



Harnessing Strengths

Report (Un-Audited)
First Quarter 2023

EFU GENERAL
INSURANCE LTD



EFU GENERAL INSURANCE LTD
ISO 9001: 2015 Certified

 efuinsurance.com

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Company Information

Chairman

Saifuddin N. Zoomkawala

Managing Director & Chief Executive

Hasanali Abdullah

Directors

Rafique R. Bhimjee

Taher G. Sachak

Ali Raza Siddiqui

Muhammed Iqbal Mankani

Saad Bhimjee

Mahmood Lotia

Tanveer Sultan Moledina

Yasmin Hyder

Chief Financial Officer

Altaf Gokal, F.C.A.

Company Secretary

Amin Punjani, A.C.A., F.C.C.A., M.A.

Legal Advisor

Khurram Rashid

Shari'ah Advisor

Mufti Muhammad Ibrahim Essa

Audit Committee

Tanveer Sultan Moledina

Rafique R. Bhimjee

Ali Raza Siddiqui

Taher G. Sachak

Yasmin Hyder

Investment Committee

Rafique R. Bhimjee

Saifuddin N. Zoomkawala

Hasanali Abdullah

Taher G. Sachak

Altaf Gokal

Ethics, Human Resource & Remuneration Committee

Muhammed Iqbal Mankani

Saifuddin N. Zoomkawala

Hasanali Abdullah

Auditors

EY Ford Rhodes, Chartered Accountants

Progressive Plaza, Beaumont Road

Karachi - 75530

Registrar

CDC Share Registrar Services Limited

CDC House, 99-B, Block-B

S.M.C.H.S., Shahrah-e-Faisal

Karachi - 74400

Website

www.efuinsurance.com

Email

info@efuinsurance.com

Registered Office

Kamran Centre, 1st Floor

85, East, Jinnah Avenue

Blue Area

Islamabad

Main Offices

EFU House

M.A. Jinnah Road

Karachi

Co-operative Insurance Building

23, Shahrah-e-Quaid-e-Azam

Lahore

Window Takaful Operations

5th Floor, EFU House

M.A. Jinnah Road

Karachi

Directors' Review

We are pleased to present the unaudited financial statements for the three months period ended 31 March 2023.

Performance Review

The Written Premium for the quarter increased by 20% to Rs. 8,197 million (including Takaful Contribution of Rs. 735 million) from Rs. 6,804 million (including Takaful Contribution of Rs. 689 million) for the corresponding quarter of last year. The Net Premium Revenue was Rs. 2,750 million as against Rs. 2,557 million for the corresponding quarter of last year. The overall Claims ratio to Net Premium Revenue was 46% as compared to 47% for the corresponding quarter of last year.

Investment income (including rental income, profit on deposits, and other income) for the quarter increased by 17% to Rs. 1,037 million as compared to Rs. 890 million for the corresponding quarter of last year. The incidence of tax is higher in this quarter as compared to corresponding quarter of last year due to increase in tax rate announced in last Budget in June 2022.

The profit before tax for the quarter increased by 8% to Rs. 1,355 million as compared to Rs. 1,250 million in the corresponding quarter last year. The after-tax profit for the quarter increased by 1% to Rs. 906 million as compared to Rs. 901 million in the corresponding quarter last year.

The earnings per share for the quarter was Rs. 4.53 against Rs. 4.50 in the corresponding quarter of last year.

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

Outlook

Pakistan's economic and political landscape is currently experiencing difficult times. Heightened international oil prices are likely to remain major risk factor for the economy. With IMF program expected this year, the economic landscape could improve.

Acknowledgements

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

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

ڈائریکٹرز رپورٹ

(یہ انگریزی ڈائریکٹرز رپورٹ کا ترجمہ ہے)

ہم بمسرت ۳۱ مارچ ۲۰۲۳ء کو ختم ہونے والی سہ ماہی کے لئے غیر آڈٹ شدہ مالیاتی حسابات پیش کر رہے ہیں۔

کارکردگی کا جائزہ

سہ ماہی کے لئے تحریری پریمیکم ۲۰ فیصد بڑھ کر ۱۹،۸۰۰ ملین روپے (بشمول نکافل کنٹری بیوشن ۳۵۰ ملین روپے) رہا جو اس کے مقابلے میں گزشتہ سال کی اس مدت کے لئے ۱۸،۰۰۰ ملین روپے (بشمول نکافل کنٹری بیوشن ۶۸۹ ملین روپے) رہا تھا۔ خالص پریمیکم ریونیو ۵۰،۷۰۰ ملین روپے تھا جو اس کے مقابلے میں گزشتہ سال کی اس مدت کے لئے ۴۷،۵۰۰ ملین روپے رہا تھا۔ خالص پریمیکم ریونیو کے لئے مجموعی کلیمز کا تناسب ۴۶ فیصد رہا جو اس کے مقابلے میں گزشتہ سال کی اسی مدت کے لئے ۴۷ فیصد تھا۔

سرمایہ کاری کی آمدنی (بشمول ریٹیل آمدنی، ڈپازٹس اور دیگر آمدنی پر منافع جات) برائے سہ ماہی ۷۰ فیصد بڑھ کر ۰،۰۳۰ ملین روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس سہ ماہی میں ۸۹۰ ملین روپے تھی۔ اس سہ ماہی میں ٹیکس بھی گزشتہ سال کی اس سہ ماہی کے مقابلے میں بڑھ گیا جس کی وجہ سے جون ۲۰۲۲ء میں گزشتہ اعلان کردہ ٹیکس ریٹس میں اضافہ تھا۔

اس سہ ماہی کے لئے منافع قبل از ٹیکس ۸ فیصد بڑھ کر ۳۵۵،۱۰۰ ملین روپے ہو گیا جو گزشتہ سال کی اس سہ ماہی کے مقابلے میں ۲۵۰،۰۰۰ ملین روپے تھا۔ اس سہ ماہی کے لئے منافع بعد از ٹیکس ایک فیصد بڑھ کر ۹۰،۶۰۰ ملین روپے ہو گیا جو اس کے مقابلے میں گزشتہ سال کی اس سہ ماہی میں ۹۰،۱۰۰ ملین روپے تھا۔

اس سہ ماہی کے لئے آمدنی فی شیئر ۴۵،۵۳ روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس سہ ماہی میں ۴۶،۵۰ روپے تھی۔

آپ کے ڈائریکٹرز بمسرت سال ۲۰۲۳ء کے لئے پہلے عبوری نقد منافع منقسمہ بشرح ۵۰،۵۰۰ روپے (۱۵ فیصد) کا اعلان کرتے ہیں۔

مستقبل کا نقطہ نظر

پاکستان کی معاشی اور سیاسی صورتحال موجودہ طور پر مشکل ترین دور سے گزر رہی ہے۔ بلند ترین بین الاقوامی تیل کے نرخوں سے مکمل طور پر معیشت کے لئے بڑا خطرہ درپیش رہے گا۔ اس سال آئی ایم ایف کے ممکنہ پروگرام کے ساتھ معاشی صورتحال میں بہتری آ سکتی ہے۔

اظہار تشکر

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

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

سیف الدین این۔ زومکوالا
چیرمین

حسن علی عبداللہ
ٹیکنگ ڈائریکٹر و چیف ایگزیکٹو

محمود لوٹیا
ڈائریکٹر

طاہر جی۔ ساچک
ڈائریکٹر

کراچی، ۲۸ اپریل ۲۰۲۳ء

Unconsolidated Condensed Interim Statement of Financial Position As at 31 March 2023 (Unaudited)

Rupees '000

	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Assets			
Property and equipment	6	3 109 325	3 101 685
Investment property	7	3 050 470	3 050 470
Investment in subsidiary	8	9 529 631	9 516 994
Investments			
Equity securities	9	2 614 147	2 718 022
Debt securities	10	12 313 765	11 923 983
Term deposits		1 605 747	551 692
Loans and other receivables	11	868 053	431 327
Insurance / reinsurance receivables	12	5 788 093	5 876 086
Reinsurance recoveries against outstanding claims	20	7 126 779	6 503 793
Salvage recoveries accrued		54 555	45 757
Deferred commission expense	21	1 038 830	1 111 775
Retirement benefit		15 831	–
Deferred taxation		84 902	–
Prepayments	13	8 155 883	8 551 868
Cash and bank	14	1 732 472	1 634 869
		57 088 483	55 018 321
Total assets of window takaful operations - Operator's Fund		1 701 038	1 601 167
Total assets		58 789 521	56 619 488
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	15	2 000 000	2 000 000
Reserves	16	14 937 651	15 099 111
Unappropriated profit		2 235 141	1 327 614
Total equity		19 172 792	18 426 725
Surplus on revaluation of property and equipment		1 131 378	1 133 089
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	20	11 136 879	10 368 176
Unearned premium reserve	19	14 209 843	14 167 219
Unearned reinsurance commission	21	200 556	201 585
Retirement benefit obligations		–	14 009
Deferred taxation		–	20 483
Premium received in advance		26 085	79 385
Insurance / reinsurance payables		8 355 323	7 683 702
Other creditors and accruals	17	3 609 352	3 766 305
Taxation - provision less payments		218 234	35 035
Total liabilities		37 756 272	36 335 899
		58 060 442	55 895 713
Total liabilities of window takaful operations - Operator's Fund		729 079	723 775
Total equity and liabilities		58 789 521	56 619 488
Contingencies and commitments	18		

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Unconsolidated Condensed Interim Profit and Loss Account For the three months period ended 31 March 2023 (Unaudited)

		31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Net insurance premium	19	2 750 403	2 556 933
Net insurance claims	20	(1 288 626)	(1 204 577)
Net commission	21	(476 617)	(355 342)
Insurance claims and acquisition expenses		(1 765 243)	(1 559 919)
Management expenses		(801 699)	(683 271)
Underwriting results		183 461	313 743
Investment income	22	897 519	820 045
Rental income		33 705	31 135
Other income	23	106 179	39 152
Other expenses		(19 817)	(21 375)
		1 017 586	868 957
Results of operating activities		1 201 047	1 182 700
Profit from window takaful operations - Operator's Fund	24	154 317	67 375
Profit before tax		1 355 364	1 250 075
Income tax expense	25	(449 548)	(349 289)
Profit after tax		905 816	900 786
Earnings (after tax) per share - Rupees	26	4.53	4.50

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Unconsolidated Condensed Interim Statement of Comprehensive Income For the three months period ended 31 March 2023 (Unaudited)

	31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Profit after tax	905 816	900 786
Other comprehensive income		
Total items that may be reclassified subsequently to profit and loss account		
Unrealized loss on available-for-sale investments during the period	(287 934)	(349 845)
Reclassification adjustments relating to available-for-sale investments disposed of during the period	(43 376)	–
Unrealized loss on available-for-sale investments during the period of subsidiary company	–	(267 998)
Total unrealized loss on available-for-sale investments	(331 310)	(617 843)
Deferred tax on available-for-sale investments	109 332	101 457
Deferred tax on available-for-sale investments of subsidiary company	–	77 719
Effect of translation of foreign branches	69 321	8 029
Net unrealized (loss) / gain on available for sale investment from window takaful operations - Operator's Fund (net of tax)	(8 803)	3 816
	(161 460)	(426 822)
Total comprehensive income for the period	744 356	473 964

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Unconsolidated Condensed Interim Cash Flow Statement For the three months period ended 31 March 2023 (Unaudited)

	31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Operating cash flows		
a) Underwriting activities		
Insurance premium received	7 492 374	7 059 511
Reinsurance premium paid	(3 505 106)	(2 934 014)
Claims paid	(1 447 765)	(1 099 348)
Reinsurance and other recoveries received	300 050	279 923
Commission paid	(443 207)	(458 460)
Commission received	103 221	65 540
Management expenses paid	(775 755)	(650 733)
Net cash flow from underwriting activities	1 723 812	2 262 419
b) Other operating activities		
Income tax paid	(245 599)	(254 557)
Other operating payments	(124 685)	(147 226)
Other operating receipts	(30 137)	114 843
Loans advanced	(310)	(3 186)
Loans repayments received	192	268
Net cash flow used in other operating activities	(400 539)	(289 858)
Total cash flow from all operating activities	1 323 273	1 972 561
Investment activities		
Profit / return received	550 608	523 713
Dividend received	51 072	55 066
Rentals received	5 144	6 592
Payment for investments / investment properties	(2 969 263)	(3 305 013)
Proceeds from investments / investment properties	1 220 040	889 620
Fixed capital expenditures	(80 580)	(73 807)
Proceeds from sale of property and equipment	32 108	7 370
Total cash flow used in investing activities	(1 190 871)	(1 896 459)
Financing activities		
Payments against lease liabilities	(18 794)	(17 091)
Dividends paid	(16 005)	(319)
Total cash flow used in financing activities	(34 799)	(17 410)
Net cash flow from all activities	97 603	58 692
Cash and cash equivalents at the beginning of period	1 634 869	1 189 522
Cash and cash equivalents at the end of period	1 732 472	1 248 214
Reconciliation to profit and loss account		
Operating cash flows	1 323 273	1 972 561
Depreciation expense	(69 242)	(68 697)
Financial charges expense	(2 881)	(3 418)
Profit / (loss) on disposal of property and equipment	28 410	(13 832)
Profit on disposal of investments / investment properties	25 995	96 572
Rental income	33 705	31 135
Dividend Income	564 520	563 046
Other investment income	307 004	160 427
Profit on deposits	72 948	32 784
Other income	4 821	20 199
Increase in assets other than cash	173 398	473 896
Increase in liabilities other than borrowings	(1 710 452)	(2 431 262)
Profit after tax from conventional insurance operations	751 499	833 411
Profit from window takaful operations - Operator's Fund	154 317	67 375
Profit after tax	905 816	900 786

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Unconsolidated Condensed Interim Statement of Changes in Equity For the three months period ended 31 March 2023 (Unaudited)

