



Condensed Interim Financial Statements
for the nine months ended Sep 30, 2024

The Directors of your Company are pleased to present the condensed interim financial statements (un-audited) for the nine months ended September 30, 2024:

Financial Highlights:
Profit / (Loss)

	September 30 2024	September 30 2023
	(Rs. in 000') (Unaudited)	
Net profit before tax	262,811	140,825
Taxation	(78,837)	(40,840)
Net profit after tax	183,974	99,985
Other comprehensive income – net	39,280	21,320
	(in Rupees)	
Earnings per share	1.08	0.59
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	12.72	10.91

During the nine months of 2024, gross premium written by your Company (including takaful contributions) stood at Rs. 10,058 million as against Rs. 5,567 million in the corresponding period last year. Individual life regular premium (including takaful contributions) posted decline of 0.2% and stood at Rs. 2,759 million as against Rs. 2,764 million in the corresponding period last year.

Group Life premiums / contribution (including takaful group family) stood at Rs. 943 million (2023: Rs. 716 million), posting an increase of 32% from corresponding period of last year. Group Health premium / contribution (including takaful group health) stood at Rs 1,712 million (2023: Rs. 1,096 million), posting an increase of 56% from corresponding period of last year.

Single premium / contribution individual policies stood at Rs 4,644 million as compared to Rs. 990 million written in the corresponding period last year.

The Company posted profit after tax of Rs. 184 million as compared to profit after tax of Rs. 100 million in corresponding period of last year.

Window Takaful Operations

Summarised results of Company's Window Takaful Operations for the nine months under review are as follows:

	September 30 2024	September 30 2023
	(Rs. in 000')	
	(Unaudited)	
Policyholder' Fund		
Gross Contribution	2,156,496	1,812,596
Net Contribution	1,733,473	1,273,578
Investment Income	121,954	65,506
Operator's Fund		
Investment Income	1,902	1,718
Operators' profit/ (loss) before tax	37,156	(136,183)
Operators' profit/ (loss) after tax	25,639	(98,317)

Future Outlook

The Board of Directors remains committed to building a robust organization with long-term sustainability and to providing credible security whilst adding value to its policyholders and shareholders.

To this end the company's strategies, both in the short term and the long term, are reviewed and necessary realignments affected as necessary. An outcome of this approach is evidenced in the results of your company.


The Board of Directors would like to express gratitude to its employees, customers and strategic business partners for their dedication, commitment and valuable contribution. The Board also extends its appreciation to Government authorities and shareholders for the trust they have placed in the Company.

On behalf of the Board of Directors



Shamim Ahmad Khan
Chairman

Dated: October 23, 2024



Ali Nadim
Chief Executive Officer

Dated: October 23, 2024

ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر، 2024 کو ختم ہونے والی نو ماہی کے عبوری مالیاتی گوشوارے (غیر آڈٹ شدہ) پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی جھلکیاں:

نفع (نقصان)	30 ستمبر 2024	30 ستمبر 2023
	(روپے ہزاروں میں) (غیر آڈٹ شدہ)	
خالص نفع قبل از ٹیکس	262,811	140,825
ٹیکسیشن	(78,837)	(40,840)
خالص نفع بعد از ٹیکس	183,974	99,985
دیگر مجموعی آمدن - خالص	39,280	21,320

(روپوں میں)

آمدن فی شیئر	1.08	0.59
نی شیئر بریک اپ ویلو (اس میں انشورنس آرڈیننس کی تعمیل میں اسٹیجوری فنڈ میں رکھی گئی رقم بھی شامل ہے)	12.72	10.91

2024 کے نو ماہ میں آپ کی کمپنی کا تحریر کردہ مجموعی پربیمیم (بشمول نکافل زرتعاون) گزشتہ سال کے اسی مدت کے 5,567 ملین کے مقابلے میں 10,058 ملین رہا۔ انفرادی لائف ریگولر پربیمیم (بشمول نکافل زرتعاون) گزشتہ سال کے اسی مدت کے 2,764 ملین کے مقابلے میں 0.2% کمی کے ساتھ 2,759 ملین رہا۔ گروپ لائف پربیمیم زرتعاون (بشمول نکافل گروپ فیملی) گزشتہ سال کے اسی مدت کے مقابلے میں 32% اضافے کے ساتھ 943 ملین رہا (2023: 716 ملین)۔ گروپ ہیلتھ پربیمیم زرتعاون (بشمول نکافل گروپ ہیلتھ) گزشتہ سال کے اسی مدت کے مقابلے میں 56% اضافے کے ساتھ 1,712 ملین رہا (2023: 1,096 ملین)۔ سنگل پربیمیم زرتعاون انفرادی پالیسیز گزشتہ سال کے اسی مدت کے تحریر کردہ 990 ملین کے مقابلے میں 4,644 ملین رہا۔ گزشتہ سال اسی مدت کے 100 ملین بعد از ٹیکس نفع کے مقابلے میں کمپنی کو 184 ملین بعد از ٹیکس کا نفع ہوا۔

وٹڈ نکافل آپریشنز

کمپنی کے وٹڈ نکافل آپریشنز کے زیر جائزہ نو ماہی نتائج کا خلاصہ ذیل میں مذکور ہے:

پالیسی ہولڈرز فنڈ	30 ستمبر 2024	30 ستمبر 2023
	(روپے ہزاروں میں) (غیر آڈٹ شدہ)	
مجموعی زرتعاون	2,156,496	1,812,596
خالص زرتعاون	1,733,473	1,273,578
سرمایہ کاری آمدن	121,954	65,506
آپریٹنگ فنڈ		
سرمایہ کاری آمدن	1,902	1,718
آپریٹنگ نفع (نقصان) قبل از ٹیکس	37,156	(136,183)
آپریٹنگ نفع (نقصان) بعد از ٹیکس	25,639	(98,317)

مستقبل کا منظر نامہ

بورڈ آف ڈائریکٹرز طویل المدت استحکام کے ساتھ مضبوط تنظیم کو استوار کرنے اور پالیسی ہولڈرز اور شیئرز ہولڈرز کی قدر کرتے ہوئے انہیں قابل اعتماد تحفظ فراہم کرنے کے لیے پُر عزم ہے۔ اس مقصد کے لیے کمپنی کی مختصر اور طویل مدتی حکمت عملیوں کا جائزہ لیا جاتا ہے اور ضرورت پڑنے پر مناسب تبدیلیاں کی جاتی ہیں۔ اس طریقہ کار کا اثر آپ کی کمپنی کے نتائج میں دیکھا جاسکتا ہے۔ بورڈ آف ڈائریکٹرز اپنے ملازمین، صارفین، اور اسٹریٹجک کاروباری شراکت داروں کا ان کی محنت، عزم اور قیمتی تعاون پر شکریہ ادا کرتا ہے۔ بورڈ، حکومتی حکام اور شیئرز ہولڈرز کا بھی شکریہ ادا کرتا ہے جنہوں نے کمپنی پر اعتماد کیا ہے۔

منجانب بورڈ آف ڈائریکٹرز

S. Anwar

شیم احمد خان

چیئرمین

بتاریخ: 23 اکتوبر، 2024

Al. Nadim

علی ندیم

چیف ایگزیکٹو آفیسر

بتاریخ: 23 اکتوبر، 2024


IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
Note	----- Rupees in 000 -----	
Assets		
Property and equipment	9 192,823	172,297
Intangible assets	9 361,441	346,542
Investments		
Listed securities	10 9,490,776	8,189,645
Government securities	11 21,562,895	14,988,498
Debt securities	12 299,985	299,990
	31,353,656	23,478,133
Loans secured against life insurance policies	194,852	195,945
Insurance / takaful / reinsurance / retakaful receivables	774,359	306,061
Other loans and receivables	452,737	533,611
Taxation - payments less provision	801,618	722,339
Deferred tax asset - net	493,576	552,892
Prepayments	85,413	37,744
Cash and bank	13 862,806	342,469
Total assets	<u>35,573,281</u>	<u>26,688,033</u>
Equity and liabilities		
Capital and reserves attributable to Company's equity holders		
Authorised share capital (300,000,000 (2023: 300,000,000) ordinary shares of Rs. 10 each)	3,000,000	3,000,000
Issued, subscribed and paid-up capital	1,705,672	1,705,672
Ledger account C & D	(1,113,346)	(1,203,903)
Unappropriated profit	1,562,659	1,469,242
Surplus / (deficit) on revaluation of available for sale investments - net	14,744	(24,536)
Total equity	2,169,729	1,946,475
Liabilities		
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	14 31,226,108	23,067,220
Outstanding claims	645,313	570,344
Retirement benefit obligations	29,679	29,679
Premium received in advance	353,453	95,532
Reinsurance / retakaful payables	291,102	171,697
Other creditors and accruals	842,385	776,699
Lease liability against right-of-use assets	15,513	30,387
Total liabilities	33,403,553	24,741,558
Total equity and liabilities	<u>35,573,281</u>	<u>26,688,033</u>
Contingencies and commitments	15	

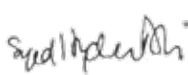
The annexed notes from 1 to 28 form an integral part of these condensed financial statements.



