



Your Security - Our Policy

Half Yearly Report June 30, 2022 (Un-Audited)

Crescent Star Insurance Ltd.

ESTD: 1957

NATION WIDE BRANCH NETWORK

MOTOR

HEALTH

FIRE

MARINE

ENGG

TRAVEL

LIVESTOCK

CROP

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Company Vision

- To serve with excellence.
- Excellence achieved through our corporate mission.
- The brand name of CSI with a vision to expand with prudent approach and provide the Insurance Service to Pakistan Industry on sound footing.

Company Mission

- First and foremost to secure the interest of our policy holders by adopting proper risk management techniques, prudent financial planning and maintaining reinsurance arrangements with world-class reinsurers.
- To ensure profitability to our reinsurers who afford us underwriting capacity.
- To recognize human resources as the key element in progress and to provide our officers and field force due recompense for their efforts in building up the company.
- To generate operational profits and dividend return for our shareholders of the Company.

Values

- Integrity
- Transparency
- Passion
- Team Work
- Corporate Social Responsibility

Company Information

Board of Directors	Mr. Naim Anwar (Chief Executive Officer) Mr. Tanveer Ahmed Mr. Suhail Elahi Mr. Shaikh Waqar Ahmed Mr. Rashid Malik Ms. Naveeda Mahmud Ms. Huma Javaid Ms. Rabia Omar Hassan
Chief Executive Officer	Mr. Naim Anwar
Management	Mr. Naim Anwar (Chief Executive Officer) Mr. Tanveer Ahmed (Resident Director) Mr. Suhail Elahi (Resident Director) Mr. Malik Mehdi Muhammad (CFO & Company Secretary) Syed Danish Hasan Rizvi (Head of Internal Audit)
Board Audit Committee	Mr. Shaikh Waqar Ahmed (Chairman) Ms. Naveeda Mahmud Ms. Huma Javaid
Board H.R & Remuneration Committee	Ms. Huma Javaid (Chairman) Mr. Naim Anwar Mr. Shaikh Waqar Ahmed
Board Investment Committee	Mr. Naim Anwar (Chairman) Mr. Shaikh Waqar Ahmed Ms. Huma Javaid
Chief Financial Officer & Company Secretary	Mr. Malik Mehdi Muhammad
Auditors	Crowe Hussain Chaudhury & Co. Chartered Accountants
Legal Advisor	Ms. Huma Naz, Soomro Law Associates
Bankers	Habib Bank Limited Faysal Bank Limited
Share Registrar	F. D. Registrar (SMC-Pvt.) Limited Office No. 1705, 17th Floor, Saima Trade Tower – A I. I. Chundrighar Road, Karachi Tel #: 35478192-93 / 32271906 Fax #: 32621233
Registered & Head Officer	2 nd Floor, Nadir House I. I. Chundrighar Road P.O. BOX No. 4616, Karachi

UNCONSOLIDATED

Financial Statements
for the Period Ended
June 30, 2022

Directors' Report to the Members on Condensed Interim Unconsolidated Financial Information

On behalf of the Board of Directors, I am pleased to present to you the unaudited condensed interim unconsolidated financial statements for the half year ended 30 June 2022.

General Review

The gross premium written for the half year has been Rs. 64.866 million as compared to Rs. 50.199 million for the corresponding period. The net premium for the period has been recorded at Rs. 48.071 million against Rs. 47.111 million for last year. The profit after tax recorded at Rs. 30.977 million. Earnings per share stood at Rs. 0.29.

The Company continues to have the view on the following factors and hence continues its efforts in all respective areas identified as:

- 1) The Company continues to underwrite areas of business where it is operating without getting fair playing ground, due to the continuous violation of the Insurance Ordinance and Competition Act by Banks and Departments for assigning (Enlistment and Limits) to the Company. With no support from SBP or SECP, and complete failure of the industry association in assisting the smaller based Companies for their fight to have a right to do business, even after being fully compliant. The Company has been taking the matter up and hopes that in the larger interest of the Insurance Industry, necessary assistance will be provided by the concerns.
- 2) With limited areas of business, the Company has still managed to operate smoothly and register a growth of 23% in gross premium and growth of 23% in profit after tax.
- 3) The management strategy is to underwrite prudently and operate in areas of business which helps to maintain one of the best loss ratio in the industry 4.73% on Net premium and 3.509% on Gross premium. Current year figures are even better than 2021, which is encouraging and supports the strategy of the management.
- 4) Merger of Crescent Star Foods (Pvt) Ltd (CSF), with and into Picic Insurance Ltd, is pending before the Honorable High Court of Sindh and considering the filing of the Scheme of Arrangement in 2017, it is highly expected that the case will be taken up soon this year.
- 5) The management continues to find a workable solution and continues its involvement with the sponsors of Dost Steels Limited (DSL). While the Company has taken all necessary action to protect its stake legally through taking steps with the Honorable Lahore High Court under the shareholders agreement and through other matters where ever needed. The management strongly believes that its stake at DSL is well protected and will soon be realized.

Performance Highlights

The comparative financial highlights for the half year ended 30 June 2022 and 2021 are presented below:-

Rupees in millions (except for EPS)	30 June	30 June	Increase / (Decrease)	
	2022	2021	Amount	%
Gross written premium	64.866	50.199	14.667	23
Net premium	48.071	47.111	0.96	2
Profit / (loss) before tax	41.597	32.816	8.781	21
Profit / (loss) after tax	30.977	23.909	7.068	23
Total assets	1,452.185	1,375.327	76.858	5
Paid-up capital	1,076.950	1,076.950	-	-
Earnings per share (EPS)	0.29	0.22	0.07	24

Auditors' Review Report

The Company has made an advance of Rs. 354.279 million for issuance of shares to DSL. Prudent management policy and in the interest of the Company, the Company has charged interest amounting to Rs. 276.019 million on the advance amount and demanded the same from DSL. However, due to non-availability of any written agreement between DSL and CSIL for charging of mark-up, the auditors have expressed their reservation in the auditors' review report. The management strongly believes that the interest charged will be accepted by DSL through revival of DSL once both managements decide on the progress of the various proposals floated for consideration.

Future Outlook

Your Company is looking forward to the positive outcome of the merger of Crescent Star Foods (Private) Limited with and into PICIC Insurance Limited and investment in DSL which can give a strong investment portfolio leading to profitable returns. The management also has positive indicators from cross border situation which has the potential the trade between Pakistan / Afghanistan, which can give a good boost to the core business of your Company.

Acknowledgments

The Directors of your Company would like to take this opportunity to thank Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange, Insurance Association of Pakistan, State Bank of Pakistan, the Banks and Financial Institutions and to all the stakeholders for their continued support and cooperation.

Tanveer Ahmed

Director

Karachi: August 24, 2022

Naim Anwar

Managing Director & CEO

ممبران کے لئے غیر اشتمال شدہ مالیاتی گوشواروں پر ڈائریکٹران کی رپورٹ

میں بورڈ آف ڈائریکٹری کی جانب سے کریڈٹ اسٹار انشورنس لمیٹڈ کے مجموعی مالیاتی گوشوارے برائے سہ ماہی مدت 30 جون 2022 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

عمومی جائزہ

سال کی دوسری سہ ماہی مدت کا مجموعی خام پربیم 64.866 ملین روپے ریکارڈ ہوا جبکہ گزشتہ سال 50.199 ملین روپے تھا۔ پہلی سہ ماہی میں خالص پربیم 48.071 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 47.111 ملین روپے تھا۔ بعد از نیکس منافع 30.977 ملین روپے رہا۔ فی حصص آمدنی 0.29 پیسے پر رہی۔

کمپنی درج ذیل عوامل پر نظر رکھتی ہے اور اسی وجہ سے تمام متعلقہ شعبوں میں اپنی کوششیں جاری رکھے ہوئے ہے۔

