



Century Insurance Company Limited
A Lakson Group Company

Your Trust Our **Assurance**



Quarterly Report September 2023
(Un-audited)

Century Insurance at a Glance

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance and takaful business.
- One of the premier general insurance companies of Pakistan.
- Rated "AA" with a stable outlook by VIS Credit Rating Co. Limited, signifying a 'very strong capacity to meet policyholders' and contractual obligations.
- Total equity in excess of Rs. 2.6 billion.
- Twice awarded 'Top 25 Companies Award' by the Karachi Stock Exchange.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.

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Our Vision

To be an organization known for integrity and ethical behavior and fully dedicated to its Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of its operations.

Our Mission

- To become a company of choice for its valued Clients, Stockholders and Employees.
- To ensure continued growth of the financial strength and resilience of the company so that it may be able to withstand any unexpected shocks or cyclical economic downturns.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.



Corporate information

Board of Directors

Mr. Iqbal Ali Lakhani - Chairman
Mr. Amin Mohammed Lakhani
Ms. Anushka Lakhani
Mr. Aftab Ahmad
Mr. Jawed Akhlaq
Mr. Atiq Anwar Mahmudi
Mr. Mohammad Hussain Hirji - Chief Executive

Advisor

Mr. Sultan Ali Lakhani

Chief Financial Officer

Mr. Sabza Ali Pirani

Company Secretary

Mr. Mansoor Ahmed

Audit Committee

Mr. Atiq Anwar Mahmudi - Chairman
Mr. Amin Mohammed Lakhani
Mr. Aftab Ahmad

Investment Committee

Mr. Iqbal Ali Lakhani - Chairman
Mr. Aftab Ahmad
Mr. Mohammad Hussain Hirji
Mr. Sabza Ali Pirani

Ethics, Human Resource & Remuneration Committee

Mr. Jawed Akhlaq - Chairman
Mr. Amin Mohammed Lakhani
Mr. Mohammad Hussain Hirji

External Auditors

M/s. BDO Ebrahim & Co.
Chartered Accountants

Share Registrar

M/s. FAMCO Associates (Pvt) Ltd.
8-F, Near Hotel Faran, Nursery,
Block-6, P.E.C.H.S., Shahra-e-Faisal,
Karachi.
Tel: (021) 34380101-2
Fax: (021) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Bankers

Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
NRSP Microfinance Bank Limited
Silkbank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Telenor Microfinance Bank Limited
U Microfinance Bank Limited
United Bank Limited

Registered & Corporate Office

Lakson Square, Building No. 2,
Sarwar Shaheed Road, Karachi-74200.

Head Office

11th Floor, Lakson Square, Building No. 3,
Sarwar Shaheed Road, Karachi-74200.

Website: www.cicl.com.pk
UAN: 111-111-717
NTN: 0710008-6

Directors' Review

On behalf of the Board of Directors, we are pleased to present to you the un-audited financial statements for the nine-month period ended September 30, 2023.

General Review

The overall operational performance of the Company for the nine-month period ended September 30, 2023 has been satisfactory. Gross written premium (inclusive of takaful contribution) has increased by Rs. 194.3 million (12%) to Rs. 1,751.5 million whereas net premium has increased by Rs. 82.9 million (11%) to Rs. 871.5 million. Underwriting profit stood at Rs. 161.2 million, up by Rs. 25.0 million. Investment & other income is Rs. 350.1 million, also up by Rs. 165.2 million (89%). Earnings Per Share (EPS) stood at Rs. 5.75.

Operational Results

The comparative financial highlights for the nine-month period ended September 30, 2023 and September 30, 2022 are presented below:

Description	Rs. In Millions (except as otherwise stated)			
	2023	2022	Increase Amount	%
Gross Written Premium (including Takaful Contribution)	1,751	1,557	194	12
Net Premium	872	789	83	11
Underwriting results	161	136	25	18
Investment & other income	350	185	165	89
Profit from Window Takaful Operations	44	21	23	110
Profit before tax	544	330	214	65
Profit after tax	318	203	115	57
Earnings per share (Rs.)	5.75	3.68	2.07	56
Total assets	4,965	4,459	506	11
Paid-up capital	553	553	-	-
Total equity	2,607	2,335	272	12

As compared to the nine-month period ended September 30, 2022, the gross written premium (inclusive of takaful contribution) for Fire has increased by Rs. 49.9 million (12%), Marine by Rs. 36.0 million (11%), Motor by Rs. 11.2 million (3%), Accident & Health by Rs. 85.9 million (27%) and Miscellaneous by Rs. 11.3 million (16%).

Window Takaful Operations

Participant Takaful Fund (PTF)

The gross written contribution for the nine-month period ended September 30, 2023 is Rs. 206.9 million as compared to Rs. 162.6 million for the same period last year. Net contribution revenue (before adjustment for wakala fee) is Rs. 99.1 million and the surplus is Rs. 22.1 million.

Operator's Fund (OPF)

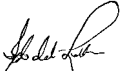
Gross wakala fee income for the nine-month period ended September 30, 2023 is Rs. 74.9 million while net wakala fee income is Rs. 64.5 million. Profit before tax is Rs. 43.9 million.

Future Outlook

The management is making concerted efforts to increase market share and profitability and the business of the Company is expected to continue to grow at a steady pace. We shall continue to strive to identify new and innovative products and distribution channels, expand the branch network to serve clients in new cities and recruit, train and motivate our employees so as to maintain the momentum of profitable growth. We are hopeful that this will result in improved sustainability and enhanced shareholder equity.

Acknowledgments

On behalf of the directors of the company, we wish to place on record our appreciation of the efforts of all the employees of the company in enabling its growth and success. We are also grateful to our clients for their patronage, to the Securities & Exchange Commission of Pakistan (SECP) for its guidance as regulator of the insurance industry and to our reinsurers and shareholders for their trust and confidence in the company.



Iqbal Ali Lakhani
Chairman



Mohammad Hussain Hirji
Director & Chief Executive

Karachi: October 26, 2023

تیسری سہ ماہی 30 ستمبر 2022ء کے مقابلے میں مجموعی پریکیم (بشمول ٹکا فل کنز بیوشن) برائے آتش زدگی میں 49.9 ملین روپے (12 فیصد)، بحری بیمہ میں 36.0 ملین روپے (11 فیصد)، موٹر بیمہ میں 11.2 ملین روپے (3 فیصد)، بیمہ حادثہ وصحت میں 85.9 ملین روپے (27 فیصد) اور بیمہ متفرق میں 11.3 ملین روپے (16 فیصد) اضافہ ہوا ہے۔

وٹڈو ٹکا فل آپریشنز

شراکت داروں کا ٹکا فل فنڈ تیسری سہ ماہی 30 ستمبر 2023ء میں شراکت داروں کا تحریر شدہ مجموعی کنز بیوشن کا فنڈ 206.9 ملین روپے جبکہ اسی مدت کے دوران گزشتہ سال 162.6 ملین روپے رہا۔ خالص کنزی بیوشن وکالہ فیس کی ایڈجسٹمنٹ سے پہلے 99.1 ملین روپے رہا اور سرپلس 22.1 ملین روپے رہا۔

آپریٹر فنڈ مجموعی وکالہ فیس برائے تیسری سہ ماہی 30 ستمبر 2023ء میں 74.9 ملین روپے ہے۔ جبکہ خالص وکالہ فیس کی آمدنی 64.5 ملین روپے ہے۔ قبل از ٹیکس منافع 43.9 ملین روپے رہا۔

مستقبل کے خدوخال

کمپنی کی انتظامیہ کاروبار میں منافع اور مارکیٹ شیئر میں اضافے کی مستحکم رفتار کو برقرار رکھنے کے لیے ٹھوس اقدامات کر رہی ہے۔ ہم منافع بخش ترقی کی رفتار کو برقرار رکھنے کے لیے نئی اور جدید مصنوعات کی شناخت، دیگر شہروں میں کلائنٹ کی خدمات کی غرض سے اضافی برانچوں کے قیام اور بیمہ فروخت کے عملے کی حوصلہ افزائی اور تربیت کرتے رہیں گے۔ ہم امید کرتے ہیں کہ مندرجہ بالا اقدامات حصص یافتگان کی ایکویٹی میں اضافے اور بہتر پائیداری کا باعث بنیں گے۔

اعترافات

میں ادارے کی ترقی اور کامیابی کو ممکن بنانے کے لیے تمام ملازمین کی کوششوں پر انہیں کمپنی ڈائریکٹرز کی جانب سے سراہنا چاہتا ہوں۔ ہم اپنے شانہ بشانہ رہنے پر تمام کلائنٹس، انشورنس انڈسٹری میں ریگولیٹرز کی حیثیت سے رہنمائی کرنے پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور کمپنی پر بھروسہ و اعتماد کرنے پر اپنے ری انشورر اور شیئرز ہولڈرز کے بھی شکر گزار ہیں۔

Muhammad Iqbal Ali

محمد حسین جبرجی
ڈائریکٹر اور چیف ایگزیکٹو

Iqbal Ali

اقبال علی لاکھانی
چیئرمین

کراچی: 26 اکتوبر 2023ء

ڈائریکٹرز کی جائزہ رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم مسرت کے ساتھ 30 ستمبر 2023ء کو ختم ہونے والی تیسری سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کر رہے ہیں۔

عمومی جائزہ

30 ستمبر 2023ء کو ختم ہونے والی تیسری سہ ماہی کی مدت میں ادارے کی آپریشن کارکردگی میں بہتر آئی ہے۔ مشترکہ مجموعی پریمیئم (بشمول ٹکنال کزیوشن) 194.3 ملین روپے جو کہ 12 فیصد اضافے کے ساتھ 1,751.5 ملین روپے ہوا۔ مجموعی خالص پریمیئم 82.9 ملین روپے جو کہ 11 فیصد اضافے کے ساتھ 871.5 ملین روپے ہوا۔ انڈرائٹنگ آمدنی 161.2 ملین روپے رہی ہے جس میں 25.0 ملین روپے کا اضافہ ہوا۔ انوسمنٹ اور دیگر آمدنی 350.1 ملین روپے رہی جو کہ 89 فیصد کے ساتھ 165.2 ملین روپے کا اضافہ ہے۔ فی حصص آمدنی 5.75 روپے رہی ہے۔

کاروباری امور کے نتائج

تیسری سہ ماہی کی مدت 30 ستمبر 2023ء اور 30 ستمبر 2022ء کی تقابلی مالیاتی جھلکیاں درج ذیل ہیں۔

(روپے ملین میں علاوہ دیگر بیانیہ)

بیان	30 ستمبر 2023ء	30 ستمبر 2022ء	اضافہ/(کمی) (رقم)	فیصد
تحریر شدہ مجموعی پریمیئم (بشمول ٹکنال کزیوشن)	1,751	1,557	194	12
خالص پریمیئم	872	789	83	11
انڈر رائٹنگ نتائج	161	136	25	18
سرمایہ کاری و دیگر آمدنی	350	185	165	89
ونڈ ٹکنال آپریشن سے منافع	44	21	23	110
منافع قبل از ٹیکس	544	330	214	65
منافع بعد از ٹیکس	318	203	115	57
آمدنی فی حصص (روپے)	5.75	3.68	2.07	56
کل اثاثہ جات	4,965	4,459	506	11
ادا شدہ سرمایہ	553	553	-	-
کل ایکویٹی	2,607	2,335	272	12

Condensed Interim Statement of Financial Position

As at September 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	------(Rupees) -----	
Assets			
Property and equipment	10	107,548,011	121,843,946
Intangible assets		770,515	840,250
Investment in associates	11	70,185,504	67,361,755
Investments			
Equity securities	12.1	1,070,268,833	1,083,820,780
Debt securities	12.2	1,568,250,050	1,092,079,363
Loan and other receivable	13	141,529,245	46,624,061
Insurance / reinsurance receivable	14	966,348,236	766,758,124
Reinsurance recoveries against outstanding claims	22	185,766,571	193,417,129
Salvage recoveries accrued		8,285,000	8,213,493
Deferred commission expense	23	38,601,300	31,438,864
Deferred taxation		21,232,345	21,041,768
Prepayments	15	341,735,057	250,467,869
Cash and bank	16	224,910,382	426,475,752
Total assets of Window Takaful Operations - Operator's fund	17	219,728,356	171,977,536
Total Assets		<u>4,965,159,405</u>	<u>4,282,360,690</u>

