



Selected Explanatory Notes for the 1st Quarter (Q1) March 31 2022

1) **Basis of Preparation:** The Financial statement (un Audited) has been prepared based on Bangladesh Accounting Standard (BAS)-34. Interim Financial Reporting and in accordance with other Bangladesh Accounting Standard (BAS) the Company act 1994. the Insurance Act 2010, The Securities & Exchange Rules 1987 and other applicable laws and regulation.

2) **Accounting policies and method of Computation:** Accounting policies methods of Computation followed in preparing this. 1st Quarter (Q1) Financial Statements are Consistent with used in the Annual Financial Statements prepared and published for the year ended December 31 2021

3) **Gross & Net Premium Earned:-** During the Period ended 31st March 2022 Company earned Gross Premium 12,40,00,000/- & Net Premium 9,06,00,000/-

4) **Net Assets Value:- Share holders equities/ No of Share** 90,63,00,000.00/4,30,95,360

5) **Earning per Share:- Net Profit after tax/No of Share** 3,23,00,000.00/43095360

6) **Net Operating Cash Flows per Share:- Net Operating Cash flow/ No Of Share** 2,25,00,000.00/43095360

7) **Reserve for Exceptional Losses:-** Reserve for Exceptional losses Calculation method 10% of Net Premium e.i. 9,06,00,000/@10%=90,60,000.00

8) **Deferred Tax:-** Deffered tax is provided for all Temporary Differences Comprising between the tax base of assets and liabilities and their Carrying amounts in Financial Statements in accordance with the Provision of IAS-12

**Income Statement(Un-Audited)
for the 1st Quarter ended 31 March 2022**

	1st Quarter ended	
	2022 Jan. to March (Tk. Crore)	2021 Jan. to March (Tk. Crore)
Gross Premium	12.40	12.55
R / I Premium Ceded	(3.34)	(3.38)
Net Premium	9.06	9.17
R / I Commission	1.36	1.38
Management Exp. & Commission	(4.05)	(3.86)
Net Claims	(3.42)	(4.05)
Underwriting result	2.95	2.64
Interest, dividend & other income	1.68	1.75
Net Profit before Tax	4.63	4.39
Reserve for exceptional losses	0.91	0.92
Provision for income Tax	1.40	1.30
Net Profit after Tax	3.23	3.09
Earning per share (EPS) restated	Tk. 0.75	Tk 0.72

Md. Nasir Uddin
Director

Abdul Haque
Chairman

Dated 11 May 2022
Md. Ayidus Salam
Asstt. Managing Director & CFO

Abdur Rahman
Company Secretary

Firoz Ahmed
Chief Executive Officer




Statement of Financial Position (Un-Audited)
As at 31 March 2022

	2022 Jan. to March (Tk. Crore)	2021 Jan. to Dec. (Tk. Crore)
A. Non current Assets	6.69	6.68
Property, Plants & Equipment	3.10	3.09
Bangladesh Govt. Treasury Bond	3.50	3.50
Deferred Tax Assets	0.09	0.09
B. Current Assets	236.80	235.31
Investment in Shares	28.81	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	116.91	119.32
Advance Income Tax	8.30	7.03
TOTAL PROPERTY & ASSETS(A+B)	243.49	241.99
C. Shareholders' Equity & Liabilities	90.63	87.84
Share Capital	43.10	43.10
Share Premium	7.48	7.48
Reserve for Exceptional Losses	28.86	27.95
General Reserve	2.21	2.21
Fair Value of Share	0.64	1.08
Profit&Loss Appropriation	8.34	6.02
D. Balance of Fund & Accounts	15.98	14.85
Reserve for Unexpired Risk	15.98	14.85
E. Liabilities & Provision	136.88	139.30
Premium Deposit	3.43	5.87
Estimated Liability in respect of outstanding Claims whether due or intimated	16.00	16.00
Amount due to other person or bodies carrying on Insurance business	107.89	107.89
Sundry Creditors	9.56	9.54
TOTAL CAPITAL & LIABILITES (C+D+E)	243.49	241.99




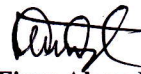
Md. Nasir Uddin
Director


Abdul Haque
Chairman

Dhaka
11 May 2022


Md. Abdus Salam
Asstt. Managing Director & CFO


Abdur Rahman
Company Secretary


Firoz Ahmed
Chief Executive Office



**Cash Flow Statement (Un-Audited)
for the 1st Quarter ended 31March 2022**

	2022 Jan. to March (Tk. Crore)	2021 Jan. to March (Tk. Crore)
A. Cash Flow From Operating Activities		
Collection from premium & others accounts	13.76	13.93
Income Tax paid	(1.27)	(0.03)
Management Expenses, Commission, Re-Insurance & Claims	(10.24)	(11.44)
Net cash flow from operating activities	2.25	2.46
B. Cash Flows From Investing Activities		
Share Sale / Buy	(10.06)	(15.17)
Interest Received	1.68	1.15
Acquisition of Fixed Assets	(0.01)	(0.15)
Net cash flow from investing activities	(8.39)	(14.17)
C. Cash Flows From Financing Activities	0.00	0.00
Dividend paid	--	--
D. Net cash flows/(out flows) (A+B+C)	(6.14)	(11.71)
E. Opening cash & bank balance including FDR	119.31	113.57
F. Closing cash & bank balance including FDR (D+E)	113.17	101.86

Reconciliation statement of Net Profit with Cash flows from operating activities.

Collection of Premium	12.40
Add. Re Insurance Commissions	1.36
	<u>13.76</u>
Less Tax Payment	1.27
	<u>12.49</u>
Less. Management Expences & Commission	
Reinsurance Premium Ceeded	
Claims	10.24
Cash Flow from operating activities	<u><u>2.25</u></u>

Md. Nasir Uddin
Director

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মার্কেটবিল 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

Statement of changes in equity (Un-Audited)
for the 1st quarter ended 31 March 2022

(TK. CRORE)

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Unrealized Gain on Share	Retained Earnings	Total Tk.
Equity as at 01Jan 2022	43.10	7.48	27.95	2.21	1.08	6.02	87.84
Net Profit after Tax	--	--	--	--	--	3.23	3.23
Transfer to Reserve for Exceptional losses	--	--	0.91	--	--	(0.91)	--
Unrealized gain on share	--	--	--	--	(0.44)	--	(0.44)
Equity as at 31 March 2022	43.10	7.48	28.86	2.21	0.64	8.34	90.63

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Retained Earnings	Total Tk.
Equity as at 01Jan 2021	43.10	7.48	24.99	2.01	4.55	82.13
Net Profit after Tax	--	--	--	--	3.09	3.09
Transfer to Reserve for Exceptional losses	--	--	0.92	--	(0.92)	--
Equity as at 31 March 2021	43.10	7.48	25.91	2.01	6.72	85.22

Md. Nasir Uddin
Director

Abdur Rahman
Company Secretary

Abdul Haque
Chairman

Firoz Ahmed
Chief Executive Officer

Dated
11 May 2022

Md. Abbas Salam
Asstt. Managing Director & CFO