(۱) کمپنی کو تقویض (پلسٹمنٹ / پلمنٹس) کرنے کے لئے بینکوں اور حکومتوں کی طرف سے انشورنس آرڈیننس اور کمپنیشن ایکٹ کی مسلسل خلاف ورزی کی وجہ سے کمپنی کا روبار کے ان شعبوں کو انڈرائٹ کرنا جاری رکھی ہوئی ہے جہاں وہ منصفانہ کھیل کا میدان حاصل کے بغیر کام کر سکے۔ SECP یا SBP کی جانب سے کسی تعاون نہ ہونے کے ساتھ یہ انڈسٹری ایسوسی ایشن کی ناکامی ہے جو چھوٹی کمپنیوں کو کاروبار کرنے کی حق کی لڑائی میں معاونت نہ کرنا۔ شکایت کے باوجود اور انشورنس انڈسٹری کے وسیع تر مفاد میں کمپنی اس معاملے کو اٹھارہ رہی ہے اور متعلقہ کو ضروری مدد فراہم کی جائے گی۔

(۲) کمپنی اب بھی آسانی کے ساتھ کام کرنے میں کامیاب رہی ہے اور مجموعی پربیم میں 23% اضافہ اور نیکس کے بعد منافع میں 23% اضافہ ریکارڈ کیا۔

(۳) انتظامیہ محتاط اندر ریننگ کی حکمت عملی کے ذریعے نقصان کے تناسب کی حفاظت جاری رکھے ہوئے ہے جس کے نتیجے میں آپ کی کمپنی انڈسٹری میں بہترین نقصان کے تناسب سے لطف اندوز ہو رہی ہے اور اس سال خالص پربیم % 4.73 اور خام پربیم % 3.509 ہے جو کہ سال 2021 کی نسبت بہت بہتر اور حوصلہ افزا ہے اور انتظامیہ کی حکمت عملی کی حمایت کرتے ہیں۔

(۴) کریڈٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ کا پبلک انشورنس لمیٹڈ کے ساتھ انضمام سے متعلق کیس سندھ ہائی کورٹ میں زیر التوا ہے۔ 2017 میں اسکیم آف ازجمنٹ کی فائلنگ پر غور کرتے ہوئے بہت توقع کی جارہی ہے کہ اس سال اس کیس کی جلد ساعت ہوگی۔

(۵) انتظامیہ ایک قابل عمل تلاش کرتے ہوئے اور دوست اسٹیل لمیٹڈ (DSL) کے اسپانسرز کے ساتھ اپنی شمولیت جاری رکھے ہوئے ہے۔ جبکہ کمپنی نے حصص یافتگان کے معاہدے کے تحت لاہور ہائی کورٹ کے ساتھ اور جہاں ضرورت ہوئی دیگر قانونی معاملات کے ذریعے اپنی حصص کی حفاظت کے لئے ضروری کارروائی کی ہے۔ انتظامیہ کو پختہ یقین ہے کہ DSL میں اس کا حصص اچھی طرح سے محفوظ ہے اور جلد ہی اسے حاصل کر لیا جائے گا۔

کارکردگی کی جھلکیاں

کمپنی کی مقابلہ مالیاتی جھلکیاں برائے سہ ماہی مدت 30 جون 2022 اور 2021 درج ذیل ہیں:

روپے ملین (مساوائے EPS)	30 جون 2022	30 جون 2021	رقم	اضافہ / (کمی)
خام پربیم	64.866	50.199	14.667	23%
خالص پربیم	48.071	47.111	0.96	2%
منافع / (خسارہ) قبل از نیکس	41.597	32.816	8.781	21%
منافع / (خسارہ) بعد از نیکس	30.977	23.909	7.068	23%
اداشدہ سرمایہ	1,452.185	1,375.327	76.858	5%
کل اثاثے	1,076.950	1,076.950	-	-
منافع / (خسارہ) فی حصص	0.29	0.22	0.07	24%

آڈیٹرز کی رپورٹ

کمپنی نے دوست اسٹیل لمیٹڈ کو حصص جاری کر کے 354.279 ملین روپے کا ایڈوانس دیا ہے۔ محتاط انتظامی پالیسی اور کمپنی ایڈوانس کی رقم پر 276.019 ملین روپے کا سود لگایا ہے اور دوست اسٹیل لمیٹڈ سے اس کا مطالبہ کیا ہے۔ تاہم CSIL اور DSL کے درمیان ایڈوانس کی رقم بے سود سے متعلق کوئی تحریری معاہدہ دستیاب نہیں ہے، اس لئے آڈیٹرز نے اپنے تحفظات کا اظہار کیا ہے۔ انتظامیہ کا پختہ یقین ہے کہ لگایا گیا سود دوست اسٹیل لمیٹڈ کی بحالی کے ذریعے قبول کر لیا جائے گا ایک بار جب دونوں انتظامیہ مختلف تجاویز پر پیشرفت کے بارے میں فیصلہ کر لیں۔

مستقبل کی پیش بینی

آپ کی کمپنی دوست اسٹیل لمیٹڈ کے انضمام اور سرمایہ کاری کے مثبت نتائج کی منتظر ہے جو کہ ایک مضبوط سرمایہ کاری کا پورٹ فولیو دے سکتی ہے جس سے منافع بخش ریٹرن حاصل ہوگا۔ انتظامیہ کے پاس سرحد پار صورتحال سے مثبت اشارے بھی ہیں جو کہ پاکستان / افغانستان کے درمیان تجارت کی صلاحیت رکھتے ہیں، جو کہ آپ کی کمپنی کے بنیادی کاروبار کو اچھا فروغ دے سکتا ہے۔

اعتراف

کمپنی کے ڈائریکٹران اس موقع پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان اسٹاک ایکسچینج، انٹرنیشنل ایسوسی ایشن آف پاکستان، اسٹیٹ بینک آف پاکستان، بینکوں اور مالیاتی اداروں کے مسلسل تعاون اور مدد پر ان کی شکرگزار ہے۔

نعیم انور
مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد
ڈائریکٹر

کراچی: 24 اگست 2022

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF CRESENT STAR INSURANCE LIMITED****REPORT ON REVIEW OF CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS****Introduction**

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Crescent Star Insurance Limited (the 'Company'), as at June 30, 2022 and the related condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity, and condensed interim unconsolidated statement of cash flows, and notes to the condensed interim unconsolidated financial statements for the six-months period then ended (here-in-after referred to as the "condensed unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim unconsolidated financial information 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.

Basis for qualified conclusion

- a) As stated in note 10.2 to the unconsolidated financial statements, the Company's carrying value of receivables on account of advance against issue of shares amounts to Rs.79.848million (as at December 31, 2021: Rs.79.609 million). The management has not carried out impairment testing as required by IAS – 36 "Impairment of Assets". No provision for any loss, if any, that may result, has been incorporated in the unconsolidated financial statements
- b) As stated in note 10.1 to the condensed interim unconsolidated financial statements as at June 30, 2022, the Company has accrued interest of Rs. 276.019 million (as at December 31, 2021 of Rs. 247.374 million) at the rate of 1 year KIBOR plus 3 percent per annum (as at December 31, 2021: 1 year KIBOR plus 3 percent per annum), accrued on advance against issuance of shares to Dost Steels Limited . Agreement with the company to support the accrued interest could not be made available to us and the transaction could not be substantiated otherwise. Under the circumstances the validity of the interest income accrued could not be ascertained,



consequently, profit for the period ended June 30, 2022 is overstated by Rs. 28.644 million (for the year ended December 31, 2021 by Rs. 41.267 million) and total assets of the Company as at June 30, 2022 are overstated by Rs. 276.019 million (as at December 31, 2021 of Rs. 247.374 million)

- c) As disclosed in the unconsolidated financial statements, the Company has recorded premium receivable amounting to Rs. 271.258 million (as at December 31, 2021: Rs. 250.062 million) out of which Rs. 42.696 million (as at December 31, 2021: Rs. 42.696 million) have been provided as bad debts. However, in the absence of reconciliation, correspondence with the customer and subsequent clearance we are unable to verify the remaining balance of Rs. 243.528 million. Any adjustment to the amount of the above receivable found to be necessary would affect the Company's profit for the year then ended.

Qualified Conclusion

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated 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.