Rupees '000

	Attributable to equity holders of the Company							Total
	Share capital	Capital reserve - reserve for exceptional losses	General reserve	Revenue reserves			Unappropriated profit	
				Exchange translation reserve	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Unrealized gain on fair value of investment property		
Balance as at 01 January 2022	2 000 000	12 902	15 650 000	-	(1 934 889)	1 679 190	1 866 609	19 273 812
Restatement due to change in accounting policies - net of deferred tax				81 195	2 896 013	-	(2 977 208)	-
Balance as at 01 January 2022 (restated)	2 000 000	12 902	15 650 000	81 195	961 124	1 679 190	(1 110 599)	19 273 812
Total comprehensive income for the period ended 31 March 2022								
Profit after tax (restated refer note 4)							900 786	900 786
Other comprehensive income				8 029	(434 851)		-	(426 822)
				8 029	(434 851)		900 786	473 964
Transferred from surplus on revaluation of property and equipment on account							650	650
Transactions with owners recorded directly in equity								
Final dividend for the year 2021 at the rate of Rs. 5.50 (55.00 %) per share							(1 100 000)	(1 100 000)
Other transfer within equity								
Transfer to general reserve			750 000				(750 000)	-
Balance as at 31 March 2022	<u>2 000 000</u>	<u>12 902</u>	<u>16 400 000</u>	<u>89 224</u>	<u>526 273</u>	<u>1 679 190</u>	<u>(2 059 163)</u>	<u>18 648 426</u>
Balance as at 01 January 2023	2 000 000	12 902	13 000 000	142 661	57 775	1 885 773	1 327 614	18 426 725
Total comprehensive income for the period ended 31 March 2023								
Profit after tax							905 816	905 816
Other comprehensive income				69 321	(230 781)		-	(161 460)
				69 321	(230 781)		905 816	744 356
Transferred from surplus on revaluation of property and equipment							1 711	1 711
Balance as at 31 March 2023	<u>2 000 000</u>	<u>12 902</u>	<u>13 000 000</u>	<u>211 982</u>	<u>(173 006)</u>	<u>1 885 773</u>	<u>2 235 141</u>	<u>19 172 792</u>

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Notes to the Unconsolidated Condensed Interim Financial Statements For the three months period ended 31 March 2023 (Unaudited)

1. Legal status and nature of business

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

The Registered Office of the Company is situated in Kamran Centre, 1st Floor 85, East, Jinnah Avenue Blue Area Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Company operates through 51 (2022: 53) branches in Pakistan including a branch in Export Processing Zone (EPZ) and a branch in Gwadar Free Zone.

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

2. Basis of preparation and statement of compliance

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

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

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

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

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

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

2.1 Basis of measurement

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

2.2 Functional and presentation currency

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

2.3 Standards, interpretations and amendments effective during the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 01 January 2023 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these unconsolidated condensed interim financial statements. Further, following new standard have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01, 2023
The company has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS.	
2.4 Standards, interpretations and amendments to approved accounting standards that are not yet effective	
Following IFRS as notified under the Companies Act, 2017 and the amendments thereto will be effective for future accounting periods and not early adopted:	
Amendments	Effective date (annual periods beginning on or after)
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01-January-2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture -Amendments to IFRS 10 and IAS 28	Not yet finalized
Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.	
Standards	Effective date (annual periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	January 01, 2024
3. Summary of significant accounting policies	
The significant accounting policies and method of computation adopted in preparation of unconsolidated condensed interim financial statements are consistent with those followed in preparation of annual unconsolidated financial statements of the Company for the year ended 31 December 2022.	
4. Accounting estimates and judgements	
The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.	
In preparation of these unconsolidated condensed interim financial statements, the significant judgment 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 unconsolidated financial statement as at and for the year ended 31 December 2022.	
4.1	During the preceding period, Company had changed its accounting treatment for the exchange difference arising on foreign operations / branch as disclosed in note 4.1.2 of annual unconsolidated financial statement for the year ended 31 December 2022. As a result, prior period unconsolidated condensed interim profit and loss account decreased by Rs. 8.029 million and unconsolidated condensed interim statement of comprehensive income increased by Rs. 8.029 million.
5. Management of insurance and financial risk	
Insurance and financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements for the year ended 31 December 2022.	

6. Property and equipment

The movement of property and equipment during the three months period ended 31 March 2023 are as follows:

Rupees '000

	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value		3 101 685	2 887 013
Additions	6.1	80 580	346 944
Depreciation during the period		(69 242)	(259 082)
Book value of disposal		(3 698)	(51 240)
Revaluation		–	178 050
		<u>3 109 325</u>	<u>3 101 685</u>
6.1 Additions			
Building		5 127	33 192
Right of use assets - buildings		2 612	43 222
leasehold improvements		2 353	3 775
Furniture and fixtures		1 103	20 110
Office equipment		1 220	25 758
Computer equipment		1 523	13 141
Vehicles		66 642	207 746
		<u>80 580</u>	<u>346 944</u>
7. Investment property			
Opening net book value		3 050 470	2 599 970
Additions and capital improvements		–	970
Unrealized fair value gain *		–	449 530
Closing book value		<u>3 050 470</u>	<u>3 050 470</u>

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

8. Investment in subsidiary

Rupees '000

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Subsidiary						
Listed shares	13 458 564	(3 928 933)	9 529 631	13 445 927	(3 928 933)	9 516 994
	<u>13 458 564</u>	<u>(3 928 933)</u>	<u>9 529 631</u>	<u>13 445 927</u>	<u>(3 928 933)</u>	<u>9 516 994</u>

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

Rupees '000

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Related Party *						
Listed shares	396 299	(119 426)	276 873	396 299	(117 849)	278 450
Mutual funds	100 000	–	100 000	–	–	–
	496 299	(119 426)	376 873	396 299	(117 849)	278 450
Others						
Listed shares	2 105 288	(487 735)	1 617 553	2 158 262	(410 879)	1 747 383
Unlisted shares	15 216	(15 216)	–	15 216	(15 216)	–
	2 120 504	(502 951)	1 617 553	2 173 478	(426 095)	1 747 383
Surplus on revaluation	–	–	619 721	–	–	692 189
	<u>2 616 803</u>	<u>(622 377)</u>	<u>2 614 147</u>	<u>2 569 777</u>	<u>(543 944)</u>	<u>2 718 022</u>

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

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

Rupees '000

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Government Securities	13 205 040	–	13 205 040	12 531 040	–	12 531 040
Term Finance Certificate	244 118	(44 118)	200 000	244 118	(44 118)	200 000
Corporate Sukuks	114 500	–	114 500	127 000	–	127 000
Deficit on revaluation	–	–	(1 205 775)	–	–	(934 057)
	<u>13 563 658</u>	<u>(44 118)</u>	<u>12 313 765</u>	<u>12 902 158</u>	<u>(44 118)</u>	<u>11 923 983</u>

11. Loans and other receivables - considered good

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Loans to employees	2 818	2 700
Accrued investment income	754 904	315 983
Security deposits	19 006	19 154
Advances to suppliers	61 459	71 725
Advances to employees	10 695	6 027
Other receivables	19 171	15 738
	<u>868 053</u>	<u>431 327</u>
12. Insurance / reinsurance receivables - unsecured and considered good		
Due from insurance contract holders	5 785 285	5 869 227
Provision for impairment of receivables from insurance contract holders	(583)	(524)
	<u>5 784 702</u>	<u>5 868 703</u>
Due from other insurer / reinsurers	3 391	7 383
	<u>5 788 093</u>	<u>5 876 086</u>

13. Prepayments

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Prepaid reinsurance premium ceded	7 997 766	8 489 684
Software and hardware support services	235	1 201
Group health insurance premium	22 741	–
Group life insurance premium	10 121	–
Prepaid charges for vehicle tracking devices	60 972	51 499
Annual supervision fee	26 287	–
Others	37 761	9 484
	<u>8 155 883</u>	<u>8 551 868</u>
14. Cash and Bank		
Cash and cash equivalents		
Cash in hand	1 349	–
Policy and revenue stamps bond papers	34 735	36 587
	36 084	36 587
Cash at bank		
Current accounts	165 989	136 857
Saving accounts	1 530 399	1 461 425
	1 696 388	1 598 282
	<u>1 732 472</u>	<u>1 634 869</u>

15. Share capital

15.1 Authorized capital

Number of shares '000

Rupees '000

31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
<u>200 000</u>	<u>200 000</u>	<u>2 000 000</u>	<u>2 000 000</u>

15.2 Issued, subscribed and paid-up share capital

Number of shares '000

Rupees '000

31 March 2023 (Unaudited)	31 December 2022 (Audited)		31 March 2023 (Unaudited)	31 December 2022 (Audited)
250	250	Ordinary shares of Rs. 10 each, fully paid in cash	2 500	2 500
199 750	199 750	Ordinary shares of Rs. 10 each, issued as fully paid bonus shares	1 997 500	1 997 500
<u>200 000</u>	<u>200 000</u>		<u>2 000 000</u>	<u>2 000 000</u>

Rupees '000

	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
16. Reserves			
Capital reserve			
Reserve for exceptional losses	16.1	12 902	12 902
Revenue reserves			
General reserve		13 000 000	13 000 000
Revaluation reserve for unrealized loss on available-for-sale investments - net		(173 006)	57 775
Reserve for change in fair value of investment property - net		1 885 773	1 885 773
Exchange translation reserves		211 982	142 661
		<u>14 937 651</u>	<u>15 099 111</u>

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

17. Others creditors and accruals

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Federal insurance fee payable	30 703	18 789
Federal excise duty and sales tax payable	405 902	504 791
Accrued expenses	260 496	301 981
Agent commission payable	633 064	568 352
Unearned rentals	45 673	74 344
Other deposits	1 652 976	1 699 486
Unclaimed dividends	459 080	475 085
Lease liability	99 900	113 201
Others	21 558	10 276
	<u>3 609 352</u>	<u>3 766 305</u>

18. Contingencies and commitments

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

19. Net insurance premium

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Written gross premium	7 461 672	6 115 241
Add: Unearned premium reserve - opening	14 167 219	10 517 726
Less: Unearned premium reserve - closing	(14 209 843)	(10 998 822)
Premium earned	7 419 048	5 634 145
Less:		
Reinsurance premium ceded	4 176 727	3 263 295
Add: Prepaid reinsurance premium - opening	8 489 684	5 468 998
Less: Prepaid reinsurance premium - closing	(7 997 766)	(5 655 081)
Reinsurance expense	4 668 645	3 077 212
	2 750 403	2 556 933
20. Net insurance claim expense		
Claim paid	1 438 967	1 107 772
Add: Outstanding claims including IBNR - closing	11 136 879	8 524 553
Less: Outstanding claims including IBNR - opening	(10 368 176)	(7 085 599)
Claims expense	2 207 670	2 546 726
Less:		
Reinsurance and other recoveries received	296 058	208 268
Add: Reinsurance and other recoveries in respect of outstanding claims - opening	(6 503 793)	(3 974 297)
Less: Reinsurance and other recoveries in respect of outstanding claims - closing	7 126 779	5 108 178
Reinsurance and other recoveries revenue	919 044	1 342 149
	1 288 626	1 204 577

21. Net commission expense

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Commission paid or payable	507 920	447 871
Add: Deferred commission expense - opening	1 111 775	772 985
Less: Deferred commission expense - closing	(1 038 830)	(798 170)
Net commission	580 865	422 686
Less:		
Commission received or recoverable	103 219	65 539
Add: Unearned reinsurance commission - opening	201 585	135 214
Less: Unearned reinsurance commission - closing	(200 556)	(133 409)
Commission from reinsurers	104 248	67 344
	476 617	355 342
22. Investment income		
Income from subsidiary - available-for-sale		
Dividend income	486 696	480 698
Income from equity securities - available-for-sale		
Dividend income	77 824	82 348
Income from debt securities - available-for-sale		
Return on debt securities	389 555	261 294
Income from term deposits		
Return on term deposits	9 077	4 640
	963 152	828 980
Net realized gains / (losses) on investments		
Available-for-sale financial assets		
Realized gains on:		
Equity securities	25 995	96 572
	989 147	925 552
Impairment in value of available-for-sale equity securities	(91 309)	(105 381)
Investment related expenses	(319)	(126)
	897 519	820 045

23. Other income		Rupees '000	
		31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
	Gain on sale of property and equipment	28 410	6 047
	Return on loans to employees	49	30
	Exchange difference	4 772	291
	Return on bank balances	72 948	32 784
		<u>106 179</u>	<u>39 152</u>
24. Window Takaful Operations - Operator's Fund			
	Wakala fee	283 044	215 495
	Commission expense	(84 974)	(80 537)
	General administrative and management expenses	(103 388)	(92 343)
	Modarib's share of PTF investment income	23 370	9 245
	Investment income	34 399	14 843
	Direct expenses	(109)	(295)
	Other income	1 975	967
		<u>154 317</u>	<u>67 375</u>
25. Taxation			
For current period			
	Current	421 523	378 877
	Deferred	(30 213)	(29 588)
	Super tax	58 238	-
		<u>449 548</u>	<u>349 289</u>
26. Earnings per share - basic and diluted			
	Profit (after tax) for the period	(Rupees '000) 905 816	900 786
	Weighted average number of ordinary shares	(Numbers '000) 200 000	200 000
	Earnings per share	(Rupees) 4.53	4.50

27. Related party transactions

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

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Transactions		
Subsidiary Company		
Premium written	28 620	28 361
Premium paid	13 457	12 624
Claims paid	826	222
Associated companies		
Premium written	32 530	48 381
Premium paid	28 862	25 606
Claims paid	7 686	74 005
Bank deposit made	900 000	100 000
Key management personnel		
Premium written	276	94
Claims paid	242	168
Compensation	57 673	48 573
Others		
Premium written	6 398	7 634
Claims paid	5 965	351
Brokerage paid	–	64
Employees' funds		
Contribution to provident fund	8 864	7 821
Contribution to gratuity fund	8 794	7 231
Contribution released to pension fund	(1 736)	(1 855)
	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Balances		
Others		
Balances receivable	24 085	21 450
Balances payable	3 149	406
Bank deposits maturity within 12 months	988 500	88 500
Bank balances	584 579	417 141
Dividend receivable	486 696	–
Employees' funds receivable / (payable)		
EFU gratuity fund	(56 079)	(83 233)
EFU pension fund	71 910	69 224

