

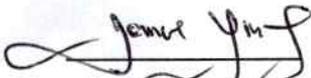
TPL LIFE INSURANCE LIMITED

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE THREE MONTHS PERIOD ENDED
MARCH 31, 2023 (UNAUDITED)**

TPL LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

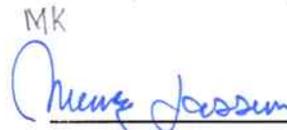
	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
Assets			
Property and equipment	5	13,574	15,057
Intangible assets	6	30,769	27,471
Investments			
Government securities	7	232,933	231,389
Mutual funds	8	12,412	12,297
Term deposits receipts	9	85,000	85,000
Insurance / reinsurance receivables		213,588	116,890
Other loans and receivables		27,734	48,569
Taxation - payments less provision		38,197	38,320
Prepayments		3,313	1,003
Cash & Bank	10	358,173	355,722
Total Assets		1,015,693	931,718
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
240,000,000 ordinary shares (2022: 240,000,000) of Rs. 10 each		2,400,000	2,400,000
Ordinary share capital		1,960,000	1,910,000
Accumulated losses of participatory business (Ledger account C & D)		(2,105,001)	(2,048,518)
Unappropriated profit		382,963	379,466
		237,962	240,948
Advance against right shares	11.3	35,000	50,000
Total Equity		272,962	290,948
Liabilities			
Insurance Liabilities	12	184,150	178,270
Premium received in advance		14,260	13,940
Insurance / reinsurance payables		250,561	215,957
Other creditors and accruals	13	293,759	232,603
Total Liabilities		742,731	640,770
Total Equity and Liabilities		1,015,693	931,718
Contingency and commitment	14		

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

JY

 Chairman

SN

 Chief Executive Officer

MK

 Director

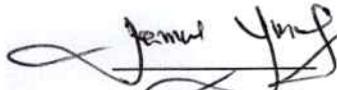
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 Director

TPL LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

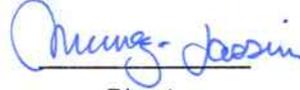
	Note	Three months period ended March 31,	
		2023	2022
(Rupees in '000)			
Premium Revenue	15	151,755	104,211
Premium ceded to reinsurers		(68,697)	(51,127)
Net premium revenue		83,058	53,084
Investment income		8,779	(19,389)
Net fair value gain / (loss) on financial assets at fair value through profit or loss		115	(92)
Other income		4,719	2,385
		13,613	(17,096)
Net income		96,671	35,988
Insurance benefits	16	47,649	68,203
Recoveries from reinsurers		(29,087)	(22,098)
Net Insurance benefits		18,562	46,105
Net change in insurance liabilities (other than outstanding claims)	19.1	13,236	(17,716)
Acquisition expenses		20,026	3,677
Marketing and administration expenses		93,492	70,907
Other expenses		1,279	477
Total Expenses		128,033	57,345
Results of operating activities		(49,924)	(67,462)
Financial costs		(1,634)	(36)
Loss before tax		(51,558)	(67,498)
Income tax expense	17	(1,428)	(102)
Loss for the period		(52,986)	(67,600)
Other comprehensive income		-	-
Total comprehensive loss for the period		(52,986)	(67,600)
Loss (after tax) per share - Rupees		(0.28)	(0.39)

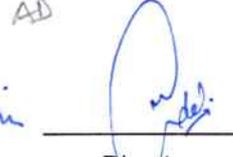
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 Chief Executive
 Officer

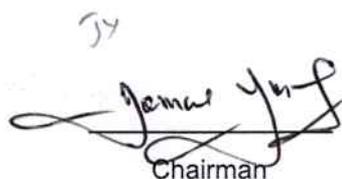
AJ/MK

 Director

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 Director

TPL LIFE INSURANCE LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

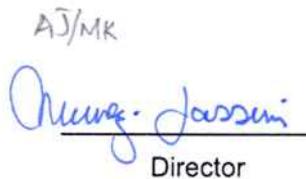
	Three months period ended March 31,	
	2023	2022
	(Rupees in '000)	
Operating Cash flows		
(a) Underwriting activities		
Insurance premium received	55,379	108,663
Claims paid	(58,882)	(105,222)
Surrenders paid	(1,128)	(1,718)
Commission paid	(7,771)	(14,472)
Marketing and administrative expenses paid	(51,151)	(24,790)
Net cash used in underwriting activities	(63,553)	(37,539)
(b) Other operating activities		
Income tax paid	(1,305)	(1,396)
Other operating receipts	26,198	50,354
Net cash flow from other operating activities	24,893	48,958
Total cash (used in) / generated from all operating activities	(38,660)	11,419
Investment activities		
Profit/ return received	10,374	9,288
Payment for investments	-	(86,632)
Proceeds from investments	-	208,906
Fixed capital expenditure	(3,754)	(5,032)
Proceeds from sale of property and equipment	(0)	3
Total generated from investing activities	6,620	126,533
Financing activities		
Repayment of lease liabilities	(509)	(823)
Advance against right shares	35,000	-
Total cash generated from / (used in) financing activities	34,491	(823)
Net cash generated from all activities	2,451	137,129
Cash and cash equivalents at beginning of period	355,722	238,421
Cash and cash equivalents at end of period	358,173	375,550
Reconciliation to Profit and Loss Account		
Operating cash flows	(38,660)	11,418
Depreciation / amortization expense	(1,938)	(3,026)
Amortization of lease liability	(218)	(36)
Profit on disposal of property and equipment	(0)	3
Dividend and other investment income / (loss)	13,611	(19,482)
Increase / (decrease) in assets other than cash	71,465	(29,577)
Increase in liabilities other than borrowings	(97,246)	(26,901)
Loss after taxation	(52,986)	(67,600)

