CONTENTS

BOARD OF DIRECTORS & MANAGEMENT

CHIEF JUSTICE (R) MIAN MAHBOOB AHMAD	...	Chairman
NAVED YUNUS	...	Managing Director & Chief Executive Officer
JAVED YUNUS	...	Executive Director (Marketing)
PERVEZ YUNUS	...	Executive Director (Operations)
MAHEEN YUNUS	...	Director
UMEED ANSARI	...	Director
AHSAN MAHMOOD ALVI FCA England & Wales	...	Director
ENGR. KAZIM RAZA B.SC. (Engineering, UET)	...	Director
BRENDAN THOMAS D'LIMA	...	Deputy Executive Director
SHABBIR ALI KANCHWALA	...	Director Finance / Company Secretary
DR. SYED ARIF HUSSAIN	...	Head of Takaful
SAJJAD ZAFAR	...	Regional Director
IFTIKHAR HUSSAIN	...	Regional Director
MUHAMMAD FAYYAZ KHOKHAR	...	Regional Director
JAN MOHAMMAD	...	Regional Director

AUDIT COMMITTEE

AHSAN MAHMOOD ALVI FCA England & Wales	...	Chairman
JAVED YUNUS	...	Member
UMEED ANSARI	...	Member
ENGR. KAZIM RAZA	...	Member
JOHRY LAL, FCCA	...	Secretary

KHALID LAW ASSOCIATES	...	Legal Advisor
BDO EBRAHIM & CO. Chartered Accountants	...	Auditors
AFNAN TAX CONSULTANTS	...	Tax Advisor
THK ASSOCIATES (PVT) LTD. 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi.	...	Shares Registrar
IFS RATING	....	A+ (A Plus) Stable Outlook
WEBSITE	...	www.eastwestinsurance.com.pk
BANKERS	...	Allied Bank Limited Askari Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited National Bank of Pakistan Limited NIB Bank Limited Summit Bank Limited The Bank of Punjab Limited United Bank Limited The Karakuram Co. Operative Bank Ltd.

Karachi : April 29, 2019

Your Directors are pleased to present their report together with un-audited Financial Statements for the period ended March 31, 2019.

The statistic covers the annexed Financial Statements of conventional general insurance and Window Takaful operation comprising:

- Condnsed interm statement of financial postion;
- Condsed interim profit and loss account
- Condensed interim statement of comprehensive income;
- Condensed interim statement of changes and equity;
- Condensed interim statement of cash flows;

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The financial highlight of the company for the period ended March 31, 2019. is as follows:

	(Rupees in '000) (Unaudited)
Profit before tax from General Insurance Operations	84,324
Profit before tax from Window Takaful Operations	486
Profit before tax	84,810
Income tax expenses	(7,242)
Profit after taxation	77,568
Other comprehensive income	1,044
Total Comprehensive income	78,612
Unappropriated profit at beginning of the year	228,563
Profit for the period	77,568
Unappropriated at the end of the period	306,131

	March 31, 2019.	March 31, 2018
	(Unaudited)	
Gross premium Net	582,649	582,459
Net premium	301,479	293,109
Underwriting results	94,215	88,341
Investment income	18,910	52,286
Profit before tax (including Window Takaful Operations)	84,810	118,110
Profit after tax (including Window Takaful Operations)	77,568	110,210
Earnings per share - basic and diluted (Rupees)	1.02	1.45

On behalf of the Board of Directors

Naved Yunus
Managing Director & Chief Executive
Karachi : April 29, 2019

آپ کے بورڈ آف ڈائریکٹرز کی طرف سے کمپنی کی سہ ماہی رپورٹ ۳۱مارچ، ۲۰۱۹ کو ختم ہونے والے مدت کیلئے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا میرے لیے باعث مسرت ہے

اعداد و شمار روایتی جنرل انشورنس اور ونڈو تاکافول آپریشن کے ضمنی مالی بیانات پر مشتمل ہے۔

مالی پوزیشن کا منسلک عبوری بیان
نفع و نقصان کا عبوری بیان
جامع آمدنی کا کمڈیننس عبوری بیان
مساوات میں متعدد بیانات کا مساوات
نقد کی بہاؤ کے کنسرسی عبوری بیان

ہمیں یقین ہے مندرجہ بالا معلومات معزز حصص یافتگان کو مناسب طور پر ان کی کمپنی کی کارکردگی کے بارے میں آگاہ کریگی۔

۳۱مارچ، ۲۰۱۹ کی مدت کے لئے کمپنی کی مالی خاص بات حسب ذیل ہیں

	(روپے میں 000') (غیر آڈٹ شدہ)
جنرل انشورنس آپریشن ٹیکس کے پہلے منافع	۸۴,۳۲۴
ونڈو تاکافول آپریشن ٹیکس سے پہلے آمدنی۔	۴۸۶
منافع قبل از محصول	۸۴,۸۱۰
آمدنی پر ٹیکس کا خرچہ	(۷,۲۴۲)
ٹیکس کے بعد منافع	۷۷,۵۶۸
دیگر جا مع آمدنی	۱,۰۴۴
مجموعی جامع آمدنی	۷۸۶۱۲
فائدہ اور نقصان حصول اکاؤنٹ	
سال کے شروع میں توازن قائم	۲۲۸,۵۶۳
اس مدت کے لئے منافع	۷۷,۵۶۸
مدت کے اختتام پر unappropriated متوازن	۳۰۶,۱۳۱