28. Segment Information

Rupees '000

For the three months period ended 31 March 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	5 823 232	1 019 832	1 165 521	646 056	–	8 654 641
Less: Sales tax	737 216	107 163	140 589	84 630	–	1 069 598
Stamp duty	101	48 117	317	229	–	48 764
Federal insurance fee	50 346	8 560	10 145	5 556	–	74 607
Gross written premium (inclusive of administrative surcharge)	5 035 569	855 992	1 014 470	555 641	–	7 461 672
Gross direct premium	5 026 383	843 809	966 448	551 693	–	7 388 333
Facultative inward premium	967	–	–	–	–	967
Administrative surcharge	8 219	12 183	48 022	3 948	–	72 372
Insurance premium earned	5 109 642	912 200	951 464	445 742	–	7 419 048
Insurance premium ceded to reinsurers	(4 037 667)	(450 792)	(9 136)	(171 050)	–	(4 668 645)
Net insurance premium	1 071 975	461 408	942 328	274 692	–	2 750 403
Commission income	87 877	5 141	6	11 224	–	104 248
Net underwriting income	1 159 852	466 549	942 334	285 916	–	2 854 651
Insurance claims	(1 400 083)	(186 250)	(489 505)	(131 832)	–	(2 207 670)
Insurance claims recovered from reinsurers	874 064	11 617	(1 184)	34 547	–	919 044
Net claims	(526 019)	(174 633)	(490 689)	(97 285)	–	(1 288 626)
Commission expense	(371 188)	(83 164)	(90 651)	(35 862)	–	(580 865)
Management expenses	(321 085)	(127 385)	(272 236)	(80 993)	–	(801 699)
Net insurance claims and expenses	(1 218 292)	(385 182)	(853 576)	(214 140)	–	(2 671 190)
Underwriting result	(58 440)	81 367	88 758	71 776	–	183 461
Net investment income						897 519
Rental income						33 705
Other income						106 179
Other expenses						(19 817)
Profit from window takaful operations - Operator's Fund						154 317
Profit before tax						1 355 364

As at 31 March 2023 (Unaudited)

Corporate segment assets	18 780 183	1 760 302	622 611	903 897	–	22 066 993
Corporate segment assets - Takaful OPF	160 251	19 028	403 328	13 805	–	596 412
Corporate unallocated assets						35 021 490
Corporate unallocated assets - Takaful OPF						1 104 626
Total assets						58 789 521
Corporate segment liabilities	26 373 670	3 042 139	2 844 887	3 954 030	–	36 214 726
Corporate segment liabilities - Takaful OPF	154 254	16 566	487 261	20 200	–	678 281
Corporate unallocated liabilities						1 541 546
Corporate unallocated liabilities - Takaful OPF						50 798
Total liabilities						38 485 351

Location	External premium less reinsurance by geographical segments 2023 (Unaudited)
Pakistan	2 742 198
* EPZ	8 205
Total	2 750 403

* This represents US Dollar equivalent in Pak Rupees

Rupees '000

For the three months period ended 31 March 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Misce-llaneous	Treaty	Total
Premium receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	4 462 329	738 193	1 114 030	597 835	–	6 912 387
Less: Sales tax	415 393	74 895	136 017	62 299	–	688 604
Stamp duty	119	46 722	335	257	–	47 433
Federal insurance fee	40 023	6 105	9 681	5 300	–	61 109
Gross written premium (inclusive of administrative surcharge)	4 006 794	610 471	967 997	529 979	–	6 115 241
Gross direct premium	3 993 847	596 281	915 652	526 038	–	6 031 818
Facultative inward premium	4 608	–	–	–	–	4 608
Administrative surcharge	8 339	14 190	52 345	3 941	–	78 815
Insurance premium earned	3 549 014	775 946	877 206	431 979	–	5 634 145
Insurance premium ceded to reinsurers	(2 600 481)	(333 598)	(5 790)	(137 343)	–	(3 077 212)
Net insurance premium	948 533	442 348	871 416	294 636	–	2 556 933
Commission income	54 209	3 973	4	9 158	–	67 344
Net underwriting income	1 002 742	446 321	871 420	303 794	–	2 624 277
Insurance claims	(1 859 578)	(79 317)	(460 632)	(147 199)	–	(2 546 726)
Insurance claims recovered from reinsurers	1 410 365	(60 381)	(2 006)	(5 829)	–	1 342 149
Net claims	(449 213)	(139 698)	(462 638)	(153 028)	–	(1 204 577)
Commission expense	(235 547)	(75 365)	(78 222)	(33 552)	–	(422 686)
Management expenses	(258 355)	(112 465)	(234 296)	(78 155)	–	(683 271)
Net insurance claims and expenses	(943 115)	(327 528)	(775 156)	(264 735)	–	(2 310 534)
Underwriting result	59 627	118 793	96 264	39 059	–	313 743
Net investment income						820 045
Rental income						31 135
Other income						39 152
Other expenses						(21 375)
Profit from window takaful operations - Operator's Fund						67 375
Profit before tax						1 250 075

As at 31 December 2022 (Audited)

Corporate segment assets	18 675 990	1 963 179	595 833	843 592	–	22 078 594
Corporate segment assets - Takaful OPF	157 225	17 208	365 513	17 761	–	557 707
Corporate unallocated assets						32 939 727
Corporate unallocated assets - Takaful OPF						1 043 460
Total assets						56 619 488
Corporate segment liabilities	24 933 928	3 300 167	2 746 514	3 787 296	–	34 767 905
Corporate segment liabilities - Takaful OPF	152 456	16 489	479 499	27 619	–	676 063
Corporate unallocated liabilities						1 567 994
Corporate unallocated liabilities - Takaful OPF						47 712
Total liabilities						37 059 674

Location	External premium less reinsurance by geographical segments 2022 (Unaudited)
Pakistan	2 549 668
* EPZ	7 265
Total	2 556 933

* This represents US Dollar equivalent in Pak Rupees

29. Movement in investments

Name of investment					Rupees '000
	Held to maturity	Available-for-sale - Subsidiary	Available-for-sale - Debt securities	Available-for-sale - Equity securities	Total
At beginning of previous year	678 785	9 644 327	9 405 824	3 705 178	23 434 114
Additions	1 026 288	117 309	10 692 090	231 110	12 066 797
Disposals (sale and redemptions)	(1 153 381)	–	(7 669 702)	(333 993)	(9 157 076)
Fair value net gains / (losses) (excluding net realized losses)	–	(244 642)	(504 229)	(516 045)	(1 264 916)
Impairment losses	–	–	–	(368 228)	(368 228)
At beginning of current year	551 692	9 516 994	11 923 983	2 718 022	24 710 691
Additions	1 054 055	12 637	1 802 571	100 000	2 969 263
Disposals (sale and redemptions)	–	–	(1 141 070)	(52 975)	(1 194 045)
Fair value net gains / (losses) (excluding net realized gains/losses)	–	–	(271 719)	(72 467)	(344 186)
Impairment gains / (losses)	–	–	–	(78 433)	(78 433)
At end of current period	<u>1 605 747</u>	<u>9 529 631</u>	<u>12 313 765</u>	<u>2 614 147</u>	<u>26 063 290</u>

30. Fair value

- 30.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- 30.2 All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

Rupees '000

As at 31 March 2023 (Unaudited)								
	Available- for-sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investments								
Equity securities - quoted	2 614 147				2 614 147	2 614 147		
Debt securities	12 313 765				12 313 765		12 313 765	
Investment in subsidiary	9 529 631				9 529 631	9 529 631		
Financial assets not measured at fair value								
Term deposits*			1 605 747		1 605 747			
Loans and other receivables*		868 053			868 053			
Insurance / reinsurance receivables*		5 788 093			5 788 093			
Reinsurance recoveries against outstanding claims*		7 126 779			7 126 779			
Cash and bank*			1 732 472		1 732 472			
Total assets of window takaful operations - Operator's fund*	920 812	510 152	93 408		1 524 372		920 812	
	25 378 355	14 293 077	3 431 627	-	43 103 059	12 143 778	13 234 577	-
Financial liabilities not measured at fair value								
Outstanding claims including IBNR*				(11 136 879)	(11 136 879)			
Premium received in advance*				(26 085)	(26 085)			
Insurance / reinsurance payables*				(8 355 323)	(8 355 323)			
Other creditors and accruals*				(3 609 352)	(3 609 352)			
Total liabilities of window takaful operations - Operator's Fund*				(118 010)	(118 010)			
	25 378 355	14 293 077	3 431 627	(23 245 649)	19 857 410	12 143 778	13 234 577	-

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

Rupees '000

As at 31 December 2022 (Audited)								
	Available- for-sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investments								
Equity securities - quoted	2 718 022				2 718 022	2 718 022		
Debt securities	11 923 983				11 923 983		11 923 983	
Investment in subsidiary	9 516 994				9 516 994	9 516 994		
Financial assets not measured at fair value								
Term deposits*			551 692		551 692			
Loans and other receivables*		431 327			431 327			
Insurance / reinsurance receivables*		5 876 086			5 876 086			
Reinsurance recoveries against outstanding claims*		6 503 793			6 503 793			
Cash and bank*			1 634 869		1 634 869			
Total assets of window takaful operations - Operator's fund*	948 921	432 194	48 929		1 430 044		948 921	
	25 107 920	13 243 400	2 235 490	-	40 586 810	12 235 016	12 872 904	-
Financial liabilities not measured at fair value								
Outstanding claims including IBNR*				(10 368 176)	(10 368 176)			
Premium received in advance*				(79 385)	(79 385)			
Insurance / reinsurance payables*				(7 683 702)	(7 683 702)			
Other creditors and accruals*				(3 766 305)	(3 766 305)			
Total liabilities of window takaful operations - Operator's Fund*				(109 733)	(109 733)			
	25 107 920	13 243 400	2 235 490	(22 007 301)	18 579 509	12 235 016	12 872 904	-

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

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

The Board of Directors in their meeting held on 28 April 2023 have announced a first interim cash dividend in respect of the year ended 31 December 2023 of Rs. 1.50 per share i.e. 15.00 % (2022: Rs. 1.50 per share i.e. 15.00 %). These unconsolidated condensed interim financial statements for the three months period ended 31 March 2023 do not include the effect of these appropriations, which will be accounted for subsequent to the period end.

32. Corresponding figures

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

33. General

Figures have been rounded off to the nearest thousand rupees.

34. Date of authorization for issue of unconsolidated condensed interim financial statements

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 28 April 2023.

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Consolidated Condensed Interim Financial Statements (Unaudited)

For the three months period ended 31 March 2023

Directors' Review to the Members on Consolidated Condensed Interim Financial Information For the three months period ended 31 March 2023

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

Performance Review

The consolidated gross premium was Rs. 16.3 billion (2022: Rs. 15.7 billion), the net premium was Rs. 11.2 billion (2022: Rs. 11.7 billion) and profit after tax was Rs. 808 million (2022: Rs. 770 million). Consolidated investment income (including rental and other income) for the three months period was Rs. 5,552 million (2022: Rs. 3,337 million). The consolidated total assets were Rs. 240 billion (31 December 2022: Rs. 235 billion) and total investments stood at Rs.184 billion (31 December 2022: Rs. 180 billion).

Movement of Reserves

Rupees '000

	31 March 2023 (Unaudited)
Unappropriated profit brought forward	106 701
Profit attributable to ordinary shares	591 476
Transferred from surplus on revaluation of property and equipment	8 068
Acquisition of Non-Controlling Interest without a change in control	(7 761)
	591 783
Profit available for appropriations	698 484
Earnings per share (Rupees)	2.96

Outlook

Pakistan's economic and political landscape is currently experiencing difficult times. Heightened international oil prices are likely to remain major risk factor for the economy. With IMF program expected this year, the economic landscape could improve.

Acknowledgements

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

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

مجموعی کنڈینسڈ عبوری مالیاتی حسابات پر ممبران کیلئے ڈائریکٹرز کا جائزہ ۳۱ مارچ ۲۰۲۳ء کو ختم ہونے والی پہلی سہ ماہی کیلئے

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

کارکردگی کا جائزہ

یکجا شدہ مجموعی پریئم ۱۶.۳ بلین روپے (۲۰۲۲ء: ۱۵.۷ بلین روپے)، خالص پریئم ۱۱.۲ بلین روپے (۲۰۲۲ء: ۱۱.۷ بلین روپے) اور منافع بعد از ٹیکس ۸.۰۸ بلین روپے رہا (۲۰۲۲ء: ۷.۷ بلین روپے)۔ یکجا شدہ انویسٹمنٹ آمدنی (بشمول ریٹیل اور دیگر آمدنی) برائے پہلی سہ ماہی مدت ۵۵۲،۵۵۲ بلین روپے رہی (۲۰۲۲ء: ۳۳۳،۳۳۳ بلین روپے)۔ یکجا شدہ مجموعی اثاثہ جات ۲۴۰ بلین روپے (۳۱ دسمبر ۲۰۲۲: ۲۳۵.۲۰۲ بلین روپے) اور مجموعی سرمایہ کاری ۱۸۲ بلین روپے رہی (۳۱ دسمبر ۲۰۲۲: ۱۸۰ بلین روپے)۔

محفوظ اثاثہ جات کی منتقلی

روپے ہزاروں میں

۳۱ مارچ ۲۰۲۳ء
(غیر آڈٹ شدہ)

۱۰۶ ۷۰۱

۵۹۱ ۴۷۶

۸ ۰۶۸

(۷ ۷۶۱)

۵۹۱ ۷۸۳

۶۹۸ ۴۸۴

۲ ۶۹۶

غیر مختص کردہ منافع جو آئندہ شامل کیا جائے گا

عمومی شیئرز کیلئے قابل منسوب منافع

جائیداد اور ایکویٹی کی ری ویلیویشن پر اضافے سے منتقل

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

تناسب کے تحت دستیاب منافع

آمدنی فی شیئر (روپے)

مستقبل کا نقطہ نظر

پاکستان کی معاشی اور سیاسی صورتحال موجودہ طور پر مشکل ترین دور سے گزر رہی ہے۔ بلند ترین بین الاقوامی تیل کے نرخوں سے مہلک طور پر معیشت کے لئے بڑا خطرہ درپیش رہے گا۔ اس سال آئی ایم ایف کے مہلک پروگرام کے ساتھ معاشی صورتحال میں بہتری آسکتی ہے۔

اظہار تشکر

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

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

سیف الدین این۔ زومکوالا
چیرمین

حسن علی عبداللہ
نیٹنگ ڈائریکٹر و چیف ایگزیکٹو

محمود لوٹیا
ڈائریکٹر

طاہری۔ ساچک
ڈائریکٹر

کراچی، ۲۸ اپریل ۲۰۲۳ء

Consolidated Condensed Interim Statement of Financial Position As at 31 March 2023 (Unaudited)

		Rupees '000	
	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Assets			
Property and equipment	6	9 032 770	9 206 377
Intangible assets	7	5 954 021	6 051 090
Investment property	8	3 050 470	3 050 470
Investments			
Equity securities	9	19 348 130	23 291 856
Debt securities	10	154 964 145	141 556 899
Term deposits		9 364 176	14 978 121
Loans and other receivables	11	6 830 863	4 756 358
Insurance / reinsurance receivables	12	6 299 977	6 595 126
Reinsurance recoveries against outstanding claims	21	7 126 779	6 503 793
Salvage recoveries accrued		54 555	45 757
Deferred commission expense	22	1 038 830	1 111 775
Retirement benefit		15 831	-
Taxation - payments less provision		949 168	1 071 919
Prepayments	13	8 374 250	8 701 054
Cash and bank	14	5 320 394	6 193 736
		<u>237 724 359</u>	<u>233 114 331</u>
Total assets of window general takaful operations - Operator's Fund		<u>1 701 038</u>	<u>1 601 167</u>
Total assets		<u><u>239 425 397</u></u>	<u><u>234 715 498</u></u>
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	15	2 000 000	2 000 000
Reserves	16	14 792 604	14 952 263
Unappropriated profit		698 484	106 701
Capital and reserve attributable to Company's equity holders		17 491 088	17 058 964
Non-controlling interest		3 937 603	4 279 886
Total equity		<u>21 428 691</u>	<u>21 338 850</u>
Surplus on revaluation of property and equipment		2 327 960	2 343 385
Liabilities			
Insurance liabilities - life insurance business	17	169 444 273	166 382 685
Underwriting provisions - general insurance business			
Outstanding claims including IBNR	21	11 136 879	10 368 176
Unearned premium reserves	20	14 209 843	14 167 219
Unearned reinsurance commission	23	200 556	201 585
Retirement benefit obligations		-	14 009
Deferred taxation		2 771 026	2 932 554
Premium received in advance		1 590 374	1 281 718
Insurance / reinsurance payables		8 592 704	8 047 592
Other creditors and accruals	18	6 994 012	6 913 950
		<u>45 495 394</u>	<u>43 926 803</u>
Total liabilities		<u>214 939 667</u>	<u>210 309 488</u>
		<u>238 696 318</u>	<u>233 991 723</u>
Total liabilities of window general takaful operations - Operator's Fund		<u>729 079</u>	<u>723 775</u>
Total equity and liabilities		<u><u>239 425 397</u></u>	<u><u>234 715 498</u></u>
Contingencies and commitments	19		

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Consolidated Condensed Interim Profit and Loss Account For the three months period ended 31 March 2023 (Unaudited)

	Note	31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Net insurance premium	20	11 210 346	11 731 896
Net insurance claims	21	(8 545 076)	(7 249 498)
Net commission and other acquisition costs	22	(2 199 132)	(2 270 865)
Insurance claims and acquisition expenses		(10 744 208)	(9 520 363)
Management expenses		(1 603 552)	(1 348 091)
Net change in insurance liabilities (other than outstanding claims)		(3 083 925)	(2 984 537)
Underwriting result		(4 221 339)	(2 121 095)
Investment income	23	7 013 519	4 135 925
Net realized fair value (losses) / gains on financial assets	24	(1 528 846)	257 353
Net fair value losses on financial assets at fair value through profit and loss	25	(101 355)	(1 146 870)
Rental income		33 705	31 135
Other income	26	134 530	59 747
Other expenses		(29 074)	(22 812)
		5 522 479	3 314 478
Results of operating activities		1 301 140	1 193 383
Profit from window general takaful operations - Operator's Fund	27	154 317	67 375
Profit before tax		1 455 457	1 260 758
Income tax expense	28	(647 526)	(491 007)
Profit after tax		807 931	769 751
Profit attributable to:			
Equity holders of the parent		591 476	571 749
Non-controlling interest		216 455	198 002
		807 931	769 751
Earnings (after tax) per share - Rupees	29	2.96	2.86

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

TAHER G. SACHAK
Director

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Director

ALTAF GOKAL
Chief Financial Officer

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Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Consolidated Condensed Interim Statement of Comprehensive Income For the three months period ended 31 March 2023 (Unaudited)

	31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Profit after tax	807 931	769 751
Other comprehensive income		
Total items that may be reclassified subsequently to profit and loss account		
Unrealized loss on available-for-sale investments during the period	(282 134)	(336 333)
Reclassification adjustments relating to available-for-sale investments disposed of during the period	(43 376)	-
Total unrealized loss for the period	(325 510)	(336 333)
Deferred tax on available-for-sale investments	107 418	99 667
Effect of translation of foreign branches (net of tax)	69 321	8 029
Net unrealized (loss) / gain from window takaful operations - Operator's Fund (net of deferred tax)	(8 803)	3 816
Other comprehensive loss for the period	(157 574)	(224 821)
Total comprehensive income for the period	<u>650 357</u>	<u>544 930</u>
Total comprehensive income attributable to:		
Equity holders of the parent	431 817	340 572
Non-controlling interest	218 540	204 358
	<u>650 357</u>	<u>544 930</u>

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

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Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Consolidated Condensed Interim Cash Flow Statement For the three months period ended 31 March 2023 (Unaudited)

	31 March 2023 (Unaudited)	Rupees '000 (Restated) 31 March 2022 (Unaudited)
Operating cash flows		
a) Underwriting activities		
Insurance premium / contribution received	16 769 145	16 660 934
Reinsurance premium / retakaful contribution paid	(3 820 227)	(2 934 014)
Claims paid	(8 951 924)	(7 204 012)
Reinsurance and other recoveries received	477 638	279 923
Commission paid	(1 719 054)	(1 929 597)
Commission received	103 221	65 540
Management expenses paid	(2 585 331)	(2 327 276)
Net cash flow from underwriting activities	273 468	2 611 498
b) Other operating activities		
Income tax paid	(562 083)	(624 753)
Other operating payments	(301 388)	(376 349)
Other operating receipts	(30 137)	114 843
Loans advanced	(5 143)	(46 517)
Loans repayments received	18 458	53 557
Net cash flow used in other operating activities	(880 293)	(879 219)
Total cash flow (used in) / from all operating activities	(606 825)	1 732 279
Investment activities		
Profit / return received	4 970 458	3 060 906
Dividend received	693 764	955 612
Rentals received	5 144	6 592
Payment for investments / investment properties	(21 062 593)	(14 903 313)
Proceeds from investments / investment properties	8 578 469	3 408 403
Fixed capital expenditures	(93 571)	(101 580)
Proceeds from sale of property and equipment	51 651	21 059
Total cash flow used in investing activities	(6 856 678)	(7 552 321)
Financing activities		
Payments against lease liabilities	(61 834)	(59 162)
Dividends paid	(16 005)	(319)
Total cash flow used in financing activities	(77 839)	(59 481)
Net cash flow used in all activities	(7 541 342)	(5 879 523)
Cash and cash equivalents at beginning of period	20 620 165	30 174 076
Cash and cash equivalents at end of period	13 078 823	24 294 553
Reconciliation to profit and loss account		
Operating cash flows	(606 825)	1 732 279
Depreciation / amortization expense	(357 842)	(343 410)
Finance cost	(18 460)	(16 898)
Profit on disposal of property and equipment	45 246	(5 909)
(Loss) / profit on disposal of investments / investment properties	(1 502 851)	353 925
Rental income	33 705	31 135
Dividend income	719 227	977 015
Other investment income	6 438 424	3 175 137
Profit on lease termination	-	919
Profit on deposits	72 948	32 784
Other income	11 424	27 476
Depreciation in market value of investments	(22 967)	(1 023 291)
Impairment in the value of available-for-sale equity investments	(11 274)	(12 208)
Increase in assets other than cash	211 510	1 674 652
Increase in liabilities other than running finance	(4 358 651)	(5 901 230)
Profit after tax from conventional insurance operations	653 614	702 376
Profit from window takaful operations - Operator's Fund	154 317	67 375
Profit after tax	807 931	769 751

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

TAHER G. SACHAK
Director

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Director

ALTAf GOKAL
Chief Financial Officer

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Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Consolidated Condensed Interim Statement of Changes in Equity For the three months period ended 31 March 2023 (Unaudited)

Rupees '000

	Attributable to equity holders of the Company								Total (Restated)	
	Share capital	Capital Reserve - Reserve for exceptional losses	General reserve	Exchange translation reserve	Unrealized gain / (loss) on reevaluation of available- for-sale investment - net	Unrealized gain on fair value of investment property	Unappropri- ated profit	Equity attributable to equity holder of parent		Non- controlling interest
Balance as at 01 January 2022 as previously reported	2 000 000	12 902	15 650 000	-	644 699	1 455 258	136 672	19 899 531	4 019 263	23 918 794
Restatement due to prior period adjustment (refer note 4) - net of deferred tax				81 195		223 932	(828 120)	(522 993)	405 607	(117 386)
Balance as at 01 January 2022 (restated)	2 000 000	12 902	15 650 000	81 195	644 699	1 679 190	(691 448)	19 376 538	4 424 870	23 801 408
Total comprehensive income for the period ended 31 March 2022										
Profit after tax (restated refer no 4)				8 029	(239 206)		571 749	571 749	198 002	769 751
Other comprehensive income (restated refer note 4)				8 029	(239 206)	-	-	(231 177)	6 356	(224 821)
				8 029	(239 206)	-	571 749	340 572	204 358	544 930
Transferred from surplus on revaluation of property and equipment - net of tax							4 989	4 989	5 139	10 128
Acquisition of NCI without a change in control							(19 922)	(19 922)	(12 497)	(32 419)
Transactions with owners recorded directly in equity										
Final dividend for the year 2021 at the rate of Rs. 5.50 (55.00%) per share							(1 100 000)	(1 100 000)		(1 100 000)
Final dividend for the year 2021 at the rate of Rs. 10.50 (105.00%) per share									(569 302)	(569 302)
Other transfer within equity										
Transfer to general reserve			750 000					(750 000)		
Balance as at 31 March 2022	2 000 000	12 902	16 400 000	89 224	405 493	1 679 190	(1 984 632)	18 602 177	4 052 568	22 654 745
Balance as at 01 January 2023	2 000 000	12 902	13 000 000	142 661	(89 073)	1 885 773	106 701	17 058 964	4 279 886	21 338 850
Total comprehensive income for the period ended 31 March 2023										
Profit after tax				69 321	(228 980)		591 476	591 476	216 455	807 931
Other comprehensive income				69 321	(228 980)	-	-	(159 659)	2 085	(157 574)
				69 321	(228 980)	-	591 476	431 817	218 540	650 357
Transferred from surplus on revaluation of property and equipment							8 068	8 068	7 357	15 425
Acquisition of NCI without a change in control							(7 761)	(7 761)	(4 876)	(12 637)
Transactions with owners recorded directly in equity										
Final dividend for the year 2022 at the rate of Rs. 10.50 (105.00%) per share									(563 304)	(563 304)
Balance as at 31 March 2023	2 000 000	12 902	13 000 000	211 982	(318 053)	1 885 773	698 484	17 491 088	3 937 603	21 428 691

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

TAHER G. SACHAK
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HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Notes to the Consolidated Condensed Interim Financial Statements For the three months period ended 31 March 2023 (Unaudited)

1. Legal status and nature of business

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

1.2 The group comprises of:

1.2.1 EFU General Insurance Limited (Holding Company)

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

The Registered Office of the Holding Company is situated at Kamran Centre, 1st Floor 85, East, Jinnah Avenue Blue Area Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Holding Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Holding Company operates through 51 (2022: 53) branches in Pakistan including a branch in Export Processing Zone (EPZ) and a branch in Gwadar Free Zone.

1.2.2 EFU Life Assurance Limited (Subsidiary Company)

EFU Life Assurance Limited with 46.42 % effective holding was incorporated as public limited company on 09 August 1992 and started its operations from 18 November 1992. The Subsidiary Company is listed on Pakistan Stock Exchange Limited and is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000:

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

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

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

2. Basis of preparation and statement of compliance

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

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

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

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

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

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

2.1 Basis of measurement

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

2.2 Functional and presentation currency

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

2.3 Standards, interpretations and amendments effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after 01 January 2023 but are considered not to be relevant or do not have any significant effect on the Group's operations and therefore not detailed in these consolidated condensed interim financial statements. Further, following new standard have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01, 2023
The Group has taken a benefit of temporary exemption of applying IFRS 9 "Financial Instrument" with IFRS 17 "Insurance Contracts" as allowed under IFRS.	

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

Following IFRS as notified under the Companies Act, 2017 and the amendments thereto will be effective for future accounting periods and not early adopted:

Amendments	Effective date (annual periods beginning on or after)
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01-January-2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture -Amendments to IFRS 10 and IAS 28	Not yet finalized

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

Standards	Effective date (annual periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	January 01, 2024

3. Summary of significant accounting policies

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

4. Accounting estimates and judgements

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

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

- 4.1 During the preceding period, Group had recognized identifiable intangible assets i.e. customer relationships of the life insurance business as per IFRS 3 "Business Combination" as disclosed in note 4.1 of annual audited consolidated financial statement for the year ended 31 December 2022. As a result, prior period consolidated condensed interim profit and loss account decreased by Rs. 67.77 million
- 4.2 During the preceding period, Holding Company had changed its accounting treatment for the exchange difference arising on foreign operations / branch as disclosed in note 4.2 of annual unconsolidated financial statement for the year ended 31 December 2022. As a result, prior period consolidated condensed interim profit and loss account decreased by Rs. 8.029 million and consolidated condensed interim statement of comprehensive income increased by Rs. 8.029 million.

4.3 Change in assumptions;

Conventional business / Family takaful protection business of Subsidiary Company

Expected Loss Ratio (ELR) assumptions being used for IBNR claim reserve pertaining to conventional group life business have been revised to provide for possible decrease in incidence of reporting of claims.

