

## DIRECTORS' REVIEW REPORT TO THE MEMBERS'

Your Directors are pleased to present their report together with un-audited Nine months Financial Statements for the period ended September 30, 2021 .

The statistic covers the annexed Financial Statements of conventional general insurance and Window Takaful operation comprising:

- 0 Condensed interim statement of financial position;
- 0 Condensed interim statement of profit and loss account;
- 0 Condensed interim statement of comprehensive income;
- 0 Condensed interim statement of changes and equity;
- 0 Condensed interim cash flow statement;
- 0 Notes to the condnsed interim financial information;

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The financial highlight of the company for the period ended September 30, 2021 is as follows:

	(Unaudited)	
Result of operating activites	267,741,847	
Profit before tax from Window Takaful Operations	22,374,731	
Profit before tax	290,116,578	
Income tax expenses	(72,723,317)	
Profit after taxation	217,393,261	
Other Comprehensive income	2,156,545	
Total Comprehensive income	219,549,806	
Unappropriated profit at beginning of the year	96,987,512	
Profit for the period	217,393,261	
Unappropriated at the end of the period	314,380,773	
	September, 30 2021	September, 30 2020
	----- (Unaudited) -----	
Gross premium	2,794,796,955	2,349,946,866
Net premium	1,603,250,809	1,290,429,001
Underwriting results	305,122,310	251,952,039
Investment income	64,572,860	58,080,883
Profit before tax (including Window Takaful Operations)	290,116,578	226,612,142
Profit after tax (including Window Takaful Operations)	217,393,261	180,693,937
Earnings per share - basic and diluted (Rupees)	1.84	1.53

On behalf of the Board of Directors



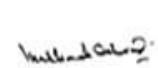
**Naved Yunus**

Chief Executive Officer  
Karachi : October 29, 2021

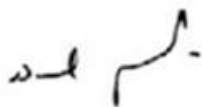
**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT SEPTEMBER 30, 2021**

	Note	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
----- Rupees-----			
<b>ASSETS</b>			
Property and equipment	6	119,309,318	128,693,753
Intangible assets	7	971,873	1,049,352
Investment properties	8	45,826,756	47,612,214
Investments			
Equity securities	9	1,264,682,381	816,976,410
Debt securities	10	265,169,943	259,785,281
Term deposit receipts (TDRs)	11	58,500,000	385,045,476
		1,588,352,324	1,461,807,167
Loans and other receivables	12	189,726,936	127,512,183
Insurance / reinsurance receivables	13	718,931,078	732,304,967
Reinsurance recoveries against outstanding claims	22	393,734,531	455,666,161
Deferred commission expense	23	259,568,746	290,582,372
Prepayments	14	621,611,457	566,323,601
Cash and bank	15	41,299,677	26,721,813
		3,979,332,696	3,838,273,583
Total assets of window takaful operations			
Operator's fund		158,230,260	123,004,409
<b>TOTAL ASSETS</b>		<b>4,137,562,956</b>	<b>3,961,277,992</b>
<b>EQUITY AND LIABILITIES</b>			
Capital and reserves attributable to Company's equity holders			
Issued, subscribed and paid-up capital		1,183,358,100	1,183,358,100
Reserves	16	370,575,173	368,418,628
Unappropriated profit		314,380,773	96,987,512
<b>TOTAL EQUITY</b>		<b>1,868,314,046</b>	<b>1,648,764,240</b>
<b>LIABILITIES</b>			
Underwriting provisions			
Outstanding claims including IBNR	22	631,002,757	652,587,244
Unearned premium reserves	21	1,112,912,885	1,223,128,077
Unearned reinsurance commission	23	185,738,385	125,918,778
		1,929,654,027	2,001,634,099
Retirement benefit obligations		3,131,340	3,698,757
Liabilities against right of use assets	17	242,798	5,375,079
Deferred taxation		7,117,813	5,717,273
Premium received in advance	18	23,559,665	62,543,115
Insurance / reinsurance payables		29,485,610	17,122,645
Other creditors and accruals	19	109,612,037	109,169,579
Taxation - net		113,666,693	65,251,738
<b>TOTAL LIABILITIES</b>		<b>2,216,469,983</b>	<b>2,270,512,285</b>
Total liabilities of window Takaful			
Operations - Operator's Fund		52,778,927	42,001,467
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,137,562,956</b>	<b>3,961,277,992</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	20		

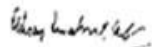
The annexed notes from 1 to 37 form an integral part of this condensed interim financial information.



**CHAIRMAN**



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**DIRECTOR**

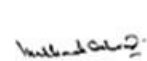


**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	Note	Nine months period ended		Three months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Net insurance premium	21	1,603,250,809	1,290,429,001	541,340,901	527,157,891
Net insurance claims	22	(713,590,100)	(566,072,294)	(251,918,647)	(245,909,201)
Net commission	23	(319,648,610)	(256,618,549)	(109,049,055)	(114,251,899)
Insurance claims and acquisition expenses		(1,033,238,710)	(822,690,843)	(360,967,702)	(360,161,100)
Management expenses	24	(264,889,789)	(215,786,119)	(111,293,040)	(105,214,119)
Underwriting results		305,122,310	251,952,039	69,080,159	61,782,672
Investment income / (loss)	25	64,572,860	58,080,883	22,299,120	20,842,088
Rental income		-	29,000	-	-
Other income	26	5,855,506	13,012,550	975,365	1,500,984
Other expenses	27	(107,408,918)	(103,420,015)	(35,246,649)	(37,970,859)
Finance cost	28	(399,911)	(1,319,125)	(58,185)	(278,098)
<b>Results of operating activities</b>		<b>267,741,847</b>	<b>218,335,332</b>	<b>57,049,810</b>	<b>45,876,787</b>
Profit / (loss) before tax from Window takaful operations	29	22,374,731	8,276,810	7,459,197	2,573,606
<b>Profit before tax</b>		<b>290,116,578</b>	<b>226,612,142</b>	<b>64,509,007</b>	<b>48,450,393</b>
Income tax expense		(72,723,317)	(45,918,205)	(11,499,997)	(10,999,997)
<b>Profit after taxation</b>		<b>217,393,261</b>	<b>180,693,937</b>	<b>53,009,010</b>	<b>37,450,396</b>
			<b>(Restated)</b>		<b>(Restated)</b>
<b>Earnings per share - basic and diluted</b>	31	1.84	1.53	0.45	0.32

The annexed notes from 1 to 37 form an integral part of this condensed interim financial information.



CHAIRMAN



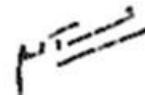
CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR

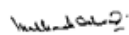


CHIEF FINANCIAL OFFICER

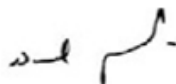
**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	<u>Nine months period ended</u>		<u>Three months period ended</u>	
	<u>September 30</u>	<u>September 30</u>	<u>September 30</u>	<u>September 30</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Note	<u>----- Rupees-----</u>	<u>----- Rupees-----</u>	<u>----- Rupees-----</u>	<u>----- Rupees-----</u>
Profit after taxation	217,393,261	180,693,937	53,009,010	37,450,396
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss account				
Unrealised (loss) / gain on available for sale investments - net of deferred tax	-	(14,900,514)	-	(719,514)
Reclassification of loss included in profit and loss account	2,156,545	1,941,280	778,030	663,280
	<u>2,156,545</u>	<u>(12,959,234)</u>	<u>778,030</u>	<u>(56,234)</u>
Total comprehensive income for the period	<u>219,549,806</u>	<u>167,734,703</u>	<u>53,787,040</u>	<u>37,394,162</u>

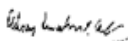
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**CHAIRMAN**



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	Share capital	Reserves		Total reserves	Unappropriated profit	Total
	Issued subscribed and paid-up	General reserve	Unrealized gain on available for sale investment			
	-----Rupees-----					
Balance as at January 01, 2020	1,029,007,050	200,000,000	(63,670,694)	136,329,306	259,963,814	1,425,300,170
Total comprehensive income for the period						
Profit for the period	-	-	-	-	180,693,937	180,693,937
Other comprehensive loss	-	-	(12,959,234)	(12,959,234)	-	(12,959,234)
	-	-	(12,959,234)	(12,959,234)	180,693,937	167,734,703
Balance as at September 30, 2020	1,029,007,050	200,000,000	(76,629,928)	123,370,072	440,657,751	1,593,034,873
Balance as at January 01, 2021	1,183,358,100	440,000,000	(71,581,372)	368,418,628	96,987,512	1,648,764,240
Total comprehensive income for the period						
Profit for the period	-	-	-	-	217,393,261	217,393,261
Unrealized loss on available for sale investments	-	-	-	-	-	-
Reclassification of loss included in profit and loss account	-	-	2,156,545	2,156,545	-	2,156,545
Total comprehensive income for the period	-	-	2,156,545	2,156,545	217,393,261	219,549,806
Balance as at September 30, 2021	1,183,358,100	440,000,000	(69,424,827)	370,575,173	314,380,773	1,868,314,046

The annexed notes from 1 to 37 form an integral part of this condensed interim financial information.





