

People. Partnerships. Possibilities.



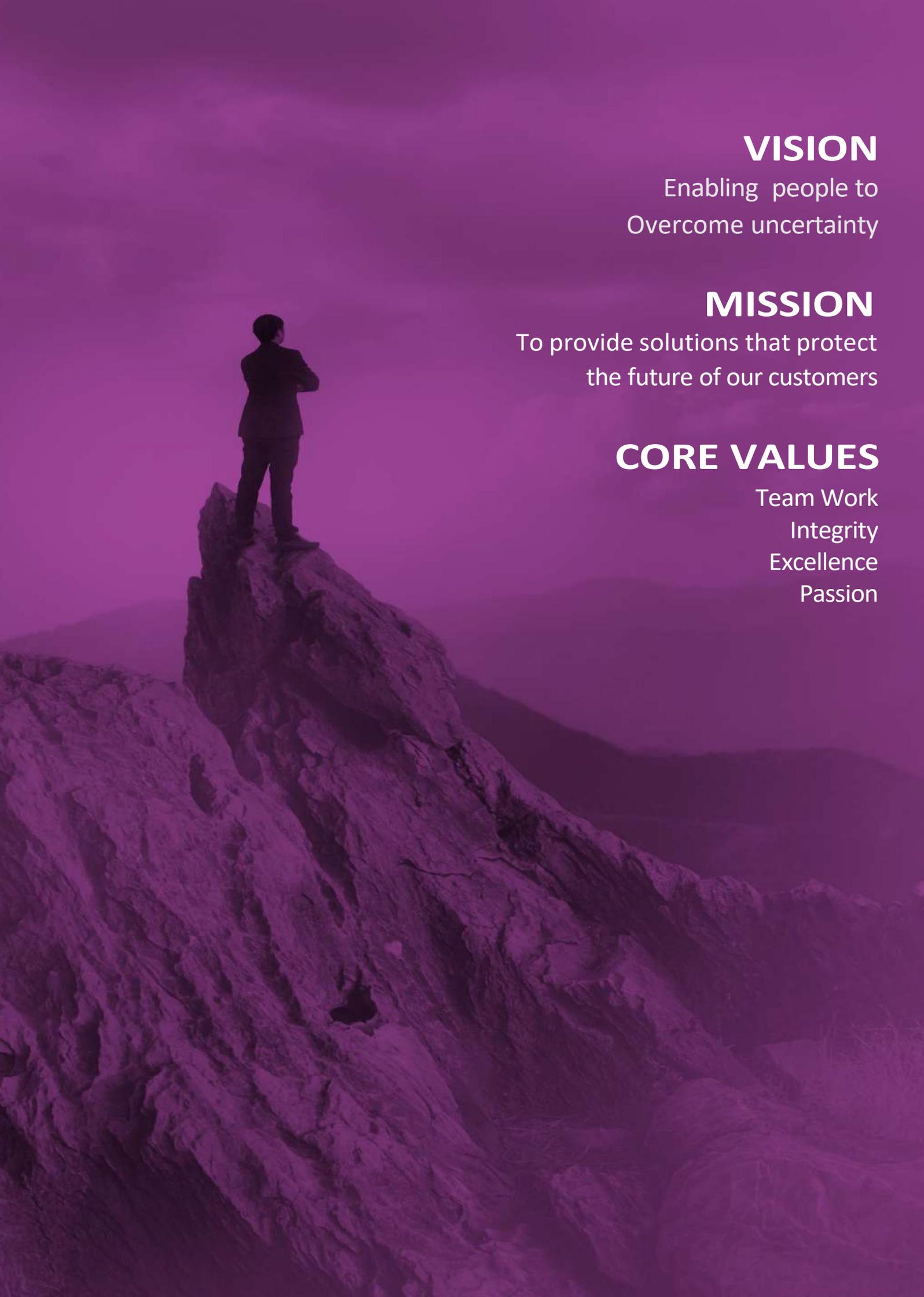
Marking 25 Years of Our Purpose.

*-Team work  
-Integrity  
-Excellence  
-Passion*

# Table of Contents

|                                  |    |   |
|----------------------------------|----|---|
| <b>Profile</b>                   | 02 | Vision, Mission & Core Values                       |
| <b>Our Company</b>               | 03 | Rating of the Company                               |
|                                  | 04 | Company Information                                 |
|                                  | 08 | Directors' Review (English)                         |
|                                  | 10 | Directors' Review (Urdu)                            |
| <b>Financial Data</b>            | 13 | Independent Auditor's Review Report                 |
|                                  | 14 | Condensed Interim Statement of Financial Position   |
|                                  | 15 | Condensed Interim Profit and Loss Account           |
|                                  | 16 | Condensed Interim Statement of Comprehensive Income |
|                                  | 17 | Condensed Interim Cash Flow Statement               |
|                                  | 18 | Condensed Interim Statement of Changes in Equity    |
|                                  | 19 | Notes to the Condensed Interim Financial Statements |
|                                  | 40 | Statement of Directors                              |
|                                  | 41 | Statement of Appointed Actuary                      |
| <b>Window Takaful Operations</b> | 43 | Condensed Interim Statement of Financial Position   |
|                                  | 44 | Condensed Interim Profit and Loss Account           |
|                                  | 45 | Condensed Interim Statement of Comprehensive Income |
|                                  | 46 | Condensed Interim Cash Flow Statement               |
|                                  | 47 | Condensed Interim Statement of Changes in Equity    |
|                                  | 48 | Notes to the Condensed Interim Financial Statements |



A person in a dark suit stands on the peak of a jagged, rocky mountain. The person is seen from the back, looking out over a vast, hazy landscape of rolling hills and mountains under a cloudy sky. The entire image has a purple tint.

## **VISION**

Enabling people to  
Overcome uncertainty

## **MISSION**

To provide solutions that protect  
the future of our customers

## **CORE VALUES**

Team Work  
Integrity  
Excellence  
Passion

# Rating of the Company

Insurer Financial Strength (IFS) Rating

**AA++**

Long Term Rating  
Stable Outlook  
By VIS  
March 31, 2022



# Company Information

## BOARD OF DIRECTORS

### **Kamal A. Chinoy**

(Chairman)  
Independent  
Non-Executive Director

### **Sultan Ali Allana**

Non-Independent  
Non-Executive Director

### **Amyr Currimbhoy**

Independent  
Non-Executive Director

### **John Joseph Metcalf**

Non-Independent  
Non-Executive Director

### **Shahid Ghaffar**

Independent  
Non-Executive Director

### **R. Zakir Mahmood**

Non-Independent  
Non-Executive Director

### **Sagheer Mufti**

Non-Independent  
Non-Executive Director

### **Yasmin Ajani**

Independent  
Non-Executive Director

### **Javed Ahmed**

Managing Director &  
Chief Executive Officer  
(Executive Director)

## BOARD COMMITTEES

### **Audit Committee**

|                            |                                       |
|----------------------------|---------------------------------------|
| <b>Amyr Currimbhoy</b>     | Chairman                              |
| <b>John Joseph Metcalf</b> | Member                                |
| <b>Shahid Ghaffar</b>      | Member                                |
| <b>Yasmin Ajani</b>        | Member                                |
| <b>Adeel Ahmed Khan</b>    | Head of Internal<br>Audit & Secretary |

### **Finance & Investment Committee**

|                            |                       |
|----------------------------|-----------------------|
| <b>Shahid Ghaffar</b>      | Chairman              |
| <b>John Joseph Metcalf</b> | Member                |
| <b>R. Zakir Mahmood</b>    | Member                |
| <b>Javed Ahmed</b>         | Member                |
| <b>Shan Rabbani</b>        | Member                |
| <b>Omer Farooq</b>         | Member &<br>Secretary |

### **Human Resource & Remuneration, Ethics & Nomination Committee**

|                            |                       |
|----------------------------|-----------------------|
| <b>Kamal A. Chinoy</b>     | Chairman              |
| <b>John Joseph Metcalf</b> | Member                |
| <b>R. Zakir Mahmood</b>    | Member                |
| <b>Javed Ahmed</b>         | Member                |
| <b>Tazeen Shahid</b>       | Member &<br>Secretary |

### **Risk Management Committee**

|                            |                       |
|----------------------------|-----------------------|
| <b>John Joseph Metcalf</b> | Chairman              |
| <b>R. Zakir Mahmood</b>    | Member                |
| <b>Shahid Ghaffar</b>      | Member                |
| <b>Sagheer Mufti</b>       | Member                |
| <b>Javed Ahmed</b>         | Member                |
| <b>Zahid Barki</b>         | Member                |
| <b>Shan Rabbani</b>        | Member &<br>Secretary |

### **Technical Committee**

|                            |                       |
|----------------------------|-----------------------|
| <b>John Joseph Metcalf</b> | Chairman              |
| <b>Shahid Ghaffar</b>      | Member                |
| <b>Sagheer Mufti</b>       | Member                |
| <b>Javed Ahmed</b>         | Member                |
| <b>Shan Rabbani</b>        | Member &<br>Secretary |

### **Construction Advisory Committee**

|                         |                       |
|-------------------------|-----------------------|
| <b>Kamal A. Chinoy</b>  | Chairman              |
| <b>R. Zakir Mahmood</b> | Member                |
| <b>Javed Ahmed</b>      | Member &<br>Secretary |

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# Company Information

**Javed Ahmed**  
Managing Director &  
Chief Executive Officer

**Farhan Akhtar Faridi**  
Group Head Retail Operations,  
Admin & Marketing

**Muhammad Kashif Naqvi**  
Group Head Technology &  
Project Management

**Muhammad Munawar Khalil**  
Group Head Direct Sales &  
Alternative Distribution

**Muhammad Sohail Fakhar**  
Group Head Corporate,  
Business & Bancassurance

**Omer Farooq**  
Chief Financial Officer  
Group Head Finance & Accounts

**Shan Rabbani**  
Group Head Digitalization,  
Actuarial & Strategy

**Tazeen Shahid**  
Group Head Human Resource  
Management & Development

**Zahid Barki**  
Group Head Risk Management,  
Compliance & Quality Assurance

**Asif Mobin**  
Head of Investments

**Faiz ul Hassan**  
Head of Corporate Business  
Distribution

**Faisal Qasim**  
Head of Information Security &  
Quality Assurance

**Khurram Murtaza**  
Head of Window Takaful Operations

**Muhammad Aamir**  
Head of Corporate Business  
Operations

**Muhammad Faizan Farooque**  
Head of Actuarial Service & Products

**Muhammad Junaid Ahmed**  
Head of Sales Compliance,  
Investigation & Litigation

**Nadym Chandna**  
Head of Training & Development

**Najam ul Hassan Janjua**  
Company Secretary &  
Head of Legal Department

**Syed Rizwan Azeiz**  
Head of Bancassurance

**Syed Usman Qaiser**  
Head of Marketing and  
Brand Management

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**CHIEF FINANCIAL OFFICER**

**COMPANY SECRETARY**

**COMPLIANCE OFFICER**

**HEAD OF INTERNAL AUDIT**

**Omer Farooq**

**Najam ul Hassan Janjua**

**Zahid Barki**

**Adeel Ahmed Khan**

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# Company Information

## Management Committee

|                         |                    |
|-------------------------|--------------------|
| Javed Ahmed             | Chairman           |
| Farhan Akhtar Faridi    | Member             |
| Muhammad Munawar Khalil | Member             |
| Muhammad Sohail Fakhar  | Member             |
| Muhammad Kashif Naqvi   | Member             |
| Omer Farooq             | Member             |
| Shan Rabbani            | Member             |
| Zahid Barki             | Member             |
| Tazeen Shahid           | Member & Secretary |

## Underwriting Committee

|                         |                    |
|-------------------------|--------------------|
| Javed Ahmed             | Chairman           |
| Farhan Akhtar Faridi    | Member             |
| Muhammad Munawar Khalil | Member             |
| Shan Rabbani            | Member             |
| Raja Naveed             | Member & Secretary |

## Reinsurance Committee

|                          |                    |
|--------------------------|--------------------|
| Javed Ahmed              | Chairman           |
| Shan Rabbani             | Member             |
| Muhammad Aamir           | Member             |
| Muhammad Faizan Farooque | Member             |
| Muhammad Arsalan*        | Member & Secretary |

\* Joined the Committee on August 10, 2022.

## Investment Management Committee

|                      |                    |
|----------------------|--------------------|
| Javed Ahmed          | Chairman           |
| Omer Farooq          | Member             |
| Shan Rabbani         | Member             |
| Farhan Akhtar Faridi | Member             |
| Zahid Barki          | Member             |
| Asif Mobin           | Member             |
| Dileep Kumar         | Member & Secretary |

## Marketing Committee

|                        |                    |
|------------------------|--------------------|
| Javed Ahmed            | Chairman           |
| Farhan Akhtar Faridi   | Member             |
| Shan Rabbani           | Member             |
| Muhammad Sohail Fakhar | Member             |
| Usman Qaiser           | Member & Secretary |

## Claims Committee

|                        |                    |
|------------------------|--------------------|
| Javed Ahmed            | Chairman           |
| Zahid Barki            | Member             |
| Muhammad Sohail Fakhar | Member             |
| Muhammad Kashif Naqvi  | Member             |
| Muhammad Junaid Ahmed  | Member & Secretary |

## Risk Management & Compliance Committee

|                        |                    |
|------------------------|--------------------|
| Javed Ahmed            | Chairman           |
| Zahid Barki            | Member             |
| Shan Rabbani           | Member             |
| Omer Farooq            | Member             |
| Faisal Qasim           | Member             |
| Najam ul Hassan Janjua | Member & Secretary |

## IT Steering Committee

|                       |                    |
|-----------------------|--------------------|
| Javed Ahmed           | Chairman           |
| Zahid Barki           | Member             |
| Farhan Akhtar Faridi  | Member             |
| Shan Rabbani          | Member             |
| Muhammad Kashif Naqvi | Member & Secretary |

## Disaster Steering Committee

|                       |                    |
|-----------------------|--------------------|
| Javed Ahmed           | Chairman           |
| Zahid Barki           | Member             |
| Farhan Akhtar Faridi  | Member             |
| Muhammad Kashif Naqvi | Member             |
| Omer Farooq           | Member             |
| Faisal Qasim          | Member & Secretary |

# Company Information

## REGISTERED OFFICE

26-D, 3rd Floor, Kashmir Plaza, Jinnah Avenue,  
Blue Area, Islamabad, Pakistan.  
Tel: +92 (51) 2206930-6, +92 (51) 2821903  
Web: www.jubileelife.com  
E-mail: info@jubileelife.com

## HEAD OFFICE

74/1-A, Lalazar, M. T. Khan Road,  
Karachi-74000, Pakistan.  
Tel: +92 (21) 35205094-95, +92 (21) 32120201  
Web: www.jubileelife.com  
E-mail: info@jubileelife.com

## APPOINTED ACTUARY

**Nauman Associates**  
249-CCA, Sector FF, Phase IV, DHA,  
Lahore, Pakistan.  
Tel: +92 (42) 35741827-29

## AUDITORS

**A.F. Ferguson & Co., Chartered Accountants**  
Engagement Partner: Farrukh Rehman  
State Life Building, 1-C, I.I. Chundrigar Road,  
P.O. Box 4716, Karachi-74000, Pakistan.  
Tel: +92 (21) 32426682-6  
Fax: +92 (21) 32415007  
Web: www.pwc.com.pk

## BANKERS

Habib Bank Limited (Conventional & Islamic Window)  
Standard Chartered Bank (Pakistan) Limited  
(Conventional & Islamic Window)

## LEGAL ADVISORS

**Kabraji & Talibuddin**  
Advocates & Legal Counsellors,  
406-407, 4th Floor, The Plaza at Do Talwar,  
Block 9, Clifton, Karachi-75600, Pakistan.  
Tel: +92 (21) 35838871-6  
Fax: +92 (21) 35838879

## REGISTRAR & SHARE TRANSFER OFFICE

**CDC Share Registrar Services Limited**  
CDC House, 99-B, Block-B, S.M.C.H.S.,  
Main Shahrah-e-Faisal, Karachi-74400, Pakistan.  
Tel: +92 (21) 111-111-500

## SHARIAH ADVISOR

Mufti Zeeshan Abdul Aziz



# Directors' Review

The Board of Directors of Jubilee life Insurance Company Limited are pleased to present to the members, the condensed interim financial statements (unaudited) of the Company for the half year ended June 30, 2022, together with the Auditors' review report.

## Market Review

Improved GDP growth rate of around 6% was offset by higher current account and fiscal deficits particularly in the last quarter of the fiscal year. Instability on the political and geo-political front coupled with higher international fuel and commodity prices, higher trade deficit, and the apprehensions with respect to delay in servicing foreign financial obligations due to low foreign currency reserves, exerted immense pressure on the Pak Rupee parity against the US Dollar causing further inflationary pressure.

To contain the pressure on the economy and strengthen the decreasing foreign exchange reserves, the Government in accordance with the requirements of the IMF arrangement, took several measures including partial withdrawal of subsidy build in prices of fuel, electricity and other utilities, while also imposed complete ban on import of several items. With a view to tighten the money supply to combat the inflation, the State Bank of Pakistan increased the policy rate by 625 basis points.

The equity market also remained largely on the negative side during these six months due to the deteriorating economic indicators which was further impacted by sudden imposition of additional tax charge in the form of Super tax on various industries with a retrospective date.

## Performance Review

Despite the economic challenges being faced as highlighted above, your Company was successfully able to register growth of 26% in its profit before tax raising it to Rs. 1,771 million compared to Rs. 1,404 million earned in same period last year. However, through the Finance Act 2022, the Government has imposed a 4% Super tax in addition to the normal corporate tax which significantly reduced the profit after tax to Rs. 968 million compared to Rs. 989 million generated in same period last year. Accordingly, Company's earnings per share (EPS) was registered at Rs. 11.09 (June 30, 2021: Rs. 11.33).

During the period under review, Gross Written Premium (GWP) was recorded at Rs. 23,159 million compared to Rs. 23,259 million during the corresponding period last year. Out of this, Rs. 12,065 million was contributed by the Individual Life Unit Linked Fund business compared to Rs. 12,736 million in same period last year. Company's Window Takaful Operations share in the GWP increased to 25% and was recorded at Rs. 5,766 million. It is our pleasure to again inform our valued shareholders that the GWP from Group Life and Health businesses, under Conventional and Takaful modes of insurance, posted a growth of 12% during the period and contributed Rs. 6,110 million compared to Rs. 5,448 million in the overall business performance of the Company.

Company's payments against various insurance benefits which mainly comprise of policy related claims and surrenders aggregated to Rs. 18,098 million compared to Rs. 16,993 million paid during the corresponding period last year. Further, with each passing year of Company's successful operation, maturity claims under Individual Life business policies continue to increase against which Rs. 3,367 million was paid compared to Rs. 2,464 million paid in the same period last year. We believe this continues to demonstrate our financial strength and the ability to serve our policyholders.

With respect to the investment activities to generate investment returns for our valued policyholders, as mentioned previously that due to prolonged period of economic and political

uncertainty impacting the equity market also, investment losses were contained to Rs 1,090 million compared to investment gains of Rs. 7,411 million in the corresponding period last year.

In view of the surplus generated by the Company, the Board of Directors has declared an interim cash dividend of 30% (HY 2021: 30%) on face value, i.e., Rs. 3.00 (HY 2021: Rs. 3.00 per share).

### **Window Takaful Operations**

The Company made another consecutive surplus distribution in the form of bonus units to the tune of Rs. 144 million to its entitled participants of the Individual Family Takaful in line with the approval of the Appointed Actuary and Shariah Advisor, thus raising the aggregate surplus distribution to Rs. 856 million since 2020 to-date.

### **Provincial Sales Tax and Income Tax credits**

As mentioned in Note 17.1.2 to the condensed interim financial statements, during the period there has been no further development in the matter of petitions filed by the Company and other life insurance companies in the Hon'ble High Courts of Sindh and Lahore, against the levy of sales tax on services on life and health insurance businesses by the Sindh Revenue Board and the Punjab Revenue Authority. Further, the matter of withdrawal of exemption of sales tax on services with respect to life insurance in Khyber Pakhtunkhwa province with effect from July 01, 2021, is still under deliberation for resolution with the Khyber Pakhtunkhwa Revenue Authority.

Further it is also pertinent to inform that during the period under review, the Government through the Finance Act, 2022 abruptly withdrew income tax credits available to the individual taxpayers on payment of life insurance and health premium. These sudden measures are believed to negatively impact the growth of savings and insurance penetration in the country.

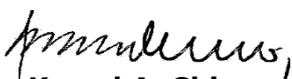
### **Outlook**

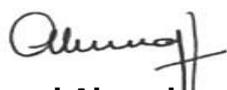
Without losing sight of the economic challenges facing the country, the Company expects the uncertainty will continue to challenge the growth of the insurance sector. Nevertheless, with our passion to provide financial possibilities through our customer centric approach, the Company believes it will be able to maintain its strong footprint in the industry and will continue to serve its valuable customers to the best of its capacity.

### **Acknowledgement**

We would like to express our gratitude to the various government authorities, SECP and State Bank of Pakistan for their irrefutable support. The Company would also like to heartily acknowledge our valued policyholders, Takaful participants, and business partners for their confidence and patronage, and reaffirm our commitment to serving them in the best possible manner. We would also like to thank our employees and their families for their dedication and their tireless efforts towards the continuous growth of the Company.

**On behalf of the Board of Directors**

  
**Kamal A. Chinoy**  
Chairman

  
**Javed Ahmed**  
Managing Director &  
Chief Executive Officer

Karachi, August 24, 2022

## ڈائریکٹرز کی جائزہ رپورٹ

جوبلی لائف انشورنس کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت اپنے ممبران کے لئے کمپنی کی ششماہی جائزہ رپورٹ مختصر 30 جون 2022 کا مختصر مالی گوشوارہ (غیر محاسبہ) مع اس کی آڈیٹرز کی جائزہ رپورٹ پیش کر رہے ہیں۔

### معاشی جائزہ

تقریباً 6 فیصد کی بہتر جی ڈی پی ترقی کی شرح کو کرنٹ اور مالیاتی خسارے نے تمام کردیا خاص طور پر مالی سال کی آخری سہ ماہی میں۔ جبکہ سیاسی اور جیو پالیٹیکل محاذ پر عدم استحکام کے ساتھ ساتھ ایندھن اور اجناس کی بین الاقوامی قیمتوں میں اضافہ، تجارتی خسارے میں اضافہ، غیر ملکی کرنسی کے ذخائر میں کمی کی وجہ سے غیر ملکی مالیاتی قرضہ جات کی ادائیگی میں تاخیر کے خدشات اور امریکی ڈالر کے مقابلے میں روپے کی قدر بہت زیادہ باؤ افراط زر کے مزید اضافے کا باعث بنی۔

معاشی دباؤ پر قابو پانے اور کم ہوتے غیر ملکی زرمبادلہ کے ذخائر کو مضبوط کرنے کی کوشش میں، حکومت نے آئی ایم ایف کے معاہدے کے مطابق، فیول، بجلی اور دیگر یوٹیلیٹی کی قیمتوں میں سبسڈی کی جزوی معطلی سمیت متعدد اقدامات کئے، جبکہ کئی اشیاء کی درآمد پر مکمل پابندی بھی عائد کر دی گئی ہے۔ مہنگائی سے نمٹنے کے لیے کرنسی کی فراہمی کو یقینی بنانے کے لیے اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 625 بیس پوائنٹس کا اضافہ کیا۔

ان چھ مہینوں کے دوران خراب معاشی حالات کی وجہ سے ایکویٹی مارکیٹ پر بھی بڑی حد تک منفی اثرات رہے جو سابقہ تاریخ سے مختلف صنعتوں پر عائد کیے گئے اضافی سوپر ٹیکس کی وجہ سے مزید متاثر ہوئی۔

### کارکردگی کا جائزہ

درج بالا مختلف مشکلات کا سامنا کرنے کے باوجود آپ کی کمپنی اپنے منافع قبل از ٹیکس میں 1,771 ملین روپے کے ساتھ 26% نفع حاصل کرنے میں کامیاب رہی جو کہ گزشتہ سال اسی مدت کے دوران 1,440 ملین روپے تھا۔ تاہم، فنانس ایکٹ 2022 کے ذریعے، حکومت کی طرف سے عام کارپوریٹ ٹیکس کے علاوہ 4% کاپر ٹیکس بھی عائد کیا گیا جس کی وجہ سے منافع بعد از ٹیکس نمایاں طور پر کم ہو کر 968 ملین روپے رہا جو گزشتہ سال اسی مدت کے دوران 989 ملین روپے تھا۔ اس کے نتیجے میں کمپنی کی فی حصص آمدنی (EPS) 11.09 روپے رہی (HY 2021: 11.33 روپے)۔

زیر جائزہ مدت کے دوران مجموعی تحریری اقساط بیمہ (GWP) 23,159 ملین روپے ریکارڈ کیا گیا جو گزشتہ سال اسی مدت کے دوران 23,259 ملین روپے تھا۔ اس میں سے 12,065 ملین روپے انڈیو بچول لائف یونٹ لنڈ فنڈ کاروبار کی جانب سے شامل کئے گئے جو کہ گزشتہ سال اسی مدت کے دوران 12,736 ملین روپے تھے۔ GWP میں کمپنی ونڈو ہنگافل آپریشنز کا شیئر 25% سے بڑھ کر 5,766 ملین روپے رہا۔ ہم بصد مسرت اپنے قابل قدر حصص داران کو ایک بار پھر مطلع کرتے ہیں کہ کمپنی کی مجموعی کاروباری کارکردگی میں گروپ لائف اور ہیلتھ بزنسز (روایتی اور ہنگافل دونوں) نے 12% کے اضافے کے ساتھ مجموعی تحریری اقساط بیمہ (GWP) میں 6,110 ملین روپے کا اضافہ کیا جو کہ گزشتہ سال اسی مدت میں 5,448 ملین روپے تھا۔

کمپنی کی مختلف انشورنس فوائد کی ادائیگیاں جو بنیادی طور پر کلیمز اور سرینڈرز پر مشتمل ہیں مجموعی طور پر 18,098 ملین روپے ہو گئیں جو کہ گزشتہ سال اسی مدت کے دوران 16,993 ملین روپے تھی۔ اس کے علاوہ کمپنی کے کامیاب آپریشنز کے ہر گزرتے سال کے ساتھ انڈیو بچول لائف پالیسیوں کے تحت میچورٹی کلیمز میں اضافہ جاری ہے جو گزشتہ سال کے 2,464 ملین روپے کے مقابلے میں 3,367 ملین روپے ہو گئے ہیں۔ ہمیں یقین ہے کہ یہ ہماری مالی استطاعت اور ہمارے پالیسی ہولڈرز کی خدمت کرنے کی صلاحیت کو ظاہر کرتی ہے۔

