

**Prime Insurance Company Limited**  
**Statement of Financial Position (Un-Audited)**  
**As at March 31, 2022**

| Particulars                                                                   | Notes        | Amount in Taka       |                      |
|-------------------------------------------------------------------------------|--------------|----------------------|----------------------|
|                                                                               |              | 31.03.2022           | 31.12.2021           |
| <b>Shareholders' Equity &amp; Liabilities</b>                                 |              |                      |                      |
| <b>Authorised share capital</b>                                               |              |                      |                      |
| 100,000,000 ordinary shares of Tk.10 each                                     |              | 1,000,000,000        | 1,000,000,000        |
| <b>Issued, subscribed &amp; paid-up capital</b>                               |              |                      |                      |
| 40,877,498 ordinary shares of Tk.10 each                                      |              | 408,774,980          | 408,774,980          |
| <b>Reserve and contingent account</b>                                         |              |                      |                      |
| Reserve for exceptional losses                                                |              | 305,490,715          | 279,774,023          |
| General reserve fund                                                          |              | 11,400,000           | 11,400,000           |
| Profit & loss appropriation account                                           |              | 66,401,177           | 61,572,328           |
| <b>Shareholders' equity:</b>                                                  |              | <b>792,066,872</b>   | <b>761,521,331</b>   |
| Balance of funds and accounts                                                 |              | 61,410,867           | 132,494,013          |
| Premium deposits                                                              |              | 152,580,902          | 94,779,417           |
| <b>Liabilities and provisions</b>                                             |              |                      |                      |
| Estimated liability in respect of outstanding claims whether due or intimated |              | 52,864,564           | 57,977,238           |
| Amount due to other persons or bodies carrying on insurance business          |              | 261,150,716          | 158,063,381          |
| Sundry creditors                                                              |              | 138,287,376          | 128,632,274          |
| Income tax provision                                                          |              | 415,049,200          | 401,409,876          |
| Deferred tax liability                                                        |              | 16,548,934           | 13,559,974           |
| <b>Total shareholder's equity &amp; liabilities</b>                           |              | <b>1,889,959,431</b> | <b>1,748,437,504</b> |
| <b>Property and Assets :</b>                                                  |              |                      |                      |
| <b>Non-current assets</b>                                                     |              |                      |                      |
| Property, plant and equipment                                                 |              | 428,124,311          | 391,914,215          |
| Bangladesh Govt Treasury Bond                                                 |              | 25,000,000           | 25,000,000           |
| Investment (at fair value)                                                    |              | 218,026,764          | 214,720,437          |
| <b>Current assets</b>                                                         |              | <b>1,218,808,356</b> | <b>1,116,802,852</b> |
| Stock of printing & stationery                                                |              | 1,013,278            | 1,536,697            |
| Insurance stamp in hand                                                       |              | 2,152,345            | 1,921,778            |
| Interest accrued but not received                                             |              | 9,297,166            | 6,098,917            |
| Amount due from other persons or bodies carrying on insurance business        |              | 238,263,886          | 233,533,795          |
| Sundry debtors (including advances, deposits & pre-payments)                  |              | 389,809,238          | 397,902,993          |
| <b>Cash and cash equivalents</b>                                              |              | <b>578,272,443</b>   | <b>475,808,672</b>   |
| Cash in hand                                                                  |              | 5,146,095            | 3,810,994            |
| Cash at Bank                                                                  |              | 33,410,548           | 59,046,386           |
| Fixed deposit receipt (FDR)                                                   |              | 539,715,800          | 412,951,292          |
| <b>Total assets</b>                                                           |              | <b>1,889,959,431</b> | <b>1,748,437,504</b> |
| <b>Net Assets Value Per Share (NAVPS)</b>                                     | <b>12.00</b> | <b>19.38</b>         | <b>18.63</b>         |


