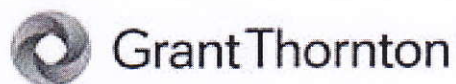


Auditor's review report and financial statements
Alpha Insurance Company Limited
For the six months ended June 30, 2022



Grant Thornton Anjum Rahman
Chartered Accountants



IN SAFE HANDS, ALWAYS

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Alpha Insurance Company Limited

Report on review of Interim Financial Statements

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Alpha Insurance Company Limited** as at **June 30, 2022** and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity, and notes to the condensed interim financial statements for the six-months 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.




Grant Thornton

Other Matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three-months period ended June 30, 2022 and June 30, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended June 30, 2022.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.

Yours truly


Chartered Accountants

UDIN: RR202210154sua6kbMdr

Karachi

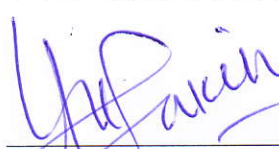
Date: August 30, 2022

Financial Statements
Alpha Insurance Company Limited
For the six months ended June 30, 2022

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT JUNE 30, 2022

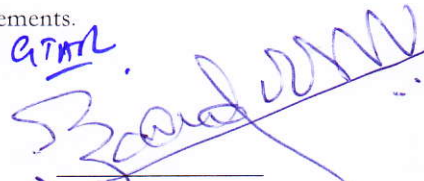
		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Notes	-----Rupees-----	
Assets			
Property and equipment	7	9,282,960	11,543,184
Intangible asset	8	-	-
Investments			
Equity securities	9	201,681,306	216,508,019
Debt securities	10	473,753,510	447,748,768
Loans and other receivables	11	9,170,246	9,145,044
Insurance / Reinsurance receivables	12	68,873,757	65,351,884
Reinsurance recoveries against outstanding claims	23	101,579,520	78,372,240
Salvage recoveries accrued		12,385	12,385
Deferred Commission Expense / Acquisition cost	24	9,698,954	12,578,983
Retirement benefits		280,658	180,658
Deferred taxation	13	10,261,651	10,261,651
Taxation - payment less provisions	14	76,025,816	73,319,937
Prepayments	15	26,747,137	33,099,257
Cash and bank	16	105,739,767	119,483,506
Total assets		1,093,107,667	1,077,605,516
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorised share capital: [51,000,000 (2021: 51,000,000) Ordinary shares of Rs. 10 each]		510,000,000	510,000,000
Issued, subscribed and paid-up share capital [50,000,000 (2021: 50,000,000) Ordinary shares of Rs. 10 each]		500,000,000	500,000,000
Reserves	17	89,168,293	92,611,460
Unappropriated profit		103,021,323	120,429,660
Total equity		692,189,616	713,041,120
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	23	201,634,836	138,206,245
Unearned premium reserves	22	55,868,254	72,254,843
Premium deficiency reserves	18	2,257,195	2,967,400
Unearned Reinsurance Commission	24	742,450	979,744
Premium received in advance		6,463,325	6,924,804
Reinsurance / Insurance payables	19	49,967,097	53,839,857
Other creditors and accruals	20	83,984,894	89,391,503
Total liabilities		400,918,051	364,564,396
Total equity and liabilities		1,093,107,667	1,077,605,516
Contingencies and commitments	21		

The annexed notes 1 to 38 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Director



Chairman

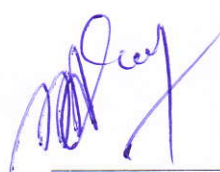
ALPHA INSURANCE COMPANY LIMITED
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Notes	Six Months Period		Three Months Period	
		Ended June 30,		Ended June 30,	
		2022	2021	2022	2021
		(Un-audited)		(Un-audited)	
Notes ----- (Rupees) -----					
Net insurance premium	22	69,256,204	39,976,819	42,589,404	19,836,139
Net insurance claims	23	(50,530,195)	1,704,312	(25,015,837)	6,749,932
Premium deficiency	18	710,205	816,805	380,402	432,388
Net commission and other acquisition cost	24	(16,312,893)	(9,894,577)	(9,990,156)	(4,850,468)
Insurance claims and acquisition expenses		(66,132,883)	(7,373,460)	(34,625,591)	2,331,852
Management expenses	25	(41,546,084)	(36,324,368)	(23,828,152)	(17,339,033)
Underwriting results		(38,422,763)	(3,721,009)	(15,864,339)	4,828,958
Investment income	26	18,522,382	34,582,565	11,310,058	26,909,903
Other income	27	6,326,219	2,899,779	2,173,519	2,482,382
Other expenses	28	(1,685,200)	(1,362,000)	(870,363)	(642,600)
		23,163,401	36,120,344	12,613,214	28,749,685
Results of operating activities		(15,259,362)	32,399,335	(3,251,125)	33,578,643
Finance cost		(570,328)	(857,820)	(260,476)	(412,815)
(Loss)/Profit before tax		(15,829,690)	31,541,515	(3,511,601)	33,165,828
Income tax expense	29	(1,578,647)	(8,603,931)	(2,268,751)	(9,725,553)
(Loss)/Profit after tax		(17,408,337)	22,937,584	(5,780,352)	23,440,275
(Loss) / Earnings per share- Basic and Diluted	30	(0.35)	0.46	(0.12)	0.47

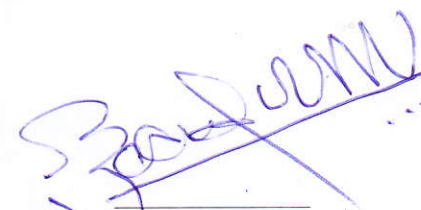
The annexed notes 1 to 38 form an integral part of these condensed interim financial statements.

