Defined by Values



Report (Un-Audited)
SECOND QUARTER 2018



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Company Information

Chairman Saifuddin N. Zoomkawala

Managing Director & Chief Executive Hasanali Abdullah

Directors

Abdul Rehman Haji Habib Taher G. Sachak Ali Raza Siddiqui Mohammed Iqbal Mankani Mahmood Lotia Saad Ali Bhimjee Daanish Bhimjee

Chief Financial Officer & Corporate Secretary Altaf Qamruddin Gokal, F.C.A.

Legal Advisor Mohammad Ali Sayeed

Advisors

Jaffer Dossa Salim Rafik Sidiki, B.A. (Hons), M.A. S.C. (Hamid) Subjally Shaukat Saeed Ahmed Syed Mehdi Imam, M.A.

Shari'ah Advisor Mufti Muhammad Ibrahim Essa

Audit Committee

Mohammed Iqbal Mankani Taher G. Sachak Ali Raza Siddiqui Daanish Bhimjee

Investment Committee

Saifuddin N. Zoomkawala Hasanali Abdullah Daanish Bhimjee Altaf Qamruddin Gokal Atif Anwar

Ethics, Human Resource & Remuneration Committee

Saifuddin N. Zoomkawala Hasanali Abdullah Mohammed Iqbal Mankani

Auditors

KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi

Registrar

Central Depository Company of Pakistan Limited CDC House, 99-B, Block B S.M.C.H.S., Shahra-e-Faisal Karachi - 74400

Website

www.efuinsurance.com

Email

info@efuinsurance.com

Registered Office

Kamran Centre, 1st Floor 85, East, Jinnah Avenue Blue Area Islamabad

Main Offices

EFU House M. A. Jinnah Road Karachi

Co-operative Insurance Building 23, Shahrah-e-Quaid-e-Azam Lahore

Window Takaful Operations

5th Floor, EFU House M. A. Jinnah Road Karachi

Directors' Review

We are pleased to present the unaudited financial statements for the six months period ended 30 June 2018.

The Written Premium (Including Takaful) for the six months period was Rs 9,976 million (Takaful Contribution Rs. 871 million) as against Rs. 9,873 million (Takaful Contribution Rs. 688 million) for corresponding period of last year. The Net Premium Revenue for the six months period (including Takaful Net Contribution Revenue) was Rs. 4,410 million as against Rs. 4,241 million for the corresponding period of last year. The overall Claims ratio to Net Premium Revenue was 43 % as compared to 39 % for the corresponding period of last year

The after fax profit for the six months period was Rs. 1,011 million compared to Rs. 1,297 million in the corresponding period last year.

The earning per share for the period was Rs. 5.06 against Rs. 6.49 (restated) in the corresponding period of last vear

As required by Insurance Rules, 2017, your Company has commenced recording Investment in equities and fixed income securities at fair value effective January 2018. The unrealized gain as on 30 June 2018 (net of deferred tax) was Rs. 3 784 million which has been reflected in Other Comprehensive Income.

The Consolidation has been effective from 31 March 2018, therefore, the consolidation of subsidiary's results in Consolidated Profit and Loss Account is for three months period from 1 April 2018 to 30 June 2018.

As per requirements of Section 228 of the Companies Act. 2017, the consolidated financial statements of the Company and EFU Life Assurance Limited are also presented. Consolidated gross premium was Rs 16 billion and net premium was Rs. 11 billion. The consolidated total assets were Rs. 154 billion and profit after tax was Rs. 828 m. Insurance Accounting Regulations 2017 gives option to value investment property at either fair value model or cost model Consequently, the Company has changed its accounting policy for valuation of investment properties from cost model to fair value model.

The Company has also changed its accounting policy for 'Investments in Subsidiary and Associates' which were being accounted for by using the equity method of accounting are now accounted for at fair value and classified as available for sale investments in the unconsolidated condensed interim financial statements.

Both changes in accounting policies have been applied retrospectively in accordance with the requirement of IAS The comparatives have been restated accordingly.

Your Directors have pleasure in declaring 2nd interim cash dividend of Rs. 1.25 (12.5 %) per share for the year 2018.

We are hopeful to deliver sustainable, profitable growth in challenging and competitive business environment in order to maintain leading position in the industry.

It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by officers, field force and staff who had contributed to the growth of the Company and the continued success of its operations.

Your Directors would also like to thank the Securities & Exchange Commission of Pakistan. Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.

Dirant

Karachi, 18 August 2016

Managing Director & Chief Executive

HASANALI ABDULLAH

Director Chairman of the meeting

ۋاتر يكثرزريويو (بياتكريزى داتر يكثرز ريويوكاتر جمسې)

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چيز تن آف دل مينق كرايى، ١٨ أكت ١٨٠٠

ہم ہمرت آپ کی خدمت میں ۳۰ جون ۱۸ ۲۰ مرکوم ہونے والی ششوائی مت کیلیے غیر آؤٹ شدہ دالیاتی حسایات پیش کرتے ہیں۔

ال ششابان مدت کے دوران زیرتجریر پر پیشم ۹،۹۷۲ ملین روپ رہا (شاخل کنٹر یوش اے ۸ ملین روپ) جبکہ گزشتہ سال ای مدت میں ۹،۸۷۲ ملین روپ (تکافل کنٹر یوشن ۱۸۸ ملین روپ) تعار ششمان مدت کے دوران خاکص پر پیشم آ مدن (بشمول خاکس تکافل کنٹر یوشن آ مدن) ۳۰،۳۱۰ ملین روپ رہا جبکہ گزشتہ سال ای مدت میں ۴۰۳۳ ملین روپ تعار خاکص پر سیسم آ مدن کیلئے جمودی کیمز کا تناب ۳۳ فیمد دہا جبکہ گزشتہ سال ای مدت میں ۳۹ فیصد تعا۔

٢ ماه كى مت كيليته منافع بعد ازتيك ١١ • ١ المين دوب تعاجو كرشت مال اى مت مي ١،٣٩٠ علين روب ربا تعا.

اس دت كيلية آمدنى في شيتر ٢٠٥٨ روي في جوكز شد سال اى د ت من اس في برخلاف ٢٩ ٢٠ روب (دوباره بيان كرده)ر بي تحى-

انشورش رونز ۲۰۱۷ کی شرائط کے مطابق آپ کی کمپنی نے جنوری ۲۰۱۸ء سے موٹر انعمل نیئز ویلیو پرایکو شیز اورفکسڈ انکم سکیو رشیز میں ریکارڈ سرمایہ کاری کا آغاز تمیا تھا۔ ۳ جون ۲۰۱۸ء کے مطابق غیریقینی فائدہ (ڈیفرڈ کیکس کا خالص) ۲۸۷ یہ تعلین روپے تھا جو دیگر جامع آیہ ٹی میں فلا برکیا جا سکتا ہے۔

مجموق صابات اسمارين ٢٠١٨ - مور العمل ،و يح تصابذا مجموى فقع دلتصان كحكمات سرف تمين ما دليتي يمم ايريل ٢٠١٨ - ٢٠ جون ١٨ - ٢ ك لخ يس-

کمپنیزا یک ۲۰۱۷ سیکٹن ۲۳۸ کی شرائط کے مطابق کمپنی ادرائی ایف یولائف ایشورٹس کمپنیز کے محوق پالیاتی حسابات بھی پیش کے لیے میں سیلز تیب مجموعی ادر خالص پر میم ۱۹ بلین ادر ۱۱ بلین روپے تھے۔ مجموعی نوٹل ۱۶ شد جات ۱۵۴ بلین روپے ادر متافع بعد از تیکس ۲۲۸ بلین روپ تقا۔ انشورٹس اکا 5 فڈنگ ریگولیشنز سارہ انویستمنہ پراپرٹی کی قدرہ قیمت کے لیے نیئر وطبع ماڈل یا کاست ماڈل کا اختیار ویتا ہے۔ بعد از ان کمپنی نے سرمایہ کاری کی اطلاک کی قدرہ قیمت کے لیے اپنی اکا 5 فڈنگ پالیسی کو کاست ماڈل سے قدیز وطبع ماڈل بیار۔

سمین نے '' ذیلی اداردن ادرابیوی ایش میں سرماییکاریون' کے لئے اپنی اکا تعنقک پالیسی بھی تبدیل کی جو کدا کا تعنقک کے ایکو بن طریقہ کارگواستعال کرتے ہوئے شار کی جارتی آئی ادراب اس کی اکا تشنگ فیئر ویلیوادردرجہ بندی پر کی جارتی ہے جیسا کہ فیئر بحوق کنڈ سط میوری مالیاتی حسابات میں فروشت کی انویسلون سے لئے دستیاب ہے۔

اکاؤنٹنگ پالیسیوں میں دونوں تبدیلیاں آئی اے ایس کی شرائط سے مطابق ابتداے لاکوکی تی میں۔موازندجات بھی اس سے مطابق دیان کیے گئے تیں۔ آپ سے ڈائزیکٹرز سال ۲۰۱۸، کیلیئے جسرت دوسرے عبوری نقد سنافع مقسمہ ۲۵ ماروپ (۵ متا فیصد) فی شیئر کا اطلان کردہے ہیں۔

میں اسد بر کہ محارد ہارے اس چینی اور سابقتی ماحول میں منتقل اور منافع بنش ترتی کی راہ پر کا طرن رہیں گے تا کد سنعت میں اپنی مرکزی حیثیت برقر ارد کھ سیسی -

آپ ے ڈائر کمٹرز کیلئے یہ امر گہرے اطمینان ادر سرت کا باعث ہے کہ وہ کمپنی گی ترقی اور اس کے آپریشتر میں مسلسل کا میابی اور بہتری کے طمن میں اخران ، فیلڈ فررس اورا سناف کی جانب ہے کی گئی کا دشول پرانہیں خرابی تحسین چی کرتے ہیں۔

آپ کے ڈائر بکٹر زمیلے رشیز اینڈ انکیٹی کیٹن آف پاکستان، پاکستان ری افشورنس کیٹی کمیٹڈ اور اپنے تمام دمی انشوررز کاان کی مسلسل رہنمائی اور تعادن کیلیے شکر یے بھی ادائر تا چاہتے ہیں۔

1n-1 minuta حسن على عبدالله ينجك ذالز يكثر وجف اتكز يكثيو

SBlungt 1.215



KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2, Beaumont Road Karachi 75530 Pakistan +92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of EFU General Insurance Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of EFU General Insurance Limited ("the Company") as at 30 June 2018 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "Interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for Interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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



KPMG Taseer Hadi & Co.

Other matter

The figures for the quarters ended 30 June 2018 and 30 June 2017 in the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

Date: 18 August 2018

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KPMG Taseer Hadi & Co. Chartered Accountants

Karachi

Unconsolidated Condensed Interim Statement of Financial Position As at 30 June 2018

			Rupees '000
	Note	30 June 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
Assets			
Property and equipments	7	2,532,332	1,289,023
Investment property	8	1,854,169	1,847.093
nvesiments	5	Det Alter	
Equity securities	9	19,575,125	17,418,874
Debt-securities	10	8,013,600	8,527,268
Term deposits	27	529,318	430,550
pans and other receivables	11	91,403	118,618
nsurance / reinsurance receivables	12	3,608,682	2,819,069
Reinsurance recoveries against outstanding claims	20	3,102,972	3,538,572
Salvage recoveries accrued		84,732	68,458
Deferred commission expense	21	537,207	689,587
Taxation - payments less provision			95,797
Prepayments	13	4,778,425	5,202,181
Cash and bank	14	981,721	1,164,209
fotal assets		45,889,685	43,209,299
fotal assets of window takaful operations - Operator's fund		558,226	433,480
Total assets		46,247,912	43,642,779
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital	5.0	2,000,000	2,000,000
Reserves	15	17,296,488	15,031,342
Inappropriated profit		2,368,357	3,357,115
Fotal equity		21,664,845	20,388,457
Surplus on revaluation of property and equipment		851,132	~ ~
labilities			
Inderwriting provisions	-	5,097,810	5,572,347
Outstanding claims including IBNR	20	7,872,446	8,496,686
Unearned premium reserves	19		461,616
Unearned reinsurance commission	21	386,483	71,805
tetirement benefit obligations		42,824	1,575,605
Jeferred taxation		2,459,198	31,487
remium received in advance		194,731	
nsurance / reinsurance payables		5,523,707	4,992,011
Iher creditors and accruals	16	1,798,389	1,814,387
axation - payments less provision		59,428	
otal Ilabilities		23,435,016	23,015,944
otal equity and liabilities		45,950,993	43,404,401
otal liabilities of window takaful operations - Operator's fund		296,919	238,378
Fotal equity and liabilities		46,247,912	43,642,779
Contingencies and commitments	/ 17		
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ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH Managing Director & Chiaf Executive

COOL Director

Chairman of the meeting

EFU GENERAL INSURANCE LIMITED

Knrachi 18 August 2018

Unconsolidated Condensed Interim Profit and Loss Account For the six months period ended 30 June 2018 (Unaudited)

			iths period 30 Junë		Rupees '000 hs period 30 June
	Note	2018	2017 (Restated)	2018	2017 (Restated)
Net insurance premium	19	1,807,439	1,936,917	3,673,225	3,756,708
Net insurance claims Net commission	20 21	(809,003) (145,926)	(735,361) (114,615)	(1,560,285) (337,072)	(1,460,979) (278,007)
Insurance claims and acquisition expenses Management expenses		(954,929) (619,555)	(850,176) (590,123)	(1,897,357) (1,271,372)	(1,738,986) (1,168,105)
Underwriting results		232,955	495,618	504,495	849,617
Investment income Rental Income Other Income Other expenses	22 23	722,509 30,652 25,259 (13,373) 765,047	835,105 31,584 30,707 (13,899) 863,497	911,235 49,995 50,422 (32,787) 978,865	1,045,934 43,938 54,792 (27,706) 1,116,958
Results of operating activities Finance cost Profit from window takeful operations - Operator's fund	24	998,002 8,528 20,144	1,380,115 194 8,513	1,483,361 16,153 53,230	1,966,575 200 18,611
Profit before lax Income tax expense Profit after tax	25	1,025,674 (381,327) 645,347	1,388,822 (508,342) 880,480	1,552,744 (541,502) 1,011,242	1,985,386 (688,240) 1,297,146
Earning (after tax) per share - Rupees	26	3.23	4.40	5.06	6.49

The annexed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

Director

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au Director

ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH

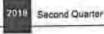
Managing Director & Chief Executive

Director

Chairman of the meeting

Karachi 18 August 2018

EFU GENERAL INSURANCE LIMITED



Unconsolidated Condensed Interim Statement of Comprehensive Income For the six months period ended 30 June 2018 (Unaudited)

				Rupees '000
	Three months period anded 30 June		Six months period anded 30 June	
	2018	2017 (Restated)	2018	2017 (Restated)
Profit after tax	645,347	880,480	1,011,242	1,297,146
Other comprehensive income	-		-	
Unrealized loss on available for sale Investments during the period	(751,143)	(747,599)	(163,723)	(649,632)
Reclassification adjustments relating to available for sale investments disposed off in the period	9,379	16.528	9,379	(115,133)
Unrealized gain on available for sale investments during the period of subsidiary / associate company	2,255,518	628,282	2,516,304	2,565,269
Total items that may be reclassified subsequently to profit and loss	1,513,754	(102.789)	2,361,960	1,799,504
Deferred tax on available for sale investment	260.081	254,135	83,835	293,411
Deferred tax on available for sale investment of subsidiary company	(602,306)	(188,485)	(880.272)	(769,581)
Net unrealized gain / (loss) after deferred tax	1,171,509	(37,139)	1,765,523	1,323,334
Net unrealized gain / (loss) from window takaful operation (net of deferred tax)	32	(574)	(377)	(350)
Net other comprehensive income	1,171,541	(37,713)	1,765,148	1,322,984
Total comprehensive income for the period	1.816.888	842,767	2,776,388	2,620,130

The annaxed notes 1 to 32 form an integral part of these unconsolidated condensed interim financial statements.

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au Director Director

ALTAF GOKAL

ALTAF GOKAL Chief Financial Officer & Corporate Secretary

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HASANALLABDULLAH Managing Director & Chief Executive

Director

Chairman of the meeting

Karachi 18 August 2018

EFU GENERAL INSURANCE LIMITED

Unconsolidated Condensed Interim Cash Flow Statement For the six months period ended 30 June 2018 (Unaudited)

		Rupees '000
	2018	2017 (Restated)
Operating activities		Transier
a) Underwriting activities		1
Insurance premium received	8,472,175	9,923,191
Reinsurance premlum paid	(5,074,164)	(5,076,995)
Claims paid	(2,547,559)	(2,588,417)
Reinsurance and other recoveries received	938,486	1,123,188
Commission pald	(745,627)	(823,653)
Commission received	392,226	486,769
Management expenses paid	(1,179,770)	(1,109,873)
	255,767	1,954,210
Net cash flow from underwriting activities	200,101	the life is
b) Other operating activities	(446,614)	(666,125)
Income tax paid	(91,554)	(94,159)
Other operating payments	25.083	(138,915)
Other operating receipts	(2,459)	(778)
Loans advanced		105
Loans repayments received	3,568	
Net cash flow from other operating activities	(511,986)	(799,872)
Total cash flow from all opwrating activities	(256,219)	1,154,338
Investment activities		
Profit / return received	347,029	299,293
Dividend received	683,848	719,554
Rental received	23,930	43,664
Payment for investments / investment properties	(18,152,222)	(5,408,040)
Proceeds from investments / investment properties	18,740,685	5,249,786
Fixed capital expenditures	(180,254)	(186,967)
Proceeds from sale of property and equipment	19,230	25,402
Total cash flow from Investing activities	1,482,246	742,692
Financing activities		
	(1,406,515)	(1.619,926)
Dividends paid	(182,488)	277,104
Net cash flow from all activities	1,164,209	1,195,586
Cash and cash equivalents at the beginning of period.		1,472,690
Cash and cash equivalents at the end of period	981,721	1,412,090
Reconciliation to profit and loss account	(1000 010)	4474 500
Operating cashflows	(256,219)	1,154,338
Depreciation / amortisation expense	(132,742)	(116,943)
Finance cost	16,153	200
Profit on disposal of property and equipment	16,249	
Rental Income	49,995	43,939
Dividend Income	580,133	718,229
Other investment income	231.102	327,705
Profit on deposit	34,000	32,655
Other Income	173	70
(Decrease) / Increase In assets other than cash	(271,113)	1,160,763
Decrease / (Increase) in liabilities other than running finance	590,281	(2,054,487)
Profit after tax from conventional insurance operations	958.012	1,278,535
Profit from window takaful operations - operator's fund	53,230	18,611
A STATE OF A STATE OF A STATE AND A STATE OF A	1,011,242	1,297,146
Profit after tax at the end of the period	110111010	- they are a

The annexed notes 1 to 32 form an integral p NIN 1001 HASANALI ABDULLAH Managing Director & Chief Executive 110 ALTAF GOKAL **Chief Financial Officer &** Director Tirecto Corporate Secretary

unconsolidated, ondensed Interim financial statements.

Director Chairman of the meeting

EFU GENERAL INSURANCE LIMITED

Karachi 18 August 2018

2018

Second Quarter

Unconsolidated Condensed Interim Statement of Changes in Equity

For the six months period ended 30 June 2018 (Unaudited)

			Reserve for		Unapprop-	
	Share capital	General reserve		Revaluation reserve	rinted profit	Total (Restated
Balance as at 01 January 2017 as previously reported	2,000,000	12,500,000	12,902		2,368,169	16,901,071
Restatement due to change in accounting policies (refer note 4) - net of deferred tax Balance as at 01 January 2017 (restated)	2,000,000	12,500,000	12,902	2,528,788	1,114,395	3,643,183 20,544,254
Total comprehensive income for the period ended 30 June 2017						
Profit after tax Other comprehensive Income		4		1,322,984	1,297,146	1,297,146 1,322,984 2,620,130
Transactions with owners, recorded directly in equity						
Final dividend for the year 2016 at the rate of Rs. 7.00 (70%) per share	1143			141	(1,400,000)	(1,400,000
1st Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share	~	-	-	4	(250,000)	(250,000
Other transfer within equity Transfer to general reserve	-	500,000	1.4	-	(500,000)	
Balance as at 30 June 2017 (restated)	2,000,000	13,000,000	12,902	3,851,772	2,649,710	21,514,384
Balance as al 01 January 2018 as previously reported	2,000,000	13,000,000	12,902	\sim	2,034,319	17,047,221
Restatement due to change in accounting policies (refer note 4) - net of deferred tax	2.000.000	13.000.000	12,902	2,018,440	1.322,795	3,341,236
Balance as at 01 January 2018 (restated) Total comprehensive income	2,000,000	13,000,000	12,002	21010,440	5,651,176	
for the period ended 30 Juna 2018 Profit after tax			- 1	1,765,146	1,011,242	1,011,242
Other comprehensive income Transactions with owners, recorded				1,765,146	1,011,242	2,776,388
directly in equity Final dividend for the year 2017 at the rate of Rs. 6.25 (62.5%) per share					(1,250,000)	(1,250,000
1st Interim dividend paid for the year 2018 at the rate of Rs. 1.25 (12.5%) per share	-			2	(250,000)	(250,000
Other transfer within equity Transfer to general reserve		500,000		le1	(500,000)	
Balance as at 30 June 2016	2,000,000	13,500,000	12,902	3,783,586	2,368,357	21,684,848
The annexed notes 1 to 32 form an integrat part of in		ed condensed	1	cial statement		sav

EFU GENERAL INSURANCE LIMITED

Karachi 18 August 2018

Notes to the Unconsolidated Condensed Interim Financial Statements For the six months period anded 30 June 2018 (Unaudited)

1. Legal status and nature of business

EFU General Insurance Limited (the Company) was incorporated as a public limited company on 02 September 1932. The Company is listed on the Pakistan Stock Exchange and is engaged in non-life inaurance business comprising of fire and property, marine, motor, miscalianeous etc.

The registered office of the Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Company commenced Window Takaful Operations from 18 April 2015 as par Securities and Exchange Commission of Pakistan (SECP) Yakaful Rules, 2012. The Company operates through 52 (2017: 52) branches in Pakistan Including a branch in Export Processing Zone (EPZ).

1.1 During the year, the Company has assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it has been concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018.

2. Basis of preparation and statement of compliance

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for Interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim linancial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Tekaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the regularments of IAS 34, the provisions of and directives leaved under the Companies Act, 2017. Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, lotal liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these unconsolidated condensed interim financial statement in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial statements of the General Window Takaful Operations has been reported which is ennexed to these unconsolidated condensed interim financial statements as per the requirements of the SECP Takaful Rules, 2012.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017.

3. Basis of measurement

3.1 The unconsolidated condensed interim financial statements have been prepared under the historical cost basis except for the available for-sale investments, property and equipments and investment property that have been measured at fair value.

3.2 Functional and presentation currency

These unconsolidated 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 the nearest rupaes in thousand, unters otherwise stated.

3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective.

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the defee mentioned below against the respective standard or interpretation:

- (FRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments of the standard.

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IFRS 15 'Revenue from contracts with customers'.

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 16 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer' Loyalty Programmes'. The Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

- 'IFRS 16 'Leases'

IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases'. Incentives' and SIC-27 ' Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 Introduces a single, on-balance sheet lease accounting model for lessees. A lease recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessor continue to classify leases as finance or operating leases. The Company is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use essets and liabilities on adoption of right to use assets and liabilities on adoption of the standard.

