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Insurance Company Limited

A subsidiary of State Life Insurance Corporation of Pakistan

FINANCIAL STATEMENTS

(Unaudited)

For the Three months period ended March 31, 2023

ALPHA INSURANCE COMPANY LTD

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ALPHA INSURANCE COMPANY LTD

Company Information

Board of Directors

Chairman : Mr. Abdul Shakoor Shaikh

Directors : Mr. Faisal Mumtaz

Mr. Muhammad Amjad

Dr. Ghazala Nafees

Mr. Faisal Haroon Zai

Mr. Tariq Ikram

Chief Executive Officer : Dr. Syed Arif Hussain

**Chief Financial Officer &
Company Secretary** : Mr. Faraz Ahmed

Registered Officer : 4th Floor, State Life Building No. 1-B, State
Life Square, I.I. Chundrigar Road, Karachi.

Tel. : 32416041 - 45

Fax : 32419968, 32422478

E-mail : info@alphainsurance.com.pk

Website : www.alphainsurance.com.pk

Directors' Review

We are presenting the unaudited interim condensed financial statements of the Company for the Three months period ended March 31, 2023.

Business Overview:

The summarized results for Three Months are as follows:

	Three Months ended March 31,	
	2023	2022
	(Rupees)	
Premium Written	50,655,729	35,033,604
Net premium revenue	42,107,222	26,666,800
Net insurance claims	(14,361,856)	(25,514,358)
Management expenses	(24,322,752)	(17,717,932)
Underwriting profit / (loss)	(6,500,608)	(22,558,424)
Net investment income	8,383,542	7,212,324
Other income	2,490,621	4,152,700
Profit / (Loss) before tax from General Insurance Operation	(34,494)	-
Profit / (loss) before tax	3,605,269	(12,318,089)
Profit / (loss) after tax	668,702	(11,627,985)
Earning per share (EPS)	0.01	(0.23)

During the three-month period ending on March 31, 2023, there was a notable increase of 45% in gross premiums compared to the previous year. Furthermore, the net premiums also experienced a significant rise of 58%. In addition, the underwriting loss decreased by 44% during this period.

The growth in business activities during this period led to an increase in management expenses, primarily due to the recruitment of new marketing staff. Moreover, investment income witnessed a growth of 16%. As a result, the company achieved a profit before tax during this period, which is a positive shift from the previous year when the company experienced losses. These positive developments indicate that the company is currently experiencing growth, and the management remains optimistic about its future prospects.

Additionally, it is worth noting that the company initiated a window for takaful operations during the period.

In conclusion, the Board of Directors would like to express their gratitude to our esteemed customers, shareholders, the Securities and Exchange Commission of Pakistan, as well as the management and staff for their unwavering trust, support, and dedication. Their continued efforts and hard work have been instrumental in the company's progress.



Dr. Syed Arif Hussain
Chief Executive Officer

Karachi : Thursday, May 25, 2023



Mr. Abdul Shakoor Shaikh
Chairman

ڈائریکٹرز کا جائزہ

ہم 31 مارچ 2023 کو ختم ہونے والی تین ماہ کی مدت کے لیے کمپنی کے غیر آڈٹ شدہ عبوری کثیف مالیاتی گوشوارے پیش کر رہے ہیں۔
کاروباری جائزہ
زیر جائزہ تین ماہ کے لیے مختصر/نتائج مندرجہ ذیل ہیں۔

31 مارچ کے ختم شدہ تین ماہ

2023ء

2022ء

-----روپے-----		
50,655,729	35,033,604	خام پریمیم
42,107,222	26,666,800	خالص پریمیم آمدنی
(14,361,856)	(25,514,358)	خالص انشورنس کلیم
(24,322,752)	(17,717,932)	انتظامی اخراجات
(6,500,608)	(22,558,424)	انڈر رائٹنگ فوائد/نقصانات
8,383,542	7,212,324	سرمایہ کاری کی آمدنی
2,490,621	4,152,700	دیگر آمدنی
(34,494)	-	منافع/(نقصان) قبل از ٹیکس و نڈ و ٹافل آپریشن۔ آپریٹرز فنڈز سے
3,605,269	(12,318,089)	منافع/(نقصان) قبل از ٹیکس
668,702	(11,627,985)	منافع/(نقصان) بعد از ٹیکس
0.01	(0.23)	بنیادی منافع فی شیئر (EPS)

31 مارچ 2023 کو ختم ہونے والی تین ماہ کی مدت کے دوران، گزشتہ سال کے مقابلے مجموعی پریمیم میں 45 فیصد کا قابل ذکر اضافہ ہوا۔ مزید برآں، خالص پریمیم میں بھی 58% کا نمایاں اضافہ ہوا۔ اس کے علاوہ، اس مدت کے دوران انڈر رائٹنگ نقصان میں 44 فیصد کی کمی واقع ہوئی۔ اس عرصے کے دوران کاروباری سرگرمیوں میں اضافے کی وجہ سے انتظامی اخراجات میں اضافہ ہوا جس کا بنیادی سبب نئے مارکیٹنگ عملے کی بھرتی ہے۔ مزید یہ کہ سرمایہ کاری کی آمدنی میں 16 فیصد اضافہ دیکھا گیا۔ نتیجے کے طور پر، کمپنی نے اس مدت کے دوران ٹیکس سے پہلے منافع حاصل کیا، جو پچھلے سال کے مقابلے میں ایک مثبت تبدیلی ہے جب کمپنی کو نقصان ہوا تھا۔ یہ مثبت پیش رفت اس بات کی نشاندہی کرتی ہے کہ کمپنی فی الحال ترقی کا سامنا کر رہی ہے، اور انتظامیہ اپنے مستقبل کے امکانات کے بارے میں پرامید ہے۔