9/10/22


 Chief Executive Officer


 Director


 Director


 Chairman

ALPHA INSURANCE COMPANY LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Six Months Period Ended June 30,		Three Months Period Ended June 30,	
	2022	2021	2022	2021
	(Un-audited)		(Un-audited)	
	----- (Rupees) -----			
(Loss)/Profit after taxation	(17,408,337)	22,937,584	(5,780,352)	23,440,275
Other comprehensive (loss)/income for the period				
Unrealised (loss) / gain on revaluation of available for-sale investments - net of tax	(3,443,167)	(7,075,413)	(5,570,695)	1,524,245
Other comprehensive (loss)/income for the period	(3,443,167)	(7,075,413)	(5,570,695)	1,524,245
Total comprehensive (loss) / income for the period	<u>(20,851,504)</u>	<u>15,862,171</u>	<u>(11,351,047)</u>	<u>24,964,520</u>

The annexed notes 1 to 38 form an integral part of these condensed interim financial statements.

atml


 Chief Executive Officer


 Director


 Director

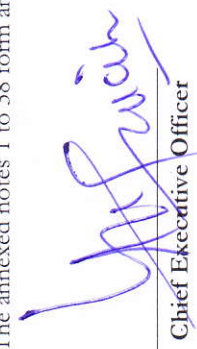

 Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Capital reserve		Revenue reserves		Subtotal Reserves	Un appropriated profit	Total
	Share Capital	Reserve for exceptional losses	General reserve	Unrealised gain/(loss) on revaluation of available for sale - net of tax			
	----- (Rupees) -----						
Balance as at January 01, 2021	500,000,000	3,355,000	6,820,000	87,361,846	97,536,846	102,581,200	700,118,046
<i>Total comprehensive income/(loss) for the period ended June 30, 2021</i>							
Income for the period ended June 30, 2021	-	-	-	-	-	22,937,584	22,937,584
Other comprehensive loss	-	-	-	(7,075,413)	(7,075,413)	-	(7,075,413)
Balance as at June 30, 2021	500,000,000	3,355,000	6,820,000	80,286,433	90,461,433	125,518,784	715,980,217
Balance as at January 01, 2022	500,000,000	3,355,000	6,820,000	82,436,460	92,611,460	120,429,660	713,041,120
<i>Total comprehensive income/(loss) for the period ended June 30, 2022</i>							
Loss for the period ended June 30, 2022	-	-	-	-	-	(17,408,337)	(17,408,337)
Other comprehensive loss	-	-	-	(3,443,167)	(3,443,167)	-	(3,443,167)
Balance as at June 30, 2022	500,000,000	3,355,000	6,820,000	78,993,293	89,168,293	103,021,323	692,189,616

The annexed notes 1 to 38 form an integral part of these condensed interim financial statements.

GTML


Chief Executive Officer


Director


Director


Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

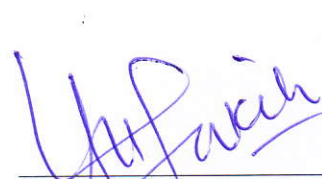
		June 30, 2022	June 30, 2021
		(Un-audited)	
	Notes	----- (Rupees) -----	
OPERATING CASH FLOWS			
Underwriting activities			
Insurance premiums received		78,759,714	50,924,502
Reinsurance premium paid		(23,572,359)	(41,831,203)
Claims paid	23	(10,352,048)	(75,206,530)
Reinsurance and other recoveries received		43,164	30,241,305
Commission paid		(13,368,197)	(10,219,903)
Commission received	24	544,485	314,194
Management expenses paid		(40,525,556)	(35,006,029)
Net cash used in underwriting activities		(8,470,797)	(80,783,664)
Other operating activities			
Income tax paid		(4,284,526)	(5,845,329)
Other operating payments		(8,477,953)	(68,893)
Loans advanced		446,301	228,021
Net cash used in other operating activities		(12,316,178)	(5,686,201)
Total Cash flow used in all operating activities		(20,786,975)	(86,469,865)
INVESTMENT ACTIVITIES			
Profit / return received		27,120,228	22,995,525
Dividend received	26	5,567,904	8,149,631
Payment for investments	32	(244,785,682)	(202,617,675)
Proceeds from investments		220,232,487	270,888,658
Proceeds from disposal of fixed assets		1,609,785	-
Fixed capital expenditure	7.1.1	(321,370)	(768,143)
Total cash generated from investing activities		9,423,352	98,647,996
FINANCING ACTIVITIES			
Lease payments		(2,380,116)	(2,540,694)
Total cash used in financing activities		(2,380,116)	(2,540,694)
Net cash (used in) / generated from all activities		(13,743,739)	9,637,437
Cash and cash equivalents at the beginning of the period	16	119,483,506	46,387,469
Cash and cash equivalents at the end of the period	16	105,739,767	56,024,906

ALPHA INSURANCE COMPANY LIMITED
 CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	June 30, 2022	June 30, 2021
	(Un-audited)	
	----- (Rupees) -----	
Reconciliation to Profit and Loss Account		
Operating cash flows	(20,786,975)	(86,469,865)
Depreciation expense	(2,418,193)	(2,741,397)
Gain on termination of right of use assets	35,453	-
Dividend Income	5,567,904	8,149,631
Other investment income	22,886,477	21,607,887
Increase/(decrease) in assets other than cash	9,378,530	(20,520,781)
(Increase)/decrease in liabilities other than borrowings	(38,362,299)	100,012,330
Other Income	6,290,766	2,899,779
Profit/(Loss) after taxation	<u>(17,408,337)</u>	<u>22,937,584</u>


The annexed notes 1 to 38 form an integral part of these condensed interim financial statements.

CITAK


 Chief Executive Officer


 Director


 Director


 Chairman

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Alpha Insurance Company Limited ("the Company") was incorporated in Pakistan on December 24, 1951 under the Indian Companies Act VII of 1913 as a public limited company and registered as a non-life insurance company by the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. The Company is engaged in providing non-life insurance business comprising fire, marine, motor, health, credit and suretyship and miscellaneous. The Company commenced its commercial operations on January 23, 1952.

The registered office of the Company is situated at 4th Floor, Building # 1-B, State Life Square, I. I. Chundrigar Road, Karachi. The Company has 9 (December 31, 2021: 11) branches in Pakistan. The parent entity of the Company is State Life Insurance Corporation of Pakistan holding 95.15% (December 31, 2021: 95.15%) shares of the Company.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, and Insurance Accounting Regulations, 2017. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations, 2017 have been followed.

3 BASIS OF PREPARATION

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2021.

The figures in the condensed interim profit and loss account and other comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the relevant notes to the condensed interim financial statements for the six-months period ended June 30, 2022 are not audited. Further, the figures for the three-months period ended June 30, 2022 and 2021 in the condensed interim statement of profit and loss and other comprehensive income have also not been reviewed by auditors.

3.1 BASIS OF MEASUREMENT

These condensed interim financial statements has been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortised cost as applicable. In addition, obligation in respect of staff retirement benefits is carried at present value.

