

# MAKING A MARK

CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
30 JUNE 2022









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# Vision & Mission

Our will is to **Explore, Innovate and Differentiate.**  
Our passion is to provide **leadership** to the  
insurance industry.



# Core Values

- **Integrity** - Transparency & honesty without compromise
- **Humility** - Empathy, self-esteem & respect in all relationships
- **Fun at Workplace** - Work-life balance
- **Corporate Social Responsibility** - Service to humanity









# Company Information

## BOARD OF DIRECTORS

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

## ADVISOR

Mian Muhammad Mansha

## AUDIT COMMITTEE

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

## ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

## INVESTMENT COMMITTEE

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

## COMPANY SECRETARY

Tameez ul Haque, FCA

## CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, FCA



## **EXECUTIVE MANAGEMNT TEAM**

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

## **AUDITORS**

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

## **SHARIAH ADVISOR**

Mufti Muhammad Hassan Kaleem

## **SHARE REGISTRAR**

CDC Share Registrar Services Ltd  
CDC House, 99-B, Block-B, S.M.C.H.S.,  
Main Shakra-e-Faisal, Karachi-74400  
Tel: (92) 0800-23275  
Fax: (92-21) 34326031

## **BANKERS**

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

## **REGISTERED OFFICE**

Adamjee House, 80/A, Block E-1,  
Main Boulevard Gulberg III,  
Lahore.- 54000, Pakistan  
Phone: (92-42) 35772960-79  
Fax (92-42) – 35772871  
Email: info@adamjeeinsurance.com  
Web: www.adamjeeinsurance.com



# Directors' Review

## to the Members on Unconsolidated Condensed Interim Financial Statements (Unaudited) For the six months ended 30 June 2022

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial statements of the Company for the half year ended 30 June 2022.

### Financial Highlights:

The highlights for the period under review are as follows:

	(Unaudited)	
	30 June 2022	30 June 2021
	Rupees in thousand	
Gross Premium	15,077,539	10,529,637
Net Premium	7,799,632	5,869,082
Underwriting results	439,440	382,192
Investment Income	1,202,267	1,635,566
Profit before tax	1,932,530	2,176,170
Profit after tax	1,009,894	1,615,003

	(Unaudited)	
	30 June 2022	30 June 2021
	Rupees	
Earnings (after tax) per share	2.89	4.61

### Performance Review:

The Gross Premium of the Company increased by 43% while Net Premium increased by 33% which resulted in the growth in overall underwriting profit of 15% over the corresponding period of last year.

Profit before Tax decreased by 11% mainly due to 26% decrease in Investment Income and Profit after Tax for the first six months of the year declined by 37% from the corresponding period due to imposition of super tax on current and prior year.

### Window Takaful Operations:

The written contribution and Deficit before tax of Participants' Takaful Fund are Rs. 1,267,289 thousands (2021: Rs. 708,359 thousands) and Rs. 11,305 thousands (2021: surplus of Rs. 25,274 thousands) respectively. The Profit before Tax of Window Takaful Operations amounts to Rs. 158,513 thousands for the period ended 30 June 2022 (2021: Rs. 72,655 thousands).

### Future Outlook:

The economy of Pakistan has achieved high GDP growth of 5.97% during the fiscal year 2022. The government is determined to make this growth sustainable by implementing coordinated monetary-fiscal policy. Likely revival of IMF program is also expected to help improve the foreign exchange inflows while maintaining fiscal discipline. The monetary policy measures taken by the government are aimed at sustained growth and countering inflationary pressure which includes increasing the SBP policy rate to 15%.

### Acknowledgements:

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

For and on behalf of the Board

Lahore: 29 August 2022

  
Shaikh Muhammad Jawed  
Director

  
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer



# غیر مجتمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر ممبران کو ڈائریکٹرز کا جائزہ بابت ششماہی مختتمہ 30 جون 2022ء

بورڈ کی جانب سے 30 جون 2022ء کو ختم ہونے والی ششماہی کیلئے کمپنی کے غیر آڈٹ شدہ غیر مجتمع عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

## مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

30 جون 2021ء	30 جون 2022ء
ہزار روپے میں (غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
10,529,637	15,077,539
5,869,082	7,799,632
382,192	439,440
1,635,566	1,202,267
2,176,170	1,932,530
1,615,003	1,009,894

مجموعی پر بیم

نیٹ پر بیم

انڈر رائٹنگ نتائج

سرمایہ کاری سے آمدنی

منافع قبل از ٹیکس

منافع بعد از ٹیکس

30 جون 2021ء	30 جون 2022ء
روپے میں (غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
4.61	2.89

آمدنی فی شیئر (روپے)

## کارکردگی کا جائزہ

کمپنی کا مجموعی پر بیم میں 43% اضافہ ہوا اور نیٹ پر بیم میں 33% اضافہ ہوا جس کے نتیجے میں پچھلے سال کے اسی عرصے کے مقابلے میں مجموعی طور پر انڈر رائٹنگ کے منافع میں 15% کا اضافہ ہوا۔ منافع قبل از ٹیکس دراصل سرمایہ کاری کی آمدن میں 26% کمی کی وجہ سے 11% کمی کا شکار ہوا اور سال کا پہلا ششماہی منافع بعد از ٹیکس پچھلے سال کے اسی عرصے کے مقابلے میں 37% کم ہو گیا جس کی وجہ جاری اور پچھلے سال پر سپر ٹیکس کا عائد کیا جانا ہے۔

## ونڈ و نکال آریٹمنٹ

پارٹنیشنس، نکال فنڈ کارٹین کارٹریوشن اور خسارہ قبل از ٹیکس علی الترتیب 1,267,289 ہزار روپے (برائے سال 2021ء: 708,359 ہزار روپے) اور 11,305 ہزار روپے (برائے سال 2021ء: 25,274 ہزار روپے) کا سرپلس ہے۔ 30 جون 2022ء کو ختم شدہ عرصے کیلئے ونڈ و نکال آریٹمنٹ کا منافع قبل از ٹیکس 158,513 ہزار روپے (برائے سال 2021ء: 72,655 ہزار روپے) مالیت کا رہا۔

## توقعات مستقبل

مالی سال 2022ء کے دوران پاکستان کی معیشت نے بلند تر مجموعی قومی پیداوار 5.97% حاصل کی۔ حکومت اس ترقی کو پائیدار بنانے کا بھرپور عزم رکھتی ہے جس کیلئے وہ مربوط مالی و مالیاتی پالیسی کا نفاذ کر رہی ہے۔ اسی طرح آئی ایم ایف پروگرام کی بحالی سے توقع کی جاتی ہے کہ وہ غیر ملکی زرمبادلہ کے ذخائر میں اضافے میں مددگار ثابت ہوگی جبکہ اس سے مالیاتی نظم و ضبط بھی برقرار رہے گا۔ حکومت کی جانب سے مالیاتی پالیسی کے حوالے سے کیے گئے اقدامات کا مقصد پائیدار ترقی اور معاشی/افراط زر کے دباؤ کا مقابلہ کرنا ہے جس میں اسٹیٹ بینک آف پاکستان کی طرف سے شرح پالیسی میں 15% تک کا اضافہ کیا جانا بھی شامل ہے۔

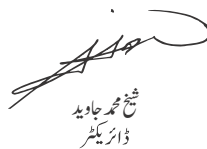
## اعتراف

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

منجانب و برائے بورڈ

  
محمد علی زبیب

چیئرمین ڈائریکٹرز اینڈ چیف ایگزیکٹو آفیسر

  
شیخ محمد جاوید  
ڈائریکٹر

لاہور: 29 اگست 2022ء

# INDEPENDENT AUDITOR'S REVIEW REPORT

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

### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Adamjee Insurance Company Limited (the company) as at June 30, 2022 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim cash flow statement, and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim statement of comprehensive income for the three month period ended June 30, 2022 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2022.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

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



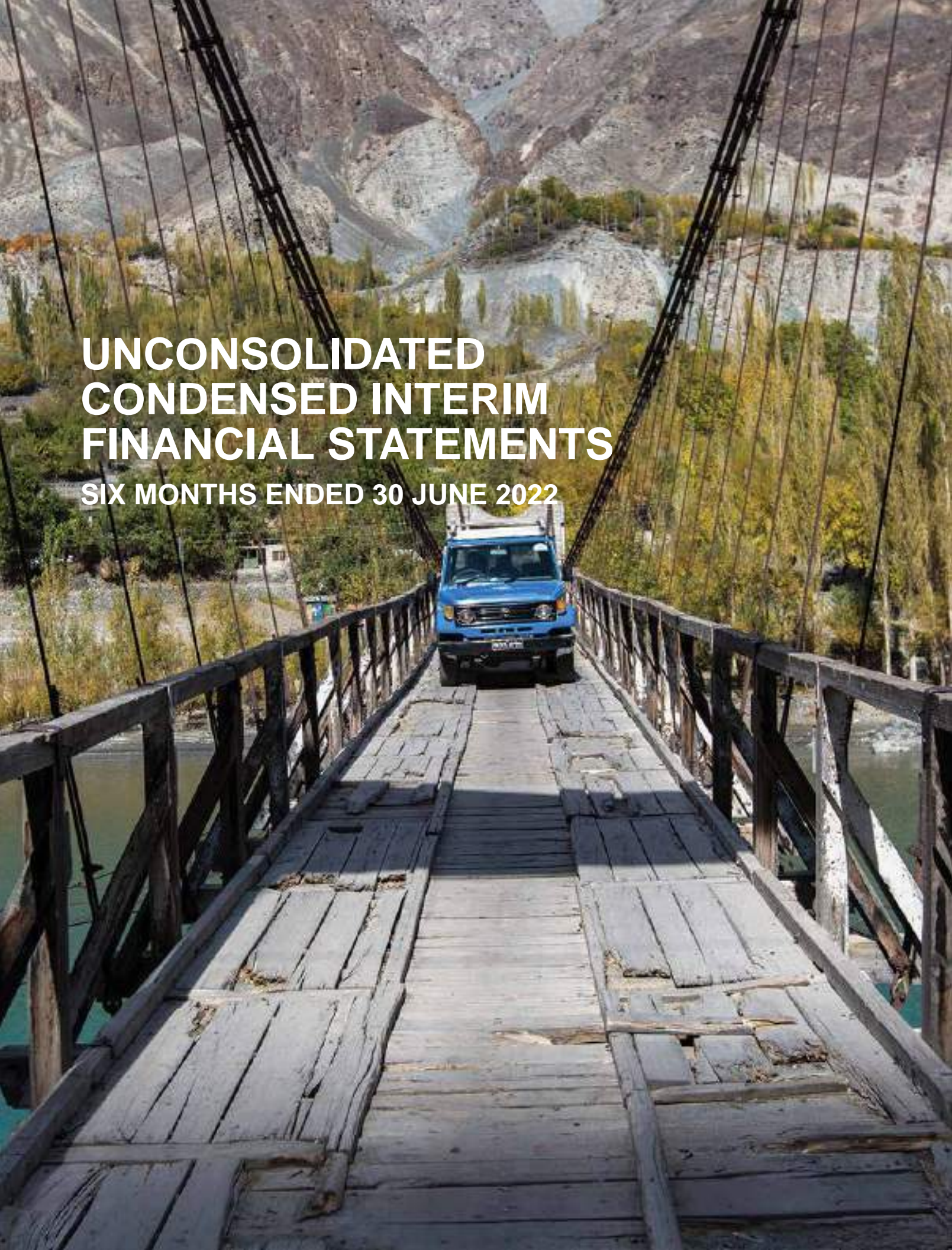
Chartered Accountants

Lahore

Date: 29 August 2022

UDIN: RR202210088Vfps8ywN0



A blue truck is crossing a wooden suspension bridge over a river. The bridge is made of dark wood and has a metal railing. The background shows a mountainous landscape with a river and some trees. The text is overlaid on the left side of the image.

**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS**  
**SIX MONTHS ENDED 30 JUNE 2022**



**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Financial Position**  
**As at June 30, 2022**

	Note	(Un-Audited)	(Audited)
		June 30, 2022	December 31, 2021
Rupees in thousand			
<b>ASSETS</b>			
Property and equipment	8	4,275,532	4,238,164
Intangible assets	9	92,975	100,379
Investment properties	10	1,632,498	1,632,498
Investment in subsidiary	11	2,396,166	2,662,406
Investments			
Equity securities	12	19,961,075	21,157,579
Debt securities	13	376,217	377,652
Term deposits	14	7,733,610	6,871,466
Loans and other receivables	15	695,209	615,600
Insurance / reinsurance receivables	16	7,512,241	7,175,870
Reinsurance recoveries against outstanding claims		9,224,200	7,598,556
Salvage recoveries accrued		423,054	344,957
Deferred commission expense / acquisition cost		1,568,054	1,055,480
Taxation - payments less provision		-	160,143
Prepayments	17	4,880,363	4,751,930
Cash and bank	18	3,290,935	2,174,053
		<u>64,062,129</u>	<u>60,916,733</u>
Total assets of Window Takaful Operations - Operator's Fund	19	883,145	723,850
<b>TOTAL ASSETS</b>		<u><u>64,945,274</u></u>	<u><u>61,640,583</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	20	4,658,519	5,486,879
Unappropriated profit		16,887,779	16,402,885
<b>Total Equity</b>		<u>25,046,298</u>	<u>25,389,764</u>
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR		14,699,148	12,686,045
Unearned premium reserves		13,173,256	11,010,289
Unearned reinsurance commission		273,652	241,094
Retirement benefit obligations		204,263	263,660
Deferred taxation		1,853,665	2,031,142
Borrowings		44,208	926,756
Deferred grant income		2,110	6,329
Premium received in advance		447,774	515,758
Insurance / reinsurance payables		5,707,826	5,215,694
Other creditors and accruals	21	2,254,311	2,446,386
Deposits and other liabilities	22	584,738	629,135
Taxation - provision less payments		315,838	-
		<u>39,560,789</u>	<u>35,972,288</u>
Total liabilities of Window Takaful Operations - Operator's Fund	19	338,187	278,531
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>64,945,274</u></u>	<u><u>61,640,583</u></u>
<b>Contingencies and commitments</b>	23		

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



Chairman



Director



Director



Chief Financial  
Officer



Managing Director &  
Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Profit or Loss Account (Un-Audited)**  
**For six month period ended June 30, 2022**

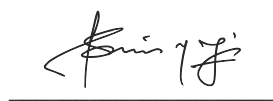
	Note	For three month period ended		For six month period ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Rupees in thousand</b>					
Net insurance premium	24	4,043,509	2,970,777	7,799,632	5,869,082
Net insurance claims	25	(2,425,713)	(1,710,721)	(4,598,381)	(3,290,738)
Net commission and other acquisition costs	26	(513,141)	(359,890)	(984,806)	(718,154)
Insurance claims and acquisition expenses		(2,938,854)	(2,070,611)	(5,583,187)	(4,008,892)
Management expenses	27	(894,162)	(726,213)	(1,777,005)	(1,477,998)
<b>Underwriting results</b>		<b>210,493</b>	<b>173,953</b>	<b>439,440</b>	<b>382,192</b>
Investment income	28	243,631	638,942	1,202,267	1,635,566
Rental income		39,664	29,891	78,544	59,459
Other income	29	68,670	37,803	115,774	60,615
Other expenses	30	(15,693)	(12,632)	(30,083)	(24,198)
<b>Results of operating activities</b>		<b>546,765</b>	<b>867,957</b>	<b>1,805,942</b>	<b>2,113,634</b>
Finance costs		(7,292)	(4,913)	(31,925)	(10,119)
Profit from Window Takaful Operations - Operator's Fund	19	84,990	38,905	158,513	72,655
<b>Profit before taxation</b>		<b>624,463</b>	<b>901,949</b>	<b>1,932,530</b>	<b>2,176,170</b>
Taxation expense		(542,927)	(196,051)	(922,636)	(561,167)
<b>Profit after taxation</b>		<b>81,536</b>	<b>705,898</b>	<b>1,009,894</b>	<b>1,615,003</b>
<b>------(Rupees)-----</b>					
Earnings after tax per share	31	<b>0.24</b>	2.01	<b>2.89</b>	4.61

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

  
**Chairman**

  
**Director**

  
**Director**

  
**Chief Financial Officer**

  
**Managing Director &  
Chief Executive Officer**

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For six month period ended June 30, 2022**

	For three month period ended		For six month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	<b>Rupees in thousand</b>			
<b>Profit after taxation</b>	<b>81,536</b>	705,898	<b>1,009,894</b>	1,615,003
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit and loss:</b>				
- Unrealized loss on 'available-for-sale' investments - net of tax	(1,140,895)	(722,390)	(1,575,985)	(858,627)
- Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	44,199	177,198	353,769	177,198
- Unrealized loss on 'available for sale' investments from Window Takaful Operations - net of tax	(969)	(1,261)	(968)	(883)
- Net effect of translation of foreign branch	296,131	60,006	394,824	(24,857)
Other comprehensive loss for the period	(801,534)	(486,447)	(828,360)	(707,169)
<b>Total comprehensive (loss) / income for the period</b>	<b>(719,998)</b>	219,451	<b>181,534</b>	907,834

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



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



Adamjee Insurance Company Limited  
Unconsolidated Condensed Interim Statement of Cash Flow (Unaudited)  
For six month period ended June 30, 2022

	For six month period ended	
	June 30, 2022	June 30, 2021
Rupees in thousand		
<b>Cash flows from operating activities</b>		
<b>Underwriting activities</b>		
Insurance premium received	14,964,223	9,117,208
Reinsurance premium paid	(5,318,301)	(2,569,547)
Claims paid	(7,274,203)	(4,762,831)
Surrenders paid	(54,985)	(35,116)
Reinsurance and other recoveries received	2,488,240	1,492,583
Commission paid	(1,577,817)	(1,130,143)
Commission received	441,934	260,287
Other underwriting payments	(2,166,802)	(1,201,789)
<b>Net cash inflow from underwriting activities</b>	<b>1,502,289</b>	<b>1,170,652</b>
<b>Other operating activities</b>		
Income tax paid	(268,880)	(295,958)
Other operating payments	(102,434)	(93,573)
Loans advanced	(36,298)	(27,518)
Loans installments received	28,361	26,144
Other operating receipts	21,976	16,703
<b>Net cash outflow from other operating activities</b>	<b>(357,275)</b>	<b>(374,202)</b>
<b>Total cash inflow from all operating activities</b>	<b>1,145,014</b>	<b>796,450</b>
<b>Cash flows from investing activities</b>		
Profit / return received on bank deposits	117,320	88,709
Income received from Pakistan Investment Bonds	4,500	4,500
Income from Treasury Bills	10,937	27,697
Dividends received	880,542	1,292,646
Rentals received	77,752	56,312
Payments for investments	(7,660,327)	(8,254,818)
Proceeds from disposal of investments	8,052,097	7,327,662
Fixed capital expenditure - operating assets	(50,307)	(148,979)
Fixed capital expenditure - intangible assets	(10,989)	(23,865)
Proceeds from disposal of operating fixed assets	14,734	17,540
<b>Total cash inflow from investing activities</b>	<b>1,436,259</b>	<b>387,404</b>
<b>Cash flows from financing activities</b>		
Payments against lease liabilities	(22,880)	(25,741)
Dividends paid	(513,589)	(447,574)
Loan obtained	-	-
Loan principal payment made	(884,652)	(44,652)
Interest expense against loan paid	(43,270)	(835)
<b>Net cash outflow from financing activities</b>	<b>(1,464,391)</b>	<b>(518,802)</b>
<b>Net cash inflow from all activities</b>	<b>1,116,882</b>	<b>665,052</b>
Cash and cash equivalents at beginning of the period	2,174,053	1,312,044
<b>Cash and cash equivalents at end of the period</b>	<b>3,290,935</b>	<b>1,977,096</b>

For six month period ended	
June 30, 2022	June 30, 2021

Rupees in thousand

**Reconciliation to profit or loss account**

Operating cash flows	1,145,014	796,450
Depreciation expense	(98,570)	(109,131)
Provision for retirement benefit obligations	(27,076)	(20,268)
Finance costs	(31,925)	(10,119)
Other income - bank and term deposits	135,264	93,635
Gain on disposal of operating fixed assets	10,366	12,085
Rental income	78,948	59,759
Increase in assets other than cash	2,732,624	3,513,818
Increase in liabilities other than running finance	(1,419,380)	(3,136,289)
Gain on disposal of investments	424,007	5,421
Amortization expense	(15,533)	(13,488)
Increase in unearned premium	(2,162,967)	(954,027)
Increase in loans	7,937	1,374
Income taxes paid	268,880	295,958
Increase in tax liabilities	(922,636)	(561,167)
Reversal of impairment in value of 'available-for-sale' investments	(179,501)	223,096
Dividend and other income	880,542	1,320,691
Income from Treasury Bills	15,551	14,714
Income from Pakistan Investment Bonds	5,617	5,617
Income against deferred grant	4,219	4,219
Profit from Window Takaful Operations - Operator's fund	158,513	72,655
<b>Profit after tax</b>	<b>1,009,894</b>	<b>1,615,003</b>

For six month period ended	
June 30, 2022	June 30, 2021

Rupees in thousand

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

Cash and cash equivalents	6,292	10,199
Current and saving accounts	3,284,643	1,966,897
<b>Total cash and cash equivalents</b>	<b>3,290,935</b>	<b>1,977,096</b>

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



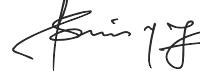
Chairman



Director



Director



Chief Financial  
Officer



Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Changes in Equity**  
**For six month period ended June 30, 2022**

	Share capital	Capital reserves				Revenue reserves		Total
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair value reserve	General reserve	Unappropriated profit	
	Rupees in thousand							
<b>Balance as at December 31, 2020 - (Audited)</b>	3,500,000	22,859	3,764	678,438	2,845,385	936,500	14,247,913	<b>22,234,859</b>
Profit for the period January 01, 2021 to June 30, 2021	-	-	-	-	-	-	1,615,003	<b>1,615,003</b>
Other comprehensive income for the period January 01, 2021 to June 30, 2021	-	-	-	(24,857)	(682,312)	-	-	<b>(707,169)</b>
<b>Total comprehensive (loss) / income for the period</b>	-	-	-	(24,857)	(682,312)	-	1,615,003	<b>907,834</b>
<b>Transactions with owners of the Company</b>								
Final dividend for the year ended December 31, 2020 @ 12.5% (Rupee 1.25/- per share)	-	-	-	-	-	-	(437,500)	<b>(437,500)</b>
<b>Balance as at June 30, 2021 - (Unaudited)</b>	3,500,000	22,859	3,764	653,581	2,163,073	936,500	15,425,416	<b>22,705,193</b>
Profit for the period July 01, 2021 to December 31, 2021	-	-	-	-	-	-	1,521,491	<b>1,521,491</b>
Other comprehensive income for the period July 01, 2021 to December 31, 2021	-	-	-	246,302	1,460,800	-	(19,022)	<b>1,688,080</b>
<b>Total comprehensive income for the period</b>	-	-	-	246,302	1,460,800	-	1,502,469	<b>3,209,571</b>
<b>Balance as at December 31, 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,623,873	936,500	16,927,885	<b>25,914,764</b>
<b>Transactions with owners of the Company</b>								
Interim dividend for the half year ended June 30, 2021 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at December 31, 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,623,873	936,500	16,402,885	<b>25,389,764</b>
Profit for the period January 01, 2022 to June 30, 2022	-	-	-	-	-	-	1,009,894	<b>1,009,894</b>
Other comprehensive income for the period January 01, 2022 to June 30, 2022	-	-	-	394,824	(1,223,184)	-	-	<b>(828,360)</b>
<b>Total comprehensive income for the period</b>	-	-	-	394,824	(1,223,184)	-	1,009,894	<b>181,534</b>
<b>Transactions with owners of the Company</b>								
Final dividend for the year ended December 31, 2021 @ 15% (Rupees 1.50/- per share)	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	3,500,000	22,859	3,764	1,294,707	2,400,689	936,500	16,887,779	<b>25,046,298</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer



## **Adamjee Insurance Company Limited**

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

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

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

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

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

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

These unconsolidated condensed interim financial statements of the Company for the six month period ended June 30, 2022 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

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

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

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

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended December 31, 2021. Comparative figures for unconsolidated condensed interim statement of financial position are stated from annual audited financial statements of the Company for the year ended December 31, 2021, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from unconsolidated condensed interim financial statements of the Company for the six month ended June 30, 2021.

