

Prime Insurance Company Limited
Statement of Financial Position (Un-Audited)
As at June 30, 2022

Particulars	Notes	Amount in Taka	
		30.06.2022	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			
Reserve for exceptional losses		339,098,702	279,774,023
General reserve fund		11,400,000	11,400,000
Profit & loss appropriation account		88,039,995	61,572,328
Shareholders' equity:		847,313,677	761,521,331
Balance of funds and accounts		125,900,088	132,494,013
Premium deposits		37,897,550	94,779,417
Liabilities and provisions			
Estimated liability in respect of outstanding claims whether due or intimated		37,560,343	57,977,238
Amount due to other persons or bodies carrying on insurance business		240,666,815	158,063,381
Sundry creditors		150,939,541	128,632,274
Income tax provision		431,205,416	401,409,876
Deferred tax liability		18,187,220	13,559,974
Total shareholder's equity & liabilities		1,889,670,650	1,748,437,504
Property and Assets :			
Non-current assets			
Property, plant and equipment		427,823,515	391,914,215
Bangladesh Govt Treasury Bond		25,000,000	25,000,000
Investment (at fair value)		195,544,461	214,720,437
Current assets			
Stock of printing & stationery		1,213,278	1,536,697
Insurance stamp in hand		991,550	1,921,778
Interest accrued but not received		14,207,559	6,098,917
Amount due from other persons or bodies carrying on insurance business		243,099,234	233,533,795
Sundry debtors (including advances, deposits & pre-payments)		401,807,366	397,902,993
Cash and cash equivalents			
Cash in hand		4,894,887	3,810,994
Cash at Bank		33,373,612	59,046,386
Fixed deposit receipt (FDR)		541,715,188	412,951,292
Total assets		1,889,670,650	1,748,437,504
Net Assets Value Per Share (NAVPS)	12.00	20.73	18.63

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


Mohd. Showkat Ali
 Vice Chairman


Md. Nazrul Islam
 Chairman

Place: Dhaka
 Dated: July 28, 2022

Prime Insurance Company Limited
Statement of Profit & Loss and Other Comprehensive Income(Un-audited)
For the Second Quarter Ended June 30, 2022


Particulars	Note	January to June	April to June-	January to June	April to June-
		2022	2022	2021	2021
		Amount in Taka	Amount in Taka	Amount in Taka	Amount in Taka
Gross direct premium		593,246,786	270,464,334	233,949,457	68,760,998
Premium on PSB		54,782,346	28,727,763	52,083,716	27,398,921
Total Gross Premium Income		648,029,132	299,192,097	286,033,173	96,159,919
Less : Re-insurance ceded		284,413,212	109,665,101	139,049,755	27,873,963
Less : R/I premium on PSB		48,597,705	25,383,834	46,086,556	24,171,285
Net Premium Income		315,018,215	164,143,162	100,896,862	44,114,671
Add : Net R/I commission earned		106,800,913	41,578,554	37,355,261	12,373,799
Add : Net premium reserve retained		99,370,511	66,247,007	16,333,846	7,232,682
Less : Reserve for unexpired risk.		(125,900,088)	(64,489,222)	(40,366,110)	(13,788,003)
Less : Agent commission		(88,987,018)	(40,385,010)	(32,660,627)	(7,882,358)
Less: Management expenses (Revenue A/c)		(136,677,246)	(62,079,513)	(72,438,681)	(33,697,163)
Less: Management expenses (P/L A/c)		(23,433,234)	(11,177,655)	(9,298,571)	(4,351,372)
Less : Net claims		(17,133,907)	(6,239,613)	(10,318,666)	(8,316,384)
Operating Profit (U/W Profit/ (Loss)		129,058,146	87,597,710	(10,496,686)	(4,314,128)
Add : Investment & Other Income :		(8,843,013)	(14,556,404)	42,088,071	17,472,063
Profit Before Tax :		120,215,133	73,041,306	31,591,385	13,157,935
Less : Provision for income tax	13.00	29,795,540	16,007,411	6,841,937	1,662,584
Less : Deffered tax expenses/(income)		4,627,247	1,638,285	(6,055,795)	3,433,394
Net Profit after Tax		85,792,346	55,395,610	30,805,243	8,061,957
Earning Per Share (EPS)	11.00	2.10	1.36	0.75	0.20

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


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Mohd. Showkat Ali
Vice Chairman


Md. Nazrul Islam
Chairman

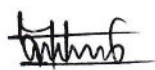
Place: Dhaka
Dated: July 28, 2022

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

Particulars	Note	Amount in Taka	
		January to June 2022	January to June 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from premium & Others		650,193,653	307,574,419
Payment for management expenses, re-insurance and claims		(434,902,040)	(326,864,835)
Income tax, VAT, Stamp paid & Others		(61,316,900)	(27,649,465)
Net cash flows from operating activities		153,974,713	(46,939,881)
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets		(51,755,762)	(3,089,510)
Investment in shares		(165,974,700)	(250,680,984)
Sale proceeds of investment in shares		149,231,861	210,327,058
Sale proceeds of fixed assets & others		-	7,200
Fixed deposit receipt- (increased) decreased		(128,763,896)	122,847,687
Income from office rent		2,760,038	1,302,765
Interest received		11,678,547	25,576,826
<i>Advance office Rent Received</i>		-	500,000
Dividend received		4,260,318	3,074,664
Net cash flows from investing activities		(178,563,594)	109,865,706
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Unclaims dividend paid		-	-
Cash dividend paid		-	(40,877,498)
Net cash flows from financing activities		-	(40,877,498)
Increase/(decrease) in cash and cash equivalent (A+B+C)		(24,588,881)	22,048,328
Cash and cash equivalent at the beginning of the year (excluding FDR)		62,857,380	35,793,230
Cash and Cash Equivalent at the closing of the year		38,268,499	57,841,558
Net operating cash flow per share	14.00	3.77	(1.15)


