

PIONEER/HO/CS/41/2020

July 22, 2020

The Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, Agargaon,
Sher-e-Bangla Nagar Administrative Area
Dhaka 1207.

Subject : 1st Quarter (Q-1) un audited accounts 2020.

Dear Sir,

We are pleased to inform you that the Board of Directors of Pioneer Insurance Company Limited in their 218th meeting (virtual), by using digital platform, held on 22nd July, 2020, at 3:50 p.m. has approved the 1st Quarter (Q-1) un audited accounts 2020, copy enclosed herewith for your kind perusal.

Interconnected information are as follows:

SL No.	Particulars	31.03.2020 Tk	31.03.2019 Tk
1	Gross Premium	780,265,524	774,169,238
2	Earning Per Share (EPS) for Q1	2.03	1.04
3	Net Asset Value (NAV)	3,118,384,362	3,192,330,697
4	Net Asset Value Per Share	44.56	45.62
5	Net Operating Cash Flow Per Share	0.81	2.01

Thanking you.

Yours faithfully,


Tanvir Rahman
CEO (C.C.)

- C.C. to: 1. The Managing Director, Dhaka Stock Exchange Limited, Stock Exchange Building,
9/F, Motijheel C/A, Dhaka.
2. The Chief Executive Officer, Chittagong Stock Exchange Limited, Eunoos Trade Centre
(Level-15), 52-53, Dilkusha C/A, Dhaka-1000.

PIONEER INSURANCE COMPANY LIMITED


FIRST QUARTER(Q1) ACCOUNTS

Un-audited Statement of Profit or Loss and other Comprehensive Income For the First Quarter(Q1) ended March 31, 2020

	January to March -2020 <u>Taka</u>	January to March-2019 <u>Taka</u>
A. INCOME :		
Gross Premium	780,265,524	774,169,238
Less Reinsurance Premium	320,822,141	306,953,610
Net Premium	459,443,383	467,215,628
Reinsurance Commission	45,392,632	18,210,310
Income from Investment and other sources	23,426,327	21,789,085
	528,262,342	507,215,023
B. EXPENDITURE :		
Claims	122,205,834	157,437,183
Expenses of Management	206,907,130	239,056,720
	329,112,964	396,493,903
C. RESERVE FOR UNEXPIRED RISKS ADJUSTMENTS	(1,524,823)	20,602,360
D. PROFIT BEFORE TAX (A-B-C)	200,674,201	90,118,760
E. PROVISION FOR TAX	58,558,187	17,000,000
F. NET PROFIT AFTER TAX (D-E)	142,116,014	73,118,760
G. RESERVE	44,845,419	46,139,679
H. BALANCE OF PROFIT B/F	193,850,361	132,847,341
I. RETAINED EARNINGS (F-G+H)	291,120,956	159,826,422
Earning per Share after tax	2.03	1.04



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED
FIRST QUARTER(Q1) ACCOUNTS

Un-audited Statement of Financial Position
As at March 31, 2020

	As at 31 March 2020 <u>Taka</u>	As at 31 December 2019 <u>Taka</u>
A. FIXED ASSETS	539,574,029	543,798,639
B. CURRENT ASSETS :		
Stock of Printing	1,752,239	1,787,141
Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
Investment (Share)	1,322,487,240	1,431,645,807
Sundry Debtors	1,572,317,868	1,427,496,749
Insurance Stamp	7,744,251	6,983,205
Cash & Bank Balance (including FDR)	1,316,816,302	1,261,281,596
Total Current Assets	4,246,117,900	4,154,194,498
C. CURRENT LIABILITIES :		
Fund Accounts, Creditors & Accruals	1,667,307,567	1,612,566,221
D. NET WORKING CAPITAL (B-C)	2,578,810,333	2,541,628,277
E. NET ASSETS (A+D)	<u>3,118,384,362</u>	<u>3,085,426,916</u>
FINANCED BY :		
Share Capital	699,806,250	699,806,250
Share Premium	144,000,000	144,000,000
Revenue Reserve	1,983,457,156	2,047,770,305
Retained Earnings	291,120,956	193,850,361
Total Shareholders' Equity	<u>3,118,384,362</u>	<u>3,085,426,916</u>
 Net Assets Value Per Share	 44.56	 44.09



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED
FIRST QUARTER(Q1) ACCOUNTS