Other Matters

The figures of the condensed interim unconsolidated statement of comprehensive income for the three months period ended June 30, 2022 and related comprehensive information have not been reviewed, as we are required to review only the cumulative figures for the six months period ended June 30, 2022.

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

Crowe Hussain Chaudhury & Co.
Chartered Accountants

Karachi
Date: 29 AUG 2022

UDIN: RR202110207JDW4mgRPI

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Financial Position
As at June 30, 2022

ASSETS	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
----- (Rupees) -----			
Property and equipment	7	10,570,153	11,336,340
Investments in subsidiaries	8	150,019,600	150,019,600
Investments			
Equity securities	9	102,063,890	97,496,853
Loans and other receivables	10	947,044,003	915,153,784
Insurance / reinsurance receivables		229,566,042	208,369,456
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense / acquisition cost		7,734,511	5,699,999
Prepayments		26,400	26,400
Cash and bank	11	2,565,703	13,868,324
Total assets		<u>1,452,185,504</u>	<u>1,404,565,958</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	12	228,623,036	201,302,044
Total equity		<u>1,105,923,446</u>	<u>1,078,602,454</u>
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		66,569,105	67,702,359
Unearned premium reserves		57,426,747	40,631,852
Premium deficiency reserves		1,106,225	1,106,225
Premium received in advance		1,682,660	1,385,930
Other creditors and accruals	13	181,399,517	183,813,310
Provision for taxation		38,077,804	31,323,828
Total liabilities		<u>346,262,058</u>	<u>325,963,504</u>
Total equity and liabilities		<u>1,452,185,504</u>	<u>1,404,565,958</u>
Contingencies and commitments	14		

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)
For the period ended June 30, 2022

	Note	Half year ended		Quarter ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		----- (Rupees) -----		----- (Rupees) -----	
Net insurance premium	15	48,071,844	47,111,423	24,450,966	22,098,571
Net insurance claims	16	(1,143,015)	(2,267,687)	(569,299)	(998,491)
Premium deficiency		-	(780,401)	-	(514,122)
Net commission expense and other acquisition costs	17	(788,425)	(1,602,926)	307,993	(968,462)
Insurance claims and acquisition expenses		(1,931,440)	(4,651,014)	(261,306)	(2,481,075)
Management expenses		(43,161,669)	(36,104,992)	(21,754,155)	(20,764,362)
Underwriting results		2,978,735	6,355,417	2,435,505	(1,146,866)
Investment income	18	8,917,466	4,689,870	8,908,721	4,686,999
Other income		30,675,629	23,055,049	16,576,105	10,992,573
Other expenses		(974,790)	(1,201,010)	(730,371)	(720,310)
Results of operating activities		41,597,040	32,899,326	27,189,960	13,812,396
Finance costs		-	(82,857)	-	(10,125)
Profit before tax		41,597,040	32,816,469	27,189,960	13,802,271
Taxation		(10,619,345)	(8,907,693)	(6,754,173)	(3,545,937)
Profit after tax		30,977,695	23,908,776	20,435,787	10,256,334
Other comprehensive income / (loss)					
Unrealized gain/(loss) on available for sale investments during the period - net		(3,656,703)	1,939,770	(5,965,885)	263,936
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		-	(3,271,787)	-	(3,271,787)
Other comprehensive income / (loss) for the period		(3,656,703)	(1,332,017)	(5,965,885)	(3,007,851)
Total comprehensive income for the		27,320,992	22,576,759	14,469,902	7,248,483
Earning per share	19	0.29	0.22	0.19	0.10

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Cash Flow Statement (Un-audited)
For the period ended June 30, 2022

	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	43,966,883	38,580,982
Reinsurance premium paid	-	(380,954)
Claims paid	(2,276,269)	(2,602,635)
Commission paid	(2,822,937)	(1,994,703)
Commission received	-	159,137
Management expenses paid	(45,738,564)	(23,803,414)
Net cash flow from underwriting activities	(6,870,887)	9,958,413
(b) Other operating activities		
Income tax paid	(3,865,369)	(1,790,056)
Other operating payments	(1,214,590)	(11,500,381)
Net cash outflow from other operating activities	(5,079,959)	(13,290,437)
Total cash inflow from all operating activities	(11,950,846)	(3,332,024)
Investment activities		
Profit received	26,410	15,888
Dividend received	8,891,056	4,673,982
Proceeds from investments	(8,223,740)	(3,271,787)
Proceeds from / (Payments for) disposal of investments	-	(4,736,210)
Fixed capital expenditure	(45,500)	6,909,210
Proceeds from sale of property and equipment	-	-
Total cash inflow/(outflow) from investing activities	648,226	3,591,083
Financing activities		
Finance costs paid	-	(82,857)
Borrowing under Musharaka arrangements obtained - net	-	(2,457,611)
Total cash (outflow) from financing activities	-	(2,540,468)
Net cash inflow /(outflow) from all activities	(11,302,620)	(2,281,409)
Cash and cash equivalents at beginning of year	13,868,323	10,064,959
Cash and cash equivalents at end of period	2,565,703	7,783,550
Reconciliation to unconsolidated profit and loss account		
Operating cash flows	(11,950,846)	(3,332,024)
Depreciation expense	(811,688)	(1,200,802)
Amortization expense	-	-
Profit on disposal of property and equipments	-	1,081,404
Dividend income	8,891,056	4,673,982
Other investment and other income	26,410	15,888
Finance costs	-	(82,857)
Increase in assets other than cash	55,121,317	44,890,702
(Decrease) in liabilities other than borrowings	(13,544,578)	(15,019,880)
Provision for taxation	(6,753,976)	(7,117,637)
Profit after taxation for the period	30,977,695	23,908,776

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)
For the period ended June 30, 2022

Description	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Unappropriated profit	Total equity
			Reserve for exceptional losses	General reserve	Surplus on remeasurement of available for sale investments		
----- (Rupees) -----							
Balance as at January 01, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	1,055,391	124,677,369	1,029,298,003
Profit after tax for the period	-	-	-	-	-	23,908,776	23,908,776
Other comprehensive income for the period	-	-	-	-	(1,332,017)	-	(1,332,017)
Balance as at June 30, 2021	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>(276,626)</u>	<u>148,586,145</u>	<u>1,051,874,762</u>
Balance as at January 01, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	3,515,706	171,521,505	1,078,602,454
Profit after tax for the period	-	-	-	-	-	30,977,695	30,977,695
Other comprehensive income for the period	-	-	-	-	(3,656,703)	-	(3,656,703)
Balance as at June 30, 2022	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>(140,997)</u>	<u>202,499,200</u>	<u>1,105,923,446</u>

The annexed notes from 1 to 25 form an integral part of these unconsolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

CRESCENT STAR INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENT
FOR THE PERIOD ENDED JUNE 30, 2022

1 STATUS AND NATURE OF BUSINESS

Crescent Star Insurance Limited ("the Company") was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Defunct Companies Act, 1913, now the Companies Act, 2017. The Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Company is engaged in providing non-life general insurance services mainly in spheres of fire and property damage, marine, aviation and transport, motor, credit and suretyship, accident and health and miscellaneous insurance.

2 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements of the Company for the six months period ended June 30, 2022 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

- International Accounting Standard 34 - "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

-Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended December 31, 2021.

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the six months period ended June 30, 2022 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim unconsolidated financial statements have been prepared under historical cost convention except for certain obligations under employee retirement benefits which are measured at present value and certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

These are separate condensed interim unconsolidated financial statements of the Company in which investments in subsidiaries are accounted for on the basis of cost of investment rather than on the basis of reported results. Consolidated financial statements of the Company are prepared and presented separately.

