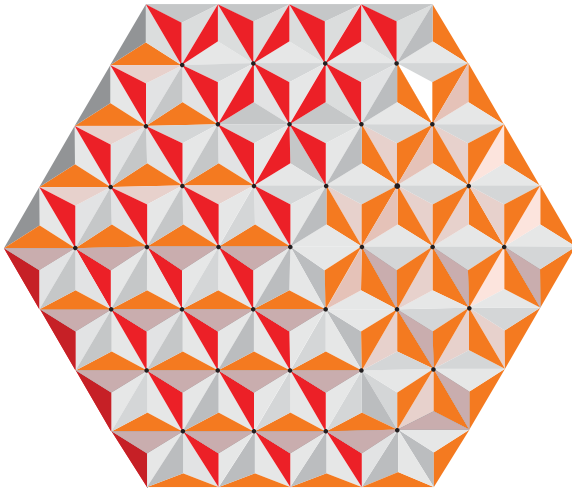




TPL
Insurance



Quarterly Report
30 September, 2021

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Jameel Yusuf (S.St.)
Mr. Muhammad Ali Jameel
Mr. Muhammad Aminuddin
Syed Nadir Shah
Ms. Naila Kassim
Mr. Rana Asad Amin
Mr. Benjamin Brinks
Mr. Andrew Borda

Chairman
Director
Chief Executive Officer
Director
Director
Director
Director
Director

BOARD COMMITTEES

Ethics, Human Resources, Remuneration & Nomination Committee

Syed Nadir Shah
Mr. Ali Jameel
Mr. Rana Assad Amin
Mr. Nader Nawaz

Chairman
Member
Member
Secretary

Investment Committee

Mr. Ali Jameel
Mr. Andrew Borda
Mr. Benjamin Brinks
Mr. Muhammad Aminuddin
Mr. Yousuf Zohaib Ali

Chairman
Member
Member
Member
Secretary

Audit Committee

Syed Nadir Shah
Mr. Rana Assad Amin
Mr. Andrew Borda
Mr. Muhammad Asif

Chairman
Member
Member
Secretary

MANAGEMENT COMMITTEES:

Risk Management and Compliance Committee

Mr. Andrew Borda
Mr. Muhammad Aminuddin
Syed Kazim Hasan
Mr. Benjamin Brink
Mr. Kamran Rafique
Mr. Falak Sher Haider

Chairman
Member
Member
Member
Member
Secretary

Underwriting Committee

Mr. Andrew Borda
Mr. Altaf Ahmed Siddiqi
Syed Kazim Hasan
Mr. Muhammad Aminuddin
Mr. Shumail Iqbal

Chairman
Member
Member
Member
Secretary

Claim Settlement Committee

Mr. Muhammad Aminuddin
Syed Ali Hassan Zaidi
Mr. Yousuf Zohaib Ali
Mr. Ovais Alam

Chairman
Member
Member
Secretary

Reinsurance & Co-insurance Committee

Mr. Andrew Borda
Mr. Muhammad Aminuddin
Syed Kazim Hassan
Ms. Shadab Khan

Chairman
Member
Member
Secretary

BANKERS

Al-Baraka Bank Pakistan Ltd.
Askari Bank Limited
Bank Alfalah Limited.
Bank Al Habib Ltd.
Bank Islami Pakistan Ltd.
Dubai Islamic Bank Pakistan Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
JS Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
Mobilink Micro Finance Bank Ltd.
National Bank of Pakistan
Silk Bank Ltd.
Soneri Bank Ltd.
Summit Bank Ltd.
Telenor Micro Finance Bank Ltd.
The Bank Of Punjab
United Bank Ltd.
Samba Bank Ltd.

AUDITORS

EY Ford Rhodes
Chartered Accountants

LEGAL ADVISOR

Lari & Co.
Maritime & Insurance Advocates

SHARE REGISTRAR

THK Associates (Pvt) Limited
Plot No. 32-C, Jami Commercial Street 2,
DHA Phase VII, Karachi - 75500
Tel: +92-21-35310191-6
Fax: +92-21-35310190

REGISTERED OFFICE

12th Floor, Centrepoint,
Off Shaheed-e-Millat Expressway,
Adjacent KPT Interchange Flyover,
Karachi, Postal Code: 74900
Fax: +92-21-35316032
UAN: +92-21-111-000-301
Tel: +92-21-37130223

WEB PRESENCE

www.tplinsurance.com



GEOGRAPHICAL PRESENCE

KARACHI

Head Office

TPL Insurance Ltd
Plot 19 B, Sindhi Muslim Cooperative
Housing Society (SMCHS), Near Roomi
Masjid, Shahrah-e-Faisal, Karachi-
Pakistan.
Tel: 021.37130223 Fax: 021.35316031-2
UAN: 021.111.000.301

LAHORE

Branch Office Lahore
Tower 75, 4th Floor
Near Honda City Sales &
Honda Central Motors,
Kalma Chowk Lahore.
Tel: 042.35209000
UAN: 042.111.000.301
Fax: 042.35157233

ISLAMABAD

Branch Office Islamabad
55-B, 10th Floor (South) ISE Tower,
Jinnah Avenue, Blue Area, Islamabad.
UAN: 051.111.000.301 Fax: 051.2895073

FAISALABAD

Branch Office Faisalabad
Office No. 4-02, 4th Floor
Meezan Executive Tower,
Civil Lines, Faisalabad.
UAN: 051.111.000.301
Tel: 041.8501471-3
Fax: 041.8501470

MULTAN

Branch Office Multan
Haider Street, Shalimar Colony
Northern Bypass-Boson Road,
Multan.
UAN: 061.111.000.301
Fax: 061.44243451

HYDERABAD

Branch Office Hyderabad
A-8, District Council Complex,
Hyderabad.
Tel: 022.2728676
Fax: 022.2783154

EXPORT PROCESSING ZONE (EPZ)

Branch Office EPZ Landhi,
Plot # N-4, Sector B-III, Phase-1,
Export Processing Zone, Landhi,
Karachi.

DIRECTORS' REPORT

On behalf of the Board of Directors, I am pleased to present the condensed interim financial statements of the Company for the nine months period ended September 30, 2021.

During the period, the Company reported Gross Written Premium ("GWP") of Rs. 2,446 million Vs Rs. 2,076 million at Q3 2020 (including Window Takaful Operations), registering a growth of 18%.

During the period, vehicle sales reported robust growth and reported an increase of 105% at 141,695 units compared to 69,229 units in corresponding period last year. As a result motor insurance portfolio reported GWP of Rs. 1,854 million compared to Rs. 1,564 million a year ago.

The Company continued its growth journey in Non-motor segment. GWP from Property business reported increase of Rs. 50 million (growth of 25%), while for Marine class GWP growth was Rs. 39.0 million (growth of 139%). Miscellaneous class reported increase of Rs. 10.1 million (growth of 26%). The Company didn't renew few loss-making accounts in Health portfolio resulting in shortfall of Rs. 18.9 million. The Company reported profit before tax of Rs. 29.1 million (Q3 2020: Rs. 66.2 million), including results of Window Takaful operations, mainly attributed to increase in claim ratio and cost of employee share option plan.

With the reduction in interest rates, the consumer financing sector has reported robust growth especially in auto financing.

State Bank has kept the interest rates low for over a year creating demand in the consumer financing sector especially in auto financing despite a slight increase in interest rate in the latest monetary policy. However, SBP has made some changes in regulations to discourage auto financing for imported vehicles and maximum tenure of auto financing has been reduced from seven to five years. Further, minimum down payment for car financing is raised from 15pc to 30pc.

Although these steps may affect growth but we anticipate that the interest rates would stay at lower levels and would keep supporting the industry growth and would create new opportunities for insurance penetration predominantly in the manufacturing and house building projects. Also, we do not anticipate that these measures would affect our revenue streams for the current calendar year due to existing sales funnels.

During 2021, our strategy is to continually innovate to utilize digital paradigm to redefine insurance. During the course of past few years, we capitalized on our digital assets and utilize rich data to ensure most hassle free policy issuance, claims and renewal process. The Company plans to continue its growth path in non-motor segment to diversify its portfolio and increase its market share. We are confident that these measures will enable the Company to achieve sustainable profitable growth in the years to come.

We would like to thank all our stakeholders, business partners, Pakistan Stock Exchange, SECP and staff for their continued support.

For and on behalf of the Board of Directors



Muhammad Aminuddin
Chief Executive Officer
October 26, 2021



ڈائریکٹرز رپورٹ:

30 ستمبر 2021ء کو ختم ہونے والے نو ماہی کے لیے

بورڈ آف ڈائریکٹرز کی جانب سے، میں 30 ستمبر 2021ء کو ختم ہونے والی نو ماہی کے لیے کمپنی کے تجدید عری مالی حسابات پیش کرنے سے بونے خوشی محسوس کرتا ہوں۔

اس مدت کے دوران، کمپنی نے مجموعی تقریری پر ہییم ("GWP") 2020ء کی تیسری سرمایہ میں 2,076 ملین روپے کے برعکس 2,446 ملین روپے (بشمول وڈر کٹاؤں) آپریٹرز (بیان کیا، یعنی 18 فیصد کی نمودار ورج کی ہے۔

اس عرصے کے دوران، گاڑوں کی فروخت میں زبردست اضافہ ہوا اور 105 فیصد اضافے کے ساتھ 141,695 پونٹس کی فروخت رپورٹ ہوئی جبکہ گزشتہ سال کے اسی عرصے میں 69,229 پونٹس فروخت ہوئے تھے۔ جس کے نتیجے میں موٹر انشورنس پورٹ فولیو نے 1,854 ملین روپے کا GWP درج کر لیا جو کہ پچھلے سال 1,564 ملین روپے تھا۔

کمپنی نے نان موٹر سیکشن میں اپنا ترقی کا سفر جاری رکھا۔ پراپرٹی کے کاروبار سے GWP نے 50 ملین روپے (25 فیصد نمو) کا اضافہ درج کر لیا، جبکہ میرین کلاس میں GWP کی نمو 39.0 ملین روپے (139 فیصد) تھی۔ متنوع کلاس نے 10.1 ملین روپے (26 فیصد نمو) درج کر لیا۔ کمپنی نے ہیلتھ پورٹ فولیو میں کچھ نقصان اٹھانے والے کھاتوں کی تجدید نہیں کی جس کے نتیجے میں 18.9 ملین روپے کی کمی ہوئی۔ کمپنی نے ٹیکس سے پہلے منافع 29.1 ملین روپے (2020 Q3: 66.2 ملین روپے) رپورٹ کیا جس میں وڈر کٹاؤں کے نتائج بھی شامل ہیں، جو کہ بنیادی طور پر ایسپلائی ٹیئرز آپشن پلان کی کلیمز تناسب اور لاگت میں اضافے سے منسوب ہے۔

شرح سود میں کمی کے ساتھ، صارفین کے فنانسنگ سیکٹرز نے خاص طور پر آؤٹ فنانسنگ میں مضبوط نمودار جی کر لیا ہے۔

گزشتہ ایک سال کے دوران اسٹیٹ بینک نے شرح سود کم رکھی تاکہ کمزور فنانسنگ کی طلب میں اضافہ کیا جائے اور حالیہ مانیٹری پالیسی میں معمولی اضافہ کیا گیا ہے۔ تاہم، اسٹیٹ بینک نے ایپورٹڈ گاڑیوں کے لیے آؤٹ فنانسنگ کی حصول کمپنی کے لیے ضوابط میں کچھ تبدیلیاں کی ہیں اور آؤٹ فنانسنگ کی زیادہ سے زیادہ مدت سات سے پانچ سال کر دی گئی ہے۔ مزید یہ کہ کار فنانسنگ کے لیے کم سے کم بیعانے کی ادائیگی 15 فیصد سے بڑھا کر 30 فیصد کر دی گئی ہے۔

اگرچہ یہ اقدامات ترقی کو متاثر کر سکتے ہیں لیکن ہم توقع کرتے ہیں کہ سود کی شرحیں غلجی سطح پر رہیں گی اور صنعت کی ترقی میں مددگار رہیں گی اور بنیادی طور پر میٹروپولیٹن شہروں اور ہاؤس ہولڈنگ پراجیکٹس میں انشورنس کی رسائی کے نئے مواقع پیدا کریں گی۔ نیز ہمیں امید ہے کہ موجودہ ملیر فنڈز کی وجہ سے یہ اقدامات اس سال کی سال کو متاثر نہیں کریں گے۔