Un-audited Statement of Cash Flows
For the First Quarter (Q1) ended March 31, 2020

	January to March -2020	January to March -2019
	<u>Taka</u>	<u>Taka</u>
CASH FLOW FROM OPERATING ACTIVITIES :		
Collection from Premium & Other Income	712,957,424	825,018,761
Management Expenses, Commission, Reinsurance & Claim	(646,425,066)	(642,676,583)
Income Tax	(10,000,000)	(41,930,250)
	56,532,358	140,411,928
CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(997,652)	(896,229)
	(997,652)	(896,229)
CASH FLOW FROM FINANCING ACTIVITIES :		
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NET CASH FLOWS FOR THE YEAR:	55,534,706	139,515,699
Cash and Bank Balance at the beginning of the year	1,261,281,596	996,525,371
Cash and Bank Balance at the end of the period	1,316,816,302	1,136,041,070
Net Operating Cash Flow Per Share	0.81	2.01

Reconciliation Statement of Net Profit with Cash Flows from Operating Activities

Profit before tax	200,674,201
Add Non-Cash expenses (Depreciation)	5,222,262
Less Increase in Current Assets (Accrued Interest, Sundry Debtors, Stock of Printing etc.)	135,547,264
Less Decrease in Current Liabilities (Premium Deposit, Outstanding Claims, Unexpired Risk Reserve, etc.)	3,816,841
Less Income tax paid	10,000,000
Cash Flows from Operating Activities	<u>56,532,358</u>



 Chief Financial Officer



 Company Secretary



 Chief Executive Officer(CC)

Sd/-

 Director

Sd/-

 Chairman

PIONEER INSURANCE COMPANY LIMITED
FIRST QUARTER(Q1) ACCOUNTS

Statement of Changes in Equity (Un-audited) for the First Quarter(Q1) ended March 31, 2020

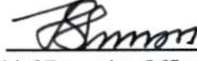
Particulars	Share Capital	Share Premium	General Reserve	Reserve for Fair Value of Share	Reserve for Exceptional losses	Retained Earnings	Total
Equity as at January 01,2020	699,806,250	144,000,000	4,500,000	949,080,699	1,094,189,606	193,850,361	3,085,426,916
Net Profit for this year (after adjustment of tax)						142,116,014	142,116,014
Transfer to Reserve for exceptional losses					44,845,419	(44,845,419)	
Transfer to Reserve for Fair Value				(109,158,568)			(109,158,568)
Equity as at 31st March, 2020	699,806,250	144,000,000	4,500,000	839,922,131	1,139,035,025	291,120,956	3,118,384,362
Equity as at 31st March, 2019	699,806,250	144,000,000	4,500,000	1,219,806,822	964,391,203	159,826,422	3,192,330,697



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED

Selected explanatory notes to the Quarterly Financial Statements for the First Quarter (Q1) ended March 31, 2020.

1. Basis of preparation: Quarterly abridged Financial Statement (un-audited) has been prepared in accordance with BSEC notification no-BSEC/CMRRC/2006-158/208/Admin/91, dated 20 June 2018 and based on International Accounting Standard (IAS)- 34 "Interim Financial Reporting" as adopted in IFRS, the Company Act-1994, the Insurance Act-2010, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2. Significant Accounting Policies and Method of Computation: Accounting policies and methods of computation followed in preparing this Quarterly Financial Statements are consistent with those used in the Annual Financial Statements prepared and published for the year ending December 31, 2019.

3. Issued, Subscribed and Paid-up Capital : Issued, Subscribed and Paid-up Capital consists of 69,980,625 Ordinary Shares of Tk. 10/= each fully paid-up.

Year	Particulars	Value per Share	Paid up capital		Cumulative Paid-up capital
			No. of Shares	Taka	
1996	As per MOA & AOA	10	6,000,000	60,000,000	60,000,000
2001	Initial Public Offering	10	9,000,000	90,000,000	150,000,000
2009	25% Bonus	10	3,750,000	37,500,000	187,500,000
	20% Rights	10	3,750,000	37,500,000	225,000,000
2010	25% Bonus	10	4,687,500	46,875,000	271,875,000
2011	30% Bonus	10	8,156,250	81,562,500	353,437,500
2012	20% Bonus	10	7,068,750	70,687,500	424,125,000
2013	20% Bonus	10	8,482,500	84,825,000	508,950,000
2014	25% Bonus	10	12,723,750	127,237,500	636,187,500
2015	10% Bonus	10	6,361,875	63,618,750	699,806,250
	Total:		69,980,625	699,806,250	