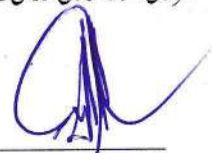
مزید برآں، یہ بات قابل توجہ ہے کہ کمپنی نے اس عرصے کے دوران تکافل آپریشنز کے لیے ایک ونڈو شروع کی تھی۔

آخر میں، بورڈ آف ڈائریکٹرز اپنے معزز کسٹمرز، شیئرز، ہولڈرز، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ساتھ ساتھ انتظامیہ اور عملے کا ان کے غیر متوازن اعتماد، تعاون اور لگن کے لیے شکریہ ادا کرنا چاہیں گے۔ ان کی مسلسل کوششیں اور محنت کمپنی کی ترقی میں اہم کردار ادا کر رہی ہے۔



عبدالشکور شیخ

چیرمین



ڈاکٹر اسد عارف حسین

چیف ایگزیکٹو آفیسر

کراچی، جمعرات ۲۵ مئی ۲۰۲۳ء

Alpha Insurance Company Limited
Condensed Interim Statement of Financial Position (Unaudited)
As at March 31, 2023

	Notes	(Unaudited) March 31, 2023	(Audited) December 31, 2022
		(Rupees)	
Assets			
Property and equipment	7	6,062,992	7,141,565
Intangible Assets	8	451,616	496,897
Investments			
Equity securities	9	147,349,502	191,652,115
Debt securities	10	496,561,925	491,256,311
Loans and other receivables	11	2,830,954	8,290,145
Insurance / Reinsurance receivables	12	132,792,669	107,122,177
Reinsurance recoveries against outstanding claims	22	103,603,713	91,694,443
Salvage recoveries accrued		862,020	862,020
Deferred Commission Expense / Acquisition cost	23	13,835,125	15,115,328
Staff retirement benefits		-	-
Deferred taxation	13	10,157,887	10,157,887
Taxation - payment less provisions	14	78,436,519	77,932,083
Prepayments	15	27,066,123	27,517,611
Cash and bank	16	70,603,704	125,445,975
Total Assets of Window Takful Operations - Operator's Fund		50,987,018	-
Total assets		1,141,601,767	1,154,684,557
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorised share capital: [51,000,000 (December 31, 2022: 51,000,000) Ordinary shares of Rs. 10 each]		510,000,000	510,000,000
Issued, subscribed and paid-up capital [50,000,000 (2022: 50,000,000) Ordinary shares of Rs. 10 each]		500,000,000	500,000,000
Reserves		43,754,403	81,798,987
Unappropriated profit		107,069,362	106,400,660
Total equity		650,823,765	688,199,647
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	22	228,215,365	210,329,362
Unearned premium reserves	21	78,026,365	85,324,267
Premium deficiency reserves	17	1,226,849	1,133,365
Unearned reinsurance commission	23	421,331	475,937
Retirement benefit		29,850	29,850
Premium received in advance		5,173,127	7,875,788
Reinsurance / Co-Insurance payables	18	82,718,116	68,893,641
Other creditors and accruals	19	94,456,243	92,422,700
Total Assets of Window Takful Operations - Operator's Fund		510,756	-
Total liabilities		490,778,002	466,484,910
Total equity and liabilities		1,141,601,767	1,154,684,557
Contingencies and commitments	20		

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

Alpha Insurance Company Limited
Condensed Interim Profit and Loss Account (Unaudited)
For the three months period ended March 31, 2023


		Three Months ended March 31,	
	<i>Notes</i>	2023	2022
		----- (Rupees) -----	
Net insurance premium	21	42,107,222	26,666,800
Net insurance claims	22	(14,361,856)	(25,514,358)
Premium Deficiency	17	(93,484)	329,803
Net commission and other acquisition cost	23	(9,829,738)	(6,322,737)
Insurance claims and acquisition expenses		(24,285,078)	(31,507,292)
Management expenses	24	(24,322,752)	(17,717,932)
Underwriting results		(6,500,608)	(22,558,424)
Investment income	25	8,383,542	7,212,324
Other income	26	2,490,621	4,152,700
Other expenses	27	(578,088)	(814,837)
		10,296,075	10,550,187
Results of operating activities		3,795,467	(12,008,237)
Finance cost		(155,704)	(309,852)
Profit / (Loss) before tax from General Insurance Operation		3,639,763	(12,318,089)
Profit / (Loss) before tax from takful operations - Operator's Fund		(34,494)	-
Profit / (Loss) before tax		3,605,269	(12,318,089)
Provision for taxation - current		(2,936,567)	(633,465)
- deferred		-	1,323,569
- for Prior year		-	-
		(2,936,567)	690,104
Profit / (loss) after tax		668,702	(11,627,985)
Earnings per share	28	0.01	(0.23)

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

Alpha Insurance Company Limited

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the three months period ended March 31, 2023

	Three Months ended March 31,	
	2023	2022
	----- (Rupees) -----	
Profit / (loss) after taxation	668,702	(11,627,985)
Other comprehensive income for the period		
Unrealised (loss) / gain on revaluation of available-for-sale investments	(38,044,584)	4,402,881
Reclassification adjustment relating to available-for-sale investment gain/(loss) transferred to profit & loss on disposal	-	-
Total unrealized (loss) / gain on available-for-sale investment	(38,044,584)	4,402,881
Deferred tax on available-for-sale investment	-	(1,276,836)
	(38,044,584)	3,126,045
Total comprehensive income for the period	(37,375,882)	(8,501,940)