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

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

In preparing these condensed interim unconsolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual unconsolidated financial statements as at and for the year ended December 31, 2021.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements for the year ended December 31, 2021. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements of the Company for the year ended December 31, 2021.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees) -----	
7	PROPERTY AND EQUIPMENT		
	Operating assets	<u>10,570,153</u>	<u>11,336,340</u>
7.1	Operating assets		
	Opening written down value	11,336,340	11,367,104
	Add: Additions during the period / year - at cost		
	- Motor vehicles	-	7,136,210
	- Computers and related accessories	45,500	27,000
	- Office equipment	-	-
	- Furniture and fixtures	-	-
		45,500	7,163,210
	Less: Written down value of deletions		(5,197,739)
	Depreciation for the period / year	(811,688)	(1,996,235)
		(811,688)	(7,193,974)
		<u>10,570,153</u>	<u>11,336,340</u>
8	INVESTMENTS IN SUBSIDIARIES - at cost		
		Holdings	
	Crescent Star Foods (Private) Limited	50% 149,999,660	149,999,660
	Crescent Star Technologies (Private) Limited	99% 9,970	9,970
	Crescent Star Luxury (Private) Limited	99% 9,970	9,970
		<u>150,019,600</u>	<u>150,019,600</u>
9	INVESTMENTS		
	Equity securities	9.1 <u>102,063,890</u>	<u>97,496,853</u>
	Debt securities	<u>-</u>	<u>-</u>
9.1	Equity securities		
	Available-for-sale	9.1.1 <u>102,063,890</u>	<u>97,496,853</u>
9.1.1	Others		
	Listed shares	58,494	50,026
	Mutual funds	9.1.1.1 <u>102,005,396</u>	<u>97,446,827</u>
		<u>102,063,890</u>	<u>97,496,853</u>
9.1.1.1	Securities having market value of Rs. 99.348 million (2021: Rs. 96.868 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.		
		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		----- (Rupees) -----	
10	LOAN AND OTHER RECEIVABLES		
	Considered good		
	Other Security deposits	5,159,438	5,159,438
	Loan to employees	31,750	77,250
	Advance to supplier	260,000	260,000
	Accrued interest on advance against issuance of st	10.1 276,019,078	247,374,404
	Advance against issuance of shares	10.2 644,219,283	642,257,290
	Others	21,354,454	20,025,402
		<u>947,044,003</u>	<u>915,153,784</u>
10.1	This represents accrued interest on advances against issue of shares, given to Dost Steels Limited. Movement in advances is as follows:		

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
Note	----- (Rupees) -----	
Movement		
Balance as at beginning of the year	247,374,404	206,107,255
Income for the period / year	<u>28,644,674</u>	<u>41,267,149</u>
Balance at the end of the period / year	<u>276,019,078</u>	<u>247,374,404</u>
10.2 This represents advances against issue of shares given to the following parties:		
Name of the Company		
Dost Steels Limited	354,279,066	354,279,066
Crescent Star Foods (Private) Limited - Subsidiary	210,091,278	208,369,285
Crescent Star Luxury (Private) Limited - Subsidiary	73,454,343	73,239,343
Crescent Star Technologies (Private) Limited - Subsidiary	<u>6,394,596</u>	<u>6,369,596</u>
	<u>644,219,283</u>	<u>642,257,290</u>
	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	----- (Rupees) -----	
11 CASH AND BANK		
Cash and other equivalents		
Cash in hand	46,623	27,910
Policy and revenue stamps	<u>610</u>	<u>4,670</u>
	47,233	32,580
Cash at bank		
Current accounts	1,457,498	13,942,672
Savings accounts	<u>1,383,391</u>	<u>215,491</u>
	2,840,889	14,158,163
Less: provision against dormant accounts	<u>(322,419)</u>	<u>(322,419)</u>
	<u>2,518,470</u>	<u>13,835,744</u>
	<u>2,565,703</u>	<u>13,868,324</u>
11.1 These carry mark-up at the rate of 10.98% (2021: 8.25%) per annum.		
12 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Revenue reserves		
General reserve	24,497,265	24,497,265
Unappropriated profit	202,499,200	171,521,505
Surplus on remeasurement of available for sale investments	<u>(140,997)</u>	<u>3,515,706</u>
	<u>228,623,036</u>	<u>201,302,044</u>
13 OTHER CREDITORS AND ACCRUALS		
Federal insurance fees	4,016,955	3,460,172
Federal excise duty	66,674,426	59,132,797
Payable to staff provident fund	8,246,162	8,192,880
Withholding tax	66,597,875	66,205,216
Accrued expenses	17,083,950	18,409,416
Unclaimed dividend	418,209	418,209
Others	<u>18,361,940</u>	<u>27,994,620</u>
	<u>181,399,517</u>	<u>183,813,310</u>
14 CONTINGENCIES AND COMMITMENTS		
The status of contingencies remain unchanged as disclosed in the annual unconsolidated financial statements as of December 31, 2021.		

	Half year ended		Quarter ended	
	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
----- (Rupees) -----				
15 NET INSURANCE PREMIUM				
Gross written premium	64,866,739	50,199,348	36,627,832	22,885,077
Add : Unearned contribution reserve opening	40,631,852	45,517,153	45,249,881	47,818,572
Less: Unearned contribution reserve closing	(57,426,747)	(47,695,722)	(57,426,747)	(47,695,722)
Premium earned	48,071,844	48,020,779	24,450,966	23,007,927
Less: Reinsurance premium ceded	-	909,356	-	909,356
Add: prepaid reinsurance premium ceded opening	-	-	-	-
Less: prepaid reinsurance premium ceded closing	-	-	-	-
Reinsurance expense	-	909,356	-	909,356
	48,071,844	47,111,423	24,450,966	22,098,571
16 NET INSURANCE CLAIMS EXPENSE				
Claim paid	2,276,269	2,602,635	1,049,329	1,181,182
Add : Outstanding claims including IBNR closing	66,569,105	61,643,007	66,569,105	61,643,007
Less: Outstanding claims including IBNR opening	(67,702,359)	(61,977,955)	(67,049,135)	(61,825,698)
Claims expense	1,143,015	2,267,687	569,299	998,491
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	(2,595,202)	(2,595,202)	-	-
Add: Reinsurance and others recoveries in respect of outstanding claims opening	2,595,202	2,595,202	-	-
Reinsurance and recoveries revenue	-	-	-	-
	1,143,015	2,267,687	569,299	998,491
17 NET COMMISSION EXPENSE				
Commission paid or payable	2,822,937	1,994,703	1,308,519	1,018,007
Add : Deferred commission expense opening	5,699,999	6,569,234	6,117,999	6,911,466
Less: Deferred commission expense closing	(7,734,511)	(6,801,874)	(7,734,511)	(6,801,874)
Net commission expense	788,425	1,762,063	(307,993)	1,127,599
Commission from reinsurers	-	(159,137)	-	(159,137)
	788,425	1,602,926	(307,993)	968,462
18 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	8,891,056	4,673,982	8,891,056	4,673,982
Gain on sale of available for sale investments	-	-	-	-
	8,891,056	4,673,982	8,891,056	4,673,982
Income from bank balances				
Return on bank balances	26,410	15,888	17,665	13,017
	26,410	15,888	8,908,721	4,686,999
Less: Investment related expenses	-	-	-	-
Investment income	8,917,466	4,689,870	8,908,721	4,686,999

	Half year ended		Quarter ended	
	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
----- (Rupees) -----				
19 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	30,977,695	23,908,776	20,435,787	10,256,335
----- Number -----				
Weighted average number of Ordinary shares	107,695,041	107,695,041	107,695,041	107,695,041
----- (Rupees) -----				
Earnings per share - basic and diluted	0.29	0.22	0.19	0.10

19.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

20 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances, including subsidiaries, are disclosed in relevant notes to these unconsolidated financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated financial statements, are as follows:

	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
----- (Rupees) -----		
20.1 Subsidiary Companies		
Crescent Star Foods (Private) Limited		
Advance against issuance of shares	1,721,993	2,545,704
Crescent Star Luxury (Private) Limited		
Advance against issuance of shares	215,000	1,632,510
Remuneration to Key Management Personnel	14,260,946	12,214,200
Staff retirement benefits		
Provident fund contribution	340,563	586,980
Markup on outstanding balance of provident fund	333,096	460,756

