

# AA+

Rated by: PACRA & VIS

**UIG**  
Group of Companies



FOCUSED ON OUTCOMES

## 3RD QUARTER REPORT 2022

**UIC**  
PAKISTAN  
Rated AA+ by PACRA & VIS  
تحفظ کی علامت

The United Insurance  
Company of Pakistan Ltd.

TAMEEM  
التأميم  
UNITED  
WINDOW TAKAFUL  
OPERATOR

# KEY INFORMATION

For the Nine Months Period Ended September 30, 2022

# AA+

Rated by: PACRA & VIS

Rupees in Millions

**6,544**

Premium  
2022

(Including Takaful  
Contribution)

**4,707**

Premium  
2021

(Including Takaful  
Contribution)

**1,566**

Gross  
Claims

**12,124**

Total  
Assets

**975**

Profit  
Before Tax

**736**

Profit  
After Tax

**840**

Underwriting  
Results

**2,095**

Total  
Investments

(Including Takaful  
Investments)

**4,049**

Shareholders  
Equity

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### CHAIRMAN

Jamil Ahmed Khan

### CHIEF EXECUTIVE OFFICER

Muhammad Akram Shahid

### DIRECTORS

Khawas Khan Niazi

Muhammad Rahat Sadiq

Huma Waheed

Agha Ali Imam

Syed Rahat Ali Shah

### ADVISOR

Major General (R) Asif Duraiz  
Akhtar

Sardar Khan

(Former Managing Director  
Universal Insurance Company  
Limited)

### COMPANY SECRETARY

Athar A. Khan

### CHIEF FINANCIAL OFFICER

Maqbool Ahmad

### CHIEF INTERNAL AUDITOR

Abdul Mannan Munir

### AUDITORS

M/S. RSM Avais  
Hyder Liaquat Nauman  
Chartered Accountants

## LEGAL ADVISORS

Mohammed Farooq Sheikh  
(Advocate)

Mian Asghar Ali  
(Advocate)

## TAX ADVISOR

M/S. Sarwars Chartered  
Accountants

## CREDIT RATING AGENCIES

PACRA & VIS

## INSURER FINANCIAL STRENGTH

**AA+ (Double A Plus)** The rating denotes a very strong capacity to meet policy holders and contract obligations. Risk factors are minimal and the impact of any adverse business and economic factors are expected to be extremely small.

## COMPANY'S SHARE REGISTRAR

M/S. F.D.Registrar  
Services(SMC-Pvt) Ltd.  
1705,17th Floor, Saima Trade  
Center, I.I.Chundrigar Road,  
Karachi.

## WEB PRESENCE

[www.theunitedinsurance.com](http://www.theunitedinsurance.com)



## REGISTERED OFFICE

204, 2nd Floor, Madina City  
Mall, Abdullah Haroon Road,  
Saddar Karachi.

TEL: 021-35621460-2,  
021-35221803-4

FAX: 021-35621459

Email:  
[info@theunitedinsurance.com](mailto:info@theunitedinsurance.com)

## HEAD OFFICE

UIG House, 1 Upper Mall,  
Lahore

TEL: 042-35776475

UAN: 92-42-111-000-014

FAX: 92-42-35776486, 35776487

Email:  
[uicp@theunitedinsurance.com](mailto:uicp@theunitedinsurance.com)

# COMMITTEES COMPOSITION

## Ethics, Human Resource & Remuneration Committee:

| Name of Member            | Category  |
|---------------------------|-----------|
| Mr. Jamil Ahmed Khan      | Chairman  |
| Mr. Muhammad Akram Shahid | Member    |
| Mr. Muhammad Rahat Sadiq  | Member    |
| Mr. Wakeel Ahmed Mirza    | Secretary |

## Investment Committee:

| Name of Member            | Category  |
|---------------------------|-----------|
| Mr. Jamil Ahmed Khan      | Chairman  |
| Mr. Muhammad Akram Shahid | Member    |
| Mr. Agha Ali Imam         | Member    |
| Mr. Tajammal Iqbal        | Member    |
| Mr. Maqbool Ahmad         | Secretary |

## Audit Committee:

| Name of Member         | Category  |
|------------------------|-----------|
| Mr. Agha Ali Imam      | Chairman  |
| Mr. Khawas Khan Niazi  | Member    |
| Syed Rahat Ali Shah    | Member    |
| Mr. Abdul Mannan Munir | Secretary |

## Underwriting Committee:

| Name of Member        | Category  |
|-----------------------|-----------|
| Mr. Khawas Khan Niazi | Chairman  |
| Mr. S. M. Qaiser Imam | Member    |
| Mr. Amir Hameed       | Member    |
| Mr. Tayyab Bashir     | Secretary |

## Claims Settlement Committee:

| Name of Member       | Category    |
|----------------------|-------------|
| Ms. Huma Waheed      | Chairperson |
| Mr. Tajammal Iqbal   | Member      |
| Mr. Raja Naeem Tariq | Member      |
| Mr. Rizwan Safdar    | Secretary   |

## Reinsurance & Co-insurance Committee:

| Name of Member              | Category  |
|-----------------------------|-----------|
| Mr. Muhammad Rahat Sadiq    | Chairman  |
| Mr. Raja Naeem Tariq        | Member    |
| Mr. Amir Hameed             | Member    |
| Mr. Tayyab Bashir           | Member    |
| Mr. Abrar Ahmed Khan Minhas | Secretary |

## Risk Management & Compliance Committee:

| Name of Member            | Category  |
|---------------------------|-----------|
| Mr. Muhammad Akram Shahid | Chairman  |
| Ms. Huma Waheed           | Member    |
| Syed Rahat Ali Shah       | Member    |
| Mr. Ali Hassan Bhatti     | Member    |
| Mr. Ahsan Ali             | Secretary |

# KEY MANAGEMENT PERSONNEL

## CONVENTIONAL BUSINESS

### HEAD OF CONVENTIONAL BUSINESS

Tajammal Iqbal

### CHIEF OPERATING OFFICER/ EXECUTIVE DIRECTOR

Amir Hameed

### SR. EXECUTIVE DIRECTOR UNDERWRITING

S.M. Qaiser Imam

### SR. EXECUTIVE DIRECTOR/ GROUP COUNTRY MANAGER

Dr. Murtaza Mughal

### JOINT DIRECTOR OPERATIONS - UNDERWRITING

Tayyab Bashir

### SR. GENERAL MANAGER RE-INSURANCE

Abrar Ahmed Khan Minhas

### GENERAL MANAGER HR & R

Wakeel Ahmed Mirza

### GENERAL MANAGER HEALTH/ TRAVEL

Kashif Shafique

### GENERAL MANAGER ADMINISTRATION

Maj.(R) Nadeem Iqbal Naz

### CHIEF COMPLIANCE OFFICER

Ali Hassan Bhatti

### CHIEF INFORMATION SECURITY OFFICER

Munir Ahmad

### DEPUTY GENERAL MANAGER - CLAIMS

Kamran Zaman

### DEPUTY GENERAL MANAGER UNDERWRITING (CO-INSURANCE)

Manzoor Hussain Mirza

### A.G.M REINSURANCE

Naeem Ahmed Babar

### CHIEF MANAGER (WEB)

Mohammad Arshad

### HEAD OF AGRICULTURE

Zulfiqar Ahmed

### SR. MANAGER COORDINATION

Tahira Ashar

### WINDOW TAKAFUL OPERATIONS

### JOINT DIRECTOR - FINANCE/ HEAD OF TAKAFUL OPERATIONS

Raja Naeem Tariq

### HEAD OF TAKAFUL BUSINESS/ DEPUTY MANAGING DIRECTOR

Shakeel Ahmed

### SHARIAH ADVISOR

Mufti Farhan Farooq

### SHARIAH COMPLIANCE OFFICER

Saad Munir Malik

## EXECUTIVE DIRECTORS (MARKETING)

Mian Muhammad Anwar Zahid

Zarar Ahmed Butt

Mian Kashif Rasheed

Ch. Aslam Feroze

Rizwan-UL-Haq

Shafaqat Ali Goraya

Syed Hassan Nadeem

Ch. Shamas-ul-Haq

Kh. Adnan Hassan

Muhammad Mazhar Shah

Malik Khurram Mansoor

Nauman-ul-Haq

Tanveer Ahmad Bhatti

## JOINT DIRECTORS (MARKETING)

Aslam Rajpoot

Mian Muhammed Rafi

Faisal Javaid

Chaudhary Iqbal Tahir

Zafar Mahmood

Hassan Bin Dawood

Malik Azhar Ahmad

Mujeeb-ur-Rehman Khokhar

Mian Muhammad Asif

Raheel Zia

Rana Muhammad Ashraf

Shahid Hussain Chishti

Junaid Akhtar Samoo

Mumtaz Ahmad Kahlon

Tahir Hussain Qureshi

Malik Meharban Khan

Junaid Memon

Brig.(R) M. Aslam Khan

Muhammad Saif-ud-din Sheikh

Muhammad Ashraf Khari

# BANKS & LEASING COMPANIES

## BANKS

State Bank of Pakistan  
National Bank of Pakistan  
Bank Al-Habib Limited  
Soneri Bank Limited  
Bank Alfalah Limited  
Meezan Bank Limited  
SME Bank Limited  
The Bank of Khyber  
Summit Bank Limited  
Silk Bank Limited  
Samba Bank Limited  
Zarai Taraqiat Bank Limited  
Sindh Bank Limited  
The Bank of Punjab  
First Women Bank Limited  
The Punjab Provincial Cooperative Bank Limited  
Allied Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
United Bank Limited  
Al Baraka Bank (Pakistan) Limited  
Askari Bank Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Habib Metropolitan Bank Limited  
Karakoram Cooperative Bank Limited  
JS Bank Limited  
Bank Islami Pakistan Limited  
Bank of Azad Jammu and Kashmir  
MCB Islamic Bank Limited  
Industrial Development Bank of Pakistan Limited  
Citi Bank N.A  
Deutsche Bank AG  
Industrial & Commercial Bank of China  
Bank of China Limited

## LEASING COMPANIES

OLP Financial Services Pakistan Limited  
Pak-Gulf Leasing Company Limited  
Primus Leasing Limited  
Saudi Pak Leasing Company Limited

Security Leasing Corporation Limited  
SME Leasing Limited  
Grays Leasing Limited

## MICRO FINANCE BANKS

APNA Microfinance Bank Limited  
Khushhali Microfinance Bank Limited  
Pak-Oman Microfinance Bank Limited  
The First Microfinance Bank Limited  
U Microfinance Bank Limited  
NRSP Microfinance Bank Limited  
Telenor Microfinance Bank Limited  
Mobilink Microfinance Bank Limited  
HBL Microfinance Bank Limited  
Advans Pakistan Microfinance Bank Ltd  
Sindh Microfinance Bank Limited  
FINCA Microfinance Bank Limited

## DEVELOPMENT FINANCIAL INSTITUTIONS

Pakistan Kuwait Investment Company Limited  
Pak Oman Investment Company Limited  
Pak-Brunei Investment Company Limited  
Pak Libya Holding Company Limited  
Saudi Pak Industrial & Agricultural Investment Company Ltd.  
House Building Finance Company Limited  
PAIR Investment Company Limited  
Pak China Joint Investment Company Ltd  
Pakistan Mortgage Refinance Company Limited

## NBFI & MODARABA

Crescent Standard Modaraba  
Escorts Investment Bank Limited  
First Equity Modaraba  
First Habib Modaraba  
First Fidelity Leasing Modaraba  
First National Bank Modaraba  
First Paramount Modaraba  
Habib Metro Modaraba  
KASB Modaraba  
ORIX Modaraba  
Sindh Modaraba  
Trust Modaraba

# DIRECTORS' REVIEW REPORT TO THE MEMBERS

## Dear Fellow Members!

The directors of The United Insurance Company of Pakistan Limited are pleased to announce the interim financial results for the nine months period ended September 30, 2022, along with the figures for the same period ended September 30, 2021.

### Performance Overview Conventional – [Nine Months Period Ended September 30, 2022]

The Company's written gross premium and net premium income for the nine months ended September 30, 2022 stands at Rs. 4,824.701 million and Rs. 2,710.752 million, respectively, whereas during the comparative period of nine months ended September 30, 2021, written gross premium was Rs.3,722.352 million and net premium income was Rs. 1,997.594 million. These figures reflect the commitment of our team members in a worsening economic environment in the country. The business of our Company is sound and stable due to our concerted efforts and by the grace of God.

Underwriting results for the nine months ended September 30, 2022 are being reported as Rs.840.277 million, whereas for the same period in the previous period of 2021 it was reported as Rs.780.500 million. This is the commendable achievement of our staff and the field force due to which the underwriting results improved further.

The Company's profit before tax has increased during the nine months of 2022 at 7.19% from Rs. 909.919 million in 2021 to Rs. 975.370 million in 2022. Similarly, profit after tax being reported to Rs.736.404 million in the nine months period ended September 30, 2022. Whereas profit after tax for the same period in 2021 was Rs. 686.531 million.

The earnings per share (EPS) of the company which includes both basic and diluted stands at Rs. 2.50/- per share for nine months period ended September 30, 2022 as compared to Rs. 2.33/- per share in 2021 reflecting a slight improvement of Rs.0.17 per share.

Investment income has increased to Rs. 73.821 million for the nine months period ended September 30, 2022 as compared to Rs. 28.193 million during the nine months period ended September 30, 2021.

Management expenses for the nine months period ended September 30, 2022 are Rs. 1,029.794 million as compared to Rs. 795.130 million for the same period in 2021.

### Performance Overview Takaful Operations - [Nine Months Period Ended September 30, 2022]

The following financial data reflects the performance of Window Takaful Operations during the nine months ended September 30, 2022.

The written gross contribution for the nine months period ended September 30, 2022 increased to Rs. 1,718.963 million as compared to Rs. 984.603 million in 2021.

Investments income of the Participants Takaful fund is increased by Rs. 3.552/- million during the nine months ending September 30, 2022 and stand at Rs. 12.209/-.

Investments income of the Operator's fund is decreased by Rs. 3.136 million during the nine months ending September 30, 2022 and stand at Rs. 13.689 million.

General, administrative, and management expenses of the operator increased from Rs. 145.219 million for the nine months period ended in 2021 to Rs.300.417 million in 2022.

## State of Company's Business Affairs

### Directors of the Company:

Following are the names of persons who are Directors of the Company during the financial period being reported:

- Jamil Ahmed Khan
- Muhammad Akram Shahid
- Khawas Khan Niazi
- Muhammad Rahat Sadiq
- Huma Waheed
- Agha Ali Imam
- Syed Rahat Ali Shah

### Future Outlook

Climate change and sustainability are at the heart of the insurance sector, impacting both the asset and liability side of the balance sheet, and as such, these will be key themes to watch in 2022. Also in focus: the re-risking of portfolios with alternative asset classes and post-Covid-19 shocks in the non-life segment.



The insurance industry must seek to lead with purpose and live up to its highest aspirations, particularly in the wake of the COVID-19 pandemic. Insurers had to be there for customers and undertook large-scale change quickly to make sure they could serve people in need – and they must continue to do so, particularly if they are to help the world prepare for increasing climate risk.

The insurance market is becoming more competitive, Company has to enhance its efforts to maintain its profitability and to adopt modern strategies and tools of insurance and smart underwriting criteria to take more market share and react wisely by adopting the policies, to prevent its shares. Improve cyber security systems and customize its services. To strengthen its potential to meet the challenges like inflation, climate change diversity and rapidly changing technologies.