Summary of eignificant accounting policies

The accounting policies and method of computation adopted in the preparation of the unconsolidated condansed interim financial statement are consistent with those followed in the preparation of the annual financial examents of the Company for the year ended 31 December 2017 except for available for sele investment, property and equipment, investment property and format for preparation of unconsolidated condensed interim financial statements as disclosed in note 4.1.1, 4.1.2, 4.1.3, 4.1.4 and 4.1.5 respectively.

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

4.1 Change in accounting policies

4.1.1 During the period, the Company has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakistan vide its S.R.O. 69(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses arising on revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available-for-sale investments are valued at cost less imperment in value, if any. On derecognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS + 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated accordingly.

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (insurance) Rules, 2002.

Hed the accounting policy not been changed, available-for-sale investments, reserves and deterred taxation would have been lower by Rs.3,752 million, Rs.2,664 million and Rs.1,088 million (December 2017: Rs.3,907 million, Rs.2,735 million and Rs.1,172 million) respectively.

4.1.2 During the period, the Company has changed its accounting policy for valuation of investment properties from cost model to fair value model as par IA8 40 investment property. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS – 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

Had the accounting policy not been changed, invastment property and deferred taxation would have been lower by Rs.1,710 million and Rs. 485 million (December 2017: Rs. 1,697 million, and Rs. 502 million) respectively.

4.1.3 During the pariod the Company has changed its accounting policy for its land and building and related assets from cost model to revaluation model. Reveluation was carried out by the independent valuer. Surplus on revaluation is credited to surplus on revaluation account. This change in policy has been applied prospectively.

Hed the accounting policy not been changed, property and equipment and deterred texation would have been lower by Rs. 1,199 million and Rs. 348 million respectively.

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- 4.1.4 During the period, the Company has changed format for preparation of its unconsolidated condensed interim financial elatements to comply with the requirements of the "Insurance Rules, 2017" issued by SECP vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of unconsolidated condensed interim linancial statements of the Company for the six months period ended 30 June 2018.
- 4.1.5 During the period the Company has changed its accounting policy for 'investments in subsidiaries and associates' were being accounted for by using the equity method of accounting are now accounted for at fair value and classified as available for sale investments in accordance with the International Accounting Standards 39 'Financial Instruments: Recognition and measurement'. The management of the Company believes that the new policy provides more relevant information to the users of these unconsolidated condensed interim financial statements. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.

Had the accounting policy not been changed, investment in subsidiary would be higher by Re. 1,132 million.

Rupees '000

4.1.6 As per note 4.1.1, 4.1.2, 4.1.4 and 4.1.5 retrospective adjustments have been made in these unconsolidated condensed interim financial statements and comparatives have been revised as follows:

	31 Dacember 2017			31 December 2015		
	Balance Previously Reported	Adjustment	Belance Restated	Balance Previously Reported	Adjusiment	Belance Resteled
Property and equipment	1,222,290	68,733	1,269,023	1,054,911	63,290	1.146,201
investment property	149,120	1,697,973	1,847,093	174.061	1,374,465	1,548,548
Investments in subsidiary / associate	12.131.105	(1,131,657)	10,999,446	11,949,485	(2.664,443)	9,285.042
kwentments Equity securities Outs securities	2,505,215 8,533,957	3.914,209 (6,689)	6,419,424 8,527,268	3,1 85.534 5.191.510	6,297,865 72,862	9,493,419 5,2 64 ,392
Total assets from window takaful operations - Operator's fund	433.587	(107)	433.480	267,353	(143)	267.210
Octaned laxation	(376,377)	(1,109.228)	(1,575,605)	(380,082)	(1,946.584)	(2,328,846)
Reserves	(13,012,902)	(2,018,440)	(15.031.342)	(12,512.902)	(2,528,788)	(15.041,690)
Unappropriated profil	(2,034,319)	(1,322,706)	(3,357,115)	(2,368,169)	(1,114,395)	(3,502,584)

	Six months
	bebne boineq
•	30 June 2017
	(Unaudited)
Impact on profit and loss account	
Profit after tax would have been lower by	178,578
Earnings per share would have been higher by	0.90

4.1.7 During the period the Companies Act, 2017 has been implemented, however there is no impact on the unconsolidated condensed interim financial statements.

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5. Accounting estimates and judgements

The preparation of these unconsolideted condensed interim financial etatements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that effect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparation of these unconsolidated condensed interim financial statements, 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 financial statements as at and for the year ended 31 December 2017 except for those mentioned in note 4.1.

6. Management of insurance and financial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 Occember 2017.

7. Property and equipment

The details of additions and disposels during the six months period ended 30 June 2018 are as follows:

	Additions	s (art crost)	Disposals (at not book val		
	30 June 2018 <u>(Unaudited)</u>	30 June 2017 (Unaudited)	30 June 2018 <u>(Unaudited)</u>	30 June 2017 <u>(Unaudited)</u>	
Buildings	39 693	28 138	-	-	
Furniture and fixtures	26 622	10 516	•	-	
Office equipments	8 179	2 250	-	-	
Tracker equipments	38 471	52 397	-	-	
Computers	15 738	4 104	-	-	
Vehicles	47 981	87 092	2 981	3 334	
Capital work-in-progress	3 570	2 470		<u> </u>	
· · · · · · · · · · · · · · · · · · ·	160 254	186 967	2 981	3 3 3 4	

8. Investment property

investment property	30 June 2018 (Unauditad)	31 December 2017 (Audited) (Restated)
Opening net book value	1 647 093	1 548 008
Additions and capitel improvements	7 078	317
Unrealized fair value gain	`	298 768
Closing book value	1 854 169	1 647 093

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9. Investment in equity securities - available for sale

	30 Ju	ine 2018 (Unau	dited)	31 December 2017 (Audited) (Restated)			
	Cost	Impelment /	Carrying value	Coat	Impeirment / previetan	Carrying value	
Subsidiary Listed shares (refer note 1.1 and 4.1.5)	12,023,375		12,023,375	-	-		
Associates Listed shares (refer note 1.1 and 4.1.5)	-	-		12,023,376	-	12,023,376	
Related Party* Listed shares	444,664	17,565	427,099	444, 684	28,753	415,911	
	12,468,039	17,565	12,450,474	12,468,040	28,753	12,439,267	
Others						<u> </u>	
Listed shares	1,924,195	68,543	1,855,652	2,133,539	\$4,735	2,078,804	
Unlisted shares	15,500	· -	15,500	10,500		10,600	
	1,939,695	66,543	1,871,152	2,144,039	54,735	2,089,304	
Surplus on revaluation	-	•	5,253,489	-	-	2,890,283	
	14,407,734	88,108	19,575,125	14,612,079	63,488	17,418,874	

* The Company has not accounted for investment in related parties as essociates under IAS 28 "investment in Associates and Joint Ventures", as management has concluded that the Company does not have significant influence in these companies.

10. Investment in debt securities - available for sale

	JO J	30 June 2018 (Unaudited)			31 December 2017 (Audited) (Restated)		
	Cost	Impeirment /	Cerrying value	Cosi	Impairment / provision	Carrying value	
Government securities	8 033 650		8 033 850	8 533 957		8 533 957	
Term finance certificates	44 118	44 118	-	44 118	44 118	-	
Deficit on revaluation	(20 250)	•	(20.250)	(6 689)	•	(6 689)	
	8 057 718	44 118	6 013 600	8 571 386	44 118	8 \$27 288	

11. Loans and other receivables - considered good

EDRUE AUG GEURI ISCOLANDAS - COUSIGOOD Sove	30 June 2018 _ <u>(Unaut</u> stad)	31 Decembar 2017 (Audited)
Loans to employees	4 323	5 304
Accurad investment income	22 369	66 616
Security deposits	8 600	7 780
Advances to suppliers	46 344	33 115
Advances to employees	5 204	3 665
Other receivables	4 563	2 04 <u>8</u>
	91 403	118 618

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		Nota	30 June 2018 _ (<u>Unaudited)</u>	31 December 2017 (Audited)
12.	insurance / reinsurance receivables unsecured and considered good			
	Due from insurance contract holders		3 650 341	2 829 996
	Provision for Impairment of receivebles from insurance contract holders		(52 125)	(27 814)
			3 598 216	2 802 182
	Due from other insurs/ / reinsurers		10 466	16 687
			3 608 682	2 819 069
13.	Propayments			
	Prepaid reinsurance premium ceded	19	4 661 962	5 1 12 083
	Prepaid rent		9 95 1	12 703 77 39 5
	Others		<u>108 512</u> 4 778 425	5 202 181
14.	Cash and bank			
	Cash and cash equivalents			
	Cash in hand		11	2
	Policy and revenue alamps, bond papers		<u>8,341</u> 5,352	9,802
	Cash at bank			
	Current accounts		195,727 777,642	233,422 920,983
	Saving accounts		973,369	1,154,405
			961,721	1,164,209
15.	Reserves			-
	General reserve		13 500 000	13 000 000
	Reserve for exceptional losses	15.1	12 902	12 902
	Revaluation reserve – available for sale investments		3 783 586	2 018 440
			17 298 468	15 031 342
15.1	The reserve for exceptional losses was created prior to 1 the provisions of the repeated income Tax Act, 1922 and t	979 and was las been so n	charged to income stained to date.	in accordance with

16. Other creditors and accruais

Other creditors and accruais	30 June 2018 <u>(Unaudited)</u>	31 December 2017 {Audited }
Federal insurance fee payable	12 445	12,510
Federal excise duty and seles lax payable	140 017	170,800
Accrued expenses	185 970	227,879
Agent commission payable	406 355	499,929
Uneamed rentals	44 921	70,966
Other deposits	659 323	543,677
Undaimed dividends	287 988	195,503
Others	61 370	92,103
	1 798 389	1 814 387
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17. Contingencies and commitments

17.1 The income tax assessment of the Company has been finalised up to lax year 2017.

The income Tax Department have made assessment order for assessment yeer 1999-2000 and 2000-2001 by adding back provision for bonus to staff, provision for gratuity and excess management expense. The Company had filed appeals before Commissioner Inland Revenue (Appeals). The appeals have been decided in the fevour of the income Tax Department, The Company had filed appeals before income Tax Appellate Tribunal (ITAT). If the appeals are decided against the Company a tax Bability of Rs. 13 million would arise.

The Income Tax Department (Audit) has made assessment order for assessment year 2002-2003 by edding certain items. The Company had filed appeal before Commissioner Income Tax (Appeals). The appeal was decided in the favour of the Company. The Department had filed appeal before Income Tax Appealate Tribunal (ITAT) and the same has been decided in the favour of the Company. The Department has filed appeal before Honourable High Court of Sinds against the order of Income Tax Appellate Tribunal (ITAT) in respect of estimated liability of claims, excess perquisities and retrocession commission. If the appeal is decided against the Company a tax liability of Rs. 76 million would arise.

The Commissioner Inland Revenue (Audit) has amended the tax assessment of the Company for tax year 2005 to 2007 by disallowing prorated expense. The Company has filed appeals before Commissioner income Tax (Appeals). The appeals were decided in the favour of the Company. The Department then filed appeals before Income Tax Appellate Tribunal (ITAT). The Income Tax Appellate Tribunal (ITAT) had passed order in favour of the Company. The Department then filed appeals before the Company. The Department then filed reference before Honourable High Court of Sindh. The Honourable High Court of Sindh maintained the decision of income Tax Appellate Tribunal (ITAT). The Department has filed appeals for the tax year 2005 to 2007 before Honourable Supreme Court of Pakistan against the decision of the Honourable High Court of Sindh in respect of proration of expenses and if the appeals are decided against the Company, a tax liability of Rs. 37 million would arise.

The Department has filed appeal for tax year 2008 before Honourable High Court of Sindh against order of Income Tax Appellate Tribunal (ITAT) in respect of tax on reinsurance premium. If the appeal is decided against the Company, a tax liability of Rs. 5 million would arise.

The Department has filed appeal for tax years 2014 and 2018 before income Tax Appellate Tribunal (ITAT) against order of Commissioner (Appeal) in respect of Dividend Income taxed at reduced rate. If the appeal is decided egainst the Company, a tax liability of Rs. 243 million would arise.

The Commissioner Intand Revenue (Audit) has amended the tax assessment of the Company for tax year 2017 by disregarding the amount of capital gain worked out by the Company. The Company has filed appeals before Commissioner Income Tax (Appeals), and if the appeal is decided against the Company, a tax liability of Re. 46 million would arise.

No provision has been made in these unconsolidated condensed interim financial statements for the above contingencies, as the management, based on tax advisor's opinion, is confident that the decision in this respect will be received in favour of the Company.

- 17.2 In 2014, 2015, 2018 and 2017, the Searle Company Limited issued bonus shares (453,612, 312,993, 664,632 and 472,284 shares respectively) after withholding 5 percent of bonus shares (22,880, 15,850, 34,981 and 24,857 shares respectively). In this regard, a constitutional petition had been filed by the Company in Honourable High Court of Sindh challenging the applicability of withholding tax provision on bonus shares received by the Company. The Honourable High Court of Sindh decided the case against the Company. Subsequently, the Company filed an appeal with a larger bench of the Honourable High Court of Sindh end in response; the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. Consequently, the Company has not paid / provided an amount of Rs. 37.09 million being withholding tax on bonus shares.
- 17.3 There are no commitments as at 30 June 2018 (31 December 2017; Nil).

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18, Segments Information

18. Segments Information						Six months
	Fire and	Marine,				period ended
	property	eviation &	Motor	Miscellaneous	Treaty	30 June 2016
	demoge	Ireneport				(Unsudited)
Premium receivable (inclusive of FEO, Federa						
insurance fee and Administrative euroharge)	5,953,206	1.621.693	1,915,865	1.020.265	-	10,510,754
Loss: Federal excise duly	728.510	177,100	232,230	116,529	-	1,254,429
Stamp duty	222	58,595	762	769	-	60,348
Federal Insurance fee	51,705	13,707	16.680	6.940		91,012
Gross Written Premium (inclusive of				-		
Administrative successo)	5,172,769	1,372,135	1,668,033	694,027	-	9,104,965
Gross direct premium	5,155,296	1,346,682	1,462,658	683,147		\$,556,663
Facultative Inward premium	2,225	1,470	•		-	3,695
Administrative surcharge	15,246	25.004	183,475	10,660	-	234,607
insurance premium carried	6.057,900	1.200.740	1,697,506	743,057	· ·	9,729,205
insurance gramium coded to reinsurers	5,152,160	447,268	4,813	451,721	{	§ 6,055,980
Natimurance premium	835,720	753,474	1,692,695	291,336		3,673,225
Commission income	337,397	14,585		115.378		467,360
Net underwriting income	1.273.117	768,059	1.682,695	406,714	· · ·	4,140,585
insunance cisims	612.657	405,687	544,019	194,466		2,056,749
insurance claims recovered from reinsurers	243,463	161,953	(70)	91,118		496,464
Nel claima	388.094	243,734	544,089	103,368	-	1.560,285
Commission expense	468.467	140,058	141,675	56,202	-	604,432
Mandaarmani aabihikini	342.597	239,522	556,813	100,140	-	1,271,372
Net insurance claims and expenses	1,175,478	623.324	1,574,577	259,710	-	3,638,089
Underwriting result	94,639	144,735	178,118	147,004	-	504,498
Net investment income						011,235
Rantal income						49,995
Other income						50,422
Other expenses						(32,787)
Finance costs						16,153
Profit from window takeful operations - Operati	arhi fund					53,2 <u>30</u>
Profit before lax						1,552,744
						An et
						30 June 2015
						(Unitedited)
Corporets segment essets	8,858,757	1,489,690	545,689	1,101,218	-	11,095,554
Corporete eogreent esseta-Takaful OPF	22,301	6,007	167,720	8.510	-	224,618
Corporate unallocated assets						33.094,132
Corporate unatiogaled assets-Takeful OPF						333,608
Total assets						48,247,912
	12,824,385	2.238.317	2,356,365	2,718,768		20.1+0.655
Corporate segment liabilities	15,024,305	9,373	259.517	10.295		294,875
Corporate segment liabilities-Tekatul OPF Corporate unellocated liabilities	1 a juner	0,010	2.20,011			3.294.161
Corporate unallocated asbetter Corporate unallocated asbellties-Takaful OPF						2.044
Total Nabilities						23,731,935
	Esternel premium					
	less reinsurance					
	by geographical					
Location	segments					
	2016					

2,963

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3,670,242 Pakistan ' EPZ 3,673,225 Tota

* This represents US Dollar Equivalent in Pet, Rupers

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	Fire and property damage	Marine, aviation & transport	Notor	Miscellaneous	Truthy	Six monits period ended 30 June 2017 (Unaudited)
Premium receivable (inclusive of FED, Federal						
insurance fee and Administrative surcharge)	6,191,031	1,538,773	1,085,048	697,014	•	10,515,795
Less: Federal excise duty	779,219	172,575	240,169	95,283	-	1,287,248 52,979
Stamp duty	265	50,635 12,968	534 17,461	1,054 6,013		90,877
Federal Insurance iss Gross Written Premium (Inclusive of	52,405	12,000	17,461	0,000		
Administrative surcharge)	5,359,162	1,302,394	1,729,564	793,554	-	9,184,684
Gross direct premium	5,328,710	1,275,740	1,535,286	779,660	-	6,920,396
Facultative inward premium	14,288	1,113	-	-	•	16,401
Administrative surcharge	16,154	25,541	193,278	13,654	<u> </u>	248,867
insurance premium earned	4,855,548	1,073,911	1,711.517	701,425 376,589	-	6,352,401 4,595,693
Insurance premium ceded to reinsurers	3.876,443	334,487 739,424	1,703,343	324,636		3,756,706
Net kaurance pramium Commission income	316,967	17.272	-	99,155		435,397
Net underwriting incame	1,308,072	758,696	1,703.343	423,994		4,192,105
insurance chaims	1,890,601	227,937	666,353	208,075	•	3,192,965
Insurance claims recovered from reinsurers	1,596,913	13,103	(93)	120.064	· ·	1,731,987
Net cleante	291,688	214,834	665,446	86,011	•	1,460,979
Commission super-se	357,395	128,272	142.213	65,624	•	713,404
Management expenses	325,402	214,667	530,939	244,412	<u> </u>	1,168,105
Net insurance claims and expenses	1,000,485 307,587	557,993 198,703	1,539,598	179,582	<u>-</u>	649.617
Underwriting result Nei investment income	301,301	125,103	100,740			1,045,934
Rental Income						43,938
Other incomé						\$4,792
Other attpendes						(27,708)
Finance costs						200
Profit from window takeful operations - Operate	ar's fund-					18,611
Profil, before tax						1.865,285
						Au # 31
						December 2017
						(Audited)
						(restated)
Corporate segment sussia	9,523,292	1,020,762	578,921	1,003,794	-	12,227.769
Corporate segment assets-Teimful OPF	28,159	4,429	144,487	6,942	-	182,017
Corporate amaliocated assets						30,981,530
Corporate unaflocated assets-Teikalul OPF						251,483
Total sancts						
Corporate segment liabilities	14,035,687	1.855.601	2.450.302	2.256.262		20,597,752
Corporate angenerit tabilities-Takakul OPF	22,684	4,009	194,668	15,380	-	236,691
Corporate uneflocated Rabilities		.,	-			2,743,144
Corporate unallocated liabilities-Takaful OPF						1,687
Total NabAllies						23,579,274
	External premium	•				
	by geographical					
Location	occurrents					
	2017					
Cohester	3,745,178					
Peiusian 1 EPZ	3,746,176 5.532					
Totel	3,756,706					
	0,100,100					

* This represents US Doller Equivalent in Pak Rupeas

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	Fire and property demage	Marine. avlation & transport	Motor	Miscelleneous	Treaty	Three monBra period ended 30 June 2018 (Unaudited)
Premium receivable (inclusive of FED, Federal						
Insurance fee and Administrative surcharge)	2,400,675	953,382	656,275	315,831	•	4,626,163
Less: Federal audise duty	368,275	108,360	103,458	36,323	•	844,914
Slamp duty	66	29,140	358	360	-	29,965
Federal Insurance fee	19,602_	8.079	7,450	2,763	•	38,094
Gross Written premium (inclusive of						•
Administrative surcharge)	1,982,510	809,303	745.011	278,365	-	3.813.189
Gross direct prendum	1,974,342	795,443	648,349	271,148	•	3,667,282
Facultative inward premium	2,225	1,203	•		-	3,428
Administrative earthurge	5,943	12.557	88,662	5,217		122,479
Insurance premium semasi	2,907,251	622,478	844,525	378,993	•	4,753,545
insurance premium ceded to reinsurers	2,439,711	268,105	2,134	235,156	•	2,946,108
Nel insurance premium	467,540	353,371	842,591	143,837	•	1,807,439
Commission income	189,713	12,158	-	48.373	-	250,244
Net underwilling income	657,253	365,529	542,691	192,210		2,057,683
Insurance claims	623,797	277.997	437,561	45,174	-	1,284,519
insurance claims recovered from reinsurers	295,658	151,899	(45)	25,037	-	475,518
Net cleans	228,139	126,131	437,898	17,137	-	809,003
Commission expense	Z25,672	70,992	70,774	28,732		396,170
Managamont expenses	170,957	110,538	268,626	49,234		619,535
Net insurance claims and expenses	524,768	307,661	797,198	85,103		1,824,728
Underwitting regult	32,485	57,868	45,495	97,107	-	232,955
Net investment income	·····		-			722.609
Rental Income						30.652
Other income						25,259
Other expenses						(13.373)
Firence costs						8,528
Profit from window takeful coeretions - Operator	's fund					20,144
Profit before las						1,026,674

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	Fire and property damage	Marine, aviation 6 Iranaport	Molor	Miscellaneou¢	Treaty	Three months period ended 30 June 2017 (Unaudited)
Premium receivable (inclusive of FED, Federal						
insurance for and Administrative surchargo)	2,851,574	914,237	787,331	324,521	-	4,907,663
Less: Federal endse duly	375,405	103,442	104,091	34,128	-	617,068
Slamp duly	98	24,579	376	322	-	25,375
Federal insurance fee	24.271	7,729	7,650	2,963	<u> </u>	42,633
Gross Written premium (inclusive of						-
Administrative surcharge)	2,481,799	778,487	675,214	287,068	<u> </u>	4,222,569
Gross direct premium	2,460,933	764,808	671,853	260,487	-	4,078,081
Facultative inwerd premium	14,288	1,113	•	•	-	15,401
Administrative surcharge	6,578	12.566	103,381	6,601	· _	129,106
Insurance premium samed	2,555,277	552,084 T	864,276	354,693	•	4,316,330
insurance premium caded to reinsurers	2.026.565	152,863	3,482	196,503		2,379,413
Net insurance premium	528,712	399.221	650,794	158,190		1,936,917
Countission income	195,579	11,487	-	46,767	-	255,833
Net underwriting income	724,291	410,708	860,794	206,957	-	2,192,750
ingurance claims	1,140,609	105.687	392,881	123,306		1,762,443
insurance claims recovered from reinsurers	950,778	(905)	(10)	77,219	•	1,027,082
Nel claims	189,831	106,572	392,871	46,087		735,361
Convulssion excense	206,283	66,139	70,357	27,869		370,648
Menagement expenses	166.320	113.049	262,193	46,561		590, 123
Not insurance claims and expenses	562,434	265,760	725.421	122,517		1,595,132
Underwriting result	161,857	124.948	125,373	84,440		496,618
Nel investment income						835,105
Rental income						31.584
Other excome						30,707
Ovher expenses						(13,899)
Finance costs						194
meance costs Profit from window takeful operations - Operator	's lund					8,513
Profit before tax						1,388,822