These condensed interim financial statements has been prepared using the accrual basis of accounting.

3.2 SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS

There is no significant events and transactions during the period.

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

3.3 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements is presented in Pakistani rupees, which is the Company's functional and presentation currency.

3.4 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

3.4.1 Standards, amendments and interpretations to the published standards that are relevant to the company and adopted in the current period

The Company has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current period.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (Amendment to IFRS 9)	January 1, 2022
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)	January 1, 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	January 1, 2022
Subsidiary as a First-time Adopter (Amendment to Taxation in Fair Value Measurements)	January 1, 2022
Updating a Reference to the Conceptual Framework (Amendments to IFRS 3)	January 1, 2022

Adoption of the above standard have no significant effect on the amounts for the period ended June 30, 2022.

3.4.2 Standards, amendments and interpretations to the published standards that are relevant but not yet effective and not early adopted by the Company

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual periods beginning on or after)
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	January 1, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Definition of Accounting Estimates)	January 1, 2023
Disclosure Initiative—Accounting Policies	January 1, 2023

The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Company.

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

3.4.3 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	IASB effective date (Annual periods beginning on or after)
IFRS 17 'Insurance Contracts'	January 1, 2023
Amendments to IFRS 17 Insurance Contracts	January 1, 2023
IFRS 1 'First-time Adoption of International Financial Reporting Standards'	July 1, 2009

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Certain amendments and interpretations to approved accounting standards became effective during the period were not relevant to the Company's operation and do not have any impact on accounting policies of the Company.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates and that such estimates and judgments are continually evaluated based on historical experience and expectations of future events that are believed to be reasonable under the circumstances.

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

6 INSURANCE AND FINANCIAL RISK MANAGEMENT

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

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

7	PROPERTY AND EQUIPMENT	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
			----- (Rupees) -----	
	Operating assets	7.1	4,260,980	4,683,782
	Right-of-use assets	7.2	5,021,980	6,859,402
			<u>9,282,960</u>	<u>11,543,184</u>
7.1	Operating assets			
	Opening book value		4,683,782	5,621,244
	Add: Additions during the period/year	7.1.1	321,370	1,010,768
	Less: Disposals during the period/year	7.1.2	3	-
			<u>5,005,155</u>	<u>6,632,012</u>
	Less: Depreciation for the period/year		<u>(744,175)</u>	<u>(1,948,230)</u>
			<u>4,260,980</u>	<u>4,683,782</u>
7.1.1	Addition during the period - Cost			
	Computer and accessories		321,370	293,965
	Furniture and fixtures		-	172,460
	Electrical Installations		-	544,343
			<u>321,370</u>	<u>1,010,768</u>
7.1.2	Assets disposed during the period - WDV			
	Motor vehicles		<u>3</u>	<u>-</u>
			<u>3</u>	<u>-</u>
7.2	Right-of-use assets			
	Balance as at January 01, 2022		6,859,402	10,441,677
	Add: Additions during the period/year		-	-
	Less: Disposals during the period/year -WDV		<u>(163,404)</u>	<u>-</u>
			<u>6,695,998</u>	<u>10,441,677</u>
	Depreciation charge for the period/year		<u>(1,674,018)</u>	<u>(3,582,275)</u>
	Balance as at June 30, 2022		<u>5,021,980</u>	<u>6,859,402</u>

8 INTANGIBLE ASSETS

Computer software includes GIS software and operating software licence which was purchased at a cost Rs. 2,411,912 in 2009 and was fully amortized at the rate of 30% per annum.

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

9 INVESTMENTS IN EQUITY SECURITIES

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
	----- (Rupees) -----			----- (Rupees) -----		
Available for sale						
Listed equity securities	129,655,103	(36,958,165)	92,696,938	129,655,103	(25,574,619)	104,080,484
Unrealized gain	-	-	108,984,368	-	-	112,427,535
	<u>129,655,103</u>	<u>(36,958,165)</u>	<u>201,681,306</u>	<u>129,655,103</u>	<u>(25,574,619)</u>	<u>216,508,019</u>

10 INVESTMENTS IN DEBT SECURITIES

	Note	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
		Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
		----- (Rupees) -----			----- (Rupees) -----		
Government securities							
- Pakistan investment bonds	10.1	221,790,180	-	228,967,827	221,790,180	-	227,516,280
- Treasury bills	10.2	213,630,620	-	244,785,683	217,451,175	-	220,232,488
		<u>435,420,800</u>	<u>-</u>	<u>473,753,510</u>	<u>439,241,355</u>	<u>-</u>	<u>447,748,768</u>

10.1 Pakistan investment bonds have face value of Rs. 240 million (market value of Rs. 228.968 million) [2021: face value of Rs. 240 million (market value of Rs. 227.516 million)]. These carry mark-up ranging from 9.5% to 10% (2021: 9.5% to 10%) per annum and will mature between 2024 and 2029.

10.1.1 Pakistan Investment Bonds with face value of Rs. 60 million (2021: Rs. 60 million) are placed with State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

10.2 Market treasury bills have face value of Rs. 270 million (market value of Rs. 244.786 million) [2021: face value of Rs. 225 million (market value of Rs. 220.232 million)]. These carry mark-up at 12.46% to 14.95% (2021: 8.06% to 9.56%) per annum and will mature in 2023.

11 LOANS AND OTHER RECEIVABLES

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	----- (Rupees) -----	
Accrued investment income	6,584,785	6,448,724
Security deposit	155,120	266,120
Agent commission receivable	72,854	72,854
Loans to employees	1,512,472	1,904,276
Federal insurance fee	55,715	62,530
Other receivables	789,300	390,540
	<u>9,170,246</u>	<u>9,145,044</u>