### Acknowledgement

Your directors would like to express their sincere appreciation for the assistance and cooperation received from the SECP, Bankers, Government authorities, and Business associates at all levels. We also thank our shareholders for posing their trust and confidence in the Company. Your directors also wish to place on record their deep sense of appreciation for the committed services of the Company's executives, staff, and workers.



**Muhammad Akram Shahid**  
Chief Executive Officer



**Jamil Ahmed Khan**  
Chairman

Date: October 28, 2022

### کمپنی کے کاروباری معاملات کا جائزہ

کمپنی کا بورڈ آف ڈائریکٹرز درج ذیل شخصیات پر مشتمل ہے

جناب جمیل اے۔ خان صاحب

جناب میاں محمد اکرم شاہد

جناب خواص خان نیازی

جناب راحت صادق صاحب

محترمہ بما وحید صاحبہ

جناب آغا علی امام صاحب

جناب سید راحت علی شاہ صاحب

### مستقبل کا نقطہ نظر

ماحولیات میں تبدیلی اور پائیدار ترقی انشورنس کے لئے آکسیجن کا کردار ادا کرتی ہے یہ عوامل انشورنس کے اثاثہ جات اور انشورنس کی ذمہ داریوں میں تبدیلی میں کردار ادا کرتے ہیں۔ یہ عوامل 2022 میں بھی اپنا کردار ادا کرتے رہیں گے اس طرح کووڈ 19- کے آفٹر شاکس بھی انشورنس انڈسٹری پر اثرات مرتب کریں گے۔

انشورنس انڈسٹری ان تمام عوامل کے سامنا کرنے کے لئے 2022 میں تیار رہے گی اور اپنے کسٹمرز کو ان کی ضروریات کے مطابق سہولیات فراہم کرتی رہے گی۔

انشورنس مارکیٹ میں مقابلہ بہت زیادہ بڑھ گیا ہے . کمپنی کو اپنی شرع منافع برقرار رکھنے کے لئے مزید محنت کی ضرورت پڑے گی اور کمپنی کو بہتر ٹیکنالوجی کا استعمال کرنا پڑے گا تاکہ کسٹمرز کو انکے دروازے پر سروس دی جا سکے اس سے مارکیٹ شیر میں بھی اضافہ ہوگا . سائبر سیکورٹی سسٹم میں کافی بہتری کرنے کی ضرورت ہے تاکہ کسٹمرز کو بہترین سروس دی جا سکے۔

### اظہار تشکر

آپ کے ڈائریکٹرز تمام اداروں، بنکس، حکومتی اداروں، ایس ای سی پی کا تمام مرحلوں میں تعاون پر بے حد مشکور ہیں، ہم اپنے تمام شیئر ہولڈرز کے اعتماد اور تعاون پر مشکور ہیں۔ تمام ڈائریکٹرز کمپنی ملازمین اور سینئر مینجمنٹ کا بھی مشکور ہیں جو اپنی انتھک محنت سے کمپنی کی ترقی میں کردار ادا کر رہے ہیں۔  
بورڈ کی جانب سے



محمد اکرم شاہد

چیف ایگزیکٹو آفیسر



جمیل احمد خان

چیئرمین

اکتوبر 28، 2022

## ممبرز کوڈاز میگزین رپورٹ

### محترم اراکین

ہم 2022 کے نو ماہ کی مالیاتی رپورٹ کو پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔ دی یونائیٹڈ انشورنس کمپنی آف پاکستان لمیٹڈ کے ڈائریکٹرز 2022 کے نو ماہ کی مالیاتی نتائج کا اعلان کرتے ہوئے خوشی محسوس کرتے ہیں۔

### 2022 کے نو ماہ میں روایتی کاروباری کارکردگی کا جائزہ

کمپنی کا خام بیمہ اور خالص بیمہ 30 ستمبر، 2022 پر بالترتیب 4,824.701 ملین روپے اور 2,710.752 ملین روپے ریکارڈ کیا گیا ہے جبکہ 2021 کے پہلے نو ماہ میں خام بیمہ 3,722.352 ملین روپے اور خالص بیمہ 1,997.594 ملین روپے رہا تھا۔ یہ اعداد و شمار ٹیم ممبرز کی کوششوں کو ظاہر کرتے ہیں۔ کمپنی کا کاروبار خدا کی مہربانی سے متسکحکم ہے اور مزید ترقی کر رہا ہے۔

30 ستمبر، 2022 کے ذمیمہ نویسی نتائج 840.277 ملین روپے رہے جو کہ 2021 کے اسی عرصہ میں 780.500 ملین روپے رپورٹ ہوئے تھے۔ ذمیمہ نویسی نتائج میں بہتری رہی ہے۔ یہ انتظامی اور مارکیٹنگ سٹاف کی بہترین کامیابی ہے۔

2022 کے نو ماہ میں قبل از ٹیکس منافع 7.19 فیصد اضافہ سے 975.370 ملین روپے رہا جو کہ 2021 میں 909.919 ملین روپے تھا۔ اسی طرح بعد از ٹیکس منافع 736.404 ملین روپے رہا جو کہ 2021 کے اس عرصہ میں 686.531 ملین روپے رہی تھی کمپنی کی فی حصص آمدنی 2.50 روپے ریکارڈ کی گئی جو کہ 2021 میں 2.33 روپے فی حصص تھی۔ جو کہ پچھلے سال کی نسبت 0.17 فی حصص بہتری کے بارے میں بتاتی ہے۔

2022 کے پہلے نو ماہ میں سرمایہ کاری آمدن اضافہ کے ساتھ 73.821 ملین روپے ریکارڈ ہوئی جبکہ 2021 میں سرمایہ کاری آمدن 28.193 ملین روپے تھی۔

کمپنی کے انتظامی اخراجات 30 ستمبر، 2022 کو 1,029.794 ملین روپے رہے جبکہ 2021 کے اسی عرصہ میں یہ اخراجات 795.130 ملین روپے تھے۔

### 2022 کے نو ماہ میں تکافل کاروباری کارکردگی کا جائزہ

درج ذیل اعداد و شمار 30 ستمبر، 2022 پر کمپنی کے تکافل کاروبار کی کارکردگی کے بارے میں بتاتے ہیں کمپنی کے خام عطیات کے اندر 30 ستمبر، 2022، کو خاطر خواہ اضافہ دیکھنے میں آیا ہے۔ کمپنی کے خام عطیات 2022 میں 1,718.963 ملین روپے رہے جو کہ 2021 میں 984.603 ملین روپے ریکارڈ کئے گئے۔

تکافل آپریشنز کے شراکتی فنڈ کی مجموعی سرمایہ کاری آمدن 2022 کے نو ماہ میں 3.552 ملین روپے اضافہ سے بڑھ کر 12.209 ملین روپے رہی ہے۔

تکافل آپریشنز کے آپریٹر فنڈ کی سرمایہ کاری آمدن 2022 کے نو ماہ میں 3.136 ملین روپے کمی سے 13.689 ملین روپے رہی ہے۔ کمپنی کے انتظامی اخراجات 2021 کے نو ماہ میں 145.219 ملین روپے سے بڑھ کر 2022 کے نو ماہ میں 300.417 ملین روپے رہے۔

The United Insurance Company of Pakistan Limited

# Condensed Interim Financial Statements

For The Nine Months Period Ended September 30, 2022

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2022

|   | Note | Un-Audited            | Audited               |
|---|------|-----------------------|-----------------------|
|   |      | September 30, 2022    | December 31, 2021     |
|   |      | ----- Rupees -----    |                       |
|   |      | Re-stated             |                       |
| <b>ASSETS</b>   |      |                       |                       |
| Property and equipment  | 4    | 1,266,335,673         | 1,194,933,142         |
| Intangible assets   | 5    | 10,105,904            | 1,483,252             |
| Investment property   |      | 51,699,980            | 51,912,475            |
| Investments in associate  | 6    | -                     | 350,390,276           |
| Investments   |      |                       |                       |
| Equity securities   | 7    | 34,231,826            | 30,775,664            |
| Debt securities   | 7    | 1,118,538,909         | 617,502,776           |
| Term deposits   | 7    | 487,741,164           | 400,097,871           |
| Total Assets in Window Takaful Operations                               |      | 747,263,723           | 726,037,646           |
| Loans and other receivables   | 8    | 1,597,862,398         | 1,443,962,325         |
| Insurance / reinsurance receivables                                     |      | 1,215,015,736         | 1,138,296,178         |
| Reinsurance recoveries against outstanding claims                       | 11   | 3,441,253,446         | 1,498,691,646         |
| Deferred commission expense / acquisition cost                          | 12   | 259,969,601           | 375,486,487           |
| Prepayments - Prepaid reinsurance premium ceded                         |      | 1,199,317,378         | 1,651,494,329         |
| Cash and bank balances  |      | 695,597,947           | 764,874,597           |
| <b>Total Assets</b>   |      | <b>12,124,933,685</b> | <b>10,245,938,664</b> |
| <b>EQUITY AND LIABILITIES</b>   |      |                       |                       |
| <b>Capital and reserve attributable to the Company's equity holders</b> |      |                       |                       |
| Ordinary share capital  |      | 2,950,000,000         | 2,950,000,000         |
| Revenue reserves  |      |                       |                       |
| General reserve   |      | 75,115,917            | 75,115,917            |
| Fair value reserve  |      | (41,007,666)          | (32,656,109)          |
| Unappropriated profit   |      | 1,065,214,459         | 1,027,881,962         |
| <b>Total Equity</b>   |      | <b>4,049,322,710</b>  | <b>4,020,341,770</b>  |
| <b>Surplus on revaluation of property and equipment</b>                 |      | <b>311,936,694</b>    | <b>339,220,717</b>    |
| <b>LIABILITIES</b>  |      |                       |                       |
| <b>Total Liabilities in Window Takaful Operations</b>                   |      | <b>274,818,224</b>    | <b>189,324,452</b>    |
| <b>Underwriting provisions</b>  |      |                       |                       |
| Outstanding claims including IBNR                                       | 11   | 4,259,767,232         | 2,008,063,278         |
| Unearned premium reserves   | 10   | 2,020,585,225         | 2,141,914,061         |
| Premium deficiency reserves   |      | -                     | 5,895,297             |
| Unearned reinsurance commission   | 12   | 234,767,046           | 294,407,089           |
| Deferred taxation   |      | 121,560,178           | 126,532,111           |
| Borrowings  |      | 91,883,010            | 93,156,626            |
| Insurance / reinsurance payables  |      |                       |                       |
| Due to insurers / reinsurers  |      | 76,824,593            | 429,075,859           |
| Other creditors and accruals  |      | 306,111,240           | 323,818,070           |
| Taxation - provision less payment                                       |      | 377,357,533           | 274,189,334           |
| <b>Total Liabilities</b>  |      | <b>7,488,856,057</b>  | <b>5,697,051,725</b>  |
| <b>Total Equity and Liabilities</b>                                     |      | <b>12,124,933,685</b> | <b>10,245,938,664</b> |
| <b>Contingencies and commitments</b>                                    | 9    | -                     | -                     |

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



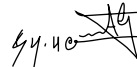
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For The Nine Months Period Ended September 30, 2022

|  | Note | Un-Audited                          |                    |                                    |                    |
|--|------|-------------------------------------|--------------------|------------------------------------|--------------------|
|  |      | Three Months Ended<br>September 30, |                    | Nine Months Ended<br>September 30, |                    |
|  |      | 2022                                | 2021               | 2022                               | 2021               |
| ----- Rupees -----                                 |      |                                     |                    |                                    |                    |
| Net insurance premium                              | 10   | 1,074,559,840                       | 694,450,535        | 2,710,752,491                      | 1,997,594,255      |
| Net insurance claims                               | 11   | (401,202,637)                       | (71,503,975)       | (700,372,523)                      | (309,172,472)      |
| Premium deficiency                                 |      | -                                   | 22,426,039         | 5,895,297                          | -                  |
| Net commission                                     | 12   | (37,652,432)                        | (49,051,200)       | (146,204,437)                      | (112,791,304)      |
| Insurance claims                                   |      | (438,855,069)                       | (98,129,136)       | (840,681,663)                      | (421,963,776)      |
| Management expenses                                |      | (349,173,031)                       | (265,677,959)      | (1,029,794,079)                    | (795,130,451)      |
| Underwriting results                               |      | 286,531,740                         | 330,643,440        | 840,276,749                        | 780,500,028        |
| Investment income                                  |      | 23,547,947                          | 10,682,854         | 73,820,937                         | 28,193,378         |
| Rental income                                      |      | 519,999                             | 472,725            | 1,559,997                          | 1,977,525          |
| Other income                                       |      | 22,972,988                          | 6,579,541          | 55,326,754                         | 21,535,389         |
| Other expenses                                     |      | (2,571,900)                         | (1,772,577)        | (12,305,956)                       | (12,771,357)       |
| Results of operating activities                    |      | 331,000,774                         | 346,605,983        | 958,678,481                        | 819,434,963        |
| Finance cost                                       |      | (3,152,054)                         | (1,302,108)        | (8,339,872)                        | (4,757,303)        |
| Share of profit from associate                     |      | -                                   | 828,370            | -                                  | 4,342,476          |
| Profit from Window Takaful Operations              |      | 15,618,590                          | 65,438,224         | 25,031,320                         | 90,899,134         |
| <b>Profit for the period before tax</b>            |      | <b>343,467,310</b>                  | <b>411,570,469</b> | <b>975,369,929</b>                 | <b>909,919,270</b> |
| Income tax expense                                 |      | (98,191,951)                        | (108,773,506)      | (238,965,633)                      | (223,388,438)      |
| <b>Profit for the period</b>                       |      | <b>245,275,359</b>                  | <b>302,796,963</b> | <b>736,404,296</b>                 | <b>686,530,832</b> |
| Earnings per share - Rupees<br>- basic and diluted |      | 0.83                                | 1.03               | 2.50                               | 2.33               |

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



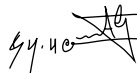
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Nine Months Period Ended September 30, 2022

|   | Un-Audited                          |                    |                                    |                    |
|---|-------------------------------------|--------------------|------------------------------------|--------------------|
|   | Three Months Ended<br>September 30, |                    | Nine Months Ended<br>September 30, |                    |
|   | 2022                                | 2021               | 2022                               | 2021               |
|   | ----- Rupees -----                  |                    |                                    |                    |
| <b>Profit for the period</b>  | <b>245,275,359</b>                  | <b>302,796,963</b> | <b>736,404,296</b>                 | <b>686,530,832</b> |
| <b>Other comprehensive income/ (loss):</b>  |                                     |                    |                                    |                    |
| <b>Items to be re-classified to profit and loss account in subsequent period:</b>   |                                     |                    |                                    |                    |
| Unrealized gain (loss) on revaluation of available-for-sale investments - net off deferred tax                                | (851,425)                           | (3,711,891)        | (5,443,601)                        | (4,540,833)        |
| <b>Share of other comprehensive income / (loss) from takaful:</b>   |                                     |                    |                                    |                    |
| Unrealized gain (loss) on revaluation of available-for-sale investments - net off deferred tax                                | (339,763)                           | (1,101,525)        | (3,052,299)                        | (891,978)          |
| <b>Other items</b>  |                                     |                    |                                    |                    |
| Reclassification adjustments relating to available-for-sale investments disposed off during the period - net off deferred tax | -                                   | -                  | 144,343                            | 1,153,445          |
| <b>Share of other comprehensive income / (loss) from takaful:</b>   |                                     |                    |                                    |                    |
| Reclassification adjustments relating to available-for-sale investments disposed off during the period - net off deferred tax | -                                   | -                  | -                                  | (1,996,845)        |
|   | <b>(1,191,188)</b>                  | <b>(4,813,416)</b> | <b>(8,351,557)</b>                 | <b>(6,276,211)</b> |
| <b>Total comprehensive income for the period</b>  | <b>244,084,171</b>                  | <b>297,983,547</b> | <b>728,052,739</b>                 | <b>680,254,621</b> |