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	------(Rupees)-----	
Equity and Liabilities		
Authorized share capital (70,000,000 Ordinary share of Rs. 10 each)	<u>700,000,000</u>	<u>700,000,000</u>
Capital and reserves attributable to Company's equity holders		
Ordinary share capital	553,264,840	553,264,840
Share premium	254,024,260	254,024,260
Reserves	200,527,420	202,008,210
Unappropriated profit	1,599,283,449	1,419,710,349
Total Equity	<u>2,607,099,969</u>	<u>2,429,007,659</u>
Liabilities		
Underwriting Provisions		
Outstanding claims including IBNR	22 <u>403,320,226</u>	391,209,002
Unearned premium reserve	21 <u>894,454,688</u>	737,791,111
Unearned reinsurance commission	23 <u>60,811,097</u>	56,532,968
Retirement benefits obligation	<u>6,209,424</u>	18,659,835
Premiums received in advance	<u>3,266,149</u>	4,343,566
Insurance / reinsurance payables	18 <u>633,447,852</u>	317,525,344
Other creditors and accruals	19 <u>162,664,737</u>	175,701,035
Taxation - provision less payments	<u>106,019,491</u>	85,084,215
Total Liabilities	<u>2,270,193,664</u>	1,786,847,076
Total liabilities of Window Takaful Operations - Operator's fund	17 <u>87,865,772</u>	66,505,955
Total Equity and Liabilities	<u>4,965,159,405</u>	<u>4,282,360,690</u>
Contingencies and Commitments	20	

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Profit and Loss Account (Un-audited)


For the three and nine months period ended September 30, 2023

	Note	Three months period ended		Nine months period ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		----- (Rupees) -----		----- (Rupees) -----	
Net insurance premium	21	303,249,810	269,872,102	871,457,202	788,516,127
Net insurance claims	22	(134,447,151)	(136,759,582)	(448,326,360)	(429,174,423)
Net commission and other acquisition costs	23	18,439,085	26,530,616	58,103,472	68,839,629
Insurance claims and acquisition expenses		(116,008,066)	(110,228,966)	(390,222,888)	(360,334,794)
Management Expenses		(99,717,519)	(88,415,118)	(320,016,315)	(291,954,052)
Underwriting results		87,524,225	71,228,018	161,217,999	136,227,281
Investment income	24	116,763,248	40,613,889	285,482,406	123,521,704
Other income	25	20,706,954	18,852,755	59,287,097	55,500,620
Other expenses		(1,966,870)	(3,836,737)	(8,361,603)	(8,729,635)
Results of operating activities		223,027,557	126,857,925	497,625,899	306,519,970
Finance costs - lease liabilities		(911,954)	(1,135,811)	(3,106,228)	(3,365,879)
Share of profit from associate		-	-	5,335,752	5,913,016
Profit from Window Takaful Operations	17	16,036,841	9,343,539	43,918,465	20,529,295
Profit before tax		238,152,444	135,065,653	543,773,888	329,596,402
Income tax expense - current - tax		(89,946,262)	(50,168,082)	(210,702,795)	(111,751,697)
- Prior		4,483,865	(65,091)	(14,247,474)	(16,001,901)
- deferred		691,819	11,016	(823,647)	1,500,361
		(84,770,578)	(50,222,157)	(225,773,916)	(126,253,237)
Profit after tax		153,381,866	84,843,496	317,999,972	203,343,165
Earnings per share of Rs.10 each - basic and diluted	26	2.77	1.53	5.75	3.68

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



Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Aftab Ahmad
Director



Mohammad Hussain Hirji
Director & Chief Executive



Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three and nine months period ended September 30, 2023

	Three months period ended		Nine months period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
Profit after tax	153,381,866	84,843,496	317,999,972	203,343,165
Other comprehensive income				
Item to be reclassified to profit and loss account in subsequent period:				
Unrealised appreciation / (diminution) 'available for sale' investments - net of tax	5,023,137	8,293,063	2,291,396	(2,068,423)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	(1,271,790)	-	(4,774,649)	(18,165,906)
	3,751,347	8,293,063	(2,483,253)	(20,234,329)
Unrealised appreciation / (diminution) 'available for sale' investments of Window Takaful Operations - net of tax	1,708,138	(54,553)	1,968,143	10,178
Reclassification adjustment for net gain on available for sale investments of Window Takaful Operation - net of tax	-	-	(965,680)	(6,456)
	1,708,138	(54,553)	1,002,463	3,722
Share in other comprehensive income of an associate - net of tax	-	-	(110,403)	(12,233)
Total comprehensive income for the period	158,841,351	93,082,006	316,408,779	183,100,325


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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended September 30, 2023

	September 30, 2023	September 30, 2022
Note	------(Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance premium received	1,426,905,707	1,238,345,472
Reinsurance premium paid	(220,475,816)	(265,968,457)
Claims paid	(594,061,486)	(689,907,039)
Reinsurance and other recoveries received	108,257,006	141,020,920
Commissions paid	(63,568,391)	(63,094,879)
Commissions received	24,078,763	87,352,766
Management expenses paid	(322,535,315)	(282,275,615)
Net cash inflow from underwriting activities	<u>358,600,468</u>	165,473,168
(b) Other operating activities		
Income tax paid	(185,485,068)	(117,442,975)
Other operating receipt	(5,569,596)	(1,249,780)
Net cash outflow from other operating activities	<u>(191,054,664)</u>	(118,692,755)
Total cash inflow from operating activities	<u>167,545,804</u>	46,780,413
Investment activities		
Profit / return received	146,478,610	99,795,152
Dividends received	31,203,686	22,889,627
Payments for investments	(5,911,032,435)	(3,023,098,930)
Proceeds from disposal of investments	5,528,326,872	2,813,446,559
Fixed capital expenditure	(11,371,066)	(12,425,095)
Proceeds from sale of property and equipment	1,361,406	5,214,697
Net cash outflow from investing activities	<u>(215,032,927)</u>	(94,177,990)
Financing Activities		
Dividend paid	(137,803,318)	(112,586,136)
Lease rental paid	(16,274,929)	(16,204,379)
Total cash outflow from financing activities	<u>(154,078,247)</u>	(128,790,515)
Net cash outflow from all activities	<u>(201,565,370)</u>	(176,188,092)
Cash at beginning of the period	425,475,752	724,474,690
Cash at end of the nine months period	16.2 <u>223,910,382</u>	<u>548,286,598</u>

	September 30, 2023	September 30, 2022
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	167,545,804	46,780,413
Depreciation / amortization expense	(24,547,343)	(24,985,183)
Profit on disposal of fixed assets	241,748	3,010,025
Profit on disposal of investments	75,455,824	44,482,766
Dividend income	28,802,086	23,811,257
Investment and other income	248,311,418	116,542,315
Increase in assets other than cash	294,140,308	520,214,635
Increase in liabilities other than running finance	(497,338,413)	(539,523,117)
Profit from Window Takaful Operations	25,388,540	13,010,054
Profit after tax	<u>317,999,972</u>	<u>203,343,165</u>


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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un-audited)

For the nine months period ended September 30, 2023

	Attributable to equity holders of the Company					Total
	Share capital	Capital reserves	Revenue reserves			
	Issued, subscribed and paid-up	Share premium	General reserve	Unrealised gain / (loss) 'available for sale' investments	Retained earnings	
	(Rupees)					
Balance as at January 01, 2022	502,968,030	254,024,260	119,000,000	106,233,575	1,282,749,800	2,264,975,665
Total comprehensive income						
Profit after tax for the nine months period	-	-	-	-	203,343,165	203,343,165
Other comprehensive income						
Share in other comprehensive income of an associate	-	-	-	-	(12,233)	(12,233)
Net unrealised loss arising during the period on revaluation of available for sale investments net of tax	-	-	-	(2,058,245)	-	(2,058,245)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account net of tax	-	-	-	(18,172,362)	-	(18,172,362)
Total comprehensive income	-	-	-	(20,230,607)	203,330,932	183,100,325
Transactions with owners recorded directly in equity						
Final cash dividend of Rs. 2.25 (22.5%) per share for the year ended December 31, 2021	-	-	-	-	(113,167,920)	(113,167,920)
Issue of bonus share at the rate of one for every ten share held	50,296,810	-	-	-	(50,296,810)	-
Balance as at September 30, 2022	553,264,840	254,024,260	119,000,000	86,002,968	1,322,616,002	2,334,908,070
Balance as at January 01, 2023	553,264,840	254,024,260	119,000,000	83,008,210	1,419,710,349	2,429,007,659
Total comprehensive income						
Profit after tax for the nine months period	-	-	-	-	317,999,972	317,999,972
Other comprehensive income						
Share in other comprehensive income of an associate	-	-	-	-	(110,403)	(110,403)
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO) net of tax	-	-	-	4,259,539	-	4,259,539
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) net of tax	-	-	-	(5,740,329)	-	(5,740,329)
Total comprehensive income	-	-	-	(1,480,790)	317,889,569	316,408,779
Transactions with owners recorded directly in equity						
Final cash dividend of Rs. 2.5 (25%) per share for the year ended December 31, 2022	-	-	-	-	(138,316,469)	(138,316,469)
Balance as at September 30, 2023	553,264,840	254,024,260	119,000,000	81,527,420	1,599,283,449	2,607,099,969

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Mirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

1 STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the repealed Companies Ordinance, 1984 (now Companies Act 2017). The Company is listed on the Pakistan Stock Exchange Limited and is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Company was granted authorization on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations by Securities and Exchange Commission of Pakistan (SECP) and under Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Company has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017. The Company commenced its activities of Window Takaful Operations on August 18, 2017.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

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

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

In terms of the requirements of The General Takaful Accounting Regulation, 2019, read with SECP SRO 1416(I)/2019 dated November 20, 2019, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

3. BASIS OF MEASUREMENT

These financial statements have been prepared on the historical cost basis except for certain investment which are carried at fair value.

4. FUNCTIONAL AND PRESENTATION CURRENCY

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

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

These condensed interim financial statements for the three months and nine months period ended September 30, 2023 have been prepared under the historical cost convention, except that investments classified as available-for-sale and investment properties are stated at fair value and obligations under employee benefits are measured at present value

5. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company as at and for the year ended December 31, 2022.

5.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2023
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2023
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding - deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

5.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after January 01, 2023:

Standard, interpretation or amendment	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2024

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after January 01, 2023 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

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

**Effective date
(annual periods
beginning on or
after)**

Standard, interpretation or amendment

- IFRS 1 - First-time Adoption of International Financial Reporting Standards

July 01, 2009

- IFRS 17 – Insurance Contracts

January 01, 2023

6. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2022.

7. INSURANCE AND FINANCIAL RISK MANAGEMENT

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

8. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

To determine the appropriate classification of financial assets under IFRS 9, an entity would need to assess the contractual cash flows characteristics of any financial asset. Indeed, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPP) i.e. cash flows that are consistent with a basic lending arrangement. In a basic lending arrangement consideration for the time value of money and credit risk are typically the most significant elements of interest. IFRS 9 defines the terms principal as being the fair value of the financial

asset at initial recognition and the interest as being compensation for (i) the time value of money and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit and loss.

The tables below set out the fair values on gross basis 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.

	September 30, 2023 (Un-audited)				
	Fail the SPPI Test		Pass the SPPI Test		
	Fair value	Change in Unrealized gain or (loss) during the period	Carrying Value	Cost less impairment	Change in Unrealized gain or (loss) during the period
	----- (Rupees) -----				
Financial Assets					
Investment in associate	164,185,403	-	-	-	-
Investments					
- Equity securities - Available for Sale	972,317,135	130,758,682	-	-	-
- Equity securities - Held for trading	97,951,698	3,440,778	-	-	-
- Debt securities - Held for trading	-	-	941,179,091	-	(3,995,379)
- Debt securities - Available for sale	-	-	597,253,341	-	(18,703,362)
- Debt securities - Held to maturity	-	-	29,817,618	-	-
Loans and other receivables*	141,529,245	-	-	-	-
Cash and bank	-	-	224,910,382	-	-
TOTAL	1,375,983,481	134,199,460	1,793,160,432	-	(22,698,741)

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

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

	Gross Carrying amount of debt instruments that pass the SPPI test						Total
	AAA	AA-	A+	A	A-	Unrated	
	(Rupees)						
Investment in debt securities							
Held for trading	-	-	-	-	-	941,179,091	941,179,091
Available for sale	105,433,997	149,850,000	77,968,200	20,000,000	15,000,000	229,001,144	597,253,341
Held to maturity	-	-	-	-	-	-	-
	<u>105,433,997</u>	<u>149,850,000</u>	<u>77,968,200</u>	<u>20,000,000</u>	<u>15,000,000</u>	<u>1,170,180,235</u>	<u>1,538,432,432</u>

9. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the reporting date.

10. PROPERTY AND EQUIPMENT

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	------(Rupees) -----	
Operating assets	10.1	80,458,823	80,468,039
Right of use assets	10.2	24,477,188	36,183,696
Capital work in progress	10.3	2,612,000	5,192,211
		<u>107,548,011</u>	<u>121,843,946</u>

10.1 Operating assets

Opening written down value	80,468,039	83,355,554
Add: Additions during the period / year - at cost		
- Motor vehicles	11,962,190	11,893,200
- Computers and related accessories	1,337,310	2,074,881
- Office equipment	382,075	1,438,431
- Furniture and fixtures	269,702	1,027,255
- Office improvement	-	2,417,262
	13,951,277	18,851,029
Less: - Written down value of deletions	1,119,658	4,683,619
- Depreciation for the period / year	12,840,835	17,054,925
	13,960,493	21,738,544
	<u>80,458,823</u>	<u>80,468,039</u>

10.2 Right of use assets

Opening written down value as at	36,183,696	35,303,605
Additions during the period / year	-	24,058,347
Written down value of disposals / written off	-	(6,571,825)
Depreciation for the period / year	(11,706,508)	(16,606,431)
Closing written down value as at	<u>24,477,188</u>	<u>36,183,696</u>

	(Un-audited)	(Audited)
	September 30,	December 31,
	2023	2022
Note	-----	-----
	----- (Rupees) -----	

10.3 Capital work in progress

Advance against purchase of vehicles	<u>2,612,000</u>	5,192,211
	<u>2,612,000</u>	<u>5,192,211</u>

11. INVESTMENT IN ASSOCIATES

Beginning of the period / year	67,361,755	60,681,713
Share of profit from associates	5,335,752	8,280,916
Dividend received from associates	(2,401,600)	(1,405,635)
Share in other comprehensive loss	(110,403)	(195,239)
End of the period / year	11.1 <u>70,185,504</u>	<u>67,361,755</u>

11.1 This includes investment in Colgate - Palmolive (Pakistan) Limited of Rs. 14.044 million (December 31, 2022: Rs. 14.195 million and Century Paper & Board Mills Limited of Rs. 56.142 million (December 31, 2022: Rs. 53.167 million).

12. INVESTMENTS

12.1 Investments in equity securities

	Note	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
		Cost	Impairment on AFS	Unrealised gain on revaluation	Carrying value	Cost	Impairment on AFS	Unrealised gain / (loss) on revaluation	Carrying value
		----- (Rupees) -----							
Available for sale	12.1.1	841,558,453	-	130,758,682	972,317,135	875,251,013	(2,810,478)	135,804,614	1,008,245,149
Held for trading		94,510,920	-	3,440,778	97,951,698	77,072,486	-	(1,496,855)	75,575,631
		<u>936,069,373</u>	<u>-</u>	<u>134,199,460</u>	<u>1,070,268,833</u>	<u>952,323,499</u>	<u>(2,810,478)</u>	<u>134,307,759</u>	<u>1,083,820,780</u>

12.1.1 Available for sale

Related parties

Mutual funds	348,631,914	-	122,009,114	470,641,028	349,651,560	-	121,534,205	471,185,765
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Others

Listed shares	4,926,319	-	(29,480)	4,896,839	15,152,931	(2,810,478)	2,334,506	14,676,959
Unlisted shares	75,283	-	-	75,283	75,283	-	-	75,283
Mutual funds	487,924,937	-	8,779,048	496,703,985	510,371,239	-	11,935,903	522,307,142
	<u>492,926,539</u>	<u>-</u>	<u>8,749,568</u>	<u>501,676,107</u>	<u>525,599,453</u>	<u>(2,810,478)</u>	<u>14,270,409</u>	<u>537,059,384</u>
	<u>841,558,453</u>	<u>-</u>	<u>130,758,682</u>	<u>972,317,135</u>	<u>875,251,013</u>	<u>(2,810,478)</u>	<u>135,804,614</u>	<u>1,008,245,149</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

12.2 Investments in debt securities	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Cost	Unrealised Gain / (loss) on revaluation	Carrying value	Cost	Unrealised Gain / (loss) on revaluation	Carrying value
Note	----- (Rupees) -----					
Held for trading						
Government securities	945,174,470	(3,995,379)	941,179,091	396,080,455	(2,677,003)	393,403,452
Held to maturity						
Government securities	12.2.1 & 12.2.2	29,817,618	-	29,817,618		29,788,381
Available for sale						
Sukuk	25,000,000	-	25,000,000	25,000,000	-	25,000,000
Term finance certificate	342,629,200	622,997	343,252,197	192,810,800	581,920	193,392,720
Government securities	12.2.1	248,327,503	(19,326,359)	229,001,144	471,328,483	(20,833,673)
		615,956,703	(18,703,362)	597,253,341	689,139,283	(20,251,753)
		<u>1,590,948,791</u>	<u>(22,698,741)</u>	<u>1,568,250,050</u>	<u>1,115,008,119</u>	<u>(22,928,756)</u>
						<u>1,092,079,363</u>

12.2.1 This includes securities which are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.

12.2.2 The market value of held to maturity debt securities is Rs. 28.679 million (2022: Rs. 29.435 million).

(Un-audited) (Audited)
September 30, December 31,
2023 2022
----- (Rupees) -----

13. LOAN AND OTHERS RECEIVABLE

Accrued investment income	111,817,840	22,550,329
Security deposits	7,464,004	7,988,504
Advance to employees	4,536,115	4,225,628
Advance against expenses	689,409	407,409
Receivable against sale of shares	515,210	438,702
Receivable from Window Takaful Operations	15,958,990	10,439,162
Others	547,677	574,327
	<u>141,529,245</u>	<u>46,624,061</u>

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	------(Rupees) -----	
14. INSURANCE / RE-INSURANCE RECEIVABLE			
Unsecured and considered good			
Due from insurance contract holders	14.1	720,440,571	561,518,491
Less: provision for impairment of receivables from insurance contract holders		(24,169,853)	(24,169,853)
		<u>696,270,718</u>	<u>537,348,638</u>
Amounts due from other insurers / reinsurers		84,057,987	73,304,311
Less: provision for impairment of due from other insurers / reinsurers		(46,012,482)	(46,012,482)
		<u>38,045,505</u>	<u>27,291,829</u>
Reinsurance recoveries due but unpaid		<u>232,032,013</u>	<u>202,117,657</u>
		<u>966,348,236</u>	<u>766,758,124</u>
14.1	This include receivable amounting to Rs. 564.875 million (December 31, 2022: Rs. 384.930 million) due from related parties.		
15. PREPAYMENTS			
Prepaid reinsurance premium ceded		336,440,044	246,734,602
Prepayments		5,295,013	3,733,267
		<u>341,735,057</u>	<u>250,467,869</u>
16. CASH AND BANK			
Cash and cash equivalents			
Cash in hand		504,650	462,900
Policy stamps and bond papers in hand		5,679,800	2,554,268
		<u>6,184,450</u>	<u>3,017,168</u>
Current and other accounts			
Current accounts		37,680,118	18,727,774
Saving accounts		181,045,814	404,730,810
		<u>218,725,932</u>	<u>423,458,584</u>
		<u>224,910,382</u>	<u>426,475,752</u>
16.1	Saving accounts expected profit rate ranging from 14.50% to 21.00% per annum (December 31, 2022: 8.25% to 14.75% per annum).		

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

16.2 Cash includes the following for the purposes of the Statement of Cash Flows:

	(Un-audited) September 30, 2023	(Un-audited) September 30, 2022
	------(Rupees)-----	-----
Cash and bank balance	224,910,382	549,286,598
Less: local currency account with a lien	<u>1,000,000</u>	<u>1,000,000</u>
	<u>223,910,382</u>	<u>548,286,598</u>
	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	------(Rupees)-----	-----

17. WINDOW TAKAFUL OPERATIONS

Assets

Investments	144,311,132	117,626,447
Cash and bank deposits	7,687,914	6,250,537
Current assets - others	<u>67,729,310</u>	<u>48,100,552</u>
Total Assets	<u>219,728,356</u>	<u>171,977,536</u>
Total Liabilities - Current	<u>87,865,772</u>	<u>66,505,955</u>

	Three months period ended		Nine months period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
Profit before tax for the period	<u>16,036,841</u>	<u>9,343,539</u>	<u>43,918,465</u>	<u>20,529,295</u>

Details of assets and liabilities and segment disclosures of Window Takaful Operations are stated in annexed condensed interim financial information.

18. INSURANCE AND REINSURANCE PAYABLES

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	------(Rupees)-----	
Due to other Insurers / reinsurers	633,447,852	317,525,344
	<u>633,447,852</u>	<u>317,525,344</u>

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	------(Rupees)-----	
19. OTHER CREDITORS AND ACCRUALS		
Agent commission payable	51,637,815	50,898,448
Federal excise duty	9,819,850	17,434,800
Federal insurance fees	907,555	2,077,598
Creditors	6,023,339	5,165,045
Retention money	141,073	141,073
Margin deposits	17,671,806	15,229,243
Payable against purchase of shares	451,769	1,274,892
Withholding tax payable	1,939,544	-
Accrued expenses	16,086,537	16,375,097
Deposits from employees against car scheme	21,759,267	18,291,136
Unclaimed dividend	6,464,488	5,951,337
Lease liability	27,492,355	40,661,057
Others	2,269,339	2,201,309
	<u>162,664,737</u>	<u>175,701,035</u>

20. CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

The status of contingencies remain unchanged as disclosed in annual financial statements for the year ended December 31, 2022.

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	------(Rupees)-----	
20.2 Commitments		
Capital work-in-progress		
Software development	<u>600,000</u>	<u>600,000</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

21. NET INSURANCE PREMIUM

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022	Nine months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022
Written Gross premium	545,739,064	379,039,087	1,544,567,113	1,394,584,758
Add : Unearned premium reserve opening	833,197,664	820,102,898	737,791,111	641,585,269
Less: Unearned premium reserve closing	894,454,688	752,469,707	894,454,688	752,469,707
Premium earned	<u>484,482,040</u>	<u>446,672,278</u>	<u>1,387,903,536</u>	<u>1,283,700,320</u>
Less: Reinsurance premium ceded	285,167,044	165,426,056	606,151,776	547,615,988
Add: Prepaid reinsurance premium opening	232,505,230	296,332,863	246,734,602	232,526,948
Less: Prepaid reinsurance premium closing	336,440,044	284,958,743	336,440,044	284,958,743
Reinsurance expense	<u>181,232,230</u>	<u>176,800,176</u>	<u>516,446,334</u>	<u>495,184,193</u>
	<u>303,249,810</u>	<u>269,872,102</u>	<u>871,457,202</u>	<u>788,516,127</u>

22. NET INSURANCE CLAIMS EXPENSE

Claim paid	228,279,132	268,057,743	594,061,486	689,907,039
Add : Outstanding claims including IBNR closing	403,320,226	559,482,030	403,320,226	559,482,030
Less: Outstanding claims including IBNR opening	401,092,559	660,463,354	391,209,002	294,800,833
Claims expense	<u>230,506,799</u>	<u>167,076,419</u>	<u>606,172,710</u>	<u>954,588,236</u>
Less: Reinsurance and others recoveries received	78,715,559	136,432,383	165,496,908	321,989,810
Add: Reinsurance and others recoveries in respect of outstanding claims closing	185,766,571	326,735,657	185,766,571	326,735,657
Less: Reinsurance and others recoveries in respect of outstanding claims opening	168,422,482	432,851,203	193,417,129	123,311,654
Reinsurance and other recoveries revenue	<u>96,059,648</u>	<u>30,316,837</u>	<u>157,846,350</u>	<u>525,413,813</u>
	<u>134,447,151</u>	<u>136,759,582</u>	<u>448,326,360</u>	<u>429,174,423</u>

23. NET COMMISSION EXPENSE

Commission paid or payable	32,380,573	26,495,151	62,424,109	63,660,551
Add : Deferred commission expense opening	25,410,483	25,429,885	31,438,864	28,909,708
Less: Deferred commission expense closing	38,601,300	33,713,980	38,601,300	33,713,980
Net commission	<u>19,189,756</u>	<u>18,211,056</u>	<u>55,261,673</u>	<u>58,856,279</u>
Less: Commission received or recoverable	50,772,659	47,205,375	117,643,274	133,618,846
Add: Unearned Reinsurance commission opening	47,667,279	57,693,831	56,532,968	54,234,596
Less: Unearned Reinsurance commission closing	60,811,097	60,157,534	60,811,097	60,157,534
Commission from reinsurers	<u>37,628,841</u>	<u>44,741,672</u>	<u>113,365,145</u>	<u>127,695,908</u>
	<u>(18,439,085)</u>	<u>(26,530,616)</u>	<u>(58,103,472)</u>	<u>(68,839,629)</u>

24. INVESTMENT INCOME

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023	September 30, 2022	Nine months period ended September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
Income from equity securities				
Available-for-sale				
Dividend income	1,215,552	4,805,918	21,184,301	18,261,848
Held for trading				
Dividend income	3,227,160	2,392,655	7,617,785	5,549,409
Income from debt securities				
Held to maturity				
Return on government securities	1,467,869	1,312,118	3,982,360	4,621,118
Return on other fixed income securities and deposits	-	1,891,683	-	3,022,581
	1,467,869	3,203,801	3,982,360	7,643,699
Available-for-sale				
Return on government securities	14,284,948	15,561,942	45,621,136	30,932,652
Return on other fixed income securities and deposits	20,378,815	7,108,944	54,708,313	24,453,334
	34,663,763	22,670,886	100,329,449	55,385,986
Held-for-trading				
Return on government securities	42,266,964	2,311,601	80,141,980	7,132,565
Net realised gains / (loss) on investments				
Available for sale				
- Gain on sale of equity securities	27,812,485	10,975,484	75,201,768	57,553,680
- Gain / (loss) on debt securities	83,625	-	(2,119,182)	
	27,896,110	10,975,484	73,082,586	57,553,680
Fair value through profit or loss				
- Gain / (loss) on sale of equity securities	1,048,924	(2,581,868)	2,373,238	(13,070,914)
Net unrealised gain / (loss) on investments at fair value through profit and loss (Held for trading purposes)				
- Equity securities	4,181,372	982,887	3,440,779	(4,372,584)
- Debt securities	1,423,254	(3,418,087)	(3,995,379)	(4,902,742)
	5,604,626	(2,435,200)	(554,600)	(9,275,326)
Total investment income	117,390,968	41,343,277	288,157,099	129,180,947
Add: Reversal of impairment in debt securities held to maturity	15,564	-	31,128	62,256
Less: Impairment in value of available-for-sale	-	-	-	(2,810,476)
Less: Investment related expenses	(643,284)	(729,388)	(2,705,821)	(2,911,023)
Investment income	116,763,248	40,613,889	285,482,406	123,521,704

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023	September 30, 2022	Nine months period ended September 30, 2023	September 30, 2022
25. OTHER INCOME	Note ----- (Rupees) -----		----- (Rupees) -----	
Return on bank balances	20,355,983	18,823,899	58,706,674	52,452,103
Gain on sale of fixed assets	32,475	27,609	241,748	3,010,025
Others	318,496	1,247	338,675	38,492
	<u>20,706,954</u>	<u>18,852,755</u>	<u>59,287,097</u>	<u>55,500,620</u>
26. EARNINGS PER SHARE - BASIC AND DILUTED (Restated)	----- (Rupees) -----		----- (Rupees) -----	
Profit after tax for the period	<u>153,381,866</u>	84,843,496	317,999,972	203,343,165
	----- (Numbers) -----		----- (Numbers) -----	
Weighted average number of ordinary shares	<u>55,326,484</u>	55,326,484	55,326,484	55,326,484
	----- (Rupees) -----		----- (Rupees) -----	
Earnings per share - basic and diluted	26.1 <u>2.77</u>	1.53	5.75	3.68

26.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

27. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies; directors and their close family members; staff retirement funds; key management personnel and major shareholders of the Company. The associated companies are associated either based on holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including investments in associates, are disclosed in relevant notes to these condensed interim financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023	September 30, 2022	Nine months period ended September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
Transactions with related parties				
Premium written	248,397,432	105,682,541	925,238,899	786,101,244
Claims paid	114,557,901	65,757,003	233,022,731	175,917,490
Investment in mutual funds	309,022,311	124,251,368	1,416,342,112	476,732,771
Sale of units of mutual funds	329,572,311	117,706,507	1,439,086,017	494,050,673
Dividend received	-	5,792,236	2,401,600	6,448,199
Dividend paid	-	-	106,158,434	86,854,544
Expenses	25,180,790	12,304,089	45,564,688	39,134,022
Staff benefit plans	4,275,477	3,948,305	13,961,982	11,813,191
Remuneration to key management personnel	34,928,707	28,792,554	105,711,097	91,582,993

28. FAIR VALUE MEASUREMENT

IFRS 13 "Fair Value Measurement" defines fair value as 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

Fair value hierarchy

IFRS 13 requires the Company to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;
- Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

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

	September 30, 2023 (Un-audited)										
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)											
Financial assets measured at fair value											
Investments											
- Equity	97,951,698	972,241,852	-	-	-	-	1,070,193,550	102,848,537	647,444,067	319,900,946	1,070,193,550
- Debt	941,179,091	597,253,341	-	-	-	-	1,538,432,432	-	1,538,432,432	-	1,538,432,432
Assets of Window Takaful Operations - Operator's fund	-	144,311,132	-	-	-	-	144,311,132	-	144,311,132	-	144,311,132
Financial assets not measured at fair value											
Cash and bank*	-	-	-	224,910,382	-	-	224,910,382	-	-	-	-
Investments											
- In associates	-	-	-	-	70,185,504	-	70,185,504	148,830,273	-	-	148,830,273
- Debt securities	-	-	29,817,618	-	-	-	29,817,618	-	28,679,000	-	28,679,000
- Unquoted equity shares*	-	75,283	-	-	-	-	75,283	-	-	75,283	75,283
Insurance / reinsurance receivable*	-	-	-	966,348,236	-	-	966,348,236	-	-	-	-
Loan and other receivable*	-	-	-	136,303,721	-	-	136,303,721	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	185,766,571	-	-	185,766,571	-	-	-	-
Assets of Window Takaful Operations - Operator's fund*	-	-	-	66,790,345	-	-	66,790,345	-	-	-	-
Financial liabilities not measured at fair value											
Outstanding claims including IBNR*	-	-	-	-	-	(403,320,226)	(403,320,226)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(633,447,852)	(633,447,852)	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	(149,997,788)	(149,997,788)	-	-	-	-
Total liabilities of Window Takaful Operations - Operator's fund*	-	-	-	-	-	(28,445,028)	(28,445,028)	-	-	-	-
	1,039,130,789	1,713,881,608	29,817,618	1,580,119,255	70,185,504	(1,215,210,894)	3,217,923,880	251,678,810	2,358,866,631	319,976,229	2,990,521,670

December 31, 2022 (Audited)

	Held-for- trading	Available-for- sale	Held-to- maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)											
Financial assets measured at fair value											
Investments											
- Equity	75,575,631	1,008,169,866	-	-	-	-	1,083,745,497	90,252,590	673,591,961	319,900,946	1,083,745,497
- Debt	393,403,452	668,887,530	-	-	-	-	1,062,290,982	-	1,062,290,982	-	1,062,290,982
Assets of Window Takaful Operations											
- Operator's fund	-	117,626,447	-	-	-	-	117,626,447	-	117,626,447	-	117,626,447
Financial assets not measured at fair value											
Cash and bank*											
	-	-	-	426,475,752	-	-	426,475,752	-	-	-	-
Investments											
- In associates	-	-	-	-	67,361,755	-	67,361,755	104,243,252	-	-	104,243,252
- Debt securities	-	-	29,788,381	-	-	-	29,788,381	-	29,435,250	-	29,435,250
- Unquoted equity shares*	-	75,283	-	-	-	-	75,283	-	-	75,283	75,283
Insurance / reinsurance receivable*	-	-	-	766,758,124	-	-	766,758,124	-	-	-	-
Loan and other receivables	-	-	-	41,991,024	-	-	41,991,024	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	193,417,129	-	-	193,417,129	-	-	-	-
Total assets of Window Takaful Operations											
	-	-	-	47,561,740	-	-	47,561,740	-	-	-	-
Financial liabilities not measured at fair value											
Outstanding claims including IBNR*											
	-	-	-	-	-	(391,209,002)	(391,209,002)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(317,525,344)	(317,525,344)	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	(123,654,887)	(123,654,887)	-	-	-	-
Total liabilities of Window Takaful Operations - Operator's fund*											
	-	-	-	-	-	(22,718,850)	(22,718,850)	-	-	-	-
	468,979,083	1,794,759,126	29,788,381	1,476,203,769	67,361,755	(855,108,083)	2,981,984,031	194,495,842	1,882,944,640	319,976,229	2,397,416,711

28.1 Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV & PKFRV rates (MUFAP page).
Term Finance Certificates and Bonds	Investments in debt securities (comprising Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration, etc.

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

28.2 During the period ended September 30, 2023, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

29. SEGMENT INFORMATION

	Three months period ended September 30, 2023 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	(Rupees)					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	259,269,641	147,998,651	116,865,659	74,196,317	28,230,638	626,560,906
Less: - Federal Excise Duty / Sales Tax	31,579,383	15,813,217	14,768,409	1,974,767	3,485,138	67,620,914
- Federal Insurance Fee	2,257,123	1,234,321	1,011,573	809,865	244,924	5,557,806
- Others	20,550	7,524,572	81,450	5,700	10,850	7,643,122
Add: - Facultative inward premium	-	-	-	-	-	-
Gross written premium (inclusive of Administrative Surcharge)	225,412,585	123,426,541	101,004,227	71,405,985	24,489,726	545,739,064
- Gross direct premium	224,877,466	121,215,556	98,697,301	71,302,547	24,256,698	540,349,568
- Facultative inward premium	-	-	-	-	-	-
- Administrative surcharge	535,119	2,210,985	2,306,926	103,438	233,028	5,389,496
	225,412,585	123,426,541	101,004,227	71,405,985	24,489,726	545,739,064
Insurance premium earned	104,340,323	127,145,680	99,303,640	131,664,000	22,028,397	484,482,040
Insurance premium ceded to reinsurers	(93,307,858)	(69,222,085)	(4,006,260)	(188,861)	(14,507,166)	(181,232,230)
Net Insurance premium	11,032,465	57,923,595	95,297,380	131,475,139	7,521,231	303,249,810
Commission income	17,107,891	17,475,776	150,684	54,770	2,839,720	37,628,841
Net underwriting income	28,140,356	75,399,371	95,448,064	131,529,909	10,360,951	340,878,651
Insurance claims	(78,689,300)	(11,497,922)	(38,510,582)	(94,061,016)	(7,747,979)	(230,506,799)
Insurance claims recovered from reinsurers	77,812,038	6,820,966	4,698,346	-	6,728,298	96,059,648
Net claims	(877,262)	(4,676,956)	(33,812,236)	(94,061,016)	(1,019,681)	(134,447,151)
Commission expense	(4,245,372)	(6,838,260)	(5,650,380)	(1,661,532)	(794,212)	(19,189,756)
Management expense	(44,082,784)	(22,738,167)	(18,060,231)	(10,362,245)	(4,474,092)	(99,717,519)
Net insurance claims and expenses	(49,205,418)	(34,253,383)	(57,522,847)	(106,084,793)	(6,287,985)	(253,354,426)
Underwriting results	(21,065,062)	41,145,988	37,925,217	25,445,116	4,072,966	87,524,225
Investment income						116,763,248
Other income						20,706,954
Other expenses						(1,966,870)
Finance costs - Lease liabilities						(911,954)
Share of profit of associates						-
Profit before tax from Window Takaful Operations						16,036,841
Profit before tax for the period						238,152,444

Nine months period ended September 30, 2023 (Un-audited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	----- (Rupees) -----					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	482,873,807	397,570,575	363,848,202	415,730,745	79,673,693	1,739,697,022
Less: - Federal Excise Duty / Sales Tax	60,305,167	42,486,840	45,127,338	8,556,223	9,693,508	166,169,076
- Federal Insurance Fee	4,190,607	3,356,671	3,177,331	4,225,977	692,565	15,643,151
- Others	56,000	16,288,414	246,850	9,300	26,950	16,627,514
Add: - Facultative inward premium	3,073,263	-	135,222	-	101,347	3,309,832
Gross written premium (inclusive of Administrative Surcharge)	421,395,296	335,438,650	315,431,905	402,939,245	69,362,017	1,544,567,113
- Gross direct premium	417,100,507	330,171,206	308,546,614	402,741,617	68,751,947	1,527,311,891
- Facultative inward premium	3,073,263	-	135,222	-	101,347	3,309,832
- Administrative surcharge	1,221,526	5,267,444	6,750,069	197,628	508,723	13,945,390
	421,395,296	335,438,650	315,431,905	402,939,245	69,362,017	1,544,567,113
Insurance premium earned	337,317,677	319,608,885	300,506,835	364,050,724	66,419,415	1,387,903,536
Insurance premium ceded to reinsurers	(303,906,585)	(154,700,588)	(12,215,206)	(1,868,343)	(43,755,612)	(516,446,334)
Net Insurance premium	33,411,092	164,908,297	288,291,629	362,182,381	22,663,803	871,457,202
Commission income	62,619,725	41,257,561	444,555	541,818	8,501,486	113,365,145
Net underwriting income	96,030,817	206,165,858	288,736,184	362,724,199	31,165,289	984,822,347
Insurance claims	(96,973,172)	(45,892,072)	(143,019,512)	(299,226,241)	(21,061,713)	(606,172,710)
Insurance claims recovered from reinsurers	95,799,962	30,859,059	15,380,856	-	15,806,473	157,846,350
Net claims	(1,173,210)	(15,033,013)	(127,638,656)	(299,226,241)	(5,255,240)	(448,326,360)
Commission expense	(13,099,324)	(17,023,683)	(16,967,788)	(5,534,312)	(2,636,566)	(55,261,673)
Management expense	(87,308,197)	(69,498,981)	(65,353,817)	(83,484,318)	(14,371,002)	(320,016,315)
Net insurance claims and expenses	(101,580,731)	(101,555,677)	(209,960,261)	(388,244,871)	(22,262,808)	(823,604,348)
Underwriting results	(5,549,914)	104,610,181	78,775,923	(25,520,672)	8,902,481	161,217,999
Investment income						285,482,406
Other income						59,287,097
Other expenses						(8,361,603)
Finance costs - Lease liabilities						(3,106,228)
Share of profit of associates						5,335,752
Profit before tax from Window Takaful Operations						43,918,465
Profit before tax for the period						543,773,888

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

SEGMENT INFORMATION	Three months period ended September 30, 2022 (Un-audited)					
	Fire and properly damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	108,990,575	136,203,517	102,855,195	54,849,693	22,240,652	425,139,632
Less: - Federal Excise Duty / Sales Tax	13,526,654	14,495,817	12,331,948	169,205	2,736,633	43,260,257
- Federal Insurance Fee	949,234	1,139,376	898,115	622,937	193,869	3,803,531
- Others	23,600	6,952,732	94,300	1,700	12,250	7,084,582
Add: - Facultative inward premium	7,490,325	39,818	88,191	-	429,491	8,047,825
Gross written premium (inclusive of Administrative Surcharge)	101,981,412	113,655,410	89,619,023	54,055,851	19,727,391	379,039,087
- Gross direct premium	93,942,416	111,465,729	87,136,315	54,013,463	19,088,875	365,646,798
- Facultative inward premium	7,490,325	39,818	88,191	-	429,491	8,047,825
- Administrative surcharge	548,671	2,149,863	2,394,517	42,388	209,025	5,344,464
	101,981,412	113,655,410	89,619,023	54,055,851	19,727,391	379,039,087
Insurance premium earned	109,697,129	114,069,559	101,280,534	101,912,152	19,712,904	446,672,278
Insurance premium ceded to reinsurers	(113,494,246)	(48,532,747)	(2,509,094)	(108,627)	(12,155,462)	(176,800,176)
Net Insurance premium	(3,797,117)	65,536,812	98,771,440	101,803,525	7,557,442	269,872,102
Commission income	23,077,172	18,804,815	109,873	31,501	2,718,311	44,741,672
Net underwriting income	19,280,055	84,341,627	98,881,313	101,835,026	10,275,753	314,613,774
Insurance claims	(11,763,720)	(6,215,746)	(50,879,467)	(91,974,252)	(6,276,664)	(167,109,849)
Insurance claims recovered from reinsurers	9,400,926	2,073,297	14,410,856	-	4,465,188	30,350,267
Net claims	(2,362,794)	(4,142,449)	(36,468,611)	(91,974,252)	(1,811,476)	(136,759,582)
Commission expense	(5,591,514)	(5,038,522)	(5,528,320)	(1,359,598)	(693,102)	(18,211,056)
Management expense	(23,952,645)	(25,567,089)	(20,705,446)	(13,689,988)	(4,499,950)	(88,415,118)
Net insurance claims and expenses	(31,906,953)	(34,748,060)	(62,702,377)	(107,023,838)	(7,004,528)	(243,385,756)
Underwriting results	(12,626,898)	49,593,567	36,178,936	(5,188,812)	3,271,225	71,228,018
Investment income						40,613,889
Other income						18,852,755
Other expenses						(3,836,737)
Share of profit of associates						-
Finance costs - Lease liabilities						(1,135,811)
Profit before tax from Window Takaful Operations						9,343,539
Profit before tax for the period						135,065,653

Nine months period ended September 30, 2022 (Un-audited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	439,400,836	374,154,447	352,097,352	329,050,129	69,485,761	1,564,188,525
Less: - Federal Excise Duty / Sales Tax	52,354,581	39,846,169	41,896,478	5,674,831	8,323,367	148,095,426
- Federal Insurance Fee	3,840,939	3,124,219	3,079,063	3,382,035	606,093	14,032,349
- Others	65,950	19,115,439	273,050	5,450	35,950	19,495,839
Add: - Facultative inward premium	10,489,834	296,463	564,712	-	668,838	12,019,847
Gross written premium (inclusive of Administrative Surcharge)	393,629,200	312,365,083	307,413,473	319,987,813	61,189,189	1,394,584,758
- Gross direct premium	381,782,091	305,734,832	299,843,201	319,834,551	59,972,627	1,367,167,302
- Facultative inward premium	10,489,834	296,463	564,712	-	668,838	12,019,847
- Administrative surcharge	1,357,275	6,333,788	7,005,560	153,262	547,724	15,397,609
	393,629,200	312,365,083	307,413,473	319,987,813	61,189,189	1,394,584,758
Insurance premium earned	341,706,659	311,382,706	291,685,713	282,634,113	56,291,129	1,283,700,320
Insurance premium ceded to reinsurers	(319,216,572)	(130,154,986)	(7,783,698)	(486,908)	(37,542,029)	(495,184,193)
Net Insurance premium	22,490,087	181,227,720	283,902,015	282,147,205	18,749,100	788,516,127
Commission income	67,018,015	51,671,564	289,406	141,996	8,574,927	127,695,908
Net underwriting income	89,508,102	232,899,284	284,191,421	282,289,201	27,324,027	916,212,035
Insurance claims	(436,863,822)	(67,938,838)	(181,103,054)	(246,897,424)	(21,785,098)	(954,588,236)
Insurance claims recovered from reinsurers	425,040,886	42,570,999	41,321,288	200,000	16,280,640	525,413,813
Net claims	(11,822,936)	(25,367,839)	(139,781,766)	(246,697,424)	(5,504,458)	(429,174,423)
Commission expense	(20,044,072)	(16,744,164)	(16,050,556)	(3,550,329)	(2,467,158)	(58,856,279)
Management expense	(82,405,634)	(65,393,122)	(64,356,511)	(66,988,928)	(12,809,857)	(291,954,052)
Net insurance claims and expenses	(114,272,642)	(107,505,125)	(220,188,833)	(317,236,681)	(20,781,473)	(779,984,754)
Underwriting results	(24,764,540)	125,394,159	64,002,588	(34,947,480)	6,542,554	136,227,281
Investment income						123,521,704
Other income						55,500,620
Other expenses						(8,729,635)
Share of profit of associates						5,913,016
Finance costs - Lease liabilities						(3,365,879)
Profit before tax from Window Takaful Operations						20,529,295
Profit before tax for the period						329,596,402

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

The class wise assets and liabilities are as follows:

	Nine months period ended September 30, 2023 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	----- (Rupees) -----					
Segment assets	700,395,709	243,499,359	223,386,555	256,602,648	111,556,880	1,535,441,151
Unallocated assets						3,209,989,898
Unallocated assets of Window Takaful						
Operation - Operator's Fund						219,728,356
Total assets	700,395,709	243,499,359	223,386,555	256,602,648	111,556,880	4,965,159,405
Segment liabilities	679,092,692	210,164,071	453,794,463	519,331,504	132,917,282	1,995,300,012
Unallocated liabilities						274,893,652
Unallocated liabilities of Window Takaful						
Operation - Operator's Fund						87,865,772
Total liabilities	679,092,692	210,164,071	453,794,463	519,331,504	132,917,282	2,358,059,436
	----- (Rupees) -----					
	December 31, 2022 (Audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	----- (Rupees) -----					
Segment assets	563,132,909	206,992,396	187,406,236	189,797,164	99,233,507	1,246,562,212
Unallocated assets						2,863,820,942
Unallocated assets of Window Takaful						
Operation - Operator's Fund						171,977,536
Total assets	563,132,909	206,992,396	187,406,236	189,797,164	99,233,507	4,282,360,690
Segment liabilities	513,672,633	137,692,344	364,057,257	376,201,256	115,778,500	1,507,401,990
Unallocated liabilities						279,445,086
Unallocated liabilities of Window Takaful						
Operation - Operator's Fund						66,505,955
Total liabilities	513,672,633	137,692,344	364,057,257	376,201,256	115,778,500	1,853,353,031

30. GENERAL


Figures in these condensed interim financial information have been rounded off to the nearest rupees, unless otherwise stated.

31. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorised for issue in accordance with a resolution of the Board of Directors on October 26, 2023.



Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Aftab Ahmad
Director



Mohammad Hussain Hirji
Director & Chief Executive



Sabza Ali Pirani
Chief Financial Officer



Window
TAKAFUL
Operations

Financial Statements

Condensed Interim Statement of Financial Position (Un-audited)

As at September 30, 2023

	Note	Operator's Fund		Participants' Takaful Fund	
		September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees)			
Assets					
Investments					
Equity securities / mutual funds	8.1	144,311,132	117,626,447	99,665,815	88,584,587
Loans and other receivables	9	256,598	21,607	3,662,330	1,924,294
Takaful / retakaful receivables	10	-	-	92,501,640	48,077,315
Retakaful recoveries against outstanding claims	18	-	-	17,623,281	33,235,597
Deferred commission expense / acquisition cost	19	8,626,879	6,789,349	-	-
Receivable from PTF	11	58,845,833	41,289,596	-	-
Deferred wakala fee	20	-	-	42,944,526	32,561,463
Prepaid retakaful contribution ceded	16	-	-	49,145,160	26,323,890
Cash and bank	12	7,687,914	6,250,537	88,560,522	46,585,848
Total Assets		219,728,356	171,977,536	394,103,274	277,292,994

Note	Operator's Fund		Participants' Takaful Fund	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)

Funds and Liabilities

Funds attributable to:

Operator's Fund

Statutory fund	50,000,000	50,000,000	-	-
Reserves	1,968,143	965,680	-	-
Accumulated profit	79,894,441	54,505,901	-	-

Participants' Takaful Fund

Seed Money	-	-	500,000	500,000
Accumulated surplus	-	-	54,244,435	31,037,866
Total Funds	131,862,584	105,471,581	54,744,435	31,537,866

Liabilities

PTF underwriting provisions

Outstanding claims including IBNR	18	-	-	59,694,340	73,651,766
Unearned contribution reserve	16	-	-	116,821,370	83,797,315
Reserve for unearned retakaful rebate	17	-	-	9,289,511	5,264,885
		-	-	185,805,221	162,713,966
Unearned Wakala fee	20	42,944,526	32,561,463	-	-
Payable to OPF	11	-	-	58,845,833	41,289,596
Deferred taxation		803,889	394,432	-	-
Contribution received in advance		-	-	2,262,266	1,491,125
Takaful / retakaful payables	13	-	-	88,686,647	38,387,930
Other creditors and accruals	14	28,445,028	22,718,850	3,758,872	1,872,511
Taxation - provision less payment		15,672,329	10,831,210	-	-
		87,865,772	66,505,955	153,553,618	83,041,162
Total Liabilities		87,865,772	66,505,955	339,358,839	245,755,128

Total Funds and Liabilities

	219,728,356	171,977,536	394,103,274	277,292,994
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Contingency and Commitment

15


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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Profit and Loss Account (Un-audited)

For the three and nine months period ended September 30, 2023

	Note	Three months period ended		Nine months period ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
----- (Rupees) -----					
Participants' Takaful Fund - revenue account					
Contribution earned		40,871,307	31,729,032	109,363,557	84,381,930
Less: Contribution ceded to retakaful		(30,389,080)	(20,097,142)	(74,820,017)	(51,116,602)
Net contribution revenue	16	10,482,227	11,631,890	34,543,540	33,265,328
Retakaful rebate earned	17	6,149,970	3,872,320	15,297,141	9,739,118
Net underwriting income		16,632,197	15,504,210	49,840,681	43,004,446
Net claims - reported / settled	18	(15,131,837)	(8,445,633)	(41,506,311)	(42,502,770)
Other direct expenses		(392,896)	(588,139)	(1,566,666)	(2,233,407)
Surplus / (deficit) before investment income		1,107,464	6,470,438	6,767,704	(1,731,731)
Investment income	21	3,662,913	1,806,268	11,460,150	4,039,921
Other income	22	3,013,126	1,250,686	7,656,749	3,161,172
Less: Mudarib share of investment income	23	(1,335,208)	(611,391)	(3,823,380)	(1,425,939)
Surplus transferred to the accumulated surplus		6,448,295	8,916,001	22,061,223	4,043,423
Operator's Fund - revenue account					
Wakala fee	20	23,532,334	18,853,036	64,521,767	49,144,042
Commission expense	19	(5,924,525)	(4,734,296)	(16,595,236)	(15,021,595)
General, administration and management expenses		(8,083,710)	(9,433,257)	(24,928,949)	(24,649,184)
		9,524,099	4,685,483	22,997,582	9,473,263
Mudarib share of PTF investment income	23	1,335,208	611,391	3,823,380	1,425,939
Investment Income	21	4,667,704	4,023,238	16,619,219	9,851,413
Other income	22	567,330	122,184	938,598	275,439
Direct expenses		(57,500)	(98,757)	(460,314)	(496,759)
Profit before tax		16,036,841	9,343,539	43,918,465	20,529,295
Taxation - current year		(6,254,369)	(3,083,369)	(17,128,201)	(6,774,668)
- prior year		-	-	(1,401,724)	(744,573)
		(6,254,369)	(3,083,369)	(18,529,925)	(7,519,241)
Profit after tax		9,782,472	6,260,170	25,388,540	13,010,054


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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three and nine months period ended September 30, 2023