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chairman



Director



Director

Alpha Insurance Company Limited
Condensed Interim Cash Flow Statement (Unaudited)
For the Three months period ended March 31, 2023

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
OPERATING ACTIVITIES		
Underwriting activities		
Premiums received	48,365,387	31,963,542
Reinsurance premiums paid	(29,000,989)	(23,789,277)
Claims paid	(8,467,701)	(5,761,035)
Reinsurance and other recoveries received	82,578	-
Commission paid	(6,676,663)	(4,876,985)
Commission received	175,555	212,887
Management Expenses paid	(21,777,120)	(18,483,354)
Net cash (used in) underwriting activities	(17,298,953)	(20,734,222)
Other operating activities		
Income tax paid	(3,441,002)	(2,466,878)
Operating payments	(613,458)	(7,825,494)
Operating receipts	-	-
Loans advanced	148,491	404,726
Net cash used in other operating activities	(3,905,969)	(9,887,646)
Net cash used in all operating activities	(21,204,922)	(30,621,868)
INVESTMENT ACTIVITIES		
Profit / return received	21,959,828	17,367,773
Dividends received	246,961	1,892,239
Payments made for Window Takaful Operation	(50,000,000)	-
Payments made against purchase of investment	(77,642,208)	-
Proceeds from disposal of investments	73,132,826	3,552,659
Fixed capital expenditure	(144,700)	-
Proceeds from disposal of fixed assets	-	1,609,785
Net cash generated from investing activities	(32,447,293)	24,422,456
FINANCING ACTIVITIES		
Unclaimed dividend paid during the period	-	-
Operating lease payments	(1,190,058)	(1,219,098)
Net cash used in financing activities	(1,190,058)	(1,219,098)
Net cash flow from all activities	(54,842,273)	(7,418,510)
Cash and cash equivalents at the beginning of the period	125,445,977	119,483,506
Cash and cash equivalents at the end of the period	70,603,704	112,064,996

Alpha Insurance Company Limited
Condensed Interim Cash Flow Statement (Unaudited)
For the Three months period ended March 31, 2023

	2023	2022
	----- (Rupees) -----	
Reconciliation to Profit and Loss account		
Operating cash flows	(21,204,922)	(30,621,868)
Depreciation expense	(1,268,557)	(1,233,150)
Increase / (decrease) in assets other than cash	31,622,901	7,116,261
(Increase) / decrease in liabilities	(24,816,682)	(3,471,882)
Other investment income	13,598,381	10,537,715
Other Income	2,490,621	2,542,914
Dividend Income	246,960	1,892,239
Profit / (loss) on disposal of fixed assets	-	1,609,786
Adjustment of unrealized gain / (loss) on sale of AFS investments	-	-
Deferred tax (expense) / asset recorded during the period		
Profit / (Loss) after taxation	<u><u>668,702</u></u>	<u><u>(11,627,985)</u></u>

Definition of cash:

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, bank balances and other deposits 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 purposes of the Statement of Cash Flows consists of:

Cash and other equivalents	214,094	188,191
Current and other accounts	<u>70,389,610</u>	<u>111,876,805</u>
Total	<u><u>70,603,704</u></u>	<u><u>112,064,996</u></u>

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.



 Chief Executive Officer



 Chairman



 Director



 Director

Alpha Insurance Company Limited
Condensed Interim Statement of Changes in Equity (Unaudited)
For the Three months period ended March 31, 2023

	Issued, subscribed and paid-up capital	Capital reserve Reserve for exceptional losses *	General reserve	Revenue reserves Revaluation Reserve	Unappropriated profit	Total Share holders' equity
	(Rupees)					
Balance as at January 01, 2022	500,000,000	3,355,000	6,820,000	82,436,460	120,429,660	713,041,120
<i>Total comprehensive income/ (loss) for the period ended March 31, 2022</i>						
Loss for the period ended March 31, 2022	-	-	-	-	(11,627,985)	(11,627,985)
Other comprehensive income	-	-	-	3,126,045	-	3,126,045
	-	-	-	3,126,045	(11,627,985)	(8,501,940)
Balance as at March 31, 2022	<u>500,000,000</u>	<u>3,355,000</u>	<u>6,820,000</u>	<u>85,562,505</u>	<u>108,801,675</u>	<u>704,539,180</u>
Balance as at January 01, 2023	500,000,000	3,355,000	6,820,000	71,623,987	106,400,660	688,199,647
<i>Total comprehensive income/ (loss) for the period ended March 31, 2023</i>						
Income for the period ended March 31, 2023	-	-	-	-	668,702	668,702
Other comprehensive income	-	-	-	(38,044,584)	-	(38,044,584)
	-	-	-	(38,044,584)	668,702	(37,375,882)
Balance as at March 31, 2023	<u>500,000,000</u>	<u>3,355,000</u>	<u>6,820,000</u>	<u>33,579,403</u>	<u>107,069,362</u>	<u>650,823,765</u>

* 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.

The annexed notes 1 to 31 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

Alpha Insurance Company Limited

Notes to the Condensed Interim Financial Statements (Unaudited)

For the Three months period ended March 31, 2023

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 13 (December 31, 2018: 13) branches in Pakistan. The parent entity of the Company is State Life Insurance Corporation of Pakistan holding 95.15% (December 31, 2022: 95.15%) shares of the Company.

2 BASIS OF PREPARATION AND 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.

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, 2022.

3 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.

4 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.

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, 2022.

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, 2022.

