

SIGN OF PROTECTION

QUARTERLY REPORT

Period Ended September 30, 2022
(Un-audited)



SHAHEEN INSURANCE COMPANY LIMITED



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COMPANY INFORMATION



BOARD OF DIRECTORS

CHAIRMAN

Air Marshal Muhammad Arif Pervaiz (Retd.)

DIRECTORS

Air Vice Marshal Salman Ahsan Bokhari (Retd.)

Air Commodore Tausif Sadiq (Retd.)

Air Commodore Wasim Ahmed Khan (Retd.)

Mr. Adeel Ali

Ms. Farrah Azeem Khan

Mr. Jehangir Shah

CHIEF EXECUTIVE OFFICER

Mr. Rizwan Akhtar

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Nisar Ahmed Almani

AUDIT COMMITTEE

Ms. Farrah Azeem Khan

Air Commodore Wasim Ahmed Khan (Retd.)

Mr. Adeel Ali

Mr. Sayyam Maqsood

Chairperson

Member

Member

Secretary

INVESTMENT COMMITTEE

Air Marshal Muhammad Arif Perviaz (Retd.)

Air Vice Marshal Salman Ahsan Bokhari (Retd.)

Mr. Adeel Ali

Mr. Rizwan Akhtar

Mr. Nisar Ahmed Almani

Mr. Nasir Jamal

Chairman

Member

Member

Chief Executive Officer

Chief Financial Officer

Secretary

ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Farrah Azeem Khan

Mr. Adeel Ali

Mr. Rizwan Akhtar

Mr. Nisar Ahmed Almani

Chairperson

Member

Member

Secretary

BANKS CONVENTIONAL

- Allied Bank Limited
- Askari Bank Limited
- Bank Alfalah Limited
- Bank Al Habib Limited
- Bank of Punjab
- Faysal Bank Limited

- JS Bank Limited
- MCB Bank Limited
- Soneri Bank Limited
- Summit Bank Limited
- National Bank of Pakistan
- Dubai Islamic Bank Pakistan Limited

LEGAL ADVISOR

Iftikhar Hussain Law Associates

AUDITORS

Yousuf Adil

Chartered Accountants

SHARIAH ADVISOR

Mufti Bilal Ahmed Qazi

HEAD OF WINDOW TAKAFUL OPERATIONS

Mr. Abdul Hamid

COMPLIANCE OFFICER

Mr. Nisar Muhammad Khan

SHARIAH COMPLIANCE OFFICER

Mr. Zafar Husnain

HEAD OF INTERNAL AUDIT (COORDINATOR)

Mr. Sayyam Maqsood

INTERNAL AUDITOR

Rizwan Ahmed & Company

Chartered Accountants

REGISTERED OFFICE

10th Floor, Shaheen Complex, M.R Kayani Road, Karachi.

HEAD OFFICE

10th Floor, Shaheen Complex, M.R Kayani Road, Karachi.

SHARE REGISTRAR

M/s. Corplink (Pvt.) Ltd.

Wings Arcade, 1-K, Commercial, Model Town, Lahore.

BANKS TAKAFUL

- Bank Islami Limited
- Meezan Bank Limited
- Dubai Islamic Bank Pakistan Limited



COMPANY PROFILE

Shaheen Insurance Company Ltd. (SICL) is a group company of **Shaheen Foundation, PAF** which owns major shareholding of the Company. **Shaheen Insurance** was incorporated as a Public Limited Company in 1995. The company is listed with Pakistan Stock Exchange (PSX) and also registered with the Central Depository Company of Pakistan (CDC).

Shaheen Insurance is one of the most reputable and brightest names in the insurance sector. Its sustained growth over the years has secured a prominent place among the reputed insurers of Pakistan. **SICL** is catering the insurance needs of business fraternity through its branch network spread across all major cities of Pakistan.

Shaheen Insurance is also providing Shariah Compliant Islamic covers through its **Window Takaful Operations (WTO)** under the license and guidelines of Securities and Exchange Commission of Pakistan. In order to give more strength to its WTO, Company has formed Shariah Board comprising of qualified scholars, having vast experience and knowledge about Islamic Banking & Takaful. A wide range of Shariah compliant Takaful Products are offered through WTO, serving customers from all walks of life, on a much larger scale.

The Company's financial results are consistently improving; authorized capital of the Company is Rs.1 billion, while Paid-up Capital is Rs.600 million. Shareholder's Equity as at September 30, 2022 rose to Rs.733.72 million.

Since its formation, Company has progressed smoothly and steadily. Its gross premiums stood at to Rs.355 million (including Takaful) for the nine months period ended September 30, 2021. The Company is on a sound footings and intends to continue enhancing its capital base in the coming years. The operations of the Company are run by a team of professionals.

In view of strong backing of sponsors, capital base, prudent underwriting, efficient claims management and consistently sound financial position of the Company, PACRA has harmonized IFS Rating of the Company to **"A+"** with **'Positive'** Outlook which denotes "Strong capacity to meet policy holders and contractual obligations. Risk factors are low, and the impact of any adverse business and economic factors is expected to be small."

SICL has excellent reinsurance & retakaful treaty arrangements with financially sound foreign reinsurers of outstanding repute. Besides treaty arrangements, the Company also has back to back arrangements with foreign and domestic "A" rated insurers, reinsurers and world renowned brokers for placements of large and specialized risks abroad and locally on facultative basis.

SICL underwrites all classes of general insurance & general takaful. Company is fully equipped with technical and managerial skills supported by strong reinsurance treaty arrangements for smooth operations for both traditional and specialized insurance & takaful covers.

SICL is fully geared up to take on challenges with a vision to play its role in the development of insurance industry, country's economic development and to be recognized as one of the most professional and respected insurance company of Pakistan.



OUR SERVICES

Shaheen Insurance underwrites all classes of General Insurance and enjoys excellent reputation. Apart from Conventional Insurance Shaheen Insurance has also commenced its Takaful operations in 2018.



General Insurance (Conventional)

Shaheen Insurance commenced its general insurance business in 1995 and it underwrites in all classes of traditional and non-traditional lines.

Shaheen Insurance offering a wide range of covers such as Fire & Property, Marine Cargo, Motor Vehicles (Commercial & Private), Personal Accident, Money Insurance, Burglary & Liability (Public & Product) and Workmen Compensation while non-traditional covers such as Engineering Risks (MBD, CAR, EAR), Aviation Insurance, Terrorism and Bonds are also being offered.



General Takaful (Islamic)

Takaful is an Islamic substitute of Insurance and is growing steadily. Shaheen Insurance commenced its Window Takaful Operations in April 2018 under the guidance of renowned, qualified and certified Sharia Board.

Shaheen Takaful is offering a wide range of Sharia Compliant Takaful Products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Takaful (Private / Commercial Vehicles), Engineering Takaful, Terrorism & Political Violence Takaful and Miscellaneous Accident Takaful.



DIRECTORS' REVIEW

The Shareholders
Shaheen Insurance Company Limited,

Your Directors are pleased to present before you the nine months (Un-Audited) Accounts for the period ended September 30, 2022.

Operating Results / Performance:

During the period under review, your Company underwrote a Gross Premium of Rs.355 million (inclusive of Takaful Contribution of Rs.24 million) as compared to Rs.184 million (inclusive of Takaful Contribution for Rs.7.5 million) during corresponding period of last year – showing an overall increase of 93%.

Investment income of the Company rose to Rs.50 million during the period of nine months of 2022 (2021: Rs.37 million) showing an increase of 35%. Profit from Window Takaful Operations (WTO) contributed Rs.3 million during the period under review (2021: Rs.1.4 million profit). Accumulated surplus from participant's Takaful fund stood at Rs.3.4 million for the nine months period of FY 2022 (2021: Rs. (0.04)).

During the nine months period ended September 30, 2022, profit before tax rose to Rs.66 million against Rs.17 million during corresponding nine months period ended September 30, 2021, showing an increase of 297% YoY basis. Net profit after tax during the period under review also grew to Rs.47 million from Rs.20 million during the last year corresponding period depicting a healthy increase of 128%.

We are pleased to apprise you that the Earnings Per Share (EPS) of your Company during the nine months period ended September 30, 2022 rose to Re.0.78 compared to Rs.0.34 during the corresponding period of 2021.

Current Scenario:

The economic condition of our country continues to be challenging due to prolonged uncertainty at policy level, weak law & order situation, political instability, lower GDP, high inflation, wobbly exchange rate fluctuations and inconsistent policies both short term & long term directly impacting the economy and insurance industry as well.

Besides stiff competition among insurance companies, the fixing of so called 'Bank Limits' and Delisting & Non-Listing by few Banks/FIs/DFIs is not providing level playing field to all the players. This discriminatory scenario needs to be addressed by the relevant quarters for the larger and best interest of the insurance industry of Pakistan.

Future Outlook:

Despite all the challenges, your company is taking all possible measures for business expansion. Your management will continue to work-hard for improving performance of the Company with the hope that the new Government would formulate sustained policies to gain the confidence of business community and to boost economic activities. We are optimistic that going forward political & economic scenario would improve. We are looking forward with confidence to take on future challenges and tap new opportunities in coming period.

We thank our valued customers for their patronage & unflinching support and are also thankful to the SECP, SBP, PACRA, Reinsurers for their continued cooperation, guidance & assistance. We also appreciate "Team Shaheen" for their hard-work, dedication and commitment.

Syed Rizwan Akhtar
Chief Executive Officer

October 25, 2022

Air Marshal Muhammad Arif Pervaiz (Retd.)
Chairman



انشورنس کمپنیوں کے درمیان سخت مسابقت کے علاوہ 'بینک کی حدود' کی فکسنگ اور چند بینکوں / DFIs / FIs کی طرف سے ڈی لسٹنگ اور نان لسٹنگ تمام کمپنیوں کو برابری کا میدان فراہم نہیں کر رہی ہے۔ پاکستان کی انشورنس انڈسٹری کے وسیع تر اور بہترین مفاد کے لیے متعلقہ حلقوں کو اس امتیازی منظر نامے پر توجہ دینے کی ضرورت ہے۔

مستقبل کا منظر نامہ:

تمام چیلنجوں کے باوجود کمپنی کاروبار کی توسیع کے لیے تمام ممکنہ اقدامات کر رہی ہے۔ انتظامیہ کمپنی کی کارکردگی کو بہتر بنانے کے لیے اس امید کے ساتھ کہ نئی حکومت کاروباری برادری کا اعتماد حاصل کرنے اور اقتصادی سرگرمیوں کو فروغ دینے کے لیے پائیدار پالیسیاں بنائے گی سخت محنت جاری رکھے گی۔ ہم پر امید ہیں کہ آنے والوں دنوں میں ملک کی سیاسی اور معاشی صورتحال بہتر ہوگی۔ ہم مستقبل کے چیلنجوں اور نئے مواقع سے فائدہ اٹھانے کے لیے پراعتماد ہیں

ہم اپنے قابل قدر صارفین کا ان کی سرپرستی اور غیر متزلزل حمایت کے لیے شکریہ ادا کرتے ہیں اور ایس ای سی پی، اسٹیٹ بینک آف پاکستان، پیکرا، ری انشوررز کے مسلسل تعاون، رہنمائی اور مدد کے لیے بھی ان کے شکرگزار ہیں اور "ٹیم شاہین" کو ان کی محنت، لگن اور عزم کے لیے بھی سراہتے ہیں۔

ایئر مارشل (ریٹائرڈ) محمد عارف پرویز
چیئرمین

سید رضوان اختر
چیف ایگزیکٹو آفیسر

25 اکتوبر 2022



ڈائریکٹرز کا تبصرہ

حصص یافتگان
شاہین انشورنس کمپنی لمیٹڈ،

ڈائریکٹرز 30 ستمبر 2022 کو ختم ہونے والی مدت کے لیے نو ماہ کے (غیر آڈٹ شدہ) اکاؤنٹس پیش کرنے پر مسرت کا اظہار کرتے ہیں

آپریٹنگ نتائج / کارکردگی:

زیر جائزہ عرصے کے دوران کمپنی نے 355 ملین روپے بشمول 24 ملین روپے تکافل شراکت کا مجموعی پریمیم انڈر رائٹ کیا جو کہ گزشتہ سال کے اس عرصے کے مقابلے میں 93 فیصد اضافہ تھا جب یہ 184 ملین روپے بشمول تکافل کے 7.5 ملین روپے تھا۔

2022 کے نو مہینوں کے دوران کمپنی کی سرمایہ کاری کی آمدنی 50 ملین روپے رہی جو 2021 کی 37 ملین روپے کے مقابلے میں 35 فیصد زیادہ رہی۔ ونڈو تکافل آپریٹرز (WTO) کے منافع نے اس مدت کے دوران 3 ملین روپے کا حصہ ڈالا جو 2021 کی اس مدت کے دوران 1.4 ملین روپے تھی۔ شرکاء کے تکافل فنڈ سے جمع شدہ سرپلس نو ماہ کی مدت 2022 کے لیے 3.4 ملین روپے رہا جو 2021 کے اس دورانیے کی دوران نقصان 0.04 ملین روپے تھا۔

30 ستمبر 2022 کو ختم ہونے والی نو ماہ کی مدت کے دوران ٹیکس سے پہلے کا منافع 2021 کو ختم ہونے والی اسی نو ماہ کی مدت کے 17 ملین روپے کے مقابلے میں بڑھ کر 66 ملین روپے ہو گیا، جو سالانہ بنیادوں پر 297 فیصد کا اضافہ ظاہر کرتا ہے۔ ٹیکس کے بعد کا خالص منافع بھی 20 ملین روپے سے بڑھ کر 47 ملین روپے ہو گیا ہے جو کہ گزشتہ ششماہی کی اسی مدت کے مقابلے میں 128 فیصد اضافے کو ظاہر کرتا ہے۔ ہم یہ بتاتے ہوئے مسرت کا اظہار کرتے ہیں کہ 30 ستمبر 2022 کو ختم ہونے والی نو ماہ کی مدت میں کمپنی کی فی شیئر آمدنی 2021 کی اسی مدت کے لیے 0.34 روپے کے مقابلے میں بڑھ کر 0.78 روپے ہو گئی۔

موجودہ منظر نامہ:

پالیسی کی سطح پر طویل غیر یقینی صورتحال، امن و امان کی کمزور صورتحال، سیاسی عدم استحکام، کم جی ڈی پی، بلند مہنگائی، شرح مبادلہ میں اتار چڑھاؤ اور متضاد پالیسیوں کی وجہ سے ہمارے ملک کی معاشی حالت بدستور چیلنجز کا شکار ہے جس کا معیشت بشمول انشورنس انڈسٹری پر براہ راست اثر پڑتا ہے



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

| | Note | September 30, 2022 | December 31, 2021 |
|--|------|-----------------------|----------------------|
| | | (Rupees) | |
| ASSETS | | | |
| Property and equipment | 5 | 47,344,715 | 39,929,171 |
| Intangible assets | | - | - |
| Investment properties | 6 | 154,950,569 | 154,950,569 |
| Investments | | | |
| Equity securities | 7 | 159,007,525 | 67,083,272 |
| Debt securities | 8 | 82,665,873 | 168,642,696 |
| Term deposits | 9 | 364,779,290 | 324,039,478 |
| Loans and other receivables | 10 | 10,752,407 | 14,676,314 |
| Insurance / re-insurance receivables | 11 | 241,995,167 | 142,195,994 |
| Re-insurance recoveries against outstanding claims | | 14,437,732 | 13,936,448 |
| Salvage recoveries accrued | | - | 1,600,000 |
| Deferred commission expense | 20 | 23,437,934 | 15,505,767 |
| Taxation-payment less provision | | 4,786,933 | 15,383,662 |
| Prepayments | | 19,525,972 | 6,316,945 |
| Cash and bank | 12 | 51,823,316 | 72,588,456 |
| Total assets of Window Takaful Operations - Operator's Fund | | 65,225,334 | 56,895,930 |
| Total Assets | | 1,240,732,767 | 1,093,744,702 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves attributable to Company's equity holders | | | |
| Share capital | 13 | 600,000,000 | 600,000,000 |
| Reserves | 14 | 32,397,321 | 32,604,759 |
| Unappropriated profit | | 101,327,316 | 54,622,464 |
| Total Equity | | 733,724,637 | 687,227,223 |
| Liabilities | | | |
| Underwriting provisions | | | |
| Outstanding claims including IBNR | 19 | 82,832,076 | 85,850,667 |
| Unearned premium reserves | 18 | 155,255,474 | 98,158,900 |
| Premium deficiency reserves | | 337,245 | 337,245 |
| Unearned reinsurance commission | 20 | 1,897,746 | 1,365,356 |
| Lease liabilities | 15 | 17,669,241 | 26,459,898 |
| Premium received in advance | | 5,077,026 | - |
| Insurance / re-insurance payables | | 85,389,319 | 64,974,861 |
| Other creditors and accruals | 16 | 146,240,266 | 122,391,892 |
| Unclaimed dividend | | 1,840,186 | 1,840,186 |
| Taxation - provision less payments | | - | - |
| Total liabilities of window takaful operations - Operator's Fund | | 10,469,550 | 5,138,474 |
| Total Liabilities | | 507,008,130 | 406,517,479 |
| Total Equity and Liabilities | | 1,240,732,767 | 1,093,744,702 |
| Contingencies and commitments | | | |
| | 17 | | |

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



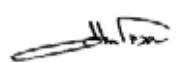
CONDENSED INTERIM STATEMENT OF PROFIT & LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Note | Three months period ended | | Nine months period ended | |
|---|------|---------------------------|-----------------------|--------------------------|-----------------------|
| | | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| (Rupees) | | | | | |
| Net insurance premium | 18 | 79,913,268 | 36,065,422 | 185,817,884 | 133,247,874 |
| Net insurance claims | 19 | (18,692,498) | (10,059,130) | (42,208,209) | (41,266,042) |
| Net commission expense / acquisition cost | 20 | (15,782,059) | (8,093,962) | (37,746,901) | (27,917,138) |
| Insurance claims and acquisition expenses | | (34,474,558) | (18,153,092) | (79,955,110) | (69,183,180) |
| Management expenses | | (35,772,140) | (31,141,942) | (97,833,415) | (85,681,230) |
| Underwriting results | | 9,666,570 | (13,229,612) | 8,029,359 | (21,616,536) |
| Investment income | 21 | 17,652,674 | 11,540,697 | 50,248,365 | 37,335,449 |
| Rental income | | 517,183 | 1,047,670 | 1,842,518 | 3,050,575 |
| Other income | | 1,004,546 | 140,033 | 4,798,485 | 451,746 |
| Other expenses | | (52,950) | (542,953) | (421,370) | (1,442,667) |
| Profit after tax from window takaful operations - OPF | | 2,062,686 | 1,771,924 | 2,998,327 | 1,366,406 |
| Results of operating activities | | 30,850,708 | 727,759 | 67,495,683 | 19,144,973 |
| Finance charges against lease liabilities | | (534,776) | (854,203) | (1,714,201) | (2,562,609) |
| Profit before tax | | 30,315,932 | (126,444) | 65,781,482 | 16,582,364 |
| Provision for taxation - net | 22 | (10,658,493) | 6,084,841 | (19,076,630) | 3,897,019 |
| Profit after tax | | 19,657,439 | 5,958,397 | 46,704,852 | 20,479,383 |
| Earnings per share - basic and diluted | 26 | 0.33 | 0.10 | 0.78 | 0.34 |


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


Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman


Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Three months period ended | | Nine months period ended | |
|---|---------------------------|-----------------------|--------------------------|-----------------------|
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | ----- (Rupees) ----- | | | |
| Profit after tax | 19,657,439 | 9,381,851 | 46,704,852 | 20,479,383 |
| Other comprehensive income : | | | | |
| Items that may be subsequently classified to profit and loss account | | | | |
| Unrealised gain / (loss) on available for sale investments | 2,259,107 | (5,133,482) | (207,438) | (902,674) |
| Total comprehensive income for the year | 21,916,546 | 4,248,369 | 46,497,414 | 19,576,709 |

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Nine months period ended
September 30, September 30,
2022 2021

----- (Rupees) -----

OPERATING CASHFLOW

a) Underwriting activities

| | | |
|---|--------------|--------------|
| Insurance premiums received | 253,604,433 | 188,076,320 |
| Reinsurance premiums paid | (82,716,563) | (35,359,351) |
| Claims paid | (67,769,047) | (93,233,450) |
| Reinsurance and other recoveries received | 23,640,963 | 17,816,422 |
| Commission paid | (45,807,181) | (26,381,052) |
| Commission received | 6,708,624 | 2,726,726 |
| Net cash flows generated from underwriting activities | 87,661,224 | 53,645,616 |

b) Other operating activities

| | | |
|---|-----------------------|---------------------|
| Income tax paid | (8,409,314) | (12,039,849) |
| Finance cost paid | - | - |
| Management and administration expenses paid | (90,497,613) | (74,865,109) |
| Loans advanced - net | - | - |
| Net cash flow from other operating activities | (98,906,927) | (86,904,958) |
| Total cash used in from operating activities | A (11,245,703) | (33,259,342) |

INVESTMENT ACTIVITIES

| | | |
|---|---------------------|-------------------|
| Investment income received | 47,026,506 | 40,542,207 |
| Rentals received | 2,453,730 | 3,613,173 |
| Payments for investments - net | (35,588) | (4,398,843) |
| Investments matured during the year | - | - |
| Fixed capital expenditure | (14,787,461) | (1,261,317) |
| Investment in window takaful operations | - | - |
| Proceeds from disposal of property and equipment | 6,865,881 | - |
| Total cash generated from / (used in) investing activities | B 41,523,068 | 38,495,220 |

FINANCING ACTIVITIES

| | | |
|--|-----------------------|--------------------|
| Financial charges paid | (186,890) | (43,920) |
| Dividend Paid | - | - |
| Principal repayment of lease liabilities against right-of-use-assets | (10,115,802) | (7,260,668) |
| Total cash used in financing activities | C (10,302,693) | (7,304,588) |

Net cash generated from / (used in) all activities **A+B+C** **19,974,672** **(2,068,710)**

Exchange gain on cash and cash equivalents - -
Cash and cash equivalents at the beginning of year 396,627,934 387,305,708

Cash and cash equivalents at end of the year **416,602,606** **385,236,998**



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Nine months period ended
September 30, September 30,
2022 2021
 ----- (Rupees) -----

Reconciliation to profit and loss account

| | | |
|---|----------------------|--------------|
| Operating cash flows | (11,245,703) | (33,259,342) |
| Depreciation on property and equipment | (2,768,931) | (3,238,954) |
| Finance charges against lease liabilities | (1,714,201) | (2,562,609) |
| Depreciation on right-of-use asset | (6,135,374) | (9,159,576) |
| Gain on disposal of property and equipment | 2,896,765 | - |
| Financial charges | (186,890) | (43,920) |
| Increase / (decrease) in assets other than cash | 106,648,574 | (438,315) |
| (Increase) / decrease in liabilities | (100,677,081) | 27,429,669 |
| Investment and other income | 56,889,367 | 40,386,024 |
| Profit from window takaful operations - OPF | 2,998,327 | 1,366,406 |
| Profit after tax | 46,704,852 | 20,479,383 |

Definition of cash

Cash comprises of cash in hand, policy stamps, cheques in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Cash for the purpose of the cash flow statement consists of:

| | September 30, 2022 | September 30, 2021 |
|--|-------------------------------------|-----------------------|
| | ----- (Rupees) ----- | |
| Cash and other equivalents | | |
| - Cash in hand | 112,621 | 128,871 |
| - Policy stamps in hand | - | 200,700 |
| | 112,621 | 193,902 |
| Current and saving accounts | | |
| - Current accounts | 20,022,964 | 52,619 |
| - Savings accounts | 31,687,730 | 11,715,330 |
| | 51,710,694 | 11,767,949 |
| Deposits having original maturing within 4 months | | |
| Term deposits - local currency | 364,779,290 | 373,139,478 |
| | 416,602,606 | 385,236,998 |

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



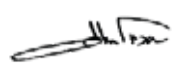
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Attributable to equity holders of the Company | | | | |
|---|---|-------------------|---|-----------------------------------|--------------------|
| | Share capital | Revenue reserves | Unrealised (loss) / gain on available-for-sale investments | Unappropriated (loss) / profit | Total Equity |
| | ----- (Rupees) ----- | | | | |
| Balance as at January 1, 2021 | 600,000,000 | 20,000,000 | 12,200,104 | 23,617,540 | 655,817,644 |
| Profit for the nine months period ended September 30, 2021 | - | - | - | 20,479,383 | 20,479,383 |
| Other comprehensive loss | - | - | (750,997) | - | (750,997) |
| Total comprehensive income Period | - | - | (750,997) | 20,479,383 | 19,728,386 |
| Balance as at September 30, 2021 (Un-audited) | 600,000,000 | 20,000,000 | 11,449,107 | 44,096,923 | 487,546,030 |
| Balance as at January 1, 2022 | 600,000,000 | 20,000,000 | 12,604,759 | 54,622,464 | 687,227,223 |
| Profit for the nine months period ended September 30, 2022 | - | - | - | 46,704,852 | 46,704,852 |
| Other comprehensive income | - | - | (207,438) | - | (207,438) |
| Total comprehensive income for the year | - | - | (207,438) | 46,704,852 | 46,497,414 |
| Balance as at September 30, 2022 | 600,000,000 | 20,000,000 | 12,397,321 | 101,327,316 | 733,724,637 |

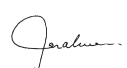
The annexed notes from 1 to 28 form an integral part of these financial statements


Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman


Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1. STATUS AND NATURE OF BUSINESS

Shaheen Insurance Company Limited (the Company) was incorporated in March 1995 in Pakistan. The Company is a public limited company and obtained the certificate for commencement of business in July 1995. It was registered with the controller of insurance in November 1995 to carry out non-life insurance business comprising fire, marine, motor, aviation, engineering, transportation, health, etc. On March 14, 2018 the Company was awarded license to commence Window Takaful Operations. The Company is listed on Pakistan Stock Exchange Limited. Its registered office is located at 10th Floor, shaheen commercial complex, Karachi. The company operates only in Pakistan through 13 Branches. Shaheen Foundation (the parent) holds approximately 69.28% (Dec 2021: 69.28%) shares in the company.

Following are the geographical location and address of all the business units of the Company:

Head office - Registered Office

10th Floor, Shaheen Complex, M.R. Kiyani Road, Karachi, Province of Sindh, Pakistan.

Branches

- Office 1001 & 1014, Block B, 10th Floor, Saima Tower, I.I Chundrigar Road, Karachi, Pakistan;
- Upper 2nd floor, House No. 75, Soldier Bazar, Hyderabad, Sindh, Pakistan;
- Office 4, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore, Punjab, Pakistan;
- Office 6, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore, Punjab, Pakistan;
- Office 4, 1st Floor, Zaki Centre, I-8 Markaz, Islamabad Capital Territory, Pakistan;
- Office 2, 4th Floor, Ahmed Plaza, Bilal Road, Civil Lines, Faisalabad, Punjab, Pakistan;
- Office 21, 1st Floor, Anali Archade, Near Chowk Kachary, LMQ Road, Multan, Pakistan;
- Office C3, Jasmine Arcade, Fakh-e-Alam Road Peshawar Cantt, Khyber Pakhtunkhwa, Pakistan;
- Office 210, Karim Plaza, Defence Road, Near Allama Iqbal Town, Sialkot, Punjab, Pakistan;
- Office 63, 1st Floor, Advance Book Shop, Rehman Complex, Ibne Seena Hospital Market, Kanchi More, Sarghoda, Punjab, Pakistan
- Office 9, 1st Floor, Silk Plaza Supply Manshara Road, Abbottabad, Khyber Pakhtunkhwa, Pakistan; and
- Ghousia Sultania Town, Sakhi Sarwar Colony, Rahim Yar Khan, Punjab, Pakistan.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, interim financial reporting, issued by the international accounting standards board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations, 2017.

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



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

2.1 The Condensed Interim Financial Statements does not include all the information required in the Annual Financial Statements. Accordingly, the Condensed Interim Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended December 31, 2021. Comparative figures for Condensed Interim Statement of Financial Position are stated from Annual Audited Financial Statements of the Company for the year ended December 31, 2021, whereas comparatives for Condensed Interim Statement of Comprehensive Income, Condensed Interim Statement of Changes in Equity and Condensed Interim Statement of Cash Flows and related notes are extracted from Condensed Interim Financial Statements of the Company for the nine months period ended September 30, 2021.