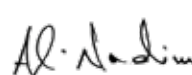
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2024

	Nine Months Ended		Quarter ended	
	September 30,	September 30,	September 30,	September 30,
	2024	2023	2024	2023
Note	-----Rupees in 000-----		-----Rupees in 000-----	
Gross premium / contribution revenue	10,058,336	5,566,594	3,524,349	2,221,781
Less: premium / contribution ceded to reinsurers / retakaful operators	288,678	246,459	95,456	101,039
Net premium / contribution revenue	16 9,769,658	5,320,135	3,428,893	2,120,742
Investment income	17 2,627,076	1,772,869	979,595	674,042
Net realised fair value gains/ (losses) on financial assets	452,033	165,874	159,246	104,920
Other income - net	178,411	121,222	52,889	37,334
	3,257,520	2,059,965	1,191,730	816,296
Net income	13,027,178	7,380,100	4,620,623	2,937,038
Insurance benefits	4,036,867	3,375,756	1,507,982	1,152,439
Recoveries from reinsurers / retakaful operators	(89,951)	(106,668)	(31,824)	(46,429)
Net insurance benefits	18 3,946,916	3,269,088	1,476,158	1,106,010
	9,080,262	4,111,012	3,144,465	1,831,028
Change in insurance liabilities (other than outstanding claims)	6,790,675	2,101,304	2,356,959	1,147,422
Acquisition expenses	19 1,339,509	1,288,481	403,425	401,244
Marketing and administration expenses	20 676,639	567,305	268,463	222,436
Other expenses	21 7,188	7,186	2,396	2,395
Total expenses	8,814,011	3,964,276	3,031,243	1,773,497
	266,251	146,736	113,222	57,531
Finance costs	3,440	5,911	761	2,046
Profit before tax	262,811	140,825	112,461	55,485
Income tax	22 (78,837)	(40,840)	(33,739)	(16,091)
Profit after tax	183,974	99,985	78,722	39,394
	-----Rupees-----		-----Rupees-----	
Earnings per share	23 1.08	0.59	0.46	0.23

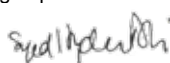
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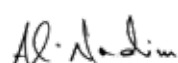
Chairman



Director



Director



Chief Executive Officer




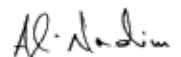



Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2024

	<u>Nine Months Ended</u>		<u>Quarter ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>-----Rupees in 000-----</u>		<u>-----Rupees in 000-----</u>	
Profit after tax	183,974	99,985	78,722	39,394
Other comprehensive income				
Change in unrealised gain on available-for-sale financial assets	1,426,127	507,963	545,490	380,511
Less: taxation	(18,635)	(1,702)	(17,414)	(2,202)
Change in unrealised gain on available-for-sale financial assets - net of tax	1,407,492	506,261	528,076	378,309
Change in insurance liabilities - net	(1,368,212)	(484,941)	(493,958)	(362,149)
	39,280	21,320	34,118	16,160
Items that will not be reclassified subsequently to the profit and loss				
Actuarial gains / (losses) on retirement benefit scheme	-	-	-	-
Other comprehensive income for the period	39,280	21,320	34,118	16,160
Total comprehensive income for the period	223,254	121,305	112,840	55,554



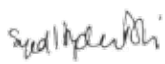
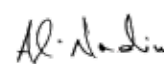

The annexed notes from 1 to 28 form an integral part of these condensed financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2024

	Note	
	Nine months ended	
	September 30, 2024	September 30, 2023
-----Rupees in 000-----		
Operating cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers	9,850,851	5,471,151
Reinsurance premium paid	(211,768)	(361,882)
Claims paid	(1,258,710)	(1,083,746)
Surrenders paid	(2,657,421)	(2,254,857)
Reinsurance recovery received	87,058	94,562
Commission paid	(653,037)	(613,866)
Commission received	42,495	34,923
Net cash inflow from underwriting activities	5,199,468	1,286,285
(b) Other operating activities		
Income tax paid	(117,434)	(104,633)
Marketing and administrative expenses paid	(1,301,585)	(1,097,588)
Other operating receipts	90,097	48,274
Loans advanced	15,653	(7,348)
Loan repayments received	-	-
Net cash outflow on other operating activities	(1,313,269)	(1,161,295)
Total cash inflow from all operating activities	3,886,199	124,990
Investment activities		
Profit / return received	778,126	1,731,967
Dividend received	47,423	32,181
Payment for investments	(31,858,114)	(46,172,372)
Proceeds from disposal of investments	27,777,044	44,534,241
Proceeds from disposals of fixed assets	20,738	25,746
Capital work in progress	(3,297)	(18,882)
Fixed capital expenditure	(127,782)	(56,727)
Total cash (outflow on) / inflow from investing activities	(3,365,862)	76,154
Financing activities		
Dividends paid	-	-
Total cash outflow on financing activities	-	-
Net cash inflow from / (outflow on) all activities	520,337	201,144
Cash and cash equivalents at beginning of the period	342,469	218,118
Cash and cash equivalents at end of the period	13.2 862,806	419,262
Reconciliation to the profit and loss account		
Operating cash flows	3,886,199	124,990
Depreciation and amortisation expenses	(84,639)	(89,803)
Gain on disposal of fixed assets	9,759	22,995
Increase in assets other than cash	(60,410)	124,212
Increase in liabilities	(8,048,041)	(2,574,817)
Investment income	4,407,352	2,435,695
Profit received on bank deposits	73,754	56,713
Profit after taxation	183,974	99,985

The annexed notes from 1 to 28 form an integral part of these condensed financial statements.

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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IGI LIFE INSURANCE LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2024




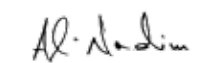

	Attributable to equity holders of the Company				Total
	Share capital	Un-appropriated profit *	Ledger C & D account **	Capital reserve Net (deficit) / surplus on revaluation of available for sale investments ***	
	-----Rupees in '000-----				
Balance as at December 31, 2022 (audited)	1,705,672	1,152,619	(1,029,780)	(88,124)	1,740,387
Profit for nine months ended September 30, 2023	-	47,993	51,992	-	99,985
Other comprehensive income for nine months ended September 30, 2023	-	-	-	21,320	21,320
	-	47,993	51,992	21,320	121,305
Appropriation of surplus from ledger D to Shareholder fund	-	302,539	(302,539)	-	-
Balance as at September 30, 2023 (un-audited)	<u>1,705,672</u>	<u>1,503,151</u>	<u>(1,280,327)</u>	<u>(66,804)</u>	<u>1,861,692</u>
Total comprehensive income					
Profit for three months ended December 31, 2023	-	17,997	24,717	-	42,714
Other comprehensive income / (loss) for three months ended December 31, 2023	-	-	(199)	42,268	42,069
	-	17,997	24,518	42,268	84,783
Appropriation of surplus from ledger D to Shareholder fund	-	(51,906)	51,906	-	-
Balance as at December 31, 2023 (audited)	<u>1,705,672</u>	<u>1,469,242</u>	<u>(1,203,903)</u>	<u>(24,536)</u>	<u>1,946,475</u>
Total comprehensive income					
Profit for nine months ended September 30, 2024	-	93,417	90,557	-	183,974
Other comprehensive income for nine months ended September 30, 2024	-	-	-	39,280	39,280
	-	93,417	90,557	39,280	223,254
Appropriation of surplus from ledger D to Shareholder fund	-	-	-	-	-
Balance as at September 30, 2024 (un-audited)	<u>1,705,672</u>	<u>1,562,659</u>	<u>(1,113,346)</u>	<u>14,744</u>	<u>2,169,729</u>

* This includes an amount of Rs. 50 million set aside by the Company in respect of Takaful operations.