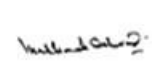


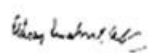
**CHAIRMAN**                      **CHIEF EXECUTIVE OFFICER**                      **DIRECTOR**                      **DIRECTOR**                      **CHIEF FINANCIAL OFFICER**

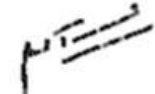
**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	September 30, 2021	September 30, 2020
	----- Rupees-----	
<b>OPERATING CASH FLOWS</b>		
(a) Underwriting activities		
Insurance premium received	2,762,825,600	2,158,553,866
Reinsurance premium paid	(1,338,510,108)	(951,598,495)
Claims paid	(1,078,041,048)	(771,623,294)
Reinsurance and other recoveries received	404,798,091	210,080,997
Commission paid	(532,149,816)	(501,893,142)
Commission received	303,334,439	290,153,522
Underwriting payments	(235,030,160)	(213,601,489)
Net cash inflows from underwriting activities	<u>287,226,998</u>	<u>220,071,965</u>
(b) Other operating activities		
Income tax paid	(12,403,764)	(17,101,780)
Other expenses paid	(92,112,487)	(82,125,406)
Other operating payments	(104,432,080)	(101,243,894)
Net cash used in other operating activities	<u>(208,948,331)</u>	<u>(200,471,080)</u>
Total cash (used in) / generated from all operating activities	<u>78,278,667</u>	<u>19,600,885</u>
<b>INVESTMENT ACTIVITIES</b>		
Profit / return received	19,891,348	33,676,032
Dividend received	43,232,856	32,051,712
Other income received	4,999,345	11,784,327
Payment for investments	(563,116,341)	(580,101,933)
Proceeds from investment	110,025,707	491,279,349
Fixed capital expenditure	(3,182,208)	(2,855,194)
Proceeds from sale of property and equipment	678,000	1,245,300
Total cash used in all operating activities	<u>(387,471,293)</u>	<u>(12,920,407)</u>
<b>FINANCING ACTIVITIES</b>		
Loan received from director	13,017,500	21,900,000
Loan repaid to director	(15,615,000)	(26,427,000)
Lease finance charges	(177,486)	(1,086,201)
Total cash (used in) / generated from all financing activities	<u>(2,774,986)</u>	<u>(5,613,201)</u>
Net cash (used in) / generated from all activities	<u>(311,967,612)</u>	<u>1,067,277</u>
Cash and cash equivalents at beginning of the period	<u>411,767,289</u>	<u>370,103,383</u>
Cash and cash equivalents at end of the period	<u><u>99,799,677</u></u>	<u><u>371,170,660</u></u>

The annexed notes from 1 to 37 form an integral part of this condensed interim financial information.







**CHAIRMAN    CHIEF EXECUTIVE OFFICER    DIRECTOR    DIRECTOR    CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED**  
**CONDENSED INTERIM STATEMENT CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

	September 30, 2021	September 30, 2020
	----- Rupees-----	
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	78,278,667	19,600,885
Depreciation expense	(12,522,379)	(14,683,786)
Amortization of intangible	(77,479)	(110,684)
Profit on disposal of fixed assets	633,736	1,024,299
Investment income	19,891,348	33,676,032
Loss on disposal of investment securities	(2,156,879)	(11,971,089)
Dividend income	43,232,856	32,051,712
Other income	4,999,345	11,784,327
Gain / (loss) on takaful operations	22,374,731	8,276,810
Increase in assets other than cash	(46,409,315)	3,912,188
Decrease in operating liabilities	109,148,630	97,133,244
<b>Profit for the period</b>	<u>217,393,261</u>	<u>180,693,938</u>

**Definition of cash**

Cash comprises of cash in hand, policy stamps in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

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

	September 30, 2021	September 30, 2020
	----- Rupees-----	
Cash and other equivalents	33,564	612,822
Current and other accounts	41,266,113	40,057,838
Deposits maturing within 12 months	58,500,000	330,500,000
	<u>99,799,677</u>	<u>371,170,660</u>

The annexed notes from 1 to 37 form an integral part of this condensed interim financial information.

				
CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2021**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

East West Insurance Company Limited (the Company) was incorporated as a public limited company in the year 1983 under the repealed Companies Act, 1913 (now Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange. The Company is engaged in the general insurance business comprising of fire and property, marine, aviation and transport, motor and miscellaneous etc. The company commenced Window Takaful Operations (WTO) from May 08, 2018 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012.

**2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi. The Company operates through 3 (2020: 3) principal offices and 24 (2020: 24) branches in Pakistan.

**3 BASIS OF PREPARATION**

**3.1 Statement of compliance**

This condensed interim financial information is unaudited but subject to the limited scope review by the auditors as required under Code of Corporate Governance for Insurers, 2016. This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2020 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

This condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 89(1)/2017 dated February 9, 2017 has prescribed the format of the presentation of annual financial statements for the general insurance companies. These condensed interim financial statements have been prepared in accordance with the format prescribed by the SECP.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2020, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the Nine months ended September 30, 2020.



In terms of the requirement of the Takaful Rules 2012, read with SECP circular 25 of 2015 dated July 9, 2015, the assets, liabilities and profit and loss of the Operator's fund of the General Takaful Operations of the Company have been presented as single line item in the condensed interim statement of financial position and condensed interim statement of profit and loss account of the Company respectively.

### **3.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets which are stated at fair value or amortized cost.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

### **3.3 Functional and presentation currency**

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

## **4 USE OF ESTIMATES AND JUDGMENTS**

The preparation of condensed interim financial information in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

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

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the financial statements of the Company for the year ended December 31, 2020.

## **5 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted by the Company in the preparation of this condensed interim financial information are same as those applied in the preparation of the preceding annual audited financials statements for the year ended December 31, 2020.

### **5.1 Temporary Exemption from Application of IFRS 9**

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for the financial assets with contractual cash flows that meet the 'Solely for Payment of Principal and Interest' (SPPI) criteria excluding those held for trading and for the financial assets that do not meet the SPPI criteria for being eligible to apply the temporary exemption from the application of IFRS 9.

		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
		----- Rupees -----	
<b>6</b>	<b>PROPERTY AND EQUIPMENT</b>		
	Operating fixed assets	6.1 105,551,253	112,507,794
	Right-of-use assets	6.2 13,758,065	16,185,959
		<u>119,309,318</u>	<u>128,693,753</u>
<b>6.1</b>	<b>Operating fixed assets</b>		
	Opening balance as at January 1	112,507,794	125,555,637
	Additions during the period / year		
	Furniture and fixtures	38,600	-
	Electrical fittings and equipments	1,013,523	137,160
	Office equipments	10,630	89,000
	Motor vehicles	2,039,350	2,540,000
	Computers equipments	80,105	114,800
		<u>3,182,208</u>	<u>2,880,960</u>
	Less:		
	Written down value of assets disposed during the period / year	(44,264)	(679,652)
	Depreciation charge for the period / year	<u>(10,094,485)</u>	<u>(15,249,151)</u>
		<u>105,551,253</u>	<u>112,507,794</u>
<b>6.2</b>	<b>Right-of-use assets</b>		
	Balance as at January 01	16,185,959	20,580,035
	Additions during the period / year	-	-
	Depreciation charge during the period / year	<u>(2,427,894)</u>	<u>(4,394,076)</u>
	<b>Balance as at September 30/ December 31</b>	<u>13,758,065</u>	<u>16,185,959</u>
<b>7</b>	<b>INTANGIBLE ASSETS</b>		
	Computer software	7.1 266,873	344,352
	Capital work in progress	7.2 705,000	705,000
		<u>971,873</u>	<u>1,049,352</u>
<b>7.1</b>	<b>Net carrying value basis</b>		
	Opening net book value	344,352	491,931
	Amortization charge	<u>(77,479)</u>	<u>(147,579)</u>
	Closing net book value	<u>266,873</u>	<u>344,352</u>
7.2	This represents amount paid to the vendor for the development of computer software.		
<b>8</b>	<b>INVESTMENT PROPERTIES</b>		
	Investment properties	8.2 45,826,756	47,612,214
<b>8.1</b>	<b>Balance as at January 01</b>	47,612,214	48,565,494
	Additions / Transfer in during the period / year	-	1,500,000
	Depreciation charge during the period / year	<u>(1,785,458)</u>	<u>(2,453,280)</u>
	Deletion / Transfer out during the period / year	-	-
		<u>45,826,756</u>	<u>47,612,214</u>

8.2 Revaluation was carried out by the Company in the month of July 2, 2020 and July 8, 2020. The exercise was carried out by independent valuers M/s. Al-Shabaz Surveyors (Private) Limited and M/s. Salam Associates (Private) Limited and revalued market values is estimated at Rs. 172.50 million (2020: Rs. 172.50 million).

