

Premier  Insurance

بميشه كالتو

**Interim Financial Statements**  
for the nine month period ended September 30, 2023  
(Unaudited)

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# COMPANY INFORMATION

## Board of Directors

Mr. Khalid Bashir  
(Chairman)  
Mr. Ahsan Bashir  
Mr. Attaullah A. Rasheed  
Mr. Imran Maqbool  
Mrs. Rukhsana Saleem  
Mr. Sharik Bashir  
Mr. Salman Rafi

## Audit Committee

Mrs. Rukhsana Saleem  
(Chairman)  
Mr. Ahsan Bashir  
(Member)  
Mr. Imran Maqbool  
(Member)  
Mr. Rao Ali Zeeshan  
(Secretary)

## Investment Committee

Mr. Ahsan Bashir  
(Chairman)  
Mr. Nadeem Maqbool  
(Member)  
Mr. Imran Maqbool  
(Member)  
Mr. Attaullah A. Rasheed  
(Member)  
Mr. Amjed Bahadur Ali  
(Secretary)

## Chief Executive Officer

Mr. Nadeem Maqbool

## Chief Financial Officer

Mr. Amjed Bahadur Ali

## Company Secretary

Mr. Fariq Mahmood Khan Rohilla

## Ethics, Human Resource, Remuneration & Nomination Committee

Mr. Salman Rafi  
(Chairman)  
Mr. Sharik Bashir  
(Member)  
Mr. Nadeem Maqbool  
(Member)  
Mrs. Rukhsana Saleem  
(Member)  
Ms. Niina Afridi  
(Secretary)

## Claim Settlement Committee

Mr. Imran Maqbool  
(Chairman)  
Mr. Ahsan Bashir  
(Member)  
Mr. Nadeem Maqbool  
(Member)  
Mr. Hassan Mustafa  
(Secretary)

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## COMPANY INFORMATION

### Underwriting Committee

Mr. Attaullah A. Rasheed  
(Chairman)

Mr. M. K. Baig  
(Member)

Mr. Afzal Ur Rehman  
(Member)

Ms. Humera Jawaid  
(Secretary)

### Reinsurance & Co-Insurance Committee

Mr. Sharik Bashir  
(Chairman)

Mr. Afzal Ur Rehman  
(Member)

Mr. Ali Muhammad  
(Member / Secretary)

### Risk Management & Compliance Committee

Mr. Nadeem Maqbool  
(Chairman)

Mr. Sharik Bashir  
(Member)

Mr. Amjed Bahadur Ali  
(Member)

Ms. Niina Afridi  
(Secretary)

### Auditors

BDO Ebrahim & Co.  
Chartered Accountants

### Legal Advisors

Arfn & Company Advocate

### Registrar

FAMCO Associates (Pvt) Ltd  
8-F, Next to Hotel Faran, Nursery,  
Block-6, P.E.C.H.S., Shahrah-e-Faisal,  
Karachi.

P : (21) 34380101-2

F : (21) 34380106

E : info.shares@famco.com.pk

### Registered & Head Office

5th Floor, State Life Building No.2A  
Wallace Road, Karachi-74000,  
Pakistan.

P : (21) 32416331-4

F : (21) 32416572

E : info@pil.com.pk

W : www.pil.com.pk

## Report of the Directors to Members

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the nine months period ended September 30, 2023.

### Performance Review

Following is the overall performance of the Company.

	Conventional		Takaful	
	Sep 30, 2023	Sep 30, 2022	Sep 30, 2023	Sep 30, 2022
	(Rupees in '000)			
Premium / contribution written	432,562	453,716	148,857	135,267
Net Premium / contribution	235,174	212,116	66,967	85,302
Underwriting Result	(58,810)	(169,866)	(10,021)	(21,388)
Investment income / (Loss)	31,535	1,392	319	23
Profit / (Loss) before taxation	(31,439)	(144,626)	(4,550)	(18,334)
Profit / (Loss) after taxation	(38,301)	(151,117)	-	-
Earning / (Loss) per share	(0.76)	(2.99)		

### Conventional Business

On the Conventional side, gross premium written during the nine months period ended September 30, 2023 was Rs. 432.56 million as compared to Rs. 453.72 million in the corresponding period. Net premium for the period under review increased by Rs. 23.06 million as compared to the previous year. Our net claims for the period were Rs.122.53 million as against Rs. 211.75 million of the previous year. Investment Income was Rs. 31.44 million as against Rs. 1.39 million of the same period last year.

### Window Takaful Operation

In Takaful gross contribution written during the nine months period ended September 30, 2023 was Rs. 148.86 million as against Rs. 135.27 million of the same period last year. Net contribution decrease by Rs. 18.33 million as compared to the last year. Net claims for the period were Rs.76.95 million as against Rs. 86.12 million of the previous year.

### Future Outlook

Although the nation's economic outlook is still difficult, we are optimistic that business conditions will improve and your organization is well-positioned to seize any chances that arise. Our objectives are still to increase revenue and profitability through restructuring and cost cutting. Restructuring the portfolio to eliminate loss-making customers is still on, and more is being done to improve profitable segments like automotive and marine. Our nine-month results are better than those from the same period last year, and we aim to continue improving them in the remaining months of the year. It is expected that this upward trend will continue in the remaining months of the year, and we are confident that our efforts to write high-quality content will enable us to record much better outcomes in the future.

## Report of the Directors to Members

### Acknowledgement

The directors would like to thank all our valued customers for their continued patronage and support, also would like to thank to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their guidance and assistance. It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by all the Company employees.

**On behalf of the Board**

**Chairman**

Karachi, Dated: October 30, 2023

**CEO / Director**

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے اختتام شدہ نو ماہ کی مدت 30 ستمبر 2023ء پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

مکافیل		روایتی بیمہ		کارکردگی کا جائزہ
30 ستمبر 2022	30 ستمبر 2023	30 ستمبر 2022	30 ستمبر 2023	کمپنی کی مجموعی کارکردگی درج ذیل ہے
(روپے '000)				
135,267	148,857	453,716	432,562	تحریری پر بیمہ / کنٹری بیوشن
85,302	66,967	212,116	235,174	خالص پر بیمہ / کنٹری بیوشن
(21,388)	(10,021)	(169,866)	(58,810)	ذمہ داری کے نتائج
23	319	1,392	31,536	سرمایہ کاری آمدنی / (خسارہ)
(18,334)	(4,550)	(144,626)	(31,439)	قبل از ٹیکس منافع / (خسارہ)
-	-	(151,117)	(38,301)	بعد از ٹیکس منافع / (خسارہ)
		(2.99)	(0.76)	منافع / (خسارہ) فی شخص

### روایتی بیمہ کاروبار:-

روایتی بیمہ کاری میں 30 ستمبر 2023ء کو ختم ہونے والی نو ماہ کی مدت کے دوران مجموعی تحریری پر بیمہ گذشتہ سال کی اسی مدت کے 453.72 ملین روپے کے مقابلے میں مبلغ 432.56 ملین روپے رہا۔ زیر جائزہ مدت کے دوران خالص پر بیمہ گذشتہ سال کی اسی مدت کے مقابلے میں 23.06 ملین روپے زائد رہی۔ ہمارا خالص کلیم گذشتہ سال کے 211.75 ملین روپے کے مقابلے میں 122.53 ملین روپے رہا۔ سرمایہ کاری کی آمدنی اس مدت میں گذشتہ سال کے 1.39 ملین روپے کے مقابلے میں 31.44 ملین روپے رہی۔

### ویڈو مکافیل آپریشن:

30 ستمبر 2023ء کو ختم ہونے والی نو ماہی مدت کے دوران مجموعی تحریری بیوشن گذشتہ سال کی اسی مدت کے 135.27 ملین روپے کے مقابلے میں 148.86 ملین روپے رہا۔ خالص کنٹری بیوشن میں گذشتہ سال کے مقابلے میں 18.33 ملین روپے کمی ہوئی۔ خالص کلیم گذشتہ سال کی اسی مدت کے 86.12 ملین روپے کے مقابلے میں 76.95 ملین روپے رہا۔

### مستقبل کے امکانات:

اگرچہ ملک کے موجودہ معاشی حالات کٹھن ہیں، لیکن ہمیں یقین ہے کہ کاروباری سرگرمیوں میں بہتری آئے گی اور آپ کی کمپنی نئے مواقع سے فائدہ اٹھانے کیلئے پرعزم ہے۔ ہمارے اہداف کاروباری لاگت میں کمی اور تنظیم نو کے ذریعے ترقی اور منافع پر مرکوز ہیں۔ خسارے میں جانے والے صارفین کو کم کرنے کیلئے پورٹ فولیو میں تبدیلی کی جارہی ہے اور منافع بخش کاروباری اصناف جیسے موٹر اور میرین کو بڑھانے کیلئے مزید کوششیں کی جارہی ہیں۔ ہمارے نو ماہ کے نتائج گذشتہ سال کی اسی مدت کے مقابلے میں بہتری کو ظاہر کرتے ہیں۔ اور ہمیں امید ہے کہ سال کے بقیہ حصہ میں ان میں مزید بہتری آئے گی۔

### اظہار تشکر:

ڈائریکٹرز اپنے قابل قدر صارفین کی مسلسل سرپرستی اور رہنمائی کے ساتھ ساتھ سیکورٹی اینڈ ایجنسی کی پیشکش اور اسٹیٹ بینک آف پاکستان کی رہنمائی اور معاونت پر ان کے شکر گزار ہیں۔ کمپنی کے ڈائریکٹرز، کمپنی کے تمام ملازمین کی جانب سے کی جانے والی کوششوں کے مسرت کے ساتھ معترف ہیں۔