2.2 Basis of measurement

These Condensed Interim Financial Statements have been prepared under the historical cost convention, except that 'held to maturity' investments are stated at amortised cost. Investment classified as held for trading, available for sale and investment properties are stated at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

2.4 IFRS 9 " Financial Instruments" became applicable in 2019. However as insurance company , 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 insurance. this defferment is in line with the transition of IFRS-17. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 given below:

| | | September 30 ,2022 | | | | |
|---------------------------|----------|--------------------|------------------------------------|--------------------|--------------------|------------------------------------|
| | | Fail the SPPI test | | Pass the SPPI test | | |
| | | Fair value | Change in unrealised gain / (loss) | Carrying value | Fair value | Change in unrealised gain / (loss) |
| Note | (Rupees) | | | | | |
| Cash and bank balances | 12 | - | - | - | 51,823,316 | |
| Equity securities | 7 | 169,939 | (129,882) | - | - | - |
| Debt securities | 8 | - | - | - | 82,665,873 | - |
| Term deposits | 9 | - | - | - | 364,779,290 | - |
| Mutual funds | 7.2 | 158,837,110 | (207,438) | - | - | - |
| Loan and other receivable | 10 | - | - | 10,752,407 | - | - |
| | | <u>159,007,049</u> | <u>(337,320)</u> | <u>10,752,407</u> | <u>499,268,479</u> | <u>-</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | | December 31 ,2021 | | | | |
|---------------------------|-----|--------------------|--------------------------------|--------------------|--------------------|--------------------------------|
| | | Fail the SPPI test | | Pass the SPPI test | | |
| | | Fair value | Change in unrealised gain loss | Carrying value | Fair value | Change in unrealised gain loss |
| Note | | (Rupees) | | | | |
| Cash and bank balances | 12 | - | - | - | 72,588,456 | - |
| Equity securities | 7 | 299,821 | - | - | - | - |
| Debt securities | 8 | - | - | - | 168,642,696 | - |
| Term deposits | 9 | - | - | - | 324,039,478 | - |
| Mutual funds | 7.2 | 66,783,451 | 404,655 | - | - | - |
| Loan and other receivable | 10 | - | - | 14,676,314 | - | - |
| | | <u>67,083,272</u> | <u>404,655</u> | <u>14,676,314</u> | <u>565,270,630</u> | <u>-</u> |

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computations adopted in the preparation of this condensed interim financial statements, significant judgements made by the management in applying the accounting policies and key sources of estimating uncertainty are the same as those applied in the preparation of the annual financial statements for year ended December 31, 2021.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Property and equipment

4.1.1 Operating fixed assets

During the period, the company changed its accounting estimate from straight line method to reducing balance method. Depreciation is charged using reducing balance method from the date the asset is available for use till the date the asset is disposed off. The effect of change in accounting estimate is applied prospectively as required under the International Accounting standard - 8 "Accounting Policies, Changes In Accounting Estimates and Errors".



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

4.2 Revenue recognition estimate

During the period, the Company changed its computation of calculating unearned portion of the premium to number of the days from the date of issuance of insurance policy i.e. 365 days as against the previous method of 1/24th.

The said change is accounted for as change in estimate and is prospectively applied as per the requirements of IAS 8 "Accounting Policies, Changes In Accounting Estimates and Errors". The said change has impact on unearned premium reserves, unearned re-insurance commission, prepaid reinsurance premium and deferred commission.

4.3 FINANCIAL AND INSURANCE RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year period ended December 31, 2021.

5. PROPERTY AND EQUIPMENT

5.1 Property and equipment includes:

| | | September 30, 2022 (Un-audited) | December 31, 2021 (audited) |
|-------------------------------|-------------|---------------------------------------|-----------------------------------|
| | | (Rupees) | |
| PROPERTY AND EQUIPMENT | Note | | |
| Operating fixed assets | 5.2 | 21,125,526 | 13,076,112 |
| Right-of-use assets | 5.3 | 18,234,809 | 24,653,059 |
| Capital work-in-progress | 5.4 | 7,984,380 | 2,200,000 |
| | | <u>47,344,715</u> | <u>39,929,171</u> |

5.2 This includes additions / disposals with following details:

| | (Un-audited) | | | |
|--|--------------------------|-------------------------|--------------------|-----------|
| | Nine months period ended | | | |
| | September 30, 2022 | | September 30, 2021 | |
| | Additions | Disposals | Additions | Disposals |
| | (Rupees) | | | |
| Cost: | | | | |
| Furniture, fixtures and office equipment | 3,242,428 | 71,204 | - | - |
| Computers | 1,022,207 | - | - | - |
| Motor vehicles | 12,650,577 | 3,897,912 | - | - |
| | <u>16,915,212</u> | <u>3,969,116</u> | <u>-</u> | <u>-</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | September 30, 2022 (Un-audited) | December 31, 2021 (audited) |
|-----------------------------------|--|-----------------------------------|
| Note | (Rupees) | |
| 5.3 Right-of-use assets | | |
| Opening balance | 24,653,059 | 11,122,090 |
| Increase during the period / year | - | 25,700,453 |
| Impact of modification of leases | (282,876) | - |
| Depreciation expense | (6,135,374) | (12,169,484) |
| Closing balance | 18,234,809 | 24,653,059 |

5.4 Capital work-in-progress

| | | |
|-----------------------|------------------|-----------|
| Advances to suppliers | 7,984,380 | 2,200,000 |
|-----------------------|------------------|-----------|

6. INVESTMENT PROPERTIES

| | | |
|----------------------------------|--------------------|-------------|
| Opening balance - Net book value | 154,950,569 | 154,950,569 |
| Unrealised fair value gain | 6.1 - | - |
| Closing Balance - Net book value | 154,950,569 | 154,950,569 |

6.1 Investment properties consists of the following:

| Particulars | Location | ----- (Un-audited) ----- | | ----- (audited)----- | |
|-----------------|-----------|--|---|--|---|
| | | Fair Value as at September 30, 2022 | Unrealised Gain for September 30, 2022 | Fair Value as at December 31, 2021 | Unrealised Gain for December 31, 2021 |
| (Rupees) | | | | | |
| Freehold Land | Islamabad | 19,150,000 | - | 19,150,000 | 4,150,000 |
| Shop Premises | Lahore | 86,519,150 | - | 86,519,150 | 7,596,150 |
| Office Premises | Karachi | 49,281,419 | - | 49,281,419 | 7,819,315 |
| | | 154,950,569 | - | 154,950,569 | 19,565,465 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

7. INVESTMENT IN EQUITY SECURITIES

| Note | September 30, 2022 | | | December 31, 2021 | | | |
|--|----------------------|--------------------|----------------------|----------------------|--------------------|----------------------|-------------------|
| | Cost | Impairment | Carrying value | Cost | Impairment | Carrying value | |
| | ----- (Rupees) ----- | | | ----- (Rupees) ----- | | | |
| Available for sale | | | | | | | |
| <i>Listed shares</i> | | | | | | | |
| - First Capital Equities Limited | 7.1 | 188,000,000 | (188,000,000) | - | 188,000,000 | (188,000,000) | - |
| <i>Unlisted shares</i> | | | | | | | |
| Mutual funds | 7.2 | 146,097,475 | - | 158,837,586 | 53,841,556 | - | 66,783,451 |
| | | <u>334,097,475</u> | <u>(188,000,000)</u> | <u>158,837,586</u> | <u>241,841,556</u> | <u>(188,000,000)</u> | <u>66,783,451</u> |
| Investment at fair value through profit or loss | | | | | | | |
| <i>Listed shares</i> | | | | | | | |
| - Summit Bank Limited | | 299,821 | - | 169,939 | 226,990 | - | 299,821 |
| | | <u>334,397,296</u> | <u>(188,000,000)</u> | <u>159,007,525</u> | <u>242,068,546</u> | <u>(188,000,000)</u> | <u>67,083,272</u> |

7.2 Mutual funds

| Name of Funds | Units | | September 30, 2022 | | December 31, 2021 | |
|-------------------------------|----------------------|-------------------|----------------------|--------------------|-------------------|-------------------|
| | September 30, 2022 | December 31, 2021 | Cost | Carrying Value | Cost | Carrying Value |
| | ----- (Number) ----- | | ----- (Rupees) ----- | | | |
| Pakistan Cash Management Fund | 1,739,093 | 8,137 | 87,697,535 | 87,802,812 | 379,156 | 449,818 |
| Faysal Saving Growth Fund | 10,235 | 9,533 | 860,248 | 1,089,198 | 788,125 | 1,019,174 |
| ABL Income Fund | 179,548 | 166,520 | 1,498,940 | 1,831,568 | 1,344,236 | 1,691,607 |
| HBL Cash Fund | 29,210 | 27,611 | 2,531,905 | 2,991,328 | 2,370,084 | 2,816,097 |
| Lakson Money Market Fund | 7,164 | 6,673 | 629,785 | 734,289 | 569,616 | 674,844 |
| HBL Money Market Fund | 11,519 | 10,614 | 962,723 | 1,226,285 | 869,801 | 1,137,022 |
| Al Hamra Islamic Stock Fund | 168,213 | 168,213 | 835,524 | 1,525,688 | 835,524 | 1,772,960 |
| Pakistan Income Fund | 1,082,455 | 1,002,338 | 50,571,274 | 61,001,559 | 46,219,918 | 56,630,583 |
| Atlas Islamic Income Fund | 1,212 | 1,124 | 509,541 | 634,383 | 465,096 | 591,346 |
| | | | <u>146,097,475</u> | <u>158,837,110</u> | <u>53,841,556</u> | <u>66,783,451</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

8. INVESTMENTS IN DEBT SECURITIES

| | Note | September 30, 2022 | | | December 31, 2021 | | |
|---------------------------|------|----------------------|-----------|-------------------|----------------------|-----------|--------------------|
| | | Cost | Provision | Carrying value | Cost | Provision | Carrying value |
| | | ----- (Rupees) ----- | | | ----- (Rupees) ----- | | |
| Held to maturity | | | | | | | |
| Government Securities | | | | | | | |
| Pakistan Investment Bonds | | | | | | | |
| - Pledged | 8.1 | 60,587,150 | - | 63,211,477 | 60,587,150 | - | 62,532,386 |
| | | 16,868,540 | - | 19,454,396 | 16,868,540 | - | 18,929,924 |
| - Non Pledged | | - | - | - | 87,865,302 | - | 87,180,386 |
| | | <u>77,455,690</u> | <u>-</u> | <u>82,665,873</u> | <u>165,320,992</u> | <u>-</u> | <u>168,642,696</u> |

Pakistan Investment Bond

| Name of investment | Face value | Number of certificates | Profit rate | Profit payment | Maturity date | September 30, 2022 | | December 31, 2021 | |
|-----------------------------------|-------------------|------------------------|-------------|----------------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| | | | | | | Cost | Carrying Value | Cost | Carrying Value |
| | | (Rupees) | (%) | ----- (Rupees) ----- | | | | | |
| 5 Years Pakistan Investment Bonds | 65,000,000 | 650,000 | 9.5 | Semi annually | September 19, 2024 | 60,587,150 | 63,211,477 | 60,587,150 | 62,532,386 |
| 5 Years Pakistan Investment Bonds | 20,000,000 | 200,000 | 8 | Semi annually | July 12, 2023 | 16,868,540 | 19,454,396 | 16,868,540 | 18,929,924 |
| 3 Years Pakistan Investment Bonds | - | - | 9 | Semi annually | September 19, 2022 | - | - | 87,865,302 | 87,180,386 |
| | <u>85,000,000</u> | <u>850,000</u> | | | | <u>77,455,690</u> | <u>82,665,873</u> | <u>165,320,992</u> | <u>168,642,696</u> |

8.1 The rate of return of PIBs is between 8% to 9.5% (December 31, 2021: 8% to 9.5%) per annum. They are pledged with the State Bank of Pakistan under the provisions of Insurance Rules 2017.

September 30, 2022
(Un-audited)
Note ----- (Rupees) -----
December 31, 2021
(Audited)

9. INVESTMENTS IN TERM DEPOSITS

Held to maturity

| | | | |
|--------------------------------------|-----|--------------------|--------------------|
| Deposits maturing within four months | 9.1 | <u>364,779,290</u> | <u>324,039,478</u> |
|--------------------------------------|-----|--------------------|--------------------|

9.1 This include term deposits with various commercial banks having maturities within 4 months (i.e. upto January 30, 2023). The rate of return on these term deposits ranges between 10.00 % to 15.51% (December 31, 2021: 5.55% to 11%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|--|---------------------------------------|-----------------------------------|
| Note | (Rupees) | |
| 10. LOANS AND OTHER RECEIVABLES | | |
| unsecured, considered good | | |
| Accrued investment income | 2,002,181 | 4,899,604 |
| Other receivables | 10.1 1,448,516 | 1,029,386 |
| Security deposits | 10.2 & 10.3 7,229,027 | 8,512,141 |
| Advances | 72,683 | 235,183 |
| | <u>10,752,407</u> | <u>14,676,314</u> |

10.1 This includes balance receivable from Window takaful operations against common expenses amounting to Rs. 0.73 million (December 31, 2021: Rs. 0.73 million).

10.2 This includes Rs. 3.3 million (December 31, 2021: Rs. 3.3 million) in respect of security deposits paid against rental arrangements to Shaheen foundation (the Parent Undertaking).