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

		June 30, 2022	December 31, 2021
		(Un-audited)	(Audited)
		----- (Rupees) -----	
12	INSURANCE / REINSURANCE RECEIVABLES		
	- Unsecured and considered good		
	Due from insurance contract holders	97,666,347	94,787,257
	Less: provision for impairment of receivables from insurance contract holders	(88,780,785)	(88,178,283)
		8,885,562	6,608,974
	Due from other insurers / reinsurers	90,106,386	87,752,815
	Less: provision for impairment of due from other insurers / reinsurers	(30,118,191)	(29,009,905)
		59,988,195	58,742,910
		<u>68,873,757</u>	<u>65,351,884</u>
13	DEFERRED TAXATION		
	Deferred debits arising in respect of :		
	Accelerated tax depreciation on fixed assets	1,309,603	1,309,603
	Lease liabilities	2,420,966	2,420,966
	Provision against premium due but unpaid	25,571,702	25,571,702
	Provision for diminution in value of investment	7,416,640	7,416,640
	Provision against amount due from other insurers/reinsurers	8,412,872	8,412,872
	Deferred credits arising in respect of :		
	Right-of-use assets	(1,989,227)	(1,989,227)
	Provision for employees' benefits plan	(276,921)	(276,921)
	Unrealized loss on revaluation of AFS	(32,603,984)	(32,603,984)
		<u>10,261,651</u>	<u>10,261,651</u>
13.1	The deferred tax asset has been restricted on prudence basis considering the future taxable profitability.		
14	TAXATION - Payment less provision		
	Opening Balance	73,319,937	75,847,643
	Tax paid including deducted at source	4,284,526	10,350,388
	Provision for taxation	(1,578,647)	(7,854,129)
	Advance tax written off	-	(5,023,965)
	Closing Balance	<u>76,025,816</u>	<u>73,319,937</u>
15	PREPAYMENTS		
	Prepaid reinsurance premium ceded	26,214,168	32,413,688
	Prepaid rent	-	298,462
	Prepaid miscellaneous expenses	532,969	387,107
		<u>26,747,137</u>	<u>33,099,257</u>
16	CASH AND BANK		
	Cash and other equivalents		
	- Cash in hand	87,097	-
	- Policy & Revenue stamps, Bond papers	230,090	1,195,841
	Cash at bank		
	- Current accounts	6,347,314	19,920,700
	- Savings accounts	47,930,149	48,365,965
	- Window takaful operations	51,145,117	50,001,000
		<u>105,739,767</u>	<u>119,483,506</u>
16.1	The rate of return on profit and loss savings account maintained at various banks range from 5.50% to 12.25% per annum (2021: 5.50% to 7.25% per annum).		

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

16.2 This represents amount deposited in a separate bank account (saving) titled as window takaful operations, for which the Company has applied for license to commence business.

		June 30, 2022	December 31, 2021
	Note	(Un-audited)	(Audited)
		----- (Rupees) -----	-----
17 RESERVES			
Capital reserve			
Reserve for exceptional losses	17.1	3,355,000	3,355,000
Revenue reserves			
General reserve		6,820,000	6,820,000
Unrealised appreciation on 'available for sale' investments		78,993,293	82,436,460
		<u>89,168,293</u>	<u>92,611,460</u>
17.1	The reserve for exceptional losses represents amounts set aside till December 31, 1978 to avail deduction thereof in computing taxable income, as allowed previously under the old Income Tax Act of 1922. After the introduction of the Repealed Income Tax Ordinance, 1979, which did not permit the said deduction, the Company discontinued the setting aside of amounts thereafter as reserve for exceptional losses.		
		June 30, 2022	December 31, 2021
18 PREMIUM DEFICIENCY RESERVES	Note	(Un-audited)	(Audited)
		----- (Rupees) -----	-----
Opening balance		2,967,400	1,262,740
Provision for the period (reduction)/appreciation		(710,205)	1,704,660
Closing balance		<u>2,257,195</u>	<u>2,967,400</u>
19 REINSURANCE / INSURANCE PAYABLES			
Due to other insurers / reinsurers		45,334,802	43,522,442
Cash margins against performance bonds		4,632,295	10,317,415
		<u>49,967,097</u>	<u>53,839,857</u>
20 OTHER CREDITORS AND ACCRUALS			
Agents commission payable		46,450,912	45,604,466
Federal Excise Duty / Sales tax		17,211,034	18,450,737
Lease liability	20.1	6,339,512	8,348,157
Sindh Workers' Welfare Fund	20.2	2,197,746	2,197,746
Salaries and wages payable		272,752	1,016,174
Accrued expenses		1,970,719	3,511,718
Compensated absences		2,465,725	2,465,725
Income tax liabilities		492,638	382,484
Other tax payables		107,011	60,820
Unpaid and Unclaimed Dividend		3,001,450	3,001,450
Accounts payable for goods & services		315,232	1,150,805
Other creditors & accruals		3,160,163	3,201,221
		<u>83,984,894</u>	<u>89,391,503</u>
20.1 Lease Liability			
Current		4,062,746	3,482,487
Non - Current		2,276,766	4,865,670
		<u>6,339,512</u>	<u>8,348,157</u>
20.2	The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court.		

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

The Honorable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution.

The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated November 10, 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

In view of the above, on prudent basis the management has decided not to reverse charge for WWF recorded for the years up to 2015 amounting to Rs. 2.198 million.

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

There are no material changes in the status of contingencies as same reported in note 21.1 to the financial statements of the Company for the year ended December 31, 2021, excepts specified below:

21.1.1 Various claims amounting to Rs. 60.48 million (2021:Rs. 62.88 million) has been lodged by various parties against the Company. The Company has not acknowledged these claims as the management considers that the company is not liable to settle the amount.

21.2 Commitments

Commitment in respect of operating leases

Not later than one year.

Later than,one year but not later than five year

Later than five year.

	June 30, 2022	December 31, 2021
	(Un-audited)	(Audited)
Note	----- (Rupees) -----	