2021 کے دوران، ہماری حکمت عملی یہ ہے کہ انشورنس کو نئے سروس سے متنبہ کرنے کے لیے ڈیجیٹل نمونے کا استعمال کرنے کے لیے مسلسل جدت لائیں۔ پچھلے کچھ سالوں کے دوران، ہم نے اپنے ڈیجیٹل اثاثوں کا فائدہ اٹھایا اور زیادہ سے زیادہ پریشانی سے پاک پالیسی جاری کرنے کی گنجائش اور تجدید کے عمل کو یقینی بنانے کے لیے تجربہ پورے بنا استعمال کیا۔ کمپنی اپنے پورٹ فولیو کو متنوع بنانے اور مارکیٹ میں اپنا حصہ بڑھانے کے لیے نان موٹر سیکشن میں اپنی ترقی کی راہ پر گامزن رہنے کا ارادہ رکھتی ہے۔ ہمیں یقین ہے کہ یہ اقدامات کمپنی کو آئندہ سالوں میں پائیدار منافع بخش ماحول حاصل کرنے کے قابل بنائیں گے۔

ہم اپنے تمام اسٹیک ہولڈرز، کاروباری شراکت داروں، پاکستان اسٹاک ایکسچینج، SECP اور عملے کے مسلسل تعاون پر ان کا شکریہ ادا کرتے ہیں۔

مخائب بورڈ آف ڈائریکٹرز

محمد امین الدین

چیف ایگزیکٹو آفیسر

26 اکتوبر 2021ء

FINANCIAL

STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

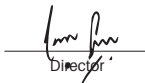
AS AT 30 SEPTEMBER 2021

| | | Unaudited 30 September 2021 | Audited 31 December 2020 |
|--|------|-----------------------------------|--------------------------------|
| | Note | ----- (Rupees) ----- | |
| ASSETS | | | |
| Property and equipment | 6 | 337,619,492 | 248,937,125 |
| Intangible assets | | 18,803,252 | 8,611,391 |
| Investments | | | |
| Equity securities and mutual fund units | 7 | 794,859,005 | 148,372,106 |
| Government securities | 8 | 158,650,152 | 344,900,707 |
| Debt securities | | 25,000,000 | - |
| Term deposits | 9 | 427,500,000 | 427,500,000 |
| Loans and other receivables | 10 | 384,644,215 | 95,810,670 |
| Insurance / Reinsurance receivables | | 657,079,954 | 418,675,980 |
| Reinsurance recoveries against outstanding claims | | 264,931,792 | 232,825,729 |
| Salvage recoveries accrued | | 218,053,265 | 138,837,123 |
| Deferred commission expense | | 170,777,164 | 179,505,165 |
| Deferred taxation | | - | 16,424,228 |
| Taxation - payment less provision | | - | 8,063,849 |
| Prepayments | | 332,216,741 | 319,314,939 |
| Cash and bank | | 1,123,859,674 | 913,388,550 |
| Total assets | | 4,913,994,706 | 3,501,167,562 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to shareholders | | | |
| Ordinary share capital | | 1,171,912,610 | 938,662,610 |
| Share premium - net of share issuance cost | | 221,161,937 | 8,033,837 |
| Other capital reserves | | 69,207,500 | 24,094,375 |
| Accumulated losses | | (56,580,038) | (164,486,426) |
| Other comprehensive income / (loss) reserve | | 221,364,985 | (7,325,659) |
| Total shareholders' fund | | 1,627,066,994 | 798,978,737 |
| Participants' Takaful Fund | | | |
| Seed Money | | 2,000,000 | 2,000,000 |
| Accumulated (deficit) / surplus | | (59,904,351) | 39,374,255 |
| Total Participants' Takaful Fund | | (57,904,351) | 41,374,255 |
| Total Equity | | 1,569,162,643 | 840,352,992 |
| Liabilities | | | |
| Underwriting Provisions | | | |
| Outstanding claims including IBNR | | 609,162,304 | 525,295,311 |
| Unearned premium reserves | | 1,653,351,951 | 1,379,671,304 |
| Unearned reinsurance commission | | 66,236,103 | 63,336,103 |
| Premium deficiency reserve | | 1,424,827 | 2,526,162 |
| Premium received in advance | | 24,621,502 | 18,051,761 |
| Insurance / Reinsurance payables | | 396,440,169 | 275,009,289 |
| Other creditors and accruals | 11 | 301,526,841 | 267,370,811 |
| Lease liability against right-of-use asset | | 226,424,760 | 129,553,829 |
| Deferred taxation | | 57,254,145 | - |
| Taxation - provision less payment | | 8,389,461 | - |
| Total Liabilities | | 3,344,832,063 | 2,660,814,570 |
| Total equity and liabilities | | 4,913,994,706 | 3,501,167,562 |
| Contingencies and commitment | | | |
| 12 | | | |

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

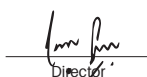
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | Note | For the three months period | | For the nine months period ended | |
|---|------|-----------------------------|----------------------|----------------------------------|----------------------|
| | | 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |
| | | (Rupees) | | | |
| Net insurance premium | 13 | 615,655,265 | 548,997,141 | 1,736,017,057 | 1,639,426,431 |
| Net insurance claims | 14 | (302,493,927) | (285,555,355) | (814,849,129) | (724,930,323) |
| Reversal of premium deficiency reserve | | - | - | 1,101,335 | - |
| Net commission expense | 15 | (54,666,932) | (47,260,548) | (160,914,386) | (156,016,024) |
| Insurance claims and commission expense | | (357,160,859) | (332,815,903) | (974,662,180) | (880,946,347) |
| Management expenses | | (249,518,308) | (209,260,759) | (719,646,408) | (641,455,787) |
| Underwriting results | | 8,976,098 | 6,920,479 | 41,708,469 | 117,024,297 |
| Investment income | 16 | (7,232,063) | 12,449,521 | 73,768,664 | 64,140,530 |
| Net unrealized fair value gains on financials assets at fair value through profit or loss | | - | 5,846,642 | - | 8,030,892 |
| Net fair value gain on derecognition of financials assets at fair value through profit or loss | | - | - | - | 994,662 |
| Other income | | 32,013,578 | 18,075,853 | 78,361,721 | 57,839,435 |
| Other expenses | | (33,385,493) | (44,443,480) | (151,927,332) | (153,054,680) |
| Results of operating activities | | 372,120 | (1,150,985) | 41,911,522 | 94,975,136 |
| Financial cost | | (8,770,377) | (9,840,431) | (12,769,316) | (28,743,636) |
| (Loss) / Profit before tax for the period | | (8,398,257) | (10,991,416) | 29,142,206 | 66,231,500 |
| Income tax expense | | (9,810,591) | (14,140,070) | (20,514,424) | (32,988,776) |
| (Loss) / Profit after tax | | (18,208,848) | (25,131,486) | 8,627,782 | 33,242,724 |
| Other comprehensive income: | | | | | |
| Changes in fair value of investments classified as financial assets at 'FVOCI' | | 122,895,728 | 45,753,226 | 322,099,088 | 37,871,491 |
| Related tax impact | | (35,639,475) | (13,268,442) | (93,408,444) | (10,982,732) |
| Other comprehensive income the period | | 87,256,253 | 32,484,784 | 228,690,644 | 26,888,759 |
| Total comprehensive income for the period | | 69,047,405 | 7,353,298 | 237,318,426 | 60,131,483 |
| Earnings / (loss) after tax per share - Rupees | | 0.35 | (0.29) | 0.99 | (0.81) |
| Net profit / (loss) attributable to shareholders' fund | | 41,598,492 | (26,828,084) | 107,906,388 | (76,165,901) |
| Net (deficit) / surplus attributable to Participants' Takaful Fund | | (59,807,339) | 1,696,598 | (99,278,606) | 109,408,625 |
| | | (18,208,847) | (25,131,486) | 8,627,782 | 33,242,724 |
| Other comprehensive income attributable to shareholders' fund | | 87,256,253 | 32,484,784 | 228,690,644 | 26,888,759 |
| | | 87,256,253 | 32,484,784 | 228,690,644 | 26,888,759 |

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | Reserves | | | | | | | Total | |
|--|------------------|---------------------|-------------------|------------------------|-------------|--------------------|--|---------------|---------------|
| | Capital reserves | | | Revenue reserves | | | | | |
| | Share premium | Share issuance cost | Net share premium | Other Capital Reserves | Total | Accumulated losses | Unrealized appreciation/ (diminution) - other comprehensive income | | |
| Shareholders' Fund: | | | | | | | | | |
| Balance as at 1 January 2020 | 16,936,998 | (8,903,161) | 8,033,837 | - | 8,033,837 | (114,008,588) | (29,742,761) | (143,751,349) | 802,945,098 |
| Net loss for the period | - | - | - | - | - | (76,165,900) | - | (76,165,900) | (76,165,900) |
| Other comprehensive income for the period | - | - | - | - | - | - | 22,417,102 | 22,417,102 | 22,417,102 |
| Total comprehensive (loss) / income for the period | - | - | - | - | - | (76,165,900) | 22,417,102 | (53,748,798) | (53,748,798) |
| Share based Payment Reserve | - | - | - | 24,094,375 | 24,094,375 | - | - | 24,094,375 | 24,094,375 |
| Cash dividend paid during the period | - | - | - | - | - | - | - | - | - |
| Balance as at 31 December 2020 | 16,936,998 | (8,903,161) | 8,033,837 | 24,094,375 | 32,128,212 | (190,174,488) | (7,325,659) | (173,405,772) | 773,290,675 |
| Balance as at 1 January 2021 | 16,936,998 | (8,903,161) | 8,033,837 | 24,094,375 | 32,128,212 | (164,486,426) | (7,325,659) | (171,812,085) | 798,978,737 |
| Net profit for the period | - | - | - | - | - | 107,906,388 | - | 107,906,388 | 107,906,388 |
| Other comprehensive income for the period | - | - | - | - | - | - | 228,690,644 | 228,690,644 | 228,690,644 |
| Total comprehensive income for the period | - | - | - | - | - | 107,906,388 | 228,690,644 | 336,597,032 | 336,597,032 |
| Share based payments reserve | - | - | - | 45,113,125 | 45,113,125 | - | - | - | 45,113,125 |
| Shares issued during the period | 233,250,000 | (20,121,900) | 213,128,100 | - | 213,128,100 | - | - | - | 446,378,100 |
| Balance as at 30 September 2021 | 1,171,912,610 | 250,186,998 | (29,025,061) | 221,161,937 | 69,207,500 | 290,369,437 | (56,580,038) | 221,364,985 | 1,627,066,994 |



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) - CONTINUED


FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | Seed money | Accumulated surplus / (deficit) | Total |
|--|------------------|---------------------------------|---------------------|
| ----- (Rupees) ----- | | | |
| Participants' Takaful Fund: | | | |
| Balance as at 1 January 2020 | 2,000,000 | (50,891,618) | (48,891,618) |
| Surplus for the period | - | 109,408,625 | 109,408,625 |
| Balance as at 30 September 2020 | <u>2,000,000</u> | <u>58,517,007</u> | <u>60,517,007</u> |
| Balance as at 1 January 2021 | 2,000,000 | 39,374,255 | 41,374,255 |
| Deficit for the period | - | (99,278,606) | (99,278,606) |
| Balance as at 30 September 2021 | <u>2,000,000</u> | <u>(59,904,351)</u> | <u>(57,904,351)</u> |

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.