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

  
**Md. Obaidul Akbar**  
 Chief Finance Officer

  
**Mahamudhul Hasan, FCS**  
 Company Secretary

  
**Abdul Hamid, FCA**  
 Chief Executive Officer (CC)

  
**Mohd. Showkat Ali**  
 Vice Chairman

  
**Md. Nazrul Islam**  
 Chairman

Place: Dhaka  
 Dated: June 8, 2022

**Prime Insurance Company Limited**  
**Statement of Profit & Loss and Other Comprehensive Income(Un-audited)**  
**For the First Quarter Ended March 31, 2022**

| Particulars                                   | Note         | Jan to March-2022  | Jan to March-2021  |
|-----------------------------------------------|--------------|--------------------|--------------------|
|                                               |              | Amount in Taka     | Amount in Taka     |
| Gross direct premium                          |              | 322,782,452        | 165,188,459        |
| Premium on PSB                                |              | 26,054,583         | 24,684,795         |
| <b>Total Gross Premium Income</b>             |              | <b>348,837,035</b> | <b>189,873,254</b> |
| Less : Re-insurance ceded                     |              | 174,748,111        | 111,175,792        |
| Less : R/I premium on PSB                     |              | 23,213,870         | 21,915,271         |
| <b>Net Premium Income</b>                     |              | <b>150,875,054</b> | <b>56,782,191</b>  |
| Add : Net R/I commission earned               |              | 65,222,359         | 24,981,462         |
| Add : Net premium reserve retained            |              | 33,123,504         | 9,101,164          |
| Less : Reserve for unexpired risk.            |              | (61,410,867)       | (26,578,107)       |
| Less : Agent commission                       |              | (48,602,008)       | (24,778,269)       |
| Less: Management expenses ( Revenue A/c)      |              | (74,597,733)       | (38,741,518)       |
| Less: Management expenses ( P/L A/c)          |              | (12,255,579)       | (4,947,199)        |
| Less : Net claims                             |              | (10,894,294)       | (2,002,282)        |
| <b>Operating Profit ( U/W Profit/ (Loss )</b> |              | <b>41,460,436</b>  | <b>(6,182,558)</b> |
| <b>Add : Investment &amp; Other Income :</b>  |              | <b>5,713,391</b>   | <b>24,613,708</b>  |
| <b>Profit Before Tax :</b>                    |              | <b>47,173,827</b>  | <b>18,431,150</b>  |
| Less : Provision for income tax               | 13.00        | 13,788,129         | 5,179,353          |
| Less : Deffered tax expenses/(income)         |              | 2,988,962          | (9,489,189)        |
| <b>Net Profit after Tax</b>                   |              | <b>30,396,737</b>  | <b>22,740,986</b>  |
| <b>Earning Per Share (EPS)</b>                | <b>11.00</b> | <b>0.74</b>        | <b>0.56</b>        |

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**Mohd. Showkat Ali**  
 Vice Chairman

  
**Md. Nazrul Islam**  
 Chairman

Place: Dhaka  
 Dated: June 8, 2022

**Prime Insurance Company Limited**  
**Statement of Cash Flows (Un-Audited)**  
**For the Period ended March 31,2022**

| Particulars                                                               | Note         | Amount in Taka       |                     |
|---------------------------------------------------------------------------|--------------|----------------------|---------------------|
|                                                                           |              | Jan to March-2022    | Jan to March-2021   |
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>                           |              |                      |                     |
| Collection from premium & Others                                          |              | 380,548,937          | 201,614,305         |
| Payment for management expenses, re-insurance and claims                  |              | (194,673,503)        | (240,272,381)       |
| Income tax, VAT, Stamp paid & Others                                      |              | (38,244,677)         | (14,494,986)        |
| <b>Net cash flows from operating activities</b>                           |              | <b>147,630,757</b>   | <b>(53,153,062)</b> |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>                           |              |                      |                     |
| Purchase of fixed assets                                                  |              | (44,501,383)         | (576,600)           |
| Investment in shares                                                      |              | (47,857,974)         | (204,708,446)       |
| Sale proceeds of investment in shares                                     |              | 34,839,568           | 165,985,681         |
| Sale proceeds of fixed assets & others                                    |              | -                    | 2,300               |
| Fixed deposit receipt- (increased) decreased                              |              | (126,764,508)        | 121,999,686         |
| Income from office rent                                                   |              | 1,124,146            | 1,033,425           |
| Interest received                                                         |              | 7,907,393            | 11,795,582          |
| Dividend received                                                         |              | 3,321,264            | 1,859,992           |
| <b>Net cash flows from investing activities</b>                           |              | <b>(171,931,494)</b> | <b>97,391,620</b>   |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>                           |              |                      |                     |
| Unclaims dividend paid                                                    |              | -                    | -                   |
| Cash dividend paid                                                        |              | -                    | -                   |
| <b>Net cash flows from financing activities</b>                           |              | <b>-</b>             | <b>-</b>            |
| <b>Increase/(decrease) in cash and cash equivalent (A+B+C)</b>            |              | <b>(24,300,737)</b>  | <b>44,238,559</b>   |
| Cash and cash equivalent at the beginning of the year<br>(excluding FDR ) |              | 62,857,380           | 33,364,016          |
| <b>Cash and Cash Equivalent at the closing of the year</b>                |              | <b>38,556,643</b>    | <b>77,602,575</b>   |
| <b>Net operating cash flow per share</b>                                  | <b>14.00</b> | <b>3.61</b>          | <b>(1.30)</b>       |