77,100	154,200
-	-
-	-
77,100	154,200

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

22 NET INSURANCE PREMIUM	Notes	Six months period		Three months period	
		ended June 30,		ended June 30,	
		2022	2021	2022	2021
		(Un-audited)		(Un-audited)	
		(Rupees)		(Rupees)	
Written Gross Premium		82,100,283	51,513,811	47,066,679	21,244,951
Add: Unearned premium reserve opening		72,254,843	41,115,050	66,306,478	42,479,018
Less: Unearned premium reserve closing		(55,868,254)	(34,797,144)	(55,868,254)	(34,797,144)
Premium earned		98,486,872	57,831,717	57,504,903	28,926,825
Less: Reinsurance premium ceded		23,031,148	18,143,950	11,936,204	9,619,802
Add: Prepaid reinsurance premium opening		32,413,688	16,241,569	29,193,463	16,001,505
Less: Prepaid reinsurance premium closing	15	(26,214,168)	(16,530,621)	(26,214,168)	(16,530,621)
Reinsurance expense		29,230,668	17,854,898	14,915,499	9,090,686
		69,256,204	39,976,819	42,589,404	19,836,139
23 NET INSURANCE CLAIMS EXPENSE					
Claims paid		10,352,048	75,206,530	4,591,013	54,553,982
Add: Outstanding claims including IBNR closing		201,634,836	125,004,900	201,634,836	125,004,900
Less: Outstanding claims including IBNR opening		(138,206,245)	(216,107,224)	(167,349,064)	(199,354,847)
Claim expense		73,780,639	(15,895,794)	38,876,785	(19,795,965)
Less: Reinsurance and other recoveries received		43,164	30,241,305	43,164	24,233,063
Less: Reinsurance and other recoveries in respect of outstanding claims - opening		(78,372,240)	(120,357,112)	(87,761,736)	(113,203,421)
Add: Reinsurance and other recoveries in respect of outstanding claims - closing		101,579,520	75,924,325	101,579,520	75,924,325
Reinsurance and other recoveries revenue		23,250,444	(14,191,482)	13,860,948	(13,046,033)
		50,530,195	(1,704,312)	25,015,837	(6,749,932)
24 NET COMMISSION / ACQUISITION COST					
Commission paid or payable		14,214,643	9,261,791	8,827,386	3,932,653
Add: Deferred commission expense opening		12,578,983	7,434,266	11,268,319	7,605,171
Less: Deferred commission expense closing		(9,698,954)	(6,549,752)	(9,698,954)	(6,549,752)
Net Commission		17,094,672	10,146,305	10,396,751	4,988,072
Less: Commission received or recoverable		544,485	314,194	331,598	228,398
Add: Unearned Reinsurance commission opening		979,744	234,162	817,447	205,834
Less: Unearned Reinsurance commission closing		(742,450)	(296,628)	(742,450)	(296,628)
Commission from reinsurance		781,779	251,728	406,595	137,604
		16,312,893	9,894,577	9,990,156	4,850,468
25 MANAGEMENT EXPENSES					
Employees benefit cost	25.1	24,302,366	23,327,756	13,247,576	11,779,673
Traveling expense		372,357	172,372	283,120	71,227
Advertisement & sales promotion		14,250	82,071	14,250	28,590
Printing and stationery		668,628	602,022	460,103	303,809
Depreciation		2,418,193	2,741,397	1,185,043	1,371,947
Rent, rates and taxes		440,687	128,117	423,962	18,505
Legal and professional charges - business related		2,882,099	2,782,881	801,197	915,145
Electricity, gas and water		835,834	505,858	553,421	325,377
Entertainment		308,991	618,987	229,758	276,014
Vehicle running expenses		4,454,297	3,207,575	2,650,349	1,425,161
Office repair and maintenance		512,955	287,304	321,661	186,543
Bank charges		183,291	176,895	94,409	84,238
Postages, telegrams and telephone		618,371	872,963	297,099	367,620
Bad and doubtful debts		1,710,788	-	1,710,788	-
Miscellaneous		1,822,977	818,170	1,555,416	185,184
		41,546,084	36,324,368	23,828,152	17,339,033

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Six months period ended June 30,		Three months period ended June 30,	
	2022	2021	2022	2021
	(Un-audited)		(Un-audited)	
	----- (Rupees) -----		----- (Rupees) -----	
25.1 Employee benefit cost				
Salaries, allowance and other benefits	23,645,500	22,762,813	12,857,344	11,494,229
Charges for post employment benefit	656,866	564,943	390,232	285,444
	<u>24,302,366</u>	<u>23,327,756</u>	<u>13,247,576</u>	<u>11,779,673</u>
26 INVESTMENT INCOME				
Income from equity securities - available for sale				
Dividend income	5,567,904	8,149,631	3,675,665	6,807,299
Income from debt securities - held to maturity				
Return on government securities	22,886,477	21,607,887	12,348,762	9,603,406
Amortization of discount on government securities	1,451,547	1,292,327	742,676	661,207
	<u>29,905,928</u>	<u>31,049,845</u>	<u>16,767,103</u>	<u>17,071,912</u>
Total investment income	29,905,928	31,049,845	16,767,103	17,071,912
Less: Reversal / (Impairment) in value of available for sale securities- equity securities	(11,383,546)	3,532,720	(5,457,045)	9,837,991
Net investment income	<u>18,522,382</u>	<u>34,582,565</u>	<u>11,310,058</u>	<u>26,909,903</u>
27 OTHER INCOME				
Income from financial assets				
Return on bank balances	4,369,813	1,278,495	3,410,581	799,594
Income from non-financial assets				
Gain on sale of fixed asset	1,609,786	-	-	-
Gain on termination of Right of use assets	35,453	-	35,453	-
Exchange Gain	54,497	-	54,497	-
Miscellaneous income	256,670	431,000	2,000	4,000
Reversal of bad and doubtful debts	-	1,190,284	(1,329,012)	1,678,788
	<u>6,326,219</u>	<u>2,899,779</u>	<u>2,173,519</u>	<u>2,482,382</u>
28 OTHER EXPENSES				
Auditors' remuneration	194,400	194,400	94,692	-
Directors' Fees	1,400,000	1,080,000	720,000	600,000
Fees & Subscription	90,800	87,600	55,671	42,600
	<u>1,685,200</u>	<u>1,362,000</u>	<u>870,363</u>	<u>642,600</u>
29 INCOME TAX EXPENSE				
For the period				
- Current	(1,578,647)	(7,678,329)	(945,182)	(6,259,974)
- Deferred	-	(925,602)	(1,323,569)	(3,465,579)
	<u>(1,578,647)</u>	<u>(8,603,931)</u>	<u>(2,268,751)</u>	<u>(9,725,553)</u>
30 EARNINGS PER SHARE				
(Loss)/Profit after tax for the period	<u>(17,408,337)</u>	<u>22,937,584</u>	<u>(5,780,352)</u>	<u>23,440,275</u>
	----- (Number of Shares) -----			
Weighted average number of ordinary shares	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>
Basic/Diluted (loss)/earnings per share (Rupees)	<u>(0.35)</u>	<u>0.46</u>	<u>(0.12)</u>	<u>0.47</u>