 Chief Financial Officer


 Director


 Chief Executive Officer


 Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | 30 September 2021 | 30 September 2020 |
|---|----------------------|----------------------|
| ----- (Rupees) ----- | | |
| Operating cash flow | | |
| (a) Underwriting activities | | |
| Insurance premium received | 2,229,898,089 | 1,778,283,635 |
| Reinsurance premium paid | (362,275,270) | (346,342,026) |
| Claims paid | (1,207,818,956) | (897,693,223) |
| Reinsurance and other recoveries received | 305,384,635 | 215,751,688 |
| Commission paid | (288,365,030) | (184,928,965) |
| Commission received | 102,259,967 | 81,782,627 |
| Management and other expenses paid | (446,797,792) | (597,523,164) |
| Net cash flow from underwriting activities | 332,285,643 | 49,330,572 |
| (b) Other operating activities | | |
| Income tax paid | (18,678,958) | (37,017,054) |
| Other operating payments | (236,626,964) | (22,397,473) |
| Loans advanced | (6,284,119) | (1,498,335) |
| Loan repayment received | 3,160,060 | 1,589,181 |
| Net cash used in other operating activities | (258,429,981) | (59,323,681) |
| Total cash generated from / (used in) all operating activities | 73,855,662 | (9,993,109) |
| Investment activities | | |
| Profit / return received | 56,566,872 | 72,492,156 |
| Dividend received | 9,606,524 | 12,256 |
| Payment for investments | (689,674,850) | (145,000,000) |
| Proceeds from investments | 466,104,822 | 389,636,758 |
| Proceeds from sale of property and equipment | 20,000,000 | 4,719,639 |
| Fixed capital expenditure | (72,988,992) | (12,864,128) |
| Total cash (used in) /generated from investing activities | (210,385,624) | 308,996,681 |
| Financing activities | | |
| Lease obligation paid | (118,126,591) | (167,081,132) |
| Proceeds from issuance of shares | 466,500,000 | - |
| Financial charges paid | (1,372,323) | (841,984) |
| Total cash generated from / (used in) financing activities | 347,001,086 | (167,923,116) |
| Net cash generated from all activities | 210,471,124 | 131,080,456 |
| Cash and cash equivalents at beginning of year | 988,388,550 | 1,122,441,602 |
| Cash and cash equivalents at end of the period | 1,198,859,674 | 1,253,522,058 |

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | 30 September 2021 | 30 September 2020 |
|--|----------------------|----------------------|
| ----- (Rupees) ----- | | |
| Reconciliation to statement of comprehensive income | | |
| Operating cash flows | 73,855,662 | (9,993,109) |
| Depreciation / amortization / bad debt expense | (167,211,121) | (188,104,125) |
| Charge of Premium deficiency reserve | 141,984 | - |
| Income tax paid | 18,678,958 | 37,017,054 |
| Provision for taxation | (20,514,420) | (32,988,776) |
| Financial charges | (12,769,316) | (28,743,636) |
| Investment Income | 73,768,664 | 64,140,530 |
| Net unrealized fair value gains on financials assets at fair value through profit or loss | - | 8,030,892 |
| Net fair value gain on derecognition of financials assets at fair value through profit or loss | - | 994,662 |
| Increase in assets other than cash | 853,539,423 | 663,308,335 |
| (Increase) in liabilities other than borrowings | (810,862,052) | (480,419,103) |
| Profit after taxation | 8,627,782 | 33,242,724 |

Cash comprises of cash in hand, policy stamps, bank balances and term deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Director



Director



Chief Executive Officer



Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

TPL Insurance Limited (the Company) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Company was allowed to work as Window Takaful Operator on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Company is listed at Pakistan Stock Exchange Limited. The principal office of the Company is located at 19-B, Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), near Roomi Masjid, Shahrah-e-Faisal, Karachi, Pakistan. The Company is owned 66.30% (31 December 2020: 73.38%) by TPL Corp Limited.

2. BASIS OF PREPARATION

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

- International Financial Reporting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as for interim Financial Reporting notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020.

2.3 In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company were presented as a single line item in the balance sheet and profit and loss account of the Company for the year ended 31 December 2018 respectively. Further, the PTF was not consolidated with the conventional insurance business. The similar requirements have been prescribed by General Takaful Accounting Regulations 2020 issued by SECP. However, as per SECP letter number ID/MDPR/ GTAR/2020/1244 dated 30 November 2020, the Company has been granted relaxation from the above requirements and has been allowed line by line consolidation of financial statements of conventional and WTO (including PTF) upto the period ending 31 December 2021. Accordingly, these condensed interim financial statements represent the consolidated financial position, results of operations and cashflows of the conventional business and WTO (including PTF) for the period ended 30 September 2021.

2.4 A separate set of condensed interim financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of the Takaful Rules 2012.

2.5 These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

2.6 These condensed interim financial statements for nine months ended September 30, 2021 have been prepared under the historical cost convention, except that investments classified as either 'fair value through profit or loss' or 'fair value through other comprehensive income' are stated at fair value and obligations under employee share option plan are measured at present value.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended 31 December 2020.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 & IAS 39 - Interest Rate Benchmark Reform Phase 2 (Amendments)

Covid-19 related rent concessions beyond 30 June 2021 (Amendment to IFRS 16)

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after 01 January 2022:

| Standard, interpretation or amendment | Effective date (annual periods beginning on or after) |
|---|--|
| IFRS 3 Revised Conceptual Framework (Amendments) | 01 January 2022 |
| IAS 16 - Property, Plant and Equipments: proceeds before intended use | 01 January 2022 |
| IAS 37 - Onerous Contracts: cost of fulfilling a contract | 01 January 2022 |
| IAS 1 - Classification of Liabilities as Current or Noncurrent (Amendments) | 01 January 2023 |
| IAS 1 - Disclosure of Accounting Policies (Amendments) | 01 January 2023 |
| IAS 8 - Definition of Accounting Estimates (Amendments) | 01 January 2023 |
| IAS 12 - Deferred Tax Related to Assets & Liabilities Arising from Single Transaction (Amendments)" | 01 January 2023 |

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards

- IFRS 1 – First time adoption of IFRSs
- IFRS 17 – Insurance Contracts
- IFRS 14 – Regulatory Deferral Accounts

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates / judgments and associated assumptions used in the preparation of the condensed interim financial statements are based on historical experience and other factors, including 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 for the year ended December 31, 2020.

5. FINANCIAL AND INSURANCE RISK MANAGEMENT

The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements as at and for the year ended 31 December 2020.

| | | (Unaudited) | (Audited) |
|---|------|----------------------|--------------------|
| | | 30 September 2021 | 31 December 2020 |
| 6. PROPERTY AND EQUIPMENT | Note | ----- (Rupees) ----- | |
| Operating assets | 6.1 | 109,390,130 | 88,234,783 |
| Right of use assets | | 228,229,362 | 160,702,342 |
| | | 337,619,492 | 248,937,125 |
| 6.1 Operating assets | | | |
| Written down value at the beginning of the period / year | | 88,234,783 | 110,855,162 |
| Additions and transfers during the period / year - at cost | | | |
| - Leasehold improvements | | - | 2,575,733 |
| - Furniture and fixtures | | 12,227,816 | 2,233,960 |
| - Computer equipments | | 15,291,649 | 7,807,563 |
| - Office equipments | | 26,440,430 | 682,466 |
| - Motor vehicles | | 5,505,950 | 1,400,000 |
| | | 59,465,845 | 14,699,722 |
| Written down value of disposals / write-offs during the period / year | | (11,297,976) | (2,625,166) |
| Depreciation for the period / year | | (27,012,522) | (34,694,935) |
| | | (38,310,498) | (37,320,101) |
| Written down value at the end of the period / year | | 109,390,130 | 88,234,783 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

7. INVESTMENTS IN EQUITY SECURITIES AND MUTUAL FUNDS UNITS

| | (Unaudited) | | | (Audited) | | |
|---|----------------------|-------------|----------------|------------------|--------------|----------------|
| | 30 September 2021 | | | 31 December 2020 | | |
| | Cost | Revaluation | Carrying Value | Cost | Revaluation | Carrying Value |
| | ----- (Rupees) ----- | | | | | |
| -Classified as 'At fair value through other comprehensive income' | | | | | | |
| Related party | | | | | | |
| Listed shares | | | | | | |
| TPL Properties Limited (3% holding) | 100,000,000 | 305,639,360 | 405,639,360 | 100,000,000 | (10,847,440) | 89,152,560 |
| | 100,000,000 | 305,639,360 | 405,639,360 | 100,000,000 | (10,847,440) | 89,152,560 |
| Others | | | | | | |
| Listed shares | | | | | | |
| Business Industrial Insurance Company Limited | 251,260 | (251,260) | - | 251,260 | (251,260) | - |
| The Bank of Punjab | 357,727 | (292,864) | 64,863 | 357,727 | (286,055) | 71,672 |
| Hub Power Company Limited | 357,000 | 442,900 | 799,900 | 357,000 | 436,300 | 793,300 |
| The Bank of Khyber | 162,975 | 68,039 | 231,014 | 162,975 | 64,646 | 227,621 |
| Bolan Castings Limited | 39,705,000 | 5,595,000 | 45,300,000 | - | - | - |
| Summit Bank Limited | 514,765 | (471,725) | 43,040 | 514,765 | (484,845) | 29,920 |
| | 41,348,727 | 5,090,090 | 46,438,817 | 1,643,727 | (521,214) | 1,122,513 |
| -Classified as 'at fair value through profit or loss' | | | | | | |
| Listed shares | | | | | | |
| Ghani Global Holdings Limited | 99,803,755 | 2,746,525 | 102,550,280 | - | - | - |
| | 99,803,755 | 2,746,525 | 102,550,280 | - | - | - |
| Mutual funds | | | | | | |
| AKD Opportunity Fund | 121,022,903 | 3,782,742 | 124,805,645 | 20,000,000 | 5,436,426 | 25,436,426 |
| Askari Sovereign Yield Enhancer | - | - | - | 15,994,662 | 1,051,572 | 17,046,234 |
| HBL Equity Fund | 50,000,000 | (1,888,136) | 48,111,864 | - | - | - |
| Pak Oman Advantage Islamic Income Fund | 25,000,000 | 345,996 | 25,345,996 | - | - | - |
| AKD Islamic Stock Fund | 38,516,536 | 5,450,507 | 41,967,043 | 10,000,000 | 5,614,373 | 15,614,373 |
| | 232,539,439 | 7,691,109 | 240,230,548 | 45,994,662 | 12,102,371 | 58,097,033 |
| | 473,691,921 | 321,167,084 | 794,859,005 | 147,638,389 | 733,717 | 148,372,106 |

| | | (Unaudited) | (Audited) |
|---|------|----------------------|--------------------|
| | | 30 September 2021 | 31 December 2020 |
| | | ----- (Rupees) ----- | |
| 8. INVESTMENT IN GOVERNMENT SECURITIES | | | |
| Classified as 'At amortized cost' | Note | | |
| Treasury Bills | | - | 247,990,120 |
| Pakistan Investment Bonds (PIBs) | 8.1 | 158,650,152 | 96,910,587 |
| | | <u>158,650,152</u> | <u>344,900,707</u> |

8.1 This represents five and ten years Pakistan Investment Bonds having face value of Rs. 163.5 million (market value of Rs. 158.953 million) [31 December 2020: Rs. 101 million (market value of Rs. 101.537 million)]. These carry mark-up ranging from 7.50% to 12% (2020: 7.75% to 12%) per annum and will mature between 29 December 2021 to 15 October 2025. Out of these, PIBs having face value of Rs. 127 million have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance 2000 and circular No. 15 of 2008 dated 7 July 2008 issued by the Securities and Exchange Commission of Pakistan.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | | (Unaudited) | (Audited) |
|--|------|----------------------|---------------------|
| | | 30 September 2021 | 31 December 2020 |
| 9. TERM DEPOSITS | Note | ----- (Rupees) ----- | |
| Classified as 'At amortized cost' | | | |
| Deposits maturing within 12 months | 9.1 | 425,000,000 | 425,000,000 |
| Deposits maturing after 12 months | | 2,500,000 | 2,500,000 |
| | | <u>427,500,000</u> | <u>427,500,000</u> |

9.1 These carry profit rate ranging from 5% to 6.95% per annum (31 December 2020: 6% to 6.75% per annum).

| | | (Unaudited) | (Audited) |
|--|------|----------------------|---------------------|
| | | 30 September 2021 | 31 December 2020 |
| 10. LOANS AND OTHER RECEIVABLES | Note | ----- (Rupees) ----- | |
| Considered good | | | |
| Receivable from related parties | 10.1 | 20,520,701 | 5,653,938 |
| Advance to a related party | 10.2 | 215,000,000 | 31,500,000 |
| Deposit for hospital enlistment | | 5,290,000 | 5,290,000 |
| Accrued investment income | | 7,917,374 | 10,765,386 |
| Loan and advance to employees | | 4,468,736 | 3,042,878 |
| Placement with a company | 10.3 | 25,000,000 | 25,000,000 |
| Advance Ijara Rentals | | 7,600,000 | 7,600,000 |
| Security Deposit | | 6,564,269 | 5,188,530 |
| Other receivable | | 34,735,574 | 1,769,938 |
| Advance to Supplier | | 57,547,561 | - |
| | | <u>384,644,215</u> | <u>95,810,670</u> |

10.1 This represents receivable from following related parties.

| | (Unaudited) | (Audited) |
|---|----------------------|---------------------|
| | 30 September 2021 | 31 December 2020 |
| | ----- (Rupees) ----- | |
| TPL Trakker Limited | 4,503,545 | 422,627 |
| TPL Life Insurance Limited | 7,812,361 | - |
| TPL Security Services (Private) Limited | 411,108 | - |
| TPL Corp Limited | 7,704,530 | 5,142,154 |
| TPL E-Venture (Private) Limited | 89,157 | 89,157 |
| | <u>20,520,701</u> | <u>5,653,938</u> |

10.2 This represents advance to a related party. A special resolution of the shareholders authorising the Company to extend advance upto Rs. 300 million was passed in Annual General Meeting of the Company held on 24 April 2019. The balance carries interest at the rate of 1 year KIBOR + 3.5% with a floor of 10% per annum.