		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	----- Rupees -----	
<b>9 INVESTMENTS IN EQUITY SECURITIES</b>			
<b>Held For Trading</b>			
Listed shares	9.1	91,299,248	91,261,498
Mutual funds	9.1	950,463,309	502,795,087
<b>Available For Sale</b>			
Listed shares	9.1	222,919,824	222,919,825
		<u>1,264,682,381</u>	<u>816,976,410</u>

9.1 Detail of investments in equities securities is as follows

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
	----- Rupees -----					
Investments - Held for Trading						
Listed securities	91,261,498	37,750	91,299,248	98,161,690	(6,900,192)	91,261,498
Mutual funds	952,602,137	(2,138,828)	950,463,309	505,284,933	(2,489,846)	502,795,087
	<u>1,043,863,635</u>	<u>(2,101,078)</u>	<u>1,041,762,557</u>	<u>603,446,623</u>	<u>(9,390,038)</u>	<u>594,056,585</u>
Investments-Available For Sale						
Related Party						
Listed securities (Note 9.2)	290,305,684	-	290,305,684	290,305,684	3,349,966	293,655,650
Others						
Listed securities	10,593,327	-	10,593,327	10,593,327	266,261	10,859,588
Deficit on revaluation	-	-	(77,979,187)	-	-	(81,595,413)
	300,899,011	-	<u>222,919,824</u>	300,899,011	3,616,227	<u>222,919,825</u>
			<u>1,264,682,381</u>	-		<u>816,976,410</u>

9.2 This represent investment in associated undertaking.

## 10 INVESTMENTS IN DEBT SECURITIES

### Held To Maturity

#### Government Securities

Pakistan Investment Bonds

10.1 245,169,943 188,065,518

T - Bills

10.1 - 51,719,763

### Available for sale

Term Finance Certificates

10.1 10,000,000 10,000,000

Corporate Sukuk

10.1 10,000,000 10,000,000

265,169,943 259,785,281

**10.1 Detail of investments in debt securities is as follows**

	September 30, 2021 (Unaudited)			December 31, 2020 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
----- Rupees -----						
Held to Maturity						
Government securities						
Pakistan Investment Bonds (Note 10.2 & 10.3)	245,169,943	-	245,169,943	188,065,518	-	188,065,518
T - Bills	-	-	-	51,719,763	-	51,719,763
	<u>245,169,943</u>	<u>-</u>	<u>245,169,943</u>	<u>239,785,281</u>	<u>-</u>	<u>239,785,281</u>
Available for sale						
Others						
Term Finance Certificates	10,000,000	-	10,000,000	15,730,000	(5,730,000)	10,000,000
Corporate Sukuk	10,000,000	-	10,000,000	15,600,000	(5,600,000)	10,000,000
	<u>20,000,000</u>	<u>-</u>	<u>20,000,000</u>	<u>31,330,000</u>	<u>(11,330,000)</u>	<u>20,000,000</u>
Deficit on revaluation	-	-	-	-	-	-
			<u>265,169,943</u>			<u>259,785,281</u>

10.2 This represents Pakistan Investment Bonds (PIBs) carrying interest ranging from 7% to 12% (2020: 7% to 12%).

10.3 The amount of Pakistan Investment Bonds includes Rs. 105 million (2020: Rs. 120 million) deposited with the State Bank of Pakistan as required by Section 29 of the Insurance Ordinance, 2000.

		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	----- Rupees -----	

**11 INVESTMENTS IN TERM DEPOSITS**

Deposits maturing within 12 months	11.1	<u>58,500,000</u>	<u>385,045,476</u>
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11.1 These represent Term Deposit Receipts (TDRs) in local currency carrying interest rates ranging from 7.2% to 11.40% per annum (2020: 7.2% to 13.90% per annum).

**12 LOANS AND OTHER RECEIVABLES**

(Unsecured - considered good)

Accrued investment income			
Pakistan Investment bonds		8,231,187	4,846,134
Corporate Sukuks		75,698	76,438
Others		823,664	607,666
		<u>9,130,549</u>	<u>5,530,238</u>
Advances	12.1	54,175,777	103,780,668
Deposits		16,609,695	15,564,275
Other receivables		109,810,915	2,637,002
		<u>189,726,936</u>	<u>127,512,183</u>

12.1 This represents advances in the normal course of business which do not carry any interest / mark-up.

		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	----- Rupees -----	
<b>13</b>	<b>INSURANCE / REINSURANCE RECEIVABLES</b>		
	(Unsecured - considered good)		
	Premium due but unpaid	473,607,810	479,067,029
	Less: Provision for impairment of receivables from insurance contract holders	(7,392,652)	(2,414,077)
	Premium written off	-	(3,425,699)
		466,215,158	473,227,253
	Amount due from other insurers / reinsurers	252,715,920	259,077,714
		<u>718,931,078</u>	<u>732,304,967</u>
<b>14</b>	<b>PREPAYMENTS</b>		
	Prepaid reinsurance premium ceded	621,151,179	565,677,650
	Prepaid rent	228,904	414,577
	Others	231,374	231,374
		<u>621,611,457</u>	<u>566,323,601</u>
<b>15</b>	<b>CASH AND BANK</b>		
	Cash and cash equivalents	33,564	14,069
	Cash at bank		
	Current accounts	26,096,502	20,752,663
	Saving accounts	15,169,611	5,955,081
		<u>41,299,677</u>	<u>26,721,813</u>
15.1	These include interest bearing accounts carrying interest rates ranging from 5% to 10% (December 31, 2020: 5% to 10% ) per annum.		
<b>16</b>	<b>RESERVES</b>		
	General reserve	440,000,000	440,000,000
	Unrealized loss on available for sale investments	(69,424,827)	(71,581,372)
		<u>370,575,173</u>	<u>368,418,628</u>
<b>17</b>	<b>LIABILITIES AGAINST RIGHT OF USE ASSET</b>		
	Current portion	242,798	5,375,079
		<u>242,798</u>	<u>5,375,079</u>
<b>18</b>	<b>PREMIUM RECEIVED IN ADVANCE</b>		
	Premium received in advance	23,559,665	62,543,115
18.1	This includes cash margin (bond) received from policy holders amounting to Rs. 22.87 million (2020: Rs. 61.98 million).		

		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
	Note	----- Rupees -----	
<b>19 OTHER CREDITORS AND ACCRUALS</b>			
Sundry creditors		45,702,202	18,484,965
Commission payable		-	30,956,525
Federal excise duty		5,632,793	4,858,214
Federal insurance fee		4,924,455	3,234,804
Workers' welfare fund		36,057,172	36,057,172
Withholding tax		7,505,041	6,888,125
Unclaimed dividend		31,303	31,303
Due to director	19.1	9,759,071	8,658,471
		<u>109,612,037</u>	<u>109,169,579</u>

19.1 The amount of loan is payable to directors which is unsecured and interest free.

## 20 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at September 30, 2021 (December 31, 2020: Nil).

		Nine months period ended		Three months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	Note	----- (Rupees) -----		----- (Rupees) -----	
<b>21 NET INSURANCE PREMIUM</b>					
Written gross premium		2,794,796,955	2,349,946,866	1,013,587,256	1,000,194,566
Add: Unearned premium reserve - opening		1,223,128,077	1,252,193,521	1,113,462,770	1,062,479,626
Less: Unearned premium reserve - closing		<u>(1,112,912,885)</u>	<u>(1,126,654,706)</u>	<u>(1,112,912,885)</u>	<u>(1,126,654,706)</u>
Premium earned		2,905,012,147	2,475,485,681	1,014,137,141	936,019,486
Less: Reinsurance premium ceded		1,357,234,867	1,041,320,467	471,011,000	433,036,675
Add: Prepaid reinsurance premium - opening		565,677,650	577,141,443	622,936,419	409,230,150
Less: Prepaid reinsurance premium - closing		<u>(621,151,179)</u>	<u>(433,405,230)</u>	<u>(621,151,179)</u>	<u>(433,405,230)</u>
Reinsurance expense		1,301,761,338	1,185,056,680	472,796,240	408,861,595
		<u>1,603,250,809</u>	<u>1,290,429,001</u>	<u>541,340,901</u>	<u>527,157,891</u>
<b>22 NET INSURANCE CLAIMS EXPENSE</b>					
Claims paid		1,078,041,048	771,623,294	382,180,000	337,802,930
Add: Outstanding claims (including IBNR) - closing		631,002,757	564,452,144	631,002,757	564,452,144
Less: Outstanding claims (including IBNR) - opening		<u>(652,587,244)</u>	<u>(596,061,338)</u>	<u>(629,937,577)</u>	<u>(569,679,636)</u>
Claims expense		1,056,456,561	740,014,100	383,245,180	332,575,438
Less: Reinsurance and other recoveries received		404,798,091	210,080,997	133,584,045	81,918,130
Add: Reinsurance and other recoveries in respect of outstanding claims - closing		393,734,531	429,320,611	393,734,531	429,320,611
Less: Reinsurance and other recoveries in respect of outstanding claims - opening		<u>(455,666,161)</u>	<u>(465,459,802)</u>	<u>(395,992,043)</u>	<u>(424,572,504)</u>
Reinsurance and other recoveries revenue		342,866,461	173,941,806	131,326,533	86,666,237
		<u>713,590,100</u>	<u>566,072,294</u>	<u>251,918,647</u>	<u>245,909,201</u>

