



Mercantile Insurance Company Ltd.

3rd QUARTER (Q3) ACCOUNTS

Un-Audited Statement of Profit or Loss and other Comprehensive Income

For the 3rd Quarter (Q3) ended September 30, 2022

	Notes	3rd Quarter Ended		Quarter Ended	
		Year - 2022	Year - 2021	Year - 2022	Year - 2021
		January to September	January to September	July to September	July to September
		Taka in Crore	Taka in Crore	Taka in Crore	Taka in Crore
A. INCOME :					
Gross Premium	4	35.31	32.66	12.16	14.50
Less: Reinsurance Premium		12.35	11.54	4.87	5.92
Net Premium		22.96	21.12	7.29	8.58
Re Insurance Commission		4.53	2.96	2.32	1.14
Income from Investment and other sources		3.11	3.14	1.17	1.30
		30.60	27.22	10.78	11.02
B. EXPENDITURE :					
Claims	5	11.01	10.32	4.91	4.52
Management Expenses & Commission		12.29	10.47	5.12	4.79
		23.30	20.79	10.03	9.31
C. PROFIT BEFORE TAX (A-B)		7.30	6.43	0.75	1.71
D. PROVISION FOR TAX	6	1.88	1.62	0.01	0.31
E. NET PROFIT AFTER TAX (C-D)		5.42	4.81	0.74	1.40
F. RESERVE FOR EXCEPTIONAL LOSSES		2.30	2.11	0.72	0.86
Earning Per Share after Tax (EPS)	11	1.26	1.12	0.17	0.32


Aziz Mohammed Ershad Ullah Chowdhury
Vice Chairman


Abdul Haque
Chairman

Dhaka
31st October 2022


Md. Abu's Salam
Asstt. Managing Director & CFO


Abdur Rahman
DMD & Company Secretary


Firoz Ahmed
Chief Executive Officer



**Un-Audited Statement of Financial Position
For the 3rd Quarter(Q3) ended September 30, 2022**

	Notes	As at 30 Sep, 2022 (Tk. Crore)	As at 31 Dec, 2021 (Tk. Crore)
A. Non current Assets		8.13	6.68
Property, Plants & Equipment		4.54	3.09
Bangladesh Govt. Treasury Bond		3.50	3.50
Deferred Tax Assets		0.09	0.09
B. Current Assets		239.42	235.31
Investment in Shares	7	35.61	26.18
Accrued Interest, Dividend & Rent		0.74	0.74
Amount due from other person or bodies carrying on Insurance business		81.10	81.10
Sundry Debtors		0.94	0.94
Cash & Bank Balances		112.01	119.32
Advance Income Tax		9.02	7.03
TOTAL PROPERTY & ASSETS(A+B)		247.55	241.99
C. Shareholders' Equity & Liabilities		89.00	87.84
Share Capital	8	43.10	43.10
Share Premium		7.48	7.48
Revenue Reserve	9	33.59	31.24
Profit&Loss Appropriation		4.83	6.02
D. Balance of Fund & Accounts		23.46	14.85
Reserve for Unexpired Risk		23.46	14.85
E. Liabilities & Provision		135.09	139.30
Premium Deposit		1.46	5.87
Estimated Liability in respect of outstanding Claims whether due or intimated		16.50	16.00
Amount due to other person or bodies carrying on Insurance business		107.89	107.89
Sundry Creditors		9.24	9.54
TOTAL CAPITAL & LIABILITES (C+D+E)		247.55	241.99
Net Assets Value Per Share (NAVPS)	10	20.65	19.17

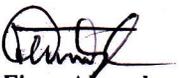

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Un-Audited Statement of changes in equity
For the 3rd Quarter(Q3) ended September 30, 2022

(TK. IN CRORE)

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Unrealized Gain on Share	Retained Earnings	Total Tk.
Equity as at 01 January 2022	43.10	7.48	27.95	2.21	1.08	6.02	87.84
Profit after Tax for the 3rd Qrt. Ended	--	--	--	--	--	5.42	5.42
Dividend Cash		--		--	--	(4.31)	(4.31)
Reserve for Exceptional Losses	--	--	2.30	--	--	(2.30)	0.00
Unrealized gain on share	--	--	--	--	0.05	--	0.05
Equity as at 30 September 2022	43.10	7.48	30.25	2.21	1.13	4.83	89.00

(TK. IN CRORE)

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Retained Earnings	Total Tk.
Equity as at 01 January 2021	43.10	7.48	24.99	2.01	4.55	82.13
Profit after Tax for the 3rd Qrt. Ended	--	--	--	--	4.81	4.81
Dividend Cash	--	--	--	--	(4.31)	(4.31)
Reserve for Exceptional Losses	--	--	2.11	--	(2.11)	0.00
Equity as at 30 September 2021	43.10	7.48	27.10	2.01	2.94	82.63

Un- Audited Cash Flow Statement

For the 3rd Quarter (Q3) ended September 30, 2022

	2022 January to Sep. Tk. In Crore	2021 January to Sep. Tk. In Crore
A. Cash Flow From Operating Activities	2.81	2.99
Collection of premium & other receipts	39.84	35.62
Tax payment	(1.99)	(1.30)
Payments for management expenses reinsurance, claims etc.	(35.04)	(31.33)
B. Cash flow from Investing Activities	(5.80)	2.92
Acquisition of Fixed Assets	(1.45)	(0.22)
Investment in share	(7.46)	-
Interest & Other Income	3.11	3.14
C. Cash flow from Financing Activities	(4.31)	(4.31)
Dividend	(4.31)	(4.31)
D. Net inflow/(outflow) for the 3rd Quarter (A+B+C)	(7.30)	1.60
E. Opening cash & bank balance	119.31	112.83
F. Closing cash & bank balance (D+E)	112.01	114.43