10.3 This represents placements with Pearl Securities Limited and carries mark up at the rate of 8.85% per annum (31 December 2020: 8.28%) and will mature by 31 December 2021.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | | (Unaudited) | (Audited) |
|---|------|----------------------|---------------------|
| | | 30 September 2021 | 31 December 2020 |
| 11. OTHER CREDITORS AND ACCRUALS | Note | ----- (Rupees) ----- | |
| Commission payable | | 40,829,532 | 77,648,210 |
| Creditors | | 8,044,820 | 9,698,770 |
| Federal Insurance Fee | | 2,841,628 | 2,280,089 |
| Federal Excise Duty (FED) - net | | 82,340,213 | 49,690,128 |
| Margin deposit from customers | | 1,999,911 | 1,379,911 |
| Withholding tax payable | | 11,134,404 | 18,273,658 |
| Advance tax on premium | | 484,627 | 569,384 |
| Accrued Expenses | | 113,125,569 | 74,742,422 |
| Unclaimed dividend | | 1,527,468 | 1,527,468 |
| Payable to Provident Fund | | 3,093,694 | 2,153,176 |
| Payable to related parties | 11.1 | 11,432,789 | 6,128,102 |
| Deposits from customers | | 2,249,263 | 7,280,587 |
| Others | | 22,422,923 | 15,998,906 |
| | | 301,526,841 | 267,370,811 |

11.1 This represents payable to following related parties.

| | | (Unaudited) | (Audited) |
|---|------|----------------------|---------------------|
| | | 30 September 2021 | 31 December 2020 |
| | Note | ----- (Rupees) ----- | |
| Virtual World (Private) Limited | | 5,416,770 | 4,926,011 |
| TPL Properties (Private) Limited | | 543,196 | 223,586 |
| TPL Security Services (Private) Limited | | - | 170,445 |
| TPL Properties Management (Private) Limited | | 5,472,823 | 808,060 |
| | | 11,432,789 | 6,128,102 |

12. CONTINGENCIES AND COMMITMENT

There is no change in the status of the contingencies and commitments and is same as disclosed in the financial statements of the Company as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | (Unaudited) | | (Unaudited) | |
|---|-----------------------------------|----------------------|----------------------------------|----------------------|
| | For the three months period ended | | For the nine months period ended | |
| | 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |
| | ----- (Rupees) ----- | | ----- (Rupees) ----- | |
| 13. NET INSURANCE PREMIUM | | | | |
| Written gross premium | 1,072,576,554 | 866,781,772 | 2,445,811,786 | 2,075,722,525 |
| Add: Unearned premium reserve opening | 1,355,521,040 | 1,161,297,666 | 1,379,671,304 | 1,211,232,507 |
| Less: Unearned premium reserve closing | (1,653,351,950) | (1,387,622,947) | (1,653,351,950) | (1,387,622,947) |
| Premium earned | 774,745,644 | 640,456,491 | 2,172,131,140 | 1,899,332,085 |
| Less: Reinsurance premium ceded | 224,332,580 | 207,309,424 | 467,785,622 | 342,643,980 |
| Add: Prepaid reinsurance premium opening | 236,420,529 | 125,084,219 | 269,991,191 | 158,195,967 |
| Less: Prepaid reinsurance premium closing | (301,662,730) | (240,934,293) | (301,662,730) | (240,934,293) |
| Reinsurance expense | 159,090,379 | 91,459,350 | 436,114,083 | 259,905,654 |
| Net insurance Premium | 615,655,265 | 548,997,141 | 1,736,017,057 | 1,639,426,431 |
| 14. NET INSURANCE CLAIMS | | | | |
| Claims paid | 483,808,162 | 398,851,947 | 1,207,812,955 | 897,693,223 |
| Add: Outstanding claims including IBNR closing | 609,156,304 | 551,803,082 | 609,156,304 | 551,803,082 |
| Less: Outstanding claims including IBNR opening | (539,623,249) | (423,774,342) | (525,295,311) | (252,522,221) |
| Claims expense | 553,341,217 | 526,880,687 | 1,291,673,948 | 1,196,974,084 |
| Less: Reinsurance and other recoveries received | 121,279,676 | 92,917,761 | 365,502,615 | 215,751,688 |
| Add: Reinsurance and other recoveries in respect of outstanding claims - closing | 482,985,056 | 346,083,169 | 482,985,056 | 346,083,169 |
| Less: Reinsurance and other recoveries in respect of outstanding claims - opening | (353,417,442) | (197,675,598) | (371,662,852) | (89,791,095) |
| Reinsurance and other recoveries revenue | 250,847,290 | 241,325,332 | 476,824,819 | 472,043,762 |
| Net insurance claims expense | 302,493,927 | 285,555,355 | 814,849,129 | 724,930,323 |
| 15. NET COMMISSION EXPENSE | | | | |
| Commissions paid or payable | 105,794,313 | 94,302,463 | 251,546,352 | 210,647,942 |
| Add: Deferred commission - opening | 155,763,662 | 121,156,815 | 179,505,165 | 156,754,128 |
| Less: Deferred commission - closing | (170,777,164) | (144,632,150) | (170,777,164) | (144,632,150) |
| Commission expense | 90,780,811 | 70,827,128 | 260,274,353 | 222,769,920 |
| Less: Commission from reinsurers | | | | |
| Commission received or receivable | 48,901,696 | 44,015,826 | 102,259,966 | 81,782,628 |
| Add: Unearned reinsurance commission - opening | 53,448,286 | 36,006,548 | 63,336,103 | 41,427,063 |
| Less: Unearned reinsurance commission - closing | (66,236,103) | (56,455,795) | (66,236,103) | (56,455,795) |
| Commission from reinsurance | 36,113,879 | 23,566,579 | 99,359,966 | 66,753,896 |
| Net Commission expense | 54,666,932 | 47,260,549 | 160,914,387 | 156,016,024 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | 30 September 2021 | 30 September 2020 |
|---|----------------------|----------------------|
| 16. INVESTMENT INCOME | | |
| | ----- (Rupees) ----- | |
| Dividend and Mark-Up Income | | |
| Dividend Income | 9,606,524 | 12,256 |
| Return on Debt Securities | 9,365,026 | 23,656,305 |
| Return on Term Deposits | 17,977,008 | 41,324,821 |
| Return on PLS bank balances | 6,765,810 | - |
| | 43,714,368 | 64,993,382 |
| Net realized gains on investments | | |
| - Fair value through profit or loss | | |
| Realized gains on disposal / redemption of mutual funds | 19,900,354 | - |
| | 63,614,722 | 64,993,382 |
| Net unrealized gains on investments | | |
| - Fair value through profit or loss | | |
| Unrealized gains on mutual funds | 10,434,652 | - |
| | 74,049,374 | 64,993,382 |
| Total investment income | 74,049,374 | 64,993,382 |
| Less: Investment related expenses | (280,710) | (852,852) |
| | 73,768,664 | 64,140,530 |

17. TRANSACTIONS WITH RELATED PARTIES

17.1 The related parties comprise Parent Company, associated undertakings, common directorships, employees provident fund, directors and key management personnel. The balances with / due from and transactions with related parties are as follows:

17.2 Balances and transactions with related parties

| | 30 September 2021 | 30 September 2020 |
|--|----------------------|----------------------|
| | ----- (Rupees) ----- | |
| TPL Trakker Limited - (associated company) | | |
| Opening balance - receivable* | 422,627 | 287,376 |
| Interest charged during the period | 53,398,038 | 44,125,650 |
| Net expenses charged - group shared costs | (11,307,605) | (28,560,100) |
| Rent and other services on tracking units | (144,221,022) | (158,294,587) |
| Net payments made by the Company | 106,211,507 | 143,407,281 |
| Closing balance - receivable | 4,503,545 | 965,620 |
| Advance to TPL Trakker Limited - (associated company) | | |
| Opening balance - receivable* | 31,500,000 | 70,000,000 |
| Payments made during the period | 156,000,000 | - |
| Adjustment against receivable | 27,500,000 | 75,000,000 |
| Closing balance - receivable | 215,000,000 | 145,000,000 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

This represents advance to a related party. A special resolution of the shareholders authorising the Company to extend advance upto Rs.300 million was passed in Annual General Meeting of the Company held on 21 April, 2019. The balance carries interest at the rate of 1 period KIBOR + 3.5% with a floor of 10% per annum.

| | (Unaudited) 30 September 2021 | (Unaudited) 31 September 2020 |
|---|-------------------------------------|-------------------------------------|
| | ----- (Rupees) ----- | |
| TPL Properties Limited - (associated company) | | |
| Opening balance - (payable) / receivable* | (223,586) | 6,169,128 |
| Rent invoices received during the period | (13,097,123) | (46,351,782) |
| Net payments made during the period (Private) Limited on amalgamation | 13,097,123 | 41,282,571 |
| Expenses incurred on behalf of the company | - | (1,282,984) |
| Closing balance - payable | (319,610) | 23,910 |
| | (543,196) | (159,157) |
| TPL Properties Management (Private) Limited - (associated company) | | |
| Opening balance - payable* | (808,060) | - |
| Services received during the period | (9,003,490) | - |
| Payments made by the company | 4,338,727 | - |
| Closing balance - payable | (5,472,823) | - |
| Virtual World (Private) Limited - common directorship | | |
| Opening accrued outsourcing expenses* | (4,926,011) | (10,198,176) |
| Services received during the period | (24,995,795) | (22,350,775) |
| Expenses incurred by the company | - | 81,945 |
| Payments made during the period | 24,505,036 | 26,651,485 |
| Closing accrued outsourcing expenses | (5,416,770) | (5,815,521) |
| TPL Security Services (Private) Limited - (associated company) | | |
| Opening balance - (payable) / receivable* | (170,445) | 794,655 |
| Expenses incurred (on behalf of the company) / by the company | (416,087) | 734,090 |
| Services received during the period | (1,702,360) | (1,428,900) |
| Sale of fixed assets | 2,700,000 | - |
| Closing balance - receivable | 411,108 | 99,845 |
| TPL Direct Insurance Limited Employees Provident Fund | | |
| Opening balance - payable* | (2,153,176) | (1,581,599) |
| Charge for the period | (24,692,672) | (25,034,703) |
| Contribution made during the period | 23,752,154 | 24,444,488 |
| Closing balance - payable | (3,093,694) | (2,171,814) |
| TPL Life Insurance Limited - (associated company) | | |
| Opening balance - payable* | (35,632,647) | (213,612) |
| Expenses incurred by the company | 8,429,362 | 5,296,654 |
| Services received from the company | (1,375,000) | (2,069,324) |
| Reinsurance services received during the period | 27,555,438 | - |
| Purchase software | (10,000,000) | - |
| Net payments made during the period | 11,000,000 | (1,931,330) |
| Other movement during the period | (242,000) | (70,000) |
| Closing balance - payable | (264,847) | 1,012,388 |
| TPL Corp Limited - (parent company) | | |
| Opening balance - receivable* | 5,142,154 | 28,809,083 |
| Expenses incurred (on behalf of the company) / by the company | (56,927,800) | (20,963,458) |
| Net payments made during the period | 59,490,176 | 4,900,000 |
| Closing balance - (payable) / receivable | 7,704,530 | 12,745,625 |
| TPL e-Venture (Private) Limited - (associated company) | | |
| Balance at the beginning and end of the period - receivable | 89,157 | 89,157 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

17.3 Remuneration to the key management personnel are in accordance with the terms of their employment. Contribution to the provident fund is in accordance with the Company's staff services rules and other transactions with the related parties are in accordance with the agreed terms.

17.4 The Company has signed up consultancy contract with one of the directors, Mr. Andrew Borda, to assist the Company in underwriting and reinsurance placements. The remuneration agreed during the period amounts to Rs. 7.812 million.

