

NINE MONTHS REPORT

Period Ended September 30, 2024
(Un-audited)

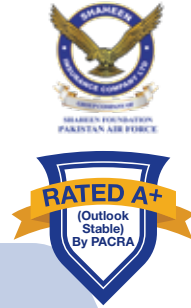


SHAHEEN INSURANCE COMPANY LIMITED



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COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)

DIRECTORS

Air Vice Marshal Muhammad Qaiser Janjua (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

Chairperson

Air Commodore Wasim Ahmed Khan (Retd.)

Member

Mr. Adeel Ali

Member

Mr. Muhammad Junaid

Secretary (Acting)

INVESTMENT COMMITTEE

Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)

Chairman

Air Vice Marshal Muhammad Qaiser Janjua (Retd.)

Member

Mr. Adeel Ali

Member

Mr. Rizwan Akhtar

Chief Executive Officer

Mr. Nisar Ahmed Almani

Chief Financial Officer

Mr. Muhammad Nasir Jamal

Secretary

ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Farrah Azeem Khan

Chairperson

Mr. Adeel Ali

Member

Mr. Rizwan Akhtar

Member

Mr. Nisar Ahmed Almani

Secretary

LEGAL ADVISOR

Allied Law Group

AUDITORS

BDO Ebrahim & Co.

Chartered Accountants

SHARIAH ADVISOR

Mufti Muhammad Hanif

HEAD OF WINDOW TAKAFUL OPERATIONS

Mr. Abdul Hamid

SHARIAH COMPLIANCE OFFICER

Mr. Zafar Husnain

COMPLIANCE OFFICER

Mr. Kashif Naeem

HEAD OF INTERNAL AUDIT (COORDINATOR)

Mr. Muhammad Junaid (Acting)

INTERNAL AUDITOR

Arqum Naveed & Co.

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 CONVENTIONAL

Allied Bank Limited

Bank Alfalah Limited

Bank Al Habib Limited

Bank of Punjab

Faysal Bank Limited

JS Bank Limited

MCB Bank Limited

Soneri Bank Limited

Bank Makramah Limited

National Bank of Pakistan

Bank Islami Pakistan Ltd.

Dubai Islamic Bank Pakistan Ltd.

Habib Metropolitan Bank Ltd.

BANKS TAKAFUL

Bankislami Pakistan Ltd.

Meezan Bank Limited

Dubai Islamic Bank Pakistan Ltd.

Habib Metropolitan Bank Ltd.



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 in 1995 as a public limited company, listed with Pakistan Stock Exchange (PSX) and also registered with the Central Depository Company of Pakistan (CDC). The shares of the Company are quoted and traded on PSX.

Shaheen Insurance is one of the most reputable and brightest names in the insurance sector. Its sustained growth over the years has secured it prominent place among the reputed insurers of Pakistan. SICL also commenced Takaful operations in 2018 through its Window Takaful Operations (WTO) under the guidelines of Shariah Board having vast experience and knowledge about Islamic Banking, Finance & Takaful.

Shaheen Insurance underwrites all classes of general insurance & general takaful. The Company provides a full range of insurance services through its branch network spread across all Pakistan to meet the needs of business fraternity, banks, financial institutions, corporate, commercial and individual clients. Our product portfolio includes:

- Fire and Property Damage
- Marine, Aviation and Transport
- Motor Vehicles (Personal & Commercial)
- Health
- Miscellaneous Classes
- Window Takaful Operations (full range of takaful products)

The Company's financial results are consistently improving; Authorized Capital of the Company is Rs.1 billion, while Paid-Up Capital has grown to Rs.645 million after issuance of Bonus Share @7.50%. Shareholder's Equity has also grown to Rs.959.03 million as at September 30, 2024. Strong backing of sponsors, capital base, prudent underwriting, efficient claims management, strong reinsurance & retakaful arrangements and sound financial position place Shaheen Insurance at par with any quality insurer in Pakistan.

In addition, rating of the Company was reaffirmed to "A+" with 'Stable' outlook by PACRA 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."

Shaheen Insurance has excellent reinsurance & retakaful treaty arrangements with sound & well reputed international reinsurer. Besides treaty backup, the Company 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 also locally on facultative basis.