جیسے کہ پہلے بیان کیا جا چکا ہے ہمارے قابل قدر پالیسی داران کے لیے سرمایے پر منافع حاصل کرنے کے لیے سرمایہ کارانہ سرگرمیوں کے سلسلے میں طویل مدتی معاشی اور سیاسی بے یقینی کے نتیجے میں جو کہ ایکویٹی مارکیٹ پر بھی اثر انداز رہی، سرمایہ کاری کے نقصانات 1,090 ملین روپے رہے گزشتہ سال اسی عرصہ کے دوران 7,411 ملین روپے تھے۔

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز نے اضافی رقم (Surplus) کو مد نظر رکھتے ہوئے قیمت اسمیہ (Face Value) پر 30 فیصد (2021HY:30%) کے عبوری نقد منافع (Interim Cash Dividend) کا اعلان کیا ہے، یعنی 3.00 روپے فی حصص (2021HY:3.00 روپے فی حصص)۔

### دند و تکافل آپریشنز

کمپنی نے بونس یونٹس کی شکل میں انفرادی فیملی تکافل کے اہل شرکاء کو لگاتار ایک اور 144 ملین روپے کا اضافی سرپلس مقررہ ایکچوری اور شرعی مشیر (Shariah Advisor) کی منظوری سے تقسیم کیا، اس طرح 2020 سے اب تک مجموعی سرپلس تقسیم 856 ملین روپے ہو گئی ہے۔

### صوبائی سیلز ٹیکس اور انکم ٹیکس کریڈٹس

جیسا کہ نوٹ 17.1.2 میں مجموعی عبوری مالیاتی گوشواروں کا ذکر کیا گیا ہے، اس عرصے کے دوران زندگی اور صحت کے بیمہ کاروبار پر سندھ ریونیو بورڈ اور پنجاب ریونیو اتھارٹی کی جانب سے خدمات پر سیلز ٹیکس کی وصولی کے خلاف کمپنی اور دیگر لائف انشورنس کمپنیوں کی جانب سے سندھ اور لاہور کے معزز اعلیٰ عدالتوں میں دائر درخواستوں کے معاملے پر مزید کوئی پیش رفت نہیں ہو سکی۔ مزید، خیبر پختونخوا ریونیو اتھارٹی نے خیبر پختونخوا صوبے میں زندگی کی انشورنس خدمات پر سیلز ٹیکس کی چھوٹ کے حوالے سے جو کے 01 جولائی 2021 سے نافذ العمل ہے، یہ معاملہ بھی خیبر پختونخوا ریونیو اتھارٹی کے ساتھ حل کے لیے زیر غور ہے۔

مزید یہ بتانا بھی ضروری ہے کہ زیر جائزہ مدت کے دوران، حکومت نے فنانس ایکٹ، 2022 کے ذریعے بیمہ زندگی اور ہیلتھ پر بیمہ کی ادائیگی پر انفرادی ٹیکس دہندگان کے لیے دستیاب انکم ٹیکس کریڈٹس کو اچانک واپس لے لیا۔ خیال کیا جاتا ہے کہ یہ اچانک اٹھائے گئے اقدامات ملک میں بچت اور بیمہ کی رسائی کی ترقی پر منفی اثر ڈالیں گے۔

### جائزہ

ملک کو درپیش معاشی چیلنجز کو نظر انداز کئے بغیر، کمپنی کو توقع ہے کہ غیر یقینی صورت حال انشورنس سیکٹرز کو متاثر کرتی رہے گی۔ اس کے باوجود، ہمارے لائحہ عمل کے ذریعے جو صارفین پر مرکوز مالی امکانات فراہم کرنے کے جذبے پر مشتمل ہے، کمپنی کو یقین ہے کہ وہ انڈسٹری میں اپنے مضبوط نقش قدم کو برقرار رکھنے میں کامیاب ہوگی اور اپنی صلاحیت کے مطابق اپنی قابل قدر صارفین کی خدمات جاری رکھے گی۔

### اظہار تشکر

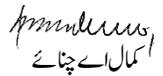
ہم متعدد سرکاری محکموں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کے ناقابل تردید تعاون پر ان کا شکریہ ادا کرتے ہیں۔ کمپنی اپنے قابل قدر پالیسی داران، تکافل شرکاء اور کاروباری شراکت داروں کے اعتماد اور تعاون کو تہہ دل سے تسلیم کرتی ہے، اور ان کی بہترین طریقے سے خدمت کرنے کے اپنے عزم پر قائم رہے گی۔ ہم کمپنی کی مسلسل ترقی کے لئے اپنے ملازمین اور ان کے اہل خانہ کی لگن اور انتھک کاوشوں کے لئے شکر گزار ہیں۔

### منجانب بورڈ آف ڈائریکٹرز



جاوید احمد

یچٹنگ ڈائریکٹر اور چیف ایگزیکٹو آفیسر



کمال اے چنائے

چیئر مین

کراچی، 24 اگست، 2022



# Condensed Interim Financial Statements

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# Independent Auditor's Review Report

## To The Members of Jubilee Life Insurance Company Limited

### Report on Review of Condensed Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Jubilee Life Insurance Company Limited (the Company) as at June 30, 2022 and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity, and notes to the financial statements for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed 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 condensed interim financial statements based on our review. The figures for the quarters ended June 30, 2022 and June 30, 2021 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 these figures.

#### 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 condensed 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.

#### Emphasis of Matter

We draw attention to note 17.1.2 to the accompanying condensed interim financial statements which describes the chargeability of sales tax on premium by provincial revenue authorities. Our conclusion is not modified in respect of this matter.

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



**A.F. Ferguson & Co.**  
**Chartered Accountants**

Karachi

Date: August 25, 2022

UDIN: RR202210059nUVQR7wp1

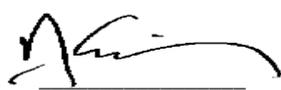
# Condensed Interim Statement of Financial Position

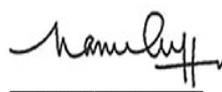
As at June 30, 2022

|  | Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|--|------|----------------------------------|-----------------------------------|
| ----- (Rupees in '000) -----   |      |                                  |                                   |
| <b>Assets</b>  |      |                                  |                                   |
| Property and equipment   | 4    | 3,774,008                        | 3,786,877                         |
| Intangible assets  |      | 152,179                          | 182,501                           |
| Right-of-use assets  |      | 917,125                          | 821,407                           |
| Investment in associate  | 5    | 210,330                          | 174,198                           |
| Investments  |      |                                  |                                   |
| Equity securities  | 6    | 44,538,821                       | 64,574,650                        |
| Government securities  | 7    | 93,403,776                       | 80,728,147                        |
| Debt securities  | 8    | 7,259,051                        | 6,899,809                         |
| Term deposits  | 9    | 14,900,000                       | 21,350,000                        |
| Open-ended mutual funds  | 10   | 12,324,654                       | 4,425,295                         |
| Insurance / reinsurance receivables  |      | 1,994,628                        | 1,868,797                         |
| Derivative financial instrument  |      | 59,872                           | 43,326                            |
| Other loans and receivables  | 11   | 2,692,944                        | 2,162,412                         |
| Taxation - payments less provision   |      | 197,151                          | 348,763                           |
| Prepayments  |      | 268,234                          | 106,017                           |
| Cash & Bank  | 12   | 2,201,365                        | 3,079,725                         |
| <b>Total Assets</b>  |      | <b>184,894,138</b>               | <b>190,551,924</b>                |
| <b>Equity and Liabilities</b>  |      |                                  |                                   |
| <b>Capital and reserves attributable to the Company's equity holders</b>   |      |                                  |                                   |
| <b>Issued, subscribed, paid-up share capital and reserves</b>  |      |                                  |                                   |
| Share capital  |      | 872,638                          | 872,638                           |
| Money ceded to waqf fund   |      | 500                              | 500                               |
| Loss on revaluation of available-for-sale investments  |      | (112,127)                        | (82,209)                          |
| Retained earnings arising from business other than participating<br>business attributable to shareholders (Ledger account D) |      | 4,355,021                        | 4,302,134                         |
| Unappropriated profit  |      | 7,912,301                        | 7,975,569                         |
| <b>Total Equity</b>  |      | <b>13,028,333</b>                | <b>13,068,632</b>                 |
| <b>Liabilities</b>   |      |                                  |                                   |
| Insurance liabilities  | 13   | 162,643,645                      | 168,762,520                       |
| Retirement benefit obligation  |      | -                                | 10,674                            |
| Borrowing  | 14   | 750,000                          | 875,000                           |
| Lease liabilities  | 15   | 1,095,302                        | 1,041,893                         |
| Premium received in advance  |      | 1,407,652                        | 1,091,677                         |
| Insurance / reinsurance payables   |      | 102,206                          | 2,145                             |
| Other creditors and accruals   |      | 3,581,068                        | 4,110,711                         |
| Deferred tax   |      | 1,687,937                        | 1,361,762                         |
| Financial charges payable  |      | 16,007                           | 11,423                            |
| Unpaid dividend  | 16   | 543,298                          | 161,424                           |
| Unclaimed dividend   |      | 38,690                           | 54,063                            |
| <b>Total Liabilities</b>   |      | <b>171,865,805</b>               | <b>177,483,292</b>                |
| <b>Contingencies and commitments</b>   | 17   |                                  |                                   |
| <b>Total Equity and Liabilities</b>  |      | <b>184,894,138</b>               | <b>190,551,924</b>                |

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

  
Kamal A. Chinoy  
Chairman

  
Amyn Currimbhoy  
Director

  
Shahid Ghaffar

  
Javed Ahmed  
Managing Director &

  
Omer Farooq  
Chief Financial Officer

# Condensed Interim Statement of Profit And Loss Account (Un-audited)

For the Half Year and Quarter ended June 30, 2022

| Note   | Half Year Ended    |                   | Quarter Ended      |                   |
|--|--------------------|-------------------|--------------------|-------------------|
|  | June 30, 2022      | June 30, 2021     | June 30, 2022      | June 30, 2021     |
| ----- (Rupees in '000) -----   |                    |                   |                    |                   |
| Premium / contribution revenue   | 23,159,495         | 23,259,127        | 10,717,207         | 10,108,728        |
| Premium / contribution ceded to reinsurers   | (1,033,563)        | (910,143)         | (260,092)          | (292,764)         |
| <b>Net premium / contribution revenue</b>  | <b>22,125,932</b>  | <b>22,348,984</b> | <b>10,457,115</b>  | <b>9,815,964</b>  |
| Fee income   | 26,448             | 22,379            | 12,891             | 10,535            |
| Investment income  | 8,037,650          | 6,185,848         | 4,145,268          | 3,125,082         |
| Net realised fair value (losses) / gains on financial assets                             | (1,654,872)        | 1,408,757         | (1,752,784)        | 452,119           |
| Net fair value (losses) / gains on financial assets at fair value through profit or loss | (7,622,468)        | (290,812)         | (5,622,426)        | 1,596,368         |
| Other income   | 123,445            | 84,791            | 63,410             | 40,254            |
|  | (1,089,797)        | 7,410,963         | (3,153,641)        | 5,224,358         |
| <b>Net Income</b>  | <b>21,036,135</b>  | <b>29,759,947</b> | <b>7,303,474</b>   | <b>15,040,322</b> |
| Insurance benefits   | 21,465,245         | 19,457,184        | 10,518,386         | 9,547,456         |
| Recoveries from reinsurers   | (740,247)          | (895,058)         | (386,116)          | (413,332)         |
| Claims related expenses  | 3,772              | 3,101             | 1,856              | 1,435             |
| <b>Net Insurance Benefits</b>  | <b>20,728,770</b>  | <b>18,565,227</b> | <b>10,134,126</b>  | <b>9,135,559</b>  |
| Net change in insurance liabilities (other than outstanding claims)                      | (6,658,424)        | 4,239,800         | (6,393,247)        | 2,533,857         |
| Acquisition expenses   | 3,194,014          | 3,454,790         | 1,665,285          | 1,534,873         |
| Marketing and administration expenses  | 1,911,246          | 1,979,443         | 776,699            | 967,958           |
| Other expenses   | 12,951             | 29,571            | 2,666              | 10,091            |
| <b>Total Expenses</b>  | <b>(1,540,213)</b> | <b>9,703,604</b>  | <b>(3,948,597)</b> | <b>5,046,779</b>  |
| Realised gain / (loss) on derivative financial instrument                                | 4,774              | (6,028)           | 4,267              | (2,880)           |
| Unrealised gain / (loss) on derivative financial instrument                              | 22,723             | 8,113             | 19,709             | (1,258)           |
| Finance cost   | (104,183)          | (97,315)          | (45,756)           | (39,757)          |
|  | (76,686)           | (95,230)          | (21,780)           | (43,895)          |
| <b>Results of operating activities</b>   | <b>1,770,892</b>   | <b>1,395,886</b>  | <b>1,096,165</b>   | <b>814,089</b>    |
| Share of profit of associate   | 695                | 8,036             | 1,325              | 4,605             |
| <b>Profit before tax (refer note below)</b>  | <b>1,771,587</b>   | <b>1,403,922</b>  | <b>1,097,490</b>   | <b>818,694</b>    |
| Income tax expense   | (803,647)          | (415,223)         | (606,686)          | (246,808)         |
| <b>Profit after tax for the period</b>   | <b>967,940</b>     | <b>988,699</b>    | <b>490,804</b>     | <b>571,886</b>    |
| <b>Earnings per share - Rupees</b>   | <b>11.09</b>       | <b>11.33</b>      | <b>5.62</b>        | <b>6.55</b>       |

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

## Note:

Profit before tax is inclusive of the amount of the profit before tax of the Shareholders' Fund, the Surplus Transfer from the Revenue Account of the Statutory Funds to the Shareholders' Fund based on the advice of the Appointed Actuary, and the undistributed surplus in the Revenue Account of the Statutory Funds which also includes the solvency margins maintained in accordance with the Insurance Rules, 2017. For details of the Surplus Transfer from the Revenue Account of the Statutory Funds to the Shareholders' Fund aggregating to Rs. 1,160 million (June 30, 2021: Rs. 1,180 million), please refer to note 27.1, relating to Segmental Information - Revenue Account by Statutory Fund.

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

# Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Half Year and Quarter ended June 30, 2022

| Note | Half Year Ended  |               | Quarter Ended   |               |
|------|--|---------------|-----------------|---------------|
|      | June 30, 2022  | June 30, 2021 | June 30, 2022   | June 30, 2021 |
|      | (Rupees in '000)   |               |                 |               |
|      | <b>967,940</b>   | 988,699       | <b>490,804</b>  | 571,886       |
|      | <b>Profit after tax for the period - as per Profit and Loss Account</b>                      |               |                 |               |
|      | <b>Other comprehensive income / (loss):</b>  |               |                 |               |
|      | <b>Items that may be classified to profit and loss account in subsequent period:</b>         |               |                 |               |
|      | Currency translation differences (related to net investment in foreign associate)            |               |                 |               |
| 5    | 39,454   | (5,568)       | 31,204          | 4,662         |
|      | (14,242)   | 1,615         | (11,850)        | (1,352)       |
|      | Change in unrealised (losses) / gains on available-for-sale financial assets                 |               |                 |               |
|      | (199,027)  | (6,650)       | (143,254)       | 140,111       |
|      | Reclassification adjustment relating to available-for-sale investment sold during the period |               |                 |               |
|      | 147,417  | (92,802)      | 86,191          | (84,448)      |
|      | (51,610)   | (99,452)      | (57,063)        | 55,663        |
|      | Related deferred tax   |               |                 |               |
|      | 21,692   | 28,841        | 23,273          | (16,142)      |
|      | Change in unrealised (losses) / gains on available-for-sale financial assets - net           |               |                 |               |
|      | (29,918)   | (70,611)      | (33,790)        | 39,521        |
|      | <b>(4,706)</b>   | (74,564)      | <b>(14,436)</b> | 42,831        |
|      | <b>Other comprehensive (loss) / income for the period</b>                                    |               |                 |               |
|      | <b>963,234</b>   | 914,135       | <b>476,368</b>  | 614,717       |
|      | <b>Total comprehensive income for the period</b>   |               |                 |               |

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

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

# Condensed Interim Cashflow Statement (Un-audited)

## For the Half Year ended June 30, 2022

|  | Half Year Ended              |                    |
|--|------------------------------|--------------------|
|  | June 30,<br>2022             | June 30,<br>2021   |
|  | ----- (Rupees in '000) ----- |                    |
| <b>Operating Cash flows</b>                                    |                              |                    |
| (a) Underwriting activities                                    |                              |                    |
| Insurance premium / contribution received                      | 23,266,470                   | 23,298,806         |
| Reinsurance premium / contribution paid                        | (989,589)                    | (972,866)          |
| Claims paid  | (8,559,589)                  | (8,039,429)        |
| Surrenders paid  | (12,477,754)                 | (10,962,845)       |
| Reinsurance and other recoveries received                      | 931,291                      | 1,386,445          |
| Commission paid  | (2,138,565)                  | (2,490,026)        |
| Commission received  | 56,087                       | 49,619             |
| Marketing and administrative expenses paid                     | (1,304,823)                  | (1,307,781)        |
| Other acquisition cost paid                                    | (1,780,864)                  | (1,734,292)        |
| Net cash outflow from underwriting activities                  | (2,997,336)                  | (772,369)          |
| (b) Other operating activities                                 |                              |                    |
| Income tax paid  | (318,412)                    | (403,148)          |
| Other operating payments                                       | (876,394)                    | (1,638,065)        |
| Other operating receipts                                       | 9,315                        | 312,398            |
| Unsecured advances paid to employees                           | (98,303)                     | (140,486)          |
| Recovery of unsecured advances to employees                    | 96,016                       | 120,873            |
| Net cash outflow from other operating activities               | (1,187,778)                  | (1,748,428)        |
| <b>Total cash outflow from all operating activities</b>        | <b>(4,185,114)</b>           | <b>(2,520,797)</b> |
| <b>Investment activities</b>                                   |                              |                    |
| Profit / return received                                       | 3,097,275                    | 2,930,478          |
| Dividend received  | 1,589,310                    | 2,598,141          |
| Payment for investments  | (219,779,387)                | (182,183,490)      |
| Proceeds from disposal of investments                          | 213,172,336                  | 187,811,555        |
| Fixed capital expenditure                                      | (249,102)                    | (351,473)          |
| Proceeds from sale of property and equipment                   | 43,901                       | 12,931             |
| <b>Total cash (outflow) / inflow from investing activities</b> | <b>(2,125,667)</b>           | <b>10,818,142</b>  |
| <b>Financing activities</b>                                    |                              |                    |
| Dividends paid   | (637,032)                    | (557,515)          |
| Financial charges paid   | (45,127)                     | (45,855)           |
| Repayment of borrowing   | (125,000)                    | (125,000)          |
| Payments against lease liabilities                             | (210,420)                    | (150,141)          |
| <b>Total cash outflow from financing activities</b>            | <b>(1,017,579)</b>           | <b>(878,511)</b>   |
| <b>Net cash (outflow) / inflow from all activities</b>         | <b>(7,328,360)</b>           | <b>7,418,834</b>   |
| Cash and cash equivalents at beginning of the period           | 24,429,725                   | 17,843,260         |
| <b>Cash and cash equivalents at the end of the period</b>      | <b>17,101,365</b>            | <b>25,262,094</b>  |
|  | 12                           |                    |
| <b>Reconciliation to Profit and Loss Account</b>               |                              |                    |
| Operating cash flows   | (4,185,114)                  | (2,520,797)        |
| Depreciation expense   | (318,065)                    | (285,473)          |
| Amortisation expense   | (56,383)                     | (59,150)           |
| Share of profit of associate                                   | 695                          | 8,036              |
| Profit on disposal of property and equipment                   | 13,859                       | 3,059              |
| Increase in assets other than cash                             | 807,596                      | 1,025,557          |
| Decrease / (increase) in liabilities                           | 5,909,531                    | (4,579,334)        |
| (Loss) / gain on sale of investments                           | (1,654,872)                  | 1,408,757          |
| Revaluation loss on investments                                | (7,487,060)                  | (127,267)          |
| Investment income  | 8,041,936                    | 6,212,626          |
| Financial charges  | (49,711)                     | (44,658)           |
| Finance cost on lease liabilities                              | (54,472)                     | (52,657)           |
| <b>Profit after tax for the period</b>                         | <b>967,940</b>               | <b>988,699</b>     |

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

  
Kamal A. Chinoy  
Chairman

  
Amyn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

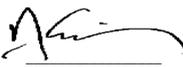
# Condensed Interim Statement of Changes In Equity (Un-audited) For the Half Year ended June 30, 2022

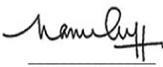
|   | Attributable to equity holders of the Company |                       |                          |  |   | Total             |
|---|---|-----------------------|--------------------------|--|---|-------------------|
|   | Share capital                                 | Unappropriated profit | Money ceded to waqf fund | Gain / (loss) on revaluation of available-for-sale investments | Retained earnings arising from business other than participating business attributable to shareholders (Ledger Account D) - net of tax* |                   |
|   | (Rupees in '000)                              |                       |                          |  |   |                   |
| <b>Balance as at January 01, 2021 (Audited)</b>                                       | <b>872,638</b>                                | <b>7,841,319</b>      | <b>500</b>               | <b>77,384</b>  | <b>4,080,365</b>  | <b>12,872,206</b> |
| <b>Total comprehensive income for the period</b>                                      |   |                       |                          |  |   |                   |
| Profit for the period after tax   | -   | 988,699               | -                        | -  | -   | 988,699           |
| Other comprehensive loss - net of tax   | -   | (3,953)               | -                        | (70,611)   | -   | (74,564)          |
|   | -   | 984,746               | -                        | (70,611)   | -   | 914,135           |
| <b>Transactions with the owners recorded directly in equity</b>                       |   |                       |                          |  |   |                   |
| Final cash dividend for the year ended December 31, 2020 @ 135% (Rs. 13.50 per share) | -   | (1,178,061)           | -                        | -  | -   | (1,178,061)       |
|   | -   | (1,178,061)           | -                        | -  | -   | (1,178,061)       |
| <b>Other transfer within equity</b>   |   |                       |                          |  |   |                   |
| Surplus for the period retained in statutory funds                                    | -   | (278,911)             | -                        | -  | 278,911   | -                 |
| <b>Balance as at June 30, 2021</b>  | <b>872,638</b>                                | <b>7,369,093</b>      | <b>500</b>               | <b>6,773</b>   | <b>4,359,276</b>  | <b>12,608,280</b> |
| <b>Balance as at January 01, 2022 (Audited)</b>                                       | <b>872,638</b>                                | <b>7,975,569</b>      | <b>500</b>               | <b>(82,209)</b>  | <b>4,302,134</b>  | <b>13,068,632</b> |
| <b>Total comprehensive income for the period</b>                                      |   |                       |                          |  |   |                   |
| Profit for the period after tax   | -   | 967,940               | -                        | -  | -   | 967,940           |
| Other comprehensive income / (loss) - net of tax                                      | -   | 25,212                | -                        | (29,918)   | -   | (4,706)           |
|   | -   | 993,152               | -                        | (29,918)   | -   | 963,234           |
| <b>Transactions with the owners recorded directly in equity</b>                       |   |                       |                          |  |   |                   |
| Final cash dividend for the year ended December 31, 2021 @ 115% (Rs. 11.50 per share) | -   | (1,003,533)           | -                        | -  | -   | (1,003,533)       |
|   | -   | (1,003,533)           | -                        | -  | -   | (1,003,533)       |
| <b>Other transfer within equity</b>   |   |                       |                          |  |   |                   |
| Surplus for the period retained in statutory funds                                    | -   | (52,887)              | -                        | -  | 52,887  | -                 |
| <b>Balance as at June 30, 2022</b>  | <b>872,638</b>                                | <b>7,912,301</b>      | <b>500</b>               | <b>(112,127)</b>   | <b>4,355,021</b>  | <b>13,028,333</b> |

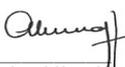
\* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business. This also includes retained earnings of Operator-Sub-Funds (OSF) amounting to Rs. 387.36 million (June 30, 2021: Rs. 296.05 million).

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

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

# Notes to and forming Part of the Condensed Interim Financial Statements (Un-audited)

## For the Half Year ended June 30, 2022

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Jubilee Life Insurance Company Limited (the Company) was incorporated in Pakistan on June 29, 1995 as a public limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange. The Company started its business on June 20, 1996. The addresses of its registered and principal offices are 26 - D, 3<sup>rd</sup> Floor, Kashmir Plaza, Jinnah Avenue, Blue Area, Islamabad and Jubilee Life Insurance Building, 74/1-A, Lalazar, M.T. Khan Road, Karachi, respectively.

The Company is engaged in life insurance, carrying on non-participating business. In accordance with the requirements of the Insurance Ordinance, 2000 the Company has established a shareholders' fund and following statutory funds in respect of each class of its life insurance business:

- Individual Life Unit Linked
- Conventional Business
- Accident & Health
- Overseas Group Life and Health Business
- Individual Family Takaful (note 1.2)
- Group Family Takaful (note 1.2)
- Accident & Health Family Takaful (note 1.2)

1.2 The Company was issued the Certificate of authorization for commencement of Window Takaful Operations under Rule 6 of the Takaful Rules, 2012 by the Securities and Exchange Commission of Pakistan (SECP) vide Authorization Reference no. 7 dated June 17, 2015. The Company launched the Window Takaful Operations on July 13, 2015.

1.3 The Company is a subsidiary of Aga Khan Fund For Economic Development, S.A., Switzerland.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the 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; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

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

As required by Circular 15 of 2019 dated November 18, 2019 issued by the SECP, the Company has prepared and annexed to these condensed interim financial statements, a standalone set of unaudited condensed interim financial statements for Window Takaful Operations of the Company, as if these are carried out by a standalone Takaful Operator.

#### 2.2 Standards, interpretations of and amendments to accounting standards that have become effective during the period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these condensed interim financial statements.

### 3 SIGNIFICANT ACCOUNTING POLICIES & FINANCIAL RISK MANAGEMENT / JUDGEMENTS AND ESTIMATES

3.1 The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2021.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2021. In preparing these condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements for the year ended December 31, 2021.