7	PROPERTY AND EQUIPMENT		(Un-audited) March 31, 2023	(Audited) December 31, 2022
			(Rupees)	
	Operating assets	7.1	3,552,039	3,793,603
	Right-of-use assets	7.2	2,510,953	3,347,962
			<u>6,062,992</u>	<u>7,141,565</u>
7.1	Operating assets			
	Opening book value		3,793,603	4,683,783
	Add: Additions during the period		144,700	627,870
	Less: Deletions during the period		-	(1,574,000)
			<u>3,938,303</u>	<u>3,737,653</u>
	Less: Depreciation for the period		<u>(386,267)</u>	<u>55,950</u>
			<u>3,552,036</u>	<u>3,793,603</u>
7.2	Right-of-use assets			
	Opening Balance		3,347,962	6,859,402
	Add: Addition during the period		-	-
	Less: Disposals during the period - WDV		-	(163,404)
	Depreciation charge for the period		<u>(837,009)</u>	<u>(3,348,036)</u>
	Ending Balance		<u>2,510,953</u>	<u>3,347,962</u>
8	Intangible Assets			
	Opening book value		496,897	-
	Add: Additions during the period		-	603,747
	Less: Deletions during the period		-	-
			<u>496,897</u>	<u>603,747</u>
	Less: Amortization for the period		<u>(45,281)</u>	<u>(106,850)</u>
			<u>451,616</u>	<u>496,897</u>

9 INVESTMENTS IN EQUITY SECURITIES - Available for sale

	March 31, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
	(Rupees)			(Rupees)		
Listed equity securities	129,655,103	(45,876,080)	83,779,023	129,655,103	(39,618,050)	90,037,053
Surplus on revaluation	-	-	63,570,479	-	-	101,615,062
	<u>129,655,103</u>	<u>(45,876,080)</u>	<u>147,349,502</u>	<u>129,655,103</u>	<u>(39,618,050)</u>	<u>191,652,115</u>

10 INVESTMENTS IN DEBT SECURITIES - Held to maturity

	Note	March 31, 2023 (Unaudited)			December 31, 2022 (Audited)		
		Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
		(Rupees)			(Rupees)		
Government securities							
- Pakistan investment bor	10.1	221,790,180	-	231,331,424	221,790,180	-	230,535,193
- Treasury bills	10.2	243,454,155	-	265,230,501	238,452,780	-	260,721,118
		<u>465,244,335</u>	<u>-</u>	<u>496,561,925</u>	<u>460,242,960</u>	<u>-</u>	<u>491,256,311</u>

10.1 Pakistan Investment Bonds carry profit at rates ranging from 9.5% to 10%.

10.2 Treasury Bills carry profit at rates ranging from 13.15% to 21.06%

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	(Rupees)	
11 LOANS AND OTHER RECEIVABLES - Considered good		
Accrued Investment Income	823,099	6,693,926
Security Deposit	305,120	305,120
Advance against commission to agents	72,854	72,854
Loans To Employees	856,050	1,004,541
Federal Insurance Fee	-	-
Other Receivables	773,831	213,704
Alpha Window Takaful Operator	-	-
	<u>2,830,954</u>	<u>8,290,145</u>
12 INSURANCE / REINSURANCE RECEIVABLES		
- Unsecured and considered good		
Due from insurance contract holders	93,399,743	93,812,062
Less: provision for impairment of receivables from insurance contract holders	(86,852,623)	(86,799,589)
	6,547,120	7,012,473
Due from other insurers / reinsurers	158,180,991	131,868,119
Less: provision for impairment of due from other insurers / reinsurers	(31,935,442)	(31,758,415)
	126,245,549	100,109,704
	<u>132,792,669</u>	<u>107,122,177</u>
13 DEFERRED TAXATION		
Deferred Debits arising in respect of :		
Accelerated tax depreciation on fixed assets	1,309,603	1,309,603
Lease liabilities	2,420,965	2,420,965
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
Minimum tax	-	-
Deferred Credits arising in respect of :		
Right-of-use assets	(1,989,227)	(1,989,227)
Provision for employees' benefits plan	(380,684)	(380,684)
Unrealized gain/(loss) on revaluation of AFS	(32,603,984)	(32,603,984)
	<u>10,157,887</u>	<u>10,157,887</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	77,932,084	73,319,937
Tax paid including deducted at source	3,441,002	7,812,415
Provision for taxation	(2,936,567)	(3,200,269)
Less : Provision for the year (perior year)	-	-
Less: Advance tax written off	-	-
Closing Balance	<u>78,436,519</u>	<u>77,932,083</u>
15 PREPAYMENTS		
Prepaid reinsurance premium ceded	26,857,244	27,073,841
Prepaid rent	-	234,891
Prepaid miscellaneous expenses	208,879	208,879
	<u>27,066,123</u>	<u>27,517,611</u>
16 CASH AND BANK DEPOSITS		
Cash and other equivalents		
- cash in hand	45,454	-
- stamps in hand	168,640	207,080
Current and other accounts		
- current accounts	(1,511,953)	5,390,622
- saving accounts	71,901,563	67,241,666
- Window takaful operations	-	52,606,607

- 16.1 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.

