FINANCIAL STATEMENT 1st QUARTER, 2026 (UN_AUDITED)

OF

SIKDER INSURANCE COMPANY LIMITED

AS ON March, 2026

Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)
As at March 31, 2026

Particulars	Notes	Amount in BDT	
		March 31, 2026	December 31, 2025
Shareholders' Equity & Liabilities			
Shareholders' Equity			
Authorised Capital			
50,000,000 Ordinary shares of Tk.10 each	3.01	500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital	3.02	400,000,000	400,000,000
4,00,00,000 Ordinary shares of Tk.10/- each fully paid up			
Reserve or Contingency Accounts	4.00	172,198,443	157,761,121
Reserve for Exceptional Loss	4.01	128,244,683	149,334,717
Reserve for Fair Value of Share	16.01	(106,704,421)	(125,896,045)
Profit & Loss Appropriation Account		150,658,180	134,322,449
Total Shareholders Equity		572,198,443	557,761,121
Balance of Fund and Account	5.00	36,318,639	126,740,382
Deposit Premium	6.00	40,515,044	41,958,413
Deferred Tax Liability	7.02	(15,359,716)	(15,327,528)
Estimated Liability in nrespect of outstanding Claim	8.00	247,011,235	202,683,513
Amount due to other persons or bodies carrying on insurance businesses	9.00	46,566,317	27,107,908
Worker's Profit Participation Fund (WPPF)	10.00	7,864,110	7,864,110
Provision for Income Tax	11.00	94,248,130	79,196,561
Loans and Advances	12.00	387,049,002	387,049,002
Lease Liability	13.00	30,944,498	30,879,651
Dividend Payable	14.00	153,538	153,538
Account Payable	15.00	114,964,989	132,981,394
Total Liabilities and Provisions		953,957,147	894,546,562
Total Shareholders' Equity & Liabilities		1,562,474,229	1,579,048,066
Property and Assets			
Non-Current assets		942,802,019	926,113,807
Investment (BGTB)	15.00	25,000,000	25,000,000
Investment in share	16.00	863,792,857	846,026,305
Property, Plant and Equipment (WDV)	17.00	23,064,664	24,207,852
Right of use assets	18.00	30,944,498	30,879,651
Current assets		314,887,629	349,103,690
Sundry Debtors	19.00	116,384,700	116,946,041
Ineterest and Dividend Receivable	20.00	6,062,069	6,273,356
Stock of printing, stationery & stamp	21.00	1,221,905	1,000,741
Amount due from other persons or bodies carrying on insurance businesses	22.00	191,218,955	224,883,552
Cash and Cash Equivalents	24.01	304,784,579	303,830,568
Cash in Hand	23.00	188,402	13,663
Cash at Banks-STD Accounts		81,887,991	81,870,798
Cash at Banks on-CD Accounts		108,186	212,130
Investment in FDR	24.00	222,600,000	221,733,977
Total Assets & Properties		1,562,474,229	1,579,048,066
Net Asset Value (NAV) Per Share	35.00	15.86	13.94

The accompanying notes form an integral part of these Financial Statements.

Chief Financial Officer | Company Secretary | Chief Executive Officer

Director | Chairperson

Sikder Insurance Company Limited
Head Office, Dhaka

Sikder Insurance Company Limited
Profit or Loss Account
For the 1st Quarter ended March 31, 2026

Particulars	Notes	Amount in Taka	
		March 31, 2026	March 31, 2025
Expenses of management		**1,662,480**	**3,700,217**
(Not applicable to any particular fund or account)			
Advertisement & Publicity		**166,324**	711,617
Audit fees		**65,250**	200,000
Consultancy & Rating Fee		**43,750**	541,959
Legal & Professional Fee (Including IPO expenses)		**82,625**	265,124
Donation & Subscription		**33,125**	413,438
IPO Expenses		**-**	73,735
Depreciation		**1,143,188**	845,499
Manager conference		**-**	362,341
Levy charge		**25,000**	30,625
Renewal & Registration		**103,218**	255,880
Profit transferred to profit & loss appropriation account		**34,705,517**	**9,890,671**
Total		**36,367,997**	**13,590,889**
Profit/(Loss) transferred from:		**27,793,565**	**8,839,528**
Interest Income		**8,147,905**	4,751,361
Realise gain on share Investment		**215,117**	**-**
Dividend Income		**211,410**	**-**
Total		**36,367,997**	**13,590,889**

The accompanying notes from an integral part of these Financial Statements.