### 4 PROPERTY AND EQUIPMENT

| Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|------|----------------------------------|-----------------------------------|
|      | ----- (Rupees in '000) -----     |                                   |
|      | <b>1,052,431</b>                 | 1,098,560                         |
| 4.1  | <b>2,721,577</b>                 | 2,688,317                         |
|      | <b>3,774,008</b>                 | <b>3,786,877</b>                  |

Operating assets  
Capital work in progress

4.1 This includes cost of land purchased for construction of Head Office building, related acquisition and other costs in respect of construction of the Company's Head Office building amounting to Rs. 2,655 million (2021: Rs. 2,655 million) including borrowing costs capitalised in accordance with IAS 23, "Borrowing Costs". As discussed in detail in note 14.1 to the condensed interim financial statements, the Company has obtained a long-term loan amounting to Rs. 1,500 million to finance this acquisition and hence, as per IAS 23, borrowing costs aggregating to Rs. 266 million (2021: Rs. 266 million) have so far been capitalised. During the half year ended June 30, 2022, the Company has charged a borrowing cost of Rs. 50 million to profit and loss account in accordance with the requirements of IAS 23 due to temporary suspension of the construction of Head office building.

### 5 INVESTMENT IN AN ASSOCIATE

|  | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|--|----------------------------------|-----------------------------------|
|  | ----- (Rupees in '000) -----     |                                   |
| Balance as at January 1                | <b>174,198</b>                   | 147,877                           |
| Share in profit                        | <b>695</b>                       | 14,097                            |
| Dividend received                      | <b>(4,017)</b>                   | (1,963)                           |
|  | <b>170,876</b>                   | 160,011                           |
| Exchange gain                          | <b>39,454</b>                    | 14,187                            |
| Balance as at end of the period / year | <b>210,330</b>                   | <b>174,198</b>                    |

In 2014, the Company invested Rs. 43.88 million to acquire a 19.5% holding in Jubilee Kyrgyzstan Insurance Company (JKIC), a Closed Joint Stock Company (CJSC), incorporated in the Republic of Kyrgyzstan. In 2016, the Company made additional investment of Rs. 29.187 million to subscribe to 19,143,309 right shares after obtaining necessary approvals from the members of the Company, and the State Bank of Pakistan.

### 6 INVESTMENT IN EQUITY SECURITIES

|                                      | Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|--------------------------------------|------|----------------------------------|-----------------------------------|
|                                      |      | ----- (Rupees in '000) -----     |                                   |
| At fair value through profit or loss | 6.1  | <b>44,168,095</b>                | 63,794,452                        |
| Available-for-sale                   | 6.2  | <b>370,726</b>                   | 780,198                           |
|                                      |      | <b>44,538,821</b>                | <b>64,574,650</b>                 |

#### 6.1 At fair value through profit or loss

|                               | June 30, 2022 (Un-audited)   |                        |                   | December 31, 2021 (Audited)  |                        |                |
|-------------------------------|------------------------------|------------------------|-------------------|------------------------------|------------------------|----------------|
|                               | Cost                         | Impairment / provision | Carrying value    | Cost                         | Impairment / provision | Carrying value |
|                               | ----- (Rupees in '000) ----- |                        |                   | ----- (Rupees in '000) ----- |                        |                |
| <b>Related parties</b>        |                              |                        |                   |                              |                        |                |
| Listed shares                 | <b>4,550,502</b>             | -                      | <b>2,863,106</b>  | 4,550,502                    | -                      | 3,655,522      |
| <b>Others</b>                 |                              |                        |                   |                              |                        |                |
| Listed shares                 | <b>53,756,170</b>            | -                      | <b>41,304,989</b> | 69,691,928                   | -                      | 60,138,930     |
|                               | <b>58,306,672</b>            | -                      | <b>44,168,095</b> | 74,242,430                   | -                      | 63,794,452     |
| <b>6.2 Available-for-sale</b> |                              |                        |                   |                              |                        |                |
| <b>Related parties</b>        |                              |                        |                   |                              |                        |                |
| Listed shares                 | <b>275,826</b>               | -                      | <b>203,017</b>    | 275,826                      | -                      | 262,029        |
| <b>Others</b>                 |                              |                        |                   |                              |                        |                |
| Listed shares                 | <b>253,114</b>               | <b>(75,156)</b>        | <b>167,709</b>    | 674,830                      | (82,730)               | 518,169        |
|                               | <b>528,940</b>               | <b>(75,156)</b>        | <b>370,726</b>    | 950,656                      | (82,730)               | 780,198        |

## 7 INVESTMENT IN GOVERNMENT SECURITIES

|                                      | Note      | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|--------------------------------------|-----------|----------------------------------|-----------------------------------|
| ----- (Rupees in '000) -----         |           |                                  |                                   |
| Held to maturity                     | 7.1 / 7.4 | 9,989                            | 9,986                             |
| At fair value through profit or loss | 7.2 / 7.5 | 70,448,386                       | 60,023,105                        |
| Available-for-sale                   | 7.3 / 7.6 | 22,945,401                       | 20,695,056                        |
|                                      |           | <b>93,403,776</b>                | <b>80,728,147</b>                 |

### June 30, 2022 (Un-audited)

|   | Maturity<br>Year | Effective<br>Yield (%) | Amortised<br>Cost | Principal<br>Repayment | Carrying<br>Value |
|---|------------------|------------------------|-------------------|------------------------|-------------------|
| ----- (Rupees in '000) -----                    |                  |                        |                   |                        |                   |
| <b>7.1 Held to maturity</b>                     |                  |                        |                   |                        |                   |
| 20 Years Pakistan Investment Bonds              | 2024             | 10.07%                 | 9,989             | 10,000                 | 9,989             |
|   |                  |                        | <b>9,989</b>      | <b>10,000</b>          | <b>9,989</b>      |
| <b>7.2 At fair value through profit or loss</b> |                  |                        |                   |                        |                   |
| 3 Years Pakistan Investment Bonds               | 2023             | 15.09%                 | 10,296,066        | 10,500,000             | 9,636,354         |
| 6 Months Treasury Bills                         | 2022             | 15.04%                 | 6,392,647         | 6,708,000              | 6,376,873         |
| 6 Months Treasury Bills                         | 2022             | 15.02%                 | 9,891,871         | 10,300,000             | 9,846,295         |
| 6 Months Treasury Bills                         | 2022             | 14.49%                 | 10,659,659        | 10,908,000             | 10,613,004        |
| 6 Months Treasury Bills                         | 2022             | 13.95%                 | 2,258,172         | 2,295,000              | 2,258,744         |
| 6 Months Treasury Bills                         | 2022             | 13.70%                 | 5,837,843         | 5,900,000              | 5,838,628         |
| 3 Months Treasury Bills                         | 2022             | 14.18%                 | 679,071           | 694,000                | 679,220           |
| 3 Months Treasury Bills                         | 2022             | 13.95%                 | 236,130           | 240,000                | 236,208           |
| 3 Months Treasury Bills                         | 2022             | 13.70%                 | 1,855,076         | 1,875,000              | 1,855,496         |
| 3 Months Treasury Bills                         | 2022             | 13.40%                 | 14,422,941        | 14,500,000             | 14,425,862        |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.98%                 | 513,322           | 512,690                | 511,049           |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.79%                 | 4,998,126         | 5,162,000              | 5,005,075         |
| 5 Years GoP Ijara Sukuk                         | 2026             | 14.62%                 | 226,564           | 228,000                | 227,840           |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.57%                 | 400,400           | 400,000                | 400,120           |
| 5 Years GoP Ijara Sukuk                         | 2027             | 13.61%                 | 1,406,000         | 1,406,000              | 1,401,501         |
| 5 Years GoP Ijara Sukuk                         | 2026             | 12.60%                 | 1,012,214         | 990,000                | 950,400           |
| 5 Years GoP Ijara Sukuk                         | 2025             | 10.64%                 | 186,817           | 186,650                | 185,717           |
|   |                  |                        | <b>71,272,919</b> | <b>72,805,340</b>      | <b>70,448,386</b> |
| <b>7.3 Available-for-sale</b>                   |                  |                        |                   |                        |                   |
| 20 Years Pakistan Investment Bonds              | 2024             | 13.88%                 | 80,845            | 86,000                 | 80,465            |
| 6 Months Treasury Bills                         | 2022             | 15.04%                 | 6,948,591         | 7,292,000              | 6,932,045         |
| 6 Months Treasury Bills                         | 2022             | 15.02%                 | 9,806,364         | 10,200,000             | 9,750,700         |
| 6 Months Treasury Bills                         | 2022             | 14.49%                 | 1,064,983         | 1,092,000              | 1,062,468         |
| 6 Months Treasury Bills                         | 2022             | 13.95%                 | 457,464           | 465,000                | 457,654           |
| 3 Months Treasury Bills                         | 2022             | 14.18%                 | 201,565           | 206,000                | 201,613           |
| 3 Months Treasury Bills                         | 2022             | 13.70%                 | 1,855,271         | 1,875,000              | 1,855,496         |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.98%                 | 738,494           | 737,310                | 734,951           |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.79%                 | 1,106,060         | 1,133,000              | 1,098,557         |
| 5 Years GoP Ijara Sukuk                         | 2026             | 14.62%                 | 21,996            | 22,000                 | 21,985            |
| 5 Years GoP Ijara Sukuk                         | 2025             | 14.57%                 | 200,360           | 200,000                | 200,060           |
| 5 Years GoP Ijara Sukuk                         | 2027             | 13.61%                 | 93,957            | 94,000                 | 93,699            |
| 5 Years GoP Ijara Sukuk                         | 2026             | 12.60%                 | 10,224            | 10,000                 | 9,600             |
| 5 Years GoP Ijara Sukuk                         | 2025             | 10.64%                 | 448,350           | 448,350                | 446,108           |
|   |                  |                        | <b>23,034,524</b> | <b>23,860,660</b>      | <b>22,945,401</b> |

## December 31, 2021 (Audited)

|   | Maturity Year | Effective Yield (%) | Amortised Cost    | Principal Repayment | Carrying Value    |
|---|---------------|---------------------|-------------------|---------------------|-------------------|
| ----- (Rupees in '000) -----                    |               |                     |                   |                     |                   |
| <b>7.4 Held to maturity</b>                     |               |                     |                   |                     |                   |
| 20 Years Pakistan Investment Bonds              | 2024          | 10.07%              | 9,986             | 10,000              | 9,986             |
|   |               |                     | <b>9,986</b>      | <b>10,000</b>       | <b>9,986</b>      |
| <b>7.5 At fair value through profit or loss</b> |               |                     |                   |                     |                   |
| 5 Years Pakistan Investment Bonds               | 2024          | 11.40%              | 485,132           | 500,000             | 478,169           |
| 3 Years Pakistan Investment Bonds               | 2022          | 11.33%              | 7,524,643         | 7,500,000           | 7,380,908         |
| 3 Years Pakistan Investment Bonds               | 2023          | 11.36%              | 11,189,747        | 11,500,000          | 10,766,680        |
| 3 Years Pakistan Investment Bonds               | 2023          | 11.87%              | 13,991,194        | 14,000,000          | 13,993,000        |
| 6 Months Treasury Bills                         | 2022          | 10.13%              | 12,996,884        | 13,080,400          | 12,983,134        |
| 6 Months Treasury Bills                         | 2022          | 10.23%              | 1,864,554         | 1,885,000           | 1,856,380         |
| 6 Months Treasury Bills                         | 2022          | 10.28%              | 1,242,369         | 1,260,000           | 1,235,981         |
| 6 Months Treasury Bills                         | 2022          | 10.18%              | 3,953,596         | 4,000,000           | 3,954,776         |
| 6 Months Treasury Bills                         | 2022          | 10.07%              | 303,991           | 305,000             | 303,911           |
| 3 Months Treasury Bills                         | 2022          | 10.07%              | 607,856           | 610,000             | 607,821           |
| 5 Years GoP Ijara Sukuk                         | 2025          | 8.76%               | 5,030,724         | 5,162,000           | 4,980,814         |
| 5 Years GoP Ijara Sukuk                         | 2025          | 11.21%              | 656,558           | 652,690             | 653,865           |
| 5 Years GoP Ijara Sukuk                         | 2025          | 10.01%              | 602,760           | 600,000             | 601,080           |
| 5 Years GoP Ijara Sukuk                         | 2026          | 8.86%               | 228,046           | 228,000             | 226,586           |
|   |               |                     | <b>60,678,054</b> | <b>61,283,090</b>   | <b>60,023,105</b> |
| <b>7.6 Available-for-sale</b>                   |               |                     |                   |                     |                   |
| 20 Years Pakistan Investment Bonds              | 2024          | 11.38%              | 79,729            | 86,000              | 83,516            |
| 6 Months Treasury Bills                         | 2022          | 10.13%              | 9,017,444         | 9,069,600           | 9,002,158         |
| 6 Months Treasury Bills                         | 2022          | 10.18%              | 1,190,361         | 1,200,000           | 1,186,433         |
| 6 Months Treasury Bills                         | 2022          | 10.23%              | 1,150,491         | 1,165,000           | 1,147,312         |
| 6 Months Treasury Bills                         | 2022          | 10.07%              | 2,747,348         | 2,755,000           | 2,745,159         |
| 6 Months Treasury Bills                         | 2022          | 10.28%              | 728,893           | 740,000             | 725,893           |
| 3 Months Treasury Bills                         | 2022          | 10.13%              | 2,977,557         | 3,000,000           | 2,977,692         |
| 3 Months Treasury Bills                         | 2022          | 10.07%              | 478,312           | 480,000             | 478,285           |
| 5 Years GoP Ijara Sukuk                         | 2025          | 11.21%              | 598,757           | 597,310             | 598,385           |
| 5 Years GoP Ijara Sukuk                         | 2025          | 7.19%               | 636,614           | 635,000             | 635,127           |
| 5 Years GoP Ijara Sukuk                         | 2025          | 8.76%               | 1,103,902         | 1,133,000           | 1,093,232         |
| 5 Years GoP Ijara Sukuk                         | 2026          | 8.86%               | 22,004            | 22,000              | 21,864            |
|   |               |                     | <b>20,731,412</b> | <b>20,882,910</b>   | <b>20,695,056</b> |

**8 INVESTMENT IN DEBT SECURITIES**

|                                      | Note | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|--------------------------------------|------|----------------------------|-----------------------------|
| ----- (Rupees in '000) -----         |      |                            |                             |
| At fair value through profit or loss | 8.1  | 6,682,152                  | 6,316,257                   |
| Available-for-sale                   | 8.2  | 576,899                    | 583,552                     |
|                                      |      | <b>7,259,051</b>           | <b>6,899,809</b>            |

**8.1 At fair value through profit or loss**

|                              | Note  | June 30, 2022 (Un-audited) |                        |                  | December 31, 2021 (Audited) |                        |                  |
|------------------------------|-------|----------------------------|------------------------|------------------|-----------------------------|------------------------|------------------|
|                              |       | Cost                       | Impairment / provision | Carrying value   | Cost                        | Impairment / provision | Carrying value   |
| ----- (Rupees in '000) ----- |       |                            |                        |                  |                             |                        |                  |
| Term Finance Certificates    | 8.1.1 | 4,920,160                  | -                      | 4,905,158        | 4,380,280                   | -                      | 4,367,065        |
| Corporate Sukuks             | 8.1.2 | 1,751,000                  | -                      | 1,776,994        | 1,921,819                   | -                      | 1,949,192        |
|                              |       | <b>6,671,160</b>           | <b>-</b>               | <b>6,682,152</b> | <b>6,302,099</b>            | <b>-</b>               | <b>6,316,257</b> |

|  | Number of Certificates     |                             | Face Value | Carrying Value             |                             |
|--|----------------------------|-----------------------------|------------|----------------------------|-----------------------------|
|  | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |            | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| <b>8.1.1 Term Finance Certificates</b> |                            |                             |            |                            |                             |
| - United Bank Limited                  | 380,000                    | 400,000                     | 5,000      | 1,900,000                  | 2,000,000                   |
| - Bank Al Habib Limited                | 286,200                    | 236,200                     | 5,000      | 1,456,523                  | 1,202,603                   |
| - Soneri Bank Limited                  | 140,000                    | 140,000                     | 5,000      | 700,000                    | 700,000                     |
| - Bank Alfalah Limited                 | 100,000                    | 100,000                     | 5,000      | 458,635                    | 464,462                     |
| - Bank of Punjab                       | 3,900                      | -                           | 100,000    | 390,000                    | -                           |
|  |                            |                             |            | <b>4,905,158</b>           | <b>4,367,065</b>            |

|   | Number of Certificates     |                             | Face Value | Carrying Value             |                             |
|---|----------------------------|-----------------------------|------------|----------------------------|-----------------------------|
|   | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |            | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| <b>8.1.2 Corporate Sukuks</b>                 |                            |                             |            |                            |                             |
| - K-Electric Limited - Sukuk                  | 237,000                    | 257,000                     | 5,000      | 1,210,122                  | 1,218,790                   |
| - Neelum Jehlum - Sukuk                       | 10,000                     | 10,000                      | 100,000    | 462,126                    | 577,445                     |
| - HUBCO - Sukuk                               | 1,000                      | 1,000                       | 100,000    | 78,908                     | 103,615                     |
| - Dubai Islamic Bank Pakistan Limited - Sukuk | 25                         | 25                          | 1,000,000  | 25,838                     | 25,838                      |
| - International Brands Limited - Sukuk        | -                          | 1,400                       | 100,000    | -                          | 23,504                      |
| - HASCOL Petroleum Limited - Sukuk            | 46,000                     | 46,000                      | 5,000      | -                          | -                           |
| - Note: 8.1.2.1                               |                            |                             |            |                            |                             |
|   |                            |                             |            | <b>1,776,994</b>           | <b>1,949,192</b>            |

**8.1.2.1** Hascol Petroleum Limited (HPL) defaulted on payment of profit and principal instalment due on January 7, 2021 in respect of its 6 years' secured Sukuk issued on January 7, 2016 (Hascol - Sukuk). Accordingly, VIS Credit Rating Company Limited downgraded its rating to 'D' (Defaulted Obligation) on March 30, 2021 and Mutual Fund Association of Pakistan (MUFAP) marked the Hascol - Sukuk as non-performing asset on April 01, 2021.

The Company, consequently, suspended accrual of further profit and made provision against accrued profit, principal instalment due but not received and remaining carrying value of Hascol - Sukuk.

The Company along with other Sukuk holders is in negotiation with the Trustees of the Hascol - Sukuk for settlement of the amounts due.

## 8.2 Available-for-sale

| Note                      | June 30, 2022 (Un-audited) |                        |                | December 31, 2021 (Audited) |                        |                |
|---------------------------|----------------------------|------------------------|----------------|-----------------------------|------------------------|----------------|
|                           | Cost                       | Impairment / provision | Carrying value | Cost                        | Impairment / provision | Carrying value |
|                           | (Rupees in '000)           |                        |                | (Rupees in '000)            |                        |                |
| Term Finance Certificates | 510,417                    | -                      | 510,521        | 514,583                     | -                      | 514,729        |
| Corporate Sukuks          | 65,000                     | -                      | 66,378         | 67,583                      | -                      | 68,823         |
|                           | <b>575,417</b>             | <b>-</b>               | <b>576,899</b> | <b>582,166</b>              | <b>-</b>               | <b>583,552</b> |

|  | Number of Certificates     |                             | Face Value | Value of Certificates      |                             |
|--|----------------------------|-----------------------------|------------|----------------------------|-----------------------------|
|  | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |            | June 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| <b>8.2.1 Term Finance Certificates</b> |                            |                             |            |                            |                             |
| - Bank Alfalah Limited                 | 100,000                    | 100,000                     | 5,000      | 500,000                    | 500,000                     |
| - Kashf Foundation                     | 25                         | 25                          | 1,000,000  | 10,521                     | 14,729                      |
|  |                            |                             |            | <b>510,521</b>             | <b>514,729</b>              |
| <b>8.2.2 Corporate Sukuks</b>          |                            |                             |            |                            |                             |
| - K-Electric Limited - Sukuk           | 13,000                     | 18,000                      | 5,000      | 66,378                     | 68,823                      |

|                                      | Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|--------------------------------------|------|----------------------------------|-----------------------------------|
| ----- (Rupees in '000) -----         |      |                                  |                                   |
| <b>9 INVESTMENT IN TERM DEPOSITS</b> |      |                                  |                                   |
| Deposits maturing within 12 months   | 9.1  | <b>14,900,000</b>                | 21,350,000                        |

9.1 The rates of return on these term deposit receipts ranges from 15.25% to 17.25% per annum (2021:10.50% to 13.00% per annum) and will mature between July 07, 2022 and September 29, 2022.

|   | Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|---|------|----------------------------------|-----------------------------------|
| ----- (Rupees in '000) -----                    |      |                                  |                                   |
| <b>10 INVESTMENT IN OPEN-ENDED MUTUAL FUNDS</b> |      |                                  |                                   |
| At fair value through profit or loss            | 10.1 | <b>12,246,593</b>                | 4,269,835                         |
| Available-for-sale                              | 10.2 | <b>78,061</b>                    | 155,460                           |
|   |      | <b>12,324,654</b>                | 4,425,295                         |

|  | June 30, 2022 (Un-audited) |                        |                   | December 31, 2021 (Audited) |                        |                |
|--|----------------------------|------------------------|-------------------|-----------------------------|------------------------|----------------|
|  | Cost                       | Impairment / provision | Carrying value    | Cost                        | Impairment / provision | Carrying value |
| ----- (Rupees in '000) -----                     |                            |                        |                   |                             |                        |                |
| <b>10.1 At fair value through profit or loss</b> |                            |                        |                   |                             |                        |                |
| Related Parties                                  | 408,729                    | -                      | 407,068           | 100,000                     | -                      | 102,132        |
| Others   | 11,996,956                 | -                      | 11,839,525        | 4,153,075                   | -                      | 4,167,703      |
|  | <b>12,405,685</b>          | -                      | <b>12,246,593</b> | 4,253,075                   | -                      | 4,269,835      |

|                                | June 30, 2022 (Un-audited) |                        |                | December 31, 2021 (Audited) |                        |                |
|--------------------------------|----------------------------|------------------------|----------------|-----------------------------|------------------------|----------------|
|                                | Cost                       | Impairment / provision | Carrying value | Cost                        | Impairment / provision | Carrying value |
| ----- (Rupees in '000) -----   |                            |                        |                |                             |                        |                |
| <b>10.2 Available-for-sale</b> |                            |                        |                |                             |                        |                |
| Other than Related Parties     | 78,000                     | -                      | 78,061         | 149,274                     | -                      | 155,460        |
|                                | <b>78,000</b>              | -                      | <b>78,061</b>  | 149,274                     | -                      | 155,460        |

## 11 OTHER LOANS AND RECEIVABLES

11.1 The Company has, at the request of corporate clients arranged performance guarantees from a bank for Rs. 113.65 million (2021: Rs. 112.67 million), which is secured against bank deposits held with the bank. The bank guarantees will expire by December 17, 2022.