* This represent the balances outstanding as at 1st January.

18. SEGMENT REPORTING

| | (Unaudited) | | | | | |
|--|--|------------------------------|-----------------|---------------|---------------|-----------------|
| | For the nine months period ended 30 September 2021 | | | | | |
| | Fire & property damage | Marine, aviation & transport | Motor | Health | Miscellaneous | Aggregate |
| | (Rupees) | | | | | |
| Gross Written Premium | | | | | | |
| (inclusive of Administrative Surcharge) | 247,306,104 | 66,995,680 | 1,853,913,809 | 228,046,759 | 49,549,432 | 2,445,811,784 |
| Gross Direct Premium | 246,658,887 | 64,580,531 | 1,793,452,627 | 227,907,364 | 44,602,033 | 2,377,201,442 |
| Facultative Inward Premium | (260,113) | 185,950 | 3,305,338 | - | 1,958,403 | 5,189,579 |
| Administrative Surcharge | 907,330 | 2,229,199 | 57,155,844 | 139,394 | 2,988,996 | 63,420,763 |
| Insurance premium earned | 213,239,915 | 62,112,638 | 1,714,009,798 | 143,743,775 | 40,126,348 | 2,173,232,474 |
| Insurance premium ceded to reinsurers | (192,123,124) | (43,613,219) | (153,683,785) | (33,955,664) | (12,738,291) | (436,114,083) |
| Net insurance premium | 21,116,791 | 18,499,419 | 1,560,326,013 | 109,788,110 | 27,388,058 | 1,737,118,391 |
| Commission income | 38,796,214 | 11,577,412 | 38,784,531 | 6,737,333 | 3,464,476 | 99,359,967 |
| Net underwriting income | 59,913,006 | 30,076,831 | 1,599,110,544 | 116,525,443 | 30,852,534 | 1,836,478,359 |
| Insurance claims | (71,514,323) | (21,775,903) | (993,857,767) | (176,266,384) | (28,259,571) | (1,291,673,948) |
| Insurance claims recovered from reinsurers / salvage | 70,256,748 | 13,835,278 | 302,727,599 | 73,552,722 | 16,452,473 | 476,824,820 |
| Net Claims | (1,257,575) | (7,940,625) | (691,130,168) | (102,713,662) | (11,807,099) | (814,849,128) |
| Charge of Premium deficiency reserve | | | | | | |
| Commission expense | (31,511,695) | (6,903,008) | (207,636,860) | (10,356,927) | (3,865,863) | (260,274,353) |
| Management expenses | (6,276,300) | (5,434,402) | (664,141,133) | (36,735,057) | (8,059,517) | (719,646,408) |
| Net insurance claims and expenses | (39,045,569) | (20,278,035) | (1,562,908,161) | (148,805,646) | (23,732,478) | (1,794,769,889) |
| Underwriting result | 20,867,437 | 9,798,796 | 36,202,383 | (32,280,203) | 7,120,056 | 41,708,469 |
| Investment income | | | | | | 73,768,664 |
| Other income | | | | | | 78,361,721 |
| Other expenses | | | | | | (151,927,332) |
| Results of operating activities | | | | | | 41,911,522 |
| Financial charges | | | | | | (12,769,316) |
| Profit before tax for the period | | | | | | 29,142,206 |
| Corporate segment assets | 354,793,600 | 57,604,667 | 802,026,008 | 20,412,400 | 66,332,692 | 1,301,169,367 |
| Corporate unallocated assets | | | | | | 3,612,825,339 |
| Total assets | | | | | | 4,913,994,706 |
| Corporate segment liabilities | 251,935,565 | 41,491,550 | 1,762,447,423 | 64,345,542 | 56,222,082 | 2,176,442,162 |
| Corporate unallocated liabilities | | | | | | 1,168,389,901 |
| Total liabilities | | | | | | 3,344,832,063 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

(Unaudited)

For the nine months period ended 30 September 2020

| Fire & property damage | Marine, aviation & transport | Motor | Health | Miscellaneous | Aggregate |
|------------------------|------------------------------|-------|--------|---------------|-----------|
|------------------------|------------------------------|-------|--------|---------------|-----------|

(Rupees)

| | | | | | | |
|--|---------------|--------------|-----------------|---------------|--------------|-----------------|
| Gross Written Premium (inclusive of Administrative Surcharge) | 196,837,828 | 28,247,981 | 1,564,344,753 | 246,879,874 | 39,412,089 | 2,075,722,525 |
| Gross Direct Premium | 180,176,226 | 26,964,249 | 1,509,731,849 | 246,765,196 | 36,580,771 | 2,000,218,291 |
| Facultative Inward Premium | 16,009,257 | 559,695 | 4,482,730 | - | 530,442 | 21,582,124 |
| Administrative Surcharge | 652,345 | 724,038 | 50,130,173 | 114,678 | 2,300,876 | 53,922,110 |
| Insurance premium earned | 113,762,106 | 29,758,616 | 1,579,548,882 | 141,361,229 | 34,901,252 | 1,899,332,085 |
| Insurance premium ceded to reinsurers | (94,511,041) | (16,465,976) | (133,124,611) | - | (15,804,025) | (259,905,654) |
| Net insurance premium | 19,251,065 | 13,292,640 | 1,446,424,271 | 141,361,229 | 19,097,227 | 1,639,426,431 |
| Commission income | 19,304,170 | 4,089,191 | 36,387,701 | - | 6,972,834 | 66,753,896 |
| Net underwriting income | 38,555,235 | 17,381,831 | 1,482,811,972 | 141,361,229 | 26,070,061 | 1,706,180,327 |
| Insurance claims | (155,469,431) | (17,231,861) | (880,288,202) | (125,746,625) | (18,237,965) | (1,196,974,084) |
| Insurance claims recovered from reinsurers / salvage | 144,120,394 | 10,351,655 | 308,302,197 | - | 9,269,516 | 472,043,762 |
| Net Claims | (11,349,037) | (6,880,206) | (571,986,005) | (125,746,625) | (8,968,449) | (724,930,322) |
| Reversal of Premium deficiency reserve | - | - | - | - | - | - |
| Commission expense | (17,298,177) | (4,816,067) | (178,532,670) | (15,968,756) | (6,154,250) | (222,769,920) |
| Management expenses | (37,125,112) | (5,779,429) | (549,122,421) | (42,527,145) | (6,901,680) | (641,455,787) |
| Net insurance claims and expenses | (65,772,326) | (17,475,702) | (1,299,641,096) | (184,242,526) | (22,024,379) | (1,589,156,029) |
| Underwriting result | (27,217,091) | (93,871) | 183,170,876 | (42,881,297) | 4,045,682 | 117,024,298 |
| Investment income | - | - | - | - | - | 64,140,530 |
| Net unrealized fair value gains on financials assets at fair value through profit or loss | - | - | - | - | - | 8,030,892 |
| Net fair value gain on derecognition of financials assets at fair value through profit or loss | - | - | - | - | - | 994,662 |
| Other income | - | - | - | - | - | 57,839,435 |
| Other expenses | - | - | - | - | - | (153,054,680) |
| Results of operating activities | - | - | - | - | - | 94,975,137 |
| Financial charges | - | - | - | - | - | (28,743,636) |
| Profit before tax for the period | - | - | - | - | - | 66,231,501 |
| Corporate segment assets | 287,211,152 | 15,693,724 | 599,064,521 | 11,448,297 | 18,757,579 | 932,175,273 |
| Corporate unallocated assets | - | - | - | - | - | 2,626,593,999 |
| Total assets | - | - | - | - | - | 3,558,769,272 |
| Corporate segment liabilities | 314,591,143 | 25,404,309 | 1,550,901,829 | 188,945,242 | 39,119,153 | 2,118,961,676 |
| Corporate unallocated liabilities | - | - | - | - | - | 625,622,632 |
| Total liabilities | - | - | - | - | - | 2,744,584,308 |

19. GENERAL

Figures have been rounded off to the nearest Rupee.

20. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 26th October 2021 by the Board of Directors of the Company.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

ANNEXURE A

WINDOW TAKAFUL OPERATIONS

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

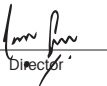
AS AT 30 SEPTEMBER 2021

| | Note | Operator's Fund | | Participants' Takaful Fund | |
|--|------|--------------------|--------------------|----------------------------|----------------------|
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| | | 30 September 2021 | 31 December 2020 | 30 September 2021 | 31 December 2020 |
| | | (Rupees) | | (Rupees) | |
| ASSETS | | | | | |
| Equipment | 5 | - | - | 23,008,412 | 42,119,988 |
| Investments | | | | | |
| Mutual Funds | 6 | - | - | 41,967,044 | 15,614,373 |
| Term deposits | 7 | - | - | 327,500,000 | 327,500,000 |
| | | | | 369,467,044 | 343,114,373 |
| Takaful/ Retakaful receivable | | - | - | 278,408,138 | 154,195,535 |
| Retakaful recoveries against outstanding claims | | - | - | 79,273,611 | 34,522,489 |
| Salvage recoveries accrued | | - | - | 95,705,103 | 89,252,000 |
| Deferred Wakala Fee | | - | - | 322,991,664 | 281,159,399 |
| Receivable from Participants' Takaful Fund | 9 | 170,623,465 | 5,667,742 | - | - |
| Accrued Investment Income | | - | - | 2,511,757 | 4,426,242 |
| Deferred commission expense | | 89,752,109 | 100,436,765 | - | - |
| Deferred taxation - net | | - | - | 3,936,863 | 4,753,831 |
| Taxation | | 659,939 | 887,336 | - | - |
| Prepayments | | - | - | 84,354,709 | 61,014,449 |
| Cash and bank | | 11,178,513 | 4,038,379 | 183,535,129 | 145,235,860 |
| Total assets | | 272,214,026 | 111,030,222 | 1,443,192,430 | 1,159,794,166 |
| FUND AND LIABILITIES | | | | | |
| RESERVES ATTRIBUTABLE TO: | | | | | |
| - OPERATOR'S FUND (OF) | | | | | |
| Statutory Fund | | 50,000,000 | 50,000,000 | - | - |
| Accumulated losses | | (486,525,039) | (434,416,312) | - | - |
| | | (436,525,039) | (384,416,312) | - | - |
| - WAQF / PARTICIPANTS' TAKAFUL FUND (PTF) | | | | | |
| Seed money | | - | - | 2,000,000 | 2,000,000 |
| Accumulated (deficit) / surplus | | - | - | (59,904,348) | 39,374,255 |
| | | | | (57,904,348) | 41,374,255 |
| Balance of WAQF / PTF | | | | (57,904,348) | 41,374,255 |
| Qard-e-Hasna | 8 | (103,900,000) | (103,900,000) | 103,900,000 | 103,900,000 |
| LIABILITIES | | | | | |
| PTF Underwriting provisions | | | | | |
| Outstanding claims (including IBNR) | | - | - | 272,195,060 | 175,407,599 |
| Unearned contribution reserve | | - | - | 757,447,254 | 636,900,639 |
| Unearned retakaful commission | | - | - | 8,700,360 | 8,780,599 |
| Contribution deficiency reserve | | - | - | - | 141,984 |
| Unearned Wakala Fee | | 322,991,664 | 281,159,399 | - | - |
| Contribution received in advance | | - | - | 10,577,925 | 8,486,273 |
| Takaful / retakaful payable | | - | - | 133,403,094 | 81,324,030 |
| Other creditors and accruals | | 50,809,776 | 40,359,879 | 33,065,881 | 53,260,920 |
| Payable to TPL Insurance Limited | 10 | 438,837,625 | 277,827,256 | 6,050,468 | 2,669,546 |
| Payable to Operator's Fund | 9 | - | - | 170,623,465 | 5,667,742 |
| Taxation - provision less payments | | - | - | 5,133,271 | 41,880,579 |
| Total Liabilities | | 812,639,065 | 599,346,534 | 1,397,196,778 | 1,014,519,911 |
| Total fund and liabilities | | 272,214,026 | 111,030,222 | 1,443,192,430 | 1,159,794,166 |