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



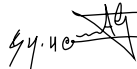
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Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2022

| Un-Audited                      |      |
|---------------------------------|------|
| Nine Months Ended September 30, |      |
| 2022                            | 2021 |
| ----- Rupees -----              |      |

| <b>A) Cash flows from operating activities</b>               |                      |                      |
|--|----------------------|----------------------|
| <b>a) Underwriting activities</b>                            |                      |                      |
| Insurance premium received                                   | 4,747,981,102        | 3,197,825,409        |
| Reinsurance and other recoveries received                    | 1,175,186,336        | 740,059,127          |
| Commission received  | 343,067,826          | 181,620,853          |
| Reinsurance premium paid                                     | (2,135,351,320)      | (1,744,851,907)      |
| Claims paid  | (1,566,416,705)      | (971,118,189)        |
| Commission paid  | (405,206,380)        | (293,645,909)        |
| Management expenses paid                                     | (929,076,168)        | (690,991,617)        |
| <b>Net cash flow from underwriting activities</b>            | <b>1,230,184,691</b> | <b>418,897,767</b>   |
| <b>b) Other operating activities</b>                         |                      |                      |
| Income tax paid  | (126,213,991)        | (122,256,966)        |
| General expenses paid  | (12,305,956)         | (12,771,357)         |
| Other operating (payments) / receipts                        | (546,647,149)        | 128,915,273          |
| Loans given  | (27,244,366)         | (14,931,073)         |
| Repayment of loans given                                     | 18,487,424           | 10,406,382           |
| Net cash flow from other operating activities                | (693,924,038)        | (10,637,741)         |
| <b>Total cash flow from all operating activities</b>         | <b>536,260,653</b>   | <b>408,260,026</b>   |
| <b>B) Cash flows from investment activities</b>              |                      |                      |
| Profit/ return received                                      | 44,660,345           | 26,464,274           |
| Dividend received  | 1,324,490            | 1,391,250            |
| Rentals received   | 1,559,997            | 1,977,525            |
| (Payments) for investment                                    | (1,875,606,829)      | (1,061,663,762)      |
| Proceeds from encashment of investment                       | 2,023,608,192        | 1,212,978,798        |
| Fixed capital expenditure incurred                           | (152,040,608)        | (82,204,316)         |
| Proceeds from disposal of property and equipment             | 31,913,225           | 9,192,839            |
| Decrease / (Increase) in assets of Window Takaful Operations | 85,000,000           | 125,000,000          |
| <b>Total cash flow from investing activities</b>             | <b>160,418,812</b>   | <b>233,136,608</b>   |
| <b>C) Cash flows from financing activities:</b>              |                      |                      |
| Interest paid  | (8,252,312)          | (4,081,363)          |
| Dividends paid   | (716,357,354)        | (285,867,693)        |
| Repayment of lease liability                                 | (41,346,449)         | (32,527,416)         |
| <b>Total cash flow from financing activities</b>             | <b>(765,956,115)</b> | <b>(322,476,472)</b> |
| <b>Net cash flow from all activities (A+B+C)</b>             | <b>(69,276,650)</b>  | <b>318,920,162</b>   |
| Cash and cash equivalents at the beginning of the period     | 764,874,597          | 457,296,874          |
| <b>Cash and cash equivalents at the end of the period</b>    | <b>695,597,947</b>   | <b>776,217,036</b>   |



## CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2022

|  | Un-Audited                      |                    |
|--|---------------------------------|--------------------|
|  | Nine Months Ended September 30, |                    |
|  | 2022                            | 2021               |
|  | ----- Rupees -----              |                    |
| <b>Reconciliation of Profit and Loss Account</b>           |                                 |                    |
| Operating cash flows                                       | 536,260,653                     | 408,260,026        |
| Depreciation & amortization expense                        | (100,717,911)                   | (104,138,834)      |
| Finance charges on lease rentals                           | (8,339,872)                     | (4,757,303)        |
| Profit on disposal of property and equipment               | 15,342,141                      | 2,634,977          |
| Rental income  | 1,559,997                       | 1,977,525          |
| Dividend income  | 1,324,490                       | 1,391,250          |
| Share of profit from associate                             | -                               | 4,342,476          |
| Increase/ (decrease) in assets other than cash             | 1,935,822,955                   | (61,501,905)       |
| (Increase) / decrease in Liabilities other than borrowings | (1,775,403,521)                 | 320,621,358        |
| Gain and other investment income                           | 105,524,044                     | 26,802,128         |
| Income from Window Takaful Operations                      | 25,031,320                      | 90,899,134         |
| <b>Profit for the period</b>                               | <b>736,404,296</b>              | <b>686,530,832</b> |

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



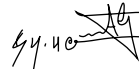
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Nine Months Period Ended September 30, 2022

|  | Attributable to the Company's equity holders |                   |                     |                       |                      | Total                |
|--|--|-------------------|---------------------|-----------------------|----------------------|----------------------|
|  | Share capital                                | Revenue reserves  |                     |                       | Sub-total            |                      |
|  |  | General reserve   | Fair value reserve  | Unappropriated profit |                      |                      |
| ----- Rupees -----   |  |                   |                     |                       |                      |                      |
| <b>Balance as at January 01, 2021 (Audited)</b>  | 2,950,000,000                                | 75,115,917        | (22,270,106)        | 751,251,334           | 804,097,145          | 3,754,097,145        |
| Total comprehensive income / (loss) for the period   |  |                   |                     |                       |                      |                      |
| Profit for the period  | -  | -                 | -                   | 686,530,832           | 686,530,832          | 686,530,832          |
| Other comprehensive loss   | -  | -                 | (6,276,211)         | -                     | (6,276,211)          | (6,276,211)          |
|  | -  | -                 | (6,276,211)         | 686,530,832           | 680,254,621          | 680,254,621          |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | 42,931,171            | 42,931,171           | 42,931,171           |
| Transactions with owners   |  |                   |                     |                       |                      |                      |
| Interim cash dividend for the period ended June 30, 2021 at the rate of Rs. 1/- per share                  |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | (295,000,000)         | (295,000,000)        | (295,000,000)        |
| <b>Balance as at September 30, 2021 (Un-Audited)</b>   | <b>2,950,000,000</b>                         | <b>75,115,917</b> | <b>(28,546,317)</b> | <b>1,185,713,337</b>  | <b>1,232,282,937</b> | <b>4,182,282,937</b> |
| Balance as at January 01, 2022 Audited - As previously reported  |  |                   |                     |                       |                      |                      |
|  | 2,950,000,000                                | 75,115,917        | (32,656,109)        | 1,325,234,616         | 1,367,694,424        | 4,317,694,424        |
| Share of loss from associate (Refer Note 7)  |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | (297,352,654)         | (297,352,654)        | (297,352,654)        |
| Balance as at January 01, 2022 - as re-stated  | 2,950,000,000                                | 75,115,917        | (32,656,109)        | 1,027,881,962         | 1,070,341,770        | 4,020,341,770        |
| Total comprehensive income / (loss) for the period   |  |                   |                     |                       |                      |                      |
| Profit for the period  | -  | -                 | -                   | 736,404,296           | 736,404,296          | 736,404,296          |
| Other comprehensive loss   | -  | -                 | (8,351,557)         | -                     | (8,351,557)          | (8,351,557)          |
|  | -  | -                 | (8,351,557)         | 736,404,296           | 728,052,739          | 728,052,739          |
| Transferred from surplus on revaluation of fixed assets on account of incremental depreciation- net of tax |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | 38,428,201            | 38,428,201           | 38,428,201           |
| Transactions with owners   |  |                   |                     |                       |                      |                      |
| <b>Interim Dividends for the quarter ended</b>   |  |                   |                     |                       |                      |                      |
| March 31, 2022 at the rate of Rs. 1 per share  |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | (295,000,000)         | (295,000,000)        | (295,000,000)        |
| June 30, 2022 at the rate of Rs. 1.5 per share   |  |                   |                     |                       |                      |                      |
|  | -  | -                 | -                   | (442,500,000)         | (442,500,000)        | (442,500,000)        |
| <b>Balance as at September 30, 2022 (Un-Audited)</b>   | <b>2,950,000,000</b>                         | <b>75,115,917</b> | <b>(41,007,666)</b> | <b>1,065,214,459</b>  | <b>1,099,322,710</b> | <b>4,049,322,710</b> |

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



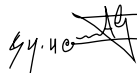
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Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 1 LEGAL STATUS AND NATURE OF BUSINESS AND ACTIVITIES

- 1.1 The United Insurance Company of Pakistan Limited ("the Company") was incorporated on October 20, 1959, in Pakistan as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Act, 2017, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the Company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, in the province of Sindh, and its Head Office is located in Lahore, in the province of Punjab. The principal activity of the Company is General Insurance Business and it qualifies as a domestic insurance company under the Insurance Ordinance, 2000 and undertakes Fire & Property Damage, Marine Aviation & Transport, Motor, Crop and Miscellaneous General Insurance. The Company was allowed to carry on Window Takaful Operation on August 18, 2014 by the Securities and Exchange Commission of Pakistan (SECP) under the Takaful Rules, 2012. The Company has not transacted any insurance business outside Pakistan. Geographical locations are disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.
- 1.2 For the purpose of carrying on takaful business, the Company has formed a Waqf/ Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations.
- 1.3 The members of the Company has approved the proposed merger of related party of the Company M/S SPI Insurance Company Limited (SPI) with and into the Company, subject to approval by the Securities and Exchange Commission of Pakistan (SECP) and the high court. As per scheme of arrangements approved by members of both companies, assets, liabilities and operations of SPI will be merged with and into the Company subject to approval of SECP and High Court. A merger petition has been filed with the Honorable Sindh High Court which is in process. Merger decision is expected in due course.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION AND 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 applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - the local laws comprising the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the General Takaful Accounting Regulations, 2019, the Takaful Rules, 2012 and the circulars and directives issued under these local laws.
- 2.1.2 Wherever the requirements of the local laws and circulars and directives issued under these local laws differ with the requirements of the standard, the requirements of the local laws and circulars and directives issued under these local laws take precedence.
- 2.1.3 Total assets, total liabilities, profit, comprehensive income of the Window Takaful Operations of the Company referred to as the Operator's Fund has been included in these condensed interim financial statements in accordance with the requirements of Circular 25 of 2015 dated 9 July, 2015.

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for certain class of property and equipment which are measured at revalued amount and certain financial instruments which are measured at fair value.

## 2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

## 2.4 Standards, interpretations and amendments effective in current period

2.4.1 There are certain amendments to standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after January 01, 2022 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

2.4.2 There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant to the Company's operations, therefore, not disclosed in these condensed interim financial statements.

2.4.3 The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended December 31, 2021.

## 2.5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

## 2.6 INSURANCE AND FINANCIAL RISK MANAGEMENT

Insurance and financial risk management policies and procedures are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

## 2.7 SEGMENT REPORTING

The basis of presentation of segment information in these condensed interim financial statements is the same as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 3 RESTATEMENT OF INVESTMENT IN ASSOCIATE AND SOME OTHER LINE ITEMS

The audited financial statements of associate M/S Apna Micro Finance Bank Limited (the Bank) were not available at the time of issuance of annual audited financial statements of the Company for the year ended December 31, 2021. Share of results of the Bank were accounted for, in the annual audited financial statements of the Company, on the basis of un-audited financial statements of the Bank.

Audit of financial statements of the Bank for the year ended December 31, 2021 has now been carried out by the external auditors and they have initialed the financial statements of the Bank for board's approval and thereafter signing of report. As these initialed financial statements are available, hence the same have been used to account for the share of results of the Bank for the year ended December 31, 2021 resulting in re-statement of prior period figures related to investment in associate and some other line items. The impact of restatement on comparative figure in these condensed interim financial statements is as under:

#### Statement of Financial Position and Statement of Changes in Equity

Rupees

As at Dec 31, 2021

Decrease in investments in associate 297,352,654

Decrease in unappropriated profit and equity 297,352,654

#### Profit and loss account

For the period of nine months ended September 30, 2021

Increase in share of loss of associate -

| Note     | Un-Audited                                 | Audited                            |
|----------|--|------------------------------------|
|          | September 30,<br>2022                      | December 31,<br>2021               |
|          | ----- Rupees -----                         |                                    |
| <b>4</b> | <b>PROPERTY AND EQUIPMENT</b>              |                                    |
|          | Operating assets at net book value - Owned | 1,056,027,034 1,006,375,144        |
|          | Right-of-use assets at net book value      | 109,624,389 116,712,807            |
|          | Capital work-in-progress                   | 100,684,250 71,845,191             |
|          |  | <b>1,266,335,673 1,194,933,142</b> |

|            | Un-Audited  |                    |                           |                                  |
|------------|---|--------------------|---------------------------|----------------------------------|
|            | Acquisitions  |                    | Disposals                 |                                  |
|            | Nine Months Ended Sep 30,                                     |                    | Nine Months Ended Sep 30, |                                  |
|            | 2022  | 2021               | 2022                      | 2021                             |
|            | Rupees  | Rupees             | Rupees                    | Rupees                           |
| <b>4.1</b> | <b>Acquisition and disposal of operating assets - At cost</b> |                    |                           |                                  |
|            | Freehold land   | 48,172,754         | 515,856                   | (261,450) -                      |
|            | Building  | -                  | -                         | - -                              |
|            | Furniture and fixtures  | 5,694,264          | 110,300                   | (13,376,508) -                   |
|            | Office equipment  | 7,276,540          | 274,678                   | (409,260) (166,850)              |
|            | Computer equipment  | 6,455,806          | 2,179,502                 | - (400,710)                      |
|            | Vehicles  | 29,574,685         | 6,012,378                 | (44,622,082) (17,713,920)        |
|            | Cycles  | -                  | -                         | - -                              |
|            | Motor tracking devices  | 17,127,500         | 23,706,500                | (2,683,037) (3,361,000)          |
|            |   | <b>114,301,549</b> | <b>32,799,214</b>         | <b>(61,352,337) (21,642,480)</b> |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

|            |   | Un-Audited                |            |                                     |                                 |
|------------|---|---------------------------|------------|-------------------------------------|---------------------------------|
|            |   | Acquisitions              |            | Disposals                           |                                 |
|            |   | Nine Months Ended Sep 30, |            | Nine Months Ended Sep 30,           |                                 |
|            |   | 2022                      | 2021       | 2022                                | 2021                            |
|            |   | Rupees                    | Rupees     | Rupees                              | Rupees                          |
| <b>4.2</b> | <b>Acquisition and disposal of right of used assets - At cost</b> |                           |            |                                     |                                 |
|            | Leased Vehicles   | 45,055,000                | 22,984,000 | -                                   | -                               |
|            |   |                           |            |                                     |                                 |
|            |   |                           | Note       | Un-Audited<br>September 30,<br>2022 | Audited<br>December 31,<br>2021 |
|            |   |                           |            | ----- Rupees -----                  |                                 |
| <b>5</b>   | <b>INTANGIBLE ASSETS</b>  |                           |            |                                     |                                 |
|            | Computer Software   |                           |            | 1,205,904                           | 1,483,252                       |
|            | Capital work in progress  |                           |            |                                     |                                 |
|            | Advance for software development                                  |                           |            | 8,900,000                           | -                               |
|            |   |                           |            | <b>10,105,904</b>                   | <b>1,483,252</b>                |
| <b>6</b>   | <b>INVESTMENTS IN ASSOCIATE</b>                                   |                           |            |                                     |                                 |
|            | Apna Microfinance Bank Limited                                    |                           |            | -                                   | -                               |
|            | Investment in shares - re-stated                                  |                           |            |                                     |                                 |
|            | 51,478,195 ordinary shares of Rs. 10 each - 12% shareholding      | 6.1                       |            | -                                   | -                               |
|            | Share deposit money   | 6.2                       |            | -                                   | 350,390,276                     |
|            |   |                           |            | -                                   | 350,390,276                     |
| <b>6.1</b> | <b>Investment in shares</b>                                       |                           |            |                                     |                                 |
|            | Beginning of the period / year                                    |                           |            | -                                   | 708,746,180                     |
|            | Shares acquired during the period / year                          |                           |            | -                                   | 464,046,990                     |
|            | Value of investment before disposal                               |                           |            | -                                   | 1,172,793,170                   |
|            | Disposal of investment in associate                               |                           |            | -                                   | (868,266,476)                   |
|            | Carrying value of investment                                      |                           |            | -                                   | 304,526,694                     |
|            | Share of (loss) of associate for the period / year                |                           |            | -                                   | (231,716,561)                   |
|            | Impairment  |                           | 6.1.1      | -                                   | (72,810,133)                    |
|            | <b>At the end of the period / year</b>                            |                           |            | -                                   | -                               |