	Note	Nine months period ended		Three months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		(Rupees)		(Rupees)	
<b>23 NET COMMISSION</b>					
Commission paid or payable		532,149,816	485,941,820	147,380,243	190,722,804
Add: Deferred commission expense - opening		290,582,372	328,921,034	258,775,274	272,541,776
Less: Deferred commission expense - closing		(259,568,746)	(304,264,584)	(259,568,746)	(304,264,584)
Net commission		563,163,442	510,598,270	146,586,771	158,999,996
Less: Commission received or recoverable		303,334,439	290,153,522	94,232,225	119,119,827
Add: Unearned reinsurance commission - opening		125,918,778	130,735,976	129,043,876	92,538,047
Less: Unearned reinsurance commission - closing		(185,738,385)	(166,909,777)	(185,738,385)	(166,909,777)
Commission from reinsurers		243,514,832	253,979,721	37,537,716	44,748,097
		319,648,610	256,618,549	109,049,055	114,251,899
<b>24 MANAGEMENT EXPENSES</b>					
Employee benefit cost	24.1	119,991,688	99,004,519	46,663,896	37,798,345
Office repairs and maintenance		6,248,711	6,427,209	3,416,237	5,045,192
Vehicle running expenses		60,927,156	54,580,457	30,975,719	34,438,452
Traveling expenses		34,053,412	24,941,302	12,684,471	12,809,004
Electricity, gas and water		6,644,087	5,944,838	2,548,029	2,751,017
Printing and stationery		5,420,909	4,963,666	2,140,303	1,114,565
Office rent		4,972,308	5,310,111	2,324,103	2,540,308
Entertainment		10,385,562	8,280,076	4,128,521	4,058,288
Postage, telegram and telephone		2,990,789	2,901,822	996,930	1,904,867
Advertisement and publicity		2,157,656	1,815,794	2,052,552	1,500,000
Rent, rates and taxes		502,427	258,882	497,251	254,082
Miscellaneous		10,595,084	1,357,443	2,865,028	999,999
		264,889,789	215,786,119	111,293,040	105,214,119
<b>24.1 Employee benefit cost</b>					
Salaries, allowance and other benefits		117,686,116	97,462,031	45,897,352	37,031,801
Charges for post employment benefit		2,305,572	1,542,488	766,544	766,544
		119,991,688	99,004,519	46,663,896	37,798,345
<b>25 INVESTMENT INCOME / (LOSS)</b>					
Income from equity securities					
Held-for-trading					
Gain on sale of investments		5,224	6,455,031	-	881,387
Dividend income		43,232,856	32,051,712	15,979,966	5,728,629
		43,238,080	38,506,743	15,979,966	6,610,016
Income from debt securities					
Held-to-maturity					
Pakistan Investment Bond		17,417,576	11,485,216	6,165,209	3,843,951
Treasury Bills		47,017	77,647	-	-
		17,464,593	11,562,863	6,165,209	3,843,951

	Note	Nine months period ended		Three months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		(Rupees)		(Rupees)	
Available for sale					
Pakistan Investment Bond		-	-	-	-
Gop Ijara Sukuk		-	-	-	-
Treasury Bills		-	-	-	-
Term Finance Certificate		726,338	1,020,258	250,290	238,044
Corporate Sukuk		687,657	909,216	232,142	215,506
		1,413,995	1,929,474	482,432	453,550
Return on term deposits		5,615,071	19,442,408	3,013	5,686,539
Net unrealised (losses) / gain on investments at fair value through profit or loss (held for trading)		(2,156,879)	(11,971,089)	-	4,572,798
		65,574,860	59,470,399	22,630,620	21,166,854
Less: Investment related expenses		(1,002,000)	(1,389,516)	(331,500)	(324,766)
		64,572,860	58,080,883	22,299,120	20,842,088
<b>26 OTHER INCOME</b>					
Return on bank balances		1,061,153	1,668,968	368,593	300,984
Profit on disposal of fixed assets		633,736	1,024,299	606,772	-
Reversal of bad debts		2,414,077	-	-	-
Others		1,746,540	10,319,283	-	1,200,000
		5,855,506	13,012,550	975,365	1,500,984
<b>27 OTHER EXPENSES</b>					
Employee benefit cost	27.1	47,701,741	45,299,159	17,233,914	15,151,666
Office repairs and maintenance		9,257,712	8,433,166	3,442,627	3,746,028
Vehicle running expenses		7,758,754	13,118,934	3,252,918	8,141,812
Auditors' remuneration		1,794,592	916,402	961,628	93,602
Remuneration of directors and executives		11,780,000	9,790,000	4,030,000	3,430,000
Legal and professional charges		1,599,903	1,319,934	533,301	395,444
Depreciation and amortization		14,385,316	16,615,676	4,874,851	5,610,742
Subscription and membership		327,089	678,359	109,030	52,153
Annual supervision fee		2,986,022	3,671,535	-	-
Bad debts expense		7,392,652	-	-	-
Rent, rates and taxes		719,740	135,000	239,914	122,000
Electricity, gas and water		472,785	1,397,670	157,595	538,140
Postage, telegram and telephone		1,007,742	973,073	335,914	295,619
Others		224,870	1,071,107	74,957	393,653
		107,408,918	103,420,015	35,246,649	37,970,859
<b>27.1 Employee benefit cost</b>					
Salaries, allowance and other benefits		42,218,296	43,926,817	15,406,099	14,752,667
Charges for post employment benefit		5,483,445	1,372,342	1,827,815	398,999
		47,701,741	45,299,159	17,233,914	15,151,666
<b>28 FINANCE COST</b>					
Bank charges		222,425	232,924	35,607	36,727
Lease finance charges		177,486	1,086,201	22,578	241,371
		399,911	1,319,125	58,185	278,098



	Nine months period ended		Three months period ended	
	September 30,	September 30,	September 30,	September 30,
	2021	2020	2021	2020
	(Rupees)		(Rupees)	

**29 Window takaful operations - Operator's fund**

Wakala fee	78,322,366	56,442,538	25,693,423	17,339,230
Management expense	(12,224,113)	(14,210,709)	(3,895,870)	(3,826,859)
Commission expense	(45,432,734)	(35,317,216)	(14,869,227)	(11,520,611)
Modarib's share	16,935	17,431	3,247	6,210
Investment income	35,085	7,674	23,832	2,636
Rental income	1,844,100	1,719,000	590,700	573,000
Other expenses	(186,908)	(381,908)	(86,908)	-
Profit / (loss) for the period	<u>22,374,731</u>	<u>8,276,810</u>	<u>7,459,197</u>	<u>2,573,606</u>



Segment Prior Period	Fire and property	Marine, aviation	Motor	Engineering	Miscellaneous	Treaty	TOTAL
	damage	and transport					
	September 30, 2020						
	Rupees						
Gross written premium	739,895,252	250,587,428	344,982,420	669,557,966	344,923,800	-	2,349,946,866
Unearned-Opening	362,733,454	54,466,378	197,527,644	439,393,118	198,072,927	-	1,252,193,521
Unearned-Closing	(342,124,965)	(51,788,574)	(195,216,265)	(344,015,937)	(193,508,965)	-	(1,126,654,706)
Premium Earned	760,503,741	253,265,232	347,293,799	764,935,147	349,487,762	-	2,475,485,681
Reinsurance-Ceded	(352,868,750)	(117,110,247)	(59,084,151)	(327,844,684)	(184,412,635)	-	(1,041,320,467)
Prepaid Reinsurance-Opening	(129,520,247)	(9,616,320)	(43,294,769)	(359,900,741)	(34,809,366)	-	(577,141,443)
Prepaid Reinsurance-Closing	118,004,543	26,420,990	46,980,435	154,879,528	87,119,734	-	433,405,230
Reinsurance Expenses	(364,384,454)	(100,305,577)	(55,398,485)	(532,865,897)	(132,102,267)	-	(1,185,056,680)
Net insurance premium	396,119,287	152,959,655	291,895,314	232,069,250	217,385,495	-	1,290,429,001
Commission income	77,827,644	20,425,709	12,759,051	91,499,083	51,468,235	-	253,979,722
Net underwriting income	473,946,931	173,385,364	304,654,365	323,568,333	268,853,730	-	1,544,408,723
Insurance claims paid	(174,552,796)	(58,592,154)	(152,562,168)	(246,986,352)	(138,929,824)	-	(771,623,294)
Outstanding-opening	103,892,000	16,741,421	36,921,124	387,419,515	51,087,278	-	596,061,338
Outstanding-closing	(107,170,485)	(21,529,281)	(32,533,151)	(258,060,305)	(145,158,922)	-	(564,452,144)
Insurance claims expenses	(177,831,281)	(63,380,014)	(148,174,195)	-	(233,001,468)	-	(740,014,100)
Reinsurance Recoveries Received	71,857,224	28,041,514	16,831,696	93,350,563	-	-	210,080,997
Recovery-opening	(54,542,009)	(4,381,053)	(10,432,071)	(367,226,623)	(28,878,046)	-	(465,459,802)
Recovery-closing	52,658,758	4,125,929	9,489,355	334,168,523	28,878,046	-	429,320,611
Insurance claims recovered from reinsurers	69,973,973	27,786,390	15,888,980	60,292,463	-	-	173,941,806
Net claims	(107,857,308)	(35,593,624)	(132,285,215)	60,292,463	(233,001,468)	-	(566,072,294)
Commission expense	(207,810,029)	(58,905,940)	(81,198,304)	(100,864,078)	(61,819,919)	-	(510,598,270)
Management expense	(66,239,246)	(25,577,982)	(48,810,866)	(48,101,136)	(27,056,889)	-	(215,786,119)
Net insurance claims and expenses	(381,906,583)	(120,077,546)	(262,294,385)	(88,672,751)	(321,878,276)	-	(1,292,456,683)
Underwriting results	92,040,348	53,307,818	42,359,980	234,895,582	(53,024,546)	-	251,952,040
Net investment income							58,080,883
Rental income							29,000
Other expenses							(103,420,015)
Finance cost							(1,319,125)
Other income							13,012,550
Window takafal operations							8,276,810
Profit before tax							226,612,143
Segment Assets	634,066,680	244,841,955	467,235,751	371,472,392	347,968,159		2,065,584,937
Unallocated Assets							1,635,960,382
							3,701,545,319
Segment Liabilities	587,794,842	226,974,296	433,138,616	344,363,712	322,574,731		1,946,488,140
Unallocated Liabilities							162,022,306
							2,108,510,446

30.1 Management has allocated indirect management expenses to underwriting business on the basis of net premium revenue under individual business as per the stated accounting policy of the Company.