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)**


FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | Note | For the three months period ended | | For the nine months period ended | |
|---|------|-----------------------------------|----------------------|----------------------------------|----------------------|
| | | 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |
| | | ----- (Rupees) ----- | | ----- (Rupees) ----- | |
| Participants' Takaful Fund | | | | | |
| Contribution earned net of wakala fee | | 196,738,664 | 179,036,385 | 548,900,723 | 596,313,778 |
| Less: Contribution ceded to retakaful | | (34,382,461) | (14,989,370) | (90,658,743) | (41,005,820) |
| Net takaful contribution | 11 | 162,356,203 | 164,046,995 | 458,241,980 | 555,307,958 |
| Net underwriting income | | 162,356,203 | 164,046,995 | 458,241,980 | 555,307,958 |
| Net claims - reported / settled | 12 | (206,881,135) | (143,415,090) | (488,484,253) | (387,879,615) |
| - IBNR | | - | - | (26,049,315) | 1,026,839 |
| | | (206,881,135) | (143,415,090) | (514,533,568) | (386,852,776) |
| Reversal of Contribution deficiency reserve | | - | - | 141,984 | - |
| Other direct expenses | | (19,182,672) | (26,170,226) | (58,615,612) | (84,725,998) |
| (Deficit) / surplus before investment income | | (63,707,604) | (5,538,321) | (114,765,216) | 83,729,184 |
| Investment income | | 7,327,635 | 6,801,195 | 30,624,070 | 31,967,388 |
| Net unrealized fair value gains on financials assets at fair value through profit or loss | | - | 3,534,404 | - | 4,717,528 |
| Less: Modarib's share of investment income | | (2,198,290) | (3,100,680) | (9,187,221) | (11,005,475) |
| (Deficit) / surplus before taxation | | (58,578,259) | 1,696,598 | (93,328,367) | 109,408,625 |
| Taxation | | (1,229,080) | - | (5,950,236) | - |
| (Deficit) / surplus transferred to accumulated surplus | | (59,807,339) | 1,696,598 | (99,278,603) | 109,408,625 |
| Items that will be not reclassified to income statement: | | | | | |
| Total comprehensive (loss) / income for the period | | (59,807,339) | 1,696,598 | (99,278,603) | 109,408,625 |
| Operator's Fund | | | | | |
| Wakala fee | | 153,748,598 | 109,743,872 | 434,173,204 | 285,305,565 |
| Commission expense | 13 | (43,626,145) | (36,404,558) | (125,619,525) | (122,386,185) |
| Management expenses | | (103,788,880) | (81,357,368) | (298,371,802) | (242,391,775) |
| | | 6,333,573 | (8,018,054) | 10,181,877 | (79,472,395) |
| Investment income | | 43,964 | 67,531 | 206,394 | 157,570 |
| Modarib's share of PTF investment income | | 2,198,290 | 3,100,680 | 9,187,221 | 11,005,475 |
| | | 8,575,827 | (4,849,843) | 19,575,492 | (68,309,350) |
| Other expenses | | (16,100,306) | (20,042,858) | (71,684,218) | (71,963,578) |
| Loss before taxation | | (7,524,480) | (24,892,701) | (52,108,727) | (140,272,928) |
| Taxation | | - | (1,693,681) | - | (4,447,029) |
| Loss after tax for the period | | (7,524,480) | (26,586,382) | (52,108,727) | (144,719,957) |
| Total comprehensive loss for the period | | (7,524,479) | (26,586,382) | (52,108,726) | (144,719,957) |

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| Attributable to Operator Fund | | | |
|--|-------------------|----------------------|----------------------|
| Statutory Fund | Accumulated loss | Total | |
| ----- (Rupees) ----- | | | |
| Balance as at 1 January 2020 | 50,000,000 | (264,072,288) | (214,072,288) |
| Net loss for the period | - | (144,719,957) | (144,719,957) |
| Balance as at 30 September 2020 | 50,000,000 | (408,792,245) | (358,792,245) |
| Balance as at 1 January 2021 | 50,000,000 | (434,416,312) | (384,416,312) |
| Net loss for the period | - | (52,108,726) | (52,108,726) |
| Balance as at 30 September 2021 | 50,000,000 | (486,525,039) | (436,525,039) |

| Attributable to Participants of the PTF | | | |
|---|---------------------------------|---------------------|---------------------|
| Seed Money | Accumulated surplus / (deficit) | Total | |
| ----- (Rupees) ----- | | | |
| Balance as at 1 January 2020 | 2,000,000 | (50,891,618) | (48,891,618) |
| Surplus for the period | - | 109,408,625 | 109,408,625 |
| Balance as at 30 September 2020 | 2,000,000 | 58,517,007 | 60,517,007 |
| Balance as at 1 January 2021 | 2,000,000 | 39,374,255 | 41,374,255 |
| Deficit for the period | - | (99,278,603) | (99,278,603) |
| Balance as at 30 September 2021 | 2,000,000 | (59,904,348) | (57,904,348) |

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | Operator's Fund | | Participants' Takaful Fund | |
|---|---------------------------|----------------------|----------------------------|----------------------|
| | 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |
| Operating activities | Note ----- (Rupees) ----- | | | |
| (a) Takaful activities | | | | |
| Contributions received | - | - | 994,540,577 | 839,943,685 |
| Retakaful contribution paid | - | - | (78,771,249) | (37,508,790) |
| Claims paid | - | - | (617,428,486) | (450,439,838) |
| Retakaful and other recoveries received | - | - | 148,478,154 | 73,648,708 |
| Commission paid | (118,019,824) | (53,879,562) | - | - |
| Commission received | 13,141,527 | 7,857,937 | - | - |
| Wakala fees received by OF | 329,169,353 | 358,400,000 | - | - |
| Wakala fees paid by PTF | - | - | (329,169,353) | (358,400,000) |
| Mudarib fees received by OF | 7,000,000 | 11,100,000 | - | - |
| Mudarib fees paid by PTF | - | - | (7,000,000) | (11,100,000) |
| Net cash inflow from takaful activities | 231,291,056 | 323,478,375 | 110,649,643 | 56,143,765 |
| (b) Other operating activities | | | | |
| Income tax paid | - | (4,181,606) | (816,965) | - |
| Direct expenses paid | - | - | (22,072,781) | (13,088,557) |
| Management and other expenses paid | (336,284,773) | (280,654,759) | - | - |
| Other operating receipts / (payments) | 111,927,457 | (136,473,271) | (19,756,863) | 15,594,961 |
| Net cash (outflow) / inflow from other operating activities | (224,357,316) | (421,309,636) | (42,646,609) | 2,506,404 |
| Total cash generated from / (used in) all operating activities | 6,933,740 | (97,831,261) | 68,003,034 | 58,650,169 |
| Investment activities | | | | |
| Profit / return received | 206,394 | 157,570 | 27,080,940 | 36,169,649 |
| Payment for investment in Mutual Funds / TDRs | - | - | (50,000,000) | (10,000,000) |
| Qard e Hasna returned by PTF | - | 100,000,000 | - | (100,000,000) |
| Proceeds from Mutual Funds / TDRs | - | - | 34,000,000 | - |
| Proceeds from Government Securities | - | - | - | 20,000,000 |
| Total cash generated from / (used in) investing activities | 206,394 | 100,157,570 | 11,080,940 | (53,830,351) |
| Financing activities | | | | |
| Lease obligation paid | - | - | (36,640,800) | (49,239,713) |
| Financial charges paid | - | - | (4,143,905) | (3,182,287) |
| Total cash used in financing activities | - | - | (40,784,705) | (52,422,000) |
| Net cash generated from / (used in) all activities | 7,140,134 | 2,326,309 | 38,299,269 | (47,602,182) |
| Cash and cash equivalent at beginning of the year | 4,038,379 | 1,760,494 | 220,235,860 | 549,719,050 |
| Cash and cash equivalent at end of the period | 11,178,513 | 4,086,803 | 258,535,129 | 502,116,868 |

Window Takaful Operations

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| Operator's Fund | | Participants' Takaful Fund | |
|----------------------|----------------------|----------------------------|----------------------|
| 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |

----- (Rupees) -----

Reconciliation to profit and loss account

| | | | | |
|--|---------------------|----------------------|---------------------|--------------------|
| Operating cash flows | 6,933,740 | (97,831,261) | 68,003,034 | 58,650,169 |
| Depreciation Expense | (34,729,240) | (32,075,917) | (42,429,048) | (56,536,782) |
| Amortization | (1,712,478) | (1,489,498) | - | - |
| Bad debt reversal / (expense) | - | - | 500,000 | (4,000,000) |
| Reversal of Contribution deficiency reserve | - | - | 141,984 | - |
| Income tax paid | - | 4,181,606 | 816,965 | - |
| Provision for taxation | - | (4,447,029) | (5,950,236) | - |
| Investment Income | 206,394 | 157,570 | 30,624,070 | 31,967,388 |
| Net realized fair value gains on financials assets at fair value through profit or loss | - | - | - | 4,717,528 |
| Financial charges expense | - | - | - | (7,239,170) |
| Increase in assets other than cash | 154,043,669 | 9,875,648 | 240,589,352 | 234,901,572 |
| (Increase) in liabilities | (176,850,813) | (23,091,076) | (391,574,724) | (153,052,080) |
| (Deficit) / Surplus after taxation | (52,108,727) | (144,719,957) | (99,278,603) | 109,408,625 |


Definition of cash

Cash comprises of cash in hand, policy stamps, bank balances and term deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

1. STATUS AND NATURE OF BUSINESS

1.1 TPL Insurance Limited (the Company or the Operator) was incorporated in Pakistan in 1992 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Operator was allowed to work as Window Takaful Operator (the Operator) on 04 September 2014 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Operator is listed at Pakistan Stock Exchange Limited. The principal office of the Operator is located at 19-B, Sindhi Muslim Cooperative Housing Society (S.M.C.H.S), near Roomi Masjid, Shahrah-e-Faisal, Karachi, Pakistan.

1.2 For the purpose of carrying on the takaful business, the Operator formed a Waqf / Participant Takaful Fund (PTF) on 20 August 2014 under the Waqf deed. The Waqf deed governs the relationship of Operator and Participants for management of takaful operations.

2. BASIS OF PREPARATION

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

- International Financial Reporting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) for interim Financial Reporting notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

2.2 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.

2.3 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020.

2.4 These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

2.5 These condensed interim financial statements for the nine months ended September 30, 2021 have been prepared under the historical cost convention, except that investments classified as either 'fair value through profit or loss' or 'fair value through other comprehensive income' are stated at fair value and obligations under employee share option plan are measured at present value.

2.6 The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements as at and for the year ended 31 December 2020.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2020.

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period.

The Company has adopted the following amendments to IFRSs which became effective for the current period:

Standard or Interpretation

IFRS 3 & IAS 39 - Interest Rate Benchmark Reform Phase 2 (Amendments)

Covid-19 related rent concessions beyond 30 June 2021 (Amendment to IFRS 16)

The adoption of the above Standards / amendments and improvements to accounting standards did not have any effect on the Company's condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective.

The following IFRSs as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting period beginning on or after 01 January 2022:

| Standard, interpretation or amendment | Effective date (annual periods beginning on or after) |
|--|--|
| - IFRS 3 - Revised Conceptual Framework (Amendments) | 01 January 2022 |
| - IAS 16 - Property, Plant and Equipments: proceeds before intended use | 01 January 2022 |
| - IAS 37 - Onerous Contracts: cost of fulfilling a contract | 01 January 2022 |
| - IAS 1 - Classification of Liabilities as Current or Non-current (Amendments) | 01 January 2023 |
| - IAS 1 - Disclosure of Accounting Policies (Amendments) | 01 January 2023 |
| - IAS 8 - Definition of Accounting Estimates (Amendments) | 01 January 2023 |
| - IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments) | 01 January 2023 |

The above amendments are not likely to have an impact on Company's condensed interim financial statements except for IFRS 9 Financial Instruments. In addition to above Standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on or after 01 January 2022 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards

- IFRS 1 – First time adoption of IFRSs
- IFRS 17 – Insurance Contracts
- IFRS 14 – Regulatory Deferral Accounts

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Operator's accounting policies. The estimates / judgments and associated assumptions used in the preparation of the condensed interim financial statements are based on historical experience and other factors, including 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 for the year ended December 31, 2020.