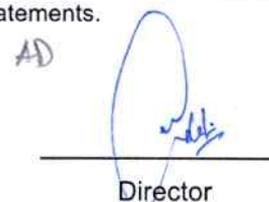
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 Officer

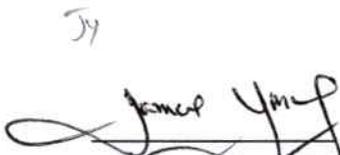
AJ/MK

 Director

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 Director

TPL LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

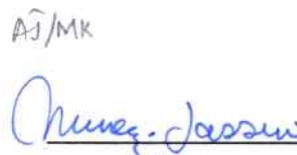
	Attributable to equity holders of the Company				Total
	Share Capital	Unappropriated profit	Accumulated losses of participating business (ledger account C & D)	Advance against right issue	
(Rupees in '000)					
Balance as at January 1, 2022					
At beginning of period	1,750,000	389,007	(1,844,061)	120,000	414,946
Total comprehensive income for the period					
Deficit for the period retained in statutory fund	-	-	(42,790)	-	(42,790)
Loss for the period from other than participating business	-	(24,810)	-	-	(24,810)
	-	(24,810)	(42,790)	-	(67,600)
Balance as at March 31, 2022	1,750,000	364,197	(1,886,851)	120,000	347,346
Balance as at January 1, 2023					
At beginning of period	1,910,000	379,466	(2,048,518)	50,000	290,948
Advance against issuance of shares	-	-	-	35,000	35,000
Right shares issued	50,000	-	-	(50,000)	-
Total comprehensive income for the period					
Deficit for the period retained in statutory fund	-	-	(56,483)	-	(56,483)
Profit for the period from other than participating business	-	3,497	-	-	3,497
	-	3,497	(56,483)	-	(52,986)
Balance as at March 31, 2023	1,960,000	382,963	(2,105,001)	35,000	272,962

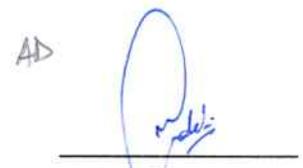
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JY

 Chairman

SA

 Chief Executive Officer

AJ/MK

 Director

AD

 Director

TPL LIFE INSURANCE LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

1. STATUS AND NATURE OF BUSINESS

1.1 TPL Life Insurance Limited (the Company) was incorporated on March,19 2008 under the Repealed Companies Ordinance, 1984 as public limited company and is registered as a life insurance company by the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. The Company obtained license to carry on life and related lines of insurance business on March 2, 2009. The registered office of the Company is situated at 20th Floor, Sky Tower-East Wing, Dolmen City, HC-3, Block-4, Abdul Sattar Edhi Avenue, Clifton – Karachi. The Company is a subsidiary of TPL Corp Limited - the Holding Company.

1.2 The Company is engaged in life insurance business including ordinary life business and accidental and health business.

In accordance with the requirement of Insurance Ordinance, 2000, the Company has established a Shareholder Fund and separate Statutory Funds in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of Appointed Actuary are as follow:

- Individual Life Unit Linked
- Conventional Business
- Accidental and Health
- Family Takaful Business
- Accidental and Health Takaful

1.3 As at three months ended March 31, 2023, the accumulated losses of the Company are Rs. 1,722.037 million and loss for the three months period ended is Rs. 52.986 million.

The Company is looking at various options including but not limited to private investor and Initial public offering. As an abundant caution, the Holding Company has also provided a financial commitment to continue its financial support to the Company, if required, for the purposes of ensuring sustainable operations in the foreseeable future and also to meet the minimum solvency requirements.

Based on the financial support from the Holding Company, the management and the Board of Directors of the Company are confident that the Company will continue to operate on sustainable basis.

2. BASIS FOR PRESENTATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under Companies Act 2017; and
- Provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 and Takaful Rules 2012

Where the provisions of and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 differ with the requirements of IAS 34, the provisions and directives issued under Companies Act 2017, Insurance Ordinance 2000, Insurance Rules 2017 and Takaful Rules 2012 have been followed.