** This represents reserve appropriated to shareholders.

*** This balance is net of related change in insurance liabilities.

The annexed notes from 1 to 28 form an integral part of these condensed financial statements.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi. The registered office is also the principal office of the Company.
- 1.2** The Company is a subsidiary of IGI Holdings Limited ("Holding Company") which holds 82.69% (December 31, 2023: 82.69%) share capital of the Company.
- 1.3** The Company is engaged in life insurance, carrying on both participating and non-participating business. The Company is also engaged in providing Shariah Compliant family takaful products as an approved window takaful operator.
- 1.4** In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary, are as follows:
- Life (participating)
 - Life (non-participating) – Individual
 - Life (non-participating) – Group
 - Accident & Health – Individual
 - Accident & Health – Group
 - Pension Business Fund
 - Investment Linked
 - Individual Family Takaful
 - Accident & Health Takaful – Individual
 - Group Family Takaful
 - Group Health Takaful

2 BASIS OF PREPARATION

These condensed interim financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

Accordingly, the Company has prepared and annexed to these financial statements, a standalone set of the financial statements for Window Takaful Operations of the Company, as if these are carried out by a Standalone Takaful Operator. This standalone set of financial statements for Window Takaful Operations of the Company is unaudited and un-reviewed and are being submitted in compliance with the conditions imposed by the SECP as detailed above.

2.1 Statement of compliance

- 2.1.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:
- Accounting Standards (IAS 34) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
 - Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful rules, 2012 shall prevail.

2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2023.

2.1.3 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2023.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2024, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments or interpretations:

	Effective date (period beginning on or after)
- IAS 7 - 'Statement of Cash Flows' (amendments)	January 1, 2024
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 9 - 'Financial Instruments'	January 1, 2026
- IFRS 7 - 'Financial Instruments: Disclosures'	January 1, 2024
- IAS 21 - 'The effects of changes in foreign exchange rates' (amendments)	January 1, 2025
- IFRS 17 - 'Insurance contracts'	January 1, 2026
- IFRS 16 - 'Leases' (amendments)	January 1, 2024

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2024.

However, the Securities and Exchange Commission of Pakistan through S.R.O. 1715 (1)/2023 has directed companies engaged in insurance and reinsurance business for application of IFRS 17 for periods beginning on or after January 1, 2026.

The management is in the process of assessing the impact of these amendments on the condensed interim financial statements of the Company.

5.2.2 There are certain other new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2024, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual audited financial statements for the year ended December 31, 2023. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2024 conducted at the year end. Hence actuarial gains / losses for the nine months ended September 30, 2024 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2023.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 8.1 below:

8.1 Fair value of financial assets as at September 30, 2024 and change in the fair values during the nine months ended September 30, 2024:

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		----- Rupees in 000 -----	
<i>Pakistan Investment Bonds - available for sale (refer note 11)</i>			
Opening fair value		4,553,588	4,775,838
Additions / (disposals) during the period		335,019	(236,394)
Increase in fair value		268,843	14,144
Closing fair value		<u>5,157,450</u>	<u>4,553,588</u>
<i>Market Treasury Bills - available for sale (refer note 11)</i>			
Opening fair value		10,023,616	6,808,483
Additions during the period		5,233,183	3,178,293
Increase in fair value		164,779	36,840
Closing fair value		<u>15,421,578</u>	<u>10,023,616</u>
<i>GOP Ijarah Sukuk - available for sale (refer note 11)</i>			
Opening fair value		411,294	278,074
Additions during the period		572,129	125,162
Increase in fair value		444	8,058
Closing fair value		<u>983,867</u>	<u>411,294</u>
<i>Debt Securities - available for sale (refer note 12)</i>			
Opening fair value		299,990	600,000
Disposals during the period		(5)	(300,010)
Increase in fair value		-	-
Closing fair value		<u>299,985</u>	<u>299,990</u>
Financial assets that do not meet the SPPI criteria			
<i>Mutual funds - available for sale (refer note 10)</i>			
Opening fair value		8,189,645	6,039,945
Additions during the period		2,589,948	775,070
(Decrease / (increase) in fair value		(1,288,817)	1,374,629
Closing fair value		<u>9,490,776</u>	<u>8,189,644</u>
9 PROPERTY AND EQUIPMENT			
Tangible assets (including right-of-use-assets)		190,539	168,905
Capital work-in-progress		2,284	3,392
		<u>192,823</u>	<u>172,297</u>
Intangible assets		361,441	346,542
	9.1	<u>554,264</u>	<u>518,839</u>

	Note	(Un-audited)	(Audited)
		September 30, 2024	December 31, 2023
----- Rupees in 000 -----			
9.1	Opening net book value	511,633	525,082
	Add: additions during the period / year		
	- Leasehold improvements	6,142	5,930
	- Furniture and fixtures	-	222
	- Office equipment	27,333	1,285
	- Computer equipment	20,972	4,783
	- Motor vehicles - owned	33,160	21,183
	- Right-of-use assets	-	15,400
	- Software and licenses	40,175	81,532
		127,782	130,335
	Less: net book value of disposals		
	- Leasehold improvements	226	911
	- Furniture and fixtures	2,812	2,399
	- Office equipment	1,553	2,039
	- Computer equipment	116	16
	- Motor vehicles - owned	-	472
	- Motor vehicles - leased	6,307	-
	- Right-of-use assets	-	11,302
		11,014	17,139
	Less: depreciation and amortisation for the period / year	84,638	126,645
	Closing net book value	543,763	511,633
	Add: capital work-in-progress		
	- Advance against civil works	2,284	3,392
	- Advance against software	8,218	3,814
		554,265	518,839

(Un-audited)			(Audited)		
September 30, 2024			December 31, 2023		
Carrying amount	Market value	Deficit on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments
----- Rupees in 000 -----					

10 INVESTMENTS IN EQUITY SECURITIES

Available for sale

S	Listed equity securities	-	-	-	-	-	-
	Mutual Funds	9,506,679	9,490,776	(15,903)	6,916,731	8,189,645	1,272,914
		9,506,679	9,490,776	(15,903)	6,916,731	8,189,645	1,272,914

11 INVESTMENTS IN GOVERNMENT SECURITIES

Available for sale

Pakistan Investment Bonds	11.1 & 11.2	5,220,561	5,157,450	(63,111)	4,885,542	4,553,588	(331,954)
Market Treasury Bills	11.3	15,237,567	15,421,578	184,011	10,004,384	10,023,616	19,232
GOP Ijarah Sukuk	11.4	976,435	983,867	7,432	404,306	411,294	6,988
		21,434,562	21,562,895	128,333	15,294,232	14,988,498	(305,734)

11.1 The effective yield on Pakistan Investment Bonds ranges from 7.5% to 21.86% (December 31, 2023: 7.50% to 23.57%) per annum. The market yield ranges from 12.25% to 13.45% (December 31, 2023: 15.79% to 21.36%) per annum. These are due to mature by August, 2029.

11.2 The Company has deposited 5 years Pakistan Investment Bonds having face value amounting to Rs. 193 million (December 31, 2023: Rs. 193 million) with the State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

11.3 The effective yield on Market Treasury Bills ranges from 15.45% to 21.91% (December 31, 2023: 21.00% to 22.95%) per annum. The market yield ranges from 13.66% to 17.63% (December 31, 2023: 21.29% to 21.49%) per annum. These are due to mature by June, 2025.