The Company is managed by a team of professionals who are fully equipped with technical and managerial skills for smooth operations for both traditional and specialized insurance & takaful covers.

Shaheen Insurance is fully geared up to take on challenges with a vision to play its role in the development of insurance industry, country's economy and to be recognized as one of the most professional, preferred and reputed 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 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, Bonds, Health and Travel Insurance are also being offered.



General Takaful (Islamic)

Takaful is an Islamic form of Insurance. Based on principle of cooperation mutual assistance shared responsibility 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, Miscellaneous Accident Takaful, Health Takaful and Travel Takaful.



DIRECTORS' REVIEW

The Shareholders
Shaheen Insurance Company Limited,

Directors of the Company are pleased to present the Quarterly Report together with the Condensed Interim Financial Statements (unaudited) for the nine months' period ended September 30, 2024.

General Economic Review of Pakistan:

Although the economy of the Country is still under pressure mainly due to inflation and war like situation around our geographical region but a lot of improvements are being observed. The economy is getting stable and coming out of critical situation gradually. The government is taking necessary decisions to tackle macroeconomic imbalances, while new loan program by IMF has also been approved.

The Insurance industry is responding positively, contributing to the economy and performed in line with the improvements in economic activities during the nine months of FY2024.

Operating Results/Performance:

Our Company has grown steadily during the nine months of 2024 from previous quarters, while it has demonstrated significant growth of over 64% if compared with the corresponding nine months of 2023 as tabulated below;

Business Segment	Gross Premium Nine Months 2024 Rs. in (000)	Gross Premium Nine Months 2023 Rs. in (000)	%age Growth
Conventional Business	962,879	589,997	63%
Takaful (WTO) Business	85,262	49,333	73%
Total Business	1,048,141	639,330	64%

Gross premium (including takaful contribution) of the Company has increased to Rs 1,048.14 million during the nine months' period of 2024 from Rs 639.330 million of 9M2023. The net premium revenue from conventional operations increased to Rs.551.03 million during the period under review against Rs 316.08 million during comparable period of 2023.

On the other hand, increase in net claims expenses to Rs 247.00 million during the period of 9M2024 against Rs.107.67 million during corresponding period of 9M2023 was mainly due to increased business volumes. Management & Other Expenses of the Company, despite sustained high inflation; remained under control and rose by 14% from Rs 146.65 million of 9M2023 to Rs.166.82 million during the current period of 9M2024.

Underwriting profit of the Company grew to Rs 33.19 million during 9M2024 from Rs 10.44 million during the nine months' period ended September 30, 2023. Investment and Other Income of the Company registered an increase of more than 46% during the 9M2024 and rose to Rs 136.85 million from Rs 93.65 million if compared with the last year's 9M2023.

It is with great satisfaction to highlight that the Company's takaful Operations are also growing steadily. Gross profit from Window Takaful Operations rose to Rs 11.03 million during the 9M2024 against profit of Rs 7.39 million during corresponding period of 9M2023.

Comparative financial highlights of the Company for the period ended September 30, 2024 are outlined below;



Profit & Loss Account	9M2024 Rs. in (000)	9M2023 Rs. in (000)	%age change
Gross Premium (including window takaful operations)	1,048,141	636,330	64%
Net Premium	551,053	316,082	74%
Net Incurred Claims (including IBNR)	246,996	107,671	129%
Management & Other Expenses	166,831	146,647	14%
Underwriting Profit	33,193	10,442	218%
Profit from WTO	11,027	7,393	49%
Investment & Other Incomes	136,849	93,646	46%
Profit before tax	173,013	104,280	66%
Profit after tax	122,839	74,039	66%
Earning per share - Diluted (EPS)	1.92	1.16	66%

Profit before tax of the Company rose to Rs.173.01 million during the nine months period ended September 30, 2024 against Rs. 104.28 million during the period of 9M2023. Consequently, net profit after tax also grew to Rs 122.84 million during 9M2024 from Rs 74.03 million during 9M2023 depicting an increase of 66%. Earnings per share (EPS) diluted rose to Rs.1.92 per share during the nine months period ended September 30, 2024 (9M2023: Rs. 1.16 per share).