11.2 This includes Pre-IPO subscription in Meezan Bank Limited in upcoming Sukuk issue, and carries rental at the rate of 6 Months KIBOR + 0.35%.

|   | Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|---|------|----------------------------------|-----------------------------------|
| ----- (Rupees in '000) -----              |      |                                  |                                   |
| <b>12 CASH &amp; BANK</b>                 |      |                                  |                                   |
| <b>Cash and stamps in hand</b>            |      |                                  |                                   |
| - Cash in hand                            |      | 11,462                           | 30,064                            |
| - Policy & revenue stamps and bond papers |      | 17,698                           | 14,617                            |
|   |      | <b>29,160</b>                    | 44,681                            |
| <b>Cash at bank</b>                       |      |                                  |                                   |
| - In Current accounts                     |      | 167,489                          | 177,080                           |
| - In Savings accounts                     | 12.1 | 2,004,716                        | 2,857,964                         |
|   |      | <b>2,172,205</b>                 | 3,035,044                         |
|   |      | <b>2,201,365</b>                 | 3,079,725                         |

12.1 These carry mark-up ranging from 5.15% to 13.80% (2021: 2.25% to 10.50%) per annum.

### Cash and cash equivalents include the following for the purposes of the cash flow statement

|  | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited) |
|--|----------------------------------|----------------------------------|
| ----- (Rupees in '000) -----   |                                  |                                  |
| Cash and bank  | 2,201,365                        | 2,312,094                        |
| Term deposits receipt with original maturity of three months or less | 14,900,000                       | 22,950,000                       |
|  | <b>17,101,365</b>                | 25,262,094                       |

|   | Note | June 30,<br>2022<br>(Un-audited)          | December 31,<br>2021<br>(Audited) |
|---|------|---|-----------------------------------|
| ----- (Rupees in '000) -----  |      |   |                                   |
| <b>13 INSURANCE LIABILITIES</b>   |      |   |                                   |
| Reported outstanding claims (including claims in payment)   | 13.1 | 7,734,791                                 | 7,232,017                         |
| Incurred but not reported claims  | 13.2 | 1,577,508                                 | 1,600,820                         |
| Investment component of unit-linked and account value policies  | 13.3 | 150,814,563                               | 157,730,196                       |
| Liabilities under individual conventional insurance contracts   | 13.4 | 97,424                                    | 49,811                            |
| Liabilities under group insurance contracts (other than investment linked)  | 13.5 | 1,713,619                                 | 1,451,263                         |
| Participant Takaful Fund balance  | 13.6 | 276,500                                   | 242,142                           |
| Other Insurance liabilities   | 13.7 | 429,240                                   | 456,271                           |
|   |      | <b>162,643,645</b>                        | <b>168,762,520</b>                |
| <b>13.1 Reported outstanding claims (including claims in payment)</b>   |      |   |                                   |
| <b>Gross of reinsurance</b>   |      |   |                                   |
| Payable within one year   |      | 7,334,574                                 | 6,807,088                         |
| Payable over a period of time exceeding one year  |      | 400,217                                   | 424,929                           |
|   |      | <b>7,734,791</b>                          | <b>7,232,017</b>                  |
| <b>13.2 Incurred but not reported claims</b>  |      |   |                                   |
| Gross of reinsurance  |      | 1,868,953                                 | 1,912,767                         |
| Reinsurance recoveries  |      | (291,445)                                 | (311,947)                         |
| Net of reinsurance  |      | <b>1,577,508</b>                          | <b>1,600,820</b>                  |
| <b>13.3 Investment component of unit-linked policies</b>  |      | <b>150,814,563</b>                        | <b>157,730,196</b>                |
| <b>13.4 Liabilities under individual conventional insurance contracts</b>   |      |   |                                   |
| Gross of reinsurance  |      | 117,378                                   | 60,013                            |
| Reinsurance credit  |      | (19,954)                                  | (10,202)                          |
| Net of reinsurance  |      | <b>97,424</b>                             | <b>49,811</b>                     |
| <b>13.5 Liabilities under group insurance contracts (other than investment linked)</b>  |      |   |                                   |
| Gross of reinsurance  |      | 2,200,055                                 | 1,814,894                         |
| Reinsurance credit  |      | (486,436)                                 | (363,631)                         |
| Net of reinsurance  |      | <b>1,713,619</b>                          | <b>1,451,263</b>                  |
| <b>13.6</b>   |      |   |                                   |
| This comprises of surplus of Individual Family Takaful - Participant Takaful Fund, which relates exclusively to participants of the Individual Family Takaful Fund and is not available for distribution to shareholders. Under the Waqf Deed of Individual Family Takaful Fund read with Rule 21 of Takaful Rules, 2012, the surplus arising in the Participants Sub Fund can only be distributed to the Participants of that Fund based on approval of the Appointed Actuary. The surplus has been classified under insurance liabilities as clarified by SECP. |      |   |                                   |
| The Company has distributed Rs. 144.26 million out of surplus for the year 2021 (2021: Rs. 317.67 million out of surplus for the year 2020) to the Participants of the Individual Family Takaful Fund in line with the mechanism approved by Appointed Actuary and Shariah Advisor of the Company as required under Clause 6 of Waqf (PTF) Policies.  |      |   |                                   |
|   |      | <b>June 30,<br/>2022<br/>(Un-audited)</b> | December 31,<br>2021<br>(Audited) |
| ----- (Rupees in '000) -----  |      |   |                                   |
| <b>13.7 Other Insurance liabilities</b>   |      |   |                                   |
| Gross of reinsurance  |      | 479,146                                   | 508,899                           |
| Reinsurance credit  |      | (49,906)                                  | (52,628)                          |
| Net of reinsurance  |      | <b>429,240</b>                            | <b>456,271</b>                    |

| Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|------|----------------------------------|-----------------------------------|
|------|----------------------------------|-----------------------------------|

----- (Rupees in '000) -----

## 14 BORROWING

|                     |      |         |         |
|---------------------|------|---------|---------|
| Bank Loan           | 14.1 | 750,000 | 875,000 |
| Current portion     |      | 250,000 | 250,000 |
| Non-current portion |      | 500,000 | 625,000 |

- 14.1** In May 2017, the Company obtained a long term finance from Habib Bank Limited (HBL), a related party, against a Term Finance Agreement on mark-up basis, to finance the acquisition of immovable property for the purpose of construction of the Company's Head Office building thereon. The Term finance agreement is for a period of 8 years maturing on May 9, 2025, with a 2 years' grace period for repayment of principal, payable in 12 equal semi-annual instalments commencing after the expiry of grace period. The first instalment was paid on November 11, 2019. The Term Finance carries mark-up at the rate of 3 Months KIBOR + 0.9% and is payable quarterly from the effective date of the drawdown, i.e. May 11, 2017. The facility is secured by way of first equitable mortgage in favour of HBL, by deposit of title deeds in respect of the property in favour of the Bank, up to the amount of Rs. 2,000 million. The Company has also executed an interest rate swap with HBL, to hedge the Company's PKR floating rate liability on the notional amount of Rs.1,500 million.

| Note | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|------|----------------------------------|-----------------------------------|
|------|----------------------------------|-----------------------------------|

----- (Rupees in '000) -----

## 15 LEASE LIABILITIES

|                                 |      |           |           |
|---------------------------------|------|-----------|-----------|
| Lease liabilities under IFRS 16 | 15.1 | 1,095,302 | 1,041,893 |
| Current portion                 |      | 222,799   | 199,931   |
| Non-current portion             |      | 872,503   | 841,962   |

- 15.1** Finance cost on lease liabilities for the half year ended June 30, 2022 was Rs. 54.47 million (June 30, 2021: Rs. 52.66 million). Total cash outflow for leases was Rs. 210.42 million (June 30, 2021: Rs. 150.14 million).

## 16 UNPAID DIVIDEND

This represents dividend for the year ended December 31, 2021, awaiting remittance with the premission of the State Bank of Pakistan.

## 17 CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

#### 17.1.1 Income tax assessments

There has been no major change, during the period, in contingencies relating to income tax assessments as disclosed in annual financial statements for the year ended December 31, 2021.

No provision has been made in these condensed interim financial statements, as the Company is confident based on the advise of its tax consultants that the final outcome will be in its favour.

#### 17.1.2 Contingent liability - provincial sales tax on life and health insurance

There has been no major change, during the period, relating to provincial sales tax on life and health insurance as disclosed in annual financial statements for the year ended December 31, 2021, except that in Sindh the exemption to health insurance has been extended by Sindh Revenue Board up to June 30, 2023, through notification no. SRB-3-4/19/2022 dated June 28, 2022, whereas Khyber Pakhtunkhwa Revenue Authority through its notification no. BO (Rev-II)/FD/3-2/2022 dated August 10, 2022 exempted sales tax on services on health insurance.

In view of the opinion of the legal advisors, and pending the adjudication of the petitions filed, the Company has neither billed its customers, nor recognized the contingent liability for PST, SST, and KPKST, which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of the legal advisors, aggregated to Rs. 3,226.62 million (2021: Rs. 2,603.81 million). In Balochistan province, given that the Company has limited operations in that province, the amount of contingent sales tax liability for BSTS, calculated on the similar basis as PST, SST and KPKST, is immaterial. The management contends that should the administrative efforts fail, the amount will be charged to the policyholders.

|   | June 30,<br>2022<br>(Un-audited) | December 31,<br>2021<br>(Audited) |
|---|----------------------------------|-----------------------------------|
|   | ----- (Rupees in '000) -----     |                                   |
| <b>17.2 Commitments</b>   |                                  |                                   |
| <b>17.2.1 Commitments for the acquisition of operating fixed assets</b> |                                  |                                   |
| Not later than one year   | <b>157,403</b>                   | 150,254                           |
|   |                                  |                                   |
|   | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited)  |
|   | ----- (Rupees in '000) -----     |                                   |
| <b>18 NET PREMIUM / CONTRIBUTION REVENUE</b>                            |                                  |                                   |
| <b>Gross Premium / Contribution</b>                                     |                                  |                                   |
| Regular Premium / Contribution Individual Policies *                    |                                  |                                   |
| First year  | 3,126,568                        | 3,094,312                         |
| Second year renewal   | 2,451,745                        | 1,929,828                         |
| Subsequent year renewal   | 11,361,152                       | 12,498,921                        |
| Total Regular Premium / Contribution Individual Policies                | <b>16,939,465</b>                | 17,523,061                        |
| Single premium / contribution individual policies                       | 259,555                          | 341,903                           |
| Group policies without cash values                                      | 6,088,612                        | 5,537,389                         |
| Less: Experience refund   | (128,137)                        | (143,226)                         |
| <b>Total Gross Premium / Contribution</b>                               | <b>23,159,495</b>                | 23,259,127                        |
| <b>Less: Reinsurance Premium / Contribution ceded</b>                   |                                  |                                   |
| On individual life first year business                                  | (33,707)                         | (31,176)                          |
| On individual life second year business                                 | (26,553)                         | (28,406)                          |
| On individual life renewal business                                     | (160,591)                        | (148,289)                         |
| On single premium / contribution individual policies                    | (54)                             | (48)                              |
| On group policies   | (872,277)                        | (756,841)                         |
| Less: Experience refund from reinsurers                                 | 3,532                            | 4,998                             |
| Less: Reinsurance commission on risk premium / contribution             | 56,087                           | 49,619                            |
|   | <b>(1,033,563)</b>               | (910,143)                         |
| <b>Net Premium / Contribution</b>                                       | <b>22,125,932</b>                | 22,348,984                        |

\* Individual policies are those underwritten on an individual basis, and include joint life policies underwritten as such.

## 19 INVESTMENT INCOME

| Note                                     | June 30,<br>2022<br>(Un-audited)         | June 30,<br>2021<br>(Un-audited) |
|--|--|----------------------------------|
|  | ----- (Rupees in '000) -----             |                                  |
|  | <b>Income from equity securities</b>     |                                  |
|  | <b>Fair value through profit or loss</b> |                                  |
| - Dividend income                        | 19.1 1,560,580                           | 2,198,230                        |
| <b>Available-for-sale</b>                |  |                                  |
| - Dividend income                        | 11,957                                   | 69,451                           |
|  | <b>1,572,537</b>                         | <b>2,267,681</b>                 |
|  | <b>Income from Mutual Funds</b>          |                                  |
|  | <b>Fair value through profit or loss</b> |                                  |
| - Dividend income                        | 20,790                                   | 5,948                            |
| <b>Available-for-sale</b>                |  |                                  |
| - Dividend income                        | -  | 2,139                            |
|  | <b>20,790</b>                            | <b>8,087</b>                     |
|  | <b>Income from debt securities</b>       |                                  |
|  | <b>Held to maturity</b>                  |                                  |
| - Return on debt securities              | 502                                      | 502                              |
| <b>Fair value through profit or loss</b> |  |                                  |
| - Return on debt securities              | 4,557,862                                | 2,938,535                        |
| <b>Available-for-sale</b>                |  |                                  |
| - Return on debt securities              | 1,267,051                                | 682,995                          |
|  | <b>5,825,415</b>                         | <b>3,622,032</b>                 |
|  | <b>Income from term deposits</b>         |                                  |
| - Return on term deposits                | 618,908                                  | 288,048                          |
|  | <b>8,037,650</b>                         | <b>6,185,848</b>                 |

19.1 Dividend income is net of charity amount due to purification of non shariah compliant dividend income amounting to Rs. 6.24 million (June 30, 2021: Rs. 7.80 million).

## 20 NET REALISED FAIR VALUE (LOSSES) / GAINS ON FINANCIAL ASSETS

|   | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited) |
|---|----------------------------------|----------------------------------|
|   | ----- (Rupees in '000) -----     |                                  |
| <b>At fair value through profit or loss</b> |                                  |                                  |
| Realised gains on:                          |                                  |                                  |
| - Equity securities                         | 223,934                          | 1,893,182                        |
| - Mutual Funds                              | 132,695                          | 72,748                           |
| - Debt securities                           | 70,500                           | 88,017                           |
|   | <b>427,129</b>                   | <b>2,053,947</b>                 |
| Realised losses on:                         |                                  |                                  |
| - Equity securities                         | (1,840,718)                      | (410,916)                        |
| - Mutual Funds                              | (2,128)                          | (1,890)                          |
| - Debt securities                           | (33,656)                         | (30,201)                         |
|   | <b>(1,876,502)</b>               | <b>(443,007)</b>                 |
| <b>Available-for-sale</b>                   |                                  |                                  |
| Realised gains on:                          |                                  |                                  |
| - Equity securities                         | 14,924                           | 112,378                          |
| - Mutual Funds                              | 14,542                           | 6,476                            |
| - Debt securities                           | 1,130                            | 6,235                            |
|   | <b>30,596</b>                    | <b>125,089</b>                   |

|   | <b>June 30,<br/>2022<br/>(Un-audited)</b> | June 30,<br>2021<br>(Un-audited) |
|---|---|----------------------------------|
|   | ----- (Rupees in '000) -----              |                                  |
| <b>Available-for-sale</b>   |   |                                  |
| Realised losses on:   |   |                                  |
| - Equity securities   | (208,765)                                 | (325,014)                        |
| - Debt securities   | (27,330)                                  | (2,258)                          |
|   | (236,095)                                 | (327,272)                        |
|   | <b>(1,654,872)</b>                        | <b>1,408,757</b>                 |
| <b>21 NET FAIR VALUE LOSSES ON FINANCIAL ASSETS</b>                       |   |                                  |
| Net unrealised losses on investments at fair value through profit or loss | (7,596,742)                               | (515,222)                        |
| Add: Impairment in value of available-for-sale securities                 | 7,575                                     | 326,381                          |
| Less: Investment related expenses   | (33,301)                                  | (101,971)                        |
|   | <b>(7,622,468)</b>                        | <b>(290,812)</b>                 |
| <b>22 NET INSURANCE BENEFITS</b>  |   |                                  |
| <b>Gross Claims</b>   |   |                                  |
| Claims under individual policies  |   |                                  |
| by death  | 1,190,229                                 | 1,622,325                        |
| by insured event other than death   | 28,519                                    | 26,839                           |
| by maturity   | 3,367,336                                 | 2,464,351                        |
| by surrender  | 11,378,264                                | 9,444,667                        |
| by partial withdrawal   | 1,100,357                                 | 1,424,064                        |
| <b>Total gross individual policy claims</b>                               | <b>17,064,705</b>                         | <b>14,982,246</b>                |
| Claims under group policies   |   |                                  |
| by death  | 1,477,246                                 | 1,461,929                        |
| by insured event other than death   | 2,923,294                                 | 3,013,009                        |
| <b>Total gross policy claims</b>  | <b>4,400,540</b>                          | <b>4,474,938</b>                 |
| <b>Total Gross Claims</b>   | <b>21,465,245</b>                         | <b>19,457,184</b>                |
| <b>Less: Reinsurance recoveries</b>                                       |   |                                  |
| On individual life claims   | (181,141)                                 | (233,081)                        |
| On group life claims  | (559,106)                                 | (661,977)                        |
|   | (740,247)                                 | (895,058)                        |
| <b>Claim related expenses</b>   | <b>3,772</b>                              | <b>3,101</b>                     |
| <b>Net Insurance benefit expense</b>                                      | <b>20,728,770</b>                         | <b>18,565,227</b>                |

**23 ACQUISITION EXPENSES**

Remuneration to insurance intermediaries on individual policies:

|   | <b>June 30,<br/>2022<br/>(Un-Audited)</b> | <b>June 30,<br/>2021<br/>(Un-Audited)</b> |
|---|---|---|
|   | ----- (Rupees in '000) -----              |   |
| Commission to agents on first year premiums / contributions         | <b>817,004</b>                            | 940,367                                   |
| Commission to agents on second year premiums / contributions        | <b>97,867</b>                             | 74,940                                    |
| Commission to agents on subsequent renewal premiums / contributions | <b>42,653</b>                             | 247,878                                   |
| Commission to agents on single premiums / contributions             | <b>4,297</b>                              | 5,482                                     |
| Overriding commission to supervisors                                | <b>235,283</b>                            | 227,047                                   |
| Salaries, allowances and other benefits                             | <b>414,925</b>                            | 462,545                                   |
| Other benefits to insurance intermediaries                          | <b>162,459</b>                            | 80,651                                    |

Remuneration to insurance intermediaries on group policies:

|  |                |         |
|--|----------------|---------|
| Commission                                 | <b>240,355</b> | 206,069 |
| Other benefits to insurance intermediaries | <b>82,103</b>  | 72,252  |

Other acquisition costs

|                                    |                  |                  |
|------------------------------------|------------------|------------------|
| Employee benefit costs             | <b>674,791</b>   | 745,158          |
| Travelling expenses                | <b>23,087</b>    | 12,748           |
| Printing and stationery            | <b>12,160</b>    | 11,542           |
| Depreciation                       | <b>96,320</b>    | 90,015           |
| Depreciation - Right-of-use assets | <b>48,543</b>    | 53,815           |
| Rent, rates and taxes              | <b>2,853</b>     | 3,504            |
| Legal and professional charges     | <b>10,989</b>    | 4,567            |
| Utilities                          | <b>29,360</b>    | 23,306           |
| Entertainment                      | <b>29,217</b>    | 14,130           |
| Motor vehicle & conveyance         | <b>52,105</b>    | 57,621           |
| Repair & maintenance               | <b>35,740</b>    | 36,595           |
| Training expenses                  | <b>143</b>       | 42               |
| Postages, telegrams and telephones | <b>14,094</b>    | 18,557           |
| Staff welfare                      | <b>16,651</b>    | 16,684           |
| General insurance                  | <b>7,485</b>     | 4,079            |
| Policy stamps                      | <b>35,280</b>    | 41,174           |
| Initial medical fees               | <b>3,974</b>     | 1,903            |
| Miscellaneous expenses             | <b>4,276</b>     | 2,119            |
|                                    | <b>3,194,014</b> | <b>3,454,790</b> |

|             |  | <b>For the Half Year ended</b>            |   |
|-------------|--|---|---|
|             |  | <b>June 30,<br/>2022<br/>(Un-audited)</b> | <b>June 30,<br/>2021<br/>(Un-audited)</b> |
|             |  | ----- (Rupees in '000) -----              |   |
| <b>24</b>   | <b>MARKETING AND ADMINISTRATION EXPENSES</b>   |   |   |
|             | Employee benefit cost  | 24.1 797,718                              | 731,352                                   |
|             | Traveling expenses   | 24,158                                    | 10,685                                    |
|             | Advertisements & sales promotion   | 449,895                                   | 374,960                                   |
|             | Printing and stationery  | 43,609                                    | 50,678                                    |
|             | Depreciation   | 109,548                                   | 83,788                                    |
|             | Depreciation - Right-of-use assets   | 63,652                                    | 57,855                                    |
|             | Amortisation   | 56,383                                    | 59,150                                    |
|             | Rent, rates and taxes  | 483                                       | 254,625                                   |
|             | Legal and professional charges   | 17,088                                    | 20,554                                    |
|             | Utilities  | 32,620                                    | 23,379                                    |
|             | Entertainment  | 4,720                                     | 4,415                                     |
|             | Vehicle running expenses   | 10,239                                    | 18,892                                    |
|             | Office repairs and maintenance   | 184,680                                   | 151,619                                   |
|             | Appointed actuary fees   | 6,366                                     | 7,837                                     |
|             | Bank charges   | 10,530                                    | 9,287                                     |
|             | Postages, telegrams and telephone  | 58,158                                    | 70,715                                    |
|             | Staff welfare  | 14,482                                    | 10,265                                    |
|             | General insurance  | 9,521                                     | 10,397                                    |
|             | Training expenses  | 4,589                                     | 4,930                                     |
|             | Annual Supervision fees to SECP  | 25,000                                    | 25,000                                    |
|             | Reversal of Bad and doubtful debts   | (16,365)                                  | (7,439)                                   |
|             | Directors' fee   | 3,900                                     | 4,600                                     |
|             | Miscellaneous expenses   | 272                                       | 1,899                                     |
|             |  | <b>1,911,246</b>                          | <b>1,979,443</b>                          |
| <b>24.1</b> | <b>Employee benefit cost</b>   |   |   |
|             | Salaries, allowance and other benefits   | 743,776                                   | 684,776                                   |
|             | Charges for post employment benefit  | 53,942                                    | 46,576                                    |
|             |  | <b>797,718</b>                            | <b>731,352</b>                            |
| <b>24.2</b> | Administration expenses are net of common costs amounting to Rs. 33.00 million (June 30, 2021: Rs. 23.75 million) shared with Jubilee General Insurance Company Limited, an associated undertaking, on account of joint operating activities for Accident & Health Business. |   |   |

|                              | Note | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited) |
|------------------------------|------|----------------------------------|----------------------------------|
| ----- (Rupees in '000) ----- |      |                                  |                                  |
| <b>25 INCOME TAX EXPENSE</b> |      |                                  |                                  |
| <b>For the period</b>        |      |                                  |                                  |
| Current                      |      | (439,380)                        | (376,918)                        |
| Deferred                     |      | (333,623)                        | (38,305)                         |
|                              |      | <u>(773,003)</u>                 | <u>(415,223)</u>                 |
| <b>For Prior year</b>        |      |                                  |                                  |
| Current                      |      | (30,644)                         | -                                |
|                              |      | <u>(803,647)</u>                 | <u>(415,223)</u>                 |

25.1 Through Finance Act, 2022, a Super Tax at the rate of 4% has been imposed for tax year 2022 and onwards where income of the person exceeds Rs. 300 million. Accordingly, the Company has made provision for current, deferred and prior year tax charge.

## 26 EARNINGS PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

|   | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited) |
|---|----------------------------------|----------------------------------|
| ----- (Rupees in '000) -----  |                                  |                                  |
| Profit (after tax) for the period                                       | <u>967,940</u>                   | <u>988,699</u>                   |
|   | (Number of shares in '000)       |                                  |
| Weighted average number of ordinary shares outstanding as at period end | <u>87,264</u>                    | <u>87,264</u>                    |
|   | ----- (Rupees) -----             |                                  |
| Basic earnings per share  | <u>11.09</u>                     | <u>11.33</u>                     |

## 27 RELATED PARTY TRANSACTIONS

The Company is controlled by Aga Khan Fund for Economic Development, S.A Switzerland, which owns 57.87% (2021: 57.87%) of the Company's shares. Associated undertakings comprise Habib Bank Limited, Jubilee General Insurance Company Limited and Jubilee Kyrgyzstan Insurance Company (CJSC), Kyrgyzstan, being under the common control of the parent Company.

The related parties comprise related group companies, local associated companies, directors of the Company, key management employees and staff retirement funds.

The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

| Relationship with the Company | Nature of transactions   | June 30,<br>2022<br>(Un-audited) | June 30,<br>2021<br>(Un-audited) |
|-------------------------------|--|----------------------------------|----------------------------------|
| ----- (Rupees in '000) -----  |  |                                  |                                  |
| i. Parent Company             | Dividend paid  | 161,424                          | -                                |
|                               | Individual Life policy premium / contribution                  | 29,288                           | 22,800                           |
| ii. Associated companies      | Group insurance premiums / contributions                       | 780,443                          | 532,773                          |
|                               | Incurred claims against insurance cover                        | 693,856                          | 528,519                          |
|                               | Payment for premiums / contributions against general insurance | 38,183                           | 29,886                           |
|                               | Claims lodged against general insurance                        | 3,738                            | 141                              |
|                               | Claims received against general insurance                      | 3,637                            | 189                              |
|                               | Purchase of government securities                              | 55,317,327                       | 16,126,983                       |
|                               | Sales of government securities                                 | 26,059,971                       | 13,168,363                       |
|                               | Placement of Term Deposit Receipts                             | 17,000,000                       | 5,000,000                        |
|                               | Maturity of Term Deposit Receipts                              | 11,500,000                       | -                                |
|                               | Agency commission  | 315,070                          | 507,824                          |
|                               | Profit received on profit and loss sharing accounts            | 95,297                           | 99,739                           |
|                               | Profit received on term deposit receipts                       | 66,480                           | -                                |
|                               | Dividend paid  | 258,237                          | 303,148                          |
|                               | Dividend earned  | 164,757                          | 64,625                           |

| Relationship with the Company | Nature of transactions                                     | June 30, 2022 | June 30, 2021 |
|-------------------------------|--|---------------|---------------|
|                               |  | (Un-audited)  | (Un-audited)  |
| ----- (Rupees in '000) -----  |  |               |               |
|                               | Finance cost on borrowing                                  | 49,711        | 44,658        |
|                               | Realized gain / (loss) on derivative financial instrument  | 4,774         | (6,028)       |
|                               | Unrealised gain on derivative financial instrument         | 22,723        | 8,113         |
|                               | Income from claim administration services                  | 13,059        | 13,228        |
| iii. Staff retirement funds   | Expense charged for retirement benefit plans               | 85,851        | 78,912        |
| iv. Key management personnel  | Salaries and other short-term employee benefits            | 251,503       | 219,690       |
|                               | Post-employment benefits                                   | 18,908        | 16,078        |
|                               | Consideration received against sale of assets              | 1,079         | 1,883         |
|                               | Individual life policy premiums / contributions            | 11,677        | 10,187        |
|                               | Individual Life surrender / partial withdrawal claims paid | 3,140         | 11,094        |
|                               | Advances to key management personnel                       | 17,473        | 19,446        |
|                               | Recovery against advances from key management personnel    | 6,631         | 11,314        |
|                               | Dividend paid  | 2,274         | 2,779         |
| v. Directors                  | Directors' fee   | 3,900         | 4,600         |
|                               | Dividend paid  | 968           | 1,091         |

| Relationship with the Company              | Balances / Investments  | June 30, 2022 | December 31, 2021 |
|--|---|---------------|-------------------|
|  |   | (Un-audited)  | (Audited)         |
| ----- (Rupees in '000) -----               |   |               |                   |
| i. Parent Company                          | Dividend payable  | (522,684)     | (161,424)         |
| ii. Associated companies                   | Bank account balance  | 1,127,662     | 1,143,518         |
|  | Investment in shares - listed equities  | 3,066,123     | 3,917,551         |
|  | Investment in shares - unlisted equity  | 210,330       | 174,198           |
|  | Investment in mutual fund   | 407,068       | 102,132           |
|  | Dividend receivable   | 4,017         | -                 |
|  | Profit accrued on profit and loss sharing accounts                                    | 13,833        | 13,410            |
|  | Profit accrued on Term Deposit Receipts   | 38,521        | 16,027            |
|  | Term Deposit Receipts   | 5,500,000     | 5,000,000         |
|  | Agency commission payable   | (92,004)      | (184,022)         |
|  | Group premium / contribution receivable - net of provision for bad and doubtful debts | 178,892       | 98,707            |
|  | Claims lodged and outstanding   | (525,278)     | (432,025)         |
|  | Claims receivable against general insurance policies                                  | 99            | 106               |
|  | Receivable against common back office operations                                      | 3,272         | 6,031             |
|  | (Payable) / receivable against claims administration services                         | (24,848)      | 52,942            |
|  | Lease liabilities   | (44,494)      | (89,758)          |
| Borrowing                                  | (750,000)   | (875,000)     |                   |
| Derivative financial instrument receivable | 59,872  | 43,326        |                   |
| Financial charges payable                  | (16,007)  | (11,423)      |                   |
| Prepaid general insurance premium          | 19,516  | 424           |                   |
| Deferred grant payable                     | (969)   | (931)         |                   |
| iii. Staff retirement funds                | Payable to retirement benefit plans   | -             | (10,674)          |
| iv. Key management personnel               | Advance against salaries  | 10,842        | 7,644             |

The above transactions are settled in the ordinary course of business. The receivables and payables are mainly unsecured in nature and bear no interest except for long term loan, which is secured, as well as interest bearing.