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Kent

Rupses in '000

19. Net insurance premium

Het metralice promision				
	Three months p 30 June (Ur	Three months period ended 30 June (Unaudited)		
	2018	2017	2018	2017
	0.040.400	4 777 698	0 104 045	9 154 664
• •	••••			7 368 680
	•••	•••	•	-
· ·		, .		(6 Z20 643)
Premium earned	4 753 545	4 316 330	9 729 205	8 352 401
Less:				
Reinsurance premium caded	2 400 881	2 832 742		5 521 128
Prepaid reinsurance premium - opening	5 207 187	4 623 778	•	4 151 674
Prepaid reinsurance premium - closing	(4 661 962)	(5 077 107)	(4 561 962)	(5 077 107)
Reinsurance expense	2 946 106	2 379 413	6 055 980	4 595 693
	1 807 439	1 936 917	3 673 225	3 756 708
Net insurance claim expense				
Claim Paid	1 209 761	1 179 383	2 531 288	2 551 481
Outstanding claims including IBNR - closing	5 097 810	8 058 515	5 097 610	6 056 515
•	(5 023 052)	(5 473 455)	(5 572 347)	(5 415 030)
Claims expense	1 254 519	1 782 443	2 058 749	3 192 966
Less:				
Reinsurance and other recoveries received	412 711	476 448	932 084	1 126 652
Reinsurance and other recoveries in respect of outstanding claims - opening	(3 040 167)	(3 481 318)	(3 638 572)	(3 424 617)
Rainsurance and other recoveries in respect of outgranding claims - closing	3 102 972	4 029 952 :	3 102 972 :	4 029 952
Reinsurance and other recoveries revenue	475 516	1 027 082	496 464	1 731 587
	809.003	735 381	1 550 285	1 460 979
	Written gross premium Uneerned premium reserve - opening Unearned premium reserve - closing Premium earned Less: Reineurance premium ceded Prepaid reinsurance premium - opening Prepaid reinsurance premium - closing Prepaid reinsurance premium - closing Prepaid reinsurance premium - closing Prepaid reinsurance premium - closing Reinsurance expense Mat focurance claim expense Mat focurance claim expense Caim Paid Outstanding claims including IBNR - closing Outstanding claims including IBNR - opening Claims expense Less: Reinsurance and other recoveries received Reinsurance and other recoveries in respect of outstanding claims - opening Rainsurance and other recoveries in respect of outstanding claims - opening	Three months : 30 June (br 2018 Written gross premium Unearned premium reserve - opening Premium earned Premium earned Prepaid reinsurance premium coded Prepaid reinsurance premium - opening Prepaid reinsurance premium - opening Reinsurance expense 2 946 106 1 807 439 Net forsurance claim expense Caim Paid Outstanding claims including IBNR - closing Outstanding claims including IBNR - opening Reinsurance and other recoveries received Reinsurance and other recoveries received Reinsurance and other recoveries in respect of ortizanding claims - opening Rainsurance and other recoveries in respect of ortizanding claims - dosing Reinsurance and other recoveries in respect of ortizanding claims - dosing Reinsurance and other recoveries revenue 475 516	Written gross pramium 3 813 169 4 222 588 Written gross pramium 3 813 169 4 222 588 Uneamed premium reserve - opening 6 812 802 8 314 685 Uneamed premium reserve - obsing (7 872 446) (8 220 943) Premium eamed 4 765 545 4 316 330 Less: Reinsurance premium coded 2 400 681 2 632 742 Prepaid reinsurance premium - opening 2 400 681 2 632 742 Prepaid reinsurance premium - closing 2 400 681 2 632 742 Prepaid reinsurance premium - closing 2 400 681 2 632 742 Prepaid reinsurance premium - closing 2 946 106 2 379 413 1 807 439 1 936 917 1 807 439 Net fosurance claim expense 1 209 761 1 179 383 Outstanding claims including IBNR - opening 5 097 810 6 056 615 Outstanding claims including IBNR - opening (6 020 052) (5 473 456) Claims expense 1 209 761 1 79 383 Less: Reinsurance and other recoveries received (3 040 167) (3 481 318) Rainsurance and other recoveries in respect of ortizanding claims - opening 3 102 972 4 029 952	Three months pariod ended 30 June (Unaudited) Stx months pariod 30 June (Unaudited) Stx months pariod 30 June (Unaudited) Written gross pramium 3 813 169 4 222 568 9 104 965 Unearned premium reserve - opening 6 812 802 8 314 665 8 496 686 Unearned premium reserve - closing (7 872 446) (8 220 943) (7 872 446) Premium earned 4 783 545 4 316 330 9 729 205 Less: Reinsurance premium ceded 2 400 881 2 632 742 5 605 859 Prepaid reinsurance premium - closing 2 400 881 2 632 742 5 605 859 Reinsurance premium - closing 2 400 881 2 632 742 5 605 859 Reinsurance premium - closing 2 946 105 2 379 413 6 055 980 1 807 439 1 936 917 3 673 225 Net Insurance claim expense 2 945 105 2 097 810 6 055 951 Outstanding claims including IBMR - clusing 5 097 810 6 056 615 5 097 810 Outstanding claims including IBMR - opening 1 209 761 1 179 383 2 531 286 Reinsurance and other recoveries in respect of outstanding claims -

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Net commission expense 21.

	Three months pe 30 June (Una		Six months period ended 30 June (Unsudited)		
	2018	2017	2018	2017	
Commission paid or payable	291,105	423,359	852,052 890 587	833,681 564,645	
Dalarred commission expense - opening Defenred commission expense - closing Net commission	642,272 (537,207) 396,170	632,211 (684,922) 370,648	699,587 (537,207) 904,432	(684,922) 713,404	
Lesa: Commission received or recoverable Unearned reinsurance commission - opening Unearned reinsurance commission - closing Commission from reinsurers	110,717 526,010 (388,483) 250,244	255,833 384,439 (384,439) 255,833	392,227 481,616 (386,483) 467,360	475,859 343,977 (384,439): 435,397	
	145,926	114,815	337,072	278,007	

22. Investment income

Income from equity securities - available for sale **Dividend** income

income from debt securities - available for sale Return on debt accurities

income from term deposite Return on term deposits

Net realised gates / (losses) on investments

Available for sale financial assets Realised gains on: Æ C Rea

23.

617,371	653,684	680,133	718,229
127,182	119,693	250,797	226,774
2,801	3,000	5,988	6,619
747,154	776,377	938,906	953,821

Equity securities Debt securities	7,555	104,209	7,828	120,863 8,229
Realised losses on: Équity securities	(16,87 <u>5)</u> (9,320) 737,834	(4,603) 99,606 875,983	(17,97 <u>2)</u> (10,144) 926,762	(4,730) 122,352 1,075,963
impalment in value of available for sale equity securities investment related expenses	(14,924) (401)	(40,463) (415)	(14,924) (603)	(29,234) (615)
Total Investment Income	722,509	835,105	911,235	1,045,934
Other income				
Gain on sale of fixed assets	7 962	13 010	16 249	22 067
Interest on loans to employees	81	35	173	70
Profit on bank deposits	17 216	17 662	34 000	32 655
V	25 2 5 9	30 707	50 422	54 792
K-CHI-				

Rupeas in 1000

Rupees in '000

Window takafut operations - Operator's fund 24.

		bebne boheq artinom servit (Unaudited)		
	2018	2017	2018	2017
Wakala fee	116 993	67 858	224 9 2 6	126 520
Management expenses	(63 960)	(42 416)	(109 234)	(75 271)
Commission expense	(39 365)	(22 305)	(74 122)	(41 997)
Investment income	5 295	4 898	9 131	6 039
Other Income	1 438	868	2 976	1 740
Other expenses	(247)	(410)	(447)	(420
Profit for the period	20 144	8 513	<u>53 230</u>	18 611
Taxation				
For the period				

- Current	405 538	427 061	575 328	603,642
- Prior year	102 292	98 768	102 292	96,756
,	507 830	525 827	677 620	702,608
Defended tax	(126 503)	(17 486)	<u>(136 118)</u>	(14,368)
	381 327	508 342	541 502	668,240
				· · · · · · · · · · · · · · · · · · ·

Earnings per share - basic and diluted 26.

Profit after tax	(Rupses '000)	645 347	860 460	1 011 242	1 297 146
Weighted average number of ordinary shares	(Numbers '000)	200 000	200 000	200 000	200 000
Earnings per share	(Rupees)	3.23	4.40	5.06	6.49

27. Movement in Investment

25.

Name of Investment	Held to maturity	Available for sale	Fair value through P & L	Deposit maturing within 12 months	Total
At beginning of previous year	-	24,042,854	-	671,680	24,714,734
Additions		15,282,859	-	1,623,884	16,908,753
Disposals (sale and redemptions)	-	(12,519,296)	-	(1,885,214)	(14,384,510)
Fair value nel gains					
(aminding net realised gains)	-	(807,449)	-	-	(807,449)
impelment losses	-	(52,838)	<u> </u>	<u> </u>	(52,836)
At beginning of period	-	25,946,142	-	430,550	20,378,692
Additions		17,143,502	-	1,001,643	18,145,145
Disposais (asia and redamptions)		(17,847,955)	-	(902,875)	(18,750,830)
Fair value nel gelos					
(excluding net realised gains)	•	2,361,960	-	-	2,361,960
Impairment losses		(14,924)	<u> </u>	<u> </u>	(14,924)
At end of period		27 568,725		629,318	28,118,043

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28. Related party transactions

Related parties comprise of directors, major shareholders, key management personnel, easociated companies, subsidiary company, antities with common directors and employee retrement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for companies, management personnel which are on employment terms. The transactions and belances with related parties other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim tinancial statements are as follows:

Rupees '000

	Three months period endod 30 June (Unaudited)			period anded (Unaudited)
	2018	2017	2018	2017
Transactions				
Subsidiary company				
Premium written	1 981	-	1 981	-
Premium paid	295	-	295	-
Cleims paid	2 313	-	2 313	-
Dividend received	542 401	-	542 401	-
Dividend paid	35 107	-	35 107	-
Associated companies			_	
Premium written	58 284	44 350	203 400	141 163
Premium paid	225	-	28 144	30 449
Claims peld	26 903	23 610	137 357	40 971
Dividend received		570 970	-	570 970
Dividend peid	435 266	529 825	436 268	529 825
Key management personnel				
Premium written	60	434	250	555
Claims pald	-	127	•	202
Dividend peid	6 309	6918	6 309	6 916
Compensation	50 616	46 361	91 374	65 123
Others				
Premium written	8 475	3 756	17 937	14 734
Cisims paid	1 103	1 213	2 469	1 702
investments made	-	150 000	-	200 000
Investments sold	-	103 179	-	225 000
Dividend paid	458 220	489 344	458 220	469 344
Bank deposite mede	75 000	-	50 000	-
Brokerage peld	236	92	236	98
Employees' funds				
Contribution to provident fund	5 772	6 244	12 144	11 634
Contribution to gratuity fund	4 685	3 874	9 771	7 697
Contribution to pension fund	879	302	1 852	603
Dividend paid	7 731	8 505	7 731	8 505
			30 June 2018	31 December 2017
			<u>(Unaudited)</u>	<u>(Audited)</u>
Balances				
Others			15 819	15 131
Balances receivable			10 018	-
Balances payable			-	(73 691)
Deposite maturing within 12 months			204 000	154 000
Bank balances			133 386	106 039

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	30 June 2018 <u>(Unaudited)</u>	2017 (Audited)
Employees' funds payable		
EFU gratuity fund	(9770)	(40.510)
EFU pension fund	(33.054.)	(31 295)

29 Fair value

29.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

29.2 All assets and liabilities for which fair value is measured or disclosed in the unconsolidated condensed interim financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 - Quoted (unadjueted) market prices in active markets for identical assets or itabilities

- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

Rupses '000

				nonthe period and a		Fair value measurement with		
	Available for epit	Loss & Receivation	Dihar Francial azarta	Other Snancist Sobilities			Level 2	tiens)
Financial speaks measured at this value								
					•			
Equity securities - quoted	19.559,625				19.559.625	10,550, 25		
Equily securities - unqualitat	15,500				15.500			15,500
Debt securites	8,013,500				8,013 100 0		8,013,020	
Financial savats not measured at hit v live								
Term devoelst			529,310		529,318			
cant and other receivables"		91,603			91,403			
insurance i remainance receivables*		3,608,682			3,608,663			
Reneuronce recoveries against custometing claims"		3,102,572			3,102,972			
Cash and bank"			961,721		981,221			
Total assets of Window Takakul Operations - Operations Fund"	25,910	142,058	265,950		465,857		29,939	
	27 510 504	6.950.115	1,797,985		10,201.774	19,559,625	104715	15.500
inascial Exhibities not resourced at fair value								
Descenting deine including IBNR*				(5, 097,61 0)	(5.0 07 .810)			
Premum received in advance*				(194,735)	[194,731]			
karanca / reinaurance payablas*				(6,523,707)	A. 64 (1997)			
Offer preditors and accrueis				(1,788,389)	[1,796,399]			
Total babilities of Window Takafut Operations - Operator's Fund*				(01,362)	(31.007)			
		<u> </u>		(12,646,019)	[12,648,019]	-		_

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Rupees in '000

	For the year ended 31 December 2017 (Audited)								
							e milasurement	using	
	Averaste tai see	Lisen & Risceivables	Counciel Ananciel assets	Other financial tabilities	Tetal	Level 1	Lover 2	Lovel3	
Financial acouts measured at fair value									
Equity setunins - quoted	17,400,374				17,408,374	17,408.374		-	
Equity securities - unquotest	10.500				10,500		2 100 Ton 1	10,500	
Cisto securites	8,627,258				1,027,268		8,527,208		
Financial assets out measured at fair value									
Term deposits*			430,550		430,553				
Loans and uthey receivables*		118,018			118,618				
Insurance / rettaurance vacativables*		2,510,065			2,810,068				
Remurance recommer against customling carms"		1,538,872			2:538,572				
Cesh and bank"			1,104,209		1,104,209				
Talai assets of Window Takalul Operationa- Operator's Fund"	30,482	125.198	210.264	_	365.944	_	30,442	_	
	25.970.524	6.601,467	1,805,023		34.383,104	17,408,374	8,557,750	10.500	
Financial Esbilities not measured at fair value									
Overland og calms including IBNR*				(5.572,347)	(5,572,347)				
Promium microant in anyonge"				(21,467)	(31,487)				
trauranza / rainsuranze poyables"				(4.892,011)	(4.982.011)				
Other presitors and econals"				(1.814,387)	(1,014.367)				
Teta Tasalitas el Wintow Takalul Osemboro - Operació Fandi				(31, 387)	(31.382)				
		-		(12.441.614)	(12,441,614)		14.1		

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

30. Corresponding Figures

During last year the SECP vide SRO 89(I)/2017 dated 09 February 2017 has issued insurance Rules, 2017 (the Rules), which requires every Company to prepare their financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Company has changed the presentation and disclosures of the unconsolidated condensed interim financial statements and recorded its investments as per IAS 39, which was further explained in note 4.1.1.

31. General

31.1 Figures have been rounded off to the nearest thousand rupees.

31.2 The effects of changes stated in note 4.1 have been accounted for retrospectively in accordance with IAS-6 'Accounting Policies, Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Statement of Financial Position also presents the prior year numbers as restated, due to the said change.

32. Date of authorisation for issue of unconsolidated condensed interim financial statements

These unconsolidated condensed interim financial statements were authorised for issue by the Board of Directors in its meeting held on 18 August 2018.

Director

ALTAF GOKAL **Chief Financial Officer** & Corporate Secretary

HASANALI ABOULLAH Managing Director & Chief Executive

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Chairman of the meeting

Consolidated Condensed Interim Financial Statements EFU General Insurance Ltd.

For the six months period ended 30 June 2018 (Unaudited)

Consolidated Condensed Interim Statement of Financial Position As at 30 June 2018 (Unaudited)

			Rupees 200
		30 Jone 2018 Unaudited	31 December 2017 (Audried)
	Note		(Restated)
Assots		N. Same	
Property and equipments	9	4.706,194	1,289,023
ntangible assets	10	8,335,460	1,847,093
ivestment property ivestments	14	1,004,100	110-4116-001
Equity securities	11	39.298,653	17,418,874
Debt securities	12	69,120,669	6,527,268
Term deposits	29	12.118,418	430,550
ans and other receivables	13	1.692.517	118,618 2,819,069
surance / reinsurance receivables	14	3,880,727 3,102,972	3,538,572
ansurance recoveries against outstanding claims			5,538,572
livage recoveries accrued		84,732	2.792.23.3
ferred commission expense		537,207	689,567
ixation - payments less provision		305,392	95,797
epayments.	15	4,649,329	5,202,181
ish and bank	15	3,648,853	1,164.209
tal assets		153,535,292	43.209.299
tal assets of window takeful operations - Operator's fund		558,226	433,480
otal assets		154.093,518	43,642,779
puity and Liabilities			
pital and reserves attributable to Company's equity holders			
dinary share capital		2,000,000	2,000,000
serves.	17	15.456.576	15,031,342 3,357,115
appropriated profit pital and reserve attributable to Company's equity holders		19,438,206	20.388.457
in controlling interest		2.938,161	
tal equity		22 374,367	20.388,457
rplus on revaluation of property and equipment		851,606	
abilities			
urance llabilities		105.098.341	
derwriting provisions Outstanding claims including IBNR	22	5.097.810	5.572.347
Jneamed premium reserves	21	7,872,446	8,496,686
Ineamed reinsurance commission	23	386,483	461,616
trement benefit obligations		42,824	71,805
ferred taxation		2.510,884	1.575.605
emiuma received in advance		1,002,949	31,487
urance / reinsurance payables	10	5,751,199	4,992,011
ter creditors and accruals	18	2,807,690	1,814,367 23,015,944
tal llabilities		130,570,626	23,015,944
		153,796,599	43,404,401
tal equity and fiabilities			
tal liabilities of window takaful operations - Operator's fund		296,919	238,378
tal equity and liabilities	1 100	154,093,518	43,642,779
ontingencies and commitments	19		
te annexed notes I to 34 Iprm/an integral part of these consolidated conden	sed interim financial sta	tements	
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Sharp Complete ALTAF GOKAL	ASANALI ABOULLAN		4
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Direction Directo

EFU GENERAL INSURANCE LIMITED

Chief Financial Officer & Corponite Secretary

Managing Director & Chief Executive

Director Chairman of the meeting

Karachi 18 August 2018

Page No. 30

Rupees 000

Consolidated Condensed Interim Profit and Loss Account

For the six months period ended 30 June 2018 (Unaudited)

			Three mor ended 3			hs period 30 June
	Ĩ,	Note	2018	2017 (Restated)	2018	2017 (Restated)
Net insurance premium		21	8,656,976	1,936,917	10,522,762	3,756,708
Net insurance claims Net commission		22 23	(4,060,928) (1,759,596)	(735.361) (114,815)	(4,812,210) (1,950,742)	(1,460,979) (278,007)
Insurance claims and acquisition expenses			(5.820,524)	(850,176)	(6.762,952)	(1,738,986)
Management expenses			(1.132.674)	(590,123)	(1,784,491)	(1,168,105)
Investment income - statutory fund			1,636,771		1.636.771	
Net realised fair value losses on financial assets			(496,676)	~	(496,676)	
Net fair value loss on financial assets at fair value			10-71-0-61		() solution	
through profit and loss			(3.292,572)		(3,292,572)	
Net change in insurance liabilities (other than outstanding	claims)		1.175.109		1,175,109	
Underwriting result	A second		726.410	496.618	997,951	849,617
Investment income		24	180,108	835 105	368.834	1.045.934
Rental income		1.0	30,652	31,584	49,995	43,938
Other income		25	33,147	30,707	58,310	54,792
Other expenses			(19,976)	(13,899)	(39,390)	(27,706)
Card and and a start of			223,931	883,497	437,749	1,116,958
Results of operating activities			950,341	1,380,115	1,435,700	1,966,575
Finance cost			8,528	194	18.153	200
Profit from window takaful operations - Operator's fund		26	20.144	8,513	53,230	18,611
Profit before tax			979,013	1,388,822	1,505,083	1,885,386
Income tax expense		27	(490,388)	(508,342)	(677,481)	(688,240)
Profit after tax			488,625	880,480	827,602	1,297,146
Profit attributable to:						_
Equity holders of the parent			285,538	880,480	624,515	1.297,146
Non controlling interest			203,087	1000	203,087	
			488,625	880,480	827,502	1,297,146
Earning per share	Rupees	28	1.43	4.40	3,12	5,49

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

Director

a 11 Director

ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH Managing Director & Chief Executive

Diregtor

Chairman of the meeting

Karachi 18 Augusi 2018

EFU GENERAL INSURANCE LIMITED

Consolidated Condensed Interim Statement of Comprehensive Income For the six months period ended 30 June 2018 (Unaudited)

			Rupees '000
Three months period ended 30 June		12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	hs period 30 June
2018	2017 (Restated)	2018	2017 (Restated)
468.625	880.480	827.602	1.297.146
(751,143)	(747.599)	(169.687)	(649.632)
9.379	16.528	9.379	(116.133)
2.5	628,282		2,565,269
(741,764)	(102,789)	(160:308)	1,799,504
260.081	254,135	85,919	293,411
904.00	(188,485)		(769.581)
(480,799)	(37,139)	(74,389)	1,323,334
(377)	(574)	(377)	(350)
(481,176)	(37.713)	(74.766)	1.322.984
7,449	842,767	752,836	2,620,130
	ended 3 2019 468.625 (751,143) 9,379 - (741,764) 260,061 904.00 (480,799) (377) (481,176)	ended 30 June 2013 2017 (Restated) 468.625 860.480 (751,143) (747,599) 9.379 16.528 - 628.282 (741,764) (102,789) 260,081 254,135 904.00 (188,465) (480,799) (37,139) (377) (574) (481,176) (37.713)	ended 30 June ended 2019 2017 2018 (Restated) 2018 2018 468.625 860.480 827.602 (751,143) (747.599) (169.687) 9.379 16.528 9.379 - 628.282 - (741,754) (102,789) (160.308) 260,081 254,135 85.919 904.00 (188,485) - (480,799) (37,139) (74,389) (377) (574) (377) (481,176) (37.713) (74.766)

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements.

and Director Director

ALTAF GOKAL Chief Financial Officer & Corporate Secretary HASANALI ABBULLAH Managing Director & Chief Executive

Director Chairman of the meeting

EFU GENERAL INSURANCE LIMITED

Karachi 18 August 2016

Consolidated Condensed Interim Statement of Cash Flows For the six months period ended 30 June 2018 (Unaudited)