از طرف بورڈ

چیئر مین

سی ای او / ڈائریکٹر

کراچی، مورخہ: 30 اکتوبر 2023ء

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

	Note	(Unaudited) 30 September 2023	(Audited) 31 December 2022
(Rupees in '000)			
<b>ASSETS</b>			
Property and equipment	7	198,274	205,205
Intangible assets	8	602	776
Investment properties	9	321,317	321,317
Investments			
- Equity securities	10	465,673	541,795
- Mutual funds	10	79,175	71,233
Investment in associate		232,402	248,436
Loans and other receivables	11	21,926	24,580
Insurance / reinsurance receivables	12	560,106	557,966
Reinsurance recoveries against outstanding claims	19	277,132	489,897
Salvage recoveries accrued		925	596
Deferred commission expense	20	23,700	28,694
Taxation - provision less payment		16,962	19,271
Deferred tax asset		50,739	50,333
Prepayments	13	124,732	132,702
Cash and bank	14	56,125	53,729
		<b>2,429,790</b>	<b>2,746,530</b>
Total Assets of Window Takaful Operations - Operator's Fund	15	<b>113,108</b>	<b>97,396</b>
<b>TOTAL ASSETS</b>		<b>2,542,898</b>	<b>2,843,926</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		505,650	505,650
Reserves		1,276,040	1,367,000
Accumulated losses		(1,055,538)	(1,017,237)
<b>TOTAL EQUITY</b>		<b>726,152</b>	<b>855,413</b>
<b>LIABILITIES</b>			
Underwriting provisions			
Outstanding claims including IBNR	19	634,053	897,213
Unearned premium reserves	18	326,985	332,080
Premium deficiency reserves		3,059	3,059
Unearned reinsurance commission	20	18,489	24,251
Retirement benefit obligations		8,227	7,742
Lease liabilities		4,282	7,972
Insurance / reinsurance payables		493,968	411,414
Other creditors and accruals	16	254,335	238,609
Unclaimed dividends		22,442	22,746
<b>TOTAL LIABILITIES</b>		<b>1,765,840</b>	<b>1,945,086</b>
Total Liabilities of Window Takaful Operations - Operator's Fund		<b>50,905</b>	<b>43,427</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,542,898</b>	<b>2,843,926</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



## CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Note	Quarter ended		Nine months period ended	
		30 September 2023	30 September 2022	30 September 2023	30 September 2022
(Rupees in '000)					
Net insurance premium	18	78,798	75,267	235,174	212,116
Net insurance claims	19	(27,255)	(54,017)	122,529	(211,755)
Net commission expense and other acquisition costs	20	(4,175)	(3,658)	(14,654)	(11,122)
Insurance claims and acquisition expenses		(31,430)	(57,675)	(137,183)	(222,877)
Management expenses	21	(71,813)	(66,232)	(156,801)	(159,105)
<b>Underwriting results</b>		<b>(24,445)</b>	<b>(48,640)</b>	<b>(58,810)</b>	<b>(169,866)</b>
Investment income	22	4,941	7,805	31,535	1,392
Rental income		1,131	1,211	3,673	3,596
Revaluation gain on investment property		-	-	-	13,500
Other income	23	1,556	234	5,974	20,006
Other expenses	24	(1,050)	(2,095)	(3,193)	(4,378)
		6,578	7,155	37,989	34,115
Results of operating activities		(17,867)	(41,485)	20,821	(135,751)
Finance costs - lease liability		(145)	(282)	(491)	(899)
Share of loss associate		(319)	(366)	(319)	(1,208)
Loss before tax from					
General Insurance Operations		(18,331)	(42,133)	(21,630)	(137,857)
Profit / (loss) before tax from Window Takaful Operations - Operator's Fund		15,036	9,719	(9,809)	(6,769)
Loss before tax		(3,295)	(32,414)	(31,439)	(144,626)
Income tax expense	25	(4,829)	(4,022)		(6,491)
<b>Loss after taxation</b>		<b>(8,124)</b>	<b>(36,436)</b>	<b>(38,301)</b>	<b>(151,117)</b>
Loss per share - basic and diluted	26	(0.16)	(0.74)	(0.76)	(2.29)

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

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Note	Quarter ended		Nine months period ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(Rupees in '000)			
<b>Loss after taxation</b>	<b>(8,124)</b>	(36,436)	<b>(38,301)</b>	(151,117)
<b>Other comprehensive income / (loss) :</b>				
Items that may be reclassified subsequently to profit or loss account				
Unrealized income / (loss) on available-for-sale investments during the period	29 <b>3,325</b>	(79,040)	<b>(75,245)</b>	(98,341)
Share of other comprehensive loss from associated company	<b>(15,715)</b>	(44,987)	<b>(15,715)</b>	(53,402)
Other comprehensive (loss) for the period	<b>(12,390)</b>	(124,027)	<b>(90,960)</b>	(151,743)
<b>Total comprehensive loss for the period</b>	<b>(20,514)</b>	(160,463)	<b>(129,261)</b>	(302,860)

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

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (unaudited)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Share capital	Reserves						Total reserves	Total equity
	Issued, subscribed and paid-up	Reserve for exceptional losses	Devaluation reserve	Capital reserves		Revenue reserves			
				General reserve	Revaluation Reserves - Available for sale investments of the Company and associate	Revaluation Reserves - Property and Equipment	Accumulated losses		
(Rupees in '000)									
Balance as at 01 January 2022	505,650	19,490	185	996,851	601,363	35,859	(827,015)	826,733	1,332,383
Loss for the period ended 30 Sep 2022	-	-	-	-	-	-	(151,117)	(151,117)	(151,117)
Other comprehensive loss for the period	-	-	-	-	(151,743)	-	-	(151,743)	(151,743)
Total comprehensive loss for the period ended 30 September 2022	-	-	-	-	(151,743)	-	(151,117)	(302,860)	(302,860)
Balance as at 30 September 2022	<u>505,650</u>	<u>19,490</u>	<u>185</u>	<u>996,851</u>	<u>449,620</u>	<u>35,859</u>	<u>(978,132)</u>	<u>523,873</u>	<u>1,029,523</u>
<b>Balance as at 01 January 2023</b>	<b>505,650</b>	<b>19,490</b>	<b>185</b>	<b>996,851</b>	<b>314,615</b>	<b>35,859</b>	<b>(1,017,237)</b>	<b>349,763</b>	<b>855,413</b>
Loss for the period ended 30 Sep 2023	-	-	-	-	-	-	(38,301)	(38,301)	(38,301)
Other comprehensive loss for the period	-	-	-	-	(90,960)	-	-	(90,960)	(90,960)
Total comprehensive loss for the period ended 30 September 2023	-	-	-	-	(90,960)	-	(38,301)	(129,261)	(129,261)
<b>Balance as at 30 September 2023</b>	<b><u>505,650</u></b>	<b><u>19,490</u></b>	<b><u>185</u></b>	<b><u>996,851</u></b>	<b><u>223,655</u></b>	<b><u>35,859</u></b>	<b><u>(1,055,538)</u></b>	<b><u>220,502</u></b>	<b><u>726,152</u></b>

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

**Chief Executive Officer**

**Chairman**

**Director**

**Director**

**Chief Financial Officer**

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	<b>Nine months period ended</b>	
	<b>30 September 2023</b>	<b>30 September 2022</b>
	(Rupees in '000)	
<b>Operating activities</b>		
<b>a) Underwriting activities</b>		
Insurance premium received	407,752	188,984
Reinsurance premium paid	(99,547)	(132,899)
Claims paid	(567,808)	(241,262)
Reinsurance and other recoveries received	400,238	237,188
Commission paid	(56,808)	(20,642)
Commission received	26,083	9,640
Other acquisition costs paid	(10,654)	(8,103)
Management expenses paid	(140,317)	(128,412)
<b>Net cash used in underwriting activities</b>	<b>(41,061)</b>	<b>(95,505)</b>
<b>b) Other operating activities</b>		
Income tax (paid)	(4,553)	9,065
Other operating receipts	(14,202)	17,971
Loans advanced, deposits received / (paid)	2,422	7,086
Other liabilities (paid) / reversed	41,682	(4,920)
<b>Total cash generated from other operating activities</b>	<b>25,349</b>	<b>29,202</b>
<b>Total cash used in all operating activities</b>	<b>(15,712)</b>	<b>(51,811)</b>
<b>Investment activities</b>		
Profit / return received	23,416	28,157
Rental received	3,673	3,596
Payment for investments made	(8,748)	(5,133)
Proceeds from investments disposed	1,864	-
Fixed capital expenditure incurred	(1,199)	(561)
Proceeds from sale of property and equipment	3,308	4,461
<b>Total cash generated from investing activities</b>	<b>22,314</b>	<b>30,519</b>
<b>Financing activities</b>		
Finance cost paid	(491)	(898)
Dividend paid	(304)	-
Payment of lease liability	(3,411)	(3,210)
<b>Total cash used in financing activities</b>	<b>(4,206)</b>	<b>(4,108)</b>
<b>Net cash (used in) / generated from all activities</b>	<b>2,396</b>	<b>(25,400)</b>
Cash and cash equivalents at beginning of the period	53,729	75,964
<b>Cash and cash equivalents at end of the period</b>	<b>56,125</b>	<b>50,563</b>

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Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF CASHFLOWS (unaudited)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Note	Nine months period ended	
		30 September 2023	30 September 2022
(Rupees in '000)			
<b>Reconciliation to profit and loss account</b>			
Operating cashflows		(15,712)	(51,811)
Depreciation and amortization expense	21	(5,018)	(6,540)
Finance costs		(491)	(899)
Gain on sale of operating fixed assets	23	2,134	3,297
Net realized gain on investments	22	2,640	79
Impairment in value of available for sale securities		-	(24,257)
Rental income		3,673	3,596
Dividend income	22	29,474	26,207
Other income	23	3,840	16,709
Share of loss of associates		(319)	(1,208)
Loss from Window Takaful Operations - Operator's Fund	15	(9,809)	(6,769)
Decrease in assets other than cash		(224,269)	(182,749)
Increase in liabilities other than borrowings		175,556	59,727
Gain on revaluation of investment property		-	13,500
<b>Loss after taxation</b>		<b>(38,301)</b>	<b>(151,118)</b>

### Definition of cash and cash equivalent

Cash and cash equivalent comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits having maturing 3 months from the date of acquisition.