10.3 This includes a sum of Rs 2.53 million deposited with the district and session Judge, Multan as security deposit, in respect of an Insurance appeal filed by the Company in the Lahore high court Multan bench.

| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|--|---------------------------------------|-----------------------------------|
| Note | (Rupees) | |
| 11. INSURANCE / REINSURANCE RECEIVABLES | | |
| unsecured and considered good | | |
| Due from insurance contract holders | 117,414,691 | 89,182,637 |
| Provision for impairment | (7,500,000) | (5,500,000) |
| | <u>109,914,691</u> | <u>83,682,637</u> |
| Due from other insurers / reinsurers | 136,080,476 | 62,513,357 |
| Less: Provision for impairment | (4,000,000) | (4,000,000) |
| | <u>132,080,476</u> | <u>58,513,357</u> |
| | <u>241,995,167</u> | <u>142,195,994</u> |
| 11.1 Reconciliation of provision against doubtful receivables from insurance contract holders | | |
| Opening balance | 5,500,000 | 5,500,000 |
| Charge for the period / year | 2,000,000 | 21,000,000 |
| Balance written off during the period / year | - | (21,000,000) |
| Closing balance | <u>7,500,000</u> | <u>5,500,000</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

11.2 Due from insurance contract holders includes Rs. 30.04 million (December 31, 2021: Rs 6.68 million) due from related parties.

| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|------|--|-----------------------------------|
| Note | (Rupees) | |

12. CASH AND BANK

Cash and cash equivalents

| | | |
|---|----------------|---------|
| - Cash in hand | 112,621 | 31,670 |
| - Policy stamps and bond papers in hand | - | 93,768 |
| | 112,621 | 125,438 |

Cash at bank

| | | |
|--------------------|-------------------|------------|
| - Current accounts | 20,022,964 | 15,676,307 |
| - Saving accounts | 31,687,730 | 56,786,711 |
| | 51,710,694 | 72,463,018 |
| | 51,823,316 | 72,588,456 |

12.1

12.1 These carry mark-up at rates ranging between 3% to 15% (December 31, 2021: 3% to 5.5%) per annum.

13. SHARE CAPITAL

13.1 Authorised share capital

| September 30, 2022 | December 31, 2021 | | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|--------------------------------|----------------------|--------------------------------|---------------------------------------|-----------------------------------|
| ----- (Number of shares) ----- | | | ----- (Rupees) ----- | |
| 100,000,000 | 100,000,000 | Ordinary shares of Rs. 10 each | 1,000,000,000 | 1,000,000,000 |

13.2 Issued, subscribed and paid - up share capital

| September 30, 2022 | December 31, 2021 | | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|--------------------------------|----------------------|---|---------------------------------------|-----------------------------------|
| ----- (Number of shares) ----- | | | ----- (Rupees) ----- | |
| 8,000,000 | 8,000,000 | Ordinary shares of Rs. 10 each, fully paid in cash | 80,000,000 | 80,000,000 |
| 12,000,000 | 12,000,000 | Ordinary shares of Rs. 10 each, issued as bonus shares | 120,000,000 | 120,000,000 |
| 25,000,000 | 25,000,000 | Ordinary shares of Rs. 10 each, issued as right shares fully paid in cash | 250,000,000 | 250,000,000 |
| 15,000,000 | 15,000,000 | Ordinary shares of Rs. 10 each, issued otherwise than right issue | 150,000,000 | 150,000,000 |
| 60,000,000 | 60,000,000 | | 600,000,000 | 600,000,000 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

13.3 As at September 30, 2022, details of shares held by the related parties undertaking are as follows:

| Related party name | Basis of relationship | Percentage (%) | September 30, 2022 | December 31, 2021 |
|---|-----------------------|-------------------|-----------------------|----------------------|
| | | | (Rupees) | |
| Shaheen foundation | Parent Undertaking | 69.28% | 41,565,473 | 41,565,973 |
| Central non public fund | Associate | 4.17% | 2,500,000 | 2,500,000 |
| | | | <u>44,065,473</u> | <u>44,065,973</u> |
| Percentage of shareholding held by related parties. | | | <u>73.44%</u> | <u>73.44%</u> |

13.4 The Company has only one class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

| | Note | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|---|------|---------------------------------------|-----------------------------------|
| | | (Rupees) | |
| 14. RESERVES | | | |
| Reserves | | 20,000,000 | 20,000,000 |
| Unrealised gain on available-for-sale investments | | 12,397,321 | 12,604,759 |
| | | <u>32,397,321</u> | <u>32,604,759</u> |
| 15. LEASE LIABILITIES | | | |
| Lease Liability - Buildings | 15.1 | <u>17,669,241</u> | <u>26,459,898</u> |
| 15.1 | | | |
| Opening balance | | 26,459,898 | 17,164,141 |
| Increase / (decrease) in lease liability | | - | 25,700,453 |
| Impact of modification of leases | | (389,056) | - |
| Repayments | | (10,115,802) | (18,567,305) |
| Interest expense | | 1,714,201 | 2,162,609 |
| Closing balance | | <u>17,669,241</u> | <u>26,459,898</u> |
| 15.2 Tenure analysis | | | |
| Current period | | 8,021,797 | 6,814,184 |
| Non-current period | | 9,647,444 | 19,645,714 |
| | | <u>17,669,241</u> | <u>26,459,898</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
|---|---------------------------------------|-----------------------------------|
| Note | (Rupees) | |
| 16. OTHER CREDITORS AND ACCRUALS | | |
| Agent commission payable | 33,732,347 | 27,684,225 |
| Provincial service taxes | 64,635,728 | 46,606,749 |
| Federal insurance fee payable | 6,824,976 | 4,950,671 |
| Workers' welfare fund payable | 6,653,645 | 6,653,645 |
| Accrued expenses | 9,211,906 | 13,645,788 |
| Withholding tax payable | 4,433,829 | 4,363,243 |
| Unearned rental income | 1,551,547 | 940,335 |
| Payable to provident fund | 1,253,881 | 401,553 |
| Security deposit against bond issuance | 16.1 17,158,866 | 15,807,111 |
| Others | 783,541 | 1,338,572 |
| | <u>146,240,265</u> | <u>122,391,892</u> |

16.1 As required by the Companies Act, 2017 these are held by the Company in a separately maintained bank account.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There is no change in contingencies as reported in the annual audited financial statements of the Company for the year ended December 31, 2021 except for the following:

The company received notice for rectification of mistake in assessment order for the tax year(s) 2017, 2018 and 2019 under Section 221 and 137(2) of the Income tax ordinance, 2001 (the Ordinance) whereby, and raised demand of Rs. 0.3 million; Rs. 6.11 million and Rs.13.59 million for the above tax years respectively. Taxation officer passed the order by disallowing the refund adjustment claimed against the tax liabilities in these years from the preceding years. The Company filed appeals before Commissioner Appeals Inland revenue's (CIR-A), who remanded back the orders with the strict direction to department to process the application(s) under section 170(1) for the tax year 2017 (refund application pertains to tax year 2005), for tax year 2018 (refund application Tax year 2010) and for tax year 2019 (refund applications tax year 2005, 2008 to 2012).

17.2 Commitments

There are no commitments as at September 30, 2022.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Three months period ended | | Nine months period ended | |
|---|---------------------------|--------------------|--------------------------|--------------------|
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| (Rupees) | | | | |
| 18. NET INSURANCE PREMIUM | | | | |
| Written gross premium | 158,472,319 | 65,088,285 | 330,836,457 | 176,886,634 |
| Add: Unearned premium reserve opening | 115,958,841 | 83,729,867 | 98,158,900 | 92,605,542 |
| Less: Unearned premium reserve closing | 155,255,474 | 97,145,588 | 155,255,474 | 97,145,588 |
| Premium earned | 119,175,685 | 51,672,564 | 273,739,883 | 172,346,588 |
| Re-insurance premium ceded | 49,802,523 | 8,743,637 | 101,131,026 | 29,077,160 |
| Add: Prepaid reinsurance premium opening | 8,985,867 | 10,484,783 | 6,316,945 | 13,642,832 |
| Less: Prepaid reinsurance premium closing | 19,525,972 | 3,621,278 | 19,525,972 | 3,621,278 |
| Reinsurance expense | 39,262,418 | 15,607,142 | 87,921,999 | 39,098,714 |
| | 79,913,268 | 36,065,422 | 185,817,884 | 133,247,874 |
| 19. NET INSURANCE CLAIMS | | | | |
| Claims paid | 15,443,079 | 23,647,423 | 67,769,047 | 93,233,451 |
| Less: Outstanding claims including IBNR opening | 77,663,968 | 104,527,364 | 85,850,667 | 127,305,857 |
| Add: Outstanding claims including IBNR closing | 82,832,076 | 101,511,108 | 82,832,076 | 101,511,108 |
| Claim expense | 20,611,187 | 20,631,167 | 64,750,456 | 67,438,702 |
| Re-insurance and other recoveries received | 5,983,719 | 6,871,846 | 23,640,963 | 21,994,541 |
| Less: Re-insurance and other recoveries receivable in respect of outstanding claims opening | 18,502,762 | 17,225,686 | 15,536,448 | 16,747,758 |
| Add: Re-insurance and other recoveries receivable in respect of outstanding claims closing | 14,437,732 | 20,925,877 | 14,437,732 | 20,925,877 |
| Reinsurance and other recoveries revenue | 1,918,689 | 10,572,037 | 22,542,247 | 26,172,660 |
| Net Insurance claims | 18,692,498 | 10,059,130 | 42,208,209 | 41,266,042 |
| 20. NET COMMISSION EXPENSE / ACQUISITION COST | | | | |
| Commission paid or payable | 20,592,989 | 7,716,154 | 51,855,302 | 30,067,839 |
| Add: Deferred commission expense opening | 22,754,645 | 15,840,126 | 15,505,767 | 15,494,786 |
| Less: Deferred commission expense closing | 23,437,934 | 14,493,202 | 23,437,934 | 14,493,202 |
| Net Commission | 19,909,700 | 9,063,078 | 43,923,135 | 31,069,423 |
| Less: Commission received or recoverable | 4,864,563 | 1,306,212 | 6,708,624 | 2,726,727 |
| Add: Unearned reinsurance commission opening | 1,160,824 | 1,611,896 | 1,365,356 | 2,374,550 |
| Less: Unearned reinsurance commission closing | 1,897,746 | 1,948,992 | 1,897,746 | 1,948,992 |
| Commission from reinsurers | 4,127,641 | 969,116 | 6,176,234 | 3,152,285 |
| | 15,782,059 | 8,093,962 | 37,746,901 | 27,917,138 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Three months period ended | | Nine months period ended | |
|--|---------------------------|--------------------|--------------------------|--------------------|
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Rupees) | | | |
| 21. INVESTMENT INCOME | | | | |
| Income from equity securities - Held for trading | | | | |
| Dividend income on securities | 500,178 | 93,358 | 6,249,162 | 4,163,524 |
| Income from debt securities securities - Held to maturity | | | | |
| Income from term deposits | 12,804,171 | 6,748,868 | 31,285,200 | 19,966,832 |
| Return on Pakistan Investment Bonds | 4,450,288 | 4,677,955 | 12,843,885 | 13,128,741 |
| | 17,254,458 | 11,426,824 | 44,129,084 | 33,095,574 |
| Unrealised gain on revaluation of held for trading investment | (101,963) | 20,515 | (129,882) | 76,351 |
| | 17,652,674 | 11,540,697 | 50,248,365 | 37,335,449 |
| 22. PROVISION FOR TAXATION - NET | | | | |
| Current | (10,658,493) | 269,235 | (19,076,630) | (4,688,556) |
| Prior period | - | 5,815,606 | - | 8,585,575 |
| Deferred | - | - | - | - |
| | (10,658,493) | 6,084,841 | (19,076,630) | 3,897,019 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

23. SEGMENT INFORMATION

23.1 Segment profit or loss - September 30, 2022 (Un-audited)

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
|--|---------------------------|------------------------------|--------------|---------------------|---------------|--------------|
| ----- (Rupees) ----- | | | | | | |
| Premium receivable / received (inclusive of Federal excise duty, Federal insurance fee and administrative surcharge) | 99,638,937 | 119,778,529 | 142,109,102 | 1,967,778 | 20,755,101 | 384,249,448 |
| Less: Federal excise duty | (7,842,340) | (22,533,831) | (15,504,642) | - | (3,387,252) | (49,268,065) |
| Less: Federal insurance fee | (568,797) | (2,066,077) | (1,112,114) | (19,733) | (378,204) | (4,144,925) |
| Gross written premium (inclusive of administrative Surcharge) | 91,227,800 | 95,178,621 | 125,492,346 | 1,948,045 | 16,989,645 | 330,836,457 |
| Gross direct premium | 90,636,070 | 94,220,945 | 122,698,970 | 1,943,045 | 16,887,419 | 326,386,450 |
| Administrative surcharge | 591,730 | 957,676 | 2,793,376 | 5,000 | 102,226 | 4,450,008 |
| | | | | | | |
| Insurance premium earned | 64,045,187 | 82,039,916 | 109,797,112 | 3,802,263 | 14,055,405 | 273,739,883 |
| Less: Insurance premium ceded to reinsurers | 18,445,986 | 53,173,695 | 11,743,488 | - | 4,558,829 | 87,921,999 |
| Net insurance premium | 45,599,202 | 28,866,221 | 98,053,624 | 3,802,263 | 9,496,575 | 185,817,884 |
| Add: Commission income | 461,203 | 3,460,565 | 2,302,397 | - | (47,931) | 6,176,234 |
| Net underwriting income (A) | 46,060,404 | 32,326,786 | 100,356,021 | 3,802,263 | 9,448,644 | 191,994,118 |
| Insurance claims | 7,811,909 | 113,879 | 52,606,922 | 2,873,711 | 1,344,035 | 64,750,456 |
| Less: Insurance claims recovered from reinsurance | (7,980) | (86,725) | 22,701,012 | - | (64,060) | 22,542,247 |
| Net claim | 7,819,889 | 200,604 | 29,905,910 | 2,873,711 | 1,408,095 | 42,208,209 |
| Commission expense | 15,422,364 | 9,970,380 | 14,169,698 | 418,768 | 3,941,925 | 43,923,135 |
| Management expenses | 22,889,465 | 29,320,701 | 39,240,999 | 1,358,912 | 5,023,339 | 97,833,415 |
| Premium deficiency expense | - | - | - | - | - | - |
| Net insurance claims and expenses (B) | 46,131,718 | 39,491,685 | 83,316,607 | 4,651,391 | 10,373,359 | 183,964,759 |
| Underwriting result C=A-B | (71,314) | (7,164,899) | 17,039,414 | (849,128) | (924,714) | 8,029,359 |
| | | | | | | |
| Net investment income | | | | | | 50,248,365 |
| Rental income | | | | | | 1,842,518 |
| Other income | | | | | | 4,798,485 |
| Other expenses | | | | | | (421,370) |
| Unrealised gain on investment properties | | | | | | - |
| Finance charges on right-of-use assets | | | | | | (1,714,201) |
| Loss after tax from window takaful operations - OPF | | | | | | 2,998,327 |
| | | | | | | |
| Profit before tax | | | | | | 65,781,482 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Segment profit or loss - September 30, 2021 (Un-audited)