(روپے میں 000')

	۳۱مارچ، ۲۰۱۹	۳۱مارچ،۲۰۱۸
	(غیر آڈٹ شدہ)	
مجموعی پریمیم	۵۸۲,۶۴۹	۵۸۲,۴۵۹
نیٹ پریمیم	۳۰۱,۴۷۹	۲۹۳,۱۰۹
انڈررایٹنگ نتیجہ	۹۴,۲۱۵	۸۸,۳۴۱
سرمایہ کاری کی آمدنی	۱۸,۹۱۰	۵۲,۲۷۶
ٹیکس سے قبل منافع	۸۴,۸۱۰	۱۱۸,۱۱۰
اس مدت کے لئے منافع	۷۷,۵۶۸	۱۱۰,۲۱۰
فی شیئر آمدنی (روپے)	۱.۴۵	۱.۰۲

نوید یونس
مینیجنگ ڈاریکٹر اور چیف ایگزیکٹیو آفیسر
کراچی : ۲۹اپریل ۲۰۱۹

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT MARCH 31, 2019

	Note	March 31, 2019	December 31, 2018
		Rupees in '000	
ASSETS			
Property and equipment	6	158,759	155,312
Intangible assets	7	1,355	1,408
Investment properties	8	49,812	50,442
Investments			
Equity securities	9	839,195	825,476
Debt securities	10	169,623	183,761
Term deposits	11	60,000	64,071
		1,068,817	1,073,308
Loans and other receivables	12	70,490	41,332
Insurance / Reinsurance receivables	13	314,168	289,763
Reinsurance recoveries against outstanding claims		425,770	442,006
Deferred commission expense		155,673	172,216
Deferred taxation		12,999	11,899
Prepayments	14	501,777	624,193
Cash and bank	15	42,631	35,777
		2,802,251	2,897,656
Total assets of General Takaful Operations - Operator's Fund		62,623	60,425
TOTAL ASSETS		2,864,874	2,958,081
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		762,227	762,227
Reserves	16	134,092	133,048
Unappropriated profit		306,131	228,564
TOTAL EQUITY		1,202,450	1,123,839
LIABILITIES			
Underwriting provisions			
Outstanding claims including IBNR		567,546	594,943
Unearned premium reserves		872,405	981,543
Unearned reinsurance commission		58,843	99,091
		1,498,795	1,675,577
Retirement benefit obligations		2,249	1,741
Deferred taxation		-	-
Liabilities against assets subject to finance lease		19,672	21,503
Premium received in advance		11,409	13,888
Insurance / reinsurance payables		17,503	12,714
Other creditors and accruals	18	75,581	77,956
Taxation - provision less payment		30,073	25,954
Total liabilities of takaful operations		7,142	4,909
TOTAL LIABILITIES		1,662,424	1,834,242
			-
TOTAL EQUITY AND LIABILITIES		2,864,874	2,958,081
CONTINGENCIES AND COMMITMENTS	19		

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

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | IEF FINANACIAL OFFIC

Karachi : April 29, 2019

CONDENSED INTERIM OF PROFIT AND LOSS ACCOUNTS (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2019

	Note	March 31, 2019	March 31, 2018
		----------Rupees in '000------------	
		for the period ended	
Net insurance premium	20	301,479	293,109
Net insurance claims	20	(127,122)	(116,202)
Net commission	21	(43,385)	(48,690)
Insurance claims and acquisition expenses		(170,507)	(164,892)
Management expenses		(36,757)	(39,876)
Underwriting results		94,215	88,341
Investment income / (loss)	22	18,910	52,286
Rental income		918	1,567
Other income		2,695	1,587
Other expenses		(31,731)	(25,576)
Result of operating activities		85,008	118,204
Finance cost		(685)	(95)
Profit from takaful operations		486	-
Profit before tax		84,810	118,109
Income tax expense		(7,242)	(7,899)
Profit after taxation		77,568	110,211
Earnings per share - basic and diluted	23	1.02	1.45

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

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE PERIOD ENDED MARCH 31, 2019

	March 31, **2019**	March 31, **2018**
	Rupees 'in '000	
Profit after tax	77,568	110,211
Other comprehensive income		
items that may be reclassified subsequently to profit and		
Unrealised loss on available for sale investments-net of deferred tax	1,044	67,757
Total comprehensive income for the period	78,611	177,969