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

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

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

#### **4 Accounting policies**

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2021.

#### 4.1 Standards, amendments or interpretations

There are certain amendments and interpretations to the accounting and financial reporting standards beginning on or after January 01, 2022. However, these do not have any significant impact on the amounts reported and disclosures in these unconsolidated condensed interim financial statements.

##### IFRS 9

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

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

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

	June 30, 2022				
	Fail the SPPI test		Pass the SPPI test		
Financial assets	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
	---- (Rupees in thousand) ----				
Cash and Bank*	2,077,362	-	1,213,573	-	-
Investment in subsidiary	5,132,250	-	-	-	-
Investments in equity securities - available-for-sale	19,961,075	(1,519,566)	-	-	-
Investments in debt securities - held-to-maturity	-	-	376,217	-	-
Term deposits*	-	-	7,733,610	-	-
Loans and other receivables*	407,342	-	2,901	-	-
<b>Total</b>	<b>27,578,029</b>	<b>(1,519,566)</b>	<b>9,326,301</b>	<b>-</b>	<b>-</b>

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

#### 5 Use of estimates and judgments

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

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

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended December 31, 2021.

#### 6 Functional and presentation currency

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

#### 7 Insurance and Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated annual financial statements for the year ended December 31, 2021.



		(Unaudited) June 30, 2022	(Audited) December 31, 2021
	Note	Rupees in thousand	
<b>8 Property and equipment</b>			
Operating assets	8.1	4,180,546	4,132,230
Capital work in progress		16,853	16,205
Right of use asset		78,133	89,729
		<u>4,275,532</u>	<u>4,238,164</u>
<b>8.1 Operating assets</b>			
Opening balance - net book value		4,132,230	3,970,750
Additions during the period / year	8.1.1	59,387	234,349
Transfer from investment property		-	115,913
Less:			
Book value of disposals during the period / year	8.1.2	(4,368)	(46,160)
Depreciation charged during the period / year		(78,490)	(187,019)
Exchange differences and other adjustments		71,787	44,397
		<u>(11,071)</u>	<u>(188,782)</u>
		<u>4,180,546</u>	<u>4,132,230</u>
<b>8.1.1 Additions during the period / year:</b>			
Land and buildings		4,377	90,714
Furniture and fixtures		4,228	21,907
Motor vehicles		21,332	64,299
Machinery and equipment		24,529	50,697
Computer and related accessories		4,921	6,732
		<u>59,387</u>	<u>234,349</u>
<b>8.1.2 Written down values of operating assets disposed off during the period / year:</b>			
Land and buildings		-	32,225
Furniture and fixtures		-	38
Motor vehicles		4,368	11,478
Machinery and equipment		-	2,355
Computer and related accessories		-	64
		<u>4,368</u>	<u>46,160</u>
<b>9 Intangible assets</b>			
Opening balance - net book value		100,379	88,187
Additions during the period / year		1,261	37,643
Less:			
Amortization charged during the period / year		(15,533)	(29,819)
Exchange difference		6,868	4,368
		<u>(8,665)</u>	<u>(25,451)</u>
		<u>92,975</u>	<u>100,379</u>
<b>10 Investment properties</b>			
Opening net book value		1,632,498	787,279
Transfer to Property and equipment		-	(115,913)
Unrealized fair value gain		-	961,132
<b>Closing book value</b>		<u>1,632,498</u>	<u>1,632,498</u>
<b>11 Investment in a subsidiary</b>			
Adamjee Life Assurance Company Limited - at cost	11.1	<u>2,396,166</u>	<u>2,662,406</u>

**11.1** Adamjee Life Assurance Company Limited is a subsidiary of the Company. Adamjee Life Assurance Company Limited was incorporated in Pakistan on August 04, 2008 as a public unlisted company under repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Company is located at 1st floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is located at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

12 Investments - Equity securities

Available-for-sale

	June 30, 2022 (Unaudited)				December 31, 2021 (Audited)			
	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value
<b>Rupees in thousand</b>								
<b>Related parties</b>								
Listed shares	9,688,560	-	(2,303,451)	7,385,109	9,543,446	-	(463,761)	9,079,685
Unlisted shares	949,456	-	2,559,896	3,509,352	949,456	-	2,559,896	3,509,352
	<b>10,638,016</b>	<b>-</b>	<b>256,445</b>	<b>10,894,461</b>	<b>10,492,902</b>	<b>-</b>	<b>2,096,135</b>	<b>12,589,037</b>
<b>Others</b>								
Listed shares	6,583,076	(2,278,375)	1,423,312	5,728,013	6,701,235	(2,108,194)	1,104,398	5,697,439
Unlisted shares	925,360	-	1,901,408	2,826,768	925,360	-	1,901,408	2,826,768
NIT Units	161	-	654	815	161	-	710	871
Mutual Funds	524,158	(14,437)	1,297	511,018	48,550	(5,117)	31	43,464
	<b>8,032,755</b>	<b>(2,292,812)</b>	<b>3,326,671</b>	<b>9,066,614</b>	<b>7,675,306</b>	<b>(2,113,311)</b>	<b>3,006,547</b>	<b>8,568,542</b>
<b>Total</b>	<b>18,670,771</b>	<b>(2,292,812)</b>	<b>3,583,116</b>	<b>19,961,075</b>	<b>18,168,208</b>	<b>(2,113,311)</b>	<b>5,102,682</b>	<b>21,157,579</b>

- 12.1 4,816,710 (2021 : 3,716,710) shares of MCB Bank Limited, 155,000 (2021 : 369,000) shares of Abbot Laboratories Limited, 1,405,000 (2021 : 2,220,000) shares of Dawood Hercules Corporation Limited, Nil (2021 : 1,480,000) shares of Engro Fertilizers Limited, 4,800,000 (2021 : 9,250,000) shares of Fauji Fertilizer Company Limited, Nil (2021 : 330,000) shares of Habib Bank Limited, Nil (2021 : 300,000) shares of International Steels Limited, 255,000 (2021 : 823,000) shares of Millat Tractors Limited, Nil (2021 : 8,240,000) shares of National Bank of Pakistan, Nil (2021 : 5,700) shares of Nestle Pakistan Limited, Nil (2021 : 1,524,000) shares of Oil & Gas Development Company Limited and 850,000 (2021 : 1,250,000) shares of United Bank Limited have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company and loans obtained from MCB Bank Limited, a related party of the Company.

	(Unaudited) June 30, 2022	(Audited) December 31, 2021
<b>Rupees in thousand</b>		
Treasury Bills	272,453	275,005
Pakistan Investment Bonds	103,764	102,647
	<b>376,217</b>	<b>377,652</b>

13 Investments - Debt securities

Held to maturity

Treasury Bills  
Pakistan Investment Bonds

Treasury Bills	272,453	275,005
Pakistan Investment Bonds	103,764	102,647
	<b>376,217</b>	<b>377,652</b>

14 Investments - Term deposits

Held to maturity

Deposits maturing within 12 months

Inside Pakistan

- others

- others	-	175,066
	-	175,066

Outside Pakistan

- related parties  
- others

- related parties	1,673,082	1,441,691
- others	5,976,529	5,170,710
	<b>7,649,611</b>	<b>6,612,401</b>
	<b>7,649,611</b>	<b>6,787,467</b>

Deposits maturing after 12 months

Inside Pakistan

- related parties  
- others

- related parties	8,811	8,811
- others	75,188	75,188
	<b>83,999</b>	<b>83,999</b>
	<b>7,733,610</b>	<b>6,871,466</b>

- 14.1 These include fixed deposits amounting to Rs. 6,413,481 thousands (AED 115,000 thousands) [2021: Rs. 5,526,486 thousands (AED 115,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2021: Rs. 259,065 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company and bid bond guarantees.

Note	(Unaudited)	(Audited)
	June 30,	December 31,
	2022	2021
	<b>Rupees in thousand</b>	
<b>15 Loans and other receivables - considered good</b>		
Rent receivable	8,593	7,397
Receivable from related parties	71,023	58,745
Accrued income	114,425	96,481
Security deposits	51,399	50,627
Advance to employees and suppliers	281,855	177,729
Advance agent commission	3,111	7,796
Loan to employees	60,898	51,929
Other receivables	103,905	164,896
	<b>695,209</b>	<b>615,600</b>

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

	(Unaudited)	(Audited)
	June 30,	December 31,
	2022	2021
	<b>Rupees in thousand</b>	
<b>16 Insurance / reinsurance receivables - unsecured and considered good</b>		
Due from insurance contract holders	7,783,347	7,336,121
Provision for impairment of receivables from insurance contract holders	(1,212,809)	(1,078,100)
	<b>6,570,538</b>	<b>6,258,021</b>
Due from other insurers / reinsurers	1,143,005	1,119,151
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	<b>941,703</b>	<b>917,849</b>
	<b>7,512,241</b>	<b>7,175,870</b>

**16.1** Due from insurance contact holders include an amount of Rs. 303,819 thousands (2021: Rs. 237,666 thousands) held with related parties.

	(Unaudited)	(Audited)
	June 30,	December 31,
	2022	2021
	<b>Rupees in thousand</b>	
<b>17 Prepayments</b>		
Prepaid reinsurance premium ceded	4,692,620	4,627,169
Prepaid miscellaneous expenses	187,743	124,761
	<b>4,880,363</b>	<b>4,751,930</b>
<b>18 Cash and bank</b>		
<b>Cash and cash equivalents</b>		
<b>Inside Pakistan</b>		
Cash in hand	495	353
Policy & Revenue stamps, Bond papers	4,951	9,696
	<b>5,446</b>	<b>10,049</b>
<b>Outside Pakistan</b>		
Cash in hand	846	-
	<b>6,292</b>	<b>10,049</b>
<b>Cash at bank</b>		
<b>Inside Pakistan</b>		
Current accounts	211,836	537,244
Saving accounts	1,211,853	755,152
	<b>1,423,689</b>	<b>1,292,396</b>
<b>Outside Pakistan</b>		
Current accounts	1,859,234	870,126
Saving accounts	1,720	1,482
	<b>1,860,954</b>	<b>871,608</b>
	<b>3,284,643</b>	<b>2,164,004</b>
	<b>3,290,935</b>	<b>2,174,053</b>



18.1 Cash at bank includes an amount of Rs. 2,116,074 thousands (2021: Rs. 151,077 thousands) held with MCB Bank Limited, a related party of the Company.

18.2 Lien of Rs. 575,143 thousands (2021: Rs. 432,571 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

	(Unaudited) June 30, 2022	(Audited) December 31, 2021
	Rupees in thousand	
<b>19 Window Takaful Operations - Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	223,614	264,235
Qard-e-Hasna to Participant Takaful Fund	146,460	146,460
Investments - Equity securities	100,108	38,326
Investments - Debt securities	175,000	75,000
Intangible assets	8,382	10,409
Property and equipment	29,906	22,883
Current assets - others	199,675	166,537
<b>Total Assets</b>	<b>883,145</b>	<b>723,850</b>
<b>Total liabilities</b>	<b>338,187</b>	<b>278,531</b>
	(Unaudited) June 30, 2022	(Unaudited) June 30, 2021
	Rupees in thousand	
Wakala income	292,489	206,364
Commission expense	(68,220)	(63,823)
Management expenses	(92,089)	(80,354)
Investment income	7,257	2,317
Other income	17,307	8,168
Mudarib's share of PTF investment income	3,859	1,523
Other Expenses	(2,090)	(1,540)
Profit before taxation	158,513	72,655
Taxation	(52,318)	(21,070)
<b>Profit after taxation</b>	<b>106,195</b>	<b>51,585</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial statements for the six month period ended June 30, 2022.		
	(Unaudited) June 30, 2022	(Audited) December 31, 2021
	Rupees in thousand	
<b>20 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	1,294,707	899,883
Fair value reserves	2,400,689	3,623,873
	<b>3,722,019</b>	<b>4,550,379</b>
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	<b>936,500</b>	<b>936,500</b>
	<b>4,658,519</b>	<b>5,486,879</b>
<b>21 Other creditors and accruals</b>		
Agents commission payable	1,087,602	840,609
Federal excise duty / Sales tax / VAT	5,861	346,924
Federal insurance fee payable	55,538	35,707
Workers' welfare fund payable	76,485	76,485
Tax deducted at source	69,045	86,451
Accrued expenses	157,416	229,363
Unpaid and unclaimed dividend	168,038	156,627
Payable to employees' provident fund	142	88
Sundry creditors	634,184	674,132
	<b>2,254,311</b>	<b>2,446,386</b>
<b>22 Deposits and other liabilities</b>		
Cash margin against performance bonds	522,356	553,460
Lease liability	62,382	75,675
	<b>584,738</b>	<b>629,135</b>

## 23 Contingencies and commitments

There has been no significant change in the status of contingencies and commitments as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended December 31, 2021 except for the following.

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,262,243 thousands (2021: Rs. 1,269,671 thousands).
- The Company has issued letter of guarantees amounting to AED 115,219,000 amounting to Rs. 6,425,694 thousands (2021: AED 219,000 amounting to Rs.10,524 thousands) relating to UAE branch.

	For three month period ended		For six month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Rupees in thousand</b>				
<b>24 Net insurance premium revenue</b>				
Written gross premium	7,529,955	5,416,391	15,077,539	10,529,637
Unearned premium reserve - opening	12,177,577	8,518,774	11,010,289	8,366,434
Unearned premium reserve - closing	(13,173,256)	(9,320,461)	(13,173,256)	(9,320,461)
Currency translation effect	538,771	100,040	718,503	(28,369)
Premium earned	7,073,047	4,714,744	13,633,075	9,547,241
Reinsurance premium ceded	(3,326,442)	(2,343,894)	(5,810,433)	(3,623,945)
Prepaid reinsurance premium - opening	(4,327,264)	(2,651,227)	(4,627,169)	(3,307,863)
Prepaid reinsurance premium - closing	4,692,620	3,253,601	4,692,620	3,253,601
Currency translation effect	(68,452)	(2,447)	(88,461)	48
Reinsurance expense	(3,029,538)	(1,743,967)	(5,833,443)	(3,678,159)
	4,043,509	2,970,777	7,799,632	5,869,082
<b>24.1 Net insurance premium</b>				
<b>- Business underwritten inside Pakistan</b>				
Written gross premium	5,077,807	4,129,941	9,721,072	7,386,661
Unearned premium reserve - opening	7,299,535	5,626,861	7,393,851	6,021,464
Unearned premium reserve - closing	(7,478,871)	(6,279,981)	(7,478,871)	(6,279,981)
Premium earned	4,898,471	3,476,821	9,636,052	7,128,144
Reinsurance premium ceded	(2,874,528)	(2,192,293)	(4,931,596)	(3,405,855)
Prepaid reinsurance premium - opening	(3,772,341)	(2,595,479)	(4,302,258)	(3,260,277)
Prepaid reinsurance premium - closing	3,921,729	3,118,551	3,921,729	3,118,551
Reinsurance expense	(2,725,140)	(1,669,221)	(5,312,125)	(3,547,581)
	2,173,331	1,807,600	4,323,927	3,580,563
<b>24.2 Net insurance premium</b>				
<b>- Business underwritten outside Pakistan</b>				
Written gross premium	2,452,148	1,286,450	5,356,467	3,142,976
Unearned premium reserve - opening	4,878,042	2,891,913	3,616,438	2,344,970
Unearned premium reserve - closing	(5,694,385)	(3,040,480)	(5,694,385)	(3,040,480)
Currency translation effect	538,771	100,040	718,503	(28,369)
Premium earned	2,174,576	1,237,923	3,997,023	2,419,097
Reinsurance premium ceded	(451,914)	(151,601)	(878,837)	(218,090)
Prepaid reinsurance premium - opening	(554,923)	(55,748)	(324,911)	(47,586)
Prepaid reinsurance premium - closing	770,891	135,050	770,891	135,050
Currency translation effect	(68,452)	(2,447)	(88,461)	48
Reinsurance expense	(304,398)	(74,746)	(521,318)	(130,578)
	1,870,178	1,163,177	3,475,705	2,288,519

	For three month period ended		For six month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Rupees in thousand</b>				
<b>25 Net insurance claims expense</b>				
Claims paid	3,775,475	2,256,525	7,274,203	4,762,831
Outstanding claims including IBNR - closing	14,699,148	12,627,240	14,699,148	12,627,240
Outstanding claims including IBNR - opening	(13,113,223)	(10,242,473)	(12,686,045)	(10,768,040)
Currency translation effect	(693,837)	(170,953)	(914,276)	84,267
Claims expense	4,667,563	4,470,339	8,373,030	6,706,298
Reinsurance and other recoveries received	(1,119,974)	(673,003)	(2,512,094)	(1,509,233)
Reinsurance and other recoveries in respect of outstanding claims - closing	(9,647,254)	(8,059,933)	(9,647,254)	(8,059,933)
Reinsurance and other recoveries in respect of outstanding claims - opening	8,182,308	5,898,472	7,943,513	6,192,571
Currency translation effect	343,070	74,846	441,186	(38,965)
Reinsurance and other recoveries revenue	(2,241,850)	(2,759,618)	(3,774,649)	(3,415,560)
	<b>2,425,713</b>	<b>1,710,721</b>	<b>4,598,381</b>	<b>3,290,738</b>
<b>25.1 Net insurance claims expense</b>				
<b>- Business underwritten inside Pakistan</b>				
Claims paid	1,470,684	1,242,361	3,271,174	2,758,024
Outstanding claims including IBNR - closing	8,006,193	6,926,367	8,006,193	6,926,367
Outstanding claims including IBNR - opening	(7,301,206)	(4,750,466)	(7,131,251)	(4,920,475)
Claims expense	2,175,671	3,418,262	4,146,116	4,763,916
Reinsurance and other recoveries received	(303,632)	(274,838)	(962,970)	(778,083)
Reinsurance and other recoveries in respect of outstanding claims - closing	(6,290,271)	(5,535,861)	(6,290,271)	(5,535,861)
Reinsurance and other recoveries in respect of outstanding claims - opening	5,593,681	3,462,096	5,482,393	3,526,278
Reinsurance and other recoveries revenue	(1,000,222)	(2,348,603)	(1,770,848)	(2,787,666)
	<b>1,175,449</b>	<b>1,069,659</b>	<b>2,375,268</b>	<b>1,976,250</b>
<b>25.2 Net insurance claims expense</b>				
<b>- Business underwritten outside Pakistan</b>				
Claims paid	2,304,791	1,014,164	4,003,029	2,004,807
Outstanding claims including IBNR - closing	6,692,955	5,700,873	6,692,955	5,700,873
Outstanding claims including IBNR - opening	(5,812,017)	(5,492,007)	(5,554,794)	(5,847,565)
Currency translation effect	(693,837)	(170,953)	(914,276)	84,267
Claims expense	2,491,892	1,052,077	4,226,914	1,942,382
Reinsurance and other recoveries received	(816,342)	(398,165)	(1,549,124)	(731,150)
Reinsurance and other recoveries in respect of outstanding claims - closing	(3,356,983)	(2,524,072)	(3,356,983)	(2,524,072)
Reinsurance and other recoveries in respect of outstanding claims - opening	2,588,627	2,436,376	2,461,120	2,666,293
Currency translation effect	343,070	74,846	441,186	(38,965)
Reinsurance and other recoveries revenue	(1,241,628)	(411,015)	(2,003,801)	(627,894)
	<b>1,250,264</b>	<b>641,062</b>	<b>2,223,113</b>	<b>1,314,488</b>