**6.1.1** The investment is impaired in view of financial and operational difficulties being forced by the associate.

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

| Note               | Un-Audited            | Audited              |
|--------------------|-----------------------|----------------------|
|                    | September 30,<br>2022 | December 31,<br>2021 |
| ----- Rupees ----- |                       |                      |

Re-stated

### 6.1.2 Summarised financial information of the associate is as under;

|  |   |                 |
|--|---|-----------------|
| Total assets                                     | - | 23,776,718,556  |
| Total liabilities                                | - | 23,334,339,950  |
| Total Equity                                     | - | 442,378,606     |
| Revenue  | - | 908,380,258     |
| (Loss) for the period / year                     | - | (1,930,971,344) |
| Total comprehensive (loss) for the period / year | - | (1,930,971,344) |

Interim financial statements of the bank for the period of nine months period ended September 30, 2022 are not available.

### 6.2 Share deposit money

|  |       |                      |               |
|--|-------|----------------------|---------------|
| Beginning of the period / year                         |       | <b>350,390,276</b>   | 963,015,264   |
| Share deposit money paid during the period / year      |       | -                    | 150,000,000   |
| Shares acquired during the period / year               |       | -                    | (464,046,990) |
| Amount adjusted / transferred during the period / year | 6.2.1 | <b>(350,390,276)</b> | (298,577,998) |
| <b>Value of investment before disposal</b>             |       | -                    | 350,390,276   |

6.2.1 The share deposit money in the Bank is transferred to related parties of the company as per term of the agreement with these related parties (Refer Note 13).

| Note               | Un-Audited            | Audited              |
|--------------------|-----------------------|----------------------|
|                    | September 30,<br>2022 | December 31,<br>2021 |
| ----- Rupees ----- |                       |                      |

### 7 INVESTMENTS

|   |     |                      |               |
|---|-----|----------------------|---------------|
| - In equity securities - Available for sale |     | <b>34,231,826</b>    | 30,775,664    |
| - In debt securities - Held to maturity     | 7.1 | <b>1,118,538,909</b> | 617,502,776   |
| - in term deposits - Held to maturity       |     | <b>487,741,164</b>   | 400,097,871   |
|   |     | <b>1,640,511,899</b> | 1,048,376,311 |

7.1 These include the Pakistan Investment Bonds amounting to Rs. 396.90 million (December 31, 2021: Rs. 660.30 million) placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of clause (a) of the sub-section 2 of section 29 of the Insurance Ordinance, 2000.

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

|              | Note  | Un-Audited            | Audited              |                      |
|--------------|---|-----------------------|----------------------|----------------------|
|              |   | September 30,<br>2022 | December 31,<br>2021 |                      |
|              |   | ----- Rupees -----    |                      |                      |
| <b>8</b>     | <b>LOANS AND OTHER RECEIVABLES</b>  |                       |                      |                      |
|              | <i>Unsecured and considered good</i>  |                       |                      |                      |
|              | Receivable from related parties   | 8.1                   | 752,942,406          | 1,150,152,824        |
|              | Accrued investment income   |                       | 54,440,767           | 26,604,665           |
|              | Lease security deposits   |                       | 20,213,250           | 19,499,800           |
|              | Other security deposits   |                       | 54,547,162           | 50,557,511           |
|              | Loans to employees  |                       | 30,631,966           | 21,875,024           |
|              | Branch balance receivable   |                       | 46,141,983           | 20,683,512           |
|              | Other receivable  |                       | 638,944,864          | 154,588,989          |
|              |   |                       | <b>1,597,862,398</b> | <b>1,443,962,325</b> |
| <b>8.1</b>   | <b>Receivable from related parties</b>  |                       |                      |                      |
|              | <b>Receivable against advance for purchase of shares</b>  |                       |                      |                      |
|              | United Track System (Pvt.) Ltd  | 8.1.1                 | 91,753,582           | 262,153,952          |
|              | <b>Receivable against sale of shares - Restated</b>   |                       |                      |                      |
|              | United Software & Technologies International (Pvt.) Ltd   |                       | 204,872,583          | 275,150,952          |
|              | Tawasul Risk Management Services (Pvt.) Ltd   |                       | 238,219,856          | 319,936,986          |
|              | Tawasul HealthCare TPA (Pvt.) Ltd   |                       | 218,096,385          | 292,910,934          |
|              |   | 8.1.2                 | 661,188,824          | 887,998,872          |
|              |   |                       | <b>752,942,406</b>   | <b>1,150,152,824</b> |
| <b>8.1.1</b> | These are refundable due to cancellation of agreement to purchase shares of Apna Microfinance Bank Limited (the Bank) from the related Party.   |                       |                      |                      |
| <b>8.1.2</b> | These represent receivable against sale /transfer of shares /share deposit money in the Bank to these related parties, as per terms of the relevant sale / transfer agreements. Legal formalities for transfer of shares / shares deposit money in favor of related parties are in process. |                       |                      |                      |
| <b>9</b>     | <b>CONTINGENCIES AND COMMITMENTS</b>  |                       |                      |                      |
|              | <b>Contingencies</b>  |                       |                      |                      |
|              | There is no significant change in the status of contingent liabilities as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.   |                       |                      |                      |
|              | <b>Commitments</b>  |                       |                      |                      |
|              | Under contracts for future Ijarah rentals   |                       | -                    | 2,114,682            |



## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

|  | Un-Audited  |                 |                           |                 |
|--|---|-----------------|---------------------------|-----------------|
|  | Three Months Ended Sep 30,                        |                 | Nine Months Ended Sep 30, |                 |
|  | 2022  | 2021            | 2022                      | 2021            |
|  | ----- Rupees -----                                |                 | ----- Rupees -----        |                 |
| <b>10</b>  | <b>NET INSURANCE PREMIUM</b>                      |                 |                           |                 |
| Written Gross Premium                            | 1,823,392,094                                     | 1,610,662,613   | 4,824,700,660             | 3,722,351,807   |
| Add: Unearned premium reserve - Opening          | 2,057,100,677                                     | 1,779,096,938   | 2,141,914,061             | 2,322,406,326   |
| Less: Unearned premium reserve - Closing         | (2,020,585,225)                                   | (2,061,190,096) | (2,020,585,225)           | (2,061,190,096) |
| Premium earned                                   | 1,859,907,546                                     | 1,328,569,455   | 4,946,029,496             | 3,983,568,037   |
| Less: Reinsurance premium ceded                  | 894,143,695                                       | 402,855,564     | 1,783,100,054             | 1,137,716,338   |
| Add: Prepaid reinsurance premium - Opening       | 1,090,521,389                                     | 1,047,168,672   | 1,651,494,329             | 1,664,162,760   |
| Less: Prepaid reinsurance premium - Closing      | (1,199,317,378)                                   | (815,905,316)   | (1,199,317,378)           | (815,905,316)   |
| Reinsurance expense                              | 785,347,706                                       | 634,118,920     | 2,235,277,005             | 1,985,973,782   |
|  | 1,074,559,840                                     | 694,450,535     | 2,710,752,491             | 1,997,594,255   |
| <b>11</b>  | <b>NET INSURANCE CLAIMS</b>                       |                 |                           |                 |
| Claims Paid                                      | 771,167,094                                       | 332,595,846     | 1,566,416,705             | 971,118,189     |
| Outstanding claims including IBNR                |   |                 |                           |                 |
| Add: Closing balance                             | 4,259,767,232                                     | 2,113,503,543   | 4,259,767,232             | 2,113,503,543   |
| Less: Opening balance                            | (2,467,167,318)                                   | (1,812,753,910) | (2,008,063,278)           | (1,758,414,109) |
| Claims expense                                   | 2,563,767,008                                     | 633,345,479     | 3,818,120,659             | 1,326,207,623   |
| Less: Reinsurance and other recoveries received  | 621,029,759                                       | 258,019,147     | 1,175,186,336             | 740,059,127     |
| Add: Outstanding claims - Closing                | 3,441,253,446                                     | 1,626,714,295   | 3,441,253,446             | 1,626,714,295   |
| Less: Outstanding claims - Opening               | (1,899,718,834)                                   | (1,322,891,938) | (1,498,691,646)           | (1,349,738,271) |
| Reinsurance and other recoveries revenue         | 2,162,564,371                                     | 561,841,504     | 3,117,748,136             | 1,017,035,151   |
|  | 401,202,637                                       | 71,503,975      | 700,372,523               | 309,172,472     |
| <b>12</b>  | <b>NET COMMISSION AND OTHER ACQUISITION COSTS</b> |                 |                           |                 |
| Commission paid or payable                       | 146,892,778                                       | 124,280,915     | 433,395,420               | 370,244,268     |
| Add: Deferred commission expense - Opening       | 295,315,946                                       | 221,965,351     | 375,486,487               | 212,908,956     |
| Less: Deferred commission expense - Closing      | (259,969,601)                                     | (216,577,205)   | (259,969,601)             | (216,577,205)   |
| Net Commission                                   | 182,239,123                                       | 129,669,061     | 548,912,306               | 366,576,019     |
| Less: Commission received or recoverable         | 180,751,534                                       | 67,439,463      | 343,067,826               | 181,620,853     |
| Add: Unearned re-insurance commission - Opening  | 198,602,203                                       | 137,602,476     | 294,407,089               | 196,587,940     |
| Less: Unearned re-insurance commission - Closing | (234,767,046)                                     | (124,424,078)   | (234,767,046)             | (124,424,078)   |
| Commission from reinsurers                       | 144,586,691                                       | 80,617,861      | 402,707,869               | 253,784,715     |
|  | 37,652,432  | 49,051,200      | 146,204,437               | 112,791,304     |

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 13 RELATED PARTY TRANSACTIONS

Related parties comprise of chief executive officer, directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions and compensation to key management personnel is on employment terms.

| Nature of relationship                 | Name of Related Party                                   | Nature of transaction   | Un-Audited                             | Audited            |                      |                    |
|--|---|---|--|--------------------|----------------------|--------------------|
|  |   |   | September 30, 2022                     | December 31, 2021  |                      |                    |
|  |   |   | ----- Rupees -----                     |                    |                      |                    |
| <b>Balances at period end:</b>         |   |   |  |                    |                      |                    |
| <b>Associated undertakings</b>         | United Software & Technologies International (Pvt.) Ltd | Receivable against sale of shares and share deposit money of bank | <b>204,872,583</b>                     | 275,150,952        |                      |                    |
|  | Tawasul Risk Management Services (Pvt.) Ltd             | Receivable against sale of shares and share deposit money of bank | <b>238,219,856</b>                     | 319,936,986        |                      |                    |
|  | Tawasul HealthCare TPA (Pvt.) Ltd                       | Receivable against sale of shares and share deposit money of bank | <b>218,096,385</b>                     | 292,910,934        |                      |                    |
|  | Apna Microfinance Bank Limited                          | Share deposit money   | -                                      | 350,390,276        |                      |                    |
|  | United Track Systems (Pvt.) Limited                     | Advance for purchase of shares refundable                         | <b>91,753,582</b>                      | 262,153,952        |                      |                    |
|  | Apna Microfinance Bank Limited                          | Bank deposits at period end                                       | <b>29,030,409</b>                      | 91,160,620         |                      |                    |
|  | Apna Microfinance Bank Limited                          | Claims lodged / payable   | -                                      | 442,372,389        |                      |                    |
|  | United Software & Technologies International (Pvt.) Ltd | Advance for software development                                  | <b>8,900,000</b>                       | -                  |                      |                    |
| <b>Key management personnel</b>        | Executives Employees                                    | Loan to key management personnel                                  | <b>24,603,396</b>                      | 12,698,200         |                      |                    |
| <b>Employees' provident fund</b>       | The United Insurance Employees' Provident Fund          | Payable to employees' contribution plan                           | <b>4,366,868</b>                       | 6,396,303          |                      |                    |
|  |   |   | <b>Un-Audited</b>                      |                    |                      |                    |
|  |   |   | <b>Three Months Ended Sep 30, 2022</b> |                    |                      |                    |
|  |   |   | <b>Nine Months Ended Sep 30, 2021</b>  |                    |                      |                    |
|  |   |   | <b>----- Rupees -----</b>              |                    |                      |                    |
| <b>Transactions during the period:</b> |   |   |  |                    |                      |                    |
| <b>Associated undertakings</b>         | United Track Systems (Pvt.) Limited                     | Motor tracking devices purchased                                  | <b>4,471,000</b>                       | 7,964,500          | <b>17,127,500</b>    | 23,706,500         |
|  | United Track Systems (Pvt.) Limited                     | Motor tracking device charges paid                                | <b>9,792,355</b>                       | 7,601,835          | <b>36,163,570</b>    | 21,671,925         |
|  | United Track Systems (Pvt.) Limited                     | Device monitoring charges paid                                    | <b>2,285,000</b>                       | 2,660,000          | <b>8,509,000</b>     | 8,646,000          |
|  | United Track Systems (Pvt.) Limited                     | Rental income received during the period                          | <b>320,349</b>                         | 291,225            | <b>961,047</b>       | 873,675            |
|  | Tawasul HealthCare TPA (Pvt.) Ltd                       | Rental income received during the period                          | <b>199,650</b>                         | 181,500            | <b>598,950</b>       | 544,500            |
|  | Tawasul HealthCare TPA (Pvt.) Ltd                       | Health service charges  | <b>1,810,950</b>                       | 1,520,180          | <b>5,134,520</b>     | 5,538,939          |
|  | Apna Microfinance Bank Limited                          | Interest received on bank deposits                                | <b>1,211,098</b>                       | 120,577            | <b>1,954,181</b>     | 216,690            |
|  | Apna Microfinance Bank Limited                          | Deposits in bank accounts   | <b>1,011,664,257</b>                   | 1,163,492,947      | <b>2,909,742,206</b> | 2,725,957,044      |
|  | Apna Microfinance Bank Limited                          | Withdrawals from bank accounts                                    | <b>1,019,557,565</b>                   | 1,195,140,945      | <b>2,971,872,419</b> | 2,625,160,060      |
|  | Apna Microfinance Bank Limited                          | Share deposit money transferred                                   | -                                      | -                  | <b>350,390,276</b>   | 150,000,000        |
|  | Apna Microfinance Bank Limited                          | Claims paid   | <b>200,586,754</b>                     | -                  | <b>200,586,754</b>   | -                  |
|  | United Software & Technologies International (Pvt.) Ltd | Software expenses   | <b>900,000</b>                         | 1,500,000          | <b>5,381,000</b>     | 4,500,000          |
|  | <b>Key management personnel</b>                         | CEO, Directors and Executive employees                            | Professional fee/ remuneration         | <b>117,069,849</b> | 51,155,858           | <b>317,961,560</b> |
| <b>Employees' Provident Fund</b>       | The United Insurance Employees' Provident Fund          | Employer's Contributions for the period                           | <b>6,233,011</b>                       | 6,387,180          | <b>18,761,493</b>    | 17,889,661         |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 14 SEGMENT INFORMATION

The Company has five primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor, crop & miscellaneous.

