



INSURANCE

2022

**1ST QUARTER
REPORT**



CONTENTS

| | |
|--|---|
| 03 | Vision & Mission |
| 06 | Corporate Information |
| UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION | |
| 08 | Directors' Report on Unconsolidated Interim Financial Information |
| 09 | Directors' Report on Unconsolidated Interim Financial Information - Urdu |
| 10 | Unconsolidated Condensed Interim Statement of Financial Position (Unaudited) |
| 12 | Unconsolidated Condensed Interim Statement of Comprehensive Income (Unaudited) |
| 13 | Unconsolidated Condensed Interim Cash Flow Statement (Unaudited) |
| 15 | Unconsolidated Condensed Interim Statement of Changes in Equity (Unaudited) |
| 16 | Notes to and forming part of the Unconsolidated Condensed Interim Financial Information (Unaudited) |
| CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION | |
| 32 | Directors' Report on Consolidated Interim Financial Information |
| 33 | Directors' Report on Consolidated Interim Financial Information - Urdu |
| 34 | Consolidated Condensed Interim Statement of Financial Position (Unaudited) |
| 36 | Consolidated Condensed Interim Statement of Comprehensive Income (Unaudited) |
| 37 | Consolidated Condensed Interim Cash Flow Statement (Unaudited) |
| 39 | Consolidated Condensed Interim Statement of Changes in Equity (Unaudited) |
| 40 | Notes to and forming part of the Consolidated Condensed Interim Financial Information (Unaudited) |
| CONDENSED INTERIM FINANCIAL INFORMATION - WINDOW TAKAFUL OPERATIONS | |
| 56 | Condensed Interim Statement of Financial Position (Unaudited) |
| 58 | Condensed Interim Statement of Comprehensive Income (Unaudited) |
| 59 | Condensed Interim Statement of Changes in Fund (Unaudited) |
| 60 | Condensed Interim Cash Flow Statement (Unaudited) |
| 62 | Notes to and forming part of the Condensed Interim Financial Information (Unaudited) |

VISION

The vision of askari general insurance company limited (agico) is to be amongst the leading insurance companies of the country with the clear perception of upholding the principles of corporate governance and making agico a profitable and growth oriented insurance company while creating insurance awareness and culture.





MISSION

To become a leading insurance company by providing client friendly services through highly motivated team of dedicated professionals and ensuring progressive return to the shareholders.



Corporate INFORMATION

1st Quarter Report 2022

Board of Directors

Lt Gen Naveed Mukhtar (Retd)
Chairman
AVM Mohammad Athar Shams (Retd)
Member
Brig Mukhtar Ahmed (Retd)
Member
Mr. Malik Riffat Mahmood
Member
Mr. M. Munir Malik
Member
Mr. Imran Iqbal
Member
Ms. Saima Akbar Khattak
Member

President & Chief Executive Officer

Mr. Abdul Waheed

Chief Financial Officer

Mr. Suleman Khalid

Company Secretary

Mr. Haseeb Gul

Head of Internal Audit

Mr. Ali Noor

Executive, Risk Management & Compliance Committee

AVM Mohammad Athar Shams (Retd)
Chairman
Brig Mukhtar Ahmed (Retd)
Member
Mr. Abdul Waheed
Member

Audit Committee

Mr. M. Munir Malik
Chairman
Mr. Malik Riffat Mahmood
Member
Brig Mukhtar Ahmed (Retd)
Member

Ethics, Human Resource and Remuneration Committee

Mr. Imran Iqbal
Chairman
Brig Mukhtar Ahmed (Retd)
Member
Mr. Abdul Waheed
Member

Underwriting, Reinsurance & Coinsurance Committee

AVM Mohammad Athar Shams (Retd)
Chairman
Mr. Zaheer Abbas
Member
Mr. Sohail Khalid
Member
Mr. Shahzad Munir
Member

Claims Settlement Committee

Mr. Malik Riffat Mahmood
Chairman
Mr. Abdul Waheed
Member
Mr. M. Qasim
Member
Mr. Nadeem Ahmad
Member

Investment Committee

Mr. Malik Riffat Mahmood
Chairman
Mr. M. Munir Malik
Member
Mr. Abdul Waheed
Member
Mr. Suleman Khalid
Member
Mr. Shahid Qayyum
Member

External Auditors

A.F. Ferguson & Co.
Chartered Accountants
Islamabad

Shariah Compliance Auditors

S.M. Suhail & Co.
Chartered Accountants
Islamabad

Shariah Advisor

Mufti Ehsan Waqar

Legal Advisors

Hassan Kaunain Nafees

Bankers

Askari Bank Limited
Askari Islamic Bank Limited
Habib Bank Limited
The Bank of Punjab
Bank Alfalah Limited
Summit Bank Limited
NRSP Microfinance Bank Limited
Silk Bank Limited
Faysal Bank Limited
Bank Al Habib Limited
Meezan Bank Limited
Finca Microfinance Bank Limited
Zarai Taraqiati Bank Limited
Samba Bank Limited
U Microfinance Bank Limited
JS Bank Limited
Sindh Bank Limited
The Bank of Khyber
MCB Islamic Bank Limited
Al Baraka Bank Limited
Punjab Provincial Cooperative Bank Limited

Registrar & Share Transfer Office

THK Associates (Private) Limited
32-C, Jami Commercial Street # 2,
DHA Phase 7, Karachi 75400, Pakistan.
PABX: +92 (021) 111-000-322
Direct: +92 (021) 35310188
Fax: +92 (021) 35310191

Registered Office/Head Office

3rd Floor, AWT Plaza, The Mall,
Rawalpindi, Pakistan
Ph: +92-51-9028101-2
Fax: +92-51-9272424
Email: info@agico.com.pk

UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

DIRECTORS' REPORT

On Unconsolidated Interim Financial Information

For the three months period ended 31 March 2022

1st Quarter Report 2022

The Board of Directors are pleased to present the un-audited condensed interim financial information of askari general insurance company limited (the Company) for the three months period ended March 31, 2022.

A comparison of Key Performance Indicators (KPIs) is as follows;

| | 31st March | |
|---|-----------------------|---------|
| | 2022 | 2021 |
| | (Rupees in Thousands) | |
| Gross premium written (Inclusive of Takaful Contribution) | 1,035,438 | 736,491 |
| Net premium revenue | 578,802 | 557,487 |
| Underwriting profit | 38,333 | 39,793 |
| Investment and other income | 81,964 | 64,991 |
| Profit before tax | 130,151 | 111,953 |
| Profit after tax | 92,373 | 79,437 |
| Earnings per share (Rs.) | 1.28 | 1.10 |

In comparison with corresponding period, there was an increase in Gross premium written of 41%. Investment and other income increased by 26% and Profit after tax and Earnings per share are increased by 17%.

Window Takaful Operations

Gross premium written includes Takaful contribution of Rs. 113.7 million in the period ended 31 March 2022, while the same was Rs. 92.5 million in the similar period of 2021. Profit before tax contains Rs. 18.3 million profit before tax of window Takaful operations in the

period ended 31 March 2022, while the same was Rs. 13 million in the similar period of 2021.

Future outlook

With challenges looming around economic and political environment in Pakistan, business development in current scenario remains challenging. A vigilant approach will be adopted to cater the business risks. We strive to maintain a balance between growth, profitability, and liquidity.

Acknowledgements

We would like to take this opportunity to thank our Regulators, the Insurance Association of Pakistan, for their continued support, and our valued reinsurers and other stakeholders for their trust and confidence in us.

For and on Behalf of the Board



Abdul Waheed
President & Chief Executive



Lt Gen Naveed Mukhtar (Retd)
Chairman – Board of Directors

Rawalpindi

April 28, 2022

ڈائریکٹرز کا جائزہ

31 مارچ 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے مربوط عبوری مالیاتی معلومات پر

ASKARI INSURANCE CO., LTD

بورڈ آف ڈائریکٹرز کو 31 مارچ 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے عسکری جزل انشورنس کمپنی لمیٹڈ (کمپنی) کی غیر آڈٹ شدہ کنڈرینڈ عبوری مالیاتی معلومات پیش کرنے پر خوشی ہے۔

کلیدی پر فارمنس انڈیکٹرز (KPIs) کا موازنہ حسب ذیل ہے۔

| 31 مارچ | | |
|-----------------|-----------|---|
| 2021ء | 2022ء | |
| روپے ہزاروں میں | | |
| 736,491 | 1,035,438 | مجموعی تحریری پر بیمہ (بشمول مکافل شراکت) |
| 557,487 | 578,802 | خالص پر بیمہ آمدنی |
| 39,793 | 38,333 | انڈر رائٹنگ منافع |
| 64,991 | 81,964 | سرمایہ کاری اور دیگر آمدنی |
| 111,953 | 130,151 | منافع قبل از محصول |
| 79,437 | 92,373 | منافع بعد از محصول |
| 1.10 | 1.28 | فی شیئر آمدنی (روپے) |

اسی مدت کے مقابلے میں، مجموعی پر بیمہ میں 41% کا اضافہ ہوا ہے۔ سرمایہ کاری اور دیگر آمدنی میں 26% اضافہ ہوا ہے اور ٹیکس کے بعد منافع اور فی حصص آمدنی میں 17% اضافہ ہوا ہے۔

ونڈو مکافل آپریشنز

31 مارچ 2022 کو ختم ہونے والی مدت میں مجموعی تحریری پر بیمہ میں 113.7 ملین روپے کا مکافل شراکت شامل ہے، جبکہ 2021 کی اسی مدت میں یہی 92.5 ملین روپے تھا۔ 31 مارچ 2022 کو ختم ہونے والی مدت میں ونڈو مکافل آپریشنز کا ٹیکس سے پہلے کا منافع 18.3 ملین روپے قبل از محصول پر مشتمل ہے، جبکہ 2021 کی اسی مدت میں یہی 13 ملین روپے تھا۔

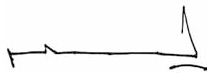
مستقبل کا منظر نامہ

پاکستان میں اقتصادی اور سیاسی ماحول میں چیلنجز کے ساتھ، موجودہ منظر نامے میں کاروباری ترقی بدستور چیلنجنگ ہے۔ کاروباری خطرات سے نمٹنے کے لیے چوکس رویہ اپنایا جائے گا۔ ہم ترقی، منافع اور لیکویڈیٹی کے درمیان توازن برقرار رکھنے کی کوشش کرتے ہیں۔

اعترافات

ہم اس موقع پر اپنے ریگولیٹرز، انشورنس ایسوسی ایشن آف پاکستان، ان کی مسلسل حمایت کے لیے، اور ہمارے قابل قدر ری بیمہ کنندگان اور دیگر اسٹیک ہولڈرز کا ہم پر بھروسہ اور اعتماد کے لیے شکریہ ادا کرنا چاہیں گے۔

بورڈ کی جگہ اور بورڈ کی نیابت سے:



لیفٹیننٹ جنرل نوید مختار (ر)

چیئر مین۔ بورڈ آف ڈائریکٹرز



جناب عبدالوحید

صدر و چیف ایگزیکٹو

راولپنڈی

28 اپریل 2022ء

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 31 MARCH 2022

1st Quarter Report 2022

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|---|------|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| ASSETS | | | |
| Property and equipment | 7 | 391,008 | 404,439 |
| Intangible assets | 8 | 611 | 696 |
| Investment property | 9 | 37,554 | 37,881 |
| Investment in subsidiary | 10 | 10,000 | 10,000 |
| Investments | | | |
| - Equity securities | 11 | 174,172 | 206,533 |
| - Debt securities | 12 | 2,997,720 | 2,558,599 |
| - Term deposits | 13 | - | - |
| Loans and other receivables | | 217,351 | 153,090 |
| Insurance / Reinsurance receivables | 14 | 1,104,042 | 1,435,030 |
| Reinsurance recoveries against outstanding claims | 18 | 263,859 | 245,466 |
| Salvage recoveries accrued | | 3,769 | 3,769 |
| Taxation - payments less provision | | 24,138 | 17,706 |
| Deferred commission expense / Acquisition cost | 19 | 107,881 | 102,363 |
| Deferred taxation | | 25,274 | 21,945 |
| Prepayments | | 533,612 | 561,999 |
| Cash and bank | | 191,411 | 196,392 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total assets from Window Takaful Operations - OPF | | 353,799 | 331,192 |
| Total Assets | | 6,436,201 | 6,287,100 |



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|---|------|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to Company's equity holders | | | |
| Ordinary share capital | | 719,019 | 719,019 |
| Share premium | | 121,161 | 121,161 |
| Reserves | | 43,609 | 51,113 |
| Unappropriated profit | | 1,516,776 | 1,425,034 |
| Total Equity | | 2,400,565 | 2,316,327 |
| Liabilities | | | |
| Underwriting Provisions | | | |
| - Outstanding claims including IBNR | 18 | 651,395 | 639,160 |
| - Unearned premium reserves | 17 | 1,674,816 | 1,719,511 |
| - Unearned reinsurance commission | 19 | 83,840 | 97,068 |
| Retirement benefit obligations | | 42,230 | 40,109 |
| Staff compensated absences | | 39,725 | 38,633 |
| Liabilities against assets subject to finance lease - secured | | 208,965 | 213,106 |
| Taxation - provision less payment | | - | - |
| Premium received in advance | | 30,015 | 47,598 |
| Insurance / Reinsurance payables | | 961,985 | 833,479 |
| Unclaimed dividends | | 7,967 | 10,971 |
| Other creditors and accruals | 15 | 179,522 | 185,079 |
| Deposits and other payables | | 43,554 | 43,137 |
| Total Liabilities | | 3,924,015 | 3,867,851 |
| Total liabilities from Window Takaful Operations - OPF | | 111,622 | 102,923 |
| Total Equity and Liabilities | | 6,436,201 | 6,287,100 |
| Contingencies and commitments | 16 | | |

The annexed notes 1 to 25 form an integral part of this unconsolidated condensed interim financial information.

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | Quarter ended 31 March | |
|---|------|------------------------|----------------|
| | | 2022 | 2021 |
| | Note | Rupees in thousand | |
| Net insurance premium | 17 | 578,802 | 557,487 |
| Net insurance claims | 18 | (367,543) | (367,042) |
| Net commission and other acquisition costs | 19 | 7,401 | 3,185 |
| Insurance claims and acquisition expenses | | (360,142) | (363,857) |
| Management expenses | | (180,327) | (153,837) |
| Underwriting results | | 38,333 | 39,793 |
| Investment income | 20 | 74,085 | 60,295 |
| Rental income | | 1,458 | 746 |
| Other income | | 6,420 | 3,950 |
| Other expenses | | (1,731) | (1,828) |
| Results of operating activities | | 118,565 | 102,956 |
| Finance costs | | (6,759) | (4,096) |
| Profit before tax from General Operations | | 111,806 | 98,860 |
| Profit before tax from Window Takaful Operations - OPF | | 18,345 | 13,093 |
| Profit before tax | | 130,151 | 111,953 |
| Income tax expense | | (37,778) | (32,516) |
| Profit after tax | | 92,373 | 79,437 |
| Other comprehensive income: | | | |
| Items that will be reclassified subsequently | | | |
| to profit and loss account: | | | |
| Unrealised (loss) / gain on available for sale investments - net | | (7,519) | (11,859) |
| Unrealized gain / (loss) on available for sale investments from Window Takaful Operations - OPF (net) | | 15 | (53) |
| | | (7,504) | (11,912) |
| Total comprehensive income for the period | | 84,870 | 67,525 |
| Earnings (after tax) per share - Rupees | 21 | 1.28 | 1.10 |

The annexed notes 1 to 25 form an integral part of this unconsolidated condensed interim financial information.



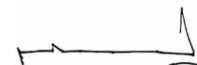
Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | 2022 | 2021 |
|--|--------------------|-----------------|
| | Rupees in thousand | |
| Operating cash flows | | |
| a) Underwriting activities: | | |
| Premium received | 1,267,709 | 782,861 |
| Reinsurance premium paid | (208,807) | (177,270) |
| Claims paid | (464,819) | (422,975) |
| Reinsurance and other recoveries received | 59,262 | 79,831 |
| Commission paid | (63,314) | (57,169) |
| Commission received | 42,860 | 24,225 |
| Management expenses paid | (152,487) | (140,729) |
| Net cash flows (used in) / generated from underwriting activities | 480,404 | 88,774 |
| b) Other operating activities: | | |
| Income tax paid | (47,281) | (38,237) |
| Other expenses paid | (1,483) | (1,579) |
| Other operating receipts / (payments) | (65,477) | (29,177) |
| Advances to employees | 236 | 39 |
| Net cash used in other operating activities | (114,005) | (68,954) |
| Total cash flow generated from all operating activities | 366,399 | 19,820 |
| Investing activities: | | |
| Profit / return received | 59,349 | 65,449 |
| Dividends received | 526 | 699 |
| Payments for investments | (1,012,981) | (2,326,205) |
| Proceeds from investments | 605,657 | 2,274,426 |
| Fixed capital expenditure | (2,195) | (8,414) |
| Proceeds from disposal of fixed assets | 50 | 375 |
| Total cash used in investing activities | (349,594) | 6,330 |
| Financing activities: | | |
| Financial charges paid | (6,759) | (4,096) |
| Repayment of obligation under finance lease | (12,086) | (6,342) |
| Dividend paid | (3,004) | (73) |
| Staff house building finance - net | 18 | 32 |
| Mark-up on staff house building finance received | 45 | 52 |
| Equity transactions costs paid | - | - |
| Total cash used in financing activities | (21,786) | (10,427) |
| Net cash used in all activities | (4,981) | 15,723 |
| Cash and cash equivalents at beginning of the period | 196,392 | 231,797 |
| Cash and cash equivalents at end of the period | 191,411 | 247,520 |

The annexed notes 1 to 25 form an integral part of this unconsolidated condensed interim financial information.