11.4 The effective yield on GOP Ijarah Sukuk ranges from 15.00% to 20.72% (December 31, 2023: 20.33% to 23.71%) per annum and are due to mature by April, 2025.

12 INVESTMENTS IN DEBT SECURITIES

Note	(Un-audited)			(Audited)			
	September 30, 2024			December 31, 2023			
	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	
Rupees in 000							
Available for sale							
Listed Term Finance Certificates	12.1	299,985	299,985	-	299,990	299,990	-
Corporate Sukkuk	12.2	-	-	-	-	-	-
		<u>299,985</u>	<u>299,985</u>	<u>-</u>	<u>299,990</u>	<u>299,990</u>	<u>-</u>

12.1 The effective yield on term finance certificates ranges from 21.81% to 24.46% (December 31, 2023: 22.94% to 24.47%) per annum.

13 CASH AND BANK	Note	(Un-audited)	(Audited)
		September 30, 2024	December 31, 2023
Rupees in 000			
Cash in hand		688	535
Cash at bank			
- Savings accounts	13.1	<u>862,118</u>	<u>341,934</u>
		<u>862,806</u>	<u>342,469</u>

13.1 These savings accounts carry mark-up rate ranges from 14% to 19% per annum (December 31, 2023: 14.5% to 20.5%).

13.2 Cash and cash equivalents	Note	(Un-audited)	(Audited)
		September 30, 2024	December 31, 2023
Rupees in 000			
Cash and bank balances	13	<u>862,806</u>	<u>342,469</u>

14 INSURANCE LIABILITIES	Note	(Un-audited)	(Audited)
		September 30, 2024	December 31, 2023
Rupees in 000			
Incurred but not reported claims		167,755	151,173
Investment component of unit-linked and account value policies		19,018,836	14,210,116
Liabilities under individual conventional insurance contracts		8,131,638	6,518,733
Liabilities under group insurance contracts		1,066,961	438,498
Other insurance liabilities		1,867,709	1,086,316
Ledger account A and B		<u>973,209</u>	<u>662,384</u>
		<u>31,226,108</u>	<u>23,067,220</u>

15 CONTINGENCIES AND COMMITMENTS

15.1 With effect from November 1, 2018, the Punjab Revenue Authority (PRA), withdrew the exemption on both, life and health insurance, and subjected the same to the levy of Punjab Sales Tax (PST). Previously, the Sindh Revenue Board (SRB) had withdrawn similar exemptions granted in Sindh. However, during 2019, the Sindh Revenue Board, vide notification no. SRB 3-4/5/2019 dated May 8, 2019, restored the exemption on both, life and health insurance business upto June 30, 2019.

Further, the SRB, vide its notifications SRB-3-4/16/2019, SRB-3-4/14/2020, SRB-3-4/17/2021 and SRB-3-4/1 9/2022 extended the exemption to health insurance upto June 30, 2023. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. The Company, however, has not availed this exemption.

With effect from April 2, 2020, in Punjab, the Government of the Punjab (Finance department), as part of COVID relief, amended Second Schedule to the Punjab Sales Tax on Services Act, 2012 and changed sales tax rates on health and life insurance to 0% without input tax adjustment for the period from notification's effective date till June 30, 2020. This tax exemption is however retained only in case of Individual Health Insurance through the Punjab Finance Act, 2020 which is effective from July 1, 2020.

The Insurance Association of Pakistan (IAP) had taken up the matter extensively with PRA and SRB for restoration of the exemptions that were withdrawn, besides seeking legal advice. The legal advisors of the IAP/Company have confirmed the contention of the Company that insurance is not a service, but infact, in sum and substance, a contingent contract under which payment is made on the occurrence of an event, specified in the terms of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service.

The legal advisors have also raised the important question of constitutionality of the levy of provincial sales tax on life insurance, which is a Federal subject, and have expressed the view that under Article 142 of the Constitution of Pakistan, only those matters which are not enumerated in the Federal Legislative List, may be legislated upon by the provinces. In their view, since the Federation has retained a legislative mandate over all laws relating to insurance, therefore, only the Federation is entitled to levy any tax in relation to insurance business.

Without prejudice to the main contentions as stated above, even otherwise, the legal advisors have expressed in their opinions a further flaw in the context of the manner in which the entire premium payment, i.e. Gross Written Premium (GWP) is being charged to the levy of provincial sales tax. This is despite the fact that there are two distinct elements of GWP (i) the amount allocated towards the policyholders' investment, which belongs to them and (ii) the difference between the GWP charged and the investment amount allocated. Thus, in their view, if the entire GWP is subjected to provincial sales tax, then this is akin to a direct tax on policyholders, in the nature of income tax, wealth tax, or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

Based on the above contentions, the Company and other life insurance / health insurance companies challenged the levy of PST on life and health insurance in the Punjab through a writ petition in the Honourable Lahore High Court (LHC) in September 2019. Subsequent to the filing of the petition, in October 2019, the PRA issued a show cause notice to the Company and other life insurance companies, attempting to levy PST on the Pan Pakistan GWP, i.e. beyond their jurisdiction, and for the entire calendar year 2018, besides other inaccuracies. The Company and other life insurance companies have filed further writ petitions in the Honourable Lahore High Court against the same. The petition is pending adjudication.

In Sindh, extensive discussions were held at the collective level of IAP with the SRB for the restoration of exemption on life insurance, which remained inconclusive. In November 2019, the Company, and other life insurance companies received show cause notices from the SRB, requiring the companies to deposit the SST on life insurance. Based on the same contentions as PST, the Company and other life insurance companies, have filed a petition in the Honourable Sindh High Court (SHC) in November 2019, challenging the levy of SST. The Honourable SHC, in their interim order dated December 2, 2019, directed that the request of the petitioners, seeking exemption in terms of Section 10 of the SST Act, 2011, shall be considered by the SRB in accordance with the law. The petition is pending adjudication. Further, the Company along with other life Insurance companies has filed a writ petition in the honorable Sindh High Court challenging the vires of the applicability of sales tax on health insurance.

In January 2020, the SRB, PRA and BRA invited the IAP and insurance industry to hold a dialogue for an amicable settlement of the matter. The Company, along with the IAP and other insurance companies participated in the meeting convened by the Chairman SRB, and will continue its efforts to convince the provincial revenue authorities about the merits of the case.

During the hearing conducted in December, 2020, the Honourable Sindh High Court observed that one of the grounds in the petition is that "insurance" is a federal subject. On this basis, the Honourable Court was of the view that the Federation of Pakistan ought to be made a party. The Honourable Court therefore directed to amend the title of the petition, impleading the Federation as a Party, which has been duly done.

The legal advisors, in their opinion, have expressed the view that the Company has a reasonably strong case on the merits of the petitions filed in both, the Honorable Lahore High Court and Honorable Sindh High Court, against the imposition of the provincial sales taxes on life and health insurance in the Punjab and Sindh also.

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax would have decreased by Rs. 776.071 million (December 31, 2023: Rs 539.619 million) while sales tax liability as at September 30, 2024 would have been higher by Rs. 1,272.248 million (December 31, 2023: Rs 884.621 million).

The petitions filed in the Lahore High Court against Show Cause Notices were disposed of on December 15, 2021 with directions to the PRA to provide an adequate opportunity of hearing to the Insurance companies.