4. Class wise Gross Premium:

Class of Premium	As on 31/03/2020	As on 31/03/2019
Fire	388,920,587	364,601,837
Marine	182,627,459	203,911,607
Motor	68,187,404	77,219,380
Misc.	140,530,074	128,436,414
Total:	780,265,524	774,169,238

5. Provision for Income Tax: Provision for tax Tk. 58,558,187 includes Tk. 58,187 as provision for Deferred Tax Liabilities / (Assets). Provision for Income Tax has been made on taxable income after necessary add back in accordance with the provision of Finance Act 2019 and the Income Tax Ordinance 1984. Details calculations are given below:



Particulars	As on 31/03/2020	As on 31/03/2019
Net Profit	200,674,201	90,118,760
Less: Reserve for exceptional loss	44,845,419	46,139,679
Taxable Income	155,828,782	43,979,081
Current Tax	58,435,793	16,500,000
Provision for adjustment of Previous year	0	500,000
Provision for Tax	58,500,000	17,000,000

Provision has been made for deferred tax liability/ (assets) for the period ended 31, March 2020 in order to comply with the requirement of IAS- 12. Calculations are given below:

Particulars	As on 31/03/2020
W.D.V. of Fixed Assets as per Financial position	539,574,029
W.D.V. of Fixed Assets as per Tax basis	539,418,865
Taxable temporary difference	155,164
Tax rate	37.50%
Deferred tax liabilities as on 31/03/2020	58,187

6. **Depreciation:** Depreciation on Fixed Assets has been calculated in accordance with paragraph 55 of BAS-16.

7. **Investment in Share:** Incompliance with IFRS-9, Investment in Share, available for sale, has been shown in Fair Value (Market Value) and necessary provision has been made in Financial Statement as Revenue Reserve.

8. **Revenue Reserve : Tk.1,983,457,156**

Details are given below:

	As on 31/03/2020	As at 31/12/2019
Reserve for Exceptional Losses	1,139,035,025	1,094,189,606
General Reserve	4,500,000	4,500,000
Reserve for Fair Value of share	839,922,131	949,080,699
Total:	1,983,457,156	2,047,770,305

9. **Net Assets Value:**

Calculation of Net Assets Value (NAV) per share

	As on 31/03/2020	As at 31/12/2019
Net Assets	3,118,384,362	3,085,426,916
Weighted average number of ordinary shares	69,980,625	69,980,625
Net Assets Value per Share	44.56	44.09

10. Earnings per Share:

Earnings per share (EPS) calculated in accordance with "IAS 33".

Particulars	Jan-Mar,2020	Jan-Mar,2019
Net Profit after Tax	142,116,014	73,118,760
Weighted average number of Ordinary shares	69,980,625	69,980,625
Earnings per Share	2.03	1.04

11. Net Operating Cash Flows Per Share:

Details calculation is as follows:

Particulars	As on 31/03/2020	As on 31/03/2019
Net cash generated from operating activities	56,532,328	140,411,928
Weighted average number of ordinary shares	69,980,625	69,980,625
Net Operating Cash Flows Per Share	0.81	2.01

12. Related party transactions:

In accordance with Para 18 of IAS-24, details transaction with related parties and balance with them as at March 31, 2020 are given below:

Name of the related party	Relationship	Amount of transaction	Outstanding balance	Doubtful debts	Expenses in respective Doubtful debts
Apex Footware Ltd.	Common Director	23,883,405	-	-	-
Apex Tannery Ltd.	Common Director	2,146,705	-	-	-
Square Group	Common Director	25,855,555	-	-	-
ACI Group	Common Director	15,211,394	-	-	-
Shamsul Alamin Group	Common Director	156,255			
Total:		67,253,314			

13. No payment / benefits have been made for any key management personal as compensation during the period.

The detail of published First Quarter (Q1) financial statements is available in the website of the Company. The address of the website is www.pioneerinsurance.com.bd


Chief Financial Officer


Company Secretary


Chief Executive Officer (CC)

Sd/-
Director

Sd/-
Chairman