These 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 Company's annual financial statements for the year ended 31 December 2022.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2022. Following are the standards, interpretations and amendments and improvements to accounting standards and interpretation that became effective during the current period:

- IFRS 3 'Business Combinations' - Reference to the conceptual framework (Amendments)
- IFRS 16 'Leases' - Extended practical relief regarding Covid - 19 related rent concessions (Amendment)
- IAS 16 'Property, Plant and Equipment' - Proceeds before intended use (Amendment)
- IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts - Cost of fulfilling a contract (Amendment)
- IAS 1 'Presentation of Financial Statements' - Disclosure of Accounting Policies (Amendment)
- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates (Amendment)
- IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction (Amendment)

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any significant effect on the financial statements.

- 3.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective in the current period

Standard or Interpretation	Effective date (annual periods beginning on or after)
- Amendments to IFRS 16 'Leases' - Lease liability in a sale and leaseback	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024

The above standards, amendments and interpretations are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 – First time adoption of IFRSs	January 01, 2004
IFRS 17 – Insurance Contracts	January 01, 2023

4. CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

- 4.1 In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimating uncertainty were same as those that applied to the financial statements for the year ended 31 December 2022.
- 4.2 The Company's financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended 31 December 2022.

		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees in '000)	
9. INVESTMENTS IN TERM DEPOSITS			
Deposits maturing within 12 months	9.1	85,000	85,000
9.1	These carry markup of 14.25% to 15.50% (2022: 14.25% to 15.50%) per annum.		
10. CASH & BANK			
Cash and cash equivalent			
- Cash in hand		27	26
- Policy & Revenue Stamps		94	103
Cash at bank			
- Current account		5,219	1
- Savings account	10.1	352,832.73	355,592
		<u>358,173</u>	<u>355,722</u>
10.1	These carry markup ranging from 6.50% to 15.50% (2022: 5.50% to 15.21%) per annum.		
11. SHARE CAPITAL			
11.1 Authorized share capital			
		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees in '000)	
March 31, 2023	December 31, 2022		
(No. of shares)			
240,000,000	240,000,000	2,400,000	2,400,000
<u>240,000,000</u>	<u>240,000,000</u>	<u>2,400,000</u>	<u>2,400,000</u>
	Ordinary shares of Rs.10 each		
11.2 Issued, subscribed and paid-up share capital			
		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees in '000)	
March 31, 2023	December 31, 2022		
(No. of shares)			
	Issued, subscribed and paid up Ordinary shares of Rs.10 each issued for cash		
191,000,000	175,000,000	1,910,000	1,750,000
5,000,000	16,000,000	50,000	160,000
<u>196,000,000</u>	<u>191,000,000</u>	<u>1,960,000</u>	<u>1,910,000</u>
	As at beginning of the period		
	Issued during the period		
	As at end of the period		
11.3	On December 26, 2022, the Board of Directors resolved issuance of 5 million right shares at par value of Rs. 10 each. These shares were subscribed by and issued during the period to the Holding Company.		
		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees in '000)	
12. INSURANCE LIABILITIES			
Reported outstanding claims (including claims in payment)	13.1	61,394	68,750
Incurred but not reported claims	13.2	17,878	18,543
Investment component of unit-	13.3	32,804	35,942
Liabilities under group insurance contracts (other than Investment linked)	13.4	72,074	55,035
		<u>184,150</u>	<u>178,270</u>
12.1 Reported outstanding claims			
Gross of Reinsurance			
Payable within one year		160,033	172,395
		<u>160,033</u>	<u>172,395</u>
Recoverable from Reinsurers			
Receivable within one year		98,639	103,645
		<u>98,639</u>	<u>103,645</u>
Net Reported Outstanding Claims		<u>61,394</u>	<u>68,749</u>

Note	March 31,	December 31,
	2023 (Un-audited)	2022 (Audited)
	(Rupees in '000)	
12.2 Incurred But Not Reported Claims		
Gross of Reinsurance	33,287	33,159
Reinsurance Recoveries	(15,409)	14,616
Net of Reinsurance	<u>17,878</u>	<u>47,775</u>
12.3 Investment Component of Unit Linked and Account Value Policies		
Investment Component of Unit Linked Policies	32,804	35,942
Investment Component of Account Value Policies	-	-
	<u>32,804</u>	<u>35,942</u>
12.4 Liabilities under Group Insurance Contracts (other than investment linked)		
Gross of Reinsurance	157,728	107,896
Reinsurance Recoveries	(85,654)	(52,861)
Net of Reinsurance	<u>72,074</u>	<u>55,035</u>
13. OTHER CREDITORS AND ACCRUALS		
Agents commission payable	41,648	38,747
Payable to related parties	55,737	45,278
Accrued expenses	17,030	20,701
Income tax liabilities	38,231	29,791
Sales tax liabilities	326	21
Payable to vendors	103,783	66,512
Liabilities against right to use asset	6,228	6,519
Staff provident fund	9,551	5,157
Other liabilities	21,226	19,877
	<u>293,759</u>	<u>232,603</u>
14. CONTINGENCY AND COMMITMENT		
14.1.1	<p>During the year 2019, Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated 8 May 2019 extended the exemption on life insurance till 30 June 2019. Subsequent to it, life insurance was made taxable from 1 July 2019 at the rate of 3% and group life insurance at the rate of 13%. However, during the year 2020, SRB vide notification no. SRB 3-4/13/2020, extended the exemption on life insurance till 30 June 2020, after which sales tax will be applicable on the said businesses at the same rates as directed in the previous notification. Further, SRB extended exemption on health insurance till 30 June 2022 vide notification no. SRB-3-4/17/2021. With effect from 1 November 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan ("IAP") had filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on 28 September 2019 and 28 November 2019 against PRA and SRB respectively, the proceedings of which are still ongoing.</p>	

According to the grounds of the petition the Insurance premium does not fall under the definition of service rather an insurance policy is a financial arrangement, which is in the nature of a contingent contract, and not a service upon which sales tax can be levied (and that an insurance company is not rendering a service).

In view of the above the Company has not started billing sales tax to its customers..

Based on the legal opinion obtained, the Company considers that it has a reasonably strong case on the merits in the constitution petition and the writ petition filed in the High Courts.

14.1.2 On January 30, 2020, the Company received a show cause notice from SRB for sales tax demand aggregating to Rs. 459,680/- against reinsurance premium ceded in years 2012-13, falling under the tariff heading 98.13. The Company was able to obtain extension against this notice up till February 2022. However, on January 18, 2022, the Company has received another show cause notice for sales tax demand aggregating to Rs. 457,730/- against reinsurance premium ceded in years 2014-15, falling under the same tariff.

On February 10, 2022, SRB passed an order for deposit of SST amounting to Rs. 457,730/- against which the Company has filed an appeal with the Commissioner (Appeals).

14.2 There are no commitments as at the period ended 31 March 2023.

	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	(Rupees in '000)	
15. NET INSURANCE PREMIUM REVENUE		
Gross Premiums		
Regular Premium Individual Policies		
First year	61,527	34,003
Second year renewal	-	100
Subsequent year renewal	1,267	2,155
Single Premium Individual Policies	-	-
Group Policies without Cash Value	88,961	67,953
Total Gross Premiums	151,755	104,211
Less: Reinsurance Premiums Ceded		
On individual policies	15,221	4,184
On group policies	53,476	46,944
	68,697	51,128
Net Premiums	83,058	53,083
16. NET INSURANCE BENEFITS		
Gross Claims		
Claims under individual policies		
by death	720	1,500
by insured event other than death	-	40
by surrender	1,129	218
Total gross individual policy claims	1,849	1,759
Claims under group policies		
by death	21,140	32,130
by insured other than death	24,660	34,313
Total gross group policy claims	45,800	66,443
Total Gross Claims	47,649	68,203
Less:- Reinsurance Recoveries		
On Group Life claims	29,087	22,098
Net insurance benefit expense	18,562	46,105

17. TAXATION

The Company makes provision for taxation on profits of shareholder funds only and based on tax advisor's recommendation, the profits of the statutory funds are not liable to taxation unless appropriated to shareholders, accordingly losses of statutory fund are not taken into account for the purpose of tax computations.

18. RELATED PARTY TRANSACTIONS

The related parties comprise of holding Company, associated companies, staff retirement fund, Directors and key management personnel. The transactions with related parties are in normal course of business. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Relationship	Transactions	March 31, 2023	March 31, 2022
		(Un-audited)	(Un-audited)
		(Rupees in '000)	
Holding company	Administrative cost charged	9,133	8,632
Associated undertaking	Administrative cost charged	8,455	6,620
Holding company	Premium (refund) / written	(27)	3
Associated undertaking	Premium written	747	1,750
Associated undertaking	Claims incurred	6,590	500
Associated undertaking	Commission income / administrative cost incurred	-	2,198
Key Management Personnel	Remuneration	24,465	10,396
		March 31, 2023	December 31, 2022
		(Un-audited)	(Audited)
		(Rupees in '000)	
Balances			
Holding company	Other creditors	40,054	30,921
Associated undertaking	Other creditors	15,683	14,357
Associated undertaking	Other receivables	743	13,983
Holding company	Insurance liabilities	5,118	7,667
Associated undertaking	Insurance liabilities	10,849	4,259
Holding company	Premium receivable	1,421	1,569
Associated undertaking	Premium receivable	5,112	3,902

18.1 Charges for administrative services is based on the actual cost incurred by the service provider whereas all other transactions with related parties are on arms length basis comparable with market quote.

19. SEGMENT INFORMATION

19.1 Revenue Account by Statutory Fund

	For the period ended March 31, 2023 (Un-audited)					Total
	Individual life unit linked	Conventional business	Accident & health business	Family takaful Business	Accident and health takaful business	
	(Rupees in '000)					
Income						
Premium less Reinsurances	1,251	23,638	40,257	11,494	6,418	83,058
Net Investment Income	1,175	147	4,303	123	25	5,773
Other income	-	-	2	-	-	2
Total Net Income	2,426	23,785	44,562	11,617	6,443	88,833
Insurance benefits and Expenditures						
Insurance benefits, including bonuses, net of reinsurance recoveries	1,128	6,263	8,004	(475)	3,642	18,562
Management expenses less recoveries	23,059	20,699	66,250	702	2,807	113,517
Total Insurance benefits and Expenditures	24,187	26,962	74,254	227	6,449	132,079
Deficit of income over Insurance benefits and Expenditure	(21,761)	(3,177)	(29,692)	11,390	(6)	(43,246)
Net Change in Insurance Liabilities (other than outstanding claims)	3,138	(11,352)	(13,540)	1,285	80	(20,389)
Deficit retained in PTF	-	-	-	(6,489)	(663)	(7,152)
(Deficit) / Surplus Before Tax	(18,623)	(14,529)	(43,232)	19,164	737	(56,483)
Movement in policyholders' liabilities	(3,138)	11,352	13,540	(7,774)	(743)	13,237
Transfer from Shareholders' Fund						
- Capital contributions from Shareholders' Fund	18,150	12,340	45,520	-	-	76,010
Balance of Statutory Fund at Beginning of the Period	36,835	19,893	50,003	49,732	31,050	187,513
Balance of Statutory Fund at End of the Period	33,224	29,056	65,831	61,122	31,044	220,277

	For the period ended March 31, 2022 (Un-audited)					Total
	Individual life unit linked	Conventional business	Accident & health business	Family takaful Business	Accident and health takaful business	
	(Rupees in '000)					
Income						
Premium less Reinsurances	2,236	14,867	27,220	5,915	2,846	53,084
Net Investment Income	771	125	3,714	64	48	4,722
Other income	51	-	2,327	-	-	2,378
Total Net Income	3,058	14,992	33,261	5,979	2,894	60,184
Insurance benefits and Expenditures						
Insurance benefits, including bonuses, net of reinsurance recoveries	1,718	10,543	33,355	1,187	(698)	46,105
Management expenses less recoveries	18,592	16,663	40,162	695	(1,528)	74,584
Total Insurance benefits and Expenditures	20,310	27,206	73,517	1,882	(2,226)	120,689
(Deficit) / surplus of income over Insurance benefits and Expenditure	(17,252)	(12,214)	(40,256)	4,097	5,120	(60,505)
Net Change in Insurance Liabilities (other than outstanding claims)	(790)	4,142	17,192	9,337	(22,265)	7,616
Surplus / (Deficit) retained in PTF	-	-	-	10,300	(20,400)	(10,100)
(Deficit) / Surplus Before Tax	(18,042)	(8,072)	(23,064)	3,134	3,255	(42,789)
Movement in policyholders' liabilities	790	(4,142)	(17,192)	963	1,865	(17,716)
Transfer from Shareholders' Fund						
- Capital contributions from Shareholders' Fund	17,000	7,300	3,100	-	-	27,400
Balance of Statutory Fund at Beginning of the Period	39,181	33,371	86,637	33,801	18,799	211,789
Balance of Statutory Fund at End of the Period	38,929	28,457	49,481	37,898	23,919	178,684

19.2. Segment Statement of financial position

As of March 31, 2023 (Un-audited)						
Shareholders' fund	Individual life unit linked	Conventional business	Accident & health business	Family takaful Business	Accident and health takaful business	Total
(Rupees in '000)						
Property and equipment	13,574	-	-	-	-	13,574
Intangible assets	30,769	-	-	-	-	30,769
Investments	147,036	37,412	-	145,897	-	330,345
Insurance / reinsurance receivables	-	-	91,827	72,843	21,043	213,588
Other loans and receivables	3,759	1,194	134	22,148	122	27,734
Taxation - payments less provision	34,691	441	218	2,412	152	38,197
Prepayments	3,313	-	-	-	-	3,313
Cash and bank	281,150	30,892	34,359	2,181	8,781	358,173
Interfund balances	(119,623)	(30,155)	109,948	(5,972)	26,174	(0)
Total assets	394,669	39,784	236,486	239,509	56,272	1,015,694
Insurance liabilities net of reinsurance recoveries	-	32,807	53,793	103,352	(1,293)	184,150
Premium received in advance	-	3,138	473	7,441	1,660	14,260
Insurance / reinsurance payables	-	3,012	167,020	80,529	-	250,561
Other creditors and accruals	219,228	409	14,930	43,707	1,140	293,759
Total Liabilities	219,228	39,366	236,216	235,029	1,507	742,731
As of March 31, 2022 (Un-audited)						
Shareholders' fund	Individual life unit linked	Conventional business	Accident & health business	Family takaful Business	Accident and health takaful business	Total
(Rupees in '000)						
Property and equipment	9,527	-	-	-	-	9,527
Intangible assets	17,682	-	-	-	-	17,682
Investments	150,146	39,085	-	145,612	-	334,843
Insurance / reinsurance receivables	-	-	66,653	41,402	13,069	134,795
Other loans and receivables	17,035	739	866	10,737	81	29,458
Taxation - payments less provision	29,925	386	140	2,182	86	32,983
Prepayments	2,481	-	-	-	-	2,481
Cash and bank	245,183	2,414	30,510	92,505	4,528	375,549
Interfund balances	(86,477)	(361)	115,549	(72,157)	24,005	0
Total assets	385,502	42,263	213,718	220,281	41,769	937,318
Insurance liabilities net of reinsurance recoveries	-	38,823	50,665	130,727	15,675	222,973
Premium received in advance	-	1,799	3,525	7,558	662	14,606
Insurance / reinsurance payables	-	2,816	145,907	30,412	6,721	185,856
Other creditors and accruals	95,718	(1,278)	13,454	51,269	1,119	166,538
Total Liabilities	95,718	42,160	213,551	219,966	24,177	589,973