15.2 There has been no major change, during the period, in contingencies and commitments other than described above.

	------(Un-audited)-----	
	For the nine months ended	
	September 30, 2024	September 30, 2023
	-----Rupees in 000-----	
19 ACQUISITION EXPENSES		
Remuneration to insurance intermediaries on individual policies:		
- Commission on first year premiums / contribution	287,940	321,513
- Commission on second year premiums / contribution	30,181	25,910
- Commission on subsequent renewal premiums / contribution	41,376	50,770
- Commission on single premiums / contribution	102,573	28,931
- Other benefits to insurance intermediaries	394,977	412,211
	857,047	839,335
Remuneration to insurance intermediaries on group policies:		
- Commission	147,211	143,146
- Other benefits to insurance intermediaries	1,755	1,733
	148,966	144,879
Branch overheads:		
- Salaries and other benefits	74,053	67,018
- Other operational cost	248,534	228,038
	322,587	295,056
Other acquisition cost :		
- Policy stamps	10,909	9,211
	<u>1,339,509</u>	<u>1,288,481</u>
20 MARKETING AND ADMINISTRATION EXPENSES		
Salaries, allowances & other benefits	387,314	343,647
Travelling expenses	13,969	11,238
Directors fees	7,584	6,513
Regulators fee	14,504	12,014
Actuary's fees	6,437	8,038
Legal and professional charges	11,891	6,821
Advertisement and publicity	7,204	3,093
Printing and stationery	3,499	3,499
Depreciation and amortisation	84,634	89,804
Rentals	16,365	16,052
Vehicles and general repair and maintenance	35,647	10,006
Utilities-electricity, water and gas	14,245	9,813
Transportation	11,290	826
Communication	7,963	6,418
Consultancy fee	6,911	6,117
Training and workshop	6,245	4,640
Insurance	3,251	3,243
Interest on premium deposit in advance	324	540
Social security	1,348	1,003
Entertainment	9,855	9,022
Provision for Sindh WWF	3,908	866
Miscellaneous expenses	22,251	14,092
	<u>676,639</u>	<u>567,305</u>
21 OTHER EXPENSES		
Auditors' remuneration	<u>7,188</u>	<u>7,186</u>
22 TAXATION		

As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the nine months ended September 30, 2024, the shareholder's fund reflected a profit before tax of Rs. 131.573 million resulting in current tax amounting to Rs. 38.156 million.

The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in profit and loss account on aggregate basis. Therefore the Company has recognised deferred tax of Rs. 500.200 million (December 31, 2023: Rs. 540.881 million) in this respect.

		-----Un-audited-----			
		Nine months ended		Quarter ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		-----Rupees in 000-----			
23 EARNINGS PER SHARE	Basic / diluted earning per share				
	Profit for the period	183,974	99,985	78,722	39,394
		-----No of shares-----			
	Weighted average number of ordinary shares	170,567,200	170,567,200	170,567,200	170,567,200
		----- (Rupees) -----			
	Earning per share	1.08	0.59	0.46	0.23

24 SEGMENT INFORMATION

Each class of business has been identified as a reportable segment. The following is a schedule of class of business wise assets, liabilities, revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017:

24.1 Revenue account by statutory funds

(Un-audited)												
For nine months ended September 30, 2024												
CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS				Total	
Life (Participating)	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health		
	Individual	Group		Individual	Group							
----- Rupees in '000 -----												
INCOME												
Premiums / contribution less reinsurances / retakaful	7,838	2,351,605	684,257	3,068,113	5,182	1,463,227	48,987	1,862,587	1,122	36,385	197,860	9,727,163
Net investment income	432,405	1,042,632	(6,080)	1,585,896	87	-	56,703	1,101,583	-	14,462	26,239	4,253,927
Other income - net	7,007	25,880	38,942	51,616	51	33,357	2,971	16,664	14	326	1,583	178,411
Total net income	447,250	3,420,117	717,119	4,705,625	5,320	1,496,584	108,661	2,980,834	1,136	51,173	225,682	14,159,501
CLAIMS AND EXPENDITURE												
Claims, including bonuses, net of reinsurance recoveries	210,049	708,642	314,363	953,024	(289)	755,577	17,169	863,327	-	43,249	81,805	3,946,916
Management expenses less recoveries	2,048	498,368	90,129	426,657	27,677	266,597	-	589,624	829	15,224	45,275	1,962,428
Total claims and expenditure	212,097	1,207,010	404,492	1,379,681	27,388	1,022,174	17,169	1,452,951	829	58,473	127,080	5,909,344
Excess / (shortage) of Income over claims and expenditure	235,153	2,213,107	312,627	3,325,944	(22,068)	474,410	91,492	1,527,883	307	(7,300)	98,602	8,250,157
Add: Policyholders' liabilities at beginning of the period	1,613,859	5,440,758	182,213	7,660,369	19,947	322,881	421,751	6,776,244	2,259	(35,244)	(201)	22,404,836
Less: Policyholders' liabilities at end of the period	(1,538,187)	(7,797,066)	(372,920)	(10,968,974)	(19,352)	(719,010)	(510,183)	(8,294,816)	(2,131)	50,903	(81,162)	(30,252,898)
Movement in policyholders' liabilities	75,672	(2,356,308)	(190,707)	(3,308,605)	595	(396,129)	(88,432)	(1,518,572)	128	15,659	(81,363)	(7,848,062)
Surplus / (deficit) before tax	310,825	(143,201)	121,920	17,339	(21,473)	78,281	3,060	9,311	435	8,359	17,239	402,095
Taxation	-	43,711	(48,966)	(5,352)	6,658	(24,267)	(948)	(2,591)	(134)	(2,685)	(6,107)	(40,681)
Surplus / (deficit) after tax	310,825	(99,490)	72,954	11,987	(14,815)	54,014	2,112	6,720	301	5,674	11,132	361,414
Movement in policyholders' liabilities	(75,672)	2,356,308	190,707	3,308,605	(595)	396,129	88,432	1,518,572	(128)	(15,659)	81,363	7,848,062
Transfers (to) or from shareholders' fund												
- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	108,349	-	7,500	-	115,849
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	(7,500)	-	(7,500)
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	7,500	-	7,500
- Capital returned to shareholders' fund	-	-	(150,000)	-	-	-	-	-	-	-	-	(150,000)
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	(150,000)	-	-	-	-	108,349	-	7,500	-	(34,151)
Balance of statutory fund at beginning of the period	2,276,243	5,925,609	442,476	7,535,045	6,128	467,057	435,751	6,525,474	7,354	13,762	77,551	23,712,450
Balance of statutory fund at end of the period	2,511,396	8,182,427	556,137	10,855,637	(9,282)	917,200	526,295	8,159,115	7,527	11,277	170,046	31,887,775

Represented by:

Capital contributed by shareholders' fund	-	-	-	691,392	49,014	161,147	6,000	706,399	4,095	49,700	155,889	1,823,636
Policyholders' liabilities / PTF	1,538,187	7,797,066	372,920	10,968,974	19,352	719,010	510,183	8,294,816	2,131	(50,903)	81,162	30,252,898
Retained earnings attributable to policyholders (Ledger Account A)	924,751	-	-	-	-	-	-	-	-	-	-	924,751
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	48,458	-	-	-	-	-	-	-	-	-	-	48,458
Retained earnings on other than participating business (Ledger Account D) / PTF	-	385,361	183,201	(804,814)	(77,650)	37,043	10,112	(846,138)	1,301	10,713	(68,917)	(1,169,788)
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	-	16	85	2	-	-	4,038	-	1,767	1,912	7,820

BALANCE OF STATUTORY FUND

2,511,396	8,182,427	556,137	10,855,637	(9,282)	917,200	526,295	8,159,115	7,527	11,277	170,046	31,887,775
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(Un-audited)

For nine months ended September 30, 2023

Life (Participating)	CONVENTIONAL - STATUTORY FUNDS					TAKAFUL - STATUTORY FUNDS				Total	
	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family		Group Health
	Individual	Group		Individual	Group						

Rupees in '000

INCOME

Premiums/contribution less reinsurances/retakafal	14,186	600,775	512,057	1,358,176	4,186	1,008,919	28,667	1,679,084	1,221	20,559	57,382	5,285,212
Net investment income	272,522	613,491	3,322	815,303	37	-	32,673	592,542	-	5,216	14,203	2,349,309
Other income - net	8,735	13,793	6,656	43,171	94	23,832	2,478	21,707	16	235	504	121,221
Total net income	295,443	1,228,059	522,035	2,216,650	4,317	1,032,751	63,818	2,293,333	1,237	26,010	72,089	7,755,742

