

PIONEER/HO/CS/77 /2020

October 28, 2020

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

Subject : 3rd Quarter (Q-3) un audited accounts 2020.

Dear Sir,

We are pleased to inform you that the Board of Directors of Pioneer Insurance Company Limited in their 220th meeting (virtual), by using digital platform, held on 28th October, 2020, at 3:25 p.m. has approved the 3rd Quarter (Q-3) un audited accounts 2020. Copy enclosed herewith for your kind perusal.

Interconnected information are as follows:

SL No.	Particulars	30.09.2020 Tk	30.09.2019 Tk
1	Gross Premium	2,108,169,034	2,375,276,722
2	Earning Per Share (EPS) for Q3	1.99	0.97
3	Earning Per Share (EPS) for Q1, Q2 & Q3	6.01	3.47
4	Net Asset Value(NAV)	3,358,605,651	3,305,134,658
5	Net Asset Value Per Share	47.99	47.23
6	Net Operating Cash Flow Per Share	3.89	5.04

Thanking you.

Yours faithfully,


Tarik Ur 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

THIRD QUARTER (Q3) ACCOUNTS-2020

**Unaudited Statement of Profit or Loss and Other Comprehensive Income
For the Third Quarter(Q3) ended September 30, 2020**

	Notes	January to September-20 <u>Taka</u>	January to September-19 <u>Taka</u>	July to September-20 <u>Taka</u>	July to September-19 <u>Taka</u>
A. INCOME :					
Gross Premium	4	2,108,169,034	2,375,276,722	716,191,473	727,848,637
Less Reinsurance Premium		872,376,054	949,534,798	304,539,403	303,112,193
Net Premium		1,235,792,980	1,425,741,924	411,652,070	424,736,444
Reinsurance Commission		113,290,848	82,806,881	42,537,341	39,912,892
Income from Investment and other sources		84,157,758	62,469,498	30,521,772	21,042,642
		1,433,241,586	1,571,018,303	484,711,183	485,691,978
B. EXPENDITURE :					
Claims	5	279,849,717	468,313,622	71,897,553	165,330,568
Expenses		614,397,384	703,743,022	230,669,758	226,368,987
		894,247,101	1,172,056,644	302,567,311	391,699,555
C. Reserve for Unexpired Risks adjustments		(58,934,050)	91,084,986	(15,551,499)	8,955,761
D. PROFIT BEFORE TAX (A-B-C)		597,928,535	307,876,673	197,695,371	85,036,662
E. PROVISION FOR TAXES	6	176,738,275	65,000,000	58,121,901	17,500,000
F. NET PROFIT AFTER TAX (D-E)		421,190,260	242,876,673	139,573,470	67,536,662
G. RESERVE		119,839,991	137,555,227	39,217,979	41,000,916
H. BALANCE OF PROFIT B/F		53,889,111	27,876,403	254,883,889	106,662,103
I. RETAINED EARNINGS (F-G+H)		355,239,380	133,197,849	355,239,380	133,197,849
Earning per Share after tax(EPS)	11	6.01	3.47	1.99	0.97



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED

THIRD QUARTER (Q3) ACCOUNTS-2020

Unaudited Statement of Financial Position

As on September 30, 2020

	Notes	As at 30 Sept. 2020 <u>Taka</u>	As at 31 Dec. 2019 <u>Taka</u>
A. FIXED ASSETS		525,246,679	543,798,639
B. CURRENT ASSETS :			
Stock of Printing & stationary		1,936,263	1,787,141
Investment (BGTB)		25,000,000	25,000,000
Investment (Share)	8	1,423,595,532	1,431,645,807
Sundry Debtors(incl.adv.deposit & pre- payment)		1,769,804,976	1,427,496,749
Insurance Stamp		248,802	6,983,205
Cash & Bank Balance (including FDR)		1,391,633,388	1,261,281,596
Total Current Assets		4,612,218,961	4,154,194,498
C. CURRENT LIABILITIES :			
Fund accounts,Creditors & Accruals		1,778,859,989	1,612,566,221
D. NET WORKING CAPITAL (B-C)		2,833,358,972	2,541,628,277
E. NET ASSETS (A+D)		<u>3,358,605,651</u>	<u>3,085,426,916</u>
FINANCED BY :			
Share Capital	3	699,806,250	699,806,250
Share Premium		144,000,000	144,000,000
Revenue Reserve	9	2,159,560,021	2,047,770,305
Retained Earnings		355,239,380	193,850,361
Total Shareholders' Equity		<u>3,358,605,651</u>	<u>3,085,426,916</u>
Net Assets Value Per Share	10	47.99	44.09



