Prime Insurance Company Limited

Statement of Financial Position (Un-Audited)

As at September 30, 2022

Particulars	Notes	Amount in Taka	
		30.09.2022	31.12.2021
Shareholders' Equity & Liabilities			
Authorised share capital			
100,000,000 ordinary shares of Tk.10 each		1,000,000,000	1,000,000,000
Issued, subscribed & paid-up capital			
40,877,498 ordinary shares of Tk.10 each		408,774,980	408,774,980
Reserve and contingent account		402,562,131	352,746,351
Reserve for exceptional losses		324,961,679	279,774,023
General reserve fund		11,400,000	11,400,000
Profit & loss appropriation account		66,200,452	61,572,328
Shareholders' equity:		811,337,111	761,521,331
Balance of funds and accounts		190,956,185	132,494,013
Premium deposits		90,902,859	94,779,417
Liabilities and provisions		945,032,169	759,642,743
Estimated liability in respect of outstanding claims whether due or intimated		34,680,221	57,977,238
Amount due to other persons or bodies carrying on insurance business		261,773,443	158,063,381
Sundry creditors		169,766,004	124,453,975
Unclaimed Dividend		7,562,870	4,178,299
Income tax provision		451,601,397	401,409,876
Deferred tax liability		19,648,234	13,559,974
Total shareholder's equity & liabilities		2,038,228,324	1,748,437,504
Property and Assets :			
Non-current assets		650,188,157	631,634,652
Property, plant and equipment		426,472,588	391,914,215
Bangladesh Govt Treasury Bond		25,000,000	25,000,000
Investment (at fair value)		198,715,569	214,720,437
Current assets		1,388,040,167	1,116,802,852
Stock of printing & stationery		1,813,278	1,536,697
Insurance stamp in hand		895,061	1,921,778
Interest accrued but not received		14,974,745	6,098,917
Amount due from other persons or bodies carrying on insurance business		245,032,959	233,533,795
Sundry debtors (including advances, deposits & pre-payments)		503,075,932	397,902,993
Cash and cash equivalents		622,248,192	475,808,672
Cash in hand		4,294,091	3,810,994
Cash at Bank		49,745,646	59,046,386
Fixed deposit receipt (FDR)		568,208,455	412,951,292
Total assets		2,038,228,324	1,748,437,504
Net Assets Value Per Share (NAVPS)	12.00	19.85	18.63

The accompanying notes 1 to 15 form an integral part of these financial statements.

Md. Obaidul Akbar	Mahamudhul Hasan,FCS	Abdul Hamid,FCA	Md. Akter Hossain Sannamat,FCA	Suzadur Rahman
Chief Financial Officer	Company Secretary	Chief Executive Officer	Director	Chairman

Place: Dhaka
Dated: October 30, 2022

Prime Insurance Company Limited

Statement of Profit & Loss and Other Comprehensive Income(Un-audited)

For the Third Quarter Ended September 30, 2022

Particulars	Note	January to September 2022	July to September-2022	January to September 2021	July to September-2021
		Amount in Taka	Amount in Taka	Amount in Taka	Amount in Taka
Gross direct premium		880,462,412	287,215,626	407,087,425	173,137,968
Premium on PSB		73,680,772	18,898,426	68,926,239	16,842,523
Total Gross Premium Income		**954,143,184**	**306,114,052**	**476,013,664**	**189,980,491**
Less : Re-insurance ceded		417,525,111	133,111,899	237,781,919	98,732,164
Less : R/I premium on PSB		64,741,516	16,143,811	60,073,435	13,986,879
Net Premium Income		**471,876,557**	**156,858,342**	**178,158,310**	**77,261,448**
Add : Net R/I commission earned		143,861,428	37,060,515	67,240,360	29,885,099
Add : Net premium reserve retained		132,494,014	33,123,503	40,577,674	24,243,828
Less : Reserve for unexpired risk.		(190,956,185)	(65,056,097)	(71,607,760)	(31,241,650)
Less : Agent commission		(132,069,362)	(43,082,344)	(32,660,627)	-
Less: Management expenses (Revenue A/c)		(205,320,064)	(68,642,818)	(123,055,514)	(50,616,833)
Less: Management expenses (P/L A/c)		(37,492,139)	(14,058,905)	(15,588,581)	(6,290,010)
Less : Net claims		(19,001,168)	(1,867,261)	(24,779,998)	(14,461,332)
Operating Profit (U/W Profit/ (Loss)		**163,393,081**	**34,334,935**	**18,283,864**	**28,780,550**
Add : Investment & Other Income :		**4,018,728**	**12,861,741**	**89,417,739**	**47,329,667**
Profit Before Tax :		**167,411,809**	**47,196,676**	**107,701,603**	**76,110,217**
Less : Provision for income tax	13.00	50,191,521	20,395,981	16,111,544	9,269,607
Less : Deffered tax expenses/(income)		6,088,261	1,461,014	8,946,741	15,002,535
Net Profit after Tax		**111,132,027**	**25,339,681**	**82,643,318**	**51,838,075**
Earning Per Share (EPS)	**11.00**	**2.72**	**0.62**	**2.02**	**1.27**

The accompanying notes 1 to 15 form an integral part of these financial statements.