5. Management of insurance and financial risk

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

6. Property and equipment

The movement of property and equipment during the three months period ended 31 March 2023 are as follows:

	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
			Rupees '000
Opening balance - net book value		9 206 377	8 649 723
Additions	6.1	93 571	885 223
Depreciation during the period		(260 773)	(980 104)
Book value of disposal		(6 405)	(108 915)
Revaluation		–	760 450
		<u>9 032 770</u>	<u>9 206 377</u>
6.1 Additions			
Building		5 127	33 192
Right of use assets - buildings		2 612	220 045
leasehold improvements		9 738	45 425
Furniture and fixtures		2 647	33 852
Office equipment		4 117	46 264
Computer equipment		2 688	72 763
Vehicles		66 642	433 682
		<u>93 571</u>	<u>885 223</u>

7. Intangible assets

The movement of intangible assets during the three months period ended 31 March 2023 are as follows:

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value	6 051 090	8 416 816
Amortization	(97 069)	(396 804)
Impairment	–	(1 968 922)
	5 954 021	6 051 090
8. Investment property		
Opening net book value	3 050 470	2 599 970
Additions and capital improvements	–	970
Unrealized fair value gain*	–	449 530
Closing net book value	3 050 470	3 050 470

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

9. Investment in equity securities

Rupees '000

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
At available-for-sale						
Related Party *						
Listed shares	600 520	(299 667)	300 853	600 521	(180 052)	314 051
Mutual funds	100 523	–	100 523	523	–	523
	701 043	(299 667)	401 376	601 044	(180 052)	314 574
Others						
Listed shares	2 186 991	(512 782)	1 674 209	2 346 383	(549 660)	1 796 723
Unlisted shares	30 927	(30 419)	508	30 927	(30 419)	508
Mutual funds	228 161	(39 018)	189 143	183 034	(32 361)	150 673
	2 446 079	(582 219)	1 863 860	2 560 344	(612 440)	1 947 904
Surplus on revaluation	–	–	657 702	–	–	724 803
	3 147 122	(881 886)	2 922 938	3 161 388	(792 492)	2 987 281
At fair value through profit and loss - designated upon initial recognition						
Related Party *						
Listed shares	476 556	–	512 833	476 556	–	496 431
Mutual funds	160 993	–	147 287	158 817	–	143 459
	637 549	–	660 120	635 373	–	639 890
Others						
Listed shares	18 722 622	–	15 655 081	23 979 659	–	19 579 186
Mutual funds	92 573	–	109 991	74 062	–	85 499
	18 815 195	–	15 765 072	24 053 721	–	19 664 685
	19 452 744	–	16 425 192	24 689 094	–	20 304 575
	22 599 866	(881 886)	19 348 130	27 850 482	(792 492)	23 291 856

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

10. Investment in debt securities

Rupees '000

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Held to maturity						
Government securities	11 157 813	–	11 157 813	9 189 216	–	9 189 216
Available-for-sale						
Government securities	13 205 040	–	13 205 040	12 531 040	–	12 531 040
Term Finance Certificate	244 118	(44 118)	200 000	244 118	(44 118)	200 000
Corporate Sukuks	114 500	–	114 500	127 000	–	127 000
Deficit on revaluation	–	–	(1 205 775)	–	–	(934 057)
	13 563 658	(44 118)	12 313 765	12 902 158	(44 118)	11 923 983
Fair value through profit and loss (Designated-upon initial recognition)						
Government securities	125 585 239	–	122 699 430	113 403 106	–	112 140 361
Term Finance Certificates	5 938 929	–	5 938 929	5 586 539	–	5 586 539
Corporate Sukuks	1 457 406	(37 500)	1 419 906	1 682 051	(37 500)	1 644 551
Certificates of investment	1 434 302	–	1 434 302	1 072 249	–	1 072 249
	134 415 876	(37 500)	131 492 567	121 743 945	(37 500)	120 443 700
	<u>159 137 347</u>	<u>(81 618)</u>	<u>154 964 145</u>	<u>143 835 319</u>	<u>(81 618)</u>	<u>141 556 899</u>

11. Loans and other receivables - considered good

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Loans to employees	76 114	80 132
Accrued investment income	5 578 047	3 422 242
Security deposits	84 107	75 168
Advances to suppliers	581 381	625 329
Advances to employees	121 175	122 444
Other receivables	390 039	431 043
	<u>6 830 863</u>	<u>4 756 358</u>
12. Insurance / reinsurance receivables - unsecured and considered good		
Due from insurance contract holders	6 146 097	6 251 058
Provision for impairment of receivables from insurance contract holders	(583)	(524)
	<u>6 145 514</u>	<u>6 250 534</u>
Due from other insurer / reinsurers	154 463	344 592
	<u>6 299 977</u>	<u>6 595 126</u>
13. Prepayments		
Prepaid reinsurance premium ceded	7 997 766	8 489 684
Software support service	235	1 201
Group health insurance premium	22 741	–
Prepaid tracker expense	60 972	51 499
Annual supervision fee	26 287	–
Others	266 249	158 670
	<u>8 374 250</u>	<u>8 701 054</u>

14. Cash and Bank		Rupees '000	
	31 March 2023 (Unaudited)	31 December 2022 (Audited)	
Cash in hand	3 415	101	
Policy and revenue stamps bond papers	35 036	36 854	
	38 451	36 955	
Cash at bank			
Current accounts	539 147	1 371 461	
Saving accounts	4 742 796	4 785 320	
	5 281 943	6 156 781	
	<u>5 320 394</u>	<u>6 193 736</u>	

15. Share capital

15.1 Authorized capital

Number of shares '000		Rupees '000	
31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
<u>200 000</u>	<u>200 000</u>	<u>2 000 000</u>	<u>2 000 000</u>

15.2 Issued, subscribed and paid-up share capital

Number of shares '000		Rupees '000	
31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
250	250	2 500	2 500
199 750	199 750	1 997 500	1 997 500
<u>200 000</u>	<u>200 000</u>	<u>2 000 000</u>	<u>2 000 000</u>

		Rupees '000	
	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
16. Reserves			
Capital reserve			
Reserve for exceptional losses	16.1	12 902	12 902
Revenue reserves			
General reserve		13 000 000	13 000 000
Revaluation reserve for unrealized gain on available-for-sale investments - net		(318 053)	(89 073)
Reserve for change in fair value of investment property - net		1 885 773	1 885 773
Exchange translation reserves		211 982	142 661
		<u>14 792 604</u>	<u>14 952 263</u>

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

17. Insurance liabilities – life insurance business

Rupees '000

	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Reported outstanding claims	17.1	3 810 988	3 835 327
Incurred but not reported claims	17.2	1 091 241	1 185 211
Investment component of unit-linked and account value policies	17.3	161 298 276	158 534 057
Liabilities under individual conventional insurance contracts	17.4	945 451	962 770
Liabilities under group insurance contracts (other than investment linked)	17.5	1 750 252	1 398 328
Participant's Takaful Fund Balance		548 065	466 992
		<u>169 444 273</u>	<u>166 382 685</u>
17.1 Reported Outstanding Claims			
Gross of reinsurance			
Payable within one year		3 309 146	3 331 484
Payable over a period of time exceeding one year		891 051	894 303
		<u>4 200 197</u>	<u>4 225 787</u>
Recoverable from reinsurers			
Receivable over a period of time exceeding one year		(389 209)	(390 460)
		<u>(389 209)</u>	<u>(390 460)</u>
Net reported outstanding claims		<u>3 810 988</u>	<u>3 835 327</u>
17.2 Incurred But Not Reported Claims			
Gross of reinsurance		1 345 826	1 485 969
Reinsurance recoveries		(254 585)	(300 758)
Net of reinsurance		<u>1 091 241</u>	<u>1 185 211</u>
17.3 Investment component of unit-linked and account			
Investment component of unit linked policies		161 298 276	158 534 057
		<u>161 298 276</u>	<u>158 534 057</u>
17.4 Liabilities under Individual Conventional Insurance Contracts			
Gross of reinsurance		1 179 158	1 187 321
Reinsurance credit		(233 707)	(224 551)
Net of reinsurance		<u>945 451</u>	<u>962 770</u>
17.5 Liabilities under Group Insurance Contracts (other than investment linked)			
Gross of reinsurance		2 029 421	1 550 978
Reinsurance credit		(279 169)	(152 650)
Net of reinsurance		<u>1 750 252</u>	<u>1 398 328</u>

18. Others creditors and accruals

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Federal insurance fee payable	30 703	18 789
Federal excise duty and sales tax payable	405 902	504 791
Accrued expenses	1 193 817	1 415 952
Agent commission payable	1 101 646	1 478 734
Unearned rentals	45 673	74 344
Other deposits	1 652 976	1 699 486
Unclaimed / unpaid dividends	1 576 439	542 968
Lease liability	744 096	784 858
Others	242 760	394 028
	6 994 012	6 913 950

19. Contingencies and commitments

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

20. Net insurance premium

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Written gross premium	16 296 364	15 719 235
Unearned premium reserve - opening	14 167 219	10 517 726
Unearned premium reserve - closing	(14 209 843)	(10 998 822)
Premium earned	16 253 740	15 238 139
Less:		
Reinsurance premium ceded	4 551 476	3 692 326
Prepaid reinsurance premium - opening	8 489 684	5 468 998
Prepaid reinsurance premium - closing	(7 997 766)	(5 655 081)
Reinsurance expense	5 043 394	3 506 243
	11 210 346	11 731 896
21. Net insurance claim expense		
Claims Paid	8 871 810	7 341 739
Outstanding claims including IBNR - closing	11 136 879	8 524 553
Outstanding claims including IBNR - opening	(10 368 176)	(7 085 599)
Claims expense	9 640 513	8 780 693
Less:		
Reinsurance and other recoveries received	472 451	397 314
Reinsurance and other recoveries in respect of outstanding claims - opening	(6 503 793)	(3 974 297)
Reinsurance and other recoveries in respect of outstanding claims - closing	7 126 779	5 108 178
Reinsurance and other recoveries revenue	1 095 437	1 531 195
	8 545 076	7 249 498

22. Net commission expense

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Commission paid or payable	1 862 559	2 105 919
Deferred commission expense - opening	1 111 775	772 985
Deferred commission expense - closing	(1 038 830)	(798 170)
Net commission	1 935 504	2 080 734
Less:		
Commission received or recoverable	103 219	65 539
Unearned reinsurance commission - opening	201 585	135 214
Unearned reinsurance commission - closing	(200 556)	(133 409)
Commission from reinsurers	104 248	67 344
Other acquisition cost	367 876	257 475
	2 199 132	2 270 865

23. Investment income

Income from equity securities		
- Available-for-sale		
Dividend income	82 183	91 735
- Fair value through profit and loss		
Dividend income	638 333	891 159
Income from debt securities		
- Available-for-sale		
Return on debt securities	389 555	261 294
- Held to maturity		
On government securities	263 570	107 991
Return on debt securities	45 387	31 689
- Fair value through profit and loss		
Return on debt securities	441 330	301 808
On government securities	4 815 124	2 066 076
Income from term deposits		
Return on term deposits	403 670	393 108
	7 079 152	4 144 860
Net realized gains / (losses) on investments		
Available-for-sale financial assets		
Realized gains on:		
Equity securities	25 995	96 572
Impairment in value of available-for-sale equity securities	(91 309)	(105 381)
Investment related expenses	(319)	(126)
	7 013 519	4 135 925

Rupees '000

24. Net realized fair value (losses) / gains on financial assets

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Realized gain on: Equity securities	90 916	260 255
Realized losses on Equity securities	(1 680 056)	–
Government securities	60 294	(2 902)
	(1 528 846)	257 353
25. Net fair value (losses) / gains on financial assets at fair value through profit or loss		
Net unrealized losses on investments in financial assets - government securities and debt securities (designated upon initial recognition)	(1 515 936)	(116 990)
Net unrealized gains / (losses) on investments at fair value through profit or loss (designated upon initial recognition)- Equity Securities	1 361 595	(1 023 499)
Total investment loss	(154 341)	(1 140 489)
Exchange gain	64 416	5 880
Impairment in value of available-for-sale securities	(11 273)	(12 208)
Investment related expenses	(157)	(53)
	(101 355)	(1 146 870)
26. Other income		
Gain on sale of property and equipment	45 246	13 970
Return on loans to employees	6 652	7 307
Exchange difference	4 772	291
Return on bank balances	72 948	32 784
Gain on early termination of lease contracts	–	919
Fees charged to Policyholders	4 907	4 468
Others	5	8
	134 530	59 747

		Rupees '000	
27. Profit from Window Takaful Operations - General Takaful Operator's fund		31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
	Wakala fee	283 044	215 495
	Commission expense	(84 974)	(80 537)
	General administrative and management expense	(103 388)	(92 343)
	Modarib's share of PTF investment income	23 370	9 245
	Investment income	34 399	14 843
	Direct expenses	(109)	(295)
	Other income	1 975	967
		<u>154 317</u>	<u>67 375</u>
28. Taxation			
For current periods			
	Current	735 796	588 157
	Deferred	(88 270)	(97 150)
		<u>647 526</u>	<u>491 007</u>
29. Earnings per share - basic and diluted			
	Profit (after tax) for the period (Rupees '000)	<u>591 476</u>	<u>571 749</u>
	Weighted average number of ordinary shares (Numbers '000)	<u>200 000</u>	<u>200 000</u>
	Earnings per share (Rupees)	<u>2.96</u>	<u>2.86</u>

30. Related party transactions

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

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Transactions		
Associated companies		
Premium written	138 846	136 813
Premium paid	62 496	66 859
Claims paid	23 366	81 641
Commission paid	34 840	28 891
Travelling expenses	8 473	553
Donation paid	3 973	9 462
Interest on bank deposits	388 848	217 249
Purchase of vehicle	22 745	87 673
Investment sold	8 311 000	10 788 429
Investment bought	5 340 000	–
Bank deposit	900 000	100 000
Payment to K-Electric	–	12 822
Key management personnel		
Premium written	726	498
Claims paid	242	168
Loan recovered	1 705	1 672
Compensation	120 474	110 384
Others		
Premium written	6 398	7 634
Claims paid	5 965	351
Brokerage paid	–	64
Employees' funds		
Contribution to provident fund	22 675	21 283
Contribution to gratuity fund	8 794	7 231
Contribution to pension fund	9 310	9 566
	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Balances		
Others		
Balances receivable	54 800	47 390
Balances payable	3 295	3 973
Bank deposits	6 345 929	7 816 929
Bank balances	1 369 936	1 972 396
Dividend payables	454 640	–
Dividend receivables	25 745	–
Employees' funds receivable / (payable)		
EFU gratuity fund	(56 079)	(83 233)
EFU pension fund	71 910	69 224