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

### Cash and other equivalent

Cash	-	-
Stamps in hand	161	341
	<b>161</b>	<b>341</b>

### Current and other accounts

Current accounts	9,453	30,225
PLS account	46,511	19,997
	<b>55,964</b>	<b>50,222</b>

### Total cash and cash equivalent

	<b>56,125</b>	<b>50,563</b>
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The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Premier Insurance Limited (the Company) was incorporated as a public limited Company in Pakistan in May 1952 and is engaged in general insurance business. The shares of the Company are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 5th Floor, State Life Building No. 2A, Wallace Road, Off. I.I. Chundrigar Road, Karachi. The Company has been allowed to work as Window Takaful Operator since 02 October 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Regulation, 2019 differ with the requirements of IAS 34, provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulation, 2019, have been followed.

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Further, a separate set of financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of the Takaful Rules 2012.

### 2.2 Basis of measurement

These condensed interim financial statements have been prepared on the historical cost basis except for available for sale investments & investment property that have been measured at fair value and staff gratuity which is stated at present value.

### 2.3 Functional and presentation currency

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

### 3. USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended December 31, 2022.

### 4. SIGNIFICANT ACCOUNTING POLICIES

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

### 5. FINANCIAL AND INSURANCE RISK MANAGEMENT

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

### 6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the premium deficiency reserve for each class of business as at 30 Sep 2023 and considered adequate to meet the expected liability after reinsurance, for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date except health department.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Notes	(Unaudited) (Audited)	
		30 September 2023	31 December 2022
(Rupees in '000)			
<b>7. PROPERTY AND EQUIPMENT</b>			
Operating fixed assets	7.1	168,751	172,925
Capital work-in-progress		26,109	26,109
Right of use assets	7.2	3,414	6,171
		<b>198,274</b>	<b>205,205</b>
<b>7.1 Operating fixed assets</b>			
Opening balance as at January 01		172,925	177,825
Add: Additions during the period / year		512	1,199
Less: Written down value of disposals during the period / year		(757)	(1,174)
Depreciation charged during the period / year		(3,929)	(4,925)
		<b>(4,686)</b>	<b>(6,099)</b>
Closing written down value		<b>168,751</b>	<b>172,925</b>
<b>7.2 Right-of-use assets</b>			
The Company has recognized right-of-use assets in respect of the Head Office and its branches:			
<b>Head Office and branches:</b>			
Opening balance as at January 01		6,171	8,387
Less: Reversal due to termination during the period / year		(1,843)	-
Depreciation charged during the period / year		(914)	(2,216)
Closing written down value		<b>3,414</b>	<b>6,171</b>
<b>8. INTANGIBLE ASSETS</b>			
Opening balance as at January 01		776	1,109
Less: Amortization charged during the period / year		(174)	(333)
Closing written down value		<b>602</b>	<b>776</b>
<b>9. INVESTMENT PROPERTIES</b>			
Carrying value at the beginning of the period / year		321,317	297,740
Revaluation gain on investment property		-	23,577
Carrying value at the end of the period / year		<b>321,317</b>	<b>321,317</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

### 10. INVESTMENTS

	30 September 2023 (Unaudited)				December 31, 2022 (Audited)			
	Cost	Impairment/ provision for	Revaluation surplus	Carrying value	Cost	Impairment/ provision for the period	Revaluation surplus	Carrying value
	(Rupees in '000)							
<b>Available-for-sale</b>								
Equity Securities:								
Related parties								
Listed shares	187,816	-	14,101	201,917	196,282	(8,466)	108,556	296,372
Other than related parties								
Unlisted shares	1,483	-	-	1,483	1,483	-	-	1,483
Listed shares	230,555	-	31,718	262,273	273,316	(41,080)	11,704	243,940
Mutual funds *	61,526	-	17,649	79,175	52,778	-	18,455	71,233
	<b>481,379</b>	<b>-</b>	<b>63,469</b>	<b>544,848</b>	<b>523,859</b>	<b>(49,546)</b>	<b>138,716</b>	<b>613,028</b>

\* Investments in Mutual funds includes units placed as statutory deposit with State Bank of Pakistan in compliance of section 29 of Insurance Ordinance, 2000.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Note	(Unaudited) 30 September 2023	(Audited) 31 December 2022
(Rupees in '000)			
<b>11. LOANS AND OTHER RECEIVABLES</b>			
Mark-up and dividend receivable		116	348
Loans to employees	11.1	1,271	1,711
Deposits		9,868	11,061
Advance to agents		1,078	1,643
Other receivables		9,593	9,817
		<u>21,926</u>	<u>24,580</u>
<b>11.1</b> These are short term, unsecured interest free loans and advances provided to permanent employees of the Company adjustable against salaries.			
<b>12. INSURANCE / REINSURANCE RECEIVABLES</b>			
Premium due but unpaid		503,027	482,542
Less: Provision for doubtful receivables from insurance contract holders		(177,884)	(173,558)
		<u>325,143</u>	<u>308,984</u>
Amounts due from other insurers / reinsurers		351,332	361,340
Less: Provision for doubtful receivables from other insurers / reinsurers		(116,369)	(112,358)
		<u>234,963</u>	<u>248,982</u>
		<u>560,106</u>	<u>557,966</u>
<b>13. PREPAYMENTS</b>			
Prepaid reinsurance premium ceded	18	110,109	130,491
Other prepaid expense		14,623	2,211
		<u>124,732</u>	<u>132,702</u>
<b>14. CASH AND BANK</b>			
Cash and cash equivalent		161	251
- Policy and revenue stamps, bond papers			
Cash at bank		9,453	6,489
- Current accounts		46,511	46,989
- Savings account	14.1	56,125	53,729
		<u>112,250</u>	<u>107,449</u>

**14.1** The rate of return on savings account held with various banks range from 10.00% to 21.66% per annum (December 31, 2022: 7.96% to 14.60%).

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Note	(Unaudited)	(Audited)
	30 September 2023	31 December 2022
(Rupees in '000)		
<b>15. WINDOW TAKAFUL OPERATIONS – OPERATOR'S FUND</b>		
<b>Assets</b>		
Loan and other receivables	311	225
Receivable from PTF	19,386	12,792
Deferred commission expense	7,512	8,329
Cash and bank	3,996	4,147
	<b>31,205</b>	25,493
Qard-e-hasna contributed to PTF	81,903	71,903
<b>Total Assets</b>	<b>113,108</b>	97,396
<b>Total Liabilities</b>	<b>174,296</b>	148,776

	Unaudited	
	30 September 2023	30 September 2022
(Rupees in '000)		
<b>Operator's revenue accounts</b>		
Wakala fee	46,784	46,134
Commission expense	(12,198)	(11,442)
General, administrative and management expenses	(45,110)	(41,045)
Modarib's share of PTF Investment income	2,935	1,580
Profit on bank accounts	236	194
Other expenses	(2,456)	(2,190)
<b>Loss for the period</b>	<b>(9,809)</b>	(6,769)

Note	(Unaudited)	(Audited)
	30 September 2023	31 December 2022
(Rupees in '000)		
<b>16. OTHER CREDITORS AND ACCRUALS</b>		
Bonus payable	3,102	3,102
Commissions payable	144,161	170,117
Federal excise duty and sales tax	22,162	17,100
Federal insurance fee	899	-
Deposits and margins	2,127	2,127
Provision for rent	14,000	14,000
Others	67,884	32,163
	<b>254,335</b>	238,609

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

- 16.1** This represents provision for rent amounting to Rs. 14 million (December 31, 2022: Rs.14 million) against which the Company is in litigation with the landlord. The possibility of the eventual beneficiary being other than the Company is considered remote by the Company's legal advisor. However, the Company has made a provision of the disputed amount as a matter of prudence.

### 17. CONTINGENCIES AND COMMITMENTS

#### 17.1 Contingencies

The status of contingencies are same as disclosed in the annual audited financial statements for the year ended December 31, 2022.

		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>30 September</b>	<b>31 December</b>
		<b>2023</b>	<b>2022</b>
		(Rupees in '000)	
<b>17.2 Commitments</b>			
Commitment for capital expenditure	17.2.1	<b>15,038</b>	15,038

- 17.2.1** This represents the commitment regarding capital expenditure in Investment Property.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine months period ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
(Rupees in '000)				
<b>18. NET INSURANCE PREMIUM</b>				
Written gross premium	313,793	291,729	432,562	453,716
<b>Add:</b> Unearned premium reserve opening	159,476	195,071	332,080	319,480
<b>Less:</b> Unearned premium reserve closing	(326,985)	(327,616)	(326,985)	(327,616)
Premium earned	146,284	159,184	437,657	445,580
<b>Less:</b> Reinsurance premium ceded	125,631	129,954	182,101	205,807
<b>Add:</b> Prepaid reinsurance premium opening	51,964	85,418	130,491	159,112
<b>Less:</b> Prepaid reinsurance premium closing	(110,109)	(131,455)	(110,109)	(131,455)
Reinsurance expense	67,486	83,917	202,483	233,464
<b>Net insurance premium</b>	<b>78,798</b>	<b>75,267</b>	<b>235,174</b>	<b>212,116</b>
<b>19. NET INSURANCE CLAIMS</b>				
Claims paid	71,319	175,231	567,479	412,661
<b>Less:</b> Outstanding claims including IBNR opening	(635,946)	(1,173,375)	(897,213)	(1,026,820)
<b>Add:</b> Outstanding claims including IBNR closing	634,053	1,062,991	634,053	1,062,991
Claims expense	69,426	64,847	304,319	448,832
<b>Less:</b> Reinsurance and other recoveries received	29,133	166,103	394,554	316,813
<b>Less:</b> Reinsurance and other recoveries in respect of outstanding claims - opening	(264,094)	(789,884)	(489,897)	(714,347)
<b>Add:</b> Reinsurance and other recoveries in respect of outstanding claims - closing	277,132	634,611	277,132	634,611
Reinsurance and other recoveries revenue	42,172	10,830	181,790	237,077
<b>Net insurance claims</b>	<b>27,254</b>	<b>54,017</b>	<b>122,529</b>	<b>211,755</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine months period ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
(Rupees in '000)				
<b>20. NET COMMISSION EXPENSE AND OTHER ACQUISITION COSTS</b>				
Commission paid or payable	18,847	11,425	30,852	28,378
Add: Deferred commission opening	16,691	16,253	28,694	19,206
Less: Deferred commission closing	(23,700)	(17,619)	(23,700)	(17,619)
Commission expense	11,838	10,059	35,846	29,965
<b>Less:</b> Commission received or recoverable from reinsurers	19,443	22,367	26,083	32,007
<b>Add:</b> Unearned reinsurance commission opening	9,540	11,453	24,251	22,358
<b>Less:</b> Unearned reinsurance commission closing	(18,489)	(22,114)	(18,489)	(22,114)
Commission from reinsurance	10,494	11,706	31,845	32,251
<b>Net commission expense / (income)</b>	1,345	(1,647)	4,000	(2,286)
<b>Add: Other acquisition costs:</b>				
Tracking device expenses	149	50	265	213
Service charges	2,570	1,892	7,980	8,329
Other costs	112	3,363	2,409	4,866
<b>Net Commission expense and other acquisition costs</b>	2,831	5,305	10,654	13,408
	<b>4,176</b>	<b>3,658</b>	<b>14,654</b>	<b>11,122</b>
<b>21. MANAGEMENT EXPENSES</b>				
Employee benefit cost	51,360	47,950	110,694	115,277
Travelling expenses	846	273	1,298	787
Advertisement and sales promotion	260	54	1,237	710
Printing and stationary	654	617	1,724	1,928
Depreciation	1,550	2,085	4,844	6,291
Amortization	59	84	174	249
Rent, rates and taxes	704	584	1,399	1,107
Legal and professional charges - business related	2,330	895	9,378	4,736
Electricity, gas and water	2,636	2,378	4,511	4,465
Entertainment	759	672	1,468	1,703
Vehicle running expenses	241	912	731	1,367
Office repairs and maintenance	1,044	1,023	2,461	2,542
IT & software related expense	604	338	1,784	2,220
Bank charges	1	-	6	71
Postages, telegrams and telephone	1,503	1,303	3,293	3,139
Insurance expense	539	720	1,059	1,453
Annual supervision fee SECP	50	50	991	910
Bad and doubtful debts	6,276	5,834	8,651	9,074
Others	397	460	1,098	1,076
	<b>71,813</b>	<b>66,232</b>	<b>156,801</b>	<b>159,105</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine months period ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
<b>22. INVESTMENT INCOME</b>				
	(Rupees in '000)			
<b>Income from equity securities and mutual fund units</b>				
Available for sale				
- Equity securities	5,201	8,109	19,182	20,464
- Mutual funds	-	(0)	10,292	5,743
<b>Net realized gain on investments</b>				
Available for sale				
- Equity securities and Mutual Funds	1	10	2,640	79
	5,202	8,119	32,114	26,286
<b>Total investment income</b>				
Less: Impairment in value of available for sale securities - Equity Securities	-	-	-	(24,257)
Less: Investment related expenses	(262)	(315)	(579)	(638)
	4,940	7,804	31,535	1,392
<b>23. OTHER INCOME</b>				
Return on bank balances	524	156	2,253	2,075
Exchange gain	-	-	-	(33)
Gain on sale of operating fixed assets	165	-	2,134	3,297
Liabilities no longer required written back	-	-	-	14,540
Miscellaneous	867	78	1,587	127
	1,556	234	5,974	20,006
<b>24. OTHER EXPENSES</b>				
Auditors' remuneration	625	517	1,946	2,175
Fees and subscription	1,219	2,021	2,813	3,256
Inadmissible input tax expense	(335)	(142)	(583)	(388)
Others	(459)	(301)	(983)	(665)
	1,050	2,095	3,193	4,378
<b>25. TAXATION</b>				
Current tax	4,764	4,329	7,268	7,362
Deferred tax	65	(307)	(406)	(871)
	4,829	4,022	6,862	6,491

**25.1** The relationship between tax expense and accounting profit has not been presented in these condensed interim financial statements as the income of the Company is subject to tax under section 113 of the Income Tax Ordinance, 2001.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine months period ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
<b>26. LOSS PER SHARE – basic and diluted</b>	(Rupees in '000)			
Loss after tax for the period	<b>(8,124)</b>	(36,436)	<b>(38,301)</b>	(151,117)
	(Number of shares in '000)			
Weighted average number of ordinary shares	<b>50,565</b>	50,565	<b>50,565</b>	50,565
	(Rupees in '000)			
Loss per share	<b>(0.16)</b>	(0.72)	<b>(0.76)</b>	(2.99)

No figure for diluted earnings per share has been presented as the company has not issued any instrument which would dilute its basic loss per share when exercised.

### 27. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, shareholder and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions with related parties are as follows:

	(Unaudited) Nine months period ended	
	30 September 2023	30 September 2022
	(Rupees in '000)	
<b>Transactions during the period / year</b>		
Associated Companies		
Premium underwritten	<b>119,301</b>	92,874
Premium received	<b>149,169</b>	43,928
Claims paid	<b>44,068</b>	129,056
Others	<b>5,964</b>	-
<b>Others</b>		
Premium underwritten	<b>12</b>	77
Premium received	<b>14</b>	320
Claims Paid	<b>-</b>	-
Meeting fees	<b>688</b>	920
Remuneration and retirement benefits to key management personnel	<b>105,283</b>	106,694

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



# CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) (Audited)  
30 September 2023 31 December 2022  
(Rupees in '000)

### Balances outstanding at the reporting date

#### Associated Companies

Premium receivable  
Claims outstanding  
Commission outstanding

#### Others

Premium receivable

<b>85,707</b>	78,887
<b>51,305</b>	68,439
<b>341</b>	1,015
<b>117</b>	117

27.1 Company's contribution toward staff provident fund for the period is Rs. 3,087 thousand (2022: Rs.3,699 thousand).

## 28. SEGMENT REPORTING

Following are the segment assets, liabilities, revenue and expenses of the Company:

Segment Current Period	Fire and property damage								Marine, aviation and transport				Motor				Health				Miscellaneous				Total																							
	2023		2022		2023		2022		2023		2022		2023		2022		2023		2022		2023		2022																									
	(Rupees in '000)																																															
Premium receivable (Inclusive of FED / sales tax, federal insurance fee and Less: FED / sales tax Less: Federal insurance fee)	83,438	115,217	23,384	24,897	45,874	5,910	31,360	151,311	109,531	37,155	40,260	241,162	321,065	10,780	14,158	2,803	3,004	5,910	4,100	4,757	5,208	24,250	26,469	712	952	200	215	388	270	1,498	1,085	321	346	3,119	2,868													
Gross written premium (Inclusive of administrative surcharge)	71,946	100,107	20,381	21,479	39,576	26,991	149,813	108,446	32,077	34,706	313,793	291,729	70,688	94,587	19,574	21,057	38,231	26,568	149,692	108,322	31,602	34,291	309,788	284,825	763	4,871	365	(0)	801	0	-	-	13	(0)	1,942	4,871	494	649	441	422	545	423	121	124	463	416	2,063	2,033
Gross direct premium	47,343	61,426	18,900	22,818	20,020	15,268	48,308	45,631	11,712	14,041	146,284	159,184	(39,590)	(55,568)	(14,754)	(15,052)	(1,129)	(905)	(7,211)	(5,618)	(4,802)	(6,774)	(67,486)	(83,917)																								
Insurance premium earned	7,754	5,858	4,146	7,767	18,892	14,363	41,097	40,013	6,910	7,267	78,798	75,267	5,923	6,960	2,582	2,634	92	70	1,180	983	717	1,058	10,494	11,706																								
Net Insurance premium	13,676	12,818	6,728	10,401	18,984	14,434	42,277	40,996	7,627	8,325	89,292	86,973																																				
Commission income from reinsurers	(18,001)	(7,783)	(1,364)	(2,484)	(6,788)	(10,883)	(39,955)	(40,168)	(3,318)	(3,527)	(69,426)	(64,847)	30,742	6,140	865	1,649	1,272	297	7,013	5,236	2,280	(2,492)	42,172	10,830																								
Net underwriting income	12,741	(1,643)	(499)	(835)	(5,516)	(10,586)	(32,942)	(34,932)	(1,038)	(6,019)	(27,254)	(54,017)	(5,070)	(3,439)	(538)	(1,195)	(1,892)	(958)	(3,289)	(2,648)	(1,578)	(1,817)	(11,819)	(10,056)	(24,831)	(25,859)	(7,788)	(8,739)	(9,489)	(6,523)	(23,652)	(19,246)	(6,042)	(5,885)	(71,813)	(66,232)	638	(952)	125	(616)	483	(1,298)	(4,382)	(1,819)	305	(621)	(2,831)	(5,305)
Net insurance claims and expenses	(16,622)	(31,893)	(8,711)	(11,385)	(15,904)	(19,365)	(64,145)	(58,645)	(8,354)	(14,322)	(113,737)	(135,611)	(2,946)	(19,076)	(1,983)	(984)	3,080	(4,931)	(21,868)	(17,649)	(727)	(5,997)	(24,445)	(48,640)																								
Underwriting result											4,941	7,805																																				
Net investment income											1,131	1,211																																				
Rental income											-	-																																				
Fair value gain on investment property											1,956	234																																				
Other income											(1,050)	(2,095)																																				
Other expenses											(143)	(262)																																				
Finance cost											(319)	(366)																																				
Share of loss from associate											15,036	9,719																																				
Share of Profit from WTO - Operator's Fund											(3,295)	(32,415)																																				
Loss before tax																																																

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

# CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

											Unaudited	
											Nine months period ended	
	2023		2022		2023		2022		2023		2022	
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Premium receivable (inclusive of FED / Sales Tax, Federal insurance fee and less: FED / sales tax)	123,116	180,114	40,397	47,805	76,885	54,158	76,885	54,158	45,301	56,250	470,858	497,458
Less: Federal insurance fee	14,396	20,466	4,545	5,351	9,623	6,840	9,523	6,840	5,673	6,809	34,140	39,466
	947	1,355	343	407	640	457	640	457	397	466	4,155	4,276
<b>Gross written Premium (inclusive of Administrative surcharge)</b>	<b>107,771</b>	<b>158,283</b>	<b>35,503</b>	<b>42,047</b>	<b>66,721</b>	<b>46,860</b>	<b>66,721</b>	<b>46,860</b>	<b>39,241</b>	<b>48,975</b>	<b>432,562</b>	<b>453,716</b>
Gross direct premium	93,912	136,352	33,833	39,854	62,785	44,743	62,785	44,743	38,089	46,483	411,695	424,537
Facultative inward premium	13,219	21,052	641	1,257	2,731	1,136	2,731	1,136	544	1,848	17,135	25,293
Administrative surcharge	639	879	1,030	1,136	1,236	981	1,236	981	598	645	3,732	3,886
Insurance premium earned	167,011	181,148	34,395	40,854	54,908	47,930	54,908	47,930	39,449	39,995	437,857	445,590
Insurance premium ceded to reinsurers	(134,053)	(168,808)	(28,731)	(24,188)	(3,181)	(2,485)	(3,181)	(2,485)	(16,201)	(2,110)	(202,483)	(233,464)
<b>Net Insurance premium</b>	<b>32,958</b>	<b>12,340</b>	<b>5,574</b>	<b>16,666</b>	<b>51,627</b>	<b>45,445</b>	<b>51,627</b>	<b>45,445</b>	<b>23,248</b>	<b>18,875</b>	<b>235,174</b>	<b>212,186</b>
Commission income from reinsurers	20,745	21,604	4,935	4,233	241	179	241	179	2,452	3,282	31,845	32,251
<b>Net underwriting income</b>	<b>53,703</b>	<b>33,944</b>	<b>10,508</b>	<b>20,899</b>	<b>51,868</b>	<b>45,625</b>	<b>51,868</b>	<b>45,625</b>	<b>25,700</b>	<b>22,157</b>	<b>267,019</b>	<b>244,367</b>
Insurance claims expense	(75,165)	(287,141)	(10,588)	(11,408)	(19,504)	(27,320)	(19,504)	(27,320)	(83,813)	(7,605)	(304,318)	(448,832)
Insurance claims recovered from reinsurers and other recoveries revenue	74,234	213,836	9,968	7,270	1,816	590	1,816	590	78,229	464	181,789	237,077
Net insurance claims	(31)	(73,305)	(618)	(4,138)	(17,888)	(26,730)	(17,888)	(26,730)	(5,584)	(7,141)	(122,529)	(211,755)
Commission expense	(16,342)	(11,886)	(1,234)	(2,923)	(3,579)	(3,196)	(3,579)	(3,196)	(5,367)	(4,024)	(9,846)	(29,964)
Management expense	(59,839)	(64,853)	(12,291)	(14,588)	(19,636)	(7,115)	(19,636)	(7,115)	(14,133)	(14,276)	(156,801)	(153,105)
Other acquisition cost	640	(1,198)	125	(738)	354	(1,847)	354	(1,847)	396	(782)	(10,854)	(13,408)
<b>Net insurance claims and expenses</b>	<b>(76,469)</b>	<b>(150,872)</b>	<b>(14,018)</b>	<b>(22,387)</b>	<b>(40,749)</b>	<b>(48,888)</b>	<b>(40,749)</b>	<b>(48,888)</b>	<b>(24,778)</b>	<b>(26,225)</b>	<b>(325,831)</b>	<b>(414,232)</b>
<b>Underwriting result</b>	<b>(22,767)</b>	<b>(116,928)</b>	<b>(3,510)</b>	<b>(1,489)</b>	<b>11,119</b>	<b>(3,262)</b>	<b>11,119</b>	<b>(3,262)</b>	<b>922</b>	<b>(4,068)</b>	<b>(58,810)</b>	<b>(169,866)</b>
Investment income											31,535	1,392
Rental income											3,673	3,596
Revaluation gain on investment property											-	13,500
Other income											5,974	20,006
Other expenses											(3,193)	(4,379)
Finance cost											(491)	(899)
Share of loss from associate											(319)	(1,208)
Share of loss from WTO - Operator's Fund											(9,809)	(6,789)
<b>Loss before tax</b>											<b>(91,432)</b>	<b>(144,628)</b>

## 29.1 Segment assets and liabilities

The following presents segments assets and liabilities for the period 30 September 2023 and 31 December 2022:

	2023		2022		2023		2022		2023		2022	
	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Segment assets</b>	<b>245,436</b>	<b>473,509</b>	<b>80,865</b>	<b>101,821</b>	<b>191,991</b>	<b>133,027</b>	<b>477,505</b>	<b>387,402</b>	<b>89,366</b>	<b>112,943</b>	<b>985,112</b>	<b>1,208,702</b>
Unallocated corporate assets											1,557,786	1,635,224
<b>Total assets</b>											<b>2,542,898</b>	<b>2,843,926</b>
<b>Segment Liabilities</b>	<b>367,113</b>	<b>652,246</b>	<b>120,939</b>	<b>140,256</b>	<b>227,282</b>	<b>183,242</b>	<b>624,489</b>	<b>533,637</b>	<b>133,670</b>	<b>155,576</b>	<b>1,473,493</b>	<b>1,664,957</b>
Unallocated corporate liabilities											292,347	280,129
<b>Total liabilities</b>											<b>1,765,840</b>	<b>1,945,086</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Rupees in '000)

### 29. MOVEMENT IN INVESTMENTS - AVAILABLE FOR SALE

<b>January 01, 2022</b>	788,225
Additions	5,837
Disposals (sale and redemptions)	(523)
Fair value net gains (excluding net realized gains)	(130,965)
Impairment losses	(49,546)
<b>December 31, 2022</b>	613,028
Additions	8,748
Disposals (sale and redemptions)	(1,681)
Fair value net gains (excluding net realized gain)	(75,247)
<b>30 September, 2023</b>	<b>544,848</b>

### 30. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

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

There had been no transfers between the fair value of hierarchy during the period.

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

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	30 September 2023 (unaudited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
<b>Available for sale investments (measured at fair value)</b>			
Equity securities	464,190	1,483	-
Mutual fund units	-	79,175	-
	<b>464,190</b>	<b>80,658</b>	-

	31 December 2022 (audited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
<b>Available for sale investments (measured at fair value)</b>			
Equity securities	540,312	1,483	-
Mutual fund units	-	71,233	-
	<b>540,312</b>	<b>72,716</b>	-

### 31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **30 October 2023** by the Board of directors of the Company.

### 32. GENERAL

- 32.1** There is no individual class of business within the category of 'miscellaneous', where the gross premium of the class of business is 10% or more of the gross premium revenue of the company.
- 32.2** The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to confirm with changes in presentation in the current period. However there were no material reclassification / restatements to report.
- 32.3** All amounts have been rounded to the nearest thousand Rupees.

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

AS AT 30 SEPTEMBER 2023

	Note	Operator's Fund		Participant's Takaful Fund	
		30 September 2023 (Unaudited)	31 December 2022 (Audited)	30 September 2023 (Unaudited)	31 December 2022 (Audited)
(Rupees in '000)					
<b>ASSETS</b>					
Investments					
Mutual funds	7	-	-	7,516	4,630
Term deposits	8	-	-	600	600
Loans and other receivables	10	312	225	47,486	21,846
Takaful / retakaful receivables	12	-	-	66,086	43,584
Retakaful recoveries against outstanding claims	19	-	-	8,517	6,930
Qard-e-hasna contributed to PTF	9	81,903	71,903	-	-
Salvage recoveries accrued		-	-	403	397
Receivable from PTF	11	19,386	12,792	-	-
Deferred wakala expense	22	-	-	34,549	29,218
Deferred commission expense	23	7,512	8,329	-	-
Prepayments	13	-	-	16,103	11,548
Cash and bank	14	3,996	4,147	48,761	71,349
<b>TOTAL ASSETS</b>		<b>113,108</b>	<b>97,396</b>	<b>230,021</b>	<b>190,102</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Reserve attributable to:</b>					
<b>Operator's Fund (OPF)</b>					
Statutory fund		50,000	50,000	-	-
Accumulated deficit		(111,189)	(101,380)	-	-
<b>Balance of Operator's Fund</b>		<b>(61,189)</b>	<b>(51,380)</b>	<b>-</b>	<b>-</b>
<b>Participant's Takaful Fund (PTF) / Waqf</b>					
Seed money		-	-	500	500
Revaluation reserves		-	-	(317)	(939)
Accumulated deficit		-	-	(71,933)	(67,382)
<b>Balance of Participant's Takaful Fund / Waqf</b>		<b>-</b>	<b>-</b>	<b>(71,750)</b>	<b>(67,821)</b>
<b>Qard-e-Hasna</b>		<b>-</b>	<b>-</b>	<b>81,903</b>	<b>71,903</b>
<b>LIABILITIES</b>					
<b>PTF Underwriting provisions</b>					
Unearned contribution reserve	18	-	-	98,682	83,119
Outstanding claims including IBNR	19	-	-	65,675	59,670
Contribution deficiency reserve		-	-	3,029	3,029
Reserve for Unearned retakaful rebate	21	-	-	2,755	2,054
		-	-	170,141	147,872
Unearned wakala fees	22	34,549	29,218	-	-
Takaful / retakaful payables		-	-	26,825	23,659
Payable to OPF	16	-	-	19,386	12,792
Other creditors and accruals	15	139,748	119,558	3,516	1,697
<b>TOTAL LIABILITIES</b>		<b>174,297</b>	<b>148,776</b>	<b>49,727</b>	<b>38,148</b>
<b>TOTAL FUND AND LIABILITIES</b>		<b>113,108</b>	<b>97,396</b>	<b>230,021</b>	<b>190,102</b>
<b>CONTINGENCIES AND COMMITMENTS</b>					
	17				

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

**Chief Executive Officer**

**Chairman**

**Director**

**Director**

**Chief Financial Officer**

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Note	Quarter ended		Nine Months Period Ended		
	30 September 2023	30 September 2022	30 September 2023	30 September 2022	
(Rupees in '000)					
<b>Participant's Takaful Fund</b>					
Contribution earned - net of wakala fee	18	30,259	29,422	86,510	85,302
Less: Contribution ceded to retakaful	18	(7,270)	(6,193)	(19,543)	(17,237)
Net contribution revenue	18	22,989	23,229	66,967	68,065
Re-takaful rebate earned	21	1,326	1,163	3,546	3,292
Net underwriting income		24,315	24,392	70,513	71,357
Net claims - reported / settled	19	(27,349)	(24,086)	(77,431)	(77,468)
- IBNR	19	2,310	(7,209)	485	(8,659)
		(25,039)	(31,295)	(76,946)	(86,127)
Other direct expenses	20	(115)	(2,283)	(3,588)	(6,618)
Deficit before investment income		(839)	(9,186)	(10,021)	(21,388)
Investment income	26	143	10	319	23
Other income	27	2,862	2,075	8,087	4,611
Less: Modarib's share of investment income	28	(1,045)	(731)	(2,935)	(1,580)
<b>Surplus / (Deficit) for the period</b>		<b>1,121</b>	<b>(7,832)</b>	<b>(4,550)</b>	<b>(18,334)</b>
<b>Operator's Fund</b>					
Wakala fee	22	16,298	15,904	46,784	46,134
Commission expense	23	(3,885)	(4,264)	(12,198)	(11,442)
General administrative and management expenses	24	1,879	(2,233)	(45,110)	(41,045)
		14,292	9,407	(10,524)	(6,353)
Modarib's share of PTF investment income	28	1,045	731	2,935	1,580
Profit on bank accounts		30	48	236	194
Other expenses	25	(331)	(467)	(2,456)	(2,190)
<b>Income / (loss) for the period</b>		<b>15,036</b>	<b>(9,719)</b>	<b>(9,809)</b>	<b>(6,769)</b>

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

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Quarter ended		Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(Rupees in '000)			
<b>Participant's Takaful Fund</b>				
Surplus / (Deficit) for the period	1,121	(7,832)	(4,550)	(18,334)
<b>Other comprehensive income / loss for the period:</b>				
Unrealized income / (loss) on available for sale securities	659	14	621	(402)
<b>Total comprehensive income / (loss) for the period</b>	<b>1,780</b>	<b>(7,818)</b>	<b>(3,929)</b>	<b>(18,736)</b>
<b>Operator's Fund</b>				
Income / (loss) for the period	15,036	9,719	(9,809)	(6,769)
<b>Other comprehensive income / (loss) for the period:</b>				
Unrealized income / (loss) on available for sale securities	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<b>15,036</b>	<b>9,719</b>	<b>(9,809)</b>	<b>(6,769)</b>

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

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

**CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S  
FUND AND PARTICIPANTS' TAKAFUL FUND (unaudited)**  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Attributable to Operator's Fund			Total
	Statutory fund	Unrealized gain / (loss) on revaluation of available- for-sale	Accumulated deficit	
	(Rupees in '000)			
Balance as at 01 January 2022	50,000	-	(94,013)	(44,013)
Net loss for the period	-	-	(6,769)	(6,769)
Other comprehensive income for the period	-	-	-	-
<b>Balance as at 30 September 2022</b>	<b>50,000</b>	<b>-</b>	<b>(100,782)</b>	<b>(50,782)</b>

	50,000	-	(101,380)	(51,380)
Net loss for the period	-	-	(9,809)	(9,809)
Other comprehensive income for the period	-	-	-	-
<b>Balance as at 30 September 2023</b>	<b>50,000</b>	<b>-</b>	<b>(111,189)</b>	<b>(61,189)</b>

	Attributable to participants of the Participant's Fund			Total
	Ceded Money	Unrealized loss on revaluation of available- for-sale	Accumulated Deficit	
	(Rupees in '000)			
Balance as at January 01, 2022	500	(534)	(43,326)	(43,360)
Deficit for the period	-	-	(18,334)	(18,334)
Other comprehensive loss for the period	-	(402)	-	(402)
<b>Balance as at 30 September 2022</b>	<b>500</b>	<b>(936)</b>	<b>(61,660)</b>	<b>(62,096)</b>

	500	(939)	(67,382)	(67,821)
Deficit for the period	-	-	(4,550)	(4,550)
Other comprehensive income for the period	-	621	-	621
<b>Balance as at 30 September 2023</b>	<b>500</b>	<b>(318)</b>	<b>(71,932)</b>	<b>(71,750)</b>

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

**Chief Executive  
Officer**

**Chairman**

**Director**

**Director**

**Chief Financial  
Officer**

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



**CONDENSED INTERIM STATEMENT OF  
CASH FLOWS (unaudited)**  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Nine Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
<b>Operating activities</b>	(Rupees in '000)			
<b>a) Takaful activities</b>				
Contribution received	-	-	73,535	98,788
Re-takaful contributions paid	-	-	(20,331)	(19,876)
Claims / benefit paid	-	-	(74,902)	(91,902)
Re-takaful and other recoveries received	-	-	2,374	8,756
Commissions (paid) / re-takaful rebate received	(9,348)	(10,473)	4,247	3,145
Wakala fees received	45,521	49,835	-	-
Wakala fees paid	-	-	(45,521)	(49,835)
Modarib share received / (paid)	2,935	1,580	(2,935)	(1,580)
<b>Total cash generated from / (used) in takaful activities</b>	<b>39,108</b>	40,942	<b>(63,533)</b>	(52,504)
<b>b) Other operating activities</b>				
General and administration expenses paid	(47,733)	(43,364)	(4,149)	(4,245)
Amounts due from other takaful / retakaful operators	-	-	3,813	13,486
Deposits and other receivables	81	77	25,685	4,365
Received from / (paid to) Premier Insurance Limited	18,044	10,389	-	31,614
Accrued salvage recoveries	-	2	(6)	-
Other liabilities settled	113	(165)	(1,819)	566
<b>Total cash (used in) / generated from other operating activities</b>	<b>(29,495)</b>	(33,061)	<b>23,524</b>	45,786
<b>Total cash generated from / (used in) operating activities</b>	<b>9,613</b>	7,881	<b>(40,009)</b>	(6,718)
<b>Investment activities</b>				
Accrued investment income	-	-	(45)	(396)
Bank profit received	236	194	8,087	4,490
Sale of investment - net	-	-	(621)	402
<b>Total cash generated from investing activities</b>	<b>226</b>	194	<b>7,421</b>	4,496
<b>Financing activities</b>				
Qard-e-hasna contributions	(10,000)	(14,000)	10,000	14,000
<b>Total cash (used in) / generated from financing activities</b>	<b>(10,000)</b>	(14,000)	<b>10,000</b>	14,000
<b>Total cash (used in) / generated from all activities</b>	<b>(151)</b>	(5,925)	<b>(22,588)</b>	11,778
Cash and cash equivalents at beginning of the period	4,147	15,322	71,349	45,782
<b>Cash and cash equivalents at the end of the period</b>	<b>3,996</b>	9,397	<b>48,761</b>	57,560

Chief Executive Officer

Chairman

Director

Director

Chief Financial Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

**CONDENSED INTERIM STATEMENT OF  
CASH FLOWS (unaudited)**  
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

Note	Nine Months Period Ended			
	Operator's Fund		Participant's Takaful Fund	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
(Rupees in '000)				
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	9,849	7,881	(32,588)	(6,718)
Investment income	-	-	319	23
(Decrease) / increase in assets other than cash	5,863	(531)	61,567	(17,828)
(Increase) / decrease in liabilities	(25,521)	(14,119)	(33,848)	6,189
<b>Loss for the period</b>	<b>(9,809)</b>	<b>(6,769)</b>	<b>(4,550)</b>	<b>(18,334)</b>
<b>Attributed to:</b>				
Operator's Fund	(9,809)	(6,769)	-	-
Participants' Takaful Fund	-	-	(4,550)	(18,334)
	<b>(9,809)</b>	<b>(6,769)</b>	<b>(4,550)</b>	<b>(18,334)</b>

**Definition of cash and cash equivalent**

Cash comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits having maturity of less than three months.

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

**Cash and other equivalent**

Policy, revenue stamps and bond papers

**Current and other accounts**

Current and savings accounts

**Total cash and cash equivalent** 14

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

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Premier Insurance Limited (the Operator) has been authorized to undertake Window Takaful Operations (WTO) on 02 October 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The operator of the Company is listed on the Pakistan Stock Exchange Limited (PSX). The registered office of the Company is situated at 5th Floor, State Life Building No. 2A, Wallace Road, Karachi.

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on October 31, 2015 under the Waqf Deed with a Seed money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.

### 2. BASIS OF PRESENTATION

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

#### 2.1 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IAS) 34, interim Financial Reporting issued by the International Accounting Standards Board (IASB) as for interim Financial Reporting notified under the Companies Act, 2017;

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

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

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

### 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except investments which are carried at fair value and at amortized cost.

### 2.3 Functional and Presentation Currency

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

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2022.

## 4. USE OF JUDGEMENTS AND ESTIMATES

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2022.

## 5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

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

## 6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the contribution deficiency reserve for each class of business as at 30 September 2023 and considered adequate to meet the expected liability after reinsurance, for claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date except health department.

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	30 September 2023 (Unaudited)	31 December 2022 (Audited)
(Rupees in '000)		
<b>12. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good</b>		
Contribution due but unpaid	52,423	33,734
Less: Provision for doubtful receivables takaful participants' holders	<u>(5,714)</u>	<u>(5,714)</u>
	46,709	28,020
Amounts due from other takaful / retakaful operators	<u>19,377</u>	<u>15,564</u>
	<u>66,086</u>	<u>43,584</u>
<b>13. PREPAYMENTS</b>		
Prepaid retakaful contribution ceded	14,527	10,573
Other prepaid expense	<u>1,576</u>	<u>975</u>
	<u>16,103</u>	<u>11,548</u>

	Operator's Fund		Participant's Takaful Fund	
	30 September 2023 (Unaudited)	31 December 2022 (Audited)	30 September 2023 (Unaudited)	31 December 2022 (Audited)
(Rupees in '000)				
<b>14. CASH AND BANK</b>				
<b>Cash and cash equivalent</b>				
Policy, revenue stamps and bond papers	-	-	16	29
<b>Cash at bank</b>				
Current accounts	-	-	38	127
Profit and loss sharing accounts 14.1	<u>3,996</u>	<u>4,147</u>	<u>48,739</u>	<u>71,193</u>
	<u>3,996</u>	<u>4,147</u>	<u>48,761</u>	<u>71,349</u>

- 14.1** The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 3.81% to 17.00% per annum (December 31, 2022: 2.84% to 14.03%).

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	Operator's Fund		Participant's Takaful Fund	
	30 September 2023 (Unaudited)	31 December 2022 (Audited)	30 September 2023 (Unaudited)	31 December 2022 (Audited)
	(Rupees in '000)			
<b>15. OTHER CREDITORS AND ACCRUALS</b>				
Payable to Premier Insurance Limited	123,981	105,937	-	-
Federal takaful fee	-	-	76	-
Sales tax on services	-	-	846	(249)
Commission payable	15,759	13,726	-	-
Auditor's fee	298	478	-	-
Others	(290)	(583)	2,594	1,946
	<u>139,748</u>	<u>119,558</u>	<u>3,516</u>	<u>1,697</u>

### 16. PAYABLE TO OFF

Wakala fee payable	-	-	19,386	12,792
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### 17. CONTINGENCES AND COMMITMENTS

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

	(Unaudited) Quarter ended		(Unaudited) Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(Rupees in '000)			
<b>18. NET CONTRIBUTION</b>				
Written gross contribution	67,279	54,607	148,857	135,267
Less: Wakala fee	(16,298)	(15,904)	(46,784)	(46,134)
Contribution Net of Wakala Fee	50,981	38,703	102,073	89,133
<b>Add:</b> Unearned contribution reserve opening	77,960	83,517	83,119	88,967
<b>Less:</b> Unearned contribution reserve closing	(98,682)	(92,798)	(98,682)	(92,798)
Contribution earned	30,259	29,422	86,510	85,302
<b>Less:</b> Retakaful contribution ceded	12,797	7,910	23,497	17,122
<b>Add:</b> Prepaid retakaful contribution opening	9,000	8,289	10,573	10,121
<b>Less:</b> Prepaid retakaful contribution closing	(14,527)	(10,006)	(14,527)	(10,006)
Retakaful expense	7,270	6,193	19,543	17,237
	<u>22,989</u>	<u>23,229</u>	<u>66,967</u>	<u>68,065</u>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
(Rupees in '000)				
<b>19. NET CLAIMS EXPENSE</b>				
Claims paid or payable	34,268	27,114	74,902	91,902
<b>Less:</b> Outstanding claims including IBNR opening	(72,872)	(61,354)	(59,670)	(70,595)
<b>Add:</b> Outstanding claims including IBNR closing	65,675	66,651	65,675	66,651
Claims expense	27,071	32,411	80,907	87,958
<b>Less:</b> Retakaful and other recoveries received	732	10	2,375	14,032
<b>Less:</b> Retakaful recoveries against outstanding claims - opening	(7,217)	(6,964)	(6,930)	(20,271)
<b>Add:</b> Retakaful recoveries against outstanding claims - closing	8,517	8,070	8,517	8,070
Retakaful and other recoveries revenue	2,032	1,116	3,961	1,831
<b>Net Claim</b>	<b>25,039</b>	<b>31,295</b>	<b>76,946</b>	<b>86,127</b>
<b>20. DIRECT EXPENSES - PTF</b>				
Tracking services	12	200	332	194
Service charges	1,164	2,264	3,632	5,598
Others	(1,061)	(181)	(376)	826
	<b>115</b>	<b>2,283</b>	<b>3,588</b>	<b>6,618</b>
<b>21. RETAKAFUL REBATE - PTF</b>				
Rebate from re-takaful received	2,454	1,486	4,247	3,145
Add: Deferred rebate opening	1,627	1,664	2,054	2,134
Less: Deferred rebate closing	(2,755)	(1,987)	(2,755)	(1,987)
	<b>1,326</b>	<b>1,163</b>	<b>3,546</b>	<b>3,292</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(Rupees in '000)			
<b>22. WAKALA FEE – OPF</b>				
Gross wakala fee	23,555	18,562	52,115	47,226
Add: Deferred wakala opening	27,292	29,574	29,218	31,140
Less: Deferred wakala closing	(34,549)	(32,232)	(34,549)	(32,232)
	16,298	15,904	46,784	46,134

The shareholders of the company manage the general takaful operations for the participants and charges 70% for travel class of business and 35% for all other classes (December 31, 2021: 35%) of the gross contribution written as wakala fee against the services.

	(Unaudited) Quarter ended		(Unaudited) Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	(Rupees in '000)			
<b>23. COMMISSION EXPENSE – OPF</b>				
Commission paid or payable	3,776	4,352	11,381	13,276
Add: Deferred commission opening	7,621	8,851	8,329	7,105
Less: Deferred commission closing	(7,512)	(8,939)	(7,512)	(8,939)
	3,885	4,264	12,198	11,442

### 24. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES – OPF

Employee benefit cost	(1,976)	1,178	38,167	34,389
Rent, rates and taxes	4	69	481	330
Communications	(51)	5	374	348
Fuel and power	265	292	1,552	1,331
Travelling expenses	137	(21)	447	235
Entertainments	18	(5)	505	508
Advertisements and sales promotions	106	577	723	1,302
Repair and maintenance	(126)	2	847	758
Printing and stationery	(138)	(79)	589	571
Vehicle running expenses	(85)	182	252	408
Annual supervision fee SECP	-	-	267	119
Miscellaneous	(33)	33	906	746
	(1,879)	2,233	45,110	41,045

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) Quarter ended		(Unaudited) Nine Months Period Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
<b>25. OTHER EXPENSES – OPF</b>	(Rupees in '000)			
Auditors' remuneration	98	111	408	499
Fees and subscription	233	356	2,048	1,691
	<b>331</b>	<b>467</b>	<b>2,456</b>	<b>2,190</b>
<b>26. INVESTMENT INCOME – PTF</b>				
<b>Income from mutual funds</b>				
Realized gain on sale of mutual fund units	123	-	123	-
Dividend income	-	-	-	-
<b>Income from term deposits</b>				
Return on term deposits	20	10	196	23
	<b>143</b>	<b>10</b>	<b>319</b>	<b>23</b>
<b>27. OTHER INCOME – PTF</b>				
Profit on bank deposits	2,862	2,075	8,087	4,490
Exchange gain	-	-	-	121
	<b>2,862</b>	<b>2,075</b>	<b>8,087</b>	<b>4,611</b>

### 28. MODARIB FEE

The operator manage the participants' investments as a Modarib and charge 35% (2022: 35%) Modarib's share of the investment income earned by PTF.

### 29. RELATED PARTY TRANSACTIONS – PTF

Related parties comprise associated companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit schemes.

Details of the balances and transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial statements, are as follows:

Transactions during the period	(Unaudited)	
	30 September 2023	30 September 2022
	(Rupees in '000)	
<b>Associated companies</b>		
Contribution underwritten	7,211	7,505
Contribution received	4,653	10,941
Claims paid	335	2,679

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

(Unaudited) (Audited)

30 September 2023 31 December 2022

(Rupees in '000)

### Period end balances

#### Associated companies

Contribution receivable  
Claims outstanding  
Commission outstanding

3,481	(119)
1,917	1,235
59	59

29.1 Operator's contribution toward staff provident fund during the period is Rs.1.105 million (2022: 1.034 million).

### 30. SEGMENT INFORMATION

#### 30.1 Participants Takaful Fund

##### Segment profit and loss

	Quarter ended											
	30 September 2023		30 September 2022		30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
<b>Participants Takaful Fund</b>												
<b>Contribution receivable (inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)</b>	11,052	7,016	2,884	2,629	29,050	28,049	29,618	20,647	489	1,297	73,193	59,637
Less: Federal excise duty	1,283	733	280	328	3,855	3,260	-	-	57	172	5,256	4,493
Less: Federal takaful fee	88	54	27	23	246	245	293	204	4	11	658	537
<b>Gross written contribution (inclusive of Administrative surcharge)</b>	9,681	6,229	2,696	2,278	25,149	24,544	29,325	20,442	428	1,114	67,279	54,607
Gross direct contribution	8,662	5,329	2,599	2,206	23,971	23,737	29,295	20,422	421	1,096	64,949	52,790
Facultative inward contribution	931	833	-	-	933	79	-	-	-	-	1,464	912
Administrative surcharge	88	65	96	74	643	729	30	20	8	18	866	905
Less: Wakala expense	(1,795)	(1,373)	(736)	(764)	(7,593)	(6,932)	(5,952)	(6,304)	(221)	(530)	(16,298)	(15,904)
Takaful contribution earned	5,119	4,117	2,104	2,184	21,894	19,806	17,007	18,013	633	1,206	46,557	45,326
Takaful contribution ceded to retakaful operators	(3,432)	(3,176)	(1,348)	(1,381)	(2,233)	(1,357)	-	-	(257)	(279)	(7,270)	(6,193)
<b>Net takaful contribution</b>	(106)	(432)	20	39	11,868	11,517	11,055	11,709	155	397	22,989	23,230
Rebate earned	786	721	304	291	177	87	-	-	59	64	1,326	1,163
<b>Net underwriting income</b>	678	289	324	330	12,045	11,604	11,055	11,709	214	461	24,315	24,393
Takaful claims	23	(983)	179	(219)	(15,545)	(14,562)	(11,785)	(16,616)	57	(31)	(27,071)	(32,411)
Takaful claims recovered from retakaful	(43)	918	(146)	162	2,283	10	-	-	(40)	28	2,032	1,116
<b>Net claim</b>	(20)	(65)	30	(57)	(13,282)	(14,552)	(11,785)	(16,616)	17	(3)	(25,039)	(31,295)
Other direct expense	159	3	64	6	984	128	(1,327)	(2,421)	5	1	(115)	(2,283)
<b>(Deficit) / surplus before investment income</b>	817	227	418	279	(253)	(2,820)	(2,057)	(7,328)	236	459	(839)	(9,186)
Investment income											143	10
Other Income											2,862	2,075
Less: Modarib's share of investment income											(1,045)	(731)
<b>Surplus / (Deficit) transferred to accumulated surplus</b>											1,121	(7,832)

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

### Segment profit and loss

	Nine Months Period Ended											
	30 September 2023		30 September 2022		30 September 2023		30 September 2022		30 September 2023		30 September 2022	
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Total	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
<b>Contribution receivable (Inclusive of Federal Excise Duty / Sales Tax, Federal Takaful Fee and Administrative surcharge)</b>	17,161	14,078	5,908	6,205	78,061	77,732	60,190	47,142	659	2,743	161,978	147,899
Less: Federal excise duty	1,830	1,423	624	744	9,150	8,822	-	-	80	338	11,684	11,327
Less: Federal takaful fee	123	98	52	54	661	663	596	467	6	24	1,437	1,306
<b>Gross written contribution (inclusive of administrative surcharge)</b>	15,209	12,558	5,231	5,407	68,250	68,247	59,594	46,675	573	2,381	148,857	135,267
Gross direct contribution	12,165	9,768	5,026	5,200	63,910	64,231	59,534	46,620	562	2,330	141,186	128,150
Facultative inward contribution	2,917	2,673	-	-	2,195	1,903	-	-	-	-	5,112	4,576
Administrative surcharge	127	117	205	207	2,145	2,113	60	55	12	50	2,548	2,542
Less: Wakala expense	(5,205)	(3,770)	(1,779)	(1,820)	(22,936)	(19,355)	(15,932)	(19,781)	(932)	(1,409)	(46,784)	(46,134)
Takaful contribution earned	14,858	10,964	5,082	5,199	65,532	55,299	45,521	56,516	2,301	3,458	133,294	131,436
Takaful contribution ceded to retakaful	(9,373)	(9,158)	(3,616)	(3,825)	(5,584)	(3,272)	-	-	(765)	(982)	(19,543)	(17,237)
<b>Net takaful contribution</b>	280	(1,964)	(513)	(446)	37,011	32,672	29,589	36,735	600	1,066	66,967	66,065
Rebate earned	2,145	2,050	825	838	400	179	-	-	176	225	3,546	3,292
<b>Net underwriting income</b>	2,425	86	312	392	37,411	32,851	29,589	36,735	776	1,292	70,513	71,357
Takaful claims	(1,894)	(2,692)	(392)	439	(43,495)	(25,784)	(34,276)	(59,549)	(850)	(372)	(80,907)	(87,958)
Takaful claims recovered from retakaful	929	2,407	305	(431)	2,649	21	-	-	78	(164)	3,961	1,833
<b>Net claim</b>	(965)	(285)	(87)	8	(40,846)	(25,763)	(34,276)	(59,549)	(772)	(536)	(76,946)	(86,127)
Other direct expense	76	(73)	26	(31)	339	(396)	(4,031)	(6,103)	3	(14)	(3,588)	(6,618)
<b>(Deficit) / Surplus before investment income</b>	1,536	(272)	251	369	(3,096)	6,692	(6,719)	(28,917)	7	742	(10,021)	(21,388)
Investment income											319	23
Other income											8,087	4,611
Less: Modarib's share of investment income											(2,935)	(1,580)
<b>Deficit transferred to accumulated surplus</b>											(4,550)	(18,334)

### Segment assets and liabilities

The following presents segments assets and liabilities as at 30 September 2023 (unaudited) and 31 December 2022 (audited):

	Nine Months Period Ended											
	30 September 2023		30 September 2022		31 December 2022		30 September 2023		30 September 2022		31 December 2022	
	(Unaudited)		(Unaudited)		(Audited)		(Unaudited)		(Unaudited)		(Audited)	
	Fire and property damage	Marine, aviation and transport	Motor	Health	Miscellaneous	Total	2023	2022	2023	2022	2023	2022
	(Rupees in '000)											
<b>Segment assets</b>	12,838	10,522	4,416	4,577	57,614	57,153	50,306	58,495	484	3,030	125,658	133,775
Unallocated corporate assets											104,369	56,327
<b>Total assets</b>											230,027	190,102
<b>Segment liabilities</b>	19,815	14,724	6,815	6,404	88,919	79,978	77,641	81,857	747	4,240	183,937	187,202
Unallocated corporate liabilities											25,931	(1,182)
<b>Total liabilities</b>											219,868	186,020

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

### Segment profit and loss

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
	(Rupees in '000)												
Quarter ended												30 September 2023	30 September 2022
												(Unaudited)	(Unaudited)
Wakala fee earned	1,795	1,373	736	764	7,593	6,932	5,952	6,304	222	530	16,298	15,904	
Commission expense	(628)	(462)	(95)	(166)	(2,686)	(2,498)	(422)	(574)	(53)	(565)	(3,885)	(4,264)	
Management expense	226	(142)	(224)	(150)	1,933	(1,389)	(128)	(488)	72	(65)	1,679	(2,233)	
	1,393	769	418	448	6,839	3,047	5,402	5,242	241	(99)	14,292	9,407	
Modarib's share of PTF investment income												1,045	731
Profit on bank deposits												30	48
Other expenses												(331)	(467)
<b>Loss before taxation</b>												<b>15,036</b>	<b>9,719</b>

### 30.2 Operators Fund

#### Segment profit and loss

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
	(Rupees in '000)												
Nine Months Period Ended												30 September 2023	30 September 2022
												(Unaudited)	(Unaudited)
Wakala fee earned	3,410	2,397	1,042	1,055	15,343	12,423	9,980	13,476	710	879	30,486	30,230	
Commission expense	(1,414)	(758)	(178)	(209)	(5,531)	(4,066)	(808)	(1,233)	(383)	(912)	(8,313)	(7,178)	
Management expense	(415)	1,327	969	419	(28,885)	(18,314)	(19,803)	(21,664)	(476)	(573)	(46,989)	(38,812)	
	1,981	2,966	1,433	1,265	(17,052)	(9,959)	(10,631)	(9,421)	(149)	(612)	(24,816)	(15,760)	
Modarib's share of PTF investment income												1,890	849
Investment income												-	-
Profit on bank deposits												206	146
Other expenses												(2,125)	(1,723)
<b>Loss before taxation</b>												<b>(24,845)</b>	<b>(16,488)</b>

#### Segment assets and liabilities

The following presents segments assets and liabilities as at 30 September 2023 (unaudited) and 31 December 2022 (audited):

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
	(Rupees in '000)												
Segment assets	768	559	264	243	3,444	3,035	3,007	3,107	29	161	7,513	7,105	
Unallocated corporate assets												105,596	90,291
<b>Total assets</b>												<b>113,108</b>	<b>97,396</b>
Segment liabilities	3,530	2,449	1,214	1,065	15,841	13,304	13,631	13,616	133	705	34,549	31,140	
Unallocated corporate liabilities												139,748	117,636
<b>Total liabilities</b>												<b>174,297</b>	<b>148,776</b>

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	OPF	Participant's Takaful Fund		Total
	Available for sale	Available for sale	Held to maturity	
<b>31. MOVEMENT IN INVESTMENTS</b>				
		(Rupees in '000)		
<b>As at January 01, 2022</b>	-	5,035	600	5,635
Addition	-	-	2,400	2,400
Disposal (sale and redemption)	-	-	(2,400)	(2,400)
Designated at available for sale upon initial recognition	-	(405)	-	(405)
<b>As at December 31, 2022</b>	-	4,630	600	5,230
Addition	-	9,142	1,800	10,942
Disposal (sale and redemption)	-	(6,877)	(1,800)	(8,677)
Designated at available for sale upon initial recognition	-	621	-	621
<b>As at September 30, 2023</b>	-	7,516	600	8,116

### 32. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

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

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

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

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023

	(Unaudited) 30 September 2023 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
<b>PTF</b> <b>Available for sale investments (measured at fair value)</b>			
Mutual fund units	-	7,516	-

	(Audited) December 31, 2022 Fair Value Measurement		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
<b>PTF</b> <b>Available for sale investments (measured at fair value)</b>			
Mutual fund units	-	5,035	-

### 33. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **30 October 2023** by the Board of Directors of the Operator.

### 34. GENERAL

- 34.1** There is no individual class of business within the category of 'miscellaneous', where the gross contribution of the class of business is 10% or more of the gross premium revenue of the Operator.
- 34.2** The comparative information has been reclassified, rearranged or additionally restated in these condensed interim financial statements, wherever necessary, to facilitate comparative and to conform with changes in presentation in the current period. However there were no material reclassification / restatements to report.
- 34.3** All amounts have been rounded to the nearest thousand Rupees.

Chief Executive  
Officer

Chairman

Director

Director

Chief Financial  
Officer

QUARTER AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2023