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

  
**Md. Obaidul Akbar**  
 Chief Finance Officer

  
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**Mohd. Showkat Al**  
 Vice Chairman

  
**Md. Nazrul Islam**  
 Chairman

Place: Dhaka  
 Dated: June 8, 2022

**Prime Insurance Company Limited**  
**Statement of Changes in Shareholders' Equity (Un-Audited)**  
**For the year Ended March 31, 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           | 290,403,210                    | 51,091,945                          | 761,670,135 |
| Paid Cash dividend                 | -             | -                    | -                              | -                                   | -           |
| Profit after tax for the year      | -             | -                    | -                              | 30,396,737                          | 30,396,737  |
| Appropriation made during the year | -             | -                    | 15,087,505                     | (15,087,505)                        | -           |
| Balance as at March 31, 2022       | 408,774,980   | 11,400,000           | 305,490,715                    | 66,401,177                          | 792,066,872 |

| 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      | -             | -               | -                              | 22,740,987                  | 22,740,987   |
| Appropriation made during the year | -             | -               | 5,678,219                      | (5,678,219)                 | -            |
| Balance as at March 31, 2021       | 408,774,980   | 11,400,000      | 263,376,238                    | 18,591,433                  | 702,142,651  |

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**Mohd. Showkat Ali**  
 Vice Chairman

  
**Md. Nazrul Islam**  
 Chairman

Place: Dhaka  
 Dated: June 8, 2022

**Prime Insurance Company Limited**  
**Notes to the Financial Statements (Un-Audited)**  
**For the Period Ended March 31, 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 36 (Thirty six) 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 1st quarter Financial Statement :**

The un-audited Financial Statements for the 1st quarter ended March 31, 2022 were vatted by the Audit Committee of the board in its 109th meeting and also approved by the Board of Directors in its 352th meeting held on 08 June, 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 31 March, 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, 2020.

#### 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 deductible 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    |                   |
|----------------------------------------------------------------------------------------|-------------------|-------------------|
|                                                                                        | 31.03.2022        | 31.03.2021        |
| Profit before tax                                                                      | 47,173,827        | 18,431,150        |
| Less: Provision for income tax                                                         | 13,788,129        | 5,179,353         |
| Less: Deferred tax expenses/(income)                                                   | 2,988,962         | (9,489,189)       |
| <b>Net profit after tax</b>                                                            | <b>30,396,737</b> | <b>22,740,986</b> |
| <b>Basic earnings per share after tax (EPS)</b>                                        | <b>0.74</b>       | <b>0.56</b>       |
| <b>Weighted average number of ordinary shares outstanding at the end of the period</b> | <b>40,877,498</b> | <b>40,877,498</b> |

## 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 |             |
|--------------------------------------------------------------|----------------|-------------|
|                                                              | 31.03.2022     | 31.12.2021  |
| Net Assets Value (Shareholders' equity)                      | 792,066,872    | 761,670,136 |
| Number of shares outstanding during the period               | 40,877,498     | 40,877,498  |
| Net assets value per share (NAVPS) at the balance sheet date | 19.38          | 18.63       |