Assets and liabilities, wherever possible have been assigned to the following segments based on specific identification or allocated on the basis of Premium written by each segment.

| PARTICULARS   | Un-Audited - For the Nine Months Period Ended September 30, 2022 |                                     |                    |                    |                      |                      |
|---|--|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE                                   | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR              | CROP               | MISC.                | TOTAL                |
|   | ----- Rupees -----   |                                     |                    |                    |                      |                      |
| <b>Gross Written Premium<br/>(Inclusive of Admin surcharge)</b> | <b>766,281,748</b>   | <b>294,623,597</b>                  | <b>689,473,088</b> | <b>912,677,735</b> | <b>2,161,644,492</b> | <b>4,824,700,660</b> |
| Insurance premium earned  | 856,460,282  | 287,738,457                         | 682,722,652        | 865,770,247        | 2,253,337,858        | 4,946,029,496        |
| Insurance premium ceded to Reinsurance                          | (308,542,895)  | (112,946,925)                       | (338,612,153)      | (372,699,898)      | (1,102,475,134)      | (2,235,277,005)      |
| Net insurance premium   | 547,917,387  | 174,791,532                         | 344,110,499        | 493,070,349        | 1,150,862,724        | 2,710,752,491        |
| <b>Commission income</b>  | <b>24,643,623</b>  | <b>14,688,146</b>                   | <b>75,739,299</b>  | <b>82,718,535</b>  | <b>204,918,266</b>   | <b>402,707,869</b>   |
| Net underwriting income   | 572,561,010  | 189,479,678                         | 419,849,798        | 575,788,884        | 1,355,780,990        | 3,113,460,360        |
| Insurance claims  | (1,199,315,948)  | (151,034,717)                       | (218,106,870)      | (642,166,004)      | (1,607,497,120)      | (3,818,120,659)      |
| Insurance claims recovered from reinsurance                     | 985,366,472  | 113,500,530                         | 176,037,825        | 553,169,364        | 1,289,673,945        | 3,117,748,136        |
| Net claims  | (213,949,476)  | (37,534,187)                        | (42,069,045)       | (88,996,640)       | (317,823,175)        | (700,372,523)        |
| Commission expenses   | (124,493,391)  | (42,482,618)                        | (69,493,269)       | (58,392,394)       | (254,050,634)        | (548,912,306)        |
| Management expenses   | (163,556,760)  | (62,885,069)                        | (147,162,561)      | (194,803,822)      | (461,385,867)        | (1,029,794,079)      |
| Premium deficiency expense                                      | -  | -                                   | -                  | -                  | 5,895,297            | 5,895,297            |
| Net insurance claims and expenses                               | (501,999,627)  | (142,901,874)                       | (258,724,875)      | (342,192,856)      | (1,027,364,379)      | (2,273,183,611)      |
| Underwriting results  | 70,561,383   | 46,577,804                          | 161,124,923        | 233,596,028        | 328,416,611          | 840,276,749          |
| Net investment income   |  |                                     |                    |                    |                      | 73,820,937           |
| Rental income   |  |                                     |                    |                    |                      | 1,559,997            |
| Other income  |  |                                     |                    |                    |                      | 55,326,754           |
| Other expenses  |  |                                     |                    |                    |                      | (12,305,956)         |
| Finance cost  |  |                                     |                    |                    |                      | (8,339,872)          |
| Profit from Window Takaful Operations                           |  |                                     |                    |                    |                      | 25,031,320           |
| Share of profit from associates                                 |  |                                     |                    |                    |                      | -                    |
| <b>Profit before tax</b>  |  |                                     |                    |                    |                      | <b>975,369,929</b>   |

| PARTICULARS   | Un-Audited- As at September 30, 2022 |                                     |             |               |               |                       |
|---|--------------------------------------|-------------------------------------|-------------|---------------|---------------|-----------------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE       | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR       | CROP          | MISC.         | TOTAL                 |
|   | ----- Rupees -----                   |                                     |             |               |               |                       |
| Segment assets - Conventional   | 1,754,762,805                        | 152,155,954                         | 461,728,049 | 880,197,632   | 2,866,711,721 | 6,115,556,162         |
| Segment assets - Operator   | 20,074,743                           | 4,497,742                           | 75,551,565  | -             | 53,964,367    | 154,088,416           |
| Unallocated assets - Conventional   |                                      |                                     |             |               |               | 5,262,113,801         |
| Unallocated assets - Operator   |                                      |                                     |             |               |               | 593,175,307           |
| <b>Total assets</b>   |                                      |                                     |             |               |               | <b>12,124,933,685</b> |
| Segment liabilities - Conventional  | 2,066,791,103                        | 184,658,479                         | 579,238,317 | 1,041,300,659 | 2,719,955,538 | 6,591,944,096         |
| Segment liabilities - Operator  | 33,542,168                           | 3,681,618                           | 94,395,226  | -             | 89,271,187    | 220,890,199           |
| Unallocated liabilities - Conventional                                      |                                      |                                     |             |               |               | 896,911,961           |
| Unallocated liabilities - Operator  |                                      |                                     |             |               |               | 53,928,025            |
| <b>Total liabilities including liabilities in Window Takaful Operations</b> |                                      |                                     |             |               |               | <b>7,763,674,281</b>  |

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 15 SEGMENT INFORMATION

The Company has five primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor, crop & miscellaneous.

Assets and liabilities, wherever possible have been assigned to the following segments based on specific identification or allocated on the basis of Premium written by each segment.

| PARTICULARS   | Un-Audited - For the Nine Months Period Ended September 30, 2021 |                                     |               |               |                 |                 |
|---|--|-------------------------------------|---------------|---------------|-----------------|-----------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE                                   | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR         | CROP          | MISC.           | TOTAL           |
|   | ----- Rupees -----   |                                     |               |               |                 |                 |
| <b>Gross Written Premium<br/>(Inclusive of Admin surcharge)</b> | 596,535,886  | 223,648,894                         | 522,126,269   | 646,180,452   | 1,733,860,306   | 3,722,351,807   |
| Insurance premium earned  | 649,332,589  | 219,685,853                         | 580,879,540   | 600,071,648   | 1,933,598,407   | 3,983,568,037   |
| Insurance premium ceded to Reinsurance                          | (330,233,531)  | (107,323,203)                       | (235,637,413) | (196,704,927) | (1,116,074,708) | (1,985,973,782) |
| Net insurance premium   | 319,099,058  | 112,362,650                         | 345,242,127   | 403,366,721   | 817,523,699     | 1,997,594,255   |
| <b>Commission income</b>  | 20,640,095   | 12,401,004                          | 52,660,625    | 42,638,112    | 125,444,879     | 253,784,715     |
| Net underwriting income   | 339,739,153  | 124,763,654                         | 397,902,752   | 446,004,833   | 942,968,578     | 2,251,378,970   |
| Insurance claims  | (231,770,206)  | (47,023,851)                        | (178,168,055) | (149,452,350) | (719,793,161)   | (1,326,207,623) |
| Insurance claims recovered from reinsurance                     | 169,986,117  | 33,374,945                          | 115,942,779   | 18,054,726    | 679,676,584     | 1,017,035,151   |
| Net claims  | (61,784,089)   | (13,648,906)                        | (62,225,276)  | (131,397,624) | (40,116,577)    | (309,172,472)   |
| Commission expenses   | (99,089,133)   | (24,117,928)                        | (76,344,174)  | (67,976,053)  | (99,048,731)    | (366,576,019)   |
| Management expenses   | (127,015,472)  | (44,725,281)                        | (137,421,565) | (160,557,712) | (325,410,421)   | (795,130,451)   |
| Premium deficiency expense                                      | -  | -                                   | -             | -             | -               | -               |
| Net insurance claims and expenses                               | (287,888,694)  | (82,492,115)                        | (275,991,015) | (359,931,389) | (464,575,729)   | (1,470,878,942) |
| Underwriting results  | 51,850,459   | 42,271,539                          | 121,911,737   | 86,073,444    | 478,392,849     | 780,500,028     |
| Net investment income   |  |                                     |               |               |                 | 28,193,378      |
| Rental income   |  |                                     |               |               |                 | 1,977,525       |
| Other income  |  |                                     |               |               |                 | 21,535,389      |
| Other expenses  |  |                                     |               |               |                 | (12,771,357)    |
| Finance cost  |  |                                     |               |               |                 | (4,757,303)     |
| Profit from Window Takaful Operations                           |  |                                     |               |               |                 | 90,899,134      |
| Share of profit from associates                                 |  |                                     |               |               |                 | 4,342,476       |
| <b>Profit before tax</b>  |  |                                     |               |               |                 | 909,919,270     |

| PARTICULARS   | Audited- As at December 31, 2021 |                                     |             |             |               |                |
|---|----------------------------------|-------------------------------------|-------------|-------------|---------------|----------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE   | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR       | CROP        | MISC.         | TOTAL          |
|   | ----- Rupees -----               |                                     |             |             |               |                |
| Segment liabilities - Conventional  | 855,514,696                      | 85,295,995                          | 581,445,492 | 333,369,134 | 2,727,263,924 | 4,582,889,241  |
| Segment assets - Operator   | 51,270,172                       | 69,566,855                          | 23,137,201  | -           | 24,144,868    | 168,119,096    |
| Unallocated assets - Conventional   |                                  |                                     |             |             |               | 4,937,011,777  |
| Unallocated assets - Operator   |                                  |                                     |             |             |               | 557,918,550    |
| <b>Total assets</b>   |                                  |                                     |             |             |               | 10,245,938,664 |
| Segment liabilities - Conventional  | 1,128,834,593                    | 108,779,557                         | 707,352,746 | 422,477,069 | 2,506,016,322 | 4,873,460,287  |
| Segment liabilities - Operator  | 27,953,556                       | 9,660,176                           | 69,009,012  | -           | 78,754,427    | 185,377,171    |
| Unallocated liabilities - Conventional                                      |                                  |                                     |             |             |               | 823,591,438    |
| Unallocated liabilities - Operator  |                                  |                                     |             |             |               | 3,947,281      |
| <b>Total liabilities including liabilities in Window Takaful Operations</b> |                                  |                                     |             |             |               | 5,886,376,177  |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 28, 2022 by the Board of Directors of the Company.

### 17 SUBSEQUENT EVENTS

The Board of Directors of the Company in their meeting held on October 28, 2022 proposed an interim cash dividend at the rate of 10% i.e. Rupee 1/- per share (September 30, 2021: Rupee Nil). These condensed interim financial statements do not include the effect of this appropriation.

### 18 GENERAL

- 18.1 There is no unusual item included in these condensed interim financial statements which are affecting assets, liabilities, profit, total comprehensive income, equity or cash flows of the Company.
- 18.2 The provision for taxation made in these condensed interim financial statements is subject to adjustment in annual financial statements.
- 18.3 Nomenclature of a few accounts is changed for better presentation
- 18.4 The figures have been rounded off to the nearest Rupees.



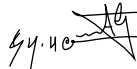
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

**United  
Window Takaful  
Operations**

United Window Takaful Operations

# Condensed Interim Financial Statements

For The Nine Months Period Ended September 30, 2022

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2022

|   | Note | Operator's Fund    |              | Participants' Takaful Fund |              |
|---|------|--------------------|--------------|----------------------------|--------------|
|   |      | Un-Audited         | Audited      | Un-Audited                 | Audited      |
|   |      | September 30, 2022 | Dec 31, 2021 | September 30, 2022         | Dec 31, 2021 |
| ----- Rupees -----                                |      |                    |              |                            |              |
| <b>ASSETS</b>                                     |      |                    |              |                            |              |
| <b>Qard-e-Hasna to Participants' Takaful Fund</b> |      | <b>140,000,000</b> | 140,000,000  | -                          | -            |
| Property and equipment                            | 3    | 51,138,913         | 20,603,825   | 12,219,950                 | 13,907,014   |
| <b>Investments</b>                                |      |                    |              |                            |              |
| Equity securities                                 | 4    | 19,413,287         | 14,380,147   | 16,416,920                 | 19,178,780   |
| Debt securities                                   | 4    | 182,294,500        | 168,610,000  | 156,512,750                | 144,740,000  |
| Term deposits                                     | 4    | 49,500,000         | 41,600,000   | 30,000,000                 | -            |
| Loans and other receivables                       |      | 130,787,964        | 142,379,580  | 54,785,810                 | 64,500,071   |
| Takaful / re-takaful receivables                  |      | -                  | -            | 892,144,084                | 198,967,435  |
| Deferred wakala fee                               | 10   | -                  | -            | 220,890,198                | 163,639,586  |
| Receivable from OPF / PTF                         |      | 87,656,328         | 132,960,206  | -                          | -            |
| Accrued investment income                         |      | 5,160,742          | 7,490,841    | 3,704,228                  | 5,064,997    |
| Retakaful recoveries against outstanding claims   |      | -                  | -            | 216,151,204                | 199,997,637  |
| Deferred commission expense                       | 9    | 67,860,778         | 52,268,972   | -                          | -            |
| Prepayments                                       | 6    | -                  | -            | 42,166,518                 | 40,745,779   |
| Cash and bank balances                            |      | 13,451,212         | 5,744,075    | 42,274,858                 | 129,074,293  |
| <b>TOTAL ASSETS</b>                               |      | <b>747,263,723</b> | 726,037,646  | <b>1,687,266,519</b>       | 979,815,592  |
| <b>Operator's Fund (OPF)</b>                      |      |                    |              |                            |              |
| Statutory fund                                    |      | 50,000,000         | 50,000,000   | -                          | -            |
| Accumulated profit                                |      | 440,596,410        | 500,203,258  | -                          | -            |
| Fair value reserve                                |      | (20,207,922)       | (15,908,910) | -                          | -            |
| <b>Total Operator's Fund</b>                      |      | <b>470,388,488</b> | 534,294,348  | -                          | -            |
| <b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>           |      |                    |              |                            |              |
| Ceded money                                       |      | -                  | -            | 500,000                    | 500,000      |
| Accumulated surplus / (deficit)                   |      | -                  | -            | (15,309,366)               | 37,063,079   |
| Fair value reserve                                |      | -                  | -            | (22,820,305)               | (20,058,445) |
| <b>Balance of Participants' Takaful Fund</b>      |      | -                  | -            | <b>(37,629,671)</b>        | 17,504,634   |
| Surplus on revaluation of fixed assets            |      | 2,057,011          | 2,418,846    | -                          | -            |
| <b>Qard-e-Hasna from Operator's Fund</b>          |      | -                  | -            | <b>140,000,000</b>         | 140,000,000  |
| <b>LIABILITIES</b>                                |      |                    |              |                            |              |
| <b>PTF underwriting provisions</b>                |      |                    |              |                            |              |
| Outstanding claims including IBNR                 | 8    | -                  | -            | 609,812,522                | 338,660,971  |
| Unearned contribution reserves                    | 6    | -                  | -            | 852,867,528                | 305,838,478  |
| Reserve for unearned retakaful rebate             | 7    | -                  | -            | 8,759,695                  | 7,803,722    |
| Unearned wakala fee                               | 10   | 220,890,198        | 163,639,586  | -                          | -            |
| Takaful / re-takaful payables                     |      | -                  | -            | 18,424,624                 | 31,285,006   |
| Other creditors and accruals                      |      | 53,928,026         | 25,684,866   | 7,375,494                  | 5,762,575    |
| Payable to OPF / PTF                              |      | -                  | -            | 87,656,328                 | 132,960,206  |
| <b>Total Liabilities</b>                          |      | <b>274,818,224</b> | 189,324,452  | <b>1,584,896,190</b>       | 822,310,958  |
| <b>TOTAL EQUITY AND LIABILITIES</b>               |      | <b>747,263,723</b> | 726,037,646  | <b>1,687,266,519</b>       | 979,815,592  |
| <b>CONTINGENCY(IES) &amp; COMMITMENT(S)</b>       | 5    | -                  | -            | -                          | -            |