	For three month period ended		For six month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021

Rupees in thousand

**26 Net commission and other acquisition costs**

Commission paid or payable	<b>841,974</b>	513,599	<b>1,773,978</b>	1,166,198
Deferred commission expense - opening	<b>1,355,686</b>	867,149	<b>1,055,480</b>	731,319
Deferred commission expense - closing	<b>(1,568,054)</b>	(911,257)	<b>(1,568,054)</b>	(911,257)
Currency translation effect	<b>101,885</b>	20,844	<b>136,989</b>	(5,212)
Net commission	<b>731,491</b>	490,335	<b>1,398,393</b>	981,048
Commission received or recoverable	<b>(229,252)</b>	(167,197)	<b>(441,934)</b>	(260,287)
Unearned reinsurance commission - opening	<b>(259,539)</b>	(205,766)	<b>(241,094)</b>	(245,318)
Unearned reinsurance commission - closing	<b>273,652</b>	242,641	<b>273,652</b>	242,641
Currency translation effect	<b>(3,211)</b>	(123)	<b>(4,211)</b>	70
Commission from reinsurance	<b>(218,350)</b>	(130,445)	<b>(413,587)</b>	(262,894)
	<b>513,141</b>	359,890	<b>984,806</b>	718,154

**26.1 Net commission and other acquisition costs**

**- Business underwritten inside Pakistan**

Commission Paid or payable	<b>387,660</b>	274,433	<b>709,671</b>	513,358
Deferred commission expense - opening	<b>396,169</b>	273,882	<b>393,554</b>	285,324
Deferred commission expense - closing	<b>(466,365)</b>	(307,507)	<b>(466,365)</b>	(307,507)
Net Commission	<b>317,464</b>	240,808	<b>636,860</b>	491,175
Commission received or recoverable	<b>(206,201)</b>	(165,743)	<b>(387,401)</b>	(257,590)
Unearned reinsurance commission - opening	<b>(229,513)</b>	(201,575)	<b>(239,650)</b>	(240,971)
Unearned reinsurance commission - closing	<b>228,811</b>	239,650	<b>228,811</b>	239,650
Commission from reinsurance	<b>(206,903)</b>	(127,668)	<b>(398,240)</b>	(258,911)
	<b>110,561</b>	113,140	<b>238,620</b>	232,264

**26.2 Net commission and other acquisition costs**

**- Business underwritten outside Pakistan**

Commission Paid or payable	<b>454,314</b>	239,166	<b>1,064,307</b>	652,840
Deferred commission expense - opening	<b>959,517</b>	593,267	<b>661,926</b>	445,995
Deferred commission expense - closing	<b>(1,101,689)</b>	(603,750)	<b>(1,101,689)</b>	(603,750)
Currency translation effect	<b>101,885</b>	20,844	<b>136,989</b>	(5,212)
Net Commission	<b>414,027</b>	249,527	<b>761,533</b>	489,873
Commission received or recoverable	<b>(23,051)</b>	(1,454)	<b>(54,533)</b>	(2,697)
Unearned reinsurance commission - opening	<b>(30,026)</b>	(4,191)	<b>(1,444)</b>	(4,347)
Unearned reinsurance commission - closing	<b>44,841</b>	2,991	<b>44,841</b>	2,991
Currency translation effect	<b>(3,211)</b>	(123)	<b>(4,211)</b>	70
Commission from reinsurance	<b>(11,447)</b>	(2,777)	<b>(15,347)</b>	(3,983)
	<b>402,580</b>	246,750	<b>746,186</b>	485,890

	For three month period ended		For six month period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	<b>Rupees in thousand</b>			
<b>27 Management expenses</b>				
Employee benefit cost	483,788	411,402	988,171	837,673
Travelling expenses	13,127	7,556	24,604	15,046
Advertisement and sales promotion	12,561	7,480	26,713	19,077
Printing and stationary	7,373	11,301	15,431	17,838
Depreciation	54,907	51,381	98,570	109,131
Amortization	7,867	7,100	15,533	13,488
Rent, rates and taxes	1,900	1,191	2,222	1,439
Legal and professional charges	45,033	20,143	79,097	52,150
Electricity, gas and water	26,575	20,430	38,897	36,457
Entertainment	6,844	2,991	13,684	7,436
Vehicle running expenses	36,901	22,792	65,043	44,487
Office repairs and maintenance	25,387	14,985	51,122	29,199
Bank charges	39,043	14,268	62,397	27,500
Postages, telegrams and telephone	6,066	5,158	12,105	10,368
Supervision fee	18,882	10,870	36,436	26,355
IT related costs	28,654	24,187	56,635	49,627
Tracking and monitoring charges	29,515	37,344	59,821	74,695
Regulatory fee	38,994	39,371	108,203	75,398
Miscellaneous	10,745	16,263	22,321	30,634
	<b>894,162</b>	<b>726,213</b>	<b>1,777,005</b>	<b>1,477,998</b>
<b>28 Investment Income</b>				
<b>Business underwritten Inside Pakistan</b>				
<b>Available-for-sale</b>				
<b>Income from equity securities</b>				
Dividend income				
- associated undertakings	280,982	229,075	556,964	972,115
- others	115,432	136,225	323,472	348,433
	<b>396,414</b>	<b>365,300</b>	<b>880,436</b>	<b>1,320,548</b>
<b>Income from debt securities - Held to maturity</b>				
Return on Pakistan Investment Bonds	3,367	3,367	5,617	5,617
Profit on Treasury Bills	7,927	9,026	15,551	14,714
	<b>11,294</b>	<b>12,393</b>	<b>21,168</b>	<b>20,331</b>
<b>Income from term deposits</b>				
Return on Term Deposits	-	6,348	2,849	6,348
<b>Net realized gains on investments</b>				
Realized gains on investments	(6,414)	5,421	424,007	5,421
	<b>401,294</b>	<b>389,462</b>	<b>1,328,460</b>	<b>1,352,648</b>
Reversal / (Provision) for impairment in value of 'available-for-sale' investments	(185,094)	223,096	(179,501)	223,096
	<b>216,200</b>	<b>612,558</b>	<b>1,148,959</b>	<b>1,575,744</b>
<b>Business underwritten Outside Pakistan</b>				
<b>Available-for-sale</b>				
<b>Income from equity securities</b>				
Dividend income	-	74	106	143
<b>Net realized gains on investments</b>				
Realized gains on				
- others	-	-	-	-
Return on Term Deposits	27,431	26,310	53,202	59,679
	<b>27,431</b>	<b>26,384</b>	<b>53,308</b>	<b>59,822</b>
<b>Net investment income</b>	<b>243,631</b>	<b>638,942</b>	<b>1,202,267</b>	<b>1,635,566</b>
<b>29 Other income</b>				
Return on bank balances	47,630	14,767	79,213	27,608
Gain on sale of fixed assets	6,261	10,392	10,366	12,085
Return on loan to employees	41	49	86	94
Income against deferred grant	2,109	2,109	4,219	4,219
Exchange gain	3,633	1,120	4,202	585
Shared expenses received	4,420	3,290	8,960	6,440
Miscellaneous	4,576	6,076	8,728	9,584
	<b>68,670</b>	<b>37,803</b>	<b>115,774</b>	<b>60,615</b>
<b>30 Other expenses</b>				
Legal and professional charges - Other	6,467	6,277	13,108	11,727
Auditors' remuneration	4,167	3,511	8,034	7,087
Subscription fee	2,281	1,675	4,331	3,483
Donations	-	-	400	-
Directors' fee	140	130	140	130
Central Depository expense	460	300	820	620
Others	2,178	739	3,250	1,151
	<b>15,693</b>	<b>12,632</b>	<b>30,083</b>	<b>24,198</b>

**31 Earnings per share - basic and diluted**

There is no dilutive effect on the basic earnings per share which is based on:  
Net profit after tax for the period

	<b>For three month period ended</b>		<b>For six month period ended</b>	
	<b>June 30,</b>	June 30,	<b>June 30,</b>	June 30,
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>Rupees in thousand</b>			
	<b>81,536</b>	705,898	<b>1,009,894</b>	1,615,003
	----- <b>Number of shares</b> -----			
Weighted average number of shares	<b>350,000,000</b>	350,000,000	<b>350,000,000</b>	350,000,000
	----- <b>(Rupees)</b> -----			
Earnings after tax per share	<b>0.24</b>	2.01	<b>2.89</b>	4.61

**32 Transactions with related parties**

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

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

		<b>June 30,</b>	June 30,
		<b>2022</b>	2021
		<b>Rupees in thousand</b>	
<b>i) Transactions</b>			
<b>Subsidiary company</b>	Premium underwritten	22,327	24,846
	Premium received	24,078	22,370
	Investments sold	700,000	-
	Claims paid	6,685	5,958
	Claims received	-	3,000
	Premium paid	14,950	14,806
	Security deposits received	1,105	-
	Rent paid / payable	1,488	4,463
	Rent / service charges / expenses received	39,311	33,133
<b>Other related parties</b>	Premium underwritten	929,009	732,834
	Premium received	1,073,740	613,908
	Claims paid	332,126	294,114
	Security deposits received	-	5,096
	Commission Paid	19,464	9,495
	Rent paid	3,289	4,590
	Rent received	36,951	20,048
	Loan obtained	-	-
	Loan repaid	884,652	44,652
	Interest on loan paid	43,275	835
	Dividend received	473,420	828,220
	Dividend paid	108,347	88,577
	Income on bank deposits	26,542	21,482
	Investments made	145,115	1,213,180
	Fee / service charges paid	5,750	4,458
	Fee / service charges / expenses received / receivable	12,102	14,256
	Charge in respect of gratuity expense	21,249	15,749
	Contribution to Employees' Provident Fund	20,752	18,490
	Compensation paid to Key management personnel	806,275	653,773
		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>June 30,</b>	<b>December 31,</b>
		<b>2022</b>	<b>2021</b>
		<b>Rupees in thousand</b>	
<b>ii) Period end balances</b>			
<b>Subsidiary company</b>	Balances receivable	73,672	64,112
	Balances payable	6,965	5,186
<b>Other related parties</b>	Balances receivable	311,061	243,103
	Balances payable	297,586	299,939
	Loan payable	44,208	926,756
	Cash and bank balances including term deposits	3,797,967	1,601,579
	Payable to Staff Gratuity Fund	102,764	181,515



## Six month period ended June 30, 2022 (Un-Audited)

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

## As at June 30, 2022 (Un-Audited)

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
<b>Rupees in thousand</b>													
Segment assets	11,092,636	32,063	1,168,546	5,515	1,526,383	5,546,912	871,302	1,163,882	1,994,385	18,545	16,653,252	6,766,917	<b>23,420,169</b>
Unallocated assets											30,937,210	10,587,895	<b>41,525,105</b>
											<b>47,590,462</b>	<b>17,354,812</b>	<b>64,945,274</b>
Segment liabilities	11,562,381	36,744	1,401,113	35,980	3,166,663	11,866,221	2,089,713	1,490,444	2,630,012	22,385	20,849,882	13,451,774	<b>34,301,656</b>
Unallocated liabilities											4,600,698	996,622	<b>5,597,320</b>
											<b>25,450,580</b>	<b>14,448,396</b>	<b>39,898,976</b>

## 33.1 Segment information

Six month period ended June 30, 2021 (Un-Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	3,973,049	12,917	661,808	16,567	1,771,163	3,017,578	1,226,467	249,604	682,084	3,681	8,314,571	3,300,347	11,614,918
Federal excise duty / VAT	(501,326)	(764)	(75,403)	(823)	(212,140)	(143,694)	(8,394)	(11,886)	(58,192)	(175)	(855,455)	(157,342)	(1,012,797)
Federal insurance fee	(32,631)	(20)	(5,859)	(9)	(15,581)	-	(12,060)	-	(6,324)	-	(72,455)	(29)	(72,484)
	3,439,092	12,133	580,546	15,735	1,543,442	2,873,884	1,206,013	237,718	617,568	3,506	7,386,661	3,142,976	10,529,637
Gross written premium (inclusive of administrative surcharge)	3,439,092	12,133	580,546	15,735	1,543,442	2,873,884	1,206,013	237,718	617,568	3,506	7,386,661	3,142,976	10,529,637
Gross direct premium	3,413,387	12,101	565,737	15,735	1,486,847	2,867,531	1,204,972	237,718	612,569	3,493	7,283,512	3,136,578	10,420,090
Facultative inward premium	17,946	-	94	-	-	-	-	-	-	-	18,040	-	18,040
Administrative surcharge	7,759	32	14,715	-	56,595	6,353	1,041	-	4,999	13	85,109	6,398	91,507
	3,439,092	12,133	580,546	15,735	1,543,442	2,873,884	1,206,013	237,718	617,568	3,506	7,386,661	3,142,976	10,529,637
Insurance premium earned	3,595,883	10,181	517,490	11,376	1,421,717	2,289,660	972,978	103,407	620,076	4,473	7,128,144	2,419,097	9,547,241
Insurance premium ceded to reinsurers	(3,154,549)	(6,991)	(89,335)	-	(30,571)	(71,243)	-	(48,674)	(273,126)	(3,670)	(3,547,581)	(130,578)	(3,678,159)
Net insurance premium	441,334	3,190	428,155	11,376	1,391,146	2,218,417	972,978	54,733	346,950	803	3,580,563	2,288,519	5,869,082
Commission income	216,754	1,623	452	-	1,948	-	-	1,212	39,757	1,148	258,911	3,983	262,894
<b>Net underwriting income</b>	658,088	4,813	428,607	11,376	1,393,094	2,218,417	972,978	55,945	386,707	1,951	3,839,474	2,292,502	6,131,976
Insurance claims	(2,739,516)	65,447	(167,947)	(1,201)	(700,209)	(1,943,647)	(805,966)	(63,964)	(350,278)	983	(4,763,916)	(1,942,382)	(6,706,298)
Insurance claim recoveries from reinsurers	2,572,710	(54,077)	(27,883)	-	19,271	636,831	-	45,189	223,568	(49)	2,787,666	627,894	3,415,560
Net claims	(166,806)	11,370	(195,830)	(1,201)	(680,938)	(1,306,816)	(805,966)	(18,775)	(126,710)	934	(1,976,250)	(1,314,488)	(3,290,738)
Commission expense	(215,041)	(1,253)	(74,432)	(2,449)	(111,137)	(478,824)	(30,312)	(7,137)	(60,253)	(210)	(491,175)	(489,873)	(981,048)
Management expenses	(197,751)	(470)	(200,900)	(3,564)	(476,836)	(407,569)	(66,761)	(16,148)	(107,838)	(161)	(1,050,086)	(427,912)	(1,477,998)
Net insurance claims and expenses	(579,598)	9,647	(471,162)	(7,214)	(1,268,911)	(2,193,209)	(903,039)	(42,060)	(294,801)	563	(3,517,511)	(2,232,273)	(5,749,784)
<b>Underwriting results</b>	78,490	14,460	(42,555)	4,162	124,183	25,208	69,939	13,885	91,906	2,514	321,963	60,229	382,192
Net investment income											1,575,744	59,822	1,635,566
Rental income											58,607	852	59,459
Other income											34,933	25,682	60,615
Other expenses											(17,704)	(6,494)	(24,198)
Finance costs											(8,689)	(1,430)	(10,119)
Profit from Window Takaful Operations - Operator's Fund											72,655	-	72,655
<b>Profit before taxation</b>											2,037,509	138,661	2,176,170

As at December 31, 2021 (Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment assets	11,179,552	24,697	819,410	11,616	1,472,253	4,089,417	771,191	651,760	1,765,915	16,220	16,008,321	4,793,710	20,802,031
Unallocated assets											32,571,051	8,267,501	40,838,552
											48,579,372	13,061,211	61,640,583
Segment liabilities	11,591,214	28,176	1,149,567	37,421	2,923,636	8,898,921	1,812,336	808,489	2,400,998	18,123	19,877,751	9,791,130	29,668,881
Unallocated liabilities											5,776,523	805,415	6,581,938
											25,654,274	10,596,545	36,250,819

### 34 Fair value measurement of financial instruments

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

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

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

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

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

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

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

		June 30, 2022 (Un-Audited)									
Note	Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand											
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	Equity securities- quoted	12	13,624,955	-	-	-	13,624,955	13,624,955	-	-	13,624,955
	Equity securities- unquoted	12	6,336,120	-	-	-	6,336,120	-	-	6,336,120	6,336,120
	Investments of Window Takaful Operations - Operator's Fund	19	100,108	175,000	-	-	275,108	275,108	-	-	275,108
<b>Financial assets - not measured at fair value</b>											
	Debt securities	13	-	376,217	-	-	376,217	-	376,217	-	376,217
	Loans and other receivables *	15	-	-	410,243	-	410,243	-	-	-	-
	Investment - Term Deposits*	14	-	7,733,610	-	-	7,733,610	-	-	-	-
	Investment in subsidiary	11	-	-	2,396,166	-	2,396,166	5,132,250	-	-	5,132,250
	Insurance / reinsurance receivables - unsecured and considered good*	16	-	-	7,512,241	-	7,512,241	-	-	-	-
	Reinsurance recoveries against outstanding claims*		-	-	9,224,200	-	9,224,200	-	-	-	-
	Cash and bank*	18	-	-	-	3,290,935	3,290,935	-	-	-	-
	Other Assets of Window Takaful Operations - Operator's Fund*	19	-	-	346,135	223,614	569,749	-	-	-	-
			20,061,183	8,284,827	19,888,985	3,514,549	51,749,544	19,032,313	376,217	6,336,120	25,744,650
<b>Financial liabilities - not measured at fair value</b>											
	Borrowings*		-	-	-	-	44,208	-	-	-	44,208
	Outstanding claims (including IBNR)*		-	-	-	-	14,699,148	-	-	-	14,699,148
	Insurance / reinsurance payables *		-	-	-	-	5,707,826	-	-	-	5,707,826
	Other creditors and accruals*		-	-	-	-	2,047,382	-	-	-	2,047,382
	Deposits and other liabilities*		-	-	-	-	584,738	-	-	-	584,738
	Total liabilities of Window Takaful Operations- Operator's Fund*	19	-	-	-	-	338,187	-	-	-	338,187
			-	-	-	-	23,421,489	-	-	-	23,421,489

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



34.1 Fair value measurement of financial instruments

		December 31, 2021 (Audited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand									
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	12	14,821,459	-	-	-	-	14,821,459	14,821,459	-	-	14,821,459
	12	6,336,120	-	-	-	-	6,336,120	-	-	6,336,120	6,336,120
	19	38,326	75,000	-	-	-	113,326	113,326	-	-	113,326
<b>Financial assets - not measured at fair value</b>											
	13	-	377,652	-	-	-	377,652	-	377,652	-	377,652
	15	-	-	430,075	-	-	430,075	-	-	-	-
	14	-	6,871,466	-	-	-	6,871,466	-	-	-	-
	11	-	-	2,662,406	-	-	2,662,406	-	-	-	-
	16	-	-	7,175,870	-	-	7,175,870	-	-	-	-
	18	-	-	-	2,174,053	-	2,174,053	-	-	-	-
	19	-	-	312,997	264,235	-	577,232	-	-	-	-
		21,195,905	7,324,118	18,179,904	2,438,288	-	49,138,215	14,934,785	377,652	6,336,120	21,648,557
<b>Financial liabilities - not measured at fair value</b>											
		-	-	-	-	926,756	926,756	-	-	-	-
		-	-	-	-	12,686,045	12,686,045	-	-	-	-
		-	-	-	-	5,215,694	5,215,694	-	-	-	-
		-	-	-	-	1,900,819	1,900,819	-	-	-	-
		-	-	-	-	629,135	629,135	-	-	-	-
	19	-	-	-	-	278,531	278,531	-	-	-	-
		-	-	-	-	21,636,980	21,636,980	-	-	-	-

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

**35 Date of authorization for issue**

These unconsolidated condensed interim financial statements were approved for issue on August 29, 2022 by the Board of Directors of the Company.

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

The Board of Directors of the Company in their meeting held on August 29, 2022 proposed an interim cash dividend for the six month period ended June 30, 2022 @ 15% i.e. Rupees 1.50/- per share (June 30, 2021 @ 15% i.e. Rupees 1.50/- per share). These unconsolidated condensed interim financial statements for the six month period ended June 30, 2022 do not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending December 31, 2022.