21 SEGMENT INFORMATION

	For the six months period ended June 30, 2022						Total
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	
Current period	----- (Rupees) -----						
Gross written premium (inclusive of administrative surcharges)	225,447	3,637,909	6,396,102	-	38,846,095	15,761,186	64,866,739
Insurance premium earned	202,901	3,556,590	4,710,322	-	31,953,401	7,648,630	48,071,844
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-
Net insurance premium	202,901	3,556,590	4,710,322	-	31,953,402	7,648,630	48,071,844
Commission income	-	-	-	-	-	-	-
Net underwriting income	202,901	3,556,590	4,710,322	-	31,953,402	7,648,630	48,071,844
Insurance claims	-	-	(1,018,015)	-	(65,000)	(60,000)	(1,143,015)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-
Net claims	-	-	(1,018,015)	-	(65,000)	(60,000)	(1,143,015)
Commission expense	(38,316)	(1,280,323)	(390,531)	-	421,130	499,615	(788,425)
Management expense	(146,914)	(2,348,463)	(4,240,872)	-	(26,121,346)	(10,304,074)	(43,161,669)
Premium deficiency reversal / (expense)	-	-	-	-	-	-	-
Net insurance claims and expenses	(185,230)	(3,628,786)	(5,649,418)	-	(25,765,216)	(9,864,459)	(45,093,109)
Underwriting results	17,671	(72,196)	(939,096)	-	6,188,186	(2,215,829)	2,978,735
Net investment income							8,917,466
Other income							30,675,629
Other expenses							(974,790)
Result of operating activities							41,597,040
Finance costs							-
Profit before tax for the period							41,597,040

22 FAIR VALUE

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

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

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

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

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

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

June 31, 2022									
Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3
-----Rupees-----									
Financial Assets - measured at Fair Value									
Investments	9	-	102,063,890	-	-	102,063,890	102,063,890	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	2,565,703	-	2,565,703	-	-	-
Insurance / reinsurance receivable		-	-	229,566,042	-	229,566,042	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	947,044,003	-	947,044,003	-	-	-
		-	102,063,890	1,181,770,950	-	1,283,834,840	102,063,890	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	66,569,105	66,569,105	-	-	-
Other creditors and accruals	13	-	-	-	181,399,517	181,399,517	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	247,968,622	247,968,622	-	-	-

December 31, 2021										
Note	Carrying Amount						Fair Value of Gain			
	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3	
-----Rupees-----										
Financial Assets - measured at Fair Value										
Investments	9	-	-	97,496,853	-	-	97,496,853	97,496,853	-	-
Financial Assets - not measured at Fair Value										
Cash and bank	11	-	-	-	13,868,324	-	13,868,324	-	-	-
Insurance / reinsurance receivable		-	-	-	208,369,456	-	208,369,456	-	-	-
Reinsurance recoveries against outstanding claims		-	-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	-	915,153,784	-	915,153,784	-	-	-
		-	-	97,496,853	1,139,986,766	-	1,237,483,619	97,496,853	-	-
Financial liabilities measured at fair value										
		-	-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value										
Provision for outstanding claims including IBNR		-	-	-	-	67,702,359	67,702,359	-	-	-
Other creditors and accruals	13	-	-	-	-	183,813,310	183,813,310	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-
		-	-	-	-	251,515,669	251,515,669	-	-	-

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on August 24, 2022.

24 IMPACT OF COVID-19 ON OPERATIONS

The Company followed the development of Covid-19 corona virus and evaluated the extent to which this affected the operations in short and long term. The Company has concluded that there are no significant implications of pandemic over the operations of the entity.

25 GENERAL

Figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

CONSOLIDATED
Financial Statements
for the Period Ended
June 30, 2022

Directors' Report to the Members on Consolidated Condensed Interim Financial Information

On behalf of the Board of Directors, I am pleased to present the condensed Interim consolidated financial statements of Crescent Star Insurance Limited and its subsidiaries, Crescent Star Foods (Private) Limited, Crescent Star Technologies (Private) Limited and Crescent Star Luxury (Private) Limited for the period ended June 30, 2022.

The condensed interim consolidated financial information reflects Rs. 0.25 (June 30, 2021: Rs. 0.16) earnings per share for the period under review.

The following appropriation of profit has been recommended by the Board of Directors:

	June 30, 2022	June 30, 2021
	----- Rupees -----	
Profit / (loss) before tax	35,879,178	26,202,184
Provision for taxation	(9,417,984)	(9,106,316)
Profit / (loss) after tax	<u>26,461,194</u>	<u>17,095,868</u>
Profit / (loss) attributable to non-controlling interest	(1,898,658)	(2,906,343)
Profit / (loss) attributable to ordinary shareholders	<u><u>28,359,852</u></u>	<u><u>20,002,211</u></u>
Loss per share	<u><u>0.25</u></u>	<u><u>0.16</u></u>

The Directors of your Company would like to take this opportunity to thank all the stakeholders for their continued support and cooperation.

Tanveer Ahmed
Director

Naim Anwar
Managing Director & CEO

Karachi: August 24, 2022

اشتمال شدہ مالیاتی گوشواں پر ڈائریکٹران کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں کریڈٹ اسٹار انشورنس لمیٹڈ اور ذیلی کمپنیوں کریڈٹ اسٹار لکڑری (پرائیویٹ) لمیٹڈ، کریڈٹ اسٹار فوڈز (پرائیویٹ) لمیٹڈ اور کریڈٹ اسٹار ٹیکنالوجیز (پرائیویٹ) لمیٹڈ کے مختتمہ مالیاتی گوشوارے برائے سہ ماہی مدت 30 جون 2022 پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔

یہ متوسط معلومات زیر جائزہ مدت کے لئے 0.25 روپے (30 جون 2021 کو 0.16 روپے) منافع فی حصص ظاہر کیا گیا ہے۔

بورڈ آف ڈائریکٹرز نے منافع کے مندرجہ ذیل مصارف کی سفارش کی ہے:

30 جون 2021	30 جون 2022	
----- روپے -----		
26,202,184	35,879,178	منافع / (خسارہ) قبل از ٹیکس
(9,106,316)	(9,417,984)	ٹیکس کے لئے اختصاص
17,095,868	26,461,194	منافع / (خسارہ) بعد از ٹیکس
(2,906,343)	(1,898,658)	منافع / (خسارہ) ناقابل گرفت سود سے متعلق
20,002,211	28,359,852	منافع / (خسارہ) عمومی حصص یافتگان سے متعلق
0.16	0.25	منافع / (خسارہ) فی حصص

کمپنی کے ڈائریکٹران اس موقع پر تمام مستفیدان کے مسلسل تعاون اور مدد پر ان کے مشکور ہیں۔

نعیم انور
مینجنگ ڈائریکٹر اینڈ سی ای او

تنویر احمد
ڈائریکٹر
کراچی: 24 اگست 2022

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Financial Position
As at June 30, 2022

ASSETS	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
----- (Rupees) -----			
Property and equipment	7	111,583,998	117,116,332
Intangible assets	8	42,260,189	43,011,154
Investments			
Equity securities	9	102,063,890	97,496,853
Loans and other receivables	10	721,970,082	692,041,856
Insurance / reinsurance receivables		229,566,042	208,369,456
Reinsurance recoveries against outstanding claims		2,595,202	2,595,202
Deferred commission expense / acquisition cost		7,734,511	5,699,999
Stock-in-trade		8,837,066	8,837,066
Prepayments		26,400	26,400
Cash and bank	11	2,984,118	14,286,739
Total assets		<u>1,229,621,498</u>	<u>1,189,481,057</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Company's equity holders			
Ordinary share capital		1,076,950,410	1,076,950,410
Discount on issue of right shares		(199,650,000)	(199,650,000)
Reserves	12	(60,202,135)	(84,905,284)
Equity attributable to equity holders of the Parent		817,098,275	792,395,126
Non-controlling interest		(36,203,576)	(34,304,918)
Total shareholders' equity		780,894,699	758,090,208
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		66,569,105	67,702,359
Unearned premium reserves		57,426,747	40,631,852
Premium deficiency reserves		1,106,225	1,106,225
Deferred taxation		2,121,288	3,322,649
Premium received in advance		1,682,660	1,385,930
Other creditors and accruals	13	282,679,291	286,854,327
Provision for taxation		37,141,483	30,387,507
Total liabilities		448,726,799	431,390,849
Total equity and liabilities		<u>1,229,621,498</u>	<u>1,189,481,057</u>
Contingencies and commitments	14		