19.3. Window Takaful Operation

19.3.1 Revenue Account

19.3.1.1 Participants' Takaful Fund (PTF)

	TAKFUL STATUTORY FUND		Aggregate	
	Group Family Takaful	Accident & Health Takaful	March 31, 2023 (un-audited)	March 31, 2022 (un-audited)
------(Rupees in '000)-----				
Income				
Contribution less Retakaful	11,494	6,418	17,912	8,761
Net Investment Income	120	20	140	103
Total net income	11,614	6,438	18,052	8,864
Insurance benefits and Expenditures				
Insurance benefits net of re-takaful recoveries	(475)	3,641	3,166	489
Takaful Operator's fee (wakalah)	13,715	2,996	16,711	6,233
Total Insurance benefits and Expenditures	13,240	6,637	19,877	6,722
Excess income over Insurance benefits and Expenditure	(1,626)	(199)	(1,825)	2,142
Technical reserves at beginning of the period	456	7,206	7,662	(2,138)
Technical reserves at end of the period	5,318	7,670	12,988	10,103
Deficit retained in PTF	(6,488)	(663)	(7,151)	(10,099)
	1,626	199	1,825	(2,142)
Surplus / (Deficit) Before Tax	-	-	-	-
Movement in technical reserves	(1,626)	(199)	(1,825)	2,142
Transfers from (to)				
Qard-e-Hasna contributed by Window Takaful Operator	-	-	-	-
Balance of PTF at Beginning of the Period	9,656	10,675	20,331	20,400
Balance of PTF at end of the Period	8,030	10,476	18,506	22,542

19.3.1.2 Operators' Sub Fund (OSF)

	TAKFUL STATUTORY FUND		Aggregate	
	Group Family Takaful	Accident & Health Takaful	March 31, 2023 (un-audited)	March 31, 2022 (un-audited)
------(Rupees in '000)-----				
Income				
Takaful Operators' Fee	13,715	2,996	16,711	6,233
Mudarib Fee	-	-	-	-
Investment Income	3	5	8	9
Total Net Income	13,718	3,001	16,719	6,242
Less: Expenditure				
Acquisition cost	57	2,184	2,241	(2,083)
Administration cost	624	626	1,250	1,250
Total Management cost	681	2,810	3,491	(833)
Excess of income over expenditure	13,037	191	13,228	7,075
Technical reserves at beginning of the period	2,524	1,626	4,150	4,150
Technical reserves at end of the period	3,545	1,292	4,837	4,837
	(1,021)	334	(687)	(687)
Surplus Before Tax	12,016	525	12,541	6,388
Movement in technical reserves	1,021	(334)	687	687
Contribution received from Shareholder's Fund	-	-	-	-
Qard-e-Hasna contributed to Participants' Takaful Fund	-	-	-	-
Balance of Operator's Fund at Beginning of the Period	16,874	27,425	44,299	44,299
Balance of Operator's Fund at End of the Period	29,911	27,616	57,527	51,374

20. FAIR VALUE

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.

All assets and liabilities for which fair value is measured or disclosed in the 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 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 which are either measured at fair value or for which fair value is only disclosed and is different from their carrying value:

As of March 31, 2023			
Fair value measurement using			
Level 1	Level 2	Level 3	
----- (Rupees in '000) -----			
Government securities (fair value only disclosed)	-	196,217	-
Government securities (measured at fair value)	-	36,716	-
Open end mutual funds (measured at fair value)	12,412	-	-
	12,412	232,933	-

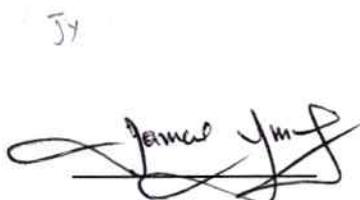
As of December 31, 2022			
Fair value measurement using			
Level 1	Level 2	Level 3	
----- (Rupees in '000) -----			
Government securities (fair value only disclosed)	-	195,297	-
Government securities (measured at fair value)	-	36,092	-
Open end mutual funds (measured at fair value)	12,297	-	-
	12,297	231,389	-

21. GENERAL

Figures have been rounded off to the nearest thousands.