28 SEGMENTAL INFORMATION

28.1 REVENUE ACCOUNT BY STATUTORY FUND  
FOR THE HALF YEAR ENDED JUNE 30, 2022

|  | Statutory Funds             |                       |                            |                                       |                           |                      |                                  | Aggregate                  |
|--|-----------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------|----------------------------------|----------------------------|
|  | Individual Life Unit Linked | Conventional Business | Accident & Health Business | Overseas Group Life & Health Business | Individual Family Takaful | Group Family Takaful | Accident & Health Family Takaful | June 30, 2022 (Un-audited) |
| <b>Income</b>  | (Rupees in '000)            |                       |                            |                                       |                           |                      |                                  |                            |
| Premium / Contribution less reinsurances                                     | 11,927,127                  | 1,462,463             | 3,187,219                  | -                                     | 4,921,634                 | 63,402               | 564,087                          | 22,125,932                 |
| Net investment income  | (1,286,913)                 | 146,970               | 261,797                    | 6,214                                 | (309,910)                 | 13,756               | 27,167                           | (1,140,919)                |
| Bonus units transferred from sub fund of statutory fund                      | -                           | -                     | -                          | -                                     | 144,261                   | -                    | -                                | 144,261                    |
| <b>Total Net Income</b>  | <b>10,640,214</b>           | <b>1,609,433</b>      | <b>3,449,016</b>           | <b>6,214</b>                          | <b>4,755,985</b>          | <b>77,158</b>        | <b>591,254</b>                   | <b>21,129,274</b>          |
| <b>Insurance benefits and expenditures</b>                                   |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Insurance benefits, including bonuses  | 14,590,394                  | 971,592               | 2,445,777                  | -                                     | 2,263,869                 | 31,182               | 425,956                          | 20,728,770                 |
| Management expenses less recoveries  | 2,646,354                   | 260,909               | 504,454                    | 2,475                                 | 1,582,935                 | 27,723               | 40,432                           | 5,065,282                  |
| <b>Total Insurance benefits and Expenditures</b>                             | <b>17,236,748</b>           | <b>1,232,501</b>      | <b>2,950,231</b>           | <b>2,475</b>                          | <b>3,846,804</b>          | <b>58,905</b>        | <b>466,388</b>                   | <b>25,794,052</b>          |
| <b>(Deficit) / Excess of Income over Insurance benefits and Expenditures</b> | <b>(6,596,534)</b>          | <b>376,932</b>        | <b>498,785</b>             | <b>3,739</b>                          | <b>909,181</b>            | <b>18,253</b>        | <b>124,866</b>                   | <b>(4,664,778)</b>         |
| Bonus units transferred to sub fund of statutory fund*                       | -                           | -                     | -                          | -                                     | (144,261)                 | -                    | -                                | (144,261)                  |
| <b>Net change in insurance liabilities (other than outstanding claims)</b>   | <b>(7,768,751)</b>          | <b>141,042</b>        | <b>56,558</b>              | <b>-</b>                              | <b>839,787</b>            | <b>7,263</b>         | <b>65,677</b>                    | <b>(6,658,424)</b>         |
| <b>Surplus / (deficit) before tax</b>  | <b>1,172,217</b>            | <b>235,890</b>        | <b>442,227</b>             | <b>3,739</b>                          | <b>(74,867)</b>           | <b>10,990</b>        | <b>59,189</b>                    | <b>1,849,385</b>           |
| <b>Taxes chargeable to statutory funds</b>                                   |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Current - Tax on Dividend  | (230,710)                   | -                     | (6)                        | -                                     | (31,065)                  | -                    | -                                | (261,781)                  |
| <b>Surplus / (deficit) after tax</b>   | <b>941,507</b>              | <b>235,890</b>        | <b>442,221</b>             | <b>3,739</b>                          | <b>(105,932)</b>          | <b>10,990</b>        | <b>59,189</b>                    | <b>1,587,604</b>           |
| <b>Movement in policyholder liabilities</b>                                  | <b>(7,768,751)</b>          | <b>141,042</b>        | <b>56,558</b>              | <b>-</b>                              | <b>839,787</b>            | <b>7,263</b>         | <b>65,677</b>                    | <b>(6,658,424)</b>         |
| <b>Transfer (to) and from Shareholders' Fund</b>                             |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Surplus appropriated to Shareholders' Fund                                   | (1,045,000)                 | -                     | (115,000)                  | -                                     | -                         | -                    | -                                | (1,160,000)                |
| Capital contributions from Shareholders' Fund                                | -                           | -                     | -                          | -                                     | -                         | -                    | -                                | -                          |
| Capital returned to Shareholders' fund                                       | -                           | (80,000)              | -                          | -                                     | -                         | -                    | -                                | (80,000)                   |
| Qard-e-Hasna paid from Operators' Sub Fund to PTF                            | -                           | -                     | -                          | -                                     | -                         | -                    | -                                | -                          |
| Qard-e-Hasna received by PTF from Operators' Sub Fund                        | -                           | -                     | -                          | -                                     | -                         | -                    | -                                | -                          |
| <b>Net transfers to Shareholders' Fund</b>                                   | <b>(1,045,000)</b>          | <b>(80,000)</b>       | <b>(115,000)</b>           | <b>-</b>                              | <b>-</b>                  | <b>-</b>             | <b>-</b>                         | <b>(1,240,000)</b>         |
| <b>Balance of Statutory Fund as at January 01, 2022</b>                      | <b>136,110,885</b>          | <b>1,719,934</b>      | <b>3,818,581</b>           | <b>72,739</b>                         | <b>26,514,077</b>         | <b>188,475</b>       | <b>508,398</b>                   | <b>168,933,089</b>         |
| <b>Balance of Statutory Fund as at June 30, 2022</b>                         | <b>128,238,641</b>          | <b>2,016,866</b>      | <b>4,202,360</b>           | <b>76,478</b>                         | <b>27,247,932</b>         | <b>206,728</b>       | <b>633,264</b>                   | <b>162,622,269</b>         |

\* The corresponding impact is already included in Net change in Insurance liabilities (Net of outstanding claims)

FOR THE HALF YEAR ENDED JUNE 30, 2021

|  | Statutory Funds             |                       |                            |                                       |                           |                      |                                  | Aggregate                  |
|--|-----------------------------|-----------------------|----------------------------|---------------------------------------|---------------------------|----------------------|----------------------------------|----------------------------|
|  | Individual Life Unit Linked | Conventional Business | Accident & Health Business | Overseas Group Life & Health Business | Individual Family Takaful | Group Family Takaful | Accident & Health Family Takaful | June 30, 2021 (Un-audited) |
|  | ------(Rupees in '000)----- |                       |                            |                                       |                           |                      |                                  |                            |
| <b>Income</b>  |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Premium / Contribution less reinsurances                                     | 12,602,148                  | 1,069,107             | 2,969,550                  | (14,296)                              | 5,033,167                 | 98,050               | 591,258                          | 22,348,984                 |
| Net investment income  | 6,188,780                   | 74,681                | 188,421                    | 998                                   | 1,042,751                 | 8,233                | 14,158                           | 7,518,022                  |
| Bonus units transferred from sub fund of statutory fund                      | -                           | -                     | -                          | -                                     | 317,666                   | -                    | -                                | 317,666                    |
| <b>Total Net Income / (loss)</b>   | <b>18,790,928</b>           | <b>1,143,788</b>      | <b>3,157,971</b>           | <b>(13,298)</b>                       | <b>6,393,584</b>          | <b>106,283</b>       | <b>605,416</b>                   | <b>30,184,672</b>          |
| <b>Insurance benefits and Expenditures</b>                                   |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Insurance benefits, including bonuses  | 12,895,745                  | 825,859               | 2,461,530                  | 1,629                                 | 1,755,632                 | 121,966              | 502,866                          | 18,565,227                 |
| Management expenses less recoveries  | 2,722,744                   | 171,045               | 438,754                    | 861                                   | 1,771,764                 | 30,809               | 36,136                           | 5,172,113                  |
| <b>Total Insurance benefits and Expenditures</b>                             | <b>15,618,489</b>           | <b>996,904</b>        | <b>2,900,284</b>           | <b>2,490</b>                          | <b>3,527,396</b>          | <b>152,775</b>       | <b>539,002</b>                   | <b>23,737,340</b>          |
| <b>Excess / (deficit) of Income over Insurance benefits and Expenditures</b> | <b>3,172,439</b>            | <b>146,884</b>        | <b>257,687</b>             | <b>(15,788)</b>                       | <b>2,866,188</b>          | <b>(46,492)</b>      | <b>66,414</b>                    | <b>6,447,332</b>           |
| Bonus units transferred to sub fund of statutory fund*                       | -                           | -                     | -                          | -                                     | (317,666)                 | -                    | -                                | (317,666)                  |
| <b>Net change in insurance liabilities (other than outstanding claims)</b>   | <b>1,620,507</b>            | <b>163,747</b>        | <b>47,367</b>              | <b>-</b>                              | <b>2,437,748</b>          | <b>(51,935)</b>      | <b>22,366</b>                    | <b>4,239,800</b>           |
| <b>Surplus / (deficit) before tax</b>  | <b>1,551,932</b>            | <b>(16,863)</b>       | <b>210,320</b>             | <b>(15,788)</b>                       | <b>110,774</b>            | <b>5,443</b>         | <b>44,048</b>                    | <b>1,889,866</b>           |
| <b>Taxes chargeable to statutory funds</b>                                   |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Current - Tax on Dividend  | (351,308)                   | -                     | (124)                      | -                                     | (31,738)                  | -                    | -                                | (383,170)                  |
| <b>Surplus / (deficit) after tax</b>   | <b>1,200,624</b>            | <b>(16,863)</b>       | <b>210,196</b>             | <b>(15,788)</b>                       | <b>79,036</b>             | <b>5,443</b>         | <b>44,048</b>                    | <b>1,506,696</b>           |
| <b>Movement in policyholder liabilities</b>                                  | <b>1,620,507</b>            | <b>163,747</b>        | <b>47,367</b>              | <b>-</b>                              | <b>2,437,748</b>          | <b>(51,935)</b>      | <b>22,366</b>                    | <b>4,239,800</b>           |
| <b>Transfer (to) and from Shareholders' Fund</b>                             |                             |                       |                            |                                       |                           |                      |                                  |                            |
| Surplus appropriated to Shareholders' Fund                                   | (1,040,000)                 | -                     | (140,000)                  | -                                     | -                         | -                    | -                                | (1,180,000)                |
| Capital contributions from Shareholders' Fund                                | -                           | -                     | -                          | -                                     | -                         | 75,000               | 80,000                           | 155,000                    |
| Capital returned to Shareholders' fund                                       | -                           | -                     | -                          | -                                     | (50,000)                  | -                    | -                                | (50,000)                   |
| Qard-e-Hasna paid from Operators' Sub Fund to PTF                            | -                           | -                     | -                          | -                                     | -                         | (75,000)             | (105,000)                        | (180,000)                  |
| Qard-e-Hasna received by PTF from Operators' Sub Fund                        | -                           | -                     | -                          | -                                     | -                         | 75,000               | 105,000                          | 180,000                    |
| <b>Net transfer to / (from) Shareholders' Fund</b>                           | <b>(1,040,000)</b>          | <b>-</b>              | <b>(140,000)</b>           | <b>-</b>                              | <b>(50,000)</b>           | <b>75,000</b>        | <b>80,000</b>                    | <b>(1,075,000)</b>         |
| <b>Balance of Statutory Fund as at January 01, 2021</b>                      | <b>141,859,070</b>          | <b>1,783,864</b>      | <b>3,432,080</b>           | <b>189,995</b>                        | <b>22,582,478</b>         | <b>136,268</b>       | <b>339,273</b>                   | <b>170,323,028</b>         |
| <b>Balance of Statutory Fund as at June 30, 2021</b>                         | <b>143,640,201</b>          | <b>1,930,748</b>      | <b>3,549,643</b>           | <b>174,207</b>                        | <b>25,049,262</b>         | <b>164,776</b>       | <b>485,687</b>                   | <b>174,994,524</b>         |

\* The corresponding impact is already included in Net change in Insurance liabilities (Net of outstanding claims)

**28.2 Segmental Statement of Financial Position**  
**As at June 30, 2022**

|                                     | <b>Statutory<br/>Funds</b>   | <b>Shareholder's<br/>Fund</b> | <b>Total</b>       |
|-------------------------------------|------------------------------|-------------------------------|--------------------|
|                                     | ----- (Rupees in '000) ----- |                               |                    |
| Property and equipment              | -                            | 3,774,008                     | <b>3,774,008</b>   |
| Intangible assets                   | -                            | 152,179                       | <b>152,179</b>     |
| Right-of-use assets                 | -                            | 917,125                       | <b>917,125</b>     |
| Investments in an associate         | -                            | 210,330                       | <b>210,330</b>     |
| <b>Investments</b>                  |                              |                               |                    |
| Equity securities                   | 44,428,749                   | 110,072                       | <b>44,538,821</b>  |
| Government securities               | 88,334,563                   | 5,069,213                     | <b>93,403,776</b>  |
| Debt Securities                     | 7,259,051                    | -                             | <b>7,259,051</b>   |
| Term deposits                       | 14,650,000                   | 250,000                       | <b>14,900,000</b>  |
| Open-ended mutual funds             | 12,324,654                   | -                             | <b>12,324,654</b>  |
| Insurance / reinsurance receivables | 1,994,628                    | -                             | <b>1,994,628</b>   |
| Derivative financial instrument     | -                            | 59,872                        | <b>59,872</b>      |
| Other loans and receivables         | 2,531,334                    | 161,610                       | <b>2,692,944</b>   |
| Taxation - payments less provision  | -                            | 197,151                       | <b>197,151</b>     |
| Prepayments                         | 13,793                       | 254,441                       | <b>268,234</b>     |
| Cash and Bank                       | 2,095,577                    | 105,788                       | <b>2,201,365</b>   |
| <b>Total Assets</b>                 | <b>173,632,349</b>           | <b>11,261,789</b>             | <b>184,894,138</b> |
| <b>Liabilities</b>                  |                              |                               |                    |
| Insurance liabilities               | 162,643,645                  | -                             | <b>162,643,645</b> |
| Borrowing                           | -                            | 750,000                       | <b>750,000</b>     |
| Lease liabilities                   | -                            | 1,095,302                     | <b>1,095,302</b>   |
| Premium received in advance         | 1,407,652                    | -                             | <b>1,407,652</b>   |
| Insurance / reinsurance payables    | 102,206                      | -                             | <b>102,206</b>     |
| Other creditors and accruals        | 2,316,521                    | 1,264,547                     | <b>3,581,068</b>   |
| Financial charges payable           | -                            | 16,007                        | <b>16,007</b>      |
| Deferred taxation                   | -                            | 1,687,937                     | <b>1,687,937</b>   |
| Unpaid dividend                     | -                            | 543,298                       | <b>543,298</b>     |
| Unclaimed dividend                  | -                            | 38,690                        | <b>38,690</b>      |
| <b>Total Liabilities</b>            | <b>166,470,024</b>           | <b>5,395,781</b>              | <b>171,865,805</b> |

**Segmental Statement of Financial Position  
As at December 31, 2021**

|                                     | <b>Statutory<br/>Funds</b>  | <b>Shareholder's<br/>Fund</b> | <b>Total</b>       |
|-------------------------------------|-----------------------------|-------------------------------|--------------------|
|                                     | ------(Rupees in '000)----- |                               |                    |
| Property and equipment              | -                           | 3,786,877                     | 3,786,877          |
| Intangible assets                   | -                           | 182,501                       | 182,501            |
| Right-of-use assets                 | -                           | 821,407                       | 821,407            |
| Investment in an associates         | -                           | 174,198                       | 174,198            |
| <b>Investments</b>                  |                             |                               |                    |
| Equity securities                   | 64,431,316                  | 143,334                       | 64,574,650         |
| Government securities               | 75,498,387                  | 5,229,760                     | 80,728,147         |
| Debt securities                     | 6,899,809                   | -                             | 6,899,809          |
| Term deposits                       | 21,350,000                  | -                             | 21,350,000         |
| Open-ended mutual funds             | 4,425,295                   | -                             | 4,425,295          |
| Insurance / reinsurance receivables | 1,868,797                   | -                             | 1,868,797          |
| Derivative financial instrument     | -                           | 43,326                        | 43,326             |
| Other loans and receivables         | 2,013,309                   | 149,103                       | 2,162,412          |
| Taxation - payments less provision  | -                           | 348,763                       | 348,763            |
| Prepayments                         | 32,046                      | 73,971                        | 106,017            |
| Cash and Bank                       | 2,962,344                   | 117,381                       | 3,079,725          |
| <b>Total Assets</b>                 | <b>179,481,303</b>          | <b>11,070,621</b>             | <b>190,551,924</b> |
| <b>Liabilities</b>                  |                             |                               |                    |
| Insurance liabilities               | 168,762,520                 | -                             | 168,762,520        |
| Borrowing                           | -                           | 875,000                       | 875,000            |
| Lease liabilities                   | -                           | 1,041,893                     | 1,041,893          |
| Premium received in advance         | 1,091,677                   | -                             | 1,091,677          |
| Insurance / reinsurance payables    | 2,145                       | -                             | 2,145              |
| Other creditors and accruals        | 2,803,579                   | 1,307,132                     | 4,110,711          |
| Financial charges payable           | -                           | 11,423                        | 11,423             |
| Retirement benefit obligation       | 6,662                       | 4,012                         | 10,674             |
| Deferred taxation                   | -                           | 1,361,762                     | 1,361,762          |
| Unpaid dividend                     | -                           | 161,424                       | 161,424            |
| Unclaimed dividend                  | -                           | 54,063                        | 54,063             |
| <b>Total Liabilities</b>            | <b>172,666,583</b>          | <b>4,816,709</b>              | <b>177,483,292</b> |

| AS AT JUNE 30, 2022                                     |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
|---|------------------------|--------------------|-------------------|-----------------------|-------------------------------------|--------------------|------------|------------|---------|--------------------|
|   | Through profit or loss | Available-for-sale | Held-to-maturity  | Loans and receivables | Other financial asset / liabilities | Total              | Level 1    | Level 2    | Level 3 | Total              |
| (Rupees in '000)  |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| <b>Financial assets measured at fair value</b>          |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Listed equity securities                              | 44,168,095             | 370,726            | -                 | -                     | -                                   | 44,538,821         | 44,538,821 | -          | -       | 44,538,821         |
| - Government securities                                 |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Market treasury bills                                   | 52,130,330             | 20,259,976         | -                 | -                     | -                                   | 72,390,306         | -          | 72,390,306 | -       | 72,390,306         |
| Pakistan investment bonds                               | 9,636,354              | 80,465             | -                 | -                     | -                                   | 9,716,819          | -          | 9,716,819  | -       | 9,716,819          |
| GOP - Ijarah Sukuks                                     | 8,681,702              | 2,604,960          | -                 | -                     | -                                   | 11,286,662         | -          | 11,286,662 | -       | 11,286,662         |
| - Debt securities                                       |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Term Finance Certificates                               | 4,905,158              | 510,521            | -                 | -                     | -                                   | 5,415,679          | -          | 5,415,679  | -       | 5,415,679          |
| Ijarah Sukuks   | 1,776,994              | 66,378             | -                 | -                     | -                                   | 1,843,372          | -          | 1,843,372  | -       | 1,843,372          |
| - Mutual Funds  | 12,246,593             | 78,061             | -                 | -                     | -                                   | 12,324,654         | 12,324,654 | -          | -       | 12,324,654         |
| - Derivative financial instrument                       | 59,872                 | -                  | -                 | -                     | -                                   | 59,872             | -          | 59,872     | -       | 59,872             |
| <b>Financial assets not measured at fair value</b>      |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Shares of unlisted associate                          | -                      | -                  | -                 | -                     | 210,330                             | 210,330            |            |            |         | 210,330            |
| - Government securities                                 |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Pakistan Investment Bonds                               | -                      | -                  | 9,989             | -                     | -                                   | 9,989              |            |            |         | 9,989              |
| - Term deposits   | -                      | -                  | 14,900,000        | -                     | -                                   | 14,900,000         |            |            |         | 14,900,000         |
| - Other loans and receivables                           | -                      | -                  | -                 | 2,692,944             | -                                   | 2,692,944          |            |            |         | 2,692,944          |
| - Insurance / reinsurance receivables                   | -                      | -                  | -                 | 1,994,628             | -                                   | 1,994,628          |            |            |         | 1,994,628          |
| - Cash and bank balances                                | -                      | -                  | -                 | 2,201,365             | -                                   | 2,201,365          |            |            |         | 2,201,365          |
|   | <b>133,605,098</b>     | <b>23,971,087</b>  | <b>14,909,989</b> | <b>6,888,937</b>      | <b>210,330</b>                      | <b>179,585,441</b> |            |            |         | <b>179,585,441</b> |
| <b>Financial liabilities not measured at fair value</b> |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Insurance Liabilities                                 | -                      | -                  | -                 | -                     | 162,643,645                         | 162,643,645        |            |            |         | 162,643,645        |
| - Borrowing   | -                      | -                  | -                 | -                     | 750,000                             | 750,000            |            |            |         | 750,000            |
| - Lease liabilities                                     | -                      | -                  | -                 | -                     | 1,095,302                           | 1,095,302          |            |            |         | 1,095,302          |
| - Premiums / Contributions received in advance          | -                      | -                  | -                 | -                     | 1,407,652                           | 1,407,652          |            |            |         | 1,407,652          |
| - Insurance / reinsurance payables                      | -                      | -                  | -                 | -                     | 102,206                             | 102,206            |            |            |         | 102,206            |
| - Other creditors and accruals                          | -                      | -                  | -                 | -                     | 3,581,068                           | 3,581,068          |            |            |         | 3,581,068          |
| - Financial charges payable                             | -                      | -                  | -                 | -                     | 16,007                              | 16,007             |            |            |         | 16,007             |
| - Unpaid dividend                                       | -                      | -                  | -                 | -                     | 543,298                             | 543,298            |            |            |         | 543,298            |
| - Unclaimed dividend                                    | -                      | -                  | -                 | -                     | 38,690                              | 38,690             |            |            |         | 38,690             |
|   | <b>-</b>               | <b>-</b>           | <b>-</b>          | <b>-</b>              | <b>170,177,868</b>                  | <b>170,177,868</b> |            |            |         | <b>170,177,868</b> |
| AS AT JUNE 30, 2021                                     |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
|   | Through profit or loss | Available-for-sale | Held-to-maturity  | Loans and receivables | Other financial asset / liabilities | Total              | Level 1    | Level 2    | Level 3 | Total              |
| (Rupees in '000)  |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| <b>Financial assets measured at fair value</b>          |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Listed equity securities                              | 63,794,452             | 780,198            | -                 | -                     | -                                   | 64,574,650         | 64,574,650 | -          | -       | 64,574,650         |
| - Government securities                                 |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Market treasury bills                                   | 20,942,003             | 18,262,932         | -                 | -                     | -                                   | 39,204,935         | -          | 39,204,935 | -       | 39,204,935         |
| Pakistan investment bonds                               | 32,618,757             | 83,516             | -                 | -                     | -                                   | 32,702,273         | -          | 32,702,273 | -       | 32,702,273         |
| WAPDA bonds   | -                      | -                  | -                 | -                     | -                                   | -                  | -          | -          | -       | -                  |
| GOP - Ijarah Sukuks                                     | 6,462,345              | 2,348,608          | -                 | -                     | -                                   | 8,810,953          | -          | 8,810,953  | -       | 8,810,953          |
| - Debt securities                                       |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Term Finance Certificates                               | 4,367,065              | 514,729            | -                 | -                     | -                                   | 4,881,794          | -          | 4,881,794  | -       | 4,881,794          |
| Ijarah Sukuks   | 1,949,192              | 68,823             | -                 | -                     | -                                   | 2,018,015          | -          | 2,018,015  | -       | 2,018,015          |
| - Mutual Funds  | 4,269,835              | 155,460            | -                 | -                     | -                                   | 4,425,295          | 4,425,295  | -          | -       | 4,425,295          |
| - Derivative financial instrument                       | 43,326                 | -                  | -                 | -                     | -                                   | 43,326             | -          | 43,326     | -       | 43,326             |
| <b>Financial assets not measured at fair value</b>      |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Shares of unlisted associate                          | -                      | -                  | -                 | -                     | 174,198                             | 174,198            |            |            |         | 174,198            |
| - Government securities                                 |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| Pakistan Investment Bonds                               | -                      | -                  | 9,986             | -                     | -                                   | 9,986              |            |            |         | 9,986              |
| - Term deposits   | -                      | -                  | 21,350,000        | -                     | -                                   | 21,350,000         |            |            |         | 21,350,000         |
| - Other loans and receivables                           | -                      | -                  | -                 | 2,162,412             | -                                   | 2,162,412          |            |            |         | 2,162,412          |
| - Insurance / reinsurance receivables                   | -                      | -                  | -                 | 1,868,797             | -                                   | 1,868,797          |            |            |         | 1,868,797          |
| - Cash and bank balances                                | -                      | -                  | -                 | 3,079,725             | -                                   | 3,079,725          |            |            |         | 3,079,725          |
|   | <b>134,446,975</b>     | <b>22,214,266</b>  | <b>21,359,986</b> | <b>7,110,934</b>      | <b>174,198</b>                      | <b>185,306,359</b> |            |            |         | <b>185,306,359</b> |
| <b>Financial liabilities not measured at fair value</b> |                        |                    |                   |                       |                                     |                    |            |            |         |                    |
| - Insurance Liabilities                                 | -                      | -                  | -                 | -                     | 168,762,520                         | 168,762,520        |            |            |         | 168,762,520        |
| - Borrowing   | -                      | -                  | -                 | -                     | 875,000                             | 875,000            |            |            |         | 875,000            |
| - Lease liabilities                                     | -                      | -                  | -                 | -                     | 1,041,893                           | 1,041,893          |            |            |         | 1,041,893          |
| - Premiums / Contributions received in advance          | -                      | -                  | -                 | -                     | 1,091,677                           | 1,091,677          |            |            |         | 1,091,677          |
| - Insurance / reinsurance payables                      | -                      | -                  | -                 | -                     | 2,145                               | 2,145              |            |            |         | 2,145              |
| - Other creditors and accruals                          | -                      | -                  | -                 | -                     | 4,110,711                           | 4,110,711          |            |            |         | 4,110,711          |
| - Financial charges payable                             | -                      | -                  | -                 | -                     | 11,423                              | 11,423             |            |            |         | 11,423             |
| - Unpaid dividend                                       | -                      | -                  | -                 | -                     | 161,424                             | 161,424            |            |            |         | 161,424            |
| - Unclaimed dividend                                    | -                      | -                  | -                 | -                     | 54,063                              | 54,063             |            |            |         | 54,063             |
|   | <b>-</b>               | <b>-</b>           | <b>-</b>          | <b>-</b>              | <b>176,110,856</b>                  | <b>176,110,856</b> |            |            |         | <b>176,110,856</b> |

### 30 SUBSEQUENT EVENTS - NON ADJUSTING

The Board of Directors in their meeting held on August 24, 2022 recommended interim cash dividend of Rs. 3.00 (2021: Rs. 3.00) per share for the six months ended June 30, 2022, amounting to Rs. 261.79 million (2021: Rs. 261.79 million). The condensed interim financial statements does not recognize this appropriation which will be accounted for in the financial statements for the quarter ending September 30, 2022.