Overall performance of the Company is quite satisfactory. Despite tough challenges, Shaheen Insurance is emerging as a growing Company and its market share is increasing steadily, while its sustained growth has secured it a prominent place in the market.

Future Outlook:

General economic environment of the Country is improving steadily, while overall economic outlook is being shaped largely by the restoration of political stability and the continued implementation of reforms under the IMF program. We are optimistic about future business prospects and believe that Shaheen Insurance will continue to grow in years to come.

Business development in current scenario will remain challenging, however, as the economy is getting momentum; we are looking forward with confidence for deriving benefits from the new opportunities to come.

Shaheen Insurance is fully aware of the challenges and changes taking place in the economy and is fully equipped to benefit from all such environment. We are taking all necessary steps for increasing our market share with the care & prudence with the focus not only on growth of top line but also the bottom line.

Acknowledgments:

We would like to thank our valued customers for their continued patronage and support and are also thankful to the Securities & Exchange Commission of Pakistan, SBP, PRCL, PACRA our reinsurance / re-takaful partners for their guidance, assistance, cooperation and support.

We also appreciate **"Team Shaheen – field force and office staff"** for their services, hard-work, dedication & commitment for the Company.

For and on behalf of Board

Rizwan Akhtar
Chief Executive Officer

October 29, 2024

Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)
Chairman



30 ستمبر 2024 کو ختم ہونے والی نومبر کی مدت کے دوران کمپنی کا ٹیکس سے پہلے کا منافع بڑھ کر 173.01 ملین روپے ہو گیا۔ نومبر 2023 کے دوران 104.28 ملین روپے۔ نتیجتاً، بعد از ٹیکس خالص منافع بھی نومبر 2024 کے دوران 122.84 ملین روپے تک بڑھ گیا جو نومبر 2023 کے دوران 73.04 ملین روپے تھا جس میں 66 فیصد کا اضافہ ظاہر کیا گیا ہے۔ 30 ستمبر 2024 (نومبر 2023: روپے 1.16 فی حصص) کو ختم ہونے والی نومبر کی مدت کے دوران کمائی فی شیئر (ای پی ایس) کمائی بڑھ کر 1.92 روپے فی شیئر ہو گئی۔

مستقبل کا آؤٹ لک اور چیلنجز:

ملک کا عمومی اقتصادی ماحول بتدریج بہتر ہو رہا ہے، جب کہ مجموعی اقتصادی نقطہ نظر بڑی حد تک سیاسی استحکام کی بحالی اور آئی ایم ایف پروگرام کے تحت اصلاحات کے مسلسل نفاذ سے تشکیل پا رہا ہے۔ ہم مستقبل کے کاروباری امکانات کے بارے میں پر امید ہیں اور یقین رکھتے ہیں کہ شاہین انشورنس آنے والے سالوں میں ترقی کرتی رہے گی۔

موجودہ حالات میں کاروباری ترقی چیلنجنگ رہے گی، تاہم، کیونکہ معیشت کی رفتار بڑھ رہی ہے۔ ہم آنے والے نئے مواقع سے فائدہ حاصل کرنے کے لیے اعتماد کے ساتھ منتظر ہیں۔

شاہین انشورنس معیشت میں رونما ہونے والے چیلنجز اور تبدیلیوں سے پوری طرح آگاہ ہے اور ایسے تمام ماحول سے فائدہ اٹھانے کے لیے پوری طرح لیس ہے۔ ہم احتیاط اور تدبیر کے ساتھ اپنے مارکیٹ شیئر کو بڑھانے کے لیے تمام ضروری اقدامات کر رہے ہیں اور نہ صرف ٹاپ لائن کی ترقی پر توجہ مرکوز کر رہے ہیں بلکہ نیچے کی لائن پر بھی۔

اعترافات:

ہم اپنے قابل قدر کسٹمرز کی سرپرستی اور غیر متزلزل حمایت کے لیے ان کا شکریہ ادا کرتے ہیں اور ایس ای سی پی، ایس بی پی، پیکرا، ری انشوررز کے مسلسل تعاون، رہنمائی اور مدد کے لیے ان کے شکرگزار ہیں۔