**37 General**

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

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



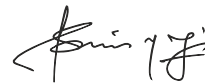
Chairman



Director



Director



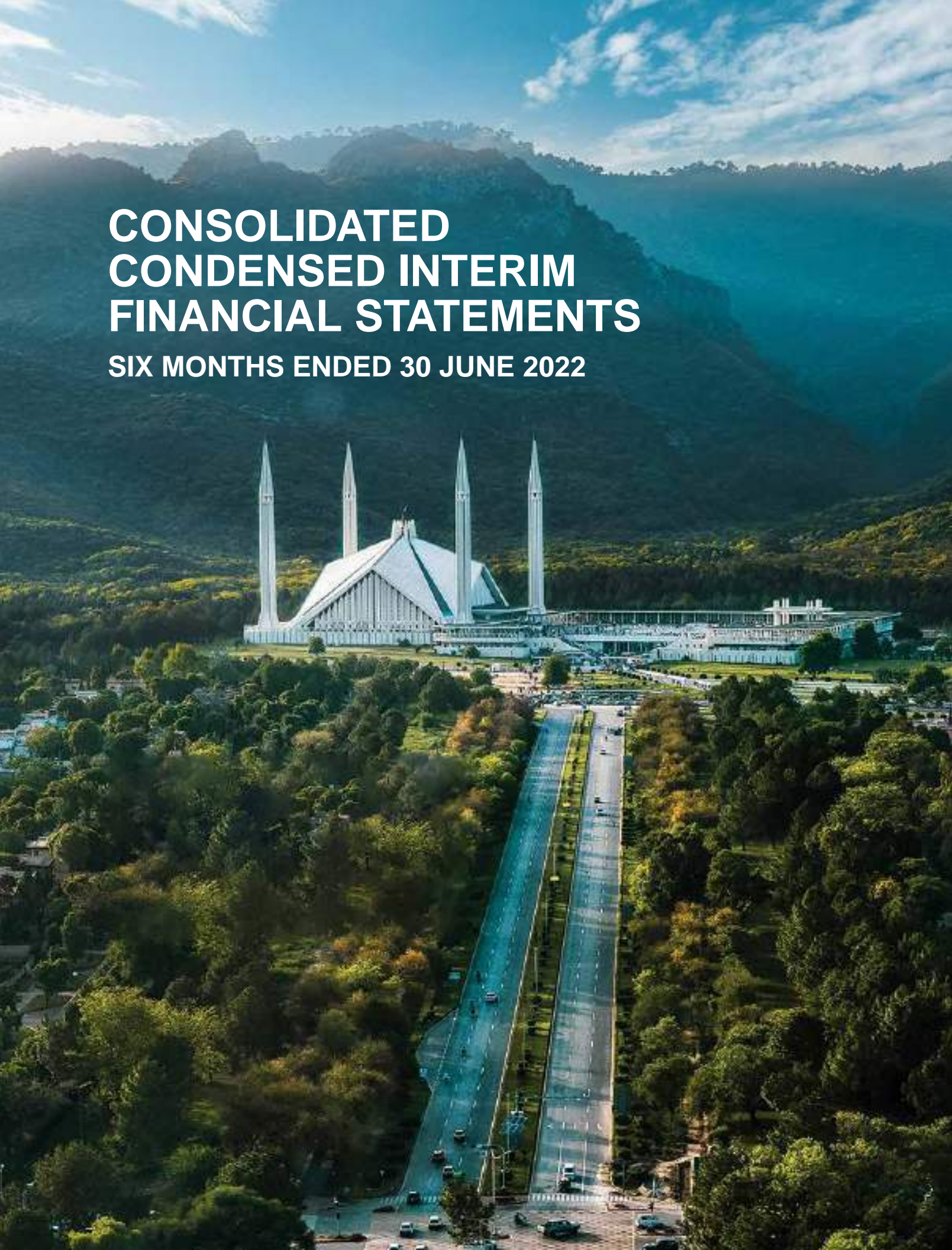
Chief Financial Officer



Managing Director & Chief Executive Officer

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2022



# Directors' Review

## to the Members on Consolidated Condensed Interim Financial Statements (Unaudited) For the six months ended 30 June 2022

On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited, for six months period ended 30 June 2022.

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

	(Unaudited)	
	30 June 2022	30 June 2021
	Rupees in thousand	
Profit before tax	1,791,630	2,267,781
Taxation	(1,028,069)	(587,484)
Profit after tax	763,561	1,680,297
Less: Profit attributable to non-controlling interest	(11,977)	-
Profit attributable to ordinary shares	751,584	1,680,297
Transaction between owners	348,358	-
Unappropriated profit brought forward	16,638,433	14,650,455
Profit available for appropriation	17,738,375	16,330,752
Final cash dividend at Rs. 1.5 per share - 31 December 2021 [31 December 2020 (Rupee 1.25 per share)]	(525,000)	(437,500)
Other comprehensive (loss) / income - Remeasurement of defined benefit obligation	(1,739)	6,763
Profit after appropriation	17,211,636	15,900,015

	(Unaudited)	
	30 June 2022	30 June 2021
	Rupees	
Earnings per share - Basic and diluted	2.15	4.80

Lahore: 29 August 2022

For and on behalf of the Board

  
Shaikh Muhammad Jawed  
Director

  
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer



Adamjee Insurance Company Limited  
Consolidated Condensed Interim Statement of Financial Position  
As at 30 June 2022

	Note	(Un-Audited)	(Audited)
		30 June 2022	31 December 2021
<b>Rupees in thousand</b>			
<b>ASSETS</b>			
Property and equipment	7	5,482,878	5,415,445
Intangible assets	8	109,275	123,465
Investment properties	9	1,259,667	1,259,667
Investments			
Equity securities	10	41,304,816	38,014,361
Debt securities	11	13,938,638	25,619,017
Term deposits	12	23,628,610	14,451,466
Loan secured against life insurance policies		39,336	39,499
Loans and other receivables	13	1,178,004	965,110
Insurance / reinsurance receivables	14	7,654,318	7,311,312
Reinsurance recoveries against outstanding claims		9,224,200	7,598,556
Salvage recoveries accrued		423,054	344,957
Deferred commission expense / acquisition cost		1,568,054	1,055,480
Taxation - payment less provisions		395,094	730,267
Prepayments	15	4,949,074	4,790,632
Cash and bank	16	13,982,406	11,900,126
		125,137,424	119,619,360
Total assets of Window Takaful Operations - Operator's Fund (Parent Company)	17	883,145	723,850
<b>TOTAL ASSETS</b>		<b>126,020,569</b>	<b>120,343,210</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	18	4,650,892	5,482,136
Unappropriated Profit		17,211,636	16,638,433
<b>Equity attributable to equity holders of the parent</b>		<b>25,362,528</b>	<b>25,620,569</b>
Non-controlling interest		340,970	-
<b>Total Equity</b>		<b>25,703,498</b>	<b>25,620,569</b>
<b>Liabilities</b>			
Insurance liabilities		59,559,233	56,874,290
<b>Underwriting provisions:</b>			
Outstanding claims including IBNR		14,699,148	12,686,045
Unearned premium reserve		13,173,256	11,010,289
Unearned reinsurance commission		273,652	241,094
Retirement benefits obligations		211,333	257,200
Deferred taxation		2,159,762	2,262,665
Borrowings		87,788	1,011,650
Deferred grant income		3,662	10,627
Premium received in advance		640,303	946,956
Insurance / reinsurance payables		5,707,826	5,215,694
Other creditors and accruals	19	2,784,230	3,189,647
Deposits and other liabilities		678,691	737,953
		40,419,651	37,569,820
Total assets of Window Takaful Operations - Operator's Fund (Parent Company)	17	338,187	278,531
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>126,020,569</b>	<b>120,343,210</b>
<b>Contingencies and commitments</b>	20		

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

Chairman

Director

Director

Chief Financial  
Officer

Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Profit and Loss Account (Un-audited)  
For six months period ended 30 June 2022

	Note	For three months period ended		For six months period ended	
		30 June	30 June	30 June	30 June
		2022	2021	2022	2021
<b>Rupees in thousand</b>					
Net insurance premium	21	7,895,077	7,478,760	17,393,613	15,168,866
Net insurance claims	22	(5,394,668)	(3,606,290)	(10,431,771)	(7,339,157)
Net commission and other acquisition costs	23	(1,149,224)	(1,123,715)	(2,449,946)	(2,248,264)
Insurance claims and acquisition expenses		(6,543,892)	(4,730,005)	(12,881,717)	(9,587,421)
Management expenses		(1,154,344)	(1,041,542)	(2,277,399)	(1,993,650)
Net change in insurance liabilities (other than outstanding claims)		406,780	(2,789,528)	(2,378,769)	(5,178,940)
<b>Underwriting results</b>		<b>603,621</b>	<b>(1,082,315)</b>	<b>(144,272)</b>	<b>(1,591,145)</b>
Investment income	24	1,584,769	1,486,777	3,334,341	3,489,291
Net fair value (loss)/gain on financial assets at fair value through profit and loss		(1,779,513)	338,965	(2,047,919)	31,875
Net unrealized gain on investment property		-	-	-	42,000
Rental income		28,196	18,168	52,399	36,013
Other income		304,017	125,573	505,874	230,197
Other expenses		(17,080)	(9,550)	(33,384)	(29,985)
<b>Results of operating activities</b>		<b>724,010</b>	<b>877,618</b>	<b>1,667,039</b>	<b>2,208,246</b>
Finance cost		(8,516)	(7,467)	(33,922)	(13,120)
Profit from Window Takaful Operations - Operator's Fund (Parent Company)	17	84,990	38,905	158,513	72,655
<b>Profit before tax</b>		<b>800,484</b>	<b>909,056</b>	<b>1,791,630</b>	<b>2,267,781</b>
Income tax expense		(619,659)	(202,990)	(1,028,069)	(587,484)
<b>Profit after tax for the period</b>		<b>180,825</b>	<b>706,066</b>	<b>763,561</b>	<b>1,680,297</b>
<b>Profit attributable to:</b>					
Equity holders of the parent		171,025	706,066	751,584	1,680,297
Non-controlling interest		9,800	-	11,977	-
		<b>180,825</b>	<b>706,066</b>	<b>763,561</b>	<b>1,680,297</b>
		----- (Rupees) -----		----- (Rupees) -----	
Earnings after tax per share	25	0.49	2.02	2.15	4.80

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)  
 For six months period ended 30 June 2022

	For three months period ended		For six months period ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	<b>Rupees in thousand</b>			
<b>Profit after tax</b>	<b>180,825</b>	706,066	<b>763,561</b>	1,680,297
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to profit and loss:</b>				
Re-measurement of retirement benefit obligations	(1,932)	6,763	(1,932)	6,763
<b>Items that may be reclassified subsequently to profit and loss:</b>				
Unrealized loss on 'available-for-sale' investments - net of tax	(1,436,296)	(720,865)	(1,579,652)	(860,007)
Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	336,781	177,198	353,769	177,198
Unrealized loss on 'available for sale' investment from Window Takaful Operations - net of tax	(969)	(1,261)	(968)	(883)
Net effect of translation of foreign branches	296,131	60,006	394,824	(24,857)
<b>Total comprehensive income for the period</b>	<b>(625,460)</b>	227,907	<b>(70,398)</b>	978,511
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	(634,785)	227,907	(81,873)	978,511
Non-controlling interest	9,325	-	11,475	-
	<b>(625,460)</b>	227,907	<b>(70,398)</b>	978,511

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer



Managing Director &  
 Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Cash Flow Statement (Un-audited)

For six months period ended 30 June 2022

	<b>For six months period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	<b>Rupees in thousand</b>	
<b><u>Cash flows from operating activities</u></b>		
<b>Underwriting activities</b>		
Insurance premium received	24,534,901	18,601,675
Reinsurance premium paid	(5,355,123)	(2,750,742)
Claims paid	(13,002,941)	(8,947,896)
Reinsurance and other recoveries received	2,488,240	1,492,583
Commissions paid	(2,711,200)	(2,534,651)
Commissions received	441,934	260,287
Other underwriting payments	(3,289,911)	(2,227,298)
<b>Net cash flow from underwriting activities</b>	<b>3,105,900</b>	<b>3,893,958</b>
<b>Other operating activities</b>		
Income tax paid	(440,833)	(431,733)
Other operating payments	(102,434)	(93,573)
Loans advanced	(36,298)	(27,518)
Loans installments received	28,361	26,144
Other operating receipts	21,976	16,703
<b>Net cash outflow for other operating activities</b>	<b>(529,228)</b>	<b>(509,977)</b>
<b>Total cash flow from all operating activities</b>	<b>2,576,672</b>	<b>3,383,981</b>
<b><u>Cash flows from investing activities</u></b>		
Profit / return received on bank deposits	2,286,237	1,201,961
Income from treasury bills and Pakistan Investment Bonds	298,504	32,197
Dividends received	880,542	1,618,798
Rentals received	79,270	57,812
Payment for investments/ investment properties	(401,429,621)	(109,210,915)
Loan to / from policy holder	2,088	(5,807)
Proceeds from disposal investments/ investment properties	407,323,252	109,871,560
Fixed capital expenditure	(125,190)	(194,506)
Proceeds from disposal of fixed assets	14,734	19,257
<b>Total cash flow from investing activities</b>	<b>9,329,816</b>	<b>3,390,357</b>
<b><u>Cash flows from financing activities</u></b>		
Payments against lease liabilities	(22,880)	(25,741)
Dividends paid	(513,589)	(447,574)
Loan obtained	-	-
Loan principal and interest expense against loan paid	(972,739)	(89,304)
<b>Total cash outflow for financing activities</b>	<b>(1,509,208)</b>	<b>(562,619)</b>
<b>Net cash flow from all activities</b>	<b>10,397,280</b>	<b>6,211,719</b>
Cash and cash equivalents at beginning of the period	19,480,126	19,229,096
<b>Cash and cash equivalents at end of period</b>	<b>29,877,406</b>	<b>25,440,815</b>

For six months period ended	
30 June 2022	30 June 2021
Rupees in thousand	

**Reconciliation to profit and loss account**

Operating cash flows	2,576,672	3,383,981
Depreciation and amortization expense	(153,917)	(163,525)
Provision for retirement benefit obligations	(27,076)	(20,268)
Finance cost	(37,762)	(17,486)
Other income - bank and term deposits	135,264	93,635
Gain on disposal of fixed assets	10,366	12,085
Rental income	52,803	36,313
Increase in assets other than cash	907,335	3,609,648
Increase in liabilities	(4,641,846)	(8,305,658)
Gain on disposal of investments	212,906	458,808
Increase in unearned premium	(2,162,967)	(954,027)
Increase in loans	7,937	1,374
Income taxes paid	268,880	295,958
(Provision)/reversal for impairment in value of 'available-for-sale' investments	(179,501)	223,096
Dividend and other investment income	3,635,954	2,953,708
Profit from Window Takaful Operations	158,513	72,655
<b>Profit after tax</b>	<b>763,561</b>	<b>1,680,297</b>

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

Cash and cash equivalents	14,635	18,867
Current and saving accounts	13,967,771	11,726,948
Term deposits	15,895,000	13,695,000
<b>Total cash and cash equivalents</b>	<b>29,877,406</b>	<b>25,440,815</b>

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



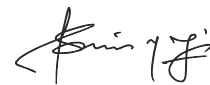
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive  
Officer



Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)  
 For six months period ended 30 June 2022

	Share capital	Capital reserves			Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	General reserve				Retained earnings
	Rupees in thousand									
<b>Balance as at 31 December 2020 - (Audited)</b>	3,500,000	22,859	3,764	678,438	2,845,746	936,500	14,650,455	22,637,762	-	22,637,762
Profit for the period 01 January 2021 to 30 June 2021	-	-	-	-	-	-	1,680,297	1,680,297	-	1,680,297
Other comprehensive income for the period 01 January 2021 to 30 June 2021	-	-	-	(24,857)	(683,692)	-	6,763	(701,786)	-	(701,786)
<b>Total comprehensive income for the period</b>	-	-	-	(24,857)	(683,692)	-	1,687,060	978,511	-	978,511
<b>Transactions with owners of the Company</b>										
Final cash dividend at Rs. 1.25 per share - 31 December 2020	-	-	-	-	-	-	(437,500)	(437,500)	-	(437,500)
<b>Balance as at 30 June 2021 - (Unaudited)</b>	3,500,000	22,859	3,764	653,581	2,162,054	936,500	15,900,015	23,178,773	-	23,178,773
Profit for the period 01 July 2021 to 31 December 2021	-	-	-	-	-	-	1,263,296	1,263,296	-	1,263,296
Other comprehensive income for the period 01 July 2021 to 31 December 2021	-	-	-	246,302	1,457,076	-	122	1,703,500	-	1,703,500
<b>Total comprehensive income for the period</b>	-	-	-	246,302	1,457,076	-	1,263,418	2,966,796	-	2,966,796
<b>Transactions with owners of the Company</b>										
Interim cash dividend at Rs. 1.5 per share - 30 June 2021	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
<b>Balance as at 31 December 2021 - (Audited)</b>	3,500,000	22,859	3,764	899,883	3,619,130	936,500	16,638,433	25,620,569	-	25,620,569
Transaction between owners	-	-	-	-	474	-	348,358	348,832	329,495	678,327
	-	-	-	-	474	-	348,358	348,832	329,495	678,327
Profit for the period 01 January 2022 to 30 June 2022	-	-	-	-	-	-	751,584	751,584	11,977	763,561
Other comprehensive income for the period 01 January 2022 to 30 June 2022	-	-	-	394,824	(1,226,542)	-	(1,739)	(833,457)	(502)	(833,959)
<b>Total comprehensive income for the period</b>	-	-	-	394,824	(1,226,542)	-	749,845	(81,873)	11,475	(70,398)
	3,500,000	22,859	3,764	1,294,707	2,393,062	936,500	17,736,636	25,887,528	340,970	26,228,498
<b>Transactions with owners of the Company</b>										
Final cash dividend at Rs. 1.5 per share - 31 December 2021	-	-	-	-	-	-	(525,000)	(525,000)	-	(525,000)
<b>Balance as at 30 June 2022 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>1,294,707</b>	<b>2,393,062</b>	<b>936,500</b>	<b>17,211,636</b>	<b>25,362,528</b>	<b>340,970</b>	<b>25,703,498</b>

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

Chairman

Director

Director

Chief Financial Officer

Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Notes to the Consolidated Condensed Interim Financial Information (Un-audited)**  
For six months period ended 30 June 2022

**1 The group and its operations:**

**1.1** The group comprises of:

	<b>2022</b>	2021
	<b>(Holding percentage)</b>	
<b>Parent Company</b>		
Adamjee Insurance Company Limited	<b>100%</b>	100%
<b>Subsidiary Company</b>		
Adamjee Life Assurance Company Limited	<b>90%</b>	100%

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

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

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

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

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

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

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

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

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

Listing of Adamjee life Assurance Company Limited - Subsidiary Company completed on March 03, 2022 by offering 25,000,000 million shares of Subsidiary Company constituting 10% of total shares of the Subsidiary Company held by Adamjee Insurance Company Limited - Parent Company. Eventually percentage of holding of Subsidiary Company by Parent Company changed to 90% from 100%.

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

This consolidated condensed interim financial information of the Group for the six months period ended 30 June 2022 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

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

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

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

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2021. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2021, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the six months period ended 30 June 2021.

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

### 3 Basis of measurement

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

### 4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2021.

#### 4.1 Standards, amendments or interpretations

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

#### IFRS

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

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

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

<b>June 30, 2022</b>					
<b>Fail the SPPI test</b>			<b>Pass the SPPI test</b>		
<b>Fair value</b>	<b>Change in unrealized gain / (loss) during the period</b>	<b>Carrying Value</b>	<b>Cost less Impairment</b>	<b>Change in unrealized gain / (loss) during the period</b>	
<b>Financial assets</b>					
---- (Rupees in thousand) ----					
Cash and Bank*	13,982,406	-	-	-	-
Investments in equity securities - available-for-sale	19,976,243	(1,524,046)	-	-	-
Investment in debt securities	-	-	13,938,638	-	-
Term deposits*	-	-	23,628,610	-	-
Loan secured against life insurance policies	-	-	39,336	-	-
Loans and other receivables*	1,175,103	-	2,901	-	-
<b>Total</b>	<b>35,133,752</b>	<b>(1,524,046)</b>	<b>37,609,485</b>	<b>-</b>	<b>-</b>

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

**5 Use of estimates and judgments**

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

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

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2021.