### 31 DATE OF AUTHORISATION FOR ISSUE

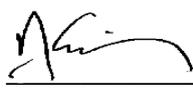
These condensed interim financial statements were authorised for issue on **August 24, 2022** by the Board of Directors of the Company.

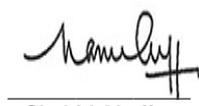
### 32 GENERAL

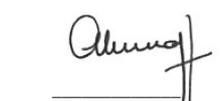
Figures in these condensed interim financial statements have been rounded off to the nearest thousand of rupees, unless otherwise stated.

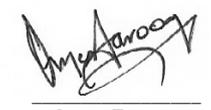


  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

# Statement of Directors

**As per the requirement of section 46(6) and section 52(2)(c) of the Insurance Ordinance, 2000**

## Section 46(6)

- a) In our opinion, the Condensed Interim Un-audited financial statements of Jubilee Life Insurance Company Limited for the half year ended June 30, 2022, set out in the forms attached to the statements have been drawn up in accordance with the Ordinance and any rules made there under;
- b) Jubilee Life Insurance Company Limited has at all the times in the period complied with the provisions of the Ordinance and the rules made there under relating to paid-up capital, solvency and reinsurance / retakaful arrangements; and
- c) As at June 30, 2022, Jubilee Life Insurance Company Limited continues to be in compliance with the provisions of the Ordinance and the rules made there under relating to paid-up capital, solvency and reinsurance / retakaful arrangements.

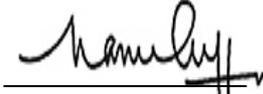
## Section 52(2)(c)

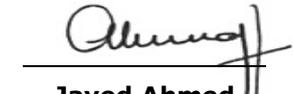
- d) In our opinion, each statutory fund of Jubilee Life Insurance Company Limited complies with the solvency requirements of the Insurance Ordinance, 2000, and the Insurance Rules, 2017.



  
**Kamal A. Chinoy**  
Chairman

  
**Aryn Currimbhoy**  
Director

  
**Shahid Ghaffar**  
Director

  
**Javed Ahmed**  
Managing Director &  
Chief Executive Officer

**Karachi, August 24, 2022**

# Statement by the Appointed Actuary

## Required Under Section 52(2)(a) & (b) of the Insurance Ordinance, 2000

In my opinion:

- a) The policyholder liabilities/technical liabilities in the balance sheet of Jubilee Life Insurance Company Limited as at 30.06.2022 have been determined in accordance with the provisions of the Insurance Ordinance, 2000; and
- b) Each Statutory Fund of Jubilee Life Insurance Company Limited complies with the solvency requirements of the Insurance Ordinance, 2000.

Date: July 21, 2022



**Nauman A. Cheema**

Appointed Actuary of the Company  
Fellow of the Society of Actuaries (USA)  
Fellow of the Pakistan Society of Actuaries

# Window Takaful Operations Condensed Interim - Financial Statements



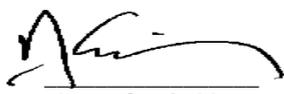
# Condensed Interim Statement of Financial Position - Window Takaful Operations (Un-audited / Un-reviewed)

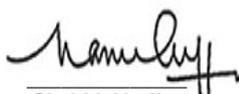
As at June 30, 2022

| Note  | June 30, 2022          |                        |                   | December 31, 2021 |                   |
|---|------------------------|------------------------|-------------------|-------------------|-------------------|
|   | Operator's<br>Sub Fund | Participants'<br>Funds | Total             | Total             |                   |
| ----- (Rupees in '000) -----  |                        |                        |                   |                   |                   |
| <b>Assets</b>   |                        |                        |                   |                   |                   |
| Investments   |                        |                        |                   |                   |                   |
| Equity securities   | 4                      | 39,724                 | 7,895,102         | 7,934,826         | 10,208,855        |
| Government securities   | 5                      | 1,254,963              | 7,737,909         | 8,992,872         | 7,166,933         |
| Debt securities   | 6                      | 66,378                 | 986,176           | 1,052,554         | 1,136,185         |
| Certificates of investment  | 7                      | 11,000                 | 8,031,000         | 8,042,000         | 5,235,000         |
| Open-ended mutual funds   | 8                      | 25,019                 | 1,925,866         | 1,950,885         | 2,990,227         |
| Takaful / retakaful receivables   |                        | -                      | 217,922           | 217,922           | 286,611           |
| Other loans and receivables   |                        | 113,036                | 755,364           | 867,200           | 630,012           |
| Prepayments   |                        | 6,150                  | -                 | 6,150             | 17,290            |
| Cash & Bank   | 9                      | 36,963                 | 466,674           | 503,637           | 1,050,650         |
| <b>Total Assets</b>   |                        | <b>1,553,233</b>       | <b>28,016,013</b> | <b>29,568,046</b> | <b>28,721,763</b> |
| <b>Equity and Liabilities</b>   |                        |                        |                   |                   |                   |
| Money ceded to waqf fund  |                        | -                      | 500               | 500               | 500               |
| Capital contributed from Shareholder Fund   |                        | 619,000                | -                 | 619,000           | 619,000           |
| Qard-e-Hasna contributed by the<br>Window takaful operator  |                        | (664,500)              | 664,500           | -                 | -                 |
| Loss on revaluation of<br>available-for-sale investments  |                        | (10,279)               | -                 | (10,279)          | (6,190)           |
| Retained earnings arising from business other than<br>participating business attributable to shareholders<br>(Ledger account D) |                        | 387,355                | -                 | 387,355           | 430,907           |
| <b>Total Equity</b>   |                        | <b>331,576</b>         | <b>665,000</b>    | <b>996,576</b>    | <b>1,044,217</b>  |
| <b>Liabilities</b>  |                        |                        |                   |                   |                   |
| Takaful liabilities   | 10                     | 110,791                | 27,131,717        | 27,242,508        | 26,409,801        |
| Retirement benefit obligation   |                        | -                      | -                 | -                 | 826               |
| Contribution received in advance  |                        | 121,243                | 86,562            | 206,605           | 118,277           |
| Takaful / retakaful payables  |                        | -                      | 67,327            | 67,327            | -                 |
| Other creditors and accruals  |                        | 806,224                | 65,407            | 871,631           | 977,131           |
| Deferred tax  |                        | 183,399                | -                 | 183,399           | 171,511           |
| <b>Total Liabilities</b>  |                        | <b>1,221,657</b>       | <b>27,351,013</b> | <b>28,571,470</b> | <b>27,677,546</b> |
| <b>Contingencies and commitments</b>  | 11                     |                        |                   |                   |                   |
| <b>Total Equity and Liabilities</b>   |                        | <b>1,553,233</b>       | <b>28,016,013</b> | <b>29,568,046</b> | <b>28,721,763</b> |

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

  
Kamal A. Chinoy  
Chairman

  
Amyn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

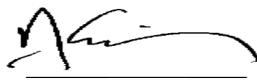
# Condensed Interim Profit and Loss Account - Window Takaful Operations (Un-audited / Un-reviewed)

For the Half Year and Quarter ended June 30, 2022

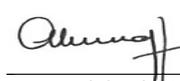
| Note   | Half Year Ended  |                  |                     |                  | Quarter Ended    |                  |                     |                  | Aggregate |             |           |
|--|------------------|------------------|---------------------|------------------|------------------|------------------|---------------------|------------------|-----------|-------------|-----------|
|  | Operator's       | Sub Fund         | Participants' Funds |                  | Operator's       | Sub Fund         | Participants' Funds |                  | June 30,  | June 30,    |           |
|  | June 30,<br>2022 | June 30,<br>2021 | June 30,<br>2022    | June 30,<br>2021 | June 30,<br>2022 | June 30,<br>2021 | June 30,<br>2022    | June 30,<br>2021 | 2022      | 2021        |           |
|  | (Rupees in '000) |                  |                     |                  |                  |                  |                     |                  |           |             |           |
| Contribution revenue   | 945,928          | 1,301,919        | 4,820,521           | 4,558,344        | 513,070          | 624,342          | 2,123,993           | 1,995,128        | 5,766,449 | 5,860,263   |           |
| Contribution ceded to retakaful  | -                | -                | (217,326)           | (137,788)        | -                | -                | (73,945)            | (69,301)         | (217,326) | (137,788)   |           |
| <b>Net contribution revenue</b>  | 12               | 945,928          | 1,301,919           | 4,603,195        | 4,420,556        | 513,070          | 624,342             | 2,050,048        | 1,925,827 | 5,549,123   | 5,722,475 |
| Fee income   | -                | -                | 297                 | 28               | -                | -                | 263                 | 12               | 297       | 28          |           |
| Takaful Operator's Fee   | 624,809          | 550,237          | (624,809)           | (550,237)        | 265,412          | 265,996          | (265,412)           | (265,996)        | -         | -           |           |
| Mudarib fee  | 32,316           | 19,767           | (32,316)            | (19,767)         | 20,602           | 9,537            | (20,602)            | (9,537)          | -         | -           |           |
| Investment income  | 13               | 73,159           | 45,078              | 999,923          | 526,999          | 39,482           | 21,789              | 544,793          | 326,048   | 1,073,082   | 572,077   |
| Net realised fair value gains / (losses) on financial assets                             | 14               | 7,931            | 8,807               | (87,614)         | 334,335          | 9,807            | 4,708               | (92,926)         | 140,995   | (79,683)    | 343,142   |
| Net fair value (losses) / gains on financial assets at fair value through profit or loss | 15               | (3)              | (14)                | (1,300,804)      | 102,586          | (2)              | (7)                 | (1,037,208)      | 303,620   | (1,300,807) | 102,572   |
| Other income   | 9,048            | 10,586           | 4,633               | 6,394            | 4,255            | 4,540            | 3,200               | 3,680            | 13,681    | 16,980      |           |
|  |                  | 747,260          | 634,461             | (1,040,690)      | 400,338          | 339,556          | 306,563             | (867,892)        | 498,822   | (293,430)   | 1,034,799 |
| <b>Net income</b>  |                  | 1,693,188        | 1,936,380           | 3,562,505        | 4,820,894        | 852,626          | 930,905             | 1,182,156        | 2,424,649 | 5,255,693   | 6,757,274 |
| Takaful benefits   | 53,500           | (42,867)         | 2,744,998           | 2,556,693        | 25,466           | (43,756)         | 1,329,089           | 1,211,191        | 2,798,498 | 2,513,826   |           |
| Recoveries from retakaful  | -                | -                | (77,887)            | (133,598)        | -                | -                | (38,741)            | (59,502)         | (77,887)  | (133,598)   |           |
| Claims related expenses  | -                | -                | 396                 | 236              | -                | -                | 158                 | 137              | 396       | 236         |           |
| <b>Net Takaful Benefits</b>  | 16               | 53,500           | (42,867)            | 2,667,507        | 2,423,331        | 25,466           | (43,756)            | 1,290,506        | 1,151,826 | 2,721,007   | 2,380,464 |
| Net change in takaful liabilities (other than outstanding claims)                        | 13,823           | 9,472            | 898,904             | 2,398,707        | (23,368)         | (20,542)         | (108,017)           | 1,276,164        | 912,727   | 2,408,179   |           |
| Acquisition expenses   | 17               | 1,101,680        | 1,275,643           | 978              | 1,209            | 579,071          | 581,583             | 469              | 434       | 1,102,658   | 1,276,852 |
| Marketing and administration expenses  | 18               | 530,150          | 536,236             | (4,884)          | (2,353)          | 207,824          | 264,609             | (802)            | (3,775)   | 525,266     | 533,883   |
| Other expenses   | 2,125            | 3,870            | -                   | -                | 815              | 2,657            | -                   | -                | 2,125     | 3,870       |           |
| <b>Total Expenses</b>  |                  | 1,647,778        | 1,825,221           | 894,998          | 2,397,563        | 764,342          | 828,307             | (108,350)        | 1,272,823 | 2,542,776   | 4,222,784 |
| Finance cost   | (21,041)         | (24,104)         | -                   | -                | (5,943)          | (9,030)          | -                   | -                | (21,041)  | (24,104)    |           |
| <b>(Loss) / Profit before tax</b>  |                  | (29,131)         | 129,922             | -                | -                | 56,875           | 137,324             | -                | -         | (29,131)    | 129,922   |
| Income tax expense   | 19               | (14,421)         | (34,593)            | -                | -                | (39,527)         | (36,750)            | -                | -         | (14,421)    | (34,593)  |
| <b>(Loss) / Profit after tax for the period</b>  |                  | (43,552)         | 95,329              | -                | -                | 17,348           | 100,574             | -                | -         | (43,552)    | 95,329    |

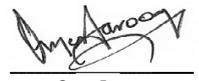
The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

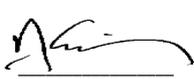
# Condensed Interim Statement of Comprehensive Income - Window Takaful Operations (Un-audited / Un-reviewed)

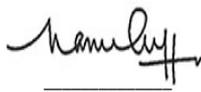
For the Half Year and Quarter ended June 30, 2022

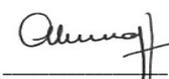
|   | Half Year Ended     |               |                     |               | Quarter Ended       |               |                     |               | Aggregate       |               |
|---|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|-----------------|---------------|
|   | Operator's Sub Fund |               | Participants' Funds |               | Operator's Sub Fund |               | Participants' Funds |               | June 30, 2022   | June 30, 2021 |
|   | June 30, 2022       | June 30, 2021 |                 |               |
|   | (Rupees in '000)    |               |                     |               |                     |               |                     |               |                 |               |
| <b>(Loss) / Profit after tax for the period - as per Profit and Loss Account</b>              | <b>(43,552)</b>     | 95,329        | -                   | -             | <b>17,348</b>       | 100,574       | -                   | -             | <b>(43,552)</b> | 95,329        |
| <b>Other comprehensive income / (loss):</b>   |                     |               |                     |               |                     |               |                     |               |                 |               |
| <b>Items that may be classified to profit and loss account in subsequent period:</b>          |                     |               |                     |               |                     |               |                     |               |                 |               |
| Change in unrealised (losses) / gains on available-for-sale financial assets                  | (2,634)             | 4,120         | -                   | -             | (3,413)             | 8,157         | -                   | -             | (2,634)         | 4,120         |
| Reclassification adjustment relating to available-for-sale investments sold during the period | (3,988)             | (5,515)       | -                   | -             | (5,962)             | (2,199)       | -                   | -             | (3,988)         | (5,515)       |
| Related deferred tax  | (6,622)             | (1,395)       | -                   | -             | (9,375)             | 5,958         | -                   | -             | (6,622)         | (1,395)       |
| Change in unrealised (losses) / gains on available-for-sale financial assets - net            | 2,533               | 405           | -                   | -             | 3,331               | (1,727)       | -                   | -             | 2,533           | 405           |
| <b>Other comprehensive (loss) / income for the period</b>                                     | <b>(4,089)</b>      | (990)         | -                   | -             | <b>(6,044)</b>      | 4,231         | -                   | -             | <b>(4,089)</b>  | (990)         |
| <b>Total comprehensive (loss) / income for the period</b>                                     | <b>(47,641)</b>     | 94,339        | -                   | -             | <b>11,304</b>       | 104,805       | -                   | -             | <b>(47,641)</b> | 94,339        |

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

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &

  
Omer Farooq  
Chief Financial Officer

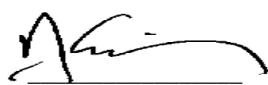
# Condensed Interim Cash Flow Statement - Window Takaful Operations (Un-audited / Un-reviewed)

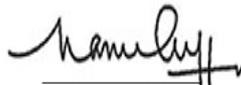
For the Half Year ended June 30, 2022

|   | Note | June 30,<br>2022 | June 30,<br>2021 |
|---|------|------------------|------------------|
| ----- (Rupees in '000) -----                              |      |                  |                  |
| <b>Operating Cash flows</b>                               |      |                  |                  |
| (a) Takaful activities                                    |      |                  |                  |
| Takaful contribution received                             |      | 5,855,197        | 5,891,883        |
| Retakaful contribution paid                               |      | (156,517)        | (158,319)        |
| Claims paid   |      | (824,624)        | (894,710)        |
| Surrenders paid   |      | (2,054,290)      | (1,518,333)      |
| Retakaful and other recoveries received                   |      | 146,156          | 95,598           |
| Hadia paid  |      | (710,939)        | (998,876)        |
| Hadia received  |      | 6,518            | 7,817            |
| Marketing and administrative expenses paid                |      | (273,936)        | (165,622)        |
| Other acquisition cost paid                               |      | (599,625)        | (615,615)        |
| Net cash inflow from underwriting activities              |      | 1,387,940        | 1,643,823        |
| (b) Other operating activities                            |      |                  |                  |
| Other operating payments                                  |      | (157,252)        | (471,131)        |
| Other operating receipts                                  |      | 711              | 1,369            |
| Inter-fund transactions                                   |      | (149,836)        | (138,603)        |
| Net cash outflow from other operating activities          |      | (306,377)        | (608,365)        |
| <b>Total cash inflow in all operating activities</b>      |      | <b>1,081,563</b> | <b>1,035,458</b> |
| <b>Investment activities</b>                              |      |                  |                  |
| Profit / return received                                  |      | 788,825          | 521,981          |
| Dividend received   |      | 187,107          | 221,228          |
| Payment for investments                                   |      | (5,062,635)      | (16,627,301)     |
| Proceed from sale of investments                          |      | 5,265,127        | 18,026,696       |
| <b>Total cash inflow from investing activities</b>        |      | <b>1,178,424</b> | <b>2,142,604</b> |
| <b>Financing activities</b>                               |      |                  |                  |
| Capital contributed from shareholders' fund               |      | -                | 155,000          |
| Capital returned to shareholders' fund                    |      | -                | (50,000)         |
| <b>Total cash inflow in financing activities</b>          |      | <b>-</b>         | <b>105,000</b>   |
| <b>Net cash inflow from all activities</b>                |      | <b>2,259,987</b> | <b>3,283,062</b> |
| Cash and cash equivalents at beginning of the period      |      | 6,285,650        | 2,837,393        |
| <b>Cash and cash equivalents at the end of the period</b> | 9    | <b>8,545,637</b> | <b>6,120,455</b> |
| <b>Reconciliation to Profit and Loss Account</b>          |      |                  |                  |
| Operating cash flows                                      |      | 1,081,563        | 1,035,458        |
| Depreciation expense                                      |      | (114,555)        | (127,274)        |
| Amortisation expense                                      |      | (13,296)         | (14,680)         |
| Increase in assets other than cash                        |      | 57,360           | 407,137          |
| Decrease in liabilities                                   |      | (744,414)        | (2,236,574)      |
| (losses) / Gains on sale of investments                   |      | (79,683)         | 343,142          |
| Revaluation (losses) / gains on investments               |      | (1,282,266)      | 133,028          |
| Investment income   |      | 1,072,780        | 579,196          |
| Finance cost on lease liabilities                         |      | (21,041)         | (24,104)         |
| <b>(Loss) / Profit after tax for the period</b>           |      | <b>(43,552)</b>  | <b>95,329</b>    |

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

  
Kamal A. Chinoy  
Chairman

  
Amyn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

# Statement of Changes in Equity - Window Takaful Operations (Un-audited / Un-reviewed)

For the Half Year ended June 30, 2022

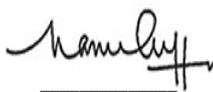
|  | Money ceded to waqf fund | Capital Contributed from Shareholder Fund | (Loss) / gain on revaluation of available-for-sale investments | Retained earnings arising from business other than participating business attributable to shareholders (Ledger Account D) - net of tax* | Total            |
|--|--------------------------|---|--|---|------------------|
| (Rupees in '000)   |                          |   |  |   |                  |
| <b>Balance as at January 01, 2021</b>                      | <b>500</b>               | <b>459,000</b>                            | <b>3,330</b>   | <b>200,716</b>  | <b>663,546</b>   |
| <b>Total comprehensive income / (loss) for the period</b>  |                          |   |  |   |                  |
| Profit for the period after tax                            | -                        | -   | -  | 95,329  | 95,329           |
| Other comprehensive loss - net of tax                      | -                        | -   | (990)  | 95,329  | 94,339           |
| <b>Transactions with owner directly recorded in equity</b> |                          |   |  |   |                  |
| Capital Contributions from Shareholder's fund              | -                        | 155,000                                   | -  | -   | 155,000          |
| Capital returned to shareholder's fund                     | -                        | (50,000)                                  | -  | -   | (50,000)         |
|  | -                        | 105,000                                   | -  | -   | 105,000          |
| <b>Balance as at June 30, 2021</b>                         | <b>500</b>               | <b>564,000</b>                            | <b>2,340</b>   | <b>296,045</b>  | <b>862,885</b>   |
| <b>Balance as at January 01, 2022</b>                      | <b>500</b>               | <b>619,000</b>                            | <b>(6,190)</b>   | <b>430,907</b>  | <b>1,044,217</b> |
| <b>Total comprehensive income / (loss) for the period</b>  |                          |   |  |   |                  |
| Loss for the period after tax                              | -                        | -   | -  | (43,552)  | (43,552)         |
| Other comprehensive loss - net of tax                      | -                        | -   | (4,089)  | -   | (4,089)          |
|  | -                        | -   | (4,089)  | (43,552)  | (47,641)         |
| <b>Balance as at June 30, 2022</b>                         | <b>500</b>               | <b>619,000</b>                            | <b>(10,279)</b>  | <b>387,355</b>  | <b>996,576</b>   |

\* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

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

  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &

  
Omer Farooq  
Chief Financial Officer

# Notes to and forming part of the Financial Statements - Window Takaful Operations (Un-audited / Un-reviewed)

For the Half Year ended June 30, 2022

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Jubilee Life Insurance Company Limited (the Company) was incorporated in Pakistan on June 29, 1995 as a public limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange. The Company started its business on June 20, 1996. The addresses of its registered and principal office are 26 - D, 3rd Floor, Kashmir Plaza, Jinnah Avenue, Blue Area, Islamabad and Jubilee Life Insurance Building, 74/1-A, Lalazar, M.T. Khan Road, Karachi, respectively.
- 1.2 The Company was issued the Certificate of authorization for commencement of Window Takaful Operations under Rule 6 of the Takaful Rules, 2012 by the Securities and Exchange Commission of Pakistan (SECP) vide Authorization Reference no. 7 dated June 17, 2015. The Company launched the Window Takaful Operations on July 13, 2015.
- 1.3 The Company is a subsidiary of Aga Khan Fund For Economic Development, S.A., Switzerland.

## 2 BASIS OF PREPARATION

### 2.1 Statement of Compliance

These condensed interim financial statements for Window Takaful Operations of the Company have been prepared to comply with the requirement of Securities and Exchange Commission of Pakistan (SECP) vide its Circular No. 15 of 2019 dated November 18, 2019 in which Life Insurers carrying out Window Takaful Operations are required to prepare separately, the financial statements for Family Takaful Operations as if these are carried out by a standalone Takaful Operator.