31. Segment Information

Rupees '000

For the three months period ended 31 March 2023 (Unaudited)

	General Insurance				Treaty	Aggregate General Insurance	Life Assurance		Aggregate Life Assurance	Total
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous			Shareholders' Fund	Statutory Funds		
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	5 805 267	1 019 832	1 158 614	642 308	-	8 626 021	-	8 863 312	8 863 312	17 489 333
Less: Sales tax	737 216	107 163	140 589	84 630	-	1 069 598	-	-	-	1 069 598
Stamp duty	101	48 117	317	229	-	48 764	-	-	-	48 764
Federal insurance fee	50 346	8 560	10 145	5 556	-	74 607	-	-	-	74 607
Gross Written Premium (inclusive of administrative surcharge)	5 017 604	855 992	1 007 563	551 893	-	7 433 052	-	8 863 312	8 863 312	16 296 364
Gross direct premium	5 008 418	843 809	959 541	547 945	-	7 359 713	-	8 863 312	8 863 312	16 223 025
Facilitative inward premium	967	-	-	-	-	967	-	-	-	967
Administrative surcharge	8 219	12 183	48 022	3 948	-	72 372	-	-	-	72 372
Insurance premium earned	5 091 677	912 200	944 557	441 994	-	7 390 428	-	8 863 312	8 863 312	16 253 740
Insurance premium ceded to reinsurers	(4 037 667)	(450 792)	(9 136)	(171 050)	-	(4 668 645)	-	(374 749)	(374 749)	(5 043 394)
Net insurance premium	1 054 010	461 408	935 421	270 944	-	2 721 783	-	8 488 563	8 488 563	11 210 346
Commission income	87 877	5 141	6	11 224	-	104 248	-	-	-	104 248
Net underwriting income	1 141 887	466 549	935 427	282 168	-	2 826 031	-	8 488 563	8 488 563	11 314 594
Insurance claims	(1 400 083)	(186 250)	(489 005)	(131 832)	-	(2 207 170)	-	(7 433 343)	(7 433 343)	(9 640 513)
Insurance claims recovered from reinsurers	874 064	11 617	(1 184)	34 547	-	919 044	-	176 393	176 393	1 095 437
Net claims	(526 019)	(174 633)	(490 189)	(97 285)	-	(1 288 126)	-	(7 256 950)	(7 256 950)	(8 545 076)
Commission expense	(371 188)	(83 164)	(90 651)	(35 862)	-	(580 865)	-	(1 722 515)	(1 722 515)	(3 303 380)
Management expenses	(315 454)	(125 080)	(267 951)	(79 757)	-	(788 242)	-	(815 310)	(815 310)	(1 603 552)
Net insurance claims and expenses	(1 212 661)	(382 877)	(848 791)	(212 904)	-	(2 657 233)	-	(9 794 775)	(9 794 775)	(12 452 008)
Net Change in Insurance Liabilities (Other than outstanding Claims)	-	-	-	-	-	-	-	(3 083 925)	(3 083 925)	(3 083 925)
Underwriting result	(70 774)	83 672	86 636	69 264	-	168 798	-	(4 390 137)	(4 390 137)	(4 221 339)
Net investment income	-	-	-	-	-	410 823	-	6 602 696	6 602 696	7 013 519
Net realized fair value losses on financial assets	-	-	-	-	-	-	-	(1 528 846)	(1 528 846)	(1 528 846)
Net fair value loss on financial assets at fair value through profit and loss	-	-	-	-	-	-	-	(101 355)	(101 355)	(101 355)
Rental income	-	-	-	-	-	33 705	-	-	-	33 705
Other income	-	-	-	-	-	106 179	-	28 351	28 351	134 530
Other expense	-	-	-	-	-	(19 817)	-	(9 257)	(9 257)	(29 074)
Profit before tax from general takaful operations - OPF	-	-	-	-	-	154 317	-	-	-	154 317
Profit before tax	-	-	-	-	-	854 005	-	601 452	601 452	1 455 457
As at 31 March 2023 (Unaudited)										
Corporate segment assets-conventional	18 780 183	1 760 302	622 611	903 897	-	22 066 993	-	180 086 514	180 086 514	202 153 507
Corporate segment assets - Takaful OPF	160 251	19 028	403 328	13 804	-	596 412	-	-	-	596 411
Corporate unallocated assets-conventional	-	-	-	-	-	30 361 360	5 209 492	5 209 492	5 209 492	35 667 772
Corporate unallocated assets - Takaful OPF	-	-	-	-	-	1 104 626	-	-	-	1 104 626
Consolidated total assets	-	-	-	-	-	54 129 391	5 209 492	180 086 514	185 296 006	35 570 852
Corporate segment liabilities	26 373 670	3 042 139	2 844 887	3 954 030	-	36 214 726	-	174 137 253	174 137 253	210 351 979
Corporate segment liabilities - Takaful OPF	154 254	16 566	487 261	20 200	-	678 281	2 894 442	2 894 442	2 894 442	678 281
Corporate unallocated liabilities	-	-	-	-	-	1 693 246	-	-	-	4 587 688
Corporate unallocated liabilities - Takaful OPF	-	-	-	-	-	50 798	-	-	-	50 798
Consolidated total liabilities	-	-	-	-	-	38 637 051	2 894 442	174 137 253	177 031 695	215 753 650
External premium less reinsurance by geographical segments 2023	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	11 202 141	-	-	-	8 205
	-	-	-	-	-	-	-	-	-	11 210 346

* This represents US Dollar Equivalent in Pak Rupees

Rupees '000

For the three months period ended 31 March 2022 (Unaudited) (Restated)

	General Insurance			Life Assurance		Aggregate Life Assurance	Total		
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty			Aggregate General Insurance	Shareholders' Fund
Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	4,444,282	738,193	1,107,651	593,900	-	6,884,026	-	9,632,355	16,516,381
Less: Sales tax	415,393	74,895	136,017	62,299	-	688,604	-	-	688,604
Stamp duty	119	46,722	335	257	-	47,433	-	-	47,433
Federal insurance fee	40,023	6,105	9,681	5,300	-	61,109	-	-	61,109
Gross Written Premium (inclusive of administrative surcharge)	3,988,747	610,471	961,618	526,044	-	6,086,880	-	9,632,355	15,719,235
Gross direct premium	3,975,800	596,281	909,273	522,103	-	6,003,457	-	9,632,355	15,635,812
Facultative inward premium	4,608	-	-	-	-	4,608	-	-	4,608
Administrative surcharge	8,339	14,190	52,345	3,941	-	78,815	-	-	78,815
Insurance premium earned	3,530,967	775,946	870,827	428,044	-	5,605,784	-	9,632,355	15,238,139
Insurance premium ceded to reinsurers	(2,600,481)	(333,598)	(5,790)	(137,343)	-	(3,077,212)	-	(429,031)	(3,506,243)
Net insurance premium	930,486	442,348	865,037	290,701	-	2,528,572	-	9,203,324	11,731,896
Commission income	54,209	3,973	4	91,58	-	67,344	-	-	67,344
Net underwriting income	984,695	446,321	865,041	299,859	-	2,595,916	-	9,203,324	11,799,240
Insurance claims	(1,859,578)	(79,317)	(460,424)	(147,185)	-	(2,546,504)	-	(6,234,189)	(8,780,693)
Insurance claims recovered from reinsurers	1,410,365	(60,381)	(2,006)	(5,829)	-	1,342,149	-	189,046	1,531,195
Net claims	(449,213)	(139,698)	(462,430)	(153,014)	-	(1,204,355)	-	(6,045,143)	(7,249,498)
Commission expense	(235,547)	(75,365)	(78,222)	(33,552)	-	(422,686)	-	(1,915,523)	(2,338,209)
Management expenses	(253,710)	(110,257)	(229,977)	(76,703)	-	(670,647)	-	(581,983)	(1,252,630)
Net insurance claims and expenses (Other than outstanding Claims)	(938,470)	(325,320)	(770,629)	(263,269)	-	(2,297,688)	-	(8,542,649)	(10,840,337)
Net change in Insurance Liabilities (Other than outstanding Claims)	-	-	-	-	-	-	-	(3,079,998)	(3,079,998)
Underwriting result	46,225	121,001	94,412	36,590	-	298,228	-	(2,419,323)	(2,121,095)
Net investment income	-	-	-	-	-	339,347	-	3,796,578	4,135,925
Net realized fair value gains on financial assets	-	-	-	-	-	-	-	257,353	257,353
Net fair value losses on financial assets at fair value through profit and loss	-	-	-	-	-	-	-	(1,146,870)	(1,146,870)
Rental income	-	-	-	-	-	31,135	-	-	31,135
Other income	-	-	-	-	-	39,152	-	20,595	59,747
Other expense	-	-	-	-	-	(21,375)	-	(1,437)	(22,812)
Profit before tax from general takaful operations - OPF	-	-	-	-	-	67,375	-	-	67,375
Profit before tax	-	-	-	-	-	753,862	-	506,896	1,260,758

As at 31 December 2022 (Audited)

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

External premium less reinsurance by geographical segments 2022

Pakistan	11,724,631
* EPZ	7,265
Total	11,731,896

* This represents US Dollar Equivalent in Pak Rupees

Prior period

Premium Receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)

Less: Sales tax
Stamp duty
Federal insurance fee

Gross Written Premium (inclusive of administrative surcharge)

Gross direct premium
Facultative inward premium
Administrative surcharge

Insurance premium earned

Insurance premium ceded to reinsurers

Net insurance premium

Commission income

Net underwriting income

Insurance claims

Insurance claims recovered from reinsurers

Net claims

Commission expense

Management expenses

Net insurance claims and expenses (Other than outstanding Claims)

Net change in Insurance Liabilities (Other than outstanding Claims)

Underwriting result

Net investment income

Net realized fair value gains on financial assets

Net fair value losses on financial assets at fair value through profit and loss

Rental income

Other income

Other expense

Profit before tax from general takaful operations - OPF

Profit before tax

Corporate segment assets-conventional

Corporate segment assets - Takaful OPF

Corporate unallocated assets-conventional

Corporate unallocated assets - Takaful OPF

Consolidated total assets

Corporate segment liabilities

Corporate segment liabilities - Takaful OPF

Corporate unallocated liabilities

Corporate unallocated liabilities - Takaful OPF

Consolidated total liabilities

Location

Pakistan

* EPZ

Total

32. Movement in investments

Name of investment	Rupees '000			
	Held to maturity	Available for sale	Fair value through Profit & Loss	Total
At beginning of previous year	33 247 392	16 524 822	114 919 753	164 691 967
Additions	119 906 944	11 486 431	92 959 274	224 352 649
Disposals (sale and redemptions)	(134 690 321)	(8 068 774)	(60 604 116)	(203 363 211)
Fair value net gains / (losses) (excluding net realized gains / (losses))	-	(1 003 948)	(4 462 393)	(5 466 341)
Impairment losses	-	(388 188)	-	(388 188)
At beginning of current year	18 464 015	18 550 343	142 812 518	179 826 876
Additions	10 053 227	2 228 859	16 508 870	28 790 956
Disposals (sale and redemptions)	(14 409 000)	(1 194 045)	(8 887 275)	(24 490 320)
Fair value net gains (excluding net realized gains / (losses))	-	(331 732)	(29 623)	(361 355)
Impairment losses	-	(89 706)	-	(89 706)
At end of current period	14 108 242	19 163 719	150 404 490	183 676 451

33. Fair value

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

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

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

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

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

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

Rupees '000

As at 31 March 2023 (Unaudited)										
	Available- for-sale	Fair value through profit & loss	HTM	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
								Level 1	Level 2	Level 3
Financial assets measured at fair value										
Investments										
Equity securities - quoted	2 819 788	16 167 914					18 987 702	18 987 702		
Equity securities - unquoted	508						508			508
Government securities		122 699 430					122 699 430		122 699 430	
Mutual funds	206 517	257 278					463 795		463 795	
Sukuk Bonds		1 419 906					1 419 906		1 419 906	
Debt securities	12 313 765	5 938 929					18 252 694		18 182 220	70 474
Financial assets not measured at fair value										
Term deposits *					1 605 747		1 605 747			
Government securities			11 157 813				11 157 813			
Loans and other receivables *				868 053			868 053			
Insurance / reinsurance receivables *				5 788 093			5 788 093			
Reinsurance recoveries against outstanding claims *				7 126 779			7 126 779			
Advances *				183 776			183 776			
Other assets *					5 779 034		5 779 034			
Certificate of investment *			1 434 302				1 434 302			
Cash and bank *		11 343 984			1 732 472		13 076 456			
Total assets of window takaful operations - Operator's fund *	920 812			510 152	93 408		1 524 372		920 812	
	16 261 390	157 827 441	12 592 115	14 476 853	9 210 661	-	210 368 460	18 987 702	143 686 163	70 982
Financial liabilities not measured at fair value										
Outstanding claims including IBNR *						(11 136 879)	(11 136 879)			
Premium received in advance *						(1 590 374)	(1 590 374)			
Insurance / reinsurance payables *						(8 592 704)	(8 592 704)			
Other creditors and accruals *						(6 994 012)	(6 994 012)			
Total liabilities of window takaful operations - Operator's fund *						(118 010)	(118 010)			
	16 261 390	157 827 441	12 592 115	14 476 853	9 210 661	(28 431 979)	181 936 481	18 987 702	143 686 163	70 982

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

Rupees '000

As at 31 December 2022 (Audited)

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

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

34. Non-adjusting event after the financial statement date

The Board of Directors in their meeting held on 28 April 2023 have announced a first interim cash dividend in respect of the year ended 31 December 2023 of Rs. 1.50 per share i.e. 15.00 % (2022: Rs. 1.50 per share i.e. 15.00 %). These consolidated condensed interim financial statements for the three months period ended 31 March 2023 do not include the effect of these appropriations, which will be accounted for subsequent to the period end.