Chief Financial Officer | Company Secretary | Chief Executive Officer

Director | Chairperson

Sikder Insurance Company Limited • Head Office, Dhaka •

Sikder Insurance Company Limited
Statement of Other Comprehensive Income
For the 1st Quarter ended March 31, 2026

Particulars	Amount in Taka	
	March 31, 2026	March 31, 2025
Profit After Tax	34,335,731	8,317,935
Changes in Fair value of share available for sale	(15,989,897)	(63,440,549)
Deferred Tax Gain /(Loss)	1,598,990	6,344,055
Total Comprehensive Income for the period	**19,944,823**	**(48,778,559)**

The accompanying notes from an integral part of these Financial Statements.

Chief Financial Officer Company Secretary Chief Executive Officer

Director Chairperson

Sikder Insurance Company Limited
Head Office, Dhaka

Sikder Insurance Company Limited
Profit or Loss Appropriation Account
For the 1st Quarter ended March 31, 2026

Particulars	Amount in Taka	
	March 31, 2026	March 31, 2025
Opening balance of Appropriation Account	134,322,450	122,930,002
Net Profit for the period brought down	34,705,517	9,890,671
Total	**169,027,967**	**132,820,673**
	18,369,786	**21,736,198**
Reserve for Exceptional Losses	10,000,000	8,484,902
Provision for Companies Income Tax	(473,066)	527,163
Provision for deferred tax	842,853	1,045,573
Dividend paid from last period profit	8,000,000	11,678,559
Balance transferred to balance sheet	**150,658,180**	**111,084,475**
Total	**169,027,967**	**132,820,673**

Earnings Per Share (EPS) Basic **0.86** **0.21**

The accompanying notes from an integral part of these Financial Statements.

Chief Financial Officer | Company Secretary | Chief Executive Officer

Director | Chairperson

Sikder Insurance Company Limited * Head Office, Dhaka *

Sikder Insurance Company Limited
Statement of Changes in Shareholders' Equity
For the 1st Quarter ended March 31, 2026

Particulars	Share Capital	Reserve for Fair Value of Share	Reserve for Exceptional Loss	Profit & loss appropriation account	Total
Balance as at 01, January 2026	400,000,000	(125,896,045)	149,334,717	134,322,449	557,761,121
Balance as at 31st March 2026	**400,000,000**	**(106,704,421)**	**128,244,683**	**150,658,180**	**572,198,443**

Particulars	Share Capital	Reserve for Fair Value of Share	Reserve for Exceptional Loss	Profit & loss appropriation account	Total
Balance as at 01, January 2025	400,000,000	300,395,510	89,500,000	101,749,876	891,645,386
Balance as at 31st March 2025	**400,000,000**	**(162,232,956)**	**118,244,683**	**122,930,003**	**478,941,730**

Chief Financial Officer

Company Secretary

Chief Executive Officer

Director

Chairperson

Sikder Insurance Company Limited
Head Office, Dhaka

Sikder Insurance Company Limited

Statement of Cash Flows

For the 1st Quarter ended March 31, 2026

Sl. No.	Particulars	Amount in Taka	
		March 31, 2026	**March 31, 2025**
A.	**Cash Flow from Operating Activities**		
	Premium Collection and other Income	47,359,443	95,757,445
	Payment of Expenses, Re-Insurance, Claims	(41,073,721)	(87,405,698)
	Income Tax Paid	(2,500,000)	(1,014,113)
	Net Cash Flow from Operating Activities	**3,785,723**	**7,337,634**
B.	**Cash Flow from Investing Activities**		
	Investment in FDR	-	-
	Investment of Share	(2,500,000)	(2,077,259)
	Sale of Fixed assets		(1,021,041)
	Purchase of Fixed Asset	-	
	Net Cash Used in Investing Activities	**(2,500,000)**	**(3,098,300)**
C.	**Cash Flow from Financing Activities**		
	Share Capital		-
	Change in Loans and Advances		-
	Dividend paid	(8,000,000)	(11,678,559)
	Net Cash Used in Financing Activities	**(8,000,000)**	**(11,678,559)**
	Increase in Cash and Cash Equivalents (A+B+C)	**(6,714,277)**	**(7,439,226)**
	Add: Cash and Cash Equivalents at the beginning	303,830,568	297,617,197
	Cash and Cash Equivalents at the end of the period	**297,116,290**	**290,177,971**
	Net Operating Cash Flows per share (NOCFPS)	**0.09**	**0.18**

The accompanying notes from an integral part of these Financial Statements.