These condensed financial statements of the Window Takaful Operations have been prepared in accordance with the 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; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

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

### 2.2 Standards, interpretations of and amendments to accounting standards that have become effective during the period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these condensed interim financial statements.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & FINANCIAL RISK MANAGEMENT /JUDGEMENTS AND ESTIMATES

- 3.1 The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual financial statements of the Window Takaful Operations of the Company for the year ended December 31, 2021.
- 3.2 The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Window Takaful Operations of the Company for the year ended December 31, 2021. In preparing these condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements of the Window Takaful Operations of the Company for the year ended December 31, 2021.

| 4 INVESTMENTS IN EQUITY SECURITIES   | Note | June 30, 2022    | December 31, 2021 |
|--------------------------------------|------|------------------|-------------------|
|                                      |      | (Rupees in '000) |                   |
| At fair value through profit or loss | 4.1  | 7,895,102        | 10,166,850        |
| Available-for-sale                   | 4.2  | 39,724           | 42,005            |
|                                      |      | <b>7,934,826</b> | <b>10,208,855</b> |

#### 4.1 At fair value through profit or loss

|                            | June 30, 2022     |                        |                  | December 31, 2021 |                        |                   |
|----------------------------|-------------------|------------------------|------------------|-------------------|------------------------|-------------------|
|                            | Cost              | Impairment / provision | Carrying value   | Cost              | Impairment / provision | Carrying value    |
|                            | (Rupees in '000)  |                        |                  | (Rupees in '000)  |                        |                   |
| Other than related parties | 10,110,584        | -                      | 7,895,102        | 11,591,422        | -                      | 10,166,850        |
|                            | <b>10,110,584</b> | <b>-</b>               | <b>7,895,102</b> | <b>11,591,422</b> | <b>-</b>               | <b>10,166,850</b> |

#### 4.2 Available-for-sale

|                            | June 30, 2022    |                        |                | December 31, 2021 |                        |                |
|----------------------------|------------------|------------------------|----------------|-------------------|------------------------|----------------|
|                            | Cost             | Impairment / provision | Carrying value | Cost              | Impairment / provision | Carrying value |
|                            | (Rupees in '000) |                        |                | (Rupees in '000)  |                        |                |
| Other than related parties | 50,090           | -                      | 39,724         | 50,090            | -                      | 42,005         |
|                            | <b>50,090</b>    | <b>-</b>               | <b>39,724</b>  | <b>50,090</b>     | <b>-</b>               | <b>42,005</b>  |

#### 5 INVESTMENT IN GOVERNMENT SECURITIES

| 5 INVESTMENT IN GOVERNMENT SECURITIES | Note      | June 30, 2022    | December 31, 2021 |
|---------------------------------------|-----------|------------------|-------------------|
|                                       |           | (Rupees in '000) |                   |
| At fair value through profit or loss  | 5.1 \ 5.3 | 6,387,912        | 4,818,325         |
| Available-for-sale                    | 5.2 \ 5.4 | 2,604,960        | 2,348,608         |
|                                       |           | <b>8,992,872</b> | <b>7,166,933</b>  |

|   | June 30, 2022    |                     |                  |                     |                  |
|---|------------------|---------------------|------------------|---------------------|------------------|
|   | Maturity Year    | Effective Yield (%) | Amortised Cost   | Principal Repayment | Carrying Value   |
|   | (Rupees in '000) |                     |                  |                     |                  |
| <b>5.1 At fair value through profit or loss</b> |                  |                     |                  |                     |                  |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.98%              | 513,322          | 512,690             | 511,049          |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.79%              | 3,449,006        | 3,562,000           | 3,453,715        |
| 05 Years GoP Ijara Sukuk                        | 2026             | 14.62%              | 226,564          | 228,000             | 227,840          |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.57%              | 300,300          | 300,000             | 300,090          |
| 05 Years GoP Ijara Sukuk                        | 2027             | 13.61%              | 906,000          | 906,000             | 903,101          |
| 05 Years GoP Ijara Sukuk                        | 2026             | 12.60%              | 858,847          | 840,000             | 806,400          |
| 05 Years GoP Ijara Sukuk                        | 2025             | 10.64%              | 186,817          | 186,650             | 185,717          |
|   |                  |                     | <b>6,440,856</b> | <b>6,535,340</b>    | <b>6,387,912</b> |
| <b>5.2 Available-for-sale</b>                   |                  |                     |                  |                     |                  |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.98%              | 738,494          | 737,310             | 734,951          |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.79%              | 1,106,060        | 1,133,000           | 1,098,557        |
| 05 Years GoP Ijara Sukuk                        | 2026             | 14.62%              | 21,996           | 22,000              | 21,985           |
| 05 Years GoP Ijara Sukuk                        | 2025             | 14.57%              | 200,360          | 200,000             | 200,060          |
| 05 Years GoP Ijara Sukuk                        | 2027             | 13.61%              | 93,957           | 94,000              | 93,699           |
| 05 Years GoP Ijara Sukuk                        | 2026             | 12.60%              | 10,224           | 10,000              | 9,600            |
| 05 Years GoP Ijara Sukuk                        | 2025             | 10.64%              | 448,350          | 448,350             | 446,108          |
|   |                  |                     | <b>2,619,441</b> | <b>2,644,660</b>    | <b>2,604,960</b> |

|   |                     | December 31, 2021 |                     |                  |                              |
|---|---------------------|-------------------|---------------------|------------------|------------------------------|
| Maturity Year                                   | Effective Yield (%) | Amortised Cost    | Principal Repayment | Carrying Value   |                              |
|   |                     |                   |                     |                  | ----- (Rupees in '000) ----- |
| <b>5.3 At fair value through profit or loss</b> |                     |                   |                     |                  |                              |
| 05 Years GoP Ijara Sukuk                        | 2025                | 8.76%             | 3,471,204           | 3,562,000        | 3,436,974                    |
| 05 Years GoP Ijara Sukuk                        | 2025                | 11.21%            | 656,558             | 652,690          | 653,865                      |
| 05 Years GoP Ijara Sukuk                        | 2025                | 10.01%            | 502,300             | 500,000          | 500,900                      |
| 05 Years GoP Ijara Sukuk                        | 2026                | 8.86%             | 228,046             | 228,000          | 226,586                      |
|   |                     |                   | <b>4,858,108</b>    | <b>4,942,690</b> | <b>4,818,325</b>             |

|                               |                     | December 31, 2021 |                     |                  |                              |
|-------------------------------|---------------------|-------------------|---------------------|------------------|------------------------------|
| Maturity Year                 | Effective Yield (%) | Amortised Cost    | Principal Repayment | Carrying Value   |                              |
|                               |                     |                   |                     |                  | ----- (Rupees in '000) ----- |
| <b>5.4 Available-for-sale</b> |                     |                   |                     |                  |                              |
| 05 Years GoP Ijara Sukuk      | 2025                | 11.21%            | 598,757             | 597,310          | 598,385                      |
| 05 Years GoP Ijara Sukuk      | 2025                | 7.19%             | 636,614             | 635,000          | 635,127                      |
| 05 Years GoP Ijara Sukuk      | 2025                | 8.76%             | 1,103,902           | 1,133,000        | 1,093,232                    |
| 05 Years GoP Ijara Sukuk      | 2026                | 8.86%             | 22,004              | 22,000           | 21,864                       |
|                               |                     |                   | <b>2,361,277</b>    | <b>2,387,310</b> | <b>2,348,608</b>             |

|   |  | Note | June 30, 2022    | December 31, 2021 |                              |
|---|--|------|------------------|-------------------|------------------------------|
|   |  |      |                  |                   | ----- (Rupees in '000) ----- |
| <b>6 INVESTMENTS IN DEBT SECURITIES</b> |  |      |                  |                   |                              |
| At fair value through profit or loss    |  | 6.1  | <b>986,176</b>   | 1,067,363         |                              |
| Available-for-sale                      |  | 6.2  | <b>66,378</b>    | 68,822            |                              |
|   |  |      | <b>1,052,554</b> | <b>1,136,185</b>  |                              |

|                  |       | June 30, 2022          |                |                | December 31, 2021      |                |                              |
|------------------|-------|------------------------|----------------|----------------|------------------------|----------------|------------------------------|
| Note             | Cost  | Impairment / provision | Carrying value | Cost           | Impairment / provision | Carrying value |                              |
|                  |       |                        |                |                |                        |                | ----- (Rupees in '000) ----- |
| Corporate Sukuks | 6.1.1 | <b>955,000</b>         | -              | <b>986,176</b> | 1,048,143              | -              | 1,067,363                    |

|   |  | Number of Certificates |                   | Face Value | Carrying Value |                   |                              |
|---|--|------------------------|-------------------|------------|----------------|-------------------|------------------------------|
|   |  | June 30, 2022          | December 31, 2021 |            | June 30, 2022  | December 31, 2021 |                              |
|   |  |                        |                   |            |                |                   | ----- (Rupees in '000) ----- |
| <b>6.1.1 Corporate Sukuks</b>                 |  |                        |                   |            |                |                   |                              |
| - K-Electric Limited - Sukuk                  |  | <b>150,000</b>         | 160,000           | 5,000      | <b>765,900</b> | 770,045           |                              |
| - Neelum Jehlum - Sukuk                       |  | <b>2,500</b>           | 2,500             | 100,000    | <b>115,531</b> | 144,361           |                              |
| - HUBCO - Sukuk                               |  | <b>1,000</b>           | 1,000             | 100,000    | <b>78,907</b>  | 103,615           |                              |
| - Dubai Islamic Bank Pakistan Limited - Sukuk |  | <b>25</b>              | 25                | 1,000,000  | <b>25,838</b>  | 25,838            |                              |
| - International Brands Limited - Sukuk        |  | -                      | 1,400             | 100,000    | -              | 23,504            |                              |
|   |  |                        |                   |            | <b>986,176</b> | <b>1,067,363</b>  |                              |

|                  |       | June 30, 2022          |                |               | December 31, 2021      |                |                              |
|------------------|-------|------------------------|----------------|---------------|------------------------|----------------|------------------------------|
| Note             | Cost  | Impairment / provision | Carrying value | Cost          | Impairment / provision | Carrying value |                              |
|                  |       |                        |                |               |                        |                | ----- (Rupees in '000) ----- |
| Corporate Sukuks | 6.2.1 | <b>65,000</b>          | -              | <b>66,378</b> | 67,583                 | -              | 68,822                       |

|                               | Number of Certificates |                   | Face Value | Value of Certificates |                   |
|-------------------------------|------------------------|-------------------|------------|-----------------------|-------------------|
|                               | June 30, 2022          | December 31, 2021 |            | June 30, 2022         | December 31, 2021 |
| ----- (Rupees in '000) -----  |                        |                   |            |                       |                   |
| <b>6.2.1 Corporate Sukuks</b> |                        |                   |            |                       |                   |
| - K-Electric Limited - Sukuk  | 13,000                 | 18,000            | 5,000      | 66,378                | 68,822            |
|                               |                        |                   |            | <b>66,378</b>         | <b>68,822</b>     |

|  | Note | June 30, 2022                | December 31, 2021 |
|--|------|------------------------------|-------------------|
|  |      | ----- (Rupees in '000) ----- |                   |
| <b>7 CERTIFICATES OF INVESTMENT</b>    |      |                              |                   |
| Certificates maturing within 12 months | 7.1  | <b>8,042,000</b>             | 5,235,000         |

7.1 The rates of return on these certificates of investment ranges from 15.25% to 15.50% per annum (2021: 10.50% to 11.30% per annum).

|   | Note | June 30, 2022                | December 31, 2021 |
|---|------|------------------------------|-------------------|
|   |      | ----- (Rupees in '000) ----- |                   |
| <b>8 INVESTMENTS IN OPEN-ENDED MUTUAL FUNDS</b> |      |                              |                   |
| At fair value through profit or loss            | 8.1  | <b>1,872,824</b>             | 2,834,767         |
| Available-for-sale                              | 8.2  | <b>78,061</b>                | 155,460           |
|   |      | <b>1,950,885</b>             | <b>2,990,227</b>  |

|   | June 30, 2022    |                        |                  | December 31, 2021 |                        |                  |
|---|------------------|------------------------|------------------|-------------------|------------------------|------------------|
|   | Cost             | Impairment / provision | Carrying value   | Cost              | Impairment / provision | Carrying value   |
| ----- (Rupees in '000) -----                    |                  |                        |                  |                   |                        |                  |
| <b>8.1 At fair value through profit or loss</b> |                  |                        |                  |                   |                        |                  |
| Related Parties                                 | 408,729          | -                      | 407,068          | 100,000           | -                      | 102,132          |
| Others than related parties                     | 1,631,956        | -                      | 1,465,756        | 2,750,847         | -                      | 2,732,635        |
|   | <b>2,040,685</b> | -                      | <b>1,872,824</b> | <b>2,850,847</b>  | -                      | <b>2,834,767</b> |
| <b>8.2 Available-for-sale</b>                   |                  |                        |                  |                   |                        |                  |
| Others than related parties                     | 78,000           | -                      | 78,061           | 149,274           | -                      | 155,460          |
|   | <b>78,000</b>    | -                      | <b>78,061</b>    | <b>149,274</b>    | -                      | <b>155,460</b>   |

|                                | Note | June 30, 2022                | December 31, 2021 |
|--------------------------------|------|------------------------------|-------------------|
|                                |      | ----- (Rupees in '000) ----- |                   |
| <b>9 CASH &amp; BANK</b>       |      |                              |                   |
| <b>Cash and stamps in hand</b> |      |                              |                   |
| - Cash in hand                 |      | 4,952                        | 20,128            |
| - Policy & revenue stamps      |      | 8,862                        | 7,188             |
|                                |      | <b>13,814</b>                | <b>27,316</b>     |
| <b>Cash at bank</b>            |      |                              |                   |
| - In current accounts          |      | 93                           | 31                |
| - In Islamic savings           | 9.1  | <b>489,730</b>               | 1,023,303         |
|                                |      | <b>489,823</b>               | 1,023,334         |
|                                |      | <b>503,637</b>               | <b>1,050,650</b>  |

9.1 These carry profit ranging from 5.50% to 13.80% (2021: 2.25% to 10.50%) per annum.

|  | June 30, 2022                | June 30, 2021    |
|--|------------------------------|------------------|
|  | ----- (Rupees in '000) ----- |                  |
| <b>Cash and cash equivalents include the following for the purposes of the cash flow statement</b> |                              |                  |
| Cash and bank  | 503,637                      | 920,455          |
| Certificates of investment with original maturity of three months or less                          | 8,042,000                    | 5,200,000        |
|  | <b>8,545,637</b>             | <b>6,120,455</b> |

|  | Note | June 30,<br>2022  | December 31,<br>2021 |
|--|------|-------------------|----------------------|
| ----- (Rupees in '000) -----   |      |                   |                      |
| <b>10 TAKAFUL LIABILITES</b>   |      |                   |                      |
| Reported outstanding claims (including claims in payment)                            | 10.1 | 369,162           | 442,337              |
| Incurred but not reported claims   | 10.2 | 203,613           | 206,034              |
| Investment component of unit-linked and account value policies                       | 10.3 | 26,060,382        | 25,253,332           |
| Liabilities under group takaful contracts (other than investment linked)             | 10.4 | 200,402           | 121,847              |
| Participant takaful fund balance   | 10.5 | 276,500           | 242,142              |
| Other takaful liabilities  | 10.6 | 132,449           | 144,109              |
|  |      | <b>27,242,508</b> | <b>26,409,801</b>    |
| <b>10.1 Reported outstanding claims (including claims in payment)</b>                |      |                   |                      |
| <b>Gross of retakaful</b>  |      |                   |                      |
| Payable within one year  |      | 340,081           | 419,224              |
| Payable over a period of time exceeding one year                                     |      | 29,081            | 23,113               |
|  |      | <b>369,162</b>    | <b>442,337</b>       |
| <b>10.2 Incurred but not reported claims</b>   |      |                   |                      |
| Gross of retakaful   |      | 266,855           | 254,441              |
| Retakaful recoveries   |      | (63,242)          | (48,407)             |
| Net of retakaful   |      | <b>203,613</b>    | <b>206,034</b>       |
| <b>10.3 Investment component of unit-linked policies</b>                             |      |                   |                      |
|  |      | <b>26,060,382</b> | <b>25,253,332</b>    |
| <b>10.4 Liabilities under group takaful contracts (other than investment linked)</b> |      |                   |                      |
| Gross of retakaful   |      | 271,477           | 148,945              |
| Retakaful credit   |      | (71,075)          | (27,098)             |
| Net of retakaful   |      | <b>200,402</b>    | <b>121,847</b>       |

**10.5** This comprises of surplus of Individual Family Takaful - Participant Takaful Fund, which relates exclusively to participants of the Individual Family Takaful Fund and is not available for distribution to shareholders. Under the Waqf Deed of Individual Family Takaful Fund read with Rule 21 of Takaful Rules, 2012, the surplus arising in the Participants Sub Fund can only be distributed to the Participants of that Fund based on approval of the Appointed Actuary. The surplus has been classified under insurance liabilities as clarified by SECP.

The Company has distributed Rs. 144.26 million out of surplus for the year 2021 (2021: Rs. 317.67 million out of surplus for the year 2020) to the Participants of the Individual Family Takaful Fund in line with the mechanism approved by Appointed Actuary and Shariah Advisor of the Company as required under Clause 6 of Waqf (PTF) Policies.

|                                       |  | June 30,<br>2022 | December 31,<br>2021 |
|---------------------------------------|--|------------------|----------------------|
| ----- (Rupees in '000) -----          |  |                  |                      |
| <b>10.6 Other Takaful liabilities</b> |  |                  |                      |
| Gross of retakaful                    |  | 146,069          | 158,389              |
| Retakaful recoveries                  |  | (13,620)         | (14,280)             |
| Net of retakaful                      |  | <b>132,449</b>   | <b>144,109</b>       |

## 11 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at June 30, 2022. Out of the reported amount thereon, an amount of Rs. 1,509.20 million (December 31, 2021: Rs. 1,332.93 million) pertains to Window Takaful Operations. There were no other material contingencies and commitments as at June 30, 2022.

## 12 CONTRIBUTION REVENUE

### Gross Contribution

Regular Contribution Individual Policies\*

First year

1,201,022

1,485,166

Second year renewal

1,107,635

936,693

Subsequent year renewal

2,605,705

2,518,697

Total Regular Contribution Individual Policies

4,914,362

4,940,556

Single contribution individual policies

74,194

160,128

Group policies without cash values

777,893

759,579

**Total Gross Contribution**

**5,766,449**

**5,860,263**

### Less: Retakaful Contribution ceded

On individual life first year business

(15,492)

(17,999)

On individual life second year business

(15,054)

(14,364)

On individual life renewal business

(39,309)

(30,567)

On single contribution individual policies

(54)

(47)

On group policies

(153,935)

(82,628)

Less: Retakaful commission on risk contribution

6,518

7,817

(217,326)

(137,788)

**Net Contribution**

**5,549,123**

**5,722,475**

\* Individual policies are those underwritten on an individual basis, and include joint life policies underwritten as such.

**For the Half Year Ended**

| June 30,<br>2022                              | June 30,<br>2021 |                |
|---|------------------|----------------|
| ----- (Rupees in '000) -----                  |                  |                |
| <b>Income from equity securities</b>          |                  |                |
| <b>Fair value through profit or loss</b>      |                  |                |
| - Dividend income                             | 178,101          | 174,225        |
| <b>Available-for-sale</b>                     |                  |                |
| - Dividend income                             | 278              | -              |
|   | <b>178,379</b>   | <b>174,225</b> |
| <b>Income from Mutual fund</b>                |                  |                |
| <b>Fair value through profit or loss</b>      |                  |                |
| - Dividend income                             | 8,729            | 5,948          |
| <b>Available-for-sale</b>                     |                  |                |
| - Dividend income                             | -                | 2,139          |
|   | <b>8,729</b>     | <b>8,087</b>   |
| <b>Income from debt securities</b>            |                  |                |
| <b>Fair value through profit or loss</b>      |                  |                |
| - Return on debt securities                   | 394,090          | 211,338        |
| <b>Available-for-sale</b>                     |                  |                |
| - Return on debt securities                   | 138,292          | 77,184         |
|   | <b>532,382</b>   | <b>288,522</b> |
| <b>Income from certificates of investment</b> |                  |                |
| - Return on certificates of investment        | 353,592          | 101,243        |
|   | <b>1,073,082</b> | <b>572,077</b> |

**13 INVESTMENT INCOME**

**Income from equity securities**

**Fair value through profit or loss**

- Dividend income

**Available-for-sale**

- Dividend income

**Income from Mutual fund**

**Fair value through profit or loss**

- Dividend income

**Available-for-sale**

- Dividend income

**Income from debt securities**

**Fair value through profit or loss**

- Return on debt securities

**Available-for-sale**

- Return on debt securities

**Income from certificates of investment**

- Return on certificates of investment

**13.1** Dividend income is net of charity amount due to purification of non shariah compliant dividend income amounting to Rs. 6.24 million (June 30, 2021: Rs. 7.80 million).

**14 NET REALISED FAIR VALUE GAINS ON FINANCIAL ASSETS**

| <b>For the Half Year Ended</b>              |                  |                 |
|---|------------------|-----------------|
| June 30,<br>2022                            | June 30,<br>2021 |                 |
| ----- (Rupees in '000) -----                |                  |                 |
| <b>At fair value through profit or loss</b> |                  |                 |
| Realised gains on:                          |                  |                 |
| - Equity securities                         | 25,833           | 301,049         |
| - Mutual Funds                              | 80,488           | 70,520          |
| - Debt securities                           | 245              | 51,280          |
|   | <b>106,566</b>   | <b>422,849</b>  |
| Realised losses on:                         |                  |                 |
| - Equity securities                         | (196,908)        | (85,936)        |
| - Mutual Funds                              | -                | (1,890)         |
| - Debt securities                           | (657)            | (3,664)         |
|   | <b>(197,565)</b> | <b>(91,490)</b> |
| <b>Available-for-sale</b>                   |                  |                 |
| Realised gains on:                          |                  |                 |
| - Mutual Funds                              | 14,542           | 6,476           |
| - Debt securities                           | 457              | 5,783           |
|   | <b>14,999</b>    | <b>12,259</b>   |
| Realised losses on:                         |                  |                 |
| - Debt securities                           | (3,683)          | (476)           |
|   | <b>(79,683)</b>  | <b>343,142</b>  |

|           |   | <b>For the Half Year Ended</b> |                  |
|-----------|---|--------------------------------|------------------|
|           |   | <b>June 30,<br/>2022</b>       | June 30,<br>2021 |
|           |   | ----- (Rupees in '000) -----   |                  |
| <b>15</b> | <b>NET FAIR VALUE LOSSES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b> |                                |                  |
|           | Net unrealised losses on investments at fair value through profit or loss             | (1,296,249)                    | 123,167          |
|           | Less: Investment related expenses   | (4,558)                        | (20,595)         |
|           |   | <b>(1,300,807)</b>             | <b>102,572</b>   |
| <b>16</b> | <b>NET TAKAFUL BENEFITS</b>   |                                |                  |
|           | <b>Gross Claims</b>   |                                |                  |
|           | Claims under individual policies  |                                |                  |
|           | by death  | 237,733                        | 387,926          |
|           | by insured event other than death   | 664                            | 1,134            |
|           | by surrender  | 1,801,114                      | 1,205,543        |
|           | by partial withdrawal   | 252,571                        | 315,055          |
|           | <b>Total gross individual policy claims</b>   | <b>2,315,915</b>               | <b>1,909,658</b> |
|           | Claims under group policies   |                                |                  |
|           | by death  | 48,049                         | 99,225           |
|           | by insured event other than death   | 434,534                        | 504,943          |
|           | <b>Total gross policy claims</b>  | <b>482,583</b>                 | <b>604,168</b>   |
|           | <b>Total Gross Claims</b>   | <b>2,798,498</b>               | <b>2,513,826</b> |
|           | <b>Less: Retakaful recoveries</b>   |                                |                  |
|           | On individual life claims   | (46,442)                       | (76,370)         |
|           | On group life claims  | (31,445)                       | (57,228)         |
|           |   | <b>(77,887)</b>                | <b>(133,598)</b> |
|           | <b>Claim related expenses</b>   | <b>396</b>                     | <b>236</b>       |
|           | <b>Net Takaful benefit expense</b>  | <b>2,721,007</b>               | <b>2,380,464</b> |

**For the Half Year Ended**

| June 30,<br>2022 | June 30,<br>2021 |
|------------------|------------------|
|------------------|------------------|

----- (Rupees in '000) -----

**17 ACQUISITION EXPENSES**

Remuneration to takaful intermediaries on individual policies:

|   |         |         |
|---|---------|---------|
| Hadia to agents on first year contributions         | 355,836 | 465,622 |
| Hadia to agents on second year contributions        | 48,380  | 38,994  |
| Hadia to agents on subsequent renewal contributions | 2,702   | 45,528  |
| Hadia to agents on single contributions             | 927     | 2,254   |
| Overriding commission to supervisors                | 77,933  | 92,057  |
| Salaries, allowances and other benefits             | 71,369  | 110,822 |
| Other benefits to takaful intermediaries            | 59,815  | 63,508  |

Remuneration to takaful intermediaries on group policies:

|  |        |        |
|--|--------|--------|
| Hadia                                    | 27,535 | 25,596 |
| Other benefits to takaful intermediaries | 10,228 | 10,941 |

Other acquisition costs

|                                    |         |         |
|------------------------------------|---------|---------|
| Employee benefit costs             | 264,794 | 241,321 |
| Travelling expenses                | 6,559   | 2,216   |
| Printing and stationery            | 5,477   | 4,245   |
| Depreciation                       | 51,990  | 59,610  |
| Depreciation - Right-of-use assets | 18,462  | 28,276  |
| Rent, rates and taxes              | 1,022   | 1,401   |
| Legal and professional charges     | 2,752   | -       |
| Utilities                          | 13,953  | 7,462   |
| Entertainment                      | 1,089   | 1,441   |
| Vehicle running expenses           | 27,990  | 27,260  |
| Office repairs and maintenance     | 18,217  | 13,068  |
| Training expenses                  | 112     | 16      |
| Postages, telegrams and telephones | 6,702   | 5,501   |
| Staff welfare                      | 9,324   | 7,068   |
| General insurance                  | 4,330   | 1,716   |
| Policy stamps                      | 13,926  | 19,496  |
| Initial medical fees               | 978     | 1,209   |
| Miscellaneous expenses             | 256     | 224     |

|                  |                  |
|------------------|------------------|
| <b>1,102,658</b> | <b>1,276,852</b> |
|------------------|------------------|

|             |  | <b>For the Half Year Ended</b> |                  |
|-------------|--|--------------------------------|------------------|
|             |  | <b>June 30,<br/>2022</b>       | June 30,<br>2021 |
| Note        |  | ----- (Rupees in '000) -----   |                  |
| <b>18</b>   | <b>MARKETING AND ADMINISTRATION EXPENSES</b> |                                |                  |
|             | Employee benefit cost                        | 18.1 <b>194,275</b>            | 192,002          |
|             | Traveling expenses                           | <b>6,585</b>                   | 3,798            |
|             | Advertisements & sales promotion             | <b>158,696</b>                 | 163,586          |
|             | Printing and stationery                      | <b>17,409</b>                  | 19,325           |
|             | Depreciation                                 | <b>24,940</b>                  | 21,158           |
|             | Depreciation - Right-of-use assets           | <b>19,163</b>                  | 18,230           |
|             | Amortisation                                 | <b>13,296</b>                  | 14,680           |
|             | Legal and professional charges               | <b>3,785</b>                   | 3,419            |
|             | Utilities                                    | <b>8,936</b>                   | 6,157            |
|             | Entertainment                                | <b>1,804</b>                   | 1,932            |
|             | Vehicle running expenses                     | <b>2,992</b>                   | 7,372            |
|             | Office repairs and maintenance               | <b>41,529</b>                  | 40,318           |
|             | Appointed actuary fees                       | <b>2,131</b>                   | 1,487            |
|             | Bank charges                                 | <b>3,444</b>                   | 3,703            |
|             | Postages, telegrams and telephone            | <b>16,579</b>                  | 25,059           |
|             | Staff welfare                                | <b>4,311</b>                   | 2,962            |
|             | General insurance                            | <b>3,063</b>                   | 3,318            |
|             | Training expenses                            | <b>1,118</b>                   | 1,332            |
|             | Annual Supervision fees to SECP              | <b>6,191</b>                   | 5,956            |
|             | Reversal for bad and doubtful debts          | <b>(5,072)</b>                 | (2,484)          |
|             | Miscellaneous expenses                       | <b>91</b>                      | 573              |
|             |  | <b>525,266</b>                 | <b>533,883</b>   |
| <b>18.1</b> | <b>Employee benefit cost</b>                 |                                |                  |
|             | Salaries, allowance and other benefits       | <b>180,999</b>                 | 179,697          |
|             | Charges for post employment benefits         | <b>13,276</b>                  | 12,305           |
|             |  | <b>194,275</b>                 | 192,002          |
| <b>19</b>   | <b>INCOME TAX</b>                            |                                |                  |
|             | For the period                               |                                |                  |
|             | Deferred Tax Expense                         | <b>(14,421)</b>                | (34,593)         |
|             |  | <b>(14,421)</b>                | <b>(34,593)</b>  |

## 20 RELATED PARTY TRANSACTIONS

The Company is controlled by Aga Khan Fund for Economic Development, S.A Switzerland, which owns 57.87% (2021: 57.87%) of the Company's shares. Associated undertakings comprise Habib Bank Limited, Jubilee General Insurance Company Limited and Jubilee Kyrgyzstan Insurance Company (CJSC), Kyrgyzstan, being under the common control of the parent Company.