**6 Insurance and Financial risk management**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2021.

		(Unaudited) 30 June 2022	(Audited) 31 December 2021
	Note	Rupees in thousand	
<b>7 Property and equipment</b>			
Operating assets	7.1	5,286,763	5,190,298
Capital work in progress		46,241	53,719
Right of use asset		149,874	171,428
		<u>5,482,878</u>	<u>5,415,445</u>
<b>7.1 Operating assets</b>			
Opening balance - net book value		5,190,298	4,245,254
Additions during the period / year	7.2	131,408	1,176,890
Less:			
Book value of disposals during the period / year	7.3	(5,170)	(50,506)
Depreciation charged during the period / year		(101,560)	(225,737)
Exchange differences and other adjustments		71,787	44,397
		<u>(34,943)</u>	<u>(231,846)</u>
		<u>5,286,763</u>	<u>5,190,298</u>
<b>7.2 Additions during the period / year - cost</b>			
Land and buildings		4,377	978,554
Furniture and fixtures		7,898	30,760
Motor vehicles		63,804	70,455
Machinery and equipment		26,046	58,503
Computer and related accessories		23,778	26,523
Leasehold Improvements		5,505	12,095
		<u>131,408</u>	<u>1,176,890</u>
<b>7.3 Written down values of property and equipment disposed off during the period / year</b>			
Land and buildings		-	32,225
Furniture and fixtures		41	508
Motor vehicles		4,368	12,370
Machinery and equipment		-	2,629
Computer and related accessories		1	64
Leasehold Improvements		760	2,710
		<u>5,170</u>	<u>50,506</u>
<b>8 Intangible assets</b>			
Opening balance - net book value		123,465	127,381
Additions during the period		1,261	37,643
Book value of disposals during the period		-	-
Amortization charged during the period		(22,319)	(45,927)
Exchange differences and other adjustments		6,868	4,368
		<u>(15,451)</u>	<u>(41,559)</u>
		<u>109,275</u>	<u>123,465</u>
<b>9 Investment Properties</b>			
Opening balance - net book value		1,259,667	1,473,367
Additions and capital improvements		-	-
Transfer to property and equipment		-	(887,840)
Unrealized fair value gain / (loss)		-	674,140
		<u>1,259,667</u>	<u>1,259,667</u>



**10 Investment in equity securities**

	30 June 2022 (Unaudited)			31 December 2021 (Audited)				
	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
<b>Rupees in thousands</b>								
<b>Available-for-sale</b>								
<b>Related parties</b>								
Listed shares	9,731,921	(23,993)	(2,286,023)	7,421,905	9,586,807	(23,854)	(464,114)	9,098,839
Unlisted shares	949,456	-	2,559,896	3,509,352	949,456	-	2,559,896	3,509,352
	<b>10,681,377</b>	<b>(23,993)</b>	<b>273,873</b>	<b>10,931,257</b>	<b>10,536,263</b>	<b>(23,854)</b>	<b>2,095,782</b>	<b>12,608,191</b>
<b>Others</b>								
Listed shares	6,560,308	(2,254,382)	1,400,459	5,706,385	6,678,467	(2,084,340)	1,103,806	5,697,933
Unlisted shared	925,360	-	1,901,408	2,826,768	925,360	-	1,901,408	2,826,768
NIT Units	161	-	654	815	161	-	710	871
Mutual Funds	524,158	(14,437)	1,297	511,018	48,550	(5,117)	31	43,464
	<b>8,009,987</b>	<b>(2,268,819)</b>	<b>3,303,818</b>	<b>9,044,986</b>	<b>7,652,538</b>	<b>(2,089,457)</b>	<b>3,005,955</b>	<b>8,569,036</b>
<b>Total - available for sale</b>	<b>18,691,364</b>	<b>(2,292,812)</b>	<b>3,577,691</b>	<b>19,976,243</b>	<b>18,188,801</b>	<b>(2,113,311)</b>	<b>5,101,737</b>	<b>21,177,227</b>
<b>Fair value through profit and loss</b>								
<b>Related parties</b>								
Listed shares	1,486,848	-	(236,956)	1,249,892	1,411,292	-	(208,805)	1,202,487
Mutual Funds	8,646,441	-	(722,725)	7,923,716	6,902,701	-	(11,942)	6,890,759
	<b>10,133,289</b>	<b>-</b>	<b>(959,681)</b>	<b>9,173,608</b>	<b>8,313,993</b>	<b>-</b>	<b>(220,747)</b>	<b>8,093,246</b>
<b>Others</b>								
Listed shares	10,644,715	-	(3,822,340)	6,822,375	9,407,055	-	(2,632,258)	6,774,797
Mutual Funds	4,335,335	-	997,255	5,332,590	960,373	-	1,008,718	1,969,091
	<b>14,980,050</b>	<b>-</b>	<b>(2,825,085)</b>	<b>12,154,965</b>	<b>10,367,428</b>	<b>-</b>	<b>(1,623,540)</b>	<b>8,743,888</b>
<b>Total - fair value through profit and loss</b>	<b>25,113,339</b>	<b>-</b>	<b>(3,784,766)</b>	<b>21,328,573</b>	<b>18,681,421</b>	<b>-</b>	<b>(1,844,287)</b>	<b>16,837,134</b>
<b>Grand Total</b>	<b>43,804,703</b>	<b>(2,292,812)</b>	<b>(207,075)</b>	<b>41,304,816</b>	<b>36,870,222</b>	<b>(2,113,311)</b>	<b>3,257,450</b>	<b>38,014,361</b>

**10.1** 4,816,710 (2021 : 3,716,710) shares of MCB Bank Limited, 155,000 (2021 : 369,000) shares of Abbot Laboratories Limited, 1,405,000 (2021 : 2,220,000) shares of Dawood Hercules Corporation Limited, Nil (2021 : 1,480,000) shares of Engro Fertilizers Limited, 4,800,000 (2021 : 9,250,000) shares of Fauji Fertilizer Company Limited, Nil (2021 : 330,000) shares of Habib Bank Limited, Nil (2021 : 300,000) shares of International Steels Limited, 255,000 (2021 : 823,000) shares of Millat Tractors Limited, Nil (2021 : 8,240,000) shares of National Bank of Pakistan, Nil (2021 : 5,700) shares of Nestle Pakistan Limited, Nil (2021 : 1,524,000) shares of Oil & Gas Development Company Limited and 850,000 (2021 : 1,250,000) shares of United Bank Limited have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group and loans obtained from MCB Bank Limited, a related party of the Group.

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
<b>Note</b>	<b>Rupees in thousand</b>	
<b>11 Investments in debt securities</b>		
<b>Held to maturity</b>		
Treasury Bills	272,453	275,005
Pakistan Investment Bonds	103,764	102,647
	<b>376,217</b>	<b>377,652</b>
<b>Available for sale</b>		
Treasury Bills	-	-
Pakistan Investment Bonds	98,696	98,412
	<b>98,696</b>	<b>98,412</b>
<b>Fair value through profit and loss</b>		
Term Finance Certificate	2,506,598	1,553,480
Advance against purchase of term finance certificate	450,000	1,425,000
Corporate sukuks	1,557,383	1,465,126
Ijarah sukuks	1,578,409	892,516
Treasury Bills	4,075,485	17,845,946
Pakistan Investment Bonds	3,295,850	1,960,885
	<b>13,463,725</b>	<b>25,142,953</b>
	<b>13,938,638</b>	<b>25,619,017</b>
<b>12 Investments in Term Deposits</b>		
<b>Held to maturity</b>		
<b>Deposits maturing within 12 months</b>		
<b>Inside Pakistan</b>		
- related parties	750,000	405,000
- others	15,145,000	7,350,066
	<b>15,895,000</b>	<b>7,755,066</b>
<b>Outside Pakistan</b>		
- related parties	1,673,082	1,441,691
- others	5,976,529	5,170,710
	<b>7,649,611</b>	<b>6,612,401</b>
<b>Deposits maturing after 12 months</b>	<b>23,544,611</b>	<b>14,367,467</b>
<b>Inside Pakistan</b>		
- related parties	8,811	8,811
- others	75,188	75,188
	<b>83,999</b>	<b>83,999</b>
<b>12.1</b>	<b>23,628,610</b>	<b>14,451,466</b>

**12.1** These include fixed deposits amounting to Rs. 6,413,481 thousands (AED 115,000 thousands) [2021: Rs. 5,526,486 thousands (AED 115,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 83,999 thousands (2021: Rs. 259,065 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company and bid bond guarantees.

	(Unaudited) 30 June 2022	(Audited) 31 December 2021
	Rupees in thousand	
<b>13 Loans and other receivables - considered good</b>		
Rent receivable	8,593	7,397
Accrued income	512,382	279,766
Security deposits	132,405	124,857
Advances to employees and suppliers	307,751	177,729
Advance agent commission	3,111	7,796
Loans to employees	76,619	64,567
Receivable against the sale of investment	-	131,128
Receivable from related parties	10,624	-
Other receivables	126,519	171,870
	<u>1,178,004</u>	<u>965,110</u>

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

Due from insurance contract holders	7,849,039	7,370,193
Provision for impairment of receivables from insurance contract holders	(1,221,152)	(1,086,443)
	<u>6,627,887</u>	<u>6,283,750</u>
Due from other insurers / other reinsurers	1,227,733	1,228,864
Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
	<u>1,026,431</u>	<u>1,027,562</u>
	<u>7,654,318</u>	<u>7,311,312</u>

14.1 Due from insurance contact holders include an amount Rs. 322,896 thousands (2021: Rs. 249,292 thousands) held with related parties.

	(Unaudited) 30 June 2022	(Audited) 31 December 2021
	Rupees in thousand	
<b>15 Prepayments</b>		
Prepaid reinsurance premium ceded	4,692,620	4,627,169
Prepaid miscellaneous expenses	256,454	163,463
	<u>4,949,074</u>	<u>4,790,632</u>
<b>16 Cash and bank</b>		
<b>Cash and cash equivalents</b>		
<b>Inside Pakistan</b>		
Cash in hand	590	372
Policy & Revenue stamps, Bond papers	13,199	20,182
	<u>13,789</u>	<u>20,554</u>
<b>Outside Pakistan</b>		
Cash in hand	846	-
	<u>14,635</u>	<u>20,554</u>
<b>Cash at bank</b>		
<b>Inside Pakistan</b>		
Current accounts	285,063	588,530
Savings accounts	11,821,754	10,419,434
	<u>12,106,817</u>	<u>11,007,964</u>
<b>Outside Pakistan</b>		
Current accounts	1,859,234	870,126
Savings accounts	1,720	1,482
	<u>1,860,954</u>	<u>871,608</u>
	<u>13,967,771</u>	<u>11,879,572</u>
	<u>13,982,406</u>	<u>11,900,126</u>

16.1 Cash at bank includes an amount of Rs. 4,401,352 thousands (2021: Rs. 1,819,586 thousands) held with MCB Bank Limited and MCB Islamic Bank Limited, related parties of the Group.

16.2 Lien of Rs. 575,143 thousands (2021: Rs. 432,571 thousands) is marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

	(Unaudited) 30 June 2022	(Audited) 31 December 2021
	Rupees in thousand	
<b>17 Window Takaful Operations - Parent Company</b>		
<b>Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	223,614	264,235
Qard-e-Hasna to Participant Takaful Fund	146,460	146,460
Investments - Equity securities	100,108	38,326
Investments - Debt securities	175,000	75,000
Intangible assets	8,382	10,409
Property and equipment	29,906	22,883
Current assets - others	199,675	166,537
<b>Total Assets</b>	<b>883,145</b>	<b>723,850</b>
<b>Total Liabilities</b>	<b>338,187</b>	<b>278,531</b>
	<b>For six month period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	Rupees in thousand	
Wakala income	292,489	206,364
Commission expense	(68,220)	(63,823)
Management expenses	(92,089)	(80,354)
Investment income	7,257	2,317
Other income	17,307	8,168
Mudarib's share of PTF investment income	3,859	1,523
Other Expenses	(2,090)	(1,540)
Profit before tax	158,513	72,655
Provision for tax	(52,318)	(21,070)
<b>Profit from Window Takaful Operations</b>	<b>106,195</b>	<b>51,585</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial information.		
	(Unaudited) 30 June 2022	(Audited) 31 December 2021
	Rupees in thousand	
<b>18 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	1,294,707	899,883
Fair value reserve	2,393,062	3,619,130
	3,714,392	4,545,636
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	4,650,892	5,482,136
<b>19 Other creditors and accruals</b>		
Agents commission payable	1,348,378	1,148,121
Payable against the purchase of investment	2,934	30,524
Federal Excise Duty / Sales Tax / VAT	5,861	346,924
Federal Insurance Fee payable	55,538	35,707
Payable to related parties	1,675	6,070
Workers' welfare fund payable	76,485	76,485
Tax deducted at source	76,794	99,348
Accrued expenses	416,237	623,583
Unpaid and unclaimed dividend	168,038	156,627
Payable to employees' provident fund	142	88
Sundry creditors	632,148	666,170
	2,784,230	3,189,647

## 20 Contingencies and commitments

### Parent Company

#### Contingencies and commitments

There has been no significant change in the status of contingencies and commitments as reported in the preceding published consolidated annual financial statements of the Parent Company for the year ended December 31, 2021 except for the following.

- The Parent Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,262,243 thousands (2021: Rs. 1,269,671 thousands).
- The Parent Company has issued letter of guarantees amounting to AED 115,219,000 amounting to Rs. 6,425,694 thousands (2021: AED 219,000 amounting to Rs.10,524 thousands) relating to UAE branch.

### Subsidiary Company

#### Contingencies

##### Sales tax on life insurance premium

Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. Subsequent to it, life insurance was made taxable from July 1, 2019 at the rate of 3% and group life insurance at the rate of 13%. Further, SRB vide notification no. SRB 3-4/19/2022 dated June 28, 2022 extended exemption on health insurance till June 30, 2023. With effect from November 1, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Subsidiary Company collectively through the forum of Insurance Association of Pakistan ("IAP") filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on September 28, 2019 and November 28, 2019 against PRA and SRB respectively.

According to the grounds of the petition and legal opinion obtained by the Subsidiary Company the insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance Subsidiary Company is not rendering a service). The opinion also mentions that vast majority of premium received from a policy holder, during the life of the policy, is in fact channeled to the policy holder's investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules.

In view of the above the Subsidiary Company has not started billing sales tax to its customers. The amount of sales tax involved (for both Sindh and Punjab region) is reasonably around Rs. 725.71 million (December 31, 2021: Rs. 538.14 million) computed on the basis of risk based premium, as per the advice of legal advisor, which nonetheless the Subsidiary Company maintains, based on the legal view, cannot be levied as the insurance is not a service.

Further subsequent to filing petition, the provincial tax authorities have called a meeting of the industry representatives on January 11, 2020 in Karachi to discuss the matters relating to sales tax on premium. The matter was discussed in details and it was agreed to form a joint committee of the industry representatives as well as from all the provincial tax authorities and agreed in the meeting that the sales tax on Life and Health be kept exempt till June 30, 2020 however, a formal notification in this regard has not yet been issued. Further, the committee formed met on February 5, 2020 in Lahore at PRA office to work out the way forward.

Based on the legal opinion obtained the Subsidiary Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts. The petition is still pending for hearing.

#### Commitments

Commitments represent ljarah rentals for vehicles payable in future period.

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>Rupees in thousand</b>	
Not later than one year	<b>74,469</b>	60,461
Later than one year and not later than five years	<b>186,042</b>	161,923
	<b>260,511</b>	222,384



Note	For three month period ended		For six month period ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	<b>Rupees in thousand</b>			
<b>21 Net insurance premium</b>				
<b>Parent Company</b>				
Written gross premium	7,529,546	5,414,057	15,055,212	10,504,791
Unearned premium reserve opening	12,177,577	8,518,774	11,010,289	8,366,434
Unearned premium reserve closing	(13,173,256)	(9,320,461)	(13,173,256)	(9,320,461)
Currency translation effect	538,771	100,040	718,503	(28,369)
Premium earned	7,072,638	4,712,410	13,610,748	9,522,395
Reinsurance premium ceded	(3,326,442)	(2,343,894)	(5,810,433)	(3,623,945)
Prepaid reinsurance premium opening	(4,327,264)	(2,651,227)	(4,627,169)	(3,307,863)
Prepaid reinsurance premium closing	4,692,620	3,253,601	4,692,620	3,253,601
Currency translation effect	(68,452)	(2,447)	(88,461)	48
Reinsurance expense	(3,029,538)	(1,743,967)	(5,833,443)	(3,678,159)
<b>21.1 &amp; 21.2</b>	<b>4,043,100</b>	<b>2,968,443</b>	<b>7,777,305</b>	<b>5,844,236</b>
<b>Subsidiary Company</b>				
<b>Regular premium / contributions individual policies</b>				
- first year	724,503	867,128	1,615,883	1,729,765
- second year renewal	565,706	269,339	1,316,577	930,036
- subsequent years renewal	1,319,425	1,475,627	3,182,962	2,954,638
Single premium / contributions individual policies	1,282,818	1,950,010	3,528,978	3,748,082
Group policies without cash values	52,324	24,519	257,709	190,171
Less: Experience refund	-	-	(10,194)	(2,429)
	3,944,776	4,586,623	9,891,915	9,550,263
<b>Less: reinsurance premiums / retakaful contributions ceded</b>				
On individual life first year business	(15,055)	(16,216)	(30,271)	(28,567)
On individual life second year business	(10,211)	(7,954)	(18,578)	(16,714)
On individual life subsequent renewal business	(45,051)	(40,506)	(89,532)	(82,703)
On individual life single premium business	(2,051)	(3,147)	(3,295)	(5,355)
On group policies	(20,431)	(8,483)	(133,931)	(99,680)
Profit commission on reinsurance	-	-	-	7,386
	(92,799)	(76,306)	(275,607)	(225,633)
	3,851,977	4,510,317	9,616,308	9,324,630
	7,895,077	7,478,760	17,393,613	15,168,866
<b>21.1 Net insurance premium - Business underwritten inside Pakistan</b>				
Written gross premium	5,077,398	4,127,607	9,698,745	7,361,815
Unearned premium reserve opening	7,299,535	5,626,861	7,393,851	6,021,464
Unearned premium reserve closing	(7,478,871)	(6,279,981)	(7,478,871)	(6,279,981)
Premium earned	4,898,062	3,474,487	9,613,725	7,103,298
Reinsurance premium ceded	(2,874,528)	(2,192,293)	(4,931,596)	(3,405,855)
Prepaid reinsurance premium opening	(3,772,341)	(2,595,479)	(4,302,258)	(3,260,277)
Prepaid reinsurance premium closing	3,921,729	3,118,551	3,921,729	3,118,551
Reinsurance expense	(2,725,140)	(1,669,221)	(5,312,125)	(3,547,581)
	2,172,922	1,805,266	4,301,600	3,555,717
<b>21.2 Net insurance premium - Business underwritten outside Pakistan</b>				
Written gross premium	2,452,148	1,286,450	5,356,467	3,142,976
Unearned premium reserve opening	4,878,042	2,891,913	3,616,438	2,344,970
Unearned premium reserve closing	(5,694,385)	(3,040,480)	(5,694,385)	(3,040,480)
Currency translation effect	538,771	100,040	718,503	(28,369)
Premium earned	2,174,576	1,237,923	3,997,023	2,419,097
Reinsurance premium ceded	(451,914)	(151,601)	(878,837)	(218,090)
Prepaid reinsurance premium opening	(554,923)	(55,748)	(324,911)	(47,586)
Prepaid reinsurance premium closing	770,891	135,050	770,891	135,050
Currency translation effect	(68,452)	(2,447)	(88,461)	48
Reinsurance expense	(304,398)	(74,746)	(521,318)	(130,578)
	1,870,178	1,163,177	3,475,705	2,288,519
<b>21.3 Individual policies are those underwritten on an individual basis.</b>				

Note	For three month period ended		For six month period ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	<b>Rupees in thousand</b>			
<b>22 Net insurance claims expense</b>				
<b>Parent Company</b>				
Claims paid	3,775,475	2,256,525	7,274,203	4,762,831
Outstanding claims including IBNR closing	14,699,148	12,627,240	14,699,148	12,627,240
Outstanding claims including IBNR opening	(13,113,223)	(10,242,473)	(12,686,045)	(10,768,040)
Currency translation effect	(693,837)	(170,953)	(914,276)	84,267
Claims expense	4,667,563	4,470,339	8,373,030	6,706,298
Reinsurance and other recoveries received	(1,119,974)	(673,003)	(2,512,094)	(1,509,233)
Reinsurance and other recoveries in respect of outstanding claims closing	(9,647,254)	(8,059,933)	(9,647,254)	(8,059,933)
Reinsurance and other recoveries in respect of outstanding claims opening	8,182,308	5,898,472	7,943,513	6,192,571
Currency translation effect	343,070	74,846	441,186	(38,965)
Reinsurance and other recoveries revenue	(2,241,850)	(2,759,618)	(3,774,649)	(3,415,560)
<b>22.1 &amp; 22.2</b>	<b>2,425,713</b>	<b>1,710,721</b>	<b>4,598,381</b>	<b>3,290,738</b>
<b>Subsidiary Company</b>				
<b>Gross claims</b>				
Claims under individual policies				
- by death	128,596	180,908	354,390	351,217
- by insured event other than death	4,113	1,984	4,205	3,609
- by maturity	1,022,391	495,583	1,721,266	702,044
- by surrender	1,789,574	1,235,876	3,765,164	2,982,527
Total gross individual policy claims	2,944,674	1,914,351	5,845,025	4,039,397
Claims under group policies				
- by death	90,251	119,407	191,358	247,988
- by insured event other than death	1,290	3,378	6,700	4,225
Total gross group policy claims	91,541	122,785	198,058	252,213
Claim related expenses	3,079	2,015	4,107	4,502
<b>Total gross claims</b>	<b>3,039,294</b>	<b>2,039,151</b>	<b>6,047,190</b>	<b>4,296,112</b>
<b>Less: Reinsurance recoveries</b>				
- on individual claims	23,995	56,430	110,747	72,229
- on group claims	46,344	87,152	103,053	175,464
	70,339	143,582	213,800	247,693
	2,968,955	1,895,569	5,833,390	4,048,419
	5,394,668	3,606,290	10,431,771	7,339,157
<b>22.1 Net insurance claims expense - Business underwritten inside Pakistan</b>				
Claim paid	1,470,684	1,242,361	3,271,174	2,758,024
Outstanding claims including IBNR closing	8,006,193	6,926,367	8,006,193	6,926,367
Outstanding claims including IBNR opening	(7,301,206)	(4,750,466)	(7,131,251)	(4,920,475)
Claim expense	2,175,671	3,418,262	4,146,116	4,763,916
Reinsurance and other recoveries received	(303,632)	(274,838)	(962,970)	(778,083)
Reinsurance and other recoveries in respect of outstanding claims closing	(6,290,271)	(5,535,861)	(6,290,271)	(5,535,861)
Reinsurance and other recoveries in respect of outstanding claims opening	5,593,681	3,462,096	5,482,393	3,526,278
Reinsurance and other recoveries revenue	(1,000,222)	(2,348,603)	(1,770,848)	(2,787,666)
	1,175,449	1,069,659	2,375,268	1,976,250
<b>22.2 Net insurance claims expense - Business underwritten outside Pakistan</b>				
Claim Paid	2,304,791	1,014,164	4,003,029	2,004,807
Outstanding claims including IBNR closing	6,692,955	5,700,873	6,692,955	5,700,873
Outstanding claims including IBNR opening	(5,812,017)	(5,492,007)	(5,554,794)	(5,847,565)
Currency translation effect	(693,837)	(170,953)	(914,276)	84,267
Claim expense	2,491,892	1,052,077	4,226,914	1,942,382
Reinsurance and other recoveries received	(816,342)	(398,165)	(1,549,124)	(731,150)
Reinsurance and other recoveries in respect of outstanding claims closing	(3,356,983)	(2,524,072)	(3,356,983)	(2,524,072)
Reinsurance and other recoveries in respect of outstanding claims opening	2,588,627	2,436,376	2,461,120	2,666,293
Currency translation effect	343,070	74,846	441,186	(38,965)
Reinsurance and other recoveries revenue	(1,241,628)	(411,015)	(2,003,801)	(627,894)
	1,250,264	641,062	2,223,113	1,314,488