Md. Obaidul Akbar	Mahamudhul Hasan,FCS	Abdul Hamid,FCA	Md. Akter Hossain Sannamat,FCA	Suzadur Rahman
Chief Financial Officer	Company Secretary	Chief Executive Officer	Director	Chairman

Place: Dhaka
Dated: October 30, 2022

Prime Insurance Company Limited
Statement of Cash Flows (Un-Audited)
For the Third Quarter Ended September 30, 2022

Particulars	Note	Amount in Taka	
		January to September 2022	January to September 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from premium & Others		941,508,628	483,681,540
Payment for management expenses, re-insurance and claims		(614,265,382)	(374,446,555)
Income tax, VAT, Stamp paid & Others		(89,836,017)	(47,706,092)
Net cash flows from operating activities		**237,407,229**	**61,528,893**
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets		(57,073,737)	(21,616,885)
Investment in shares		(187,338,538)	(370,244,121)
Sale proceeds of investment in shares		181,887,108	356,989,774
Sale proceeds of fixed assets & others		-	7,200
Fixed deposit receipt- (increased) decreased		(155,257,163)	54,737,653
Income from office rent		3,271,784	2,701,044
Interest received		17,009,986	30,947,758
Advance Office Rent Received		-	500,000
Hire Purchase car installment received		4,187,582	-
Dividend received		5,019,782	3,859,584
Net cash flows from investing activities		**(188,293,196)**	**57,882,007**
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Unclaims dividend paid		(812)	(2,068,586)
Cash dividend paid		(57,930,864)	(40,877,498)
Net cash flows from financing activities		**(57,931,676)**	**(42,946,084)**
Increase/(decrease) in cash and cash equivalent (A+B+C)		**(8,817,643)**	**76,464,817**
Cash and cash quivalent at the beginning of the year (excluding FDR)		62,857,380	35,793,230
Cash and Cash Equivalent at the closing of the year		**54,039,737**	**112,258,047**
Net operating cash flow per share	**14.00**	**5.81**	**1.51**

The accompanying notes 1 to 15 form an integral part of these financial statements.

Md. Obaidul Akbar
Chief Financial Officer

Mahamudhul Hasan,FCS
Company Secretary

Abdul Hamid,FCA
Chief Executive Officer

Md. Akter Hossain Sannamat,FCA
Director

Suzadur Rahman
Chairman

Place: Dhaka
Dated: October 30, 2022

Prime Insurance Company Limited

Statement of Changes in Shareholders' Equity (Un-Audited)

For the Third Quarter Ended September 30, 2022

Particulars	Share capital	General reserve Fund	Reserve for exceptional losses	Profit & loss appropriation account	Total
Balance as at January 1, 2022	**408,774,980**	**11,400,000**	**279,774,023**	**61,572,328**	**761,521,331**
Paid Cash dividend	-	-	-	(61,316,247)	(61,316,247)
Profit after tax for the year	-	-	-	111,132,027	111,132,027
Appropriation made during the year	-	-	45,187,656	(45,187,656)	-
Balance as at September 30, 2022	**408,774,980**	**11,400,000**	**324,961,679**	**66,200,452**	**811,337,111**

Particulars	Share capital	General Reserve	Reserve for exceptional losses	Profit & Loss Appr. Account	Total
Balance as at January 1, 2021	**408,774,980**	**11,400,000**	**257,698,019**	**42,406,163**	**720,279,162**
Paid Cash dividend	-	-	-	(40,877,498)	(40,877,498)
Profit after tax for the year	-		-	82,643,318	82,643,318
Appropriation made during the year	-	-	17,815,831	(17,815,831)	-
Balance as at September 30, 2021	**408,774,980**	**11,400,000**	**275,513,850**	**66,356,152**	**762,044,982**

The accompanying notes 1 to 15 form an integral part of these financial statements.