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED

THIRD QUARTER (Q3) ACCOUNTS-2020

**Unaudited Statement of Cash Flows
For the Third Quarter (Q3) ended September 30, 2020**

	Notes	January-Sept. 2020 <u>Taka</u>	January-Sept. 2019 <u>Taka</u>
CASH FLOW FROM OPERATING ACTIVITIES :			
Collection from Premium & Other Income		2,024,508,432	2,432,771,617
Management Expenses, Commission, Reinsurance & Claims		(1,677,377,941)	(2,003,552,198)
Income-tax paid		(74,955,766)	(76,582,211)
		272,174,725	352,637,208
CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Fixed Assets		(1,861,683)	(12,510,169)
CASH FLOW FROM FINANCING ACTIVITIES:			
Dividend		(139,961,250)	(104,970,937)
NET CASH FLOWS FOR THE YEAR:		130,351,792	235,156,102
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		<u>1,391,633,388</u>	<u>1,231,681,473</u>
Net Operating Cash Flow Per Share	12	3.89	5.04

Reconciliation Statement of Net Profit with Cash Flows from Operating Activities

Profit before tax	597,928,535
Add Non-Cash expenses (Depreciation)	20,413,642
Less Increase in Current Assets (Accrued Interest, Sundry Debtors, Stock of Printing etc.)	260,767,179
Add Increase in Current Liabilities (Premium Deposit, Outstanding Claims, Unexpired Risk Reserve, etc.)	16,825,080
Less Decrease in Current Liabilities (Sundry Creditors)	27,269,587
Less Income Tax paid	<u>74,955,766</u>
Cash Flows from Operating Activities	<u>272,174,725</u>



Chief Financial Officer



Company Secretary



Chief Executive Officer(CC)

Sd/-

Director

Sd/-

Chairman

PIONEER INSURANCE COMPANY LIMITED

THIRD QUARTER (Q3) ACCOUNTS-2020

Statement of Change in Equity for the Third Quarter (Q3) ended September 30, 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)						421,190,260	421,190,260
Transfer to Reserve for exceptional losses					119,839,991	(119,839,991)	
Transfer to Reserve for Fair Value of Share				(8,050,275)			(8,050,275)
Transfer to Dividend A/C						(139,961,250)	(139,961,250)
Equity as at 30th September, 2020	699,806,250	144,000,000	4,500,000	941,030,424	1,214,029,597	355,239,380	3,358,605,651
Equity as at 30th September, 2019	699,806,250	144,000,000	4,500,000	1,267,823,808	1,055,806,751	133,197,849	3,305,134,658



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 Third
Quarter (Q3) ended September 30, 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. Gross Premium (Class wise):

Class	As on 30/09/2020	As on 30/09/2019
Fire	1,104,409,941	1,191,602,733
Marine	457,651,155	624,989,981
Motor	184,808,104	240,192,637
Misc.	361,299,834	318,491,371
Total:	2,108,169,034	2,375,276,722

5. Claims(Class wise):

Class	As on 30/09/2020	As on 30/09/2019
Fire	163,353,840	351,981,703
Marine	76,675,137	68,039,380
Motor	38,684,148	35,867,836
Misc.	1,136,592	12,424,703
Total:	279,849,717	468,313,622



6. Provision for Income Tax: Provision for tax Tk. 176,738,275 includes Tk. 232,747 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 2020 and the Income Tax Ordinance 1984. Details calculations are given below:

Particulars	As on 30/09/2020	As on 30/09/2019
Net Profit	597,928,535	307,876,673
Less: Reserve for exceptional loss	119,839,991	137,555,227
Less: Cash Dividend Income Received	15,872,433	5,187,291
Taxable Income	462,216,111	165,134,155
Tax @ 37.50%	173,331,041	61,925,308
Tax on Cash Dividend Income @ 20%	3,174,487	1,037,458
Total Current Tax	176,505,528	62,962,766
Provision for Tax	176,505,528	65,000,000

Provision has been made for deferred tax liability/ (assets) for the period ended 30, September 2020 in order to comply with the requirement of IAS- 12. Calculations are given below:

Particulars	As on 30/09/2020
W.D.V. of Fixed Assets as per Accounts base	525,246,679
W.D.V. of Fixed Assets as per Tax base	524,626,020
Taxable temporary difference	620,659
Tax rate	37.50%
Deferred tax liabilities as on 30/09/2020	232,747

Details calculation are given in Annexure-1

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

Details calculation of depreciation on Fixed Assets are given in Annexure-1

8. 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.

9. Revenue Reserve : Tk. 2,159,560,021

Details are given below:

	As on 30/09/2020	As at 31/12/2019
Reserve for Exceptional Losses	1,214,029,597	1,094,189,606
General Reserve	4,500,000	4,500,000
Reserve for Fair Value of share	941,030,424	949,080,699
Total:	2,159,560,021	2,047,770,305



10. Net Assets Value:

Calculation of Net Assets Value (NAV) per share

	As on 30/09/2020	As on 31/12/2019
Net Assets	3,358,605,651	3,085,426,916
Weighted average number of ordinary shares	69,980,625	69,980,625
Net Assets Value per Share	47.99	44.09

11. Earnings per Share (EPS):

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

Particulars	Jan-Sept.,2020	Jan-Sept,2019
Net Profit after Tax	421,190,260	242,876,673
Weighted average number of ordinary shares	69,980,625	69,980,625
Earnings per Share	6.01	3.47

Due to decrease in expenditure, the profit has increased compared to the previous period, hence the Earnings Per Share (EPS) has increased.