Note	For three month period ended		For six month period ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	<b>Rupees in thousand</b>			
<b>23 Net commission and other acquisition costs</b>				
<b>Parent Company</b>				
Commission paid or payable	841,974	513,599	1,773,978	1,166,198
Deferred commission expense opening	1,355,686	867,149	1,055,480	731,319
Deferred commission expense closing	(1,568,054)	(911,257)	(1,568,054)	(911,257)
Currency translation effect	101,885	20,844	136,989	(5,212)
Net commission	731,491	490,335	1,398,393	981,048
Commission received or recoverable	(229,252)	(167,197)	(441,934)	(260,287)
Unearned reinsurance commission opening	(259,539)	(205,766)	(241,094)	(245,318)
Unearned reinsurance commission closing	273,652	242,641	273,652	242,641
Currency translation effect	(3,211)	(123)	(4,211)	70
Commission from reinsurance	(218,350)	(130,445)	(413,587)	(262,894)
<b>23.1 &amp; 23.2</b>	<b>513,141</b>	<b>359,890</b>	<b>984,806</b>	<b>718,154</b>
<b>Subsidiary Company</b>				
Remuneration to insurance / takaful intermediaries on individual policies:				
- Commission on first year contribution / premium	288,891	371,461	644,379	739,480
- Commission on second year contribution / premium	24,636	17,019	69,592	55,108
- Commission on subsequent years renewal contribution / premium	24,812	34,903	68,478	69,767
- Commission on single contribution / premium	35,588	41,795	100,216	80,564
- Other benefits to insurance intermediaries	102,618	122,257	192,875	207,262
	476,545	587,435	1,075,540	1,152,181
Remuneration to insurance intermediaries on group policies:				
- Commission	2,182	4,036	9,126	14,569
- Other benefits to insurance intermediaries	1,217	332	1,981	1,139
	3,399	4,368	11,107	15,708
Other acquisition costs	156,139	172,022	378,493	362,221
	636,083	763,825	1,465,140	1,530,110
	1,149,224	1,123,715	2,449,946	2,248,264
<b>23.1 Net commission and other acquisition costs - Business underwritten inside Pakistan</b>				
Commission paid or payable	387,660	274,433	709,671	513,358
Deferred commission expense opening	396,169	273,882	393,554	285,324
Deferred commission expense closing	(466,365)	(307,507)	(466,365)	(307,507)
Net commission	317,464	240,808	636,860	491,175
Commission received or recoverable	(206,201)	(165,743)	(387,401)	(257,590)
Unearned reinsurance commission opening	(229,513)	(201,575)	(239,650)	(240,971)
Unearned reinsurance commission closing	228,811	239,650	228,811	239,650
Commission from reinsurance	(206,903)	(127,668)	(398,240)	(258,911)
	110,561	113,140	238,620	232,264
<b>23.2 Net commission and other acquisition costs - Business underwritten outside Pakistan</b>				
Commission paid or payable	454,314	239,166	1,064,307	652,840
Deferred commission expense opening	959,517	593,267	661,926	445,995
Deferred commission expense closing	(1,101,689)	(603,750)	(1,101,689)	(603,750)
Currency translation effect	101,885	20,844	136,989	(5,212)
Net commission	414,027	249,527	761,533	489,873
Commission received or recoverable	(23,051)	(1,454)	(54,533)	(2,697)
Unearned reinsurance commission opening	(30,026)	(4,191)	(1,444)	(4,347)
Unearned reinsurance commission closing	44,841	2,991	44,841	2,991
Currency translation effect	(3,211)	(123)	(4,211)	70
Commission from reinsurance	(11,447)	(2,777)	(15,347)	(3,983)
	402,580	246,750	746,186	485,890

**24 Investment income**

**Business underwritten Inside Pakistan**

**Income from equity securities**

**Dividend Income**

	30 June 2022	30 June 2021	30 June 2022	30 June 2021
- Available for sale	396,990	365,525	881,120	1,321,148
- Fair value through profit or loss	139,703	163,992	290,261	332,838
	<b>536,693</b>	<b>529,517</b>	<b>1,171,381</b>	<b>1,653,986</b>

**Income from debt securities**

**Return on debt securities**

- Fair value through profit or loss	153,115	73,484	258,895	134,737
- Held to maturity	11,294	(7,938)	21,168	-
	<b>164,409</b>	<b>65,546</b>	<b>280,063</b>	<b>134,737</b>

**Return on government securities**

- Available for Sale	4,823	6,432	8,979	15,742
- Fair value through profit or loss	666,787	405,134	1,389,240	761,063
- Held to maturity	(9,874)	12,393	-	20,331
	<b>661,736</b>	<b>423,959</b>	<b>1,398,219</b>	<b>797,136</b>

**Income from term deposit receipts**

- Held to maturity	250,708	114,675	397,965	206,503
	<b>250,708</b>	<b>114,675</b>	<b>397,965</b>	<b>206,503</b>

Tax on dividend under final tax regime

	-	(27,158)	-	(44,797)
	<b>-</b>	<b>(27,158)</b>	<b>-</b>	<b>(44,797)</b>

**Net realized fair value gains on investments**

**Available for sale**

- Equity securities	(6,414)	5,421	11,920	5,421
- Government securities	(23)	(3)	(9)	(3)
	<b>(6,437)</b>	<b>5,418</b>	<b>11,911</b>	<b>5,418</b>

**Fair value through profit or loss**

- Equity securities	142,200	118,672	238,757	480,373
- Debt securities	-	-	-	6,331
- Government securities	(6,877)	6,668	(37,762)	(33,314)
	<b>135,323</b>	<b>125,340</b>	<b>200,995</b>	<b>453,390</b>

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

	(185,094)	223,096	(179,501)	223,096
	<b>1,557,338</b>	<b>1,460,393</b>	<b>3,281,033</b>	<b>3,429,469</b>

**Business underwritten Outside Pakistan**

**Income from equity securities**

**Dividend income**

- Available for Sale	-	74	106	143
	<b>-</b>	<b>74</b>	<b>106</b>	<b>143</b>

**Net realized gains on investments**

- Available for Sale	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Return on term deposits**

- Held to maturity	27,431	26,310	53,202	59,679
	<b>27,431</b>	<b>26,310</b>	<b>53,202</b>	<b>59,679</b>
	<b>27,431</b>	<b>26,384</b>	<b>53,308</b>	<b>59,822</b>

**Total investment income**

	<b>1,584,769</b>	<b>1,486,777</b>	<b>3,334,341</b>	<b>3,489,291</b>
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For three month period ended		For six month period ended	
30 June 2022	30 June 2021	30 June 2022	30 June 2021

Rupees in thousand

	For three months period ended		For six months period ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
<b>Rupees in thousand</b>				
<b>25 Earnings per share - basic and diluted</b>				
There is no dilutive effect on the basic earnings per share which is based on:				
Profit after tax for the period attributable to ordinary shareholders	171,025	706,066	751,584	1,680,297
	Number of shares		Number of shares	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000	350,000,000	350,000,000
	Rupees		Rupees	
Earnings per share - basic and diluted	0.49	2.02	2.15	4.80

## 26 Transactions with related parties

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

Investment in related parties have been disclosed in note 10 & 12 to the consolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

	For six month period ended	
	30 June	30 June
	2022	2021
<b>Rupees in thousand</b>		
<b>Parent Company</b>		
<b>i) Transactions</b>		
Premium underwritten	929,009	732,834
Premium received	1,073,740	613,908
Claims paid	332,126	294,114
Security deposits received	-	5,096
Commission Paid	19,464	9,495
Rent paid	3,289	4,590
Rent received	36,951	20,048
Loan repaid	884,652	44,652
Interest on loan paid	43,275	835
Dividend received	473,420	828,220
Dividend paid	108,347	88,577
Income on bank deposits	26,542	21,482
Investments made	145,115	1,213,180
Fee / service charges paid	5,750	4,458
Fee / service charges / expenses received / receivable	12,102	14,256
Charge in respect of gratuity expense	21,249	15,749
Contribution to Employees' Provident Fund	20,752	18,490
Compensation paid to Key management personnel	806,275	653,773
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
<b>Rupees in thousand</b>		
<b>ii) Period end balances</b>		
Balances receivable	311,061	243,103
Balances payable	297,586	299,939
Loan payable	44,208	926,756
Cash and bank balances including term deposits	3,797,967	1,601,579
Payable to Staff Gratuity Fund	102,764	181,515

	For six month period ended	
	30 June 2022	30 June 2021
Rupees in thousand		
<b>Subsidiary Company</b>		
<b>i) Transactions</b>		
<b>Associated undertakings</b>		
Premium written	39,440	31,343
Claims expense	116,480	86,133
Commission and other incentives in respect of bancassurance	668,804	801,510
Profit on bank deposits	121,902	162,446
Bank charges	3,004	1,343
Investments purchased	20,402,318	5,119,305
Investments sold	17,460,029	5,363,335
Dividend income	66,211	99,757
<b>Other related parties</b>		
Premium written	7,711	5,401
Claims expense	-	6,000
Investment advisor fee	19,050	18,606
Trustee fee	4,590	4,613
<b>Transactions with key management personnel</b>		
Premium written	-	50
Vehicle disposed	-	546
Remuneration	86,301	73,310
<b>Staff Retirement Benefit Plan (Gratuity Fund)</b>		
Charge for the period	21,061	21,919
	(Unaudited)	(Audited)
	30 June	31 December
	2022	2021
Rupees in thousand		
<b>ii) Period end balances</b>		
<b>Associated undertakings</b>		
Premium due but unpaid	18,918	11,387
Bank deposits	1,513,001	1,668,509
Investments held	9,924,388	8,499,041
Dividend receivables	-	6,221
Accrued Income	2,716	250
Commission payable	211,770	289,696
Claims payable	8,623	5,700
<b>Other related parties</b>		
Premium due but unpaid	159	239
Remuneration payable for the management of discretionary investment portfolio	5,636	3,284
Remuneration payable to trustee	1,182	903
<b>Key management personnel</b>		
Short term loans	2,954	2,896
<b>Staff retirement benefit plan (gratuity fund)</b>		
Receivable / (Payable) to gratuity fund	7,070	(6,460)



27 Segment Information

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

Six month period ended 30 June 2022														Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	5,167,200	14,496	1,426,142	10,610	2,082,161	4,481,637	1,392,428	1,112,064	874,034	5,724	10,941,965	5,624,531	16,566,496	9,891,915	26,458,411
Less: Federal excise duty / VAT	(644,569)	(867)	(156,533)	(531)	(249,739)	(213,411)	(7,814)	(52,955)	(88,579)	(273)	(1,147,234)	(268,037)	(1,415,271)	-	(1,415,271)
Federal insurance fee	(43,538)	(23)	(12,619)	(4)	(18,340)	-	(13,903)	-	(7,586)	-	(95,986)	(27)	(96,013)	-	(96,013)
	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127
Gross written premium (inclusive of administrative surcharge)	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127
Gross direct premium	4,439,489	13,563	1,238,258	10,075	1,747,171	4,252,742	1,369,586	1,059,109	743,680	5,443	9,538,184	5,340,932	14,879,116	9,891,915	24,771,031
Facultative inward premium	31,954	-	1,117	-	82	-	-	-	27,172	-	60,325	-	60,325	-	60,325
Administrative surcharge	7,650	43	17,615	-	66,829	15,484	1,125	-	7,017	8	100,236	15,535	115,771	-	115,771
	4,479,093	13,606	1,256,990	10,075	1,814,082	4,268,226	1,370,711	1,059,109	777,869	5,451	9,698,745	5,356,467	15,055,212	9,891,915	24,947,127
Insurance premium earned	5,086,723	11,530	1,035,606	17,458	1,673,204	3,283,228	1,194,672	680,430	623,520	4,377	9,613,725	3,997,023	13,610,748	9,891,915	23,502,663
Insurance premium ceded to reinsurers	(4,566,274)	(8,788)	(436,747)	(332)	(24,306)	(125,362)	-	(384,260)	(284,798)	(2,576)	(5,312,125)	(521,318)	(5,833,443)	(275,607)	(6,109,050)
Net insurance premium	520,449	2,742	598,859	17,126	1,648,898	3,157,866	1,194,672	296,170	338,722	1,801	4,301,600	3,475,705	7,777,305	9,616,308	17,393,613
Commission income	337,168	1,530	2,714	-	1,490	12,004	-	-	56,868	1,813	398,240	15,347	413,587	-	413,587
Net underwriting income	857,617	4,272	601,573	17,126	1,650,388	3,169,870	1,194,672	296,170	395,590	3,614	4,699,840	3,491,052	8,190,892	9,616,308	17,807,200
Insurance claims	(1,967,117)	(350)	(139,905)	(2,634)	(889,304)	(3,671,098)	(1,056,320)	(553,134)	(93,470)	302	(4,146,116)	(4,226,914)	(8,373,030)	(6,047,190)	(14,420,220)
Insurance claim recoveries from reinsurer	1,721,128	635	(62,154)	156	74,311	1,607,874	-	395,753	37,563	(617)	1,770,848	2,003,801	3,774,649	213,800	3,988,449
Net claims	(245,989)	285	(202,059)	(2,478)	(814,993)	(2,063,224)	(1,056,320)	(157,381)	(55,907)	(315)	(2,375,268)	(2,223,113)	(4,598,381)	(5,833,390)	(10,431,771)
Commission expense	(322,939)	(1,648)	(85,605)	(3,284)	(130,784)	(681,126)	(31,338)	(75,348)	(66,194)	(127)	(636,860)	(761,533)	(1,398,393)	(1,465,140)	(2,863,533)
Management expense	(218,684)	(1,458)	(223,323)	(7,175)	(528,998)	(539,398)	(73,396)	(71,308)	(107,433)	(1,240)	(1,151,834)	(620,579)	(1,772,413)	(504,986)	(2,277,399)
Net insurance claims and expenses	(787,612)	(2,821)	(510,987)	(12,937)	(1,474,775)	(3,283,748)	(1,161,054)	(304,037)	(229,534)	(1,682)	(4,163,962)	(3,605,225)	(7,769,187)	(7,803,516)	(15,572,703)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,378,769)	(2,378,769)
<b>Underwriting result</b>	70,005	1,451	90,586	4,189	175,613	(113,878)	33,618	(7,867)	166,056	1,932	535,878	(114,173)	421,705	(565,977)	(144,272)
Net investment income											736,872	53,308	790,180	2,544,161	3,334,341
Net fair value loss on financial assets at fair value through profit or loss											-	-	-	(2,047,919)	(2,047,919)
Net unrealized loss on investment property											-	-	-	-	-
Rental income											51,386	1,013	52,399	-	52,399
Other income											78,332	36,475	114,807	391,067	505,874
Other expenses											(22,122)	(7,961)	(30,083)	(3,301)	(33,384)
Finance Cost											(30,811)	(1,003)	(31,814)	(2,108)	(33,922)
Profit from Window Takaful Operations											158,513	-	158,513	-	158,513
<b>Profit before tax</b>											1,508,048	(32,341)	1,475,707	315,923	1,791,630

30 June 2022														Aggregate Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	11,092,636	32,063	1,168,546	5,515	1,526,383	5,546,912	871,302	1,163,882	1,994,385	18,545	16,653,252	6,766,917	23,420,169	61,416,299	84,836,468
Unallocated assets											27,941,142	10,587,895	38,529,037	2,655,064	41,184,101
											44,594,394	17,354,812	61,949,206	64,071,363	126,020,569
Segment Liabilities	11,562,381	36,744	1,401,113	35,980	3,166,663	11,866,221	2,089,713	1,490,444	2,630,012	22,385	20,849,882	13,451,774	34,301,656	60,419,050	94,720,706
Unallocated Liabilities											4,273,275	996,622	5,269,897	326,468	5,596,365
											25,123,157	14,448,396	39,571,553	60,745,518	100,317,071

## 27.1 Segment Information

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

Six month period ended 30 June 2021														Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	3,971,440	12,917	661,808	16,567	1,770,782	3,017,578	1,204,174	249,604	681,521	3,681	8,289,725	3,300,347	11,590,072	9,550,263	21,140,335
Less: Federal excise duty / VAT	(501,326)	(764)	(75,403)	(823)	(212,140)	(143,694)	(8,394)	(11,886)	(58,192)	(175)	(855,455)	(157,342)	(1,012,797)	-	(1,012,797)
Federal insurance fee	(32,631)	(20)	(5,859)	(9)	(15,581)	-	(12,060)	-	(6,324)	-	(72,455)	(29)	(72,484)	-	(72,484)
	3,437,483	12,133	580,546	15,735	1,543,061	2,873,884	1,183,720	237,718	617,005	3,506	7,361,815	3,142,976	10,504,791	9,550,263	20,055,054
Gross written premium (inclusive of administrative surcharge)	3,437,483	12,133	580,546	15,735	1,543,061	2,873,884	1,183,720	237,718	617,005	3,506	7,361,815	3,142,976	10,504,791	9,550,263	20,055,054
Gross direct premium	3,411,778	12,101	565,737	15,735	1,486,466	2,867,531	1,182,679	237,718	612,006	3,493	7,258,666	3,136,578	10,395,244	9,550,263	19,945,507
Facultative inward premium	17,946	-	94	-	-	-	-	-	-	-	18,040	-	18,040	-	18,040
Administrative surcharge	7,759	32	14,715	-	56,595	6,353	1,041	-	4,999	13	85,109	6,398	91,507	-	91,507
	3,437,483	12,133	580,546	15,735	1,543,061	2,873,884	1,183,720	237,718	617,005	3,506	7,361,815	3,142,976	10,504,791	9,550,263	20,055,054
Insurance premium earned	3,594,274	10,181	517,490	11,376	1,421,336	2,289,660	950,685	103,407	619,513	4,473	7,103,298	2,419,097	9,522,395	9,550,263	19,072,658
Insurance premium ceded to reinsurers	(3,154,549)	(6,991)	(89,335)	-	(30,571)	(71,243)	-	(48,674)	(273,126)	(3,670)	(3,547,581)	(130,578)	(3,678,159)	(225,633)	(3,903,792)
Net insurance premium	439,725	3,190	428,155	11,376	1,390,765	2,218,417	950,685	54,733	346,387	803	3,555,717	2,288,519	5,844,236	9,324,630	15,168,866
Commission income	216,754	1,623	452	-	1,948	-	-	1,212	39,757	1,148	258,911	3,983	262,894	-	262,894
Net underwriting income	656,479	4,813	428,607	11,376	1,392,713	2,218,417	950,685	55,945	386,144	1,951	3,814,628	2,292,502	6,107,130	9,324,630	15,431,760
Insurance claims	(2,739,516)	65,447	(167,947)	(1,201)	(700,209)	(1,943,647)	(805,966)	(63,964)	(350,278)	983	(4,763,916)	(1,942,382)	(6,706,298)	(4,296,112)	(11,002,410)
Insurance claim recoveries from reinsurer	2,572,710	(54,077)	(27,883)	-	19,271	636,831	-	45,189	223,568	(49)	2,787,666	627,894	3,415,560	247,693	3,663,253
Net claims	(166,806)	11,370	(195,830)	(1,201)	(680,938)	(1,306,816)	(805,966)	(18,775)	(126,710)	934	(1,976,250)	(1,314,488)	(3,290,738)	(4,048,419)	(7,339,157)
Commission expense	(215,041)	(1,253)	(74,432)	(2,449)	(111,137)	(478,824)	(30,312)	(7,137)	(60,253)	(210)	(491,175)	(489,873)	(981,048)	(1,530,110)	(2,511,158)
Management expense	(197,751)	(470)	(200,900)	(3,564)	(476,836)	(407,569)	(66,761)	(16,148)	(103,877)	(161)	(1,046,125)	(427,912)	(1,474,037)	(519,613)	(1,993,650)
Net insurance claims and expenses	(579,598)	9,647	(471,162)	(7,214)	(1,268,911)	(2,193,209)	(903,039)	(42,060)	(290,840)	563	(3,513,550)	(2,232,273)	(5,745,823)	(6,098,142)	(11,843,965)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,178,940)	(5,178,940)
Underwriting result	76,881	14,460	(42,555)	4,162	123,802	25,208	47,646	13,885	95,304	2,514	301,078	60,229	361,307	(1,952,452)	(1,591,145)
Net investment income											1,575,744	59,822	1,635,566	1,853,725	3,489,291
Net fair value loss on financial assets at fair value through profit or loss											-	-	-	31,875	31,875
Net unrealized loss on investment property											-	-	-	42,000	42,000
Rental income											35,161	852	36,013	-	36,013
Other income											34,002	25,682	59,684	170,513	230,197
Other expenses											(17,704)	(6,494)	(24,198)	(5,787)	(29,985)
Finance Cost											(8,437)	(1,430)	(9,867)	(3,253)	(13,120)
Profit from Window Takaful Operations											72,655	-	72,655	-	72,655
Profit before tax											1,992,499	138,661	2,131,160	136,621	2,267,781

31 December 2021

General Insurance														Aggregate Life Insurance	Aggregate
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance			
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	11,179,552	24,697	819,410	11,616	1,472,253	4,089,417	771,191	651,760	1,765,915	16,220	16,008,321	4,793,710	20,802,031	59,116,387	79,918,418
Unallocated assets											29,632,221	8,267,501	37,899,722	2,525,070	40,424,792
											45,640,542	13,061,211	58,701,753	61,641,457	120,343,210
Segment Liabilities	11,591,214	28,176	1,149,567	37,421	2,923,636	8,898,921	1,812,336	808,489	2,400,998	18,123	19,877,751	9,791,130	29,668,881	58,021,231	87,690,112
Unallocated Liabilities											5,768,468	805,415	6,573,883	458,646	7,032,529
											25,646,219	10,596,545	36,242,764	58,479,877	94,722,641