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
|---|---------------------------------|------------------------------------|--------------|------------------------|---------------|--------------|
| ----- (Rupees) ----- | | | | | | |
| Premium receivable / received (inclusive of Federal excise duty, Federal insurance fee and administrative surcharge) | 35,660,383 | 12,237,164 | 108,852,561 | 8,132,700 | 60,282,047 | 225,164,855 |
| Less: Federal excise duty | (4,513,278) | (1,267,801) | (13,940,808) | - | (22,678,546) | (42,400,433) |
| Less: Federal insurance fee | (318,315) | (332,552) | (1,055,951) | (80,520) | (4,090,450) | (5,877,788) |
| Gross written premium (inclusive of administrative Surcharge) | 30,828,790 | 10,636,811 | 93,855,802 | 8,052,180 | 33,513,051 | 176,886,634 |
| Gross direct premium | 30,508,900 | 10,283,897 | 90,882,468 | 19,691,321 | 20,716,168 | 172,082,754 |
| Administrative surcharge | 319,890 | 352,914 | 2,973,334 | 20,000 | 1,154,609 | 4,820,747 |
| Insurance premium earned | 26,334,521 | 10,116,593 | 93,364,140 | 7,815,878 | 34,715,454 | 172,346,588 |
| Less: Insurance premium ceded to reinsurers | 16,222,523 | 1,753,990 | 12,720,624 | - | 8,401,577 | 39,098,714 |
| Net insurance premium | 10,111,998 | 8,362,603 | 80,643,516 | 7,815,878 | 26,313,877 | 133,247,874 |
| Add: Commission income | 885,257 | - | 1,959,943 | - | 307,085 | 3,152,285 |
| Net underwriting income (A) | 10,997,255 | 8,362,603 | 82,603,459 | 7,815,878 | 26,620,962 | 136,400,159 |
| Insurance claims | 90,823 | 3,380,525 | 52,696,293 | 9,602,900 | 1,668,161 | 67,438,702 |
| Less: Insurance claims recovered from reinsurance | 9,397,698 | 216,798 | 16,648,448 | - | (90,284) | 26,172,660 |
| Net claim | (9,306,875) | 3,163,727 | 36,047,845 | 9,602,900 | 1,758,445 | 41,266,042 |
| Commission expense | 7,159,842 | 2,931,901 | 13,174,452 | 919,552 | 6,883,676 | 31,069,423 |
| Management expenses | 13,092,073 | 5,029,413 | 46,415,508 | 3,885,624 | 17,258,611 | 85,681,230 |
| Premium deficiency expense | - | - | - | - | - | - |
| Net insurance claims and expenses (B) | 10,945,040 | 11,125,041 | 95,637,805 | 14,408,076 | 25,900,732 | 158,016,695 |
| Underwriting result C=A-B | 52,215 | (2,762,438) | (13,034,346) | (6,592,198) | 720,230 | (21,616,536) |
| Net investment income | | | | | | 37,335,449 |
| Rental income | | | | | | 3,050,575 |
| Other income | | | | | | 451,746 |
| Other expenses | | | | | | (1,442,667) |
| Unrealised gain on investment properties | | | | | | - |
| Finance charges on right-of-use assets | | | | | | (2,562,609) |
| Profit after tax from window takaful operations - OPF | | | | | | 1,366,406 |
| Profit after tax | | | | | | 16,582,364 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

24. FAIR VALUE OF FINANCIAL AND NON-FINANCIAL ASSETS

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. Consequently, difference may arise between the carrying values and the fair value estimates.

Fair value hierarchy

The following table provides an analysis of financial and non-financial assets or liabilities that are carried at fair value. The different levels are defined as below:

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from 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 measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Following are the assets where fair value is only disclosed and is different from their carrying value:

| | September 30, 2022 (Un-audited) | | | | | Fair value measurement | | | |
|--|---------------------------------|--------------------|----------------------------|------------------------|-----------------------------|------------------------|--------------------|----------|----------|
| | Available for-sale | Held-to-maturity | Loan and other receivables | Other financial assets | Other financial liabilities | Total | Level 1 | Level 2 | Level 3 |
| | ----- (Rupees) ----- | | | | | | | | |
| Financial assets measured at Fair value | | | | | | | | | |
| Investments | | | | | | | | | |
| Equity securities | 158,837,586 | - | - | 169,939 | - | 159,007,525 | 159,007,525 | - | - |
| Debt securities | - | 82,665,873 | - | - | - | 82,665,873 | - | - | - |
| Term deposits | - | 364,779,290 | - | - | - | 364,779,290 | - | - | - |
| Loans and other receivables* | - | - | 10,752,407 | - | - | 10,752,407 | - | - | - |
| Insurance / re-insurance receivables* | - | - | 241,995,167 | - | - | 241,995,167 | - | - | - |
| Reinsurance recoveries against outstanding claims* | - | - | 14,437,732 | - | - | 14,437,732 | - | - | - |
| Salvage recoveries accrued | - | - | - | - | - | - | - | - | - |
| Deferred commission expense | - | - | - | - | - | - | - | - | - |
| Taxation-payment less provision | - | - | - | - | - | - | - | - | - |
| Prepayments | - | - | - | - | - | - | - | - | - |
| Cash and bank | - | - | - | 51,823,316 | - | 51,823,316 | - | - | - |
| | 158,837,586 | 447,445,163 | 267,185,306 | 51,993,255 | - | 925,461,310 | 159,007,525 | - | - |
| Outstanding claims including IBNR* | - | - | - | - | (82,832,076) | (82,832,076) | - | - | - |
| Insurance / re-insurance payables* | - | - | - | - | (85,389,319) | (85,389,319) | - | - | - |
| Other creditors and accruals* | - | - | - | - | (146,240,266) | (146,240,266) | - | - | - |
| | - | - | - | - | (314,461,661) | (314,461,661) | - | - | - |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | September 30, 2021 (Un-audited) | | | | | Fair value measurement | | | |
|---|---------------------------------|------------------|----------------------------|------------------------|-----------------------------|------------------------|------------|---------|---------|
| | Carrying value | | | | | Total | Level 1 | Level 2 | Level 3 |
| | Available for-sale | Held-to-maturity | Loan and other receivables | Other financial assets | Other financial liabilities | | | | |
| | (Rupees) | | | | | | | | |
| Financial assets measured at Fair value | | | | | | | | | |
| Investments | | | | | | | | | |
| Equity securities | 66,783,451 | - | - | 299,821 | - | 67,083,272 | 67,083,272 | - | - |
| Debt securities | - | 168,642,696 | - | - | - | 168,642,696 | - | - | - |
| Term deposits | - | 324,039,478 | - | - | - | 324,039,478 | - | - | - |
| Loans and other receivables* | - | - | 14,676,314 | - | - | 14,676,314 | - | - | - |
| Insurance / re-insurance receivables* | - | - | 142,195,994 | - | - | 142,195,994 | - | - | - |
| Reinsurance recoveries against outstanding claims** | - | - | 13,936,448 | - | - | 13,936,448 | - | - | - |
| Salvage recoveries accrued | - | - | - | - | - | - | - | - | - |
| Deferred commission expense | - | - | - | - | - | - | - | - | - |
| Taxation-payment less provision | - | - | - | - | - | - | - | - | - |
| Prepayments | - | - | - | - | - | - | - | - | - |
| Cash and bank | - | - | - | 72,588,456 | - | 72,588,456 | - | - | - |
| | 66,783,451 | 492,682,174 | 170,808,756 | 72,888,277 | - | 803,162,658 | 67,083,272 | - | - |
| Outstanding claims including IBNR* | - | - | - | - | (85,850,667) | (85,850,667) | - | - | - |
| Insurance / re-insurance payables* | - | - | - | - | (64,974,861) | (64,974,861) | - | - | - |
| Other creditors and accruals* | - | - | - | - | (122,391,892) | (122,391,892) | - | - | - |
| | - | - | - | - | (273,217,420) | (273,217,420) | - | - | - |

*The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

Valuation techniques used in determination of fair values within Level 2

| Items | Valuation technique |
|-----------------------|---|
| Units of mutual funds | The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day |

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

| Description | Fair value | Unobservable inputs | Range of inputs | Relationship of unobservable inputs to fair value |
|-----------------------|-------------|---------------------------|----------------------|--|
| Investment properties | 154,950,569 | yield | 5% to 6% | The higher the terminal yield, the higher the fair value |
| | | Expected rent growth rate | 10% | The higher the rental growth rate, the higher the fair value |
| | | Occupancy rate | 90% to 95% | The higher the occupancy rate, the higher the fair value |
| | | Rent free period | 1 year on new leases | The higher the rent free period, the lower the fair value |

The Company engages external, independent and qualified valuers to determine the fair value of the investment properties at the end of every financial year. As at 31 December 2021, the fair values of the investment properties have been determined by Anderson Consulting (Pvt.) Ltd. The latest independent valuation exercise of these land and buildings has been undertaken as at December 31, 2021.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

25. RELATED PARTY TRANSACTIONS

Related parties comprise major shareholders, key management personnel, employees' provident funds and Companies with common directors. The transactions and balances with related parties, other than those disclosed elsewhere, are summarised as follows:

| Name | Relationship | Nature of transactions | September 30, | December 31, |
|---|-----------------------|--|----------------------|----------------------|
| | | | 2022 (Un-audited) | 2021 (Audited) |
| | | | ----- (Rupees) ----- | |
| Shaheen foundation | Parent undertaking | Premium written | 30,917,220 | 28,702,098 |
| Shaheen foundation | Parent undertaking | Premium from contract holders | 30,040,305 | 6,859,740 |
| Shaheen foundation | Parent undertaking | Outstanding claims | 686,270 | 1,543,685 |
| Shaheen foundation | Parent undertaking | Rent payable | - | 8,959,055 |
| Shaheen foundation | Parent undertaking | Security deposits | 3,317,246 | 3,317,246 |
| Air Eagle (Private) Limited | Associate undertaking | Premium written | 90,895 | 1,059,409 |
| Other transactions during the period with associated undertakings | | | | |
| | | | September 30, | September 30, |
| | | | 2022 (Un-audited) | 2022 (Un-audited) |
| | | | ----- (Rupees) ----- | |
| | | Claim expense | 1,439,197 | 6,344,415 |
| | | Lease rentals | 5,881,923 | 8,348,186 |
| | | Remuneration of key management personnel | 15,932,448 | 15,031,911 |
| | | Contribution to provident fund | 839,782 | 1,315,051 |
| | | Advertisement expense | 642,400 | 717,205 |

25.1 Insurance and claim related transactions with related parties have been carried out in normal course of business.

25.2 Other transactions are executed at agreed terms.

25.3 Contribution to the provident fund is in accordance with the Company's staff services rules.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

26. EARNINGS PER SHARE - BASIC AND DILUTED

| | ----- (Un-audited) ----- | | | |
|--|--|-----------------------|---|-----------------------|
| | Three months period ended September 30, 2022 | September 30, 2021 | Nine months period ended September 30, 2022 | September 30, 2021 |
| | (Rupees) | | | |
| Profit for the period | <u>19,657,439</u> | <u>5,958,397</u> | <u>46,704,852</u> | <u>20,479,383</u> |
| | ----- (Number of shares) ----- | | | |
| Weighted average number of ordinary shares of Rs. 10 each | <u>60,000,000</u> | <u>60,000,000</u> | <u>60,000,000</u> | <u>60,000,000</u> |
| | ----- (Rupees) ----- | | | |
| Earnings per share - basic | <u>0.33</u> | <u>0.10</u> | <u>0.78</u> | <u>0.34</u> |

26.1 The company has not issued any instrument which would dilute its earnings per share when exercised.

27. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparisons.

28. GENERAL

28.1 These condensed interim financial statements have been approved and authorised for issue in the Board of Directors meeting held on October 25, 2022.

28.2 The figures have been rounded off to the nearest rupee.

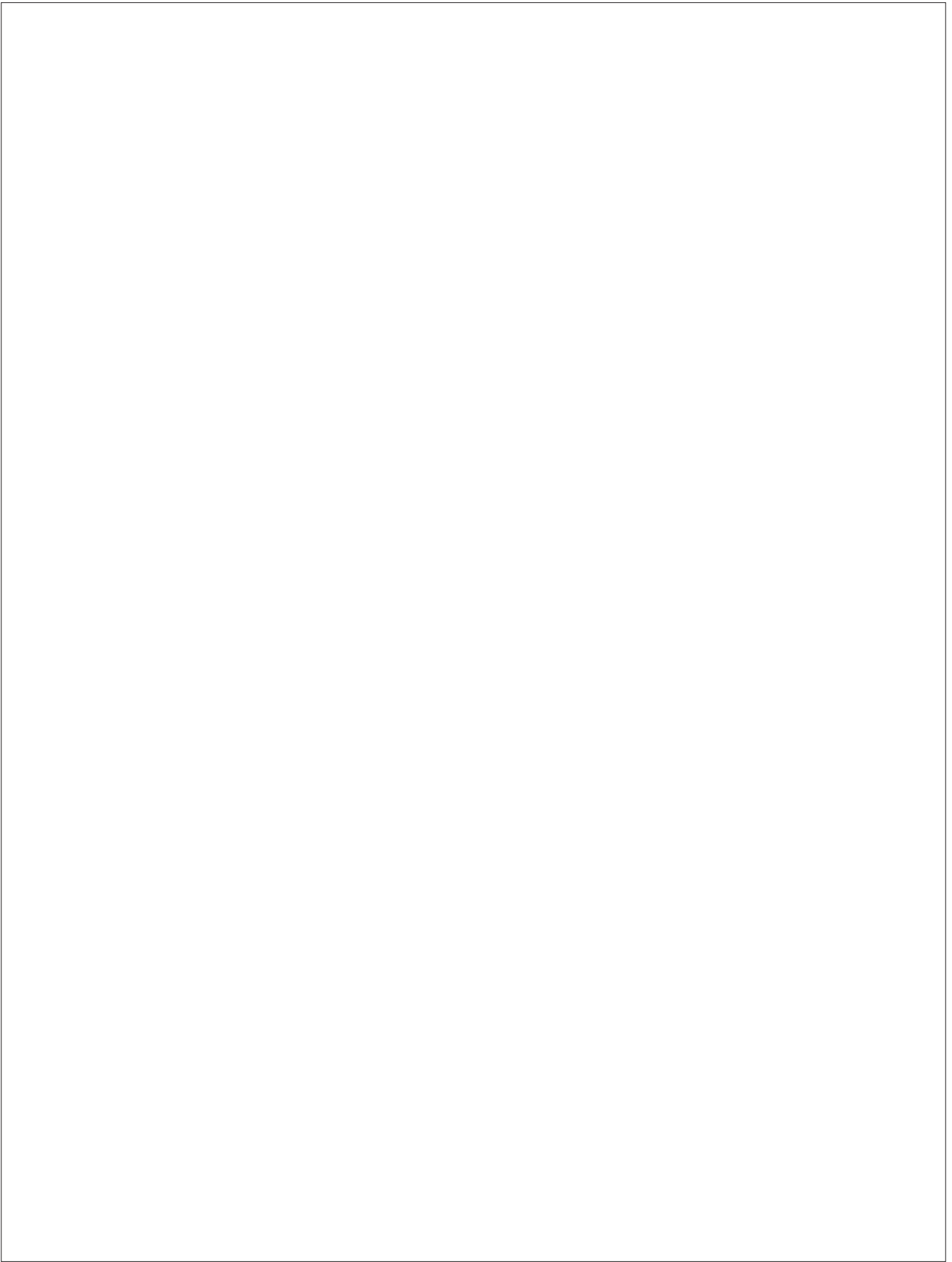
Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer





Window Takaful Operations Financial Statements



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION OF OPF AND PTF

As at September 30, 2022

| Note | Operator's Fund (OPF) | | Participants' Takaful Fund (PTF) | |
|---|--|-------------------|----------------------------------|---------------------|
| | September 30, 2022 | December 31, 2021 | September 30, 2022 | December 31, 2021 |
| | ----- (Rupees) ----- | | | |
| Assets | | | | |
| | Qard-e-Hasna to Participants' Takaful Fund | | | |
| 4 | 21,327,311 | 22,827,311 | - | - |
| | Property and equipment | | | |
| 5 | 526,693 | - | - | - |
| 6 | - | - | - | - |
| | Investments in TDRs | | | |
| 7 | 27,000,000 | 27,000,000 | 20,000,000 | 20,000,000 |
| | Takaful / retakaful receivables | | | |
| 8 | - | - | 14,742,985 | 2,124,217 |
| | Retakaful recoveries against outstanding benefits | | | |
| | - | - | 9,094 | 8,094 |
| | Receivable from OPF / PTF | | | |
| 9 | 6,563,799 | 1,587,478 | - | - |
| | Deferred wakala fee | | | |
| | - | - | 6,487,146 | 2,291,398 |
| | Deferred commission expense | | | |
| | 2,556,199 | 1,031,083 | - | - |
| | Advance tax | | | |
| | 1,793,898 | 1,631,930 | 618,210 | 370,947 |
| | Prepayments | | | |
| 10 | - | - | 128,136 | 181,283 |
| | Other receivable | | | |
| 11 | 873,130 | 457,627 | 237,499 | 240,316 |
| | Cash and bank | | | |
| 12 | 4,584,304 | 2,360,501 | 1,132,742 | 1,135,234 |
| | 43,898,023 | 34,068,619 | 43,355,811 | 26,351,489 |
| | Total assets | 65,225,334 | 56,895,930 | 43,355,811 |
| | | | | 26,351,489 |
| Funds and Liabilities | | | | |
| Operator's Fund (OPF) | | | | |
| | Statutory fund | | | |
| | 50,000,000 | 50,000,000 | - | - |
| | Accumulated profit / deficit | | | |
| | 4,755,783 | 1,757,456 | - | - |
| | Balance of Operator's Fund | 54,755,783 | - | - |
| Participants' Takaful Fund (PTF) | | | | |
| | Ceded money | | | |
| | - | - | 500,000 | 500,000 |
| | Accumulated profit / deficit | | | |
| | - | - | (10,469,373) | (13,866,978) |
| | Balance of Participants' Takaful Fund | - | (9,969,373) | (13,366,978) |
| | Qard-e-Hasna from Operator's Fund | | | |
| 4 | - | - | 21,327,311 | 22,827,311 |
| Liabilities | | | | |
| PTF Underwriting provisions | | | | |
| | Outstanding claims including IBNR | | | |
| | - | - | 4,693,659 | 2,736,126 |
| | Unearned contribution reserve | | | |
| | - | - | 14,637,253 | 6,133,249 |
| | Unearned commission | | | |
| | - | - | 26,121 | 19,712 |
| | Unearned wakala fees | | | |
| | 6,487,146 | 2,291,398 | - | - |
| | Contribution received in advance | | | |
| | - | - | 32,006 | 33,019 |
| | Takaful / Retakaful payables | | | |
| 13 | - | - | 5,079,064 | 5,600,678 |
| | Payable to OPF / PTF | | | |
| 14 | - | - | 6,563,799 | 1,587,478 |
| | Other creditors and accruals | | | |
| 15 | 3,862,877 | 2,727,548 | 965,971 | 780,894 |
| | Provision for taxation | | | |
| | 119,528 | 119,528 | - | - |
| | Total Liabilities | 10,469,551 | 31,997,873 | 16,891,156 |
| | Total Funds and Liabilities | 65,225,334 | 56,895,930 | 43,355,811 |
| | | | | 26,351,489 |
| Contingencies and commitments | | | | |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.

Air Marshal Muhammad Arif Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman Ahsan Bokhari (Retd.) - Director

Adeel Ali Director

Rizwan Akhtar Chief Executive Officer

Nisar Ahmed Almani Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT & LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| Note | Three months period ended | | Nine Months Period Ended | | |
|--|---------------------------|----------------------|--------------------------|----------------------|------------------|
| | September 30 2022 | September 30 2021 | September 30 2022 | September 30 2021 | |
| (Rupees) | | | | | |
| Participants' Takaful Fund (PTF) | | | | | |
| Net Takaful contribution | 17 | 7,085,324 | 668,781 | 12,430,703 | 3,591,732 |
| Wakala expense | 18 | (3,648,119) | (844,970) | (6,415,983) | (2,544,010) |
| Net contributions revenue | | 3,437,205 | (176,189) | 6,014,720 | 1,047,722 |
| Retakaful rebate earned | 19 | 7,082 | 10,138 | 33,602 | 30,414 |
| Net underwriting income | | 3,444,287 | (166,051) | 6,048,322 | 1,078,136 |
| Net claims reported / settled - IBNR | 20 | (2,898,272) | (339,999) | (4,025,344) | (1,734,024) |
| Other direct expenses | 21 | (18,331) | - | (102,940) | (10,000) |
| Deficit before investment income | | 527,684 | (506,050) | 1,920,038 | (665,888) |
| Investment Income | 22 | 443,036 | 184,304 | 1,245,903 | 912,641 |
| Other income | 23 | 249,023 | 11,259 | 356,254 | 83,222 |
| Less: Modarib's share of investment income | | - | (227,069) | (124,590) | (365,056) |
| Profit for the period | | 1,219,743 | (537,556) | 3,397,605 | (35,081) |
| Operator's Fund (OPF) | | | | | |
| Wakala fee | | 3,648,119 | 844,970 | 6,415,983 | 2,544,010 |
| Commission expenses | 24 | (1,448,667) | (406,581) | (2,998,531) | (1,311,925) |
| Management expenses | 25 | (237,420) | 997,583 | (1,832,902) | (897,562) |
| | | 1,962,033 | 1,435,972 | 1,584,551 | 334,523 |
| Modarib's share of PTF investment income | | - | - | 124,590 | 365,056 |
| Other expenses | 26 | - | (4,483) | (100,170) | (680,000) |
| Investment Income | 22 | - | 248,810 | 1,221,421 | 1,260,718 |
| Other Income | 23 | 62,021 | 27,681 | 167,936 | 102,831 |
| Profit / (Loss) before taxation | | 2,024,053 | 1,707,980 | 2,998,327 | 1,383,129 |
| Taxation | | - | - | - | (27,528) |
| Profit / (Loss) after taxation | 28 | 2,024,053 | 1,707,980 | 2,998,327 | 1,355,601 |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer

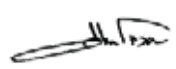


CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Three months period ended | | Nine months period ended | |
|--|---------------------------|-----------------------|--------------------------|-----------------------|
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Rupees) | | | |
| PARTICIPANTS' TAKAFUL FUND | | | | |
| Surplus / (deficit) during the period | 1,219,743 | (537,556) | 3,397,605 | (35,081) |
| Other comprehensive income for the period | | | - | - |
| Total comprehensive income / (loss) for the period | <u>1,219,743</u> | <u>(537,556)</u> | <u>3,397,605</u> | <u>(35,081)</u> |
| OPERATORS' FUND | | | | |
| Profit / (loss) after tax for the period | 2,024,053 | 1,707,980 | 2,998,327 | 1,355,601 |
| Other comprehensive income for the period | | | - | - |
| Total comprehensive income for the period | <u>2,024,053</u> | <u>1,707,980</u> | <u>2,998,327</u> | <u>1,355,601</u> |


The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.


Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman


Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Operator's Fund | | |
|--|----------------------|--------------------|-------------------|
| | Statutory fund | Accumulated profit | Total |
| | ----- (Rupees) ----- | | |
| Balance as at January 01, 2021(audited) | 50,000,000 | 480,666 | 50,480,666 |
| Profit / (Loss) after tax for the period | - | 1,355,601 | 1,355,601 |
| Other comprehensive profit / (loss) for the period | | | |
| Balance as at September 30, 2021 (un-audited) | <u>50,000,000</u> | <u>1,836,267</u> | <u>51,836,267</u> |
| Balance as at January 01, 2022 (audited) | 50,000,000 | 1,757,456 | 51,757,456 |
| Profit / (Loss) after tax for the period | - | 2,998,327 | 2,998,327 |
| Other comprehensive profit / (loss) for the period | | | |
| Balance as at September 30, 2022 (un-audited) | <u>50,000,000</u> | <u>4,755,783</u> | <u>54,755,783</u> |

| | Participants' Takaful Fund | | |
|--|----------------------------|---------------------|---------------------|
| | Ceded Money | Accumulated deficit | Total |
| | ----- (Rupees) ----- | | |
| Balance as at January 01, 2021(audited) | 500,000 | (12,081,273) | (11,581,273) |
| Surplus for the period | - | (35,081) | (35,081) |
| Other comprehensive profit / (loss) for the period | | | |
| Balance as at September 30, 2021 (un-audited) | <u>500,000</u> | <u>(12,116,354)</u> | <u>(11,616,354)</u> |
| Balance as at January 01, 2022 (audited) | 500,000 | (13,866,978) | (13,366,978) |
| Surplus for the period | - | 3,397,605 | 3,397,605 |
| Other comprehensive profit / (loss) for the period | | | |
| Balance as at September 30, 2022 (un-audited) | <u>500,000</u> | <u>(10,469,373)</u> | <u>(9,969,373)</u> |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE THREE MONTHS AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Operator's Fund (OPF) | | Participants' Takaful Fund (PTF) | |
|---|-----------------------|-----------------------|----------------------------------|-----------------------|
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| (Rupees) | | | | |
| OPERATING ACTIVITIES | | | | |
| a) Takaful activities | | | | |
| Contribution received | - | - | 11,767,868 | 6,696,330 |
| Re-takaful contributions paid | - | - | (3,868,261) | (4,525,334) |
| Claims paid / benefits paid | - | - | (4,787,353) | (1,420,889) |
| Commissions paid | (2,709,926) | (1,258,996) | - | - |
| Re-takaful rebate / commissions received | - | - | 33,602 | - |
| Re-takaful and other recoveries received | - | - | 2,718,542 | - |
| Wakala fees received | 5,760,000 | 4,642,327 | - | - |
| Wakala fees paid | - | - | (5,760,000) | (4,642,327) |
| Modarib share received | - | - | - | - |
| Modarib share paid | - | - | - | - |
| Net cash generated from underwriting activities | 3,050,074 | 3,383,331 | 104,398 | (3,892,220) |
| b) Other operating activities | | | | |
| Management and other expenses paid | (3,244,085) | (4,342,530) | (75,992) | 618,780 |
| Taxes Paid | (161,968) | (367,646) | (189,767) | (160,917) |
| Net cash used in other operating activities | (3,406,053) | (4,710,176) | (265,759) | 457,863 |
| Total cash (used in) / generated from operating activities | A | | (161,361) | (3,434,357) |
| INVESTING ACTIVITIES | | | | |
| Profit / return received | 1,079,782 | 1,422,454 | 1,658,869 | 1,018,472 |
| Total cash generated from investing activities | B | | 1,658,869 | 1,018,472 |
| FINANCING ACTIVITIES | | | | |
| Qrad-e-hasna received / (repaid) | 1,500,000 | (1,827,311) | (1,500,000) | 1,827,311 |
| Total cash generated from financing activities | C | | (1,500,000) | 1,827,311 |
| Net increase in cash and cash equivalents | A+B+C | | (2,492) | (588,574) |
| Cash and cash equivalents at the beginning of period | 29,360,501 | 30,919,797 | 21,135,234 | 20,713,560 |
| Cash and cash equivalents at end of the period | 31,584,304 | 29,188,095 | 21,132,742 | 20,124,986 |
| Reconciliation to profit and loss account | | | | |
| Operating cash flows | (355,979) | (1,326,845) | (161,361) | (3,434,357) |
| Increase / (decrease) in assets other than cash | 6,105,601 | (1,062,661) | 17,006,815 | 568,131 |
| Increase / (decrease) in liabilities | (3,752,754) | 2,443,241 | (15,174,595) | 1,804,868 |
| Depreciation / amortisation expense | (263,307) | (31,269) | - | - |
| Investment and other income - net | 1,389,357 | 1,708,996 | 1,602,157 | 653,416 |
| Mudarib fee | (124,590) | (365,056) | 124,590 | 365,056 |
| (Deficit) / profit for the period | 2,998,327 | 1,366,406 | 3,397,605 | (42,886) |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd.) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

1. STATUS AND NATURE OF BUSINESS

Shaheen Insurance Operator Limited (the Operator) has been authorised to undertake Window Takaful Operations (WTO) on March 14, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on March 20, 2018 under the Waqf Deed with a Cede money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of PTF remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of PTF and the Operator are shown separately.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Takaful Rules, 2012 and Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations, 2019.

