

Selected Explanatory notes to the 3rd Quarter ended September 30, 2025 (Un-audited):

1. Legal form of the Company:

Phoenix Insurance Co. Ltd. was incorporated as a public limited Company in Bangladesh in the year 1986 under the Companies Act 1913 which was later substituted by the Companies Act 1994 (as amended in 2020). The Company, within the stipulation laid down by Insurance Act 2010 and directives as received from Insurance Development & Regulatory Authority (IDRA) time to time, provides non-life Insurance services.

2. Basis of preparation:

3rd Quarter Financial Statements (Un-audited) have been prepared based on International Accounting Standard (IAS)-34 "Interim Financial Reporting" and in accordance with other International Financial Reporting Standards (IFRS), the Companies Act 1994, the Insurance Act 2010, Securities and Exchange Rules 2020 and other applicable Laws and Regulations.

3. Accounting Policies and method of computations:

Accounting policies and methods of computations followed in preparing this 3rd Quarter Financial Statements are consistent with those used in the Annual Financial Statements prepared and published for the year ending December 31, 2024.

4. Issued, Subscribed and Paid-up Capital:

Issued, Subscribed and Paid-up Capital consists of 40,341,572 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	
1986	As per MOA & AOA	100	300000	30,000,000	30,000,000
1994	Initial Public Offering	100	300000	30,000,000	60,000,000
2002	5% stock dividend	100	30000	3,000,000	63,000,000
2003	5% stock dividend	100	31500	3,150,000	66,150,000
2004	25% stock dividend	100	165375	16,537,500	82,687,500
2005	25% stock dividend	100	206718	20,671,800	103,359,300
2006	30% stock dividend	100	310077	31,007,700	134,367,000
2007	20% stock dividend	100	268734	26,873,400	161,240,400
2008	22% stock dividend	100	354728	35,472,800	196,713,200
2009	25% stock dividend	100	491783	49,178,300	245,891,500
Face Value Change			24589150	245,891,500	
2010	25% stock dividend	10	6147287	61,472,870	307,364,370
2011	5% stock dividend	10	1536821	15,368,210	322,732,580
2012	25% stock dividend	10	8068314	80,683,140	403,415,720
Total			40341572	403415720	

5. Gross and Net premium earned:

During the 3rd Quarter ended September 30, 2025, Company earned gross and net premium income Tk. 616.17 and Tk. 297.45 million as against Tk. 604.33 and Tk. 284.04 million respectively for the corresponding same period of the previous year.

6. Provision for current Income Tax:

The Company has been calculated provision for current income tax base on taxable income after necessary add back in accordance with the provision of Finance Act 2025 and the Income Tax Act 2023. Details calculation are as follows:

Particulars	As on 30-09-2025	As on 30-09-2024
Net profit before Tax	73,770,799	48,731,767
Less: Reserve for exceptional loss	14,872,781	28,403,754
Less: Interest on Govt. Treasury Bond	935,905	-
Less: Dividend income from shares	12,456,738	13,420,134
Less: Rental income from house property adjustment maintenance	3,546,900	-
Less: Profit on sale of vehicles	673,611	-
Less: Profit on sale of shares	26,669,956	398,381
Total taxable income	14,614,908	6,509,498
Current Tax:		
Income tax on 14,614,908 @37.50%	5,480,591	3,625,974
Income tax on 935,905 @ 5% of Govt. Treasury Bond (Tax Free)	46,795	-
Income tax on 12,456,738 @ 20% of Dividend Income	2,491,348	2,684,027
Income tax on 673,611 @ 37.50% of Sale of Vehicles	252,604	-
Income tax on 12,456,738 @ 15% of Sale of Share	4,000,493	39,838
Total	12,271,831	6,349,839

7. Net Assets Value per share:

The Company has been calculated Net Assets Value per share based on the basis of the weighted average number of ordinary shares outstanding for the 3rd quarter ended September 30, 2025. Details calculations are as follows:

Shareholder's Equity / No. of share outstanding Tk. 1,369,500,196 / 40,341,572 = Tk. 33.95

The Company's Net Assets Value per Share (NAV) increased due to investment of share market price has been increased.

8. Earning per share:

The Company has been calculated Earning per share on the basis of the weighted average number of ordinary shares outstanding for the 3rd Quarter ended September 30, 2025. Details calculations are as follows:

Net profit after tax / No. of share outstanding Tk. 64,888,809 / 40,341,572 = Tk. 1.61

The Company's Earnings per share (EPS) increased due to increased in gross premium, investment & others income.

9. Net Operating Cash Flows per share:

The Company has been calculated the Net Operating cash Flows per share on the basis of the weighted average number of ordinary shares outstanding for the 3rd Quarter ended September 30, 2025. Details calculations are as follows:

Net operating cash flows / No. of share outstanding Tk. 31,025,198 / 40,341,572 = Tk. 0.77

The Company's Net Operating Cash Flow per Share (NOCFPS) is higher due to collection from premium & other income increased

10. Reconciliation of Net profit to Net Operating Cash Flows:

Details calculations are as follows:

Particulars	As on 30-09-2025	As on 30-09-2024
Net profit before Tax	73,770,799	48,731,767
Adjustment:		
Depreciation	8,890,830	9,279,101
Gain on sale of share	(30,809)	(398,381)
Gain on disposal of fixed assets	(673,611)	(892,442)
Changes in Working Capital:		
Increase / (Decerese) of deferred liability for tax	(31,530,568)	(15,798,191)
Increase / (Decerese) of lease liability	35,752,600	(3,528,287)
Increase / (Decerese) of outstanding claims	29,800,699	(46,294,406)
Increase / (Decerese) of the balance of fund & account	(51,101,057)	6,945,495
Increase / (Decerese) of premium deposit	(4,580,414)	(11,326,141)
Increase / (Decerese) of amount due to other person or bodies	63,886,713	8,387,999
Increase / (Decerese) of gratuity fund	(4,534,161)	8,989,560
Increase / (Decerese) of reserve for corporate social responsibility	(117,000)	1,000,000
Increase / (Decerese) of unclaimed dividend	(1,577,639)	(1,804,470)
Increase / (Decerese) of sundry creditor	(11,536,657)	(6,006,838)
(Increase) / Decerese of inventories (stationery, forms & Ins. stamp)	11,824	355,672
(Increase) / Decerese of advance, deposit & prepayment except AIT	12,280,463	19,136,252
(Increase) / Decerese of amount due from other person or bodies	(73,909,963)	14,235,524
Income Tax paid	(13,776,851)	(10,169,340)
Net cash generated from operating activities	31,025,198	20,842,874

11. Key Management Personal Compensation:

Total amount of compensation paid key management personal (up to E.V.P.) except Director and Chairman. We paid them fees for attending meeting of the Company. The detail of key management personal as per the paragraph 17 of IAS 24: "Related Party Disclosures" is presented below:

Particulars	As on 30-09-2025	As on 30-09-2024
Basic Salary	15,622,273	15,557,244
House Rent	5,610,077	5,510,949
Medical	982,002	1,022,184
Corporate Allowance	833,783	923,420
Festival Bonus	3,376,688	3,297,960
Performance Bonus	-	-
Others	7,286,454	8,080,752
Provident Fund	1,886,506	1,920,193
Total	35,597,783	36,312,702

12. Related party transactions:

As per the Paragraph 18 of IAS 24, details transaction with related parties and balances them as at September 30, 2025 are as

Name of Related Party	Relationship	Nature of Transaction	Income
Pakiza Group	Common Director	Insurance Business	10,378,157
Partex Group	Common Director	Insurance Business	9,143,700
MomTex Group	Common Director	Insurance Business	16,476,111
Total			35,997,968

13. Workers' Profit Participation and Welfare Fund (WPPF):

Bangladesh Insurance Association (BIA) had submitted a letter to The Chairman of BSEC, copy to The Chairman of IDRA, Private Secretary of Finance Minister of The Ministry of Finance and other bodies for taking a necessary step to exemption. Considering this connections the decision not yet finalized of Workers' Profit Participation and Welfare Fund (WPPF) in the Company accordingly WPPF amount not charged in the accounts.