## 28 Fair value measurement of financial instruments

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

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

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

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

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

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

		30 June 2022										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<b>Financial assets - measured at fair value</b>												
Investment												
	10	13,640,123	-	21,328,573	-	-	-	34,968,696	34,968,696	-	-	34,968,696
	10	6,336,120	-	-	-	-	-	6,336,120	-	-	6,336,120	6,336,120
	11	98,696	376,217	13,463,725	-	-	-	13,938,638	-	13,938,638	-	13,938,638
	17	275,108	-	-	-	-	-	275,108	275,108	-	-	275,108
<b>Financial assets - not measured at fair value</b>												
	13	-	-	-	1,178,004	-	-	1,178,004	-	-	-	-
		-	-	-	39,336	-	-	39,336	-	-	-	-
	12	-	23,628,610	-	-	-	-	23,628,610	-	-	-	-
	14	-	-	-	7,654,318	-	-	7,654,318	-	-	-	-
	16	-	-	-	9,224,200	-	-	9,224,200	-	-	-	-
	17	-	-	-	346,135	223,614	-	569,749	-	-	-	-
		20,350,047	24,004,827	34,792,298	18,441,993	14,206,020	-	111,795,185	35,243,804	13,938,638	6,336,120	55,518,562
<b>Financial liabilities - not measured at fair value</b>												
Underwriting provisions:												
	22	-	-	-	-	-	14,699,148	14,699,148	-	-	-	-
	19	-	-	-	-	-	5,707,826	5,707,826	-	-	-	-
		-	-	-	-	-	2,569,552	2,569,552	-	-	-	-
		-	-	-	-	-	522,356	522,356	-	-	-	-
	17	-	-	-	-	-	338,187	338,187	-	-	-	-
		-	-	-	-	-	23,837,069	23,837,069	-	-	-	-

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

28.1 Fair value measurement of financial instruments

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

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

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

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

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

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

		31 December 2021										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<u>Financial assets - measured at fair value</u>												
Investment												
	10	14,841,107	-	16,837,134	-	-	-	31,678,241	31,678,241	-	-	31,678,241
	10	6,336,120	-	-	-	-	-	6,336,120	-	-	6,336,120	6,336,120
	11	98,412	377,652	25,142,953	-	-	-	25,619,017	-	25,619,017	-	25,619,017
Investments of Window Takaful Operations - Operator's Fund												
	17	113,326	-	-	-	-	-	113,326	113,326	-	-	113,326
<u>Financial assets - not measured at fair value</u>												
	13	-	-	-	965,110	-	-	965,110	-	-	-	-
		-	-	-	39,499	-	-	39,499	-	-	-	-
	12	-	14,451,466	-	-	-	-	14,451,466	-	-	-	-
Insurance / reinsurance receivables												
	14	-	-	-	7,311,312	-	-	7,311,312	-	-	-	-
		-	-	-	7,598,556	-	-	7,598,556	-	-	-	-
	16	-	-	-	-	11,900,126	-	11,900,126	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*												
	17	-	-	-	312,997	264,235	-	577,232	-	-	-	-
		21,388,965	14,829,118	41,980,087	16,227,474	12,164,361	-	106,590,005	31,791,567	25,619,017	6,336,120	63,746,704
<u>Financial liabilities - not measured at fair value</u>												
Underwriting provisions:												
	22	-	-	-	-	-	12,686,045	12,686,045	-	-	-	-
		-	-	-	-	-	5,215,694	5,215,694	-	-	-	-
		-	-	-	-	-	1,011,650	1,011,650	-	-	-	-
	19	-	-	-	-	-	2,631,183	2,631,183	-	-	-	-
		-	-	-	-	-	553,460	553,460	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*												
	17	-	-	-	-	-	278,531	278,531	-	-	-	-
		-	-	-	-	-	22,376,563	22,376,563	-	-	-	-

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

**29 Date of authorization for issue**

This consolidated condensed interim financial information was authorized for issue on August 29, 2022 by the Board of Directors of the Parent Company.

**30 Impact of Covid - 19 on Operations**

The Group followed the development of the Covid-19 corona virus and evaluated the extent to which this affected the operations in the short and long term. The Group has concluded that there are no significant implications of the pandemic over the operations of the group.

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

The Board of Directors of the Parent Company in their meeting held on August 29, 2022 proposed an interim cash dividend for the six month period ended June 30, 2022 @ 15% i.e. Rupees 1.5/- per share (June 30, 2021 @ 15 % i.e. Rupee 1.5/- per share). These consolidated condensed interim financial statements for the six month period ended June 30, 2022 do not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending December 31, 2022.

**32 General**

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

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



**Chairman**



**Director**



**Director**



**Chief Financial  
Officer**



**Managing Director &  
Chief Executive Officer**

# WINDOW TAKAFUL OPERATIONS

SIX MONTHS ENDED 30 JUNE 2022





# INDEPENDENT AUDITOR’S REVIEW REPORT

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

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Adamjee Insurance Company Limited – Window Takaful Operations (the operator) as at June 30, 2022 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in operator’s takaful fund and participants’ takaful fund, condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the “interim financial statements”). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the three month period ended June 30, 2022 and related comparative information have not been reviewed, as we are required to review only the cumulative figures for the six month period ended June 30, 2022.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

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



Chartered Accountants

Lahore

Date: 29 August 2022

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Financial Position (Unaudited)**  
**As at June 30, 2022**

	Note	Operator's Takaful Fund		Participants' Takaful Fund	
		June 30,	December 31,	June 30,	December 31,
		2022	2021	2022	2021
		Rupees in thousand		Rupees in thousand	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>ASSETS</b>					
<b>Qard-e-Hasna to Participants' Takaful Fund</b>					
		146,460	146,460	-	-
Property and equipment	7	29,906	22,883	-	-
Intangible assets	8	8,382	10,409	-	-
Investments					
Equity securities	9	100,108	38,326	15	53,900
Debt securities	10	75,000	75,000	106,250	125,000
Term Deposits	11	100,000	-	550,000	50,000
Loans and other receivables	12	17,155	13,009	88,665	72,157
Takaful / re - takaful receivables	13	-	-	688,114	423,514
Re - takaful recoveries against outstanding claims		-	-	134,847	144,551
Salvage recoveries accrued		-	-	70,685	46,385
Wakala and mudarib fee receivable		130,415	108,181	-	-
Deferred commission expense	22	50,771	45,347	-	-
Prepayments	14	1,334	-	76,397	125,530
Cash and bank	15	223,614	264,235	160,136	522,515
		736,685	577,390	1,875,109	1,563,552
<b>TOTAL ASSETS</b>		<b>883,145</b>	<b>723,850</b>	<b>1,875,109</b>	<b>1,563,552</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Funds attributable to Operator's and Participants'</b>					
<b>Operator's Takaful Fund</b>					
Statutory fund		50,000	50,000	-	-
Reserves		-	968	-	-
Unappropriated profit		494,958	394,351	-	-
		544,958	445,319	-	-
<b>Waqf / Participants' Takaful Fund</b>					
Ceded money		-	-	500	500
Reserves		-	-	-	11
Accumulated surplus		-	-	213,819	239,134
		-	-	214,319	239,645
<b>Qard-e-Hasna from Operator's Takaful Fund</b>		-	-	146,460	146,460
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	21	-	-	468,949	354,540
Unearned contribution reserve	19	-	-	630,412	441,519
Unearned retakaful rebate	20	-	-	12,803	22,466
Contribution deficiency reserve		-	-	12,582	12,582
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		111	456	-	4
Contribution received in advance		-	-	76,963	67,232
Takaful / re - takaful payables	16	-	-	121,732	96,834
Wakala and mudarib fee payable		-	-	130,415	108,181
Unearned wakala fee	23	262,724	191,460	-	-
Other creditors and accruals	17	71,474	64,872	60,474	69,834
Taxation - provision less payments		-	17,865	-	4,255
<b>Total Liabilities</b>		<b>338,187</b>	<b>278,531</b>	<b>1,514,330</b>	<b>1,177,447</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>883,145</b>	<b>723,850</b>	<b>1,875,109</b>	<b>1,563,552</b>

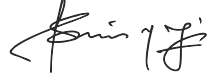
**Contingencies and commitments** 18

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

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Profit and Loss Account (Unaudited)**  
**For the six months period ended June 30, 2022**

Note	For three months period ended		For six months period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND - REVENUE ACCOUNT</b>				
Contributions earned	375,517	242,417	714,643	487,830
Contributions ceded to retakaful	(97,568)	(79,012)	(200,608)	(161,205)
<b>Net contribution revenue</b>	<b>277,949</b>	<b>163,405</b>	<b>514,035</b>	<b>326,625</b>
Retakaful rebate earned	18,516	14,019	34,898	28,333
<b>Net underwriting income</b>	<b>296,465</b>	<b>177,424</b>	<b>548,933</b>	<b>354,958</b>
Net takaful claims - reported / settled	(312,703)	(119,440)	(575,142)	(294,908)
Charge of contribution deficiency reserve	-	(20,262)	-	(20,262)
	(312,703)	(139,702)	(575,142)	(315,170)
Other direct expenses	(11,376)	(15,016)	(22,866)	(32,547)
<b>(Deficit) / surplus before investment income</b>	<b>(27,614)</b>	<b>22,706</b>	<b>(49,075)</b>	<b>7,241</b>
Investment income	14,012	4,871	19,294	7,616
Other income	11,183	5,411	22,335	11,940
Mudarib's share of investment income	(2,803)	(974)	(3,859)	(1,523)
<b>(Deficit) / surplus before taxation</b>	<b>(5,222)</b>	<b>32,014</b>	<b>(11,305)</b>	<b>25,274</b>
Taxation expense	(10,088)	-	(14,010)	-
<b>(Deficit) / surplus after taxation</b>	<b>(15,310)</b>	<b>32,014</b>	<b>(25,315)</b>	<b>25,274</b>
<b>OPERATOR'S TAKAFUL FUND - REVENUE ACCOUNT</b>				
Wakala fee	152,237	105,536	292,489	206,364
Commission expense	(34,446)	(31,737)	(68,220)	(63,823)
General, administrative and management expenses	(48,999)	(41,809)	(92,089)	(80,354)
	68,792	31,990	132,180	62,187
Other income	10,290	4,394	17,307	8,168
Mudarib's share of PTF investment income	2,803	974	3,859	1,523
Investment income	4,426	2,317	7,257	2,317
Direct expenses	(1,321)	(770)	(2,090)	(1,540)
<b>Profit before taxation</b>	<b>84,990</b>	<b>38,905</b>	<b>158,513</b>	<b>72,655</b>
Taxation expense	(37,071)	(11,283)	(57,902)	(21,070)
<b>Profit after taxation</b>	<b>47,919</b>	<b>27,622</b>	<b>100,611</b>	<b>51,585</b>

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

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
 Window Takaful Operations  
 Condensed Interim Statement of Comprehensive Income (Unaudited)  
 For the six months period ended June 30, 2022

	For three months period ended		For six months period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND</b>				
(Deficit) / surplus after taxation	(15,310)	32,014	(25,315)	25,274
<b>Other comprehensive income:</b>				
Unrealized losses on available-for-sale investment- net of tax	(842)	(397)	(11)	(397)
<b>Total comprehensive (loss) / income for the period</b>	<b>(16,152)</b>	<b>31,617</b>	<b>(25,326)</b>	<b>24,877</b>
<b>OPERATOR'S TAKAFUL FUND</b>				
Profit after taxation	47,919	27,622	100,611	51,585
<b>Other comprehensive income:</b>				
Unrealized losses on available-for-sale investment- net of tax	(969)	(1,261)	(968)	(883)
<b>Total comprehensive income for the period</b>	<b>46,950</b>	<b>26,361</b>	<b>99,643</b>	<b>50,702</b>

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

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer



Managing Director &  
 Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Changes in Shareholders Equity and Participants' Takaful Funds (Unaudited)**  
**As at June 30, 2022**

	Operator's Takaful Fund			Total
	Statutory fund	Unappropriated profit	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2020 - (Audited)</b>	50,000	295,468	883	<b>346,351</b>
Profit after tax for the period January 01, 2021 to June 30, 2021	-	51,585	-	<b>51,585</b>
Other comprehensive income for the period January 01, 2021 to June 30 2021	-	-	(883)	<b>(883)</b>
<b>Total comprehensive income / (loss) for the period</b>	-	51,585	(883)	<b>50,702</b>
<b>Balance as at June 30, 2021 - (Unaudited)</b>	50,000	347,053	-	<b>397,053</b>
Profit after tax for the period July 01, 2021 to December 31, 2021	-	47,294	-	<b>47,294</b>
Other comprehensive income for the period July 01, 2021 to December 31, 2021	-	-	968	<b>968</b>
<b>Total comprehensive income for the period</b>	-	47,294	968	<b>48,262</b>
<b>Balance as at December 31, 2021 - (Audited)</b>	50,000	394,347	968	<b>445,315</b>
Profit after tax for the period January 01, 2022 to June 30, 2022	-	100,611	-	<b>100,611</b>
Other comprehensive loss for the period January 01, 2022 to June 30, 2022	-	-	(968)	<b>(968)</b>
<b>Total comprehensive income / (loss) for the period</b>	-	100,611	(968)	<b>99,643</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	<b>50,000</b>	<b>494,958</b>	<b>-</b>	<b>544,958</b>

	Participants' Takaful Fund			Total
	Ceded money	Accumulated surplus / (deficit)	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2020 - (Audited)</b>	500	172,580	436	<b>173,516</b>
Surplus after tax for the period January 01, 2021 to June 30, 2021	-	25,274	-	<b>25,274</b>
Other comprehensive loss for the period January 01, 2021 to June 30, 2021	-	-	(397)	<b>(397)</b>
<b>Total comprehensive income / (loss) for the period</b>	-	25,274	(397)	<b>24,877</b>
<b>Balance as at June 30, 2021 - (Unaudited)</b>	500	197,854	39	<b>198,393</b>
Surplus after tax for the period July 01, 2021 to December 31, 2021	-	41,280	-	<b>41,280</b>
Other comprehensive loss for the period July 01, 2021 to December 31, 2021	-	-	(425)	<b>(425)</b>
<b>Total comprehensive income / (loss) for the period</b>	-	41,280	(425)	<b>40,855</b>
<b>Balance as at December 31, 2021 - (Audited)</b>	500	239,134	11	<b>239,645</b>
Surplus after tax for the period January 01, 2022 to June 30, 2022	-	(25,315)	-	<b>(25,315)</b>
Other comprehensive loss for the period January 01, 2022 to June 30, 2022	-	-	(11)	<b>(11)</b>
<b>Total comprehensive loss for the period</b>	-	(25,315)	(11)	<b>(25,326)</b>
<b>Balance as at June 30, 2022 - (Unaudited)</b>	<b>500</b>	<b>213,819</b>	<b>-</b>	<b>214,319</b>

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

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Cash Flow Statement (Unaudited)**  
**For the six months period ended June 30, 2022**

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
<b>Operating cash flows</b>				
<b>(a) Takaful activities</b>				
Contributions received	-	-	1,034,082	695,632
Wakala fee received / (paid)	345,378	240,085	(345,378)	(240,085)
Retakaful / co-takaful paid	-	-	(124,372)	(124,428)
Claims paid	-	-	(499,988)	(491,338)
Retakaful and other recoveries received	-	-	-	-
Commissions paid	(68,280)	(70,624)	-	-
Commissions received	-	-	25,235	25,799
Management expenses paid	(90,461)	(89,502)	-	-
Other underwriting payments	-	-	(48,355)	(27,282)
Net cash inflows / (outflows) from takaful activities	186,637	79,959	41,224	(161,702)
<b>(b) Other operating activities</b>				
Income tax paid	(76,551)	(21,250)	(18,114)	-
Other payments / (receipts)	-	-	3,278	(14,675)
Expenses paid	-	-	-	-
Net cash (outflows) / inflows from other operating activities	(76,551)	(21,250)	(14,836)	(14,675)
<b>Total cash inflows / (outflows) from operating activities</b>	<b>110,086</b>	<b>58,709</b>	<b>26,388</b>	<b>(176,377)</b>
<b>(c) Investment activities</b>				
Profit received on bank deposits and investments	19,308	7,929	38,613	19,994
Payment for investments	(200,000)	(36,943)	(427,380)	(1,814)
Proceeds from disposal of investments	39,387	36,945	-	-
Fixed capital expenditure	(9,402)	(3,568)	-	-
<b>Total cash inflows from investing activities</b>	<b>(150,707)</b>	<b>4,363</b>	<b>(388,767)</b>	<b>18,180</b>
<b>(d) Financing activities</b>				
Contribution to Operator's fund	-	-	-	-
Ceded money	-	-	-	-
<b>Total cash inflows from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash inflows / (outflows) from all activities</b>	<b>(40,621)</b>	<b>63,072</b>	<b>(362,379)</b>	<b>(158,197)</b>
Cash and cash equivalent at the beginning of the period	264,235	209,446	522,515	552,900
<b>Cash and cash equivalent at the end of the period</b>	<b>223,614</b>	<b>272,518</b>	<b>160,136</b>	<b>394,703</b>
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	110,086	58,709	26,388	(176,377)
Depreciation	(1,680)	(1,730)	-	-
Amortization	(2,727)	(2,378)	-	-
(Decrease) / Increase in assets other than cash	30,419	(11,972)	233,824	19,777
(Increase) / Decrease in liabilities other than cash	(60,051)	(1,529)	(327,156)	162,318
Investment income	7,257	2,317	19,294	7,616
Return on bank deposits	17,307	8,168	22,335	11,940
<b>Net (loss) / profit for the period</b>	<b>100,611</b>	<b>51,585</b>	<b>(25,315)</b>	<b>25,274</b>
<b>Attributed to</b>				
Operator's Takaful Fund	100,611	51,585	-	-
Participants' Takaful Fund	-	-	(25,315)	25,274
	<b>100,611</b>	<b>51,585</b>	<b>(25,315)</b>	<b>25,274</b>

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

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Notes to the Condensed Interim Financial Statements (Unaudited)**  
**For the six months period ended June 30, 2022**

**1 Legal status and nature of business**

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

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

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

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

This condensed interim financial information for the six months period ended June 30, 2021 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator's for the year ended December 31, 2021. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2021, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial information of the Operator's for the three months period ended June 30, 2021.

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

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

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

**3 Basis of measurement**

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

**4 Accounting policies**

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2021.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of January 01, 2021, as mentioned in the financial statement for the year ended December 31, 2021. Furthermore, the Company has adopted the temporary exemption which allows the Company to defer the application of both IFRS 9 and IFRS 17 until December 31, 2023.

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

**5 Use of estimates and judgments**

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

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended December 31, 2021.

**6 Takaful and Financial risk management**

The Operator's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2021.