In case requirements differ, the provision or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019 shall prevail.

- 2.1 These financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the years presented unless otherwise stated.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

September 30, 2022 December 31, 2021

(Rupees)

4. QARD-E-HASNA TO PARTICIPANTS' TAKAFUL FUND

| | | |
|---|-------------|------------|
| Opening balance of Qard-e-Hasna | 22,827,311 | 21,000,000 |
| Qard-e-Hasna transferred from OPF during the period | - | 1,827,311 |
| Qard-e-Hasna returned by PTF during the period | (1,500,000) | - |
| Closing balance of Qard-e-Hasna | 21,327,311 | 22,827,311 |

5. PROPERTY AND EQUIPMENT

| 2022 | | | | | | | | |
|-------------------|------------------------|------------------------|--------------------------|------------------------|-----------------------------|--------------------------|---|-------------------|
| Particulars | Cost | | | Depreciation | | | | |
| | As at January 01, 2022 | Addition / (disposals) | As at September 30, 2022 | As at January 01, 2022 | Depreciation for the period | As at September 30, 2022 | Written down value as at September 30, 2022 | Depreciation Rate |
| | ----- (Rupees) ----- | | | | | | | (%) |
| Motor Vehicle | - | 790,000 | 790,000 | - | 263,307 | 263,307 | 526,693 | 20 |
| Computer hardware | 25,000 | - | 25,000 | 25,000 | - | 25,000 | - | 33.33 |
| | | | | | | | | |
| Comparative 2021 | | | | | | | | |
| Particulars | Cost | | | Depreciation | | | | |
| | As at January 01, 2021 | Addition / (disposals) | As at December 31, 2021 | As at January 01, 2021 | Depreciation for the period | As at December 31, 2021 | Written down value as at December 30, 2021 | Depreciation Rate |
| | ----- (Rupees) ----- | | | | | | | (%) |
| Computer hardware | 25,000 | - | 25,000 | 25,000 | - | 25,000 | - | 33.33 |

6. INTANGIBLE ASSETS

| 2022 | | | | | | | | |
|-------------------|------------------------|------------------------|--------------------------|------------------------|-----------------------------|--------------------------|---|-------------------|
| Particulars | Cost | | | Depreciation | | | | |
| | As at January 01, 2022 | Addition / (disposals) | As at September 30, 2022 | As at January 01, 2022 | Depreciation for the period | As at September 30, 2022 | Written down value as at September 30, 2022 | Depreciation Rate |
| | ----- (Rupees) ----- | | | | | | | (%) |
| Computer hardware | 200,000 | - | 200,000 | 200,000 | - | 200,000 | - | 33.33 |
| | | | | | | | | |
| Comparative 2021 | | | | | | | | |
| Particulars | Cost | | | Depreciation | | | | |
| | As at January 01, 2021 | Addition / (disposals) | As at December 31, 2021 | As at January 01, 2021 | Depreciation for the period | As at December 31, 2021 | Written down value as at December 30, 2021 | Depreciation Rate |
| | ----- (Rupees) ----- | | | | | | | (%) |
| Computer software | 200,000 | - | 200,000 | 200,000 | - | 200,000 | - | 33.33 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | OPF | | PTF | |
|--|---------------------------------|-----------------------------|---------------------------------|-----------------------------|
| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |

(Rupees)

7. INVESTMENT IN TDRS

Held to maturity

| | | | | |
|------------------------------------|-------------------|------------|-------------------|------------|
| Deposits maturing within 12 months | <u>27,000,000</u> | 27,000,000 | <u>20,000,000</u> | 20,000,000 |
|------------------------------------|-------------------|------------|-------------------|------------|

- 7.1 This includes term deposits with an Islamic Bank having maturities within 12 months (i.e. upto March 31, 2021). The rate of return on these term deposits is 7.15% (December 31, 2021 : 11.9%) per annum.

| | OPF | | PTF | |
|--|---------------------------------|-----------------------------|---------------------------------|-----------------------------|
| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |

(Rupees)

8. TAKAFUL / RETAKAFUL RECEIVABLES

| | | | | |
|--------------------------------------|----------|----------|-------------------|-----------|
| Due from takaful participant holders | - | - | <u>1,567,214</u> | 789,237 |
| Due from other takaful / retakaful | - | - | <u>13,175,771</u> | 1,334,980 |
| | <u>-</u> | <u>-</u> | <u>14,742,985</u> | 2,124,217 |

9. RECEIVABLE FROM PTF

| | | | | |
|-------------|------------------|-----------|----------|----------|
| Wakala fee | <u>6,000,708</u> | 1,148,977 | - | - |
| Modarib fee | <u>563,091</u> | 438,501 | - | - |
| | <u>6,563,799</u> | 1,587,478 | <u>-</u> | <u>-</u> |

10. PREPAYMENTS

| | | | | |
|--------------------------|----------|----------|----------------|---------|
| Prepaid Re-Takaful Ceded | <u>-</u> | - | <u>128,136</u> | 181,283 |
| | <u>-</u> | <u>-</u> | <u>128,136</u> | 181,283 |

- 10.1 This includes tax deducted on profit on savings accounts.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | OPF | | PTF | |
|---------------------------------|---------------------------------|-----------------------------|---------------------------------|-----------------------------|
| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| | (Rupees) | | | |
| 11. OTHER RECEIVABLES | | | | |
| Sindh sales tax receivable | 316,856 | 210,928 | - | - |
| Accrued profit on bank deposits | 556,274 | 246,699 | 126,027 | 182,739 |
| GTS receivable claims | - | - | 70,919 | 17,024 |
| Others | - | - | 40,553 | 40,553 |
| | <u>873,130</u> | <u>457,627</u> | <u>237,499</u> | <u>240,316</u> |

12. CASH AND BANK

| | | | | |
|------------------|------------------|------------------|------------------|------------------|
| Savings accounts | <u>4,584,304</u> | <u>2,360,501</u> | <u>1,132,742</u> | <u>1,135,234</u> |
|------------------|------------------|------------------|------------------|------------------|

12.1 These carry mark-up at rates ranging between 3% to 5% (December 31, 2021: 3% to 5%) per annum.

| | PTF | |
|---|---------------------------------|-----------------------------|
| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| | (Rupees) | |
| 13. TAKAFUL / RETAKAFUL PAYABLES | | |
| Due to re-takaful operators | <u>5,079,064</u> | <u>5,600,670</u> |

14. PAYABLE TO OPF

| | | |
|-------------|------------------|------------------|
| Wakala fee | 6,000,708 | 1,148,977 |
| Modarib fee | 563,091 | 438,501 |
| | <u>6,563,799</u> | <u>1,587,478</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | OPF | | PTF | |
|---|------------------------------------|--------------------------------|------------------------------------|--------------------------------|
| | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) | September 30, 2022 (Un-audited) | December 31, 2021 (Audited) |
| | (Rupees) | | | |
| 15. OTHER CREDITORS AND ACCRUALS | | | | |
| Federal Takaful fee | - | - | 56,078 | 31,850 |
| FED payable | - | - | 559,678 | 425,777 |
| Sales tax on services | 217,401 | 59,791 | - | - |
| Commission payable | 2,824,689 | 1,010,969 | - | - |
| Auditors fee | 73,410 | 741,368 | - | - |
| Others creditors | 19,590 | 187,633 | 350,215 | 323,267 |
| Payable against common expenses | | | | |
| - Conventional | 727,787 | 727,787 | - | - |
| | <u>3,862,877</u> | <u>2,727,548</u> | <u>965,971</u> | <u>780,894</u> |

16. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as on September 30, 2022 and as at December 31, 2021

| | Participate Takaful Fund (PTF) | | | |
|---|--------------------------------|--------------------|--------------------------|--------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2022 | September 30, 2022 | September 30, 2022 |
| | (Un audited) | | | |
| | (Rupees) | | | |
| 17. CONTRIBUTION EARNED | | | | |
| Written gross contribution | 9,494,757 | 2,425,659 | 24,387,649 | 7,504,068 |
| Add: Unearned contribution reserve opening | 12,189,886 | 4,397,330 | 6,133,249 | 4,088,524 |
| Less: Unearned contribution reserve closing | 14,637,253 | 4,524,529 | 14,637,253 | 4,524,529 |
| Contribution earned | <u>7,047,390</u> | <u>2,298,460</u> | <u>15,883,645</u> | <u>7,068,063</u> |
| Less: Re-takaful Contribution ceded | 6,646 | 1,486,486 | 3,399,794 | 3,046,748 |
| Add: Prepaid re-takaful contribution opening | 83,556 | 167,059 | 181,284 | 453,449 |
| Less: Prepaid re-takaful contribution closing | 128,136 | 23,866 | 128,136 | 23,866 |
| Re-takaful expense | <u>(37,934)</u> | <u>1,629,679</u> | <u>3,452,942</u> | <u>3,476,331</u> |
| Net contribution revenue | <u>7,085,324</u> | <u>668,781</u> | <u>12,430,703</u> | <u>3,591,732</u> |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Participant's Takaful Fund(PTF) | | | |
|--|---------------------------------|-----------------------|--------------------------|-----------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Un audited) | | | |
| | (Rupees) | | | |
| 18. WAKALA EXPENSE | | | | |
| Gross wakala fee | 6,283,852 | 884,282 | 10,611,731 | 2,719,471 |
| Add: Deferred wakala opening | 3,851,413 | 1,629,233 | 2,291,398 | 1,493,084 |
| Less: Deferred wakala closing | 6,487,146 | 1,668,545 | 6,487,146 | 1,668,545 |
| Wakala expense | <u>3,648,119</u> | <u>844,970</u> | <u>6,415,983</u> | <u>2,544,010</u> |
| 19. REBATE ON RE-TAKAFUL - PTF | | | | |
| Commission received or recoverable | 24,406 | - | 40,011 | - |
| Add: Unearned reinsurance commission opening | 8,797 | 11,828 | 19,712 | 32,104 |
| Less: Unearned reinsurance commission closing | 26,121 | 1,690 | 26,121 | 1,690 |
| Commission from reinsurance | <u>7,082</u> | <u>10,138</u> | <u>33,602</u> | <u>30,414</u> |
| 20. NET CLAIMS REPORTED / SETTLED - IBNR | | | | |
| Claims paid | 3,011,973 | 2,141,097 | 4,787,353 | 3,108,983 |
| Less: Outstanding claims including IBNR opening | 4,206,360 | 2,600,509 | 2,736,126 | 2,174,370 |
| Add: Outstanding claims including IBNR closing | 4,693,659 | 2,487,505 | 4,693,659 | 2,487,505 |
| Claims expense | <u>3,499,272</u> | <u>2,028,093</u> | <u>6,744,886</u> | <u>3,422,118</u> |
| Less: | | | | |
| Re-Takaful and Other Recoveries received | 600,000 | 1,688,094 | 2,718,542 | 1,688,094 |
| Less: Re-Takaful and other recoveries receivable in respect of outstanding claims closing | 2,118,542 | - | 8,094 | - |
| Add: Re-Takaful and other recoveries receivable in respect of outstanding claims closing | 2,719,542 | - | 9,094 | - |
| Re-Takaful and other recoveries revenue | 601,000 | 1,688,094 | 2,719,542 | 1,688,094 |
| Net Claims Expense | <u>2,898,272</u> | <u>339,999</u> | <u>4,025,344</u> | <u>1,734,024</u> |
| 21. OTHER EXPENSES | | | | |
| Coinsurance surcharge | 12,281 | - | 37,070 | - |
| Others | 6,050 | - | 65,870 | 10,000 |
| | <u>18,331</u> | <u>-</u> | <u>102,940</u> | <u>10,000</u> |

21.1 This is the service charges deducted by coinsurers at 2.5% of gross premium revenue on policies in which the Operator is a coinsurer.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Operator's Fund | | | |
|--|---------------------------|-----------------------|--------------------------|-----------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Un audited) | | | |
| | (Rupees) | | | |

22. INVESTMENT INCOME

Income from TDRs - held to maturity

Return on term deposit receipts

| | | | |
|---|---------|-----------|-----------|
| - | 248,810 | 1,221,421 | 1,260,718 |
| - | 248,810 | 1,221,421 | 1,260,718 |

| | Participant's Takaful Fund | | | |
|--|----------------------------|-----------------------|--------------------------|-----------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Un audited) | | | |
| | (Rupees) | | | |

Return on term deposit receipts

| | | | |
|---------|---------|-----------|---------|
| 443,036 | 184,304 | 1,245,903 | 912,641 |
| 443,036 | 184,304 | 1,245,903 | 912,641 |

23. OTHER INCOME

Return on bank deposits

Others

| | | | |
|---------|--------|---------|---------|
| 238,561 | 26,828 | 345,792 | 101,978 |
| 10,462 | 853 | 10,462 | 853 |
| 249,023 | 27,681 | 356,254 | 102,831 |

| | Operator's Fund | | | |
|--|---------------------------|-----------------------|--------------------------|-----------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Un audited) | | | |
| | (Rupees) | | | |