12. Net Operating Cash Flows Per Share(NOCFPs):

Details calculation is as follows:

Particulars	As on 30/09/2020	As on 30/09/2019
Net cash generated from operating activities	272,174,725	352,637,208
Weighted average number of ordinary shares	69,980,625	69,980,625
Net Operating Cash Flows Per Share	3.89	5.04

Net operating cash flow per share (NOCFPs) has decreased because the cash inflow from premium income was lower than that of previous year.

13. Related party transactions:

In accordance with Para 18 of IAS-24, details transaction with related parties and balance with them as at September 30, 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	20,275,030	-	-	-
Apex Tannery Ltd.	Common Director	14,516,467	-	-	-
Square Group	Common Director	103,406,908	-	-	-
ACI Group	Common Director	51,281,539	-	-	-
Shamsul Alamin Group	Common Director	3,582,451			
Total:		193,062,395			

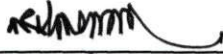


14. No payment / benefits have been made for any key management personal as compensation during the period.

The detail of published Third Quarter (Q3) 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

Pioneer Insurance Co. Ltd.
Schedule of Fixed Assets as at September 30, 2020
(As Per Account based)

Annexure-1

Particulars	Cost			Rate	Depreciation				Written down value		
	As on 01.01.2020	Adj.	Addition During the year		Total 30.09.2020	As on 01.01.2020	Adj.	During the year	Total 30.09.2020	As on 30.09.2020	As on 01.01.2020
Furniture & Fixtures	12,205,382		28,148	12,233,530	10%	7,774,409		445,912	8,220,321	4,013,209	4,430,973
Office Machineries	3,864,738			3,864,738	15%	3,149,534		107,281	3,256,815	607,923	715,204
Air Conditioner	15,868,009			15,868,009	15%	10,665,792		780,333	11,446,125	4,421,884	5,202,217
Computer	15,870,142		1,029,831	16,899,973	15%	9,951,494		983,085	10,934,579	5,965,394	5,918,648
Telephone Installation	3,567,310			3,567,310	15%	2,791,545		116,365	2,907,910	659,400	775,765
Electric Equipment	3,878,013		17,870	3,895,883	15%	2,646,258		187,220	2,833,478	1,062,405	1,231,755
Motor Vehicle	173,665,377			173,665,377	20%	113,954,171		11,942,241	125,896,412	47,768,965	59,711,206
Signboard	2,130,409		92,358	2,222,767	20%	1,808,640		78,703	1,887,343	335,424	321,769
Croceries	1,034,634		29,100	1,063,734	20%	829,071		46,506	875,577	188,157	205,563
Office Renuvation	87,130,075		664,376	87,794,451	20%	59,150,638		5,725,997	64,876,635	22,917,816	27,979,437
Office space	123,156,102			123,156,102		0		0	0	123,156,102	123,156,102
Office Space (Work in	314,150,000			314,150,000		0		0	0	314,150,000	314,150,000
Grand Total	756,520,191	0	1,861,683	758,381,874		212,721,552	0	20,413,643	233,135,195	525,246,679	543,798,639

Schedule of Fixed Assets as at September 30, 2020
(As Per Tax based)

Particulars	Cost			Rate	Depreciation				Written down value		
	As on 01.01.2020	Adj.	Addition During the year		Total 30.09.2020	As on 01.01.2020	Adj.	During the year	Total 30.09.2020	As on 30.09.2020	As on 01.01.2020
Furniture & Fixtures	12,205,382		28,148	12,233,530	10%	7,774,409		445,912	8,220,321	4,013,209	4,430,973
Office Machineries	3,864,738			3,864,738	10%	3,149,534		71,520	3,221,054	643,684	715,204
Air Conditioner	15,868,009			15,868,009	20%	10,665,792		1,040,443	11,706,235	4,161,774	5,202,217
Computer	15,870,142		1,029,831	16,899,973	20%	9,951,494		1,279,018	11,230,512	5,669,461	5,918,648
Telephone Installation	3,567,310			3,567,310	20%	2,791,545		155,153	2,946,698	620,612	775,765
Electric Equipment	3,878,013		17,870	3,895,883	20%	2,646,258		248,808	2,895,066	1,000,817	1,231,755
Motor Vehicle	173,665,377			173,665,377	20%	113,954,171		11,942,241	125,896,412	47,768,965	59,711,206
Signboard	2,130,409		92,358	2,222,767	20%	1,808,640		78,703	1,887,343	335,424	321,769
Croceries	1,034,634		29,100	1,063,734	20%	829,071		46,506	875,577	188,157	205,563
Office Renuvation	87,130,075		664,376	87,794,451	20%	59,150,638		5,725,997	64,876,635	22,917,816	27,979,437
Office space	123,156,102			123,156,102		0		0	0	123,156,102	123,156,102
Office Space (Work in	314,150,000			314,150,000		0		0	0	314,150,000	314,150,000
Grand Total	756,520,191	0	1,861,683	758,381,874		212,721,552	0	21,034,302	233,755,854	524,626,020	543,798,639



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