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

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Share capital	Reserves				
	Issued subscribed and paid-up	General reserve	Unrealized gain on available for sale investment	Total reserves	Unappropriated profit	Total
	---Rupees in '000---					
Balance as at January 01, 2018 (as reported)	609,782	200,000	-	200,000	248,617	1,058,399
Effect of changes in accounting policy (note 5.2.1)	-	-	(8,881)	(8,881)	-	(8,881)
Balance as at January 01, 2018 (restated)	609,782	200,000	(8,881)	191,119	248,617	1,049,518
Total comprehensive income for the period						
Profit for the period	-	-	-	-	110,211	110,211
Unrealized gain on available for sale investments	-	-	67,757	67,757	-	67,757
Total comprehensive income for the period ended March 31, 2018	-	-	67,757	67,757	110,211	177,969
Balance as at March 31, 2018 (Restated)	609,782	200,000	58,876	258,876	358,829	1,227,487
Balance as at January 01, 2019 (as reported)	762,227	200,000	(66,952)	133,048	228,563	1,123,839
Total comprehensive income for the period						
Profit for the period	-	-	-	-	77,568	77,568
Unrealized gain on available for sale investments	-	-	1,044	1,044		1,044
Total comprehensive income for the period ended March 31, 2019	-	-	1,044	1,044	77,568	78,611
Balance as at March 31, 2019	762,227	200,000	(65,908)	134,092	306,131	1,202,450

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

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

FOR THE PERIOD ENDED MARCH 31, 2019

	March 31, 2019	March 31, 2018
	Rupees in '000	
OPERATING CASH FLOWS		
(a) Underwriting activities		
Insurance premium received	553,447	563,480
Reinsurance premium paid	(260,835)	(291,330)
Claims paid	(185,225)	(158,521)
Reinsurance and other recoveries received	46,941	42,004
Commission paid	(143,834)	(130,430)
Commission received	76,745	79,730
Underwriting payments	(63,387)	(82,746)
Net cash inflows from underwriting activities	23,852	22,187
(b) Other operating activities		
Income tax paid	(3,123)	(470)
Other operating payments	(30,683)	(45,598)
Net cash used in other operating activities	(33,806)	(46,068)
Total cash flow from all operating activities	(9,953)	(23,881)
INVESTMENT ACTIVITIES		
Profit / return received	3,761	2,190
Dividend received	4,678	1,128
Other income received	918	1,567
Payment for investments	(13,900)	(58,359)
Proceeds from investment	25,609	108,146
Fixed capital expenditure	(9,405)	(20,257)
Proceeds from sale of property and equipment	3,203	2,700
Total cash flow from investing activities	14,865	37,115
FINANCING ACTIVITIES		
Loan received from director	-	1,218
Loan repaid to director	(1,520)	(1,243)
Payment of finance lease	(609)	-
Total cash flow from financing activities	(2,129)	(25)
Net cash used in all activities	2,783	13,209
Cash and cash equivalents at beginning of the period	99,848	90,722
Cash and cash equivalents at end of the period	102,631	103,931

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

CHAIRMAN

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER

Director

Director

CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

FOR THE PERIOD ENDED MARCH 31, 2019

	March 31, 2019	March 31, 2018
	Rupees in '000	
Reconciliation to profit and loss account		
Operating cash flows	(9,953)	(23,881)
Depreciation expense	(6,133)	(4,359)
Profit on disposal of fixed assets	2,695	1,587
Investment income	3,761	2,190
Gain / (Loss) on disposal of investment securities	9,852	48,000
Dividend income	4,678	1,128
Other income	918	1,567
Profit on takaful operations	486	-
Increase in assets other than cash	(21,946)	(19,156)
Decrease in operating liabilities	93,207	103,134
Profit for the period	77,568	110,210

Definition of cash

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

Cash for the purpose of statement of cash flows consist of:

	March 31, 2019	March 31, 2018
Cash and other equivalents	62	307
Current and other accounts	42,568	67,624
Deposits maturing within 12 months	60,000	36,000
	102,631	103,931

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

FOR THE PERIOD ENDED MARCH 31, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

East West Insurance Company Limited (the Company) was incorporated as a public limited company in the year 1983 under the Companies Act, 1913, the shares of the Company are quoted on the Pakistan Stock Exchange Limited. The Company is engaged in the general insurance business comprising of fire & property, marine, aviation and transport, motor and miscellaneous etc.
The company commenced Window Takaful Operations (WTO) on May 08, 2018 as per Securities and Exchange Commission of Pakistan (SECP) Takaful Rules 2012.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi.

3 BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial information is unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2018 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.
This condensed interim financial information of the Company for the period ended March 31, 2019 has been prepared in accordance with the requirements of the International Accounting Standard 34 – (IAS 34): Interim Financial Reporting, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed.

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2018, whereas the comparative condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the period ended March 31, 2019

In terms of the requirement of the Takaful Rules 2012, read with SECP circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's fund of the General Takaful Operations of the Company have been presented as single line item in the condensed interim statement of financial position and statement of profit and loss account of the Company respectively.

3.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets which are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

3.3 Functional and presentation currency

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

4 USE OF ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the financial statements of the Company for the year ended December 31, 2018.

CHIEF EXECUTIVE OFFICER

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 The accounting policies and the methods of computation adopted by the Company in the preparation of this condensed interim financial information are same as those applied in the preparation of the preceding annual audited financials statements for the year ended December 31, 2018.