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer Director Director Director Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)
For the period ended June 30, 2022

	Note	Quarter ended		Half year ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		----- (Rupees) -----		----- (Rupees) -----	
Net insurance premium	15	24,450,966	22,098,571	48,071,844	47,111,423
Net insurance claims	16	(569,299)	(998,491)	(1,143,015)	(2,267,687)
Premium deficiency		-	(514,122)	-	(780,401)
Net commission expense and other acquisition costs	17	307,993	(968,462)	(788,425)	(1,602,926)
Insurance claims and acquisition expenses		(261,306)	(2,481,075)	(1,931,440)	(4,651,014)
Management expenses		(21,754,155)	(20,764,362)	(42,993,556)	(36,104,992)
Underwriting results		2,435,505	(1,146,866)	3,146,848	6,355,417
Investment income	18	8,908,721	4,686,999	8,917,466	4,689,870
Other income		16,576,105	10,992,573	30,675,629	23,055,049
Other expenses		(3,639,677)	(4,171,535)	(6,860,765)	(7,815,295)
Results of operating activities		24,280,654	10,361,171	35,879,178	26,285,041
Finance costs		-	(10,125)	-	(82,857)
Profit before tax		24,280,654	10,351,046	35,879,178	26,202,184
Taxation		(6,153,492)	(4,411,769)	(9,417,984)	(9,106,316)
Profit after tax		18,127,162	5,939,277	26,461,194	17,095,868
Attributable to:					
Owners of the Holding Company		19,076,827	7,815,250	28,359,852	20,002,211
Non-controlling interest		(949,665)	(1,875,973)	(1,898,658)	(2,906,343)
		18,127,162	5,939,277	26,461,194	17,095,868
Other comprehensive income / (loss)					
Unrealized gain on available for sale investments during the period - net of deferred tax		(5,965,885)	263,936	(3,656,703)	1,939,770
Reclassification adjustments relating to available for sale investments disposed off - net of deferred tax		-	(3,271,787)	-	(3,271,787)
Other comprehensive income / (loss) for the period		(5,965,885)	(3,007,851)	(3,656,703)	(1,332,017)
Total comprehensive income for the period		12,161,277	2,931,426	22,804,491	15,763,851
Earning per share	19	0.17	0.06	0.25	0.16

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

Crescent Star Insurance Limited
Condensed Interim Consolidated Cash Flow Statement (Un-audited)
For the period ended June 30, 2022

	June 30, 2022	June 30, 2021
	----- (Rupees) -----	
Operating cash flows		
(a) Underwriting activities		
Insurance Premium received	43,966,883	39,621,521
Reinsurance premium paid	-	(420,348)
Claims paid	(2,276,269)	(3,615,248)
Commission paid	(2,822,937)	(2,332,447)
Commission received	-	-
Management expenses paid	(47,700,558)	(28,956,558)
Net cash flow from underwriting activities	(8,832,881)	4,296,920
(b) Other operating activities		
Income tax paid	(3,865,369)	(365,124)
Other operating payments	747,403	2,874,771
Net cash outflow from other operating activities	(3,117,966)	2,509,647
Total cash inflow from all operating activities	(11,950,847)	6,806,567
Investment activities		
Profit received	26,410	1,857
Dividend received	8,891,056	2,060,610
Proceeds from investments	(8,223,740)	(1,751,518)
Fixed capital expenditure	(45,500)	(1,216,233)
Proceeds from sale of property and equipment	-	-
Total cash inflow/(outflow) from investing activities	648,226	(905,284)
Financing activities		
Finance costs paid	-	(233,968)
Borrowing under Musharaka arrangements obtained - net	-	(549,078)
Total cash (outflow) from financing activities	-	(783,046)
Net cash inflow / (outflow) from all activities	(11,302,621)	5,118,237
Cash and cash equivalents at beginning of year	14,286,739	10,064,959
Cash and cash equivalents at end of period	2,984,118	15,183,196
Reconciliation to consolidated profit and loss account		
Operating cash flows	(11,950,847)	(534,368)
Depreciation expense	(5,577,836)	(3,156,920)
Amortization expense	(750,964)	(417,202)
Profit on disposal of property and equipments	-	1,081,404
Dividend income	8,891,056	-
Other investment and other income	26,410	2,871
Finance costs	-	(72,732)
Increase in assets other than cash	53,159,324	24,785,703
(Decrease) in liabilities other than borrowings	(10,581,974)	(5,294,627)
Provision for taxation	(6,753,976)	(5,237,538)
Profit after taxation for the period	26,461,194	11,156,591

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.

Crescent Star Insurance Limited
Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)
For the period ended June 30, 2022

	Attributable to equity holder of the Group								
	Share capital	Discount on issue of right shares	Capital reserves	Revenue reserves		Unappropriated profit	Attributable to the owners of the Holding Company	Non-controlling interest	Total shareholders equity restated
	Issued, subscribed and paid-up share capital		Reserve for exceptional losses	General reserve	Surplus on remeasurement of available for sale investments				
	----- (Rupees) -----								
Balance as at January 01, 2021	1,076,950,410	(199,650,000)	1,767,568	24,497,265	1,055,391	(153,480,219)	751,140,415	(27,881,474)	723,258,941
Total comprehensive income for the period	-	-	-	-	(1,332,017)	20,002,211	18,670,194	(2,906,343)	15,763,851
Balance as at June 30, 2021	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>(276,626)</u>	<u>(133,478,008)</u>	<u>769,810,609</u>	<u>(30,787,817)</u>	<u>739,022,792</u>
Balance as at January 01, 2022	1,076,950,410	(199,650,000)	1,767,568	24,497,265	3,515,706	(114,685,823)	792,395,126	(34,304,918)	758,090,208
Total comprehensive income for the period	-	-	-	-	(3,656,703)	28,359,852	24,703,149	(1,898,658)	22,804,491
Balance as at June 30, 2022	<u>1,076,950,410</u>	<u>(199,650,000)</u>	<u>1,767,568</u>	<u>24,497,265</u>	<u>(140,997)</u>	<u>(86,325,971)</u>	<u>817,098,275</u>	<u>(36,203,576)</u>	<u>780,894,699</u>

The annexed notes from 1 to 25 form an integral part of these consolidated financial statements.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

1 STATUS AND NATURE OF BUSINESS

The Group Consists of:

Name of the Company	Status in the Group	Percentage of holdina	Acquisition date
Crescent Star Insurance Limited	Holding Company	-	
Crescent Star Foods (Private) Limited	Subsidiary Company	50%	June 30, 2016
Crescent Star Technologies (Private) Limited	Subsidiary Company	99.7%	February 23, 2016
Crescent Star Luxury (Private) Limited	Subsidiary Company	99.7%	December 15, 2016

- Crescent Star Insurance Limited

Crescent Star Insurance Limited ("the Holding Company") was incorporated in Pakistan as a Public Limited Company in the year 1957 under the Defunct Companies Act, 1913, now the Companies Act, 2017. The Holding Company is listed on the Pakistan Stock Exchange and its registered office is situated at 2nd Floor, Nadir House, I.I. Chundrigar road, Karachi, Pakistan.

The Holding Company is engaged in providing non-life general insurance services mainly in spheres of fire and property damage, marine, aviation and transport, motor, credit and suretyship, accident and health and miscellaneous .

- Crescent Star Foods (Private) Limited

Crescent Star Foods (Private) Limited (the Subsidiary Company) is a private limited company incorporated on February 20, 2015 in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the company is located at 2nd floor, Nadir House, I.I. Chandigarh Road, Karachi, Pakistan. The Subsidiary Company has the business objective of running the Fast Food Restaurants throughout Pakistan and other ancillary activities.

