

## FEDERAL INSURANCE COMPANY LIMITED

Selected notes to the Quarterly Financial Statements (un-audited) for the 3rd Quarter ended September 30, 2023

**1.00 Background** Federal Insurance Company Limited (the Company) was incorporated on 11 November 1987 under the Companies Act 1913 vide registration No. C-16853 (839)/87 with the object of carrying on in and outside Bangladesh all kinds of Insurance Business other than Life Insurance Business and obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies and Firms, Bangladesh on the same date. However, the Certificate of Commencement of Insurance Business from the Controller of Insurance, Government of Bangladesh was obtained on 17 November 1987. In 1995, the Company issued public portion of shares and was listed with Dhaka Stock Exchange from 26 June 1995. The Company was also listed with Chittagong Stock Exchange from 20 November 1995.

**2.00 Basis of preparation** The Quarter Financial Statements (un-audited) have been prepared in accordance with International Accounting Standards (IAS)-34, the Companies Act, 1994, the Securities & Exchange Rules, 1987, The insurance Act, 2010 and Other applicable laws and regulations.

**3.00 Depreciation** Depreciation on fixed assets has been calculated in accordance with paragraph 55 of BAS 16.

<b>4.00 Net Assets Value</b>	<b>Jan-Sep, 2023</b>	<b>31-Dec-22</b>
Calculation of Net Assets Value (NAV) per share		
Net Assets	918,132,741	921,143,463
Weighted average number of ordinary shares .	71,039,643	71,039,643
<b>Net Assets Value (NAV) per Share</b>	<b>12.92</b>	<b>12.97</b>

<b>5.00 Net Earnings Per Share (EPS)</b>	<b>Jan-Sep, 2023</b>	<b>Jan-Sep, 2022</b>
Earning per share(EPS)calculated in accordance with "IAS 33"		
Earning Attributable to the Ordinary Shareholders (Net profit after tax)	68,028,921	72,470,359
Weighted average number of ordinary shares	71,039,643	71,039,643
<b>Earnings Per Share (EPS)</b>	<b>0.96</b>	<b>1.02</b>

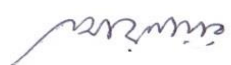
<b>6.00 Net Operating Cash Flow Per Share (NOCFPS)</b>	<b>Jan-Sep, 2023</b>	<b>Jan-Sep, 2022</b>
Details calculation is as follows:		
Net Cash from Operating Activities	14,131,535	106,781,740
Weighted average number of ordinary shares	71,039,643	71,039,643
<b>Net Operating Cash Flow Per Share</b>	<b>0.20</b>	<b>1.50</b>


**7.00 Provision for Income Tax** Provision for income tax has been made in accordance with the provision of income Tax Ordinance 1984. Difference between tax base depreciation and accounting base depreciation is insignificant, thus, provision for deferred tax liability or deferred tax assets has not been considered in the Intirm financial statements.

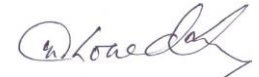
**8.00 Comparative Information** Figure have been rearranged/restated wherever necessary to conform to current period's presentation.

**9.00** Reconciliation statement of net Operating Cash Flow for the 3rd quarter 2023 making adjustment of non cash items for non-operating items and for the net changes in operating accruals.


	<b>Jan-Sep, 2023</b>	<b>Jan-Sep, 2022</b>
<b>A. Cash flow from operating activities :</b>		
Net profit before tax	102,846,274	106,952,574
Add : Depreciation	12,523,782	15,316,122
(Profi)/Loss on sale of assets	-	-
	<b>115,370,055</b>	<b>122,268,696</b>
<b>Increase in current liabilities :</b>		
Outstanding claim	-	-
Lease Liabilities(Operating Lease)	-	-
Gratuity	-	-
Amount due to other persons or bodies carrying on insurance business	-	-
Sundry Creditors	-	21,014,694
Premium deposit account	-	-
Unexpired Risks	-	26,725,053
	-	<b>47,739,747</b>
<b>Decrease in current assets :</b>		
Outstanding premium	-	-
Interest Accrued but not due	1,114,437	3,078,646
Sundry debtors	-	-
Stock of Stationery	-	250,040
Amount due from other persons or bodies carrying on insurance business	917,333	-
Deferred Tax Assets/(Liabilities)	-	-
	<b>2,031,769</b>	<b>3,328,686</b>
<b>Increase in current assets :</b>		
Outstanding premium	-	-
Interest Accrued but not due	-	-
Sundry debtors	(56,209,533)	(37,351,874)
Stock of Stationery	(129,781)	-
Amount due from other persons or bodies carrying on insurance business	-	(11,823,147)
Deferred Tax Assets/(Liabilities)	-	-
	<b>(56,339,314)</b>	<b>(49,175,021)</b>
<b>Decrease in current liabilities :</b>		
Outstanding Claims	(2,264,525)	(7,967,135)
Amount due to other persons or bodies carrying on Insurance business	-	-
Lease Liabilities(Operating Lease)	-	-
Gratuity	-	-
Premium deposit account	(8,750,766)	(9,413,233)
Sundry creditors	(25,448,870)	-
Unexpired Risks	(10,466,815)	-
	<b>(46,930,976)</b>	<b>(17,380,368)</b>
<b>Net cash flow from operating activities</b>	<b>14,131,535</b>	<b>106,781,740</b>

  
**Sk. Md. Anwar Uddin**  
 Company Secretary

  
**Masud Hossain**  
 Chief Financial Officer

  
**AMM Mohiuddin Chowdhury**  
 Chief Executive Officer

  
**Jainul Abedin Jamal**  
 Director

  
**Enamul Hoq**  
 Chairman, Board of Directors