1,215
Bank charges	8	12	17	68
Repair and maintenance	547	833	1,163	1,064
Others	5,339	2,257	9,783	4,881
	<u>63,112</u>	<u>48,999</u>	<u>124,264</u>	<u>92,089</u>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>26 Investment Income</b>				
<b>Operator's Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	12,190	127	21,964	1,073
Mutual funds - Capital Gain	-	1,620	-	1,620
Term Deposits	14,408	534	14,605	534
Sukuks	5,110	2,145	8,383	4,030
	<u>31,708</u>	<u>4,426</u>	<u>44,952</u>	<u>7,257</u>
<b>Participants' Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	7,213	1,586	12,914	1,586
Sukuks	1,036	3,384	2,355	6,813
Term Deposits	15,568	9,042	23,598	10,895
	<u>23,817</u>	<u>14,012</u>	<u>38,867</u>	<u>19,294</u>

	For three months period ended		For six months period ended	
	June 30,2023	June 30, 2022	June 30,2023	June 30, 2022
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>27 Other Income</b>				
<b>Operator's Takaful Fund</b>				
Profit on bank deposits	5,791	10,290	18,566	17,307
Other Income	1,350	-	1,350	-
	<u>7,141</u>	<u>10,290</u>	<u>19,916</u>	<u>17,307</u>
<b>Participants' Takaful Fund</b>				
Profit on bank deposits	14,020	11,183	31,599	22,335
Other Income	5,514	-	5,514	-
	<u>19,534</u>	<u>11,183</u>	<u>37,113</u>	<u>22,335</u>

**28 Transactions with related parties**

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

	June 30,2023	June 30, 2022
	Rupees in thousand	
	(Unaudited)	(Unaudited)
<b>i) Transactions</b>		
<b>Subsidiary Company</b>		
Contribution underwritten	6,028	4,316
Contribution received	6,766	-
Claims paid	1,582	1,003
<b>Other related parties</b>		
Contribution underwritten	81,553	91,327
Contribution received	85,373	121,759
Claims paid	54,893	599
Income on bank deposits	342	8,377
<b>ii) Period end balances</b>		
<b>Subsidiary Company</b>		
Balances payable	39	712
Balances receivable	-	169
Contribution received in advance	2	-
<b>Other related parties</b>		
Balances receivable	15,079	4,907
Balances payable	22,995	34,503
Cash and bank balances	9,874	214
Contribution received in advance	455	599

## 29 Segment Information

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

### 29.1

	Participants' Takaful Fund					Total
	June 30,2023 (Unaudited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	92,243	42,616	534,773	901,526	38,086	1,609,244
Less : Federal excise duty	(11)	(7)	(74)	(1)	(6)	(99)
Federal insurance fee	(718)	(465)	(5,356)	(5,682)	(388)	(12,609)
Gross direct written contribution (inclusive of administrative surcharge) facultative inward contribution	91,514	42,144	529,343	895,843	37,692	1,596,536
	-	-	-	-	-	-
<b>Gross Contribution Written</b>	91,514	42,144	529,343	895,843	37,692	1,596,536
Wakala fee	(25,624)	(14,751)	(172,036)	(223,961)	(9,423)	(445,795)
<b>Contribution net of wakala fee</b>	65,890	27,393	357,307	671,882	28,269	1,150,741
Contribution earned	116,367	27,763	336,642	500,770	25,237	1,006,779
Takaful contribution ceded to retakaful	(137,283)	(35,326)	(19,654)	-	(21,507)	(213,770)
Net takaful contribution	(20,916)	(7,563)	316,988	500,770	3,730	793,009
Re-takaful rebate	29,430	7,370	-	-	(523)	36,277
<b>Net underwriting income</b>	8,514	(193)	316,988	500,770	3,207	829,286
Takaful claims	(9,593)	(2,498)	(185,620)	(593,958)	(5,150)	(796,819)
Re - takaful and other recoveries	7,369	1,727	(7,528)	-	4,721	6,289
Net claims	(2,224)	(771)	(193,148)	(593,958)	(429)	(790,530)
Contribution deficiency reserve						-
Direct expenses	(1,587)	(4)	(22,227)	(1,863)	(79)	(25,760)
<b>Net takaful claims and expenses</b>	(3,811)	(775)	(215,375)	(595,821)	(508)	(816,290)
<b>(Deficit) / surplus before investment income</b>	4,703	(968)	101,613	(95,051)	2,699	12,996
Other income						38,867
Investment income						37,113
Mudarib fee						(7,773)
<b>Surplus transferred to Balance of PTF</b>						81,203
Corporate segment assets	162,392	30,894	340,232	441,572	63,655	1,038,745
Corporate unallocated assets	-	-	-	-	-	1,198,748
<b>Total assets</b>	<b>162,392</b>	<b>30,894</b>	<b>340,232</b>	<b>441,572</b>	<b>63,655</b>	<b>2,237,493</b>
Corporate segment liabilities	145,886	16,064	572,742	832,057	59,572	1,626,321
Corporate unallocated liabilities	-	-	-	-	-	346,130
<b>Total liabilities</b>	<b>145,886</b>	<b>16,064</b>	<b>572,742</b>	<b>832,057</b>	<b>59,572</b>	<b>1,972,451</b>

## 29.1.1

	June 30, 2022 (Unaudited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	83,317	53,616	614,343	573,596	44,886	1,369,758
Less : Federal excise duty	(10,829)	(6,693)	(74,139)	(1,013)	(5,615)	(98,289)
Federal insurance fee	(718)	(465)	(5,356)	(5,682)	(388)	(12,609)
Gross direct written contribution (inclusive of administrative surcharge)	71,770	46,458	534,848	566,901	38,883	1,258,860
facultative inward contribution	346	85	-	-	7,998	8,429
<b>Gross Contribution Written</b>	72,116	46,543	534,848	566,901	46,881	1,267,289
Wakala fee	(20,193)	(16,290)	(173,825)	(141,725)	(11,720)	(363,753)
<b>Contribution net of wakala fee</b>	51,923	30,253	361,023	425,176	35,161	903,536
Contribution earned	92,123	29,612	299,138	259,345	34,425	714,643
Takaful contribution ceded to retakaful	(106,156)	(36,728)	(20,819)	-	(36,905)	(200,608)
Net takaful contribution	(14,033)	(7,116)	278,319	259,345	(2,480)	514,035
Re-takaful rebate	21,118	8,159	(797)	-	6,418	34,898
<b>Net underwriting income</b>	7,085	1,043	277,522	98,573	(1,546)	354,958
Takaful claims	15,464	(14,766)	(292,528)	(302,602)	(19,965)	(614,397)
Re - takaful and other recoveries	(13,108)	10,507	25,560	-	16,296	39,255
Net claims	2,356	(4,259)	(266,968)	(302,602)	(3,669)	(575,142)
Contribution deficiency reserve				1,319	(1,319)	-
Direct expenses	(557)	(24)	(21,381)	(680)	(224)	(22,866)
<b>Net takaful claims and expenses</b>	1,799	(4,283)	(288,349)	(301,963)	(5,212)	(598,008)
<b>(Deficit) / surplus before investment income</b>	8,884	(3,240)	(10,827)	(42,618)	(1,274)	(49,075)
Other income						19,294
Investment income						22,335
Mudarib fee						(3,859)
<b>Surplus transferred to Balance of PTF</b>						<u>(11,305)</u>

	December 31, 2022 (Audited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Corporate segment assets	285,726	36,804	362,252	261,566	65,340	1,011,688
Corporate unallocated assets	-	-	-	-	-	1,128,497
<b>Total assets</b>	<u>285,726</u>	<u>36,804</u>	<u>362,252</u>	<u>261,566</u>	<u>65,340</u>	<u>2,140,185</u>
Corporate segment liabilities	272,026	28,925	679,036	591,197	62,695	1,633,879
Corporate unallocated liabilities	-	-	-	-	-	306,329
<b>Total liabilities</b>	<u>272,026</u>	<u>28,925</u>	<u>679,036</u>	<u>591,197</u>	<u>62,695</u>	<u>1,940,208</u>