Amendments to certain existing standards and new standards and interpretations on approved accounting standards became effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

6 PROPERTY AND EQUIPMENT

	Note	March 31, 2019	December 31, 2018 (Audited)
		Rupees	
Opening balance as at		155,312	115,775
Additions during the period / year			
Owned			
Office premises		-	-
Furniture and fixtures		200	262
Electrical fittings and equipments		120	1,546
Computers		108	451
Office equipments		12	196
Vehicles		8,966	37,148
Leased			
Vehicles		-	27,383
		9,405	66,986
Less:			
Written down value of assets disposed during the period / year		(508)	(9,124)
Deprecation charge for the period / year		(5,449)	(18,325)
		158,759	155,312

7 INTANGIBLE ASSETS

	Note	March 31, 2019	December 31, 2018 (Audited)
		Rupees in '000	
Intangible assets	7.1	650	703
Capital work in progress		705	705
		1,355	1,408

7.1

Opening balance as at	703	1,737
Less: Amortization charge for the period	(53)	(1,034)
	650	703

8 INVESTMENT PROPERTIES

Invstment properties	49,812	50,442

8.1 Investment properties comprise of Six properties having market value of Rs. 216.70 million as at March 31, 2019 (December 31, 2018: Rs. 216.70 million). Revaluation was carried out by the Company in the month of February, 2019 and March , 2019. The exercise was carried out by independent valuers M/s. Al-Shabaz Surveyors (Private) Limited and M/s. Salam Associates (Private) Limited.

9 INVESTMENTS IN EQUITY SECURITIES

9.1 Investments - Held For Trading

	March 31, 2019	
	Market value as at December 31, 2018	Market value as at March 31, 2019
	Rupees in '000	
Listed shares	37,967	43,052
Mutual funds	584,341	593,095
	622,308	636,147

9.2 Investments-Available For Sale

Listed shares (note 9.3)	203,168	203,048
Total equity securities	825,476	839,195

9.3 This includes investment in associated undertaking.

		March 31, 2019	
		Market value as at December 31, 2018	Market value as at March 31, 2019
		Rupees in '000	

10 INVESTMENTS IN DEBT SECURITIES - Available for sale

	Market value as at December 31, 2018	Market value as at March 31, 2019
Government Securities	158,451	144,313
Others	25,310	25,310
	-	-
Total debt securities	183,761	169,623

10.1 This represents Pakistan Investment Bonds (PIBs) and sharia compliant GOP Ijara Sukuk carrying interest ranging from 5.51% to 12% (December 31, 2018: 5.89% to 12%).

11 TERM DEPOSIT RECEIPT

Deposits maturing within 12 months	60,000	64,071

These represent Term Deposit Receipts (TDRs) in local currency carrying interest rates ranging from 3.50% to 6.00% per annum (2018: 3.50% to 6.00% per annum).

12 LOANS AND OTHER RECEIVABLES

	Note		
(Unsecured - considered good)			
Accrued investment income		4,375	3,752
Advances	12.1	27,983	26,405
Deposits		6,362	6,362
Other receivables		31,770	4,813
		70,490	41,332

12.1 This represents advances in the normal course of business which do not carry any interest / mark-up.

	Note	March 31, 2019	December 31, 2018 (Audited)
		Rupees in '000	

13 INSURANCE / REINSURANCE RECEIVABLES

	Note	March 31, 2019	December 31, 2018 (Audited)
(Unsecured - considered good)			
Due from insurance contract holders		171,020	138,582
Provision for impairment of receivables from insurance contract holders		(7,115)	(7,115)
Premium written off		-	(1,286)
		163,904	130,181
Amount due from other insurers / reinsurers		150,264	159,582
		314,168	289,763

14 PREPAYMENTS

	Note	March 31, 2019	December 31, 2018 (Audited)
Prepaid reinsurance premium ceded		500,487	622,853
Prepaid rent		1,023	1,073
Others		267	267
		501,777	624,194

15 CASH AND BANK

	Note	March 31, 2019	December 31, 2018 (Audited)
Cash and cash equivalents		62	77
Cash at bank			
Current accounts		20,071	26,052
Saving accounts	15.1	22,498	9,648
		42,631	35,777

15.1 These include interest bearing accounts carrying interest rates ranging from 5% to 10% (December 31, 2018: 5% to 10%) per annum.

16 RESERVES

	Note	March 31, 2019	December 31, 2018 (Audited)
General reserve		200,000	200,000
Unrealized gain / (loss) on available for sale investments		(65,908)	(66,952)
		134,092	133,048

17 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	Note	March 31, 2019	December 31, 2018 (Audited)
		Rupees in '000	
Current portion		7,693	7,693
Non-current portion		11,979	13,810
		19,672	21,503

18 OTHER CREDITORS AND ACCRUALS

	Note	March 31, 2019	December 31, 2018 (Audited)
Sundry creditors		21,002	22,871
Commission payable		16,583	16,661
Federal excise duty		1,901	2,077
Federal insurance fee		2,628	2,737
Workers' welfare fund		25,284	25,284
Withholding tax		3,807	3,494
Unclaimed dividend		31	31
Due to director	17.1	4,346	4,801
		75,581	77,956

18.1 The amount of loan is payable to directors which is unsecured and interest free.

19 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at March 31, 2019 (December 31, 2018: Nil).