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



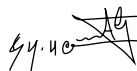
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman



## CONDENSED INTERIM PROFIT & LOSS ACCOUNT

For The Nine Months Period Ended September 30, 2022

| Note   | Un-Audited                 |                      |                           |                     |                   |
|--|----------------------------|----------------------|---------------------------|---------------------|-------------------|
|  | Three months ended Sep 30, |                      | Nine months ended Sep 30, |                     |                   |
|  | 2022                       | 2021                 | 2022                      | 2021                |                   |
| ----- Rupees -----                                     |                            |                      |                           |                     |                   |
| <b>Participants' Takaful Fund (PTF)</b>                |                            |                      |                           |                     |                   |
| Contribution earned                                    | 6                          | 249,772,000          | 173,125,780               | 749,679,368         | 626,100,686       |
| Less: Contribution ceded to re-takaful                 |                            | (30,606,815)         | (36,357,186)              | (86,464,820)        | (173,617,370)     |
| Net contributions revenue                              |                            | 219,165,185          | 136,768,594               | 663,214,549         | 452,483,316       |
| Retakaful rebate earned                                | 7                          | 6,355,446            | 7,328,895                 | 18,005,233          | 37,196,141        |
| Net underwriting income                                |                            | 225,520,631          | 144,097,490               | 681,219,782         | 489,679,457       |
| Net claims   | 8                          | (458,148,557)        | (147,795,621)             | (741,796,584)       | (438,835,765)     |
| Reversal / (charge) of contribution deficiency reserve |                            | -                    | (2,033,654)               | -                   | (8,699,168)       |
| Insurance claims                                       |                            | (458,148,557)        | (149,829,275)             | (741,796,584)       | (447,534,933)     |
| Other direct expenses                                  |                            | (7,066,398)          | (2,946,299)               | (19,942,092)        | (8,315,904)       |
| (Deficit) / Surplus before investment income           |                            | (239,694,324)        | (8,678,084)               | (80,518,894)        | 33,828,620        |
| Investment Income                                      |                            | 5,714,757            | 2,955,870                 | 12,208,500          | 8,656,795         |
| Other income   |                            | 16,209,749           | 1,238,367                 | 18,990,074          | 2,226,512         |
| Modarib's share of investment income                   |                            | (1,428,689)          | (738,968)                 | (3,052,125)         | (2,164,199)       |
| <b>(Deficit) / Surplus for the period</b>              |                            | <b>(219,198,507)</b> | <b>(5,222,814)</b>        | <b>(52,372,445)</b> | <b>42,547,729</b> |
| <b>Operator's Fund</b>                                 |                            |                      |                           |                     |                   |
| Wakala fee   | 10                         | 142,319,937          | 174,981,013               | 422,254,184         | 328,741,510       |
| Commission expense                                     | 9                          | (27,853,846)         | (34,047,918)              | (110,595,364)       | (109,547,185)     |
| General, administrative and management expenses        |                            | (105,030,337)        | (81,349,785)              | (300,417,488)       | (145,219,136)     |
|  |                            | 9,435,754            | 59,583,311                | 11,241,332          | 73,975,188        |
| Modarib's share of PTF investment income               |                            | 1,428,689            | 738,968                   | 3,052,125           | 2,164,199         |
| Investment income                                      |                            | 4,991,692            | 5,208,289                 | 13,688,521          | 16,825,015        |
| Direct expenses  |                            | (349,190)            | (324,975)                 | (3,562,354)         | (2,713,680)       |
| Other income   |                            | 111,645              | 232,630                   | 611,696             | 648,412           |
|  |                            | 6,182,836            | 5,854,913                 | 13,789,988          | 16,923,946        |
| Profit for the period before tax                       |                            | 15,618,590           | 65,438,224                | 25,031,320          | 90,899,134        |
| Provision for taxation                                 |                            | -                    | -                         | -                   | -                 |
| <b>Profit for the period</b>                           |                            | <b>15,618,590</b>    | <b>65,438,224</b>         | <b>25,031,320</b>   | <b>90,899,134</b> |

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




**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Nine Months Period Ended September 30, 2022

|  | Un-Audited                 |                    |                           |                   |
|--|----------------------------|--------------------|---------------------------|-------------------|
|  | Three months ended Sep 30, |                    | Nine months ended Sep 30, |                   |
|  | 2022                       | 2021               | 2022                      | 2021              |
| ----- Rupees -----   |                            |                    |                           |                   |
| <b>Participants' Takaful Fund (PTF)</b>  |                            |                    |                           |                   |
| (Deficit) / Surplus for the period   | (219,198,507)              | (5,222,814)        | (52,372,445)              | 42,547,729        |
| <b>Other comprehensive income / (loss):</b>  |                            |                    |                           |                   |
| <i>Item to be re-classified to profit and loss account in subsequent period:</i>                       |                            |                    |                           |                   |
| Unrealized gain / (loss) on revaluation of available for sale investments                              | (1,425,390)                | (588,040)          | (2,761,860)               | (2,629,310)       |
| <b>Other items</b>   |                            |                    |                           |                   |
| Reclassification adjustments relating to available-for-sale investments disposed off during the period | -                          | -                  | -                         | (457,063)         |
| Other comprehensive income / (loss) for the period   | (1,425,390)                | (588,040)          | (2,761,860)               | (3,086,373)       |
| <b>Total comprehensive income / (loss) for the period</b>  | <b>(220,623,897)</b>       | <b>(5,810,854)</b> | <b>(55,134,305)</b>       | <b>39,461,356</b> |
| <b>Operator's Fund (OPF)</b>   |                            |                    |                           |                   |
| Profit after taxation for the period   | 15,618,590                 | 65,438,224         | 25,031,320                | 90,899,134        |
| <b>Other comprehensive income / (loss):</b>  |                            |                    |                           |                   |
| <i>Item to be re-classified to profit and loss account in subsequent period:</i>                       |                            |                    |                           |                   |
| Unrealized gain/ (loss) on revaluation of available for sale investments                               | (478,539)                  | (1,551,444)        | (4,299,012)               | (1,256,307)       |
| <b>Other items</b>   |                            |                    |                           |                   |
| Reclassification adjustments relating to available-for-sale investments disposed off during the period | -                          | -                  | -                         | (2,812,458)       |
| Other comprehensive income / (loss) for the period   | (478,539)                  | (1,551,444)        | (4,299,012)               | (4,068,765)       |
| <b>Total comprehensive income / (loss) for the period</b>  | <b>15,140,051</b>          | <b>63,886,779</b>  | <b>20,732,308</b>         | <b>86,830,369</b> |

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



**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

## CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2022

|   | Operator's Fund           |                      | Participants' Takaful Fund |                     |
|---|---------------------------|----------------------|----------------------------|---------------------|
|   | Un-Audited                |                      |                            |                     |
|   | Nine Months Ended Sep 30, |                      |                            |                     |
|   | 2022                      | 2021                 | 2022                       | 2021                |
| ----- Rupees -----  |                           |                      |                            |                     |
| <b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>                  |                           |                      |                            |                     |
| <b>a) Underwriting activities</b>                               |                           |                      |                            |                     |
| Takaful contribution received                                   | -                         | -                    | 1,025,785,953              | 769,119,051         |
| Retakaful contribution (paid) / received                        | -                         | -                    | (100,745,941)              | (65,241,850)        |
| Claims paid   | -                         | -                    | (533,739,624)              | (409,973,135)       |
| Retakaful and other recoveries received                         | -                         | -                    | 46,941,024                 | 30,649,157          |
| Commission paid   | (96,436,542)              | (85,732,989)         | -                          | -                   |
| Management and other expenses paid                              | (295,960,933)             | (142,671,994)        | (16,193,528)               | (3,744,543)         |
| Wakala fee received / (paid)                                    | 523,314,084               | 382,571,817          | (523,314,084)              | (382,571,817)       |
| Modarib fee received / (paid)                                   | 4,546,715                 | 1,166,501            | (4,546,715)                | (1,166,501)         |
| Retakaful rebate received                                       | -                         | -                    | 18,961,206                 | 14,503,770          |
| Net cash flow from underwriting activities                      | 135,463,323               | 155,333,335          | (86,851,708)               | (48,425,867)        |
| <b>b) Other operating activities</b>                            |                           |                      |                            |                     |
| Other operating (payments)/ receipts                            | 9,374,276                 | (104,424,731)        | 31,575,692                 | 77,742              |
| Loans advanced  | (5,769,454)               | (1,000,706)          | -                          | -                   |
| Loan repayments received  | 3,626,421                 | 1,767,790            | -                          | -                   |
| Net cash flow from other operating activities                   | 7,231,244                 | (103,657,647)        | 31,575,692                 | 77,742              |
| <b>Total cash flow from all operating activities</b>            | <b>142,694,567</b>        | <b>51,675,688</b>    | <b>(55,276,016)</b>        | <b>(48,348,126)</b> |
| <b>B) Cash flows from from investment activities</b>            |                           |                      |                            |                     |
| Investment income/ (loss) received                              | 16,032,620                | 18,464,616           | 12,310,831                 | 8,174,218           |
| (Payments) for investment / Investment properties               | (72,516,652)              | (261,412,943)        | (51,772,750)               | (162,439,865)       |
| Investment disposed off during the period                       | 41,600,000                | 241,510,570          | 10,000,000                 | 133,570,021         |
| Fixed capital expenditure                                       | (35,103,399)              | (481,035)            | (2,061,500)                | (2,157,052)         |
| Proceeds from disposal of property, plant and equipment         | -                         | -                    | -                          | 87,673              |
| <b>Total cash flow from investing activities</b>                | <b>(49,987,430)</b>       | <b>(1,918,791)</b>   | <b>(31,523,419)</b>        | <b>(22,765,005)</b> |
| <b>C) Cash flows from financing activities:</b>                 |                           |                      |                            |                     |
| Statutory reserve   | -                         | -                    | -                          | -                   |
| Surplus appropriated to shareholders' fund                      | (85,000,000)              | (125,000,000)        | -                          | -                   |
| Qard-e-Hasna  | -                         | -                    | -                          | -                   |
| <b>Net cash flow from financing activities</b>                  | <b>(85,000,000)</b>       | <b>(125,000,000)</b> | <b>-</b>                   | <b>-</b>            |
| <b>Net cash flow from all activities (A+B+C)</b>                | <b>7,707,137</b>          | <b>(75,243,103)</b>  | <b>(86,799,435)</b>        | <b>(71,113,131)</b> |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>5,744,075</b>          | <b>78,942,602</b>    | <b>129,074,293</b>         | <b>86,548,092</b>   |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>13,451,212</b>         | <b>3,699,499</b>     | <b>42,274,858</b>          | <b>15,434,961</b>   |

## CONDENSED INTERIM CASH FLOW STATEMENT

For The Nine Months Period Ended September 30, 2022

|   | Operator's Fund           |                   | Participants' Takaful Fund |                   |
|---|---------------------------|-------------------|----------------------------|-------------------|
|   | Un-Audited                |                   |                            |                   |
|   | Nine Months Ended Sep 30, |                   |                            |                   |
|   | 2022                      | 2021              | 2022                       | 2021              |
| ----- Rupees -----  |                           |                   |                            |                   |
| <b>Reconciliation of Profit and Loss Account</b>                          |                           |                   |                            |                   |
| Operating cash flows  | 142,694,567               | 51,675,688        | (55,276,016)               | (48,348,126)      |
| Depreciation expense  | (4,456,555)               | (2,547,142)       | (3,748,564)                | (4,571,361)       |
| Rentals on car ijarah   | -                         | -                 | -                          | -                 |
| Increase/ (decrease) in assets other than cash                            | (45,700,453)              | 100,112,842       | 754,267,008                | 180,291,447       |
| (Increase)/ decrease in liabilities other than borrowings                 | (85,493,772)              | (79,236,035)      | (762,585,233)              | (96,567,399)      |
| Unrealized gain / (loss) on revaluation of available for sale investments | 4,299,012                 | 4,068,765         | 2,761,860                  | 3,086,373         |
| Investment income   | 13,688,521                | 16,825,015        | 12,208,500                 | 8,656,795         |
| <b>Profit for the period</b>  | <b>25,031,320</b>         | <b>90,899,134</b> | <b>(52,372,445)</b>        | <b>42,547,729</b> |
| <b>Attributed to</b>  |                           |                   |                            |                   |
| Operator's fund   | 25,031,320                | 90,899,134        | -                          | -                 |
| Participants' takaful fund  | -                         | -                 | (52,372,445)               | 42,547,729        |
|   | <b>25,031,320</b>         | <b>90,899,134</b> | <b>(52,372,445)</b>        | <b>42,547,729</b> |