## 29.1.2

<b>Operator's Takaful Fund</b>						
<b>June 30, 2023 (Unaudited)</b>						
<b>Fire &amp; Property Damage</b>	<b>Marine, Aviation &amp; Transport</b>	<b>Motor</b>	<b>Accident &amp; Health</b>	<b>Miscellaneous</b>	<b>Total</b>	
<b>Rupees in thousand</b>						
Wakala fee income	45,254	14,950	162,086	166,923	8,535	<b>397,748</b>
Less : Commission expense	4,578	(7,538)	(66,337)	(50,750)	(3,221)	<b>(123,268)</b>
Management expenses	4,614	(7,598)	(66,873)	(51,160)	(3,247)	<b>(124,264)</b>
	54,446	(186)	28,876	65,013	2,067	<b>150,216</b>
Mudarib's share of PTF investment income						<b>7,773</b>
Investment income						<b>44,952</b>
Direct expenses						<b>(1,547)</b>
Other income						<b>19,916</b>
<b>Profit before tax</b>						<b>221,310</b>
Corporate segment assets	45,703	6,181	25,387	60,547	3,703	<b>141,521</b>
Corporate unallocated assets	-	-	-	-	-	<b>1,161,830</b>
<b>Total assets</b>	<b>45,703</b>	<b>6,181</b>	<b>25,387</b>	<b>60,547</b>	<b>3,703</b>	<b>1,303,351</b>
Corporate segment liabilities	18,328	281	165,968	133,648	4,705	<b>322,930</b>
Corporate unallocated liabilities	-	-	-	-	-	<b>201,202</b>
<b>Total liabilities</b>	<b>18,328</b>	<b>281</b>	<b>165,968</b>	<b>133,648</b>	<b>4,705</b>	<b>524,132</b>

## 29.1.3

<b>June 30, 2022 (Unaudited)</b>						
<b>Fire and Property Damage</b>	<b>Marine, Aviation and Transport</b>	<b>Motor</b>	<b>Accident &amp; Health</b>	<b>Miscellaneous</b>	<b>Total</b>	
<b>Rupees in thousand</b>						
Wakala fee income	35,826	15,945	144,029	85,215	11,474	292,489
Less : Commission expense	(19,302)	(4,819)	(32,340)	(7,417)	(4,342)	(68,220)
Management expenses	(26,058)	(6,504)	(43,654)	(10,012)	(5,861)	(92,089)
	(9,534)	4,622	68,035	67,786	1,271	132,180
Mudarib's share of PTF investment income						3,859
Investment income						7,257
Direct expenses						(2,090)
Other income						17,307
<b>Profit before tax</b>						<b>158,513</b>
<b>December 31, 2022 (Audited)</b>						
<b>Fire and Property Damage</b>	<b>Marine, Aviation and Transport</b>	<b>Motor</b>	<b>Accident &amp; Health</b>	<b>Miscellaneous</b>	<b>Total</b>	
<b>Rupees in thousand</b>						
Corporate segment assets	38,813	10,631	87,839	77,207	6,263	220,753
Corporate unallocated assets	-	-	-	-	-	828,667
<b>Total assets</b>	<b>38,813</b>	<b>10,631</b>	<b>87,839</b>	<b>77,207</b>	<b>6,263</b>	<b>1,049,420</b>
Corporate segment liabilities	37,958	480	156,018	76,610	3,817	274,883
Corporate unallocated liabilities	-	-	-	-	-	110,090
<b>Total liabilities</b>	<b>37,958</b>	<b>480</b>	<b>156,018</b>	<b>76,610</b>	<b>3,817</b>	<b>384,973</b>