CLAIMS AND EXPENDITURE

Claims, including bonuses, net of reinsurance recoveries	147,292	627,765	263,295	891,425	925	579,655	25,322	683,671	-	12,125	37,613	3,269,088
Management expenses less recoveries	17,357	278,566	108,297	455,171	12,319	218,741	-	670,441	1,130	18,077	35,070	1,815,169
Total claims and expenditure	164,649	906,331	371,592	1,346,596	13,244	798,396	25,322	1,354,112	1,130	30,202	72,683	5,084,257

Excess / (shortage) of Income over claims and expenditure

130,794	321,728	150,443	870,054	(8,927)	234,355	38,496	939,221	107	(4,192)	(594)	2,671,485
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Add: Policyholders' liabilities at beginning of the period
Less: Policyholders' liabilities at end of the period
Movement in policyholders' liabilities

1,562,449	5,082,807	165,940	5,472,909	17,861	302,137	355,811	4,719,947	3,291	(30,717)	(19,185)	17,643,250
(1,540,318)	(5,150,488)	(221,614)	(6,467,354)	(14,962)	(547,284)	(391,829)	(5,801,974)	(2,220)	39,750	21,723	(20,076,570)
22,131	(57,681)	(55,674)	(994,445)	2,899	(245,147)	(36,018)	(1,082,027)	1,071	9,033	2,538	(2,433,320)

Surplus / (deficit) before tax

152,925	264,047	94,769	(124,391)	(6,028)	(10,792)	2,478	(142,806)	1,178	4,841	1,944	238,165	
-	51,972	(31,614)	37,616	1,793	3,130	(718)	42,553	(342)	(1,407)	(648)	102,335	
Surplus / (deficit) after tax	152,925	316,019	63,155	(86,775)	(4,235)	(7,662)	1,760	(100,253)	836	3,434	1,296	340,500

Movement in policyholders' liabilities

(22,131)	57,681	55,674	994,445	(2,899)	245,147	36,018	1,082,027	(1,071)	(9,033)	(2,538)	2,433,320
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Transfers (to) or from shareholders' fund

- Capital contributions from shareholders' fund	-	-	60,000	119,036	7,014	-	-	102,893	-	6,000	11,866	306,809
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	6,000	-	6,000
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-
- Surplus appropriated to shareholders' fund	-	(426,111)	-	-	-	-	-	-	-	-	-	(426,111)
	-	(426,111)	60,000	119,036	7,014	-	-	102,893	-	6,000	11,866	(119,302)

Balance of statutory fund at beginning of the period

2,078,224	5,635,062	314,603	5,368,342	869	292,243	367,636	4,516,808	8,050	7,665	45,650	18,635,152
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Balance of statutory fund at end of the period

2,209,018	5,582,651	493,432	6,395,048	749	529,728	405,414	5,601,475	7,815	8,066	56,274	21,289,670
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Represented by:

Capital contributed by shareholders' fund	-	-	210,000	703,867	49,014	32,057	6,000	658,041	4,095	42,200	163,420	1,868,694
Policyholders' liabilities / PTF	1,540,318	5,150,488	221,614	6,467,354	14,962	547,284	391,829	5,801,974	2,220	(39,750)	(21,723)	20,076,570
Retained earnings attributable to policyholders (Ledger Account A)	634,903	-	-	-	-	-	-	-	-	-	-	634,903
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	33,797	-	-	-	-	-	-	-	-	-	-	33,797
Retained earnings on other than participating business (Ledger Account D) / PTF	-	438,379	61,818	(776,173)	(63,227)	(49,613)	7,585	(854,124)	1,500	5,938	(84,367)	(1,312,284)
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(6,216)	-	-	-	-	-	(4,416)	-	(322)	(1,056)	(12,010)

BALANCE OF STATUTORY FUND

2,209,018	5,582,651	493,432	6,395,048	749	529,728	405,414	5,601,475	7,815	8,066	56,274	21,289,670
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26 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the Pakistan Stock Exchange.
- Fair value of mutual funds is determined on the basis of closing net assets value (NAV) per unit published by Mutual Fund Association of Pakistan (MUFAP).
- Fair values of Treasury Bills and Pakistan Investment Bonds are derived using the PKRV rates (Reuters page).
- The fair value of all other financial assets and financial liabilities of the Company approximate their carrying amounts due to short term maturities of these instruments.

26.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2024 and December 31, 2023, the Company held the following financial instruments measured at fair value:

		-----Un-audited-----		
		As at September 30, 2024		
		Level 1	Level 2	Level 3
		----- Rupees in 000-----		
Assets carried at fair value				
Available-for-sale investments		-	31,353,656	-
		-----	-----	-----
		-	23,478,133	-
		-----	-----	-----

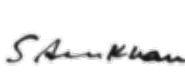
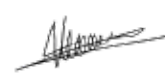
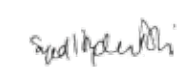
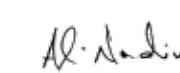

		-----Audited-----		
		As at December 31, 2023		
		Level 1	Level 2	Level 3
		----- Rupees in 000-----		
Assets carried at fair value				
Available-for-sale investments		-	23,478,133	-
		-----	-----	-----

27 GENERAL

All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

28 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on Oct 23, 2024 by the Board of Directors of the Company.

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI

Life | Window Takaful Operations



**Condensed Interim Financial Statements (Window
Takaful Operation)**


For the nine months ended Sep 30, 2024

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2024

	As at			As at
	September 30, 2024			December 31, 2023
	Operator sub fund	Policyholders fund	Total	Total
Note	----- Rupees in 000 -----			
Assets				
Property and equipment	26,818	-	26,818	41,103
Investments				
Mutual funds	656,441	7,324,828	7,981,269	6,570,887
Government Securities	-	503,551	503,551	168,747
Listed Securities	-	-	-	-
Term deposits	-	-	-	-
	656,441	7,828,379	8,484,820	6,739,634
Takaful / retakaful receivables	-	59,855	59,855	15,639
Other loans and receivables	50,267	-	50,267	82,815
Taxation - payments less provision	-	-	-	-
Deferred tax asset - net	-	-	-	-
Prepayments	9,323	-	9,323	9,871
Cash and bank	-	22,172	22,172	33,756
Total assets	742,849	7,910,406	8,653,255	6,922,818
Equity and liabilities				
Equity and reserves				
Waqf Ceded Money	-	500	500	500
Capital contributed	915,583	-	915,583	799,734
Ledger account C & D	(903,041)	-	(903,041)	(928,680)
Surplus / (deficit) on revaluation of available for sale investments	7,718	-	7,718	9,530
Total equity	20,260	500	20,760	(118,916)
Liabilities				
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]	51,851	8,275,354	8,327,205	6,743,057
Outstanding claims	-	188,336	188,336	129,259
Contribution received in advance	-	50,230	50,230	25,750
Takaful / retakaful payables	-	58,021	58,021	56,948
Other creditors and accruals	8,703	-	8,703	86,720
Interfund receivable / (payable)	662,035	(662,035)	-	-
Lease liability against right-of-use assets	-	-	-	-
Total liabilities	722,589	7,909,906	8,632,495	7,041,734
Total equity and liabilities	742,849	7,910,406	8,653,255	6,922,818
Contingencies and commitments				

9

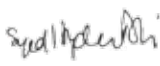
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



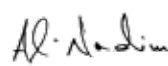
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**