Md. Obaidul Akbar	Mahamudhul Hasan,FCS	Abdul Hamid,FCA	Md. Akter Hossain Sannamat,FCA	Suzador Rahman
Chief Financial Officer	Company Secretary	Chief Executive Officer	Director	Chairman

Place: Dhaka
Dated: October 30, 2022

Prime Insurance Company Limited

Notes to the Financial Statements (Un-Audited)

For the Third Quarter Ended September 30, 2022

1.00 Legal form of the Company

The Company was incorporated as a public limited company on 21 March 1996 under the Companies Act, 1994 and obtained registration from the Chief Controller of Insurance, Government of Bangladesh on March 31,1996 concurrently. The Company has been registered with the Insurance Development & Regulatory Authority (IDRA) under the Insurance Act, 2010 and provides non-life insurance services as per the Insurance Act, 2010 and the Directives issued by the IDRA from time to time. The Company is listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd as a publicly traded company.

2.00 Address of registered office and place of business of the Company

The registered office of the Company is located at Unique Heights (9th floor), 117, Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh. The business operations of the Company are being carried out through its 40 (Forty) branches located in all Bangladesh.

3.00 Principal activities of the Company

The principal activity of the Company is to carry on all kinds of non-life insurance business. There were no significant changes in the nature of the principal activities of the Company during the period under review.

4.00 Approval of 3rd quarter Financial Statement :

The un-audited Financial Statements for the 3rd quarter ended September 30, 2022 were vatted by the Audit Committee of the board in its 113th meeting and also approved by the Board of Directors in its 358th meeting held on 30 October,2022.

5.00 Basis of accounting preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. Disclosure of financial information as required by Insurance act 2010 have been complied with and while preparing statement of financial position, statement of profit or loss and other comprehensive income and revenue accounts in applicable cases for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act,1938 and new Insurance Act, 2010.

6.00 Basis of presentation of financial statements

The Balance Sheet has been prepared in accordance with the regulations as contained in Part -I of the First Schedule and as per Form "A" as set forth in Part - II of that Schedule. Revenue Account of each class of non-life insurance business has been prepared in accordance with the regulations as contained in Part - I of the Third Schedule and as per Form 'F' as set forth in Part - II of that Schedule of the Insurance Act, 1938, in absence of such Forms in the Insurance Act 2010. The classified summary of the assets has also been prepared in accordance with Form **"AA"** as set forth in Part - II of the aforesaid Act.

6.01 Compliance statements and general rules & regulations

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of Insurance Act, 2010, Insurance rules,1958, the Companies Act,1994, the Securities and Exchange Rules,1987, the Securities and Exchange Ordinance 1969, the Securities and Exchange Commission Act 1993, the Listing Regulations of Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd, and Guidelines, rules and regulations issued from time to time by the Insurance Development and Regulatory Authority (IDRA).

To comply with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws and regulations.

6.02 Going concern basis

The Company has adequate resources to continue in the operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources for providing sufficient funds to meet the present requirements of its existing business and operations.

6.03 Reporting period

Financial statements of the company consistently cover from 1 January 2022 to 30 September, 2022.

7.00 Revenue recognition (IFRS-15)

Revenue is recognized in accordance with International Accounting Standard **(IFRS-15):** Revenue from contracts with customers, unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by Directives of the Regulatory Authority.

8.00 Allocation of expenses of management

As per applicable insurance laws relevant management expenses wherever incurred directly or indirectly have been allocated among different Revenue Accounts in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium income.

9.00 Cash flow statement

Cash flow statement is prepared in accordance with **IAS-7** Statement of Cash Flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules-1987. Cash flow statement is broken down into operating activities, investing activities, and financing activities.

10.00 Provision for income taxes

The company has made the income tax provision on the basis of International Accounting Standard **(IAS) -12** "Income Taxes", Income Tax Ordinance, 1984 as amended from time to time and Finance Act, 2022.

10.01 Current tax provision

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates as per Income Tax Ordinance 1984, that have been effective on the balance sheet date.

10.02 Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductable temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Adequate provision has been made for deferred tax to profit or loss and other comprehensive income.

11.00 Calculation of Earnings Per Share (EPS)

This has been calculated by dividing the basic earnings during the period profit after tax divided by the weighted average number of ordinary shares outstanding at the end of the period.

Particulars	Amount in Taka			
	Jan-Sep'2022	July-Sep'2022	Jan-Sep'2021	July-Sep'2021
Profit before tax	**167,411,809**	**47,196,676**	**107,701,603**	**76,110,217**
Less: Provision for income tax	50,191,521	20,395,981	16,111,544	9,269,607
Less: Deferred tax expenses/(income)	6,088,261	1,461,014	8,946,741	15,002,535
Net profit after tax	**111,132,027**	**25,339,681**	**82,643,318**	**51,838,075**
Basic earnings per share after tax (EPS)	**2.72**	**0.62**	**2.02**	**1.27**
Weighted average number of ordinary shares outstanding at the end of the period	**40,877,498**	**40,877,498**	**40,877,498**	**40,877,498**