The related parties comprise of related group companies, local associated companies, directors of the Company, key management employees, staff retirement funds.

The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the annual financial statement are as follows:

| Relationship with the Company | Nature of transactions                            | June 30, 2022                | June 30, 2021     |
|-------------------------------|---|------------------------------|-------------------|
|                               |   | ----- (Rupees in '000) ----- |                   |
| i. Associated companies       | Group insurance contributions                     | 1,134                        | -                 |
|                               | Purchase of government securities                 | 2,543,330                    | -                 |
|                               | Placement of Certificates of Investment           | 1,750,000                    | -                 |
|                               | Maturity of Certificate of Investment             | 1,050,000                    | -                 |
|                               | Investment in Mutual Funds                        | 300,000                      | -                 |
|                               | Agency commission                                 | 99,666                       | 176,725           |
|                               | Profit on Islamic saving accounts                 | 42,422                       | 42,515            |
|                               | Profit on term deposit receipt                    | 10,122                       | -                 |
|                               | Dividend earned                                   | 7,355                        | -                 |
| ii. Staff retirement funds    | Expense charged for retirement benefit plans      | 24,401                       | 19,211            |
| iii. Key management personnel | Individual life policy contributions              | -                            | 255               |
| Relationship with the Company | Balances / Investments                            | June 30, 2022                | December 31, 2021 |
| ----- (Rupees in '000) -----  |   |                              |                   |
| i. Associated companies       | Banks account balances                            | 464,834                      | 637,575           |
|                               | Certificates of Investments                       | 700,000                      | -                 |
|                               | Profit accrued on profit and loss sharing account | 5,417                        | 7,020             |
|                               | Profit accrued on certificates of Investment      | 2,649                        | -                 |
|                               | Investment in Mutual Fund                         | 407,068                      | 102,132           |
|                               | Agency commission payable                         | (35,176)                     | (56,386)          |
|                               | Group contribution receivable                     | 340                          | -                 |

The above transactions are settled in the ordinary course of business. The receivables and payables are mainly unsecured in nature and bear no interest.

## 21 SEGMENTAL INFORMATION

### 21.1 REVENUE ACCOUNT BY STATUTORY FUND FOR THE HALF YEAR ENDED JUNE 30, 2022

|  | Individual<br>Family<br>Takaful | Group Family<br>Takaful | Accident &<br>Health Family<br>Takaful | Aggregate<br>June 30,<br>2022 |
|--|---------------------------------|-------------------------|--|-------------------------------|
| ------(Rupees in '000)-----  |                                 |                         |  |                               |
| <b>Income</b>  |                                 |                         |  |                               |
| Contribution less reinsurances   | 4,921,634                       | 63,402                  | 564,087                                | 5,549,123                     |
| Net investment income  | (309,910)                       | 13,756                  | 27,167                                 | (268,987)                     |
| Bonus units transferred from sub fund of statutory fund                      | 144,261                         | -                       | -                                      | 144,261                       |
| <b>Total Net income</b>  | <b>4,755,985</b>                | <b>77,158</b>           | <b>591,254</b>                         | <b>5,424,397</b>              |
| <b>Takaful benefits and expenditures</b>                                     |                                 |                         |  |                               |
| Takaful benefits, including bonuses  | 2,263,869                       | 31,182                  | 425,956                                | 2,721,007                     |
| Surplus distribution by IF TKF PTF by way of bonus units                     | -                               | -                       | -                                      | -                             |
| Management expenses  | 1,582,935                       | 27,723                  | 40,432                                 | 1,651,090                     |
| <b>Total Takaful benefits and expenditures</b>                               | <b>3,846,804</b>                | <b>58,905</b>           | <b>466,388</b>                         | <b>4,372,097</b>              |
| <b>Excess of Income over<br/>Insurance benefits and Expenditures</b>         | <b>909,181</b>                  | <b>18,253</b>           | <b>124,866</b>                         | <b>1,052,300</b>              |
| Bonus units transferred to sub fund of statutory fund *                      | (144,261)                       |                         |  | (144,261)                     |
| <b>Net change in Takaful liabilities<br/>(other than outstanding claims)</b> | <b>839,787</b>                  | <b>7,263</b>            | <b>65,677</b>                          | <b>912,727</b>                |
| <b>(Deficit) / Surplus before tax</b>  | <b>(74,867)</b>                 | <b>10,990</b>           | <b>59,189</b>                          | <b>(4,688)</b>                |
| <b>Taxes chargeable to statutory funds</b>                                   |                                 |                         |  |                               |
| Current - Tax on Dividend  | (31,065)                        | -                       | -                                      | (31,065)                      |
| <b>(Deficit) / Surplus before tax</b>  | <b>(105,932)</b>                | <b>10,990</b>           | <b>59,189</b>                          | <b>(35,753)</b>               |
| <b>Movement in Takaful liabilities</b>                                       | <b>839,787</b>                  | <b>7,263</b>            | <b>65,677</b>                          | <b>912,727</b>                |
| <b>Transfer (to) and from Shareholders' Fund</b>                             |                                 |                         |  |                               |
| Capital contributions from Shareholders' Fund                                | -                               | -                       | -                                      | -                             |
| Capital returned to Shareholders' Fund                                       | -                               | -                       | -                                      | -                             |
| Qard-e-Hasna paid from<br>Operators' Sub Fund to PTF                         | -                               | -                       | -                                      | -                             |
| Qard-e-Hasna received by PTF from<br>Operators' Sub Fund                     | -                               | -                       | -                                      | -                             |
| <b>Net transfers to Shareholders' Fund</b>                                   | <b>-</b>                        | <b>-</b>                | <b>-</b>                               | <b>-</b>                      |
| <b>Transfers (to) / from statutory fund</b>                                  |                                 |                         |  |                               |
| Bonus unit transferred to sub fund of statutory fund                         |                                 |                         |  | -                             |
| <b>Balance of Statutory Fund as at January 1, 2022</b>                       | <b>26,514,077</b>               | <b>188,475</b>          | <b>508,398</b>                         | <b>27,210,950</b>             |
| <b>Balance of Statutory Fund as at June 30, 2022</b>                         | <b>27,247,932</b>               | <b>206,728</b>          | <b>633,264</b>                         | <b>28,087,924</b>             |

FOR THE HALF YEAR ENDED JUNE 30, 2021

|  | Individual<br>Family<br>Takaful | Group Family<br>Takaful | Accident &<br>Health Family<br>Takaful | Aggregate<br>June 30,<br>2021 |
|--|---------------------------------|-------------------------|--|-------------------------------|
| ------(Rupees in '000)-----  |                                 |                         |  |                               |
| <b>Income</b>  |                                 |                         |  |                               |
| Contribution less reinsurances   | 5,033,167                       | 98,050                  | 591,258                                | 5,722,475                     |
| Net investment income  | 1,042,751                       | 8,233                   | 14,158                                 | 1,065,142                     |
| Bonus units transferred from sub fund of statutory fund                        | 317,666                         | -                       | -                                      | 317,666                       |
| <b>Total Net income</b>  | <b>6,393,584</b>                | <b>106,283</b>          | <b>605,416</b>                         | <b>7,105,283</b>              |
| <b>Takaful benefits and expenditures</b>                                       |                                 |                         |  |                               |
| Takaful benefits, including bonuses  | 1,755,632                       | 121,966                 | 502,866                                | 2,380,464                     |
| Management expenses  | 1,771,764                       | 30,809                  | 36,136                                 | 1,838,709                     |
| <b>Total Takaful benefits and Expenditures</b>                                 | <b>3,527,396</b>                | <b>152,775</b>          | <b>539,002</b>                         | <b>4,219,173</b>              |
| <b>Excess / (deficit) of Income over Takaful<br/>benefits and Expenditures</b> | <b>2,866,188</b>                | <b>(46,492)</b>         | <b>66,414</b>                          | <b>2,886,110</b>              |
| Bonus units transferred to sub fund of statutory fund *                        | (317,666)                       | -                       | -                                      | (317,666)                     |
| <b>Net change in Takaful liabilities<br/>(other than outstanding claims)</b>   | <b>2,437,748</b>                | <b>(51,935)</b>         | <b>22,366</b>                          | <b>2,408,179</b>              |
| <b>Surplus before tax</b>  | <b>110,774</b>                  | <b>5,443</b>            | <b>44,048</b>                          | <b>160,265</b>                |
| <b>Taxes chargeable to statutory funds</b>                                     |                                 |                         |  |                               |
| Current - Tax on Dividend  | (31,738)                        | -                       | -                                      | (31,738)                      |
| <b>Surplus after tax</b>   | <b>79,036</b>                   | <b>5,443</b>            | <b>44,048</b>                          | <b>128,527</b>                |
| <b>Movement in Takaful liabilities</b>   | 2,437,748                       | (51,935)                | 22,366                                 | 2,408,179                     |
| <b>Transfer (to) and from Shareholders' Fund</b>                               |                                 |                         |  |                               |
| Capital contributions from Shareholders' Fund                                  | -                               | 75,000                  | 80,000                                 | 155,000                       |
| Capital returned to Shareholders' Fund   | (50,000)                        | -                       | -                                      | (50,000)                      |
| Qard-e-Hasna paid from<br>Operators' Sub Fund to PTF                           | -                               | (75,000)                | (105,000)                              | (180,000)                     |
| Qard-e-Hasna received by PTF from<br>Operators' Sub Fund                       | -                               | 75,000                  | 105,000                                | 180,000                       |
| <b>Net transfer (to) / from Shareholders' Fund</b>                             | <b>(50,000)</b>                 | <b>75,000</b>           | <b>80,000</b>                          | <b>105,000</b>                |
| <b>Balance of Statutory Fund as at January 1, 2021</b>                         | <b>22,582,478</b>               | <b>136,268</b>          | <b>339,273</b>                         | <b>23,058,019</b>             |
| <b>Balance of Statutory Fund as at June 30, 2021</b>                           | <b>25,049,262</b>               | <b>164,776</b>          | <b>485,687</b>                         | <b>25,699,725</b>             |

\* This corresponding impact is already included in Net change in Insurance liabilities (Net of outstanding claims).

21.2 REVENUE ACCOUNT BY SUB-STATUTORY FUND  
FOR THE HALF YEAR ENDED JUNE 30, 2022

|  | Statutory Funds           |                      |                                  | Aggregate         |                    |
|--|---------------------------|----------------------|----------------------------------|-------------------|--------------------|
|  | Individual Family Takaful | Group Family Takaful | Accident & Health Family Takaful | June 30, 2022     | June 30, 2021      |
| ----- (Rupees in '000) -----   |                           |                      |                                  |                   |                    |
| <b>21.2.1 Participants' Investment Fund (PIF)</b>                          |                           |                      |                                  |                   |                    |
| <b>Income</b>  |                           |                      |                                  |                   |                    |
| Allocated Contribution   | 3,559,741                 | -                    | -                                | 3,559,741         | 3,327,100          |
| Bonus Units issued on account of surplus transfer from PTF                 | 144,261                   | -                    | -                                | 144,261           | 317,666            |
| Net investment (loss) / income   | (464,353)                 | -                    | -                                | (464,353)         | 920,923            |
| <b>Total net income</b>  | <b>3,239,649</b>          | <b>-</b>             | <b>-</b>                         | <b>3,239,649</b>  | <b>4,565,689</b>   |
| <b>Less: Takaful benefits and Expenditures</b>                             |                           |                      |                                  |                   |                    |
| Takaful benefits   | 2,083,390                 | -                    | -                                | 2,083,390         | 1,674,276          |
| Takaful operator fee   | 349,130                   | -                    | -                                | 349,130           | 310,717            |
| Bank charges   | 79                        | -                    | -                                | 79                | 50                 |
| <b>Total</b>   | <b>2,432,599</b>          | <b>-</b>             | <b>-</b>                         | <b>2,432,599</b>  | <b>1,985,043</b>   |
| <b>Excess of income over Takaful benefits and Expenditures</b>             | <b>807,050</b>            | <b>-</b>             | <b>-</b>                         | <b>807,050</b>    | <b>2,580,646</b>   |
| Technical reserves at beginning of the period                              | 25,253,332                | -                    | -                                | 25,253,332        | 21,484,316         |
| Technical reserves at end of the period                                    | 26,060,382                | -                    | -                                | 26,060,382        | 24,064,962         |
| <b>Movement in technical reserves</b>                                      | <b>(807,050)</b>          | <b>-</b>             | <b>-</b>                         | <b>(807,050)</b>  | <b>(2,580,646)</b> |
| <b>Surplus / (Deficit)</b>   | <b>-</b>                  | <b>-</b>             | <b>-</b>                         | <b>-</b>          | <b>-</b>           |
| <b>Movement in Technical reserves</b>                                      | <b>807,050</b>            | <b>-</b>             | <b>-</b>                         | <b>807,050</b>    | <b>2,580,646</b>   |
| Balance of PIF at beginning of the period                                  | 25,253,332                | -                    | -                                | 25,253,332        | 21,484,316         |
| <b>Balance of PIF at end of the period</b>                                 | <b>26,060,382</b>         | <b>-</b>             | <b>-</b>                         | <b>26,060,382</b> | <b>24,064,962</b>  |
| <b>21.2.2 Participants' Takaful Fund (PTF)</b>                             |                           |                      |                                  |                   |                    |
| <b>Income</b>  |                           |                      |                                  |                   |                    |
| Contribution net of re-takaful   | 415,965                   | 63,402               | 564,087                          | 1,043,454         | 1,093,456          |
| Net investment income  | 50,269                    | 11,442               | 19,077                           | 80,788            | 49,419             |
| <b>Total net income</b>  | <b>466,234</b>            | <b>74,844</b>        | <b>583,164</b>                   | <b>1,124,242</b>  | <b>1,142,875</b>   |
| <b>Less: Takaful benefits and Expenditures</b>                             |                           |                      |                                  |                   |                    |
| Takaful benefits net of re-takaful recoveries                              | 126,979                   | 31,182               | 425,956                          | 584,117           | 749,055            |
| Takaful operator's fee   | 133,166                   | 37,602               | 104,911                          | 275,679           | 239,520            |
| Mudarib fee  | 20,108                    | 4,577                | 7,631                            | 32,316            | 19,767             |
| Bank charges   | 18                        | 25                   | 66                               | 109               | 81                 |
| Medical examination charges  | 597                       | 381                  | -                                | 978               | 1,209              |
| Provision / (Reversal) for doubtful debts                                  | -                         | 3,163                | (8,235)                          | (5,072)           | (2,484)            |
| <b>Total</b>   | <b>280,868</b>            | <b>76,930</b>        | <b>530,329</b>                   | <b>888,127</b>    | <b>1,007,148</b>   |
| <b>Excess / (deficit) of Income over Takaful benefits and Expenditures</b> | <b>185,366</b>            | <b>(2,086)</b>       | <b>52,835</b>                    | <b>236,115</b>    | <b>135,727</b>     |
| Technical reserves at beginning of the period                              | 198,919                   | 60,743               | 155,261                          | 414,923           | 420,925            |
| Technical reserves at end of the period                                    | 201,984                   | 43,375               | 227,060                          | 472,419           | 497,652            |
| Surplus / (loss) retained in PTF   | 182,301                   | 15,282               | (18,964)                         | 178,619           | 59,000             |
|  | (185,366)                 | 2,086                | (52,835)                         | (236,115)         | (135,727)          |
| <b>Surplus / (deficit) before distribution</b>                             | <b>-</b>                  | <b>-</b>             | <b>-</b>                         | <b>-</b>          | <b>-</b>           |
| <b>Movement in technical reserves</b>                                      | <b>185,366</b>            | <b>(2,086)</b>       | <b>52,835</b>                    | <b>236,115</b>    | <b>135,727</b>     |
| <b>Transfers from / (to)</b>   |                           |                      |                                  |                   |                    |
| Qard-e-Hasna contributed by Window Takaful Operator                        | -                         | -                    | -                                | -                 | 180,000            |
| Distribution of Surplus to the participants                                | (144,261)                 | -                    | -                                | (144,261)         | (317,666)          |
| Balance of PTF at beginning of the period                                  | 733,519                   | 168,553              | 419,991                          | 1,322,063         | 1,091,257          |
| <b>Balance of PTF at end of the period</b>                                 | <b>774,624</b>            | <b>166,467</b>       | <b>472,826</b>                   | <b>1,413,917</b>  | <b>1,089,318</b>   |

### 21.2.3 Operators' Sub Fund (OSF)

|   | Statutory Funds           |                      |                                  | Aggregate      |                |
|---|---------------------------|----------------------|----------------------------------|----------------|----------------|
|   | Individual Family Takaful | Group Family Takaful | Accident & Health Family Takaful | June 30, 2022  | June 30, 2021  |
| ----- (Rupees in '000) -----  |                           |                      |                                  |                |                |
| <b>Income</b>   |                           |                      |                                  |                |                |
| Unallocated contributions   | 945,928                   | -                    | -                                | 945,928        | 1,301,919      |
| Takaful Operator Fee  | 482,296                   | 37,602               | 104,911                          | 624,809        | 550,237        |
| Mudarib Fee   | 20,108                    | 4,577                | 7,631                            | 32,316         | 19,767         |
| Net investment income   | 73,109                    | 2,314                | 8,090                            | 83,513         | 63,062         |
|   | 1,521,441                 | 44,493               | 120,632                          | 1,686,566      | 1,934,985      |
| <b>Less: Takaful benefits and Expenditures</b>                                |                           |                      |                                  |                |                |
| Takaful benefits  | 53,500                    | -                    | -                                | 53,500         | (42,867)       |
| Acquisition expenses  | 1,063,392                 | 16,258               | 32,310                           | 1,111,960      | 1,293,120      |
| Administration expenses   | 518,849                   | 7,896                | 16,291                           | 543,036        | 546,733        |
| <b>Total Management expenses</b>  | 1,635,741                 | 24,154               | 48,601                           | 1,708,496      | 1,796,986      |
| <b>(Deficit) / Excess of Income over Takaful liabilities and expenditures</b> | (114,300)                 | 20,339               | 72,031                           | (21,930)       | 137,999        |
| Technical reserves at beginning of the period                                 | 55,634                    | 9,392                | 19,804                           | 84,830         | 45,561         |
| Technical reserves at end of the period                                       | 47,266                    | 18,741               | 32,646                           | 98,653         | 55,033         |
| <b>Movement in technical reserves</b>   | 8,368                     | (9,349)              | (12,842)                         | (13,823)       | (9,472)        |
| <b>(Deficit) / Surplus for the period</b>                                     | (105,932)                 | 10,990               | 59,189                           | (35,753)       | 128,527        |
| <b>Movement in technical reserves</b>   | (8,368)                   | 9,349                | 12,842                           | 13,823         | 9,472          |
| <b>Transfer (to) and from</b>   |                           |                      |                                  |                |                |
| Capital Contribution from Shareholders' Fund                                  | -                         | -                    | -                                | -              | 155,000        |
| Capital returned to Shareholders' fund  | -                         | -                    | -                                | -              | (50,000)       |
| Qard-e-Hasna contributed to the Participants' Takaful Fund                    | -                         | -                    | -                                | -              | (180,000)      |
| Balance of OSF at beginning of the period                                     | 527,226                   | 19,922               | 88,407                           | 635,555        | 482,446        |
| <b>Balance of OSF at end of the period</b>                                    | <b>412,926</b>            | <b>40,261</b>        | <b>160,438</b>                   | <b>613,625</b> | <b>545,445</b> |

| AS AT JUNE 30, 2022                                     |                        |                    |                  |                       |                                    |                   |           |           |         |           |
|---|------------------------|--------------------|------------------|-----------------------|------------------------------------|-------------------|-----------|-----------|---------|-----------|
|   | Through profit or loss | Available-for-sale | Held-to-maturity | Loans and receivables | Other financial asset/ liabilities | Total             | Level 1   | Level 2   | Level 3 | Total     |
| (Rupees in '000)  |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| <b>Financial assets measured at fair value</b>          |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| Listed equity securities                                | 7,895,102              | 39,724             | -                | -                     | -                                  | 7,934,826         | 7,934,826 | -         | -       | 7,934,826 |
| Mutual Funds  | 1,872,824              | 78,061             | -                | -                     | -                                  | 1,950,885         | 1,950,885 | -         | -       | 1,950,885 |
| Government securities                                   |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| - GOP - Ijarah Sukuks                                   | 6,387,912              | 2,604,960          | -                | -                     | -                                  | 8,992,872         | -         | 8,992,872 | -       | 8,992,872 |
| Debt securities   |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| - Ijarah Sukuks   | 986,176                | 66,378             | -                | -                     | -                                  | 1,052,554         | -         | 1,052,554 | -       | 1,052,554 |
| <b>Financial assets not measured</b>                    |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| Certificates of investment                              | -                      | -                  | 8,042,000        | -                     | -                                  | 8,042,000         |           |           |         |           |
| Other loans and receivables                             | -                      | -                  | -                | 867,200               | -                                  | 867,200           |           |           |         |           |
| Takaful / retakaful receivables                         | -                      | -                  | -                | 217,922               | -                                  | 217,922           |           |           |         |           |
| Cash and bank balances                                  | -                      | -                  | -                | 503,637               | -                                  | 503,637           |           |           |         |           |
|   | <b>17,142,014</b>      | <b>2,789,123</b>   | <b>8,042,000</b> | <b>1,588,759</b>      | <b>-</b>                           | <b>29,561,896</b> |           |           |         |           |
| <b>Financial liabilities not measured at fair value</b> |                        |                    |                  |                       |                                    |                   |           |           |         |           |
| Takaful Liabilities                                     | -                      | -                  | -                | -                     | 27,242,508                         | 27,242,508        |           |           |         |           |
| Contributions received in advance                       | -                      | -                  | -                | -                     | 206,605                            | 206,605           |           |           |         |           |
| Takaful / retakaful payables                            | -                      | -                  | -                | -                     | 67,327                             | 67,327            |           |           |         |           |
| Other creditors and accruals                            | -                      | -                  | -                | -                     | 871,631                            | 871,631           |           |           |         |           |
|   | <b>-</b>               | <b>-</b>           | <b>-</b>         | <b>-</b>              | <b>28,388,071</b>                  | <b>28,388,071</b> |           |           |         |           |

| AS AT JUNE 30, 2021                                     |                        |                    |                  |                       |                                    |                   |            |           |         |            |
|---|------------------------|--------------------|------------------|-----------------------|------------------------------------|-------------------|------------|-----------|---------|------------|
|   | Through profit or loss | Available-for-sale | Held-to-maturity | Loans and receivables | Other financial asset/ liabilities | Total             | Level 1    | Level 2   | Level 3 | Total      |
| (Rupees in '000)  |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| <b>Financial assets measured at fair value</b>          |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| Listed equity securities                                | 10,166,850             | 42,005             | -                | -                     | -                                  | 10,208,855        | 10,208,855 | -         | -       | 10,208,855 |
| Mutual Funds  | 2,834,767              | 155,460            | -                | -                     | -                                  | 2,990,227         | 2,990,227  | -         | -       | 2,990,227  |
| Government securities                                   |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| - GOP - Ijarah Sukuks                                   | 4,818,325              | 2,348,608          | -                | -                     | -                                  | 7,166,933         | -          | 7,166,933 | -       | 7,166,933  |
| Debt securities   |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| - Ijarah Sukuks   | 1,067,363              | 68,822             | -                | -                     | -                                  | 1,136,185         | -          | 1,136,185 | -       | 1,136,185  |
| <b>Financial assets not measured</b>                    |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| Certificates of investment                              | -                      | -                  | 5,235,000        | -                     | -                                  | 5,235,000         |            |           |         |            |
| Other loans and receivables                             | -                      | -                  | -                | 630,012               | -                                  | 630,012           |            |           |         |            |
| Takaful / retakaful receivables                         | -                      | -                  | -                | 286,611               | -                                  | 286,611           |            |           |         |            |
| Cash and bank balances                                  | -                      | -                  | -                | 1,050,650             | -                                  | 1,050,650         |            |           |         |            |
|   | <b>18,887,305</b>      | <b>2,614,895</b>   | <b>5,235,000</b> | <b>1,967,273</b>      | <b>-</b>                           | <b>28,704,473</b> |            |           |         |            |
| <b>Financial liabilities not measured at fair value</b> |                        |                    |                  |                       |                                    |                   |            |           |         |            |
| Takaful Liabilities                                     | -                      | -                  | -                | -                     | 26,409,801                         | 26,409,801        |            |           |         |            |
| Retirement benefit obligations                          | -                      | -                  | -                | -                     | 826                                | 826               |            |           |         |            |
| Contributions received in advance                       | -                      | -                  | -                | -                     | 118,277                            | 118,277           |            |           |         |            |
| Other creditors and accruals                            | -                      | -                  | -                | -                     | 977,131                            | 977,131           |            |           |         |            |
|   | <b>-</b>               | <b>-</b>           | <b>-</b>         | <b>-</b>              | <b>27,506,035</b>                  | <b>27,506,035</b> |            |           |         |            |

The fair value of financial assets and liabilities not carried at fair value is not significantly different from their carrying values since assets and liabilities are short term in nature.

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

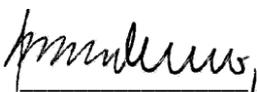
## 23 DATE OF AUTHORISATION FOR ISSUE

These Condensed interim financial statements were authorised for issue on **August 24, 2022** by the Board of Directors of the Company.

## 24 GENERAL

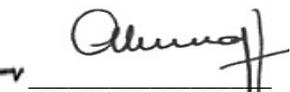
Figures in these condensed interim financial statement have been rounded off to the nearest thousand of rupees, unless otherwise stated.



  
Kamal A. Chinoy  
Chairman

  
Aryn Currimbhoy  
Director

  
Shahid Ghaffar  
Director

  
Javed Ahmed  
Managing Director &  
Chief Executive Officer

  
Omer Farooq  
Chief Financial Officer

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