Nine months period ended		Three months period ended	
September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
----- (Rupees) -----		----- (Rupees) -----	

### 31 EARNINGS PER SHARE - basic and diluted

Profit for the period	217,393,261	180,693,937	53,009,010	37,450,396
	----- (No. of shares) -----		----- (No. of shares) -----	
	(Restated)		(Restated)	
Weighted average number of ordinary shares of Rs. 10 each	118,335,810	118,335,810	118,335,810	118,335,810
	(Restated)		(Restated)	
Earnings per share - rupees	1.84	1.53	0.45	0.32

31.1 There is no dilutive effect on basic earning per share of the Company.

### 32 TRANSACTIONS WITH RELATED PARTIES

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

		Nine months period ended		Three months period ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		----- Rupees -----		----- Rupees -----	
<b>Nature of relationship</b>	<b>Nature of transaction</b>				
Directors and Key Management Personnel	Loan received from directors	13,017,500	21,900,000	13,017,500	11,500,000
	Loan repaid to directors	15,615,000	26,427,000	15,615,000	827,000
	Remuneration paid	11,780,000	9,790,000	3,910,000	3,310,000
<b>Nature of Transaction</b>	<b>Nature of relationship with the Company</b>				
		----- Rupees -----		----- Rupees -----	
<b>Loan received from directors</b>					
Javed Yunus	Director	13,017,500	3,500,000	-	1,500,000
Naved Yunus	Director	-	18,400,000	-	10,000,000
		13,017,500	21,900,000	-	11,500,000
<b>Loan repaid to directors</b>					
Javed Yunus	Director	10,615,000	2,772,000	-	772,000
Naved Yunus	Director	5,000,000	23,655,000	-	55,000
		15,615,000	26,427,000	-	827,000

### 33 FAIR VALUE OF FINANCIAL INSTRUMENTS

#### 33.1 Carrying amount versus fair value

The following table compares the carrying amounts and fair values of the Company's financial assets and financial liabilities as at September 30, 2021.

	<u>As at September 30, 2021 - (Unaudited)</u>		<u>As at December 31, 2020 - (Audited)</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
	-----Rupees-----		-----Rupees-----	
<b>Financial Assets</b>				
Investment property	45,826,756	172,500,000	47,612,214	172,500,000
Investments				
<b>Equity securities</b>				
<b>Held for trading</b>				
Ordinary shares - listed	91,299,248	91,299,248	91,261,498	91,261,498
Mutual fund units	950,463,309	950,463,309	502,795,087	502,795,087
<b>Available for sale</b>				
Ordinary shares - listed	300,899,011	222,919,824	300,899,011	222,919,824
<b>Debt securities</b>				
Government securities-PIBs	245,169,943	245,169,943	141,642,159	141,642,159
Others	20,000,000	20,000,000	20,000,000	20,000,000
Loans and other receivables	189,726,936	189,726,936	127,512,183	127,512,183
Insurance / reinsurance receivables	718,931,078	718,931,078	732,304,967	732,304,967
Reinsurance recoveries against outstanding claims	393,734,531	393,734,531	455,666,161	455,666,161
Cash and bank	41,299,677	41,299,677	26,721,813	26,721,813
<b>Financial Liabilities</b>				
Outstanding claims including IBNR	631,002,757	631,002,757	652,587,244	652,587,244
Retirement benefit obligations	3,131,340	3,131,340	3,698,757	3,698,757
Insurance / reinsurance payables	29,485,610	29,485,610	17,122,645	17,122,645
Other creditors and accruals	109,612,037	109,612,037	109,169,579	109,169,579

### 33.2 Fair value hierarchy

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

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

The fair value hierarchy has the following levels:

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

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

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	<u>As at</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	<u>September 30,</u>			
	<u>2021</u>			
	-----Rupees-----			
<b>Financial assets measured at fair value</b>				
<b>Investments at fair value through profit or loss - held for trading</b>				
Ordinary shares - Listed	91,299,248	91,299,248	-	-
Mutual funds	950,463,309	-	950,463,309	-
<b>Investments-Available For Sale</b>				
Ordinary shares - Listed	300,899,011	300,899,011	-	-
Corporate sukuks	10,000,000	-	10,000,000	-
Term finance certificates	10,000,000	-	10,000,000	-

### 33.3 Transfers during the period

During the period ended September 30, 2021:

- There were no transfers between Level 1 and Level 2 fair value measurements
- There were no transfers into or out of Level 3 fair value measurements

### 33.4 Valuation techniques

#### Investments at fair value through profit or loss - held for trading

Subsequent to initial recognition, these investments are remeasured at fair value using stock exchange quotation rates in respect of investment in shares of listed companies and on the basis of closing NAV in respect of investment in units of mutual funds.

### 34 COVID-19 AND ITS IMPACT ON BUSINESS

The COVID-19 pandemic had spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. This crisis continues to have a significant impact on individuals, society, business and the wider economy across the globe. The Company has not escaped its impact but has responded quickly to the crisis by providing the facilities to its employees to work from home, informing employees regularly about the risk of infection, good hygiene standards and ways to manage customer contact at Company offices. Consequently, at this stage, impact on the Company's business and results is limited. Gross premium for the period ended September 30, 2021 stood at Rs. 2,794.796 million with only a 18.9% increase for the same period last year of Rs. 2,349.946 million. However, an increase is witnessed in profit before tax of Rs. 290.116 million against Rs. 226.612 million in the same period last year. Company believes their current liquidity availability provides them with sufficient financial resources to meet their obligations as they come due and no such indication exists for the Company that triggered impairment of its assets. Further, the Company will continue to follow the policies and advice published by the Government of Pakistan and in parallel will do the utmost to continue its operations in the best and safest way possible without jeopardizing the health of its staff.

### 35 CORRESPONDING FIGURES

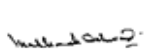
Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison and for better presentation.

### 36 DATE OF AUTHORIZATION FOR ISSUE

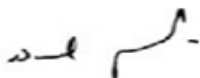
This condensed interim financial information was authorised for issue in the Board of Directors meeting of the Company held on October 29, 2021.

### 37 GENERAL

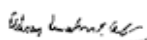
The figures for the quarter and six month period ended September 30, 2021 have been rounded off to the nearest Rupee.




**CHAIRMAN**



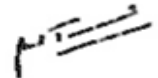
**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)  
AS AT SEPTEMBER 30, 2021**

	Note	Operator's Fund		Participant's Takaful Fund	
		September 30, 2021 (Unaudited)	December 31, 2020 (Audited)	September 30, 2021 (Unaudited)	December 31, 2020 (Audited)
		-----Rupees-----		-----Rupees-----	
<b>ASSETS</b>					
Property and equipment	7	10,449,087	11,046,167	-	-
Investment property - at cost	8	33,923,310	35,245,000	-	-
Accrued investment income	9	8,758	1,200	2,386	13,553
Qard-e-Hasna to Participants' Takaful Fund (PTF)	10	18,150,000	18,150,000	-	-
Takaful / re-takaful receivables	11	-	-	145,001,897	82,028,389
Receivable from PTF	12	67,988,624	41,212,140	-	-
Taxation - payment less provision	13	27,108	17,239	12,533	5,780
Deferred wakala fee expense		-	-	36,167,700	31,668,279
Deferred commission expense	23	21,940,961	17,075,306	-	-
Prepayments	14	95,700	226,000	50,452,282	45,757,947
Cash and bank	15	5,646,712	31,357	909,658	20,879,038
<b>TOTAL ASSETS</b>		<b>158,230,260</b>	<b>123,004,409</b>	<b>232,546,456</b>	<b>180,352,986</b>
<b>FUND AND LIABILITIES</b>					
<b>Operators' Fund</b>					
Statutory Fund		50,000,000	50,000,000	-	-
Accumulated profit		46,602,523	24,227,792	-	-
Total Operators Fund		96,602,523	74,227,792	-	-
<b>Participants' Takaful Fund</b>					
Ceded money		-	-	500,000	500,000
Accumulated surplus		-	-	29,660,382	15,104,934
Balance of Participant Takaful Fund		-	-	30,160,382	15,604,934
Qard-e-Hasna from Operator's Fund	10	-	-	18,150,000	18,150,000
<b>LIABILITIES</b>					
<b>Underwriting provisions</b>					
Outstanding claims		-	-	-	-
Unearned contribution reserve		-	-	94,527,433	86,086,761
Unearned Re-takaful rebate		-	-	7,311,988	6,804,133
Takaful / Re-takaful payable	16	-	-	101,839,421	92,890,894
Unearned wakala fee		36,167,700	31,668,279	-	-
Contribution received in advance		-	-	1,304,484	1,954,934
Payable to OPF	12	-	-	67,488,624	40,712,140
Other creditors and accruals	17	16,611,226	10,333,188	1,057,161	909,133
Payable to East West Insurance Company Limited	18	8,848,811	6,775,150	-	-
<b>TOTAL LIABILITIES</b>		<b>61,627,737</b>	<b>48,776,617</b>	<b>184,236,074</b>	<b>146,598,052</b>
<b>TOTAL FUND AND LIABILITIES</b>		<b>158,230,260</b>	<b>123,004,409</b>	<b>232,546,456</b>	<b>180,352,986</b>
<b>CONTINGENCIES AND COMMITMENTS</b>					
	19				