- Crescent Star Technologies (Private) Limited

Crescent Star Technologies (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on February 23, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of vehicle tracking, fleet management services including supply and installation/trading of devices based on various technologies such as GPS and GSM. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

- Crescent Star Luxury (Private) Limited

Crescent Star Luxury (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on December 15, 2016 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The object of the Subsidiary Company is to carry on business of beauty, skincare products and fashion accessories as permissible under the law and such other allied business. Its registered office is located at 2nd Floor, Nadir House, I.I Chundrigar Road, Karachi.

2 BASIS OF PREPARATION

The disclosures made in these condensed interim consolidated financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan vide S.R.O. 89(I)2017 and International Accounting Standard 34 - Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2021.

3 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Company for the six months period ended June 30, 2022 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, Insurance Ordinance, 2000 and Insurance Rules, 2017 shall prevail.

4 BASIS OF MEASUREMENT

These condensed interim consolidated financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values. Accrual basis of accounting has been used except for cash flow information.

5 ACCOUNTING ESTIMATES AND JUDGMENTS

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

In preparing these condensed interim consolidated financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual consolidated financial statements as at and for the year ended December 31, 2021.

6 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the annual financial statements for the year ended December 31, 2021. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements of the Company for the year ended December 31, 2021.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees) -----	-----
7	PROPERTY AND EQUIPMENT		
	Operating assets	111,583,998	117,116,332
7.1	Operating assets		
	Opening written down value	117,116,332	130,713,584
	Add: Additions during the period / year - at cost		
	- Motor vehicles	-	3,340,000
	- Computers and related accessories	45,500	27,000
	- Office equipment	-	-
	- Furniture and fixtures	-	-
		45,500	3,367,000
	Less: Written down value of deletions		
	Depreciation for the period / year	(5,577,835)	(4,900,977)
		(5,577,835)	(12,063,275)
		111,583,998	117,116,332
8	INTANGIBLE ASSETS		
	Goodwill at acquisition	28,742,849	28,742,849
	Franchise	11,616,968	12,262,357
	Computer software	1,900,372	2,005,948
		42,260,189	43,011,154
9	INVESTMENTS		
	Equity securities	102,063,890	97,496,853
	Debt securities	-	-
9.1	Equity securities		
	Available-for-sale	102,063,890	97,496,853
9.1.1	Others		
	Listed shares	58,494	50,026
	Mutual funds	102,005,396	97,446,827
		102,063,890	97,496,853
9.1.1.1	Securities having market value of Rs. 99.348 million (2021: Rs. 96.868 million) are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.		
10	LOAN AND OTHER RECEIVABLES		
	<i>Considered good</i>		
	Other Security deposits	10,099,645	10,099,645
	Loan to employees	31,750	77,250
	Advance to supplier	53,397,482	53,397,482
	Accrued interest on advance against issuance of shares	276,019,078	247,374,404
	Advance against issuance of shares	354,279,066	354,279,066
	Others	28,143,061	26,814,009
		721,970,082	692,041,856
10.1	This represents accrued interest on advances against issue of shares, given to Dost Steels Limited. Movement in advances is as follows:		
	Movement		
	Balance as at beginning of the year	247,374,404	206,107,255
	Income for the period / year	28,644,674	41,267,149
	Balance at the end of the period / year	276,019,078	247,374,404

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	----- (Rupees) -----	
11 CASH AND BANK		
Cash and other equivalents		
Cash in hand	395,930	376,918
Policy and revenue stamps	610	4,670
	396,540	381,588
Cash at bank		
Current accounts	1,526,606	13,989,655
Savings accounts	1,383,391	237,915
	2,909,997	14,227,570
Less: provision against dormant accounts	(322,419)	(322,419)
	2,587,578	13,905,151
	2,984,118	14,286,739
11.1	These carry mark-up at the rate of 10.98% (2021: 8.25%) per annum.	
12 RESERVES		
Capital reserves		
Reserve for exceptional losses	1,767,568	1,767,568
Revenue reserves		
General reserve	24,497,265	24,497,265
Unappropriated profit	(86,325,971)	(114,685,823)
Surplus on remeasurement of available for sale investments	(140,997)	3,515,706
	(60,202,135)	(84,905,284)
13 OTHER CREDITORS AND ACCRUALS		
Trade and related payables	45,206,198	45,671,746
Federal insurance fees	4,016,955	3,460,172
Federal excise duty	66,674,426	59,132,797
Payable to staff provident fund	8,246,162	8,192,880
Withholding tax	83,788,383	84,575,580
Accrued expenses	53,920,608	55,226,913
Unclaimed dividend	418,209	418,209
Others	20,408,350	30,176,030
	282,679,291	286,854,327
14 CONTINGENCIES AND COMMITMENTS		
	The status of contingencies remain unchanged as disclosed in the annual consolidated financial statements as of December 31, 2021.	

	Quarter ended		Half year ended	
	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
----- (Rupees) -----				
15 NET INSURANCE PREMIUM				
Gross written premium	36,627,832	22,885,077	64,866,739	50,199,348
Add : Unearned contribution reserve opening	45,249,881	47,818,572	40,631,852	45,517,153
Less: Unearned contribution reserve closing	(57,426,747)	(47,695,722)	(57,426,747)	(47,695,722)
Premium earned	24,450,966	23,007,927	48,071,844	48,020,779
Less: Reinsurance premium ceded	-	909,356	-	909,356
Add: prepaid reinsurance premium ceded opening	-	-	-	-
Less: prepaid reinsurance premium ceded closing	-	-	-	-
Reinsurance expense	-	909,356	-	909,356
	24,450,966	22,098,571	48,071,844	47,111,423
16 NET INSURANCE CLAIMS EXPENSE				
Claim paid	1,049,329	1,181,182	2,276,269	2,602,635
Add : Outstanding claims including IBNR closing	66,569,105	61,643,007	66,569,105	61,643,007
Less: Outstanding claims including IBNR opening	(67,049,135)	(61,825,698)	(67,702,359)	(61,977,955)
Claims expense	569,299	998,491	1,143,015	2,267,687
Less: Reinsurance and others recoveries received	-	-	-	-
Less: Reinsurance and others recoveries in respect of outstanding claims closing	-	-	(2,595,202)	(2,595,202)
Add: Reinsurance and others recoveries in respect of outstanding claims opening	-	-	2,595,202	2,595,202
Reinsurance and recoveries revenue	-	-	-	-
	569,299	998,491	1,143,015	2,267,687
17 NET COMMISSION EXPENSE				
Commission paid or payable	1,308,519	1,018,007	2,822,937	1,994,703
Add : Deferred commission expense opening	6,117,999	6,911,466	5,699,999	6,569,234
Less: Deferred commission expense closing	(7,734,511)	(6,801,874)	(7,734,511)	(6,801,874)
Net commission expense	(307,993)	1,127,599	788,425	1,762,063
Commission from reinsurers	-	(159,137)	-	(159,137)
	(307,993)	968,462	788,425	1,602,926
18 INVESTMENT INCOME				
Income from equity securities				
Available for sale financial assets				
Dividend income	8,891,056	4,673,982	8,891,056	4,673,982
Gain on sale of available for sale investments	-	-	-	-
	8,891,056	4,673,982	8,891,056	4,673,982
Income from bank balances				
Return on bank balances	17,665	13,017	26,410	15,888
	8,908,721	4,686,999	26,410	15,888
Less: Investment related expenses	-	-	-	-
Investment income	8,908,721	4,686,999	8,917,466	4,689,870

	Quarter ended		Half year ended	
	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
	----- (Rupees) -----			
19 EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after tax for the period	<u>18,127,162</u>	<u>5,939,277</u>	<u>26,461,194</u>	<u>17,095,868</u>
	----- Number -----			
Weighted average number of Ordinary shares	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>	<u>107,695,041</u>
	----- (Rupees) -----			
Earnings per share - basic and diluted	<u>0.17</u>	<u>0.06</u>	<u>0.25</u>	<u>0.16</u>

19.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

20 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, directors and their close family members its staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on its holding in equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit Balances are disclosed in relevant notes to these consolidated financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