## 13.00 Provision for income tax

| Statement of income                                            | Taxable income    | Exempted (Exceptional) | Taxable income    |
|----------------------------------------------------------------|-------------------|------------------------|-------------------|
| Income from business or profession: (U/s 28 of ITO, 1984)      | 41,944,791        | 15,087,505             | 26,857,286        |
| Interest income from FDR & STD Accounts (U/s 22)               | 6,382,664         | -                      | 6,382,664         |
| Capital gains from share trading (U/s 31)                      | 2,714,281         | -                      | 2,714,281         |
| Unrealized capital gain on investment in securities            | (8,222,418)       | (8,222,418)            | -                 |
| Dividend income from investment in securities (U/s 54 Rule 19) | 3,321,264         | -                      | 3,321,264         |
| Fixed assets sales (Motor car) U/S -16(3)                      | -                 | -                      | -                 |
| Gain from sale of furniture                                    | -                 | -                      | -                 |
| Income from office rent (Mollah tower) U/S-24                  | 1,033,245         | -                      | 1,033,245         |
| <b>Total profit/income (before Tax )</b>                       | <b>47,173,827</b> | <b>6,865,087</b>       | <b>40,308,740</b> |

### 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%                           | 26,857,105        | 37.50                  | 10,071,414        |
| Income tax on interest income @ 37.50%                    | 6,382,664         | 37.50                  | 2,393,499         |
| Income tax on capital gains from share trading @10%       | 2,714,281         | 10.00                  | 271,428           |
| Income tax on dividend income @ 20%                       | 3,321,264         | 20.00                  | 664,253           |
| Income from office rent (Mollah tower) @37.5%             | 1,033,425         | 37.50                  | 387,534           |
| <b>Total tax liability during the year 31 March, 2021</b> | <b>40,308,740</b> | -                      | <b>13,788,129</b> |

## 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 |              |
|-----------------------------------------------------------------------------|----------------|--------------|
|                                                                             | 31.03.2022     | 31.03.2021   |
| Net cash used in operating activities                                       | 147,630,757    | (53,153,062) |
| Weighted average number of shares                                           | 40,877,498     | 40,877,498   |
| Net operating cash flows per share (NOCFPS) on shares at balance sheet date | 3.61           | (1.30)       |

**15.00 Reconciliation of net profit to net operating cash flow**

**Net profit before tax**

**Adjustment:**

Depreciation

Interest income

Dividend income

Increased/(Decreased) of fair value on investment in shares

Profit on sales of fixed assets

Profit/Loss on sales share

Income from office rent

**Changes in working capital:**

Increase/(decrease) the balance of fund

Increase/(decrease) the premium deposit

Increase/(decrease) of amount due to other persons or body

Increase/(decrease) of Outstanding claims

Increase/(decrease) of sundry creditor except payable for fixed asset and

(Increase)/decrease of Accrued interest & others

(Increase)/decrease of Advance, deposit & prepayment except AIT, Advance for fixed

(Increase)/decrease of premium collection control account

(Increase)/decrease of amount due from other persons or body

(Increase)/decrease of investment shares

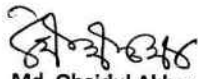
(Increase)/decrease Stock of printing & stationery

(Increase)/decrease Insurance stamp in hand

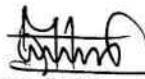
Income tax paid & Source Tax

**Net cash generated from operating activities**

| Amount in Taka     |                     |
|--------------------|---------------------|
| 31.03.2022         | 31.03.2021          |
| 47,173,827         | 18,431,150          |
| 8,291,288          | 2,956,516           |
| (6,382,664)        | (16,983,970)        |
| (3,321,264)        | (2,321,356)         |
| 8,222,418          | 19,770,140          |
| -                  | (2,300)             |
| (2,714,281)        | (24,042,797)        |
| (1,033,425)        | (1,033,425)         |
| (71,083,146)       | (39,824,454)        |
| 57,701,485         | 17,152,916          |
| 103,087,335        | (81,021,861)        |
| (5,112,674)        | 81,599              |
| 7,209,816          | 35,239,108          |
| 3,198,249          | 3,505,628           |
| 7,811,621          | 27,174,491          |
| (5,934,616)        | (2,144,343)         |
| 4,730,092          | (7,364,472)         |
| -                  | -                   |
| (523,419)          | (581,016)           |
| 230,568            | (298,492)           |
| (3,920,453)        | (1,846,124)         |
| <b>147,630,757</b> | <b>(53,153,062)</b> |



**Md. Obaidul Akbar**  
Chief Finance Officer




**Mahamudhul Hasan, FC**  
Company Secretary



**Abdul Hamid, FCA**  
Chief Executive Officer (CC)

**Mohd. Showkat Ali**  
Vice Chairman



**Md. Nazrul Islam**  
Chairman

Place: Dhaka

Dated: June 8, 2022