20 NET INSURANCE PREMIUM

	March 31, 2019	March 31, 2018
	Rupees in '000	
Written gross premium	589,649	582,459
Add: Unearned premium reserve - opening	981,543	754,295
Less: Unearned premium reserve - closing	(872,405)	(719,445)
Premium earned	698,787	617,309
Less: Reinsurance premium ceded	274,942	271,311
Add: Prepaid reinsurance premium - opening	622,853	426,632
Less: Prepaid reinsurance premium - closing	(500,487)	(373,743)
Reinsurance expense	397,308	324,200
	301,479	293,109

20 NET INSURANCE CLAIMS EXPENSE

	March 31, 2019	March 31, 2018
	Rupees in '000	
Claims paid	185,225	158,521
Add: Outstanding claims (including IBNR) - closing	567,546	638,418
Less: Outstanding claims (including IBNR) - opening	(594,943)	(660,415)
Claims expense	157,828	136,524
Less: Reinsurance and other recoveries received	46,941	42,004
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	425,770	518,345
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	(442,006)	(540,027)
Reinsurance and other recoveries revenue	30,705	20,322
	127,122	116,202

21 NET COMMISSION

	March 31, 2019	March 31, 2018
Commission paid or payable	143,834	130,430
Add: Deferred commission expense - opening	172,216	146,599
Less: Deferred commission expense - closing	(155,673)	(117,526)
Net commission	160,377	159,503
Less: Commission received or recoverable	76,745	79,730
Add: Unearned reinsurance commission - opening	99,091	77,864
Less: Unearned reinsurance commission - closing	(58,843)	(46,781)
Commission from reinsurers	116,993	110,813
	43,385	48,689

22 INVESTMENT INCOME

	March 31, 2019	March 31, 2018
Held-for-trading		
Gain on sale of investments	-	36
Unrealized gain / (loss) on revaluation of investments	9,852	47,964
Dividend income	4,678	1,128
	14,530	49,128
Available for sale		
Return on government securities	3,701	3,031
Return on other fixed income securities and deposits	1,131	192
Amortisation of premium and discount - net	(162)	209
Less: Investment related expenses	(290)	(275)
	4,380	3,158
	18,910	52,286

23 EARNINGS PER SHARE - basic and diluted

	for the period ended March 31, 2019	March 31, 2018
	------------ Rupees in '000 ------------	
Profit for the period	77,568	110,211
Weighted average number of ordinary shares of Rs. 10 each	76,222,745	76,222,745
Earnings per share - rupees	1.02	1.45

23.1 There is no dilutive effect on basic earning per share of the Company.

24 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions with related parties are as follows:

Nature of relationship	Nature of transaction	Period ended March 31 2019	2018
Common directorship	Investment in associated company	-	-
Directors and Key Management Personnel	Loan received from directors	-	1,218
	Loan repaid to directors	1,520	1,243
	Remuneration paid	3,000	3,390

25 GENERAL

25.1 This condensed interim financial information was authorised for issue in the Board of Directors meeting of the Company held on April 29, 2019.

25.2 The figures for the quarter period ended March 31, 2019 have been rounded off to the nearest Rupee.

CHAIRMAN　　CHIEF EXECUTIVE OFFICER　　Director　　Director　　CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

FINANCIALS OF

WINDOW TAKAFUL OPERATIONS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - WINDOW TAKAFUL OPERATIONS

AS AT MARCH 31, 2019

	Note	March 31, 2019 (Un-Audited) Operator's Fund	Participants' Takaful Fund	Aggregate	December 31, 2018 (Audited)
		---------- (Rupees in '000) ----------			
ASSETS					
Investments	7	40,000	-	40,000	50,000
Qard-e-Hasna to PTF		6,000	-	6,000	6,000
Accrued investment income		702	68	770	133
Takaful / retakaful receivables	8	-	21,722	21,722	8,771
Taxation - net	9	149	1	150	122
Deferred wakala expense		-	5,522	5,522	4,109
Deferred commission expense		2,906	-	2,906	1,673
Receivable from PTF		12,069	-	12,069	1,800
Prepayments	10	750	4,413	5,163	366
Cash and bank	11	46	12,023	12,069	1,211
TOTAL ASSETS		62,622	43,749	106,371	74,185
EQUITY AND LIABILITIES					
Operator's fund					
Statutory fund		50,000	-	50,000	50,000
Accumulated losses		(434)	-	(434)	(920)
		49,566	-	49,566	49,080
Participants' takaful fund				-	
Ceded money		-	500	500	500
Accumulated losses		-	(4,415)	(4,415)	(5,556)
		-	(3,915)	(3,915)	(5,056)
Qard-e-Hasna		-	6,000	6,000	6,000
LIABILITIES					
Underwriting provisions					
Outstanding Claims		-	600	600	-
Unearned contribution reserve		-	16,499	16,499	10,821
Unearned retakaful rebate		-	581	581	37
		-	17,680	17,680	10,858
Takaful / retakaful payable		-	11,454	11,454	-
Unearned wakala fee		5,522	-	5,522	4,109
Payable to OPF		-	11,568	11,568	1,300
Other creditors and accruals	12	1,620	962	2,582	1,458
Payable to East West Insurance Company Limited	13	5,914	-	5,914	6,436
TOTAL LIABILITIES		13,056	41,664	54,720	24,161
TOTAL EQUITY AND LIABILITIES		62,622	43,749	106,371	74,185
CONTINGENCIES AND COMMITMENTS	6				