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Mohd. Showkat Al
 Vice Chairman


Md. Nazrul Islam
 Chairman

Place: Dhaka

Dated: July 28, 2022

Prime Insurance Company Limited
Statement of Changes in Shareholders' Equity (Un-Audited)
For the Second Quarter Ended June 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	-	-	-	-	-
Profit after tax for the year	-	-	-	85,792,346	85,792,346
Appropriation made during the year	-	-	59,324,679	(59,324,679)	-
Balance as at June 30, 2022	408,774,980	11,400,000	339,098,702	88,039,995	847,313,677


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	-	-	-	30,805,243	30,805,243
Appropriation made during the year	-	-	10,089,686	(10,089,686)	-
Balance as at June 30, 2021	408,774,980	11,400,000	267,787,705	22,244,222	710,206,907

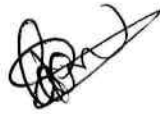
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Place: Dhaka
 Dated: July 28, 2022

Prime Insurance Company Limited
Notes to the Financial Statements (Un-Audited)
For the Second Quarter Ended June 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 38 (Thirty eight) 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 2nd quarter Financial Statement :

The un-audited Financial Statements for the 2nd quarter ended June 30, 2022 were vatted by the Audit Committee of the board in its 111th meeting and also approved by the Board of Directors in its 353th meeting held on 28 July, 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 June, 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 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			
	30.06.2022	31.03.2022	30.06.2021	31.03.2021
Profit before tax	120,215,133	73,041,306	31,591,385	13,157,935
Less: Provision for income tax	29,795,540	16,007,411	6,841,937	1,662,584
Less: Deferred tax expenses/(income)	4,627,247	1,638,285	(6,055,795)	3,433,394
Net profit after tax	85,792,346	55,395,610	30,805,243	8,061,957
Basic earnings per share after tax (EPS)	2.10	1.36	0.75	0.20
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	
	30.06.2022	31.12.2021
Net Assets Value (Shareholders' equity)	847,313,677	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	20.73	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)	129,542,320	59,324,679	70,217,641
Interest income from FDR & STD Accounts (U/s 22)	11,678,547	-	11,678,547
Capital gains from share trading (U/s 31)	(29,905,540)	-	(29,905,540)
Unrealized capital gain on investment in securities	1,879,449	-	1,879,449
Dividend income from investment in securities (U/s 54 Rule 19)	4,260,318	-	4,260,318
Fixed assets sales (Motor car) U/S -16(3)	-	-	-
Gain from sale of furniture	-	-	-
Income from office rent (Mollah tower) U/S-24	2,760,038	-	2,760,038
Total profit/income (before Tax)	120,215,132	59,324,679	60,890,453

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%	70,217,641	37.50%	26,331,615
Income tax on interest income @ 37.50%	11,678,547	37.50%	4,379,455
Income tax on capital gains from share trading @10%	(28,026,091)	10.00%	(2,802,609)
Income tax on dividend income @ 20%	4,260,318	20.00%	852,064
Income from office rent (Mollah tower) @37.5%	2,760,038	37.50%	1,035,014
Total tax liability during the year 31 March, 2021	60,890,453	-	29,795,539

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.

Net cash used in operating activities
 Weighted average number of shares
 Net operating cash flows per share (NOCFPS) on shares at balance sheet date

Amount in Taka	
30.06.2022	30.06.2021
153,974,713	(46,939,881)
40,877,498	40,877,498
3.77	(1.15)

15.00 Reconciliation of net profit to net operating

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 tax payable

(Increase)/decrease of Accrued interest & others

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

(Increase)/decrease of premium collection control account

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

(Increase)/decrease of investment shares & FDR

(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	
30.06.2022	30.06.2021
120,215,133	31,591,386
15,846,463	6,026,695
(11,678,547)	(12,822,876)
(4,260,318)	(3,839,694)
(1,879,449)	8,781,266
-	(7,200)
29,905,540	(32,170,993)
(2,760,038)	(2,028,575)
(6,593,925)	(22,179,237)
(56,881,867)	6,084,210
82,603,434	(97,789,845)
(20,416,895)	4,195,158
22,307,268	(2,287,711)
8,108,642	(10,807,143)
130,360,797	(21,248,543)
(5,934,616)	(1,135,192)
9,565,440	(27,214,990)
(147,939,872)	122,847,689
323,419	(829,124)
930,228	(282,470)
(7,846,124)	8,177,308
153,974,713	(46,939,881)


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Place: Dhaka
Dated: July 28, 2022