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Selected Explanatory Notes for the Third Quarter (Q3) ended September 30, 2022

- 1) Legal status & nature of the Company:** Mercantile Insurance Company Ltd. was incorporated as a Public Limited Company on March 19, 1996 under Companies Act, 1994. The Company provides Non Life Insurance services as per the direction given by IDRA time to time with in the stipulation laid down by insurance Act, 2010.
- 2) Basis of Preparation:** The Financial statement (un Audited) has been prepared based on International Accounting Standard (IAS)-34. Interim Financial Reporting and in accordance with other International Accounting Standard (IAS) the Company Act 1994, the Insurance Act 2010, The Securities & Exchange Rules 1987 and other applicable laws and regulation.
- 3) Accounting policies and method of Computation:** Accounting policies methods of Computation followed in preparing this Third Quarter (Q3) Financial Statements are Consistent with used in the Annual Financial Statements prepared and published for the year ended December 31, 2021.
- 4) Class wise Gross Premium: 35.31**

Class of Premium	As on 30 September 2022	As on 30 September 2021
Fire	10.59	13.26
Marine	17.93	15.79
Motor	0.63	1.33
Miscellaneous	6.16	2.28
Total	35.31	32.66

5) Net Claims (Class Wise): 11.01

Class of Premium	As on 30 September 2022	As on 30 September 2021
Fire	9.23	7.18
Marine	1.73	2.09
Motor	0.03	0.16
Miscellaneous	0.02	0.89
Total	11.01	10.32

6) Provision for Income Tax: 1.88

Provision for Income Tax has been made on taxable income after necessary add back in accordance with the provision of Finance Act 2022 and income Tax Ordinance 1984. Detail Calculations are given below.

Particulars	As on 30 September 2022	As on 30 September 2021
Profit before Tax	7.30	6.43
Less: Reserve for exceptional Loss	2.30	2.11
Taxable Income	5.00	4.32
Tax @ 37.50%	1.88	1.62

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. Share Capital. Tk. 43.10

Category of Shareholder	No. of Share	% of Holding	Amount (Tk.)
Sponsors	13,581,153	31.51	135,811,530.00
General Public	16,664,504	38.67	166,645,040.00
Institution	12,849,703	29.82	128,497,030.00
	43,095,360	100.00	430,953,600.00



মার্কেটলি ইন্স্যুরেন্স কোম্পানী লিঃ
MERCANTILE INSURANCE COMPANY LTD.



Symbol of Trust & Security

RED CRESCENT HOUSE, 61 MOTIJHEEL C/A (1ST FLOOR), DHAKA-1000, BANGLADESH, TEL: 02223387467, 02223387662, 02223387463, FAX: 880-2-9562301
E-mail: mercantileins2017@gmail.com, mercantileins@yahoo.com, Web: www.mercantileins.com

9. Revenue Reserve : Tk. 33.59

Details are given below:

Particulars	As on 30 September 2022	As on 30 September 2021
Reserve for Exceptional Losses	30.25	27.95
General Reserve	2.21	2.21
Reserve for Fair Value of Share	1.13	1.08
Total	33.59	31.24

10. Net Assets Value: 20.65

Calculation of Net Assets Value Per Share (NAVPS):

Particulars	As on 30 September 2022	As on 30 September 2021
Net Assets	89.00	82.63
Number of ordinary Shares	4.31	4.31
Net Assets Value Per Share (NAVPS)	20.65	19.17

Calculation of Net Assets: 89.00

Particulars	As on 30 September 2022	As on 30 September 2021
Non Current Assets	8.13	6.12
Add Current Assets	239.42	223.86
Total Assets	247.55	229.98
Less: Current Liabilities	158.55	147.35
Net Assets	89.00	82.63

11. Earning Per Share (EPS): 1.26

Earning Per Share (EPS) calculated in accordance with "IAS33".

Particulars	As on 30 September 2022	As on 30 September 2021
Net Profit after Tax	5.42	4.81
Number of ordinary shares	4.31	4.31
Earning per share	1.26	1.12

12. Net Operating Cash Flows Per Share: 0.65

Details Calculation is as Follows:

Particulars	As on 30 September 2022	As on 30 September 2021
Net cash generated from operating activities	2.81	2.99
Number of ordinary shares	4.31	4.31
Net Operating Cash Flow Per Share	0.65	0.69



Reconciliation statement of Net profit with cash flows operating activities:

Profit Before Tax	7.91
Depreciation	0.43

Changes In working Capital :

Increase/(Decrease) in Reserve	2.30
Increase/(Decrease) Premium Deposit	(4.80)
Increase/(Decrease) amount due from other person or bodies	(1.24)
Increase/(Decrease) outstanding claim	0.50
Increase/(Decrease) Sundry Creditors	(0.30)
Income Tax Paid	(1.99)

Net Cash Generated from operating activity

2.81

13. Transaction with related parties:

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per international Accounting standard-24- " Related Party Disclosure". The terms of related party transaction are no significantly different from those that could have been obtained from their parties. The significant related party transaction are as follows:

Name of the related party	Relationship Nature	Nature of Transaction	September 30, 2022
Mr. Abdul Haque	Common Director	Insurance	0.70
Nurul Azim Sunny	Common Director	Insurance	1.07
Md. Nabiullah	Common Director	Insurance	3.02
Total			4.79

14. In accordance with Para-17 of IAS-24 we confirm that during the financial under review no compensation except Chief Executive Officer remuneration was allowed by the Company.


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