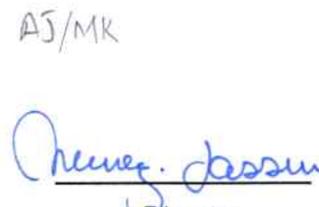
22. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the Company on **April 20, 2023**.

Jy

 Chairman

SN

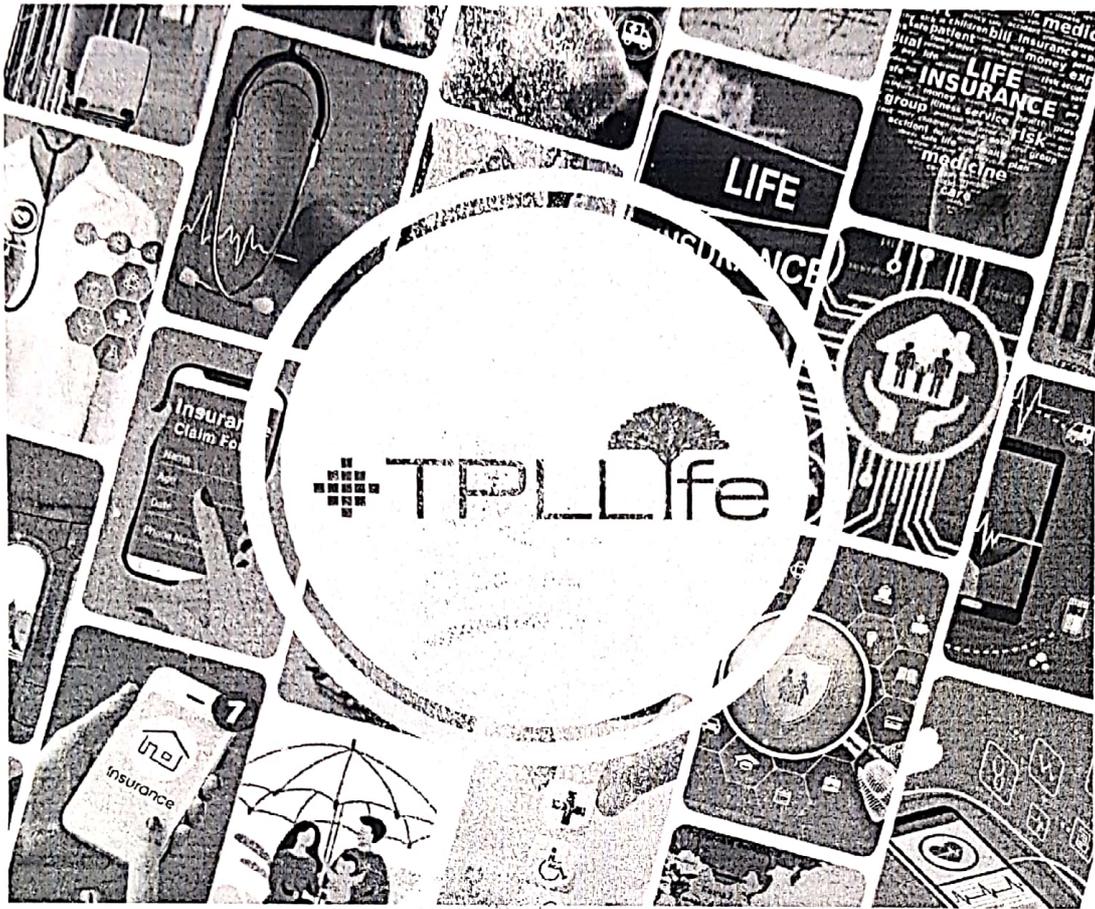
 Chief Executive Officer

AS/MK

 Director

AD

 Director

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS



April 20, 2023

The Board of Directors of the Company are pleased to present the un-audited financial statements for the first quarter ended March 31, 2023.

BUSINESS REVIEW

The period ended on March 31, 2023, has witnessed TPL Life bearing fruit of its realigned Retail Centric Strategy from last year. The Company recorded almost 1.5x growth in its GWP (i.e. PKR 151.7 million) as compared to the corresponding period of last year – whereby both Retail (35% Q1 2022) & Corporate Distribution (65% Q1 2022) lines contributed 50% a piece to the top line of the company. The split between Life & Health portfolios stood at 59% & 41% respectively.

Overall the company has been on a growth trajectory with regards to the GWP whereby a growth of 1.3x was achieved in GWP of Life Portfolio, 1.8x in GWP of Health Portfolio (comprises of Retail Health business only), 1.7x by Retail Distribution and 1.3x by Corporate Distribution.

The Company has launched some key initiatives that are going to be significant contributors to the overall vision & strategy of the company for future years within this quarter such as, Muavin – the Virtual Agents Platform – that saw close to 24K+ sign ups across Pakistan in a span of 45 days along with key banking partnerships that were that were formalized through new product lines.