The annexed notes from 1 to 24 form an integral part of these financial statements.

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT-WINDOW TAKAFUL OPERATIONS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019 (Un-Audited)

	Note	Three months period ended March 31, 2019 (Rupees in '000)
Participants' Takaful Fund		
Revenue Account		
Net takaful contribution	14	11,003
Net takaful claims	15	(3,932)
Wakala expense	16	(6,554)
Direct expenses		(1)
Retakaful rebate	17	549
Underwriting results		1,065
Investment income	20	76
Surplus for the period		1,141
Operator's Fund		
Revenue Account		
Wakala fee	16	6,554
Commission expense	18	(3,467)
Management expenses	19	(2,556)
Operating results		531
Investment income	20	811
Other expenses	21	(856)
Profit for the period		486

The annexed notes from 1 to 24 form an integral part of these financial statements.

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME-WINDOW TAKAFUL OPERATIONS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019 (Un-Audited)

	Three months period ended March 31, 2019 (Rupees in '000)
Participants' Takaful Fund	
Surplus for the period	1,141
Other comprehensive income	-
Total comprehensive surplus for the period	1,141
Operator's Fund	
Profit for the period	486
Other comprehensive income	-
Total comprehensive profit for the period	486

The annexed notes from 1 to 24 form an integral part of these financial statements.

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM STATEMENT OF CHANGES IN FUNDS-WINDOW TAKAFUL OPERATIONS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019 (Un-Audited)

	Operator's Fund		
	Statutory Fund	Accumulated Losses	Total
	(Rupees in '000)		
Balance as at January 1, 2019	50,000	(920)	49,080
Total comprehensive income for the period			
Profit for the period	-	486	486
Other comprehensive income	-	-	-
	-	486	486
Balance as at March 31, 2019	50,000	(434)	49,566

	Participants' Fund		
	Ceded Money	Accumulated Losses	Total
	Rupees		
Balance as at January 1, 2019	500	(5,556)	(5,056)
Total comprehensive income for the period			
Surplus for the period	-	1,141	1,141
Other comprehensive income	-	-	-
	-	1,141	1,141
Balance as at March 31, 2019	500	(4,415)	(3,915)

The annexed notes from 1 to 24 form an integral part of these financial statements.

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

Karachi : April 29, 2019

CONDENSED INTERIM STATEMENT OF CASH FLOWS-WINDOW TAKAFUL OPERATIONS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019 (Un-Audited)

	Three months period ended March 31, 2019		
	Operator's Fund	Participants' Takaful Fund	Aggregate
	(Rupees in '000)		
OPERATING CASH FLOWS			
(a) Takaful activities			
Contribution received	-	10,453	10,453
Retakaful contribution paid	-	(66)	(66)
Claims paid	-	(3,332)	(3,332)
Retakaful and recoveries received	-	-	-
Commission paid	(4,709)	-	(4,709)
Retakaful rebate received	-	-	-
Wakala fee received	7,967	-	7,967
Wakala fee paid	-	(7,967)	(7,967)
Net cash generated from / (used in) takaful activities	3,258	(912)	2,346
(b) Other operating activities			
Income tax paid	(27)	(1)	(28)
Direct expenses paid	-	(1)	(1)
Other expenses paid	(856)	-	(856)
Management expenses paid	(1,727)	-	(1,727)
Other operating receipts	(11,541)	12,415	874
Net cash generated from other operating activities	(14,151)	12,413	(1,738)
Net cash generated from / (used in) operating activities	(10,893)	11,501	608
INVESTMENT ACTIVITIES			
Profit / return received and net cash generated from investing activities	239	11	250
Qard-e-Hasna to PTF	-	-	-
Net cash (used in) / generated from investing activities	239	11	250
FINANCING ACTIVITIES			
Contribution to the Operator's fund	-	-	-
Ceded money	-	-	-
Qard-e-Hasna from OPF	-	-	-
Net cash generated from financing activities	-	-	-
Net increase in cash and cash equivalents	(10,654)	11,512	858
Cash and cash equivalents at beginning of the period	**50,700**	**511**	**51,211**
Cash and cash equivalents at end of the period	40,046	12,023	52,069
Reconciliation to profit and loss account:			
Operating cash flows	(10,893)	11,501	608
Return on deposits	239	11	250
Increase in assets other than cash	12,851	18,477	31,328
Increase in liabilities	(1,711)	(28,848)	(30,559)
Loss for the period	486	1,141	1,627
Attributed to:			
Operator's Fund			486
Participants' Takaful Fund			1,141
			1,627
CASH AND CASH EQUIVALENTS			
Cash in hand	-	-	-
Cash at bank	46	12,023	12,069
Term deposits	40,000	-	40,000
	40,046	12,023	52,069

The annexed notes from 1 to 24 form an integral part of these financial statements.