Chief Financial Officer | Company Secretary | Chief Executive Officer

Director | Chairperson

Sikder Insurance Company Limited
Head Office, Dhaka

Sikder Insurance Company Limited
Consolidated Revenue Account
For the 1st Quarter ended March 31, 2026

Particulars	Notes	Amount in Taka	
		March 31, 2026	March 31, 2025
Claims under policies less re-insurances		**60,800,469**	**43,394,829**
Claims paid during the period	**29.00**	16,472,747	42,445,826
Estimated liability in respect of Claims outstanding at the end of the preiod whether due or intimated	**8.00**	247,011,235	30,140,113
Claims outstanding at the end of the previous period		202,683,513	29,191,110
Agent Commission	**27.00**	-	13,459,693
Management Expenses	**30.00**	12,055,075	31,251,146
Balance of account at the end of the period		**36,318,639**	**34,456,457**
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the period (Fire, Marine Cargo, Motor & Misc) & 100% for Marine hull.		36,318,639	34,456,457
Profit transferred to Profit and Loss Account		**27,793,565**	**8,839,528**
Total		**136,967,748**	**131,401,653**
Balance of Account at the beginning of the period		**31,685,095**	**29,561,171**
Premium less reinsurances	**28.1**	**89,583,313**	**86,141,142**
Premium underwritten		89,583,313	86,141,142
Commission on reinsurances:	**28.2**	**15,699,340**	**15,699,340**
Commission earned on re-insurance ceded		15,699,340	15,699,340
Total		**136,967,748**	**131,401,653**

The accompanying notes from an integral part of these Financial Statements.

Chief Financial Officer | Company Secretary | Chief Executive Officer

Director | Chairperson

Sikder Insurance Company Limited
Head Office, Dhaka

Sikder Insurance Company Limited
Notes to the Financial Statements
As at and for the period ended March 31, 2026

1.00 General Information

1.01 Legal form of the Company

Sikder Insurance Co. Ltd. was incorporated and commenced its business as a public limited company in Bangladesh on 29th July 2013 under the Companies Act. 1994. And it acquire registration from Insurance Development & Regulatory Authority (IDRA) of Insurance Act-2010 U/s 9(A).The Principal place of business of the Company is registered at 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh. Which is also the registered office of the company. SICL is engaged in Non-Life Insurance business within the meaning of Insurance Act, 2010.

1.02 Principal Activities and Nature of Operations

The Principal activity of the company continues to be carrying on non-life insurance businesses. There was no significant change in the nature of the Principal activities of the company during the period March 31, 2026 under review.

1.03 Reporting Period

The financial statements of the Company consistently cover one calendar year starting from 1st January, 2026 to March 31, 2026.

2.00 Summary of Significant Accounting and Related Policies

2.01 Basis of Preparation

The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange Limited and Chittagong Exchange Limited and other applicable laws & regulations in Bangladesh.

2.02 Status of compliance with IAS and IFRS

The Financial Reporting Standards that are applicable/not applicable for the financial statements for the period, include the following:

IAS 1	Presentation of Financial Statements	*
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant and Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 23	Borrowing cost	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied



IAS 40	Investment Property	N/A
IFRS 5	Non-currents assets held for sale and discontinued operation	N/A
IFRS 6	Exploration for and evaluation of mineral resources	N/A
IFRS 7	Financial instruments: disclosure	Applied
IFRS 8	Operating Segments	Applied
IFRS 9	Financial Instruments	Applied
IFRS 13	Fair Value Measurement	Applied
IFRS 16	Leases	Applied

* The management of SICL has followed the principles of IAS and IFRS consistently in the preparation of the financial statements to that extent as applicable and possible to Insurance Company and material departures have been explained in note 2.23. Management is currently assessing the adoption and application of IFRS 17 insurnace Contracts, as non of the regulators have initiated any actiion plan regarding the adoption of this IFRS in Bangladesh.