Return on bank deposits

Others

| | | | |
|--------|--------|---------|--------|
| 62,021 | 11,259 | 167,936 | 83,222 |
| - | - | - | - |
| 62,021 | 11,259 | 167,936 | 83,222 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

| | Operator's Fund | | | |
|---|--|-----------------------|--------------------------|-----------------------|
| | Three months period ended | | Nine months period ended | |
| | September 30, 2022 | September 30, 2021 | September 30, 2022 | September 30, 2021 |
| | (Un audited) | | | |
| | (Rupees) | | | |
| 24. COMMISSION EXPENSES | | | | |
| Commission paid or payable | 1,722,786 | 400,275 | 4,523,646 | 1,351,204 |
| Add: Deferred commission opening | 2,282,079 | 790,019 | 1,031,083 | 744,434 |
| Less: Deferred commission closing | 2,556,199 | 783,713 | 2,556,199 | 783,713 |
| Commission expense | <u>1,448,667</u> | <u>406,581</u> | <u>2,998,531</u> | <u>1,311,925</u> |
| 25. MANAGEMENT EXPENSES | | | | |
| Salaries, wages and benefits | 220,000 | 257,137 | 942,400 | 770,734 |
| Depreciation / amortization | - | - | 263,307 | 31,269 |
| Shariah advisory fee | - | 283,335 | 283,335 | 850,005 |
| Software maintenance | - | 285,000 | 220,000 | 660,000 |
| Business acquisition cost | - | - | 97,200 | - |
| Others | 17,420 | 6,160 | 26,660 | 21,560 |
| Common expenses - Conventional | - | (1,829,215) | - | (1,436,006) |
| | <u>237,420</u> | <u>(997,583)</u> | <u>1,832,902</u> | <u>897,562</u> |
| 26. OTHER EXPENSES | | | | |
| Auditor's remuneration | - | - | 86,670 | 89,100 |
| Sharia Audit Fee | - | - | - | 585,000 |
| Printing and stationery | - | - | 13,500 | - |
| Others | - | 4,483 | - | 5,900 |
| Common expenses - Conventional | - | - | - | - |
| | <u>-</u> | <u>4,483</u> | <u>100,170</u> | <u>680,000</u> |
| 27. MODARIB'S FEE | | | | |
| The shareholders of the company manage the participants' investment as a Modarib and charge 10% Modarib's share of PTF investment income. | | | | |
| 28. PROVISION FOR TAXATION | | | Operator's Fund | |
| | | | September 30, 2022 | December 31, 2021 |
| | | | (Rupees) | |
| Current tax for the year | | | <u>-</u> | <u>27,528</u> |
| 28.1 | The relationship between tax expense and accounting profit has not been presented in these financial statements as the income of the the provision for taxation has been recorded under section 113 of the Income Tax Ordinance, 2001. | | | |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

29. SEGMENT INFORMATION

For the period ended September 30, 2022

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
|--|---------------------------|------------------------------|-------------|---------------------|---------------|-------------|
| ----- (Rupees) ----- | | | | | | |
| Participants' Takaful Fund | | | | | | |
| Contribution written (inclusive of federal Excise duty, federal insurance fee, and administrative surcharge) | 5,887,011 | 1,698,349 | 17,662,077 | - | 1,853,913 | 27,101,350 |
| Less : Federal excise duty | (479,529) | (151,211) | (1,643,172) | - | (216,548) | (2,490,460) |
| Less : Federal insurance fee | (31,918) | (60,153) | (111,778) | - | (19,392) | (223,241) |
| Gross written contribution (inclusive of Administrative Surcharges) | 5,375,564 | 1,486,985 | 15,907,127 | - | 1,617,973 | 24,387,649 |
| Gross contribution direct | 5,319,826 | 1,439,045 | 15,597,068 | - | 1,555,265 | 23,911,204 |
| Admin surcharge | 55,738 | 47,940 | 310,059 | - | 62,708 | 476,445 |
| Takaful contribution earned | 2,963,865 | 1,243,180 | 11,028,631 | - | 647,969 | 15,883,646 |
| Wakala expense | (1,197,474) | (502,790) | (4,406,685) | - | (309,034) | (6,415,983) |
| Re-takaful expense | (1,480,534) | (846,096) | (914,785) | - | (211,527) | (3,452,942) |
| Net takaful contribution | 285,857 | (105,705) | 5,707,161 | - | 127,408 | 6,014,721 |
| Rebate earned | 20,077 | - | 13,525 | - | - | 33,602 |
| Operation income | 305,934 | (105,705) | 5,720,686 | - | 127,408 | 6,048,323 |
| Claim expense | (2,035,240) | 7,577 | (4,589,047) | - | (128,176) | (6,744,886) |
| Re-takaful & other recoveries revenue | - | - | 2,719,542 | - | - | 2,719,542 |
| Net claims | (2,035,240) | 7,577 | (1,869,505) | - | (128,176) | (4,025,344) |
| Other Expenses | (19,208) | (8,075) | (71,475) | - | (4,199) | (102,940) |
| Net takaful claim & expense | (2,054,448) | (408) | (1,940,980) | - | (132,375) | (4,128,284) |
| Surplus/(deficit) before investment income | (1,748,514) | (106,185) | 3,779,706 | - | (4,968) | 1,920,039 |
| Net investment income | | | | | | 1,602,157 |
| Less: Modarib's share of investment income | | | | | | (124,590) |
| Deficit for the period | | | | | | 3,397,605 |
| The following presents segments assets and liabilities as at September 30, 2022 | | | | | | |
| Segment assets | 4,679,579 | 1,294,463 | 13,847,599 | - | 1,408,491 | 21,230,132 |
| Unallocated assets | | | | | | 22,125,679 |
| | | | | | | 43,355,811 |
| Segment liabilities | 5,785,421 | 1,081,235 | 17,671,022 | - | 1,742,437 | 26,280,115 |
| Unallocated liabilities | | | | | | 27,045,069 |
| | | | | | | 53,325,184 |
| Operator's Fund | | | | | | |
| Wakala fee income | 1,197,474 | 502,790 | 4,406,685 | - | 309,034 | 6,415,983 |
| Commission expense | (897,691) | (412,577) | (1,527,101) | - | (161,161) | (2,998,530) |
| Management expense | (342,017) | (143,457) | (1,272,655) | - | (74,773) | (1,832,902) |
| | | | | | | 1,584,551 |
| Investment income | | | | | | |
| Modarib's share of PTF investment income | | | | | | 1,221,421 |
| General and administration expenses | | | | | | 124,590 |
| Other Income | | | | | | (100,170) |
| Profit before taxation | | | | | | 167,936 |
| | | | | | | 2,998,327 |
| The following presents segments assets and liabilities as at September 30, 2022 | | | | | | |
| Segment assets | 2,010,244 | 556,073 | 5,948,624 | - | 605,056 | 9,119,997 |
| Unallocated assets | | | | | | 56,105,337 |
| | | | | | | 65,225,334 |
| Segment liabilities | 1,429,907 | 395,540 | 4,231,316 | - | 430,383 | 6,487,146 |
| Unallocated liabilities | | | | | | 3,982,405 |
| | | | | | | 10,469,551 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

29.1 SEGMENT INFORMATION

For the period ended September 30, 2021

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
|--|---------------------------|------------------------------|-------------|---------------------|---------------|-------------|
| ----- (Rupees) ----- | | | | | | |
| Participants' Takaful Fund | | | | | | |
| Contribution written (inclusive of federal excise duty, federal insurance fee, and administrative surcharge) | 1,433,256 | 765,863 | 6,538,332 | - | - | 8,737,451 |
| Less : Federal excise duty | (195,704) | (95,167) | (852,786) | - | - | (1,143,657) |
| Less : Federal insurance fee | (12,551) | (18,350) | (58,825) | - | - | (89,726) |
| Gross written contribution (inclusive of Administrative Surcharges) | 1,225,001 | 652,346 | 5,626,721 | - | - | 7,504,068 |
| Gross contribution direct | 1,204,196 | 621,480 | 5,429,361 | - | - | 7,255,037 |
| Admin surcharge | 20,805 | 30,866 | 197,360 | - | - | 249,031 |
| Takaful contribution earned | 943,655 | 902,771 | 5,160,641 | - | 60,996 | 7,068,063 |
| Wakala expense | (276,259) | (258,003) | (1,989,326) | - | (20,422) | (2,544,010) |
| Re-takaful expense | (1,185,972) | (825,919) | (1,042,584) | - | (421,857) | (3,476,331) |
| Net takaful contribution | (518,576) | (181,151) | 2,128,731 | - | (381,283) | 1,047,722 |
| Rebate earned | - | - | 30,414 | - | - | 30,414 |
| Operation income | (518,576) | (181,151) | 2,159,145 | - | (381,283) | 1,078,136 |
| Claim expense | (200,727) | (4,949) | (3,216,442) | - | - | (3,422,118) |
| Re-takaful & other recoveries revenue | - | - | 1,688,094 | - | - | 1,688,094 |
| Net claims | (200,727) | (4,949) | (1,528,348) | - | - | (1,734,024) |
| Direct expense | - | - | - | - | - | (10,000) |
| Net takaful claim & expense | (200,727) | (4,949) | (1,528,348) | - | - | (1,744,024) |
| Surplus/(deficit) before investment income | (719,303) | (186,100) | 630,797 | - | (381,283) | (665,888) |
| Net investment income | | | | | | 995,863 |
| Less: Modarib's share of investment income | | | | | | (365,056) |
| Deficit for the period | | | | | | (35,081) |
| The following presents segments assets and liabilities as at September 30, 2021 | | | | | | |
| Segment assets | 657,327 | 350,045 | 3,019,261 | - | - | 4,026,633 |
| Unallocated assets | | | | | | 20,472,858 |
| | | | | | | 24,499,491 |
| Segment liabilities | 1,709,393 | 560,211 | 7,789,188 | - | 14,996 | 10,073,787 |
| Unallocated liabilities | | | | | | 26,049,864 |
| | | | | | | 36,123,651 |
| Operator's Fund | | | | | | |
| Wakala fee income | 276,259 | 258,003 | 1,989,326 | - | 20,422 | 2,544,010 |
| Commission expense | (318,639) | (247,270) | (734,348) | - | (11,668) | (1,311,925) |
| Management expense | (119,833) | (114,641) | (655,342) | - | (7,746) | (897,562) |
| | | | | | | 334,523 |
| Investment income | | | | | | |
| Modarib's share of PTF investment income | | | | | | 1,260,718 |
| General and administration expenses | | | | | | 365,056 |
| Other Income | | | | | | (680,000) |
| Profit before taxation | | | | | | 102,831 |
| | | | | | | 1,383,129 |
| The following presents segments assets and liabilities as at September 30, 2021 | | | | | | |
| Segment assets | 269,888 | 143,723 | 1,239,661 | - | - | 1,653,272 |
| Unallocated assets | | | | | | 53,672,661 |
| | | | | | | 55,325,933 |
| Segment liabilities | 272,381 | 145,050 | 1,251,113 | - | - | 1,668,544 |
| Unallocated liabilities | | | | | | 1,810,317 |
| | | | | | | 3,478,861 |



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

30. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit scheme.

The Operator has not incurred any transactions with related parties during the period and in the prior period.

31. DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial information were authorized for issue on October 25, 2022 by the Board of Directors of the Company.

32. GENERAL

All amount have been rounded off to the nearest rupees.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



HEAD OFFICE & BRANCH NETWORK

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Tel: 021 32650031-3

Email: sohail.kidwai@shaheeninsurance.com

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Country Head Business - Mr. Naveed Y. Butt

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Lahore.

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E-mail: lhr_zone@shaheeninsurance.com

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Branch Manager Faisal Jamil

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E-mail: sil@shaheeninsurance.com

Faisalabad

Branch Manager/ Assistant General Manager - Mr. Mohsin Khan

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Bilal Road, Civil Lines, Faisalabad

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Fax # (041) 2613514

Email: fsd@shaheeninsurance.com

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Branch Manager - Mr. Ejaz Raffique

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Rahim Yar Khan

Branch Manager - Mr. Muhammad Naveed

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Rahim Yar Khan.

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Branch Manager - Mr. Nadeem Awan

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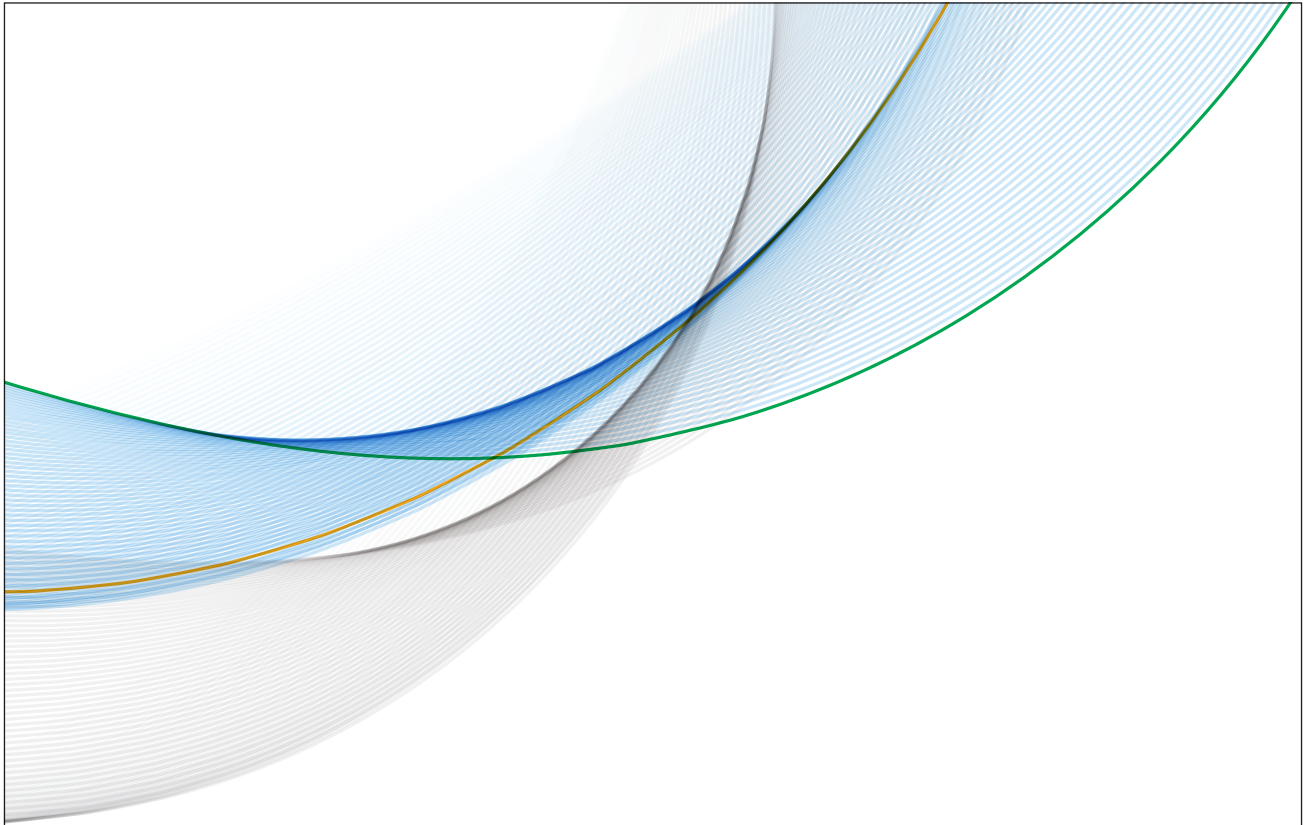
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