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

  
CHAIRMAN

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021**

	Nine months period ended		Three months period ended	
	September 30 2021	September 30 2020	September 30 2021	September 30 2020
	-----Rupees-----		-----Rupees-----	
<b>Participants' Takaful Fund</b>				
Surplus / (deficit) for the period	14,555,448	7,480,856	5,023,501	2,237,691
Other comprehensive income	-	-	-	-
Total comprehensive surplus / (deficit) for the period	<u>14,555,448</u>	<u>7,480,856</u>	<u>5,023,501</u>	<u>2,237,691</u>
<b>Operator's Fund</b>				
Profit / (loss) for the period	22,374,731	8,276,810	7,459,197	2,573,606
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>22,374,731</u>	<u>8,276,810</u>	<u>7,459,197</u>	<u>2,573,606</u>

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

				
CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER



**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021**

		<b>Nine months period ended</b>		<b>Three months period ended</b>	
		<b>September 30</b>	<b>September 30</b>	<b>September 30</b>	<b>September 30</b>
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>-----Rupees-----</b>		<b>-----Rupees-----</b>	
<b>Participants' Takaful Fund</b>					
Contributions earned	20	133,344,650	102,911,094	45,692,231	36,904,248
Less: Contributions ceded to retakaful	20	(102,181,458)	(85,176,546)	(31,418,486)	(31,249,803)
Net contributions revenue		<u>31,163,192</u>	<u>17,734,548</u>	<u>14,273,745</u>	<u>5,654,445</u>
Retakaful rebate	22	14,667,902	12,764,202	4,614,455	4,500,696
Net underwriting income		<u>45,831,094</u>	<u>30,498,750</u>	<u>18,888,200</u>	<u>10,155,141</u>
Net claims - reported / settled	21	(31,289,016)	(23,034,986)	(13,864,608)	(7,923,321)
Other direct expenses		<u>(3,565)</u>	<u>(339)</u>	<u>(3,339)</u>	<u>(339)</u>
Surplus before investment income		<u>14,538,513</u>	<u>7,463,425</u>	<u>5,020,253</u>	<u>2,231,481</u>
Investment income	26	33,870	34,862	6,495	12,420
Less: Modarib share of investment income	26	(16,935)	(17,431)	(3,247)	(6,210)
Surplus / (deficit) transferred to accumulated surplus		<u><u>14,555,448</u></u>	<u><u>7,480,856</u></u>	<u><u>5,023,501</u></u>	<u><u>2,237,691</u></u>
<b>Operator's Fund</b>					
Wakala fee	24	78,322,366	56,442,538	25,693,423	17,339,230
Commission expense	23	(45,432,734)	(35,317,216)	(14,869,227)	(11,520,611)
Management expenses	25	<u>(12,224,113)</u>	<u>(14,210,709)</u>	<u>(3,895,870)</u>	<u>(3,826,859)</u>
		<u>20,665,519</u>	<u>6,914,613</u>	<u>6,928,326</u>	<u>1,991,760</u>
Modarib's share of PTF investment income		16,935	17,431	3,247	6,210
Investment income	26	35,085	7,674	23,832	2,636
Rental income		1,844,100	1,719,000	590,700	573,000
Other expenses	27	<u>(186,908)</u>	<u>(381,908)</u>	<u>(86,908)</u>	<u>-</u>
Profit / (loss) for the period		<u><u>22,374,731</u></u>	<u><u>8,276,810</u></u>	<u><u>7,459,197</u></u>	<u><u>2,573,606</u></u>

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

  
**CHAIRMAN**

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021**

	Operator's Fund		Participant's Takaful Fund	
	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
-----Rupees-----				
<b>OPERATING CASH FLOWS</b>				
(a) Takaful activities				
Contribution received	-	-	158,899,163	124,560,562
Retakaful contribution paid	-	-	(106,875,793)	(80,247,383)
Claims paid	-	-	(117,548,034)	(89,761,525)
Retakaful and recoveries received	-	-	86,259,018	67,276,539
Commission paid	(41,919,626)	(25,434,605)	-	-
Retakaful rebate received	-	-	15,175,757	10,691,281
Wakulla fee received	82,821,787	49,583,891	-	-
Wakulla fee paid	-	-	(82,821,787)	(49,583,891)
Net cash flow tactful activities	40,902,161	24,149,286	(46,911,676)	(17,064,417)
(b) Other operating activities				
Income tax paid	(9,868)	(10,072)	(6,753)	(4,134)
Direct expenses paid	-	-	(3,565)	(339)
Other operating payment	(677,908)	(2,918,866)	-	-
Management expenses paid	(11,915,068)	(9,623,837)	-	-
Other operating receipts	(24,572,523)	(13,082,996)	26,924,512	16,980,354
Net cash flow from other operating activities	(37,175,367)	(25,635,771)	26,914,194	16,975,881
<b>Total cash used in all operating activities</b>	<b>3,726,794</b>	<b>(1,486,485)</b>	<b>(19,997,482)</b>	<b>(88,536)</b>
<b>INVESTMENT ACTIVITIES</b>				
Profit received on investment income	44,461	25,333	28,102	18,598
Rental income	1,844,100	1,719,000	-	-
Addition to plant and equipment	-	-	-	-
Addition to investment	-	-	-	-
Proceeds from disposal of investments	-	-	-	-
<b>Total cash flow generated from / (used in) investing activities</b>	<b>1,888,561</b>	<b>1,744,333</b>	<b>28,102</b>	<b>18,598</b>
<b>Net cash flow from all activities</b>	<b>5,615,355</b>	<b>257,848</b>	<b>(19,969,380)</b>	<b>(69,938)</b>
Cash and cash equivalents at beginning of the period	31,357	16,341	20,879,038	811,959
<b>Cash and cash equivalents at end of the period</b>	<b>5,646,712</b>	<b>274,189</b>	<b>909,658</b>	<b>742,021</b>
<b>Reconciliation to profit and loss account:</b>				
Operating cash flows	3,726,794	(1,486,485)	(19,997,482)	(88,536)
Depreciation	(1,918,770)	(2,067,875)	-	-
Investment income	44,461	25,333	28,102	18,598
Rental income	1,844,100	1,719,000	-	-
Increase / (decrease) in assets other than cash	31,529,266	11,676,842	72,162,850	(4,807,377)
Increase / (decrease) in liabilities	(12,851,120)	(1,590,005)	(37,638,022)	12,358,171
<b>Profit / (loss) / surplus for the period</b>	<b>22,374,731</b>	<b>8,276,810</b>	<b>14,555,448</b>	<b>7,480,856</b>

The annexed notes from 1 to 31 form an integral part of this condensed interim financial





  
**CHAIRMAN**                      **CHIEF EXECUTIVE OFFICER**                      **DIRECTOR**                      **DIRECTOR**                      **CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UNAUDITED)  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021**

	<b>Operator's Fund</b>		
	<b>Statutory Fund</b>	<b>Accumulated (Losses) / Profit</b>	<b>Total</b>
	----- Rupees -----		
Balance as at January 1, 2020	50,000,000	11,089,318	61,089,318
Total comprehensive income for the period			
Profit for the period	-	8,276,810	8,276,810
Other comprehensive income	-	-	-
	-	8,276,810	8,276,810
Balance as at September 30, 2020	<u>50,000,000</u>	<u>19,366,128</u>	<u>69,366,128</u>
Balance as at January 1, 2021	50,000,000	24,227,792	74,227,792
Total comprehensive income for the period			
Profit for the period	-	22,374,731	22,374,731
Other comprehensive income	-	-	-
	-	22,374,731	22,374,731
Balance as at September 30, 2021	<u>50,000,000</u>	<u>46,602,523</u>	<u>96,602,523</u>

	<b>Participants' Fund</b>		
	<b>Ceded Money</b>	<b>Accumulated (Deficit) / Surplus</b>	<b>Total</b>
	----- Rupees -----		
Balance as at January 1, 2020	500,000	9,440,023	9,940,023
Total comprehensive income for the period			
Surplus for the period	-	7,480,856	7,480,856
Other comprehensive income	-	-	-
	-	7,480,856	7,480,856
Balance as at September 30, 2020	<u>500,000</u>	<u>16,920,879</u>	<u>17,420,879</u>
Balance as at January 1, 2021	500,000	15,104,934	15,604,934
Total comprehensive income for the period			
Surplus for the period	-	14,555,448	14,555,448
Other comprehensive income	-	-	-
	-	14,555,448	14,555,448
Balance as at September 30, 2021	<u>500,000</u>	<u>29,660,382</u>	<u>30,160,382</u>

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

				
CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2021**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

East West Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 08, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the Takaful business, the Operator has formed a Participants' Takaful Fund (PTF) on April 06, 2018 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

**2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

This condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the audited financial statements of the Operator as at and for the period ended December 31, 2020 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the audited financial statements of the Operator for the period ended December 31, 2020, whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in fund is extracted from the unaudited condensed interim financial information for the period ended September 30, 2021.