ہم شیم شاہین گوان کی ذاتی خدمات، محنت، لگن اور کمپنی کے لیے بہترین عزم کے لیے بھی سراہتے ہیں۔

رضوان اختر
چیف ایگزیکٹو آفیسر

ایروائس مارشل جنید احمد صدیقی (ریٹائرڈ)

چیرمین

29 اکتوبر 2024



دوسری جانب، نومہ 2024 کی مدت کے دوران خالص دعووں کے اخراجات میں 247.00 ملین روپے کا اضافہ ہوا جو نومہ 2023 کی اسی مدت کے دوران 107.67 ملین روپے کے مقابلے میں بنیادی طور پر کاروباری حجم میں اضافے کی وجہ سے تھا۔ مسلسل بلند افراط زر کے باوجود کمپنی کے انتظام اور دیگر اخراجات؛ کنٹرول میں رہا اور نومہ 2023 کے 146.65 ملین روپے سے 2024 کی موجودہ مدت کے دوران 14 فیصد بڑھ کر 166.82 ملین روپے تک پہنچ گئے جس کی بنیادی وجہ افراط زر اور کاروباری حجم میں اضافہ ہے۔ کمپنی کا انڈر رائٹنگ منافع نومہ 2024 کے دوران بڑھ کر 33.19 ملین روپے ہو گیا جو کہ 30 ستمبر 2023 کو ختم ہونے والی نومہ کی مدت کے دوران 10.44 ملین روپے تھا۔ اور اگر پچھلے سال کے نومہ 2023 کے مقابلے میں 93.65 ملین روپے سے بڑھ کر 136.85 ملین روپے ہو گئے۔

یہ بات انتہائی اطمینان کے ساتھ بتائی جا رہی ہے کہ کمپنی کے نکافل آپریشنز بھی بتدریج بڑھ رہے ہیں۔ ونڈو نکافل آپریشنز کا مجموعی منافع نومہ 2024 کے دوران بڑھ کر 11.03 ملین روپے ہو گیا جبکہ نومہ 2023 کی اسی مدت کے دوران 7.39 ملین روپے کا منافع ہوا۔ 30 ستمبر 2024 کو ختم ہونے والی مدت سے لیے آپ کی کمپنی کے انشورنس کے نتائج کا خلاصہ درج ذیل ہے۔

منافع اور نقصان کا حساب	تیسری سہ ماہی 2024 (روپے ملین میں)	تیسری سہ ماہی 2023 (روپے ملین میں)	مجموعی اضافہ / کمی
قلمزد مجموعی پر بیم	1,048,141	639,330	64%
پر بیم کی صافی آمدنی	551,053	316,082	74%
صافی دعوے (بشمول آئی بی این آر)	246,996	107,671	129%
انتظامی اخراجات	166,831	146,647	14%
انڈر رائٹنگ سے نفع	33,193	10,442	218%
ونڈو نکافل آپریشنز سے نفع	11,027	7,393	49%
سرمایہ کاری کی آمدنی	136,849	93,646	46%
نفع قبل از ٹیکس	173,013	104,280	66%
نفع بعد از ٹیکس	122,839	74,039	66%
آمدنی فی شیئر (روپے)	1.92	1.16	66%



ڈائریکٹرز کا تبصرہ

شیئر ہولڈرز

شاہین انشورنس کمپنی لمیٹڈ،

ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2024 کے اختتام پذیر نو ماہ کی مدت کے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔

عمومی اقتصادی جائزہ:

گرچہ ہمارے جغرافیائی خطے کے ارد گرد مہنگائی اور جنگ جیسی صورتحال کی وجہ سے ملک کی معیشت اب بھی دباؤ کا شکار ہے لیکن اس میں کافی بہتری دیکھی جا رہی ہے۔ معیشت مستحکم ہو رہی ہے اور نازک صورتحال سے بتدریج نکل رہی ہے۔ حکومت میکرو اکنامک عدم توازن سے نمٹنے کے لیے ضروری فیصلے کر رہی ہے جب کہ آئی ایم ایف کی جانب سے نئے قرضہ پروگرام کی بھی منظوری دے دی گئی ہے۔ انشورنس انڈسٹری مثبت جواب دے رہی ہے، معیشت میں اپنا حصہ ڈال رہی ہے اور سال 2024 کے نو مہینوں کے دوران معاشی سرگرمیوں میں بہتری کے مطابق کارکردگی کا مظاہرہ کر رہی ہے۔