Rupees '000 2017 2018 (Restated) **Operating activities** a) Underwriting activities 9,923,191 Insurance premium / contribution received 15.353.951 (5.111.122) (5.076.995) Reinsurance premium / retakaful contribution paid (2,568,417) (5,789.816) Claims paid 971.835 1,123,188 Reinsurance and other recoveries received (823,653) Commission paid (1.787.951) Commission received 392.226 486,769 Management expenses paid (2.072.520)(1 109,873) Net cash flow from underwriting activities 1.956.603 1,954,210 b) Other operating activities. (664, 124) (566,125) Income tax paid (94.159)Other operating payments (112,546) 25 083 (138,915) Other operating receipts (25,123) (778) Loans advanced 105 20,052 Loans repayments received (799,872) Net cash flow from other operating activities (750,858) 1.205,945 1.154.338 Total cash flow from all operating activities Investment activities Profit / return received 1,831,329 299,293 Dividend received 496,231 719,554 43.664 23,930 Rental received Payment for investments / investment properties (105.610.251) (5.408.040) 5.249,788 102,401,982 Proceeds from investments / investment properties (186.967) (291,496) Fixed capital expanditures Proceeds from sale of property and equipments 23,069 25.402 5,520.019 Acquisition of subsidiary net of cash acquired 742,692 Total cash flow from investing activities 3,394,813 **Financing activities** (2,116.114) (1.619,926) Dividend paid Net cash flow from all activities 2,484,644 277.104 Cash and cash equivalents at beginning of period 1.164,209 1,195,586 Cash and cash equivalents at end of period 3.648.853 1.472.690 Reconciliation to profit and loss account Operating cashflows 1 205 945 1.154 338 Depreciation / amortisation expense (215.076) (118,943) 200 16,153 Finance cost Profit on disposal of property and equipment 18.500 22.067 43.938 Rental income 49 995 718.229 Dividend Income 487.053 327.705 Other investment income 1.133.425 34.000 32.655 Profit on deposits 3,517 70 Other income Appreciation in market value of investments (3.334, 583)(7,871) Reversal of impairment in the value of available for sale equity investments 197.444 1 160.763 Increase in assets other than cash (2,064,487) Increase / (decrease) in liabilities other than running finance 1.185,870 1.278.635 Profit after tax from conventional insurance operations 774:372 Profit from window takaful operations - operator's fund 53,230 18,611 Profit after tax at the end of the period 827.602 1,297,146

The annexed notes 1 to 34 form an integral part of these consolidated condensed interim financial statements

ROLL

Directo

NU. Director

ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH Managing Director & Chief Executive

LAM Director Chairman of the meeting

EFU GENERAL INSURANCE LIMITED



Consolidated Condensed Interim Statement of Changes in Equity For the six months period ended 30 June 2018 (Unaudited)

								Rupees '000
	Share	General reserve	Reserve for exception al losses	Revaluation	Usapprop- riated profit	Equity attributable to equity holder of parent	Non- controlling interest	Total (Restated
Balance as at 01 January 2017 as prevously reported	2,000,000	12,500,000	12 902	-	2 388, 159	16.901.071		16 801.07
Restatement due to change in accounting policy (refer note 6) - net of deterred tax	- 14			2 528.768	1 114 395	3 643 183		3 643,183
Balance as at 01 January 2017 (restated)	2,000,000	12 500,000	12,903	2,528,788	3.502.564	20.544.254		20,544,254
Total comprehensive income for the period ended 30 June 2017								
Profit after tas					1,297,146	1,297,146		1.297 146
Other comprehensive income				1,322,984		1.322.984		1.322,984
ransactions with owners, recorded directly in equity				1,322,984	1,297,146	2,620,130		2 620,130
Inal dividend for the year 2016 If the rate of Rs. 7.00 (70%) per unuse					(1.400.000)	(1,400,000)		(1,400,000
at Interim dividend paid for the year 2017 at the rate of Rs. 1.25 (12.5%) per share					(250 000)	(250 000)		250.000
Other transfer within equity Transfer to general reserve		500,000			(500.000)	0.000		-
nlance as at 30 June 2017 (restated)	2.000.000	13,000,000	12.902	3.851,772	2.649.710	21.514.384		21 514 384
alance as at 01 January 2018 as previously reported	2,000,000	13.000.000	12 902		2.034.319	17.047.221		17.047.221
estatement due to change in accounting policy (refer note 5.1.1) - net of deferred tax		-	-	2.015,440	1,322,798	3.341.236		3,341 236
slance as at 01 January 2016 (restated)	2.000.000	13.000,000	12.902	Z 018 440	3.357.115	20.388.457		20 388 457
otal comprehensive income for the period ended 30 June 2018								0.000
roht after tax					827,602	624,515	203.087	827 602
the/ comprehensive income				(74,766)	-	(74,766)		(74,766
ecognition of non controlling interest on siness combination				(74.766)	627,602	549,749	203 087	752 830
ransactions with owners, recorded directly in equity								Sold Service
nal dividend for the year 2017 at the rate of Rs. 6 25 (62.5%) per share	-			2.0	(1,250,000)	(1,250,000)		(1,250,000
nal dividend for the year 2017 at the rate of Rs. 11.25 (112.5%) per share							(636,840)	(636,840
It Interim dividend paid for the year 2018 at the rate of Rs 1 25 (12.5%) per share					(250,000)	(250,000)		(250.000
at the rate of Rs 1.25 (12.5%) per share	-			- 2			(70.759)	(70,759
ther transfer within equity Transfer to general reserve		500,000	10		(500,000)			
siance as at 30 June 2018	2,000,000	13.500,000	12.902	1,943,674	2,154 717	19,438,206	2,936,181	22.374.567
te annexed notes 1,10 34 form agrintegral part o	of these ponsolida	ed condensed	clear finan	cial statements				
Burgt - Quelay -		A W	-	HASANALI AB Managing Dir		1	1.45	scella
Director -	Chief Find		-	HASANALI AB Managing Dir Chief Exec	ector &	Chu	Director Director	SC

EFU GENERAL INSURANCE LIMITED

Notes to the Consolidated Condensed Interim Financial Statements

For the six months period ended 30 June 2018 (Unaudited)

Legal status and nature of business.

1.1 EFU General Insurance Limited has assessed its control position in relation to its investments in EFU Life Assurance Limited after its agreement with some shareholders of EFU Life Assurance Limited effective 31 March 2018, accordingly it has been concluded that the Company has the ability to control the composition of the Board of Directors of EFU Life Assurance Limited, therefore EFU Life Assurance Limited has become the subsidiary of the Company from 31 March 2018. The consolidated condensed interim financial statements have been prepared and are presented as per the requirements of Section 228 of the Companies Act 2017.

1.2 Holding Company

EFU General Insurance Limited ("the Holding Company") was incorporated as a public limited company on 02 September 1932. The Holding Company is listed on the Pakistan Stock Exchange and is engaged in non-life insurance business comprising of fire aud property, marine, motor, miscellaneous etc.

The registered office of the Holding Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Holding Company commenced Window Takaful Operations from 16 April 2015 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules, 2012. The Company operates through 52 (2017: 52) branches in Pakistan including a branch in Export Processing Zone (EPZ).

1.3 Subsidiary Company

EFU Life Assurance Limited ("the Subsidiary Company") with 43.39 % effective Holding was incorporated in Pakistan on 09 August 1992 as a public limited company and started its operation from 18 November 1992. The Subsidiary Company is listed on Pakistan Stock Exchange and is engaged in life assurance business comprising of ordinary life business, pension fund business and accident and health business. The registered office of the Subsidiary Company is located at ALMalik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at Plot No.112, 8th East Street, Phase 1, DHA, Karachi.

2. Business combination

2.1 Acquisition of EFU Life Assurance Limited

2.1.1 The Holding Company decided to consolidate financial statements of EFU Life Assurance Limited with aud into the Holding Company which was approved by the Board of the Director in their meeting held on March 28, 2018.

For the purposes of these consolidated financial statements, the Holding Company has incorporated thebelances relating to EFU Life Assurance Limited at their canying values as appearing in the approved financial statements of EFU Life Assurance Limited for the period ended 31March 2018. These balances are detailed below:

Rupees '000

	31 March 2018
Assets	
Property and equipment	2,164.714
Intangible assets	8,782
Investments	
Equity securities	30,738,647
Debt securities	61.651,064
Term deposits	12,594,100
Loans and other receivables	1,727,034
Insurance / reinsurance receivables	69,322
Taxation - payment less provisions	393,621
Prepayments	62,636
Cash & bank	5,520,019
Total assets	114,949,939

Lightlittes	
Insurance flability	106,211,210
Deferred Laxation	187,416
Premium received in advance	787,063
Insurance / reinsurance payables	180,453
Other creditors and accruals	806,215
Total Liabilities	108,172,357
Book value of net assets as on 31 March 2016	6,777,562
Percentage of nel assets acquired	43.39%
Book value of net assets acquired	2,940,931
Goodwill Calculation	
Market Value	11,260,234
Net Assets	2,940,931
Goodwill	8,319,303

2.1.2 International Financial Reporting Standard (IFRS) 3 "Business Combinations", requires that all identifiedassets and liabilities acquired in a business combination should be carried at fair values in the acquirer'sbalance sheet and any intangible assets acquired in the business combination are required to be separatelyrecognised and carried at fair values. IFRS 3 allows the acquirer a maximum period of one year from the dateof acquisition to finalise determination of the fair values of the assets and liabilities and to determine the valueof any intangible assets separately identified. The fair valuation exercise of the recorded assets and liabilitieswill be completed within the period specified under IFRS 3. The carrying values of the above balances maychange as a result of the fair value exercise as required under IFRS 3.

3. Basis of Consolidation

The consolidated condensed Interim financial statements include the condensed interim financial statements of the Holding Company and its Subsidiary Company. Subsidiary Company is fully consolidated from the date on which the power to control the Company is established.

The consolidated condensed interim financial statements of the Subsidiary Company are prepared for the same reporting period as the Holding Company, using accounting policies that are consistent with those of the Holding Company.

The assets and fiabilities of the Subsidiary Company have been consolidated with those of the Holding Company on a line by line basis and the carrying value of the Company's investment in the Subsidiary Company is eliminated against the Subsidiary Company's share capital and pre-acquisition reserves in these consolidated condensed interim financial statements. Non-controlling interest represents that part of the net results of operations and of the net assets of the Subsidiary Company that is not owned by the Group. All material imma-group balances and transactions have been eliminated. Acquisitions of non-controlling interest (NCI) are measured at the proportionate share of the NCI in the fair value of the net assets acquired by the Holding Company.

3.1 Business Combination

Business combinations are accounted for by applying the acquisition method. The cost of acquisition is measured as the fair value of assets given, equity instruments issued and the liabilities incurred or assumed at the date of acquisition. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement, if any; acquisition related costs are expensed as incurred. Identifiable assets acquired and Nabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the Holding Company's share of identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets acquired, the difference is recognised directly in the profit and loss account.

3.2 Goodwill

Goodwill acquired in a business combination is measured, subsequent to initial recognition, at its cost less accumulated impairment losses, if any, for the purpose of impairment testing. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4. Basis of preparation and statement of compliance

These consolidated condensed interim financial statements have been prepared in accordance with the 4.1 accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017,, Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, total liabilities and profit of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these consolidated condensed Interim financial statement in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial statements of the General Window Takeful Operations has been reported which is annexed to these consolidated condensed interim financial statements as per the requirements of the SECP Takalul Rules, 2012.

These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017.

5. Basis of measurement

5.1 The unconsolidated condensed interim financial statements have been prepared under the historical cost basis except for the available for-sale investments, property and equipments and investment property that have been measured at fair value.

5.2 Functional and presentation currency

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

5.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the dates mentioned below against the respective standard or interpretation:

IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment - Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Holding Company is currently in the process of analyzing the potential impact of changes required in classification and measurement of synceted loss model on adoption of the standard.

- IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018), IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Holding Company is currently in the process of analyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

- 'IFRS 16 'Lesses'

IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases - Incentives' and SIC-27 ' Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting manina similar to the current standard i.e. lessor continue to classify leases as finance or operating leases. The Holding Company is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

Summary of significant accounting policies.

The accounting policies and method of computation adopted in the preparation of the consolidated condensed interim financial statement are consistent with those followed in the preparation of the annual financial statements of the Holding Company for the year ended 31 December 2017 except for available for sale investment, property and equipment, investment property and format for preparation of financial statements as disclosed in note 6.1.1, 6.1.2, 6.1.3, 6.1.4 and 6.1.5 respectively.

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

6.1 Change In accounting policies

6.1.1 During the period, the Holding Company has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakistan vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses arising on revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available-for-sale investments are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated accordingly.

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (insurance) Rules, 2002.

Had the accounting policy not been changed, available-for-sale investments, reserves and deferred taxation would have been lower by Rs.3,752 million, Rs.2,664 million and Rs.1,088 million (December 2017: Rs.3,907 million, Rs.2,735 million and Rs.1,172 million) respectively.

6.1.2 During the period, the Holding Company has changed its accounting policy for valuation of investment properties from cost model to fair value model as per IAS 40 investment property. This change in accounting policy has been applied retrospectively in accordance with the requirement of IAS – 8 "Accounting Policy, Change in Accounting Estimates and Error". The comparatives have been restated accordingly.

Had the accounting policy not been changed, investment property and deferred taxation would have been lower by Rs.1,710 million and Rs. 485 million (December 2017: Rs. 1,697 million, and Rs. 502 million) respectively.

6.1.3 During the period the Holding Company has changed its accounting policy for its land and building and related assets from cost model to revaluation model. Revaluation was carried out by the independent valuer. Surplus on revaluation is credited to surplus on revaluation account. This change in policy has been applied prospectively.

Hed the accounting policy not been changed, property and equipment and deferred taxation would have been lower by Rs. 1,199 million and Rs. 346 million respectively.

- 6.1.4 During the period, the Holding Company has changed format for preparation of its consolidated condensed interim financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1) / 2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of consolidated condensed interim financial statements of the Holding Company for the six months period ended 30 June 2018.
- 6.1.5 During the period the Company has changed its accounting policy for 'Investments in subsidiaries and associates' ware being accounted for by using the equity method of accounting are now accounted for et fair value and classified as available for sale investments in accordance with the International Accounting Standards 39 'Financial instruments: Recognition and measurement'. The management of the Company believes that the new policy provides reliable and more relevant information to the users of these unconsolidated condensed interim financial statements. This change in accounting policy has been applied retrospectively in accordance with the requirement of (AS 8 'Accounting Policy, Change in Accounting Estimates and Error'. The comparatives have been restated accordingly.
- 6.1.6 As per 6.1.1, 6.1.2, 6.1.4 and 6.1.5, retrospective edjustments have been made in these unconsolidated condensed interim financial statements and comparatives have been revised as follows:

	3	1 December 201	7	3	1 December 2010	5
	Balanca Previously Reported	Adjustment	Balance Reslated	Balance Previously Reported	Adjustment	Balance Restated
Property and equipment	1,222,290	66,733	1,289,023	1,064,911	63,290	1,148,201
Investment property	149,120	1,697,973	1,847,093	174,081	1,374,465	1,548,546
Investments in subactary / associate	12,131,105	(1,131,657)	10,999,448	11,949,485	(2,684,443)	9,285,042
Investments Equity securities Debt securities	2,505,215 8,533,957	3,914,209 (6,689)	6.419,424 6.527,268	3,195,534 5,191,510	6,297,885 72,882	9,493,419 5,264,392
Total assets from window tetraful operations - Operator's fund	433,587	(107)	433,480	267,353	(143)	267,210
Deterred taxation	(376.377)	(1,199,228)	(1,575,605)	(380,082)	(1,948,584)	(2,328,646)
Reserves	(13,012,902)	(2,018,440)	(15,031,342)	(12,512,902)	(4,351,772)	(16,864.674)
Unappropriated profit	(2,034,319)	(1,322,796)	(3,357,115)	(2,388,169)	(1,114,395)	(3,502,564)
					ре 30	ix months riod ended June 2017 Jnaudited)
Impact on profit and loss	account					
Profit after tax would	have been lowe	ir by				178,578
Earnings per share w	ould have been	higher by				0.90

6.1.7 During the period the Companies Act, 2017 has been implemented, however there is no impact on the consolidated condensed interim financial statement.

7. Accounting estimates and judgements

The preparation of these consolidated condensed interim financial statements are in conformity with approved accounting elandards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of easets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgments made by management in applying the Holding Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017 except for those mentioned in note 6.1.

8. Management of insurance and Snancial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.

Property and Equipment

The details of additions and disposats during the three months period ended 30 June 2018 are as follows:

	Additions	s (at cost)	Disposals (at r	Rupees '000 let book value)
	30 June 2018	30 June 2017	30 Juna 2018	30 June 2017
	(Unaudited)	(Unandited)	(Unaudited)	(Unaudited)
Buildings	54 693	28 138	-	-
Furniture and fixtures	61 235	10 516	-	
Office equipments	14 930	2 250	430	
Tracker equipments	38 471	52 397	-	-
Computers	25 168	4 104	540	
Vehicles	98 189	87 092	15 776	3 334
Capital work-in-progress	3 570	2 470		
	296 236	165 967	16 846	3 334

10. Investment property

Rupses '000

investment property	30 June 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
Opening net book value	1 847 093	1 548 008
Additions and capital improvements	7 076	317
Unrealized fair value gain	-	298 768
Closing book value	1 854 169	1 847 093

11. Investment in equity securities

Available for sale

	30 June 2018 (Unsudited)		31 December 2017 (Audited)			
	Cost	Impeliment / provision	Carrying value	Cost	Impairment / provision	Cerrying value
Related Party						
Listed shares	751.134	205,936	485,198	12,468,040	28,753	12,439,287
Mutual Auncis	103	· ·	270	-	L · J	
	751,237	265,936	485,408	12,468,040	28.753	12,439,287
Others						
Liared shares	2,134,344	97,360	2,036,984	2,133,539	54,735	2,078,804
Unlisted shares	31,508	-	31,508	10.500	-	10.500
Mutual funds	52,833	(5,209)	61,459	-	-	
	2.218.685	92,151	2,129,951	2,144,039	54,735	2.089.304
Surplus on revaluation	3,922,210	-	3,922,210	2,890,283	•	2,890,283
	6.892,132	358,067	6.537,629	17,502,362	83,488	17,418,874
Related Party Listed shares Mutuel funds	644,919 25.845	•	863,548 28,184	-	-	
Mutuel funds	25.845	-	28,164			
Others						
Listed shares	32,184,802	-	31,727.703	-	•	•
Motual funds	63,438		71,523			
Surplus on revaluation	•	•		-	-	-
	32,919,004	•	32,710,958	-	-	-
At fair value through profil a	and loss -					
held for trading						
held for trading						
held for trading	30,772		30,772	-	-	-
hald for trading Others Listed shares	30,7 72 19,294	-	30,772 19,294	-	-	-
held for trading Others			-	-	-	-

12. Investment in debt securities

	30 June 2018 (Unaudited)			
	Cost	Impairment / provision	Carrying value	
Held to maturity Government Securities	4 769 997	-	4 769 997	
Available for sale Government Securities	61 937 980	-	62 269 658	
Olhers				
Term Finance Certificate	1 324 572	44 1 18	1 280 454	
Sukuk	610 810	-	610 810	
Certificate of Investment	210 000	-	210 000	
Surplus revaluation	(20 250)	•	(20 250)	
	68 833 109	44 118	69 120 669	

	31 De	31 December 2017 (Audited)			
	Cost	Impairment / provision	Carrying value		
Government Securities	8 533 B57	-	8 533 957		
Term Finance Certificate	44 118	44 118	-		
Surplus revaluation	(6 669)	<u> </u>	(6 689)		
	8 571 386	44 118	8 527 268		

13. Loan and other receivables - considered good

Fosu and other lecelvables – cousidered ĝood	30 June 2018 (Unaudited)	31 December 2017 (Audited)
Loan to employees	56 239	5 384
Accrual investment income	992 092	86 626
Security deposit	55 582	7 780
Advance to suppliers	46 344	33 115
Advances to employees	5 204	3 665
Advances to agents	69 034	-
Others	486 022	2 048
	1 692 517	118 618

14. Insurance / reinsurance receivables – unsecured and considered good

Due from insurance contract holders	3 854 919	2 829 995
Less provision for impairment of receivables from insurance contract holders	(52 125)	(27 814)
	3 602 794	2 802 182
Due from other insuerer / reinsurers	77 933	16 887
	3 680 727	2 819 069

Ruppes '000

16.	Prepayments			100000 000
10.	пераўшана	Note	30 June 2018 _(Unaudited)	31 December 2017 (Audited)
	Prepaid reinsurance premium ceded Prepaid rent Others	21	4,661,963 37,620 149,746 4,849,329	5,112,084 12,703 77,394 5,202,181
16.	Cash and bank			
	Cash and cash equivalents Cash in hand Policy and revenue stamps, bond papers Cash at bank current accounts saving accounts		1,208 21,707 22,915 681,121 2,944,817 3,625,938 3,648,853	2 9,802 9,804 233,422 920,983 1,154,405 1,164,209
17.	Reserves			
	General reserve		13 500 000	13 000 000
	Reserve for exceptional losses	17.1	12 902	12 902
	Revaluation reserve - Available-for-sale investments		1 740 587	2 018 440
			15 253 489	15 031 342

17.1 The reserve for exceptional losses was created prior to 1979 and was charged to income in accordance with the provisions of the repeated income Tax Act, 1922 and has been so retained to date.

			Rupees '000
		30 June 2018 <u>(Unaudited)</u>	31 December 2017 (Audited)
18.	Other creditors and accruais		
	Federal insurance fae payable	12 445	12,510
	Federal excise duty and sales tax payable	140 017	170,800
	Accrued expenses	507 026	227,879
	Agent commission payable	824 393	499,929
	Unearned rentals	44 921	70,986
	Security deposit bond	659 323	543,677
	Unclaimed divideneds	390 604	196,503
	Others	228 961	92,103
		2 807 690	1 814 387

19. Contingencies and commitments

The income tax assessment of the Holding Company and its Subsidiary Company has been finalised up to tax year 2017.

19.1 Holding Company

19.1.1 The Income Tax Department have made assessment order for assessment year 1999-2000 and 2000-2001 by adding back provision for bonus to staff, provision for gratulty and excess management expense. The Holding Company had filed appeals before Commissioner Inland Revenue (Appeals). The appeals have been decided in the favour of the Income Tax Department. The Holding Company had filed appeals before Income Tax Appellete Tribunel (ITAT). If the appeals are decided against the Holding Company a tax llability of Rs. 13 million would arise.

The income Tax Department (Audit) has made assessment order for assessment year 2002-2003 by adding certain items. The Holding Company had filed appeal before Commissioner Income Tax (Appeals). The appeal was decided in the favour of the Holding Company. The Department had filed appeal before Income Tax Appellate Tribunal (ITAT) and the same was been decided in the favour of the Holding Company. The Department has filed appeal before Honourable High Court of Sindh against the order of Income Tax Appellate Tribunal (ITAT) in respect of estimated liability oficialities, excess perquisites and retrocession commission. If the appeal is decided against the Holding Company a tax liability of Rs. 76 million would arise.

The Commissioner Inland Revenue (Audit) has amended the tax assessment of the Holding Company for tax year 2005 to 2007 by disallowing prorated expense. The Holding Company has filed appeals before Commissioner Income Tax (Appeals). The appeals were decided in the favour of the Holding Company. The Department then filed appeals before Income Tax Appellate Tribunal (ITAT). The Income Tax Appellate Tribunal (ITAT) had passed order in favour of the Holding Company. The Department then filed reference before Honourable High Court of Sindh. The Honourable High Court of Sindh maintained the decision of Income Tax Appellate Tribunal (ITAT). The Department has filed appeals for the tax year 2005 to 2007 before Honourable Supreme Court of Paklstan against the decision of the Honourable High Court of Sindh in respect of proration of expenses and if the appeals are decided against the Holding Company, a tax liability of Rs. 37 million would arise.

The Department has filed appeal for tax year 2008 before Honourable High Court of Sindh against order of income Tax Appellate Tribunal (ITAT) in respect of tax on reinsurance premium. If the appeal is decided against the Holding Company a tax liability of Rs, 5 million would arise.

The Department has filed appeal for tax years 2014 and 2016 before income Tax Appellate Tribunal (ITAT) against order of Commissioner (Appeal) in respect of Dividend Income taxed at reduced rate. If the appeal is decided against the Holding Company a tax liability of Rs. 243 million would arise.