	Note	Operator's Takaful Fund	
		June 30, 2022	December 31, 2021
		Rupees in thousand	
		(Unaudited)	(Audited)
<b>7 Property and equipment</b>			
Opening balance - net book value		18,903	18,793
Additions during the period	7.1	7,503	3,593
Book value of disposals during the period		-	-
Depreciation charged during the period		(1,680)	(3,483)
		(1,680)	(3,483)
Closing balance - net book value		24,726	18,903
Capital work - in - progress	7.2	5,180	3,980
		29,906	22,883
<b>7.1 Additions during the period</b>			
Motor vehicles		7,123	3,509
Computer and related accessories		380	84
		7,503	3,593
<b>7.2 Capital work in progress</b>			
Opening balance		3,980	2,000
Additions during the year		1,200	2,680
Transfer to intangibles		-	(700)
Closing balance		5,180	3,980

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

<b>8 Intangible assets</b>			
Opening balance - net book value		10,409	12,421
Transfer from capital work-in-progress		-	700
Additions during the period		700	2,240
Book value of disposal during the period		-	-
Amortization charged during the period		(2,727)	(4,952)
		(2,727)	(4,952)
Closing balance		8,382	10,409

June 30, 2022			December 31, 2021		
Cost	Impairment/ Provision	Carrying Value	Cost	Impairment/ Provision	Carrying Value
Rupees in thousand			Rupees in thousand		
(Unaudited)			(Audited)		

**9 Investments in equity securities**

**Operator's Takaful Fund**

**Available for sale - Mutual fund**

Meezan Islamic Income Fund  
[Nil units (2021: 766,531 units)]  
Unrealized gain on revaluation

-	-	-	36,963	-	36,963
		-			1,363
		-			38,326

Meezan Rozana Amdani Fund  
[2,002,152 units (2021: Nil units)]  
Unrealized gain on revaluation

100,108	-	100,108	-	-	-
		-			-
		100,108			-

**Participants' Takaful Fund**

**Available for sale - Mutual fund**

Al Hamra Islamic Income Fund  
[145 units (2021: 508,710 units)]  
Unrealized gain on revaluation

15	-	15	53,885	-	53,885
		-			15
		15			53,900

No. of Certificates			Value of Certificates		
June 30, 2022	December 31, 2021	Face Value	June 30, 2022	December 31, 2021	
			Rupees in thousand		
			(Unaudited)		
			(Audited)		

**10 Investments in debt securities**

**Participants' Takaful Fund**

**Held - to - maturity**

**Sukuk certificates**

Engro Polymer & Chemicals Limited 500 500 100,000 50,000 50,000  
The Hub Power Company Limited (HUBCO) 562.5 750 100,000 56,250 75,000

106,250 125,000

**Operator's Takaful Fund**

**Held - to - maturity**

**Sukuk certificates**

Pak Electron Limited (PEL) 75 75 1,000,000 75,000 75,000

75,000 75,000

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>11 Investments in Term Deposits Held - to - maturity</b>				
Deposit maturing within one month	100,000	-	550,000	50,000
	<u>100,000</u>	<u>-</u>	<u>550,000</u>	<u>50,000</u>
	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>12 Loans and other receivables - Considered good</b>				
Advance taxes	834	-	(150)	-
Federal excise duty	-	-	60,015	50,967
Accrued income	5,028	2,309	7,403	4,387
Loan to employees	3,297	3,928	-	-
Security deposits	310	310	-	-
Bid money for tenders	-	-	21,397	16,803
Advances	7,686	6,462	-	-
	<u>17,155</u>	<u>13,009</u>	<u>88,665</u>	<u>72,157</u>
	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>13 Takaful / Re - takaful receivables - Unsecured and considered good</b>				
Due from takaful participants' holders			524,218	281,280
Less: provision for impairment of takaful participants' holder			-	-
			<u>524,218</u>	<u>281,280</u>
Due from other takaful / re - takaful operator's			163,896	142,234
Less: provision for impairment of due from other takaful / re - takaful operator's			-	-
			<u>163,896</u>	<u>142,234</u>
			<u>688,114</u>	<u>423,514</u>
	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>14 Prepayments</b>				
Prepaid re - takaful contribution ceded	-	-	61,363	109,704
Prepaid monitoring charges (Tracking device)	-	-	15,034	15,826
Prepaid Expense	1,334	-	-	-
	<u>1,334</u>	<u>-</u>	<u>76,397</u>	<u>125,530</u>
	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>15 Cash and bank</b>				
<b>Cash and cash equivalents:</b>				
Cash in hand	226	226	-	-
<b>Current and other accounts:</b>				
Profit or loss accounts	15.1	223,388	264,009	160,136
		<u>223,614</u>	<u>264,235</u>	<u>160,136</u>
				<u>522,515</u>

15.1 Saving accounts carry expected profit rates ranging from 7% to 8% (2021: 3% to 8%).

	Participants' Takaful Fund	
	June 30, 2022	December 31, 2021
	Rupees in thousand	
	(Unaudited)	(Audited)
<b>16 Takaful / re - takaful payables</b>		
Due to takaful participants' holders	25,166	15,641
Due to other takaful / re - takaful operator's	96,566	81,193
	<u>121,732</u>	<u>96,834</u>

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>17 Other creditors and accruals</b>				
Agents commission payable	52,811	47,448	-	-
Federal insurance fee	-	-	12,681	3,617
Sales tax payable	3,064	1,450	-	-
Income tax deducted at source	2,604	625	40,927	33,071
Accrued expenses	2,712	8,921	-	-
Others	10,283	6,428	6,866	33,146
	<u>71,474</u>	<u>64,872</u>	<u>60,474</u>	<u>69,834</u>

**18 Contingencies and commitments**

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

	For three months period ended		For six months period ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>19 Net contribution revenue</b>				
Gross contribution written	428,502	309,246	1,267,289	708,359
Wakala fee	(127,612)	(93,418)	(363,753)	(216,172)
<b>Contribution net of wakala fee</b>	<b>300,890</b>	<b>215,828</b>	<b>903,536</b>	<b>492,187</b>
Unearned contribution reserve - opening	705,039	452,395	441,519	421,449
Unearned contribution reserve - closing	(630,412)	(425,806)	(630,412)	(425,806)
<b>Contribution earned</b>	<b>375,517</b>	<b>242,417</b>	<b>714,643</b>	<b>487,830</b>
<b>Less:</b>				
Re - takaful contribution ceded	56,902	66,036	152,267	149,003
Prepaid re - takaful contribution ceded - opening	102,029	84,608	109,704	83,834
Prepaid re - takaful contribution ceded - closing	(61,363)	(71,632)	(61,363)	(71,632)
<b>Re - takaful expense</b>	<b>97,568</b>	<b>79,012</b>	<b>200,608</b>	<b>161,205</b>
<b>Net contribution</b>	<b>277,949</b>	<b>163,405</b>	<b>514,035</b>	<b>326,625</b>

**20 Re - takaful rebate**

Re - takaful rebate received	10,594	10,958	25,235	25,799
Unearned re - takaful rebate - opening	20,725	17,710	22,466	17,183
Unearned re - takaful rebate - closing	(12,803)	(14,649)	(12,803)	(14,649)
<b>Net re-takaful rebate</b>	<b>18,516</b>	<b>14,019</b>	<b>34,898</b>	<b>28,333</b>

**21 Net Takaful Claims**

Claims Paid	278,537	142,366	499,988	491,338
Outstanding claims including IBNR - closing	468,949	427,539	468,949	427,539
Outstanding claims including IBNR - opening	(395,749)	(392,679)	(354,540)	(558,082)
<b>Claims expense</b>	<b>351,737</b>	<b>177,226</b>	<b>614,397</b>	<b>360,795</b>

**Less:**

Re - takaful and other recoveries received	609	3,751	24,659	134,913
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any)	205,532	246,092	205,532	246,092
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any)	(167,107)	(192,057)	(190,936)	(315,118)
<b>Re-takaful and other recoveries revenue</b>	<b>39,034</b>	<b>57,786</b>	<b>39,255</b>	<b>65,887</b>
<b>Net claims expense</b>	<b>312,703</b>	<b>119,440</b>	<b>575,142</b>	<b>294,908</b>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>22 Commission Expense</b>				
Commission paid or payable	32,449	44,260	73,644	69,970
Deferred commission - opening	52,768	33,585	45,347	39,961
Deferred commission - closing	(50,771)	(46,108)	(50,771)	(46,108)
<b>Net commission expense</b>	<b>34,446</b>	<b>31,737</b>	<b>68,220</b>	<b>63,823</b>
	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>23 Wakala Fee</b>				
Gross Wakala fee	127,612	93,418	363,753	216,172
Unearned Wakala fee - Opening	287,349	200,692	191,460	178,766
Unearned Wakala fee - Closing	(262,724)	(188,574)	(262,724)	(188,574)
<b>Net wakala fee</b>	<b>152,237</b>	<b>105,536</b>	<b>292,489</b>	<b>206,364</b>
	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>24 Management Expenses</b>				
Employee benefit cost	30,945	23,643	59,503	46,360
Depreciation	907	866	1,679	1,730
Amortization	1,369	1,189	2,727	2,378
Advertisement and sales promotion	2,586	6,014	2,860	8,594
Rent, rates and taxes	930	1,014	1,860	2,028
Communication	324	458	667	895
Legal and professional charges - business related	374	-	398	-
Travelling and conveyance expenses	592	145	994	320
Shared expenses	6,165	5,023	12,498	9,908
Entertainment	594	248	1,113	826
Printing, stationery and postage	503	183	562	494
Annual supervision fee SECP	608	483	1,215	967
Bank charges	12	28	68	41
Repair and maintenance	833	463	1,064	823
Others	2,257	2,052	4,881	4,990
	<b>48,999</b>	<b>41,809</b>	<b>92,089</b>	<b>80,354</b>
	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>25 Investment Income</b>				
<b>Operator's Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	127	8	1,073	8
Mutual funds - Capital Gain	1,620	2,309	1,620	2,309
Term Deposits	534	-	534	-
Sukuks	2,145	-	4,030	-
	<b>4,426</b>	<b>2,317</b>	<b>7,257</b>	<b>2,317</b>
<b>Participants' Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	1,586	2,135	1,586	2,135
Sukuks	3,384	2,736	6,813	5,481
Term Deposits	9,042	-	10,895	-
	<b>14,012</b>	<b>4,871</b>	<b>19,294</b>	<b>7,616</b>
	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Rupees in thousand		Rupees in thousand	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>26 Other Income</b>				
<b>Operator's Takaful Fund</b>				
Profit on bank deposits	10,290	4,394	17,307	8,168
	<b>10,290</b>	<b>4,394</b>	<b>17,307</b>	<b>8,168</b>
<b>Participants' Takaful Fund</b>				
Profit on bank deposits	11,183	5,411	22,335	11,940
	<b>11,183</b>	<b>5,411</b>	<b>22,335</b>	<b>11,940</b>

**27 Transactions with related parties**

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

	<b>June 30, 2022</b>	<b>June 30, 2021</b>
	<b>Rupees in thousand</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>i) Transactions</b>		
<b>Subsidiary Company</b>		
Contribution underwritten	<b>4,316</b>	3,105
Contribution received	-	2,740
Claims paid	<b>1,003</b>	630,341
<b>Other related parties</b>		
Contribution underwritten	<b>91,327</b>	92,221
Contribution received	<b>121,759</b>	113,823
Claims paid	<b>599</b>	50,931
Income on bank deposits	<b>8,377</b>	4,926
<b>ii) Period end balances</b>		
<b>Subsidiary Company</b>		
Balances payable	<b>712</b>	150
Balances receivable	<b>169</b>	547
<b>Other related parties</b>		
Balances receivable	<b>4,907</b>	11,796
Balances payable	<b>34,503</b>	24,212
Cash and bank balances	<b>214</b>	188,349
Contribution received in advance	<b>599</b>	585



## 28 Segment Information

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

28.1

	Participants' Takaful Fund					Total
	June 30, 2022 (Unaudited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	83,317	53,616	614,343	573,596	44,886	1,369,758
Less : Federal excise duty	(10,829)	(6,693)	(74,139)	(1,013)	(5,615)	(98,289)
Federal insurance fee	(718)	(465)	(5,356)	(5,682)	(388)	(12,609)
Gross direct written contribution (inclusive of administrative surcharge)	71,770	46,458	534,848	566,901	38,883	1,258,860
facultative inward contribution	346	85	-	-	7,998	8,429
<b>Gross Contribution Written</b>	72,116	46,543	534,848	566,901	46,881	1,267,289
Wakala fee	(20,193)	(16,290)	(173,825)	(141,725)	(11,720)	(363,753)
<b>Contribution net of wakala fee</b>	51,923	30,253	361,023	425,176	35,161	903,536
Contribution earned	92,123	29,612	299,138	259,345	34,425	714,643
Takaful contribution ceded to retakaful	(106,156)	(36,728)	(20,819)	-	(36,905)	(200,608)
Net takaful contribution	(14,033)	(7,116)	278,319	259,345	(2,480)	514,035
Re-takaful rebate	21,118	8,159	(797)	-	6,418	34,898
<b>Net underwriting income</b>	7,085	1,043	277,522	259,345	3,938	548,933
Takaful claims	15,464	(14,766)	(292,528)	(302,602)	(19,965)	(614,397)
Re - takaful and other recoveries	(13,108)	10,507	25,560	-	16,296	39,255
Net claims	2,356	(4,259)	(266,968)	(302,602)	(3,669)	(575,142)
Contribution deficiency reserve				1,319	(1,319)	-
Direct expenses	(557)	(24)	(21,381)	(680)	(224)	(22,866)
<b>Net takaful claims and expenses</b>	1,799	(4,283)	(288,349)	(301,963)	(5,212)	(598,008)
<b>(Deficit) / surplus before investment income</b>	8,884	(3,240)	(10,827)	(42,618)	(1,274)	(49,075)
Other income						19,294
Investment income						22,335
Mudarib fee						(3,859)
<b>Surplus transferred to Balance of PTF</b>						(11,305)
Corporate segment assets	138,565	46,428	368,812	307,793	93,411	955,009
Corporate unallocated assets	-	-	-	-	-	920,100
<b>Total assets</b>	<b>138,565</b>	<b>46,428</b>	<b>368,812</b>	<b>307,793</b>	<b>93,411</b>	<b>1,875,109</b>
Corporate segment liabilities	133,266	36,985	660,242	531,063	92,300	1,453,856
Corporate unallocated liabilities	-	-	-	-	-	206,934
<b>Total liabilities</b>	<b>133,266</b>	<b>36,985</b>	<b>660,242</b>	<b>531,063</b>	<b>92,300</b>	<b>1,660,790</b>

## 28.1.1

	June 30, 2021 (Unaudited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	73,067	31,570	495,362	109,863	45,025	754,887
Less : Federal excise duty	(5,302)	(2,101)	(37,989)	(3)	(4,986)	(50,381)
Federal insurance fee	(358)	(141)	(2,742)	(423)	(341)	(4,005)
Gross direct written contribution (inclusive of administrative surcharge)	67,407	29,328	454,631	109,437	39,698	700,501
facultative inward contribution	828	30	-	-	7,000	7,858
<b>Gross Contribution Written</b>	68,235	29,358	454,631	109,437	46,698	708,359
Wakala fee	(19,106)	(10,276)	(147,757)	(27,359)	(11,674)	(216,172)
<b>Contribution net of wakala fee</b>	49,129	19,082	306,874	82,078	35,024	492,187
Contribution earned	69,942	19,593	272,056	98,573	27,666	487,830
Takaful contribution ceded to retakaful	(79,878)	(24,394)	(23,864)	-	(33,069)	(161,205)
Net takaful contribution	(9,936)	(4,801)	248,192	98,573	(5,403)	326,625
Re-takaful rebate	19,491	5,129	(144)	-	3,857	28,333
<b>Net underwriting income</b>	9,555	328	248,048	98,573	(1,546)	354,958
Takaful claims	(68,331)	(6,975)	(172,466)	(108,429)	(4,594)	(360,795)
Re - takaful and other recoveries	60,215	2,202	(684)	-	4,154	65,887
Net claims	(8,116)	(4,773)	(173,150)	(108,429)	(440)	(294,908)
Contribution deficiency reserve				(18,943)	(1,319)	(20,262)
Direct expenses	(1,195)	(241)	(29,848)	(877)	(386)	(32,547)
<b>Net takaful claims and expenses</b>	(9,311)	(5,014)	(202,998)	(128,249)	(2,145)	(347,717)
<b>(Deficit) / surplus before investment income</b>	244	(4,686)	45,050	(29,676)	(3,691)	7,241
Other income						7,616
Investment income						11,940
Mudarib fee						(1,523)
<b>Surplus transferred to Balance of PTF</b>						25,274

	December 31, 2021 (Audited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Corporate segment assets	236,130	45,641	296,000	65,998	80,385	724,154
Corporate unallocated assets	-	-	-	-	-	839,398
<b>Total assets</b>	236,130	45,641	296,000	65,998	80,385	1,563,552
Corporate segment liabilities	233,409	43,224	568,284	182,390	76,047	1,103,354
Corporate unallocated liabilities	-	-	-	-	-	220,553
<b>Total liabilities</b>	233,409	43,224	568,284	182,390	76,047	1,323,907

## 28.1.2

Operator's Takaful Fund						
June 30, 2022 (Unaudited)						
Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	35,826	15,945	144,029	85,215	11,474	292,489
Less : Commission expense	(19,302)	(4,819)	(32,340)	(7,417)	(4,342)	(68,220)
Management expenses	(26,058)	(6,504)	(43,654)	(10,012)	(5,861)	(92,089)
	(9,534)	4,622	68,035	67,786	1,271	132,180
Mudarib's share of PTF investment income						3,859
Investment income						7,257
Direct expenses						(2,090)
Other income						17,307
<b>Profit before tax</b>						<b>158,513</b>
Corporate segment assets	15,185	8,835	83,339	67,231	6,596	181,186
Corporate unallocated assets	-	-	-	-	-	701,959
<b>Total assets</b>	<b>15,185</b>	<b>8,835</b>	<b>83,339</b>	<b>67,231</b>	<b>6,596</b>	<b>883,145</b>
Corporate segment liabilities	14,941	681	159,120	82,586	5,396	262,724
Corporate unallocated liabilities	-	-	-	-	-	75,463
<b>Total liabilities</b>	<b>14,941</b>	<b>681</b>	<b>159,120</b>	<b>82,586</b>	<b>5,396</b>	<b>338,187</b>

## 28.1.3

June 30, 2021 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	27,201	10,551	126,533	32,857	9,222	206,364
Less : Commission expense	(14,084)	(4,574)	(35,542)	(6,168)	(3,455)	(63,823)
Management expenses	(17,732)	(5,758)	(44,748)	(7,766)	(4,350)	(80,354)
	(4,615)	219	46,243	18,923	1,417	62,187
Mudarib's share of PTF investment income						1,523
Investment income						2,317
Direct expenses						(1,540)
Other income						8,168
<b>Profit before tax</b>						<b>72,655</b>
December 31, 2021 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Corporate segment assets	33,973	6,715	85,030	19,039	8,770	153,527
Corporate unallocated assets	-	-	-	-	-	570,323
<b>Total assets</b>	<b>33,973</b>	<b>6,715</b>	<b>85,030</b>	<b>19,039</b>	<b>8,770</b>	<b>723,850</b>
Corporate segment liabilities	30,574	336	129,324	26,076	5,150	191,460
Corporate unallocated liabilities	-	-	-	-	-	87,071
<b>Total liabilities</b>	<b>30,574</b>	<b>336</b>	<b>129,324</b>	<b>26,076</b>	<b>5,150</b>	<b>278,531</b>

29 Fair values of financial instruments

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

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

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

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

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

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

		Participants' Takaful Fund								
		June 30, 2022 (Unaudited)								
		Carrying amount					Fair value			
Note	Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	9	15	-	-	-	15	15	-	-	15
<b>Financial assets not measured at fair value</b>										
	10	-	106,250	-	-	106,250	-	-	-	-
	11	-	550,000	-	-	550,000	-	-	-	-
	12	-	-	28,800	-	28,800	-	-	-	-
	13	-	-	688,114	-	688,114	-	-	-	-
		-	-	134,847	-	134,847	-	-	-	-
		-	-	70,685	-	70,685	-	-	-	-
	15	-	-	-	160,136	160,136	-	-	-	-
		15	656,250	922,446	160,136	1,738,847	15	-	-	15
<b>Financial liabilities not measured at fair value</b>										
	21	-	-	-	-	468,949	-	-	-	-
		-	-	-	-	121,732	-	-	-	-
		-	-	-	-	130,415	-	-	-	-
	17	-	-	-	-	6,866	-	-	-	-
		-	-	-	-	727,962	-	-	-	-
<b>Participants' Takaful Fund</b>										
<b>December 31, 2021 (Audited)</b>										
		Carrying amount					Fair value			
Note	Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	9	53,885	-	-	-	53,885	53,900	-	-	53,900
<b>Financial assets not measured at fair value</b>										
	10	-	125,000	-	-	125,000	-	125,000	-	125,000
	11	-	50,000	-	-	50,000	-	-	-	-
	12	-	-	21,190	-	21,190	-	-	-	-
	13	-	-	423,514	-	423,514	-	-	-	-
		-	-	144,551	-	144,551	-	-	-	-
		-	-	46,385	-	46,385	-	-	-	-
	15	-	-	-	522,515	522,515	-	-	-	-
		53,885	175,000	635,640	522,515	1,387,040	53,900	125,000	-	178,900
<b>Financial liabilities not measured at fair value</b>										
	21	-	-	-	-	354,540	-	-	-	-
		-	-	-	-	96,834	-	-	-	-
		-	-	-	-	108,181	-	-	-	-
	17	-	-	-	-	33,146	-	-	-	-
		-	-	-	-	592,701	-	-	-	-

Operator's Takaful Fund										
June 30, 2022 (Unaudited)										
Carrying amount						Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	100,108	-	-	-	100,108	100,108	-	-	100,108
<b>Financial assets not measured at fair value</b>										
Investments - Debt securities	10	-	75,000	-	-	75,000	-	75,000	-	75,000
Investments - Term Deposits	11	-	100,000	-	-	100,000	-	-	-	-
Loan and other receivables	12	-	-	16,321	-	16,321	-	-	-	-
Wakala and mudarib fee receivable	-	-	-	130,415	-	130,415	-	-	-	-
Cash and bank deposits	15	-	-	-	223,614	223,614	-	-	-	-
		100,108	175,000	146,736	223,614	645,458	100,108	75,000	-	175,108
<b>Financial liabilities not measured at fair value</b>										
Other creditors and accruals	17	-	-	-	-	65,806	-	-	-	-
		-	-	-	-	65,806	-	-	-	-
Operator's Takaful Fund										
December 31, 2021 (Audited)										
Carrying amount						Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
Investments - Equity securities	9	38,326	-	-	-	38,326	38,326	-	-	38,326
<b>Financial assets not measured at fair value</b>										
Investments - Debt securities	10	75,000	-	-	-	75,000	-	-	-	-
Loan and other receivables	12	-	-	13,009	-	13,009	-	-	-	-
Wakala and mudarib fee receivable	-	-	-	108,181	-	108,181	-	-	-	-
Cash and bank deposits	15	-	-	-	264,235	264,235	-	-	-	-
		113,326	-	121,190	264,235	498,751	38,326	-	-	38,326
<b>Financial liabilities not measured at fair value</b>										
Other creditors and accruals	17	-	-	-	-	62,797	-	-	-	-
		-	-	-	-	62,797	-	-	-	-

	Operator's Takaful Fund		Participants' Takaful Fund	
	Available for sale	Held to Maturity	Available for sale	Held to Maturity
	Rupees in thousand			
<b>30 Movement in Investment - Available for sale</b>				
<b>At the beginning of previous year</b>	35,872	-	50,614	125,000
Additions	-	75,000	-	50,000
Disposals	-	-	-	-
Fair value gain	2,454	-	3,286	-
(excluding net realized gain)			614	-
<b>At the beginning of current period</b>	<b>38,326</b>	<b>75,000</b>	<b>54,514</b>	<b>175,000</b>
Additions	100,108	100,000	-	550,000
Disposals	(38,326)	-	(54,499)	(68,750)
Fair value gain	-	-	-	-
(excluding net realized gain)				-
<b>At the end of current period</b>	<b>100,108</b>	<b>175,000</b>	<b>15</b>	<b>656,250</b>

**31 Subsequent events - non adjusting event**

There are no significant events that need to be disclosed for the six months period ended June 30, 2022.

**32 Date of authorization for issue**

This condensed financial information was authorized for issue on August 29, 2022 by the Board of Directors of the Operator.

**33 General**

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




Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



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