آپریٹنگ نتائج/کارکردگی:

ہماری کمپنی نے پچھلی سہ ماہیوں کے مقابلے 2024 کے نو مہینوں کے دوران مسلسل ترقی کی ہے، جب کہ اس نے 2023 کے اسی نو مہینوں کے مقابلے میں 64 فیصد سے زیادہ کی نمایاں ترقی کا مظاہرہ کیا ہے جیسا کہ ذیل میں ٹیبل کیا گیا ہے۔

کاروبار	مجموعی پرییم نو ماہ کی مدت 2024 (روپے 000)	مجموعی پرییم نو ماہ کی مدت 2023 (روپے 000)	مجموعی اضافہ
کنوٹشل کاروبار	962,879	589,997	63%
ونڈو تکافل کاروبار	85,262	49,333	73%
کل کاروبار	1,048,141	639,330	64%

کمپنی کا مجموعی پرییم (بشمول تکافل شراکت) 2024 کے نو ماہ کی مدت کے دوران 1,048.14 ملین روپے تک بڑھ گیا ہے جو نو ماہ 2023 کے 639.330 ملین روپے تھا۔ کنوٹشل آپریشنز سے خالص پرییم آمدنی 2023 کے مقابلے کی مدت کے دوران 316.08 ملین روپے کے مقابلے میں زیر جائزہ مدت کے دوران بڑھ کر 551.03 ملین روپے ہو گئی۔



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2024

		September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Note	(Rupees)	
ASSETS			
Property and equipment	7	114,365,795	75,697,353
Intangible Assets		562,471	-
Investment properties	8	167,050,569	167,050,569
Investments			
Equity securities	9	199,270,732	115,018,363
Debt securities	10	197,152,325	119,292,049
Term deposits	11	361,279,291	448,879,290
Advances, deposits and other receivables	12	22,498,275	22,617,001
Insurance / reinsurance receivables	13	543,419,080	241,444,093
Reinsurance recoveries against outstanding claims	22	8,729,643	8,006,239
Salvage recoveries accrued		9,628	28,200
Deferred commission expense	23	62,378,477	38,205,966
Prepaid reinsurance premium ceded		142,519,025	48,477,102
Cash and bank	14	234,097,636	252,188,790
Total assets of Window Takaful Operations - Operator's Fund		<u>104,029,072</u>	<u>83,724,066</u>
TOTAL ASSETS		<u>2,157,362,019</u>	<u>1,620,629,081</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to the company's equity holders			
Share capital	15	640,500,000	600,000,000
Reserves	16	31,342,238	20,237,792
Unappropriated profit		287,207,251	224,368,048
TOTAL EQUITY		<u>959,049,489</u>	<u>844,605,840</u>
LIABILITIES			
Underwriting provisions			
Outstanding claims including IBNR	22	284,998,375	207,559,987
Unearned premium reserves	21	520,127,118	249,264,266
Premium deficiency reserves		337,245	337,245
Unearned reinsurance commission	23	3,408,640	2,880,777
		<u>808,871,378</u>	<u>460,042,275</u>
Lease liabilities against right of-use-asset	17	6,785,034	19,415,330
Premium received in advance		3,135,480	11,144,220
Insurance / reinsurance payables	18	64,697,200	32,297,866
Other creditors and accruals	19	232,189,884	206,837,955
Unclaimed dividend		3,117,387	1,823,901
Taxation - provision less payments		43,371,769	22,003,846
Total liabilities of window takaful operations - Operator's Fund		<u>36,144,398</u>	<u>22,457,848</u>
TOTAL LIABILITIES		<u>1,198,312,530</u>	<u>776,023,241</u>
TOTAL EQUITY AND LIABILITIES		<u>2,157,362,019</u>	<u>1,620,629,081</u>
CONTINGENCIES AND COMMITMENTS			
	20		