The Commissioner Inland Revenue (Audit) has amended the tax assessment of the Holding Company for tax year 2017 by disregarding the amount of capital gain worked out by the Holding Company. The Holding Company has filed appeals before Commissioner Income Tax (Appeals), and if the appeal is decided against the Holding Company, a tax liability of Rs. 46 million would arise.

No provision has been made in these consolidated condensed interim financial stataments for the above contingencies, as the management, based on tax advisor's opinion, is confident that the decision in this respect will be received in favour of the Holding Company.

- 19.1.2 In 2014, 2015, 2016 and 2017, the Searle Company Limited issued bonus shares (453,612, 312,993, 664,632 and 472,284 shares respectively) after withholding 5 percent of bonus shares (22,680, 15,650, 34,981 and 24,857 shares respectively). In this regard, a constitutional petition had been filed by the Holding Company in Honourable High Court of Sindh challenging the applicability of withholding tax provision on bonus shares received by the Holding Company. The Honourable High Court of Sindh decided the case against the Holding Company. Subsequently, the Holding Company; filed an appeal with a larger bench of the Honourable High Court of Sindh and in response; the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. Consequently, the Holding Company has not paid / provided an amount of Rs. 37.09 million being withholding tax on bonus shares.
- 19.2 Subsidiary Company

The Income tax assessment of the Subsidiary Company for tax year 2017 has been finaliaed. The tax department has reopened the assessment order issued under Sec 122(5A) for the tax year 2009-2018 and has raised a demand of Rs. 58.31 million against dividend income so received by the Subsidiary Company to be taxed at corporate rate instead of reduced rates available in the First schedule of Income Tax Ordinance 2001. The Subsidiary Company filed an appeal for tax year 2009-2013 before CIT appeals where the case was decided against the Subsidiary Company. The Subsidiary Company has filed an appeal before Appellate Tribunal for the same tax years where the case was decided in favour of the Subsidiary Company. For tax year 2014 and tax year 2016, the Subsidiary Company filed an appeal before CIT appeals against the order, where the case was decided in favour of the Subsidiary Company has filed an appeal before CIT appeal. No provision has been made in respect of aforementioned additional demand.

In 2013, Income Tax Department imposed an additional tax demand under section 151(1)(d) on account of non-deduction of withholding tax on surrender and maturity amounting to Rs.14 million and Rs.15 million for Tax Years 2012 and 2013 respectively. The Subsidiary Company filed an appeal before Commissioner Inland Revenue (Appeals) and the same was dismissed. The Subsidiary Company filed second appeal before the Appellate Tribunal against the order of CIT. The learned Appellate Tribunal Inland revenue has now decided the case in Subsidiary Company's favour. Subsequent to the period; the department has filed review application against the order in Honourable Court of Sindh. The decision is still pending.

- 19.2.1 In 2015 and 2016, the Searle Company Limited issued bonus shares (76,031 shares and 342,480 shares respectively) after withholding 5 percent of bonus shares (3,803 shares and 18,707 shares respectively) and the IBL Healthcare Itd. issued bonus shares (48,825 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (48,825 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (48,825 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (2,331 shares and 4,031 shares respectively). In this regard, a constitutional petition had been filed by the Subsidiary Company in Sindh High Court challenging the applicability of withholding tax provision on bonus shares received by the Subsidiary Company. The honorable high court decided the case against the Subsidiary Company. Subsequently, the Subsidiary Company filed an appeal with a larger bench of the Sindh High Court and in response the Sindh High Court has suspended the eartier judgement until the next date of hearing, which has not yet been decided. The Subsidiary Company is of the view that the case will be decided in its favour and no provision has been made for the aforementioned tax.
- 19.2.2 Bank guarantees amounting to Rs.17 million has been given in respect of Group Life coverage. These bank guarantees will expire by 16th January 2020.
- 19.3 No provision has been made in these consoliptated condensed interim financial statements for the above contingencies, as the management, based on tag advisor's opinion, is confident that the decision in this respect will be received in favour of the Company.

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Information
Segments
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20. Segments Information		ľ	:											ſ
		8	General Insurance	ġ		Accession								Sec membre
	Fire and property	Marine. Problém 8	Motor	Miscalianacus	Treaty	General	Invesiment linked hominates	C DIVENDOR	Parajon buginess	Accident & health	Family takeful Investment linted	Family lakeful probation	Aggregale Life Arswance	period ended 30 June 2018
	damete) Trademicij							(Unit traked)	Beenand	businees	businese	Ì	
Premeum Recevable (inclusive of FEO. Federal														
insurance (ee and Admonstracive surcharge)	5,053,205	1.621.568	1,815,685	1 020,285		10.510.754	5,640,208	584.830	521	256	585.007	310° 310	0.0499.537	142,000,11
Less: Federal excise duty	728.510	177,160	232,230	116 529		1,254,429	-			-		•	'	1,234,472 00,240
Stamp duty	22	565 565	782	694.	•					•	•		•	
Federal insurance fee	51.705	13.707	16,690	0.60	ľ	81,012	•		ĺ		ľ		.	715
Gross Written Fremurn (inclusive of	094 IAA 9	. 175 176	1.686 003	BOA NOT		a tha task	5,640,208	Stat Roll	175	255	585,807	39,262	8,848,537	14,954,502
		146.885	1 1857 5458	121,950		0.958.691	-					-		8,806,863
Cross area previum Cross area constant	012/021-0 300-0		DCC'204'I	1000		5031	•							3,695
r Boolacanna minada u premiurin Salantainaina su mitamaa	15.248	25,004	183-475	10.850		Z34,807					-		•	234,607
	6.087.900	1,200.740	1.697,506	743,057		8,729,205	5.640.208	584,830	175	X	585,807	36.262	6,849,537	16.579.742
Insurance premum caded to reinsurars	5,152,180	447.266	4,813	451,721	•	6,055,980				·				6.055.990
Net insurance prenaum	935.720	753,474	1, 892, 895	201.335		3.673.225	5,640,208	584.830	175	255	586,007	39,292	6.849,537	10.522.752 457.360
Commission income	LEC LCC	14,586	- 000 000	110.303		100,100			12	, SHK	585 BUT	19 4 9.	6 849 597	10.980.122
Nai underumting income	1,273,117	768,069	1.692.095	4.11.14		4,140,565	0.040.050		2	2007		20.202		
insurations claims	612 <i>5</i> 67	405.687	844,019	184,486		2,066.749	2,677,954	413212		1144]	143,567	17,336	3,221,825	5.308.674 June And
Insummer cigning recovered from reinsurars	243.463	161,963		91.118 01.040		445,464					- 143 667	12 GB	3.251.925	4812210
Net Clamba Assessments successo	2010.000 ARE 487		141 A75	100,000		B04.432	10 ¹⁷	414.614						804.432
source and the second sec	2002.000	239.522	569,813	1001100	'	1.271.372	1,613,268	158,432	ŝ	101	331,278	23671	2,123,789	3.398.161
Met meurance claims and expenses	8/1-8/1	623.324	1,574,577	259,710	. 	3.675.099	4,291,242	571,844	15	(22)	474,849	100117	5,378,714	3.014.003
Net investment mome - substany hinds			•	•	•	•	(J, 182, 547)	20,054	3	15	(5,909)	15,818	(2,152,477)	(2.152.477)
Net Charge in Insurance LabAtes(Other then										•				011 924 F
curbiter dans (Jalms)				-			1.221.797	865 82	(130)	Ð	[143.521]	17,858	CLUC L	
Underwriting result	929 [°] H3	82. 1	118,118	147,004	•		376.21B	122,278	8	CINC .		ZCO.LE.	SCH ERH.	A04,1895
Nei Investment incomé Simme						10.00								49.995
						20122							7,089	58,310
						(32,787)							16.000)	(066'92)
Finance coets						16,153								16,153 11,153
Profit before lay from tekeny operations						53,230								82.53
Profit before lax						1,010.343							194, 741	590,605,1
						Ac a Jo Arre 20 B								
Copurate segment stacks conventional	8.658,757	1,469,690	545,888	B12,101,1		11,995,554	100,906,382	2401,352	025.92	5,813	3,136,562	203.331	109,878,820	121,674,374
Corporate segment assets-Takaful OPF	22,381	6,007	167,720	8,510	•	224,618								010/072 010/072
Corporate unallocated assets-conventional														303,655
Consolidated total assets takent Unit Consolidated total assets						61.552.04							112.10.250	154,090,518
									HU] 30		5 MG2 M70	100 001	107 B//B 815	127 949 470
Conjunde segmént habitités Formente socranes translaux Tui-sé d'ADE	232 9739 21	2,228,317	2.306.305	2.719.766							0.000000			294,875
uonuonana segintenti naominen Lenonuo Leno. Corrondre unaliocaled fabilities						1,836,274							785, B92	2,621,156
Ecoporate unallocated liab-treas-Tatraful OPF						2,044								2044
Consolidated lotal hebities						22,273,043	_						108,066,001	1961 C
	External premium	_												
Location	segments 2018													

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Location soprieries segments 2018 Patration 10.519.779 * E P 2 10 cal 10.522,752 * This represents US Dollar Equivalent on Park Ruppes

		Ge	neral Insura	nce		
	Fire and property damage	Marine, eviation & transport	Motor	Miscellaneous	Treaty	Six months period anded 30 June 2017
Premium Receivable (Inclusive of FEO, Federal						
insurance fee and Administrative surcharge)	6,191,031	1,538,773	1,958,046	697,914	-	10,615,765
Less: Federal excise duty	779,219	172,575	240,169	95,283	-	1,287,246
Sterng dury	255	50,836	634	1,054	-	52,979
Federal insurance fee	52,405	12,988	17,481	8.023	-	90,877
Gross Written Premium (inclusive of Administrative current arms)	E 250 450	4 202 204	1 730 564	793,554		9,1 84.684
Administrative surcharga) Gross direct premium	5,359,152 5,328,710	1,302,394	1,729,564	779,660	-	8,920,396
Facultative inward premium	14,286	1,215,740	1,535,266	118,000	-	15,401
Administrative surcharge	16,154	25,541	193,278	13,894		246,867
Insurance premium earned	4,865,548	1.073,911	1,711,517	701,425	-	8,352,401
Insurance premium ceded to reinsurers	3,876,443	334,487	8,174	376,589		4,595,693
Net insurance premium	989,105	738,424	1,703,343	324,636		3,756,708
Commission income	318,967	17,272	•	99,158	-	435,397
Net underwriting income	1,308,072	756,696	1,703,343	423,994	-	4, 192, 105
insurance claims	1,890,601	227,937	866,353	208,075		3,192,966
insurance claims recovered from reinsurers	1,598,913	13,103	(93)	120,064	-	1,731,967
Net clems	291,688	214,834	866,446	88,011	•	1,460,979
Commission expense	387,395	128,272	142,213	55,524	-	713,404
Management expenses	321,402	214,867	530,939	100,877	-	1,168,105
Net insurance claims and expanses Nat investment income - statutory lunds	1,000,465	557,993	1,539,598	244,412	-	3,342,468
Underwriting result	307,587	198,703	163,745	179.562		849,617
Net lovestment income	007,001		• • • • • • •	118,004		1.045,934
Rentel income						43,938
Other income		i				54,792
Other expenses		:				(27.706)
Finance costs						200
Profit before tax from takaful operations		1				18.611
Profit before tax						1,985,385
						As at 31 December 2017 (Audited) resizied
Corporate segment assets-conventional	9.623,292	1.020.782	579,921	1,003,794	-	12,227,759
Corporate segment assets Taka UI OPF	26,159	4,429	144,487	5,942	-	\$82,017
Corporate unallocated assats-conventional			• • •	–		32,229,760
Corporate unallocated assets-Takaful OPF						251,463
Consolidated total assets		:				44.691.009
Corporate segment kabilities	14.035.587	1,655,601	2,450,302	2,256.262	-	20,597,752
Corporate argment liabilities-Takeful OPF	22.534	4,009	194.658	15,300	-	236 691
Corporate unallocated liabilities						2,743,144
Corporate unallocated liabilities-Takeful OPF		1				1,687
Consolidated total liabilities		:				23,579,274
Location	External premium less reinsurance by geographical segments 2017					
_						
Pakistan	3,748,176	:				

8,532

3,756,708

* This represents US Dollar Equivalent in Pak Rupees

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Total

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		8	General Insurance	108					Life Asseurance	surance				
	Fire and projection demega	Marre, Indition & transport	Molor	Miscellaneous	jî e	Aggregate General Insurance	Investment Interd business	Conventiona I business	Pension business (Unit initial	Accident & health to business	Family unkneu rurestment linkod business	Family liskeful protection trusiness	Aggregate Life Insurance	Three months period ended 30 June 2018
Premium Receveble (inclusive of FEO. Federal Insurance Fee and Administration Surchares)	2 400 875	463 382 661 382	856.275	315.831].	4,526,163	5.640.208	584.830	175	1 %	566,007	- 292.98 9	6,848,537	11,375,700
liens. Fertaral Picture Directory	3048 2.75	105 860	100	36.325	,	644 914			•			•	•	644,914
Stern Dury	8	29.140	316	88	•	29,966	'	•	•	•				996 12
Federal Insurance Fee	19,802	8,079	7,450	2,783		140.98				•				36 098
Gross Witthen Premium (Inclusive of														
Administrative Surcharge)	1 992,510	806,308	745,011	276,365		3,813,169	5,640,208	584,830	175	22	585.607	38.26	6,649,537	10,662,726
Gross direct premium	1 974,342	795,443	648,349	271,148		3,687,282			.	.			•	3,667,282
Facultative nward promium	2.225	1,200	•	•		3,428	•				•	'	'	3,428
Administrative Surcharge	5,943	12,657	599 (662)	5,217		122,479					-	'	'	122.479
Insurance premium camed	2,907,251	522,476	844,825	378,963		4,753,545	802,048,3	584,830	175	355	585.807	38,262	6,849,537	11.603.062
Insurance premium caded to remainers	2,438,711	259,105	2,134	236, 156	'	2,946,105	•	•			'	•	'	2,946,106
Net insurance premium	095'290	1,12,1328	342,691	143.837		1.807,139	5,640,208	524,830	52	255	505 807	2 22	6,849,537	8.656.976
Commission moome	189,743	12,158	•	48,373		250,244					'	'		250.244
Net underwrtrog mome	657,253	366,529	169'2'9	192.210		2,057,883	5,640,208	584,830	175	255	585,807	36 262	6,049,537	8,907,220
Insurance chaims	523,787	277,997	437.551	45.174		1.284,519	2,677,964	413.212	ŀ	[144]	143.567	BCS'/11	3,251,625	4,536,444
Insurance claims recovered from reinsurers	756,858	151,006	145,	28.037	•	475,518	•	•				•		475,516
Net claims	228,139	128,131	437 596	12,137		500,608	2,877,954	413,212		(141)	143,567	17,336	3,251,925	060,928
Commission expense	225,872	70,952	10,714	28,732		01120		'			•	•		368,170
Management expenses	170,967	110,538	269,626	49.234	•	819.555	1,813,269	158,432	15	107	331,276	23,671	2, 126, 709	2,748,344
tiel insurance clems and expenses	524,769	30,66	797.196	3 .18		1.624.728	1,291,242	571,644	£	(76)	474,843	41,007	5,378,714	7,200,442
- Hart Providence Announce - adaptation franklike					•	•			- 29				(TEP (ST.C)	
Net Change in Insurance Leitebook(Other Bian														
outstanding Claims)						'	1,221,787		Ê	œ.	(143,521)	17, 903	1,175,109	B01.671.1
Underwiding result	32.485	57,868	45.495	101.16	•	232,955	378,216	122.278	3	513	(367-792)	31.032	493,455	726.410
Net Investment income						180.108								160,109
Rental income						39,662							•	30,652
Other income						25,259							7,899	33,147
Easuedou Jecky)						(525,21)							(6,603)	[19.976]
Firsnoe costs						8,528							'	8.528
Profit before tax from lakaful operations						2 8.14								4 I N
Profit before tax						64 ,273							494,740	979,013

Difference 2017

		Ger	ieral Insurar	nce		
	Fire and property demage	Marine, aviation & transport	Motor	Miscellaneous	Treaty	Three months period ended 30 June 2017
Premium Receivable (inclusive of FED, Federal	<u>_</u>	<u> </u>		·		
Insurance Fee and Administrative Surcharge)	2,945,522	914,238	858,594	326,946	-	5,045,300
Less: Federal Excise Duty	375,405	103,442	104,091	34,128	-	617,068
Stamp Duty	9 9	24,579	376	322	-	25,376
Federal Insurance Fee	24,271	7,729	7,650	2,983	,	42,633
Gross Written Premium (Inclusive of	-					-
Administrative Surcharge)	2.461,799	778,487	675,214	267,086	•	4,222,585
Gross direct premium	2,460,933	764,808	571,853	260,487	-	4,078,081
Facultative inward premium	14,258	1,113	-		•	15,401
Administrative Surcharge	6,578	12,568	103,361	6,601		129,108
Insurance premium earned	2,555,277	552,084	854,276	354,693	-	4,316,330
Insurance premium ceded to reinsurers	2,026,565	152,863	3,482	196,503	•	2,379,413
Net insurance pramium	528,712	399,221	850,794	158,190	-	1,936,917
Commission income	195,579	11,487	-	48,767	,	255,833
Net underwriting income	724,291	410,708	850,794	206,957	•	2,192,750
Insurance claims	1,140,609	105,667	- 392,861	123,308		1.762.443
Insurance claims recovered from reinsurers	950,778	(905)	(10)	77,219	-	1,027,062
Net claims	169,831	108,572	392,871	46,087		735,381
Commission expense	206,283	66,139	70.357	27,869	-	370,648
Management expenses	166,320	113,049	262,193	48,561	-	590,123
Net insurance claims and expenses	562,434	285,760	725,421	122,517		1,696,132
	-		•	•	-	
Underwriting result	161,857	124.946	125,373	B4,440	· _	498.618
Net Investment income	-					835,105
Rental income		1				31,584
Other income						30,707
Other expenses						(13,899)
Finance coste						194
Profit before tax from takeful operations		1				8,513

21. Net insurance premium

22.

Rupees '000

	Three month ended 30		Six month: ended 30	
	2018	2017	2018	2017
Written gross premium	10 832 962	4 222 588	16 124 758	9 164 BB
Unearned premium reserve - opening	8 812 802	8 314 685	6 496 686	7 388 680
Unearned premium reserve - closing	(7 872 446)	(8 220 943)	(7 872 446)	(8 220 94)
Premium earned	11 773 338	4 316 330	16 748 998	8 352 40
Less:				
Reinsurance premium ceded	2 571 137	2 832 742	5 776 115	5 521 12
Prepaid reinsurance premium - opening	5 207 187	4 623 778	5 112 083	4 151 67
Prepaid reinsurance premium - closing	(4 661 962)	(5 077 107)	(4 661 982)	(5 077 10
Reinsurance expense	3 116 362	2 379 413	6 226 238	4 595 69
	8 656 976	1 936 917	10 522 762	3 756 70
		4 470 457	6 000 407	
Claim Paid	4,577,882	1,179,383	5,899.407	
Outstanding claims including IBNR - closing	5,097,810	6,056,515	5,097,810	6,056,51
		6,056,515 (5,473,4 55)		6,056,51; (5,415,030
Outstanding claims including IBNR - closing	5,097,810	6,056,515	5,097,810	2,651,48 6,059,51 (5,415,030 3,192,960
Outstanding claims including IBNR - closing Outstanding claims including (BNR - opening	5,097,810 (5,023,052)	6,056,515 (5,473,4 55)	5,097,810 (5,572,347) 5,424,870	6,056,51; (5,415,030
Outstanding claims including IBNR - closing Outstanding claims including (BNR - opening Claims expense	5,097,810 (5,023,052)	6,056,515 (5,473,4 55)	5,097,810 (5,572,347)	6,056,515 (5,415,030 3,192,966
Outstanding claims including IBNR - closing Outstanding claims including IBNR - opening Claims expense Less:	5,097,810 (5.023,052) 4,652,640	6,056,515 (5,473,455) 1,762,443	5,097,810 (5,572,347) 5,424,870	6,056,518 (5,415,030
Outstanding claims including IBNR - closing Outstanding claims including IBNR - opening Claims expense Less: Reinsurance and other recoveries received Reinsurance and other recoveries in respect of	5,097,810 (5.023,052) 4,652,640 529,907	6,056,515 (5,473,455) 1,762,443 478,448	5,097,810 (5,572,347) 5,424,870	6,056,51 (5,415,03) 3,192,960 1,126,652
Outstanding claims Including IBNR - closing Outstanding claims including IBNR - opening Claims expense Less: Reinsurance and other recoveries received Reinsurance and other recoveries in respect of outstanding claims - opening Reinsurance and other recoveries in respect of	5,097,810 (5.023,052) 4,652,640 529,907 (3,040,167)	6,056,515 (5,473,455) 1,782,443 478,448 (3,481,318)	5,097,810 (5,572,347) 5,424,870 1,048,260 (3,538,572)	6,066,51 (5,415,03) 3,192,960 1,126,652 (3,424,61)

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23. Net commission expense

Commission paid or payable

Deferred commission expense - opening Deferred commission expense - closing

Commission received or recoverable Unearned reinsurance commission - opening Unearned reinsurance commission - closing

Rupees '000

	Three months ended 30		Six months ended 30	•
-	2018	2017	2018	2017
	1 904 775	423 359	2 265 722	833 661
	642 272	632 211	689 587	564 645
	(537 207)	(684 922)	(537 207)	(684 922)
	2 009 840	370 648	2 418 102	713 404
	110 717	255 833	392 227	475 659
	526 010	364 439	481 616	343 977
	(386 483)	(384 439)	(388 483)	(384 439)
	250 244	255 833	467 360	435 397
	1 759 596	114 815	1 950 742	276 007

Commission from reinsurers

Net commission

Less:

24. investment income

Income from equity securities - available for sale Dividend income

Income from debt securities - available for sale Return on debt securities

Income from term deposits Return on term deposits

Net realised gains / (losses) on investments

Available for sale financial assets Realised gains on: Equity securities Debt securities

Realised losses on: Equity securities

Impairment in value of available for sale equity securities Investment related expenses

Total Investment Income

'	204,753	778,377	394,505	953,621
	2,60 1	3,000	5,986	6,619
	127,182	119,693	250,787	228,774
	74,970	653, 65 4	137,732	718,228

104,209	7,828	120,863
-	·	6,229
(4,603)	(17,972)	(4,730)
99,600	(10,144)	122,362
875,983	384,361	1,075,983
(40,463)	(14,924)	(29,234)
(415)	(603)	(815)
835,105	368,834	1,045,934
	- (4,603) 99,608 875,983 (40,463) (415)	- (17,972) 99,606 (10,144) 875,983 364,361 (40,463) (14,924) (415) (603)