2.03 Components of the Financial Statements

Following the Insurance Act, 2010 and IAS-1 "Presentation of Financial Statements", the Company's complete set of financial statements include the following components:

a) Balance Sheet (Statement of Financial Position) as at March 31, 2026;
b) Profit and Loss Account for the Period ended March 31, 2026;
c) Statement of Other Comprehensive Income for the Period ended March 31, 2026;
c) Profit and Loss Appropriation Account for the Period ended March 31, 2026;
d) Statement of Changes in Equity for the Period ended March 31, 2026;
e) Statement of Cash Flows for the Period ended March 31, 2026 and
f) Consolidated Revenue Account for the Period ended March 31, 2026;
g) Fire Insurance Revenue Account for the Period ended March 31, 2026;
h) Marine Cargo Insurance Revenue Account for the Period ended March 31, 2026;
i) Marine Hull Insurance Revenue Account for the Period ended March 31, 2026;
j) Motor Insurance Revenue Account for the Period ended March 31, 2026;
k) Miscellaneous Insurance Revenue Account for the Period ended March 31, 2026;
l) Notes to the Financial Statements .

2.04 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplated the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any actual or proposed adjustments that would result in Sikder Insurance Company Limited being unable to continue as a going concern.

2.05 Revenue recognition

1. Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Reinsurance premium on PSB.
2. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement is received from Shadharan Bima Corporation (SBC).
3. Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of cover Notes in accordance with SBC's circular.
4. Interest on Fixed Deposit Receipt (FDR), Account and bonds are recognized as revenue on accrual basis.



2.06 Accounting Estimates

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, Income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. While management believes that the amount included in the financial statement reflect the company's best estimates and assumptions, actual result could differ from estimates.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying amount of assets and liabilities in the next year.

2.07 Functional and presentation currency

The financial Statements are presented in Bangladeshi Taka which is the company's functional currency except indicated otherwise.

2.08 Materiality and aggregation

Each material class of similar items is presented separately in the financial Statements. Item of dissimilar nature as well as function are presented separately unless they are immaterial.

2.09 Property, Plant and Equipment (IAS-16)

i) Recognition and measurement

Property, plant and equipment are recognized if it is probable that future economic benefit associated with the asset will flow to the Company and cost of the asset can be measured reliably and the asset is available for use. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost self- constructed assets includes the cost of material and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. When revalued assets are sold, the relevant amount included in the revaluation reserve is transferred to retained earnings.

ii) Subsequent cost

The cost of replacing a component of an items of property, plant and equipment is recognized as an addition to asset if it is probable that the future economic benefits associated with the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

iii) Depreciation



Depreciation is charged on straight line basis. Depreciation is charged on newly acquired assets from the date when asset is available for use in the manner intended by management. In case of disposal, depreciation charged up to the date of disposal. The rates of depreciation are furnished below;

Category of Assets	Rate of Depreciation	
Office Decoration	20%	20%
Furniture & fixture	10%	10%
Motor Vehicle	20%	20%
Computer	30%	30%
Air Condition	20%	20%
Office Equipment	15%	15%
Software	50%	50%
Electric Transformer	20%	20%

iv) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income in the year the asset is de-recognized.

v) Impairment of assets

The carrying amounts of the company's non financial assets other than deferred tax assets are reviewed at regular interval to determine when there is any indication.

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indication exists.

2.10 Employees' Benefit Plan (IAS-19)

SICL offers a number of benefit plan for all permanent Employees of the company which includes Workers Profit Participation Fund, Incentive Bonus and Car/Motor Cycle Loan Scheme which have been accounted for the accordance with the provision of international Accounting Standard IAS 19 (Employee Benefits).

(iii) Workers Profit Perticipation Fund (WPPF)

The Board of Directors of SICL in its decided to introduce Workers' Profit Participation and Welfare Fund (WPPF) with effect from 1st January, 2020. In addition to the above, SICL providing other benefits to its employees like Incentive Bonus and Car/Motor Cycle Loan Scheme subject to fulfillment of certain terms and conditions.

2.11 Expenses and Taxes

i) Recognition of expenses

All expenses relating to running of business are charged to Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income) on accrual basis.

ii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset form part of the cost of that asset and, therefore, is capitalized. Other borrowing costs are recognized as expenses.



2.12 Provision for Income Tax (IAS 12)

Income tax expense is recognized in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income).

i) Current Tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Taxable profits differs from profits as reported in the Profit and Loss Appropriation Account because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Current tax for current and prior periods is recognized as a liability (or asset) to the extent that it is unpaid (or refundable).Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time.

ii) Deferred tax assets / liabilitie

Company recognizes deferred tax as per IAS-12 on the temporary difference between depreciation charge of assets.