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



**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

## CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY AND PARTICIPANTS' TAKAFUL FUND

For The Nine Months Period Ended September 30, 2022

| Operator's fund   | Attributable to Shareholders (Operator) of the OPF |                    |                            |                    |
|---|--|--------------------|----------------------------|--------------------|
|   | Statutory fund                                     | Accumulated profit | Available for sale reserve | Total              |
|   | ----- Rupees -----                                 |                    |                            |                    |
| Balance as at January 01, 2021 (Audited)                | 50,000,000   | 664,444,392        | (8,078,256)                | 706,366,136        |
| Total comprehensive income / (loss) for the period      |  |                    |                            |                    |
| Profit after taxation for the period                    | -  | 90,899,134         | -                          | 90,899,134         |
| Transfer of profit to the company                       | -  | (125,000,000)      | -                          | (125,000,000)      |
| Other comprehensive (loss) for the period               | -  | -                  | (4,068,765)                | (4,068,765)        |
|   | -  | (34,100,866)       | (4,068,765)                | (38,169,631)       |
| Incremental depreciation on revaluation of fixed assets | -  | 452,290            | -                          | 452,290            |
| Balance as at September 30, 2021 (Un-Audited)           | 50,000,000   | 630,795,817        | (12,147,021)               | 668,648,795        |
| <b>Balance as at January 01, 2022 (Audited)</b>         | <b>50,000,000</b>                                  | <b>500,203,258</b> | <b>(15,908,910)</b>        | <b>534,294,348</b> |
| Total comprehensive income / (loss) for the period      |  |                    |                            |                    |
| Profit after taxation for the period                    | -  | 25,031,320         | -                          | 25,031,320         |
| Other comprehensive (loss) for the period               | -  | -                  | (4,299,012)                | (4,299,012)        |
|   | -  | 25,031,320         | (4,299,012)                | 20,732,308         |
| Transfer of profit to the Company                       | -  | (85,000,000)       | -                          | (85,000,000)       |
| Incremental depreciation on revaluation of fixed assets | -  | 361,832            | -                          | 361,832            |
| <b>Balance as at September 30, 2022 (Un-Audited)</b>    | <b>50,000,000</b>                                  | <b>440,596,410</b> | <b>(20,207,922)</b>        | <b>470,388,488</b> |

| Participants' Takaful Fund                           | Attributable to Participants of the PTF |                                 |                            |                     |
|--|---|---------------------------------|----------------------------|---------------------|
|  | Ceded money                             | Accumulated surplus / (deficit) | Available for sale reserve | Total               |
|  | ----- Rupees -----                      |                                 |                            |                     |
| Balance as at January 01, 2021 (Audited)             | 500,000                                 | (46,072,285)                    | (14,223,592)               | (59,795,877)        |
| Total comprehensive income / (loss) for the period   |   |                                 |                            |                     |
| Surplus for the period                               | -                                       | 42,547,729                      | -                          | 42,547,729          |
| Other comprehensive (loss) for the period            | -                                       | -                               | (3,086,373)                | (3,086,373)         |
|  | -                                       | 42,547,729                      | (3,086,373)                | 39,461,356          |
| Balance as at September 30, 2021 (Un-Audited)        | 500,000                                 | (3,524,556)                     | (17,309,965)               | (20,334,521)        |
| <b>Balance as at January 01, 2022 (Audited)</b>      | <b>500,000</b>                          | <b>37,063,079</b>               | <b>(20,058,445)</b>        | <b>17,504,634</b>   |
| Total comprehensive income / (loss) for the period   |   |                                 |                            |                     |
| (Deficit) for the period                             | -                                       | (52,372,445)                    | -                          | (52,372,445)        |
| Other comprehensive (loss) for the period            | -                                       | -                               | (2,761,860)                | (2,761,860)         |
|  | -                                       | (52,372,445)                    | (2,761,860)                | (55,134,305)        |
| <b>Balance as at September 30, 2022 (Un-Audited)</b> | <b>500,000</b>                          | <b>(15,309,366)</b>             | <b>(22,820,305)</b>        | <b>(37,629,671)</b> |

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



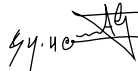
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The United Insurance Company of Pakistan Limited ("the Company") was incorporated on October 20, 1959, in Pakistan as a Public Limited Company under the Defunct Companies Act, 1913, now the Companies Act, 2017, and its shares are quoted on Pakistan Stock Exchange Limited. The Registered Office of the Company is situated at 204, 2nd floor, Madina City Mall, Abdullah Haroon Road, Saddar, Karachi, in the province of Sindh, and its Head Office is located in Lahore, in the province of Punjab. The principal activity of the Company is General Insurance Business and it qualifies as a domestic insurance company under the Insurance Ordinance, 2000 and undertakes Fire & Property Damage, Marine Aviation & Transport, Motor, Crop and Miscellaneous General Insurance.
- 1.2 The United Insurance Company of Pakistan Limited has been allowed to work as Window Takaful Operator (WTO) (hereinafter called "the Operator") through License No. 1 on August 18, 2014 by Securities and Exchange Commission of Pakistan under the Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. For the purpose of carrying on takaful business, the Company has formed a Waqf/ Participants' Takaful Fund (PTF) on June 09, 2014 under a trust deed. The trust deed governs the relationship of shareholders and policy holders for management of takaful operations. The Operator has not transacted any insurance business outside Pakistan.
- 1.3 The members of the Company have approved the proposed merger of related party of the Company M/S SPI Insurance Company Limited (SPI) with and into the Company, subject to approval by the Securities and Exchange Commission of Pakistan (SECP) and the high court. As per scheme of arrangements approved by members of both companies, assets, liabilities and operations of SPI will be merged with and into the Company subject to approval of SECP and High Court. A merger petition has been filed with the Honorable Sindh High Court which is in process. Merger decision is expected in due course.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION AND 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 applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - the local laws comprising the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the General Takaful Accounting Regulations, 2019, the Takaful Rules, 2012 and the circulars and directives issued under these local laws.
- 2.1.2 These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund and Participants' Takaful Fund in a manner that the assets, liabilities, income and expenses of the Operator's Fund and Participants' Takaful Fund remain separately identifiable.
- 2.1.3 Total assets, total liabilities, profit / (loss) for the year and total comprehensive income / (loss) of the Operator's Fund have been included in separate set of condensed interim financial statements of the Operator in accordance with the requirements of Circular 25 of 2015 dated July 09, 2015. These condensed interim financial statements are annexed to the condensed interim financial statements of the Operator.

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 2.2 Basis of measurement

- 2.2.1 These condensed interim financial statements have been prepared under the historical cost convention except for certain property and equipment which are measured at revalued amount and certain financial instruments which are measured at fair value.

### 2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is the Operator's functional currency and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

### 2.4 Standards, interpretations and amendments effective in current period

- 2.4.1 There are certain amendments to standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after January 01, 2022 but are considered not to be relevant to the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.
- 2.4.2 There are certain new standards, amendments to standards and interpretations that are effective for different future periods but are considered not to be relevant to Operator's operations, therefore not disclosed in these condensed interim financial statements.
- 2.4.3 The significant accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended December 31, 2021.

### 2.5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

- 2.5.1 The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.
- 2.5.2 In the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of annual audited financial statements of the Company for the year ended December 31, 2021.

### 2.6 INSURANCE AND FINANCIAL RISK MANAGEMENT

Insurance and financial risk management policies and procedures are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

### 2.7 SEGMENT REPORTING

The basis of presentation of segment information in these financial statements is the same as disclosed in the annual audited financial statements of the Company for the year ended December 31, 2021.

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

| Note               | OPF   |                                  | PTF          |                                  |             |
|--------------------|---|----------------------------------|--------------|----------------------------------|-------------|
|                    | Un-Audited  | Audited                          | Un-Audited   | Audited                          |             |
|                    | Sep 30, 2022                                      | Dec 31, 2021                     | Sep 30, 2022 | Dec 31, 2021                     |             |
| ----- Rupees ----- |   |                                  |              |                                  |             |
| <b>3</b>           | <b>PROPERTY AND EQUIPMENT</b>                     |                                  |              |                                  |             |
|                    | Operating assets                                  | 51,138,913                       | 20,603,825   | 12,219,950                       | 13,907,014  |
|                    |   | <b>Acquisitions</b>              |              |                                  |             |
|                    |   | <b>Nine months ended Sep 30,</b> |              | <b>Nine months ended Sep 30,</b> |             |
|                    |   | <b>2022</b>                      |              | <b>2021</b>                      |             |
|                    |   | <b>Rupees</b>                    |              | <b>Rupees</b>                    |             |
| <b>3.1</b>         | <b>Acquisitions of operating assets - At cost</b> |                                  |              |                                  |             |
|                    | Furniture and fixture                             | 438,777                          | -            | -                                | -           |
|                    | Office equipment                                  | 1,567,475                        | -            | -                                | -           |
|                    | Computer equipment                                | 3,986,954                        | 220,335      | -                                | -           |
|                    | Motor Vehicles                                    | 28,373,354                       | -            | -                                | -           |
|                    | Motor Cycles                                      | 711,900                          | 260,700      | -                                | -           |
|                    | Tracking Devices                                  | -                                | -            | 2,061,500                        | 2,157,052   |
|                    |   | 35,078,460                       | 481,035      | 2,061,500                        | 2,157,052   |
|                    |   | <b>Disposal</b>                  |              |                                  |             |
|                    |   | <b>Nine months ended Sep 30,</b> |              | <b>Nine months ended Sep 30,</b> |             |
|                    |   | <b>2022</b>                      |              | <b>2021</b>                      |             |
|                    |   | <b>Rupees</b>                    |              | <b>Rupees</b>                    |             |
| <b>3.2</b>         | <b>Disposals of operating assets - At cost</b>    |                                  |              |                                  |             |
|                    | Motor Cycles                                      | 90,089                           | -            | -                                | -           |
|                    | Tracking Devices                                  | -                                | -            | -                                | 819,300     |
| Note               | OPF   |                                  | PTF          |                                  |             |
|                    | Un-Audited  | Audited                          | Un-Audited   | Audited                          |             |
|                    | Sep 30, 2022                                      | Dec 31, 2021                     | Sep 30, 2022 | Dec 31, 2021                     |             |
| ----- Rupees ----- |   |                                  |              |                                  |             |
| <b>4</b>           | <b>INVESTMENT IN EQUITY SECURITIES</b>            |                                  |              |                                  |             |
|                    | - In equity securities - Available for sale       | 19,413,287                       | 14,380,147   | 16,416,920                       | 19,178,780  |
|                    | - In debt securities - Held to maturity           | 182,294,500                      | 168,610,000  | 156,512,750                      | 144,740,000 |
|                    | - In term deposits - Held to maturity             | 49,500,000                       | 41,600,000   | 30,000,000                       | -           |
|                    |   | 251,207,787                      | 224,590,147  | 202,929,670                      | 163,918,780 |



## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

|          |  | OPF                |                   |
|----------|--|--------------------|-------------------|
|          |  | Un-Audited         | Audited           |
|          |  | Sep 30, 2022       | Dec 31, 2021      |
|          |  | ----- Rupees ----- |                   |
| <b>5</b> | <b>CONTINGENCY(IES) AND COMMITMENT(S)</b>            |                    |                   |
|          | <b>Contingencies</b>                                 |                    |                   |
|          | There are no contingencies as at the reporting date. |                    |                   |
|          | <b>Commitments</b>                                   |                    |                   |
|          | Commitments for rentals under Ijarah contracts:      |                    |                   |
|          | Not later than one year                              | 15,645,555         | 18,193,403        |
|          | Later than one year but not later than five year     | 11,466,465         | 23,200,632        |
|          |  | <b>27,112,020</b>  | <b>41,394,035</b> |

|  |  | Un-Audited         |              | Un-Audited        |              |
|--|--|--------------------|--------------|-------------------|--------------|
|  |  | Three months ended |              | Nine months ended |              |
|  |  | Sep 30, 2022       | Sep 30, 2021 | Sep 30, 2022      | Sep 30, 2021 |
|  |  | ----- Rupees ----- |              |                   |              |

|          |   |                    |                    |                    |                    |
|----------|---|--------------------|--------------------|--------------------|--------------------|
| <b>6</b> | <b>NET CONTRIBUTIONS REVENUE</b>                    |                    |                    |                    |                    |
|          | Written gross contribution                          | 416,534,128        | 217,397,180        | 1,718,962,602      | 984,602,772        |
|          | Less: Wakala fee                                    | (142,319,937)      | (174,981,013)      | (422,254,184)      | (328,741,510)      |
|          | Contribution net of wakala fee                      | 274,214,191        | 42,416,167         | 1,296,708,418      | 655,861,262        |
|          | Add: Provision for unearned contribution - Opening  | 828,425,337        | 293,268,978        | 305,838,478        | 132,798,788        |
|          | Less: Provision for unearned contribution - Closing | (852,867,528)      | (162,559,364)      | (852,867,528)      | (162,559,364)      |
|          | Contribution earned                                 | 249,772,000        | 173,125,780        | 749,679,368        | 626,100,686        |
|          | Re-takaful contribution ceded                       | 32,181,262         | 30,339,025         | 87,885,559         | 70,761,240         |
|          | Add: Prepaid re-takaful contribution - Opening      | 40,592,071         | 49,373,629         | 40,745,779         | 146,211,598        |
|          | Less: Prepaid re-takaful contribution - Closing     | (42,166,518)       | (43,355,468)       | (42,166,518)       | (43,355,468)       |
|          | Re-takaful expense                                  | 30,606,815         | 36,357,186         | 86,464,820         | 173,617,370        |
|          | <b>Net contributions revenue</b>                    | <b>219,165,185</b> | <b>136,768,594</b> | <b>663,214,548</b> | <b>452,483,316</b> |

|          |  |                  |                  |                   |                   |
|----------|--|------------------|------------------|-------------------|-------------------|
| <b>7</b> | <b>RETAKAFUL REBATE EARNED</b>             |                  |                  |                   |                   |
|          | Rebate received or recoverable             | 7,410,387        | 5,767,267        | 18,961,206        | 14,503,770        |
|          | Add: Unearned re-takaful rebate - Opening  | 7,704,754        | 10,014,285       | 7,803,722         | 31,145,028        |
|          | Less: Unearned re-takaful rebate - Closing | (8,759,695)      | (8,452,657)      | (8,759,695)       | (8,452,657)       |
|          | <b>Retakaful rebate earned</b>             | <b>6,355,446</b> | <b>7,328,895</b> | <b>18,005,233</b> | <b>37,196,141</b> |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

|   | Un-Audited                |                    | Un-Audited         |                    |
|---|---------------------------|--------------------|--------------------|--------------------|
|   | Three months ended        |                    | Nine months ended  |                    |
|   | Sep 30, 2022              | Sep 30, 2021       | Sep 30, 2022       | Sep 30, 2021       |
| ----- Rupees -----  |                           |                    |                    |                    |
| <b>8</b>  | <b>NET TAKAFUL CLAIMS</b> |                    |                    |                    |
| Benefits/ Claims Paid   | 197,705,661               | 98,097,497         | 533,739,624        | 409,973,135        |
| Add: Outstanding benefits/ claims including IBNR - Closing    | 609,812,522               | 315,675,668        | 609,812,522        | 315,675,668        |
| Less: Outstanding benefits/ claims including IBNR - Opening   | (337,245,848)             | (262,168,543)      | (338,660,971)      | (254,896,316)      |
| Claims expense  | 470,272,335               | 151,604,622        | 804,891,175        | 470,752,487        |
| Re-takaful and other recoveries                               |                           |                    |                    |                    |
| Received  | 15,510,306                | 2,331,162          | 46,941,024         | 30,649,157         |
| Add: Outstanding claims - Closing                             | 216,151,204               | 168,329,308        | 216,151,204        | 168,329,308        |
| Less: Outstanding claims - Opening                            | (219,537,732)             | (166,851,469)      | (199,997,637)      | (167,061,743)      |
| Re-takaful and other recoveries revenue                       | 12,123,778                | 3,809,001          | 63,094,591         | 31,916,722         |
| <b>Net Claims</b>   | <b>458,148,557</b>        | <b>147,795,621</b> | <b>741,796,584</b> | <b>438,835,765</b> |
| <b>9</b>  | <b>COMMISSION EXPENSE</b> |                    |                    |                    |
| Commission paid or payable                                    | 41,492,553                | 32,911,821         | 126,187,170        | 104,042,362        |
| Add: Deferred commission expense - Opening                    | 54,222,071                | 57,608,093         | 52,268,972         | 61,976,820         |
| Less: Deferred commission expense - Closing                   | (67,860,778)              | (56,471,997)       | (67,860,778)       | (56,471,997)       |
| <b>Net Commission</b>   | <b>27,853,846</b>         | <b>34,047,918</b>  | <b>110,595,364</b> | <b>109,547,185</b> |
| <b>10</b>   | <b>WAKALA FEE</b>         |                    |                    |                    |
| Gross wakala fee  | 132,860,013               | 85,633,838         | 479,504,796        | 390,971,471        |
| Add: Deferred wakala expense / unearned wakala fee - Opening  | 230,350,122               | 193,666,067        | 163,639,586        | 42,088,931         |
| Less: Deferred wakala expense / unearned wakala fee - Closing | (220,890,198)             | (104,318,892)      | (220,890,198)      | (104,318,892)      |
| <b>Net wakala fee</b>   | <b>142,319,937</b>        | <b>174,981,013</b> | <b>422,254,184</b> | <b>328,741,510</b> |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 11 SEGMENT INFORMATION

The operator has four primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor, and health & miscellaneous.