	Note	September 30, 2024			September 30, 2023		
		Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
		Rupees in 000					
Contribution revenue	10	-	2,156,496	2,156,496	-	1,812,596	1,812,596
Less: wakala fee recognised		423,023	(423,023)	-	539,018	(539,018)	-
		423,023	1,733,473	2,156,496	539,018	1,273,578	1,812,596
Less: contribution ceded to retakaful operators	10	-	53,279	53,279	-	50,318	50,318
Net contribution revenue		423,023	1,680,194	2,103,217	539,018	1,223,260	1,762,278
Investment income		1,902	121,954	123,856	1,718	65,506	67,224
Net realised fair value gains / (losses) on financial assets		30,045	208,660	238,705	16,017	105,231	121,248
Takaful operator fee income		158,511	(158,511)	-	55,258	(55,258)	-
Other income - net		16,308	2,279	18,587	16,882	-	16,882
		206,766	174,382	381,148	89,875	115,479	205,354
Net income		629,789	1,854,576	2,484,365	628,893	1,338,739	1,967,632
Takaful benefits		-	1,017,845	1,017,845	-	742,633	742,633
Recoveries from retakaful operators		-	(29,464)	(29,464)	-	(9,224)	(9,224)
Net takaful benefits	11	-	988,381	988,381	-	733,409	733,409
		629,789	866,195	1,495,984	628,893	605,330	1,234,223
Change in takaful liabilities (including profit retained in waqf fund)		(63,582)	866,195	802,613	44,180	605,330	649,510
Acquisition expenses	12	539,815	-	539,815	564,447	-	564,447
Marketing and administration expenses		116,400	-	116,400	156,449	-	156,449
Total expenses		592,633	866,195	1,458,828	765,076	605,330	1,370,406
Profit/ (Loss) before tax attributable to Operator		37,156	-	37,156	(136,183)	-	(136,183)
Taxation		11,517	-	11,517	(37,866)	-	(37,866)
Profit/ (Loss) after tax attributable to Operator		25,639	-	25,639	(98,317)	-	(98,317)

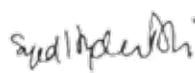
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer


IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	September 30, 2024			September 30, 2023		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	-----Rupees in 000-----					
Profit/ (Loss) after tax attributable to Operator	25,639	-	25,639	(98,317)	-	(98,317)
Other comprehensive income / (loss)						
Change in unrealised (loss) / gains on available-for-sale financial assets - net of tax	(1,812)	781,535	779,723	3,630	419,859	423,489
Change in takaful liabilities - net	-	(781,535)	(781,535)	-	(419,859)	(419,859)
Other comprehensive income / (loss) for the period	(1,812)	-	(1,812)	3,630	-	3,630
Total comprehensive income / (loss) for the period attributable to Operator	23,827	-	23,827	(94,687)	-	(94,687)

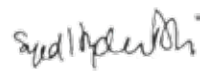
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Chairman



Director



Director



Chief Executive Officer



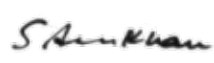

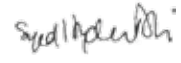
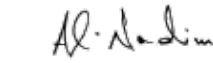

Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

	Attributable to equity holders of the Company				Total
	Capital contributed	Waqf Ceded Money	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments **	
	-----Rupees in 000-----				
Balance as at December 31, 2022	746,497	500	(832,735)	(9,424)	(95,162)
Total comprehensive income / (loss)					
Loss for the nine months ended September 30, 2023	-	-	(98,317)	-	(98,317)
Other comprehensive income for the nine months ended September 30, 2023	-	-	-	3,630	3,630
	-	-	(98,317)	3,630	(94,687)
Capital Contributed	120,759	-	-	-	120,759
Balance as at September 30, 2023	867,256	500	(931,052)	(5,794)	(69,090)
Total comprehensive income / (loss)					
Profit for the three months ended December 31, 2023	-	-	2,372	-	2,372
Other comprehensive income for the three months ended December 31, 2023	-	-	-	15,324	15,324
	-	-	2,372	15,324	17,696
Transactions with owners recorded directly in equity					
Capital Contributed	(67,522)	-	-	-	(67,522)
Balance as at December 31, 2023	799,734	500	(928,680)	9,530	(118,916)
Total comprehensive income / (loss)					
Profit for the nine months ended September 30, 2024	-	-	25,639	-	25,639
Other comprehensive loss for the nine months ended September 30, 2024	-	-	-	(1,812)	(1,812)
	-	-	25,639	(1,812)	23,827
Transactions with owners recorded directly in equity					
Capital Contributed	115,849	-	-	-	115,849
Balance as at September 30, 2024	<u>915,583</u>	<u>500</u>	<u>(903,041)</u>	<u>7,718</u>	<u>20,760</u>

** This balance is net of related change in insurance liabilities.

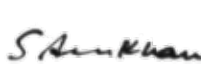

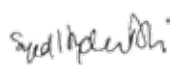
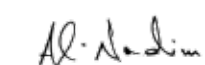

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**

Note	For the nine months ended September 30,	
	2024	2023
-----Rupees in 000-----		
Operating Cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers - net of retakaful	2,079,291	1,714,684
Claims paid - net of retakaful recoveries	(92,090)	(81,354)
Surrenders paid	(837,214)	(668,223)
Commissions paid	(261,405)	(238,193)
Net cash inflow from underwriting activities	888,582	726,914
(b) Other operating activities		
Payment for expenses	(411,481)	(483,377)
Other operating receipts	1,528	7,208
Inter fund transactions	-	-
Net cash outflow on other operating activities	(409,953)	(476,169)
Total cash outflow on all operating activities	478,629	250,745
Investment activities		
Profit / return received	65,430	62,376
Dividend received	16,662	19,287
Payments (made) / received on investments	(572,305)	(397,492)
Fixed capital expenditure	-	(3,498)
Total cash inflow from / (outflow on) investing activities	(490,213)	(319,327)
Net cash (outflow on) / inflow from all activities	(11,584)	(68,582)
Cash and cash equivalents at beginning of period	33,756	98,014
Cash and cash equivalents at end of period	22,172	29,432
Reconciliation to Profit and Loss Account		
Operating cash flows	478,629	250,745
Depreciation and amortisation expenses	17,607	28,665
Increase in assets other than cash	(49,132)	66,429
Decrease in liabilities	(802,613)	(649,510)
Investment income and other income	364,089	190,100
Profit received on bank deposits	17,059	15,254
Profit/(Loss) after taxation	25,639	(98,317)

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Company.
- 1.2 The Company was granted approval on July 02, 2015 under Rule 6 of the Takaful Rules, 2012 to start its Window Takaful Operations ("the Operations") by the Securities and Exchange Commission of Pakistan ("the SECP") in Pakistan. The Waqf deed was executed on June 20, 2015 and the operations were commenced also commenced in year 2015.
- 1.3 In accordance with the requirements of the Insurance Ordinance, 2000 and Takaful Rules, 2012, the Company established a Operator Sub Fund (OSF), Participant Investment Fund (PIF) and Participant Waqf Fund (PTF) under each statutory funds mentioned below:
- Individual Family Takaful
 - Individual Accidental and Health Takaful
 - Group Family Takaful
 - Group Health Takaful

2 BASIS OF PREPARATION

These financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful rules, 2012 shall prevail.

Where the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

- 2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2023.
- 2.3 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 MATERIAL ACCOUNTING POLICIES INFORMATION

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2023.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2024, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company's accounting period beginning on January 1, 2025. However, these are not considered to be relevant or did not have any material effect on the

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However, the Securities and Exchange Commission of Pakistan through S.R.O. 1715 (1)/2023 has directed companies engaged in insurance and reinsurance business for application of IFRS 17 for periods beginning on or after January 1, 2026.

5.2.2 The management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

5.2.3 There are certain other new and amended standards, interpretations, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2023. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2023 conducted at the year end. Hence actuarial gains / losses for the nine months ended September 30, 2024 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 TAKAFUL FINANCIAL AND RISK MANAGEMENT

The Company's takaful risk management objectives and policies are consistent with those disclosed in the condensed Interim Financial statements as at and for the nine months ended September 30, 2024.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an takaful operator, the management has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with takaful.

9 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at September 30, 2024. There were no other material contingencies and commitments as at September 30, 2024.

10 NET CONTRIBUTION REVENUE	(Un-audited)	
	For the nine months ended September, 30	
	2024	2023
	---- (Rupees in '000) ----	
Gross contribution:		
Regular contribution individual policies*		
First year	446,265	441,010
Second year renewal	733,617	639,320
Subsequent year renewal	272,543	376,453
Single contribution individual policies	465,545	271,710
Group policies without cash value	238,526	84,103
Total gross contribution	<u>2,156,496</u>	<u>1,812,596</u>
Less: retakaful contribution ceded		
On individual life first year business	13,124	12,334
On individual life second year business	14,831	14,277
On individual life renewal business	25,711	20,903
On single premium policies	99	98
On group policies	4,777	6,737
Commission from reinsurers	(5,263)	(4,031)
	53,279	50,318
Net contribution	<u><u>2,103,217</u></u>	<u><u>1,762,278</u></u>

* Individual policies are those underwritten on an individual basis, and includes joint life policies underwritten as such.