25. Other Income

Rupees '000

			Three month ended 30		Six month ended 3	
			2018	2017	2018	2017
	Gain on sale of fixed assets - n	et i	10,213	13,010	18,500	22,067
	Interest on loans to employees		3,425	35	3,517	70
	Profit on bank deposits		17,216	17,662	34,000	32,655
	Others		2,293	-	2,293	-
			33,147	30,707	58,310	54,792
26.	Window takeful operations - C	perator' fund				
	Wakala fee	ĺ	116 993	67 858	224 926	128 520
	Management expenses		(63 980)	(42 416)	(109 234)	(75 271)
	Commission expenses		(39 355)	(22 305)	(74 122)	(41 997)
	Investment income Other income		5 295 1 438	4 898 888	9 131 2 976	6 039 1 740
	Other expenses		(247)	(410)	(447)	(420)
	Profit for the period	İ	20 144	8 513	53 230	18 511
27 .	Taxation					
	For the period					
	- Current		496 888	427 061	666 678	603,842
	 Prior year 		155 072	98 766	155 072	98,766
			651 960	525 827	821 750	702,608
	Deferred tax		(161 57 <u>2)</u> 490 388	(17 465) 508 342	(144 269) 677 481	(14,368) 688,240
28.	Éarninge per share					
	Profit after tax	(Rupees '000)	285 538	860 480	624 515	1 297 146
	Weighted average number of ordinary chares	(Numbers '000)	200 000	200 000	200 000	200 000
	Earnings per share	(Rupees)	1.43	4.40	3.12	6.49

29. Movement in investment

ame of investment	Heid to matunity	Available for sale	Fair value through P & L	Deposit maturing within 12 months	Total
previous year	-	14,757,812		671. B80	15,429,692
	-	15,208,978		1,623,684	15,832,862
e and redemptions)	-	(12,519,295)	•	(1,865,214)	(14,384,510)
ains					
(realised gains)	•	(2,447,965)	-	-	(2,447,966)
685	-	(52,836)	· · · ·	-	(52,836)
pariod	-	14,946,692	-	430,550	15,377,242
	11,346,197	17,636,173	182,678,304	52,567,843	264,248,517
e and redemptions)	(6,002,000)	(17,852,586)	(91,968,329)	(40,899,975)	(158,722,891)
ains .	Í				
t realleed gains)	-	(124,855)	(221,676)	-	[346,531]
ses		(16,599)	-	•	(18,599)
d	3,344,197	14,588.823	90.488,300	1 <u>2,118,418</u>	120,537,738
, t	3,344,197	14,588.823	90,488,300	1;	2,118,418

30. Related party transactions

Related party transactions Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as followe:

		Three months period ended 30 June		ns period 10 June
	2018	2017	2018	2017
Transactiona Associated companies				
Premiums written	81 616	44 350	226 732	141 163
Premiums paid	3 599	-	31 518	30 449
Claims paid	31 962	23 610	142 416	40 971
Claims received	654	-	654	-
Commission paid	49 460	-	49 460	-
Travelling expenses	1 352	-	1 352	-
Dividend received		570 970		570 970
Dividend paid	950 903	529 825	950 903	529 825
Interest on bank deposit	11 532		11 532	-
Investment sold	455 357	•	455 357	-
Key management personnel				
Premiums written	1 837	434	2 027	555
Claims paid	-	127	-	202
Dividend paid	6 309	6 916	6 309	6916
Loan recovered	900	-	900	-
Compensation	78 691	46 361	11 9 4 47	85 123
Others				
Premiums written	8 475	3 756	17 937	14 734
Claims paid	1 103	1 213	2 469	1 702
Investments mede		150 000		200 000
Investments sold	į _	103 179	-	225 000
Dividend paid	458 220	489 344	458 220	489 344
Bank deposits made	75 000		50 000	
Brokerage paid	236	92	235	98

		Three months period ended 30 June		tha period 30 June
	2018	2017	2018	2017
Employees' funde	<u> </u>			
Contributions to provident fund	13 620	6 244	19 992	11 634
Contributions to gratuity fund	4 885	3 874	9 771	7 697
Contributions to penalon fund	7 163	302	8 136	603
Dividend paid	7 731	8 505	7 731	8 505
			30 June	31 December
	İ		2018 (Unaudited)	2017 (Audited)
Belances			(onedened)	_ (riding /
Othera				
Balances receivable			22 627	15 131
Balances payable			14	(73 891)
Deposits maturing within 12 months			204 000	154 000
Investment in related party	İ		317 212	-
Bank balances			716 392	108 039
Employees' funds payable				
EFU gretuity fund			(9770)	(40.510)
EFU pension fund			(33 054)	(31 295)
	!			

31 Fair value

31.1 IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

31.2 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the asssets where fair value is only disclosed and is different from their carrying value:

					La 27	June 2010 (Uneo				
					Oner Inercia			Failt val	e rearrant (u	μų.
	Available to sale	Held Threadure	<u></u>	an L Girana		labilities	Talæ	Level 1	Laves 2	Lavel 3
inancial accurts mane unel al fair value										
entrente Egyry soarbes - guolad	30,110,717						38,110,717	20110.010		
Egymy and a first - ungerted	31,508						31.500			31,5
Cover Services and a final	67, bel, 405			1			47,019,495		67,010,400	
	171,434			1			172,404		172,434	
Sebut Ronda	27,170			1			427,475		427,478	
Gebr sona don	1.453.745			1			1,463 788	1 463.768	422,410	
Lock securises have be assessive not assessment as fair value	1.453.095			1			Ceba Kab	1 451.060		
				1	e		529,316			
ern depoets				1	520,318				447,755	
CHERRENT COLUMNS		442,8	9	0.000			443,878		440,740	
and and other excertable of				91,409			9> 4 13			
en ence l'ineceșnțince neceșnțipieși"				00=402			1,606,632			
evenerada teconomic elitarej anjourgué quine,				1.161,286			1.141 345			
demona -				64.625	P69.723		1,058,059			
••••				1	1294,249		1,385,249			
etilices of measurem"	210.000			1			210.000			
eah and bank"	14,243,669			1	651,721		15,273 395			
Na antale of Kendow Takyta	29,939			147,054	201,955		413,651		21,026	
Operationa - Operator's Funal	125,708,436	\$(I)+		2,097,485	4,159,987		134,402,347	40,574,505	44 067,009	3*56
nancial Kabilitas natarana urud sa lain mawa	121,708,006		· · · ·	<u>, jair , ess</u>	4 153,967	· · ·	134,412,347	41,374,505	ee bar jooe	0-16
water-line classes and along IBHR*				1		B-217.811)	(217,611)			
remien recened in advance"				1		(194,731)	[184,735]			
auranas / remainance gayable r'				1		(5,523,757)	(5 523,707)			
franciska and accords"				1		15,005,372)	(5 065,322)			
ini Lastina of Version Tanaka							•			
Operations - Operator's Fund				<u> </u>		199,799	(\$5,100)			
		-		i -		(14,088,947)	(16 058,167)			
						51 December 20	17 (Audited)			
				014		51 December 20 Vher Enercial	17 [Audited])	Fairvalu	e measurament,	weing
			oen & ceinables				11 (Audikad) Total	Fahrvalu Uprel 1	e measurement Lénei 2	
					r financial - C	iner linenciel				
					r financial - C	iner linenciel				
					r financial - C	iner linenciel				
					r financial - C	iner linenciel				
vestments Equity securities - quoted	se 17,4	<u>ie Re</u> 08,374			r financial - C	iner linenciel	Totel 17,408,374	Upvil 1		Lenvel 3
vestments Equily accurates - quoted Equily accurates - unquoted	se	08,374 10,500			r financial - C	iner linenciel	Totel 17,408,374 10,500	Upvil 1	Lenel 2	Lewel 3
vetsiments Equity accurities - quoted Equity accurities - unquoted Government accurities	se	<u>ie Re</u> 08,374			r financial - C	iner linenciel	Totel 17,408,374	Upvil 1		Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Government securities	se	08,374 10,500			r financial - C	iner linenciel	Totel 17,408,374 10,500	Upvil 1	Lenel 2	Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Conservment accurities insurolal asyste not measured at fair values	se	08,374 10,500			r financial - C	iner linenciel	Totel 17,408,374 10,500	Upvil 1	Lenel 2	Lenvel 3
vestments Equity excutites - quoted Equity recutites - unquoted Conservant accuties inanolal assets not measured at fair value erro deposits"	se	08,374 10,500	21 abios		r financial — C asaels — —	iner linenciel	Total 17,408,374 10,500 8,527,258 430,550	Upvil 1	Lenel 2	Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Conservment securities insended as not mot measured at fair values erm deposits" cans and other reconsibles"	se	e Re 08,374 10,500 27,268	118,61		r financial — C asaels — —	iner linenciel	Total 17,408,374 10,500 8,527,258 430,550 118,618	Upvil 1	Lenel 2	Lenvel 3
Equily securities - unquoted	se	e Re 08,374 10,500 27,268	21 abios		r financial — C asaels — —	iner linenciel	Total 17,408,374 10,500 8,527,258 430,550	Upvil 1	Lenel 2	Lewel 3
vestments Equity securities - quoted Equity securities - unquoted Coveryment securities inserolal assets not measured at fair value erm deposits" bans and other receivables" surrance (reinsurence receivables"	se	e Re 08,374 10,500 27,268	118,61		r financial — C asaels — —	iner linenciel	Total 17,408,374 10,500 8,527,258 430,550 118,618	Upvil 1	Lenel 2	Lewel 3
vestments Equity securities - quoted Equity securities - unquoted Coveryment securities inamolal assets not measured at fair value erm deposits" onns and other receivables" summen (reinsurence meaivables" emsarance receivables against outstanding chims"	se	e Re 08,374 10,500 27,268	119,611 2,619,005		r financial — C asaels — —	iner linenciel	Total 17,408,374 10,500 8,527,258 430,550 118,618 2,818,069	Upvil 1	Lenel 2	Level 3
vestments Equity securities - quoted Equity securities - unquoted Government securities inserolal assets not measured at fair value erm deposits" sams and other receivables" summer / reinsurence meaivables" emparance recoveries against outstanding cleans" esh and bank	 17,4 8,5	46 Ra 08,374 10,500 27,268	119,611 2,819,001 3,538 <i>,5</i> 72		430,550	iner linenciel	Totel 17,408,374 10,500 8,527,258 430,550 118,018 2,818,069 3,538,572 1,164,209	Upvil 1	Lavol 2 8,527,268	Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Government securities namedal assets not measured at fair values mit deposits anno and other reconvables" summers (reinsurence measureles" missennes recoveries against outstanding clearss" sch and bank" rai easets of Window Takatul	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	ther linenciel	Totel 17,408,374 10,500 \$,527,258 430,550 118,618 2,618,069 3,538,572 1,164,209 365,944	Lanel 1	Ląnoj 2 8,527,268 30,482	Level 3
vetsiments Equity securities - quoted Equity securities - unquoted Government securities namelal assets not measured at fair value mit deposits" anno and other reconvables" summer reconvables" misevance reconveries against outstanding claims" shi and bank" fai assets of Winstein Takaful Opendons - Operator's Fund"	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,611 2,819,001 3,538 <i>,5</i> 72		430,550	ther linenciel	Totel 17,408,374 10,500 8,527,258 430,550 118,018 2,818,069 3,538,572 1,164,209	Upvil 1	Lavol 2 8,527,268	Lenvel 3
vésknents Equity securities - quoted Equity securities - unquoted Government securities invendel avests not reserved at fair value emiségosia" anns aré ather receivables" summer receivables" provence receivables" provence receivables" provence receivables" provence receivables" provence receivables" provence receivables" provence receivables" provence receivables" provence receivables summer - Operator's Fund" manicial Babilitée not measured at fair value	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	What financial Habilities	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,618,069 3,538,572 1,164,209 365,944 34,383,104	Lanel 1	Ląnoj 2 8,527,268 30,482	Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Government securities invenciel assets not reserved at fair value error deposits" summers / reinsurance measvables" errorswance reconvertes against outstanding claims" esh and bank" offal assets of Window Takaful Operators - Operator's Fund" Mancial Babilities not measured at fair value	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	ther linenciel	Totel 17,408,374 10,500 \$,527,258 430,550 118,618 2,618,069 3,538,572 1,164,209 365,944	Lanel 1	Ląnoj 2 8,527,268 30,482	Level 3
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vestments Equity securities - quoted Equity securities - unquoted Government securities insocial assets not measured at fair value erm deposits" common recoveries against outstanding delets" ath and bank" otal assets of Window Takahu Copumbers - Comator's Fund" Mancial Babilities not measured at fair value ulstanding claims, including JBNR* remium received is advance"	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	Nhar Enancial iabilities	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,818,089 3,538,572 1,164,209 365,544 34,383,104 (5,572,347) (31,487)	Lanel 1	Ląnoj 2 8,527,268 30,482	Lenvel 3
vésiments Equity securities - quoted Equity securities - unquoted Government securities insmoluit apparte not measured at fair value erre deposite" ners and atter receivables" surance recovertes against outstanding claims" sch and bank" rial assets of Window Takatul Oppindom - Opmator's Fued" wancial Babilities not measured at fair value ultiansling claims, including JBNR* termium received in advance" serance / reinsurance payables"	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	Nhar Enancial iabilities (5.572,347) (31,487) (4,592,011)	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,818,089 3,538,572 1,164,209 365,944 34,383,104 (\$5,572,347) (\$1,487) (\$,592,031)	Lanel 1	Ląnoj 2 8,527,268 30,482	Lenvel 3
vestments Equity securities - quoted Equity securities - unquoted Government securities insocial assets not measured at fair value erm deposits" name and other receivables" erm deposits" assets of this value motivables" erm dente receivables" erm dente receivables erm erm receivables erm erm receivables erm erm receivables erm erm receivables erm erm erm erm erm erm erm erm erm erm	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	Nhar Enancial iabilities	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,818,089 3,538,572 1,164,209 365,544 34,383,104 (5,572,347) (31,487)	Lanel 1	Ląnoj 2 8,527,268 30,482	Level 3
vestments Equity securities - quoted Equity securities - unquoted Government securities insocial assets not measured at fair value erm deposits" names and other receivables" assumes incoveries against outstanding claims" ash and bank" otal assets of Window Takatul Oppandom - Opwator's Fued" Mancial Babilities not measured at fair value detanding claims, including JBNR" remium received in advance" sevance / reinsurance payables" ther creditors and accruets"	 17,4 8,5	46 Re- 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550 1.164,209 210,264	Ner fnancial Habilities (5,572,347) (31,487) (4,592,011) (1,874,387)	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,818,089 3,538,572 1,164 209 365,944 34,383,104 (\$5,572,347) (\$1,487) (\$4,592,D31) (1,814,387)	Lanel 1	Ląnoj 2 8,527,268 30,482	Level 3
vetstments Equity securities - quoted Equity securities - unquoted Government securities invended assets not measured at fair values arm deposits" bans and other recovables" surrance (reinsurance meaivables" emisurence recoveries equited outstanding chains" ash and bank" bial assets of Window Takatul	 17,4 8,5	46 Ra 08,374 10,500 27,268 30,482	119,613 2,819,003 3,539 <i>.572</i> 125,390		430,550	Nhar Enancial iabilities (5.572,347) (31,487) (4,592,011)	Totel 17,408,374 10,500 8,527,258 430,550 118,618 2,818,089 3,538,572 1,164,209 365,944 34,383,104 (\$5,572,347) (\$1,487) (\$,592,031)	Lanel 1	Ląnoj 2 8,527,268 30,482	<u>ueing</u> Level 3 10,500

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

32. Corresponding Figures

During last year the SECP vide SRO 89(I)/2017 dated 09 February 2017 has issued insurance Rules, 2017 (the Rules), which requires every Company to prepare their consolidated condensed interim financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Holding Company has changed the presentation and disclosures of the consolidated condensed interim financial statements and recorded its investments as per IAS 39, which was further explained in note 5.1.1.

33. General

33.1 The effects of changes stated in note 6.1 have been accounted for retrospectively in accordance with IAS 8'Accounting Policies. Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Balance Sheet also presents the prior year numbers as restated, due to the said change.

34. Date of authorisation for issue of consolidated condensed interim financial statements

These consolidated condensed interim financial statements were authorised for issue by the Board of Directors in its meeting held on 18 August 2018.

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ALTAF GOKAL Chief Financial Officer & Corporate Secretary HASANALI ABDULLAH Managing Director & Chief Executive

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Chairman of the meeting

Condensed Interim Financial Statements Window Takaful Operations For the six months period ended 30 June 2018 (Unaudited)



KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2, Beaumont Road Karachi 75530 Pakistan +92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of EFU General Insurance Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of EFU General Insurance Limited – Window Takaful Operations ("the Company") as at 30 June 2018 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in funds, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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



KPMG Taseer Hadi & Co.

Other matter

The figures for the quarters ended 30 June 2018 and 30 June 2017 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

Date: 18 August 2018

KPMG Taseer Hadi & Co.

KPMG Taseer Hadi & Co. Chartered Accountants

Karachi

2018 Sec

Second Quarter

Rupeas '000

EFU General Insurance Limited - Window Takaful Operations Condensed Interim Statement of Financial Position As at 30 June 2018

30 June 2018 (Unaudited) 31 December 2017 (Audited) Operator's Participants' Note Fund Takaful Fund Aggregate Aggregate (Restated) Assets 3,603 9 3,214 3,214 Property and equipment Investments 637,022 29,939 562,198 592,137 Debt securities 10 408.000 222,500 23 213,000 195,000 Term deposits 17.284 17,690 2,501 14,783 Loans and other receivables 11 207,535 255,458 Takalul / retakalul receivables 12 5,182 202.353 62,925 82,925 88,944 Retakaful recoveries against outstanding claims 18 30,900 59,678 59,678 Salvage recoveries accrued 85,403 86,403 61.094 Deffered commission expanse 20 115,426 133,033 133,033 Wakala fee receivable 6,324 6,324 2,843 Modarib fees receivable 206,827 17 241,309 241,309 Opferred wakals fee 7,601 10,659 3.561 7,097 Taxation - payments less provision 136,337 137,450 144,249 13 1,113 Prepayments 160.236 234,192 241,336 Cash and bank 14 73.958 1,661,916 2.220.142 2,035,493 558 228 **Total** assets Equity and liabilities Operator's Fund 100,000 100,000 100,000 Statutory fund (107) (636)(636) Revaluation reserve 49,645 102,875 Accumulated profit 102,875 202,239 149,538 202,239 Waqf / Participants' Takaful Fund 500 500 500 Code money (8,816) (8,816) (1,279) Revaluation reserve - available for sale investment 140,415 191,755 191.758 Accumulated surplus 139,636 183,440 183,440 Liabilities Underwriting provisions 385,814 340,118 385,814 18 **Dutstanding claims Including IBNR** 823,906 844,891 844,891 16 Unearned contribution reserves 16,052 11,143 11,143 Unearned retakaful rebate 169 47 47 Retirement benefit obligations 1,439 12,243 12 243 Contribution received in advance 142,778 85,305 166 65,139 Takaful / retakaful payables 206,827 241,309 241,309 Unearned wakala fee 115,426 133,033 133,033 Wakala lee payable 2,843 6,324 5,324 Modarib fee payable 51,187 75.287 19,689 15 55,398 Other creditors and accruais 45,584 59,067 59,067 7 Payable to EFU General Insurance Limited 1,745,319 1,478,476 1,834,463 355,987 **Total liabilities** 2,220,142 2.035,493 558.226 1.661.916 Total equity and liabilities a Contingencies and commitments e condensed interim linand al statements. The annexed notes I to 28 form/an Integral part of the Secha per HASANALLABDULLAF ALTAF GOKAL Piractor Managing Director & Director Chief Financial Officer & Director mirman of the meeting Corporate Secretary **Chiel Executive** Karachi 18 August 2018



EFU General Insurance Limited - Window Takaful Operations Condensed Interim Profit and Loss Account For the six months period ended 30 June 2018 (Unaudited)

Rupees '000

	1.	Three mon ended 30		Six month ended 30	
	Note	2018	2017	2018	2017
Participants' Takaful Fund - (PTF) Revenue Account					
Net takaful contribution	16	378 225	248 748	736 955	484 694
Wakala expense	17	(116 993)	(67 858)	(224 926)	(128 520)
Net takaful claims	18	(211 879)	(101 716)	(406 368)	(222 141)
Direct expenses		(41 184)	(50 476)	(87 341)	(88 513)
Retakaful rebate	19	6 354	6 687	16 604	13 316
Underwriting results	25	14 523	35 385	34 924	58 836
investment income - net of modarib	21	7 690	10 879	13 185	13 965
Other income - net of modarib		1 655	1 156	3 2 3 9	2 378
		9 345	12 035	16 424	16 343
Results of operating activities		23 868	47 420	51 348	75 179
Finance cost		(7)	(5)	(7)	(5)
Surplus for the period		23 861	47 415	51 341	75 174
Operator's Fund - (OPF) Revenue Account					1000000
Wakala fee	17	116 993	67 658	224 926	128 520
Management expenses	1.5	(63 980)	(42 416)	(109 234)	(75 271)
Commission expense	20	(39 355)	(22.305)	(74 122)	(41 997)
COL - MARTINE		13 658	3 137	41 570	11 252
investment income - net of modarib	21	5 295	4 898	9 131	6 039
Other income		1 438	888	2.976	1 740
Other expenses		(247)	(410)	(447)	(420)
and address and		6 486	5 376	11 660	7 359
Results of operating activities		20 144	8 513	53 230	18 611
Profit for the period		20 144	8 513	53 230	1B 611

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

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ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH Managing Director & Chief Executive

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Chairman of the meeting

Karachi 18 August 2016

2018 Second Quarter

EFU General Insurance Limited - Window Takaful Operations Condensed Interim Statement of Comprehensive Income For the six months period ended 30 June 2018 (Unaudited)

Rupees '000

	Three months period ended 30 June			hs period 30 June	
	2018	2017	2018	2017	
Service Contraction of the Contr	1000	(Restated)		(Restated)	
Participant's Fund Surplus for the period	23 861	47 415	51 341	75 174	
Other comprehensive Income			_		
Unrealized (loss) / gain on available for sale investments during the period - net		(2,224)	(514)	(97)	
Reclassification adjustments relating to available for sale investments disposed off in the period - net	1,316	(556)	(7,023)	(1,700)	
Total items that may be reclassfied subsequently to profit and loss	1,316	(2,780)	(7,537)	(1,797)	
Total comprehensive income for the period	25 177	44 635	43 804	73 377	
Operator's Fund					
Wakala fee receivable	20 144	8 513	53 230	18 611	
Reclassification adjustments relating to available for sale investments disposed off in the period - net	56	(965)	(529)	(643)	
Total items that may be reclassified subsequently to profit and loss	56	(965)	(529)	(643)	
Total comprehensive income for the period	20 200	7 548	52 701	17 968	

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

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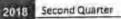
Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAH Managing Director & Chief Executive

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Chairman of the meeting

Karachi 18 August 2018



EFU General Insurance Limited - Window Takaful Operations Condensed Interim Cash Flow Statement

For the six months period ended 30 June 2018 (Unaudited)

				Rupees '000
	Operator's Fund	Participants' Takaful Fund	2018 Aggregato	(Restated) 2017 Aggregate
Operating activities				
a) Takaful activities Takaful contributions received Retakaful contributions paid Ctaims paid Retakaful and other recoveries recolved Commissions paid	(75,730)	929,229 (169,303) (452,348) 69,418	925,229 (109,803) (452,848) 69,418 (75,730) 11,685	557,568 (65,529) (253,521) 23,052 (42,002) 12,214
Retakaful rebate received	241,801	(241,801)	1,645	14:414
Wakula fee received / (paid) Management expenses paid	(106,865)	(87,341)	(196,206)	(163.563)
Net cash inflow from takaful activities	57,206	58,539	115,745	65,279
b) Other operating activities	artitute.	10000	CEC C	
income tax paid	(723)	(2,334)	(3,057)	(4,165)
Other operating payments	(906)	(10,482)	(11,388)	(50,832)
Other operating receipts	13,796	76	13,872	7,707
Net cashflow from other operating activities	12,167	(12,740)	(573)	(47,291)
Total cash flow from all operating activities	69,373	45,799	115.172	17,988
Investment activities	-	20,699	26.994	9.095
Profit / return received Dividend received	6,295	20,000	10,004	13,155
Modanb fee received / (paid)	1,124	(1,124)		Tal taa
Payment for idvestments	(423,000)	(285,000)	(708,000)	(130,838)
Proceeds from disposal of investments	332,514	226,290	558.B04	120,132
Fixed cacital expenditures	(114)		(114)	(21)
Total cash flow from investing activities	(83,181)	(39,135)	(122.316)	11,523
Net cash (outflow) / Inflow from all activities	(13,808)	6,664	(7.144)	29,511
Cash and cash equivalents at the beginning of the period	87,764	153,572	241,336	260,621
Cash and cash equivalents at the end of the period	73,958	160,235	234,192	290.132
Reconciliation to profit and loss account Operating cash flows	69.373	45,799	115.172	17.988
Depreciation expense	(503)		(503)	(513)
Financial charges expense	(300)	(7)	(75	1
Loss on disposal of Investments		(386)	(386)	
Other investment income	13,959	16,182	30,141	17,884
Profil on deposits				5.238
Other Income	(1,853)	635	(1,215)	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Increase in assets other than cash	44,299	1,734	46,033	298,397
Increase in liabilities other than running finance	(72,045)	(12,616)	(84,651)	(244,209)
Profit / surplus for the period	53.230	51,341	104,571	93,785
Unearned wakala fee		-	-	
Operator's Fund	53,230	10.00	53,230	18,511
Participants' Takaful Fund		51,341	51,341	75,174
	53,230	51,341	104,571	93,785

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.