Suleman Khalid
Chief Financial Officer

Abdul Waheed
President & Chief Executive

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | 2022 | 2021 |
|--|--------------------|---------------|
| | Rupees in thousand | |
| Reconciliation to Profit and Loss Account | | |
| Operating cash flows | 366,399 | 19,820 |
| Depreciation expense | (23,952) | (21,826) |
| Financial charges | (6,759) | (4,096) |
| Gain on disposal of fixed assets | 20 | 3 |
| Decrease in assets other than cash | (262,460) | (94,887) |
| Decrease in liabilities other than running finance | (87,630) | 98,566 |
| Unrealized gain on investments - held for trading | 17 | 7 |
| Dividend income | 3,897 | 6,847 |
| Investment income | 69,318 | 53,441 |
| Profit on bank deposits | 4,821 | 2,748 |
| Income tax provision | (37,778) | (32,516) |
| Gain on trading | 854 | - |
| Tax paid | 47,281 | 38,237 |
| Profit after taxation from General Insurance Operations | 74,028 | 66,344 |
| Profit from Window Takaful Operations - OPF | 18,345 | 13,093 |
| Profit after taxation | 92,373 | 79,437 |

Definition of cash :

Cash comprises cash in hand, bank balances, stamp in hand and short term placements with banks which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

| | 2022 | 2021 |
|--|--------------------|----------------|
| Cash for the purpose of cash flow statement consists of: | Rupees in thousand | |
| Cash and other equivalents | | |
| Cash in hand | 1,689 | 1,584 |
| Stamp in hand | 870 | 531 |
| | 2,559 | 2,115 |
| Current and other accounts | | |
| Current accounts | 40,154 | 97,033 |
| Deposit accounts | 148,698 | 148,372 |
| | 188,852 | 245,405 |
| Total | 191,411 | 247,520 |

The annexed notes 1 to 25 form an integral part of this unconsolidated condensed interim financial information.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | Share capital | Reserves | | | | Total reserves | Total equity |
|---|--------------------------------|-----------------|-----------------|---|-------------------|----------------|--------------|
| | Issued, subscribed and paid up | Capital reserve | Revenue reserve | | | | |
| | | Share premium | General reserve | Available for sale investment revaluation reserve | Retained earnings | | |
| Rupees in thousand | | | | | | | |
| Balance as at 01 January 2021 | 719,019 | 121,161 | 70,000 | 3,025 | 1,268,728 | 1,462,914 | 2,181,933 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | 79,437 | 79,437 | 79,437 |
| Other comprehensive income for the period | - | - | - | (11,912) | - | (11,912) | (11,912) |
| Total comprehensive income for the period | - | - | - | (11,912) | 79,437 | 67,525 | 67,525 |
| Balance as at 31 March 2021 | 719,019 | 121,161 | 70,000 | (8,887) | 1,348,165 | 1,530,439 | 2,249,458 |
| Balance as at 01 January 2022 | 719,019 | 121,161 | 70,000 | (18,887) | 1,424,402 | 1,596,677 | 2,315,696 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | 92,373 | 92,373 | 92,373 |
| Other comprehensive loss for the period | - | - | - | (7,504) | - | (7,504) | (7,504) |
| Total comprehensive income for the period | - | - | - | (7,504) | 92,373 | 84,870 | 84,870 |
| Balance as at 31 March 2022 | 719,019 | 121,161 | 70,000 | (26,391) | 1,516,775 | 1,681,546 | 2,400,565 |

The annexed notes 1 to 25 form an integral part of this unconsolidated condensed interim financial information.



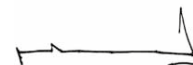
Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari general insurance company limited ("the Company") was incorporated under the Companies Ordinance, 1984 as a public limited company on 12 April 1995. The Company is engaged in non-life insurance business comprising of fire, marine, motor, health and miscellaneous. The Company commenced its commercial operations on 15 October 1995. Shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office and principal place of business of the Company is located at AWT Plaza, Rawalpindi. The Company has 20 branches in Pakistan. The Company is a subsidiary of Army Welfare Trust.

The Company was granted license to work as Window Takaful Operator (WTO) dated August 10, 2015 by the Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on Window Takaful Operations in Pakistan.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017
 - Provisions of and directives issued under the Companies Act, 2017
 - Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and Insurance Ordinance, 2000
- Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017 shall prevail.

This unconsolidated condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2021. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2021 whereas comparative for condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, are stated from unaudited condensed interim financial information for the three months period ended 31 March 2021.

Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in this condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated 9 July 2015.

A separate set of financial statements of Window Takaful Operations has been reported which is annexed to this condensed interim financial information as per the requirements of the SECP Takaful Rules, 2012.

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

2.1 Basis of measurement

This unconsolidated condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments which are carried at their fair values and obligations under certain employee benefits which are measured at their present values. Figures have been rounded off to the nearest rupees in thousand.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

2.2 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation including judgements and estimates used in measurement of fair values for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 31 December 2021.

4 FINANCIAL RISK MANAGEMENT

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

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unconsolidated condensed interim financial information, the significant judgement 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 the financial statements for the year ended 31 December 2021.

6 PREMIUM DEFICIENCY RESERVE

During the period, management has reviewed the results of each class of business and considers that no additional reserve is required to be created as the unearned premium reserve for each class of business as at the period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of the policies in force at the balance sheet date.

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|--------------------------|--|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| 7 | PROPERTY AND EQUIPMENT | | |
| Capital work-in-progress | 7.1 | - | - |
| Operating assets | 7.2 | 391,008 | 404,439 |
| | | 391,008 | 404,439 |
| 7.1 | Movement in Capital work-in-progress is as follows: | | |
| Opening balance | | - | 1,637 |
| Additions | | - | 9,914 |
| Transfers | | - | (11,551) |
| Closing balance | | - | - |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

7.2 Operating assets

| 7.2 Operating assets | | Rupees in thousand | | | | | | | | | |
|---|-------|--------------------|-------------------------|-------------|-----------------|-----------------|----------------|--------------------|---------------------|---------------------------|-----------------|
| | Note | Cost | | | Depreciation | | | Written down value | Useful life (years) | | |
| | | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | Opening balance | For the period | | | (Disposals) / Adjustments | Closing balance |
| | | | | | | | | | | | |
| 31 March 2022 (unaudited) | | | | | | | | | | | |
| Building | 7.2.1 | 146,412 | - | - | 146,412 | 10,988 | 915 | - | 11,903 | 134,509 | 40 |
| Furniture and fixtures | | 28,143 | 311 | - | 28,454 | 22,662 | 743 | (8) | 23,398 | 5,056 | 5 |
| Computers and office equipment | | 74,945 | 1,535 | - | 76,480 | 66,621 | 1,459 | (213) | 67,867 | 8,613 | 3 |
| Motor vehicles (Owned) | | 23,775 | 99 | - | 23,874 | 15,914 | 901 | - | 16,815 | 7,059 | 5 |
| Right of use assets - Motor vehicles | | 180,786 | 7,945 | - | 188,730 | 76,263 | 8,608 | - | 84,871 | 103,860 | 5 |
| Right of use assets - Rental properties | | 188,618 | - | - | 188,618 | 62,512 | 8,408 | - | 70,920 | 117,698 | 1 to 20 |
| Tracking devices | | 87,123 | - | - | 87,123 | 80,905 | 1,016 | - | 81,920 | 5,202 | 3 |
| Leasehold improvements | | 37,462 | - | - | 37,462 | 26,960 | 1,491 | - | 28,451 | 9,011 | 3 |
| | | 767,264 | 9,890 | - | 777,153 | 362,825 | 23,541 | (221) | 386,145 | 391,008 | |

Rupees in thousand

| Rupees in thousand | | | | | | | | | | |
|---|-----------------|-------------------------|-------------|-----------------|----------------|---------------------|-----------------|-----------------|---------|--------|
| | Cost | | | Depreciation | | Useful life (years) | | | | |
| | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | For the period | | Opening balance | Closing balance | | |
| 31 December 2021 (audited) | | | | | | | | | | |
| Building | 142,602 | 3,810 | - | 146,412 | 7,367 | 3,621 | - | 10,988 | 135,424 | 40 |
| Furniture and fixtures | 27,964 | 179 | - | 28,143 | 20,275 | 2,906 | (519) | 22,662 | 5,481 | 5 |
| Computers and office equipment | 72,907 | 2,038 | - | 74,945 | 62,048 | 6,741 | (2,168) | 66,621 | 8,324 | 3 |
| Motor vehicles (Owned) | 22,393 | 1,382 | - | 23,775 | 14,154 | 3,756 | (1,996) | 15,914 | 7,861 | 5 |
| Right of use assets - Motor vehicles | 153,653 | 27,133 | - | 180,786 | 87,811 | 28,277 | (39,826) | 76,263 | 104,523 | 5 |
| Right of use assets - Rental properties | 220,478 | (31,860) | - | 188,618 | 81,570 | 23,213 | (42,271) | 62,512 | 126,106 | 1 to 9 |
| Tracking devices | 86,022 | 1,101 | - | 87,123 | 79,720 | 4,133 | (2,948) | 80,905 | 6,218 | 3 |
| Leasehold improvements | 28,743 | 8,719 | - | 37,462 | 20,735 | 6,225 | - | 26,960 | 10,501 | 3 |
| | 754,762 | 12,502 | - | 767,264 | 373,680 | 78,872 | (89,728) | 362,825 | 404,439 | |

7.2.1 This represents the carrying value of one office located at 8th Floor of Askari Tower, Lahore. The total area of the office is 5,460 square feet.

7.2.2 Additions / disposals and depreciation for the three months period ended 31 March 2021 were Rs. 16,433 thousand and 23,456 thousand respectively.

8 INTANGIBLE ASSETS

| | Cost | | | | Depreciation | | Written down value | Useful life (years) | | |
|------------------------------------|-----------------|-------------------------|-------------|-----------------|----------------|---------------------------|--------------------|---------------------|-----------------|---------|
| | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | For the period | (Disposals) / Adjustments | | | Closing balance | |
| Total - 31 March 2022 (unaudited) | | | | | | | | | | |
| Computer software | 5,579 | - | - | 5,579 | 5,348 | 21 | - | 5,369 | 210 | 10 |
| Antivirus | 760 | - | - | 760 | 295 | 63 | - | 359 | 401 | 3 |
| Total - 31 March 2022 (unaudited) | | | | | | | | | 611 | |
| | | | | | | | | | | |
| Total - 31 March 2022 (unaudited) | | | | | | | | | 611 | |
| | | | | | | | | | | |
| Computer software | 5,579 | - | - | 5,579 | 5,265 | 83 | - | 5,348 | 231 | 2 to 10 |
| Antivirus | 760 | - | - | 760 | 42 | 253 | - | 295 | 465 | 3 |
| Total - 31 December 2021 (audited) | | | | | | | | | 696 | |

8.1 Amortization for the three months period ended 31 March 2021 was Rs. 84 thousand.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO., LTD

| | | | | |
|-------------|--|------|--------------------|----------------|
| 9 | INVESTMENT PROPERTY | | | |
| | This represents the carrying amount of two offices in Islamabad Stock Exchange building, classified as investment property based on the management's intention to hold the property for earning rentals and / or capital appreciation. | | | |
| | | | (Unaudited) | (Audited) |
| | | | 31 March | 31 December |
| | | | 2022 | 2021 |
| | | | Rupees in thousand | |
| | Cost | | | |
| | Balance at beginning of the period / year | | 52,400 | 52,400 |
| | Balance at end of the period / year | | 52,400 | 52,400 |
| | Depreciation | | | |
| | Balance at beginning of the period / year | | (14,519) | (13,209) |
| | Depreciation for the period / year | | (328) | (1,310) |
| | Balance at end of the period / year | | (14,847) | (14,519) |
| | | | 37,554 | 37,881 |
| | Useful life (years) | | 40 | 40 |
| | Depreciation for the three months period ended 31 March 2021 was Rs. 327,500. | | | |
| | | | (Unaudited) | (Audited) |
| | | | 31 March | 31 December |
| | | | 2022 | 2021 |
| 10 | INVESTMENT IN SUBSIDIARY | Note | Rupees in thousand | |
| | AskTech (Private) Limited - At cost | 10.1 | 10,000 | 10,000 |
| 10.1 | AskTech (Private) Limited is engaged in establishing, developing, expanding, enhancing, managing and operating information technology services, GPS/GSM based tracking and systems. The Company acquired 100% shareholding in AskTech (Private) Limited in February 2019. The Company holds 99.96% shares of AskTech (Private) Limited whereas the directors nominated by the Company on the Board of Directors of AskTech (Private) Limited hold qualification shares of 0.04%. | | | |
| | | | (Unaudited) | (Audited) |
| | | | 31 March | 31 December |
| | | | 2022 | 2021 |
| 11 | INVESTMENTS IN EQUITY SECURITIES | Note | Rupees in thousand | |
| | Fair value through profit and loss | 11.1 | 690 | 673 |
| | Available-for-sale | 11.2 | 173,482 | 205,859 |
| | Total equity securities | | 174,172 | 206,532 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | 31 March 2022 (unaudited) | | 31 December 2021 (audited) | |
|-----------------------|--|------------------------------|---------------------------|-------------------------------|---------------------------|
| | | Cost | Carrying value | Cost | Carrying value |
| Rupees in thousand | | | | | |
| 11.1 | Fair value through profit and loss | | | | |
| | Mutual funds | 673 | 690 | 654 | 673 |
| | 786 Smart Fund (Dawood Income Fund) | 673 | 690 | 654 | 673 |
| | | | | | |
| | | 2022 | | 2021 | |
| | | Cost | Impairment / provision | Cost | Impairment / provision |
| | | Carrying value | | Carrying value | |
| 11.2 | Available-for-sale | Rupees in thousand | | | |
| | Listed shares | 210,606 | - | 210,606 | 232,161 |
| | Mutual funds - AFS | 2,939 | - | 2,939 | 2,939 |
| | Unrealized (deficit)/surplus on revaluation | | (40,063) | | (29,241) |
| | | 213,545 | - | 173,482 | 235,100 |
| 12 | INVESTMENTS IN DEBT SECURITIES | | | | |
| | | 31 March 2022 (unaudited) | | 31 December 2021 (audited) | |
| | | Cost | Impairment / provision | Cost | Impairment / provision |
| | | Carrying value | | Carrying value | |
| Note | | Rupees in thousand | | | |
| HELD TO MATURITY | | | | | |
| Government Securities | | | | | |
| | Pakistan Investment Bonds | 12.1 | 2,180,353 | - | 2,180,353 |
| | Treasury Bills | 12.2 | 567,802 | - | 567,802 |
| | | | 2,748,155 | - | 2,748,155 |
| | | | 2,296,767 | - | 2,296,767 |
| AVAILABLE-FOR-SALE | | | | | |
| | Term Finance Certificates | 12.3 | 160,000 | - | 160,000 |
| | Sukuks | 12.4 | 87,525 | - | 87,525 |
| | Unrealized surplus on revaluation | | 2,040 | | 1,807 |
| | | | 247,525 | - | 249,565 |
| | | | 260,025 | - | 261,832 |
| LOANS AND RECEIVABLES | | | | | |
| | Certificates of Investments | | 11,128 | (11,128) | - |
| | | | 3,006,808 | (11,128) | 2,997,720 |
| | | | 2,567,920 | (11,128) | 2,558,599 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 | |
|----|--|---------------------------------|----------------------------------|-----------|
| | Note | Rupees in thousand | | |
| 13 | INVESTMENTS IN TERM DEPOSITS | | | |
| | Loans and receivables | | | |
| | Deposits maturing within 12 months | - | - | |
| 14 | INSURANCE / REINSURANCE RECEIVABLES | | | |
| | Due from insurance contract holders | 14.1 | 950,762 | 1,264,483 |
| | Less: provision for impairment of receivables from | | | |
| | insurance contract holders | 14.2 | (10,174) | (10,174) |
| | | | 940,588 | 1,254,309 |
| | Due from other insurers / reinsurers | 14.4 | 168,846 | 186,113 |
| | Less: provision for impairment of receivables from | | | |
| | other insurers / reinsurers | 14.5 | (5,392) | (5,392) |
| | | | 163,454 | 180,721 |
| | | | 1,104,042 | 1,435,030 |
| 15 | OTHER CREDITORS AND ACCRUALS | | | |
| | Agents' commission payable | | 53,523 | 61,256 |
| | Tax deducted at source | | 6,097 | 5,107 |
| | Federal excise duty / federal insurance fee | | 35,197 | 45,949 |
| | Accrued expenses | | 23,595 | 7,002 |
| | Fund received against leased vehicle | | 21,434 | 20,029 |
| | Fund received against vehicle ljarah | | 5,870 | 7,733 |
| | Payable to subsidiary | | - | - |
| | Others | | 33,806 | 38,003 |
| | | | 179,522 | 185,079 |

16 CONTINGENCIES AND COMMITMENTS

There is no change in contingencies and commitments as reported in the annual financial statements of the Company for the year ended 31 December 2021.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | (Unaudited) 31 March 2022 | (Unaudited) 31 March 2021 |
|--|---------------------------------|---------------------------------|
| | Rupees in thousand | |
| 17 NET INSURANCE PREMIUM | | |
| Written gross premium | 921,737 | 644,029 |
| Add: Unearned premium reserve opening | 1,719,511 | 1,493,846 |
| Less: Unearned premium reserve closing | 1,674,816 | 1,384,184 |
| Premium earned | 966,432 | 753,691 |
| Less: Reinsurance premium ceded | 344,461 | 175,978 |
| Add: Prepaid reinsurance premium opening | 559,058 | 443,281 |
| Less: Prepaid reinsurance premium closing | 515,888 | 423,055 |
| Reinsurance expense | 387,630 | 196,204 |
| | 578,802 | 557,487 |
| 18 NET INSURANCE CLAIMS | | |
| Claims paid | 464,819 | 422,974 |
| Add: Outstanding claims including IBNR closing | 651,395 | 746,840 |
| Less: Outstanding claims including IBNR opening | 639,160 | 735,247 |
| Claims expense | 477,054 | 434,567 |
| Less: Reinsurance and other recoveries received | 91,117 | 44,902 |
| Add: Reinsurance and other recoveries in respect of outstanding claims closing | 263,859 | 403,669 |
| Less: Reinsurance and other recoveries in respect of outstanding claims opening | 245,465 | 381,046 |
| Reinsurance and other recoveries revenue | 109,511 | 67,525 |
| | 367,543 | 367,042 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | (Unaudited) | (Audited) |
|---|--------------------|---------------|
| | 31 March | 31 December |
| | 2022 | 2021 |
| | Rupees in thousand | |
| 19 NET COMMISSION AND OTHER ACQUISITION COSTS | | |
| Commission paid or payable | 62,422 | 51,880 |
| Add: Deferred commission expense opening | 102,363 | 118,575 |
| Less: Deferred commission expense closing | 107,882 | 108,758 |
| Net commission | 56,904 | 61,697 |
| Less: Commission received or recoverable | 51,077 | 58,835 |
| Add: Unearned reinsurance commission opening | 97,068 | 86,896 |
| Less: Unearned reinsurance commission closing | 83,840 | 80,849 |
| Commission from reinsurers | 64,305 | 64,882 |
| | (7,401) | (3,185) |
| 20 INVESTMENT INCOME | 2022 | 2021 |
| | Rupees in thousand | |
| Dividend income on investments | | |
| Dividend income on securities held for trading | 3,897 | 6,847 |
| Dividend income on available for sale investments | - | - |
| | 3,897 | 6,847 |
| Income from debt securities | | |
| Return on government securities | 60,576 | 42,782 |
| Return on other fixed income securities | 7,206 | 6,237 |
| | 67,782 | 49,019 |
| Net realised gains on investments | | |
| Gain on trading of held for trading investments | 854 | - |
| Gain on sale of available-for-sale investments | 1,559 | 4,433 |
| | 2,413 | 4,433 |
| Unrealized profit on re-measurement of investments held for trading | 17 | 7 |
| Reversal of diminution in available-for-sale investments | - | - |
| Investment related expenses | (23) | (10) |
| Total investment income | 74,085 | 60,295 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | 2022 | 2021 |
|--|-------------|--------|
| 21 EARNINGS PER SHARE | | |
| Profit after tax (Rupees in thousand) | 92,373 | 79,437 |
| Weighted average number of shares | 71,902 | 71,902 |
| Earnings (after tax) per share - (Rupees) | 1.28 | 1.10 |

22 RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Army Welfare Trust ("the parent company") therefore all subsidiaries and associated undertakings of the parent company are related parties of the Company. Other related parties comprise directors, key management personnel, entities with common directorships and entities over which the directors are able to exercise influence. Balances and transactions with related parties are as follows:

| | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|--|---------------------------------|----------------------------------|
| | Rupees in thousand | |
| Receivable from parent: | | |
| Balance at beginning of the year | 2,611 | 1,639 |
| Insurance premium written (including government levies, administrative surcharge and policies stamps) | 238 | 10,776 |
| Premium received during the year | (2,408) | (9,804) |
| Balance at end of the year | 441 | 2,611 |
| Payable to subsidiary: | | |
| Balance at beginning of the year | (599) | 13,297 |
| Services acquired | 13,631 | 50,327 |
| Paid during the year | (9,678) | (64,223) |
| Balance at end of the year | 3,355 | (599) |
| Receivable from associated undertakings: | | |
| Balance at beginning of the year | 78,077 | 69,079 |
| Insurance premium written (including government levies, administrative surcharge and policies stamps) | 18,126 | 138,281 |
| Premium received during the year | (42,393) | (129,289) |
| Balance at end of the year | 53,810 | 78,077 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| Transactions during the period: | (Unaudited) | |
|---|---------------------------|--------|
| | Quarter ended 31 March | |
| | 2022 | 2021 |
| Transactions with the parent company: | Rupees in thousand | |
| Insurance premium written (including government levies administrative surcharge and policies stamps) | 238 | 696 |
| Premium received during the period | 2,408 | 671 |
| Insurance claims paid | 410 | 248 |
| Rent paid | 7,326 | 6,142 |
| Transactions with subsidiary: | | |
| Investment made | - | - |
| Services acquired | 13,631 | 7,314 |
| Payments made | (9,678) | 20,351 |
| Transactions with associated undertakings: | | |
| Insurance premium written (including government levies administrative surcharge and policies stamps) | 18,126 | 12,057 |
| Premium received during the period | 42,393 | 31,058 |
| Insurance claims paid | 5,779 | 4,416 |
| Contribution to staff retirement benefit funds | 10,519 | 9,829 |
| Remuneration of chief executive, directors and executives | 20,979 | 17,666 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

FAIRVALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

| | 31 March 2022 (unaudited) | | | | | |
|---|---------------------------|------------------|-----------------------|-----------------------------|-----------|--------------------|
| Held-for-trading | Available-for-sale | Held-to-maturity | Loans and receivables | Other financial liabilities | Total | Level 1 Level 2 |
| Rupees in thousand | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment at fair value through profit and loss | 690 | - | - | - | 690 | 690 |
| Investment at fair value through other comprehensive income | - | 173,482 | - | - | 173,482 | 121,442 52,040 |
| Financial assets not measured at fair value | | | | | | |
| Investments | | | | | | |
| - Government securities | - | 2,748,155 | - | - | 2,748,155 | - |
| - Fixed term deposits | - | 249,565 | - | - | 249,565 | - |
| Loans to employees | - | - | 121 | - | 121 | - |
| Accrued investment income* | - | - | 60,106 | - | 60,106 | - |
| Staff house building finance | - | - | 3,995 | - | 3,995 | - |
| Sundry receivables* | - | - | 153,130 | - | 153,130 | - |
| Amounts due from insurance contract holders* | - | - | 940,588 | - | 940,588 | - |
| Amounts due from other insurers / reinsurers* | - | - | 163,454 | - | 163,454 | - |
| Reinsurance recoveries against outstanding claims* | - | - | 263,859 | - | 263,859 | - |
| Salvage recoveries accrued* | - | - | 3,769 | - | 3,769 | - |
| Cash and bank deposits* | - | - | 191,411 | - | 191,411 | - |
| Total assets of Window Takatuf Operations - OPF | - | - | 353,799 | - | 353,799 | - |
| Financial liabilities not measured at fair value | | | | | | |
| Provision for outstanding claims (including IBNR)* | - | - | - | 651,395 | 651,395 | - |
| Lease liabilities | - | - | - | 208,965 | 208,965 | - |
| Premium received in advance | - | - | - | 30,015 | 30,015 | - |
| Amounts due to other insurers / reinsurers* | - | - | - | 961,985 | 961,985 | - |
| Unclaimed dividend* | - | - | - | 7,967 | 7,967 | - |
| Accrued expenses* | - | - | - | 23,595 | 23,595 | - |
| Other creditors and accruals* | - | - | - | 155,921 | 155,921 | - |
| Deposits and other payables* | - | - | - | 43,554 | 43,554 | - |
| Total liabilities of Window Takatuf Operations - OPF | - | - | - | 111,622 | 111,622 | - |
| 690 | 423,047 | 2,748,155 | 2,134,232 | 2,195,019 | 7,501,143 | 122,132 52,040 |

ASKARI INSURANCE CO. LTD

The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value. The fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

24 SEGMENT INFORMATION

24.1 Segment Profit and loss

| | Fire and property damage | | Marine, aviation and transport | | Motor | | Accident and health | | Miscellaneous | | Total | |
|---|-------------------------------|-------------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 |
| | Rupees in thousand | | | | | | | | | | | |
| Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge) | 112,593 | 103,326 | 78,410 | 48,861 | 306,396 | 263,636 | 241,830 | 165,065 | 271,396 | 133,159 | 1,010,625 | 714,047 |
| Less: Federal Excise Duty | 19,072 | 13,583 | 7,850 | 5,572 | 41,503 | 35,777 | - | - | 8,068 | 6,444 | 76,493 | 61,376 |
| Federal Insurance Fee | 1,220 | 870 | 660 | 418 | 2,624 | 2,264 | 2,342 | 1,643 | 2,625 | 1,251 | 9,471 | 6,446 |
| Stamp Duty | 59 | 9 | 2,556 | 1,735 | 249 | 32 | 2 | 3 | 57 | 50 | 2,923 | 1,829 |
| Gross written premium (inclusive of administrative surcharge) | 92,241 | 88,864 | 67,344 | 41,136 | 262,021 | 225,563 | 239,486 | 163,419 | 260,645 | 125,414 | 921,737 | 644,396 |
| Gross premium | 90,176 | 86,748 | 65,810 | 39,491 | 251,858 | 217,714 | 238,193 | 162,198 | 258,492 | 123,944 | 904,527 | 630,095 |
| Administrative surcharge | 1,448 | 1,379 | 2,161 | 1,683 | 10,188 | 7,862 | 240 | 235 | 1,900 | 1,895 | 15,937 | 13,074 |
| Facultative inward premium | 1,830 | 1,412 | - | - | - | - | - | - | 318 | - | 2,148 | 1,412 |
| Service charges | (1,213) | (675) | (627) | (38) | (25) | (33) | 1,053 | 986 | (64) | (425) | (876) | (185) |
| Insurance premium earned | 134,383 | 111,057 | 60,827 | 55,949 | 247,220 | 207,014 | 267,162 | 249,128 | 256,841 | 130,543 | 966,433 | 753,691 |
| Insurance premium ceded to reinsurers | (119,516) | (97,147) | (43,991) | (38,086) | (18,631) | (7,868) | (20,862) | 17,636 | (184,629) | (70,739) | (387,629) | (196,204) |
| Net insurance premium | 14,866 | 13,910 | 16,836 | 17,863 | 228,588 | 199,146 | 246,299 | 266,764 | 72,212 | 59,804 | 578,801 | 557,487 |
| Commission income | 18,484 | 39,158 | 14,377 | 11,827 | 848 | 797 | 3,338 | (2,836) | 27,258 | 15,936 | 64,305 | 64,882 |
| Net underwriting income | 33,351 | 53,068 | 31,213 | 29,690 | 229,436 | 199,943 | 249,637 | 263,928 | 99,470 | 75,740 | 643,107 | 622,369 |
| Insurance claims | (61,726) | (46,575) | (10,664) | (37,541) | (140,053) | (87,344) | (230,357) | (213,117) | (34,253) | (49,989) | (477,053) | (434,566) |
| Insurance claims recovered | 55,478 | 31,310 | 8,314 | 26,202 | 787 | (4,790) | 23,367 | (20,699) | 21,563 | 35,502 | 109,509 | 67,525 |
| Net claims | (6,248) | (15,265) | (2,350) | (11,339) | (139,265) | (92,134) | (206,990) | (233,816) | (12,690) | (14,487) | (367,543) | (367,041) |
| Commission expense | (15,785) | (12,450) | (10,225) | (9,696) | (8,161) | (11,574) | (5,901) | (9,250) | (16,833) | (18,729) | (56,905) | (61,699) |
| Management expense | (7,320) | (3,601) | (8,290) | (4,624) | (122,946) | (61,067) | (6,217) | (69,062) | (35,555) | (15,483) | (180,328) | (153,837) |
| Underwriting results | 3,998 | 21,752 | 10,348 | 4,031 | (40,936) | 35,168 | 30,530 | (48,200) | 34,392 | 27,041 | 38,332 | 39,792 |
| Investment income | | | | | | | | | | | 74,085 | 60,295 |
| Rental income | | | | | | | | | | | 1,458 | 746 |
| Other income | | | | | | | | | | | 6,420 | 3,950 |
| Finance costs | | | | | | | | | | | (6,759) | (4,096) |
| Other expenses | | | | | | | | | | | (1,731) | (1,828) |
| Profit before tax from Window Takaful Operations - OPF | | | | | | | | | | | 111,806 | 98,860 |
| Profit before tax | | | | | | | | | | | 18,345 | 13,093 |
| | | | | | | | | | | | 130,151 | 111,953 |

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

24.2 Segment Assets and Liabilities

| | Fire and property damage | | Marine, aviation and transport | | Motor | | Accident and health | | Miscellaneous | | Total | |
|--|-------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
| | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 |
| | Rupees in thousand | | | | | | | | | | | |
| Corporate Segment assets - Conventional | 378,906 | 384,026 | 155,893 | 178,488 | 642,303 | 793,417 | 687,023 | 843,231 | 522,324 | 550,963 | 2,386,449 | 2,750,125 |
| Corporate Segment assets - Takatful OPF | 19,352 | 17,097 | 9,898 | 8,106 | 32,274 | 30,674 | 2,557 | 3,410 | 4,422 | 4,825 | 68,503 | 64,112 |
| Corporate unallocated assets - Conventional | | | | | | | | | | | 3,695,954 | 3,205,783 |
| Corporate unallocated assets - Takatful OPF | | | | | | | | | | | 285,296 | 267,078 |
| Consolidated total assets | | | | | | | | | | | 6,436,201 | 6,287,100 |
| Corporate Segment liabilities - Conventional | 428,604 | 432,384 | 188,890 | 199,253 | 1,088,614 | 1,033,615 | 1,172,924 | 1,181,460 | 652,990 | 635,675 | 3,532,022 | 3,482,387 |
| Corporate Segment liabilities - Takatful OPF | 19,262 | 19,944 | 8,743 | 9,090 | 53,420 | 52,446 | 2,559 | 3,148 | 5,211 | 5,222 | 89,195 | 89,850 |
| Corporate unallocated Segment liabilities - Conventional | | | | | | | | | | | 391,996 | 385,464 |
| Corporate unallocated Segment liabilities - Takatful OPF | | | | | | | | | | | 22,424 | 13,073 |
| Consolidated total liabilities | | | | | | | | | | | 4,035,637 | 3,970,773 |

25 DATE OF AUTHORIZATION FOR ISSUE

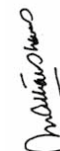
This unconsolidated condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 28 April 2022.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

DIRECTORS' REPORT

On Consolidated interim financial information

For the three months period ended 31 March 2022

1st Quarter Report 2022

The Board of Directors are pleased to present the un-audited condensed interim financial information of askari general insurance company limited (the Company) for the three months period ended March 31, 2022.

A comparison of Key Performance Indicators (KPIs) is as follows;

| | 31st March | |
|---|-----------------------|---------|
| | 2022 | 2021 |
| | (Rupees in Thousands) | |
| Gross premium written (Inclusive of Takaful Contribution) | 1,035,438 | 736,491 |
| Net premium revenue | 578,802 | 557,487 |
| Underwriting profit | 39,105 | 40,417 |
| Investment and other income | 82,090 | 65,529 |
| Profit before tax | 131,040 | 113,120 |
| Profit after tax | 93,005 | 80,265 |
| Earnings per share (Rs.) | 1.29 | 1.12 |

In comparison with corresponding period, there was an increase in Gross premium written of 41%. Investment and other income increased by 25% and Profit after tax and Earnings per share are increased by 16%.

Window Takaful Operations

Gross premium written includes Takaful contribution of Rs. 113.7 million in the period ended 31 March 2022, while the same was Rs. 92.5 million in the similar period of 2021. Profit before tax contains

Rs. 18.3 million profit before tax of window Takaful operations in the period ended 31 March 2022, while the same was Rs. 13 million in the similar period of 2021.

Future outlook

With challenges looming around economic and political environment in Pakistan, business development in current scenario remains challenging. A vigilant approach will be adopted to cater the business risks. We strive to maintain a balance between growth, profitability, and liquidity.

Acknowledgements

We would like to take this opportunity to thank our Regulators, the Insurance Association of Pakistan, for their continued support, and our valued reinsurers and other stakeholders for their trust and confidence in us.

For and on Behalf of the Board

Abdul Waheed

President & Chief Executive

Lt Gen Naveed Mukhtar (Retd)

Chairman – Board of Directors

Rawalpindi

April 28, 2022

ڈائریکٹرز کا جائزہ

31 مارچ 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے مربوط عبوری مالیاتی معلومات پر

ASKARI INSURANCE CO., LTD

بورڈ آف ڈائریکٹرز کو 31 مارچ 2022 کو ختم ہونے والی تین ماہ کی مدت کے لیے عسکری جنرل انشورنس کمپنی لمیٹڈ (کمپنی) کی غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی معلومات پیش کرنے پر خوشی ہے۔

کلیدی پر فارمنس انڈیکٹرز (KPIs) کا موازنہ حسب ذیل ہے۔

| 31 مارچ | | |
|-----------------|-----------|---|
| 2021ء | 2022ء | |
| روپے ہزاروں میں | | |
| 736,491 | 1,035,438 | مجموعی تحریری پر بیمہ (بشمول ٹکافل شراکت) |
| 557,487 | 578,802 | خالص پر بیمہ آمدنی |
| 40,417 | 39,105 | انڈر رائٹنگ منافع |
| 65,529 | 82,090 | مایدہ کاری اور دیگر آمدنی |
| 113,120 | 131,040 | منافع قبل از محصول |
| 80,265 | 93,005 | منافع بعد از محصول |
| 1.12 | 1.29 | شیئر آمدنی (روپے) |

اسی مدت کے مقابلے میں، مجموعی پر بیمہ میں 41% کا اضافہ ہوا ہے۔ سرمایہ کاری اور دیگر آمدنی میں 25% اضافہ ہوا ہے اور ٹیکس کے بعد منافع اور فی حصص آمدنی میں 16% اضافہ ہوا ہے۔

ونڈو ٹکافل آپریشنز

31 مارچ 2022 کو ختم ہونے والی مدت میں مجموعی تحریری پر بیمہ میں 113.7 ملین روپے کا ٹکافل شراکت شامل ہے، جبکہ 2021 کی اسی مدت میں یہی 92.5 ملین روپے تھا۔ 31 مارچ 2022 کو ختم ہونے والی مدت میں ونڈو ٹکافل آپریشنز کا ٹیکس سے پہلے کا منافع 18.3 ملین روپے قبل از محصول پر مشتمل ہے، جبکہ 2021 کی اسی مدت میں یہی 13 ملین روپے تھا۔

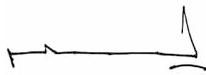
مستقبل کا منظر نامہ

پاکستان میں اقتصادی اور سیاسی ماحول میں چیلنجز کے ساتھ، موجودہ منظر نامے میں کاروباری ترقی بدستور چیلنجنگ ہے۔ کاروباری خطرات سے نمٹنے کے لیے چوکس رویہ اپنایا جائے گا۔ ہم ترقی، منافع اور لیکویڈیٹی کے درمیان توازن برقرار رکھنے کی کوشش کرتے ہیں۔

اعترافات

ہم اس موقع پر اپنے ریگولیٹرز، انشورنس ایسوسی ایشن آف پاکستان، ان کی مسلسل حمایت کے لیے، اور ہمارے قابل قدر ری بیمہ کنندگان اور دیگر اسٹیک ہولڈرز کا ہم پر بھروسہ اور اعتماد کے لیے شکریہ ادا کرنا چاہیں گے۔

بورڈ کی جگہ اور بورڈ کی نیابت سے:



لیفٹیننٹ جنرل نوید مختار (ر)

چیئرمین - بورڈ آف ڈائریکٹرز



جناب عبدالوحید

صدر و چیف ایگزیکٹو

راڈ پینڈی

28 اپریل 2022ء

1st Quarter Report 2022

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| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|---|------|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to Company's equity holders | | | |
| Ordinary share capital | | 719,019 | 719,019 |
| Share premium | | 121,161 | 121,161 |
| Reserves | | 43,609 | 51,113 |
| Unappropriated profit | | 1,517,617 | 1,425,243 |
| Total Equity | | 2,401,406 | 2,316,537 |
| Liabilities | | | |
| Underwriting Provisions | | | |
| - Outstanding claims including IBNR | 17 | 651,395 | 639,160 |
| - Unearned premium reserves | 16 | 1,674,816 | 1,719,511 |
| - Unearned reinsurance commission | 18 | 83,840 | 97,068 |
| Retirement benefit obligations | | 42,230 | 40,109 |
| Staff compensated absences | | 39,725 | 38,633 |
| Liabilities against assets subject to finance lease - secured | | 208,965 | 213,106 |
| Taxation - provision less payment | | - | - |
| Premium received in advance | | 30,015 | 47,598 |
| Insurance / Reinsurance payables | | 961,985 | 833,479 |
| Unclaimed dividends | | 7,967 | 10,971 |
| Other creditors and accruals | 15 | 194,583 | 202,887 |
| Deposits and other payables | | 43,554 | 43,137 |
| Total Liabilities | | 3,939,075 | 3,885,659 |
| Total liabilities from Window Takaful Operations - OPF | | 111,622 | 102,923 |
| Total Equity and Liabilities | | 6,452,103 | 6,305,119 |
| Contingencies and commitments | 15 | | |

The annexed notes 1 to 24 form an integral part of this consolidated condensed interim financial information.

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | Quarter ended 31 March | |
|---|------|------------------------|----------------|
| | | 2022 | 2021 |
| | Note | Rupees in thousand | |
| Net insurance premium | 16 | 578,802 | 557,487 |
| Net insurance claims | 17 | (367,543) | (367,042) |
| Net commission and other acquisition costs | 18 | 7,401 | 3,185 |
| Insurance claims and acquisition expenses | | (360,142) | (363,857) |
| Management expenses | | (179,555) | (153,213) |
| Underwriting results | | 39,105 | 40,417 |
| Investment income | 19 | 74,085 | 60,295 |
| Rental income | | 1,458 | 746 |
| Other income | | 6,547 | 4,488 |
| Other expenses | | (1,731) | (1,828) |
| Results of operating activities | | 119,464 | 104,118 |
| Finance costs | | (6,769) | (4,091) |
| Profit before tax from General Operations | | 112,695 | 100,027 |
| Profit before tax from Window Takaful Operations - OPF | | 18,345 | 13,093 |
| Profit before tax | | 131,040 | 113,120 |
| Income tax expense | | (38,035) | (32,854) |
| Profit after tax | | 93,005 | 80,265 |
| Other comprehensive income: | | | |
| Items that will be reclassified subsequently | | | |
| to profit and loss account: | | | |
| Unrealised (loss) / gain on available for sale | | | |
| investments - net | | (7,519) | (11,859) |
| Unrealized gain / (loss) on available for sale investments | | | |
| from Window Takaful Operations - OPF (net) | | 15 | (53) |
| | | (7,504) | (11,912) |
| Total comprehensive income for the period | | 85,501 | 68,353 |
| Earnings (after tax) per share - Rupees | 20 | 1.29 | 1.12 |

The annexed notes 1 to 24 form an integral part of this consolidated condensed interim financial information.



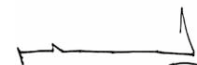
Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | 2022 | 2021 |
|--|--------------------|-----------------|
| | Rupees in thousand | |
| Operating cash flows | | |
| a) Underwriting activities: | | |
| Premium received | 1,267,709 | 782,861 |
| Reinsurance premium paid | (208,807) | (177,270) |
| Claims paid | (464,819) | (422,975) |
| Reinsurance and other recoveries received | 59,262 | 79,831 |
| Commission paid | (63,314) | (57,169) |
| Commission received | 42,860 | 24,225 |
| Management expenses paid | (167,320) | (152,318) |
| Net cash flows (used in) / generated from underwriting activities | 465,571 | 77,185 |
| b) Other operating activities: | | |
| Income tax paid | (47,281) | (38,237) |
| Other expenses paid | (1,483) | (1,580) |
| Other operating receipts / (payments) | (53,905) | (14,662) |
| Advances to employees | 236 | 39 |
| Net cash used in other operating activities | (102,433) | (54,440) |
| Total cash flow generated from all operating activities | 363,138 | 22,745 |
| Investing activities: | | |
| Profit / return received | 59,476 | 65,988 |
| Dividends received | 526 | 699 |
| Payments for investments | (1,012,981) | (2,326,205) |
| Proceeds from investments | 605,657 | 2,274,426 |
| Fixed capital expenditure | (2,195) | (8,414) |
| Proceeds from disposal of fixed assets | 50 | 375 |
| Total cash used in investing activities | (349,467) | 6,869 |
| Financing activities: | | |
| Financial charges paid | (6,769) | (4,091) |
| Repayment of obligation under finance lease | (12,086) | (6,342) |
| Dividend paid | (3,004) | (73) |
| Staff house building finance - net | 18 | 32 |
| Mark-up on staff house building finance received | 45 | 52 |
| Total cash used in financing activities | (21,796) | (10,422) |
| Net cash used in all activities | (8,125) | 19,192 |
| Cash and cash equivalents at beginning of the period | 201,374 | 232,782 |
| Cash and cash equivalents at end of the period | 193,249 | 251,974 |

The annexed notes 1 to 24 form an integral part of this consolidated condensed interim financial information.

Suleman Khalid
Chief Financial Officer

Abdul Waheed
President & Chief Executive

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | 2022 | 2021 |
|--|--------------------|---------------|
| | Rupees in thousand | |
| Reconciliation to Profit and Loss Account | | |
| Operating cash flows | 363,138 | 22,745 |
| Depreciation expense | (25,406) | (22,198) |
| Financial charges | (6,769) | (4,091) |
| Gain on disposal of fixed assets | 20 | 4 |
| Decrease in assets other than cash | (259,724) | (98,278) |
| Decrease in liabilities other than running finance | (84,878) | 100,026 |
| Unrealized gain on investments - held for trading | 17 | 7 |
| Dividend income | 3,897 | 6,847 |
| Investment income | 69,318 | 53,441 |
| Profit on bank deposits | 4,948 | 3,286 |
| Income tax provision | (38,035) | (32,854) |
| Gain on trading | 854 | - |
| Tax paid | 47,281 | 38,237 |
| Profit after taxation from General Insurance Operations | 74,660 | 67,172 |
| Profit from Window Takaful Operations - OPF | 18,345 | 13,093 |
| Profit after taxation | 93,005 | 80,265 |

Definition of cash :

Cash comprises cash in hand, bank balances, stamp in hand and short term placements with banks which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

| | 2022 | 2021 |
|--|--------------------|----------------|
| Cash for the purpose of cash flow statement consists of: | Rupees in thousand | |
| Cash and other equivalents | | |
| Cash in hand | 1,749 | 1,643 |
| Stamp in hand | 870 | 531 |
| | 2,619 | 2,174 |
| Current and other accounts | | |
| Current accounts | 42,143 | 97,930 |
| Deposit accounts | 148,487 | 151,870 |
| | 190,630 | 249,800 |
| Total | 193,249 | 251,974 |

The annexed notes 1 to 24 form an integral part of this consolidated condensed interim financial information.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | Share capital | Reserves | | | | Total reserves | Total equity |
|---|--------------------------------|-----------------|-----------------|---|-------------------|----------------|--------------|
| | Issued, subscribed and paid up | Capital reserve | Revenue reserve | | | | |
| | | Share premium | General reserve | Available for sale investment revaluation reserve | Retained earnings | | |
| Rupees in thousand | | | | | | | |
| Balance as at 01 January 2021 | 719,019 | 121,161 | 70,000 | 339 | 1,054,211 | 1,245,711 | 1,964,730 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | 80,265 | 80,265 | 80,265 |
| Other comprehensive income for the period | - | - | - | (11,912) | - | (11,912) | (11,912) |
| Total comprehensive income for the period | - | - | - | (11,912) | 80,265 | 68,353 | 68,353 |
| Balance as at 31 March 2021 | 719,019 | 121,161 | 70,000 | (11,573) | 1,348,669 | 1,530,943 | 2,249,962 |
| Balance as at 01 January 2022 | | | | | | | |
| Balance as at 01 January 2022 | 719,019 | 121,161 | 70,000 | (18,887) | 1,424,612 | 1,596,886 | 2,315,905 |
| Total comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | - | 93,005 | 93,005 | 93,005 |
| Other comprehensive loss for the period | - | - | - | (7,504) | - | (7,504) | (7,504) |
| Total comprehensive income for the period | - | - | - | (7,504) | 93,005 | 85,501 | 85,501 |
| Balance as at 31 March 2022 | | | | | | | |
| Balance as at 31 March 2022 | 719,019 | 121,161 | 70,000 | (26,391) | 1,517,617 | 1,682,387 | 2,401,406 |

The annexed notes 1 to 24 form an integral part of this consolidated condensed interim financial information.



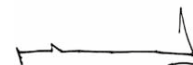
Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

The group consists of:

Holding Company

Askari General Insurance Company Limited

Subsidiary Company

AskTech (Private) Limited

Askari General Insurance Company Limited (Holding Company)

Askari general insurance company limited ("the Company") was incorporated under the Companies Ordinance, 1984 as a public limited company on 12 April 1995. The Company is engaged in non-life insurance business comprising of fire, marine, motor, health and miscellaneous. The Company commenced its commercial operations on 15 October 1995. Shares of the Company are quoted on Pakistan Stock Exchange Limited. The registered office and principal place of business of the Company is located at AWT Plaza, Rawalpindi. The Company has 20 branches in Pakistan. The Company is a subsidiary of Army Welfare Trust.

The Company was granted license to work as Window Takaful Operator (WTO) dated August 10, 2015 by the Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on Window Takaful Operations in Pakistan.

AskTech (Private) Limited (Subsidiary Company)

AskTech (Private) Limited was incorporated in Pakistan on 17 December 2018 as a private limited company under the Companies Act, 2017. AskTech (Private) Limited was acquired by Askari General Insurance Company Limited as a wholly owned subsidiary on 01 February 2019. The subsidiary company is engaged in establishing, developing, expanding, enhancing, managing and operating information technology services, GPS/GSM based tracking and systems utilizing the capture, storage, processing, transmission or reception of messages and signals. Pakistan Telecommunication Authority {"PTA"} has issued License to establish, maintain and operate Data Class Value Added services in Pakistan on August 08 2019 and Commencement Certificate on November 07, 2019. The registered office and principal place of business of the subsidiary company is located at 1st Floor, Ferozsons Building, Harding Road, Saddar, Rawalpindi.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017 shall prevail."

This consolidated condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2021. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2021 whereas comparative for condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, are stated from unaudited condensed interim financial information for the three months period ended 31 March 2021.

Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in this condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated 9 July 2015.

A separate set of financial statements of Window Takaful Operations has been reported which is annexed to this condensed interim financial information as per the requirements of the SECP Takaful Rules, 2012.

In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 and General Takaful Accounting Regulation, 2019 shall prevail.

2.1 Basis of measurement

This consolidated condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments which are carried at their fair values and obligations under certain employee benefits which are measured at their present values. Figures have been rounded off to the nearest rupees in thousand.

2.2 Functional and presentation currency

This consolidated condensed interim financial information is presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation including judgements and estimates used in measurement of fair values for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 31 December 2021.

4 FINANCIAL RISK MANAGEMENT

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

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated condensed interim financial information, the significant judgement 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 the financial statements for the year ended 31 December 2021.

6 PREMIUM DEFICIENCY RESERVE

During the period, management has reviewed the results of each class of business and considers that no additional reserve is required to be created as the unearned premium reserve for each class of business as at the period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of the policies in force at the balance sheet date.

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|--------------------------|--|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| 7 | PROPERTY AND EQUIPMENT | | |
| Capital work-in-progress | 7.1 | 3,364 | 4,353 |
| Operating assets | 7.2 | 405,825 | 414,617 |
| | | 409,189 | 418,970 |
| 7.1 | Movement in Capital work-in-progress is as follows: | | |
| Opening balance | | 4,353 | 1,724 |
| Additions | | - | 9,914 |
| Transfers | | (989) | (7,285) |
| Closing balance | | 3,364 | 4,353 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

7.2 Operating assets

| 7.2 | Operating assets | Note | Rupees in thousand | | | | | | | | | |
|---------------------------|---|-------|--------------------|-------------------------|-------------|-----------------|-----------------|----------------|--------------------|---------------------|---------------------------|-----------------|
| | | | Cost | | | Depreciation | | | Written down value | Useful life (years) | | |
| | | | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | Opening balance | For the period | | | (Disposals) / Adjustments | Closing balance |
| 31 March 2022 (unaudited) | | | | | | | | | | | | |
| | Building | 7.2.1 | 146,412 | - | - | 146,412 | 10,988 | 915 | - | 11,903 | 134,509 | 40 |
| | Furniture and fixtures | | 28,719 | 311 | - | 29,030 | 23,205 | 757 | (8) | 23,955 | 5,075 | 5 |
| | Computers and office equipment | | 78,534 | 2,048 | - | 80,582 | 69,068 | 1,613 | (213) | 70,468 | 10,114 | 3 |
| | Motor vehicles (Owned) | | 24,506 | 99 | - | 24,605 | 16,581 | 917 | - | 17,498 | 7,106 | 5 |
| | Right of use assets - Motor vehicles | | 180,786 | 7,945 | - | 188,730 | 76,263 | 8,608 | - | 84,871 | 103,860 | 5 |
| | Right of use assets - Rental properties | | 188,618 | - | - | 188,618 | 62,512 | 8,408 | - | 70,920 | 117,698 | 1 to 20 |
| | Tracking devices | | 98,681 | 5,511 | - | 104,192 | 83,524 | 2,256 | (40) | 85,741 | 18,451 | 3 |
| | Leasehold improvements | | 37,462 | - | - | 37,462 | 26,960 | 1,491 | - | 28,451 | 9,011 | 3 |
| | | | 783,718 | 15,914 | - | 799,631 | 369,101 | 24,966 | (261) | 393,807 | 405,824 | |

| Rupees in thousand | | | | | | | | | | |
|---|-----------------|-------------------------|-------------|-----------------|-----------------|----------------|---------------------------|--------------------|---------------------|-----------------|
| | Cost | | | | Depreciation | | | Written down value | Useful life (years) | |
| | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | Opening balance | For the period | (Disposals) / Adjustments | | | Closing balance |
| | | | | | | | | | | |
| 31 December 2021 (audited) | | | | | | | | | | |
| Building | 142,602 | 3,810 | - | 146,412 | 7,367 | 3,621 | - | 10,988 | 135,424 | 40 |
| Furniture and fixtures | 28,540 | 179 | - | 28,719 | 20,760 | 2,964 | (519) | 23,205 | 5,514 | 5 |
| Computers and office equipment | 75,786 | 2,749 | - | 78,534 | 64,109 | 7,449 | (2,490) | 69,068 | 9,466 | 3 |
| Motor vehicles (Owned) | 23,124 | 1,382 | - | 24,506 | 14,730 | 3,846 | (1,996) | 16,581 | 7,925 | 5 |
| Right of use assets - Motor vehicles | 153,653 | 27,133 | - | 180,786 | 87,811 | 28,277 | (39,826) | 76,263 | 104,523 | 5 |
| Right of use assets - Rental properties | 220,478 | (31,860) | - | 188,618 | 81,570 | 23,213 | (42,271) | 62,512 | 126,106 | 1 to 9 |
| Tracking devices | 87,104 | 11,577 | - | 98,681 | 79,823 | 5,840 | (2,138) | 83,524 | 15,157 | 3 |
| Leasehold improvements | 28,743 | 8,719 | - | 37,462 | 20,735 | 6,225 | - | 26,960 | 10,501 | 3 |
| | 760,030 | 23,689 | - | 783,718 | 376,905 | 81,435 | (89,240) | 369,101 | 414,617 | |

7.2.1 This represents the carrying value of one office located at 8th Floor of Askari Tower, Lahore. The total area of the office is 5,460 square feet.

7.2.2 Additions / disposals and depreciation for the three months period ended 31 March 2021 were Rs. 19,132 thousand and 23,800 thousand respectively.

8 INTANGIBLE ASSETS

| 3 | INTANGIBLE ASSETS | Rupees in thousand | | | | | | | | | |
|---|---|--------------------|-------------------------|-------------|-----------------|-----------------|--------------------|---------------------|----------------|---------------------------|-----------------|
| | | Cost | | | Amortization | | Written down value | Useful life (years) | | | |
| | | Opening balance | Additions / (Disposals) | Adjustments | Closing balance | Opening balance | | | For the period | (Disposals) / Adjustments | Closing balance |
| | Computer software | 5,579 | - | - | 5,579 | 5,348 | 21 | - | 5,369 | 210 | 2 to 10 |
| | Antivirus | 760 | - | - | 760 | 295 | 63 | - | 359 | 401 | 3 |
| | Total - 31 March 2022 (unaudited) | 6,339 | - | - | 6,339 | 5,643 | 84 | - | 5,728 | 611 | |
| | | | | | | | | | | | |
| | Computer software | 5,579 | - | - | 5,579 | 5,265 | 83 | - | 5,348 | 231 | 2 to 10 |
| | Antivirus | 760 | - | - | 760 | 42 | 253 | - | 295 | 465 | 3 |
| | Total - 31 December 2021 (audited) | 6,339 | - | - | 6,339 | 5,307 | 336 | - | 5,643 | 696 | |

8.1 Amortization for the three months period ended 31 March 2021 was Rs. 84 thousand.

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

9 INVESTMENT PROPERTY

This represents the carrying amount of two offices in Islamabad Stock Exchange building, classified as investment property based on the management's intention to hold the property for earning rentals and / or capital appreciation.

| | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|---|---------------------------------|----------------------------------|
| | Rupees in thousand | |
| Cost | | |
| Balance at beginning of the period / year | 52,400 | 52,400 |
| Balance at end of the period / year | 52,400 | 52,400 |
| Depreciation | | |
| Balance at beginning of the period / year | (14,519) | (13,209) |
| Depreciation for the period / year | (328) | (1,310) |
| Balance at end of the period / year | (14,847) | (14,519) |
| | 37,554 | 37,881 |
| Useful life (years) | 40 | 40 |

Depreciation for the three months period ended 31 March 2021 was Rs. 327,500.

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|----|------------------------------------|---------------------------------|----------------------------------|
| 10 | INVESTMENTS IN EQUITY SECURITIES | Rupees in thousand | |
| | | | |
| | Fair value through profit and loss | 690 | 673 |
| | Available-for-sale | 173,482 | 205,859 |
| | Total equity securities | 174,172 | 206,533 |

| | | 31 March 2022 (unaudited) | | 31 December 2021 (audited) | |
|------|-------------------------------------|---------------------------|----------------|----------------------------|----------------|
| | | Cost | Carrying value | Cost | Carrying value |
| 10.1 | Fair value through profit and loss | Rupees in thousand | | | |
| | Mutual funds | 673 | 690 | 654 | 673 |
| | 786 Smart Fund (Dawood Income Fund) | 673 | 690 | 654 | 673 |

| | | Rupees in thousand | | | | | |
|------|---|---------------------------|------------------------|----------------|----------------------------|------------------------|----------------|
| | | 31 March 2022 (unaudited) | | | 31 December 2021 (audited) | | |
| | | Cost | Impairment / provision | Carrying value | Cost | Impairment / provision | Carrying value |
| 10.2 | Available-for-sale | | | | | | |
| | Listed shares | 210,606 | - | 210,606 | 232,161 | - | 232,161 |
| | Mutual funds - AFS | 2,939 | - | 2,939 | 2,939 | - | 2,939 |
| | Unrealized (deficit)/surplus on revaluation | | | (40,063) | | | (29,241) |
| | | 213,545 | - | 173,482 | 235,100 | - | 205,859 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| 11 | INVESTMENTS IN DEBT SECURITIES | | 31 March 2022 (unaudited) | | | 31 December 2021 (audited) | | |
|----|------------------------------------|------|---------------------------|------------------------|----------------|----------------------------|------------------------|----------------|
| | | Note | Cost | Impairment / provision | Carrying value | Cost | Impairment / provision | Carrying value |
| | | | Rupees in thousand | | | | | |
| | | | HELD TO MATURITY | | | | | |
| | | | Government Securities | | | | | |
| | Pakistan Investment Bonds | 11.1 | 2,180,353 | - | 2,180,353 | 2,174,760 | - | 2,174,760 |
| | Treasury Bills | 11.2 | 567,802 | - | 567,802 | 122,007 | - | 122,007 |
| | | | 2,748,155 | - | 2,748,155 | 2,296,767 | - | 2,296,767 |
| | | | AVAILABLE-FOR-SALE | | | | | |
| | Term Finance Certificates | 11.3 | 160,000 | - | 160,000 | 160,000 | - | 160,000 |
| | Sukuks | 11.4 | 87,525 | - | 87,525 | 100,025 | - | 100,025 |
| | Unrealized surplus on revaluation | | | | 2,040 | - | | 1,807 |
| | | | 247,525 | - | 249,565 | 260,025 | - | 261,832 |
| | | | LOANS AND RECEIVABLES | | | | | |
| | Certificates of Investments | | 11,128 | (11,128) | - | 11,128 | (11,128) | - |
| | | | 3,006,808 | (11,128) | 2,997,720 | 2,567,920 | (11,128) | 2,558,599 |
| | | | | | | (Unaudited) | (Audited) | |
| | | | | | | 31 March | 31 December | |
| | | | | | | 2022 | 2021 | |
| | | | | | | Rupees in thousand | | |
| 12 | INVESTMENTS IN TERM DEPOSITS | | | | | | | |
| | Loans and receivables | | | | | | | |
| | Deposits maturing within 12 months | | - | | | | | |

(Unaudited)

(Audited)

31 March

31 December

2022

2021

Rupees in thousand

| 12 | INVESTMENTS IN TERM DEPOSITS | |
|----|------------------------------------|---|
| | Loans and receivables | |
| | Deposits maturing within 12 months | - |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | | (Unaudited) 31 March 2022 | (Audited) 31 December 2021 |
|---|--|---------------------------------|----------------------------------|
| | Note | Rupees in thousand | |
| 13 | INSURANCE / REINSURANCE RECEIVABLES | | |
| Due from insurance contract holders | 13.1 | 950,762 | 1,264,483 |
| Less: provision for impairment of receivables from insurance contract holders | 13.2 | (10,174) | (10,174) |
| | | 940,588 | 1,254,309 |
| Due from other insurers / reinsurers | 13.4 | 168,846 | 186,113 |
| Less: provision for impairment of receivables from other insurers / reinsurers | 13.5 | (5,392) | (5,392) |
| | | 163,454 | 180,721 |
| | | 1,104,042 | 1,435,030 |
| 14 | OTHER CREDITORS AND ACCRUALS | | |
| Agents' commission payable | | 53,523 | 61,256 |
| Tax deducted at source | | 6,178 | 5,185 |
| Federal excise duty / federal insurance fee | | 35,057 | 46,116 |
| Accrued expenses | | 27,087 | 9,166 |
| Fund received against leased vehicle | | 21,434 | 20,029 |
| Fund received against vehicle Ijarah | | 5,870 | 7,733 |
| Others | | 45,434 | 53,406 |
| | | 194,583 | 202,890 |

15 CONTINGENCIES AND COMMITMENTS

There is no change in contingencies and commitments as reported in the annual financial statements of the Company for the year ended 31 December 2021.

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | 2022 | 2021 |
|---|--------------------|-----------|
| | Rupees in thousand | |
| 16 NET INSURANCE PREMIUM | | |
| Written gross premium | 921,737 | 644,029 |
| Add: Unearned premium reserve opening | 1,719,511 | 1,493,846 |
| Less: Unearned premium reserve closing | 1,674,816 | 1,384,184 |
| Premium earned | 966,432 | 753,691 |
| Less: Reinsurance premium ceded | 344,461 | 175,978 |
| Add: Prepaid reinsurance premium opening | 559,058 | 443,281 |
| Less: Prepaid reinsurance premium closing | 515,888 | 423,055 |
| Reinsurance expense | 387,630 | 196,204 |
| | 578,802 | 557,487 |
| 17 NET INSURANCE CLAIMS | | |
| Claims paid | 464,819 | 422,974 |
| Add: Outstanding claims including IBNR closing | 651,395 | 746,840 |
| Less: Outstanding claims including IBNR opening | 639,160 | 735,247 |
| Claims expense | 477,053 | 434,567 |
| Less: Reinsurance and other recoveries received | 91,117 | 44,902 |
| Add: Reinsurance and other recoveries in respect of outstanding claims closing | 263,859 | 403,669 |
| Less: Reinsurance and other recoveries in respect of outstanding claims opening | 245,465 | 381,046 |
| Reinsurance and other recoveries revenue | 109,510 | 67,525 |
| | 367,543 | 367,042 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | 2022 | 2021 |
|---|--------------------|---------------|
| | Rupees in thousand | |
| 18 NET COMMISSION EXPENSE / ACQUISITION COST | | |
| Commission paid or payable | 62,422 | 51,880 |
| Add: Deferred commission expense opening | 102,363 | 118,575 |
| Less: Deferred commission expense closing | 107,882 | 108,758 |
| Net commission | 56,904 | 61,697 |
| Less: Commission received or recoverable | 51,077 | 58,835 |
| Add: Unearned reinsurance commission opening | 97,068 | 86,896 |
| Less: Unearned reinsurance commission closing | 83,840 | 80,849 |
| Commission from reinsurers | 64,305 | 64,882 |
| | (7,401) | (3,185) |
| 19 INVESTMENT INCOME | | |
| Dividend income on investments | | |
| Dividend income on securities held for trading | 3,897 | 6,847 |
| Dividend income on available for sale investments | - | - |
| | 3,897 | 6,847 |
| Income from debt securities | | |
| Return on government securities | 60,576 | 42,782 |
| Return on other fixed income securities | 7,206 | 6,237 |
| | 67,782 | 49,019 |
| Net realised gains on investments | | |
| Gain on trading of held for trading investments | 854 | - |
| Gain on sale of available-for-sale investments | 1,559 | 4,433 |
| | 2,413 | 4,433 |
| Unrealized profit on re-measurement of investments held for trading | 17 | 7 |
| Reversal of diminution in available-for-sale investments | - | - |
| Reversal for diminution in value of Certificate of Investments | - | - |
| Investment related expenses | (23) | (10) |
| Total investment income | 74,085 | 60,295 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | 2022 | 2021 |
|--|-------------|-------------|
| 20 EARNINGS PER SHARE | | |
| Profit after tax (Rupees in thousand) | 93,005 | 80,265 |
| Weighted average number of shares | 71,902 | 71,902 |
| Earnings (after tax) per share - (Rupees) | 1.29 | 1.12 |

21 RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Army Welfare Trust ("the parent company") therefore all subsidiaries and associated undertakings of the parent company are related parties of the Company. Other related parties comprise directors, key management personnel, entities with common directorships and entities over which the directors are able to exercise influence. Balances and transactions with related parties are as follows:

| | (Unaudited) | (Audited) |
|--|--------------------|-------------|
| | 31 March | 31 December |
| | 2022 | 2021 |
| | Rupees in thousand | |
| Receivable from parent: | | |
| Balance at beginning of the year | 2,611 | 1,639 |
| Insurance premium written (including government levies, administrative surcharge and policies stamps) | 238 | 10,776 |
| Premium received during the year | (2,408) | (9,804) |
| Balance at end of the year | 442 | 2,611 |
| Receivable from associated undertakings: | | |
| Balance at beginning of the year | 78,077 | 69,079 |
| Insurance premium written (including government levies, administrative surcharge and policies stamps) | 18,126 | 138,287 |
| Premium received during the year | (42,393) | (129,289) |
| Balance at end of the year | 53,810 | 78,077 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO., LTD

| Transactions during the period: | (Unaudited) | |
|---|---------------------------|--------|
| | Quarter ended 31 March | |
| | 2022 | 2021 |
| Transactions with the parent company: | Rupees in thousand | |
| Insurance premium written (including government levies administrative surcharge and policies stamps) | 238 | 696 |
| Premium received during the period | 2,408 | 671 |
| Insurance claims paid | 410 | 248 |
| Rent paid | 7,326 | 6,142 |
| Transactions with subsidiary: | | |
| Investment made | - | - |
| Services acquired | 13,631 | 7,314 |
| Payments made | (9,678) | 20,351 |
| Transactions with associated undertakings: | | |
| Insurance premium written (including government levies administrative surcharge and policies stamps) | 18,126 | 12,057 |
| Premium received during the period | 42,393 | 31,058 |
| Insurance claims paid | 5,779 | 4,416 |
| Contribution to staff retirement benefit funds | 10,519 | 9,829 |
| Remuneration of chief executive, directors and executives | 20,979 | 17,666 |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

22 FAIRVALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| 31 March 2022 (unaudited) | | | | | | |
|---|------------------|--------------------|------------------|-----------------------|-----------------------------|-----------|
| | Held-for-trading | Available-for-sale | Held-to-maturity | Loans and receivables | Other financial liabilities | Total |
| | Level 1 | Level 2 | Level 3 | | | |
| Rupees in thousand | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment at fair value through profit and loss | 690 | - | - | - | - | 690 |
| Investment at fair value through other comprehensive income | - | 173,482 | - | - | - | 173,482 |
| | | | | | | 52,040 |
| Financial assets not measured at fair value | | | | | | |
| Investments | | | | | | |
| - Government securities | - | - | 2,748,155 | - | - | 2,748,155 |
| - Fixed term deposits | - | 249,565 | - | - | - | 249,565 |
| Loans to employees | - | - | - | 121 | - | 121 |
| Accrued investment income* | - | - | - | 60,106 | - | 60,106 |
| Staff house building finance | - | - | - | 3,995 | - | 3,995 |
| Sundry receivables* | - | - | - | 153,130 | - | 153,130 |
| Amounts due from insurance contract holders* | - | - | - | 940,588 | - | 940,588 |
| Amounts due from other insurers / reinsurers* | - | - | - | 163,454 | - | 163,454 |
| Reinsurance recoveries against outstanding claims* | - | - | - | 263,859 | - | 263,859 |
| Salvage recoveries accrued* | - | - | - | 3,769 | - | 3,769 |
| Cash and bank deposits* | - | - | - | 193,249 | - | 193,249 |
| Total assets of Window Takatuf Operations - OPF | - | - | - | 353,799 | - | 353,799 |
| Financial liabilities not measured at fair value | | | | | | |
| Provision for outstanding claims (including IBNR)* | - | - | - | - | 651,395 | 651,395 |
| Lease liabilities | - | - | - | - | 208,965 | 208,965 |
| Premium received in advance | - | - | - | - | 30,015 | 30,015 |
| Amounts due to other insurers / reinsurers* | - | - | - | - | 961,985 | 961,985 |
| Unclaimed dividend* | - | - | - | - | 7,967 | 7,967 |
| Accrued expenses* | - | - | - | - | 23,595 | 23,595 |
| Other creditors and accruals* | - | - | - | - | 155,921 | 155,921 |
| Deposits and other payables* | - | - | - | - | 43,554 | 43,554 |
| Total liabilities of Window Takatuf Operations - OPF | - | - | - | - | 111,622 | 111,622 |
| | 690 | 423,046 | 2,748,155 | 2,136,069 | 2,195,017 | 7,502,978 |
| | | | | 174,172 | | 52,040 |

ASKARI INSURANCE CO. LTD

The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value. Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates. The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

23 SEGMENT INFORMATION 23.1 Segment Profit and loss

| | Fire and property damage | | Marine, aviation and transport | | Motor | | Accident and health | | Miscellaneous | | Total |
|---|-------------------------------|-------------------------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2022 | Unaudited 31 March 2021 | Unaudited 31 March 2021 |
| Rupees in thousand | | | | | | | | | | | |
| Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge) | 112,593 | 103,326 | 78,410 | 48,861 | 306,396 | 263,636 | 241,830 | 165,065 | 271,396 | 133,159 | 714,047 |
| Less: Federal Excise Duty | 19,072 | 13,583 | 7,850 | 5,572 | 41,503 | 35,777 | - | - | 8,068 | 6,444 | 61,376 |
| Federal Insurance Fee | 1,220 | 870 | 660 | 418 | 2,624 | 2,264 | 2,342 | 1,643 | 2,625 | 1,251 | 6,446 |
| Stamp Duty | 59 | 9 | 2,556 | 1,735 | 249 | 32 | 2 | 3 | 57 | 50 | 1,829 |
| Gross written premium (inclusive of administrative surcharge) | 92,241 | 88,864 | 67,344 | 41,136 | 262,021 | 225,563 | 239,486 | 163,419 | 260,645 | 125,414 | 644,396 |
| Gross premium | 90,176 | 86,748 | 65,810 | 39,491 | 251,858 | 217,714 | 238,193 | 162,198 | 258,492 | 123,944 | 630,095 |
| Administrative surcharge | 1,448 | 1,379 | 2,161 | 1,683 | 10,188 | 7,882 | 240 | 235 | 1,900 | 1,895 | 13,074 |
| Facultative inward premium | 1,830 | 1,412 | - | - | - | - | - | - | 318 | - | 1,412 |
| Service charges | (1,213) | (675) | (627) | (38) | (25) | (33) | 1,053 | 986 | (64) | (425) | (185) |
| Insurance premium earned | 134,383 | 111,057 | 60,827 | 55,949 | 247,220 | 207,014 | 267,162 | 249,128 | 256,841 | 130,543 | 753,891 |
| Insurance premium ceded to reinsurers | (119,516) | (97,147) | (43,991) | (38,086) | (18,631) | (7,868) | (20,862) | 17,636 | (184,629) | (70,739) | (196,204) |
| Net insurance premium | 14,866 | 13,910 | 16,836 | 17,863 | 228,588 | 199,146 | 246,299 | 266,764 | 72,212 | 59,804 | 557,487 |
| Commission income | 18,484 | 39,158 | 14,377 | 11,827 | 848 | 797 | 3,338 | (2,836) | 27,258 | 15,936 | 64,882 |
| Net underwriting income | 33,351 | 53,068 | 31,213 | 29,690 | 229,436 | 199,943 | 249,637 | 263,928 | 99,470 | 75,740 | 622,369 |
| Insurance claims | (61,726) | (46,575) | (10,664) | (37,541) | (140,053) | (87,344) | (230,357) | (213,117) | (34,253) | (49,989) | (434,566) |
| Insurance claims recovered | 55,478 | 31,310 | 8,314 | 26,202 | 787 | (4,790) | 23,367 | (20,699) | 21,563 | 35,502 | 67,525 |
| Net claims | (6,248) | (15,265) | (2,350) | (11,339) | (139,266) | (92,134) | (206,990) | (233,816) | (12,690) | (14,487) | (367,041) |
| Commission expense | (15,785) | (12,450) | (10,225) | (9,696) | (8,161) | (11,574) | (5,901) | (9,250) | (16,833) | (18,729) | (61,698) |
| Management expense | (7,285) | (3,585) | (8,250) | (4,604) | (122,415) | (60,844) | (6,217) | (68,763) | (35,387) | (15,416) | (153,214) |
| Underwriting results | 4,033 | 21,768 | 10,387 | 4,051 | (40,405) | 35,391 | 30,530 | (47,901) | 34,560 | 27,108 | 40,416 |
| Investment income | | | | | | | | | | | |
| Rental income | | | | | | | | | | | |
| Other income | | | | | | | | | | | |
| Finance costs | | | | | | | | | | | |
| Other expenses | | | | | | | | | | | |
| Profit before tax from Window Takatuf Operations - OPF | | | | | | | | | | | |
| Profit before tax | | | | | | | | | | | |

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

23.2 Segment Assets and Liabilities

| | Fire and property damage | | Marine, aviation and transport | | Motor | Accident and health | Miscellaneous | Total | |
|--|-------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 | Audited 31 December 2021 | Unaudited 31 March 2022 |
| | Rupees in thousand | | | | | | | | |
| Corporate Segment assets - Conventional | 378,946 | 384,052 | 155,938 | 178,506 | 659,534 | 802,857 | 687,690 | 843,749 | 2,404,629 |
| Corporate Segment assets - Takaful OPF | 19,352 | 17,097 | 9,898 | 8,106 | 32,274 | 30,674 | 2,557 | 3,410 | 68,503 |
| Corporate unallocated assets - Conventional | | | | | | | 4,422 | 4,825 | 3,693,675 |
| Corporate unallocated assets - Takaful OPF | | | | | | | | | 285,296 |
| Consolidated total assets | | | | | | | | | 6,452,102 |
| Corporate Segment liabilities - Conventional | 428,604 | 432,388 | 188,890 | 199,258 | 1,088,614 | 1,033,682 | 1,172,924 | 1,181,530 | 3,532,022 |
| Corporate Segment liabilities - Takaful OPF | 19,262 | 19,944 | 8,743 | 9,090 | 53,420 | 52,446 | 2,559 | 3,148 | 89,850 |
| Corporate unallocated Segment liabilities - Conventional | | | | | | | 5,222 | | 407,055 |
| Corporate unallocated Segment liabilities - Takaful OPF | | | | | | | | | 22,424 |
| Consolidated total liabilities | | | | | | | | | 4,050,696 |

24 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 28 April 2022.

ASKARI INSURANCE CO., LTD



Sulaman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

FINANCIAL INFORMATION
WINDOW TAKAFUL OPERATIONS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF

FINANCIAL POSITION OF OPF AND PTF

AS AT 31 MARCH 2022

1st Quarter Report 2022

| | Note | Operator's Fund | | Participants' Takaful Fund | |
|--|------|---------------------------------|----------------------------------|---------------------------------|----------------------------------|
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| ASSETS | | | | | |
| | | Rupees in thousand | | | |
| Property and equipment | 5 | 507 | 608 | - | - |
| Investments | | | | | |
| - Equity securities | 6 | 146,243 | 143,366 | 171,655 | 167,853 |
| - Debt securities | 7 | 28,724 | 36,084 | 20,816 | 25,723 |
| Loans and Other Receivables | 8 | 10,570 | 9,402 | 1,438 | 3,685 |
| Takaful/Retakaful receivable | 9 | 2,195 | 1,204 | 100,120 | 80,096 |
| Deferred wakala fee | 21 | - | - | 72,988 | 69,082 |
| Salvage recoveries accrued | | - | - | 10,134 | 9,576 |
| Receivable from PTF | 10 | 48,999 | 44,554 | - | - |
| Retakaful recoveries against outstanding claims / Benefits | | - | - | 48,670 | 49,895 |
| Deferred Commission expense/Acquisition cost | | 19,503 | 19,685 | - | - |
| Taxation - provision less payments | | 4,962 | 9,096 | - | - |
| Tax deducted at source | | - | - | 6,680 | 6,205 |
| Prepayments | 12 | 553 | 306 | 66,232 | 69,546 |
| Cash & Bank | 13 | 91,543 | 66,887 | 126,259 | 106,862 |
| Total Assets | | 353,799 | 331,192 | 624,992 | 588,523 |



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive

| | Note | Operator's Fund | | Participants' Takaful Fund | |
|--|------|---------------------------------|----------------------------------|---------------------------------|----------------------------------|
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| FUNDS AND LIABILITIES | | Rupees in thousand | | | |
| Operator's Fund | | | | | |
| Statutory Fund | | 50,000 | 50,000 | - | - |
| Reserves | | 606 | 591 | - | - |
| Accumulated profit | | 191,571 | 177,678 | - | - |
| Total Operator's Fund | | 242,177 | 228,269 | - | - |
| Waqf/Participants' Takaful Fund | | | | | |
| Cede money | | - | - | 1,000 | 1,000 |
| Reserves | | - | - | 816 | 723 |
| Accumulated surplus | | - | - | 65,458 | 49,650 |
| Balance of Participants' Takaful Fund | | - | - | 67,274 | 51,373 |
| PTF Underwriting Provisions | | | | | |
| Outstanding claims including IBNR | | - | - | 134,432 | 132,662 |
| Unearned contribution reserves | | - | - | 177,862 | 175,358 |
| Unearned retakaful rebate | | - | - | 15,456 | 16,340 |
| | | - | - | 327,750 | 324,360 |
| Contribution received in advance | | - | - | 4,873 | 5,642 |
| Takaful / retakaful payables | 14 | 8,681 | 5,849 | 167,570 | 152,580 |
| Unearned wakala fees | 21 | 72,988 | 69,082 | - | - |
| Payable to OPF | 10 | - | - | 48,999 | 44,554 |
| Deferred taxation | 11 | 129 | 123 | - | - |
| Other creditors and accruals | 15 | 29,824 | 27,869 | 8,526 | 10,014 |
| | | 111,622 | 102,923 | 229,968 | 212,790 |
| Total Liabilities | | 111,622 | 102,923 | 557,718 | 537,150 |
| Total funds and liabilities | | 353,799 | 331,192 | 624,992 | 588,523 |

Contingencies and Commitments

16

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF

COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | Quarter ended 31 March | |
|---|------|------------------------|----------|
| | | 2022 | 2021 |
| | Note | Rupees in thousand | |
| Participants' Takaful Fund | | | |
| Contributions earned | | 68,936 | 58,826 |
| Less: Contribution ceded to retakaful | | (46,534) | (31,034) |
| Net contribution revenue | 17 | 22,402 | 27,792 |
| Retakaful rebate earned | 18 | 17,745 | 6,865 |
| Net underwriting income | | 40,147 | 34,657 |
| Net claims - reported / settled including IBNR | 19 | (26,262) | (36,167) |
| Other direct expenses | | (1,903) | (2,122) |
| (Deficit) / Surplus before investment income | | 11,982 | (3,632) |
| Investment income | 23 | 4,567 | 2,921 |
| Other income | 24 | 1,086 | 698 |
| Less: Mudarib's share of investment income | 25 | (1,827) | (1,168) |
| Results of operating activities | | 3,826 | 2,451 |
| Surplus / (Deficit) transferred to accumulated surplus | | 15,808 | (1,181) |
| Other comprehensive income | | | |
| Items that will be subsequently reclassified to profit and loss account | | | |
| Unrealized gain / (loss) on available-for-sale investments | | 93 | (50) |
| Other comprehensive income / (loss) for the period | | 93 | (50) |
| Total comprehensive (deficit) / surplus for the period | | 15,901 | (1,231) |
| OPF Revenue Account | | | |
| Wakala fee | 21 | 42,261 | 36,949 |
| Commission expense | 20 | (12,297) | (10,075) |
| General administrative and Management expenses | | (18,813) | (18,109) |
| | | 11,151 | 8,765 |
| Mudarib's share of PTF investment income | 25 | 1,827 | 1,168 |
| Investment income | 23 | 3,883 | 2,829 |
| Direct expenses | 26 | (121) | (121) |
| Other income | 24 | 1,605 | 452 |
| Results of operating activities | | 7,194 | 4,328 |
| Profit before tax | | 18,345 | 13,093 |
| Income tax expense | | (4,452) | (3,209) |
| Profit after tax | | 13,893 | 9,884 |
| Other comprehensive income | | | |
| Items that will be subsequently reclassified to profit and loss account | | | |
| Unrealized gain / (loss) on available for sale investments - net | | 15 | (53) |
| Other comprehensive loss for the period | | 15 | (53) |
| Total comprehensive income for the period | | 13,908 | 9,831 |

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
**CONDENSED INTERIM STATEMENT OF
 CHANGES IN FUND (UNAUDITED)**
 FOR THE PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | Operator's Fund | | | |
|--|-----------------|--|--------------------|----------------|
| | Statutory Fund | Available for sale investments revaluation reserve | Accumulated Profit | Total |
| Rupees in thousand | | | | |
| Balance as at 01 January 2021 | 50,000 | 530 | 160,449 | 210,979 |
| Total comprehensive income for the period | | | | |
| Profit for the period | - | | 9,884 | 9,884 |
| Other comprehensive loss for the period | - | (53) | - | (53) |
| | - | (53) | 9,884 | 9,831 |
| Balance as at 31 March 2021 | 50,000 | 477 | 170,333 | 220,810 |
| Balance as at 01 January 2022 | 50,000 | 591 | 177,678 | 228,269 |
| Total comprehensive income for the period | | | | |
| Profit for the period | - | | 13,893 | 13,893 |
| Other comprehensive income for the period | - | 15 | - | 15 |
| | - | 15 | 13,893 | 13,908 |
| Balance as at 31 March 2022 | 50,000 | 606 | 191,571 | 242,177 |

| | Participants' Takaful Fund | | | |
|--|----------------------------|--|---------------------|---------------|
| | Cede Money | Available for sale investments revaluation reserve | Accumulated Surplus | Total |
| Rupees in thousand | | | | |
| Balance as at 01 January 2021 | 1,000 | 497 | 35,3221 | 36,818 |
| Total comprehensive income for the period | | | | |
| Deficit for the period | - | | (1,181) | (1,181) |
| Other comprehensive loss for the period | - | (50) | - | (50) |
| | - | (50) | (1,181) | (1,231) |
| Balance as at 31 March 2021 | 1,000 | 447 | 34,140 | 35,587 |
| Balance as at 01 January 2022 | 1,000 | 723 | 49,650 | 51,373 |
| Total comprehensive income for the period | | | | |
| Surplus for the period | - | | 15,808 | 15,808 |
| Other comprehensive income for the period | - | 93 | - | 93 |
| | - | 93 | 15,808 | 15,901 |
| Balance as at 31 March 2022 | 1,000 | 816 | 65,458 | 67,274 |

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.

Suleman Khalid
Chief Financial Officer

Abdul Waheed
President & Chief Executive

AVM Mohammad Athar Shams (Retd)
Director

Lt Gen Naveed Mukhtar (Retd)
Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM

CASH FLOW STATEMENT (UNAUDITED)

FOR THE PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | Operator's Fund | | Participants' Takaful Fund | |
|--|------------------------|----------------|----------------------------|-----------------|
| | Quarter ended 31 March | | Quarter ended 31 March | |
| | 2022 | 2021 | 2022 | 2021 |
| Operating Cash Flows | Rupees in thousand | | | |
| a) Takaful activities | | | | |
| Contribution received | - | - | 100,157 | 58,878 |
| Re-takaful Contribution paid | - | - | (29,290) | (15,410) |
| Claims paid | - | - | (29,524) | (55,125) |
| Re-takaful and other recoveries received | - | - | 13,115 | 6,593 |
| Commission paid | (9,034) | (7,977) | - | - |
| Re-takaful rebate received | - | - | 5,708 | 1,963 |
| Wakala fee received/ (paid) | 42,214 | 43,001 | (42,214) | (43,001) |
| Modarib share received / (paid) | 1,332 | 2,462 | (1,332) | (2,462) |
| Management expenses | (18,098) | (17,835) | (1,903) | (2,122) |
| Net cash flows generated from/ (used in) underwriting activities | 16,414 | 19,651 | 14,717 | (50,686) |
| b) Other operating activities: | | | | |
| Income tax paid | (311) | (2,393) | (474) | (334) |
| Other expenses paid | (184) | (175) | - | - |
| Other operating payments | (965) | (707) | (3,215) | (5,750) |
| Other operating receipts | 2,061 | 551 | 1,511 | - |
| Advances and deposits | - | (5) | - | - |
| Net cash flow generated from / (used in) other operating activities | 601 | (2,729) | (2,178) | (6,084) |
| Total cash flow from all operating activities | 17,015 | 16,922 | 12,539 | (56,770) |
| c) Investment activities: | | | | |
| Profit / return received | 629 | 472 | 1,094 | 663 |
| Dividends received | - | - | 833 | 512 |
| Payment for investments | (3,016) | (1,953) | (708) | (4,078) |
| Proceeds from disposals of investments | 11,398 | 2,776 | 5,639 | 4,214 |
| Total cash flow used in investing activities | 9,011 | 1,295 | 6,858 | 1,311 |
| d) Financing activities: | | | | |
| Payment against Ijarah | (1,370) | (481) | - | - |
| Total cash flow from financing activities | (1,370) | (481) | - | - |
| Net cash flow from all activities | 24,656 | 17,736 | 19,397 | (55,459) |
| Cash and cash equivalents at beginning of the period | 66,887 | 66,635 | 106,862 | 107,899 |
| Cash and cash equivalents at end of the period | 91,543 | 84,371 | 126,259 | 52,440 |

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

CASH FLOW STATEMENT (UNAUDITED)

FOR THE PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | Operator's Fund | | Participants' Takaful Fund | |
|---|------------------------|---------------|----------------------------|----------------|
| | Quarter ended 31 March | | Quarter ended 31 March | |
| | 2022 | 2021 | 2022 | 2021 |
| Rupees in thousand | | | | |
| Reconciliation to Profit and Loss Account: | | | | |
| Operating cash flows | 17,015 | 16,922 | 12,539 | (56,770) |
| Depreciation expense | (101) | (105) | - | - |
| Dividend income | - | - | 833 | 512 |
| (Decrease) / increase in assets other than cash | 5,250 | (7,523) | 15,526 | 46,681 |
| (Increase) / decrease in liabilities other than running finance | (7,176) | (1,372) | (18,384) | 4,955 |
| Unrealized gain on investments held for trading | 2,995 | 2,028 | 3,095 | 1,838 |
| Investment income | 888 | 801 | 639 | 571 |
| Other income | 533 | 430 | 1,086 | 698 |
| Tax paid | 311 | 2,393 | 474 | 334 |
| Decrease in deposit against vehicle ljarah | (1,370) | (481) | - | - |
| Profit/ surplus for the period | 18,345 | 13,093 | 15,808 | (1,181) |
| Attributed to | | | | |
| Participants' Takaful Fund | - | - | 15,808 | (1,181) |
| Operator's Fund | 18,345 | 13,093 | - | - |
| | 18,345 | 13,093 | 15,808 | (1,181) |

Definition of cash :

Cash comprises of cash in hand, bank balances, stamp in hand and short term placements with banks which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

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

| | Operator's Fund | | Participants' Takaful Fund | |
|----------------------------|------------------------|---------------|----------------------------|---------------|
| | Quarter ended 31 March | | Quarter ended 31 March | |
| | 2022 | 2021 | 2022 | 2021 |
| Rupees in thousand | | | | |
| Cash and other equivalents | - | - | 435 | 345 |
| Current and other accounts | 91,543 | 84,371 | 125,824 | 52,095 |
| | 91,543 | 84,371 | 126,259 | 52,440 |

The annexed notes 1 to 30 form an integral part of these condensed interim financial statements.



Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM

FINANCIAL INFORMATION (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Askari general insurance company limited ("the Operator") was incorporated under the Companies Ordinance, 1984 (Repealed with the enactment of Companies Act, 2017 on May 30, 2017) on April 12, 1995. The Operator is registered in Pakistan Stock Exchange and is engaged in general insurance business. The registered office and principal place of the Operator is located at AWT Plaza, Rawalpindi.

The Operator has been allowed to undertake Window Takaful Operations (WTO) on 10 August 2015 by Securities and Exchange Commission of Pakistan under SECP Takaful Rules 2012 to carry on General Window Takaful Operations in Pakistan.

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

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 STATEMENT OF COMPLIANCE

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

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

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

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

2.1.3 These condensed interim financial statements does not include all of the information and disclosures required for annual financials statements and should be read in conjunction with the annual audited financial statements of the WTO for the year ended 31 December, 2021. Comparative statement of financial position is extracted from annual financial statements for the year ended 31 December 2021 whereas comparative for condensed interim statement of comprehensive income, condensed interim cash flow statement and statement of changes in fund are stated from unaudited condensed interim financial statements for the three months period ended 31 March 2021.

2.1 Basis of measurement

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

2.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Operator operates. The financial statements are presented in Pakistani Rupees, which is the Operator's functional and presentational currency.

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The judgements, estimates and assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the estimates about carrying values of assets and liabilities that are not readily apparent from other sources.

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

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

| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
|---|------------------------|---------------------------------|----------------------------------|
| 5 | PROPERTY AND EQUIPMENT | Rupees in thousand | |
| | | | |
| | Operating assets | 507 | 608 |
| | | 507 | 608 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| 31 March 2022 (Unaudited) | | | | | | |
|---------------------------|----------------|-----------------|----------------|-----------------------------------|---------------------|---|
| Cost | | Depreciation | | Written down value as at 31 March | Useful life (years) | |
| As at 1 January | As at 31 March | As at 1 January | For the period | As at 31 March | | |
| As at 1 January | As at 31 March | As at 1 January | For the period | As at 31 March | | |
| Rupees in thousand | | | | | | |
| Furniture & fixtures | 504 | - | 22 | - | 17 | 5 |
| Office equipment | 1,080 | - | 79 | - | 490 | 3 |
| | 1,584 | - | 101 | - | 507 | |

| 31 December 2021 (Audited) | | | | | | |
|----------------------------|-------------------|-----------------|--------------|--------------------------------------|---------------------|---|
| Cost | | Depreciation | | Written down value as at 31 December | Useful life (years) | |
| As at 1 January | As at 31 December | As at 1 January | For the year | As at 31 December | | |
| As at 1 January | As at 31 December | As at 1 January | For the year | As at 31 December | | |
| Rupees in thousand | | | | | | |
| Furniture & fixtures | 504 | - | 90 | - | 39 | 5 |
| Office equipment | 1,043 | - | 320 | - | 569 | 3 |
| | 1,547 | - | 410 | - | 608 | |

| 31 March 2022 (Unaudited) | | | | | | |
|---|---------|-----------------------|----------------|----------------------|-----------------------|----------------|
| Cost/ Carrying value | | Impairment/ provision | Carrying value | Cost/ Carrying value | Impairment/ provision | Carrying value |
| Rupees in thousand | | | | | | |
| (a) OPERATOR'S FUND | | | | | | |
| (i) At fair value through profit and loss | | | | | | |
| Others | | | | | | |
| Mutual funds | 2,500 | - | 2,500 | 2,500 | - | 2,500 |
| Unrealized loss on revaluation | | | (371) | - | - | (253) |
| | 2,500 | - | 2,129 | 2,500 | - | 2,247 |
| (b) PARTICIPANTS' TAKAFUL FUND | | | | | | |
| (i) At fair value through profit and loss | | | | | | |
| Others | | | | | | |
| Mutual funds | 168,560 | 3,095 | 171,655 | 165,638 | 2,215 | 167,853 |
| | 168,560 | 3,095 | 171,655 | 165,638 | 2,215 | 167,853 |

6 INVESTMENTS IN EQUITY SECURITIES

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| 7 | INVESTMENTS IN DEBT SECURITIES | 31 March 2022 (Unaudited) | | | 31 December 2021 (Audited) | | |
|-----|--------------------------------|---------------------------|------------------------|----------------|----------------------------|------------------------|----------------|
| | | Cost | Impairment / provision | Carrying value | Cost | Impairment / provision | Carrying value |
| | | Rupees in thousand | | | | | |
| (a) | Operator's Fund | | | | | | |
| | (i) Available for sale | | | | | | |
| | Sukuks | 27,500 | - | 27,500 | 35,000 | - | 35,000 |
| | Profit on revaluation | | | 1,224 | | | 1,084 |
| | | 27,500 | - | 28,724 | 35,000 | - | 36,084 |
| (b) | Participants' takaful fund | | | | | | |
| | (i) Available for sale | | | | | | |
| | Sukuks | 20,000 | - | 20,000 | 25,000 | - | 25,000 |
| | Profit on revaluation | | | 816 | | | 723 |
| | | 20,000 | - | 20,816 | 25,000 | - | 25,723 |

| 8 | LOANS AND OTHER RECEIVABLE - CONSIDERED GOOD | | | | |
|---|--|---------------------------|----------------------------|---------------------------|----------------------------|
| | | Operator's Fund | Participants' Takaful Fund | | |
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| | | Rupees in thousand | | | |
| | Receivable against sale of asset | 503 | 578 | - | - |
| | Deposit against Ijarah - vehicles | 5,165 | 4,636 | - | - |
| | Accrued investment income | 341 | 437 | 244 | 252 |
| | Other receivable | 4,562 | 3,751 | 1,194 | 3,433 |
| | | 10,570 | 9,402 | 1,438 | 3,685 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | Operator's Fund | | Participants' Takaful Fund | |
|---|--|---------------------------------|----------------------------------|---------------------------------|----------------------------------|
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| 9 | TAKAFUL/RETAKAFUL RECEIVABLES | Rupees in thousand | | | |
| | Due from takaful contract holders | | | | |
| | Considered good | - | - | 64,923 | 57,165 |
| | Provision against doubtful balances | | | (222) | (222) |
| | | - | - | 64,701 | 56,943 |
| | Due from other Takaful/Retakaful Operators | | | | |
| | Considered good | 2,195 | 1,204 | 36,590 | 24,324 |
| | Provision against doubtful balances | - | - | (1,171) | (1,171) |
| | | 2,195 | 1,204 | 35,419 | 23,153 |
| | | 2,195 | 1,204 | 100,120 | 80,096 |

This includes contribution amounting to Rs.0.04 million (31 December 2021: 0.04 million) payable to the associated undertakings

| | | | | | |
|----|--|--------|--------|----------|----------|
| 10 | RECEIVABLE / (PAYABLE) (Current account between OPF and PTF) | | | | |
| | Wakala fee | 47,580 | 43,630 | (47,580) | (43,630) |
| | Less: Provision for refund of wakala fee against doubtful balances | (408) | (408) | 408 | 408 |
| | | 47,172 | 43,222 | (47,172) | (43,222) |
| | Mudarib's fee | 1,827 | 1,332 | (1,827) | (1,332) |
| | | 48,999 | 44,554 | (48,999) | (44,554) |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | | Operator's Fund | | | |
|----|--|---------------------------------|----------------------------------|---------------------------------|----------------------------------|
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | | |
| 11 | DEFERRED TAXATION | Rupees in thousand | | | |
| | Deferred tax credit arising in respect of: | | | | |
| | Unrealised gain on available-for-sales investments | 247 | | 241 | |
| | Deferred tax debit arising in respect of: | | | | |
| | Provision for refund of wakala fee against doubtful balances | (118) | | (118) | |
| | | 129 | | 123 | |
| | | Operator's Fund | | Participants' Takaful Fund | |
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| 12 | PREPAYMENTS | Rupees in thousand | | | |
| | Prepaid retakaful contribution ceded - PTF | - | - | 66,232 | 69,546 |
| | Others - OPF | 553 | 306 | - | - |
| | | 553 | 306 | 66,232 | 69,546 |
| 13 | CASH AND BANK | | | | |
| | Cash and Cash Equivalent | | | | |
| | Stamps in hand | - | - | 435 | 191 |
| | Cash at bank | | | | |
| | - Savings account | 91,543 | 66,887 | 125,824 | 106,671 |
| | | 91,543 | 66,887 | 126,259 | 106,862 |
| | | Operator's Fund | | Participants' Takaful Fund | |
| | | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
| 14 | TAKAFUL/RETAKAFUL PAYABLES | Rupees in thousand | | | |
| | Due to Local takaful/retakaful operators | 8,681 | 5,849 | 167,570 | 152,580 |
| | | 8,681 | 5,849 | 167,570 | 152,580 |
| 15 | OTHER CREDITORS AND ACCRUALS | | | | |
| | Agents' commission payable | 16,208 | 14,918 | - | - |
| | Federal takaful fee payable | - | - | 408 | 409 |
| | Federal excise duty payable | 152 | 138 | 5,784 | 7,099 |
| | Tax deducted at source | 531 | 576 | 323 | 317 |
| | Accrued expenses | 741 | 784 | - | - |
| | Time barred cheques | 728 | 511 | 1,961 | 1,877 |
| | Funds received against leased vehicles | 2,600 | 2,324 | - | - |
| | Others | 8,864 | 8,618 | 50 | 312 |
| | | 29,824 | 27,869 | 8,526 | 10,014 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

16 CONTINGENCIES AND COMMITMENTS

Contingency

There is no contingency as at 31 March 2022 (31 December 2021: Nil)

Commitments

The Operator's commitment under Ijarah arrangement with Meezan Bank Limited is Rs.12.65 million (31 December 2021: Rs.15.02 million). The contracts have a term of five years.

Future Minimum Ijarah (lease) payments are as under:

| | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
|---|---------------------------------|----------------------------------|
| | Rupees in thousand | |
| Not later than 1 year | 2,676 | 3,359 |
| Later than 1 year but not later than 5 years | 9,970 | 11,658 |
| | 12,645 | 15,017 |
| Ijarah payments recognized in Expense during the period | 841 | 1,293 |
| | Participants' Takaful Fund | |
| | Quarter ended 31 March | |
| | 2022 | 2021 |
| | (Unaudited) | |
| | Rupees in thousand | |

17 NET TAKAFUL CONTRIBUTION

| | | |
|---|-----------|-----------|
| Written Gross Contribution | 113,701 | 92,462 |
| Less: Wakala fee | (46,167) | (36,553) |
| Contribution Net of Wakala Fee | 67,534 | 55,909 |
| Add: Unearned contribution reserve opening - net | 106,276 | 111,207 |
| Less: Unearned contribution reserve closing - net | (104,874) | (108,290) |
| Contribution earned | 68,936 | 58,826 |
| Less: Retakaful Contribution ceded | 43,220 | 26,935 |
| Add: Prepaid retakaful contribution opening | 69,546 | 55,297 |
| Less: Prepaid retakaful contribution closing | (66,232) | (51,198) |
| Retakaful expense | 46,534 | 31,034 |
| Net takaful contribution | 22,402 | 27,792 |

18 REBATE FROM RETAKAFUL OPERATORS

| | | |
|---|----------|----------|
| Retakaful Rebate income | 16,861 | 5,962 |
| Add: Unearned retakaful rebate opening | 16,340 | 11,956 |
| Less: Unearned retakaful rebate closing | (15,456) | (11,053) |
| Rebate from retakaful operators | 17,745 | 6,865 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | | Participants' Takaful Fund | |
|-----------|---|----------------------------|---------------|
| | | Quarter ended 31 March | |
| | | 2022 | 2021 |
| | | (Unaudited) | |
| 19 | NET TAKAFUL CLAIMS EXPENSE | Rupees in thousand | |
| | Claim paid | 29,524 | 55,125 |
| | Add: Outstanding claims including IBNR closing | 134,432 | 107,455 |
| | Less: Outstanding claims including IBNR opening | (132,662) | (106,671) |
| | Claim expense | 31,294 | 55,909 |
| | Less: Retakaful and other recoveries received | 6,257 | 20,843 |
| | Add: Retakaful and other recoveries in respect of outstanding claims - closing | 48,670 | 41,347 |
| | Less: Retakaful and other recoveries in respect of outstanding claims - opening | (49,895) | (42,448) |
| | Retakaful and other recoveries revenue | 5,032 | 19,742 |
| | Net takaful claim expense | 26,262 | 36,167 |
| 20 | COMMISSION EXPENSE | | |
| | Commission paid or payable | 12,115 | 9,941 |
| | Add: Deferred commission expense opening | 19,685 | 18,063 |
| | Less: Deferred commission expense closing | (19,503) | (17,929) |
| | Commission expense | 12,297 | 10,075 |
| 21 | WAKALA FEE | | |
| | The Operator manages the general takaful operations for the participants and charges 35% for fire and property damage, 35% for marine and aviation, 45% for motor, 25% for health and accident and 40% for miscellaneous of the gross contribution written as wakala fee against the services as follows: | | |
| | | Participants' Takaful Fund | |
| | | Quarter ended 31 March | |
| | | 2022 | 2021 |
| | | (Unaudited) | |
| | Gross wakala fee | 46,167 | 36,553 |
| | Add: Unearned wakala fee opening | 69,082 | 69,283 |
| | Less: Unearned wakala fee closing | (72,988) | (68,887) |
| | Net wakala fee income | 42,261 | 36,949 |
| 22 | DIRECT EXPENSES | | |
| | Tracker installation and monitoring charges | 1,898 | 2,114 |
| | Bank Charges | 5 | 8 |
| | | 1,903 | 2,122 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

| | | Operator's Fund | | Participants' Takaful Fund | |
|--------------------|---|------------------------|--------------|----------------------------|--------------|
| | | Quarter ended 31 March | | Quarter ended 31 March | |
| | | 2022 | 2021 | 2022 | 2021 |
| Rupees in thousand | | | | | |
| 23 | INVESTMENT INCOME | | | | |
| | Income from equity securities - Held for trading | | | | |
| | - Dividend income | - | - | 833 | 512 |
| | Income from debt securities - Available-for-sale | | | | |
| | - Return on fixed income securities | 888 | 801 | 639 | 571 |
| | | 888 | 801 | 1,472 | 1,083 |
| | Net unrealized gains on investment | | | | |
| | - Net unrealized gains on investments at fair value through profit or loss - held for trading | 2,995 | 2,028 | 3,095 | 1,838 |
| | Total investment income | 3,883 | 2,829 | 4,567 | 2,921 |
| 24 | OTHER INCOME | | | | |
| | Return on bank balances | 533 | 430 | 1,086 | 698 |
| | Gain on sale of Ijarah vehicle | 980 | - | - | - |
| | Miscellaneous | 92 | 22 | - | - |
| | | 1,605 | 452 | 1,086 | 698 |

25 MODARIB'S FEE

The Operator manages the participants' investments as a Modarib and charge 40% Modarib's share of the investment income earned by PTF.

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| | | Operator's Fund | |
|----|---|----------------------------------|----------------------------------|
| | | Quarter ended 31 March | |
| | | 2022 Aggregate (Unaudited) | 2021 Aggregate (Unaudited) |
| | | Rupees in thousand | |
| 26 | DIRECT EXPENSES | | |
| | Auditors' remuneration | 76 | 76 |
| | Shariah Compliance Auditors' remuneration | 45 | 45 |
| | | 121 | 121 |

27 **RELATED PARTY TRANSACTIONS**

The related parties comprise of directors, major shareholders, key management personnel, entities under common control, entities with common directors and employees retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms.

Transaction and balances with related parties for the period are as follows:

| | 31 March 2022 (Unaudited) | 31 December 2021 (Audited) |
|--|---------------------------------|----------------------------------|
| Contribution due: | Rupees in thousand | |
| Askari Guards (Private) Limited | (28) | (28) |
| Mobil Askari Lubricants Pakistan Limited | (12) | (12) |
| | (40) | (40) |

| | 31 March 2022 (Unaudited) | 31 March 2021 (Unaudited) |
|---|---------------------------------|---------------------------------|
| Transactions during the period | Rupees in thousand | |
| Askari Guards (Private) Limited | | |
| Contribution written (including government levies and stamp duties) | - | (6) |
| Contribution received during the year | - | 206 |
| Takaful benefits paid | 569 | 10 |
| Mobil Askari Lubricants Pakistan Limited | | |
| Contribution written (including government levies and stamp duties) | 3,069 | 2,689 |
| Contribution received during the year | 3,069 | 2,586 |
| Takaful benefits paid | 89 | 391 |
| Army Welfare Sugar Mills | | |
| Contribution written (including government levies and stamp duties) | 1,682 | - |
| Contribution received during the year | 1,682 | - |
| Askari Life Assurance Company Ltd | | |
| Takaful benefits paid | - | 3 |
| Petrosel Lubricants (Private) Limited | | |
| Contribution written (including government levies and stamp duties) | 1,014 | - |
| Contribution received during the year | 1,014 | - |
| Others | | |
| Employees' retirement benefits | 760 | 661 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

28 **SEGMENT INFORMATION**

Business class wise revenue and results have been disclosed in the profit and loss account prepared in line with the format issued by SEOP through SEC (Insurance) Rules, 2017, vide SEOP S.R.O. No 89 (1/2017 dated 9 February 2017. The following table presents estimated information regarding certain assets and liabilities of the segments as at 31 March 2022 and 31 December 2021, unallocated capital expenditure and non-cash expenses during the year then ended.

Period ended 31 March 2022 - OPF & PTF

Participants' Takaful Fund

Period ended 31 March 2022 (Unaudited)

| | Fire and property damage | Marine, aviation and transport | Motor | Accident and Health | Miscellaneous | TOTAL |
|--|-----------------------------|-----------------------------------|-----------------|------------------------|---------------|-----------------|
| | Rupees in thousand | | | | | |
| Contribution receivable (inclusive of Federal Excise Duty, Federal Takaful Fee and Stamp duty) | 27,747 | 18,227 | 65,730 | 8,511 | 10,570 | 130,785 |
| Less: Federal Excise Duty | (3,208) | (2,105) | (8,489) | - | (1,266) | (15,068) |
| Federal Takaful Fee | (216) | (145) | (563) | (84) | (83) | (1,091) |
| Stamp duty | (14) | (859) | (50) | - | (2) | (925) |
| Gross written contribution | 24,309 | 15,118 | 56,628 | 8,427 | 9,219 | 113,701 |
| Gross direct contribution | 19,061 | 15,017 | 55,090 | 8,427 | 8,276 | 105,871 |
| Facultative inward contribution | 5,248 | 101 | 1,538 | - | 943 | 7,830 |
| Takaful contribution earned | 28,956 | 16,337 | 50,346 | 7,801 | 7,757 | 111,197 |
| Wakala expense | (9,719) | (5,461) | (22,027) | (1,951) | (3,103) | (42,261) |
| Retakaful contribution ceded to retakaful operators | (24,368) | (11,885) | (6,643) | - | (3,638) | (46,534) |
| Net takaful contribution | (5,131) | (1,009) | 21,676 | 5,850 | 1,016 | 22,402 |
| Retakaful Rebate income | 10,117 | 5,252 | 1,090 | - | 1,286 | 17,745 |
| Net underwriting income | 4,986 | 4,243 | 22,766 | 5,850 | 2,302 | 40,147 |
| Takaful claims | (3,668) | (29) | (22,067) | (4,306) | (1,224) | (31,294) |
| Takaful claims recovered from retakaful operators | 2,293 | 16 | 1,909 | - | 814 | 5,032 |
| Net takaful claims | (1,375) | (13) | (20,158) | (4,306) | (410) | (26,262) |
| PTF Direct expense | (2) | (1) | (1,900) | - | - | (1,903) |
| Net takaful claims and expenses | (1,377) | (14) | (22,058) | (4,306) | (410) | (28,165) |
| Underwriting result | 3,609 | 4,229 | 708 | 1,544 | 1,892 | 11,982 |
| Net investment income | | | | | | 4,567 |
| Other income | | | | | | 1,086 |
| Mudarib's share | | | | | | (1,827) |
| Surplus for the year | | | | | | 15,808 |
| As at 31 March 2022 (Unaudited) | | | | | | |
| Segment assets | 94,251 | 35,777 | 124,810 | 17,877 | 25,429 | 298,143 |
| Unallocated assets | | | | | | 326,849 |
| Total assets | | | | | | 624,992 |
| Segment liabilities | 100,307 | 47,214 | 238,368 | 52,992 | 37,321 | 476,203 |
| Unallocated liabilities | | | | | | 81,515 |
| Total liabilities | | | | | | 557,718 |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

| Operator's Fund | Period ended 31 March 2022 (Unaudited) | | | | |
|--|--|--------------------------------|----------|---------------------|---------------|
| | Fire and property damage | Marine, aviation and transport | Motor | Accident and Health | Miscellaneous |
| | Rupees in thousand | | | | |
| Wakala Fee | 9,719 | 5,461 | 22,027 | 1,951 | 3,103 |
| Commission expense | (5,252) | (2,728) | (3,453) | (145) | (719) |
| Management expenses | (2,805) | (1,716) | (11,661) | (1,134) | (1,497) |
| Segment result | 1,662 | 1,017 | 6,913 | 672 | 887 |
| Mudarib's share of PTF investment income | | | | | |
| Investment income | | | | | 1,827 |
| Other income | | | | | 3,883 |
| Other expenses | | | | | 1,605 |
| Profit for the year | | | | | (121) |
| | | | | | 18,345 |
| As at 31 March 2022 (Unaudited) | | | | | |
| Segment assets | 19,352 | 9,898 | 32,274 | 2,557 | 4,422 |
| Unallocated assets | | | | | |
| | | | | | 68,503 |
| | | | | | 285,296 |
| | | | | | 353,799 |
| Segment liabilities | 19,262 | 8,743 | 53,420 | 2,559 | 5,211 |
| Unallocated liabilities | | | | | |
| Total liabilities | | | | | |
| | | | | | 89,195 |
| | | | | | 22,427 |
| | | | | | 111,622 |

1st Quarter Report 2022

74

ASKARI INSURANCE CO. LTD

75

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| 29.1 Operator's Fund | | 31 March 2022 (Unaudited) | | | | | | |
|---|------------------|----------------------------------|-----------------------|-----------------------------|----------|---------|---------|---------|
| | Held-for-trading | Available-for-sale | Loans and receivables | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
| Rupees in thousand | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Investment at fair value through profit and loss | 144,114 | - | - | - | 144,114 | 144,114 | - | - |
| Investment at available for sale | - | 25,853 | - | - | 25,853 | 2,129 | 23,724 | - |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and bank deposits | - | - | 91,543 | - | 91,543 | - | - | - |
| Investments | | | | | | | | |
| - Sukuks | - | 5,000 | - | - | 5,000 | - | - | - |
| Loans and other receivables* | - | - | 10,570 | - | 10,570 | - | - | - |
| Receivable from PTF | - | - | 48,999 | - | 48,999 | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Takaful / Retakaful payables* | - | - | - | (8,681) | (8,681) | - | - | - |
| Other creditors and accruals* | - | - | - | (29,824) | (29,824) | - | - | - |
| | 144,114 | 33,353 | 151,112 | (38,505) | 290,074 | 148,743 | 23,724 | - |
| 31 December 2021 (Audited) | | | | | | | | |
| | Held-for-trading | Available-for-sale | Loans and receivables | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
| Rupees in thousand | | | | | | | | |
| Financial assets not measured at fair value | | | | | | | | |
| Investment at fair value through profit and loss | 141,119 | - | - | - | 141,119 | 141,119 | - | - |
| Investment at available for sale | - | 33,331 | - | - | 33,331 | 2,247 | 31,084 | - |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and bank deposits | - | - | 66,887 | - | 66,887 | - | - | - |
| Investments | | | | | | | | |
| - Sukuks | - | 5,000 | - | - | 5,000 | - | - | - |
| Loans and other receivables* | - | - | 9,402 | - | 9,402 | - | - | - |
| Receivable from PTF | - | - | 44,554 | - | 44,554 | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Takaful / Retakaful payables* | - | - | - | (5,849) | (5,849) | - | - | - |
| Other creditors and accruals* | - | - | - | (27,869) | (27,869) | - | - | - |
| | 141,119 | 38,331 | 120,843 | (33,718) | 266,575 | 143,366 | 31,084 | - |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

ASKARI INSURANCE CO. LTD

29.2 Participants' Takaful Fund

31 March 2022 (Unaudited)

| | Held-for-trading | Available-for-sale | Loans and receivables | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
|---|------------------|--------------------|-----------------------|-----------------------------|-----------|---------|---------|---------|
| Rupees in thousand | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Investment at fair value through profit and loss | 171,655 | - | - | - | 171,655 | 171,655 | - | - |
| Investment at available for sale | | 15,816 | - | - | 15,816 | - | 15,816 | - |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and bank deposits | - | - | 126,259 | - | 126,259 | - | - | - |
| Investments | | | | | | | | |
| - Sukuks | - | 5,000 | - | - | 5,000 | - | - | - |
| Takaful/Retakaful receivable* | - | - | 100,120 | - | 100,120 | - | - | - |
| Retakaful recoveries against outstanding claims* | - | - | - | 48,670 | 48,670 | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Provision for outstanding claims (including IBNR)* | - | - | - | (134,432) | (134,432) | - | - | - |
| Takaful / Retakaful payables* | - | - | - | (167,570) | (167,570) | - | - | - |
| Payable to OPF | - | - | - | (48,999) | (48,999) | - | - | - |
| Other creditors and accruals* | - | - | - | (8,526) | (8,526) | - | - | - |
| | 171,655 | 20,816 | 226,379 | (310,857) | 107,993 | 171,655 | 15,816 | - |

31 December 2021 (Audited)

| | Held-for-trading | Available-for-sale | Loans and receivables | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
|---|------------------|--------------------|-----------------------|-----------------------------|-----------|---------|---------|---------|
| Rupees in thousand | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Investment at fair value through profit and loss | 167,853 | - | - | - | 167,853 | 167,853 | - | - |
| Investment at available for sale | - | 20,723 | - | - | 20,723 | - | 20,723 | - |
| Financial assets not measured at fair value | | | | | | | | |
| Cash and bank deposits | - | - | 106,862 | - | 106,862 | - | - | - |
| Investments | | | | | | | | |
| - Sukuks | - | 5,000 | - | - | 5,000 | - | - | - |
| Takaful/Retakaful receivable* | - | - | 80,096 | - | 80,096 | - | - | - |
| Retakaful recoveries against outstanding claims* | - | - | - | 49,895 | 49,895 | - | - | - |
| Loans and other receivables* | - | - | - | - | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Provision for outstanding claims (including IBNR)* | - | - | - | (132,662) | (132,662) | - | - | - |
| Takaful / Retakaful payables* | - | - | - | (152,580) | (152,580) | - | - | - |
| Payable to OPF | - | - | - | (44,554) | (44,554) | - | - | - |
| Other creditors and accruals* | - | - | - | (10,014) | (10,014) | - | - | - |
| | 167,853 | 25,723 | 186,958 | (289,915) | 90,619 | 167,853 | 20,723 | - |

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022

1st Quarter Report 2022

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

Fair value is an amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction.

Consequently, differences may arise between the carrying values and the fair values estimates.

The Operator measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on its meeting held on 28 April 2022.




Suleman Khalid
Chief Financial Officer



Abdul Waheed
President & Chief Executive



AVM Mohammad Athar Shams (Retd)
Director



Lt Gen Naveed Mukhtar (Retd)
Chairman



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