CHAIRMAN | MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER | Director | Director | CHIEF FINANACIAL OFFICER

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2019 (Un-Audited)

1 STATUS AND NATURE OF BUSINESS

1.1 East West Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 08, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

1.2 For the purpose of carrying on the takaful business, the Operator has formed a Participants' Takaful Fund (PTF) on April 06, 2018 under the Waqf deed with the ceded money of Rs. 500,000. The Waqf deed and PTF policies (Waqf Rules) which govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund are approved by the Shariah Advisor of the Operator.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Operator is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi.

3 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in line with the format issued by the SECP through Insurance Rules, 2017, and SECP Circular no 25 of 2015 dated July 09,

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

3.1 Statement of compliance

3.1.1 These condensed interim financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulation and SECP Takaful Rules, 2012.

In case requirements differ, the provision of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting regulations, 2017 and SECP Takaful Rules, 2012, shall prevail. Total assets, total liabilities and profit of the Window Takaful Operations of the Operator's referred to as the Operator's Fund has been presented in these financial statements in accordance with the requirements of Circular 25 of 2015 dated July 9, 2015.

3.1.2 These condensed interm financial statement do not include all information and disclosures required in the annual financial statements and should be read in conjuction with the Operator's financial statements for the year ended December 31, 2018.

4 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except that certain investments are stated at lower of cost and market value.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim financial statements are consistant with those followed in the preparation of annual financial statements for the year ended December 31, 2018.

6 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at March 31, 2019.

	Note	March 31, 2019 (Un-Audited) Operator's Fund	Participants' Fund	Aggregate	December 31, 2018 (Audited)
		---(Rupees in '000)---			
7 INVESTMENTS					
Deposits maturing within 12 months		40,000	-	40,000	50,000

	March 31, 2019 (Un-Audited) Operator's Fund	Participants' Fund	Aggregate	December 31, 2018 (Audited)
	---(Rupees in '000)---			
8 TAKAFUL / RE-TAKAFUL RECEIVABLES				
(Unsecured - considered good)				
Due from Takaful contract holders	-	2,593	2,593	4,065
Due from other Takaful / Re-takaful operators	-	19,129	19,129	4,706
	-	21,722	21,722	8,771
9 TAXATION - NET				
Advance tax	149	1	150	122
10 PREPAYMENTS				
Other prepayments	750	-	750	-
Prepaid retakaful contribution ceded	-	4,413	4,413	366
	750	4,413	5,163	366
11 CASH AND BANK				
Cash in hand	7	-	7	-
Cash at bank				
Current accounts	-	-	-	2
PLS saving accounts 0	39	12,023	12,062	1,209
	46	12,023	12,069	1,211

	March 31, 2019 (Un-Audited) Operator's Fund	Participants' Fund	Aggregate	December 31, 2018 (Audited)
	---(Rupees in '000)---			
12 OTHER CREDITORS AND ACCRUALS				
Salaries payable	1,009	-	1,009	330
Staff provident fund	202	-	202	108
Federal excise duty	-	835	835	564
Commission payable	268	-	268	277
Federal insurance fee	-	64	64	43
Withholding tax payable	82	59	141	73
Accrued expenses	59	4	63	63
	1,620	962	2,582	1,458

13 PAYABLE TO EAST WEST INSURANCE COMPANY

This represents the amount payable in respect of expenses incurred by East West Insurance Company Limited on behalf of the Operator.

	Note	Three months period ended March 31, 2019 (UnAudited)
		(Rupees in '000)
14 NET TAKAFUL CONTRIBUTION		
Written gross contribution		22,311
Unearned contribution reserve (Opening)		10,821
Unearned contribution reserve (Closing)		(16,499)
Contribution earned		16,633
Less:		
Re-takaful contribution ceded		9,677
Prepaid retakaful contribution ceded (Opening)		366
Prepaid retakaful contribution ceded (Closing)		(4,413)
Retakaful expense		5,630
		11,003

		Three months period ended March 31, 2019 (Un-Audited) (Rupees in '000)
15	**NET TAKAFUL CLAIMS**	
	Claims paid or payable	3,932
16	**WAKALA EXPENSE**	
	Gross wakala fee	7,967
	Deferred wakala expense (Opening)	4,109
	Deferred wakala expense (Closing)	(5,522)
		6,554
17	**RETAKAFUL REBATE**	
	Retakaful rebate received or recoverable	1,093
	Unearned retakaful rebate (Opening)	37
	Unearned retakaful rebate (Closing)	(581)
		549
18	**COMMISSION EXPENSE**	
	Commission paid or payable	4,700
	Deferred commission expense (Opening)	1,673
	Deferred commission expense (Closing)	(2,906)
		3,467
19	**MANAGEMENT EXPENSES**	
	Salaries, allowances and employees benefits	2,336
	Office rent and maintenance	16
	Motor vehicle running expense	49
	Printing and stationary	70
	Postage and telegram	5
	Utility expenses	73
	Repair and maintenance	7
	Computer related expenses	-
		2,556