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	----- (Rupees) -----	
17 PREMIUM DEFICIENCY RESERVES		
Opening balance	1,133,365	2,967,400
Provision for the period appreciation/(reduction)	93,484	(1,834,035)
Closing balance	<u>1,226,849</u>	<u>1,133,365</u>

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	----- (Rupees) -----	
18 REINSURANCE / CO-INSURANCE PAYABLES		
Due to other insurers / reinsurers	60,445,436	47,503,741
Cash margins against performance bonds	22,272,680	21,389,900
	<u>82,718,116</u>	<u>68,893,641</u>

19 OTHER CREDITORS AND ACCRUALS		
Agents Commission Payable	57,002,394	54,899,361
Federal Excise Duty	17,768,138	17,642,107
Federal Insurance Fee	805	-
Workers' Welfare Fund	2,197,746	2,197,746
Salaries & Wages Payable	1,159,554	1,245,548
Accrued Expenses	3,358,091	2,936,943
Compensated absences	2,613,382	2,613,382
Income Tax Liabilities	243,997	245,432
Other Tax Payables	201,357	174,025
Unpaid and Unclaimed Dividend	3,001,450	3,001,450
Accounts payable for goods & services	1,017,746	466,523
Guarantee payable to the Court against claims	-	-
Lease Liabilities	3,351,460	4,385,814
Other creditors & accruals	2,540,123	2,614,369
	<u>94,456,243</u>	<u>92,422,700</u>

19.1 Lease Liabilities		
Lease liabilities included in the statement of financial position	3,351,460	4,385,814
Current	<u>3,351,460</u>	<u>3,482,487</u>
Non current	-	903,327

20 CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments remain unchanged as disclosed in the financial statement as of December 31, 2022.

21 NET INSURANCE PREMIUM

Three Months ended March 31,	
2023	2022
(Unaudited)	
----- (Rupees) -----	
50,655,729	35,033,604
85,324,267	72,254,843
(78,026,365)	(66,306,478)
57,953,631	40,981,969
15,629,812	11,094,944
27,073,841	32,413,688
(26,857,244)	(29,193,463)
15,846,409	14,315,169
42,107,222	26,666,800

22 NET INSURANCE CLAIMS EXPENSE

Claims paid	8,467,701	5,761,035
Add: Outstanding claims including IBNR closing	228,215,365	167,349,064
Less: Outstanding claims including IBNR opening	(210,329,362)	(138,206,245)
Claim expense	26,353,704	34,903,854
Less: Reinsurance and other recoveries received	82,578	-
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	103,603,713	87,761,736
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(91,694,443)	(78,372,240)
Reinsurance and other recoveries revenue	11,991,848	9,389,496
	14,361,856	25,514,358

23 NET COMMISSION / ACQUISITION COST

Commission paid or payable	8,779,696	5,387,257
Add: Deferred commission expense opening	15,115,328	12,578,983
Less: Deferred commission expense closing	(13,835,125)	(11,268,319)
Net Commission	10,059,899	6,697,921
Less: Commission received or recoverable	175,555	212,887
Add: Unearned reinsurance commission opening	475,937	979,744
Less: Unearned reinsurance commission closing	(421,331)	(817,447)
Commission from reinsurance	230,161	375,184
	9,829,738	6,322,737

24 MANAGEMENT EXPENSES

Employees benefit cost	24.1	12,843,079	11,054,790
Travel expense		248,256	89,237
Advertisement & sales promotion		358,960	-
Printing and stationery		791,511	208,525
Depreciation expense		1,223,276	1,233,150
Amortization Expense		45,281	-
Rent, rates and taxes		247,191	16,725
Legal and professional charges - business related		1,852,660	2,080,902
Electricity, gas and water		488,551	282,413
Entertainment		330,600	79,233
Vehicle running expenses		4,240,534	1,803,948
Office repair and maintenance		1,006,270	191,294
Bank charges		71,280	88,882
Postages, telegrams and telephone		422,456	321,272
Annual supervision fee SECP		195,240	-
Reinsurance Balance Written-off (Net)		-	-
Bad and doubtful debts		230,061	-
Co-insurance service charges		329,563	246,503
Insurance charges		-	-
Advance Tax Written Off		-	-
Miscellaneous		(602,017)	21,058
		24,322,752	17,717,932

24.1 Employee benefit cost

Salaries, allowance and other benefits
Charges for post employment benefit

Three Months ended March 31,	
2023	2022
(Unaudited)	
(Rupees)	
12,475,606	10,788,156
367,473	266,634
<u>12,843,079</u>	<u>11,054,790</u>

25 INVESTMENT INCOME**Income from equity securities - available for sale**

Dividend income 246,960 1,892,239
Gain on sales of investment - -

Income from debt securities - held to maturity

Return on government securities 13,598,381 10,537,715
Return on term finance certificates - -
Amortization of (discount) / premium on government securities / term finance certificates 796,231 708,871
14,641,572 13,138,825

Income from term deposits

Return on term deposits - -

Realised gains on investments

- Equity securities - -
Total investment income 14,641,572 13,138,825

Less: (Impairment) / Reversal in value of available for sale securities- equity securities

(6,258,030) (5,926,501)

Net investment income

8,383,542 7,212,324

26 OTHER INCOME**Income from financial assets**

Return on bank balances 2,490,621 959,232

Income from non-financial assets

Gain on sale of fixed asset - 1,609,786
Gain on termination of Right of use assets - -
Exchange gain - -
Miscellaneous income / (loss) - 254,670
Liabilities written back - -
Reversal of bad and doubtful debts - 1,329,012

2,490,621 4,152,700

27 OTHER EXPENSES

Auditors' remuneration - 99,708
Directors' Fees 180,000 680,000
Directors Training and Development - -
Fees & Subscription 398,088 35,129

578,088 814,837

28 EARNINGS PER SHARE

Profit after tax for the period 668,702 (11,627,985)

----- (Number of Shares) -----

Wighted average number of ordinary shares 50,000,000 50,000,000

Basic earnings per share (Rupees) 0.01 (0.23)

29 SEGMENT INFORMATION

The class wise revenues and results are as follows:

Three Months ended March 31, 2023 (Unaudited)							
March 31, 2023	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	2023 Aggregate
(Rupees)							
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	26,971,422	8,983,992	12,344,225	927,110	133,893	6,509,881	55,870,523
Less : Federal excise duty / Sales Tax	1,810,981	770,038	1,498,359	-	18,187	436,268	4,533,833
Federal insurance fee	127,555	77,057	101,625	7,729	1,137	31,301	346,404
Others	2,185	323,517	6,505	50	900	1,400	334,557
Gross written premium (inclusive of administrative surcharge)	25,030,701	7,813,380	10,737,736	919,331	113,669	6,040,912	50,655,729
Gross direct premium	12,507,891	7,363,137	9,859,565	917,331	108,765	3,078,699	33,835,388
Facultative inward premium	12,274,574	233,315	574,043	-	-	2,911,300	15,993,232
Administrative surcharge	248,236	216,928	304,128	2,000	4,904	50,913	827,109
	25,030,701	7,813,380	10,737,736	919,331	113,669	6,040,912	50,655,729
Insurance premium earned	30,222,153	5,894,928	11,881,393	3,450,452	266,158	6,238,547	57,953,631
Reinsurance expense	(5,385,239)	(4,775,661)	(1,573,433)	-	(574,395)	(3,537,681)	(15,846,409)
Net insurance premium	24,836,914	1,119,267	10,307,960	3,450,452	(308,237)	2,700,866	42,107,222
Net commission	96,536	-	84,988	-	15,847	32,790	230,161
Net Underwriting income	24,933,450	1,119,267	10,392,948	3,450,452	(292,390)	2,733,656	42,337,383
Insurance claims	(15,072,017)	(130,235)	(3,168,171)	(2,322,413)	-	(5,660,868)	(26,353,704)
Insurance claims recovered from reinsurers	11,991,548	-	300	-	-	-	11,991,848
Net claims	(3,080,469)	(130,235)	(3,167,871)	(2,322,413)	-	(5,660,868)	(14,361,856)
Commission expense	(6,116,356)	(1,907,175)	(1,206,498)	(222,268)	(25,752)	(581,850)	(10,059,899)
Management expenses	(12,018,691)	(3,751,657)	(5,155,810)	(441,424)	(54,579)	(2,900,593)	(24,322,754)
Premium deficiency expense	(57,591)	(74,145)	-	-	(279,954)	318,206	(93,484)
Net insurance claims and expenses	(21,273,107)	(5,863,212)	(9,530,179)	(2,986,105)	(360,285)	(8,825,105)	(48,837,993)
Underwriting result	3,660,343	(4,743,945)	862,769	464,347	(652,675)	(6,091,449)	(6,500,610)
Investment income							8,383,542
Other income							2,490,621
other expenses							(578,088)
Finance Cost							(155,704)
							10,140,371
Results of operating activities							3,639,761
Segment Assets	90,625,715	51,862,614	69,439,303	19,103,411	2,027,020	44,892,709	277,950,772
Unallocated Assets							863,650,995
	90,625,715	51,862,614	69,439,303	19,103,411	2,027,020	44,892,709	1,141,601,767
Segment liabilities	242,174,790	33,408,620	54,366,211	20,701,730	6,900,580	38,229,223	395,781,154
Unallocated liabilities							94,996,848
	242,174,790	33,408,620	54,366,211	20,701,730	6,900,580	38,229,223	490,778,002

Three Months ended March 31, 2022 (Unaudited)

March 31, 2022	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	2022 Aggregate
(Rupees)							
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	15,533,498	8,616,423	9,663,450	-	-	4,940,192	38,753,563
Less : Federal excise duty / Sales Tax	963,890	726,182	1,137,201	-	-	365,237	3,192,510
Federal insurance fee	68,328	62,242	80,582	-	-	25,675	236,827
Others	5,000	276,272	7,810	-	-	1,540	290,622
Gross written premium (inclusive of administrative surcharge)	14,496,280	7,551,727	8,437,857	-	-	4,547,740	35,033,604
Gross direct premium	6,697,123	5,998,874	7,769,118	-	-	2,533,744	22,998,859
Facultative inward premium	7,660,186	1,329,710	392,572	-	-	1,979,578	11,362,046
Administrative surcharge	138,971	223,143	276,167	-	-	34,418	672,699
	14,496,280	7,551,727	8,437,857	-	-	4,547,740	35,033,604
Insurance premium earned	19,752,715	4,467,549	9,097,217	2,825,052	-	4,839,436	40,981,969
Reinsurance expense	(6,920,070)	(2,305,020)	(1,424,134)	-	(93,744)	(3,572,201)	(14,315,169)
Net insurance premium	12,832,645	2,162,529	7,673,083	2,825,052	(93,744)	1,267,235	26,666,800
Net commission	101,687	12,950	83,922	-	-	176,625	375,184
Net Underwriting income	12,934,332	2,175,479	7,757,005	2,825,052	(93,744)	1,443,860	27,041,984
Insurance claims	(27,619,854)	(924,206)	(2,743,556)	(2,559,201)	-	(1,057,037)	(34,903,854)
Insurance claims recovered from reinsurers	9,389,496	-	-	-	-	-	9,389,496
Net claims	(18,230,358)	(924,206)	(2,743,556)	(2,559,201)	-	(1,057,037)	(25,514,358)
Commission expense	(3,021,655)	(1,764,974)	(981,292)	(141,253)	-	(788,747)	(6,697,921)
Management expenses	(7,331,364)	(3,819,218)	(4,267,371)	-	-	(2,299,979)	(17,717,932)
Premium deficiency expense	-	-	-	282,505	-	47,298	329,803
Net insurance claims and expenses	(28,583,377)	(6,508,398)	(7,992,219)	(2,417,949)	-	(4,098,465)	(49,600,408)
Underwriting result	(15,649,045)	(4,332,919)	(235,214)	407,103	(93,744)	(2,654,605)	(22,558,424)
Investment income							7,212,324
Other income							4,152,700
other expenses							(814,837)
Finance Cost							(309,852)
Results of operating activities							10,240,335
							(12,318,089)