30 **Fair values of financial instruments**

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

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

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

		Participants' Takaful Fund								
		June 30,2023 (Unaudited)								
		Carrying amount			Fair value					
		Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	361,121	-	-	-	361,121	-	-	361,121
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	18,750	-	-	18,750	-	-	-
	Investments - Term Deposits	11	-	312,500	-	-	312,500	-	-	-
	Loan and other receivables	12	-	-	98,393	-	98,393	-	-	-
	Takaful / re - takaful receivables	13	-	-	788,521	-	788,521	-	-	-
	Re - takaful recoveries against outstanding claims		-	-	105,998	-	105,998	-	-	-
	Salvage recoveries accrued		-	-	72,868	-	72,868	-	-	-
			<u>361,121</u>	<u>331,250</u>	<u>1,065,780</u>	<u>-</u>	<u>1,758,151</u>	<u>361,121</u>	<u>-</u>	<u>361,121</u>
<b>Financial liabilities not measured at fair value</b>										
	Outstanding claims including IBNR	21	-	-	-	509611	509,611	-	-	-
	Takaful / re - takaful payables		-	-	-	146999	146,999	-	-	-
	Wakala and mudarib fee payable		-	-	-	75438	75,438	-	-	-
	Other creditors and accruals	17	-	-	-	58652	58,652	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>790,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Participants' Takaful Fund</b>										
<b>December 31,2022 (Audited)</b>										
		Carrying amount			Fair value					
		Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	147,762	-	-	-	147,762	-	-	147,762
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	37,500	-	-	37,500	-	-	-
	Investments - Term Deposits	11	-	150,000	-	-	150,000	-	-	-
	Loan and other receivables	12	-	-	67,068	-	67,068	-	-	-
	Takaful / re - takaful receivables	13	-	-	653,424	-	653,424	-	-	-
	Retakaful recoveries against outstanding claims		-	-	147,898	-	147,898	-	-	-
	Salvage recoveries accrued		-	-	78,872	-	78,872	-	-	-
			<u>147,762</u>	<u>187,500</u>	<u>947,262</u>	<u>-</u>	<u>1,282,524</u>	<u>147,762</u>	<u>-</u>	<u>147,762</u>
<b>Financial liabilities not measured at fair value</b>										
	Outstanding claims including IBNR	21	-	-	-	524563	524,563	-	-	-
	Takaful / retakaful payables		-	-	-	186586	186,586	-	-	-
	Wakala and mudarib fee payable		-	-	-	146414	146,414	-	-	-
	Other creditors and accruals	17	-	-	-	31334	31,334	-	-	-
			<u>-</u>	<u>-</u>	<u>-</u>	<u>888897</u>	<u>888,897</u>	<u>-</u>	<u>-</u>	<u>-</u>

		Operator's Takaful Fund								
		June 30, 2023 (Unaudited)								
		Carrying amount				Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	269,731	-	-	-	269,731	-	-	269,731
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	125,000	-	-	-	125,000	-	125,000
	Investments - Term Deposits	11	-	400,000	-	-	-	-	-	400,000
	Loan and other receivables	12	-	-	13,665	-	-	-	-	13,665
	Wakala and mudarib fee receivable		-	-	75,438	-	-	-	-	75,438
	Cash and bank deposits	15	-	-	-	-	-	-	-	-
			269,731	525,000	89,103	-	883,834	269,731	125,000	394,731
<b>Financial liabilities not measured at fair value</b>										
	Other creditors and accruals	17	-	-	-	113,824	-	-	-	-
			-	-	-	113,824	-	-	-	-
		Operator's Takaful Fund								
		December 31, 2022 (Audited)								
		Carrying amount				Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	251,052	-	-	-	251,052	-	-	251,052
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	125,000	-	-	-	125,000	-	125,000
	Loan and other receivables	12	-	-	14,617	-	-	-	-	14,617
	Wakala and mudarib fee receivable		-	-	146,414	-	-	-	-	146,414
	Cash and bank deposits	15	-	-	-	-	-	-	-	-
			251,052	125,000	161,031	-	537,083	251,052	125,000	376,052
<b>Financial liabilities not measured at fair value</b>										
	Other creditors and accruals	17	-	-	-	87,264	-	-	-	-
			-	-	-	87,264	-	-	-	-

	Operator's Takaful Fund		Participants' Takaful Fund	
	Available for sale	Held to Maturity	Available for sale	Held to Maturity
	Rupees in thousand			
<b>31 Movement in Investment - Available for sale</b>				
<b>At the beginning of previous year</b>	38,326	75,000	53,900	175,000
Additions	251,052	50,000	147,762	100,000
Disposals	(38,326)	-	(53,900)	(87,500)
Fair value gain (excluding net realized gain)	-	-	-	-
<b>At the beginning of current period</b>	<b>251,052</b>	<b>125,000</b>	<b>147,762</b>	<b>187,500</b>
Additions	18,679	475,000	213,359	312,500
Disposals	-	(75,000)	-	(168,750)
Fair value gain (excluding net realized gain)	-	-	-	-
<b>At the end of current period</b>	<b>269,731</b>	<b>525,000</b>	<b>361,121</b>	<b>331,250</b>

**32 Subsequent events - non adjusting event**

There are no significant events that need to be disclosed for the six months period ended June 30, 2023.

**33 Date of authorization for issue**

This condensed financial information was authorized for issue on August 29, 2023 by the Board of Directors of the Operator.

**34 General**

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



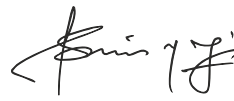
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



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