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

31 RELATED PARTY TRANSACTIONS

Related parties comprise State Life Insurance Corporation of Pakistan being the parent company, associated entities having directors in common, other subsidiaries of parent company, key management personnel, gratuity fund and provident fund. The transactions with related parties other than those disclosed elsewhere in the condensed interim financial statements are as follows:

	Six Months Period ended June 30,		Three Months Period ended June 30,	
	2022	2021	2022	2021
	(Un-audited)		(Un-audited)	
Transactions and balances with related parties	----- (Rupees) -----			
Parent company				
Rent paid (parent company)	1,877,016	1,877,016	938,508	938,508
Employees' funds				
Contribution to provident fund	569,366	564,943	302,732	279,499
Others				
Remuneration to key management personnel	7,947,259	8,113,036	4,392,141	4,395,548
Directors' remuneration	1,400,000	1,080,000	720,000	480,000
			June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
			----- (Rupees) -----	
Balances as at 30 June 2021				
Associate of Parent Company				
Reinsurance Ceded from Pakistan Reinsurance Company Limited			-	10,228,385
(Payable) / Receivable from Pakistan Reinsurance Company Limited			(4,931,823)	14,768,454
Others				
Receivable from gratuity fund			280,658	1,180,437
Due to employees' provident fund			-	-

32 MOVEMENT IN INVESTMENTS

	Held to maturity	Available for sale	Total
	----- (Rupees) -----		
At beginning of previous year	531,595,948	223,053,525	754,649,473
Additions	467,168,982	3,786,805	470,955,786
Disposals	(553,703,906)	-	(553,703,906)
Fair value net gains	-	(6,937,163)	(6,937,163)
Amortization of premium	2,687,744	-	2,687,744
Impairment losses	-	(3,395,147)	(3,395,147)
At end of previous year	447,748,768	216,508,020	664,256,787
At beginning of current period	447,748,768	216,508,020	664,256,787
Additions	244,785,682	-	244,785,682
Disposals	(220,232,487)	-	(220,232,487)
Fair value net gains	-	(3,443,168)	(3,443,168)
Amortization of premium	1,451,547	-	1,451,547
Impairment losses	-	(11,383,546)	(11,383,546)
At end of current period	473,753,510	201,681,306	675,434,815

**ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022**

33 FAIR VALUES OF FINANCIAL INSTRUMENTS

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).

34 FINANCIAL INSTRUMENTS

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

	June 30, 2022 (Un-audited)					
	Held for trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total
Financial assets measured at fair value						
Investments						
- Investment in equity securities	-	201,681,306	-	-	-	201,681,306
Financial assets not measured at fair value						
Cash and bank*	-	-	-	105,739,767	-	105,739,767
Investments						
- Debts securities	-	-	473,753,510	-	-	473,753,510
Insurance / reinsurance receivables*	-	-	-	187,772,733	-	187,772,733
Reinsurance recoveries against outstanding claims*	-	-	-	101,579,520	-	101,579,520
Salvage recoveries accrued	-	-	-	12,385	-	12,385
Loans and other receivables*	-	-	-	7,602,059	-	7,602,059
Financial liabilities not measured at fair value						
Outstanding claims including IBNR*	-	-	-	-	(201,634,836)	(201,634,836)
Reinsurance / Co-Insurance payables*	-	-	-	-	(49,967,097)	(49,967,097)
Other creditors and accruals*	-	-	-	-	(61,510,740)	(61,510,740)
	-	201,681,306	473,753,510	402,706,464	(313,112,673)	765,028,607

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	December 31, 2021 (Audited)					Total
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	
Financial assets measured at fair value						
Investments						
- Investment in equity securities	-	216,508,019	-	-	-	216,508,019
Financial assets not measured at fair value						
Cash and bank*	-	-	-	119,483,506	-	119,483,506
Investments						
- Debts securities	-	-	447,748,768	-	-	447,748,768
Insurance / reinsurance receivables*	-	-	-	182,540,072	-	182,540,072
Reinsurance recoveries against outstanding claims*	-	-	-	78,372,240	-	78,372,240
Salvage recoveries accrued	-	-	-	12,385	-	12,385
Loans and other receivables*	-	-	-	7,178,238	-	7,178,238
Financial liabilities not measured at fair value						
Outstanding claims including IBNR*	-	-	-	-	(138,206,245)	(138,206,245)
Reinsurance / Co-Insurance payables*	-	-	-	-	(53,839,857)	(53,839,857)
Other creditors and accruals*	-	-	-	-	(65,833,991)	(65,833,991)
	-	216,508,019	447,748,768	387,586,441	(257,880,093)	793,963,135

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

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

	As at June 30, 2022					As at December 31, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 1	Level 2	Level 3
	-----Rupees in '000-----			-----Rupees in '000-----				
Financial assets measured at fair value								
Available-for-sale - Listed equity	201,681,306	-	-	201,681,306	-	216,508,019	-	-
Financial assets not measured at fair value								
Held-to-maturity - Government securities	473,753,510	473,753,510	-	473,753,510	447,748,768	-	447,748,768	-
	675,434,816	201,681,306	473,753,510	675,434,816	473,753,510	216,508,019	447,748,768	-

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

35 SEGMENT INFORMATION

The class wise revenues and results are as follows:

	Six Months Period Ended June 30, 2022 (Un-audited)						2022 Aggregate	
	June 30, 2022 (Un-audited)	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond		Other classes
(Rupees)								
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)		33,904,572	25,587,371	21,090,319	20,240	-	10,941,916	91,544,418
Less: Federal excise duty / Sales Tax		2,154,386	2,465,753	2,338,447	-	-	1,099,471	8,058,037
Federal insurance fee		154,156	199,921	167,464	-	-	76,061	597,602
Others		7,885	762,551	12,560	-	-	5,500	788,496
Gross written premium (inclusive of administrative surcharge)		31,588,145	22,159,166	18,571,848	20,240	-	9,760,884	82,100,283
Gross direct premium		15,136,294	19,384,245	16,214,038	20,240	-	7,498,711	58,253,528
Facultative inward premium		16,170,901	2,175,499	1,848,258	-	-	2,154,683	22,349,341
Administrative surcharge		280,950	599,422	509,552	-	-	107,490	1,497,414
		31,588,145	22,159,166	18,571,848	20,240	-	9,760,884	82,100,283
Insurance premium earned		44,036,292	18,610,596	19,501,296	5,701,735	-	10,636,953	98,486,872
Reinsurance expense		(13,675,498)	(4,708,204)	(2,885,267)	-	(262,484)	(7,699,215)	(29,230,668)
Net insurance premium		30,360,794	13,902,392	16,616,029	5,701,735	(262,484)	2,937,738	69,256,204
Net commission income		212,175	37,537	174,052	-	-	358,015	781,779
Net Underwriting income		30,572,969	13,939,929	16,790,081	5,701,735	(262,484)	3,295,753	70,037,983
Insurance claims		(55,361,633)	(4,896,404)	(5,648,023)	(4,893,077)	-	(2,981,502)	(73,780,639)
Insurance claims recovered from reinsurers		23,207,280	43,164	-	-	-	-	23,250,444
Net claims		(32,154,353)	(4,853,240)	(5,648,023)	(4,893,077)	-	(2,981,502)	(50,530,195)
Commission expense		(7,793,472)	(5,054,179)	(2,160,765)	(285,087)	-	(1,801,169)	(17,094,672)
Management expenses		(15,984,887)	(11,213,440)	(9,398,111)	(10,242)	-	(4,939,404)	(41,546,084)
Premium deficiency expense		-	-	-	568,150	-	142,055	710,205
Net insurance claims and expenses		(55,932,712)	(21,120,859)	(17,206,899)	(4,620,256)	-	(9,580,020)	(108,460,746)
Underwriting result		(25,359,743)	(7,180,930)	(416,818)	1,081,479	(262,484)	(6,284,267)	(38,422,763)
Investment income								18,522,382
Other income								6,326,219
Other expenses								(1,685,200)
Finance cost								(570,328)
Results of operating activities								22,593,073
								(15,829,690)

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

June 30, 2022 (Unaudited)	Six Months Period Ended June 30, 2022 (Un-audited)						2022 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
Segment Assets	65,565,707	37,802,983	51,425,280	13,572,265	1,168,078	36,844,473	206,378,786
Unallocated Assets							886,728,881
	65,565,707	37,802,983	51,425,280	13,572,265	1,168,078	36,844,473	1,093,107,667
Segment liabilities	194,914,659	30,504,374	42,341,722	11,288,519	3,366,799	34,517,081	316,933,154
Unallocated liabilities							83,984,897
	194,914,659	30,504,374	42,341,722	11,288,519	3,366,799	34,517,081	400,918,051

June 30, 2021 (Unaudited)	Six Months Period Ended June 30, 2021 (Un-audited)						2021 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
Segment Assets	18,987,762	13,326,056	18,481,254	197,786	1	6,653,290	57,646,149
Unallocated Assets	1,395,371	1,268,850	1,707,711	-	-	665,563	5,037,495
	100,318	110,993	125,637	-	-	43,667	380,615
	8,165	685,993	13,850	-	-	6,220	714,228
	17,483,908	11,260,220	16,634,056	197,786	1	5,937,840	51,513,811
Segment liabilities	9,753,086	10,606,149	12,147,806	197,786	1	4,251,900	36,956,728
Unallocated liabilities	7,508,529	166,188	4,091,176	-	-	1,599,468	13,365,361
	222,293	487,883	395,074	-	-	86,472	1,191,722
	17,483,908	11,260,220	16,634,056	197,786	1	5,937,840	51,513,811

Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)
 Less: Federal excise duty / Sales Tax
 Federal insurance fee
 Others
Gross written premium (inclusive of administrative surcharge)

Gross direct premium
 Facultative inward premium
 Administrative surcharge
 Insurance premium earned
 Reinsurance expense
Net insurance premium
 Net commission income
Net Underwriting income

Insurance claims
 Insurance claims recovered from reinsurers
Net claims
balance carried forward

	27,543,561	(16,853)	(5,260,098)	(3,904,617)	-	(2,466,199)	15,895,794
	(14,494,021)	-	302,539	-	-	-	(14,191,482)
	13,049,540	(16,853)	(4,957,559)	(3,904,617)	-	(2,466,199)	1,704,312
	22,977,411	8,284,781	7,729,872	2,052,514	(26,599)	914,880	41,932,859

ALPHA INSURANCE COMPANY LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

	Six Months Period Ended June 30, 2021 (Un-audited)						2021 Aggregate	
	June 30, 2021 (Unaudited)	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond		Other classes
<i>balance brought forward</i>		22,977,411	8,284,781	7,729,872	2,052,514	(26,599)	914,880	41,932,859
Commission expense		(4,736,641)	(2,394,645)	(1,881,919)	(297,857)	-	(835,243)	(10,146,305)
Management expenses		(12,328,575)	(7,940,014)	(11,729,312)	(139,466)	(1)	(4,186,999)	(36,324,368)
Premium deficiency expense		92,551	-	-	724,254	-	-	816,805
Net insurance claims and expenses		(16,972,665)	(10,334,659)	(13,611,231)	286,931	(1)	(5,022,242)	(45,653,868)
Underwriting result		6,004,746	(2,049,878)	(5,881,359)	2,339,445	(26,600)	(4,107,362)	(3,721,009)
Investment income								34,582,565
Other income								2,899,779
Other expenses								(1,362,000)
Finance cost								(857,820)
								35,262,524
Results of operating activities								31,541,515

	December 31, 2021 (Audited)						2021 Aggregate	
	December 31, 2021	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond		Other classes
Segment Assets		66,520,193	32,662,558	44,339,368	11,931,142	455,343	35,367,346	191,275,950
Unallocated Assets		66,520,193	32,662,558	44,339,368	11,931,142	455,343	35,367,346	886,329,566
Segment liabilities		153,171,380	23,944,986	41,828,989	18,749,637	3,625,393	33,852,508	275,172,893
Unallocated liabilities		153,171,380	23,944,986	41,828,989	18,749,637	3,625,393	33,852,508	89,391,503
								364,564,396

36 CORRESPONDING FIGURE

Previous year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. Reclassification made in the condensed interim financial statements are as follows:

Reclassification from	Reclassification to
Loans and other receivables	Cash and bank
	50,001,000

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2022

37 GENERAL

Figures in the condensed interim financial statements are rounded off to the nearest rupee.

38 DATE OF AUTHORIZATION

This condensed interim financial statements was authorized for issue on 29 AUG 2022 by the Board of Directors of the Company.