	June 30, 2022 (Un-audited)	June 30, 2021 (Un-audited)
	----- (Rupees) -----	
20.1 Remuneration to Key Management Personnel	14,260,946	12,214,200
Staff retirement benefits		
Provident fund contribution	340,563	586,980
Markup on outstanding balance of provident fund	333,096	460,756

21 SEGMENT INFORMATION

	For the six months period ended June 30, 2022										
	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Foods	Technologies	Luxury	Aggregate
Current period	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	225,447	3,637,909	6,396,102	-	38,846,095	15,761,186	64,866,739	-	-	-	64,866,739
Insurance premium earned	202,901	3,556,590	4,710,322	-	31,953,401	7,648,630	48,071,844	-	-	-	48,071,844
Insurance premium ceded to reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net insurance premium	202,901	3,556,590	4,710,322	-	31,953,402	7,648,630	48,071,844	-	-	-	48,071,844
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	202,901	3,556,590	4,710,322	-	31,953,402	7,648,630	48,071,844	-	-	-	48,071,844
Insurance claims	-	-	(1,018,015)	-	(65,000)	(60,000)	(1,143,015)	-	-	-	(1,143,015)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	-	(1,018,015)	-	(65,000)	(60,000)	(1,143,015)	-	-	-	(1,143,015)
Commission expense	(38,316)	(1,280,323)	(390,531)	-	421,130	499,615	(788,425)	-	-	-	(788,425)
Management expense	(146,341)	(2,339,315)	(4,224,354)	-	(26,019,605)	(10,263,941)	(42,993,556)	-	-	-	(42,993,556)
Premium deficiency reversal / (expense)	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(184,657)	(3,619,638)	(5,632,900)	-	(25,663,475)	(9,824,326)	(44,924,996)	-	-	-	(44,924,996)
Underwriting results	18,244	(63,048)	(922,578)	-	6,289,927	(2,175,696)	3,146,848	-	-	-	3,146,848
Net investment income	-	-	-	-	-	-	-	-	-	-	8,917,466
Other income	-	-	-	-	-	-	-	-	-	-	30,675,629
Other expenses	-	-	-	-	-	-	(1,142,903)	(4,994,337)	(103,768)	(619,757)	(6,860,765)
Result of operating activities											35,879,178
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Profit before tax for the period											35,879,178
	For the six months period ended June 30, 2021										
Prior period	Fire and property damage	Marine, aviation and transport	Motor	Accident & health	Credit and suretyship	Miscellaneous	Total	Foods	Technologies	Luxury	Aggregate
	(Rupees)										
Gross written premium (inclusive of administrative surcharges)	337,273	1,949,994	5,800,251	-	38,084,991	4,026,839	50,199,348	-	-	-	50,199,348
Insurance premium earned	366,246	1,420,192	4,913,237	-	38,790,971	2,530,133	48,020,778	-	-	-	48,020,778
Insurance premium ceded to reinsurers	-	-	-	-	(909,356)	-	(909,356)	-	-	-	(909,356)
Net insurance premium	366,246	1,420,192	4,913,237	-	37,881,616	2,530,133	47,111,422	-	-	-	47,111,422
Commission income	-	-	-	-	-	-	-	-	-	-	-
Net underwriting income	366,246	1,420,192	4,913,237	-	37,881,616	2,530,133	47,111,423	-	-	-	47,111,422
Insurance claims	-	(1,500,000)	(654,632)	(87,805)	-	(25,250)	(2,267,687)	-	-	-	(2,267,687)
Insurance claims recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-
Net claims	-	(1,500,000)	(654,632)	(87,805)	-	(25,250)	(2,267,687)	-	-	-	(2,267,687)
Commission expense	(58,638)	(610,638)	(408,099)	-	(367,930)	(157,621)	(1,602,926)	-	-	-	(1,602,926)
Management expense	(235,065)	(1,340,480)	(4,132,041)	-	(27,560,081)	(2,837,325)	(36,104,992)	-	-	-	(36,104,992)
Premium deficiency reversal / (expense)	-	(142,712)	(637,689)	-	-	-	(780,401)	-	-	-	(780,401)
Net insurance claims and expenses	(293,703)	(3,593,830)	(5,832,461)	(87,805)	(27,928,011)	(3,020,196)	(40,756,006)	-	-	-	(40,756,006)
Underwriting results	72,543	(2,173,638)	(919,224)	(87,805)	9,953,605	(490,063)	6,355,417	-	-	-	6,355,416
Net investment income	-	-	-	-	-	-	-	-	-	-	4,689,870
Other income	-	-	-	-	-	-	-	-	-	-	23,055,049
Other expenses	-	-	-	-	-	-	(1,201,010)	(5,608,025)	(105,381)	(900,879)	(7,815,295)
Result of operating activities											26,285,040
Finance costs	-	-	-	-	-	-	(82,857)	-	-	-	(82,857)
Profit before tax for the period											26,202,183

22 FAIR VALUE

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

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

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

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

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

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

June 30, 2022									
Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3
Rupees-									
Financial Assets - measured at Fair Value									
Investments	9	-	102,063,890	-	-	102,063,890	102,063,890	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	2,984,118	-	2,984,118	-	-	-
Insurance / reinsurance receivable		-	-	229,566,042	-	229,566,042	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	721,970,082	-	721,970,082	-	-	-
		-	102,063,890	957,115,444	-	1,059,179,334	102,063,890	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	66,569,105	66,569,105	-	-	-
Other creditors and accruals	13	-	-	-	282,679,291	282,679,291	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	349,248,396	349,248,396	-	-	-

December 31, 2021									
Note	Held to maturity	Fair Value through profit and loss	Available for Sale	Carrying Amount			Fair Value of Gain		
				Advances, Deposits and Prepayments	Other Financial Liabilities	Total	Level 1	Level 2	Level 3
Rupees-									
Financial Assets - measured at Fair Value									
Investments	9	-	97,496,853	-	-	97,496,853	97,496,853	-	-
Financial Assets - not measured at Fair Value									
Cash and bank	11	-	-	14,286,739	-	14,286,739	-	-	-
Insurance / reinsurance receivable		-	-	208,369,456	-	208,369,456	-	-	-
Reinsurance recoveries against outstanding claims		-	-	2,595,202	-	2,595,202	-	-	-
Loans and other receivables	10	-	-	692,041,856	-	692,041,856	-	-	-
		-	97,496,853	917,293,253	-	1,014,790,106	97,496,853	-	-
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities - not measured at Fair Value									
Provision for outstanding claims including IBNR		-	-	-	67,702,359	67,702,359	-	-	-
Other creditors and accruals	13	-	-	-	286,854,327	286,854,327	-	-	-
Borrowings		-	-	-	-	-	-	-	-
		-	-	-	354,556,686	354,556,686	-	-	-

23 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements have been approved by the Board of Directors of the Company and are authorised for issue on August 24, 2022.

24 IMPACT OF COVID-19 ON OPERATIONS

The Company followed the development of Covid-19 corona virus and evaluated the extent to which this affected the operations in short and long term. The Company has concluded that there are no significant implications of pandemic over the operations of the entity.

25 GENERAL

Figures in these condensed interim consolidated financial statements have been rounded off to the nearest rupee, unless otherwise stated.

Chief Executive/ Principal Officer

Director

Director

Director

Chief Financial Officer

HEAD OFFICE

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CENTRAL CORPORATE	3RD FLOOR, NADIR HOUSE, I. I. CHUNDRIGR ROAD, KARACHI.	(021) 32415471-3
LAHORE MAIN	OFFICE # 9, 4TH FLOOR, AL-HAFEEZ TOWER, M. M. ALAM ROAD, GULBERG III, LAHORE.	042-35785337-38
ISLAMABAD	OFFICE NO.05, 2ND FLOOR, HAQ CENTER, D- BLOCK, 5TH ROAD, SATLLITE TOWN, RAWALPINDI.	0312-5595674
MULTAN	OFFICE NO 16-A FIRST FLOOR ALI ARKEED NEAR CHOCK KATACHERY MULTAN.	0300-7303037
SIALKOT	OFFICE # 309-310, SECOND FLOOR, TARIQ SQUARE, KASHMIR ROAD, SIALKOT.	0300-6150051



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