11 NET TAKAFUL BENEFITS	(Un-audited)	
	For the nine months ended September, 30	
	2024	2023
	---- (Rupees in '000) ----	
Gross Claims		
Claims under individual policies		
By death	55,577	22,872
By surrender	837,214	668,223
Total gross individual policy claims	<u>892,791</u>	<u>691,095</u>
Claims under group policies		
by death	43,249	13,925
by insured event other than death	81,805	37,613
experience refund	-	-
Total gross group policy claims	<u>125,054</u>	<u>51,538</u>
Total gross policy claims	<u>1,017,845</u>	<u>742,633</u>
Less: retakaful recoveries		
On Individual life claims	29,464	7,424
On Group Life claims	-	1,800
	29,464	9,224
Net takaful benefit expense	<u><u>988,381</u></u>	<u><u>733,409</u></u>

		(Un-audited)	
		For the nine months ended September, 30	
		2024	2023
		---- (Rupees in '000) ----	
12 ACQUISITION EXPENSES			
Remuneration to takaful intermediaries on individual policies:			
- Commission on first year contribution		161,201	161,026
- Commission on second year contribution		13,643	14,515
- Commission on subsequent renewal contribution		20,448	23,711
- Commission on single contribution		13,336	8,166
- Other benefits to takaful intermediaries		237,623	243,055
		446,251	450,473
Remuneration to takaful intermediaries on group policies:			
- Commission		30,974	22,979
- Other benefits to takaful intermediaries		-	-
		30,974	22,979
Branch overheads :			
- Salaries and other benefits		12,954	19,606
- Other operational cost		43,476	66,713
		56,430	86,319
Other acquisition cost :			
- Policy stamps		6,160	4,676
		539,815	564,447

13 SEGMENT INFORMATION

Each fund of business under takaful statutory funds has been identified as a reportable segment. The following is a schedule of class of business wise revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, and the Takaful Rules, 2012.

13.1 Participants' Investment Fund (PIF)

		(Un-audited)					
		TAKAFUL - STATUTORY FUNDS				Aggregate	
		Individual Family	Individual Accidental and Health	Group Family	Group Health	For the nine months ended Sep 30,	For the year ended December 31,
						2024	2023
		---- (Rupees in '000) ----					
Income							
Allocated Contribution		1,566,499	-	-	-	1,566,499	2,016,518
Net Investment Income		1,061,337	-	-	-	1,061,337	1,271,909
Other Income		2,279	-	-	-	2,279	7,098
Total Net Income		2,630,115	-	-	-	2,630,115	3,295,525
Less: Claims and Expenditure							
Surrenders / Partial Surrenders		837,214	-	-	-	837,214	929,452
Risk Contributions		141,501	-	-	-	141,501	189,768
Wakalat-ul-Istismar		76,276	-	-	-	76,276	79,325
Policy admin fee		82,235	-	-	-	82,235	105,723
		1,137,226	-	-	-	1,137,226	1,304,268
Excess of Income over Claims and expenditure		1,492,889	-	-	-	1,492,889	1,991,257
Add: Technical reserves at the beginning		6,596,367	-	-	-	6,596,367	4,605,110
Less: Technical reserves at the end		(8,089,256)	-	-	-	(8,089,256)	(6,596,367)
		(1,492,889)	-	-	-	(1,492,889)	(1,991,257)
Surplus		-	-	-	-	-	-
Movement in technical reserves		1,492,889	-	-	-	1,492,889	1,991,257
Balance of PIF at the beginning of the period		6,596,367	-	-	-	6,596,367	4,605,110
Balance of PIF at the end of the period		8,089,256	-	-	-	8,089,256	6,596,367

13.2 Participants' Takaful Fund (PTF)

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the nine months ended Sep 30.		For the year ended December 31.
				2024	2023	2023
------(Rupees in '000)-----						
Income						
Contribution net of retakaful	49,095	151	23,631	138,431	211,308	138,011
Net investment income	(1,110)	-	4,240	11,647	14,777	10,947
Other income	3,867	-	1,396	-	5,263	8,915
	51,852	151	29,267	150,078	231,348	157,873
Less: Claims and Expenditure						
Claims	26,113	-	43,249	81,805	151,167	89,725
Wakala fee	-	-	-	-	-	-
	26,113	-	43,249	81,805	151,167	89,725
Excess of Income over Claims and expenditure	25,739	151	(13,982)	68,273	80,181	68,148
Add : Technical reserves at the beginning	172,498	769	(44,160)	(23,190)	105,917	37,771
Less : Technical reserves at the end	(170,661)	(208)	(31,413)	(95,639)	(297,921)	(138,253)
Add: Deficit retained in technical reserves	-	(613)	70,817	50,555	120,759	115,009
	1,837	(52)	(4,756)	(68,274)	(71,245)	14,527
Surplus / (deficit)	27,576	99	(18,738)	(1)	8,936	82,675
Movement in technical reserves	(1,837)	52	4,756	68,274	71,245	(14,527)
Qard-e-Hasna contributed by Window Takaful Op	-	-	7,500	-	7,500	6,000
Balance of PTF at the beginning of the period	172,499	769	6,987	23,219	203,474	129,326
Balance of PTF at the end of the period	198,238	920	505	91,492	291,155	203,474

13.3 Operators' Sub Fund (OSF)

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the nine months ended Sep 30.		For the year ended December 31.
				2024	2023	2023
------(Rupees in '000)-----						
Income						
Allocation fee	349,869	971	12,754	59,429	423,023	603,654
Investment income	41,355	-	10,222	14,592	66,169	(52,282)
Other Income	14,385	14	326	1,583	16,308	18,821
Wakala fee - PTF	38,625	-	-	-	38,625	60,522
Policy admin fee	82,235	-	-	-	82,235	105,723
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	76,276	-	-	-	76,276	79,325
	602,745	985	23,302	75,604	702,636	815,763
Less: Expenses						
Acquisition cost	451,582	829	7,165	23,809	483,385	647,251
Administration expenses / deferred taxation	144,500	134	12,140	27,573	184,347	235,184
	596,082	963	19,305	51,382	667,732	882,435
Excess of (expenditure)/over income	6,663	22	3,997	24,222	34,904	(66,672)
Add : Technical reserves at the beginning	7,376	1,490	8,916	22,989	40,771	30,456
Less : Technical reserves at the end	(7,322)	(1,211)	(7,239)	(36,079)	(51,851)	(40,775)
	54	279	1,677	(13,090)	(11,080)	(10,319)
Deficit	6,717	301	5,674	11,132	23,824	(76,991)
Movement in technical reserves	(54)	(279)	(1,677)	13,090	11,080	10,319
Capital Contribution during the period	108,349	-	7,500	-	115,849	53,237
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	(7,500)	-	(7,500)	(6,000)
Balance of OSF at the beginning of the period	(243,391)	6,585	6,775	54,332	(175,699)	(156,264)
Balance of OSF at the end of the period	(128,379)	6,607	10,772	78,554	(32,446)	(175,699)
Balance of Family Takaful statutory fund	8,159,115	7,527	11,277	170,046	8,347,965	6,624,142

14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- Level 2: fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2024 the Operator and policyholders held the following financial instruments measured at fair value:

As at September 30, 2024		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	8,484,820	-

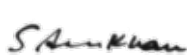
As at December 31, 2023		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	6,739,634	-

15 GENERAL

All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

16 DATE OF AUTHORISATION FOR ISSUE

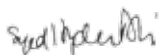
These condensed interim financial statements were authorised for issue on Oct 23, 2024 by the Board of Directors of the Company.



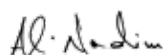
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer