



REACHING HIGHER

GOING FURTHER

Half Yearly Report  
**2020**



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## 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

## Board of Directors

Lt Gen Najib Ullah Khan (Retd)

Chairman

Maj Gen Akhtar Iqbal (Retd)

Member

Maj Gen Imtiaz Hussain Sherazi (Retd)

Member

Brig Kamran Asad (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. Razi Haider

## Company Secretary

Mr. Usman Nawaz

## Head of Internal Audit

Mr. Ali Noor

## Executive, Risk Management & Compliance Committee

Maj Gen Akhtar Iqbal (Retd)

Chairman

Maj Gen Imtiaz Hussain Sherazi (Retd)

Member

Brig Kamran Asad (Retd)

Member

Mr. Abdul Waheed

Member

## Audit Committee

Mr. M. Munir Malik

Chairman

Mr. Malik Riffat Mahmood

Member

Brig Kamran Asad (Retd)

Member

## Ethics, Human Resource and Remuneration Committee

Mr. Imran Iqbal

Chairman

Brig Kamran Asad (Retd)

Member

Mr. Abdul Waheed

Member

## Underwriting, Reinsurance & Coinsurance Committee

Maj Gen Akhtar Iqbal (Retd)

Chairman

Mrs. Samina Khan

Member

Mr. Sohail Khalid

Member

## Claims Settlement Committee

Mr. Malik Riffat Mahmood

Chairman

Mr. Abdul Waheed

Member

Mr. M. Qasim

Member

## Investment Committee

Mr. Malik Riffat Mahmood

Chairman

Mr. M. Munir Malik

Member

Mr. Abdul Waheed

Member

Mr. Razi Haider

Member

Mr. Shahid Qayyum

Member

## External Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants

Islamabad

## Shariah Compliance Auditors

S.M. Suhail & Co.

Chartered Accountants

Islamabad

## Shariah Advisor

Mufti Ehsan Waquar

## 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

1st Floor, 40-C, Block-6, P.E.C.H.S.,

Karachi 75400, Pakistan.

PABX: +92 (021) 111-000-322

Direct: +92 (021) 34168270

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UNCONSOLIDATED CONDENSED  
**INTERIM FINANCIAL INFORMATION**  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

# DIRECTORS' REPORT

## On Unconsolidated Interim Financial Information

For the six months period ended June 30, 2020

The Board of Directors is pleased to present the un-audited condensed interim financial information of askari general insurance company limited (the Company) for the six months period ended June 30, 2020.

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

	30th June	
	2020	2019
	(Rupees in Thousand)	
Gross premium written (Inclusive of Takaful Contribution)	1,539,474	1,727,506
Net premium revenue	887,019	1,066,063
Underwriting profit	94,994	160,827
Investment and other income	170,408	64,407
Profit before tax	283,138	243,706
Profit after tax	200,594	172,330
Earnings per share (Rs.)	2.79	2.40

In comparison with corresponding period, the Company achieved 16% growth in Profit before tax, despite a decrease in Gross premium written of 11%. Investment and other income increased by 164% and Profit after tax and Earnings per share have increased by 16%.

### Contract for tracking and other services

In accordance with section 208(2) of Companies Act, 2017, we would like to inform the shareholders that the Company has entered in to a contract for provision of tracking and other services with Asktech (Pvt.) Ltd, a subsidiary of the Company. Tracking

services have been sought to minimize the risks in motor insurance business. We have ensured that the transactions with the said company are on arm's length.

### Future outlook

In the wake of Coronavirus outbreak, Pakistan is experiencing major economic losses in different sectors. Although recovering from the situation, business development in current scenario is quite challenging. A vigilant approach would 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 Behalf of the Board



**Abdul Waheed**

President & Chief Executive

Rawalpindi

August 11, 2020



**Lt Gen Najib Ullah Khan (Retd)**

Chairman – Board of Directors



# ڈائریکٹرز کا جائزہ

برائے مدت ششماہی اختتام 30 جون 2020

ڈائریکٹرز کے بورڈ کی جانب سے عسکری انشورنس کمپنی لمیٹڈ (کمپنی) کے مختصر مگر جامع غیر آڈٹ شدہ عبوری مالیاتی گوشوارے برائے مدت ششماہی اختتام 20 جون 2020 پیش خدمت ہیں۔

کارکردگی کے اشاریوں (کے پی آئی) کے درمیان موازنہ درج ذیل ہے:

30 جون		
2019	2020	
(ہزار روپے)		
1,727,506	1,539,474	مکمل پرمیوم (بشمول ٹیکس کے حصے کے)
1,066,063	887,019	خالص پرمیوم آمدنی
160,827	94,994	خالص بیمہ کاری منافع (Underwriting Profit)
64,407	170,408	سرمایہ کاری اور دیگر ذرائع سے آمدن
243,706	283,138	قبل از ٹیکس منافع
172,330	200,594	بعد از ٹیکس منافع
2.40	2.79	فی حصص آمدن (روپیہ)

پچھلے سال اسی مدت کے مقابلے میں کمپنی نے مذکورہ بالا مدت میں 16% زیادہ قبل از ٹیکس منافع حاصل کیا، باوجود اس حقیقت کے مکمل پرمیوم میں 11% کمی ہوئی۔ سرمایہ کاری اور دیگر ذرائع سے حاصل شدہ آمدن میں 164% اضافہ ہوا۔ مدت مذکورہ میں بعد از ٹیکس منافع اور فی حصص آمدن میں 16% اضافہ ہوا۔

## ٹریڈنگ اور دیگر خدمات کا معاہدہ

کمپنیز ایکٹ 2017 کی شق 208(2) کے تحت ہم اپنے حصص داروں کو اطلاع دیتے ہیں کہ کمپنی نے ٹریڈنگ اور دیگر خدمات کی فراہمی کے لیے آسک ٹیک (Asktech) پرائیویٹ لمیٹڈ کے ساتھ معاہدہ کیا ہے۔ مذکورہ ادارہ کمپنی ہذا کی ایک ذیلی ادارہ ہے۔ ٹریڈنگ کی خدمات گاڑیوں کی بیمہ کاری کے کاروبار سے جڑے خطرات کو کم کرنے کے لیے حاصل کی گئی ہیں۔ ہم نے اس بات کو یقینی بنایا ہے کہ مذکورہ کمپنی سے ہماری لین دین Fair Value پر ہو۔

## مستقبل کا نقشہ

کورونا وائرس کے حالیہ پھیلاؤ کی وجہ سے پاکستان مختلف شعبوں میں بڑے معاشی خساروں کا سامنا کر رہا ہے۔ چنانچہ حالات بہتری کی طرف گامزن ہیں پھر بھی ان حالات میں سنبھلنا اور کاروبار کو آگے بڑھانا ایک کڑا کام ہے۔ تاہم کاروباری خطرات کا کامیابی سے مقابلہ کرنے کے لیے ایک چست و تیز راستہ اپنایا جائے گا۔ ہماری بھرپور کوشش ہے کہ ہم ترقی، منافع کمانے، اور نقدیت پذیری (Liquidity) میں ایک توازن برقرار رکھ سکیں۔

## اظہار تشکر

اس موقع سے فائدہ اٹھاتے ہوئے ہم اپنے تنظیم کنندہ اور ضابطہ، انشورنس ایسوسی ایشن آف پاکستان کے تہہ دل سے ممنون و مشکور ہیں کہ انہوں نے مسلسل تعاون کیا، اور ہم اپنے تمام قابل قدر دہرے نیٹے کاروں (Reinsurers) اور کاروباری متعلقین کے بھی از حد ممنون و مشکور ہیں کہ وہ ہم پر اپنا بھروسہ اور اعتماد جاری و ساری رکھے ہوئے ہیں۔

از خاطر واز جانب بورڈ



لیفٹیننٹ جنرل نجیب اللہ خان (ریٹائرڈ)  
چیئر مین بورڈ آف ڈائریکٹرز



عبدالوحید  
صدر و چیف ایگزیکٹو

راولپنڈی

11 اگست 2020



KPMG Taseer Hadi & Co.  
Chartered Accountants  
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# INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of askari general insurance company limited  
Report on review of Interim Financial Statements

## Introduction

We have reviewed the accompanying condensed interim statement of financial position of the askari general insurance company limited as at 30

June 2020 and the related unconsolidated condensed interim statement comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this

interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

## Scope of Review

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

Accordingly, we do not express an audit opinion.

## Conclusion

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

## Other matters

The figures for the unconsolidated condensed interim statement of comprehensive income for the quarter ended 30 June 2020 have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditor's review report is Inam Ullah Kakra.

KPMG Taseer Hadi and Co  
Chartered Accountants

Islamabad

Date: 17 August 2020

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative.

("KPMG International"), a Swiss entity.

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 30 JUNE 2020

		(Unaudited)	(Audited)
		30 June	31 December
		2020	2019
	Note	Rupees in thousand	
<b>ASSETS</b>			
Property and equipment	7	345,271	285,565
Intangible assets	8	364	345
Investment property	9	39,846	40,501
Investment in subsidiary	10	10,000	10,000
Investments			
- Equity securities	11	29,932	314,451
- Debt securities	12	2,228,189	1,640,386
- Term deposits	13	-	252,000
Loans and other receivables		209,040	132,406
Insurance / Reinsurance receivables	14	1,081,720	1,166,352
Reinsurance recoveries against outstanding claims	18	237,304	331,317
Salvage recoveries accrued		49,464	39,206
Deferred commission expense / Acquisition cost	19	121,226	124,175
Deferred taxation		15,642	15,592
Prepayments		566,698	457,438
Cash and bank		250,736	342,237
<b>Total assets from Window Takaful Operations - OPF</b>		<b>287,546</b>	<b>279,427</b>
<b>Total Assets</b>		<b>5,472,978</b>	<b>5,431,398</b>

Razi Haider  
Chief Financial Officer

Abdul Waheed  
President & Chief Executive



		(Unaudited)	(Audited)
		30 June	31 December
		2020	2019
	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		70,214	70,339
Unappropriated profit		1,076,699	1,055,860
Total Equity		1,987,093	1,966,379
Liabilities			
Underwriting Provisions			
- Outstanding claims including IBNR	18	521,451	624,125
- Unearned premium reserves	17	1,380,824	1,388,338
- Unearned reinsurance commission	19	84,197	104,849
Retirement benefit obligations		41,144	37,366
Staff compensated absences		32,021	29,715
Lease liabilities		188,385	100,390
Taxation - provision less payment		22,930	295
Premium received in advance		19,579	15,021
Insurance / Reinsurance payables		869,776	853,022
Unclaimed dividends		9,213	7,158
Other creditors and accruals	15	164,767	167,431
Deposits and other payables		49,842	45,610
Total Liabilities		3,384,129	3,373,320
Total liabilities from Window Takaful Operations - OPF		101,756	91,699
Total Equity and Liabilities		5,472,978	5,431,398
Contingencies and commitments	16		

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

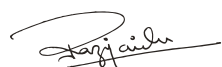
Maj Gen Akhtar Iqbal (Retd)  
Director

Lt Gen Najib Ullah Khan (Retd)  
Chairman

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
Note		Rupees in thousand			
Net insurance premium	17	415,612	547,294	887,019	1,066,063
Net insurance claims	18	(215,111)	(305,107)	(489,202)	(645,693)
Net commission and other acquisition costs	19	18,283	24,288	38,187	45,951
Insurance claims and acquisition expenses		(196,828)	(280,819)	(451,015)	(599,742)
Management expenses		(177,497)	(154,949)	(341,010)	(305,494)
Underwriting results		41,287	111,526	94,994	160,827
Investment income	20	79,039	2,786	154,555	52,461
Rental income		1,434	1,274	2,868	2,548
Other income		5,993	4,918	12,985	9,398
Other expenses		(2,213)	(1,931)	(4,543)	(3,854)
Results of operating activities		125,540	118,573	260,859	221,380
Finance costs		(4,631)	(4,823)	(8,950)	(6,324)
Profit before tax from General Operations		120,909	113,750	251,909	215,056
Profit before tax from Window Takaful Operations - OPF		11,434	5,818	31,229	28,650
Profit before tax		132,343	119,568	283,138	243,706
Income tax expense		(39,251)	(37,412)	(82,544)	(71,376)
Profit after tax		93,092	82,156	200,594	172,330
<b>Other comprehensive income:</b>					
<b>Items that will be reclassified subsequently to profit and loss account:</b>					
Unrealised loss on available-for-sale investments - net		(175)	-	(125)	-
Reclassification adjustment on available-for-sale investments included in profit and loss account - net		-	11,421	-	15,967
		(175)	11,421	(125)	15,967
<b>Total comprehensive income for the period</b>		<b>92,917</b>	<b>93,577</b>	<b>200,469</b>	<b>188,297</b>
Earnings (after tax) per share - Rupees	21	1.29	1.14	2.79	2.40

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

# UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

	2020	2019
	Rupees in thousand	
<b>Operating cash flows</b>		
<b>a) Underwriting activities:</b>		
Premium received	1,470,078	1,787,841
Reinsurance premium paid	(942,572)	(78,183)
Claims paid	(749,197)	(753,194)
Reinsurance and other recoveries received	481,943	7,209
Commission paid	(90,995)	(77,065)
Commission received	218,349	15,768
Management expenses paid	(312,038)	(305,298)
Net cash flows generated from underwriting activities	75,568	597,078
<b>b) Other operating activities:</b>		
Income tax paid	(50,440)	(68,369)
Other expenses paid	(6,053)	(3,380)
Other operating receipts / (payments)	19,190	(59,293)
Advances to employees	(38)	134
Net cash used in other operating activities	(37,341)	(130,908)
<b>Total cash flow generated from all operating activities</b>	<b>38,227</b>	<b>466,170</b>
<b>Investing activities:</b>		
Profit / return received	95,394	68,643
Dividends received	2,071	6,336
Payments for investments	(3,346,331)	(4,298,874)
Proceeds from investments	3,316,958	3,946,666
Fixed capital expenditure	7,418	(6,553)
Proceeds from disposal of fixed assets	2,015	20
<b>Total cash generated from / (used in) investing activities</b>	<b>77,525</b>	<b>(283,762)</b>
<b>Financing activities:</b>		
Financial charges paid	(8,950)	(3,087)
Repayment of obligation under finance lease	(20,828)	(16,165)
Dividend paid	(177,700)	(81,383)
Staff house building finance - net	38	(2,801)
Mark-up on staff house building finance received	187	692
Equity transactions costs paid	-	(1,230)
<b>Total cash used in financing activities</b>	<b>(207,253)</b>	<b>(103,974)</b>
<b>Net cash (used in) / generated from all activities</b>	<b>(91,501)</b>	<b>78,434</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>342,237</b>	<b>147,175</b>
<b>Cash and cash equivalents at end of the period</b>	<b>250,736</b>	<b>225,609</b>

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman



# UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

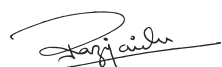
	2020	2019
	Rupees in thousand	
Reconciliation to Profit and Loss Account		
Operating cash flows	38,227	466,170
Depreciation expense	(11,660)	(11,563)
Financial charges	(8,950)	(3,087)
Gain on disposal of fixed assets	1,177	20
Amortization of right of use of assets	(29,753)	(33,343)
(Decrease) / increase in assets other than cash	(418,899)	304,733
Decrease / (increase) in liabilities other than running finance	468,341	(636,917)
Unrealized gain on investments - held for trading	9	4,032
Provision for diminution in value of AFS investments	-	(31,005)
Dividend income	2,095	6,336
Investment income	143,172	63,307
Profit on bank deposits	8,431	8,213
Income tax provision	(82,544)	(71,376)
Gain on trading	9,279	9,791
Tax paid	50,440	68,369
Profit after taxation from General Insurance Operations	169,365	143,680
Profit from Window Takaful Operations - OPF	31,229	28,650
Profit after taxation	200,594	172,330

## 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.

	2020	2019
Cash for the purpose of cash flow statement consists of:	Rupees in thousand	
Cash and other equivalents		
Cash in hand	1,569	1,034
Stamp in hand	770	939
	2,339	1,973
Current and other accounts		
Current accounts	47,282	39,275
Deposit accounts	201,115	184,361
	248,397	223,636
Total	250,736	225,609

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman


# UNCONSOLIDATED CONDENSED INTERIM

## STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

### FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

	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 2019	625,234	121,161	70,000	(17,462)	887,788	1,061,487	1,686,721
Total comprehensive income for the period							
Profit for the period	-	-	-	-	172,330	172,330	172,330
Other comprehensive income for the period	-	-	-	15,967	-	15,967	15,967
Total comprehensive income for the period	-	-	-	15,967	172,330	188,297	188,297
Changes in owners' equity							
Cash dividend (Rupee 1.5 per share)	-	-	-	-	(93,785)	(93,785)	(93,785)
Issuance of 15% bonus shares	93,785	-	-	-	(93,785)	(93,785)	
Equity transaction costs	-	-	-	-	(1,230)	(1,230)	(1,230)
	93,785	-	-	-	(188,800)	(188,800)	(95,015)
Balance as at 30 June 2019	719,019	121,161	70,000	(1,495)	871,318	1,060,984	1,780,003
Balance as at 01 January 2020	719,019	121,161	70,000	339	1,055,860	1,247,360	1,966,379
Total comprehensive income for the period							
Profit for the period	-	-	-	-	200,594	200,594	200,594
Other comprehensive income for the period	-	-	-	(125)	-	(125)	(125)
Total comprehensive income for the period	-	-	-	(125)	200,594	200,469	200,469
Changes in owners' equity							
Cash dividend (Rupees 2.5 per share)	-	-	-	-	(179,755)	(179,755)	(179,755)
Equity transaction costs	-	-	-	-	-	-	-
	-	-	-	-	(179,755)	(179,755)	(179,755)
Balance as at 30 June 2020	719,019	121,161	70,000	214	1,076,699	1,268,074	1,987,093

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

# NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

## 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.

## 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 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 2019. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2019 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 30 June 2019.

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.

### 2.1 Basis of measurement

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



# NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

## 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 2019.

## 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 2019.

## 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 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 2019.

## 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) 30 June 2020	(Audited) 31 December 2019
	Note	Rupees in thousand	
<b>7</b>	<b>PROPERTY AND EQUIPMENT</b>		
Capital work-in-progress	7.1	3,644	3,310
Operating assets	7.2	341,627	282,255
		<b>345,271</b>	<b>285,565</b>
<b>7.1</b>	<b>Movement in Capital work-in-progress is as follows:</b>		
Opening balance		3,310	2,871
Additions		3,881	4,664
Transfers		(3,547)	(4,225)
Closing balance		3,644	3,310

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

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	
30 June 2020 (unaudited)											
Building	7.2.1	142,602	-	-	142,602	3,802	1,783	-	5,585	137,017	40
Furniture and fixtures		29,122	(645)	-	28,477	19,605	1,546	(639)	20,512	7,965	5
Computers and office equipment		69,391	(233)	-	69,158	59,548	2,841	(1,132)	61,257	7,901	3
Motor vehicles (Owned)		21,047	(3,270)	-	17,777	14,608	1,707	(3,425)	12,890	4,887	5
Right of use assets - Motor vehicles		140,407	(2,216)	-	138,191	86,298	13,335	(3,914)	95,719	42,472	5
Right of use assets - Rental properties		92,725	99,495	-	192,220	38,818	20,522	-	59,340	132,880	1 to 9
Tracking devices		87,004	(838)	2,026	88,192	82,001	1,747	(750)	82,998	5,194	3
Leasehold improvements		23,312	(1,845)	-	21,467	18,675	1,326	(1,845)	18,156	3,311	3
		605,610	90,448	2,026	698,084	323,355	44,807	(11,705)	356,457	341,627	

	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 2019 (audited)										
Building	118,800	23,802	-	142,602	743	3,059	-	3,802	138,800	40
Furniture and fixtures	25,694	3,428	-	29,122	17,760	2,605	(760)	19,605	9,517	5
Computers and office equipment	67,421	1,970	-	69,391	57,076	6,790	(4,318)	59,548	9,843	3
Motor vehicles (Owned)	22,100	(1,053)	-	21,047	12,452	3,087	(931)	14,608	6,439	5
Right of use assets - Motor vehicles	139,368	1,039	-	140,407	68,835	28,469	(11,006)	86,298	54,109	5
Right of use assets - Rental properties	74,498	18,227	-	92,725	-	38,818	-	38,818	53,907	1 to 9
Tracking devices	109,155	(26,376)	4,225	87,004	104,222	3,389	(25,610)	82,001	5,003	3
Leasehold improvements	20,675	2,637	-	23,312	16,162	2,513	-	18,675	4,637	3
	577,711	23,674	4,225	605,610	277,250	88,730	(42,625)	323,355	282,255	

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 six months period ended 30 June 2019 were Rs.39,076 thousand, 26,832 thousand and 44,197 thousand respectively.

8 INTANGIBLE ASSETS

	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		
Computer software	5,505	74	-	5,579	5,160	55	-	5,215	364	5
<b>Total - 30 June 2020 (unaudited)</b>	5,505	74	-	5,579	5,160	55	-	5,215	364	
Total - 31 December 2019 (audited)	5,139	366	-	5,505	5,067	93	-	5,160	345	5
8.1 Amortization for the six months period ended 30 June 2019 was Rs. 54 thousand.										

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

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)
			30 June	31 December
		2020	2019	
		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	(11,899)		(10,589)
	Depreciation for the period / year	(655)		(1,310)
	Balance at end of the period / year	(12,554)		(11,899)
		39,846		40,501
	Useful life (years)	40		40
	Depreciation for the six months period ended 30 June 2019 was Rs. 655 thousand.			
			(Unaudited)	(Audited)
			30 June	31 December
			2020	2019
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)
			30 June	31 December
			2020	2019
11	INVESTMENTS IN EQUITY SECURITIES	Note	Rupees in thousand	
	Fair value through profit and loss	11.1	26,832	311,421
	Available-for-sale	11.2	3,100	3,030
	Total equity securities		29,932	314,451

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		30 June 2020 (unaudited)			31 December 2019 (audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
		Rupees in thousand					
11.1	Fair value through profit and loss						
	Mutual funds	26,823	-	26,832	311,419	-	311,421
11.2	Available-for-sale						
	Listed shares	-	-	-	-	-	-
	Mutual funds	2,800	-	2,800	2,554	-	2,554
	Unrealized surplus on revaluation	-	-	300	-	-	476
		2,800	-	3,100	2,554	-	3,030
12	INVESTMENTS IN DEBT SECURITIES						
		30 June 2020 (unaudited)			31 December 2019 (audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
		Rupees in thousand					
	HELD TO MATURITY						
	Government Securities						
	Pakistan Investment Bonds	113,488	-	113,488	112,259	-	112,259
	Treasury Bills	1,814,676	-	1,814,676	1,223,102	-	1,223,102
		1,928,164	-	1,928,164	1,335,361	-	1,335,361
	AVAILABLE-FOR-SALE						
	Term Finance Certificates	160,000	-	160,000	160,000	-	160,000
	Sukuks	140,025	-	140,025	145,025	-	145,025
		300,025	-	300,025	305,025	-	305,025
	LOANS AND RECEIVABLES						
	Certificates of Investments	11,128	(11,128)	-	11,128	(11,128)	-
		2,239,317	(11,128)	2,228,189	1,651,514	(11,128)	1,640,386
					(Unaudited)	(Audited)	
					30 June	31 December	
					2020	2019	
					Rupees in thousand		
13	INVESTMENTS IN TERM DEPOSITS						
	Loans and receivables						
	Deposits maturing within 12 months				-		252,000



NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited) 30 June 2020	(Audited) 31 December 2019
	Rupees in thousand	
<b>14 INSURANCE / REINSURANCE RECEIVABLES</b>		
Due from insurance contract holders	952,588	1,013,864
Less: provision for impairment of receivables from insurance contract holders	(20,760)	(20,760)
	931,828	993,104
Due from other insurers / reinsurers	165,392	188,748
Less: provision for impairment of receivables from other insurers / reinsurers	(15,500)	(15,500)
	149,892	173,248
	1,081,720	1,166,352
<b>15 OTHER CREDITORS AND ACCRUALS</b>		
Agents' commission payable	87,743	64,947
Tax deducted at source	11,149	13,395
Federal excise duty / federal insurance fee	31,421	39,940
Accrued expenses	1,258	12,269
Fund received against leased vehicle	1,854	2,262
Fund received against vehicle ljarah	122	145
Payable to subsidiary	5,542	4,853
Others	25,678	29,620
	164,767	167,431

**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 2019.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
Rupees in thousand					
<b>17</b>	<b>NET INSURANCE PREMIUM</b>				
	Written gross premium	830,237	975,832	1,343,972	1,534,078
	Add: wUnearned premium reserve opening	1,209,156	1,440,048	1,388,337	1,642,458
	Less: Unearned premium reserve closing	1,380,824	1,579,217	1,380,824	1,579,217
	Premium earned	658,569	836,663	1,351,485	1,597,319
	Less: Reinsurance premium ceded	410,630	520,331	564,619	700,301
	Add: Prepaid reinsurance premium opening	387,291	486,056	454,811	547,973
	Less: Prepaid reinsurance premium closing	554,964	717,018	554,964	717,018
	Reinsurance expense	242,957	289,369	464,466	531,256
		415,612	547,294	887,019	1,066,063
<b>18</b>	<b>NET INSURANCE CLAIMS</b>				
	Claims paid	268,708	337,276	749,197	742,871
	Add: Outstanding claims including IBNR closing	521,451	531,994	521,451	531,994
	Less: Outstanding claims including IBNR opening	496,691	493,043	624,126	445,799
	Claims expense	293,468	376,227	646,522	829,066
	Less: Reinsurance and other recoveries received	55,299	47,771	251,333	118,819
	Add: Reinsurance and other recoveries in respect of outstanding claims closing	237,304	245,534	237,304	245,534
	Less: Reinsurance and other recoveries in respect of outstanding claims opening	214,246	222,185	331,317	180,980
	Reinsurance and other recoveries revenue	78,357	71,120	157,320	183,373
		215,111	305,107	489,202	645,693
<b>19</b>	<b>NET COMMISSION EXPENSE / ACQUISITION COST</b>				
	Commission paid or payable	79,761	23,252	118,821	79,175
	Add: Deferred commission expense opening	99,842	101,014	124,175	97,956
	Less: Deferred commission expense closing	121,226	85,773	121,226	85,773
	Net commission	58,377	38,493	121,770	91,358
	Less: Commission received or recoverable	77,987	86,472	139,306	150,544
	Add: Unearned reinsurance commission opening	82,870	96,881	104,848	107,337
	Less: Unearned reinsurance commission closing	84,197	120,572	84,197	120,572
	Commission from reinsurers	76,660	62,781	159,957	137,309
		(18,283)	(24,288)	(38,187)	(45,951)

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
Rupees in thousand					
<b>20</b>	<b>INVESTMENT INCOME</b>				
	<b>Dividend income on investments</b>				
	Dividend income on securities held for trading	24	3,939	1,805	3,939
	Dividend income on available for sale investments	290	1,189	290	2,396
		314	5,128	2,095	6,335
	<b>Income from debt securities</b>				
	Return on government securities	59,356	10,172	111,100	11,116
	Return on other fixed income securities	13,855	23,146	31,704	65,566
		73,211	33,318	142,804	76,682
	<b>Net realised gains on investments</b>				
	Gain on trading of held for trading investments	5,077	7,866	9,280	9,791
	Gain / (loss) on sale of available for sale investments	582	1,067	582	(13,374)
		5,659	8,933	9,862	(3,583)
	Unrealized profit on re-measurement of investments held for trading	9	3,488	9	4,032
	Reversal of diminution in available-for-sale investments	-	(48,081)	-	(31,005)
	Investment related expenses	(155)	-	(215)	-
	<b>Total investment income</b>	<b>79,038</b>	<b>2,786</b>	<b>154,555</b>	<b>52,461</b>
<b>21</b>	<b>EARNINGS PER SHARE</b>				
	Profit after tax (Rupees in thousand)	93,092	82,156	200,594	172,330
	Weighted average number of shares (in thousand)	71,902	71,902	71,902	71,902
	Earnings per share (Rupees)	1.29	1.14	2.79	2.40

**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:

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited) 30 June 2020	(Audited) 31 December 2019
	Rupees in thousand	
<b>Balances at period / year end</b>		
<b>Parent:</b>		
Premium due:		
Balance at beginning of the period / year	2,358	1,316
Insurance premium written (including government levies, administrative surcharge and policies stamps)	617	6,946
Receipts during the period / year	(1,411)	(5,904)
Balance at end of the period / year	1,564	2,358
<b>Subsidiary:</b>		
Balance at beginning of the period / year	(4,853)	-
Services acquired	(18,310)	(22,200)
Paid during the period / year	17,621	17,347
Balance at end of the period / year	(5,542)	(4,853)
<b>Associated undertakings:</b>		
Premium due:		
Balance at beginning of the period / year	80,204	94,261
Insurance premium written (including government levies, administrative surcharge and policies stamps)	15,555	108,957
Receipts during the period / year	(70,514)	(123,014)
Balance at end of the period / year	25,245	80,204



NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited)	
	Half year ended 30 June	
	2020	2019
<b>Transactions during the period:</b>	<b>Rupees in thousand</b>	
<b>With parent:</b>		
Insurance premium written (including government levies, administrative surcharge and policies stamps)	617	873
Premium received during the period	1,411	795
Insurance claims paid	1,449	(169)
Rent paid	12,518	11,173
Dividend paid	106,493	55,578
Bonus shares issued	-	55,578
<b>With subsidiary:</b>		
Investment made during the period	-	10,000
Services acquired	18,310	7,396
Payments made	17,621	4,856
<b>With associates:</b>		
Insurance premium written (including government levies, administrative surcharge and policies stamps)	15,555	5,769
Premium received during the period	70,514	69,330
Insurance claims paid	7,932	9,014
Contribution to staff retirement benefit funds	20,366	19,467
Remuneration of chief executive, directors and executives	43,105	33,997
Dividend paid to directors	1,365	717

# NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

## 23 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.

30 June 2020 (unaudited)						
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Level 1
Rupees in thousand						
<b>Financial assets measured at fair value</b>						
Investment at fair value through profit and loss	26,832	-	-	-	-	26,832
Investment at fair value through other comprehensive income	-	3,100	-	-	-	3,100
<b>Financial assets not measured at fair value</b>						
Investment in subsidiary	-	10,000	-	-	-	-
Investments						
- Government securities	-	-	1,928,164	-	-	-
- Certificates of Investment (COIs) / TDRs	-	-	-	-	-	-
- Fixed term deposits	-	300,025	-	-	-	-
Loans to employees	-	-	-	50	-	-
Accrued investment income*	-	-	-	87,465	-	-
Staff house building finance	-	-	-	2,923	-	-
Sundry receivables*	-	-	-	118,602	-	-
Amounts due from insurance contract holders*	-	-	-	931,828	-	-
Amounts due from other insurers / reinsurers*	-	-	-	149,892	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	237,304	-	-
Salvage recoveries accrued*	-	-	-	49,464	-	-
Cash and bank deposits*	-	-	-	250,736	-	-
Total assets of Window Takaful Operations - OPF	-	-	-	287,546	-	-
<b>Financial liabilities not measured at fair value</b>						
Provision for outstanding claims (including IBNR)*	-	-	-	-	521,451	-
Lease liabilities	-	-	-	-	188,385	-
Premium received in advance	-	-	-	-	19,579	-
Amounts due to other insurers / reinsurers*	-	-	-	-	841,296	-
Unclaimed dividend*	-	-	-	-	9,213	-
Accrued expenses*	-	-	-	-	1,258	-
Other creditors and accruals*	-	-	-	-	191,989	-
Deposits and other payables*	-	-	-	-	49,842	-
Total liabilities of Window Takaful Operations - OPF	-	-	-	-	101,756	-
	26,832	313,125	1,928,164	2,115,810	1,924,769	29,932

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	31 December 2019 (audited)					
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Level 1
	Rupees in thousand					
<b>Financial assets measured at fair value</b>						
Investment at fair value through profit and loss	311,421	-	-	-	-	311,421
Investment at fair value through other comprehensive income	-	3,030	-	-	-	3,030
<b>Financial assets not measured at fair value</b>						
Investment in subsidiary	-	10,000	-	-	-	-
Investments						
- Government securities	-	-	1,335,361	-	-	-
- Certificates of Investment (COIs) / TDRs	-	-	-	252,000	-	-
- Fixed term deposits	-	305,025	-	-	-	-
Loans to employees	-	-	-	12	-	-
Accrued investment income*	-	-	-	44,028	-	-
Staff house building finance	-	-	-	2,961	-	-
Sundry receivables*	-	-	-	85,405	-	-
Amounts due from insurance contract holders*	-	-	-	993,104	-	-
Amounts due from other insurers / reinsurers*	-	-	-	173,248	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	331,317	-	-
Salvage recoveries accrued*	-	-	-	39,206	-	-
Cash and bank deposits*	-	-	-	342,237	-	-
Total assets of Window Takaful Operations - OPF	-	-	-	279,427	-	-
<b>Financial liabilities not measured at fair value</b>						
Provision for outstanding claims (including IBNR)*	-	-	-	-	624,125	-
Lease liabilities	-	-	-	-	100,390	-
Premium received in advance	-	-	-	-	15,021	-
Amounts due to other insurers / reinsurers*	-	-	-	-	853,022	-
Unclaimed dividend*	-	-	-	-	7,158	-
Accrued expenses*	-	-	-	-	12,269	-
Other creditors and accruals*	-	-	-	-	155,162	-
Deposits and other payables*	-	-	-	-	45,610	-
Total liabilities of Window Takaful Operations -OPF	-	-	-	-	91,699	-
	311,421	318,055	1,335,361	2,542,945	1,904,456	314,451

\* 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 UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

24 SEGMENT INFORMATION  
24.1 Segment Profit and loss

	Fire and property damage		Marine, aviation and transport		Motor		Accident and health		Miscellaneous		Total
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2019
	Rupees in thousand										
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge)	235,719	207,590	94,501	103,563	435,334	517,148	323,229	255,549	389,652	597,865	1,478,435
Less: Federal Excise Duty	30,862	27,196	11,111	12,266	59,010	70,284	-	-	17,353	18,773	118,336
Federal Insurance Fee	1,969	1,733	785	969	3,741	4,465	3,184	2,518	3,669	5,750	13,348
Stamp Duty	19	24	2,638	3,474	68	95	3	3	51	67	2,779
Gross written premium (inclusive of administrative surcharge)	202,869	178,637	79,967	86,834	372,515	442,304	320,042	253,028	368,579	573,275	1,343,972
Gross premium	197,335	171,120	76,844	82,998	360,273	425,949	318,406	251,250	365,640	571,467	1,318,498
Administrative surcharge	2,635	3,337	3,154	3,990	12,083	16,549	410	715	2,294	3,532	20,576
Facultative inward premium	2,417	2,923	-	-	288	-	-	-	776	371	3,481
Service charges	482	1,257	(31)	(154)	(129)	(194)	1,226	1,063	(131)	(2,095)	1,417
Insurance premium earned	215,255	213,434	93,386	112,229	425,427	480,818	350,956	466,963	266,461	323,875	1,351,485
Insurance premium ceded to reinsurers	(193,279)	(183,411)	(65,346)	(68,678)	(11,003)	(5,054)	(84,386)	(62,314)	(110,452)	(211,799)	(464,466)
Net insurance premium	21,976	30,023	28,040	43,551	414,424	475,764	266,570	404,649	156,009	112,076	887,019
Commission income	58,072	44,635	21,404	22,733	696	315	12,804	14,194	66,981	55,432	159,957
Net underwriting income	80,048	74,658	49,444	66,284	415,120	476,079	279,374	418,843	222,990	167,508	1,046,976
Insurance claims	(48,890)	(25,668)	(21,069)	(74,846)	(193,050)	(252,654)	(324,534)	(393,051)	(58,979)	(82,847)	(646,522)
Insurance claims recovered	37,156	24,240	14,759	60,358	1,891	7,347	71,877	47,459	31,637	43,969	157,320
Net claims	(11,734)	(1,428)	(6,310)	(14,488)	(191,159)	(245,307)	(252,657)	(345,592)	(27,342)	(38,878)	(489,202)
Commission expense	(22,056)	(24,647)	(17,553)	(16,526)	(28,043)	(20,585)	(12,689)	(13,002)	(41,429)	(16,598)	(121,770)
Management expense	(7,973)	(8,060)	(10,173)	(11,692)	(169,544)	(147,014)	(96,716)	(108,639)	(56,604)	(30,089)	(341,010)
Underwriting results	38,285	40,523	15,408	23,578	26,374	63,173	(82,688)	(48,390)	97,615	81,943	94,994
Investment income											154,555
Rental income											2,868
Other income											12,985
Finance costs											(8,950)
Other expenses											(4,543)
Profit before tax from Window Takatuf Operations - OPF											251,909
Profit before tax											31,229
											283,138

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

24.2 Segment Assets and Liabilities

	Fire and property damage			Marine, aviation and transport			Motor			Accident and health			Miscellaneous			Total		
	Unaudited	Audited		Unaudited	Audited		Unaudited	Audited		Unaudited	Audited		Unaudited	Audited		Unaudited	Audited	
	30 June 2020	31 December 2019		30 June 2020	31 December 2019		30 June 2020	31 December 2019		30 June 2020	31 December 2019		30 June 2020	31 December 2019		30 June 2020	31 December 2019	
	Rupees in thousand																	
Corporate Segment assets - Conventional	349,514	341,185		94,474	125,052		760,456	750,071		592,709	630,697		592,796	554,421		2,389,949	2,401,426	
Corporate Segment assets - Takatful OPF	12,564	10,033		4,866	4,161		34,782	36,929		4,230	2,338		5,858	4,695		62,300	58,156	
Corporate unallocated assets - Conventional																		
Corporate unallocated assets - Takatful OPF																2,795,483	2,749,544	
Consolidated total assets																225,246	222,272	
																5,472,978	5,431,398	
Corporate Segment liabilities - Conventional	405,514	399,985		113,239	135,018		996,668	1,014,588		815,693	876,409		713,718	709,851		3,044,834	3,135,851	
Corporate Segment liabilities - Takatful OPF	13,988	11,571		2,785	2,599		49,719	50,746		9,083	5,205		6,769	11,421		82,344	81,542	
Corporate unallocated Segment liabilities - Conventional																339,295	237,597	
Corporate unallocated Segment liabilities - Takatful OPF																19,412	10,029	
Consolidated total liabilities																3,485,885	3,465,019	

25 IMPACT OF COVID-19

The Company follows the development of the Covid 19 and evaluates the extent to which this may affect the Company's operations in the short term and long term. With the high levels of uncertainty surrounding the situation and potential additional initiatives by authorities and customers, it is very difficult to predict the full financial impact that the situation may have on the Company.

26 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 11 August 2020.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman





CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION**  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

# DIRECTORS' REPORT

## On Consolidated Interim Financial Information

For the Six months period ended June 30, 2020

The Board of Directors is pleased to present the consolidated unaudited condensed interim financial information of askari general insurance company limited and its subsidiary (the Group) for the six months period ended June 30, 2020.

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

	30th June	
	2020	2019
	(Rupees in Thousand)	
Gross premium written (Inclusive of Takaful Contribution)	1,539,474	1,727,506
Net premium revenue	887,019	1,066,063
Underwriting profit	95,604	160,827
Investment and other income	170,510	64,737
Profit before tax	283,842	244,036
Profit after tax	201,056	172,565
Earnings per share (Rs.)	2.80	2.40

In comparison with corresponding period, the Group achieved 16% growth in Profit before tax, despite a decrease in Gross premium written of 11%. Investment and other income increased by 164% and Profit after tax and Earnings per share have increased by 17%.

### Future outlook

In the wake of Coronavirus outbreak, Pakistan is experiencing major economic losses in different sectors. Although recovering from

the situation, business development in current scenario is quite challenging. A vigilant approach would 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 Behalf of the Board



**Abdul Waheed**

President & Chief Executive



**Lt Gen Najib Ullah Khan (Retd)**

Chairman – Board of Directors

Rawalpindi

August 11, 2020

# رپورٹ من جانب ڈائریکٹرز

عبوری مرتب مالیاتی معلومات کی بنیاد پر

برائے مدت ششماہی اختتام 30 جون 2020

ڈائریکٹرز کی جانب سے عسکری انشورنس کمپنی لمیٹڈ اور اس کے ذیلی ادارے (گروپ) کی مختصر مگر جامع غیر آڈٹ شدہ عبوری مرتب مالیاتی معلومات برائے مدت ششماہی اختتام 30 جون 2020 پیش خدمت ہیں۔

کارکردگی کے اشاریوں (کے پی آئی) کے درمیان موازنہ درج ذیل ہے:

30 جون		
2019	2020	
(ہزار روپے)		
1,727,506	1,539,474	مکتوبہ مجموعی پرییم (بشمول تکافل کے حصے کے)
1,066,063	887,019	خالص پرییم آمدنی
160,827	95,604	خالص بیمہ کاری منافع (Underwriting Profit)
64,737	170,510	سرمایہ کاری اور دیگر ذرائع سے آمدن
244,036	283,842	قبل از ٹیکس منافع
172,565	201,056	بعد از ٹیکس منافع
2.40	2.80	فی حصص آمدن (روپیہ)

پچھلے سال اسی مدت کے مقابلے میں گروپ نے مذکورہ بالا مدت میں 16% زیادہ قبل از ٹیکس منافع حاصل کیا، باوجود اس حقیقت کے کہ مکتوبہ مجموعی پرییم میں 11% کمی ہوئی۔ سرمایہ کاری اور دیگر ذرائع سے حاصل شدہ آمدن میں 164% اضافہ ہوا۔ مدت مذکورہ میں بعد از ٹیکس منافع اور فی حصص آمدن میں 17% اضافہ ہوا۔

## مستقبل کا نقشہ

کورونا وائرس کے حالیہ پھیلاؤ کی وجہ سے پاکستان مختلف شعبوں میں بڑے معاشی خساروں کا سامنا کر رہا ہے۔ اگرچہ اب حالات بہتری کی طرف گامزن ہیں، پھر بھی ان حالات میں سنبھلنا اور کاروبار کو آگے بڑھانا ایک کڑا کام ہے۔ تاہم کاروباری خطرات کا کامیابی سے مقابلہ کرنے کے لیے ایک مزید جست و تیز راستہ اپنایا جائے گا۔ ہماری بھرپور کوشش ہے کہ ہم ترقی، منافع کمائے، اور نقدیت پذیری (Liquidity) میں ایک توازن برقرار رکھ سکیں۔

## اظہار تشکر

اس موقع سے فائدہ اٹھاتے ہوئے ہم اپنے تنظیم کنندہ اور ضابطہ، انشورنس ایسوسی ایشن آف پاکستان کے تہدول سے ممنون و مشکور ہیں کہ انہوں نے مسلسل تعاون کیا، اور ہم اپنے تمام قابل قدر دہرے نیے کاروں (Reinsurers) اور کاروباری متعلقین کے بھی از حد ممنون و مشکور ہیں کہ وہ ہم پر اپنا بھروسہ اور اعتماد جاری و ساری رکھے ہوئے ہیں۔

از خاطر و از جانب بورڈ



لیفٹیننٹ جنرل نجیب اللہ خان (ریٹائرڈ)

چیئرمین بورڈ آف ڈائریکٹرز



عبدالوحید

صدر و چیف ایگزیکٹو

راولپنڈی

11 اگست 2020

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT 30 JUNE 2020

		(Unaudited)	(Audited)
		30 June	31 December
		2020	2019
	Note	Rupees in thousand	
<b>ASSETS</b>			
Property and equipment	7	346,138	287,179
Intangible assets	8	364	345
Investment property	9	39,846	40,501
Investments			
- Equity securities	10	29,932	314,451
- Debt securities	11	2,228,189	1,640,386
- Term deposits	12	-	252,000
Loans and other receivables		211,000	133,333
Insurance / Reinsurance receivables	13	1,081,720	1,166,352
Reinsurance recoveries against outstanding claims	17	237,304	331,317
Salvage recoveries accrued		49,464	39,206
Taxation - payments less provision		-	-
Deferred commission expense / Acquisition cost	18	121,226	124,175
Deferred taxation		15,642	15,592
Prepayments		569,229	457,469
Cash and bank		251,717	346,800
<b>Total assets from Window Takaful Operations - OPF</b>		<b>287,546</b>	<b>279,427</b>
<b>Total Assets</b>		<b>5,469,317</b>	<b>5,428,533</b>

Razi Haider  
Chief Financial Officer

Abdul Waheed  
President & Chief Executive



		(Unaudited)	(Audited)
		30 June	31 December
		2020	2019
	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		70,214	70,339
Unappropriated profit		1,075,512	1,054,211
Total Equity		1,985,906	1,964,730
Liabilities			
Underwriting Provisions			
- Outstanding claims including IBNR	17	521,451	624,125
- Unearned premium reserves	16	1,380,824	1,388,338
- Unearned reinsurance commission	18	84,197	104,849
Retirement benefit obligations		41,144	37,366
Staff compensated absences		32,021	29,715
Lease liabilities		188,385	100,390
Taxation - provision less payment		23,434	556
Premium received in advance		19,579	15,021
Insurance / Reinsurance payables		869,776	853,023
Unclaimed dividends		9,213	7,158
Other creditors and accruals	14	161,789	165,952
Deposits and other payables		49,842	45,610
Total Liabilities		3,381,655	3,372,104
Total liabilities from Window Takaful Operations - OPF		101,756	91,699
Total Equity and Liabilities		5,469,317	5,428,533
Contingencies and commitments	15		

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

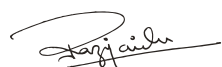
Maj Gen Akhtar Iqbal (Retd)  
Director

Lt Gen Najib Ullah Khan (Retd)  
Chairman

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
	Note	Rupees in thousand			
Net insurance premium	16	415,612	547,294	887,019	1,066,063
Net insurance claims	17	(215,111)	(305,107)	(489,202)	(645,693)
Net commission and other acquisition costs	18	18,283	24,288	38,187	45,951
Insurance claims and acquisition expenses		(196,828)	(280,819)	(451,015)	(599,742)
Management expenses		(176,124)	(154,949)	(340,400)	(305,494)
Underwriting results		42,660	111,526	95,604	160,827
Investment income	19	79,039	2,786	154,555	52,461
Rental income		1,434	1,274	2,868	2,548
Other income		6,095	5,248	13,087	9,728
Other expenses		(2,218)	(1,931)	(4,548)	(3,854)
Results of operating activities		127,010	118,903	261,566	221,710
Finance costs		(4,634)	(4,823)	(8,953)	(6,324)
Profit before tax from General Operations		122,376	114,080	252,613	215,386
Profit before tax from Window Takaful Operations - OPF		11,434	5,818	31,229	28,650
Profit before tax		133,810	119,898	283,842	244,036
Income tax expense		(39,493)	(37,507)	(82,786)	(71,471)
Profit after tax		94,317	82,391	201,056	172,565
Other comprehensive income:					
Items that will be reclassified subsequently to profit and loss account:					
Unrealised loss on available-for-sale investments - net		(175)	-	(125)	-
Reclassification adjustment on available-for-sale investments included in profit and loss account - net		-	11,421	-	15,967
		(175)	11,421	(125)	15,967
Total comprehensive income for the period		94,142	93,812	200,931	188,532
Earnings (after tax) per share - Rupees	20	1.31	1.15	2.80	2.40

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



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director




Lt Gen Najib Ullah Khan (Retd)  
Chairman

# CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

	2020	2019
	Rupees in thousand	
<b>Operating cash flows</b>		
<b>a) Underwriting activities:</b>		
Premium received	1,470,078	1,787,841
Reinsurance premium paid	(942,572)	(78,183)
Claims paid	(749,197)	(753,194)
Reinsurance and other recoveries received	481,943	7,209
Commission paid	(90,995)	(77,065)
Commission received	218,349	15,768
Management expenses paid	(328,157)	(312,661)
Net cash flows (used in) / generated from underwriting activities	59,449	589,715
<b>b) Other operating activities:</b>		
Income tax paid	(50,106)	(68,369)
Other expenses paid	(6,053)	(3,380)
Other operating receipts / (payments)	31,703	(54,747)
Advances to employees	(111)	134
<b>Net cash used in other operating activities</b>	<b>(24,567)</b>	<b>(126,362)</b>
<b>Total cash flow generated from all operating activities</b>	<b>34,882</b>	<b>463,353</b>
<b>Investing activities:</b>		
Profit / return received	95,161	68,643
Dividends received	2,071	6,336
Payments for investments	(3,346,332)	(4,288,874)
Proceeds from investments	3,316,958	3,946,666
Fixed capital expenditure	7,418	(6,553)
Proceeds from disposal of fixed assets	2,015	20
<b>Total cash generated from / (used in) investing activities</b>	<b>77,291</b>	<b>(273,762)</b>
<b>Financing activities:</b>		
Financial charges paid	(8,953)	(3,087)
Repayment of obligation under finance lease	(20,828)	(16,165)
Dividend paid	(177,700)	(81,383)
Staff house building finance - net	38	(2,801)
Mark-up on staff house building finance received	187	692
Equity transactions costs paid	-	(1,230)
<b>Total cash used in financing activities</b>	<b>(207,256)</b>	<b>(103,974)</b>
<b>Net cash (used in) / generated from all activities</b>	<b>(95,083)</b>	<b>85,617</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>346,800</b>	<b>147,175</b>
<b>Cash and cash equivalents at end of the period</b>	<b>251,717</b>	<b>232,792</b>

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



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

# CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

	2020	2019
	Rupees in thousand	
<b>Reconciliation to Profit and Loss Account</b>		
Operating cash flows	34,882	463,353
Depreciation expense	(11,882)	(11,563)
Financial charges	(8,953)	(3,087)
Gain on disposal of fixed assets	1,177	20
Amortization of right of use of assets	(29,753)	(33,343)
(Decrease) / increase in assets other than cash	(415,204)	307,583
Decrease / (increase) in liabilities other than running finance	469,153	(637,280)
Unrealized gain on investments - held for trading	9	4,032
Provision for diminution in value of AFS investments	-	(31,005)
Dividend income	2,095	6,336
Investment income	143,172	63,307
Profit on bank deposits	8,532	8,873
Income tax provision	(82,786)	(71,471)
Gain on trading	9,279	9,791
Tax paid	50,106	68,369
<b>Profit after taxation from General Insurance Operations</b>	<b>169,827</b>	<b>143,915</b>
<b>Profit from Window Takaful Operations - OPF</b>	<b>31,229</b>	<b>28,650</b>
<b>Profit after taxation</b>	<b>201,056</b>	<b>172,565</b>

## 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.

	2020	2019
<b>Cash for the purpose of cash flow statement consists of:</b>	<b>Rupees in thousand</b>	
<b>Cash and other equivalents</b>		
Cash in hand	1,629	1,034
Stamp in hand	770	939
	<b>2,399</b>	<b>1,973</b>
<b>Current and other accounts</b>		
Current accounts	47,315	39,275
Deposit accounts	202,003	191,544
	<b>249,318</b>	<b>230,819</b>
<b>Total</b>	<b>251,717</b>	<b>232,792</b>

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



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# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

	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 2019	625,234	121,161	70,000	(17,462)	887,788	1,061,487	1,686,721
Total comprehensive income for the period							
Profit for the period	-	-	-	-	172,565	172,565	172,565
Other comprehensive income for the period	-	-	-	15,967	-	15,967	15,967
Total comprehensive income for the period	-	-	-	15,967	172,565	188,532	188,532
Changes in owners' equity							
Cash dividend (Rupee 1.5 per share)	-	-	-	-	(93,785)	(93,785)	(93,785)
Issuance of 15% bonus shares	93,785	-	-	-	(93,785)	(93,785)	
Equity transaction costs	-	-	-	-	(1,230)	(1,230)	(1,230)
	93,785	-	-	-	(188,800)	(188,800)	(95,015)
Balance as at 30 June 2019	719,019	121,161	70,000	(1,495)	871,553	1,061,219	1,780,238
Balance as at 01 January 2020	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	-	-	-	-	201,056	201,056	201,056
Other comprehensive income for the period	-	-	-	(125)	-	(125)	(125)
Total comprehensive income for the period	-	-	-	(125)	201,056	200,931	200,931
Changes in owners' equity							
Cash dividend (Rupees 2.5 per share)	-	-	-	-	(179,755)	(179,755)	(179,755)
Equity transaction costs	-	-	-	-	-	-	-
	-	-	-	-	(179,755)	(179,755)	(179,755)
Balance as at 30 June 2020	719,019	121,161	70,000	214	1,075,512	1,266,887	1,985,906

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



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

# NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

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

### **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 registered office and principal place of business of the subsidiary company is located at 1st Floor, Ferozsons Building, Harding Road, Saddar, Rawalpindi. The subsidiary company will engage in establishing, developing, expanding, enhancing, managing and operating information technology services, GPS/GSM based tracking and systems. The subsidiary company shall commence its commercial operations after issuance of CVAS license from Pakistan Telecommunication Authority.

## 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 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 2019. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2019 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 30 June 2019.

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.



# NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

## 2.1 Basis of measurement

This 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 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 2019.

## 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 2019.

## 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 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 2019.

## 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) 30 June 2020	(Audited) 31 December 2019
	Note	Rupees in thousand	
<b>7</b>	<b>PROPERTY AND EQUIPMENT</b>		
Capital work-in-progress	7.1	3,818	4,211
Operating assets	7.2	342,320	282,968
		<b>346,138</b>	<b>287,179</b>
<b>7.1</b>	<b>Movement in Capital work-in-progress is as follows:</b>		
Opening balance		4,211	2,871
Additions		3,154	5,565
Transfers		(3,547)	(4,225)
Closing balance		<b>3,818</b>	<b>4,211</b>

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

7.2 Operating assets

Rupees in thousand											
Note	Cost			Depreciation		Written down value	Useful life (years)				
	Opening balance	Additions / (Disposals)	Adjustments	Closing balance	For the period			(Disposals) / Adjustments			
<b>30 June 2020 (unaudited)</b>											
Building	7.2.1	142,602	-	-	142,602	3,802	1,783	-	5,585	137,017	40
Furniture and fixtures		29,664	(611)	-	29,053	20,028	1,578	(639)	20,967	8,086	5
Computers and office equipment		71,585	(210)	-	71,375	61,395	2,920	(1,132)	63,183	8,192	3
Motor vehicles (Owned)		21,778	(3,270)	-	18,508	15,092	1,752	(3,425)	13,419	5,089	5
Right of use assets - Motor vehicles		140,407	(2,216)	-	138,191	86,298	13,335	(3,914)	95,719	42,472	5
Right of use assets - Rental properties		92,725	99,495	-	192,220	38,818	20,522	-	59,340	132,880	1 to 9
Tracking devices		87,004	(749)	2,026	88,281	82,001	1,757	(750)	83,008	5,273	3
Leasehold improvements		23,312	(1,845)	-	21,467	18,675	1,326	(1,845)	18,156	3,311	3
		609,077	90,594	2,026	701,697	326,109	44,973	(11,705)	359,377	342,320	

	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	
31 December 2019 (audited)										
Building	118,800	23,802	-	142,602	743	3,059	-	3,802	138,800	40
Furniture and fixtures	25,694	3,970	-	29,664	17,760	2,634	(366)	20,028	9,636	5
Computers and office equipment	67,421	4,164	-	71,585	57,076	6,850	(2,531)	61,395	10,190	3
Motor vehicles (Owned)	22,100	(322)	-	21,778	12,452	3,135	(495)	15,092	6,686	5
Right of use assets - Motor vehicles	139,368	1,039	-	140,407	68,835	28,469	(11,006)	86,298	54,109	5
Right of use assets - Rental properties	74,498	18,227	-	92,725	-	38,818	-	38,818	53,907	1 to 9
Tracking devices	109,155	(26,376)	4,225	87,004	104,222	3,389	(25,610)	82,001	5,003	3
Leasehold improvements	20,675	2,637	-	23,312	16,162	2,513	-	18,675	4,637	3
	577,711	27,141	4,225	609,077	277,250	88,867	(40,008)	328,109	282,968	

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 six months period ended 30 June 2019 were Rs.39,076 thousand, 26,832 thousand and 44,197 thousand respectively.

8 INTANGIBLE ASSETS

	Cost					Written down value	Useful life (years)
	Depreciation			Closing balance			
	Opening balance	For the period	(Disposals) / Adjustments				
Opening balance	Additions / (Disposals)	Adjustments	Closing balance				
Computer software	5,505	74	-	5,579	5,160	55	-
	5,505	74	-	5,579	5,160	55	-
<b>Total - 30 June 2020 (unaudited)</b>							
Total - 31 December 2019 (audited)	5,139	366	-	5,505	5,067	93	-

8.1 Amortization for the six months period ended 30 June 2019 was Rs. 54 thousand.

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

**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) 30 June 2020	(Audited) 31 December 2019
Rupees in thousand		
<b>Cost</b>		
Balance at beginning of the period / year	52,400	52,400
Balance at end of the period / year	52,400	52,400
<b>Depreciation</b>		
Balance at beginning of the period / year	(11,899)	(10,589)
Depreciation for the period / year	(655)	(1,310)
Balance at end of the period / year	(12,554)	(11,899)
	39,846	40,501
Useful life (years)	40	40

Depreciation for the six months period ended 30 June 2019 was Rs. 655 thousand.

	(Unaudited) 30 June 2020	(Audited) 31 December 2019
Rupees in thousand		
<b>10 INVESTMENTS IN EQUITY SECURITIES</b>		
Fair value through profit and loss	26,832	311,421
Available-for-sale	3,100	3,030
<b>Total equity securities</b>	<b>29,932</b>	<b>314,451</b>

		30 June 2020 (unaudited)			31 December 2019 (audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Rupees in thousand							
10.1	Fair value through profit and loss						
	Mutual funds	26,823	-	26,832	311,419	-	311,421
10.2	Available-for-sale						
	Listed shares	-	-	-	-	-	-
	Mutual funds	2,800	-	2,800	2,554	-	2,554
	Unrealized deficit on revaluation	-	-	300	-	-	476
		2,800	-	3,100	2,554	-	3,030

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

11	INVESTMENTS IN DEBT SECURITIES	30 June 2020 (unaudited)			31 December 2019 (audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
		Rupees in thousand					
	HELD TO MATURITY						
	Government Securities						
	Pakistan Investment Bonds	113,488	-	113,488	112,259	-	112,259
	Treasury Bills	1,814,676	-	1,814,676	1,223,102	-	1,223,102
		1,928,164	-	1,928,164	1,335,361	-	1,335,361
	AVAILABLE-FOR-SALE						
	Term Finance Certificates	160,000	-	160,000	160,000	-	160,000
	Sukuks	140,025	-	140,025	145,025	-	145,025
	Commercial Papers	-	-	-	-	-	-
		300,025	-	300,025	305,025	-	305,025
	LOANS AND RECEIVABLES						
	Certificates of Investments	11,128	(11,128)	-	11,128	(11,128)	-
		2,239,317	(11,128)	2,228,189	1,651,514	(11,128)	1,640,386
					(Unaudited)	(Audited)	
					30 June	31 December	
					2020	2019	
					Rupees in thousand		
12	INVESTMENTS IN TERM DEPOSITS						
	Loans and receivables						
	Deposits maturing within 12 months				-		252,000

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited) 30 June 2020	(Audited) 31 December 2019
	Rupees in thousand	
<b>13 INSURANCE / REINSURANCE RECEIVABLES</b>		
Due from insurance contract holders	952,588	1,013,864
Less: provision for impairment of receivables from insurance contract holders	(20,760)	(20,760)
	931,828	993,104
Due from other insurers / reinsurers	165,392	188,748
Less: provision for impairment of receivables from other insurers / reinsurers	(15,500)	(15,500)
	149,892	173,248
	1,081,720	1,166,352
<b>14 OTHER CREDITORS AND ACCRUALS</b>		
Agents' commission payable	87,743	64,947
Tax deducted at source	11,188	13,422
Federal excise duty / federal insurance fee	32,815	41,852
Accrued expenses	1,370	12,346
Fund received against leased vehicle	1,854	2,262
Fund received against vehicle ljarah	122	145
Others	55,177	30,978
	190,269	165,952

**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 2019.

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	Quarter ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
<b>16 NET INSURANCE PREMIUM</b>	Rupees in thousand			
Written gross premium	830,237	975,832	1,343,972	1,534,078
Add: Unearned premium reserve opening	1,209,156	1,440,048	1,388,337	1,642,458
Less: Unearned premium reserve closing	1,380,824	1,579,217	1,380,824	1,579,217
Premium earned	658,569	836,663	1,351,485	1,597,319
Less: Reinsurance premium ceded	410,630	520,331	564,619	700,301
Add: Prepaid reinsurance premium opening	387,291	486,056	454,811	547,973
Less: Prepaid reinsurance premium closing	554,964	717,018	554,964	717,018
Reinsurance expense	242,957	289,369	464,466	531,256
	415,612	547,294	887,019	1,066,063
<b>17 NET INSURANCE CLAIMS</b>				
Claims paid	268,708	337,276	749,197	742,871
Add: Outstanding claims including IBNR closing	521,451	531,994	521,451	531,994
Less: Outstanding claims including IBNR opening	496,691	493,043	624,126	445,799
Claims expense	293,468	376,227	646,522	829,066
Less: Reinsurance and other recoveries received	55,299	47,771	251,333	118,819
Add: Reinsurance and other recoveries in respect of outstanding claims closing	237,304	245,534	237,304	245,534
Less: Reinsurance and other recoveries in respect of outstanding claims opening	214,246	222,185	331,317	180,980
Reinsurance and other recoveries revenue	78,357	71,120	157,320	183,373
	215,111	305,107	489,202	645,693
<b>18 NET COMMISSION EXPENSE / ACQUISITION COST</b>				
Commission paid or payable	79,761	23,252	118,821	79,175
Add: Deferred commission expense opening	99,842	101,014	124,175	97,956
Less: Deferred commission expense closing	121,226	85,773	121,226	85,773
Net commission	58,377	38,493	121,770	91,358
Less: Commission received or recoverable	77,987	86,472	139,306	150,544
Add: Unearned reinsurance commission opening	82,870	96,881	104,848	107,337
Less: Unearned reinsurance commission closing	84,197	120,572	84,197	120,572
Commission from reinsurers	76,660	62,781	159,957	137,309
	(18,283)	(24,288)	(38,187)	(45,951)



NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	Quarter ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
<b>19 INVESTMENT INCOME</b>	<b>Rupees in thousand</b>			
<b>Dividend income on investments</b>				
Dividend income on securities held for trading	24	3,939	1,805	3,939
Dividend income on available for sale investments	290	1,189	290	2,396
	314	5,128	2,095	6,335
<b>Income from debt securities</b>				
Return on government securities	59,356	10,172	111,100	11,116
Return on other fixed income securities	13,855	23,146	31,704	65,566
	73,211	33,318	142,804	76,682
<b>Net realised gains on investments</b>				
Gain on trading of held for trading investments	5,077	7,866	9,280	9,792
Gain / loss on sale of available for sale investments	582	1,067	582	(13,374)
	5,659	8,933	9,862	(3,583)
Unrealized profit on re-measurement of investments held for trading	9	3,488	9	4,032
Reversal of diminution in available-for-sale investments	-	(48,081)	-	(31,005)
Investment related expenses	(155)	-	(215)	-
<b>Total investment income</b>	<b>79,038</b>	<b>2,786</b>	<b>154,555</b>	<b>52,461</b>
<b>20 EARNINGS PER SHARE</b>				
Profit after tax (Rupees in thousand)	94,317	82,366	201,056	172,565
Weighted average number of shares (in thousand)	71,902	71,902	71,902	71,902
Earnings per share (Rupees)	1.31	1.15	2.80	2.40

**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:

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited)	(Audited)
	30 June	31 December
	2020	2019
	Rupees in thousand	
<b>Balances at period / year end</b>		
<b>Parent:</b>		
Premium due:		
Balance at beginning of the period / year	2,358	1,316
Insurance premium written (including government levies, administrative surcharge and policies stamps)	617	6,946
Receipts during the period / year	(1,411)	(5,904)
Balance at end of the period / year	1,564	2,358
<b>Associated undertakings:</b>		
Premium due:		
Balance at beginning of the period / year	80,204	94,261
Insurance premium written (including government levies, administrative surcharge and policies stamps)	15,555	108,957
Receipts during the period / year	(70,514)	(123,014)
Balance at end of the period / year	25,245	80,204

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	(Unaudited)	
	Half year ended 30 June	
	2020	2019
<b>Transactions during the period:</b>	Rupees in thousand	
<b>With parent:</b>		
Insurance premium written (including government levies, administrative surcharge and policies stamps)	617	873
Premium received during the period	1,411	795
Insurance claims paid	1,449	(169)
Rent paid	12,518	11,173
Dividend paid	106,493	55,578
Bonus shares issued	-	55,578
<b>With associates:</b>		
Insurance premium written (including government levies, administrative surcharge and policies stamps)	15,555	5,769
Premium received during the period	70,514	69,330
Insurance claims paid	7,932	9,014
Contribution to staff retirement benefit funds	20,366	19,467
Remuneration of chief executive, directors and executives	43,105	33,997
Dividend paid to directors	1,365	717

# NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

## 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.

30 June 2020 (unaudited)						
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Level 1
Rupees in thousand						
<b>Financial assets measured at fair value</b>						
Investment at fair value through profit and loss	26,832	-	-	-	-	26,832
Investment at fair value through other comprehensive income	-	3,100	-	-	-	3,100
<b>Financial assets not measured at fair value</b>						
Investments						
- Government securities	-	-	1,928,164	-	-	-
- Certificates of Investment (COIs) / TDRs	-	-	-	-	-	-
- Fixed term deposits	-	300,025	-	-	-	-
Loans to employees	-	-	-	123	-	-
Accrued investment income*	-	-	-	87,566	-	-
Staff house building finance	-	-	-	2,923	-	-
Sundry receivables*	-	-	-	120,388	-	-
Amounts due from insurance contract holders*	-	-	-	931,828	-	-
Amounts due from other insurers / reinsurers*	-	-	-	149,892	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	237,304	-	-
Salvage recoveries accrued*	-	-	-	49,464	-	-
Cash and bank deposits*	-	-	-	251,717	-	-
Total assets of Window Takaful Operations - OPF	-	-	-	287,546	-	-
<b>Financial liabilities not measured at fair value</b>						
Provision for outstanding claims (including IBNR)*	-	-	-	-	521,451	-
Lease liabilities	-	-	-	-	188,385	-
Premium received in advance	-	-	-	-	19,579	-
Amounts due to other insurers / reinsurers*	-	-	-	-	869,776	-
Unclaimed dividend*	-	-	-	-	9,213	-
Accrued expenses*	-	-	-	-	1,258	-
Other creditors and accruals*	-	-	-	-	160,531	-
Deposits and other payables*	-	-	-	-	49,842	-
Total liabilities of Window Takaful Operations - OPF	-	-	-	-	101,756	-
	26,832	303,125	1,928,164	2,118,751	1,921,791	29,932

# NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

31 December 2019 (audited)						
	Held-for- trading	Available-for- -sale	Held-to- maturity	Loans and receivables	Other financial liabilities	Level 1
Rupees in thousand						
<b>Financial assets measured at fair value</b>						
Investment at fair value through profit and loss	311,421	-	-	-	-	311,421
Investment at fair value through other comprehensive income	-	3,030	-	-	-	3,030
<b>Financial assets not measured at fair value</b>						
Investments						
- Government securities	-	-	1,335,361	-	-	-
- Certificates of Investment (COIs) / TDRs	-	-	-	252,000	-	-
- Fixed term deposits	-	305,025	-	-	-	-
Loans to employees	-	-	-	12	-	-
Accrued investment income*	-	-	-	44,028	-	-
Staff house building finance	-	-	-	2,961	-	-
Sundry receivables*	-	-	-	85,983	-	-
Amounts due from insurance contract holders*	-	-	-	993,104	-	-
Amounts due from other insurers / reinsurers*	-	-	-	173,248	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	331,317	-	-
Salvage recoveries accrued*	-	-	-	39,206	-	-
Cash and bank deposits*	-	-	-	346,800	-	-
Total assets of Window Takaful Operations - OPF	-	-	-	279,427	-	-
<b>Financial liabilities not measured at fair value</b>						
Provision for outstanding claims (including IBNR)*	-	-	-	-	624,125	-
Lease liabilities	-	-	-	-	100,390	-
Premium received in advance	-	-	-	-	15,021	-
Amounts due to other insurers / reinsurers*	-	-	-	-	853,023	-
Unclaimed dividend*	-	-	-	-	7,158	-
Accrued expenses*	-	-	-	-	12,269	-
Other creditors and accruals*	-	-	-	-	153,683	-
Deposits and other payables*	-	-	-	-	45,610	-
Total liabilities of Window Takaful Operations -OPF	-	-	-	-	91,699	-
	311,421	308,055	1,335,361	2,548,086	1,902,978	314,451

\* 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 SIX MONTHS PERIOD ENDED 30 JUNE 2020**

23 SEGMENT INFORMATION  
23.1 Segment Profit and loss

	Fire and property damage			Marine, aviation and transport			Motor			Accident and health			Miscellaneous			Total	
	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020	Unaudited 30 June 2019	Unaudited 30 June 2020
	Rupees in thousand																
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge)	235,719	207,590	94,501	103,563	435,334	517,148	323,229	255,549	389,652	597,865	1,478,435	1,681,715					
Less: Federal Excise Duty	30,862	27,196	11,111	12,266	59,010	70,284	-	-	17,353	18,773	118,336	128,519					
Federal Insurance Fee	1,969	1,733	785	969	3,741	4,465	3,184	2,518	3,669	5,750	13,348	15,455					
Stamp Duty	19	24	2,638	3,474	68	95	3	3	51	67	2,779	3,663					
Gross written premium (inclusive of administrative surcharge)	202,869	178,637	79,967	86,834	372,515	442,304	320,042	253,028	368,579	573,275	1,343,972	1,534,078					
Gross premium	197,335	171,120	76,844	82,998	360,273	425,949	318,406	251,250	365,640	571,467	1,318,498	1,502,784					
Administrative surcharge	2,635	3,337	3,154	3,990	12,083	16,549	410	715	2,294	3,532	20,576	28,123					
Facultative inward premium	2,417	2,923	-	-	288	-	-	-	776	371	3,481	3,294					
Service charges	482	1,257	(31)	(154)	(129)	(194)	1,226	1,063	(131)	(2,096)	1,417	(123)					
Insurance premium earned	215,255	213,434	93,386	112,229	425,427	480,818	350,956	466,963	266,461	323,875	1,351,485	1,597,319					
Insurance premium ceded to reinsurers	(193,279)	(183,411)	(65,346)	(68,678)	(11,003)	(5,054)	(84,386)	(62,314)	(110,452)	(211,799)	(464,466)	(531,256)					
Net insurance premium	21,976	30,023	28,040	43,551	414,424	475,764	266,570	404,649	156,009	112,076	887,019	1,066,063					
Commission income	58,072	44,635	21,404	22,733	696	315	12,804	14,194	66,981	55,432	159,957	137,309					
Net underwriting income	80,048	74,658	49,444	66,284	415,120	476,079	279,374	418,843	222,990	167,508	1,046,976	1,203,372					
Insurance claims	(48,890)	(25,668)	(21,069)	(74,846)	(193,050)	(252,654)	(324,534)	(393,051)	(58,979)	(82,847)	(646,522)	(829,066)					
Insurance claims recovered	37,156	24,240	14,759	60,358	1,891	7,347	71,877	47,459	31,637	43,969	157,320	183,373					
Net claims	(11,734)	(1,428)	(6,310)	(14,488)	(191,159)	(245,307)	(252,657)	(345,592)	(27,342)	(38,878)	(489,202)	(645,693)					
Commission expense	(22,056)	(24,647)	(17,553)	(16,526)	(28,043)	(20,585)	(12,689)	(13,002)	(41,429)	(16,598)	(121,770)	(91,358)					
Management expense	(7,959)	(8,060)	(10,154)	(11,692)	(169,259)	(147,014)	(96,533)	(108,639)	(56,495)	(30,089)	(340,400)	(305,494)					
Underwriting results	38,299	40,523	15,427	23,578	26,659	63,173	(82,505)	(48,390)	97,724	81,943	95,604	160,827					
Investment income											154,555	52,461					
Rental income											2,868	2,548					
Other income											13,087	9,728					
Finance costs											(8,953)	(6,324)					
Other expenses											(4,548)	(3,854)					
Profit before tax from Window Takatuf Operations - OPF											252,613	215,386					
Profit before tax											31,229	28,650					
											283,842	244,036					



NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

## 23.2 Segment Assets and Liabilities

[illegible]

## 24 IMPACT OF COVID-19

The Company follows the development of the Covid 19 and evaluates the extent to which this may affect the Company's operations in the short term and long term. With the high levels of uncertainty surrounding the situation and potential additional initiatives by authorities and customers, it is very difficult to predict the full financial impact that the situation may have on the Company.

25 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 11 August 2020.

*[Signature]*

Razi Haider  
Chief Financial Officer

*Handwritten signature*

Abdul Waheed  
President & Chief Executive



**Maj Gen Akhtar Iqbal (Retd)**  
**Director**

*W. J. Shaw*

**Chairman**  
Lt Gen Najib Ullah Khan (Retd)

CONDENSED INTERIM  
FINANCIAL INFORMATION  
**WINDOW TAKAFUL OPERATIONS**  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020



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# INDEPENDENT AUDITOR'S REVIEW REPORT

## To the members of askari general insurance company limited - Window Takaful Operations Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of askari general insurance company limited - Window Takaful Operation ("the Operator") as at 30 June 2020 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in fund, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

### Scope of Review

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

### Conclusion

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

The engagement partner on the audit resulting in this independent auditor's review report is Inam Ullah Kakra.

### Other matters

The figures of the condensed interim statement of comprehensive income for the quarter ended 30 June 2020 and 30 June 2019, have not been reviewed and we do not express a conclusion on them.

Islamabad  
Date: 17 August 2020

KPMG Taseer Hadi and Co  
Chartered Accountants

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative.

("KPMG International"), a Swiss entity.

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM STATEMENT OF  
**FINANCIAL POSITION OF OPF AND PTF**  
AS AT 30 JUNE 2020

		Operator's Fund		Participants' Takaful Fund	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)	30 June 2020 (Unaudited)	31 December 2019 (Audited)
<b>ASSETS</b>	<b>Note</b>	<b>Rupees in thousand</b>			
Property and equipment	5	229	527	-	-
Investments					
- Equity securities	6	128,696	124,060	150,301	115,779
- Debt securities	7	35,000	35,000	25,000	25,000
- Term deposits	8	27,500	27,500	-	-
Loans and Other Receivables	9	2,451	1,887	1,089	1,903
Takaful / Retakaful receivable	10	936	766	87,399	63,655
Salvage recoveries accrued		-	-	806	1
Receivable from PTF	11	46,485	46,202	-	-
Retakaful recoveries against outstanding claims / Benefits		-	-	18,628	16,397
Deferred Commission expense / Acquisition cost		15,815	15,193	-	-
Taxation - provision less payments		6,198	4,306	-	-
Tax deducted at source - PTF		-	-	3,043	1,742
Prepayments	12	666	21	48,336	58,623
Cash & Bank	13	24,573	24,966	59,046	67,328
<b>Total Assets</b>		<b>288,549</b>	<b>280,428</b>	<b>393,648</b>	<b>350,428</b>

	Note	Operator's Fund		Participants' Takaful Fund	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)	30 June 2020 (Unaudited)	31 December 2019 (Audited)
<b>FUNDS AND LIABILITIES</b>		<b>Rupees in thousand</b>			
<b>Operator's Fund</b>					
Statutory Fund		50,000	50,000	-	-
Accumulated profit		136,793	138,728	-	-
<b>Total Operator's Fund</b>		<b>186,793</b>	<b>188,728</b>	<b>-</b>	<b>-</b>
<b>Waqf / Participants' Takaful Fund</b>					
Cede money		-	-	1,000	1,000
Accumulated surplus		-	-	34,416	22,978
<b>Balance of Participants' Takaful Fund</b>		<b>-</b>	<b>-</b>	<b>35,416</b>	<b>23,978</b>
<b>PTF Underwriting Provisions</b>					
Outstanding claims including IBNR		-	-	78,168	71,686
Unearned contribution reserves		-	-	116,824	109,469
Unearned retakaful rebate		-	-	9,990	10,790
		-	-	204,982	191,945
<b>Contribution received in advance</b>		<b>-</b>	<b>-</b>	<b>1,866</b>	<b>2,165</b>
<b>Takaful / retakaful payables</b>	14	<b>4,239</b>	<b>3,228</b>	<b>88,576</b>	<b>77,606</b>
<b>Unearned wakala fees</b>		<b>72,886</b>	<b>72,162</b>	<b>-</b>	<b>-</b>
<b>Payable to OPF / PTF</b>	11	<b>-</b>	<b>-</b>	<b>46,485</b>	<b>46,202</b>
<b>Other creditors and accruals</b>	15	<b>24,631</b>	<b>16,310</b>	<b>16,323</b>	<b>8,532</b>
		<b>101,756</b>	<b>91,700</b>	<b>153,250</b>	<b>134,505</b>
<b>Total Liabilities</b>		<b>101,756</b>	<b>91,700</b>	<b>358,232</b>	<b>326,450</b>
<b>Total funds and liabilities</b>		<b>288,549</b>	<b>280,428</b>	<b>393,648</b>	<b>350,428</b>

#### Contingencies and Commitments

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The annexed notes 1 to 32 form an integral part of this condensed interim financial information.

  
Razi Haider  
Chief Financial Officer

  
Abdul Waheed  
President & Chief Executive

  
Maj Gen Akhtar Iqbal (Retd)  
Director

  
Lt Gen Najib Ullah Khan (Retd)  
Chairman

# ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

## CONDENSED INTERIM STATEMENT OF

### COMPREHENSIVE INCOME (UNAUDITED)

#### FOR THE PERIOD ENDED 30 JUNE 2020

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
Note		Rupees in thousand			
Participants' Takaful Fund					
Contributions earned		57,398	51,751	113,130	97,346
Less: Contribution ceded to retakaful		(32,270)	(19,960)	(63,538)	(36,540)
Net contribution revenue	17	25,128	31,791	49,592	60,806
Retakaful rebate earned	18	6,305	3,817	12,213	7,111
Net underwriting income		31,433	35,608	61,805	67,918
Net claims - reported / settled including IBNR	19	(29,024)	(23,619)	(55,569)	(55,128)
Other direct expenses		(219)	(722)	(742)	(1,599)
Surplus before investment income		2,190	11,267	5,494	11,191
Investment income	23	2,515	(2,784)	6,990	(1,773)
Other income	24	696	1,614	1,750	2,869
Less: Mudarib's share of investment income	25	(1,006)	(242)	(2,796)	(1,148)
Results of operating activities		2,205	(1,412)	5,944	(52)
Surplus transferred to accumulated surplus		4,395	9,855	11,438	11,139
Other comprehensive income:					
Items that will be subsequently reclassified					
to profit and loss account					
Reclassification adjustment relating to available for sale investments disposed off in the period		-	-	-	(101)
Other comprehensive loss for the period		-	-	-	(101)
Total comprehensive surplus for the period		4,395	9,855	11,438	11,038
OPF Revenue Account					
Wakala fee	21	37,151	34,118	74,296	65,845
Commission expense	20	(8,454)	(7,131)	(16,810)	(13,723)
General administrative and Management expenses		(22,452)	(25,180)	(40,005)	(32,048)
		6,245	1,807	17,481	20,074
Modarib's share of PTF investment income	25	1,006	242	2,796	1,148
Investment income	23	3,420	3,488	9,529	6,666
Direct expenses	26	(127)	(120)	(242)	(230)
Other income	24	890	401	1,665	992
Results of operating activities		5,189	4,011	13,748	8,576
Profit before taxation		11,434	5,818	31,229	28,650
Taxation		(4,828)	-	(9,469)	-
Profit after taxation		6,606	5,818	21,760	28,650
Other comprehensive income					
Other comprehensive loss for the period		-	-	-	-
Total comprehensive income for the period		6,606	5,818	21,760	28,650

The annexed notes 1 to 32 form an integral part of this condensed interim financial information.

  
Razi Haider  
Chief Financial Officer

  
Abdul Waheed  
President & Chief Executive

  
Maj Gen Akhtar Iqbal (Retd)  
Director

  
Lt Gen Najib Ullah Khan (Retd)  
Chairman



ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
**CONDENSED INTERIM STATEMENT OF  
 CHANGES IN FUND (UNAUDITED)**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	Operator's Fund			
	Statutory Fund	Available-for-sale investments revaluation reserve	Accumulated Profit	Total
Rupees in thousand				
Balance as at 01 January 2019	50,000	-	84,253	134,253
<b>Total comprehensive income for the period</b>		-		
Profit for the period	-	-	28,650	28,650
	-	-	28,650	28,650
<b>Balance as at 30 June 2019</b>	<b>50,000</b>	<b>-</b>	<b>112,903</b>	<b>162,903</b>
Balance as at 01 January 2020	50,000	-	138,728	188,728
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	21,760	21,760
	-	-	21,760	21,760
<b>Changes in Operator's Fund</b>				
Pay-out in respect of final cash dividend 2019	-	-	(23,695)	(23,695)
<b>Balance as at 30 June 2020</b>	<b>50,000</b>	<b>-</b>	<b>136,793</b>	<b>186,793</b>

	Participants' Takaful Fund			
	Cede Money	Available-for-sale investments revaluation reserve	Accumulated Surplus	Total
Rupees in thousand				
Balance as at 01 January 2019	1,000	101	12,356	13,457
<b>Total comprehensive income for the period</b>				
Surplus for the period	-	-	11,139	11,139
Other comprehensive income for the period	-	(101)	-	(101)
	-	(101)	11,139	11,038
<b>Balance as at 30 June 2019</b>	<b>1,000</b>	<b>-</b>	<b>23,495</b>	<b>24,495</b>
Balance as at 01 January 2020	1,000	-	22,978	23,978
<b>Total comprehensive income for the period</b>				
Surplus for the period	-	-	11,438	11,438
	-	-	11,438	11,438
<b>Balance as at 30 June 2020</b>	<b>1,000</b>	<b>-</b>	<b>34,416</b>	<b>35,416</b>

The annexed notes 1 to 32 form an integral part of this condensed interim financial information.

  
 Razi Haider  
 Chief Financial Officer

  
 Abdul Waheed  
 President & Chief Executive

  
 Maj Gen Akhtar Iqbal (Retd)  
 Director

  
 Lt Gen Najib Ullah Khan (Retd)  
 Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM

**CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	Operator's Fund		Participants' Takaful Fund	
	Half year ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
<b>Operating Cash Flows</b>	<b>Rupees in thousand</b>			
<b>a) Takaful activities</b>				
Contribution received	-	-	173,393	168,637
Re-takaful Contribution paid	-	-	(29,761)	(6,359)
Claims paid	-	-	(60,963)	(53,362)
Re-takaful and other recoveries received	-	-	1,150	(3,826)
Commission paid	(16,716)	(13,182)	-	-
Re-takaful rebate received	-	-	5,752	1,152
Wakala fee received/ (paid)	74,291	70,615	(74,291)	(70,615)
Modarib's share received / (paid)	3,240	1,107	(3,240)	(1,107)
Management / direct expenses paid	(39,490)	(30,957)	(742)	(2,281)
<b>Net cash flows generated from/ (used in) underwriting activities</b>	<b>21,325</b>	<b>27,583</b>	<b>11,298</b>	<b>32,239</b>
<b>b) Other operating activities:</b>				
Income tax paid	(11,361)	(1,514)	(1,301)	(568)
Other expenses paid	(167)	(164)	-	-
Other operating payments	-	-	(2,272)	(6,422)
Other operating receipts	7,865	18,901	9,622	27,150
<b>Net cash flow generated from other operating activities</b>	<b>(3,663)</b>	<b>17,223</b>	<b>6,049</b>	<b>20,160</b>
<b>Total cash flow from all operating activities</b>	<b>17,662</b>	<b>44,806</b>	<b>17,347</b>	<b>52,399</b>
<b>c) Investment activities:</b>				
Profit / return received	3,056	1,226	1,904	3,102
Dividends received	7,127	7,140	4,762	1,207
Payment for investments	(3,588)	(15,503)	(60,094)	(10,958)
Proceeds from disposals of investments	-	-	27,799	-
Proceeds from disposals of fixed assets	225	-	-	2,277
<b>Total cash flow used in investing activities</b>	<b>6,820</b>	<b>(7,137)</b>	<b>(25,629)</b>	<b>(4,372)</b>
<b>d) Financing activities:</b>				
Payment against Ijarah	(1,180)	(1,026)	-	-
Pay-out in respect of Dividend	(23,695)	-	-	-
<b>Total cash flow from financing activities</b>	<b>(24,875)</b>	<b>(1,026)</b>	<b>-</b>	<b>-</b>
<b>Net cash flow from all activities</b>	<b>(393)</b>	<b>36,643</b>	<b>(8,282)</b>	<b>48,027</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>24,966</b>	<b>3,915</b>	<b>67,328</b>	<b>70,797</b>
<b>Cash and cash equivalents at end of the period</b>	<b>24,573</b>	<b>40,558</b>	<b>59,046</b>	<b>118,824</b>

The annexed notes 1 to 32 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
CONDENSED INTERIM

**CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	Operator's Fund		Participants' Takaful Fund	
	Half year ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
<b>Reconciliation to Profit and Loss Account:</b>	<b>Rupees in thousand</b>			
Operating cash flows	17,662	44,806	17,347	52,399
Depreciation expense	(73)	(90)	-	-
Gain on disposal of investments	-	362	201	257
Dividend income	7,127	7,140	4,762	1,207
Increase in assets other than cash	2,060	9,087	29,074	37,597
Increase in liabilities other than running finance	(9,795)	(33,299)	(45,034)	(80,521)
Unrealized gain on investments held for trading	(1,421)	(1,027)	268	48
Investment income	3,823	727	1,759	727
Other income	1,665	992	1,760	2,869
Tax paid	11,361	1,514	1,301	568
Decrease in deposit against vehicle Ijarah	(1,180)	(1,026)	-	-
Reversal of diminution in value of AFS investments	-	(536)	-	(4,012)
<b>Profit/ surplus for the period</b>	<b>31,229</b>	<b>28,650</b>	<b>11,438</b>	<b>11,139</b>
<b>Attributed to</b>				
Participants' Takaful Fund	-	-	11,438	11,139
Operator's Fund	31,229	28,650	-	-
	31,229	28,650	11,438	11,139

**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	
	Half year ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
	<b>Rupees in thousand</b>			
Cash and other equivalents	-	-	240	258
Current and other accounts	24,573	40,558	58,806	118,566
	24,573	40,558	59,046	118,824

The annexed notes 1 to 32 form an integral part of this condensed interim financial information.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
Chairman

# ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM

### FINANCIAL INFORMATION (UNAUDITED)

### FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

askari general insurance company limited ("the Operator") was incorporated under the Companies Ordinance, 1984 on 12 April, 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

These condensed interim financial statements of the WTO have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017, provisions of and directive issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Takaful Rules, 2012 and the General Takaful Regulations, 2019. In case requirements differ, the provisions or directives of the Companies Act, 2017, Insurance Ordinance, 2000 the Takaful Rules, 2012, the General Takaful Accounting Regulations, 2019 shall prevail.

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

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 these condensed interim financial statements in accordance with the requirements of Circular 25 of 2015 dated July 09, 2015.

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 statement of the WTO for the year ended 31 December, 2019. Comparative statement of financial position is extracted from annual financial statements for the year ended 31 December 2019 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 six months period ended 30 June 2019.

##### 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

These condensed interim financial statements are presented in Pakistani Rupees which is the Operator's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand.

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

**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 2019

**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 2019.

		30 June 2020 (Unaudited)	31 December 2019 (Audited)
		Rupees in thousand	
	Note		
<b>5</b>	<b>PROPERTY AND EQUIPMENT</b>		
Operating assets	5.1	229	527
		229	527

## 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 SIX MONTHS PERIOD ENDED 30 JUNE 2020**

7	INVESTMENTS IN DEBT SECURITIES	30 June 2020 (Unaudited)			31 December 2019 (Audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Rupees in thousand							
(a)	Operator's Fund						
	(i) Available-for-sale						
	Sukuks	35,000	-	35,000	35,000	-	35,000
		35,000	-	35,000	35,000	-	35,000
(b)	Participants' takaful fund						
	(i) Available-for-sale						
	Sukuks	25,000	-	25,000	25,000	-	25,000
		25,000	-	25,000	25,000	-	25,000
8	INVESTMENTS INTERM DEPOSITS						
	Operator's Fund						
	Loans and receivables						
	Deposits maturing within 12 months	27,500	-	27,500	27,500	-	27,500
9	LOANS AND OTHER RECEIVABLE - CONSIDERED GOOD						
		Operator's Fund			Participants' Takaful Fund		
		30 June 2020 (Unaudited)	31 December 2019 (Audited)		30 June 2020 (Unaudited)	31 December 2019 (Audited)	
Rupees in thousand							
	Receivable against sale of asset	36	76		-	-	
	Deposit against Ijarah - vehicles	1,021	929		-	-	
	Accrued investment income	542	580		261	405	
	Other receivable	852	302		828	1,498	
		2,451	1,887		1,089	1,903	

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Operator's Fund		Participants' Takaful Fund	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)	30 June 2020 (Unaudited)	31 December 2019 (Audited)
Rupees in thousand					
<b>10</b>	<b>TAKAFUL / RETAKAFUL RECEIVABLES</b>				
	<b>Due from takaful contract holders</b>				
	Considered good	-	-	66,768	48,911
	Considered doubtful	-	-	222	222
		-	-	66,990	49,133
	Provision against doubtful balances	-	-	(222)	(222)
		-	-	66,768	48,911
	<b>Due from other Takaful / Retakaful Operators</b>				
	Considered good	936	766	20,631	14,744
	Considered doubtful	-	-	1,171	1,171
		936	766	21,802	15,915
	Provision against doubtful balances	-	-	(1,171)	(1,171)
		936	766	20,631	14,744
		936	766	87,399	63,655
<b>11</b>	<b>RECEIVABLE / (PAYABLE) (Current account between OPF and PTF)</b>				
	Wakala fee	44,097	43,370	(44,097)	(43,370)
	Less: Provision for refund of wakala fee against doubtful balances	(408)	(408)	408	408
		43,689	42,962	(43,689)	(42,962)
	Mudarib's fee	2,796	3,240	(2,796)	(3,240)
		46,485	46,202	(46,485)	(46,202)

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Operator's Fund		Participants' Takaful Fund	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)	30 June 2020 (Unaudited)	31 December 2019 (Audited)
		Rupees in thousand			
<b>12</b>	<b>PREPAYMENTS</b>				
	Prepaid Retakaful Contribution ceded - PTF	-	-	48,336	58,623
	Others - OPF	666	21	-	-
		666	21	48,336	58,623
<b>13</b>	<b>CASH AND BANK</b>				
	Cash and Cash Equivalent				
	Stamps in hand	-	-	240	221
	Cash at bank				
	- Savings account	24,573	24,966	58,806	67,107
		24,573	24,966	59,046	67,328
		Operator's Fund		Participants' Takaful Fund	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)	30 June 2020 (Unaudited)	31 December 2019 (Audited)
		Rupees in thousand			
<b>14</b>	<b>TAKAFUL / RETAKAFUL PAYABLES</b>				
	Due to Local takaful/retakaful operators	4,239	3,228	88,576	77,606
		4,239	3,228	88,576	77,606
<b>15</b>	<b>OTHER CREDITORS AND ACCRUALS</b>				
	Agents' commission payable	9,458	9,380	-	-
	Federal takaful fee payable	-	-	575	482
	Federal excise duty payable	50	122	4,313	6,381
	Tax deducted at source	340	404	435	393
	Accrued expenses	537	462	-	-
	Others	14,246	5,942	11,000	1,276
		24,631	16,310	16,323	8,532

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

**16 CONTINGENCIES AND COMMITMENTS**

**Contingency**

There is no contingency as at 30 June 2020 (31 December 2019:Nil)

**Commitments**

The Operator's commitment under Ijarah arrangement with Meezan Bank Limited is Rs.2.17 million (31 December 2019: Rs.3.03 million). The contracts have a term of five years.

**Future Minimum Ijarah (lease) payments are as under:**

	<b>30 June 2020 (Unaudited)</b>	<b>31 December 2019 (Audited)</b>
<b>Rupees in thousand</b>		
Not later than 1 year	<b>1,579</b>	1,720
Later than 1 year but not later than 5 years	<b>595</b>	1,314
	<b>2,174</b>	3,034
Ijarah payments recognized in Expense during the period	<b>1,088</b>	1,250

Participants' Takaful Fund				
Quarter ended 30 June			Half year ended 30 June	
2020			2020	
2019			2019	
(Unaudited)			(Unaudited)	
Rupees in thousand				

<b>17 NET TAKAFUL CONTRIBUTION</b>				
Written Gross Contribution	<b>103,813</b>	98,832	<b>195,503</b>	193,428
Less: Wakala fee	<b>(39,060)</b>	(41,755)	<b>(75,018)</b>	(79,865)
Contribution Net of Wakala Fee	<b>64,753</b>	57,077	<b>120,485</b>	113,563
Add: Unearned contribution reserve opening - net	<b>109,469</b>	100,648	<b>109,469</b>	89,757
Less: Unearned contribution reserve closing - net	<b>(116,824)</b>	(105,974)	<b>(116,824)</b>	(105,974)
Contribution earned	<b>57,398</b>	51,751	<b>113,130</b>	97,346
Less: Retakaful Contribution ceded	<b>23,073</b>	37,131	<b>53,251</b>	61,671
Add: Prepaid retakaful contribution opening	<b>57,533</b>	37,381	<b>58,623</b>	29,421
Less Prepaid retakaful contribution closing	<b>(48,336)</b>	(54,552)	<b>(48,336)</b>	(54,552)
Retakaful expense	<b>32,270</b>	19,960	<b>63,538</b>	36,540
<b>Net takaful contribution</b>	<b>25,128</b>	31,791	<b>49,592</b>	60,806

**18 REBATE FROM RETAKAFUL OPERATORS**

Retakaful Rebate income	<b>5,675</b>	6,667	<b>11,413</b>	10,755
Add: Unearned retakaful rebate opening	<b>10,620</b>	6,145	<b>10,790</b>	5,352
Less: Unearned retakaful rebate closing	<b>(9,990)</b>	(8,995)	<b>(9,990)</b>	(8,995)
<b>Rebate from retakaful operators</b>	<b>6,305</b>	3,817	<b>12,213</b>	7,112

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Participants' Takaful Fund			
		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		Rupees in thousand			
19	NET TAKAFUL CLAIMS EXPENSE				
	Claim paid	28,723	25,288	60,963	53,362
	Add: Outstanding claims including IBNR closing	78,169	81,192	78,168	81,192
	Less: Outstanding claims including IBNR opening	(72,055)	(80,577)	(71,686)	(68,644)
	Claim expense	34,837	25,903	67,445	65,910
	Less: Retakaful and other recoveries received	3,298	2,472	9,645	4,380
	Add: Retakaful and other recoveries in respect of outstanding claims - closing	18,628	22,480	18,628	22,480
	Less: Retakaful and other recoveries in respect of outstanding claims - opening	(16,113)	(22,668)	(16,397)	(16,078)
	Retakaful and other recoveries revenue	5,813	2,284	11,876	10,782
	Net takaful claim expense	29,024	23,619	55,569	55,128
20	COMMISSION EXPENSE				
	Commission paid or payable	9,380	7,574	17,432	15,800
	Add: Deferred commission expense opening	14,889	12,364	15,193	10,730
	Less: Deferred commission expense closing	(15,815)	(12,807)	(15,815)	(12,807)
	Commission expense	8,454	7,131	16,810	13,723
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:				
		Operator's Fund			
		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		Rupees in thousand			
	Gross wakala fee	39,062	41,755	75,020	79,865
	Add: Unearned wakala fee opening	70,975	68,171	72,162	61,788
	Less: Unearned wakala fee closing	(72,886)	(75,808)	(72,886)	(75,808)
	Net wakala fee income	37,151	34,118	74,296	65,845
22	DIRECT EXPENSES				
	Tracker installation and monitoring charges	194	691	678	1,536
	Inspection charges	10	7	40	28
	Bank Charges	15	24	24	35
		219	722	742	1,599

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Participants' Takaful Fund			
		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		Rupees in thousand			
<b>23</b>	<b>INVESTMENT INCOME</b>				
	<b>Income from equity securities - Available-for-sale</b>				
	- Dividend income	-	65	-	80
	- Gain on sale of investments	-	-	-	257
		-	65	-	337
	<b>Income from equity securities - Held for trading</b>				
	- Dividend income	4,560	1,127	4,762	1,127
	- Gain on trading	-	-	201	-
		4,560	1,127	4,963	1,127
	<b>Income from debt securities - Held to maturity</b>				
	- Return on fixed income securities	-	314	-	423
	<b>Income from debt securities - Available for sale</b>				
	- Return on fixed income securities	798	158	1,759	304
		5,358	1,664	6,722	2,191
	<b>Net unrealized gains on investment</b>				
	- Net unrealized (loss) / gains on investments at fair value				
	through profit or loss - held for trading	(2,843)	(436)	268	48
	<b>Reversal of impairment in value of available-for-sale securities</b>				
	- Equity securities	-	(4,012)	-	(4,012)
	<b>Total investment income</b>	<b>2,515</b>	<b>(2,784)</b>	<b>6,990</b>	<b>(1,773)</b>

ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

	Operator's Fund			
	Quarter ended 30 June		Half year ended 30 June	
	2020	2019	2020	2019
	(Unaudited)		(Unaudited)	
Rupees in thousand				
<b>Income from equity securities - Available-for-sale</b>				
- Dividend income	-	-	-	-
- Gain on sale of investments	-	-	-	-
	-	-	-	-
<b>Income from equity securities - Held for trading</b>				
- Dividend income	6,988	6,376	7,127	7,140
- Gain on trading	-	362	-	362
	6,988	6,738	7,127	7,502
<b>Income from debt securities - Held to maturity</b>				
- Return on fixed income securities	521	314	1,353	423
<b>Income from debt securities - Available-for-sale</b>				
- Return on fixed income securities	1,124	158	2,470	304
	8,633	7,210	10,950	8,229
<b>Net unrealized loss on investment</b>				
- Net unrealized loss on investments at fair value				
through profit or loss - held for trading	(5,213)	(3,105)	(1,421)	(1,027)
<b>Impairment in value of available-for-sale securities</b>				
- Equity securities	-	(617)	-	(536)
<b>Total investment income</b>	<b>3,420</b>	<b>3,488</b>	<b>9,529</b>	<b>6,666</b>



ASKARI GENERAL INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2020**

		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		Rupees in thousand			
<b>24</b>	<b>OTHER INCOME</b>				
	Return on bank balances - PTF	696	1,614	1,760	2,869
	Miscellaneous	(10)	-	(10)	-
		686	1,614	1,750	2,869
	Return on bank balances - OPF	890	401	1,665	992
<b>25</b>	<b>MODARIB'S FEE</b>				
	The Operator manages the participants' investments as a Modarib's and charge 40% Modarib's share of the investment income earned by PTF.				
		Operator's Fund			
		Quarter ended 30 June		Half year ended 30 June	
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		Rupees in thousand			
<b>26</b>	<b>DIRECT EXPENSES</b>				
	Auditors' remuneration	80	75	152	144
	Shariah Compliance Auditors' remuneration	47	45	90	86
		127	120	242	230

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**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:

	<b>30 June 2020 (Unaudited)</b>	<b>31 December 2019 (Audited)</b>
<b>Contribution due:</b>	<b>Rupees in thousand</b>	
Askari Guards (Private) Limited	<b>1,108</b>	1,633
Mobil Askari Lubricants Pakistan Limited	<b>(12)</b>	-
	<b>1,096</b>	1,633
	<b>30 June 2020 (Unaudited)</b>	<b>30 June 2019 (Unaudited)</b>
<b>Transactions during the period</b>	<b>Rupees in thousand</b>	
<b>Askari Guards (Private) Limited</b>		
Contribution received during the period	<b>525</b>	618
Takaful benefits paid	<b>30</b>	78
<b>Mobil Askari Lubricants Pakistan Limited</b>		
Contribution written (including government levies and stamp duties)	<b>2,243</b>	2,085
Contribution received during the period	<b>2,255</b>	2,184
Takaful benefits paid	<b>426</b>	1,756
<b>Askari Life Assurance Co. Limited</b>		
Contribution written (including government levies and stamp duties)	<b>544</b>	321
Contribution received during the period	<b>544</b>	321
Takaful benefits paid	<b>67</b>	-
<b>Petrosel Lubricants (Private) Limited</b>		
Contribution written (including government levies and stamp duties)	-	53
Contribution received during the period	-	53
Takaful benefits paid	-	87
<b>Others</b>		
Employees' retirement benefits	<b>1,262</b>	515

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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 30 June 2020 and 31 December 2019, unallocated capital expenditure and non-cash expenses during the period then ended.

**Period ended 30 June 2020 - OPF & PTF**

**Participants' Takaful Fund**

	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)	40,481	21,731	113,785	35,274	11,154	222,425
Less: Federal Excise Duty	(5,142)	(2,281)	(15,066)	-	(1,467)	(23,956)
Federal Takaful Fee	(344)	(174)	(989)	(349)	(100)	(1,956)
Stamp duty	(9)	(977)	(23)	-	(1)	(1,010)
<b>Gross written contribution</b>	<b>34,986</b>	<b>18,299</b>	<b>97,707</b>	<b>34,925</b>	<b>9,586</b>	<b>195,503</b>
Gross direct contribution	34,571	18,299	97,707	34,925	9,185	194,687
Facultative inward contribution	415	-	-	-	401	816
<b>Takaful contribution earned</b>	<b>23,553</b>	<b>14,307</b>	<b>97,954</b>	<b>21,015</b>	<b>19,126</b>	<b>175,955</b>
Wakala expense	(4,893)	(2,955)	(43,580)	(5,135)	(6,262)	(62,825)
Retakaful contribution ceded to retakaful operators	(23,655)	(12,756)	(10,913)	-	(16,214)	(63,538)
Net takaful contribution	(4,995)	(1,404)	43,461	15,880	(3,350)	49,592
Retakaful Rebate income	5,158	3,073	1,647	-	2,335	12,213
<b>Net underwriting income / (loss)</b>	<b>163</b>	<b>1,669</b>	<b>45,108</b>	<b>15,880</b>	<b>(1,015)</b>	<b>61,805</b>
Takaful claims	(3,002)	(4,871)	(37,954)	(19,599)	(2,019)	(67,445)
Takaful claims recovered from retakaful operators	2,951	3,390	4,443	-	1,092	11,876
Net takaful claims	(51)	(1,481)	(33,511)	(19,599)	(927)	(55,569)
PTF Direct expense	(4)	(2)	(730)	(3)	(3)	(742)
<b>Net takaful claims and expenses</b>	<b>(55)</b>	<b>(1,483)</b>	<b>(34,241)</b>	<b>(19,602)</b>	<b>(930)</b>	<b>(56,311)</b>
<b>Underwriting result</b>	<b>108</b>	<b>186</b>	<b>10,867</b>	<b>(3,722)</b>	<b>(1,945)</b>	<b>5,494</b>
Net investment income						6,990
Other income						1,750
Modarib's share						(2,796)
<b>Surplus for the year</b>						<b>11,438</b>
<b>As at 30 June 2020 (Unaudited)</b>						
Segment assets	52,869	13,364	123,971	31,093	6,758	228,055
Unallocated assets						165,593
Total assets						393,648
Segment liabilities	42,448	17,623	201,170	70,637	10,033	341,911
Unallocated liabilities						16,321
Total liabilities						358,232

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Operator's Fund	Rupees in thousand					TOTAL
	Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	
Wakala Fee	10,047	6,026	44,497	5,132	8,594	74,296
Commission expense	(5,060)	(3,434)	(7,257)	(670)	(389)	(16,810)
Management expenses	4,029	1,133	(35,059)	(12,810)	2,702	(40,005)
<b>Segment result</b>	<b>9,016</b>	<b>3,725</b>	<b>2,181</b>	<b>(8,348)</b>	<b>10,907</b>	<b>17,481</b>
Mudarib's share of PTF investment income						2,796
Investment income						9,529
<b>Other income</b>						<b>1,665</b>
Other expenses						(242)
Profit for the year						<b>31,229</b>
As at 30 June 2020 (Unaudited)						
Segment assets	12,564	4,866	34,782	4,230	5,858	62,300
<b>Unallocated assets</b>						<b>226,249</b>
						<b>288,549</b>
Segment liabilities	13,988	2,785	49,719	9,083	6,769	82,344
Unallocated liabilities						19,412
<b>Total liabilities</b>						<b>101,756</b>

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Period ended 30 June 2019 - OPF & PTF						
Participants' Takaful Fund						
	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)	30,093	16,470	139,558	9,621	28,138	223,880
Less: Federal excise duty	(3,837)	(1,767)	(18,634)	-	(3,623)	(27,861)
Federal takaful fee	(258)	(136)	(1,225)	(95)	(243)	(1,957)
Stamp duty	(5)	(601)	(26)	-	(2)	(634)
Gross written contribution	25,993	13,966	119,673	9,526	24,270	193,428
Gross direct contribution	25,134	13,928	119,673	9,526	24,218	192,479
Facultative inward contribution	859	38	-	-	52	949
Takaful contribution earned	17,147	11,757	106,090	10,065	12,621	157,680
Wakala expense	(3,466)	(2,583)	(47,611)	(2,475)	(4,199)	(60,334)
Takaful contribution ceded to relataful operators	(15,073)	(9,178)	(3,587)	-	(8,702)	(36,540)
Net takaful contribution	(1,392)	(4)	54,892	7,590	(280)	60,806
Relataful Rebate income	3,412	2,172	153	-	1,375	7,112
Net underwriting income	2,020	2,168	55,045	7,590	1,095	67,918
Takaful claims	(8,824)	(949)	(43,083)	(10,497)	(2,557)	(65,910)
Takaful claims recovered from relataful operators	7,059	572	1,936	-	1,215	10,782
Net takaful claims	(1,765)	(377)	(41,147)	(10,497)	(1,342)	(55,128)
PTF Direct expense	(163)	(113)	(1,133)	(58)	(132)	(1,599)
Net takaful claims and expenses	(1,928)	(490)	(42,280)	(10,555)	(1,474)	(56,727)
Underwriting result	92	1,678	12,765	(2,965)	(379)	11,191
Net investment income						(1,773)
Other income						2,869
Mudarib's share						(1,148)
Surplus for the period						11,139
As at 31 December 2019 (Audited)						
Segment assets	45,620	13,119	107,839	13,631	30,629	210,838
Unallocated assets						139,590
Total assets						350,428
Segment liabilities	38,020	18,438	198,840	39,156	20,224	314,678
Unallocated liabilities						11,772
Total liabilities						326,450

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	Year ended 30 June 2019				
	Fire and property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous
	Rupees in thousand				
Wakala Fee	6,715	4,642	46,630	2,416	5,442
Commission expense	(3,369)	(2,680)	(7,093)	(210)	(371)
Management expenses	734	2	(28,932)	(4,000)	148
Segment result	4,080	1,964	10,605	(1,794)	5,219
Mudarb's share of PTF investment income					1,148
Investment income					6,666
Other income					992
Other expenses					(230)
Profit for the year					28,650
	As at 31 December 2019				
Segment assets	10,033	4,161	36,929	2,338	4,695
Unallocated assets					
					222,272
					280,428
Segment liabilities	11,571	2,599	50,746	5,205	11,421
Unallocated liabilities					
Total liabilities					10,158
					91,700

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29 **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.

	30 June 2020 (Unaudited)				
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities
	Rupees in thousand				
<b>Financial assets measured at fair value - OPF</b>					
Investment at fair value through profit and loss					
- Mutual funds	128,696	-	-	-	-
					128,696
<b>Financial assets not measured at fair value - OPF</b>					
Cash and bank deposits - OPF	-	-	-	24,573	-
					24,573
Term deposits - OPF	-	-	-	27,500	-
					27,500
Investments					
- Sukuks	-	35,000	-	-	-
					35,000
Receivable from OPF / PTF	-	-	-	46,485	-
					46,485
Loans and other receivables*	-	-	-	2,451	-
					2,451
<b>Financial assets measured at fair value - PTF</b>					
Investment at fair value through profit and loss					
- Mutual funds	150,301	-	-	-	-
					150,301
<b>Financial assets not measured at fair value - PTF</b>					
Cash and bank deposits - PTF	-	-	-	59,046	-
					59,046
Investments					
- Sukuks	-	25,000	-	-	-
					25,000
Takaful/Retakaful receivable*	-	-	-	87,399	-
					87,399
Retakaful recoveries against outstanding claims*	-	-	-	-	18,628
					18,628
<b>Financial liabilities not measured at fair value - OPF</b>					
Takaful / Retakaful payables*	-	-	-	-	4,239
					4,239
Other creditors and accruals*	-	-	-	-	24,631
					24,631
<b>Financial liabilities not measured at fair value - PTF</b>					
Provision for outstanding claims (including IBNR)*	-	-	-	-	78,168
					78,168
Takaful / Retakaful payables*	-	-	-	-	88,576
					88,576
Payable to OPF / PTF	-	-	-	-	46,485
					46,485
Other creditors and accruals*	-	-	-	-	16,323
					16,323
	278,997	60,000	-	247,454	277,050
					863,501
					278,997



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31 December 2019 (Audited)						
	Held-for- trading	Available-for- sale	Held-to- maturity	Loans and receivables	Other financial liabilities	Total
	Rupees in thousand					
<b>Financial assets not measured at fair value - OPF</b>						
Investment at fair value through profit and loss						
- Mutual funds	124,060	-	-	-	-	124,060
<b>Financial assets not measured at fair value - OPF</b>						
Cash and bank deposits - OPF	-	-	-	24,966	-	24,966
Investments						
- Sukuks	-	35,000	-	-	-	35,000
Wakala fees receivable*	-	-	-	42,962	-	42,962
Mudarib's fees receivable*	-	-	-	3,240	-	3,240
Loans and other receivables*	-	-	-	1,887	-	1,887
<b>Financial assets measured at fair value - PTF</b>						
Investment at fair value through profit and loss						
- Mutual funds	115,779	-	-	-	-	115,779
<b>Financial assets not measured at fair value - PTF</b>						
Cash and bank deposits - PTF	-	-	-	67,328	-	67,328
Investments						
- Sukuks	-	25,000	-	-	-	25,000
Takaful/Retakaful receivable*	-	-	-	63,655	-	63,655
Retakaful recoveries against outstanding claims*	-	-	-	16,397	-	16,397
<b>Financial liabilities not measured at fair value - OPF</b>						
Takaful / Retakaful payables*	-	-	-	-	3,228	3,228
Other creditors and accruals*	-	-	-	-	16,310	16,310
<b>Financial liabilities not measured at fair value - PTF</b>						
Provision for outstanding claims (including IBNR)*	-	-	-	-	71,686	71,686
Takaful / Retakaful payables*	-	-	-	-	77,606	77,606
Wakala fees payable*	-	-	-	-	42,962	42,962
Mudarib's fees payable*	-	-	-	-	3,240	3,240
Other creditors and accruals*	-	-	-	-	8,532	8,532
	<b>239,839</b>	<b>60,000</b>	<b>-</b>	<b>220,435</b>	<b>223,564</b>	<b>743,838</b>
						<b>264,839</b>

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\* 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).

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30 MOVEMENT IN INVESTMENTS - OPF

	Held-to-maturity	Available-for-sale	Fair value through P&L	Loans and receivables	Total
Rupees in thousand					
At beginning of previous year (Restated)	5,000	4,537	138,871	-	148,408
Additions	30,000	-	-	27,500	57,500
Disposals (sales and redemptions)	-	(6,000)	(17,020)	-	(23,020)
Fair value net (loss)/gain					-
(excluding unrealised gains)	-	-	2,209	-	2,209
Impairment losses	-	1,463	-	-	1,463
At beginning of current year	35,000	-	124,060	27,500	186,560
Additions	-	-	-	-	-
Disposals (sales and redemptions)	-	-	-	-	-
Fair value net gain (excluding unrealised gains)	-	-	9,674	-	9,674
Impairment gains	-	-	(5,038)	-	(5,038)
At end of current period	35,000	-	128,696	27,500	191,196

31 MOVEMENT IN INVESTMENTS - PTF

At beginning of previous year (Restated)	5,000	10,180	25,028	-	40,208
Additions	20,000	-	252,582	-	272,582
Disposals (sales and redemptions)	-	(10,180)	(161,803)	-	(171,983)
Fair value net loss(excluding unrealised gains)	-	-	(28)	-	(28)
At beginning of current year	25,000	-	115,779	-	140,779
Additions	-	-	60,094	-	60,094
Disposals (sales and redemptions)	-	-	(25,840)	-	(25,840)
Fair value net (loss)/gain					
(excluding unrealised gains)	-	-	268	-	268
Impairment losses	-	-	-	-	-
At end of current period	25,000	-	150,301	-	175,301

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on its meeting held on 11 August 2020.



Razi Haider  
Chief Financial Officer



Abdul Waheed  
President & Chief Executive



Maj Gen Akhtar Iqbal (Retd)  
Director



Lt Gen Najib Ullah Khan (Retd)  
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