2.13 Reserve or contingencies Acco

i) Reserve for exceptional losses

In line with Para 6, 4th Schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, SICL sets aside maximum 10% of the Net Premium Income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses.

2.14 Allocation of total management expenses

Total related management expenses have been allocated among the different Revenue Accounts on pro-rata basis of their respective gross premium income.

2.15 Provisions relating to collection of premium

The company has complied with the section 18 of the Insurance Act, 1938 (as amended in 2010) as applicable in regard to provision of collection of premium.

2.16 Segment of reporting (IFRS-8)

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments are evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.



2.17 Earnings per share (IAS-33)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

$$EPS = \frac{\text{Earnings attributable to ordinary shareholders}}{\text{Number of ordinary shares outstanding during the year}}$$

	31.03.2026	31.03.2025
Net Profit Before Tax	34,705,517	9,890,671
Less : Provision for Income Tax	(473,066)	527,163
Less : Provision for Deferred Tax	842,853	1,045,573
Less : Worker's Profit Participation Fund		
Net Profit After Tax	**34,335,731**	**8,317,935**
Number of Ordinary Shares outstanding during the year	40,000,000	40,000,000
Earnings per share (EPS) Bsaic	**0.86**	**0.21**

2.18 Related party disclosure (IAS-24)

SICL, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party as per "International Accounting standard 24: Related party Disclosures". All transactions involving relating parties arising in normal course of business are conducted on an arm's length basis a commercial rates on the same terms and conditions as publishable to the third parties. Details of the related party transaction have been given in Annexure-C

2.19 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with IAS-7 and the cash from the operating activities has been presented using direct method.

2.20 Branch Accounting

SICL now has (25) twenty five branches with no overseas branch as of December 31,2024. Accounts of the branches are maintained at the head office from which these financial statements are drawn up.

2.22 Leases: IFRS 16

Sikder insurance company limited as a lease recognises Right-of-use (ROU) asset representing its right to use underlying leased assets and corresponding lease liability representing its obligation to make lease payments for office rent agreements with effect from 01 January 2024. The ROU asset and lease liability are recognized in the financial statements considering the incremental borrowing rate.

The ROU asset is depreciated using straight line method from the beginning to the end of the useful life of the ROU asset or the end of the lease term. The lease liability is initially measured at the present value of lease payments that are adjusted for monthly payments. Details for lease liability and ROU asset are provided in Note 13 and 16. Lease payments are recorded to management expenses as depreciation and finance charges of Office rent.

2.23 Financial instruments : IFRS 9

IFRS 9 sets out requirements for recognizing and measuring Financial assets, Financial liabilities and Some contracts to buy or sell non-Financial items. For details of new significant accounting policies and the nature and effect of the changes to previous Accounting policies are set out below.

Sikder Insurance Company Limited

Classification and measurement of financial assets and Financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of Financial liabilities. However, it eliminates the previous IAS 39 categories for Financial assets of held to maturity, loans and receivables and available for sale. For adoption of IFRS 9 has not had a significant effect on fie Company's accounting policies related to financial Assets. For impact of IFRS 9 on the classification and measurement of Financial assets is set out below. Under IFRS 9, on initial recognition, a Financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL).For classification of Financial assets under IFRS 9 is generally based on the business model in which a Financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a Financial asset in the scope of the standard are never separated. Instead, the hybrid Financial instrument as a whole is assessed for classification. A Financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) it is held within a business model whose objective is to hold assets to collect contractual cash flows;
b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and Interest on the principal amount outstanding.

Sikder Insurance Company Limited having a business model whose objective is to hold assets to collect contractual cash flows and that such investment in quoted share measured and presented through Fair Value through Other Comprehensive Income (FVOCI) and Reserve for Fair Value of Share.

2.24 Disclosure of departures from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

i) Gross general insurance premium comprise the total premium received for the whole period of cover provided

ii) Insurance Act 1938 (as amended in 2010) has issued templates for financial statements which has to be followed by all general and life insurance companies. The templates neither include other comprehensive income (OCI) nor do the elements of other comprehensive income. As such the SICL does not prepare the other comprehensive income statement.

2.25 Deposit Premium Account

Premium deposit account represents amount of premium deposited with the company against cover notes for which policies are yet to be issued up to the end of the year.