5. EQUIPMENT - PTF

| | (Unaudited) | (Audited) |
|---------------------|--------------------------|-------------------|
| | 30 September 2021 | 31 December 2020 |
| | ----- (Rupees) ----- | |
| Right of use Assets | 23,008,412 | 42,119,988 |
| | <u>23,008,412</u> | <u>42,119,988</u> |

6. INVESTMENT IN MUTUAL FUNDS UNITS - PTF

| | (Unaudited) | | | (Audited) | | |
|---|----------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | 30 September 2021 | | | 31 December 2020 | | |
| | Cost | Unrealized Gain | Carrying Value | Cost | Unrealized Gain | Carrying Value |
| | ----- (Rupees) ----- | | | | | |
| - Classified as 'At fair value through profit and loss' | | | | | | |
| AKD Islamic Stock Fund | 36,516,536 | 5,450,507 | 41,967,043 | 10,000,000 | 5,614,373 | 15,614,373 |
| | <u>36,516,536</u> | <u>5,450,507</u> | <u>41,967,043</u> | <u>10,000,000</u> | <u>5,614,373</u> | <u>15,614,373</u> |

7. TERM DEPOSITS - PTF

| | (Unaudited) | (Audited) |
|------------------------------------|--------------------------|--------------------|
| | 30 September 2021 | 31 December 2020 |
| | ----- (Rupees) ----- | |
| Deposits maturing within 12 months | 325,000,000 | 325,000,000 |
| Deposits maturing after 12 months | 2,500,000 | 2,500,000 |
| | <u>327,500,000</u> | <u>327,500,000</u> |

7.1 These carry profit rate ranging from 5.00% to 6.75% per annum (31 December 2020: 6.00% to 6.75% per annum).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

8. Qard-e-Hasna

| | (Unaudited) | (Audited) |
|--|--------------------------|--------------------|
| | 30 September 2021 | 31 December 2020 |
| | ----- (Rupees) ----- | |
| Balance as at the beginning of the period | 103,900,000 | 203,900,000 |
| Qard e Hasna returned by PTF during the period | - | (100,000,000) |
| Balance as at the end of the period | <u>103,900,000</u> | <u>103,900,000</u> |

In accordance with the Takaful Rules, 2012, if at any point in time, assets in participant takaful fund are not sufficient to cover its liabilities, the deficit shall be funded by way of an interest free loan (Qard-e-Hasna) from Operator Fund. In the event of future surplus in the Participant Takaful Fund to which a Qard-e-Hasna has been made, the Qard-e-Hasna shall be repaid prior to distribution of surplus to participants.

9. RECEIVABLE / PAYABLE BETWEEN OF & PTF

| | (Unaudited) | (Audited) |
|-----------------------------|--------------------------|------------------|
| | 30 September 2021 | 31 December 2020 |
| | ----- (Rupees) ----- | |
| Wakala fee | 147,419,674 | 583,558 |
| Mudarib fee | 3,451,376 | 1,264,155 |
| Taxes and Duties receivable | 19,752,415 | 3,820,029 |
| | <u>170,623,465</u> | <u>5,667,742</u> |

10. OTHER CREDITORS AND ACCRUALS

| | Operator's Fund | | Participants' Takaful Fund | |
|--|--------------------------|-------------------|----------------------------|-------------------|
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| | 30 September 2021 | 31 December 2020 | 30 September 2021 | 31 December 2020 |
| Creditors | 1,769,827 | 2,390,342 | - | - |
| Federal insurance fee | - | - | 1,269,709 | 1,084,318 |
| Federal Excise Duty (FED) - net | 1,720,140 | 792,148 | 16,995,289 | 12,385,635 |
| Commission payable | 45,723,996 | 35,587,186 | - | - |
| Lease obligation against right-of-use assets | - | - | - | 21,899,943 |
| Withholding tax payable | 574,229 | 381,001 | 1,926,240 | 4,001,085 |
| Deposits from customers | - | - | 2,249,263 | 7,280,587 |
| Others | 1,021,584 | 1,209,202 | 10,625,380 | 6,609,352 |
| | <u>50,809,776</u> | <u>40,359,879</u> | <u>33,065,881</u> | <u>53,260,920</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | (Unaudited) | | (Unaudited) | |
|--|-----------------------------------|----------------------|----------------------------------|----------------------|
| | For the three months period ended | | For the nine months period ended | |
| | 30 September 2021 | 30 September 2020 | 30 September 2021 | 30 September 2020 |
| 11. NET TAKAFUL CONTRIBUTION | ------(Rupees)----- | | ------(Rupees)----- | |
| - PTF | | | | |
| Written Gross contribution | 479,081,981 | 369,508,919 | 1,103,620,541 | 907,451,077 |
| Less: Wakala Fee | (192,335,858) | (157,331,748) | (476,005,469) | (381,709,803) |
| Contribution Net of Wakala Fee | 286,746,123 | 212,177,171 | 627,615,072 | 525,741,274 |
| Add: Unearned contribution reserve opening net of deferred wakala fee | 344,448,130 | 334,522,688 | 355,741,240 | 438,235,998 |
| Less: Unearned contribution reserve closing net of deferred wakala fee | (434,455,589) | (367,663,493) | (434,455,589) | (367,663,493) |
| Contribution Earned | 196,738,664 | 179,036,366 | 548,900,723 | 596,313,778 |
| Retakaful contribution ceded | 66,536,299 | 36,129,310 | 113,718,707 | 60,019,977 |
| Add: Prepaid retakaful contribution opening | 43,004,880 | 16,932,563 | 52,098,754 | 19,058,346 |
| Less: Prepaid retakaful contribution closing | (75,158,718) | (38,072,503) | (75,158,718) | (38,072,503) |
| Retakaful expense | 34,382,461 | 14,989,370 | 90,658,743 | 41,005,820 |
| Net Contribution | 162,356,203 | 164,046,995 | 458,241,980 | 555,307,958 |
| 12. NET TAKAFUL CLAIMS | | | | |
| - PTF | | | | |
| Claims paid | 265,357,545 | 189,142,868 | 617,428,486 | 450,439,838 |
| Add: Outstanding claims including IBNR closing | 272,195,060 | 193,224,386 | 272,195,060 | 193,224,386 |
| Less: Outstanding claims including IBNR opening | (239,245,920) | (187,833,910) | (175,407,599) | (128,760,879) |
| Claims expense | 298,306,685 | 194,533,344 | 714,215,947 | 514,903,345 |
| Less: Retakaful and other recoveries received | 48,492,193 | 22,722,651 | 148,478,154 | 73,648,708 |
| Add: Retakaful and other recoveries in respect of outstanding claims - closing | 174,978,713 | 89,201,420 | 174,978,713 | 89,201,420 |
| Less: Retakaful and other recoveries in respect of outstanding claims - opening | (132,045,357) | (60,805,817) | (123,774,489) | (34,799,558) |
| Retakaful and other recoveries revenue | 91,425,549 | 51,118,254 | 199,682,378 | 128,050,570 |
| Net takaful claims expense | 206,881,136 | 143,415,090 | 514,533,569 | 386,852,776 |
| 13. NET COMMISSION EXPENSE | | | | |
| - OF | | | | |
| Commissions paid or payable | 53,974,134 | 38,808,220 | 128,156,635 | 97,952,887 |
| Add: Deferred commission - opening | 84,003,228 | 68,063,176 | 100,436,765 | 97,920,467 |
| Less: Deferred commission - closing | (89,752,109) | (68,530,020) | (89,752,109) | (68,530,020) |
| Commission expense | 48,225,253 | 38,341,376 | 138,841,291 | 127,343,334 |
| Less: Commission from retakaful | | | | |
| Commission received or receivable | 8,068,189 | 5,597,803 | 13,141,527 | 7,857,936 |
| Add: Unearned retakaful commission - opening | 5,231,279 | 1,598,187 | 8,780,599 | 2,358,385 |
| Less: Unearned retakaful commission - closing | (8,700,360) | (5,259,173) | (8,700,360) | (5,259,173) |
| Commission from retakaful | 4,599,108 | 1,936,817 | 13,221,766 | 4,957,148 |
| Net commission expense | 43,626,145 | 36,404,558 | 125,619,525 | 122,386,185 |

Window Takaful Operations
**NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)**
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

14. SEGMENT INFORMATION

(Unaudited)

For the nine months period ended 30 September 2021

| | Fire & property damage | Marine | Motor | Health | Miscellaneous | Aggregate |
|--|------------------------|-------------|---------------|--------------|---------------|---------------|
| | (Rupees) | | | | | |
| 14.1 Participants' Takaful Fund | | | | | | |
| Gross Written Contribution (inclusive of Administrative Surcharge) | 54,284,863 | 9,862,985 | 924,878,728 | 107,085,010 | 7,508,954 | 1,103,620,540 |
| Gross Direct Contribution | 53,347,803 | 9,482,061 | 893,635,653 | 106,965,616 | 7,159,361 | 1,070,590,494 |
| Facultative Inward Premium | 727,935 | 95,200 | 1,635,855 | - | - | 2,458,790 |
| Administrative Surcharge | 209,125 | 285,724 | 29,607,420 | 119,394 | 349,593 | 30,571,256 |
| Gross Wakala Fees during the period | (24,543,207) | (4,595,491) | (432,479,509) | (10,815,956) | (3,571,305) | (476,005,468) |
| Takaful contribution earned net of wakala fee expense | 20,293,971 | 5,346,901 | 463,885,909 | 57,790,239 | 1,583,704 | 548,900,724 |
| Takaful contribution ceded to retakaful operators | (33,188,394) | (8,192,952) | (33,936,074) | (15,341,324) | - | (90,658,744) |
| Net takaful contribution | (12,894,423) | (2,846,051) | 429,949,835 | 42,448,915 | 1,583,704 | 458,241,980 |
| Net underwriting income | (12,894,423) | (2,846,051) | 429,949,835 | 42,448,915 | 1,583,704 | 458,241,980 |
| Takaful claims | (47,241,264) | (1,482,298) | (598,959,739) | (65,538,485) | (994,163) | (714,215,947) |
| Retakaful claims and other recoveries | 46,281,497 | 1,219,943 | 143,670,157 | 8,508,544 | 2,236 | 199,682,377 |
| Net Claims | (959,767) | (262,353) | (455,289,582) | (57,029,941) | (991,927) | (514,533,570) |
| Provision for Contribution deficiency reserve | - | - | - | 141,984 | - | 141,984 |
| Direct expenses | - | - | (58,615,612) | - | - | (58,615,612) |
| (Deficit) / Surplus before investment income | (13,854,190) | (3,108,404) | (83,955,359) | (14,439,042) | 591,777 | (114,765,218) |
| Investment income | | | | | | 30,624,070 |
| Less: Modarib's share of investment income | | | | | | (9,187,221) |
| Taxation | | | | | | (5,950,236) |
| Deficit transferred to balance of PTF | | | | | | (99,278,605) |
| Corporate segment assets | 44,144,477 | 5,823,880 | 566,942,026 | 9,970,048 | 5,478,257 | 632,358,688 |
| Corporate unallocated assets | | | | | | 810,833,742 |
| Total assets | | | | | | 1,443,192,430 |
| Corporate segment liabilities | 37,576,505 | 2,427,490 | 795,715,829 | 37,817,030 | 3,883,503 | 877,420,357 |
| Corporate unallocated liabilities | | | | | | 519,776,421 |
| Total liabilities | | | | | | 1,397,196,778 |
| 14.2 Operator's Fund | | | | | | |
| Wakala fee | 16,672,925 | 4,657,507 | 405,035,635 | 6,381,401 | 1,425,735 | 434,173,203 |
| Net Commission expense | 732,959 | 306,694 | (124,824,457) | (1,436,352) | (398,368) | (125,619,524) |
| Management expenses | (1,255,455) | (601,879) | (277,434,389) | (18,080,156) | (999,924) | (298,371,803) |
| | 16,150,429 | 4,362,322 | 2,776,789 | (13,135,107) | 27,443 | 10,181,876 |
| Modarib's share of PTF investment income | | | | | | 9,187,221 |
| Investment income | | | | | | 206,394 |
| Other expenses | | | | | | (71,684,219) |
| Loss before taxation | | | | | | (52,108,727) |
| Corporate segment assets | 1,486,799 | 204,319 | 80,446,261 | 1,542,281 | 323,568 | 84,003,228 |
| Corporate unallocated assets | | | | | | 188,210,798 |
| Total assets | | | | | | 272,214,026 |
| Corporate segment liabilities | 6,197,619 | 575,614 | 273,469,511 | 2,690,608 | 1,471,052 | 284,404,404 |
| Corporate unallocated liabilities | | | | | | 528,234,661 |
| Total liabilities | | | | | | 812,639,065 |

Window Takaful Operations
**NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UN-AUDITED)**
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