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ALTAF GOKAL Chief Financial Officer & Corporate Secretary

Managing Director & Chief Executive

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Second Quarter

EFU General Insurance Limited - Window Takaful Operations Condensed Interim Statement of Changes in Funds For the six months period ended 30 June 2018 (Unaudited)

				Rupees '000	
	Operator's Fund				
	Statutory	Revaluation reservo	Accumulated profit	Total	
Balance as at 01 January 2017 as previously reported	100,000	-	2,790	102,790	
Resistement due to change in accounting policy (refer note 4.1.1)		(143)	- P.	(143)	
Balance as at 01 January 2017 (restated) Total comprehensive income for the period ended 30 June 2017	100,000	(143)	2,790	102,647	
Profit for the period	100		18,611	18,611	
Other comprehensive income		(643)	Concerning Street	(643)	
Balance as at 30 June 2017 (restated)	100,000	(786)	21,401	120,615	
Balance as at 01 January 2018 as previously reported Restalement due to change in accounting policy (refer note 4.1.1)	100.000	(107)	49,645	149,645 (107)	
Balance as at 01 January 2018 (restated)	100,000	(507)	49,645	149,538	
Total comprehensive income for the period ended 30 June 2018					
Profit for the period	1.0		53,230	53,230	
Unearned wakala fee					
Wakala fee payable	12	(529)	14	(529)	
Modanb fee payable					
Balance as at 30 June 2016	100,000	(638)	102,875	202,239	
		Participants"	Takaful Fund		

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Revaluation

reserve

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(1,279)

(1,279)

(7,537)

(0, 616)

Accumulated

surplus

28,309

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28,309

75,174

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103,483

140,415

..... 140,415

51,341

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191,756

Balance as at 01 January 2017 as previously reported Restatement due to change in accounting policy (refer note 4.1.1) Balance as at 01 January 2017 (restated) Surplus for the period

Other comprehensive income

Balance as at 30 June 2017

Balance as at 01 January 2018 as previously reported Restalement due to change in accounting policy (refer note 4.1.1)

Balance as at 01 January 2018 (restated) Surplus for the period

Other comprehensive lass

Balance as at 30 June 2018

The annexed notes 1 to 28 form an integrar part of typese condensed interim funancial statements.

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ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABOULLAH Managing Director & Chief Executive

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Total

28,809

5,643

34,452

75,174

(1,797)

107,829

140,915

(1,279)

139,636

51,341

(7,537)

183,440

Chairman of the meeting Karachi 18 August 2018

EFU General insurance Limited – Window Takaful Operations Notes to the Condensed Interim Financial Statements

For the six months period ended 30 June 2018 (Unaudited)

1. Legal status and nature of business

EFU General Insurance Limited (the Operator) has been allowed to undertake Window Takaful Operations (the Operations) on 16 April 2015 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takeful business, the Operator has formed a Waqf / Participants' Takeful Fund (PTF) on 06 May 2015 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takeful operations.

Basis of preparation and statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of international Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. Where the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017 Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed. Total assets, total liabilities and profit of the Window Takaful Operations of the Operator's Fund has been presented in these condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015. A separate set of condensed interim financial information of the General Window Takaful Operations has been reported which is annexed to these condensed interim financial information of the General Window Takaful Operations has been reported which is annexed to these condensed interim financial information as per the requirements of the SECP Takaful Rules. 2012.

These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Operator's annual financial statements for the year ended 31 December 31 2017.

3. Basis of measurement

- 3.1 The condensed interim financial statements have been prepared under the historical cost basis except for the available for-sale investments, property and equipments and investment property that have been measured at fair value.
- 3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupses which is also the Operator's functional currency. All financial information presented in Pakistani Rupses has been rounded to the nearest rupses, unless otherwise stated.

3.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective.

The following revised standards, amendments and interpretations with respect to the approved accounting standards would be effective from the dates mentioned below against the respective standard or interpretation:

- IFRS 9 'Financial Instruments'

IFRS 9 'Financial Instruments' and amendment Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial instruments: Recognition and Measurement. IFRS 9 Includes revised guidance on the classification and measurement of financial instruments. A new expected credit loss model for calculating impakment on financial assets and forward the guidance on recognition and derecognition of financial instruments from IAS 39. The Operator is currently in the process of analyzing the potential impact of changes required in classification and measurement of financial instruments and the impact of expected loss model on adoption of the standard.

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- FRS 15 Revenue from contracts with customers'

IFRS 15 Revenue from contracts with customers' (effective for ennual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue accognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The Operator is currently in the process of enalyzing the potential impact of changes required in revenue recognition policies on adoption of the standard.

- 1FRS 18 Leases'

IFRS 16 'Lesses' (effective for annual period beginning on or after 1 January 2019). IFRS 16 repiaces existing lessing guidance including IAS 17 'Lesses', IFRC 4 'Determining whether an Arrangement contains a Lesse', SIC-15 'Operating Lesses - Incentives' and SIC-27 ' Evaluating the Substance of Transactions Involving the Legal Form of a Lesse', IFRS 16 Introduces a single, on-balance sheet lesse accounting model for lesses. A lesse recognizes a right-of-use asset representing its obligation to make lesse payments. There are recognition exemptions for short-term lesses and lesses of low-value items. Lessor accounting mains similar to the current standard i.e. lessor continue to classify lesses at finance or operating lesses. The Operator is currently in the process of analyzing the potential impact of its lease arrangements that will result in recognition of right to use assets and liabilities on adoption of the standard.

Summary of significant accounting policies

The accounting policies and method of computation adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Operator for the year ended 31 December 2017 except for available-for-sale investment and format for preparation of financial statements as disclosed in nois 4.1.1, 4.1.2 and 4.1.3 respectively.

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

4.1. Change in accounting policies

4.1.1 During the period, the Operator has changed its accounting policy for the valuation of the available-for-sale investments to comply with the requirements of the 'Insurance Rules, 2017' issued by Securities and Exchange Commission of Pakiatan vide its S.R.O. 89(1)/2017 datad 09 February 2017. In line with the requirements provided in the Rules, the quoted available-for-sale investments are to be valued at market value and any unrealised gains or losses analing on revaluation of available-for-sale investments are taken to Other Comprehensive Income and transferred to revaluation reserves, whereas unquoted available for sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit and Loss Account for the period. This change in accounting policy has been applied retrospectively in accordance with the requirements of IAS – 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparisives have been restated to conform to the changes policy.

Accordingly, retrospective adjustments have been made in these condensed interim financiel statements and comparatives have been revised as follows.

Operator's Fund			Rupees '000
	31 D	acember 2017 (Audi	lad)
	Balance previously reported	Adjustment	8siance registed
Investments Debt socurties	30,589	(107)	30,482
Participants' TakaNd Fund			
Investments Debt securities	607,819	(1,279)	606,540

Previously, quoted available-for-sale investments were stated at the lower of cost or market value (market value being taken as lower if the reduction is other than temporary) in accordance with the requirements of the SEC (insurance) Rules, 2002.

Contro

Had the accounting policy not been changed, available-for-sale investments of PTF would have been higher by Rs. 8.82 million, (December 2017: Rs. 1.28 million) and available-for-sale investments of OPF would have been higher by Rs. 0.84 million, (December 2017: Rs. 0|11 million).

- 4.1.2. During the period, the Operator has changed format for preparation of its condensed interim financial statements to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1)/2017 dated 09 February 2017. In line with the requirements provided in the Rules, accordingly these are the first set of condensed interim financial statements of the Operator for the six months period ended 30 June 2018.
- 4.1.3. During the period, the Companies Act, 2017 has been implemented, however there is no impact on the condensed interim financial statements.

Accounting estimates and judgements

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017.

6. Management of takaful and financial risk

Takaful and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.

7. Payable to EFU General Insurance Limited

This represents payable in respect of expenses incurred by EFU General Insurance Limited on behalf of the Operator.

Contingencies and commitments

There are no contingencies and commitments as at 30 June 2018 (31 December 2017: Nil).

9. Property and equipment

The details of additions and disposals during the six months period ended 30 June 2018 are as follows:

				Rupees 000
	Additions	i (at cost)	Disposais (at r	net book value)
	30 June 2018 (Unpudited)	30 June 2017 (Unaudited)	30 June 2018 (Unaudited)	30 June 2017 (Unaudited)
Furniture and fixtures		21		
Computers	114		-	
	114	21		-

Dunnes 1000

10. Investment in Debt Securities

10.1 Operator's Fund

	30 Ju	une 2016 (Unau	dited)	31 De	cember 2017 (Al	udited)
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
Fixed Income Securities Ijana Sukuk Deficit on revaluation	30,575 (636)		30,575 (635)	30,589 (107)	:	30,589 (107)
	29,939	-	29 <u>,</u> 939	30,482	<u> </u>	30,482

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10.2 Participants' Takaful Fund

		30 Ju	ine 2018 (Unat	udited)	31 December 2017 (Audited)		
		Cost	Impairment/ provision	Carrying value	Cosl	ImpairmenV provision	Carrying value
	Fixed Income Securities						
	ijara Sukuk - PTF	521,014	-	521,014	607,819	•	607,819
	Dawood Hercules Corporation Limited (Sukuk - II)	50,000	-	50,000	-	-	-
		571,014		571,014	507,819	-	607,819
	Deficit on revaluation	(8,816)		(8,816)	(1,279)		(1,279)
		562,198		562,198	608,540	<u> </u>	606,540
11.	Loans and other receivables				65 L	24.5	\ .
					30 June 2018		ecember 2017
11.1	Operator's Fund			-	(Unaudited)	(A	udited)
11.1					1,403		154
	Accured investment income Security deposits				301		301
	Sundry receivables				797		977
					2,501	<u> </u>	1,432
11.2	Participants' Takaful Funds					.	6.0 4 4
	Accured Investment income				3,60% 10,974		2,9 54 13,294
	Sundry receivables				14,78		16,258
12.	Takaful / Retakaful Receivables						
12.1	Operator's Fund						
	Due from other takaful / retakaful				5,182		5,497
					5,182	!	5,497
12.2	Participants' Takafut Funds						
	Due from takaful contract holders				202,353		249,981
					202,353	<u> </u>	249,981
13.	Prepayments						
13 .1	Operator's Fund						
	Annual supervision fees				1,09	5	•
	Others			. –		<u>8 </u>	-
				=	1,11	<u> </u>	
13.2	Participants' Takaful Funds						
	Prepaid retakaful contribution cade				75,76		96,474
	Prepaid charges for vehicle tracking	g devices		· _	<u>60.57</u> 138 <u>.33</u>		47,775 14 <u>4,249</u>
	N N /			-	130,33		111,1170

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14. Cash and bank

14.	Cash and benk						
		30 June	2018 (Un	audited)	31	December 2017	(Audited)
		OPF	FTF	Aggrega	Le OPF	PTF	Appregene
	Current accounts	30	1,736	1,70	58 2	1,216	1,239
	Saving accounts	73,926	158,498	232,42	24 87,74	152,354	240,097
	- -	73,956	160,236	234,16	87,76	153, <u>572</u>	241,336
15.	Other creditors and accruais						
					30 J		31 December
					20 (Unau		2017 (Audited)
15.1	Operator's Fund						
	Accurad expenses					1,557	1,492
	Agent balance				5	3,401 440	29,855 24
	Othern					6,398	31,381
					ř		
15.2	Participants' Takaful Funda						
	Federal insurance fee payable					1,494	1,444
	Federal excise duty payable					0,033	19,273
	GST receivable					(4,315) 2,677	(2,547) 1,636
	Sundry creditors					9,869	19,808
t8 .	Net takaful contributions		Thread	nonths per	iod ended	Six monthe p	eriod ended
				June (Un a i		30 June (L	
			201	8	2017	2018	2017
	Written gross contribution			35,220	360.015	870,615	886,398
	Unserned contribution reserve opt	mina		15,875	567,027	823,906	537,429
	Unearned contribution reserve cip	-		64,8 91)	(651,618)	(644,891)	(651,618)
	Contribution earned	•		36,204	295,424	849,533	574,209
	Less:						
	Rataka/ul contribution ceded			35,553	43,975	92,164	79,500
	Prepaid relateful contribution ope	ning		8,188	65,483	96,475	72,797
	Prepaid relaitant contribution clos	-		75,781)	(62,782)	(75,761)	(62,782)
	Retakatul expense			57,980	46,676	112,678	89,515
	Net contribution		3	78,224	248,748	736,955	484,694
17.	Net wakala fee						
	Gross wakala fee		-	0,018	95,837	259,408	173,764
	Deterred wakala expense opening			8,284	129,982	206,627	112,677
	Defarred wakala expense closing		(24	1,309)	(157,941)	(241,309)	(157,941)
	Net wakala fee		11	8,993	67,858	224,928	128,520
	Konn						

18. Net takaful claims expense

Rupees '000

18.	Net takatul claims expense				
		Three months p		Six months pe 30 June (Ur	
		30 June (Un 2018	2017	2018	2017
•					
	Claims paid	247,972	143,398	424,071	246,879 (210,412)
	Ourstanding claims including IBNR opening Ourstanding claims including IBNR charges	(365,265)	(235,450)	(340,118) 385,814	(210,412) 215,724
	Outstanding claims including IBNR closing Claims expense	385,814 268,521	215,724 123,672	469,767	252,191
	Less:		120,000		
	Retaikaful and other recoveries received	61,232	20,199	69,418	23,630
	Relakatul and other recoveries in respect of outstanding claims opening	(67,515)	(43,443)	(88,944)	(38,780)
	Retakaful and other recoveries in respect of outstanding claims closing	82,925	45,200	82,925	45,200
	Retakaful and other recoveries revenue	56,642	21,956	63,399	30,050
	Net lakaful claims expense	211,879	101,716	406,366	222,141
19.	Rebate from retakaful operators				
	Rebate received or recoverable	619	6,033	11,665	12,214
	Unearned retakaful rebata opening	16,878	11,912	16,052	12,360
	Unearned retailaful rebata closing	(11,143)	(11,258)	(11,143)	(11,258)
	Rebate from retailantil operator	6,354	6,687	16,604	13,318
2 0.	Commission expense				
	Commission paid or payable	46,297	27,603	99,431	51,768
	Defenred commission expense opening	79,481	42,950	61,094	38,477
	Deferred commission expense closing	(86,403)	(48,248)	(88,403)	(48,246)
	Net commission	39,355	22,305	74,122	41,997
21.	investment income				
21.1	Operator's Fund				
	Income from debt securities - available for sala - Return on debt securities (ljara Sukuk)	391		778	
	Income from term deposits				
	- Return on term deposita	2,341	196	3,958	309
		2,732	198	4,736	309
	Net realised gain on investments				
	Available for sale financial assets Realised gains on:				
	-Equity securities	-	1,076	•	1,076
	Modarib share on PTF Investment Income	2,563	3,626	4,395	4,854
	Investment Income	5,295	4,898	9,131	6,039

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21.2 Participants' Tekeful Funds

Rupees '000

21.2	Participants' Tekerul Funds						
				e months per 0 June (Unat			eriod ended Inaudited)
				2018	2017	2018	2017
	Income from equity securities - a - Olvidend Income	vallable for sale			12.079	-	12.079
	Income from debt securities - av	aiabh fur anta		-			
	- Return on debt securities (lj			7,972	1,381	14,612	2,699
	Income from term deposits - Return on term deposits			2,281	1,162	3,482	1,811
				10,253	14,602	18,084	16,589
	Net realised gain/(loss) on invest	iments					
	Available for sale financial assat Realised gains on: -Equity securities -Debt securities			:][73	2,127
	Realised losses on: -Equity securities -Debt securities			·	(97) - (97)	(587) (514)	(97) - 2,030
			1	10,253	14,505	17,580	18,619
	Less: Modarib share on PTF invo	esiment income		(2,683)	(3,626)	(4,395)	(4,654)
	Investment Incomé			7,690	10,879	13,185	13,965
22.	Segments Information						
22.1	Operator's Fund						
		property av	lerine, letion & insport	Motor	Miscellaneous	Treaty	Six months period anded 30 June 2018 (Unaudited)
	Wakala fee	17,708	8,979	187.204	11,035		224,926
	Management expenses	8,994	2,494	96,547	3,199	-]	109,234
	Commission expense	10,178	4,372	58,416	4,355		74,122 183,356
	Net commission and expenses	17,172	8,885 2,113	154,953 32,241	6,680	·	41.570
	Net Investment Income					· · · · · · · · · · · · · · · · · · ·	8,131
	Other income						2,978 (447)
	Other expenses Profil for the period						63,230
							30 June 2018 (Uneudiked)
	Corporate segment assets Corporate unaflocated assets Total assets	22,381	8,007	187,720	8,510	·	224,618 333,608 <u>\$58,226</u>
	Corporate segment isolities Corporate unaliocated Rabilities Total lisbilities	15,691	9,372	259,517	10,296	-	204,676
			1				

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Rupses '000

	Fire and property damage		Varine, Nation 6 ansport	Nicior	Miscellaneous	Treaty	Six months period ended 30 June 2017 (Unsudited)
Wakala fae	12,431	-	3,964	100,105	12,020	. <u> </u>	128,520
Management expenses	10,425	1	3,355	54,205		·	75,271
Commission expense	6,610		1,866	31,195		<u> </u>	41,997
Net commission and expenses	17.035	_	5,221	85,400	9,612		117,266
	(4,604)	_	(1,257)	14,705	2,408	·	11,252
Net Investment Income							6.039
Other income							1,740 (420)
Other expanses							18,911
Profit for the period							14,91
							31 December 2017 (Audited)
Corporate segment askala Corporate unaflocated assets Total assets	26,159		4,429	144,467	6,942		182,017 251,483 433,480
Corporate segment liabilities Corporate unallocated Rabilities Total Rabilities	22,83M		4,009	194, 665	15,380	-	208,691 47,251 263,942
	Fire and property demoge	BA	Varine. Nation & ansport	Маког	Miscelianeous	Treaty	Three months period ended 30 June 2018 (Unaudited)
Wakala fee	9,047		4,304	98,142	5,500		118,993
Menagement expanses	4,127		1,478	56,458	1,917	-	63,980
Commission expense	5,205		2,533	31,039		. <u> </u>	39,355
Net commission and expenses	9,332		4,011	87,497	2,495	· ·	103.335
	(285)	-	293	10,645	3,005		13,659
Nel Investment Income Other Income Other expanses Profit for the period							5,295 1,438 (247) 20,144
	Fire and property demage	ġ,	larine, lation & ansport	Motor	Macellaneous	Treaty	Three months period ended 30 June 2017 (Unaudited)
Wakala tee	6,516		2,188	\$3,503	5,653	-	67,858
Management expenses	7,221		2,392	28,965	3,838	•	42,416
Commission superse	3,441		1,043	16,737	1,084	ا	22,305
•					A 1777	-	
Net commission and expenses	10,662	_	3,435	45,702	4,922		64,721
Nat commission and expenses		_	3,435 (1,249)	7,801	731		3,137
Net commission and expenses Net investment income	10,662	_					3,137 4,898
Net commission and expenses Net investment income Other income	10,662						3,137 4,898 858
Net commission and expenses Net investment income	10,662						3,137 4,898

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22.2 Perticipants' Tekeful Funds

•						
	Fire and property damage	Marino. evistion & transport	Mator	Miscellaneous	Treaty	Six months period anded 30 June 2018 (Unaudited)
	<u> </u>					
Contribution Receivable (Inclusive of FED, Federal	71,565	33,793	857,289	25,103		997,750
Insurance Fee and Administrative Surcharge)	6.581	3,603	101.269	2,873		115.326
Lose: Federal Excise Outy	11	1,799	64	-,		1,895
Stamp Duty Federal Insurance Feo	624	281	7.586	220	-	8,711
Gross Written Contribution (inclusive of		- 201	1.000			
aross venten Constantion (inclusive of Administrative Surcharge)	62,349	28,110	758,350	22,009		870,616
Gross direct com/bution	61,431	26,658	616,725	21,970	· · ·	725,794
Administrative Surcharge	918	1.442	141,625	39		144,024
Accounts a contribution element	71,830	24,904	708,954	44,145	· ·	849,833
Talucul contribution cadinal to retaikaful	83,277	19,586	100,000	30,035		112,67
Nel contribution revenue	8,553	5,338	708,954	14,110	· ·	736,955
net controlocal revenue Rebate from recalcului coenstor	7,820	4,402	-	4,382		16.604
Net underwrtling income	16,373	9,740	708,954	18,492		753,559
net underenung inderne Insurance claims	42,888	7,836	392.617	26,426	<u>ب</u>	459,767
insurance claims recovered from retakaful	35,804	6,028	(252)	21,819	l -	63,399
National Careta recovered from relaxation	7,084	1,808	392,869	4,607	-	408,368
Natala ice	17.708	8,979	187,204	11.035		224,928
PTF direct expense	4	3	67,327	7		87,341
Net insurance claims and expenses	24,798	10,760	687,400	15,649	-	716,635
underwriung nesyll.	(8,423)	(1,050)	41,554	2,543	•	34,924
Net invatment income		(1,000)			<u> </u>	13,185
Other into Ma						3,235
Finence costs						
Finance costs Surplus for the period						51,341
						30 June
						2018
						(Unaudited)
Corporate ecoment assets	128,495	17.601	495.848	80.658	-	722,602
Corporate segment assess Corporate unalificated assets	120,433					939,314
jorponese unantitativo assette Total asseta						1,681,916
I'Urai asama						
Corporate segment Natalities	155,584	41,624	1,179,289	75,668	-	1,452,283
Corporate unationated liabilities						26,213
Total listilities						1,478,478
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	Fire and property domage	Marine, avistion & transport	Motor	Miscellaneous	Treaty	Six months period ended 30 June 2017 (Uneuclied)
Contribution Receivable (Inclusive of FED, Federal		•				
Insurance Fee and Administrative surcharge)	55,316	13,203	886,011	33,607	-	788,137
Lena: Federal Exclas Duty	8,707	1,371	60,230	3,834	-	82,145
Stemp Duty	11	631	64	1	•	707
Federal Insurance Fee	481	. 111	6,000	295	. .	6,587
Gross Written Contribution (Inclusive of						
Administrative surcharge)	48,117	11,090	599,714	29,477	-	686,398
Gross direct contribution	47,434	10,458	466,112	29,439	-	553,443
Administrative Surcharge	683	632	133,602	38	-	134,855
Takaful contribution earned	49,725	11,326	485,080	48.078	-	574,209
Tekaful contribution caded to retainaful	44,185	8,635	8,845	26,550	<u> </u>	B9,515
Net contribution revenue	5,540	1,691	458,235	21,228		484,694
Rubata from retakaful operator	6,146	2,168	•	3,002		13,316
Net underwriting income	13,686	3,859	458,235	24,230		498,010
insurance claims	27,273	(105)	217.319	7.704	· ·	252,191
nsurance claims recovered from retakaful	24,500	(94)		5,644		30,050
Net claims	2,773	(11)	217,319	2,060	-	222,141
Waksis fee	12,431	3, 96 4	100,105	12,020	-	128,620
PTF direct sepense	3	1	68,498	11	<u> </u>	68,513
Net insurance claims and expenses	15,207	3,954	405,922	14,091	<u> </u>	439,174
Underwriting result	(1,521)	(95)	50,313	10,139		58.638
Net Investment income				_		13,985
Other Income						2,378
Finance costs						(5)
Swiplus for the period						75,174
						31 December 2017
						(Audited)
Corporaté segment assels	144,120	15,208	410,924	102,854	•	673,108
Corporate unallocated assets	-					928,907
Total assets						1.602.013
Corporate segment Rabillitis	202.482	27,378	1,060,658	149,200		1,438,725
Corporate unafficial d limbilities						22,649
Totel Kabilities						1 462,377
10-11						