Assets and liabilities, wherever possible have been assigned to the following segments based on specific identification or allocated on the basis of contribution written by each segment.

| Participants' Takaful Fund                                | SEPTEMBER 30, 2022 (Un-Audited) |                                     |                      |                      |                      |
|---|---------------------------------|-------------------------------------|----------------------|----------------------|----------------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE  | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR                | HEALTH &<br>MISC     | TOTAL                |
|   | ----- Rupees -----              |                                     |                      |                      |                      |
| Gross written contribution (inclusive of admin surcharge) | 128,189,879                     | 111,928,707                         | 390,446,859          | 1,088,397,157        | 1,718,962,602        |
| Wakala fee  | 39,490,734                      | 46,717,618                          | 122,014,815          | 214,031,017          | 422,254,184          |
| Takaful contribution earned                               | 40,558,934                      | 66,915,149                          | 126,412,862          | 515,792,424          | 749,679,368          |
| Takaful contribution ceded to retakaful                   | (39,482,923)                    | (32,749,382)                        | (2,497,486)          | (11,735,029)         | (86,464,820)         |
| Net Contribution revenue                                  | 1,076,011                       | 34,165,767                          | 123,915,376          | 504,057,395          | 663,214,548          |
| Re-takaful rebate   | 7,174,584                       | 7,950,281                           | 388,967              | 2,491,401            | 18,005,233           |
| <b>Net underwriting income</b>                            | <b>8,250,595</b>                | <b>42,116,047</b>                   | <b>124,304,343</b>   | <b>506,548,796</b>   | <b>681,219,781</b>   |
| Takaful claims  | (189,107,238)                   | (31,844,757)                        | (123,092,796)        | (460,846,384)        | (804,891,176)        |
| Takaful claims recovered from retakaful                   | 129,551,500                     | 24,007,152                          | (7,387,634)          | (83,076,427)         | 63,094,591           |
| Net claims  | (59,555,738)                    | (7,837,605)                         | (130,480,430)        | (543,922,811)        | (741,796,585)        |
| Contribution deficiency expense                           | -                               | -                                   | -                    | -                    | -                    |
| Other direct expenses                                     | (1,487,161)                     | (1,298,511)                         | (4,529,667)          | (12,626,753)         | (19,942,092)         |
| <b>Net takaful claims and expenses</b>                    | <b>(61,042,899)</b>             | <b>(9,136,117)</b>                  | <b>(135,010,096)</b> | <b>(556,549,564)</b> | <b>(761,738,677)</b> |
| [Deficit] / Surplus before investment income              | (52,792,304)                    | 32,979,931                          | (10,705,753)         | (50,000,768)         | (80,518,894)         |
| Net investment income                                     |                                 |                                     |                      |                      | 12,208,500           |
| Other income  |                                 |                                     |                      |                      | 18,990,074           |
| Modarib's share of investment income                      |                                 |                                     |                      |                      | (3,052,125)          |
| <b>(Deficit) transferred to balance of PTF</b>            |                                 |                                     |                      |                      | <b>(52,372,445)</b>  |
| <b>Corporate segment assets</b>                           | <b>294,501,959</b>              | <b>44,991,855</b>                   | <b>163,083,818</b>   | <b>869,918,707</b>   | <b>1,372,496,338</b> |
| Corporate unallocated assets                              |                                 |                                     |                      |                      | 314,770,181          |
| <b>Total assets</b>                                       |                                 |                                     |                      |                      | <b>1,687,266,519</b> |
| <b>Corporate segment liabilities</b>                      | <b>342,757,086</b>              | <b>50,195,048</b>                   | <b>379,193,975</b>   | <b>800,164,157</b>   | <b>1,572,310,265</b> |
| Corporate unallocated liabilities                         |                                 |                                     |                      |                      | 12,585,925           |
| <b>Total liabilities</b>                                  |                                 |                                     |                      |                      | <b>1,584,896,190</b> |
| <b>Operator's Fund</b>                                    |                                 |                                     |                      |                      |                      |
| Wakala fee  | 39,490,734                      | 46,717,618                          | 122,014,815          | 214,031,017          | 422,254,184          |
| Commission expense  | (19,144,891)                    | (18,961,971)                        | (33,210,932)         | (39,277,571)         | (110,595,364)        |
| General, administrative and management expenses           |                                 |                                     |                      |                      | (300,417,488)        |
|   |                                 |                                     |                      |                      | 11,241,332           |
| Modarib's share of PTF investment income                  |                                 |                                     |                      |                      | 3,052,125            |
| Investment income   |                                 |                                     |                      |                      | 13,688,521           |
| Direct expenses   |                                 |                                     |                      |                      | (3,562,354)          |
| Other income  |                                 |                                     |                      |                      | 611,696              |
| <b>Profit before taxation</b>                             |                                 |                                     |                      |                      | <b>25,031,320</b>    |
| <b>Corporate segment assets</b>                           | <b>20,074,743</b>               | <b>4,497,742</b>                    | <b>75,551,565</b>    | <b>53,964,367</b>    | <b>154,088,417</b>   |
| Corporate unallocated assets                              |                                 |                                     |                      |                      | 593,175,306          |
| <b>Total assets</b>                                       |                                 |                                     |                      |                      | <b>747,263,723</b>   |
| <b>Corporate segment liabilities</b>                      | <b>33,542,168</b>               | <b>3,681,618</b>                    | <b>94,395,226</b>    | <b>89,271,187</b>    | <b>220,890,198</b>   |
| Corporate unallocated liabilities                         |                                 |                                     |                      |                      | 53,928,026           |
| <b>Total liabilities</b>                                  |                                 |                                     |                      |                      | <b>274,818,224</b>   |

# SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

## 11.1 SEGMENT INFORMATION

| Participants' Takaful Fund                                | SEPTEMBER 30, 2021 (UN-AUDITED) |                                     |                     |                      | TOTAL                |
|---|---------------------------------|-------------------------------------|---------------------|----------------------|----------------------|
|   | FIRE AND<br>PROPERTY<br>DAMAGE  | MARINE<br>AVIATION AND<br>TRANSPORT | MOTOR               | HEALTH &<br>MISC     |                      |
|   | ----- Rupees -----              |                                     |                     |                      |                      |
| Gross written contribution (inclusive of admin surcharge) | 65,604,984                      | 66,926,141                          | 176,026,569         | 676,045,078          | 984,602,772          |
| Wakala fee  | 19,155,581                      | 26,427,586                          | 50,741,876          | 232,416,467          | 328,741,510          |
| Takaful contribution earned                               | 46,188,156                      | 39,764,055                          | 132,051,281         | 408,097,193          | 626,100,685          |
| Takaful contribution ceded to retakaful                   | (39,542,986)                    | (26,330,203)                        | (24,130,978)        | (83,613,203)         | (173,617,370)        |
| Net Contribution revenue                                  | 6,645,171                       | 13,433,851                          | 107,920,302         | 324,483,991          | 452,483,315          |
| Re-takaful rebate   | 6,896,083                       | 6,424,361                           | 5,130,240           | 18,745,458           | 37,196,141           |
| <b>Net underwriting income</b>                            | <b>13,541,254</b>               | <b>19,858,212</b>                   | <b>113,050,542</b>  | <b>343,229,449</b>   | <b>489,679,456</b>   |
| Takaful claims  | (29,003,506)                    | (22,543,518)                        | (72,479,983)        | (346,725,480)        | (470,752,487)        |
| Takaful claims recovered from retakaful                   | 6,155,342                       | 12,770,057                          | 6,109,623           | 6,881,700            | 31,916,722           |
| Net claims  | (22,848,164)                    | (9,773,461)                         | (66,370,360)        | (339,843,780)        | (438,835,765)        |
| Contribution deficiency expense                           | (8,699,168)                     | -                                   | -                   | -                    | (8,699,168)          |
| Other direct expenses                                     | (554,096)                       | (565,255)                           | (1,486,711)         | (5,709,842)          | (8,315,903)          |
| <b>Net takaful claims and expenses</b>                    | <b>(32,101,429)</b>             | <b>(10,338,716)</b>                 | <b>(67,857,070)</b> | <b>(345,553,622)</b> | <b>(455,850,835)</b> |
| <b>(Deficit)/ surplus before investment income</b>        | <b>(18,560,175)</b>             | <b>9,519,496</b>                    | <b>45,193,472</b>   | <b>(2,324,173)</b>   | <b>33,828,620</b>    |
| Net investment income                                     |                                 |                                     |                     |                      | 8,656,795            |
| Other income  |                                 |                                     |                     |                      | 2,226,512            |
| Modarib's share of investment income                      |                                 |                                     |                     |                      | (2,164,199)          |
| <b>Surplus transferred to balance of PTF</b>              |                                 |                                     |                     |                      | <b>42,547,729</b>    |
| DECEMBER 31, 2021 (Audited)                               |                                 |                                     |                     |                      |                      |
| <b>Corporate segment assets</b>                           | 123,973,000                     | 43,672,691                          | 73,932,382          | 313,204,180          | 554,782,253          |
| Corporate unallocated assets                              |                                 |                                     |                     |                      | 425,033,339          |
| <b>Total assets</b>                                       |                                 |                                     |                     |                      | <b>979,815,592</b>   |
| <b>Corporate segment liabilities</b>                      | 171,026,105                     | 112,726,529                         | 182,113,946         | 351,961,267          | 817,827,847          |
| Corporate unallocated liabilities                         |                                 |                                     |                     |                      | 4,483,110            |
| <b>Total liabilities</b>                                  |                                 |                                     |                     |                      | <b>822,310,958</b>   |
| <b>Operator's Fund</b>                                    |                                 |                                     |                     |                      |                      |
| Wakala fee  | 19,155,581                      | 26,427,586                          | 50,741,876          | 232,416,467          | 328,741,509          |
| Commission expense  | (10,133,242)                    | (9,040,616)                         | (25,536,616)        | (64,836,711)         | (109,547,184)        |
| General, administrative and management expenses           |                                 |                                     |                     |                      | (145,219,136)        |
|   |                                 |                                     |                     |                      | 73,975,188           |
| Modarib's share of PTF investment income                  |                                 |                                     |                     |                      | 2,164,199            |
| Investment income   |                                 |                                     |                     |                      | 16,825,015           |
| Direct expenses   |                                 |                                     |                     |                      | (2,713,680)          |
| Other income  |                                 |                                     |                     |                      | 648,412              |
| <b>Profit before taxation</b>                             |                                 |                                     |                     |                      | <b>90,899,134</b>    |
| DECEMBER 31, 2021 (Audited)                               |                                 |                                     |                     |                      |                      |
| <b>Corporate segment assets</b>                           | 51,270,172                      | 69,566,855                          | 23,137,201          | 24,144,868           | 168,119,096          |
| Corporate unallocated assets                              |                                 |                                     |                     |                      | 557,918,550          |
| <b>Total assets</b>                                       |                                 |                                     |                     |                      | <b>726,037,646</b>   |
| <b>Corporate segment liabilities</b>                      | 27,953,556                      | 9,660,176                           | 69,009,012          | 78,754,427           | 185,377,171          |
| Corporate unallocated liabilities                         |                                 |                                     |                     |                      | 3,947,281            |
| <b>Total liabilities</b>                                  |                                 |                                     |                     |                      | <b>189,324,452</b>   |

## SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The Nine Months Period Ended September 30, 2022

### 12 RELATED PARTY TRANSACTIONS

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

| Relation with undertaking             | Nature of transaction                           | OPF                           |                            | PTF                           |                            |
|---------------------------------------|---|-------------------------------|----------------------------|-------------------------------|----------------------------|
|                                       |   | Un-Audited<br>Sep 30,<br>2022 | Audited<br>Dec 31,<br>2021 | Un-Audited<br>Sep 30,<br>2022 | Audited<br>Dec 31,<br>2021 |
|                                       |   | ----- Rupees -----            |                            | ----- Rupees -----            |                            |
| <b>Balances at period end:</b>        |   |                               |                            |                               |                            |
| <b>Associated undertakings</b>        | Receivable/ (payable) at period end             | -                             | -                          | (376,429)                     | (137,830)                  |
| <b>Key management personnel</b>       | Loan to key management personnel                | 3,614,997                     | 1,901,250                  | -                             | -                          |
| <b>Staff retirement benefits plan</b> | (Payable) to defined benefit plan               | -                             | -                          | -                             | -                          |
| <b>Un-Audited</b>                     |   |                               |                            |                               |                            |
|                                       |   | Three Months Ended            |                            | Nine Months Ended             |                            |
|                                       |   | Sep 30,<br>2022               | Sep 30,<br>2021            | Sep 30,<br>2022               | Sep 30,<br>2021            |
| <b>Transactions during the period</b> |   |                               |                            |                               |                            |
| <b>Participants' Takaful Fund</b>     |   |                               |                            |                               |                            |
| <b>Associated undertakings</b>        | Motor tracking devices purchased                | 557,000                       | 569,500                    | 2,061,500                     | 2,157,052                  |
|                                       | Device monitoring charges paid                  | 2,092,200                     | 1,333,935                  | 7,060,600                     | 3,377,964                  |
| <b>Operator's Fund</b>                |   |                               |                            |                               |                            |
| <b>Associated undertakings</b>        | Health service charges paid                     | 2,500,000                     | 1,825,908                  | 5,139,333                     | 4,500,908                  |
| <b>Key management personnel</b>       | Remuneration of key management personnel        | 25,856,323                    | 39,331,365                 | 73,429,683                    | 51,484,946                 |
| <b>Employees' Provident Fund</b>      | Employer's Contributions made during the period | 2,445,248                     | 2,055,186                  | 7,466,141                     | 3,994,300                  |

### 13 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on October 28, 2022 by the Board of Directors of the Company.

### 14 GENERAL

- 14.1 There is no unusual item included in these condensed interim financial statements which are affecting assets, liabilities, profit / (loss), total comprehensive income / (loss), equity or cash flows of PTF and OPF.
- 14.2 The figures in these condensed interim financial statements have been rounded off to the nearest rupees.



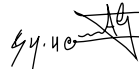
**Muhammad Akram Shahid**  
Chief Executive Officer



**Huma Waheed**  
Director



**Maqbool Ahmad**  
Chief Financial Officer



**Syed Rahat Ali Shah**  
Director



**Jamil Ahmed Khan**  
Chairman



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