9 AM



Chief Executive Officer



Director



Director



Chairman

Directors' Review

We are presenting the unaudited interim condensed financial statements of the Company for the Six months period ended June 30, 2022.

Business Overview:

The summarized results for Six months are as follows:

	Quarter ended June 30,		Six Months ended June 30,	
	2022	2021	2022	2021
	----- (Rupees) -----			
Premium Written	47,066,679	21,244,951	82,100,283	51,513,811
Net premium revenue	42,589,404	19,836,139	69,256,204	39,976,819
Net insurance claims	(25,015,837)	6,749,932	(50,530,195)	1,704,312
Management expenses	(23,828,152)	(17,339,033)	(41,546,084)	(36,324,368)
Underwriting profit / (loss)	(15,864,339)	4,828,958	(38,422,763)	(3,721,009)
Net investment income	11,310,058	26,909,903	18,522,382	34,582,565
Other income	2,173,519	2,482,382	6,326,219	2,899,779
Profit / (loss) before tax	(3,511,601)	33,165,828	(15,829,690)	31,541,515
Profit / (loss) after tax	(5,780,352)	23,440,275	(17,408,337)	22,937,584
Earning per share (EPS)	(0.12)	0.47	(0.35)	0.46

During the six months' period ended June 30, 2022, It may be seen that Gross premium increased by 59 percent in comparison with last year. In connection with the gross premium, the net premium also increased by 73 percent. During the period the underwriting loss has increased due to increase in insurance claims.

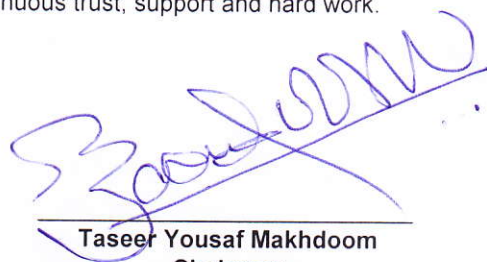
While the business increased by 59 percent management is able to contain increase in expenses at 14 percent only. Investment income also decreased during the period due to volatility in the Market. Consequently the company incurred net loss during the period.

In the end the Board of directors would like to thank our valued clients/customers, shareholders, the Securities and Exchange Commission of Pakistan, the Management and the staff for their continuous trust, support and hard work.



Abdul Haseeb Fakih
Chief Executive Officer

Karachi : Monday, August 29, 2022



Taseer Yousaf Makhdoom
Chairman

ڈائریکٹرز کا جائزہ

۳۰ جون ۲۰۲۲ء کے ختم شدہ چھ ماہ کیلئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے آپ کے پیش نظر ہیں۔

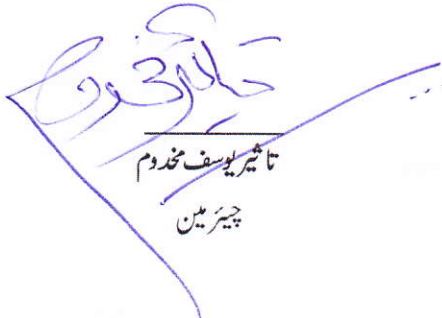
کمپنی کی کارکردگی

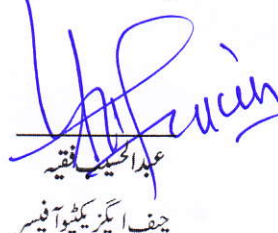
زیر جائزہ چھ ماہی کیلئے مختصراً نتائج مندرجہ ذیل ہیں

۳۰ جون کے ختم شدہ چھ ماہ		۳۰ جون کے ختم شدہ تین ماہ		
۲۰۲۱ء	۲۰۲۲ء	۲۰۲۱ء	۲۰۲۲ء	
روپے	روپے	روپے	روپے	
51,513,811	82,100,283	21,244,951	47,066,679	خام پریمیم
39,976,819	69,256,204	19,836,139	42,589,404	خالص پریمیم آمدنی
1,704,312	(50,530,195)	6,749,932	(25,015,837)	خالص انشورنس کلیم
(36,324,368)	(41,546,084)	(17,339,033)	(23,828,152)	انتظامی اخراجات
(3,721,009)	(38,422,763)	4,828,958	(15,864,339)	انڈر رائٹنگ منافع / (نقصان)
34,582,565	18,522,382	26,909,903	11,310,058	سرمایہ کاری کی آمدنی
2,899,779	6,326,219	2,482,382	2,173,519	دیگر آمدنی
31,541,515	(15,829,690)	33,165,828	(3,511,601)	منافع / (نقصان) قبل از ٹیکس
22,937,584	(17,408,337)	23,440,275	(5,780,352)	منافع / (نقصان) بعد از ٹیکس
0.46	(0.35)	0.47	(0.12)	بنیادی منافع فی شیئر (EPS)

30 جون 2022 کو ختم ہونے والی چھ ماہ کی مدت کے دوران، یہ مشاہدہ کیا جاسکتا ہے کہ گزشتہ سال کے مقابلے مجموعی پریمیم میں 59 فیصد اضافہ ہوا ہے۔ مجموعی پریمیم کے ساتھ خالص پریمیم میں بھی 73 فیصد اضافہ ہوا۔ اس مدت کے دوران انشورنس کلیم میں اضافے کی وجہ سے انڈر رائٹنگ نقصان میں اضافہ ہوا ہے۔ جب کہ کاروبار میں 59 فیصد اضافے کے باوجود صرف 14 فیصد اخراجات میں اضافہ ہوا، جو کہ انتظامیہ کی کامیابی کی دلیل ہے۔ مارکیٹ میں اتار چڑھاؤ کی وجہ سے اس عرصے کے دوران سرمایہ کاری کی آمدنی میں بھی کمی واقع ہوئی۔ نتیجتاً کمپنی کو اس مدت کے دوران خالص نقصان اٹھانا پڑا۔

آخر میں ہمارے بورڈ آف ڈائریکٹرز نے اپنے کلائنٹس، کسٹمرز، شیئرز، ہولڈرز، سیکورٹیز اینڈ ایگزیکیوٹو کیشن آف پاکستان، انتظامیہ اور اسٹاف کا ان کے مسلسل بھروسہ، تعاون اور انتہک محنت کیلئے شکر گزار ہے۔


تائیر یوسف مخدوم
چیئر مین


عبدالحی علی نقیہ
چیف ایگزیکٹو آفیسر