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		l				Three months
	Fire and	Marine,	Матог	Miscellaneous	Treaty	period ended
	property	Evision &		Odiočenie iezura i	11001	33 June 2016
	ogemege	e musicas.				(Unaudited)
Contribution Receivable (inclusive of FED, Federal						
Insurance Fee and Administrative Surcharge)	21.750	18,259	446,170	12.845	•	499,024
Less: Federal Exclos Outy	2,694	2,038	52,241	1,467	-	58,438
Stemp Duty	4	955	41	-	•	1,010
Federal Insurance Fee	169	151	3,901			4,354
Gross Written Contribution (inclusive of						446 000
Administrative Surcharge)	18,863	15,107	389,987	11,255		435,222 368,245
Gross direct contribution	18,509	14,274	324,210	11,252 13	•	66.977
Administrative Surcharge	354	833 14,597	65,777 363,520	22,003		438,206
Takatul contribution earned	36,146 31,958	,==-	363,520	14,647		57,981
Takeful contribution caded to retaileful	4,168	<u>11,375</u> 3,161	383.520	7,356		378,225
Net contribution revenue	1,605	2,559	300.020	2,290		5.354
Rebete from retaineful operator Net underwriting income	5,693	5.720	383,520	9,646		384,579
naurance claims	36,198	6.279	203,759	22,265	· ·	268,521
insurance claims recovered from retakaful	29,857	4,940	(252)	22,097	-	56,642
Het claims	6.341	1,338	204,011	188	· ·	211,679
Wakala tee	9.047	4,304	98,142	5,500	-	116,893
PTF direct expense	3	3	41,172	6	-	41,184
Net insurance claims and expenses	15,391	5,646	343,326	5,694	-	370,056
Underwriting result	(9,698)	74	20,195	3,952	-	14,523
Net investment income						7,690
Other income						1,655
Finance costs						(7)
Surgius for the period						23,661
	Ere sod	Marina.				Three months
	Fire and property	Merine, aviation &	Nicilar	Miscellaneous	Теалу	period ended
	Fire and property damage	Marina, aviation 8 ; transport	Malar	Miscellaneous	Тгелту	period ended 30 June 2017
	property	aviation &	Notor	Miscellaneous	Treaty	period ended
Contribution Receivable (inclusive of FED, Federal	property	aviation &	Nialar	Miscellaneous	Тныту	period ended 30 June 2017
Contribution Receivable (inclusive of FED. Federal Insurance Fee and Administrative Surcharge)	property	aviation &	Nialar 377,858	Miscellaneous	Treaty	period ended 30 June 2017
•	property damage	aviation \$ transport			Treaty -	period ended 30 June 2017 (Uneudked)
Insurance Fee and Administrative Surcharge)	property damage 28,430	aviation \$ transport 7,095	377,858	21,587	Treatty - -	period ended 3D June 2017 (Uneudited) 434,970
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty	property damage 28,430	aviation \$ transport 7,095 733	377,858 44,181	21,557 2,462	Treatty - -	period ended 3D June 2017 (Uneudited) 434,970 50,605
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty	ртаренtу damage 28,430 3,432 5	avietion 8 transport 7,095 733 310	377,868 44,181 31	21,567 2,462 1	Treamy - - -	period ended 30 June 2017 (Unaudited) 434,970 50,605 347 3,602
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee	ртаренtу damage 28,430 3,432 5	avietion 8 transport 7,095 733 310	377,858 44,181 31 3,305 330,341	21,557 2,452 1 	Treamy - - -	period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of	ртаренty damage 28,430 3,432 5 248	avisition 8 transport 7,095 733 310 60	377,668 44,181 31 3,305	21,567 2,452 1 189	Treamy - - - -	period ended 30 June 2017 (Unaudited) 434,970 50,905 347 3,802 380,013 311,987
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (Inclusive of Administrative Surcharge)	28,430 3,432 5 248 24,745 24,427 318	avisition 8 transport 7,095 733 310 60 5,992	377,858 44,181 31 3,305 330,341 262,986 67,375	21,557 2,452 1 189 18,936 18,936 18,920 15	Treamy - - - - - -	period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (Inclusive of Administrative Surcharge) Gross direct contribution	28,430 3,432 5 248 24,745 24,427 318 26,063	avietion 8 transport 7,095 7-33 310 60 5,992 5,574 318 8,247	377,858 44,181 31 3,305 330,341 262,986 67,375 240,499	21,567 2,452 1 189 	-	period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (Inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge	28,430 3,432 5 248 24,745 24,427 318 29,063 23,455	aviation 8 transport 7,095 733 310 60 5,092 5,574 318 6,247 5,312	377,658 44,181 31 3,305 330,341 262,986 67,375 240,499 6,005	21,557 2,452 1 189 18,936 18,936 18,936 18,936 18,936 18,936 12,815 12,804		period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (Inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takeful contribution earned	28,430 3,432 5 248 24,745 24,427 318 29,063 23,455 2,608	avietion 8 transport 7,095 733 310 60 5,892 5,574 318 6,247 5,312 935	377,858 44,181 31 3,305 330,341 262,986 67,375 240,499	21,587 2,452 1 189 18,936 18,936 18,920 15 22,815 12,904 9,711	-	period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (Inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takeful contribution earned Takeful contribution caded to retakaful	28,430 3,432 5 248 24,745 24,427 318 26,063 23,455 2,608 3,733	avietion 8 transport 7,095 733 310 60 8,092 5,674 318 6,247 5,312 935 1,195	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 5,005 235,494	21,587 2,452 1 189 18,936 18,936 18,920 15 22,815 12,904 9,711 1,759		period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting Income	рторену damage 28,430 3,432 5 248 24,427 318 26,063 23,455 2,608 3,733 6,341	avietion 8 transport 7,095 733 310 60 5,892 5,574 318 6,247 5,312 935 1,195 2,130	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 5,005 235,494 235,494	21,587 2,452 1 189 18,936 18,936 18,920 15 22,815 12,904 9,711 1,759 11,470		period ended 30 June 2017 (Uneudited) 434,970 50,605 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting Income Insurance claims	рторену damage 28,430 3,432 5 248 24,427 318 26,063 23,455 2,608 3,733 6,341 26,704	arvistion 8 transport 7,095 7,33 310 60 5,892 5,574 318 6,247 5,312 935 1,195 2,130 187	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 5,005 235,494 95,099	21,587 2,482 1 189 18,936 18,920 15 22,815 12,904 9,711 1,759 11,470 1.682		period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435 123,672
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution earned Takaful contribution ceded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims Insurance claims	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 5,341 26,704 24,019	avietion 8 transport 7,095 703 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 5,005 235,494 95,099 (3,446)	21,587 2,482 1 189 18,936 18,920 15 22,815 12,604 9,711 1,759 11,470 1.682 1,216		period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435 123,672 21,956
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting Income Insurance claims Insurance claims Insurance claims	рторену damage 28,430 3,432 5 248 24,745 24,427 318 28,063 23,455 2,606 3,733 5,341 26,704 24,019 2,685	avietion 8 transport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 5,005 235,494 95,099 (3,448) 98,547	21,587 2,482 1 189 18,936 18,920 15 22,815 12,904 9,711 1,759 11,470 1.682 1,216 466		period ended 30 June 2017 (Uneudited) 434,970 50,605 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435 123,672 21,956 101,716
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting Income Insurance claims Insurance claims Insurance claims Net claims Walkele Fee	рторену damage 28,430 3,432 5 248 24,745 24,427 318 26,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 6,516	avietion 8 transport 7,095 703 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 6,005 235,494 95,099 (3,448) 98,547 53,503	21,587 2,482 1 189 18,936 18,920 15 22,815 12,904 9,711 1,759 11,470 1.682 1,218 466 5,653		period ended 30 June 2017 (Uneudited) 434,970 50,905 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435 123,672 21,956 101,716 67,658
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takeful contribution earned Takeful contribution revenue Rabate from retakeful operator Nat underwriting income Insurance claims Insurance claims Insurance claims Insurance claims Wakele fee PTF direct expense	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2	arvietion 8 bransport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,216 466 5,653 9		period ended 30 June 2017 (Uneudited) 424,970 50,605 347 3,802 380,013 311,087 68,028 295,424 46,575 248,748 6,687 255,435 123,672 21,956 101,716 67,658 50,476
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution earned Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims Insurance claims Watele Fee PTF direct expenses	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2 9,203	avietion 8 transport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1 2,205	377,868 44,181 31 3,305 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465 202,515	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,218 466 5,653 6,127		period ended 3D June 2017 (Uneudited) 434,970 50,605 347 3,802 380,013 311,087 68,028 296,424 46,675 248,748 6,687 255,435 123,672 21,956 101,716 67,858 50,476 220,050
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims recovered from retakaful Net claims Watele Fee PTF direct expense Underwriting result	рторену damage 28,430 3,432 5 248 24,745 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2,2	arvietion 8 bransport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1	377,868 44,181 31 3,305 330,341 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,216 466 5,653 9		period ended 3D June 2017 (Uneudited) 434,970 50,605 347 3,802 380,013 311,087 68,028 296,424 46,675 248,748 6,687 255,435 123,672 21,956 101,716 67,858 50,476 220,050
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims Insurance claims Insurance claims Watele Fee PTF direct expense Net Insurance claims and expenses Underwriting result Net Insurance claims and expenses Underwriting result Nat Investment Income	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2 9,203	avietion 8 transport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1 2,205	377,868 44,181 31 3,305 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465 202,515	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,218 466 5,653 6,127		period ended 3D June 2017 (Uneudited) 30 June 2017 (Uneudited) 34,970 50,608 347 3,802 380,013 311,087 68,028 295,424 46,675 248,748 6,687 255,435 123,672 21,956 101,716 67,858 50,476 220,050 35,365 10,879
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims recovered from retakaful Net claims Watele Fee PTF direct expense Underwriting result Net Insurance claims and expenses Underwriting result Net Investment Income Other Income Other Income	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2 9,203	avietion 8 transport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1 2,205	377,868 44,181 31 3,305 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465 202,515	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,218 466 5,653 6,127		period ended 3D June 2017 (Uneudited) 30 June 2017 (Uneudited) 34,970 50,605 347 3,802 380,013 311,087 295,424 46,675 248,748 6,687 225,435 123,672 21,956 101,716 67,658 50,476 220,050 35,365 10,879 1,156
Insurance Fee and Administrative Surcharge) Less: Federal Excise Duty Stamp Duty Federal Insurance Fee Gross Written Contribution (inclusive of Administrative Surcharge) Gross direct contribution Administrative Surcharge Takaful contribution caded to retakaful Net contribution revenue Rabate from retakaful operator Nat underwriting income Insurance claims Insurance claims Insurance claims Watele Fee PTF direct expense Net Insurance claims and expenses Underwriting result Net Insurance claims and expenses Underwriting result Nat Investment Income	рторену damage 28,430 3,432 5 248 24,427 318 28,063 23,455 2,608 3,733 6,341 26,704 24,019 2,685 8,516 2 9,203	avietion 8 transport 7,095 733 310 60 5,092 5,674 318 6,247 5,312 935 1,195 2,130 187 169 18 2,186 1 2,205	377,868 44,181 31 3,305 262,986 67,375 240,499 6,005 235,494 235,494 95,099 (3,448) 98,547 53,503 50,465 202,515	21,557 2,452 1 189 18,936 18,920 15 22,815 12,904 8,711 1,759 11,470 1,652 1,218 466 5,653 6,127		period ended 3D June 2017 (Uneudited) 30 June 2017 (Uneudited) 34,970 50,608 347 3,802 380,013 311,087 68,028 295,424 46,675 248,748 6,687 255,435 123,672 21,956 101,716 67,858 50,476 220,050 35,365 10,879

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23. Movement in investment

23.1 Operator's Fund

Name of investment	Held to meturity	Available for sale	Fair value through P&L	Deposit maturing within 12 <u>months</u>	Total
At beginning of previous year		20,447		15,000	35,447
Additione	-	31,408	•	307,500	338,908
Disposais (sale and redemptions) Fair value net gains	1	(21,409)	*	(200,000)	(221,405)
(excluding net resilied gains / 105966)	_	36	-		36
At beginning of current year	-	30,462	•	122,500	152,083
Additions				423,000	423.000
Disposele (sele and redemptions) Fair value not insere	-	(14)	•	(312,500)	(332,514)
(excluding net realized gains / 109905)	_	(529)	-		(529)
At end of current year		29,939		213,000	242,839
Participants Takaful Fund At beginning of previous year Additions Disposals (sale and redemptions) Fair velue net losses (actualing net realised gains / losses) Impairment losses At beginning of current year		385,873 837,777 (409,987) (8,922) 	- - - - -	94,000 777,500 (771,500) - - 100,000	479,673 1,415,277 (1,161,487) (8,922)
Additions Disconais (agie and redempilions)	ļ	50,000 (65,505)	-	235,000 (140,000)	285,000 (228,805)
Feir value net losses				•	
(excluding net realised gains / losses)	<u> </u>	(7,538)	<u> </u>	-	(7,538)
At end of current year		562.188	-	195,000	757,198

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24. **Related party transactions**

Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retrainent benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel, which are on employment terms. The transactions and balances with related parties are as follows:

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		Three month 30 June	Three months period ended 30 June (Unaudited)		period ended (Unaudited)
		2018	2017	2018	2017
M.1	Operators' Fund				
	Transactions Others				
	Expenses paid	-	2	-	2
.4.Z	Participants' Takaful Funda				
	Transactions				
	Key management personnel			_	
	Contribution written	3	32	3	70
	Claim paid	-	3	-	3
	Others				
	investmente made	-	29,944	-	29,844
	Investments sold	-	30,000	-	30,000

25. Fair value

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 25.1

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial 25.2 statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Following are the assets where fair value is only disclosed and is different from their carrying value:

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25.2.1 Operator's Fund

		_		30 June 2018		Fair value measurement using			
	Avsilable for sale	Loan & Receivables	Other financial assets	Other Tenancial Habilities	Total	Level 1	Level 2	Level 3	
Financial assets measured at for value									
invostanenta									
Debt Securites	29,939				29,939		29,939		
Financial assets not measured It fair value									
n-stonens									
Tem deposts			213,000		213,000				
para and other mosivables		2,601			2,501				
istatul / retakutul receivables		6,162			5,182				
Yakala lees receivable		133,033			133,033				
Nodenio fese receivable		6,342			5,342				
lash and bank balances			73,956		73,958		÷		
	29,939	147,058	265,856	-	463,953	-	79,939	-	
iruncial HabiRties not neasured at fair value									
When creditions and accruais				(55,396)	(55,398)				
		·	• ——		·				
		-		(65,398)	(55,398)	-	•	-	
	-			(65,398) (65,398) December 2013			-		
	Available	Lpans & Receivables		<u> </u>		Fair va	ikue measuree Level 2		
air value	Available	Leens &	Cither Boynciel	December 2013 Other financial	7 (Audited)			Level :	
ah velue weshania Debt Securies icancial assets not metatured t fuir velue	Available	Leens &	Cither Boynciel	December 2013 Other financial	7 (Audited)				
ah velue nosimonia Debt Securice icancial assets not metatured t fair velue	Aveitable torsate	Leens &	Cither Boynciel	December 2013 Other financial	Total		Level 2		
ah velue nosimonia Debt Securice icancial assets not measured t fair velue vesonenta Term deposito	Aveitable torsate	Leens &	Ciner Boyncial accels	December 2013 Other financial	7 (Audited) Total 30,462		Level 2		
ah value washaania Daht Securiya Inancial assets nof metastred t fuk velue wasonenta Term deposits cana and other receivables	Aveitable torsate	Loans & Receivables	Ciner Boyncial accels	December 2013 Other financial	7 (Audited) Total 30,462 122,500		Level 2		
ah value nosimonia Debt Securice icancial assets not measured t fair value vestmenta Term deposits cans and other receivables clustul / rotakaful receivables	Aveitable torsate	Loans & Receivables	Ciner Boyncial accels	December 2013 Other financial	Total 30,462 122,500 1,432		Level 2		
ah value washaana Daht Securitea icancial assets not measured t fair value wasonenta Term deposite oans and other receivables iskatul / retakatul receivables Vakala fees receivable	Aveitable torsate	Lpans & Receivables 1,432 5,497	Ciner Brancial accels	December 2013 Other financial	7 (Audited) Total 30,462 122,500 1,432 5,497		Level 2		
ah value woolmonia Datt Securitor inancial assets not measured t feir value westmenta Term deposits owna and other receivables iskatul / rotakatul receivables iskatul / rotakatul receivables kotorib fees receivable	Available for sale	Loans & Receivables 1,432 5,497 115,426 2,643	31 - Cther Brencist 39253 122,500 122,500	December 2013 Other financial	7 (Audited) Total 30,462 122,500 1,432 5,497 115,426 2,843 87,764		Leval 2 30,482		
ah value nonimonia Daht Securitos kancial assets not measured t feir velue wastmenta Term deposits ouria and other receivables okatul / rotakatul receivables okatul / rotakatul receivables kakata fees receivable	Aveitable torsate	Lpans & Receivables 1,432 5,497 115,426	Ciner Branciel essets	December 2013 Other financial	7 (Audited) Total 30,462 122,500 1,432 5,497 115,425 2,843		Level 2		
air value woshnonia Dabt Securitee isancial assets not measured t fuir value wosonenta Term deposite outra and other receivables outra and other receivables vakata fees receivable Notento fees receivable lost and bank balances	Available for sale 30,482	Loans & Receivables 1,432 5,497 115,426 2,643	31 - Cther Brencist 39253 122,500 122,500	December 2013 Other financial	7 (Audited) Total 30,462 122,500 1,432 5,497 115,426 2,843 87,764		Leval 2 30,482		
financial assets not measured It fair value nvosumenta	Available for sale 30,482	Loans & Receivables 1,432 5,497 115,426 2,643	31 - Cther Brencist 39873 122,500 122,500	December 2013 Other financial	7 (Audited) Total 30,462 122,500 1,432 5,497 115,426 2,843 87,764		Leval 2 30,482		

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25.2.2 Participants Takeful Fund

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			A+ 4	t 30 June 2016	(Automotor)	Fair val		ent using
	Available for sale	Loens & Receivables	Other Intencial areets	Oșiear firancial Babilites	Total	Lovel 1	Level 2	Level 3
Financial secolar measured at fair value nyasimenta								
Debi Securitim	502,198				562,198		582,198	
Financial accets instanceword at Init value								
nvestmenta Term deposita			195,000		195,000			
ouns and other receivables		14,783			14,783			
fatoful / relakeful receivables		202,353			202,353			
Rolatianal recoveries agains). subjecting claims		67,925			62,926			
Cash and bank belonces			180,236		160,235			
	562, 196	3(3),081	355,236	· .	1,217,485		662,198	<u> </u>
Financial RabiSties not measured at hir value								
Dutstanding claims including (SMR				(385,614)	(365,814)			
Contribution received in advance				(12,243)	(12,243)			
Yakalul / relakalul payubles				(65,139)	(65,139)			
Wakala fees payable				(133,033)	(133,033)			
Modarib (ees payable				(5.342)	(8,342)			
Other creditors and accousis				(19,869)	(19,889)			
	<u> </u>	-	•	(822,460)	(622,460)	•		

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			35	December 2017	(Audited)			
			-	Charles and Charles		Fair val	ue measurem	gnieu fina
	Available for sale	Loans & Receivables	Other Inancial assets	Other Tinancial Isobilities	Total	Level 3	Level 2	Lavei 3
Finansial assets measured st fair raius nyestmenis								
Dabi Securities	605,540				006 540		606,540	
Financial assets not measured at tair value								
Tem deposita			100,000		100,000			
cans and other receivables		16,258			16,256			
fakalul) retakatur receivablea		249.001			249.961			
telakaful recoveries against rutatending claims		88,944	1.1		88,944			
Cash and bank balances			153,572	_	153,572	_	_	_
	606,540	355,163	263,572	1-	1,215,275		806,540	-
inancial liabilities not measured at			12.2					
Julalanding claims including IBNR				(340,118)	(340.118)			
Contribution received in advance				(1,439)	(1,439)			
Takatul / retakatul payables				(142.778)	(142.778)			
Wakata fees payable				(115,426)	(115,425)			
Vedanb fees payable				(2.845)	(2.843)			
Other creditors and accruais		-	-	(19,805)	(12,805)	_		_
		-		(622,409)	(622,409)		× .	-

26. Corresponding Figures

During last year the SECP vide S.R.O. 89(1)/2017 dated 09 February, 2017 has issued insurance Rules, 2017 (the Rules), which requires every Operator's to prepare their financial statements as per the presentation and disclosure requirement prescribed in the format, in view of the applicability of the Rules, the Operator has changed the presentation and disclosures of the financial statements and recorded its investments as per IAS 39, which was further explained in note 4.1.1.

27 General

- 27.1 Figures in these condensed interim financial statements for the quarter ended 30 June 2018 and 30 June 2017 have been subjected to limited scope review of the auditors.
- 27.2 The effects of changes stated in note 4.1 have been accounted for retrospectively in accordance with IAS-8 'Accounting Policies, Changes in Accounting Estimates and Errors', resulting in restatement of financial statements of prior periods. Resultantly, the cumulative effect of adjustments that arose as at 01 January 2017 and 01 January 2018 have been presented and disclosed as part of the statement of changes in equity, while the corresponding period adjustment through other comprehensive income and profit or loss is restated and disclosed as part of the Statement of the Statement of Comprehensive Income and Profit and Loss Account respectively. The Balance Sheet also presents the prior year numbers as restated, due to the said change.

28. Date of authorisation for issue of financial statements

These condensed Interim fipancial statements were authorised for issue by the Board of Directors in its meeting held on 18 August 2018.

DCIO UTració

ALTAF GOKAL Chief Financial Officer & Corporate Secretary

HASANALI ABDULLAN Managing Director & Chief Executive

Director Chairman of the meeting



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