## **2.1 Functional and presentation currency**

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Operator's functional and presentation currency.

## **3 BASIS OF MEASUREMENT**

This condensed interim financial information has been prepared under the historical cost. Accrual basis of accounting has been used except for cash flow information.

## **4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same and are consistent with those followed in the preparation of the audited financial statements of the Operator for the period ended December 31, 2020 except as disclosed below.

### **4.1 General Takaful Accounting Regulations, 2019**

The Securities and Exchange Commission of Pakistan (SECP) issued the General Takaful Accounting Regulations, 2019 (the Regulation), through S.R.O. 1416 (I)/2019 dated November 20, 2019. These Regulations came into force for the accounting period commencing on or after January 1, 2020.

The Regulations provide the principles based on which accounting and reporting of general takaful business of general takaful operators and window general takaful operators shall be made. The Regulations also contain the formats for reporting of published financial information and regulatory returns of general takaful / window takaful operators. As per the Regulations, the provision of Rule 19 of the Insurance Rules, 2017 along with Annexure – II and the provision of the Insurance Accounting Regulations, 2017 shall stand applicable on the Window Takaful Operator to the extent of its conventional insurance business modified to the extent stated at regulation 6 of these Regulations in respect of its Window Takaful business.

In accordance, with directives of SECP, with effect from January 1, 2020 the Operator has adopted these Regulations and changed its accounting policy in respect of the presentation of its financial information.

## 4.2 Temporary exemption from application of IFRS 9

As a takaful operator, the management has continued its accounting policy to opt for temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful. As on reporting dates the fair value of the Operator's financial assets are not significantly different from their carrying amounts since these assets are short term in nature or are frequently repriced to market rate.

## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

## 6 INSURANCE AND FINANCIAL RISK MANAGEMENT

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

## 7 PROPERTY AND EQUIPMENT (OPF)

September 30, 2021 (Unaudited)										
Cost				Accumulated depreciation				Written down value	Depreciation rate %	
As at January 1, 2021	Additions during the period	Transfer to investment property	As at September 30, 2021	As at January 1, 2021	Depreciation for the period	Transfer to investment property	As at September 30, 2021			
----- Rupees -----				----- Rupees -----						
Office Premises	10,000,000	-	-	10,000,000	579,166	353,281	-	932,447	9,067,553	5%
Vehicles	2,300,000	-	-	2,300,000	674,666	243,800	-	918,466	1,381,534	20%
	12,300,000	-	-	12,300,000	1,253,832	597,081	-	1,850,913	10,449,087	
<b>December 31, 2020 - audited</b>	<b>12,300,000</b>	<b>-</b>	<b>-</b>	<b>12,300,000</b>	<b>351,666</b>	<b>902,167</b>	<b>-</b>	<b>1,253,833</b>	<b>11,046,167</b>	

## 8 INVESTMENT PROPERTIES - AT COST (OPF)

September 30, 2021 (Unaudited)										
Cost				Accumulated depreciation				Written down value	Depreciation rate %	
As at January 1, 2021	Additions during the period	Transfer to investment property	As at September 30, 2021	As at January 1, 2021	Depreciation for the period	Transfer to investment property	As at September 30, 2021			
----- Rupees -----				----- Rupees -----						
Office premises	38,000,000	-	-	38,000,000	2,755,000	1,321,690	-	4,076,690	33,923,310	5%
	38,000,000	-	-	38,000,000	2,755,000	1,321,690	-	4,076,690	33,923,310	
<b>December 31, 2020 - audited</b>	<b>38,000,000</b>	<b>-</b>	<b>-</b>	<b>38,000,000</b>	<b>900,000</b>	<b>1,855,000</b>	<b>-</b>	<b>2,755,000</b>	<b>35,245,000</b>	

8.1 The fair value of investment is approximately same as the cost, however, we are carrying it at cost model due to the difficulties of identifying sale of the similar type of properties recently.

	<b>Operator's Fund</b>		<b>Participants Takaful Fund</b>	
	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
<b>Note</b>	<b>-----Rupees-----</b>			
<b>9 ACCRUED INVESTMENT INCOME</b>				
Income accrued on savings account	8,758	1,200	2,386	13,553
	<u>8,758</u>	<u>1,200</u>	<u>2,386</u>	<u>13,553</u>
			<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
			<b>----- Rupees -----</b>	
<b>10 QARD-E-HASNA TO PARTICIPANT'S TAKAFUL FUND (PTF)</b>				
Opening as at January 1st			18,150,000	18,150,000
Qard-e-hasna transferred from OPF during the period / year			-	-
Closing			<u>18,150,000</u>	<u>18,150,000</u>
<b>11 TAKAFUL / RE-TAKAFUL RECEIVABLES (PTF)</b>				
Participants' Takaful Fund				
Due from takaful participant holders			62,191,318	24,751,565
Less: provision for impairment of receivables from takaful participant holders			-	-
			<u>62,191,318</u>	<u>24,751,565</u>
Due from other takaful / re-takaful operators			82,810,579	57,276,824
Less: provision for impairment of receivables from takaful participant holders			-	-
			<u>145,001,897</u>	<u>82,028,389</u>
<b>12 RECEIVABLE FROM PTF / PAYABLE TO OPF</b>				
Other receivable / payable	67,971,689	41,212,140	(67,471,689)	(40,712,140)
	<u>67,971,689</u>	<u>41,212,140</u>	<u>(67,471,689)</u>	<u>(40,712,140)</u>
<b>13 TAXATION - PAYMENT LESS PROVISION</b>				
Tax deducted at source	27,108	17,239	12,533	5,780
	<u>27,108</u>	<u>17,239</u>	<u>12,533</u>	<u>5,780</u>
<b>14 PREPAYMENTS</b>				
Prepaid retakaful contribution ceded	-	-	50,452,282	45,757,947
Other prepayments	95,700	226,000	-	-
	<u>95,700</u>	<u>226,000</u>	<u>50,452,282</u>	<u>45,757,947</u>

<b>Operator's Fund</b>		<b>Participants Takaful Fund</b>	
<b>September 30,</b>	<b>December 31,</b>	<b>September 30,</b>	<b>December 31,</b>
<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
-----Rupees-----			

**15 CASH AND BANK**

Cash in hand	5,091	-	-	-
Cash at bank				
Current accounts	1,337	1,337	75	75
PLS savings accounts	5,640,284	30,020	909,583	20,878,963
	<u>5,646,712</u>	<u>31,357</u>	<u>909,658</u>	<u>20,879,038</u>

<b>September 30,</b>	<b>December 31,</b>
<b>2021</b>	<b>2020</b>
<b>(Unaudited)</b>	<b>(Audited)</b>
----- Rupees -----	

**16 TAKAFUL / RETAKAFUL PAYABLE (PTF)**

Participants' Takaful Fund				
Due to other takaful / re-takaful				
Local			12,546,384	10,130,951
			<u>12,546,384</u>	<u>10,130,951</u>

**17 OTHER CREDITORS AND ACCRUALS**

Salaries payable	549,317	925,706	-	-
Staff provident fund	463,902	396,952	-	-
Commission payable	15,108,970	6,730,207	-	-
Withholding tax payable	176,643	83,052	-	-
Accrued expenses	312,394	2,197,271	1,057,161	909,133
	<u>16,611,226</u>	<u>10,333,188</u>	<u>1,057,161</u>	<u>909,133</u>

**18 PAYABLE TO EAST WEST INSURANCE COMPANY LIMITED (OPF)**

This represents the amount payable in respect of expenses incurred by East West Insurance Company Limited on behalf of the Operator.