12.00 Net assets value (NAV) and Net Assets Value Per Share (NAVPS)

Net Asset Value Per Share (NAVPS) has been calculated by dividing net asset value reported in the statement of financial position by the weighted average number of ordinary shares in issue. The calculation of Net Assets Value Per Share (NAVPS) is given below:

Particulars	Amount in Taka	
	30.09.2022	31.12.2021
Net Assets Value (Shareholders' equity)	**811,337,111**	**761,521,331**
Number of shares outstanding during the period	40,877,498	40,877,498
Net assets value per share (NAVPS) at the balance sheet date	**19.85**	**18.63**

13.00 Provision for income tax

Statement of income	Taxable income	Exempted	Taxable income
Income from business or profession: (U/s 28 of ITO, 1984)	163,877,257	47,187,656	116,689,601
Interest income from FDR & STD Accounts (U/s 22)	17,009,986	-	17,009,986
Capital gains from share trading (U/s 31)	(29,711,993)	-	(29,711,993)
Unrealized capital gain on investment in securities	7,944,994	-	7,944,994
Dividend income from investment in securities (U/s 54 Rule 19)	5,019,782	-	5,019,782
Fixed assets sales (Motor car) U/S -16(3)	-	-	-
Gain from sale of furniture	-	-	-
Income from office rent (Mollah tower) U/S-24	3,271,784	-	3,271,784
Total profit/income (before Tax)	**167,411,810**	**47,187,656**	**120,224,154**

Computation of current period tax provision

Particulars of using Tax payable rate on taxable income against various heads as per Income Tax Ordinance,1984. Details are given below:

Computation of current period tax	Taxable income	Rate of Tax percentage	Tax provision
Income tax on business @ 37.50%	116,689,601	37.50%	43,758,600
Income tax on interest income @ 37.50%	17,009,986	37.50%	6,378,745
Income tax on capital gains from share trading @10%	(21,766,999)	10.00%	(2,176,700)
Income tax on dividend income @ 20%	5,019,782	20.00%	1,003,956
Income from office rent (Mollah tower) @37.5%	3,271,784	37.50%	1,226,919
Total tax liability during the Period	**120,224,154**	-	**50,191,521**

14.00 Net operating cash flows

Net Operating Cash Flows (NOCFs) per share has been calculated by dividing net cash used in operating activities reported in the cash flows statement by the weighted average number of ordinary shares in issue.

	Amount in Taka	
	30.09.2022	30.09.2021
Net cash used in operating activities	237,407,229	61,528,893
Weighted average number of shares	40,877,498	40,877,498
Net operating cash flows per share (NOCFPS) on shares at balance sheet date	**5.81**	**1.51**

15.00 Reconciliation of net profit to net operating

	Amount in Taka	
	30.09.2022	30.09.2021
Net profit before tax	167,411,809	107,701,603
Adjustment:		
Depreciation	22,515,365	9,840,109
Interest income	(17,009,986)	(19,449,405)
Dividend income	(5,019,782)	(4,814,594)
Increased/(Decreased) of fair value on investment in shares	(7,944,994)	396,866
Profit on sales of fixed assets	-	(7,200)
Profit/Loss on sales share	29,711,993	(61,480,596)
Income from office rent	(3,271,784)	(2,985,450)
Changes in working capital:		
Increase/(decrease) the balance of fund	(58,462,171)	9,062,413
Increase/(decrease) the premium deposit	(3,876,558)	(11,934,205)
Increase/(decrease) of amount due to other persons or body	(103,710,062)	(62,688,816)
Increase/(decrease) of Outstanding claims	(23,297,017)	13,283,392
Increase/(decrease) of sundry creditor except payable for fixed asset and tax payable	48,696,600	19,407,829
(Increase)/decrease of Accrued interest & others	8,875,828	(16,255,769)
(Increase)/decrease of Advance, deposit & prepayment except AIT, Advance for fixed assets	422,636,735	41,917,403
(Increase)/decrease of amount due from other persons or body	11,499,165	(24,070,872)
(Increase)/decrease of investment shares & FDR	(265,022,128)	54,737,653
(Increase)/decrease Stock of printing & stationery	(276,581)	(929,554)
(Increase)/decrease Insurance stamp in hand	1,026,717	(282,740)
Income tax paid & Source Tax	12,924,080	10,080,906
Net cash generated from operating activities	**237,407,229**	**61,528,973**

Md. Obaidul Akbar	Mahamudhul Hasan,FCS	Abdul Hamid,FCA	Md. Akter Hossain Sannamat,FCA	Suzadur Rahman
Chief Financial Officer	Company Secretary	Chief Executive Officer	Director	Chairman

Place: Dhaka
Dated: October 30, 2022