December 31, 2022 (Audited)

Decemembr 31, 2022	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	2022 Aggregate
(Rupees)							
Segment Assets	78,780,155	45,212,301	59,928,959	16,210,939	2,352,402	39,383,054	241,867,810
Unallocated Assets							912,816,747
	78,780,155	45,212,301	59,928,959	16,210,939	2,352,402	39,383,054	1,154,684,557
Segment liabilities	232,693,573	29,634,631	52,507,059	21,376,638	6,125,402	31,695,057	374,032,360
Unallocated liabilities							92,452,550
	232,693,573	29,634,631	52,507,059	21,376,638	6,125,402	31,695,057	466,484,910

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, to align them with the presentation requirements of the Insurance Accounting Regulations, 2017 and Insurance Rules, 2017.

31 DATE OF AUTHORIZATION

This condensed interim financial statements was authorized for issue on 25-05-2023 by the Board of Directors of the Company.



Chief Executive Officer



Chairman



Director



Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

FINANCIAL STATEMENTS (Unaudited)

For the Three months period ended March 31, 2023

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPERATOR'S FUND AND PARTICIPANTS'
TAKAFUL FUND (UNAUDITED)
AS AT MARCH 31, 2023

	Note	Operator's Fund		Participant's Takaful Fund	
		31 March 2023 (Unaudited)	31 December 2022	31 March 2023 (Unaudited)	31 December 2022
Assets					
Investments					
Advance Taxation		146,439			
Prepayments	7	-	-	2,754,140	-
Cash and bank	8	50,329,823	-	500,000	-
Total Assets		50,476,262	-	3,254,140	-
Funds and Liabilities					
Reserve attributable to:					
Operator's Fund (OPF)					
Statutory fund		50,000,000	-	-	-
Accumulated deficit		(34,494)	-	-	-
Balance of Operator's Fund		49,965,506	-	-	-
Participant's Takaful Fund (PTF) / Waqf					
Ceded Money		-	-	500,000	-
Accumulated deficit		-	-	(730,030)	-
Balance of Participant's Takaful Fund / Waqf		-	-	(230,030)	-
Qard-e-Hasna		-	-	-	-
Liabilities					
PTF Underwriting provisions		-	-	-	-
Takaful / retakaful payables		-	-	3,484,170	-
Other creditors and accruals	9	510,756	-	-	-
		510,756	-	3,484,170	-
Total Fund and Liabilities		50,476,262	-	3,254,140	-
Contingencies and commitments	11				

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Chairman



 Director


 Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

		Three Months Period Ended	
		March 31, 2023	March 31, 2022
		<hr/>	
	Note		
<u>Participant's Takaful Fund</u>			
Contribution earned - net of wakala fee	10	-	-
Less: Contribution ceded to retakaful	10	(730,030)	-
Net contribution revenue		<hr/> (730,030)	<hr/> -
Re-takaful rebate earned		-	-
Net underwriting income		<hr/> (730,030)	<hr/> -
(Deficit) / Surplus for the period		<hr/> (730,030)	<hr/> -
<hr/>			
<u>Operator's Fund</u>			
Ceded Money Expense		(500,000)	
General, administrative and management expenses	11	(510,756)	-
		<hr/> (1,010,756)	<hr/> -
Bank Profits	12	976,262	-
(Loss) / Profit for the period		<hr/> (34,494)	<hr/> -

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.



 Chief Executive Officer



 Chairman



 Director



 Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	<u>Three Months Period Ended</u>	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<u>Participant's Takaful Fund</u>		
(Deficit) / Surplus for the period	(730,030)	-
Other comprehensive income / (loss) for the period:		
Unrealized loss on available for sale securities	-	-
Total comprehensive income / (loss) for the period	<u><u>(730,030)</u></u>	<u><u>-</u></u>
<u>Operator's Fund</u>		
(Loss) / Profit for the period	(34,494)	-
Other comprehensive income / (loss) for the period:		
Unrealized income on available for sale securities	-	-
Total comprehensive (loss) / income for the period	<u><u>(34,494)</u></u>	<u><u>-</u></u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


 Chief Executive Officer


 Chairman


 Director


 Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Attributable to Operator's Fund			
	Statutory fund	Unrealized gain / (loss) on revaluation of available-for-sale	Accumulated deficit	Total
Balance as at 01 January 2022	-	-	-	-
Net Income/ loss for the period	-	-	-	-
Other comprehensive income for the period	-	-	-	-
Balance as at March 31, 2022	-	-	-	-
Balance as at 01 January 2023	50,000,000	-	-	50,000,000
Net Income/ loss for the period	-	-	(34,494)	(34,494)
Other comprehensive income for the period	-	-	-	-
Balance as at March 31, 2023	50,000,000	-	(34,494)	49,965,506

	Attributable to participants of the Participant's Fund			
	Seed Money	Unrealized gain / (loss) on revaluation of available-for- sale	Accumulated Deficit	Total
Balance as at 01 January 2022	-	-	-	-
Surplus/Deficit for the period	-	-	-	-
Other comprehensive loss for the period	-	-	-	-
Balance as at March 31, 2022	-	-	-	-
Balance as at 01 January 2023	500,000	-	-	500,000
Surplus/Deficit for the period	-	-	(730,030)	(730,030)
Other comprehensive loss for the period	-	-	-	-
Balance as at March 31, 2023	500,000	-	(730,030)	(230,030)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