**19 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2021 (December 31, 2020: Nil).



Note	Nine months period ended		Three months period ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020

-----Rupees-----

## 20 NET TAKAFUL CONTRIBUTION

Participants' Takaful Fund				
Written gross contribution	220,107,688	131,394,346	82,953,365	50,628,898
Wakala fee	(78,322,366)	(56,442,538)	(25,693,423)	(17,339,230)
Contribution net of wakala	141,785,322	74,951,808	57,259,942	33,289,668
Unearned contribution reserve -Opening	86,086,761	86,423,643	82,959,722	62,078,937
Unearned contribution reserve -Closing	(94,527,433)	(58,464,357)	(94,527,433)	(58,464,357)
Contribution earned	133,344,650	102,911,094	45,692,231	36,904,248
Less:				
Re-takaful contribution ceded	106,875,793	80,247,383	42,861,788	33,672,253
Prepaid retakaful contribution ceded-Opening	45,757,947	44,454,864	39,008,980	37,103,251
Prepaid retakaful contribution ceded -Closing	(50,452,282)	(39,525,701)	(50,452,282)	(39,525,701)
Retakaful expense	102,181,458	85,176,546	31,418,486	31,249,803
	31,163,192	17,734,548	14,273,745	5,654,445

## 21 NET TAKAFUL CLAIMS

Claims paid	117,548,034	89,761,525	46,477,500	36,407,715
Outstanding claims -Opening	-	-	-	(550,000)
Outstanding claims -Closing	-	550,000	-	550,000
Claim expense	117,548,034	90,311,525	46,477,500	36,407,715
Retakaful and other recoveries received	(86,259,018)	(67,276,539)	(32,612,892)	(28,484,394)
	31,289,016	23,034,986	13,864,608	7,923,321

## 22 RETAKAFUL REBATE

Participants' Takaful Fund				
Retakaful rebate received	15,175,757	10,691,281	6,256,415	4,420,208
Unearned retakaful rebate - opening	6,804,133	7,319,085	5,670,028	5,326,652
Unearned retakaful rebate - closing	(7,311,988)	(5,246,164)	(7,311,988)	(5,246,164)
Rebate from takaful operator	14,667,902	12,764,202	4,614,455	4,500,696

## 23 COMMISSION EXPENSE

Operators' Fund				
Commission paid	50,298,389	30,249,424	18,427,094	11,546,865
Deferred commission expense - opening	17,075,306	19,571,136	18,383,094	14,477,090
Deferred commission expense - closing	(21,940,961)	(14,503,344)	(21,940,961)	(14,503,344)
	45,432,734	35,317,216	14,869,227	11,520,611

## 24 WAKALA EXPENSE

Participants' Takaful Fund				
Gross wakala fee	82,821,787	49,583,891	31,177,909	19,166,711
Deferred wakala expense - opening	31,668,279	31,701,100	30,683,214	23,014,972
Deferred wakala expense - closing	(36,167,700)	(24,842,453)	(36,167,700)	(24,842,453)
Deferred wakala expense	78,322,366	56,442,538	25,693,423	17,339,230

The operator manages the general takaful operations for the participants' and charges 40% for fire, 35% for motor, 40% for marine and 35% for miscellaneous classes, of gross contribution including administrative surcharges as wakala fee against the services.

	Nine months period ended		Three months period ended	
	September 30,	September 30,	September 30,	September 30,
	2021	2020	2021	2020
Note	-----Rupees-----		-----Rupees-----	

## 25 MANAGEMENT EXPENSES

<b>Operators' Fund</b>				
Salaries, allowances and employee benefit	7,815,434	9,374,154	2,440,027	2,287,000
Staff welfare expenses	39,960	12,023	6,070	3,945
Depreciation expenses	7 1,918,770	2,067,875	639,590	689,292
Office rent and maintenance	1,403,856	1,495,612	461,500	510,678
Motor vehicle running expense	26,240	175,357	2,760	4,240
Printing and stationary	3,678	1,906	-	336
Postage and telegram	1,050	2,686	-	186
Utility expenses	110,626	158,681	45,410	31,147
Repair and maintenance	400	22,380	400	-
Newspaper and periodicals	935	-	-	-
Shariah registrar fees	900,000	900,000	300,000	300,000
Bank charges	3,164	35	113	35
	12,224,113	14,210,709	3,895,870	3,826,859
		14,210,709		

## 26 INVESTMENT INCOME

### Income from equity securities

- Dividend income	-	-	-	-
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### Income from term deposits

- Return on term deposits	-	-	-	-
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### Return on bank balances

- Return on PLS saving Accounts	35,085	7,674	23,832	2,636
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Total investment income	35,085	7,674	23,832	2,636
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### Participants' Fund

### Return on bank balances

- Return on PLS saving Accounts	33,870	34,862	6,495	12,420
Less: Investment related expenses	(16,935)	(17,431)	(3,247)	(6,210)
	16,935	17,431	3,248	6,210

	Nine months period ended September 30, 2021	September 30, 2020	Three months period ended September 30, 2021	September 30, 2020
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Note -----Rupees-----

## 27 OTHER EXPENSES

	Operators' Fund			
Auditor's remuneration	186,908	381,908	86,908	-
	186,908	381,908	86,908	-

## 28 RELATED PARTY TRANSACTIONS

The Operator has related party comprise of the associates, subsidiary company, directors, key management personnel and staff retirement funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Detail of related parties transactions with balances, other than those which have been disclosed elsewhere in these financial statements are as follows:

			Nine months period ended September 30 2021	September 30 2020	Three months period ended September 30 2021	September 30 2020
<b>Transaction:</b>						
	<b>Nature of relationship</b>	<b>Nature of transaction</b>	-----Rupees-----	-----Rupees-----		
Name of related party						
East West Insurance Company	Management company	Interest free loan	2,073,661	3,651,794	175,178	(686,312)
Remuneration Paid	Key Management	Services	1,350,000	1,665,000	450,000	555,000
<b>Period end balances</b>					<b>September 30, 2021 (Unaudited) Rupees</b>	<b>December 31, 2020 (Audited) Rupees</b>
<b>Payable to related parties</b>						
East West Insurance Company Limited					8,848,811	6,775,150
Key management personal					250,000	306,667
					9,098,811	7,081,817

## 29 CORRESPONDING FIGURES

The corresponding figures have been reclassified or re-arranged, wherever considered necessary,

## 30 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue on October 29, 2021 by the Board of Directors of the Operator.

## 31 GENERAL

All figures have been rounded off to the nearest rupee, unless otherwise stated.

				
<b>CHAIRMAN</b>	<b>CHIEF EXECUTIVE OFFICER</b>	<b>DIRECTOR</b>	<b>DIRECTOR</b>	<b>CHIEF FINANCIAL OFFICER</b>

**EAST WEST INSURANCE CO., LIMITED**  
**Pattern of Shareholdings**  
**As At September 30, 2021**

Number of Shareholders	Shareholdings		Share Held	Percentage
	From	To		
28	1	200	3,191	0.0027
182	201	1,000	46,765	0.0395
3	1,001	2,000	4,325	0.0037
5	2,001	5,000	19,001	0.0161
3	5,001	7,000	18,315	0.0155
2	7,001	15,000	24,289	0.0205
2	15,001	20,000	38,219	0.0323
13	20,001	25,000	290,427	0.2454
4	25,001	30,000	113,673	0.0961
4	30,001	35,000	123,273	0.1042
1	35,001	40,000	35,033	0.0296
5	40,001	45,000	215,779	0.1823
13	45,001	95,000	740,099	0.6254
3	95,001	1,500,000	4,246,463	3.5885
4	1,500,001	3,000,000	4,212,987	3.5602
9	3,000,001	5,000,000	37,074,571	31.3300
9	5,000,001	8,000,000	53,263,773	45.0107
1	8,000,001	9,000,000	8,053,072	6.8053
1	9,000,001	10,000,000	9,812,555	8.2921
<b>292</b>			<b>118,335,810</b>	<b>100.0000</b>

Categories Of Shareholders	Number	Share Held	Percentage
CEO, Directors and their spouses and minor children	12	54,728,761	46.2487
Joint Stock Companies, Insurance Companies, Investment Companies & Modaraba	2	9,818,890	8.2975
<b>Individual</b>	<b>262</b>	<b>53,788,159</b>	<b>45.4538</b>
<b>Total</b>	<b>276</b>	<b>118,335,810</b>	<b>100.0000</b>

**Information as required under the Code of Corporate Governance**

Categories of Shareholders	Shareholders	Share Held	Percentage
<b>Associated Company</b>			
M/s. Askari Life Assurance Co., Ltd.	1	6,335	0.0054
M/s. East West Holding Company Ltd.	1	9,812,555	8.2921
<b>CEO, Directors, their Spouses and Minor Children</b>			
Chief Justice ( R ) Mian Mahboob Ahmed	1	4,252	0.0036
Javed Yunus	1	5,054,842	4.2716
Pervez Yunus	1	8,898,056	7.5193
Naved Yunus	1	8,047,073	6.8002
Saad Yunus	1	5,450,034	4.6056
Urooj Yunus Ansari	1	3,544,774	2.9955
Umeed Ansari	1	1,582	0.0013
Ahsan Mahmood Alvi	1	1,437	0.0012
Mazhar Zubair Abbasi	1	500	0.0004
Ambreen N. Yunus	1	9,113,823	7.7017
Rubina J. Yunus	1	9,289,479	7.8501
Samina P. Yunus	1	5,322,909	4.4981
<b>Individual</b>	<b>262</b>	<b>53,788,159</b>	<b>45.4538</b>
<b>Total</b>	<b>276</b>	<b>118,335,810</b>	<b>100.0000</b>