

The logo for Jubilee General Insurance is located in the top left corner. It features the word "Jubilee" in a large, white, sans-serif font, with the "J" being particularly prominent. Below it, the words "GENERAL INSURANCE" are written in a smaller, white, all-caps, sans-serif font. The logo is set against a red rectangular background.

Jubilee
GENERAL INSURANCE

The background of the entire page is a photograph of several umbrellas. One large, bright red umbrella is the central focus, fully open and positioned in the upper half of the frame. Other umbrellas, mostly in shades of grey and black, are visible in the foreground and background, some partially open and some closed. The sky behind the umbrellas is a soft, hazy gradient of light, suggesting a sunset or sunrise. The overall mood is one of protection and reliability.

WE ARE THERE FOR YOU
TODAY AND TOMORROW

**HALF YEARLY
REPORT (Unaudited)**
2021

AA+
VIS

AA+
PACRA

B+
AM BEST

MAP

Top Position in Insurance Sector (Financial Category) 34th MAP Corporate Excellence Award

ICAP & ICMAP

Third Position among Insurance Companies for Best Corporate Report & Sustainability Award

Lloyd's Register LRQA

ISO 9001:2015 (All Functions including Enterprise Risk Management)

FPCCI

Outstanding Service in Insurance

Insurance Journal

Corporate Social Responsibility Highest Donation (2013-2015)

SAFA

1st Runner-up Position (Insurance Sector)

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CORPORATE INFORMATION

Chairman of the Board of Directors

R. Zakir Mahmood (Non-Executive Director)

Directors

Akbarali Pesnani (Non-Executive Director)

John Joseph Metcalf (Non-Executive Director)

Amin A. Hashwani (Non-Executive Director)

Amyr Currimbhoy (Independent Director)

Riyaz Ali Towfiq Chinoy (Independent Director)

Murtaza Hashwani (Non-Executive Director)

Abrar Ahmed Mir (Non-Executive Director)

Nausheen Ahmad (Independent Director)

Managing Director and Chief Executive

Hassan Khan (Executive Director)

Chief Financial Officer

Nawaid Jamal

Company Secretary

Syed Muhammad Ali Hasnain

Auditors

A.F. Ferguson & Co. (Chartered Accountants)

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Legal Advisor

SurrIDGE & Beecheno

Bankers

Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
Soneri Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited

Share Registrar

THK Associates (Pvt.) Limited,
Plot No. 32-C, Jami Commercial Street 2, D.H.A.,
Phase VII Karachi.
UAN: (92-21) 111- 000-322
Tel: (92-21) 35310191-93

Head Office / Registered Office

2nd Floor, Jubilee Insurance House,
I. I. Chundrigar Road, Karachi, Pakistan.

UAN: (92-21) 111-654-111
Toll Free: 0800-03786
Tel: (92-21) 32416022-26
Fax: (92-21) 34216728 - 32438738

E-Mail: info@jubileegeneral.com.pk

Website: www.jubileegeneral.com.pk

National Tax Number

0711347-1

Sales Tax Registration Number

1600980500182

THE DIRECTORS' REVIEW

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2021

The Directors are pleased to present before you the unaudited financial statements for the half year ended 30th June 2021.

Overview

The half year ended June 2021 witnessed a strong recovery in macroeconomic indicators owing to the support provided by government's monetary and fiscal stimuli. Indicators like GDP Growth, Current Account Balance, exports, remittances and LSM Index also showed healthy growth. However, the positive sentiments were slightly dampened by recurring waves of COVID-19 infections and ballooning import bill due to rising global commodity prices.

Company Performance

Gross Written Premium (GWP) including Contribution written in Takaful Operations grew by 18% to PKR 6.29 billion (2020: PKR 5.33 billion) while the combined Net Premium / Contribution grew by 3% to PKR 2.85 billion (2020: PKR 2.77 billion). We have posted combined technical profit of PKR 162.50 million (2020: PKR 143.98 million) reflecting an increase of 13% during the period under review.

Capital markets remained range-bound during the half year ending June 2021. KSE 100 Index returned 8% during the period. There was not much movement in the fixed income market as SBP continued its accommodative monetary stance and kept the Policy Rate unchanged throughout the period. Our Company's investment income (including Window Takaful Operations) for the half year increased by 46% to reach PKR 996.37 million (2020: PKR 680.71 million).

Conventional Insurance Operations

Our insurance business (GWP) increased by 19% in the half year under review to PKR 5.60 billion (2020: PKR 4.72 billion). The Net Premium for the period increase by 3% to PKR 2.54 billion (2020: PKR 2.46 billion). Our underwriting results for the half year increased by 116% to PKR 123.73 million (2020: PKR 57.35 million) owing to better claims management in the half year under review. Further, for the reasons mentioned above, Company's investment income increased by 49% to PKR 982.99 million (2020: PKR 658.66 million).

The summarised results of the Company's insurance business for the half year ended 30th June 2021 are as under:

	30th June 2021	30th June 2020
	.....(Rupees in '000).....	
Gross Premium	5,602,970	4,715,300
Net Premium Revenue	2,543,999	2,462,585
Underwriting Result	123,733	57,350
Investment Income including Capital Gain and Rent	982,992	658,658
Profit Before Tax	1,228,870	793,913
Profit After Tax for the period	870,558	563,362
Earnings Per Share of PKR 10 each (Amount in Rupees)	4.39	2.84

Window Takaful Operations

Window Takaful Operations posted a growth of 12% in gross written contribution to achieve PKR 685 million (2020: PKR 614 million). Net contributions grew by 2% to PKR 311 million (2020: PKR 305 million). We hope to maintain the growth momentum in Takaful Operations during the second half of year.

The Participant's Takaful Fund Surplus decrease to PKR 9.44 million (2020: PKR 80.37 million) due to increase in reported claims, while the Operator's Profit after tax during the half year under review was PKR 41.19 million (2020: PKR 36.82 million).

The summarised results of Company's Window Takaful Operations for the half year under review are as follows:

	30th June 2021	30th June 2020
	.....(Rupees in '000).....	
Participants' Fund		
Gross Contribution	684,663	613,831
Net Contribution	311,445	305,199
(Deficit) / Surplus before Investment Income	(6,869)	55,313
Investment Income	20,578	31,349
Surplus for the period	9,444	80,373
Operator's Fund		
Revenue Account	45,639	31,314
Investment Income	13,382	22,053
Profit Before Tax	58,018	51,865
Profit after tax for the period	41,193	36,824

Outlook

The accommodative monetary policy of SBP and a mostly inflation-neutral budget for FY 2022 augur well for the economic outlook. This is reflected in the improved business confidence, and we expect insurance sector to grow in second half of the year.



Hassan Khan
Managing Director & Chief Executive



Amyn Currimbhoy
Director

Karachi: 24 August 2021

ونڈونکافل آپریشنز

ونڈونکافل آپریشنز نے 68.5 ملین روپے (2020:614 ملین روپے) کے حصول کے لیے مجموعی کنٹریبیوشن میں 12 فیصد کی نمو ظاہر کی۔ خالص کنٹریبیوشن 2 فیصد اضافے کے ساتھ 311 ملین روپے (2020:305 ملین روپے) تک پہنچ گیا۔ ہم امید کرتے ہیں کہ سال کی دوسری ششماہی کے دوران ترقی کی یہ رفتار برقرار رہے گی۔

کلیمز میں اضافے کی وجہ سے پارٹنیشنز کا کافل فنڈ سرپلس کم ہو کر 9.44 ملین روپے (2020:80.37 ملین روپے) کر گیا، جبکہ زیر جائزہ نصف سال (ششماہی) کے دوران آپریٹرز کا بعد از ٹیکس منافع 41.19 ملین روپے (2020:36.82 ملین روپے) رہا۔

زیر جائزہ نصف سال (ششماہی) کے حوالے سے کمپنی کے ونڈونکافل آپریشنز کے نتائج کا خلاصہ حسب ذیل ہے:

جون 30	جون 30	
2020	2021	
.....'000' روپے میں.....		
613,831	684,663	پارٹنیشنز فنڈ
305,199	311,445	مجموعی کنٹریبیوشن
55,313	(6,869)	خالص کنٹریبیوشن
31,349	20,578	سرمایہ کاری کی آمدنی سے قبل (خسارہ) / سرپلس
80,373	9,444	سرمایہ کاری کی آمدنی
		اس مدت کے لیے سرپلس
		آپریٹرز فنڈ
31,314	45,639	ریونیو اکاؤنٹ
22,053	13,382	سرمایہ کاری سے آمدنی
51,865	58,018	قبل از ٹیکس منافع
36,824	41,193	اس مدت کے لیے بعد از ٹیکس منافع

مستقبل پر نظر

اسٹیٹ بینک آف پاکستان کی مالیاتی پالیسی اور مالی سال 2022 کے لیے زیادہ تر افراط زر سے بچنے والا بجٹ، معاشی نقطہ نظر کے حوالے سے بہتر ہے۔ جو کہ کاروباری اعتماد میں بہتری سے بھی ظاہر ہے۔ ہم سال کے دوسرے حصے میں انشورنس سیکٹرز میں نمو کی امید رکھتے ہیں۔

امین کریم بھائی
ڈائریکٹر

حسان خان
مینجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو

کراچی: 24 اگست، 2021

ڈائریکٹرز کا تجزیہ

برائے ختم شدہ مدت 30 جون 2021

کمپنی کے ڈائریکٹرز، آپ کے سامنے 30 جون 2021 کو ختم ہونے والی ششماہی کے غیر آڈیٹڈ مالی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

تجزیہ

جون 2021 کو ختم ہونے والے نصف سال (ششماہی) میں حکومت کی جانب سے مالیاتی پالیسی اور مالی محرکات کی وجہ سے میکرو اکنامک اشاریوں میں مستحکم بحالی دیکھنے میں آئی۔ مختلف اشاریوں جیسے جی ڈی پی نمو، کرنٹ اکاؤنٹ، سیلنس، برآمدات، رییمینسز، لبل ایس ایم انڈیکس میں بھی صحت مند نمود لکھی گئی۔ تاہم اس مثبت رجحان میں COVID-19 (i) وبا کی بار بار آنے والی لہروں کے سبب اور عالمی سطح پر اجناس کی بڑھتی ہوئی قیمتوں کے سبب درآمدی بل میں اضافے کی وجہ سے تھوڑی بہت کمی رونما ہوئی۔

کمپنی کی کارکردگی

مجموعی پریمییم (GWP) بشمول مکافل کنٹریبیوشن 18 فیصد تک اضافے کے ساتھ 6.29 بلین روپے (2020: 5.33 بلین روپے) ہو گیا، جبکہ مشترکہ خالص پریمییم / کنٹریبیوشن 3 فیصد تک اضافے کے ساتھ 2.85 بلین روپے (2020: 2.77 بلین) ہو گیا۔ ہم نے 162.50 ملین روپے کا مشترکہ ٹیکنیکی نفع حاصل کیا، جو اس مدت کے دوران 13 فیصد اضافے کی عکاسی کرتا ہے۔

جون 2021 کو ختم ہونے والے نصف سال (ششماہی) کے دوران کیسٹل مارکیٹ حد بندی کا شکار رہی۔ اس مدت کے دوران کے ایس ای 100 انڈیکس مستقبل قریب میں درآمدی بل اور کرنٹ اکاؤنٹ۔ سیلنس سے متعلق بڑھتے ہوئے تحفظات کی وجہ سے معاشی ترقی کے امکانات کو کسی حد تک رد کئے جانے کے سبب 8 فیصد تنزیلی کا شکار رہی۔ اسٹیٹ بینک آف پاکستان کی جانب سے موزوں مالیاتی موقف کے تسلسل کو جاری رکھنے اور اس پوری مدت کے دوران پالیسی کی شرح کو تبدیل نہ کرنے کی وجہ سے فلکسڈ انکم مارکیٹ میں زیادہ نقل و حرکت نہیں ہوئی۔ ہماری کمپنی کی سرمایہ کارانہ آمدنی (بشمول ونڈو مکافل آپریٹرز) 46 فیصد اضافے کے ساتھ 996.37 ملین روپے (2020: 680.71 ملین روپے) تک پہنچ گئی۔

کنٹریبیوشن انشورنس آپریٹرز

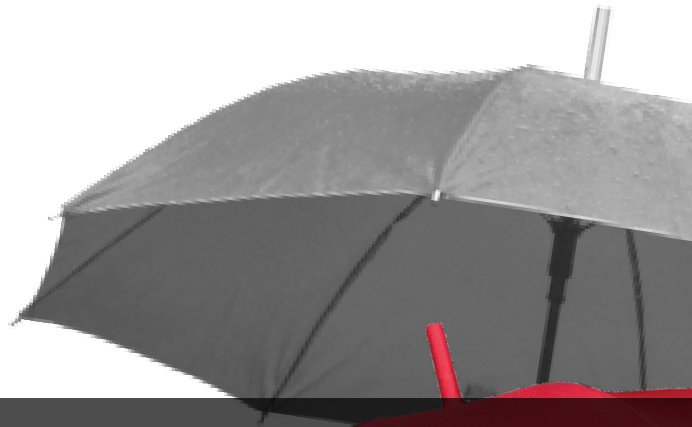
انشورنس پریمییم (GWP)، زیر جائزہ نصف سال (ششماہی) میں 19 فیصد تک اضافے کے ساتھ 5.60 بلین روپے (2020: 4.72 بلین روپے) تک پہنچ گیا۔ اس مدت کے حوالے سے خالص پریمییم 3 فیصد اضافے کے ساتھ 2.54 بلین روپے (2020: 2.46 بلین روپے) تک پہنچ گیا۔ نصف سال (ششماہی) کے حوالے سے ہماری انڈر رائٹنگ کے نتائج 116 فیصد اضافے کے ساتھ 123.73 ملین روپے (2020: 57.35 ملین روپے) تک پہنچ گئے، جو کہ زیر جائزہ نصف سال (ششماہی) میں کلیمز کے بہتر مینجمنٹ کی وجہ سے ہے۔ مزید یہ کہ مذکورہ اسباب کی بنا پر کمپنی کی سرمایہ کارانہ آمدنی 49 فیصد اضافے کے ساتھ 982.99 ملین روپے (2020: 658.66 ملین روپے) تک پہنچ گئی۔

30 جون، 2021 کو ختم ہونے والے نصف سال (ششماہی) کے حوالے سے کمپنی کے انشورنس کے کاروبار کے نتائج کا خلاصہ حسب ذیل ہے:

جون 30	جون 30	
2020	2021	
4,715,300	5,602,970	مجموعی پریمییم
2,462,585	2,543,999	خالص پریمییم
57,350	123,733	انڈر رائٹنگ رزلٹ
658,658	982,992	سرمایہ کاری کی آمدنی بشمول کیسٹل گینز اور کرایہ
793,913	1,228,870	قبل از ٹیکس منافع
563,362	870,558	زیر جائزہ مدت کے لیے بعد از ٹیکس منافع
2.84	4.39	10 روپے والے ہر ایک شیئر پر منافع (روپوں میں)

FINANCIAL

STATEMENTS





Independent auditor's review report to the members of Jubilee General Insurance Company Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Jubilee General Insurance Company Limited** (the Company) as at June 30, 2021 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the quarters ended June 30, 2021 and June 30, 2020 in the condensed interim profit and loss account, condensed interim statement of comprehensive income and relevant notes have not been reviewed and we do not express a conclusion on them.

Scope of Review

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

Conclusion

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

The engagement partner on the review resulting in this independent auditor's review report is **Noman Abbas Sheikh**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: August 27, 2021

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Tel: +92 (21) 32426682-6/32426711-5, Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at June 30, 2021

Assets	Note	June 30,	December 31,
		2021 (Un-audited)	2020 (Audited)
		.....(Rupees in '000).....	
Property and equipment	7	105,400	135,471
Intangible assets	8	55,518	61,991
Investment properties	9	643,273	645,896
Investments in associates	10	918,812	911,059
Investments			
Equity securities	11	2,969,726	3,731,766
Debt securities	12	9,181,125	9,747,624
Term deposits	13	1,624,180	140,467
Loans and other receivables	14	261,118	303,564
Insurance / reinsurance receivables	15	2,247,747	1,074,028
Reinsurance recoveries against outstanding claims		3,387,356	3,231,138
Salvage recoveries accrued		74,099	28,750
Deferred commission expense / acquisition cost	26	230,480	210,288
Prepayments	16	2,523,843	1,688,753
Cash and bank	17	989,865	965,862
		25,212,542	22,876,657
Total assets of Window Takaful Operations - Operator's Fund	18	387,094	418,313
Total assets		25,599,636	23,294,970



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive

	Note	June 30,	December 31,
		2021 (Un-audited)	2020 (Audited)
Equity and Liabilities			
Capital and reserves attributable to the Company's equity holders			
Authorised share capital:			
250,000,000 (December 31, 2020: 250,000,000)			
Ordinary shares of Rs.10 each		2,500,000	2,500,000
Issued, subscribed and paid-up share capital [198,491,241 (December 31, 2020: 198,491,241) Ordinary shares of Rs.10 each]		1,984,912	1,984,912
Reserves		6,430,799	5,941,897
Unappropriated profit		1,067,883	1,620,200
Total Equity		9,483,594	9,547,009
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	25	4,957,515	4,807,405
Unearned premium reserves	24	4,385,522	3,465,728
Unearned reinsurance commission	26	143,248	108,839
Deferred taxation - net	19	127,494	232,143
Premium received in advance		169,503	288,059
Insurance / reinsurance payables	20	3,036,433	1,989,235
Other creditors and accruals	21	1,255,254	1,025,929
Deposits and other payables	22	1,514,064	1,424,498
Taxation - provision less payments		277,322	173,500
		15,866,355	13,515,336
Total liabilities of Window Takaful Operations - Operator's Fund	18	249,687	232,625
Total liabilities		16,116,042	13,747,961
Total equity and liabilities		25,599,636	23,294,970
Contingencies and commitments	23		

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the three months and six months period ended June 30, 2021

	Note	Three months period ended		Six months period ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
.....(Rupees in '000)..... (Rupees in '000).....					
Net insurance premium	24	1,198,381	1,147,148	2,543,999	2,462,585
Net insurance claims	25	690,645	618,670	1,435,606	1,402,463
Net commission and other acquisition costs	26	82,105	82,797	166,846	178,023
Insurance claims and acquisition expenses		772,750	701,467	1,602,452	1,580,486
Management expenses		408,032	379,413	817,814	824,749
Underwriting results		17,599	66,268	123,733	57,350
Net investment income	27	377,650	357,058	908,830	571,809
Rental income	28	22,230	18,878	40,866	32,049
Other income	29	21,001	22,265	33,105	68,328
Other expenses		(10,732)	(19,154)	(29,560)	(29,681)
Results of operating activities		427,748	445,315	1,076,974	699,855
Share of profit / (loss) of associates	10	31,146	(12,422)	93,878	42,193
Profit from Window Takaful Operations	18	31,514	4,054	58,018	51,865
Profit before tax		490,408	436,947	1,228,870	793,913
Income tax expense - Current		(159,282)	(127,518)	(364,619)	(272,872)
- Deferred		15,475	(4,372)	6,307	42,321
		(143,807)	(131,890)	(358,312)	(230,551)
Profit after tax		346,601	305,057	870,558	563,362
Earnings (after tax) per share - Rupees	30	1.75	1.54	4.39	2.84

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman




Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months and six months period ended June 30, 2021

	Three months period ended		Six months period ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
.....(Rupees in '000)..... (Rupees in '000).....				
Profit after tax for the period	346,601	305,057	870,558	563,362
Other comprehensive income				
<i>Item that will not be reclassified to the profit and loss account in subsequent periods</i>				
Share in actuarial gain on defined benefit plan of an associate - net of tax	-	1,068	949	1,068
<i>Item that may be reclassified to the profit and loss account in subsequent periods</i>				
Foreign currency translation difference - net of tax	(10,722)	7,454	(3,725)	(278)
Unrealised appreciation / (diminution) on revaluation of available-for-sale investments - net of tax	59,080	566,144	(96,821)	(369,926)
Reclassification adjustment for net (gain) / loss on sale of available-for-sale investments included in the profit and loss account - net of tax	(30,544)	471	(136,582)	(57,732)
	28,536	566,615	(233,403)	(427,658)
Unrealised appreciation / (diminution) on available-for-sale investments of Window Takaful Operations - net of tax	2,138	11,105	1,510	(7,714)
Reclassification adjustment for net (gain) on disposal of available-for-sale investments included in profit and loss account of Window Takaful Operations - net of tax	-	-	-	(637)
	2,138	11,105	1,510	(8,351)
Share in other comprehensive loss / income of an associate				
Net unrealised (diminution) / appreciation on revaluation of available-for-sale investments - net of tax	(5,028)	16,757	(3,894)	25,648
Foreign currency translation difference - net of tax	(332)	(22)	(691)	(1,068)
	(5,360)	16,735	(4,585)	24,580
Total comprehensive income for the period	361,193	908,034	631,304	152,723

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.


R. Zakir Mahmood
Chairman

Hassan Khan
Chief Executive

Aryn Currimbhoy
Director

Amin A. Hashwani
Director

Nawaid Jamal
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the six months period ended June 30, 2021

Attributable to equity holders of the Company										
Share capital	Capital reserve			Revenue reserves				Company's share of money ceded to waqf fund by an associate	Unappropriated profit	Total
	Reserve for exceptional losses	Unrealised appreciation / (diminution) on revaluation of available-for-sale investments - net of tax	Foreign currency translation difference - net of tax	General reserve	Special reserve	Company's share of retained earnings arising from business participating attributable to shareholders Ledger D of an associate				
1,804,465	9,384	627,144	24,729	3,650,000	1,200,000	209,752	32	1,186,555	8,712,061	
-	-	-	-	-	-	-	-	563,362	563,362	
-	-	-	-	-	-	(12,881)	-	12,881	-	
-	-	-	(278)	-	-	-	-	-	(278)	
-	-	25,648	(1,068)	-	-	-	-	1,068	25,648	
-	-	(377,640)	-	-	-	-	-	-	(377,640)	
-	-	(58,369)	-	-	-	-	-	-	(58,369)	
-	-	(410,361)	(1,346)	-	-	(12,881)	-	577,311	152,723	
-	-	-	-	-	-	-	-	(541,340)	(541,340)	
180,447	-	-	-	-	-	-	-	(180,447)	-	
-	-	-	-	150,000	-	-	-	(150,000)	-	
-	-	-	-	-	200,000	-	-	(200,000)	-	
180,447	-	-	-	150,000	200,000	-	-	(1,071,787)	(541,340)	
1,984,912	9,384	216,783	23,383	3,800,000	1,400,000	196,871	32	692,079	8,323,444	

(Rupees in '000)

Balance as at December 31, 2019 (audited)

Total comprehensive income

Profit after taxation
Share in Ledger D balance of an associate
Other comprehensive income
Foreign currency translation difference - net of tax
Share in other comprehensive income / (loss) of an associate - net of tax
Net unrealised diminution arising during the period on revaluation of available-for-sale investments (including WTO) - net of tax
Reclassification adjustment for net gain on sale of available-for-sale investments included in the profit and loss account (Including WTO) - net of tax

Transactions with owners recorded directly in equity

Final cash dividend at Rs. 3 per share (30%) for the year ended December 31, 2019
Issuance of bonus shares @ Re. 1.00 per share (10%) for the year ended December 31, 2019
Transfer to general reserve
Transfer to special reserve

Balance as at June 30, 2020 (un-audited)

Attributable to equity holders of the Company

Share capital	Capital reserve				Revenue reserves				Unappropriated profit	Total
	Reserve for exceptional losses	Unrealised appreciation / (diminution) on revaluation of available-for-sale investments - net of tax	Foreign currency translation difference - net of tax	General reserve	Special reserve	Company's share of retained earnings arising from business other than participating business attributable to shareholders Ledger D of an associate	Company's share of money ceded to waqf fund by an associate	Unappropriated profit		
1,984,912	9,384	481,522	9,354	3,800,000	1,400,000	241,605	32	1,620,200	9,547,009	
-	-	-	-	-	-	-	-	870,558	870,558	
-	-	-	-	-	-	29,105	-	(29,105)	-	
-	-	-	(3,725)	-	-	-	-	-	(3,725)	
-	-	(3,894)	(691)	-	-	-	-	949	(3,636)	
-	-	(95,311)	-	-	-	-	-	-	(95,311)	
-	-	(136,582)	-	-	-	-	-	-	(136,582)	
-	-	(235,787)	(4,416)	-	-	29,105	-	842,402	631,304	
-	-	-	-	-	-	-	-	(694,719)	(694,719)	
-	-	-	-	300,000	-	-	-	(300,000)	-	
-	-	-	-	300,000	400,000	-	-	(400,000)	-	
-	-	-	-	300,000	400,000	-	-	(1,394,719)	(694,719)	
1,984,912	9,384	245,735	4,938	4,100,000	1,800,000	270,710	32	1,067,883	9,483,594	

(Rupees in '000)

Balance as at December 31, 2020 (audited)

Total comprehensive income

Profit after taxation
Share in Ledger D balance of an associate
Other comprehensive income
Foreign currency translation difference - net of tax
Share in other comprehensive income / (loss) of an associate - net of tax
Net unrealised diminution arising during the period on revaluation of available-for-sale investments (including WTO) - net of tax
Reclassification adjustment for net gain on available-for-sale investments included in profit and loss account (including WTO) - net of tax

Transactions with owners recorded directly in equity

Final cash dividend at Rs. 35.00 per share (35%) for the year ended December 31, 2020
Transfer to general reserve
Transfer to special reserve

Balance as at June 30, 2021 (un-audited)

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.


R. Zakir Mahmood
Chairman


Amyn Currimbhoy
Director


Amin A. Hashwani
Director


Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the six months period ended June 30, 2021

	Six months period ended	
	June 30,	June 30,
	2021	2020
.....(Rupees in '000).....		
Operating cash flows		
(a) Underwriting activities		
Insurance premium received	4,312,316	3,651,072
Reinsurance premium paid	(1,879,493)	(1,590,447)
Claims paid	(1,785,073)	(1,366,983)
Reinsurance and other recoveries received	296,389	271,980
Commission paid	(307,588)	(245,851)
Commission received	167,343	118,597
Management expenses paid	(774,263)	(652,498)
Net cash generated from underwriting activities	29,631	185,870
(b) Other operating activities		
Income taxes paid	(281,134)	(215,249)
General and administration expenses paid	(6,233)	(14,810)
Other operating payments	(532,304)	(444,096)
Other operating receipts	910,058	534,673
Loans advanced	(872)	(127)
Loans repayments received	593	529
Net cash generated from / (used in) other operating activities	90,108	(139,080)
Total cash generated from all operating activities	119,739	46,790
Investment activities		
Profit / return received	410,255	417,214
Dividends received	171,088	118,948
Rentals received - net of expenses	39,124	20,042
Payments for investments	(14,098,922)	(3,517,488)
Proceeds from investments	15,552,966	3,363,312
Fixed capital expenditure	(6,147)	(26,109)
Proceeds from sale of property and equipment	97	155
Total cash generated from investing activities	2,068,461	376,074
Financing activities		
Dividends paid	(673,370)	(531,318)
Principal repayment of lease liabilities against right-of-use asset	(5,254)	(4,792)
Total cash used in financing activities	(678,624)	(536,110)
Net cash generated from / (used in) all activities	1,509,576	(113,246)
Cash and cash equivalents at the beginning of the period	980,289	1,199,277
Cash and cash equivalents at the end of the period	2,489,865	1,086,031

	Six months period ended	
	June 30,	June 30,
	2021	2020
.....(Rupees in '000).....		
Reconciliation to condensed interim profit and loss account		
Operating cash flows	119,739	46,790
Depreciation / amortisation expense	(42,126)	(45,912)
(Loss) / gain on sale of property and equipment	(468)	35
Unrealised appreciation / (diminution) on revaluation of investments classified as 'at fair value through profit or loss'	347	(50,911)
Profit on disposal of investments	305,000	121,674
Dividend income	161,483	118,948
Rental income	40,866	32,049
Other investment income	569,174	479,091
Profit for the period from Window Takaful Operations - net of tax	41,193	36,825
Increase in assets other than cash	2,106,436	1,944,817
Increase in liabilities other than borrowings	(2,431,086)	(2,120,044)
Profit after taxation	870,558	563,362
Cash for the purposes of the statement of cash flows comprises of:		
Cash and other equivalents		
Cash in hand	594	1,135
Policy and revenue stamps and bond papers	5,024	4,288
	5,618	5,423
Cash at bank		
Current accounts	81,968	155,029
Savings accounts	902,279	925,579
	984,247	1,080,608
Deposits having maturity within 3 months (payable on demand)		
Term deposits - local currency	1,500,000	-
	2,489,865	1,086,031
Reconciliation of liabilities arising out of financing activities		
Unclaimed dividend as at January 1	121,872	112,070
Changes from financing activities		
Dividend paid	(673,370)	(531,318)
Others		
Final cash dividend for the year ended December 31, 2020 @ 35% (December 31, 2019: 30%)	694,719	541,340
Unclaimed dividend as at June 30	143,221	122,092

The annexed notes from 1 to 35 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the six months period ended June 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on May 16, 1953. 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 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi, Pakistan.

The Company was granted authorisation on March 10, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (WTO) in respect of general takaful products by the Securities and Exchange Commission of Pakistan (the SECP) and subsequently the Company commenced Window Takaful Operations on May 7, 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the format prescribed under Insurance Rules, 2017 and these should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020.

2.1 Statement of compliance

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

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

In case requirements differ, the provisions 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 the General Takaful Accounting Regulations, 2019 shall prevail.

2.2 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 and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2020.

2.3 A separate set of condensed interim financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of the General Takaful Accounting Regulations, 2019.

2.4 In accordance with the requirements of the General Takaful Accounting Regulations, 2019, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations of the Company have been presented as a single line item in the condensed interim statement of financial position and the condensed interim profit and loss account of the Company respectively.

2.5 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except certain investments which are stated at their fair values.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.7 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been stated in these condensed interim financial statements.

2.8 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

The following standard and amendments of accounting and reporting standards as applicable in Pakistan will be effective for accounting periods beginning on or after January 1, 2022:

Standard and amendments	Effective date (period beginning on or after)
- IFRS 16 - 'Leases' (amendments)	April 1, 2021
- IAS 16 - 'Property, plant and equipment' (amendments)	January 1, 2022
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2023
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IFRS 9 - 'Financial Instruments'	January 1, 2023*

* The management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 are given in notes 2.8.1 and 2.8.1.1 to these condensed interim financial statements.

The management is in the process of assessing the impacts of these standards and amendments on the condensed interim financial statements.

2.8.1 Temporary exemption from application of IFRS 9

As an insurance company, the management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 2.8.1.1 below.

2.8.1.1 Fair value of financial assets as at June 30, 2021 and change in the fair values during the six months period ended June 30, 2021

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	As at June 30, 2021 (Rupees in '000)
Pakistan Investment Bonds - Held-to-maturity (note 12)	
Opening fair value	212,283
Decrease in fair value	(963)
Closing fair value	211,320
Debt securities - Available-for-sale (note 12)	
Opening fair value	9,539,056
Net disposals during the period - net	(491,907)
Decrease in fair value	(77,926)
Closing fair value	8,969,223
Financial assets that do not meet the SPPI criteria	
Equity securities - Available-for-sale (note 11)	
Opening fair value	3,731,766
Net disposals during the period - net	(531,802)
Decrease in fair value	(250,798)
Closing fair value	2,949,166

2.8.2

There are certain other amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or will not have significant effect on the Company's operations and are therefore not stated in these condensed interim financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation followed in these condensed interim financial statements are the same as compared to the annual audited financial statements of the Company as at and for the year ended December 31, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. Estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, the significant judgments, estimates and assumptions made by the 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, 2020, except as disclosed in note 4.1 below:

- 4.1 The estimated residual values of the tracker equipment have been reviewed and based on the historical experience, the estimated residual values have been revised from 5% to 0% of its cost. The change has been accounted for as change in accounting estimate in accordance with the requirements of International Accounting Standard (IAS - 8) "Accounting policies, Changes in Estimates and Errors" whereby the effect of the change has been recognised prospectively. Had the Company's accounting estimate not been changed, the carrying amount of property and equipment of the Company and the profit after tax for the period ended June 30, 2021 would have been higher by Rs. 5,796 thousands and Rs. 4,115 thousands respectively.

5. INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2020.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made in these condensed interim financial statements 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 reporting date in respect of policies in force at the reporting date.

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
.....(Rupees in '000).....			
7. PROPERTY AND EQUIPMENT			
Operating assets	7.1	105,400	135,471
7.1	The break-up of operating assets as at the period / year end is given below:		
	Buildings	4,158	4,272
	Furniture and fixtures	25,047	27,707
	Office equipment	32,130	35,329
	Tracker equipment	15,727	28,453
	Motor vehicles	6,594	7,034
	Computers and related accessories	18,368	21,435
	Right-of-use asset - buildings	3,376	11,241
		105,400	135,471
7.2	Movement of property and equipment during the period / year is as follows :		
	Opening book value (audited)	135,471	191,199
	Add: Additions during the period / year Owned assets	1,623	13,124
		137,094	204,323
	Less: Net book value of assets disposed of during the period / year	(565)	(3,071)
	Less: Depreciation for the period / year	(31,129)	(65,781)
		105,400	135,471

		June 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
8.	INTANGIBLE ASSETS		
	Computer softwares	55,518	61,991

8.1 Movement of intangible assets during the period / year is as follows :

Opening book value (audited)	61,991	51,343
Add: Additions during the period / year	4,524	30,997
	66,515	82,340
Less: Amortisation for the period / year	(10,997)	(20,349)
	55,518	61,991

9. INVESTMENT PROPERTIES

The market value of investment properties as per the valuations carried out by the professional valuers in 2019 and as ascertained by the management is Rs. 3,453,729 thousands. (December 31, 2020: Rs. 3,453,729 thousands).

10. INVESTMENTS IN ASSOCIATES

June 30,		December 31,		Face value per share (Rupees)	Note	June 30,		December 31,	
2021	2020	2021	2020			(Un-audited)	(Audited)	(Un-audited)	(Audited)
Number of shares						..... (Rupees in '000)			
Quoted									
5,611,592	5,611,592	10	Jubilee Life Insurance Company Limited (JLICL) (Chief Executive Officer - Javed Ahmed)	10.1	771,186	766,222			
Unquoted									
29,250,000	29,250,000	1	Jubilee Kyrgyzstan Insurance Company Limited (JKIC) (incorporated in Kyrgyzstan) (Chief Executive Officer - Khagai V.I.)	10.2 10.3	147,626	144,837	918,812	911,059	

10.1 JLICL is engaged in the business of life insurance. The market value of investment and percentage of holding in associate are Rs. 1,878,480 thousands and 6.43% (December 31, 2020: Rs. 2,233,919 thousands and 6.43%) respectively.

10.2 JKIC is a closed joint stock company and is engaged in life and non-life insurance business. The Company holds 19.5% (December 31, 2020: 19.5%) shares in JKIC. The break-up value of the investment based on un-audited financial statements for the six months period ended June 30, 2021 is Rs. 4.86 per share (December 31, 2020: Rs. 4.76).

10.3 Movement of investment in associates is as follows:

	JLICL		JKIC		Total	
	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
..... (Rupees in '000)						
Balance at the beginning of the period / year	766,222	679,026	144,837	147,556	911,059	826,582
Share of profit during the period / year	85,842	169,741	8,036	19,273	93,878	189,014
Less: Dividend received during the period / year	(75,756)	(85,704)	-	(2,274)	(75,756)	(87,978)
Foreign currency translation difference	(973)	(1,936)	(5,247)	(19,718)	(6,220)	(21,654)
Unrealised (diminution) / appreciation on available-for-sale investments	(5,484)	4,840	-	-	(5,484)	4,840
Actuarial gain on defined benefit plan	1,335	255	-	-	1,335	255
Balance at the end of the period / year	771,186	766,222	147,626	144,837	918,812	911,059

11. INVESTMENTS IN EQUITY SECURITIES

	(Un-audited)		(Audited)	
	June 30, 2021		December 31, 2020	
	Carrying value	Market value	Carrying value	Market value
(Rupees in '000)				
Available-for-sale				
Related parties				
Listed shares	620,975	522,520	620,975	564,836
Mutual funds	1,268	5,459	1,268	5,078
	<u>622,243</u>	<u>527,979</u>	<u>622,243</u>	<u>569,914</u>
Others				
Listed shares / certificates	2,143,927	2,418,687	2,675,713	3,159,352
Unlisted shares	2,500	2,500	2,500	2,500
	<u>2,146,427</u>	<u>2,421,187</u>	<u>2,678,213</u>	<u>3,161,852</u>
At fair value through profit or loss				
Listed shares	20,213	20,560	-	-
Total	<u>2,788,883</u>	<u>2,969,726</u>	<u>3,300,456</u>	<u>3,731,766</u>

12. INVESTMENTS IN DEBT SECURITIES

		(Un-audited)		(Audited)	
		June 30, 2021		December 31, 2020	
		Carrying value	Market value	Carrying value	Market value
(Rupees in '000)					
Government securities	Note				
Held-to-maturity					
Pakistan Investment Bonds	12.1	211,902	211,902	208,568	208,568
Available-for-sale					
Pakistan Investment Bonds		3,348,876	3,519,986	3,285,975	3,534,550
Treasury Bills		5,449,008	5,449,237	6,003,818	6,004,506
		<u>8,797,884</u>	<u>8,969,223</u>	<u>9,289,793</u>	<u>9,539,056</u>
Total		<u>9,009,786</u>	<u>9,181,125</u>	<u>9,498,361</u>	<u>9,747,624</u>

12.1 Pakistan Investment Bonds with face value of Rs. 210,000 thousands (December 31, 2020: Rs. 210,000 thousands) are placed with the State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

13. INVESTMENTS IN TERM DEPOSITS

		June 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
(Rupees in '000)			
Held-to-maturity	Note		
Deposits maturing within 12 months			
Term deposits - local currency	13.1 & 13.2	1,529,500	29,860
Term deposit - foreign currency		94,680	110,607
	13.3	<u>1,624,180</u>	<u>140,467</u>

13.1 This includes Rs. 4,500 thousands (December 31, 2020: Rs. 4,860 thousands) placed under lien with commercial banks against bank guarantees.

13.2 This includes an amount of Rs. 1,525,000 thousands (December 31, 2020: Rs. 25,000 thousands) held with related parties. These carry an interest rate of 8.50% (2020: 9.50%) per annum and have maturity upto May 19, 2022.

13.3 Term deposits carry interest rates ranging from 5% to 8.5% (December 31, 2020: 5% to 9.50%) per annum and having maturity upto May 19, 2022. Foreign deposit carry interest rate of 0.9% (December 31, 2020: 0.1% to 1.3%) per annum and having maturity upto July 12, 2021.

14. LOANS AND OTHER RECEIVABLES - CONSIDERED GOOD

		June 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
(Rupees in '000)			
	Note		
Rent receivable	14.1	3,838	2,547
Accrued investment income		123,291	134,089
Security deposits		32,925	66,912
Advance to suppliers		74,728	64,158
Sales tax recoverable		15,723	18,385
Loans to employees		1,005	726
Medical claims recoverable		5,358	8,406
Receivable against sale of investments		-	5,042
Other receivables		4,250	3,299
		<u>261,118</u>	<u>303,564</u>

14.1 This represent receivable of Rs. 2,547 thousands (December 31, 2020: Rs. 2,547 thousands) from a related party.

		June 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
15. INSURANCE / RE-INSURANCE RECEIVABLES			
	Note	.....(Rupees in '000).....	
Due from insurance contract holders	15.1	2,312,211	1,140,113
Less: provision for impairment of receivables from insurance contract holders		(174,961)	(174,961)
		<u>2,137,250</u>	<u>965,152</u>
Due from other insurers / re-insurers		127,497	125,876
Less: provision for impairment of due from other insurers / re-insurers		(17,000)	(17,000)
		<u>110,497</u>	<u>108,876</u>
		<u>2,247,747</u>	<u>1,074,028</u>

15.1 Due from insurance contract holders includes Rs. 96,835 thousands (December, 31 2020: Rs. 101,510 thousands) due from related parties.

16. PREPAYMENTS

Prepaid reinsurance premium ceded	24	2,482,514	1,663,576
Prepaid rent		7,722	10,278
Prepaid miscellaneous expenses		33,607	14,899
		<u>2,523,843</u>	<u>1,688,753</u>

17. CASH AND BANK

Cash and cash equivalents			
- Cash in hand		594	31
- Policy, revenue stamps and bond papers		5,024	4,149
		<u>5,618</u>	<u>4,180</u>
Cash at bank			
- Current accounts		81,968	55,957
- Savings accounts	17.1	902,279	905,725
	17.2	984,247	961,682
		<u>989,865</u>	<u>965,862</u>

17.1 Savings accounts carry interest rates ranging from 5.5% to 7% (December 31, 2020: 5.50% to 6.75%) per annum.

17.2 Cash at bank includes Rs. 67,458 thousands (December 31, 2020: Rs. 55,418 thousands) held with a related party. Savings accounts with the related party carry interest rate of 5.51% (December 31, 2020: 5.51%) per annum.

		June 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
18. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND			
		.....(Rupees in '000).....	
Assets			
Cash and bank		171,003	210,422
Investments		56,913	54,786
Property and equipment and intangible assets		2,427	3,799
Other assets		156,751	149,306
Total assets		<u>387,094</u>	<u>418,313</u>
Total liabilities		<u>249,687</u>	<u>232,625</u>

	(Un-audited)		(Un-audited)	
	Three months period ended		Six months period ended	
	June 30,	June 30,	June 30,	June 30,
	2021	2020	2021	2020
	.....(Rupees in '000).....			
Profit before tax for the period	<u>31,514</u>	<u>4,054</u>	<u>58,018</u>	<u>51,865</u>

Details of assets and liabilities and segment information of Window Takaful Operations - Operator's Fund are stated in the annexed condensed interim financial statements.

		June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
.....(Rupees in '000).....			
19. DEFERRED TAXATION - NET			
Deferred tax (assets) / liabilities arising in respect of:			
Accelerated tax depreciation		(6,873)	(3,065)
Provision for doubtful debts		(55,669)	(55,669)
Impairment in available-for-sale investment		(70,316)	(70,417)
Other provisions		(64,416)	(57,393)
Share in other comprehensive (loss) / income of an associate		(115)	1,758
Actuarial loss on defined benefit plan		(24,152)	(24,538)
		(221,541)	(209,324)
Share of profit of associates		244,623	239,444
Right-of-use assets - net		980	1,736
Foreign currency translation difference		2,042	3,564
Net unrealised appreciation on revaluation of available-for-sale investments		101,390	196,723
		349,035	441,467
		127,494	232,143
20. INSURANCE / REINSURANCE PAYABLES			
Due to insurance contract holders		19,043	50,467
Due to other insurers / reinsurers		3,017,390	1,938,768
		3,036,433	1,989,235
21. OTHER CREDITORS AND ACCRUALS			
Agent commission payable		481,624	469,240
Federal excise duty and sales tax		185,616	45,317
Federal insurance fee		13,957	2,941
Sindh Workers' Welfare Fund		255,229	231,902
Tax deducted at source		8,975	6,544
Accrued expenses		68,378	50,957
Claims payable - stale cheques		63,420	61,335
Unpaid and unclaimed dividend		143,221	121,872
Lease liability against right-of-use assets		-	5,097
Others		34,834	30,724
		1,255,254	1,025,929
22. DEPOSITS AND OTHER PAYABLES			
Advance rent	22.1	19,136	22,210
Security deposits against bond insurance	22.2	1,487,134	1,400,696
Other deposits		7,794	1,592
		1,514,064	1,424,498
22.1	This includes an amount of Rs. 9,463 thousands (December 31, 2020: Rs. 12,367 thousands) payable to a related party.		
22.2	This represents margin deposit on account of performance and other bond policies issued by the Company.		

23. CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments remains unchanged as disclosed in the annual audited financial statements as at December 31, 2020 except for the following:

- 23.1** Under the Punjab Sales Tax Services Act, 2012, the health insurance service provided in the province of Punjab was exempted from the chargeability of sales tax upto October 30, 2018. The aforesaid exemption had been withdrawn through the Punjab Finance Act, 2018 by amending Second Schedule of the Punjab Sales Tax Services Act, 2012 with effect from November 01, 2018. During the year ended December 31, 2020, the Punjab Revenue Authority (PRA) vide notification no. SO(TAX)1-110/2020 (COVID-19) dated April 2, 2020 revised the rate of sales tax on health insurance to zero percent for the period from April 2, 2020 till June 30, 2020. The Company has not yet billed its customers for health insurance services provided in the province of Punjab for the provincial sales tax for the periods from November 1, 2018 to April 1, 2020 and from July 1, 2020 till June 30, 2021. This matter is already taken up by the insurance industry with the Punjab Revenue Authority in the context of exemption available from the applicability of the sales tax on health insurance in other provinces and in federal territory as well. The management believes that the amount not yet billed aggregating to Rs. 181.707 million (December 31, 2020: Rs. 133.369 million) by the Company would be recoverable from the customers in case of any adverse outcome of the aforementioned negotiations.

(Un-audited)		(Un-audited)	
Three months period ended		Six months period ended	
June 30,	June 30,	June 30,	June 30,
2021	2020	2021	2020

(Rupees in '000)

24. NET INSURANCE PREMIUM

Written gross premium	2,537,746	1,641,589	5,602,970	4,715,300
Add: Unearned premium reserve opening	4,202,740	4,310,966	3,465,728	3,556,851
Less: Unearned premium reserve closing	4,385,522	3,726,861	4,385,522	3,726,861
Premium earned	2,354,964	2,225,694	4,683,176	4,545,290
Less: Reinsurance premium ceded	1,750,149	892,476	2,958,115	2,404,107
Add: Prepaid reinsurance premium opening	1,888,948	2,126,432	1,663,576	1,618,960
Less: Prepaid reinsurance premium closing	2,482,514	1,940,362	2,482,514	1,940,362
Reinsurance expense	1,156,583	1,078,546	2,139,177	2,082,705
	1,198,381	1,147,148	2,543,999	2,462,585

25. NET INSURANCE CLAIMS

Claims paid	807,833	549,764	1,785,073	1,366,983
Add: Outstanding claims including IBNR closing	4,957,515	5,364,829	4,957,515	5,364,829
Less: Outstanding claims including IBNR opening	4,395,102	4,656,071	4,807,405	4,240,397
Claims expense	1,370,246	1,258,522	1,935,183	2,491,415
Reinsurance and other recoveries received	101,551	134,324	298,010	278,855
Add: Reinsurance and other recoveries received in respect of outstanding claims closing	3,461,455	3,789,009	3,461,455	3,789,009
Less: Reinsurance and other recoveries received in respect of outstanding claims opening	2,883,405	3,283,481	3,259,888	2,978,912
Reinsurance and other recoveries revenue	679,601	639,852	499,577	1,088,952
	690,645	618,670	1,435,606	1,402,463

26. NET COMMISSION AND OTHER ACQUISITION COSTS

Commission paid or payable	113,425	95,213	319,972	267,879
Add: Deferred commission expense opening	267,900	259,765	210,288	247,849
Less: Deferred commission expense closing	230,480	210,489	230,480	210,489
Net commission	150,845	144,489	299,780	305,239
Less: Commission received or receivable	75,033	45,863	167,343	118,596
Add: Unearned reinsurance commission opening	136,955	124,803	108,839	117,594
Less: Unearned reinsurance commission closing	143,248	108,974	143,248	108,974
Commission from reinsurers	68,740	61,692	132,934	127,216
	82,105	82,797	166,846	178,023

		(Un-audited)		(Un-audited)	
		Three months period ended		Six months period ended	
		June 30,	June 30,	June 30,	June 30,
		2021	2020	2021	2020
27. NET INVESTMENT INCOME		Note (Rupees in '000)			
Income from equity securities					
<i>Available-for-sale</i>					
Dividend income					
- Related parties					
- Others					
		7,473	5,337	23,258	10,675
		53,882	42,013	136,768	96,789
		61,355	47,350	160,026	107,464
<i>Fair value through profit or loss</i>					
Dividend income - others					
		1,457	3,670	1,457	11,484
Income from debt securities					
<i>Held-to-maturity</i>					
- Return on government securities					
- Amortisation of discount - net					
		4,127	4,127	8,164	8,188
		1,683	1,483	3,334	2,956
		5,810	5,610	11,498	11,144
<i>Available-for-sale</i>					
- Return on government securities					
- Amortisation of discount - net					
		194,107	156,254	382,034	364,939
		31,900	27,995	62,900	55,044
		226,007	184,249	444,934	419,983
Income from term deposits					
	27.1	1,863	1,189	2,726	3,467
Net realised gains / (losses) on investments					
<i>Available-for-sale</i>					
- Gain on sale of equity securities					
- Loss on sale of equity securities					
- (Loss) / gain on sale of government securities					
		87,046	507	311,734	125,375
		(2,460)	-	(13,904)	(28,036)
		(1)	(77)	(1)	2,715
		84,585	430	297,829	100,054
<i>Fair value through profit or loss</i>					
- Gain on sale of equity securities					
- Loss on sale of equity securities					
		5,918	5,054	8,617	21,742
		(1,446)	(122)	(1,446)	(122)
		4,472	4,932	7,171	21,620
Net unrealised gains / (losses) on investments at fair value through profit or loss					
		2,848	114,246	347	(50,911)
Total investment income					
		388,397	361,676	925,988	624,305
Less: Impairment in value of available-for-sale equity securities					
		-	-	-	(42,483)
Less: Investment related expenses					
		(10,747)	(4,618)	(17,158)	(10,013)
		377,650	357,058	908,830	571,809
27.1	This includes Rs. 2,331 thousands (June 30, 2020: Rs. 1,393 thousands) in respect of return on term deposits from related parties.				
28. RENTAL INCOME					
Rental income					
		33,675	26,426	64,130	49,307
Less: expenses related to investment properties					
		(11,445)	(7,548)	(23,264)	(17,258)
		22,230	18,878	40,866	32,049
29. OTHER INCOME					
Return on bank balances					
	29.1	15,435	20,813	33,296	54,800
Exchange gain / (loss)					
		3,521	(144)	(2,295)	11,883
Return on loans to employees					
		5	9	11	18
Gain / (loss) on sale of fixed assets					
		1	(3)	(468)	35
Others					
		2,039	1,590	2,561	1,592
		21,001	22,265	33,105	68,328
29.1	This includes Rs. 1,204 thousands (June 30, 2020: Rs. 26,897 thousands) in respect of return on bank balances from a related party.				

30. EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	(Un-audited)		(Un-audited)	
	Three months period ended June 30,	June 30,	Six months period ended June 30,	June 30,
	2021	2020	2021	2020
	(Rupees in '000)			
Profit after taxation	346,601	305,057	870,558	563,362
	(Number of shares in '000)			
Weighted average number of shares of Rs. 10 each	198,491	198,491	198,491	198,491
	(Rupees)			
Earnings per share of Rs. 10 each - basic and diluted	1.75	1.54	4.39	2.84

30.1 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.

31. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, companies under common control, companies with common directors, major shareholders, directors, key management personnel and employees' funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties, 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 June 30,	June 30,	Six months period ended June 30,	June 30,
	2021	2020	2021	2020
	(Rupees in '000)			
Associated companies				
Insurance premium written (including government levies, administrative surcharge and policy stamps)	59,624	101,349	326,593	208,292
Insurance premium received / adjusted during the period	109,696	141,204	330,174	278,454
Insurance claims paid	66,812	47,003	214,491	74,855
Commission paid	4,302	3,381	8,708	6,469
Purchases of goods and services	38	-	21,006	20,450
Dividend income	7,473	5,337	23,258	10,675
Dividend received from associates under equity method	75,756	68,870	75,756	68,870
Dividend paid	493,026	391,197	493,026	391,197
Rent income	21,293	10,395	39,429	20,791
Reimbursement of expenses *	13,650	13,546	24,150	19,337
Director's fee	150	150	525	225
Key management personnel				
Remuneration	43,167	22,869	68,818	45,747
Dividend paid	137	945	137	945
Employees' funds				
Contribution to provident fund	8,552	7,683	17,049	15,326
Provision for gratuity fund	7,800	10,500	15,600	16,500
Others				
Insurance premium written (including government levies, administrative surcharge and policy stamps)	322	78	356	84
Insurance premium received / adjusted during the period	389	118	400	174
Expense allocated to Window Takaful Operations	26,852	43,746	51,959	51,075
Claims paid	-	-	12	-
Rent income	645	554	1,254	1,107
Directors' fee	1,500	1,050	2,775	2,100
Dividend paid	10,582	10,590	10,582	10,590

* These expenses pertain to accident and health business and common back office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company.

32. SEGMENT INFORMATION

Following segment information prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the Insurance Rules, 2017 for class wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

	For the three months period ended June 30, 2021 (Un-audited)						Total
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	
	(Rupees in '000)						
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,513,902	226,283	332,136	47,571	212,283	563,685	2,895,860
Less: Federal Excise Duty / Sales Tax	183,256	23,772	40,020	5,242	-	71,403	323,693
Federal Insurance Fee	12,840	1,915	2,888	392	2,101	4,865	25,001
Others	(9)	9,028	183	2	57	159	9,420
Gross written premium (inclusive of Administrative Surcharge)	1,317,815	191,568	289,045	41,935	210,125	487,258	2,537,746
- Gross direct premium	1,312,357	186,235	280,382	41,749	210,125	482,941	2,513,789
- Facultative inward premium	3,907	-	-	-	-	2,887	6,794
- Administrative surcharge	1,551	5,333	8,663	186	-	1,430	17,163
	1,317,815	191,568	289,045	41,935	210,125	487,258	2,537,746
Insurance premium earned	843,457	206,407	356,104	71,150	438,155	439,691	2,354,964
Insurance premium ceded to reinsurers	688,761	64,762	13,743	64,029	1,939	323,349	1,156,583
Net insurance premium	154,696	141,645	342,361	7,121	436,216	116,342	1,198,381
Commission income	27,719	2,531	196	6,146	-	32,148	68,740
Net underwriting income	182,415	144,176	342,557	13,267	436,216	148,490	1,267,121
Insurance claims	511,408	129,164	139,282	22,492	373,820	194,080	1,370,246
Insurance claims recovered from reinsurer	416,577	65,807	8,060	22,198	9,382	157,577	679,601
Net claims	94,831	63,357	131,222	294	364,438	36,503	690,645
Commission expense	53,212	29,568	29,981	1,943	16,976	19,165	150,845
Management expense	93,848	55,084	110,495	7,671	48,801	92,133	408,032
Net insurance claims and expenses	241,891	148,009	271,698	9,908	430,215	147,801	1,249,522
Underwriting result	(59,476)	(3,833)	70,859	3,359	6,001	689	17,599
Net investment income							377,650
Rental income							22,230
Other income							21,001
Other expenses							(10,732)
Share of profit of associates							31,146
Profit from Window Takaful Operations							31,514
Profit before tax							490,408

For the six months period ended June 30, 2021 (Un-audited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	2,630,173	534,281	846,063	233,513	904,008	1,194,518	6,342,556
Less: Federal Excise Duty / Sales Tax	321,758	57,533	101,408	42,754	-	144,546	667,999
Federal Insurance Fee	22,550	4,530	7,386	1,855	8,949	10,263	55,533
Others	(1,622)	18,925	(703)	7	160	(713)	16,054
Gross written premium (inclusive of Administrative Surcharge)	2,287,487	453,293	737,972	188,897	894,899	1,040,422	5,602,970
- Gross direct premium	2,279,437	442,323	719,032	188,366	894,899	1,020,403	5,544,460
- Facultative inward premium	3,907	-	-	-	-	16,372	20,279
- Administrative surcharge	4,143	10,970	18,940	531	-	3,647	38,231
	2,287,487	453,293	737,972	188,897	894,899	1,040,422	5,602,970
Insurance premium earned	1,628,657	435,874	701,640	178,661	886,782	851,562	4,683,176
Insurance premium ceded to reinsurers	1,198,744	104,051	27,945	164,501	2,902	641,034	2,139,177
Net insurance premium	429,913	331,823	673,695	14,160	883,880	210,528	2,543,999
Commission income	53,727	3,557	375	12,592	-	62,683	132,934
Net underwriting income	483,640	335,380	674,070	26,752	883,880	273,211	2,676,933
Insurance claims	511,336	228,346	296,026	(27,787)	768,515	158,747	1,935,183
Insurance claims recovered from reinsurer	316,215	63,022	7,506	(27,785)	28,721	111,898	499,577
Net claims	195,121	165,324	288,520	(2)	739,794	46,849	1,435,606
Commission expense	103,873	63,987	59,324	3,787	33,458	35,351	299,780
Management expense	188,097	110,405	221,464	15,375	97,811	184,662	817,814
Net insurance claims and expenses	487,091	339,716	569,308	19,160	871,063	266,862	2,553,200
Underwriting result	(3,451)	(4,336)	104,762	7,592	12,817	6,349	123,733
Net investment income							908,830
Rental income							40,866
Other income							33,105
Other expenses							(29,560)
Share of profit of associates							93,878
Profit from Window Takaful Operations							58,018
Profit before tax							1,228,870

For the three months period ended June 30, 2020 (Un-audited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	720,696	126,215	300,427	42,621	251,473	414,601	1,856,033
Less: Federal Excise Duty / Sales Tax	87,286	13,692	35,845	4,854	-	50,618	192,295
Federal Insurance Fee	6,286	1,066	2,589	373	2,489	3,591	16,394
Others	(1,265)	4,553	2,035	2	104	326	5,755
Gross written premium (inclusive of Administrative Surcharge)	628,389	106,904	259,958	37,392	248,880	360,066	1,641,589
- Gross direct premium	626,632	103,867	252,154	37,263	248,880	359,064	1,627,860
- Facultative inward premium	-	-	-	-	-	-	-
- Administrative surcharge	1,757	3,037	7,804	129	-	1,002	13,729
	628,389	106,904	259,958	37,392	248,880	360,066	1,641,589
Insurance premium earned	722,997	122,445	338,652	152,495	434,024	455,081	2,225,694
Insurance premium ceded to reinsurers	543,885	23,573	13,760	145,077	750	351,501	1,078,546
Net Insurance premium	179,112	98,872	324,892	7,418	433,274	103,580	1,147,148
Commission income	21,604	537	137	7,003	-	32,411	61,692
Net underwriting income	200,716	99,409	325,029	14,421	433,274	135,991	1,208,840
Insurance claims	582,497	61,176	114,647	118,361	278,754	103,087	1,258,522
Insurance claims recovered from reinsurer	400,657	20,328	7,333	116,991	-	94,543	639,852
	181,840	40,848	107,314	1,370	278,754	8,544	618,670
Commission expense	52,641	17,900	30,475	2,394	18,476	22,603	144,489
Management expense	92,631	47,929	97,446	7,638	45,015	88,754	379,413
Net insurance claims and expenses	327,112	106,677	235,235	11,402	342,245	119,901	1,142,572
Underwriting result	(126,396)	(7,268)	89,794	3,019	91,029	16,090	66,268
Net investment income							357,058
Rental income							18,878
Other income							22,265
Other expenses							(19,154)
Share of loss of associates							(12,422)
Profit from Window Takaful Operations							4,054
Profit before tax							436,947

For the six months period ended June 30, 2020 (Un-audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,599,824	354,784	779,541	551,488	774,558	1,264,956	5,325,151
Less: Federal Excise Duty / Sales Tax	194,300	38,821	93,009	63,466	-	157,708	547,304
Federal Insurance Fee	13,899	3,008	6,753	4,830	7,666	10,903	47,059
Others	(1,450)	11,254	4,357	64	325	938	15,488
Gross written premium (inclusive of Administrative Surcharge)	1,393,075	301,701	675,422	483,128	766,567	1,095,407	4,715,300
- Gross direct premium	1,388,811	293,634	657,399	482,762	766,567	1,079,278	4,668,451
- Facultative inward premium	-	-	-	-	-	13,175	13,175
- Administrative surcharge	4,264	8,067	18,023	366	-	2,954	33,674
	1,393,075	301,701	675,422	483,128	766,567	1,095,407	4,715,300
Insurance premium earned	1,447,164	315,614	693,991	300,490	872,324	915,707	4,545,290
Insurance premium ceded to reinsurers	1,012,513	46,789	27,729	286,669	1,125	707,880	2,082,705
Net Insurance premium	434,651	268,825	666,262	13,821	871,199	207,827	2,462,585
Commission income	42,997	1,259	286	13,958	-	68,716	127,216
Net underwriting income	477,648	270,084	666,548	27,779	871,199	276,543	2,589,801
Insurance claims	1,017,952	107,874	250,215	78,314	662,529	374,531	2,491,415
Insurance claims recovered from reinsurer	727,009	21,262	853	77,258	-	262,570	1,088,952
	290,943	86,612	249,362	1,056	662,529	111,961	1,402,463
Commission expense	107,313	45,177	63,332	4,858	38,215	46,344	305,239
Management expense	201,356	104,185	211,826	16,604	97,851	192,927	824,749
Net insurance claims and expenses	599,612	235,974	524,520	22,518	798,595	351,232	2,532,451
Underwriting result	(121,964)	34,110	142,028	5,261	72,604	(74,689)	57,350
Net investment income							571,809
Rental income							32,049
Other income							68,328
Other expenses							(29,681)
Share of profit of associates							42,193
Profit from Window Takaful Operations							51,865
Profit before tax							793,913

The class wise assets and liabilities are as follows:

As at June 30, 2021 (un-audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Segment assets	3,478,756	334,457	447,658	1,442,924	455,684	2,268,075	8,427,554
Unallocated corporate assets							16,784,988
Unallocated assets of Window Takaful Operation - Operator's Fund							387,094
Consolidated total assets							25,599,636
Segment liabilities	4,905,365	795,916	1,463,607	1,550,623	1,675,843	3,157,671	13,549,025
Unallocated corporate liabilities							2,317,330
Unallocated liabilities of Window Takaful Operation - Operator's Fund							249,687
Consolidated total liabilities							16,116,042

As at December 31, 2020 (Audited)							
Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total	
(Rupees in '000)							
Segment assets	2,262,546	170,284	274,710	1,447,793	228,847	1,832,006	6,216,186
Unallocated corporate assets							16,660,471
Unallocated assets of Window Takaful Operation - Operator's Fund							418,313
Consolidated total assets							23,294,970
Segment liabilities	3,697,386	585,691	1,242,150	1,601,219	1,447,009	2,752,869	11,326,324
Unallocated corporate liabilities							2,189,012
Unallocated liabilities of Window Takaful Operation - Operator's Fund							232,625
Consolidated total liabilities							13,747,961

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

33.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

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

June 30, 2021 (Un-audited)										
At fair value through profit or loss	Available-for-sale	Held-to-maturity	Loans and receivables	Investments in associates	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Equity securities	20,560	2,946,666	-	-	-	2,967,226	2,961,767	5,459	-	2,967,226
- Debt securities	-	8,969,223	-	-	-	8,969,223	-	8,969,223	-	8,969,223
Assets of Window Takaful										
Operations - Operator's Fund	-	56,913	-	-	-	56,913	56,913	-	-	56,913
Financial assets not measured at fair value										
Investments										
- Equity securities*	-	2,500	-	-	-	2,500	-	-	-	-
- Debt securities	-	-	211,902	-	-	211,902	-	211,320	-	211,320
- Term deposits*	-	-	1,624,180	-	-	1,624,180	-	-	-	-
Loans and other receivables*	-	-	-	170,667	-	170,667	-	-	-	-
Insurance / reinsurance receivables*	-	-	-	2,247,747	-	2,247,747	-	-	-	-
Reinsurance recoveries against										
outstanding claims*	-	-	-	3,387,356	-	3,387,356	-	-	-	-
Salvage recoveries accrued*	-	-	-	74,099	-	74,099	-	-	-	-
Cash and bank*	-	-	-	989,865	-	989,865	-	-	-	-
Assets of Window Takaful										
Operations - Operator's Fund*	-	-	-	261,635	-	261,635	-	-	-	-
Financial liabilities not measured at fair value										
Outstanding claims including IBNR*	-	-	-	-	(4,957,515)	(4,957,515)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	(3,036,433)	(3,036,433)	-	-	-	-
Other creditors and accruals*	-	-	-	-	(791,477)	(791,477)	-	-	-	-
Deposits and other payables*	-	-	-	-	(1,494,928)	(1,494,928)	-	-	-	-
Total liabilities of Window Takaful										
Operations - Operator's Fund*	-	-	-	-	(46,289)	(46,289)	-	-	-	-
20,560	11,975,302	1,836,082	7,131,369	-	(10,326,642)	10,636,671	3,018,680	9,186,002	-	12,204,682

December 31, 2020 (Audited)										
At fair value through profit or loss	Available-for-sale	Held-to-maturity	Loans and receivables	Investments in associates	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Equity securities	3,729,266	-	-	-	-	3,729,266	3,724,188	5,078	-	3,729,266
- Debt securities	9,539,056	-	-	-	-	9,539,056	-	9,539,056	-	9,539,056
Assets of Window Takaful Operations -										
Operator's Fund	54,786	-	-	-	-	54,786	54,786	-	-	54,786
Financial assets not measured at fair value										
Investments										
- Equity securities*	2,500	-	-	-	-	2,500	-	-	-	-
- Debt securities	-	208,568	-	-	-	208,568	-	212,283	-	212,283
- Term deposits*	-	140,467	-	-	-	140,467	-	-	-	-
Loans and other receivables*	-	-	221,021	-	-	221,021	-	-	-	-
Insurance / reinsurance receivables*	-	-	1,074,028	-	-	1,074,028	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	3,231,138	-	-	3,231,138	-	-	-	-
Salvage recoveries accrued*	-	-	28,750	-	-	28,750	-	-	-	-
Cash and bank*	-	-	965,862	-	-	965,862	-	-	-	-
Assets of Window Takaful Operations -										
Operator's Fund*	-	-	293,911	-	-	293,911	-	-	-	-
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	(4,807,405)	(4,807,405)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	(1,989,236)	(1,989,236)	-	-	-	-
Other creditors and accruals*	-	-	-	-	(738,936)	(738,936)	-	-	-	-
Deposits and other payables*	-	-	-	-	(1,402,288)	(1,402,288)	-	-	-	-
Total liabilities of Window Takaful Operations -										
Operator's Fund*	-	-	-	-	(53,801)	(53,801)	-	-	-	-
	13,325,607	349,035	5,814,710	-	(8,991,666)	10,497,687	3,778,974	9,756,417	-	13,535,391

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

34. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on August 24, 2021.

35. GENERAL

All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



R. Zakir Mahmood
Chairman




Hassan Khan
Chief Executive



Amyn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

A red umbrella and a grey umbrella are positioned on the right side of the page. The red umbrella is in the foreground, and the grey umbrella is behind it. The text is overlaid on the left side of the image.

WINDOW TAKAFUL OPERATIONS

FINANCIAL STATEMENTS



Independent auditor's review report to the members of Jubilee General Insurance Company Limited - Window Takaful Operations

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Jubilee General Insurance** Company Limited — Window Takaful Operations (the Operator) as at June 30, 2020 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in operator's fund and participants' takaful fund, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures for the quarters ended June 30, 2021 and June 30, 2020 in the condensed interim profit and loss account, condensed interim statement of comprehensive income and relevant notes have not been reviewed and we do not express a conclusion on them.

Scope of Review

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

Conclusion

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

The engagement partner on the review resulting in this independent auditor's review report is **Noman Abbas Sheikh**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: 27 August, 2021

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5, Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPF AND PTF

As at June 30, 2021

Note	OPF		PTF	
	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)	June 30, 2021 (Un-audited)	December 31, 2020 (Audited)
Assets				
..... (Rupees in '000)				
Property and equipment	1,660	2,645	-	-
Intangible assets	767	1,154	-	-
Investments				
Equity securities	56,913	54,786	79,335	79,320
Loans and other receivables	80	370	6,743	4,100
Takaful / re-takaful receivables - PTF	-	-	296,752	224,958
Salvage recoveries accrued	-	-	34,690	4,840
Deferred taxation	1,546	2,163	-	-
Deferred wakala fee	-	-	188,023	159,231
Receivable from PTF	90,592	83,157	-	-
Re-takaful recoveries against outstanding claims / benefits	-	-	344,173	336,732
Deferred commission expense	63,652	62,536	-	-
Prepayments	881	1,080	80,138	80,104
Cash and bank	171,003	210,422	663,463	632,062
Total assets	387,094	418,313	1,693,317	1,521,347
Funds and Liabilities				
Funds attributable to:				
Operator's Fund (OPF)				
Statutory fund	100,000	100,000	-	-
Reserves	(3,786)	(5,296)	-	-
Accumulated profit	41,193	90,984	-	-
Balance of Operator's Fund	137,407	185,688	-	-
Participants' Takaful Fund (PTF)				
Seed money	-	-	500	500
Reserves	-	-	(10,093)	(10,108)
Accumulated surplus	-	-	190,573	181,129
Balance of Participants' Takaful Fund	-	-	180,980	171,521
Liabilities				
PTF underwriting provisions				
Outstanding claims including IBNR	-	-	594,446	542,576
Unearned contribution reserves	-	-	544,471	482,542
Reserve for unearned re-takaful rebate	-	-	4,180	3,167
	-	-	1,143,097	1,028,285
Unearned wakala fee	188,023	159,231	-	-
Contribution received in advance	-	-	32,424	25,920
Takaful / re-takaful payables	-	-	225,602	193,992
Other creditors and accruals	46,289	45,593	20,622	18,472
Taxation - provision less payments	15,375	27,801	-	-
Payable to OPF	-	-	90,592	83,157
Total liabilities	249,687	232,625	1,512,337	1,349,826
Total funds and liabilities	387,094	418,313	1,693,317	1,521,347
Contingencies and commitments				

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.


R. Zakir Mahmood
Chairman

Hassan Khan
Chief Executive

Aryn Currimbhoy
Director

Amin A. Hashwani
Director

Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the three months and six months period ended June 30, 2021

		Three months period ended		Six months period ended	
		June 30,	June 30,	June 30,	June 30,
		2021	2020	2021	2020
Note		.....(Rupees in '000).....		.....(Rupees in '000).....	
PTF					
Contribution earned		211,314	193,141	419,594	393,124
Less: Contribution ceded to re-takaful		(55,055)	(43,934)	(108,149)	(87,925)
Net contribution revenue	17	156,259	149,207	311,445	305,199
Re-takaful rebate earned	18	2,274	2,330	4,136	4,616
Net underwriting income		158,533	151,537	315,581	309,815
Net claims	19	(160,805)	(115,113)	(322,600)	(254,110)
Other direct expenses		(419)	(480)	150	(392)
(Deficit) / surplus before investment income		(2,691)	35,944	(6,869)	55,313
Investment income	22	1,859	842	3,149	8,187
Other income	23	8,192	10,374	17,279	23,143
Less: Modarib's share of investment income	24	(2,037)	(2,258)	(4,115)	(6,270)
Surplus transferred to accumulated surplus		5,323	44,902	9,444	80,373
OPF					
Wakala fee	20	104,330	89,840	203,140	182,082
Commission expense	21	(38,413)	(32,461)	(74,960)	(65,452)
General, administrative and management expenses		(40,865)	(59,840)	(82,541)	(85,316)
		25,052	(2,461)	45,639	31,314
Modarib's share of PTF investment income	24	2,037	2,258	4,115	6,270
Investment income	22	1,103	500	2,242	5,743
Direct expenses		(373)	(840)	(1,048)	(1,542)
Other income	23	3,695	4,597	7,070	10,080
Profit before taxation		31,514	4,054	58,018	51,865
Taxation		(9,139)	(1,175)	(16,825)	(15,041)
Profit after taxation		22,375	2,879	41,193	36,824

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.


R. Zakir Mahmood
Chairman

Hassan Khan
Chief Executive

Aryn Currimbhoy
Director

Amin A. Hashwani
Director

Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the three months and six months period ended June 30, 2021

	Three months period ended		Six months period ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
.....(Rupees in '000)..... (Rupees in '000).....				
PTF				
Surplus during the period	5,323	44,902	9,444	80,373
Other comprehensive income for the period:				
<i>Item that may be reclassified to the profit and loss account in subsequent period</i>				
- Net unrealised gain / (loss) arising during the period on revaluation of available-for-sale investments	3,003	28,421	15	(13,709)
- Reclassification adjustment for net gain on available-for- sale investments included in profit and loss account	-	-	-	(906)
Other comprehensive income / (loss) for the period	3,003	28,421	15	(14,615)
Total comprehensive income for the period	8,326	73,323	9,459	65,758
OPF				
Profit after tax for the period	22,375	2,879	41,193	36,824
Other comprehensive income for the period:				
<i>Item that may be reclassified to the profit and loss account in subsequent period</i>				
- Net unrealised gain / (loss) arising during the period on revaluation of available-for-sale investments - net of tax	2,138	11,105	1,510	(7,714)
- Reclassification adjustment for net gain on available-for- sale investments included in profit and loss account - net of tax	-	-	-	(637)
Other comprehensive income / (loss) for the period	2,138	11,105	1,510	(8,351)
Total comprehensive income for the period	24,513	13,984	42,703	28,473

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

For the six months period ended June 30, 2021

	Attributable to Operator's Fund			Total
	Statutory Fund	Available for sale investment revaluation reserve	Unappropriated profit	
	.....(Rupees in '000).....			
Balance as at January 01, 2020 (audited)	100,000	(1,237)	88,600	187,363
Profit after tax for the period	-	-	36,824	36,824
Transfer of profit to the Company	-	-	(88,600)	(88,600)
Other comprehensive loss for the period	-	(8,351)	-	(8,351)
Balance as at June 30, 2020 (un-audited)	<u>100,000</u>	<u>(9,588)</u>	<u>36,824</u>	<u>127,236</u>
Balance as at January 01, 2021 (audited)	100,000	(5,296)	90,984	185,688
Profit after tax for the period	-	-	41,193	41,193
Transfer of profit to the Company	-	-	(90,984)	(90,984)
Other comprehensive income for the period	-	1,510	-	1,510
Balance as at June 30, 2021 (un-audited)	<u>100,000</u>	<u>(3,786)</u>	<u>41,193</u>	<u>137,407</u>

	Attributable to participants of the PTF			Total
	Seed money	Available for sale investment revaluation reserve	Accumulated Surplus	
	.....(Rupees in '000).....			
Balance as at January 01, 2020 (audited)	500	(671)	128,910	128,739
Surplus for the period	-	-	80,373	80,373
Other comprehensive loss for the period	-	(14,615)	-	(14,615)
Balance as at June 30, 2020 (un-audited)	<u>500</u>	<u>(15,286)</u>	<u>209,283</u>	<u>194,497</u>
Balance as at January 01, 2021 (audited)	500	(10,108)	181,129	171,521
Surplus for the period	-	-	9,444	9,444
Other comprehensive income for the period	-	15	-	15
Balance as at June 30, 2021 (un-audited)	<u>500</u>	<u>(10,093)</u>	<u>190,573</u>	<u>180,980</u>

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Amyn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the six months period ended June 30, 2021

	OPF		PTF	
	2021	2020	2021	2020
Operating cash flows	..... (Rupees in '000)			
(a) Takaful activities				
Contribution received	-	-	612,792	500,642
Re-takaful contribution paid	-	-	(78,630)	(24,136)
Claims / benefits paid	-	-	(320,031)	(257,665)
Re-takaful and other recoveries received	-	-	20,648	75,308
Commission paid	(74,883)	(60,899)	-	-
Commission received	-	-	5,149	3,129
Wakala fee received	224,268	190,455	-	-
Wakala fee paid	-	-	(224,268)	(190,455)
Modarib share received	4,344	7,069	-	-
Modarib share paid	-	-	(4,344)	(7,069)
Net cash generated from takaful activities	153,729	136,625	11,316	99,754
(b) Other operating activities				
Income tax paid	(1,450)	(1,569)	(3,028)	(3,321)
General and other expenses paid	(82,623)	(85,097)	(194)	(765)
Other operating payments	(27,930)	(1,057)	(72,962)	(62,088)
Other operating receipts	432	7,343	75,999	64,064
Net cash used in other operating activities	(111,571)	(80,380)	(185)	(2,110)
Total cash generated from all operating activities	42,158	56,245	11,131	97,644
Investment activities				
Profit / return received	7,025	10,040	17,491	22,651
Dividend received	2,292	1,325	2,613	1,818
Payment for investments	-	(39,966)	-	(98,033)
Proceeds from investments	90	28,612	166	40,492
Total cash generated from / (used in) investing activities	9,407	11	20,270	(33,072)
Financing activities - Profit paid to the Company	(90,984)	(88,600)	-	-
Net cash (used in) / generated from all activities	(39,419)	(32,344)	31,401	64,572
Cash and cash equivalents at the beginning of the period	210,422	193,740	632,062	457,937
Cash and cash equivalents at the end of the period	171,003	161,396	663,463	522,509
Reconciliation to condensed interim profit and loss account				
Operating cash flows	42,158	56,245	11,131	97,644
Depreciation expense	(985)	(1,174)	-	-
Amortisation	(387)	(482)	-	-
Profit / return received	7,025	10,040	17,491	22,651
Profit on disposal of investments	90	4,418	166	6,369
Dividend income	2,152	1,325	2,983	1,818
Increase / (decrease) in assets other than cash	8,202	(6,715)	111,392	364,407
Increase in liabilities other than borrowings	(17,062)	(26,833)	(133,719)	(412,516)
Net profit / surplus for the period	41,193	36,824	9,444	80,373

The annexed notes 1 to 29 form an integral part of these condensed interim financial statements.



R. Zakir Mahmood
Chairman



Hassan Khan
Chief Executive



Aryn Currimbhoy
Director



Amin A. Hashwani
Director



Nawaid Jamal
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the six months period ended June 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited (the Operator) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on May 16, 1953. The Operator is listed on the Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi, Pakistan.

The Operator was granted authorisation on March 10, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (the Operations) by the Securities and Exchange Commission of Pakistan (the SECP) under the Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Waqf deed was executed on April 30, 2015 and the Operator commenced activities of the Operations on May 7, 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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 for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

In case requirements differ, the provisions 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 the General Takaful Accounting Regulations, 2019 shall prevail.

2.1.1 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 and should be read in conjunction with the annual audited financial statements of the Window Takaful Operations for the year ended December 31, 2020.

2.1.2 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 OPF and PTF remain separately identifiable.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for certain investments which are stated at their fair values.

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is also the functional and presentation currency of the Operator.

2.4 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain amendments that are mandatory for the Operator's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Operator's operations and are therefore not detailed in these condensed interim financial statements.

2.5 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective

The following standards and amendment of the accounting and reporting standards as applicable in Pakistan will be effective for accounting periods beginning on or after January 1, 2022:

Standards and amendments	Effective date (period beginning on or after)
- IFRS 16 - 'Leases' (amendments)	April 1, 2021
- IAS 16 - 'Property, plant and equipment' (amendments)	January 1, 2022
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2023
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (amendments)	January 1, 2023
- IFRS 9 - 'Financial Instruments'	January 1, 2023*

* The management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 are given in notes 2.5.1 and 2.5.1.1 to these interim condensed financial statements.

The management is in the process of assessing the impact of these standards and amendments on the condensed financial statements of the Operator.

2.5.1 Temporary exemption from application of IFRS 9

As an insurance company / takaful operator, the management has opted for temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 2.5.1.1 below.

2.5.1.1 Fair value of financial assets as at June 30, 2021 and changes in fair values during the six months period ended June 30, 2021

	As at June 30, 2021
Financial assets that do not meet the SPPI criteria	(Rupees in '000) (Un-audited)
Operator's Fund	
<i>Equity securities - Available-for-sale (note 8)</i>	
Opening fair value	54,786
Increase in fair value	2,127
Closing fair value	56,913
Participants' Takaful Fund	
<i>Equity securities - Available-for-sale (note 8)</i>	
Opening fair value	79,320
Increase in fair value	15
Closing fair value	79,335

2.5.2 There are certain other amendments that are mandatory for the Operator's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or will not have significant effect on the Operator's operations and are therefore not stated in these condensed interim financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Operator for the year ended December 31, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the Operator as at and for the year ended December 31, 2020.

5. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The takaful and financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Operator for the year ended December 31, 2020.

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made in these condensed interim financial statements as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after re-takaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at the reporting date.

7. PROPERTY AND EQUIPMENT	Note	June 30,	December 31,
		2021	2020
		(Un-audited)	(Audited)
		.....(Rupees in '000).....	
Operating assets	7.1	1,660	2,645

7.1 The break-up of operating assets as at June 30, 2021 is given below:

Furniture and fixtures	924	1,503
Office equipment	628	1,016
Computers and related accessories	108	126
	1,660	2,645

7.2 Movement of property and equipment during the six months period ended June 30, 2021 is as follows:

Opening book value	2,645	4,992
Less: depreciation for the period / year	985	2,347
Closing book value	1,660	2,645

8. INVESTMENT IN EQUITY SECURITIES - AVAILABLE-FOR-SALE

	June 30,			December 31,		
	2021			2020		
	(Un-audited)			(Audited)		
	Cost	Impairment for the period	Carrying value	Cost	Impairment for the period	Carrying value
	..... (Rupees in '000)					
OPF						
Listed shares	62,245	-	56,913	62,245	3,182	54,786
PTF						
Listed shares	89,428	-	79,335	89,428	-	79,320

9. LOANS AND OTHER RECEIVABLES

	OPF		PTF	
	June 30,	December 31,	June 30,	December 31,
	2021	2020	2021	2020
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	..... (Rupees in '000)			
Accrued investment income	-	140	1,151	843
Sales tax recoverable	40	38	2,428	2,559
Medical claims recoverable	-	-	136	181
Other receivables	40	192	3,028	517
	80	370	6,743	4,100

10. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

		June 30, 2021	December 31, 2020
Note		(Un-audited)	(Audited)
.....(Rupees in '000).....			
Due from takaful participant holders	10.1	267,604	187,172
Due from other takaful / re-takaful operators	10.2	29,148	37,786
		<u>296,752</u>	<u>224,958</u>

10.1 This includes Rs. 189 thousands (December 31, 2020: Nil) receivable from related parties.

10.2 This includes Rs. 6 thousands (December 31, 2020: Rs. 676 thousands) due from a related party.

11. RECEIVABLE / (PAYABLE) (Current account between OPF and PTF)

		OPF		PTF	
	Note	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
..... (Rupees in '000)					
Wakala fee		88,555	80,891	(88,555)	(80,891)
Modarib fee		2,037	2,266	(2,037)	(2,266)
		<u>90,592</u>	<u>83,157</u>	<u>(90,592)</u>	<u>(83,157)</u>

12. PREPAYMENTS

Prepaid re-takaful contribution ceded		-	-	80,138	80,104
Prepaid miscellaneous expenses		881	1,080	-	-
		<u>881</u>	<u>1,080</u>	<u>80,138</u>	<u>80,104</u>

13. CASH AND BANK**Cash and cash equivalents**

Policy and revenue stamps		17	3	635	957
Cash at bank					
- Current accounts		-	-	22,627	23,266
- Savings accounts	13.1	170,986	210,419	640,201	607,839
	13.2 & 13.3	170,986	210,419	662,828	631,105
		<u>171,003</u>	<u>210,422</u>	<u>663,463</u>	<u>632,062</u>

13.1 Savings accounts carry profit rates ranging from 3.51% to 6% (2020: 3.60% to 6.50%) per annum.

13.2 Cash and bank balances of OPF include Rs. 89,499 thousands (December 31, 2020: Rs. 118,605 thousands) held with a related party. Savings accounts with the related party carry interest rate of 6% (December 31, 2020: 6.10%) per annum.

13.3 Cash and bank balances of PTF include Rs. 83,221 thousands (December 31, 2020: Rs. 113,993 thousands) held with a related party. Savings accounts with the related party carry interest rate of 6% (December 31, 2020: 6.10%) per annum.

14. TAKAFUL / RE-TAKAFUL PAYABLES

		PTF	
		June 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
.....(Rupees in '000).....			
Due to takaful participants / re-takaful payable		<u>255,602</u>	<u>193,992</u>

15. OTHER CREDITORS AND ACCRUALS

		OPF		PTF	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
..... (Rupees in '000)					
Agents commission payable		44,883	43,690	-	-
Federal excise duty / sales tax		-	-	9,396	7,396
Federal takaful fee		-	-	840	739
Accrued expenses		905	1,309	2,835	3,073
Other tax payables		-	102	884	1,210
Miscellaneous		501	492	6,667	6,054
		<u>46,289</u>	<u>45,593</u>	<u>20,622</u>	<u>18,472</u>

16. CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments remains unchanged as disclosed in the annual audited financial statements as at December 31, 2020, except for the following:

- 16.1** Under the Punjab Sales Tax Services Act, 2012, the health insurance service provided in the province of Punjab was exempted from the chargeability of sales tax upto October 30, 2018. The aforesaid exemption had been withdrawn through the Punjab Finance Act, 2018 by amending Second Schedule of the Punjab Sales Tax Services Act, 2012 with effect from November 01, 2018. During the year ended December 31, 2020, the Punjab Revenue Authority (PRA) vide notification no. SO(TAX)1-110/2020 (COVID-19) dated April 2, 2020 revised the rate of sales tax on health insurance to zero percent for the period from April 2, 2020 till June 30, 2020. The Operator has not yet billed its customers for health insurance services provided in the province of Punjab for the provincial sales tax for the periods from November 1, 2018 to April 1, 2020 and from July 1, 2020 till June 30, 2021. This matter is already taken up by the insurance industry with the Punjab Revenue Authority in the context of exemption available from the applicability of the sales tax on health insurance in other provinces and in federal territory as well. The management believes that the amount not yet billed aggregating to Rs. 4.939 million (December 31, 2020: Rs. 3.776 million) by the Operator would be recoverable from the customers in case of any adverse outcome of the aforementioned negotiations.

17. NET CONTRIBUTION REVENUE	(Un-audited)		(Un-audited)	
	Three months period ended June30, 2021	June30, 2020	Six months period ended June30, 2021	June30, 2020
	(Rupees in '000)			
	PTF			
Written gross contribution	261,071	224,337	684,663	613,831
Less: Wakala fee	88,511	69,519	231,932	187,592
Contribution net of Wakala fee	172,560	154,818	452,731	426,239
Add: Unearned contribution reserve - opening	395,202	372,119	323,311	300,681
Less: Unearned contribution reserve - closing	356,448	333,796	356,448	333,796
Contribution earned	211,314	193,141	419,594	393,124
Re-takaful contribution ceded	40,446	42,277	108,183	87,168
Add: Prepaid re-takaful contribution - opening	94,747	75,847	80,104	74,947
Less: Prepaid re-takaful contribution - closing	80,138	74,190	80,138	74,190
Re-takaful expense	55,055	43,934	108,149	87,925
Net contribution	156,259	149,207	311,445	305,199
	PTF			
18. RE-TAKAFUL REBATE EARNED				
Re-takaful rebate / commission received	1,185	1,151	5,149	3,129
Add: Unearned re-takaful rebate / commission - opening	5,269	4,675	3,167	4,983
Less: Unearned re-takaful rebate / commission - closing	4,180	3,496	4,180	3,496
	2,274	2,330	4,136	4,616
	PTF			
19. NET CLAIMS				
Benefits / claims paid	149,488	130,419	320,031	257,665
Add: outstanding benefits / claims including IBNR - closing	594,446	495,932	594,446	495,932
Less: outstanding benefits / claims including IBNR - opening	570,743	528,271	542,576	180,708
Claims expense	173,191	98,080	371,901	572,889
Re-takaful and other recoveries received	1,502	35,916	12,010	37,084
Add: Re-takaful and other recoveries in respect of outstanding claims - closing	378,863	301,969	378,863	301,969
Less: Re-takaful and other recoveries against outstanding claims - opening	367,979	354,918	341,572	20,274
Re-takaful and other recoveries revenue	12,386	(17,033)	49,301	318,779
Net claims expense	160,805	115,113	322,600	254,110
	OPF			
20. WAKALA FEE INCOME				
Gross Wakala fee	88,511	69,519	231,932	187,592
Add: Unearned Wakala fee income - opening	203,842	177,949	159,231	152,118
Less: Unearned Wakala fee income - closing	188,023	157,628	188,023	157,628
	104,330	89,840	203,140	182,082

21. COMMISSION EXPENSE

	(Un-audited)		(Un-audited)	
	Three months period ended		Six months period ended	
	June30,	June30,	June30,	June30,
	2021	2020	2021	2020
Note	(Rupees in '000)			
	OPF			
Commission paid or payable	28,673	23,671	76,076	61,510
Add: Deferred commission expense - opening	73,392	63,964	62,536	59,116
Less: Deferred commission expense - closing	63,652	55,174	63,652	55,174
	<u>38,413</u>	<u>32,461</u>	<u>74,960</u>	<u>65,452</u>

22. INVESTMENT INCOME

	(Un-audited)		(Un-audited)	
	Three months period ended		Six months period ended	
	June30,	June30,	June30,	June30,
	2021	2020	2021	2020
	OPF			
Income from equity securities - Available-for-sale				
Dividend income	1,103	500	2,152	1,325
Net realised gains / (losses) on investments				
Available-for-sale				
Realised gain on sale of equity securities	-	-	90	4,542
Realised loss on sale of equity securities	-	-	-	(124)
	-	-	90	4,418
Total investment income	<u>1,103</u>	<u>500</u>	<u>2,242</u>	<u>5,743</u>
	PTF			
Income from equity securities - Available-for-sale				
Dividend income	1,859	842	2,983	1,818
Net realised gains on investments				
Available-for-sale				
Realised gain on sale of equity securities	-	-	166	6,369
Total investment income	<u>1,859</u>	<u>842</u>	<u>3,149</u>	<u>8,187</u>

23. OTHER INCOME

		(Un-audited)		(Un-audited)	
		Three months period ended		Six months period ended	
		June30,	June30,	June30,	June30,
		2021	2020	2021	2020
		OPF			
Return on bank balances	23.1	3,606	4,557	7,025	10,040
Miscellaneous		89	40	45	40
		<u>3,695</u>	<u>4,597</u>	<u>7,070</u>	<u>10,080</u>
		PTF			
Return on bank balances	23.2	8,327	10,448	17,429	23,162
Miscellaneous		(135)	(74)	(150)	(19)
		<u>8,192</u>	<u>10,374</u>	<u>17,279</u>	<u>23,143</u>

23.1 This includes Rs. 4,317 thousands (June 30, 2020: Rs. 6,493 thousands) in respect of return on bank balances held with a related party.

23.2 This includes Rs. 3,308 thousands (June 30, 2020: Rs. 6,293 thousands) in respect of return on bank balances held with a related party.

24. MODARIB'S FEE

The Operator manages the participants' investments as a Modarib and charges 20% Modarib's share of the investment income earned by PTF.

25. TRANSACTIONS WITH RELATED PARTIES

Related parties include 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. The transactions and balances with related parties, 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		Six months period ended		
	June30,	June30,	June30,	June30,	
	2021	2020	2021	2020	
Note	(Rupees in '000)				
Contribution written	230	-	260	-	
Contribution received / adjusted during the period	18	-	48	-	
Rent	25.1	645	553	1,254	1,106
Reimbursement of expenses	25.2	27,771	35,745	53,499	44,017
Remuneration of key management personnel		4,392	2,692	7,508	5,372
Contributions to provident fund		152	130	305	259

25.1 This represents rent paid to the Operator.

25.2 These expenses pertain to accident and health business, common back office operations jointly shared with Jubilee Life Insurance Company Limited (an associated company) and allocation of management expenses including personnel expenses from the Company to the Operations.

26. SEGMENT INFORMATION

Segment information is prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the General Takaful Accounting Regulations, 2019 for class wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

	Three months period ended June 30, 2021 (Un-audited) - PTF					
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees in '000)					
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	33,592	32,083	127,699	86,778	10,128	290,280
Less: Federal excise duty	4,443	3,782	15,337	-	1,224	24,786
Federal takaful fee	292	265	1,110	858	90	2,615
Others	66	1,490	152	54	46	1,808
Gross written contribution (inclusive of administrative surcharge)	28,791	26,546	111,100	85,866	8,768	261,071
Gross direct contribution	28,402	25,704	107,527	85,866	8,617	256,116
Administrative surcharge	389	842	3,573	-	151	4,955
	28,791	26,546	111,100	85,866	8,768	261,071
Takaful contribution earned	33,839	21,962	89,338	54,314	11,861	211,314
Takaful contribution ceded to re-takaful	(26,972)	(12,780)	(6,856)	-	(8,447)	(55,055)
Net takaful contribution	6,867	9,182	82,482	54,314	3,414	156,259
Re-takaful rebate	1,700	311	2	-	261	2,274
Net underwriting income	8,567	9,493	82,484	54,314	3,675	158,533
Takaful claims	(42,957)	(884)	(59,318)	(64,842)	(5,190)	(173,191)
Takaful claims recovered from re-takaful	13,536	(600)	(1,312)	-	762	12,386
Net claims	(29,421)	(1,484)	(60,630)	(64,842)	(4,428)	(160,805)
Other direct expenses	23	16	(506)	37	11	(419)
(Deficit) / surplus before investment income	(20,831)	8,025	21,348	(10,491)	(742)	(2,691)
Net investment income						1,859
Other income						8,192
Modarib share of investment income						(2,037)
Surplus transferred to Balance of PTF						5,323

Three months period ended June 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Wakala fee	17,492	11,881	43,741	26,106	5,110	104,330
Commission expense	(8,137)	(6,356)	(13,018)	(9,663)	(1,239)	(38,413)
Management expenses	(7,261)	(4,725)	(14,723)	(11,254)	(2,902)	(40,865)
	2,094	800	16,000	5,189	969	25,052
Modarib's share of PTF investment income						2,037
Investment income						1,103
Direct expenses						(373)
Other income						3,695
Profit before taxation						31,514
Taxation						(9,139)
Profit after tax						22,375

Three months period ended June 30, 2020 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	35,602	22,618	93,267	85,278	11,016	247,781
Less: Federal excise duty	4,178	2,373	11,132	-	1,262	18,945
Federal takaful fee	305	189	800	844	98	2,236
Others	106	1,111	986	56	4	2,263
Gross written contribution (inclusive of administrative surcharge)	31,013	18,945	80,349	84,378	9,652	224,337
Gross direct contribution	30,656	18,312	77,540	84,378	9,549	220,435
Administrative surcharge	357	633	2,809	-	103	3,902
	31,013	18,945	80,349	84,378	9,652	224,337
Takaful contribution earned	29,982	11,598	88,160	52,243	11,158	193,141
Takaful contribution ceded to re-takaful	(25,026)	(7,322)	(6,272)	-	(5,314)	(43,934)
Net takaful contribution	4,956	4,276	81,888	52,243	5,844	149,207
Re-takaful rebate	2,022	55	20	-	233	2,330
Net underwriting income	6,978	4,331	81,908	52,243	6,077	151,537
Takaful claims	19,099	(13,386)	(53,098)	(44,090)	(6,605)	(98,080)
Takaful claims recovered from re-takaful	(26,097)	2,800	4,299	-	1,965	(17,033)
Net claims	(6,998)	(10,586)	(48,799)	(44,090)	(4,640)	(115,113)
Other direct expenses	-	-	(480)	-	-	(480)
(Deficit) / surplus before investment income	(20)	(6,255)	32,629	8,153	1,437	35,944
Net investment income						842
Other income						10,374
Modarib share of investment income						(2,258)
Surplus transferred to balance of PTF						44,902

Three months period ended June 30, 2020 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Wakala fee	15,145	6,256	38,407	25,788	4,244	89,840
Commission expense	(6,855)	(2,989)	(12,222)	(9,555)	(840)	(32,461)
Management expenses	(6,561)	(6,442)	(30,419)	(12,043)	(4,375)	(59,840)
	1,729	(3,175)	(4,234)	4,190	(971)	(2,461)
Modarib's share of PTF investment income						2,258
Investment income						500
Direct expenses						(840)
Other income						4,597
Profit before taxation						4,054
Taxation						(1,175)
Profit after tax						2,879

Six months period ended June 30, 2021 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	100,116	80,912	341,476	206,885	33,120	762,509
Less: Federal excise duty	12,326	9,740	41,164	-	3,927	67,157
Federal takaful fee	870	672	3,003	2,047	292	6,884
Others	103	3,235	314	96	57	3,805
Gross written contribution (inclusive of administrative surcharge)	86,817	67,265	296,995	204,742	28,844	684,663
Gross direct contribution	85,986	65,347	289,357	204,742	28,513	673,945
Administrative surcharge	831	1,918	7,638	-	331	10,718
	86,817	67,265	296,995	204,742	28,844	684,663
Takaful contribution earned	65,187	43,013	177,414	109,370	24,610	419,594
Takaful contribution ceded to re-takaful	(51,046)	(26,450)	(13,478)	-	(17,175)	(108,149)
Net takaful contribution	14,141	16,563	163,936	109,370	7,435	311,445
Re-takaful rebate	3,121	504	11	-	500	4,136
Net underwriting income	17,262	17,067	163,947	109,370	7,935	315,581
Takaful claims	(60,774)	(49,284)	(129,627)	(126,410)	(5,806)	(371,901)
Takaful claims recovered from re-takaful	20,193	17,881	10,556	-	671	49,301
Net claims	(40,581)	(31,403)	(119,071)	(126,410)	(5,135)	(322,600)
Other direct expenses	23	16	63	37	11	150
(Deficit) / surplus before investment income	(23,296)	(14,320)	44,939	(17,003)	2,811	(6,869)
Net investment income						3,149
Other income						17,279
Modarib share of investment income						(4,115)
Surplus transferred to Balance of PTF						9,444

Six months period ended June 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
..... (Rupees in '000)						
Wakala fee	33,432	23,153	84,124	52,308	10,123	203,140
Commission expense	(15,400)	(12,213)	(25,722)	(19,384)	(2,241)	(74,960)
Management expenses	(12,538)	(8,873)	(34,882)	(20,594)	(5,654)	(82,541)
	5,494	2,067	23,520	12,330	2,228	45,639
Modarib's share of PTF investment income						4,115
Investment income						2,242
Direct expenses						(1,048)
Other income						7,070
Profit before taxation						58,018
Taxation						(16,825)
Profit after tax						41,193

Six months period ended June 30, 2020 (Un-audited) - PTF						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
..... (Rupees in '000)						
Contribution received / receivable (inclusive of Federal Excise Duty / Sales Tax , Federal Takaful Fee and Administrative surcharge)	84,409	45,686	301,950	211,403	35,593	679,041
Less: Federal excise duty	10,030	4,837	36,445	-	4,119	55,431
Federal takaful fee	732	383	2,639	2,092	312	6,158
Others	173	2,178	1,146	112	12	3,621
Gross written contribution (inclusive of administrative surcharge)	<u>73,474</u>	<u>38,288</u>	<u>261,720</u>	<u>209,199</u>	<u>31,150</u>	<u>613,831</u>
Gross direct contribution	72,828	36,900	255,285	209,199	30,887	605,099
Administrative surcharge	646	1,388	6,435	-	263	8,732
	<u>73,474</u>	<u>38,288</u>	<u>261,720</u>	<u>209,199</u>	<u>31,150</u>	<u>613,831</u>
Takaful contribution earned	60,284	25,323	179,673	104,649	23,195	393,124
Takaful contribution ceded to re-takaful	(48,919)	(14,348)	(12,363)	-	(12,295)	(87,925)
Net takaful contribution	11,365	10,975	167,310	104,649	10,900	305,199
Re-takaful rebate	3,689	62	32	-	833	4,616
Net underwriting income	15,054	11,037	167,342	104,649	11,733	309,815
Takaful claims	(348,799)	(13,146)	(107,967)	(95,793)	(7,184)	(572,889)
Takaful claims recovered from re-takaful	313,294	1,985	2,297	-	1,203	318,779
Net claims	(35,505)	(11,161)	(105,670)	(95,793)	(5,981)	(254,110)
Other direct expenses	-	-	(392)	-	-	(392)
(Deficit) / surplus before investment income	<u>(20,451)</u>	<u>(124)</u>	<u>61,280</u>	<u>8,856</u>	<u>5,752</u>	<u>55,313</u>
Net investment income						8,187
Other income						23,143
Modarib share of investment income						(6,270)
Surplus transferred to Balance of PTF						<u>80,373</u>

Six months period ended June 30, 2020 (Un-audited) - OPF						
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
..... (Rupees in '000)						
Wakala fee	30,500	13,675	77,686	51,415	8,806	182,082
Commission expense	(13,688)	(6,419)	(24,465)	(18,833)	(2,047)	(65,452)
Management expenses	(10,802)	(8,491)	(41,268)	(19,121)	(5,634)	(85,316)
	<u>6,010</u>	<u>(1,235)</u>	<u>11,953</u>	<u>13,461</u>	<u>1,125</u>	<u>31,314</u>
Modarib share of PTF investment income						6,270
Investment income						5,743
Direct expenses						(1,542)
Other income						10,080
Profit before taxation						51,865
Taxation						(15,041)
Profit after tax						<u>36,824</u>

The classwise assets and liabilities are as follows:

June 30, 2021 (Un-audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	459,343	61,328	247,634	131,035	44,572	943,912
Corporate unallocated assets						749,405
Total assets						1,693,317
Corporate segment liabilities	542,484	126,953	471,337	297,015	74,548	1,512,337
Corporate unallocated liabilities						-
Total liabilities						1,512,337

June 30, 2021 (Un-audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	28,678	12,673	62,774	43,506	6,613	154,244
Corporate unallocated assets						232,850
Total assets						387,094
Corporate segment liabilities	35,488	10,005	111,557	65,468	11,794	234,312
Corporate unallocated liabilities						15,375
Total liabilities						249,687

December 31, 2020 (Audited) - PTF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	437,779	28,740	192,173	102,482	44,872	806,046
Corporate unallocated assets						715,301
Total assets						1,521,347
Corporate segment liabilities	513,159	73,707	436,415	242,170	84,375	1,349,826
Corporate unallocated liabilities						-
Total liabilities						1,349,826

December 31, 2020 (Audited) - OPF						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Corporate segment assets	28,978	9,680	58,614	42,158	6,263	145,693
Corporate unallocated assets						272,620
Total assets						418,313
Corporate segment liabilities	38,707	8,399	89,994	56,053	11,671	204,824
Corporate unallocated liabilities						27,801
Total liabilities						232,625

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Operator is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Operator to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

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

	June 30, 2021 (Audited)							
	Carrying amount				Fair value			
	Available-for-sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	.....(Rupees in '000).....							
Financial assets measured at fair value								
Investments in equity securities	136,248	-	-	136,248	136,248	-	-	136,248
Financial assets not measured at fair value								
Cash and bank*	-	834,466	-	834,466	-	-	-	-
Takaful / re-takaful receivables*	-	296,752	-	296,752	-	-	-	-
Receivable from PTF*	-	90,592	-	90,592	-	-	-	-
Loans and receivables*	-	4,355	-	4,355	-	-	-	-
Salvage recoveries accrued*	-	34,690	-	34,690	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	344,173	-	344,173	-	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR*)	-	-	(594,446)	(594,446)	-	-	-	-
Takaful / re-takaful payables*	-	-	(225,602)	(225,602)	-	-	-	-
Payable to OPF*	-	-	(90,592)	(90,592)	-	-	-	-
Other creditors and accruals*	-	-	(55,791)	(55,791)	-	-	-	-
	<u>136,248</u>	<u>1,605,028</u>	<u>(966,431)</u>	<u>774,845</u>	<u>136,248</u>	<u>-</u>	<u>-</u>	<u>136,248</u>

December 31, 2020 (Audited)								
Carrying amount				Fair value				
Available-for-sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
.....(Rupees in '000).....								
Financial assets								
measured at fair value								
Investments in equity securities	134,106	-	-	134,106	134,106	-	-	134,106
Financial assets not measured at fair value								
Cash and bank*	-	842,484	-	842,484	-	-	-	-
Takaful / re-takaful receivables*	-	224,958	-	224,958	-	-	-	-
Receivable from PTF*	-	83,157	-	83,157	-	-	-	-
Loans and receivables*	-	1,873	-	1,873	-	-	-	-
Salvage recoveries accrued*	-	4,840	-	4,840	-	-	-	-
Re-takaful recoveries against outstanding claims / benefits*	-	336,732	-	336,732	-	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR*)	-	-	(542,576)	(542,576)	-	-	-	-
Takaful / re-takaful payables*	-	-	(193,992)	(193,992)	-	-	-	-
Payable to OPF*	-	-	(83,157)	(83,157)	-	-	-	-
Other creditors and accruals*	-	-	(54,618)	(54,618)	-	-	-	-
	<u>134,106</u>	<u>1,494,044</u>	<u>(874,343)</u>	<u>753,807</u>	<u>134,106</u>	<u>-</u>	<u>-</u>	<u>134,106</u>

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

28. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on August 24, 2021.

29. GENERAL


All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.


R. Zakir Mahmood
Chairman


Hassan Khan
Chief Executive


Aryn Currimbhoy
Director


Amin A. Hashwani
Director


Nawaid Jamal
Chief Financial Officer



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