35. Corresponding Figures

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

36. General

Figures have been rounded off to the nearest thousand rupees.

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

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 28 April 2023.

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

Window Takaful Operations Condensed Interim Financial Statements

For the three months period ended 31 March 2023 (Unaudited)

EFU General Insurance Limited - Window Takaful Operations
Condensed Interim Statement of Financial Position
As at 31 March 2023 (Unaudited)

Rupees '000

	Note	Operator's Fund		Participants' Takaful Fund	
		31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Assets					
Property and equipment	6	1 940	2 111	–	–
Debt securities	7	920 812	948 921	2 319 494	2 394 006
Loans and other receivables	8	4 927	3 139	4 258	2 217
Takaful / retakaful receivables	9	14 235	14 791	462 347	379 772
Retakaful recoveries against outstanding claims / benefits	17	–	–	1 295 274	746 866
Salvage recoveries accrued		–	–	55 333	44 020
Deferred commission expense	18	161 564	163 440	–	–
Receivable from PTF	10	451 049	392 211	–	–
Accrued investment income		39 941	22 053	116 281	49 814
Deferred wakala fee		–	–	565 431	572 278
Deferred taxation		9 924	5 572	–	–
Prepayments	11	3 238	–	381 428	388 124
Cash and bank	12	93 408	48 929	179 107	195 563
Total assets		1 701 038	1 601 167	5 378 953	4 772 660
Funds and liabilities					
Operator's Fund					
Statutory fund		100 000	100 000	–	–
Revaluation reserve - available-for-sale investments		(13 926)	(5 123)	–	–
Accumulated profit		885 885	782 515	–	–
Total Operator's Fund		971 959	877 392	–	–
Participants' Takaful Fund (PTF)					
Cede money		–	–	500	500
Revaluation reserve - available-for-sale investments		–	–	(45 566)	(20 909)
Accumulated surplus		–	–	1 122 948	1 159 390
Balance of Participants' Takaful Fund		–	–	1 077 882	1 138 981
Liabilities					
PTF Underwriting provisions					
Outstanding claims / benefits including IBNR	17	–	–	1 921 493	1 282 538
Unearned contribution reserves		–	–	1 434 748	1 438 843
Reserve for unearned retakaful rebate	16	–	–	28 388	65 847
Contribution received in advance		–	–	6 061	4 488
Takaful / retakaful payables		1 751	1 743	428 885	423 452
Unearned wakala fee		565 431	572 278	–	–
Payable to OPF	10	–	–	451 049	392 211
Taxation - provision less payments		43 887	40 021	–	–
Other creditors and accruals	13	118 010	109 733	30 447	26 300
Total liabilities		729 079	723 775	4 301 071	3 633 679
Total equity and liabilities		1 701 038	1 601 167	5 378 953	4 772 660
Contingencies and commitments	14				

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

EFU General Insurance Limited - Window Takaful Operations
Condensed Interim Profit and Loss Account
For the three months period ended 31 March 2023 (Unaudited)

		31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
	Note		Rupees '000
Participants' Takaful Fund - (PTF)			
Contributions earned		456 299	462 445
Less: Contributions ceded to retakaful		(202 790)	(164 902)
Net contribution revenue	15	253 509	297 543
Retakaful rebate earned	16	30 186	33 170
Net underwriting income		283 695	330 713
Net claims reported / settled - IBNR	17	(368 442)	(327 945)
Other direct expenses		(21 805)	(21 799)
Deficit before investment income		(106 552)	(19 031)
Investment Income	19	88 014	33 963
Other income	20	5 466	3 016
Less: Modarib's share of investment income		(23 370)	(9 245)
(Deficit) / surplus transferred to accumulated surplus		(36 442)	8 703
Operator's Fund - (OPF)			
Wakala fee		283 044	215 495
Commission expense	18	(84 974)	(80 537)
General, administrative and management expense		(103 388)	(92 343)
		94 682	42 615
Modarib's share of PTF investment income		23 370	9 245
Investment income	19	34 399	14 843
Direct expenses		(109)	(295)
Other income	20	1 975	967
Profit before taxation		154 317	67 375
Taxation	21	(50 947)	(19 538)
Profit after taxation		103 370	47 837

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

EFU General Insurance Limited - Window Takaful Operations
Condensed Interim Statement of Comprehensive Income
For the three months period ended 31 March 2023 (Unaudited)

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Rupees '000		
Participants' Takaful Fund - (PTF)		
(Deficit) / surplus for the period	(36 442)	8 703
Other comprehensive income		
Unrealized loss on available-for-sale investments during the period - net	(24 657)	(2 875)
Total comprehensive (loss) / income for the period	<u>(61 099)</u>	<u>5 828</u>
Operator's Fund - (OPF)		
Profit after tax for the period	103 370	47 837
Other comprehensive income		
Fair value (loss) / gain on available-for-sale investments during the period	(13 139)	5 375
Deferred tax on available-for-sale investments	4 336	(1 559)
Total items that may be reclassified subsequently to profit and loss account	(8 803)	3 816
Total comprehensive income for the period	<u>94 567</u>	<u>51 653</u>

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

EFU General Insurance Limited – Window Takaful Operations
Condensed Interim Cash Flow Statement
For the three months period ended 31 March 2023 (Unaudited)

Rupees '000

	Operator's Fund		Participants' Takaful Fund	
	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Operating cash flows				
a) Takaful activities				
Contributions received	–	–	653 995	634 750
Retakaful contribution paid	–	–	(192 409)	(130 281)
Claims / benefits paid	–	–	(302 922)	(253 832)
Retakaful and other recoveries received	–	–	13 965	22 785
Commission paid	(74 025)	(71 327)	–	–
Retakaful rebate (paid) / received	–	–	(7 271)	21 632
Wakala fee received / (paid)	235 061	159 957	(235 061)	(159 957)
Modarib received / (paid)	5 668	487	(5 668)	(487)
Net cash flow from / (used in) takaful activities	166 704	89 117	(75 371)	134 610
b) Other operating activities				
Income tax paid	(47 097)	(16 816)	–	–
General and other expenses paid	(104 119)	(93 340)	(21 803)	(21 798)
Other operating payments	(4 470)	(4 936)	(295)	(4 030)
Other operating receipts	5	541	4 146	(630)
Net cash flow used in other operating activities	(155 681)	(114 551)	(17 952)	(26 458)
Total cash flow from / (used in) all operating activities	11 023	(25 434)	(93 323)	108 152
Investment activities				
Profit / return received	18 486	11 321	27 012	18 073
Payment for investments	(44 549)	(66 094)	(50 025)	(247 095)
Proceeds from investments	59 519	22 747	99 880	142 398
Total cash flow from / (used in) investing activities	33 456	(32 026)	76 867	(86 624)
Net cash flow from / (used in) all activities	44 479	(57 460)	(16 456)	21 528
Cash and cash equivalents at the beginning of the year	48 929	100 883	195 563	239 302
Cash and cash equivalents at the end of the period	93 408	43 423	179 107	260 830
Reconciliation to profit and loss account				
Operating cash flow	11 023	(25 434)	(93 323)	108 152
Depreciation expense	(171)	(171)	–	–
Other investment income	34 399	14 843	88 014	33 963
Other income	1 976	967	5 466	3 016
Increase in assets other than cash	61 447	69 680	630 794	66 896
Increase in liabilities other than borrowings	(5 304)	(12 048)	(667 393)	(203 324)
Profit / (deficit) / surplus after tax for the period	103 370	47 837	(36 442)	8 703
Attributed to				
Operator's Fund	103 370	47 837	–	–
Participants' Takaful Fund	–	–	(36 442)	8 703
	103 370	47 837	(36 442)	8 703

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

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

EFU General Insurance Limited – Window Takaful Operations
Condensed Interim Statement of Changes in Funds
For the three months period ended 31 March 2023 (Unaudited)

Rupees '000

	Operator's Fund			Total
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Accumulated profit	
Balance as at 01 January 2022	100 000	(3 396)	530 643	627 247
Total comprehensive income for the period ended 31 March 2022				
Profit for the period			47 837	47 837
Other comprehensive income		3 816		3 816
Balance as at 31 March 2022	100 000	420	578 480	678 900
Balance as at 01 January 2023	100 000	(5 123)	782 515	877 392
Total comprehensive income for the period ended 31 March 2023				
Profit for the period			103 370	103 370
Other Comprehensive loss		(8 803)		(8 803)
Balance as at 31 March 2023	100 000	(13 926)	885 885	971 959
	Participants' Takaful Fund			Total
	Cede money	Unrealized gain / (loss) on revaluation of available-for-sale investments-net	Accumulated surplus	
Balance as at 01 January 2022	500	(16 099)	871 978	856 379
Total comprehensive income for the period ended 31 March 2022				
Surplus for the period			8 703	8 703
Other comprehensive loss		(2 875)		(2 875)
Balance as at 31 March 2022	500	(18 974)	880 681	862 207
Balance as at 01 January 2023	500	(20 909)	1 159 390	1 138 981
Total comprehensive income for the period ended 31 March 2023				
Deficit for the period			(36 442)	(36 442)
Other Comprehensive loss		(24 657)		(24 657)
Balance as at 31 March 2023	500	(45 566)	1 122 948	1 077 882

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

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Director

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Director

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SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

EFU General Insurance Limited – Window Takaful Operations

Notes to the Condensed Interim Financial Statements

For the three months period ended 31 March 2023 (Unaudited)

1. Legal status and nature of business

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

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

2. Basis of preparation and statement of compliance

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

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

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

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

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

2.1 Basis of measurement

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

2.2 Functional and presentation currency

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

3. Summary of significant accounting policies

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

3.1 Standards, interpretations and amendments effective during the current period

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Operator's operation and do not have any impact on accounting policies of the Operator. Further, following new standard have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards

Effective date (annual periods beginning on or after)

IFRS 17 Insurance Contracts

January 01, 2023

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

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

Following IFRS as notified under the Companies Act, 2017 and the amendments thereto will be effective for future accounting periods and not early adopted:

Amendments	Effective date (annual periods beginning on or after)
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	01-January-2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture -Amendments to IFRS 10 and IAS 28	Not yet finalized
Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.	
Standards	Effective date (annual periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	January 01, 2024

4. Accounting estimates and judgements

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

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

5. Management of takaful and financial risk

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

6. Property and equipment

The movement of property and equipment during the three months period ended 31 March 2023 are as follows:

		Rupees '000	
	Note	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Opening balance - net book value		2 111	2 777
Additions	6.1	-	10
Depreciation during the period		(171)	(676)
		<u>1 940</u>	<u>2 111</u>
6.1 Additions			
Computer equipment		-	10
		<u>-</u>	<u>10</u>

Rupees '000

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

7.1 Operator's Fund

	31 March 2023 (Unaudited)			31 December 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Fixed Income Securities						
Ijara Sukuks	909 525	–	909 525	915 540	–	915 540
Corporate Sukuks	41 004	(8 931)	32 073	49 959	(8 931)	41 028
	950 529	(8 931)	941 598	965 499	(8 931)	956 568
Deficit on revaluation	–	–	(20 786)	–	–	(7 647)
	<u>950 529</u>	<u>(8 931)</u>	<u>920 812</u>	<u>965 499</u>	<u>(8 931)</u>	<u>948 921</u>

7.2 Participants' Takaful Fund

Fixed Income Securities

Ijara Sukuks	2 299 930	–	2 299 930	2 331 550	–	2 331 550
Corporate Sukuks	74 060	(8 931)	65 129	92 295	(8 931)	83 364
	2 373 990	(8 931)	2 365 059	2 423 845	(8 931)	2 414 914
Deficit on revaluation	–	–	(45 565)	–	–	(20 908)
	<u>2 373 990</u>	<u>(8 931)</u>	<u>2 319 494</u>	<u>2 423 845</u>	<u>(8 931)</u>	<u>2 394 006</u>

8. Loans and other receivables - considered good

	OPF		PTF	
	31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Security deposits	301	301	–	–
Other receivables	4 626	2 838	4 258	2 217
	<u>4 927</u>	<u>3 139</u>	<u>4 258</u>	<u>2 217</u>
9. Takaful / retakaful receivables - unsecured and considered good				
Due from takaful participants holders	–	–	449 256	366 430
Due from other takaful / retakaful operators	14 235	14 791	13 091	13 342
	<u>14 235</u>	<u>14 791</u>	<u>462 347</u>	<u>379 772</u>

Rupees '000

10. Receivable (OPF) / Payable (PTF)

	OPF		PTF	
	31 March 2023 (Unaudited)	31 December 2022 (Audited)	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Wakala fee	420 613	379 476	420 613	379 476
Modarib fee	30 436	12 735	30 436	12 735
	<u>451 049</u>	<u>392 211</u>	<u>451 049</u>	<u>392 211</u>
11. Prepayments				
Annual supervision fee	3 238	–	–	–
Prepaid retakaful contribution ceded	–	–	347 938	352 886
Prepaid charges for vehicle tracking devices	–	–	33 490	35 238
	<u>3 238</u>	<u>–</u>	<u>381 428</u>	<u>388 124</u>
12. Cash and bank balances				
Cash and cash equivalents				
Cash in hand	83	–	–	–
Policy stamps	–	–	2 239	3 040
	83	–	2 239	3 040
Cash at bank				
Current accounts	12 633	1 415	166	635
Saving accounts	80 692	47 514	176 702	191 888
	<u>93 408</u>	<u>48 929</u>	<u>179 107</u>	<u>195 563</u>
13. Other creditors and accruals				
Federal insurance fee payable	–	–	2 473	2 322
Sales tax payable	1 155	1 465	27 200	22 797
Accrued expenses	3 369	4 160	–	–
Agent commission payable	112 850	103 785	–	–
Retirement benefit obligations	69	272	–	–
Other creditors	567	51	774	1 181
	<u>118 010</u>	<u>109 733</u>	<u>30 447</u>	<u>26 300</u>

14. Contingencies and commitments

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

15. Net contribution

Rupees '000

	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
Written gross contribution	735 248	688 579
Wakala fee	(276 197)	(218 290)
Contribution net of wakala fee	459 051	470 289
Unearned contribution reserve - opening	866 565	893 876
Unearned contribution reserve - closing	(869 317)	(901 720)
Contribution earned	456 299	462 445
Less:		
Retakaful contribution ceded	197 842	152 438
Prepaid retakaful contribution - opening	352 886	283 818
Prepaid retakaful contribution - closing	(347 938)	(271 354)
Retakaful expense	202 790	164 902
	253 509	297 543
16. Retakaful Rebate		
Rebate received or recoverable	39 042	21 632
Unearned retakaful rebate-opening	19 532	63 362
Unearned retakaful rebate-closing	(28 388)	(51 824)
	30 186	33 170
17. Takaful benefits / claims expense		
Benefits / claims paid	291 610	240 116
Outstanding benefits / claims including IBNR - opening	(1 282 538)	(1 088 118)
Outstanding benefits / claims including IBNR - closing	1 921 493	1 200 383
Claim expense	930 565	352 381
Less:		
Retakaful and other recoveries received	13 715	21 445
Retakaful and other recoveries in respect of outstanding claims - opening	(746 866)	(541 251)
Retakaful and other recoveries in respect of outstanding claims - closing	1 295 274	544 242
Retakaful and other recoveries revenue	562 123	24 436
	368 442	327 945
18. Commission expense		
Commission paid or payable	83 098	78 185
Deferred commission expense - opening	163 440	149 495
Deferred commission expense - closing	(161 564)	(147 143)
	84 974	80 537

19. Investment income	OPF		PTF	
	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)	31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
				Rupees '000
Income from debt securities - available-for-sale				
- Return on debt securities (Sukuk)	34 729	14 767	88 014	33 088
Income from term deposits				
- Return on term deposits	–	76	–	875
	34 729	14 843	88 014	33 963
Net realized losses on investments Available for sale financial assets				
Realized losses on:				
- Debt securities	(330)	–	–	–
	34 399	14 843	88 014	33 963
20. Other income				
Profit on bank deposits	1 975	967	5 466	3 016
	1 975	967	5 466	3 016

21. Taxation				
			31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
				Rupees '000
For current period				
Current			44 786	19 546
Deferred			(16)	(8)
Super tax			6 177	–
			50 947	19 538

22. Related party transactions

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

Participants' Takaful Funds				
			31 March 2023 (Unaudited)	31 March 2022 (Unaudited)
				Rupees '000
Transactions				
Associated companies				
Premium written			42	20
Premium paid			118	103
Claims paid including salvage recovered			507	223
Key management personnel				
Premium written			–	78
Others				
Premium written			–	1 132
Premium paid			–	32

Rupees '000

	31 March 2023 (Unaudited)	31 December 2022 (Audited)
Balances		
Others		
Balances payable	509	–
Employees' funds receivable / (payable)		
EFU gratuity fund	68	68

23. Segment reporting

23.1 Operator's Fund

For the three months period ended 31 March 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	54 573	14 477	204 429	9 565	–	283 044
Commission expense	(21 604)	(6 910)	(53 922)	(2 538)	–	(84 974)
General administrative and management expenses	(3 821)	(2 292)	(95 756)	(1 519)	–	(103 388)
Net commission and expenses	(25 425)	(9 202)	(149 678)	(4 057)	–	(188 362)
	<u>29 148</u>	<u>5 275</u>	<u>54 751</u>	<u>5 508</u>	<u>–</u>	<u>94 682</u>
Modarib's share of PTF investment income						23 370
Investment income						34 399
Direct expenses						(109)
Other income						1 975
Profit before taxation						154 317
Taxation						(50 947)
Profit after taxation						<u>103 370</u>
	As at 31 March 2023 (Unaudited)					
Corporate segment assets	160 251	19 028	403 328	13 805	–	596 412
Corporate unallocated assets						1 104 626
Total assets						<u>1 701 038</u>
Corporate segment liabilities	154 254	16 566	487 261	20 200	–	678 281
Corporate unallocated liabilities						50 798
Total liabilities						<u>729 079</u>

Rupees '000

For the three months period ended 31 March 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Wakala fee	32 510	13 118	165 223	4 644	-	215 495
Commission expense	(16 740)	(6 210)	(55 948)	(1 639)	-	(80 537)
General administrative and management expenses	(2 824)	(2 219)	(86 701)	(599)	-	(92 343)
Net commission and expenses	(19 564)	(8 429)	(142 649)	(2 238)	-	(172 880)
	<u>12 946</u>	<u>4 689</u>	<u>22 574</u>	<u>2 406</u>	<u>-</u>	<u>42 615</u>
Modarib's share of PTF investment income						9 245
Investment income						14 843
Direct expenses						(295)
Other income						967
Profit before taxation						<u>67 375</u>
Taxation						(19 538)
Profit after taxation						<u><u>47 837</u></u>
	As at 31 December 2022 (Audited)					
Corporate segment assets	157 225	17 208	365 513	17 761	-	557 707
Corporate unallocated assets						1 043 460
Total assets						<u><u>1 601 167</u></u>
Corporate segment liabilities	152 456	16 489	479 499	27 619	-	676 063
Corporate unallocated liabilities						47 712
Total liabilities						<u><u>723 775</u></u>

23.2 Participants' Takaful Fund

Rupees '000

For the three months period ended 31 March 2023 (Unaudited)

Current period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	182 557	49 145	604 702	7 734	–	844 138
Less: Sales tax	21 700	4 993	70 700	827	–	98 220
Stamp duty	16	3 249	51	3	–	3 319
Federal insurance fee	1 592	405	5 286	68	–	7 351
Gross written contribution (inclusive of administrative surcharge)	159 249	40 498	528 665	6 836	–	735 248
Gross direct contribution	158 111	38 677	495 096	6 756	–	698 640
Administrative surcharge	1 138	1 821	33 569	80	–	36 608
Wakala fee	(54 778)	(14 174)	(204 852)	(2 393)	–	(276 197)
Contributions earned	102 128	26 888	309 862	17 421	–	456 299
Contributions ceded to retakaful	(144 768)	(31 642)	(7 426)	(18 954)	–	(202 790)
Net contribution revenue	(42 640)	(4 754)	302 436	(1 533)	–	253 509
Retakaful rebate earned	19 725	7 119	–	3 342	–	30 186
Net underwriting income \ (loss)	(22 915)	2 365	302 436	1 809	–	283 695
Takaful claims	(593 025)	(7 715)	(321 696)	(8 129)	–	(930 565)
Takaful claims recovered from retakaful	549 836	6 172	–	6 115	–	562 123
Net claims	(43 189)	(1 543)	(3 21 696)	(2 014)	–	(368 442)
Other direct expenses	(42)	(32)	(21 704)	(27)	–	(21 805)
(Deficit) / surplus before investment income	(66 146)	790	(40 964)	(232)	–	(106 552)
Investment income						88 014
Other income						5 466
Modarib's share of investment income						(23 370)
Deficit transferred to accumulated surplus						(36 442)
	As at 31 March 2023 (Unaudited)					
Corporate segment assets	1 799 783	59 933	795 003	106 842	–	2 761 561
Corporate unallocated assets						2 617 392
Total assets						5 378 953
Corporate segment liabilities	1 965 982	126 781	1 466 275	115 719	–	3 674 757
Corporate unallocated liabilities						626 314
Total liabilities						4 301 071

Rupees '000

For the three months period ended 31 March 2022 (Unaudited)

Prior period	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
Contribution receivable (inclusive of sales tax, federal insurance fee and administrative surcharge)	136 441	44 448	603 829	5 481	–	790 199
Less: Sales tax	16 499	4 644	70 220	588	–	91 951
Stamp duty	14	2 712	56	2	–	2 784
Federal insurance fee	1 187	367	5 283	48	–	6 885
Gross written contribution (inclusive of Administrative surcharge)	118 741	36 725	528 270	4 843	–	688 579
Gross direct contribution	117 675	34 966	488 784	4 759	–	646 184
Administrative surcharge	1 066	1 759	39 486	84	–	42 395
Wakala fee	(32 537)	(12 854)	(171 688)	(1 211)	–	(218 290)
Contributions earned	88 939	24 430	332 408	16 668	–	462 445
Contributions ceded to retakaful	(112 226)	(28 625)	(5 821)	(18 230)	–	(164 902)
Net contribution revenue	(23 287)	(4 195)	326 587	(1 562)	–	297 543
Rebate from retakaful operator	23 172	6 441	3	3 554	–	33 170
Net underwriting income / (loss)	(115)	2 246	326 590	1 992	–	330 713
Takaful claims	(25 526)	(2 752)	(327 049)	2 946	–	(352 381)
Takaful claims recovered from retakaful	23 237	2 202	1	(1 004)	–	24 436
Net claims	(2 289)	(550)	(327 048)	1 942	–	(327 945)
Other direct expense	(35)	(31)	(21 722)	(11)	–	(21 799)
Net insurance claims and expenses	(2 324)	(581)	(348 771)	1 931	–	(349 744)
(Deficit) / surplus before investment income	(2 439)	1 665	(22 180)	3 923	–	(19 031)
Investment income						33 963
Other income						3 016
Modarib's share of investment income						(9 245)
Surplus transferred to accumulated surplus						8 703
As at 31 December 2022 (Audited)						
Corporate segment assets	1 256 862	55 657	693 389	125 152	–	2 131 060
Corporate unallocated assets						2 641 600
Total assets						4 772 660
Corporate segment liabilities	1 385 422	126 350	1 357 415	153 179	–	3 022 366
Corporate unallocated liabilities						611 313
Total liabilities						3 633 679

24. Movement in investments

24.1 Operator's Fund

Rupees '000

Name of investment	Available-for-sale debt securities	Held to maturity-term deposit	Total
At beginning of previous year	643 122	9 000	652 122
Additions	370 708	–	370 708
Disposals (sale and redemptions)	(62 046)	(9 000)	(71 046)
Fair value net losses (excluding net realized gains / (losses))	(2 863)	–	(2 863)
At beginning of current year	948 921	–	948 921
Additions	44 549	–	44 549
Disposals (sale and redemptions)	(59 519)	–	(59 519)
Fair value net losses (excluding net realized gains / (losses))	(13 139)	–	(13 139)
At end of current period	920 812	–	920 812

24.2 Participants' Takaful Fund

Name of investment	Available-for-sale debt securities	Held to maturity-term deposit	Total
At beginning of previous year	1 735 650	120 000	1 855 650
Additions	860 034	–	860 034
Disposals (sale and redemptions)	(196 868)	(120 000)	(316 868)
Fair value net losses (excluding net realized gains / (losses))	(4 810)	–	(4 810)
At beginning of current year	2 394 006	–	2 394 006
Additions	50 025	–	50 025
Disposals (sale and redemptions)	(99 880)	–	(99 880)
Fair value net losses (excluding net realized gains / (losses))	(24 657)	–	(24 657)
At end of current period	2 319 494	–	2 319 494

25. Fair value

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

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

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

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

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

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

25.3 Operator's Fund

Rupees '000

As at 31 March 2023 (Unaudited)								
	Available- for-sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investments								
Ijara Sukuks	884 248				884 248		884 248	
Corporate Sukuks	36 564				36 564		36 564	
Financial assets not measured at fair value								
Loans and other receivables *		4 927			4 927			
Takaful / retakaful receivables *		14 235			14 235			
Receivable from PTF *		451 049			451 049			
Accrued investment income *		39 941			39 941			
Cash and bank balances *			93 408		93 408			
	920 812	510 152	93 408	-	1 524 372	-	920 812	-
Financial liabilities not measured at fair value								
Other creditors and accruals *				(118 010)	(118 010)			
	920 812	510 152	93 408	(118 010)	1 406 362	-	920 812	-

As at 31 December 2022 (Audited)

	Available- for-sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Investments								
Ijara Sukuk	905 529				905 529		905 529	
Corporate Sukuks	43 392				43 392		43 392	
Financial assets not measured at fair value								
Loans and other receivables *		3 139			3 139			
Takaful / retakaful receivables *		14 791			14 791			
Receivable from PTF *		392 211			392 211			
Accrued investment income *		22 053			22 053			
Cash and bank balances *			48 929		48 929			
	948 921	432 194	48 929	-	1 430 044	-	948 921	-
Financial liabilities not measured at fair value								
Other creditors and accruals *				(109 733)	(109 733)			
	948 921	432 194	48 929	(109 733)	1 320 311	-	948 921	-

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

25.4 Participants' Takaful Fund

Rupees '000

As at 31 March 2023 (Unaudited)								
	Available-for-sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	Fair value measurement using		
						Level 1	Level 2	Level 3
Financial assets measured at fair value								
Ijara Sukuk	2 254 378				2 254 378		2 254 378	
Corporate Sukuk	65 116				65 116		65 116	
Financial assets not measured at fair value								
Investments								
Loans and other receivables *		4 258			4 258			
Takaful / retakaful receivables *		462 347			462 347			
Retakaful recoveries against outstanding claims *		1 295 274			1 295 274			
Accrued investment income *		116 281			116 281			
Cash and bank balances *			179 107		179 107			
	<u>2 319 494</u>	<u>1 878 160</u>	<u>179 107</u>	<u>-</u>	<u>4 376 761</u>	<u>-</u>	<u>2 319 494</u>	<u>-</u>
Financial liabilities not measured at fair value								
Outstanding claims including IBNR *				(1 921 493)	(1 921 493)			
Contributions received in advance *				(6 061)	(6 061)			
Takaful / retakaful payable *				(428 885)	(428 885)			
Payable to OPF *				(451 049)	(451 049)			
Other creditors and accruals *				(30 447)	(30 447)			
	<u>2 319 494</u>	<u>1 878 160</u>	<u>179 107</u>	<u>(2 837 935)</u>	<u>1 538 826</u>	<u>-</u>	<u>2 319 494</u>	<u>-</u>

As at 31 December 2022 (Audited)

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

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

26. Corresponding Figures

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

27. General

Figures have been rounded off to the nearest thousand rupees.

28. Date of authorization for issue of condensed interim financial statements

These condensed interim financial statements were authorized for issue by the Board of Directors in its meeting held on 28 April 2023.

TAHER G. SACHAK
Director

MAHMOOD LOTIA
Director

ALTAF GOKAL
Chief Financial Officer

HASANALI ABDULLAH
Managing Director &
Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2023