PREMIER TAKAFUL LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

		Three Months Period Ended			
		Operator's Fund		Participant's Takaful Fund	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		Note			
Operating Activities					
a) Takaful activities					
Total cash generated / (used in) takaful activities		-	-	-	-
b) Other operating activities					
Taxation paid		(146,439)	-	-	-
Ceded Money paid		(500,000)	-	-	-
Total cash used in other operating activities		(646,439)	-	-	-
Total cash used in from operating activities		(646,439)	-	-	-
Investment Activities					
Bank profit received		976,262	-	-	-
Total cash generated / (used in) from investing activities		976,262	-	-	-
FINANCING ACTIVITIES					
Contribution to the Operators' Fund		50,000,000	-	-	-
Cede money		-	-	500,000	-
Total cash used in financing activities		50,000,000	-	500,000	-
Total cash generated from all activities		50,329,823	-	500,000	-
Cash and cash equivalents at beginning of the period		-	-	-	-
Cash and cash equivalents at the end of the period		8 50,329,823	-	500,000	-

Three Months Period Ended			
Operator's Fund		Participant's Takaful Fund	
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022

Reconciliation to profit and loss account

Operating cash flows	(646,439)	-	-	-
Bank Profits	976,262			
Increase in assets other than cash	146,439	-	2,754,140	-
(Increase)/Decrease in liabilities	(510,756)	-	(3,484,170)	-
(loss) / Income for the period	(34,494)	-	(730,030)	-

Attributed to

Operator's Fund	(34,494)	-	-	-
Participants' Takaful Fund	-	-	(730,030)	-
	(34,494)	-	(730,030)	-

Definition of cash and cash equivalent

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, bank balances and other deposits 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 consists of:

Current and other accounts

Current and savings accounts		50,329,823	-	500,000	-
Total cash and cash equivalent	8	50,329,823	-	500,000	-

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

Alpha Insurance Company Limited (the Operator) has been authorized to undertake Window Takaful Operations (WTO) on November 21, 2022 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The registered office of the Company is situated at 4th Floor, Building # 1-B, State Life Square, I. I. Chundrigar Road, Karachi.

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF) on January 11, 2023 under the Waqf Deed with a Seed money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting' as applicable in Pakistan, provision of and directives issued under the Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017, Takaful Rules 2012. In case requirements differ, the provisions or directives of the Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 and Takaful Rules 2012 have been followed.

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.

This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. The condensed interim financial statements is first time prepared and all the information and disclosures will be provided in the annual financial statements for the year ended December 31, 2023.

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

4. 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.

5. ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial statements are in conformity with approved accounting standards which requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates / judgments and associated assumptions used in the preparation of the financial statements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies are the first time adopted by the Company.

Operator's Fund		Participant's Takaful Fund	
31 March 2023 (Unaudited)	31-Dec-22	31 March 2023 (Unaudited)	31-Dec-22

7. PREPAYMENTS

Prepaid retakaful contribution ceded
Other prepaid expense

-	-	2,754,140	-
-	-	-	-
-	-	2,754,140	-

8. CASH AND BANK

Cash at bank

Current accounts
Savings account

-	-	-	-
50,329,823	-	500,000	-
50,329,823	-	500,000	-

Operator's Fund		Participant's Takaful Fund	
31 March 2023 (Unaudited)	31-Dec-22	31 March 2023 (Unaudited)	44926

9. OTHER CREDITORS AND ACCRUALS

Payable to Alpha Insurance Company Limited

510,756	-	-	-
510,756	-	-	-

(Unaudited)

Three Months Period Ended

March 31,
2023

March 31, 2022

10. NET CONTRIBUTION

Written gross contribution	-	-
Less: Wakala fee	-	-
Contribution Net of Wakala Fee	-	-
Add: Unearned contribution reserve opening	-	-
Less: Unearned contribution reserve closing	-	-
Contribution earned	-	-
Less: Retakaful contribution ceded	3,484,170	-
Add: Prepaid retakaful contribution opening	-	-
Less: Prepaid retakaful contribution closing	(2,754,140)	-
Retakaful expense	730,030	-
Net contribution	(730,030)	-

11. GENERAL, ADMINISTRATIVE AND
MANAGEMENT EXPENSES - OPF

Employee benefit cost	510,756	-
	510,756	-

12. OTHER INCOME - OPF

Profit on bank deposits	976,262	-
	976,262	-

13. SEGMENT INFORMATION

Three Months ended March 31, 2023 (Unaudited)				
Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
(Rupees)				
Takaful contribution earned	-	-	-	-
Takaful contribution ceded to retakaful operators	(163,614)	(392,676)	(64,686)	(109,054)
Net takaful contribution	(163,614)	(392,676)	(64,686)	(109,054)
Net Revenue	(163,614)	(392,676)	(64,686)	(109,054)
Underwriting Result	(163,614)	(392,676)	(64,686)	(109,054)
Surplus before investment income				
(Deficit) / Surplus for the period				(730,030)
Segment assets	1,145,301	392,676	452,814	763,349
Unallocated corporate assets				500,000
Total assets	1,145,301	392,676	452,814	763,349
Segment liabilities	1,308,915	785,355	517,500	872,400
Unallocated corporate liabilities				-
Total liabilities	1,308,915	785,355	517,500	872,400

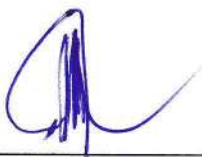
14. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 25-05-2023 by the Board of Directors of the Company.

15. GENERAL

During the period, the company has not underwritten any business. Therefore, no claim has been intimated.

Figures have been rounded off to the nearest rupee.



Chief Executive Officer



Chairman



Director



Director