14. SEGMENT INFORMATION (CONTINUED)

| | (Unaudited) | | | | | |
|--|--|--------------------|-------------------|------------------|------------------|--------------------|
| | For the nine months period ended 30 September 2020 | | | | | |
| Fire & property damage | Marine | Motor | Health | Miscellaneous | Aggregate | |
| | (Rupees) | | | | | |
| 14.3 Participants' Takaful Fund | | | | | | |
| Gross Written Contribution (inclusive of Administrative Surcharge) | 32,049,987 | 9,279,902 | 791,745,659 | 73,468,766 | 906,763 | 907,451,077 |
| Gross Direct Contribution | 31,035,124 | 8,797,770 | 762,146,516 | 73,372,088 | 489,113 | 875,840,611 |
| Facultative Inward Premium | 895,795 | 177,893 | 3,527,929 | - | 402,842 | 5,004,459 |
| Administrative Surcharge | 119,068 | 304,239 | 26,071,214 | 96,678 | 14,808 | 26,606,007 |
| Gross Wakala Fees during the period | (14,235,514) | (4,208,861) | (357,529,167) | (5,337,578) | (398,683) | (381,709,803) |
| Takaful contribution earned net of wakala fee expense | 16,159,015 | 5,453,517 | 518,506,449 | 55,937,993 | 256,804 | 596,313,778 |
| Takaful contribution ceded to retakaful operators | (16,958,343) | (7,014,640) | (16,989,825) | - | (43,012) | (41,005,820) |
| Net takaful contribution | (799,328) | (1,561,123) | 501,516,624 | 55,937,993 | 213,792 | 555,307,958 |
| Net underwriting income | (799,328) | (1,561,123) | 501,516,624 | 55,937,993 | 213,792 | 555,307,958 |
| Takaful claims | (13,325,942) | (2,745,565) | (444,381,434) | (53,958,578) | (491,826) | (514,903,345) |
| Retakaful claims and other recoveries | 11,393,940 | 2,469,251 | 114,047,382 | - | 139,996 | 128,050,569 |
| Net Claims | (1,932,002) | (276,314) | (330,334,052) | (53,958,578) | (351,830) | (386,852,776) |
| Reversal of Contribution deficiency reserve | - | - | - | - | - | - |
| Direct expenses | - | - | (77,486,828) | - | - | (77,486,828) |
| (Deficit) / surplus before investment income | (2,731,330) | (1,837,437) | 93,695,744 | 1,979,415 | (138,038) | 90,968,354 |
| Investment income | | | | | | 31,967,388 |
| Net unrealized fair value gains on financial assets at fair value through profit or loss | | | | | | 4,717,528 |
| Less: Modarib's share of investment income | | | | | | (11,005,475) |
| Financial Charges | | | | | | (7,239,170) |
| Surplus transferred to balance of PTF | | | | | | 109,408,625 |
| Corporate segment assets | 40,629,091 | 4,561,299 | 409,644,937 | 4,160,070 | 695,535 | 459,690,933 |
| Corporate unallocated assets | | | | | | 735,351,021 |
| Total assets | | | | | | 1,195,041,954 |
| Corporate segment liabilities | 35,059,026 | 4,887,823 | 756,032,142 | 70,849,201 | 854,547 | 866,682,739 |
| Corporate unallocated liabilities | | | | | | 267,842,208 |
| Total liabilities | | | | | | 1,134,524,947 |
| 14.4 Operator's Fund | | | | | | |
| Wakala fee | 7,173,149 | 3,961,867 | 272,819,653 | 1,177,508 | 173,388 | 285,305,565 |
| Net Commission expense | (296,981) | (157,483) | (117,409,023) | (4,486,494) | (36,204) | (122,386,185) |
| Management expenses | (8,634,006) | (2,499,930) | (213,289,835) | (17,723,730) | (244,275) | (242,391,776) |
| | (1,757,838) | 1,304,454 | (57,879,205) | (21,032,716) | (107,091) | (79,472,396) |
| Modarib's share of PTF investment income | | | | | | 11,005,475 |
| Investment income | | | | | | 157,570 |
| Other expenses | | | | | | (71,963,578) |
| Loss before taxation | | | | | | (140,272,929) |
| Corporate segment assets | 3,377,407 | 296,478 | 61,373,937 | 3,421,308 | 60,890 | 68,530,020 |
| Corporate unallocated assets | | | | | | 157,145,686 |
| Total assets | | | | | | 225,675,686 |
| Corporate segment liabilities | 11,203,912 | 862,916 | 230,331,492 | 4,160,070 | 251,100 | 246,809,491 |
| Corporate unallocated liabilities | | | | | | 337,658,440 |
| Total liabilities | | | | | | 584,467,931 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2021

| | (Unaudited) 30 September 2021 | (Unaudited) 30 September 2020 |
|---|-------------------------------------|-------------------------------------|
| | ------(Rupees)----- | |
| 15. TRANSACTIONS WITH RELATED PARTIES - PTF | | |
| TPL Insurance Limited | | |
| Opening balance - payable* | 2,669,546 | 626,078 |
| Rental and other services charges | 56,665,531 | 69,219,404 |
| Payments made by PTF - net | (53,284,609) | (69,142,892) |
| Closing balance - payable | <u>6,050,468</u> | <u>702,590</u> |
| Operator's Fund | | |
| Opening balance - payable (including Qard-e-Hasna)* | 109,567,742 | 213,792,768 |
| Wakala fee charged during the period | 476,005,469 | 381,709,803 |
| Qard-e-Hasna repaid during the period | - | (100,000,000) |
| Modarib Fee charged during the period | 9,187,221 | 11,005,475 |
| Taxes and other movement during the period | 107,948,869 | 110,863,046 |
| Payments made during the period | (428,185,836) | (464,312,229) |
| Closing balance - payable (including Qard-e-Hasna) | <u>274,523,465</u> | <u>153,058,863</u> |
| TPL Life Insurance Limited - common directorship | | |
| Opening balance - payable* | 16,528,662 | - |
| Retakaful services received during the period | (5,380,001) | - |
| Closing balance - payable | <u>11,148,661</u> | <u>-</u> |

* This represent the balances outstanding as at 1st January.

16. GENERAL


Figures have been rounded off to the nearest Rupee.

17. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on 26 October 2021 by the Board of Directors of the Company.


Chief Financial Officer


Director


Director


Chief Executive Officer


Chairman

OTHER

INFORMATION

PATTERN OF SHAREHOLDING

AS AT SEPTEMBER 30, 2021

| No. of Shareholders | From | To | Shares Held | Percentage |
|---------------------|------------|------------|--------------------|-----------------|
| 203 | 1 | 100 | 1,116 | 0.0010 |
| 38 | 101 | 500 | 11,073 | 0.0094 |
| 97 | 501 | 1,000 | 61,001 | 0.0521 |
| 99 | 1,001 | 5,000 | 197,865 | 0.1688 |
| 18 | 5,001 | 10,000 | 124,556 | 0.1063 |
| 12 | 10,001 | 15,000 | 144,230 | 0.1231 |
| 1 | 15,001 | 20,000 | 16,734 | 0.0143 |
| 3 | 20,001 | 25,000 | 72,603 | 0.0620 |
| 1 | 25,001 | 30,000 | 29,905 | 0.0255 |
| 1 | 30,001 | 35,000 | 33,412 | 0.0285 |
| 2 | 35,001 | 40,000 | 74,763 | 0.0638 |
| 1 | 40,001 | 45,000 | 43,307 | 0.0370 |
| 1 | 45,001 | 50,000 | 45,556 | 0.0389 |
| 2 | 55,001 | 60,000 | 118,619 | 0.1012 |
| 1 | 60,001 | 65,000 | 60,062 | 0.0513 |
| 1 | 95,001 | 100,000 | 96,500 | 0.0823 |
| 1 | 120,001 | 125,000 | 124,300 | 0.1061 |
| 2 | 370,001 | 375,000 | 747,290 | 0.6377 |
| 1 | 400,001 | 405,000 | 400,020 | 0.3413 |
| 2 | 405,001 | 410,000 | 811,919 | 0.6928 |
| 1 | 535,001 | 540,000 | 537,620 | 0.4588 |
| 1 | 675,001 | 680,000 | 676,970 | 0.5777 |
| 1 | 685,001 | 690,000 | 690,000 | 0.5888 |
| 1 | 750,001 | 755,000 | 752,983 | 0.6425 |
| 1 | 2,495,001 | 2,500,000 | 2,498,500 | 2.1320 |
| 1 | 2,695,001 | 2,700,000 | 2,698,897 | 2.3030 |
| 1 | 3,220,001 | 3,225,000 | 3,221,500 | 2.7489 |
| 1 | 3,995,001 | 4,000,000 | 4,000,000 | 3.4132 |
| 1 | 5,095,001 | 5,100,000 | 5,099,000 | 4.3510 |
| 1 | 14,315,001 | 14,320,000 | 14,318,953 | 12.2184 |
| 1 | 18,095,001 | 18,100,000 | 18,100,000 | 15.4448 |
| 1 | 18,205,001 | 18,210,000 | 18,208,323 | 15.5373 |
| 1 | 19,845,001 | 19,850,000 | 19,848,684 | 16.9370 |
| 1 | 23,320,001 | 23,325,000 | 23,325,000 | 19.9034 |
| 501 | | | 117,191,261 | 100.0000 |

CATEGORY OF SHAREHOLDING

AS AT SEPTEMBER 30, 2021

| Particulars | No of Folio | No of Shares | Percentage |
|--|-------------|--------------------|----------------|
| Directors, CEO & their Spouse and Minor Children | 6 | 17,361 | 0.015% |
| Mr. Jameel Yousuf | | 620 | 0.001 |
| Mr. Ali Jameel | | 620 | 0.001 |
| Mr. Andrew Borda | | 1 | 0.000 |
| Syed Nadir Shah | | 1,120 | 0.001 |
| Muhammad Aminuddin | | 15,000 | 0.013 |
| Associated Companies | 8 | 78,774,450 | 67.219% |
| Tpl Corp Limited | | 77,697,460 | 66.300 |
| Tpl Holdings (Private) Limited | | 1,076,990 | 0.919 |
| Banks, DFI & NBFI | 2 | 451 | 0.000% |
| Fawad Yusuf Securities (Pvt.) Limited | | 329 | 0.000 |
| Paradigm Factors (Private) Limited | | 122 | 0.000 |
| Mutual Funds | 8 | 13,056,290 | 11.141% |
| CDC - Trustee Picic Investment Fund | | 537,620 | 0.457 |
| CDC - Trustee Picic Growth Fund | | 752,983 | 0.640 |
| CDC - Trustee Faysal Stock Fund | | 5,099,000 | 4.351 |
| CDC - Trustee Akd Opportunity Fund | | 2,698,897 | 2.263 |
| CDC - Trustee Nbp Stock Fund | | 2,498,500 | 2.132 |
| CDC - Trustee Hbl - Stock Fund | | 406,000 | 0.342 |
| CDC - Trustee Hbl Equity Fund | | 690,000 | 0.576 |
| CDC - Trustee Golden Arrow Stock Fund | | 373,290 | 0.314 |
| General Public (Local) | 458 | 1,455,980 | 1.242% |
| General Public (Forgein) | 6 | 1,705 | 0.001% |
| Others | 12 | 560,024 | 0.478% |
| Toyota Hyderabad Motors | | 33,412 | 0.028 |
| Bonus Fraction B-2018 | | 189 | 0.000 |
| NCC-pre Settlement Delivery Account | | 500 | 0.000 |
| Mohammad Munir Mohammad Ahmed Khanani Securities Limited | | 4,500 | 0.004 |
| CDC Stay Order Cases With Fracton | | 405,919 | 0.341 |
| Bonus Fraction B-2019 | | 168 | 0.000 |
| Habib Sugar Mills Ltd | | 60,062 | 0.051 |
| Sarfraz Mahmood (Private) Ltd | | 500 | 0.000 |
| Maple Leaf Capital Limited | | 1 | 0.000 |
| Federal Board Of Revenue | | 16,734 | 0.014 |
| Falcon-I (Private) Limited | | 1 | 0.000 |
| Toyota Sahara Motors (Pvt) Ltd | | 38,038 | 0.032 |
| Foreign Companies | 1 | 23,325,000 | 19.903% |
| DEG - Deutsche Investitions- und EntwicklungsgesellschaftmbH ("DEG") | | 23,325,000 | 19.903 |
| Company Total | 501 | 117,191,261 | 100% |

Corporate Office

Plot 19 B, Sindhi Muslim Cooperative
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