During the quarter ended 31 March 2023, TPL Corp Limited, the parent company, has invested Rs. 35 million at par value to meet the solvency requirements. TPL Corp remains committed to supporting the business. Further, the Company is looking at various options to enhance its capital base.

The management and the Board of Directors of the Company, given the support of TPL Corp, remain confident that the Company will continue to operate on a sustainable basis.

During the quarter, the gross premium written was as follows:

Statutory Funds	Gross Premium / Contribution Amount in “000”		
	2023	2022	Variance %
Individual Life unit Linked	1,267	2,255	-44%
Group Life Business	72,815	58,977	23%
Accident & Health Business	55,462	31,385	77%
Group Family Takaful	15,792	8,749	81%
Accident & Health Business – Takaful	6,418	2,846	126%
Total	151,755	104,211	46%



The after tax loss for the quarter is Rs. 53 million (2022: Rs. 67.6 million). Major contributors in reducing the loss are increased premium revenue and investment income. Gross Written Premium for the quarter is Rs. 151.7 million, 46% higher than the corresponding period last year. Investment income is Rs. 13.6 million (2022: Rs. -19.4 million) and claim ratio for the quarter is 27% (2022: 65%).

The financial highlights of the performance of the Company are tabulated as follows:

	2023	2022
	Three months ended	
	March 31	
	Amount in "000"	
Gross Premium	151,755	104,211
Gross Claim	47,649	68,203
Policy Acquisition Cost	20,026	3,677
Management Expenses	94,771	71,384
Investment Income	13,613	(19,482)
Profit/(Loss) after tax	(52,985)	(67,600)
Movement in Policyholder Liabilities	(13,236)	17,716
EPS (In Rupees)	(0.28)	(0.39)

During this period, the company paid health and life claims totaling to Rs.58.8 million out of which health claims amounted to Rs.11 million and life insurance claims amounted to Rs.47.8 million.

The Company has on boarded a new reinsurer partner - Munich Re which is rated "AA-" by Standard & Poor. The management believes that the reinsurance support & stature of Munich Re will further enable the Company to diversify its risk and extend depth to its underwriting capacity.

The Board is pleased to report that the Company has maintained IFS (Insurer Financial Strength) rating of A (Single A) by PACRA.

COMPANY AND ECONOMY OUTLOOK

The economy of Pakistan is currently confronting critical challenges. Low foreign exchange reserves and large fiscal and current account deficits are predicting a difficult year ahead for Pakistan. The government is taking tough economic decisions to ensure the International Monetary Fund (IMF) provides the country with the funds it desperately needs.

The Life insurance industry is facing various challenges, the most serious of which is the imposition of provincial sales taxes on the business of life and health insurance as well as on the commission of insurance agents. In a country like Pakistan which has one of the lowest insurance penetrations in the world, the support from the Government for the development of the insurance sector will play a key role in increasing penetration and resolving the current issues being faced. The



Company, along with other life insurance companies, has filed a constitutional petition and writ petition respectively in the High Court of Sind and the Lahore High Court challenging the levy of sales tax on life and health premium.

TPL Life is focused towards building upon its realigned Retail Centric Strategy that was introduced by the Company last year during the same period. The strategy has shown tremendous results in form of growth and scale. Company is focused towards further penetrating existing Bancassurance and other distribution models and at the same time continue to invest into building distribution lines for the future such as – Bancassurance, Virtual Agent Platform, Web & App Models & Call Center based distribution lines. The Company plans aggressive market offerings to enhance customer awareness and establish TPL Life Insurance as a dominant Life Insurance Brand.

The Company continues to invest its resources into Tech & Core Systems'. The team successfully completed deployment & enhancement of its Core Life & Health Administration Systems that will serve as the backbone to support the Company's future growth through Retail Distribution Lines including Conventional & Takaful Unit Linked Businesses. The systems developed offer state of the art business solutions corroborating sales, underwriting, claims and reinsurance with minimal turnaround processing time. The systems are open ended and also cater for possible additional requirements that may be enforced following applicability of IFRS 17.

The Directors are confident that with the renewed focus, continuous evolution in products, customer centric services and innovative insurtech platforms, TPL life is all set to carve its niche among the existing club of life insurance industry as a major player. Further, with the support of TPL Corp, the holding company, the hard work of the management will achieve further levels of success in the future.

There are no changes or commitments after the balance sheet date which could materially affect the financial position of the company.

ACKNOWLEDGMENT

We wish to express our profound gratitude to the Securities & Exchange Commission of Pakistan, policyholders, business partners and shareholders who continue to repose their trust and confidence in the Company and assure them of best services. We remain committed to do the utmost to ensure the best utilization of their investment in the Company.

We thank the management team of the Company for its devotion and hard work and also the Reinsurers and Bankers of the Company for their support.

For and on behalf of the Board


Chairman

Karachi, April 20, 2023