		Three months period ended March 31, 2019 (Un-Audited) (Rupees in '000)
20	**INVESTMENT INCOME**	
	Participants' Takaful fund	
	Return on PLS saving accounts	76
	Operator's Fund	
	Return on PLS saving accounts	3
	Return on term deposits	808
		811
21	**OTHER EXPENSES**	
	Salaries, allowances and employees benefits	563
	Shariah registrar fees	216
	Auditor's remuneration	-
	Bank charges	1
	Staff welfare expenses	71
	Newspaper and periodicals	5
		856

CHIEF EXECUTIVE OFFICER

22 RELATED PARTY TRANSACTIONS

The Operator has related party comprise of the associates, subsidiary company, directors, key management personnel and staff retirement funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Detail of related parties transactions with balances, other than those which have been disclosed elsewhere in these financial statements are as

	Relationship with the Company	Basis of Relationship	Rupees in '000
Loan received from East West Insurance Company Limited	Window Takaful Operator	Management Company	131
Loan repaid to East West Insurance Company Limited	Window Takaful Operator	Management Company	653
Remuneration Paid			
Syed Arif Hussain	Head of Window Takaful Operation	Key Management Personal	600
Sajjad Usmani	Shariah Advisor	Key Management Personal	208
Mazhar Hussain Abbasi	Director Marketing	Key Management Personal	818
Dr. Mohammad Saadat	General Manager Marketing	Key Management Personal	200
Staff retirement benefits	Head of Window Takaful Operation	Key Management Personal	28
Staff retirement benefits	General Manager Marketing	Key Management Personal	9

22.1 Period end balances

Receivable from related parties	-
Payable to related parties	
East West Insurance Company Limited	6
Staff retirement benefits	108
Key management personal	625
	739

23 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 29, 2019 by the Board of Directors of the Operator.

24 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.

HELD BY THE SHAREHOLDERS OF
EAST WEST INSURANCE COMPANY LIMITED
As At MARCH 31, 2019

No. of Shareholders	Shareholding Range		Shareholdings	Percentage
179	1	200	30,193	0.0396
14	201	1,000	3,817	0.0050
2	1,001	2,000	2,189	0.0029
3	2,001	4,000	9,960	0.0131
1	4,001	5,000	4,591	0.0060
6	5,001	15,000	82,509	0.1082
10	15,001	20,000	166,456	0.2184
8	20,001	25,000	171,705	0.2253
1	25,001	30,000	25,387	0.0333
8	30,001	35,000	257,732	0.3381
3	35,001	40,000	112,047	0.1470
4	40,001	45,000	174,532	0.2290
1	90,000	95,000	92,465	0.1213
2	1,200,001	1,500,000	2,723,652	3.5733
1	2,500,001	2,600,000	2,568,678	3.3700
7	3,000,001	4,000,000	24,919,386	32.6928
2	4,000,001	5,000,000	9,410,486	12.3460
4	5,000,001	6,000,000	22,931,719	30.0851
2	6,000,001	6,500,000	12,535,241	16.4455
258			76,222,745	100.0000

Categories of Shareholders	Number	Share Held	Percentage
CEO,Directors and their spouses and minor children	14	48,882,787	64.1315
Joint Stock Companies, Insurance Companies, Investment Companies & Modaraba	1	4,591	0.0060
Individual	243	27,335,367	35.8625
Total	**258**	**76,222,745**	**100.0000**

Information as required under the Code of Corporate Governance

Categories of Shareholders	Shareholders	Share Held	Percentage
Associated Company			
M/s. Askari Life Assurance Co., Ltd.	1	4,591	0.0060
CEO, Directors, their Spouses and Minor Children			
Chief Justice (R) Mian Mahboob Ahmed	1	3,082	0.0040
Javed Yunus	1	5,889,638	7.7269
Pervez Yunus	1	5,821,574	7.6376
Naved Yunus	1	5,384,947	7.0648
Maheen Yunus	1	6,407,795	8.4067
Umeed Ansari	1	1,147	0.0015
Ahsan Mahmood Alvi	1	1,042	0.0014
Mirza Kazim Raza	1	947	0.0012
Ambreen N. Yunus	1	6,127,446	8.0389
Rubina J. Yunus	1	3,776,250	4.9542
Samina P. Yunus	1	3,806,185	4.9935
Shamaila M. Yunus	1	4,893,405	6.4199
Samad M. Yunus	1	3,334,022	4.3741
Anum M. Yunus	1	3,435,307	4.5069
Individual	**243**	**27,335,367**	**35.8625**
Total	**258**	**76,222,745**	**100.0000**