	Three months period ended		Nine months period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	------(Rupees) -----		------(Rupees) -----	
Participants' Fund				
Surplus for the period	6,448,295	8,916,001	22,061,223	4,043,423
Other comprehensive income for the period				
- Unrealized gain on available for sale investments	1,219,342	240,670	1,377,667	263,358
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	-	(232,321)	(1,163)
	1,219,342	240,670	1,145,346	262,195
Total comprehensive income for the period	7,667,637	9,156,671	23,206,569	4,305,618
Operator's Fund				
Profit after tax	9,782,472	6,260,170	25,388,540	13,010,054
Other Comprehensive Income for the period				
Items that will be reclassified to profit and loss account				
- Unrealized gain / (loss) on available for sale investments - net of tax	1,708,138	(54,553)	1,968,143	10,178
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	-	(965,680)	(6,456)
	1,708,138	(54,553)	1,002,463	3,722
Total comprehensive income for the period	11,490,610	6,205,617	26,391,003	13,013,776

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended September 30, 2023

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2023 (Un-audited)	September 30, 2022 (Un-audited)	September 30, 2023 (Un-audited)	September 30, 2022 (Un-audited)
Operating Cash flows	Note ----- (Rupees) -----			
(a) Takaful activities				
Contribution received	-	-	191,177,585	161,576,997
Retakaful contributions paid	-	-	(31,584,875)	(35,044,674)
Claims paid	-	-	(106,447,286)	(52,673,905)
Retakaful and other recoveries received	-	-	35,875,511	17,650,558
Commission paid	(16,160,824)	(16,939,807)	-	-
Retakaful rebate received	-	-	6,363,033	6,696,174
Wakala fee received / paid	61,171,973	46,017,376	(61,171,973)	(46,017,376)
Direct expenses paid	-	-	(1,566,666)	(2,233,407)
Net cash inflow from takaful activities	45,011,149	29,077,569	32,645,329	49,954,367
(b) Other operating activities				
Income tax paid	(13,688,806)	(5,940,120)	(1,075,214)	(473,703)
General, administration and management expenses paid	(22,139,751)	(27,223,864)	-	-
Other operating receipts / payments - net	204,724	158,551	1,886,364	731,144
Net cash (outflow) / inflow from other operating activities	(35,623,833)	(33,005,433)	811,150	257,441
Total cash inflow / (outflow) from operating activities	9,387,316	(3,927,864)	33,456,479	50,211,808
Investment activities				
Profit / return received	703,607	243,759	6,993,927	3,169,000
Dividend received	9,162,402	6,691,579	10,173,222	3,502,442
Payment for investments	(286,628,597)	(80,658,603)	(49,537,416)	(77,316,695)
Proceed from investments	268,812,649	74,971,613	40,888,462	13,339,626
Total cash (outflow) / inflow from investing activities	(7,949,939)	1,248,348	8,518,195	(57,305,627)
Net cash inflow / (outflow) from all activities	1,437,377	(2,679,516)	41,974,674	(7,093,819)
Cash and cash equivalents at beginning of period	6,250,537	5,539,413	46,585,848	58,154,524
Cash and cash equivalents at the end of period	7,687,914	2,859,897	88,560,522	51,060,705
Reconciliation to profit and loss account				
Operating cash flows	9,387,316	(3,927,864)	33,456,479	50,211,808
Profit on disposal of investments	7,456,817	3,159,834	1,286,928	535,247
Profit / returns received	703,607	243,759	6,993,927	3,169,000
Dividend income	9,162,402	6,691,579	10,173,222	3,502,442
Increase in assets other than cash	19,628,758	18,517,875	63,754,378	53,763,933
Increase in liabilities other than borrowings	(20,950,360)	(11,675,129)	(93,603,711)	(107,139,007)
Profit after tax / surplus for the period	25,388,540	13,010,054	22,061,223	4,043,423


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Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Condensed Interim Statement Of Changes in Operator's Fund and Participant Takaful Fund (Un-Audited)

For the nine months period ended September 30, 2023

	Operator's Fund			Total
	Statutory fund	Revenue reserve Available for sale Investment revaluation reserve	Accumulated surplus	
----- (Rupees) -----				
Balance as at January 01, 2022	50,000,000	6,456	31,771,589	81,778,045
Changes in fund for the nine months period ended September 30, 2022				
Profit after tax for the nine months period	-	-	13,010,054	13,010,054
Other comprehensive income				
Unrealised gains on available for sale investments - net of tax	-	10,178	-	10,178
Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	(6,456)	-	(6,456)
	-	3,722	13,010,054	13,013,776
Balance as at September 30, 2022	50,000,000	10,178	44,781,643	94,791,821
Balance as at January 01, 2023	50,000,000	965,680	54,505,901	105,471,581
Changes in fund for the nine months period ended September 30, 2023				
Profit after tax for the nine months period	-	-	25,388,540	25,388,540
Other comprehensive income				
Unrealised gains on available for sale investments - net of tax	-	1,968,143	-	1,968,143
Reclassification adjustment for net gain on available for sale investments included in profit and loss account	-	(965,680)	-	(965,680)
	-	1,002,463	25,388,540	26,391,003
Balance as at September 30, 2023	50,000,000	1,968,143	79,894,441	131,862,584

	Participants' Takaful Fund		
	Ceded money	Accumulated surplus (Rupees)	Total
Balance as at January 01, 2022	500,000	22,256,364	22,756,364
Changes in fund for the nine months period ended September 30, 2022			
Surplus for the nine months period	-	4,043,423	4,043,423
Other comprehensive income			
Unrealised gain on available for sale investments	-	263,358	263,358
Realised gain on available for sale investments	-	(1,163)	(1,163)
	-	4,305,618	4,305,618
Balance as at September 30, 2022	500,000	26,561,982	27,061,982
Balances as at January 01, 2023	500,000	31,037,866	31,537,866
Changes in fund for the nine months period ended September 30, 2023			
Surplus for the nine months period	-	22,061,223	22,061,223
Other comprehensive income			
Unrealised gain on available for sale investments	-	1,377,667	1,377,667
Realised gain on available for sale investments	-	(232,321)	(232,321)
	-	23,206,569	23,206,569
Balance as at September 30, 2023	500,000	54,244,435	54,744,435

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


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Aftab Ahmad
Director


Mohammad Hussain Hirji
Director & Chief Executive


Sabza Ali Pirani
Chief Financial Officer

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act 2017) on October 10, 1985. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Operator was granted authorisation on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("the Operations") by Securities and Exchange Commission of Pakistan ("SECP") under Takaful Rules, 2012 to carry on general takaful operations in Pakistan.

The Operator transferred statutory fund of Rs. 50 million in a separate bank account for the Operations as per the requirement of circular 8 of 2014. Thereafter, the Operator has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017 by investing a ceded money of Rs. 0.5 million. The ceded money is required to be invested in shariah compliant investments and any profit thereon can be utilized only to pay benefits to Participants' or defray PTF expenses. Waqf Deed governs the relationship of Operator and participants for management of takaful operations, investments of participants' funds and investments of Operator's funds approved by the shariah advisor of the Operator. The Operator commenced activities of the Operations on August 18, 2017.

2. BASIS OF PREPARATION

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated November 20, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

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

2.1 Statement Of Compliance

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

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

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

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

2.2 Basis of measurement

These condensed interim financial statements has been prepared under the historical cost basis except that certain investments are stated at their fair values. This condensed interim financial statements has been prepared following the accrual basis of accounting except for the cash flow information.

2.3 Functional and Presentation Currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The following standards, amendments and interpretations are effective for the period ended September 30, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2023
Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2023
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract	January 01, 2023
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies	January 01, 2023

	Effective date (annual periods beginning on or after)
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

3.1 New accounting standards, amendments and interpretations that are not yet effective.

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024

Standards

IFRS 1 – First time adoption of IFRSs	January 01, 2024
IFRS 17 – Insurance Contracts	January 01, 2023

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

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

4. USE OF JUDGEMENTS AND ESTIMATES

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

5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

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

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after retakaful from claims and other expenses expected to be incurred after the reporting date in respect of policies in force at reporting date.

7. DISCLOSURES RELATED TO TEMPORARY EXEMPTION FROM IFRS 9

To determine the appropriate classification of financial assets under IFRS 9, an entity would need to assess the contractual cash flows characteristics of any financial asset. Indeed, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) i.e. cash flows that are consistent with a basic lending arrangement. In a basic lending arrangement consideration for the time value of money and credit risk are typically the most significant elements of interest. IFRS 9 defines the terms principal as being the fair value of the financial asset at initial recognition and the interest as being compensation for (i) the time value of money and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

The debt instruments accounted for fair value through other comprehensive income under IAS 39 are potentially eligible to SPPI test whereas it is not applicable for the debt instruments accounted for fair value through profit or loss.

The table below set out the fair values on gross basis 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.

Operator's Fund

Financial assets	September 30, 2023				
	Fail the SPPI Test		Pass the SPPI Test		
	Fair value	Change in Unrealized gain during the year	Carrying Value	Cost less impairment	Change in Unrealized gain or (loss) during the year
----- (Rupees) -----					
Investments					
- Equity securities - Available for Sale	144,311,132	2,772,032	-	-	-
Participants' Takaful Fund					
Investments					
- Equity securities - Available for Sale	99,665,815	1,377,667	-	-	-

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

8. INVESTMENTS

8.1 Investments In Securities - Available For Sale

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Cost	Impairment / provision	Carrying Value	Cost	Impairment / provision	Carrying Value
----- (Rupees) -----						
Operator's Fund						
Mutual funds	141,539,100	-	144,311,132	116,266,334	-	117,626,447
Participants' Takaful Fund						
Mutual funds	98,288,148	-	99,665,815	88,352,266	-	88,584,587

9. LOANS AND OTHER RECEIVABLES

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
----- (Rupees) -----				
Accrued investment income	256,598	21,607	1,088,968	426,146
Advance Tax	-	-	2,573,362	1,498,148
	<u>256,598</u>	<u>21,607</u>	<u>3,662,330</u>	<u>1,924,294</u>

10. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

	Note	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
		----- (Rupees) -----	
Due from Takaful participants		35,313,110	21,822,364
Due from other Takaful / Retakaful operators	10.1	38,511,780	25,064,654
Retakaful recoveries due but unpaid		18,676,750	1,190,297
		<u>92,501,640</u>	<u>48,077,315</u>

10.1 This includes Rs. 9.3 million (December 31, 2022: Rs. 2.2 million) receivable from related party. The amount is not over due/impaired as at September 30, 2023.

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

	Operator's Fund		Participants' Takaful Fund	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
Note ----- (Rupees) -----				
11. RECEIVABLE / PAYABLE (Between OPF and PTF)				
Wakala fee	57,510,625	39,813,445	57,510,625	39,813,445
Modaraba fee	1,335,208	1,476,151	1,335,208	1,476,151
	<u>58,845,833</u>	<u>41,289,596</u>	<u>58,845,833</u>	<u>41,289,596</u>
12. CASH AND BANK				
Cash and cash equivalents				
Cash in hand	10,000	10,000	-	-
Cash at bank				
Saving accounts	12.1 <u>7,677,914</u>	6,240,537	<u>88,560,522</u>	46,585,848
	<u>7,687,914</u>	<u>6,250,537</u>	<u>88,560,522</u>	<u>46,585,848</u>
12.1 Saving accounts carry expected profit rates ranging from 4.75% to 19.25% (December 31, 2022: 3.25% to 8.28%) per annum.				
13. TAKAFUL / RETAKAFUL PAYABLES - PTF			September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
			----- (Rupees) -----	
Due to other takaful / retakaful operators			<u>88,686,647</u>	38,387,930
13.1 This includes Rs. Nil (December 31, 2022: Nil) payable to related party. The amount is not over due/impaired as at September 30, 2023.				
14. OTHER CREDITORS AND ACCRUALS				
	Operator's Fund		Participants' Takaful Fund	
	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)	September 30, 2023 (Un-audited)	December 31, 2022 (Audited)
----- (Rupees) -----				
Commission payable	11,922,025	9,650,083	-	-
Federal excise duty and sales tax	-	-	1,834,788	1,391,909
Federal takaful fee	-	-	235,130	155,651
Accrued expense	15,958,990	12,403,478	-	-
Audit fee payable	257,500	563,500	-	-
Creditors	-	-	1,431,981	188,810
Tax deducted at source	306,513	101,789	256,973	136,141
	<u>28,445,028</u>	<u>22,718,850</u>	<u>3,758,872</u>	<u>1,872,511</u>

15. CONTINGENCY AND COMMITMENT

There is no contingency and commitment as at September 30, 2023 (December 31, 2022: Nil).

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022 ----- (Rupees) -----	Nine months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022 ----- (Rupees) -----
16. NET TAKAFUL CONTRIBUTION EXPENSE - PTF				
Written gross contribution	93,420,376	56,560,650	206,909,379	162,573,583
Less: Wakala fee	(23,532,334)	(18,853,036)	(64,521,767)	(49,144,042)
Contribution net of wakala fee	69,888,042	37,707,614	142,387,612	113,429,541
Add: Unearned contribution reserve opening	87,804,635	81,626,416	83,797,315	58,557,387
Less: Unearned contribution reserve closing	(116,821,370)	(87,604,998)	(116,821,370)	(87,604,998)
Contribution earned	40,871,307	31,729,032	109,363,557	84,381,930
Less: Retakaful contribution ceded	51,373,049	26,445,453	97,641,287	62,417,910
Add: Prepaid Retakaful contribution ceded opening	28,161,191	21,920,473	26,323,890	16,967,476
Less: Prepaid Retakaful contribution ceded closing	(49,145,160)	(28,268,784)	(49,145,160)	(28,268,784)
Retakaful expense	30,389,080	20,097,142	74,820,017	51,116,602
	10,482,227	11,631,890	34,543,540	33,265,328
17. REBATE FROM RETAKAFUL - PTF				
Retakaful rebate received or receivable	9,661,856	5,039,543	19,321,767	12,152,368
Add: Unearned retakaful rebate opening	5,777,625	4,301,880	5,264,885	3,055,853
Less: Unearned retakaful rebate closing	(9,289,511)	(5,469,103)	(9,289,511)	(5,469,103)
	6,149,970	3,872,320	15,297,141	9,739,118
18. NET TAKAFUL CLAIMS EXPENSE - PTF				
Claims paid	43,442,429	19,018,843	106,447,286	52,673,905
Add: Outstanding claims including IBNR closing	59,694,340	68,369,280	59,694,340	68,369,280
Less: Outstanding claims including IBNR opening	(88,091,022)	(54,071,703)	(73,651,766)	(35,843,954)
Claims expense	15,045,747	33,316,420	92,489,860	85,199,231
Less: Retakaful and others recoveries received	25,856,352	11,040,484	66,595,865	24,538,407
Add: Retakaful and others recoveries against outstanding claims closing	17,623,281	30,011,131	17,623,281	30,011,131
Less: Retakaful and others recoveries against outstanding claims opening	(43,565,723)	(16,180,828)	(33,235,597)	(11,853,077)
Retakaful and other recoveries revenue	(86,090)	24,870,787	50,983,549	42,696,461
	15,131,837	8,445,633	41,506,311	42,502,770

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022 -----	Nine months period ended September 30, 2023 ----- (Rupees) -----	September 30, 2022 -----
19. COMMISSION EXPENSE - OPF				
Commission paid or payable	8,875,820	6,002,542	18,432,766	16,770,708
Add: Deferred commission expense opening	5,675,584	5,342,854	6,789,349	4,861,987
Less: Deferred commission expense closing	(8,626,879)	(6,611,100)	(8,626,879)	(6,611,100)
Net commission	<u>5,924,525</u>	<u>4,734,296</u>	<u>16,595,236</u>	<u>15,021,595</u>
20. WAKALA FEE				
Gross Wakala Fee	32,192,708	20,597,201	74,904,830	61,328,519
Add: Deferred Wakala Fee - Opening	34,284,152	32,257,827	32,561,463	21,817,515
Less: Deferred Wakala Fee - Closing	(42,944,526)	(34,001,992)	(42,944,526)	(34,001,992)
	(8,660,374)	(1,744,165)	(10,383,063)	(12,184,477)
	<u>23,532,334</u>	<u>18,853,036</u>	<u>64,521,767</u>	<u>49,144,042</u>

The Operator manages the general takaful operations for the Participants' and charges wakala fee to PTF on gross contributions recognized for each class of business at following rates:

Class	Percentage(%).....
Fire and property damage	30
Marine, aviation and transport	30
Motor	43
Health	20
Miscellaneous	35

	(Un-audited)		(Un-audited)	
	Three months period ended		Nine months period ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
21. INVESTMENT INCOME				
Participants' Takaful Fund				
Income from equity securities - Available for sale				
Realised gain on sale of equity securities	168,720	230,868	1,286,928	535,247
Dividend income	3,494,193	1,575,400	10,173,222	3,502,442
Income from debt securities - Held to maturity	-	-	-	2,232
Return on Certificate of Islamic Investment	3,662,913	1,806,268	11,460,150	4,039,921
Operator's Fund				
Income from equity securities - Available for sale				
Realised gain on sale of equity securities	1,157,820	1,348,055	7,456,817	3,159,834
Dividend income	3,509,884	2,675,183	9,162,402	6,691,579
	4,667,704	4,023,238	16,619,219	9,851,413
22. OTHER INCOME				
Participants' Takaful Fund				
Profit on bank balances	3,013,126	1,250,686	7,656,749	3,089,773
Exchange gain	-	-	-	71,399
	3,013,126	1,250,686	7,656,749	3,161,172
Operator's Fund				
Profit on bank balances	567,330	122,184	938,598	275,439
23. MUDARIB'S FEE				
The Operator also manages the participants' investment as Mudarib and charges 20 percent of the investment income and profits on bank deposits earned by the PTF as Mudarib's fee. It is recognized on the same basis on which related revenue is recognised.				
Mudarib's share of PTF investment income	1,335,208	611,391	3,823,380	1,425,939

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

24. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions and on an arm's length basis. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these financial information, are as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended September 30, 2023	September 30, 2022	Nine months period ended September 30, 2023	September 30, 2022
	----- (Rupees) -----		----- (Rupees) -----	
Associated companies				
Takaful contribution written	<u>808,374</u>	1,879,166	<u>9,543,250</u>	27,037,573
Claim paid	<u>448,010</u>	236,506	<u>1,052,181</u>	1,218,874
Managerial remuneration	<u>2,000,000</u>	1,600,000	<u>5,429,439</u>	5,073,784
Investment in Mutual Funds	<u>186,326,203</u>	-	<u>196,326,203</u>	-
Sale of Units in utual funds	<u>186,326,203</u>	-	<u>186,326,203</u>	-
Expenses paid	<u>5,342,112</u>	4,890,502	<u>17,644,372</u>	15,650,888

25. SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

The class wise revenues and results are as follows:

	For the three months period ended September 30, 2023 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Participant's Takaful Fund						
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	38,041,763	21,045,720	39,695,175	4,136,868	2,422,951	105,342,477
Less: - Federal Excise Duty / Sales Tax	4,664,621	2,206,356	4,929,757	1,365	288,735	12,090,834
- Federal Insurance Fee	330,906	176,593	346,756	40,944	21,129	916,328
- Others	4,050	1,004,963	31,050	150	150	1,040,363
Facultative inward contribution	2,125,424	-	-	-	-	2,125,424
	35,167,610	17,657,808	34,387,612	4,094,409	2,112,937	93,420,376
Gross written Contribution (inclusive of Administrative Surcharge)	32,936,755	17,270,239	33,626,043	4,091,909	2,092,995	90,017,941
- Gross direct Contribution	2,125,424	-	-	-	-	2,125,424
- Facultative inward contribution	105,431	387,569	761,569	2,500	19,942	1,277,011
- Administrative surcharge	35,167,610	17,657,808	34,387,612	4,094,409	2,112,937	93,420,376
Wakala fee	(4,461,727)	(4,418,696)	(13,425,292)	(35,433)	(1,191,186)	(23,532,334)
Takaful contribution earned	14,872,436	14,729,030	31,221,632	177,163	3,403,380	64,403,641
Takaful contribution ceded to retakaful operators	(14,198,029)	(11,699,700)	(1,506,448)	(3,667)	(2,981,236)	(30,389,080)
Net Takaful contribution	(3,787,320)	(1,389,366)	16,289,892	138,063	(769,042)	10,482,227
Rebate earned	2,643,728	2,867,699	27,071	733	610,739	6,149,970
Net underwriting income	(1,143,592)	1,478,333	16,316,963	138,796	(158,303)	16,632,197
Takaful claims	1,719,395	(61,800)	(16,125,842)	(197,685)	(379,815)	(15,045,747)
Takaful claims recovered from retakaful operators	(1,645,241)	49,440	1,103,711	-	406,000	(86,090)
Net claims	74,154	(12,360)	(15,022,131)	(197,685)	26,185	(15,131,837)
Direct expenses	(216,218)	(73,855)	(88,087)	(31,002)	16,266	(392,896)
(Deficit) / surplus before investment income	(1,285,656)	1,392,118	1,206,745	(89,891)	(115,852)	1,107,464
Investment income						3,662,913
Other income						3,013,126
Mudarib's share of investment income						(1,335,208)
Surplus for the period						6,448,295
Operator's Fund						
Wakala fee	4,461,727	4,418,696	13,425,292	35,433	1,191,186	23,532,334
Commission expense	(1,276,004)	(1,521,702)	(3,064,587)	(8,962)	(53,270)	(5,924,525)
Management expense	(3,732,123)	(1,523,818)	(2,405,332)	(493,304)	70,867	(8,083,710)
	(546,400)	1,373,176	7,955,373	(466,833)	1,208,783	9,524,099
Mudarib share of PTF investment income						1,335,208
Investment income						4,667,704
Other income						567,330
Direct expenses						(57,500)
Profit before tax						16,036,841

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

The class wise revenues and results are as follows:

	For the nine months period ended September 30, 2023 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
----- (Rupees) -----						
Participant's Takaful Fund						
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	58,400,330	46,754,825	111,224,861	4,136,868	15,823,890	236,340,774
Less: - Federal Excise Duty / Sales Tax	7,263,425	4,684,232	13,619,642	1,365	1,928,601	27,497,265
- Federal Insurance Fee	506,754	392,641	984,231	40,944	137,575	2,062,145
- Others	8,000	2,421,644	84,900	150	400	2,515,094
Facultative inward contribution	2,613,109	-	30,000	-	-	2,643,109
	<u>53,235,260</u>	<u>39,256,308</u>	<u>96,566,088</u>	<u>4,094,409</u>	<u>13,757,314</u>	<u>206,909,379</u>
Gross written Contribution (inclusive of Administrative Surcharge)	50,414,478	38,320,454	94,097,354	4,091,909	13,721,286	200,645,481
- Gross direct Contribution	2,613,109	-	30,000	-	-	2,643,109
- Facultative inward contribution	207,673	935,854	2,438,734	2,500	36,028	3,620,789
- Administrative surcharge	-	-	-	-	-	-
	<u>53,235,260</u>	<u>39,256,308</u>	<u>96,566,088</u>	<u>4,094,409</u>	<u>13,757,314</u>	<u>206,909,379</u>
Wakala fee	(10,972,917)	(10,587,542)	(39,140,347)	(35,433)	(3,785,528)	(64,521,767)
Takaful contribution earned	36,576,434	35,291,888	91,024,057	177,163	10,815,782	173,885,324
Takaful contribution ceded to retakaful operators	(34,859,915)	(28,001,861)	(3,101,735)	(3,667)	(8,852,839)	(74,820,017)
Net Takaful contribution	(9,256,398)	(3,297,515)	48,781,975	138,063	(1,822,585)	34,543,540
Retakaful rebate	6,682,757	6,656,134	85,505	733	1,872,012	15,297,141
Net underwriting income	<u>(2,573,641)</u>	<u>3,358,619</u>	<u>48,867,480</u>	<u>138,796</u>	<u>49,427</u>	<u>49,840,681</u>
Takaful claims	(36,617,437)	(420,729)	(54,433,730)	(197,685)	(820,279)	(92,489,860)
Takaful claims recovered from retakaful operators	35,742,399	336,594	14,008,333	-	896,223	50,983,549
Net claims	(875,038)	(84,135)	(40,425,397)	(197,685)	75,944	(41,506,311)
Direct expenses	(403,084)	(297,239)	(731,174)	(31,002)	(104,167)	(1,566,666)
(Deficit) / surplus before investment income	<u>(3,851,763)</u>	<u>2,977,245</u>	<u>7,710,909</u>	<u>(89,891)</u>	<u>21,204</u>	<u>6,767,704</u>
Investment income						11,460,150
Other income						7,656,749
Mudarib's share of investment income						(3,823,380)
Surplus for the period						<u>22,061,223</u>
Operator's Fund						
Wakala fee	10,972,917	10,587,542	39,140,347	35,433	3,785,528	64,521,767
Commission expense	(2,907,918)	(3,658,701)	(9,795,116)	(8,962)	(224,539)	(16,595,236)
Management expense	(6,413,915)	(4,729,696)	(11,634,519)	(493,304)	(1,657,515)	(24,928,949)
	<u>1,651,084</u>	<u>2,199,145</u>	<u>17,710,712</u>	<u>(466,833)</u>	<u>1,903,474</u>	<u>22,997,582</u>
Mudarib share of PTF investment income						3,823,380
Investment income						16,619,219
Other income						938,598
Direct expenses						(460,314)
Profit before tax						<u>43,918,465</u>

For the Three months period ended September 30, 2022 (Un-audited)

	Fire and properly damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Participant's Takaful Fund						
Contribution received / receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	20,777,086	10,820,972	31,615,555	111,136	1,387,663	64,712,412
Less: - Federal Excise Duty / Sales Tax	2,483,893	1,155,956	3,611,118	-	158,593	7,409,560
- Federal Insurance Fee	180,951	89,666	278,897	1,208	12,169	562,891
- Others	2,450	651,212	24,750	-	250	678,662
Facultative inward premium	586,629	-	(133,324)	46,046	-	499,351
	<u>18,696,421</u>	<u>8,924,138</u>	<u>27,567,466</u>	<u>155,974</u>	<u>1,216,651</u>	<u>56,560,650</u>
Gross written Contribution (inclusive of Administrative Surcharge)						
- Gross direct premium	18,047,038	8,706,381	26,895,939	109,928	1,200,183	54,959,469
- Facultative inward premium	586,629	-	(133,324)	46,046	-	499,351
- Administrative surcharge	62,754	217,757	804,851	-	16,468	1,101,830
	<u>18,696,421</u>	<u>8,924,138</u>	<u>27,567,466</u>	<u>155,974</u>	<u>1,216,651</u>	<u>56,560,650</u>
Wakala fee	(2,867,180)	(2,718,629)	(12,289,005)	(31,115)	(947,107)	(18,853,036)
Takaful contribution earned	9,557,290	9,062,080	29,101,099	155,577	2,706,022	50,582,068
Takaful contribution ceded to retakaful operators	(9,309,645)	(7,118,254)	(1,559,866)	-	(2,109,377)	(20,097,142)
Net Takaful contribution	<u>(2,619,535)</u>	<u>(774,803)</u>	<u>15,252,228</u>	<u>124,462</u>	<u>(350,462)</u>	<u>11,631,890</u>
Retakaful rebate	1,842,074	1,550,043	32,449	-	447,754	3,872,320
Net underwriting income	<u>(777,461)</u>	<u>775,240</u>	<u>15,284,677</u>	<u>124,462</u>	<u>97,292</u>	<u>15,504,210</u>
Takaful claims	(21,422,348)	(873,228)	(10,724,195)	(124,113)	(172,536)	(33,316,420)
Takaful claims recovered from retakaful operators	21,035,927	698,747	2,984,166	-	151,947	24,870,787
Net claims	(386,421)	(174,481)	(7,740,029)	(124,113)	(20,589)	(8,445,633)
Direct expenses	(234,831)	(91,619)	(261,462)	(351)	124	(588,139)
(Deficit) / surplus before investment income	<u>(1,398,713)</u>	<u>509,140</u>	<u>7,283,186</u>	<u>(2)</u>	<u>76,827</u>	<u>6,470,438</u>
Investment income						1,806,268
Other income						1,250,686
Mudarib's share of investment income						(611,391)
Surplus for the period						<u>8,916,001</u>
Operator's Fund						
Wakala fee	2,867,180	2,718,629	12,289,005	31,115	947,107	18,853,036
Commission expense	(839,285)	(939,464)	(2,901,299)	(16,143)	(38,105)	(4,734,296)
Management expense	(2,934,692)	(1,493,729)	(4,712,133)	(31,784)	(260,919)	(9,433,257)
	<u>(906,797)</u>	<u>285,436</u>	<u>4,675,573</u>	<u>(16,812)</u>	<u>648,083</u>	<u>4,685,483</u>
Mudarib share of PTF investment income						611,391
Investment income						4,023,238
Other income						122,184
Direct expenses						(98,757)
Profit before tax						<u>9,343,539</u>

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

	For the nine months period ended September 30, 2022 (Un-audited)					
	Fire and properly damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Participant's Takaful Fund						
Contribution received / receivable (Inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	34,960,928	31,444,157	106,488,848	241,136	12,200,851	185,335,920
Less: - Federal Excise Duty / Sales Tax	4,181,642	3,299,528	12,298,900	-	1,426,602	21,206,672
- Federal Insurance Fee	304,843	263,787	936,834	2,495	106,673	1,614,632
- Others	7,300	1,568,688	79,700	50	400	1,656,138
Facultative inward premium	586,629	-	205,397	923,032	47	1,715,105
	<u>31,053,772</u>	<u>26,312,154</u>	<u>93,378,811</u>	<u>1,161,623</u>	<u>10,667,223</u>	<u>162,573,583</u>
Gross written Contribution (inclusive of Administrative Surcharge)						
- Gross direct premium	30,310,237	25,662,484	90,676,937	236,591	10,637,855	157,524,104
- Facultative inward premium	586,629	-	205,397	923,032	47	1,715,105
- Administrative surcharge	156,906	649,670	2,496,477	2,000	29,321	3,334,374
	<u>31,053,772</u>	<u>26,312,154</u>	<u>93,378,811</u>	<u>1,161,623</u>	<u>10,667,223</u>	<u>162,573,583</u>
Wakala fee	(7,088,364)	(7,560,016)	(32,100,830)	(218,523)	(2,176,309)	(49,144,042)
Takaful contribution earned	23,627,924	25,200,072	77,387,322	1,092,617	6,218,037	133,525,972
Takaful contribution ceded to retakaful operators	(22,547,351)	(20,251,644)	(3,292,646)	-	(5,024,961)	(51,116,602)
Net Takaful contribution	<u>(6,007,791)</u>	<u>(2,611,588)</u>	<u>41,993,846</u>	<u>874,094</u>	<u>(983,233)</u>	<u>33,265,328</u>
Retakaful rebate	4,324,305	4,313,507	90,761	-	1,010,545	9,739,118
Net underwriting income	<u>(1,683,486)</u>	<u>1,701,919</u>	<u>42,084,607</u>	<u>874,094</u>	<u>27,312</u>	<u>43,004,446</u>
Takaful claims	(23,586,426)	(611,284)	(56,475,302)	(381,969)	(4,144,250)	(85,199,231)
Takaful claims recovered from retakaful operators	23,107,618	508,652	15,746,673	-	3,333,518	42,696,461
Net claims	<u>(478,808)</u>	<u>(102,632)</u>	<u>(40,728,629)</u>	<u>(381,969)</u>	<u>(810,732)</u>	<u>(42,502,770)</u>
Direct expenses	(426,611)	(361,472)	(1,282,822)	(15,958)	(146,544)	(2,233,407)
(Deficit) / surplus before investment income	<u>(2,588,905)</u>	<u>1,237,815</u>	<u>73,156</u>	<u>476,167</u>	<u>(929,964)</u>	<u>(1,731,731)</u>
Investment income						4,039,921
Other income						3,161,172
Mudarib fee						(1,425,939)
Surplus for the period						<u>4,043,423</u>
Operator's Fund						
Wakala fee	7,088,364	7,560,016	32,100,830	218,523	2,176,309	49,144,042
Commission expense	(2,285,328)	(2,647,585)	(9,687,058)	(318,956)	(82,668)	(15,021,595)
Management expense	(4,708,330)	(3,989,413)	(14,157,967)	(176,124)	(1,617,350)	(24,649,184)
	<u>94,706</u>	<u>923,018</u>	<u>8,255,805</u>	<u>(276,557)</u>	<u>476,291</u>	<u>9,473,263</u>
Mudarib share of PTF investment income						1,425,939
Investment income						9,851,413
Other income						275,439
Direct expenses						(496,759)
Profit before tax						<u>20,529,295</u>

The class-wise assets and liabilities are as follows:

	September 30, 2023 (Un-audited)					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	(Rupees)					
Segment assets	83,631,893	27,133,911	71,300,128	1,486,573	18,662,102	202,214,607
Unallocated assets						
Participants' Takaful Fund						191,888,667
Operator's Fund						219,728,356
Consolidated total assets						613,831,630
Segment liabilities	96,886,873	37,410,895	173,966,915	4,955,941	24,546,034	337,766,658
Unallocated liabilities						
Participants' Takaful Fund						1,592,181
Operator's Fund						87,865,772
Consolidated total liabilities						427,224,611
	December 31, 2022 (Audited)					
	Fire and property damage	Marine, aviation and transport	Motor		Miscellaneous	Total
	(Rupees)					
Segment assets	60,740,596	12,357,710	51,695,934	220,479	15,183,546	140,198,265
Unallocated assets						
Participants' Takaful Fund						137,094,729
Operator's Fund						171,977,536
Consolidated total assets						449,270,530
Segment liabilities	67,959,145	17,615,304	140,397,725	265,190	17,905,472	244,142,836
Unallocated liabilities						
Participants' Takaful Fund						1,612,292
Operator's Fund						66,505,955
Consolidated total liabilities						312,261,083

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

In respect of investments in quoted equity securities, fair value is determined by reference to stock exchange quoted market price at the close of business day. For term finance certificates, fair value is determined by reference to average broker rates.

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

Fair value hierarchy

IFRS 13 requires the company to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) and;

Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	September 30, 2023 (Un-audited)				Fair value			
	Carrying amount		Total	Level 1	Level 2	Level 3	Total	
Available-for-sale	Loans and receivables	Other financial liabilities						
(Rupees)								
Financial assets measured at fair value								
Investments in mutual funds	243,976,947	-	243,976,947	-	243,976,947	-	243,976,947	
Financial assets not measured at fair value								
Loans and receivables*	-	1,345,566	1,345,566	-	-	-	-	
Takaful / retakaful receivables*	-	92,501,640	92,501,640	-	-	-	-	
Retakaful recoveries against outstanding claims	-	17,623,281	17,623,281	-	-	-	-	
Receivable from PTF*	-	58,845,833	58,845,833	-	-	-	-	
Cash and bank*	-	96,248,436	96,248,436	-	-	-	-	
Total financial assets	243,976,947	266,564,756	510,541,703	-	243,976,947	-	243,976,947	
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	(59,694,340)	(59,694,340)	-	-	-	-	
Payable to OPF*	-	(58,845,833)	(58,845,833)	-	-	-	-	
Takaful / retakaful payables*	-	(88,686,647)	(88,686,647)	-	-	-	-	
Other creditors and accruals*	-	(29,570,496)	(29,570,496)	-	-	-	-	
Total financial liabilities	-	(236,797,316)	(236,797,316)	-	-	-	-	

	December 31, 2022 (Audited)				Fair value			
	Available-for-sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees)							
Financial assets measured at fair value								
Investments in mutual funds	206,211,034	-	-	206,211,034	-	206,211,034	-	206,211,034
Financial assets not measured at fair value								
Loans and receivables*	-	447,753	-	447,753	-	-	-	-
Takaful / retakaful receivables*	-	48,077,315	-	48,077,315	-	-	-	-
Retakaful recoveries against outstanding claims	-	33,235,597	-	33,235,597	-	-	-	-
Receivable from PTF*	-	41,289,596	-	41,289,596	-	-	-	-
Cash and bank*	-	52,836,385	-	52,836,385	-	-	-	-
Total financial assets	206,211,034	175,886,646	-	382,097,680	-	206,211,034	-	206,211,034
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	-	(73,651,766)	(73,651,766)	-	-	-	-
Payable to OPF*	-	-	(41,289,596)	(41,289,596)	-	-	-	-
Takaful / retakaful payables*	-	-	(38,387,930)	(38,387,930)	-	-	-	-
Other creditors and accruals*	-	-	(22,805,871)	(22,805,871)	-	-	-	-
Total financial liabilities	-	-	(176,135,163)	(176,135,163)	-	-	-	-

26.1 Valuation techniques used in determination of fair values within level 2

Item	Valuation approach and input used
Units of mutual funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV, PKFRV & PKISRV rates (MUFAP page).
Term Finance Certificates and Bonds	Investments in debt securities (comprising Term Finance Certificates, Bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currency involved, interest rates, yield curves, volatilities, contracts duration, etc.

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

26.2 During the period ended September 30, 2023, there were no transfers between level 1 and 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-audited)

For the nine months period ended September 30, 2023

27. GENERAL

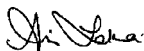
Figures in these interim condensed interim financial statements have been rounded off to the nearest rupee, unless otherwise stated.

28. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 26, 2023



Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Aftab Ahmad
Director



Mohammad Hussain Hirji
Director & Chief Executive



Sabza Ali Pirani
Chief Financial Officer

Network

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Sialkot Office

Al Khalil Centre, 1st Floor, Office No. 215-216
Kashmir Road, Near China Chowk, Sialkot.
Tel: (052) 3241703-7

Gujranwala Office

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Opp. Gujranwala Chamber of Commercial &
Industry Trust Plaza, Gujranwala.
Tel: (055) 3840034-35

Registered and Corporate Office

Lakson Square, Building # 2, Sarwar Shaheed Road,
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Khalid Bin Waleed Road Office

Office # 901 - 902, 9th Floor,
Dulara Business Centre, Plot # 19,
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Khalid Bin Waleed Road, Karachi.
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Shahrah e Faisal Office:

Ebrahim Estates, 2nd Floor,
D/1 Union Commercial Area,
Block 7 & 8, Shahrah e Faisal, Karachi.
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Lahore Regional Office

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Multan Office

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Century Insurance Company Limited
A Lakson Group Company

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