The annexed notes from 1 to 33 form an integral part of these financial statements

				
Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman	Air Vice Marshal Muhammad Qaiser Janjua (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, 2024

	Note	Three months period ended		Nine months period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		Un-audited			
		(Rupees)			
Net insurance premium	21	190,168,805	99,245,221	551,052,629	316,082,286
Net insurance claims	22	(72,630,878)	(35,212,135)	(246,995,817)	(107,671,462)
Net commission expense	23	(48,587,893)	(15,888,629)	(112,090,174)	(58,523,188)
Insurance claims and acquisition expenses		(121,218,771)	(51,100,764)	(359,085,992)	(166,194,650)
Management expenses		(51,939,671)	(47,994,516)	(158,773,567)	(139,445,995)
Underwriting results		17,010,363	149,941	33,193,070	10,441,641
Investment income	24	20,489,287	25,728,984	81,513,383	79,513,134
Rental income		568,897	568,896	1,706,690	1,603,261
Other income		18,074,797	6,085,273	53,629,468	12,529,753
Other expenses	25	(1,736,335)	(2,344,761)	(6,242,641)	(5,331,783)
Profit before tax from window takaful operations - OPF		3,254,487	3,831,090	11,026,726	7,393,080
Results of operating activities		57,661,496	34,019,422	174,826,695	106,149,086
Finance charges against lease liabilities		(960,051)	(544,484)	(1,813,734)	(1,868,942)
Profit before tax and minimum tax differential		56,701,445	33,474,938	173,012,961	104,280,143
Minimum tax differential		-	-	-	-
Profit before tax		56,701,445	33,474,938	173,012,961	104,280,143
Taxation	26	(16,363,831)	(10,887,738)	(50,173,759)	(30,241,241)
Profit after tax		40,337,614	22,587,200	122,839,203	74,038,901
Earnings per share - basic and diluted (Restated)	30	0.63	0.35	1.92	1.16


The annexed notes from 1 to 33 form an integral part of these financial statements


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (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, 2024

	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	Un-audited			
	----- (Rupees) -----			
Profit after tax	40,337,614	22,587,200	122,839,203	74,038,901
Items that may be reclassified subsequently to profit and loss:				
Unrealised gain / (loss) on available-of-sale investment	6,317,749	887,290	6,604,446	(863,954)
Total comprehensive income for the period	46,655,363	23,474,490	129,443,649	73,174,947

The annexed notes from 1 to 33 form an integral part of these financial statements

				
Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman	Air Vice Marshal Muhammad Qaiser Janjua (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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Attributable to equity holders of the Company					Total Equity
	Share capital	Revenue reserves	Reserve for issue of bonus shares	Unrealised (loss) / gain on available-for-sale investments	Unappropriated (loss) / profit	
----- (Rupees) -----						
Balance as at January 1, 2023	600,000,000	20,000,000	-	3,863,126	108,063,726	731,926,852
Profit for the period ended September 30, 2023	-	-	-	-	74,038,901	74,038,901
Other comprehensive loss	-	-	-	23,336	-	23,336
Total comprehensive income for the period	-	-	-	23,336	74,038,901	74,062,237
Balance as at September 30, 2023	<u>600,000,000</u>	<u>20,000,000</u>	<u>-</u>	<u>3,886,462</u>	<u>182,102,627</u>	<u>805,989,089</u>
Balance as at January 1, 2024	600,000,000	20,000,000	-	237,792	224,368,048	844,605,840
Total comprehensive income for the period						
Profit for the period ended September 30, 2024	-	-	-	-	122,839,203	122,839,203
Other comprehensive income	-	-	-	6,604,446	-	6,604,446
Total comprehensive income for the period	-	-	-	6,604,446	122,839,203	129,443,649
Transactions with the owners:						
Bonus shares issued for the year ended December 31, 2023 @ 10	40,500,000	-	4,500,000	-	(45,000,000)	-
Dividend for the year ended December 31, 2023 @ Rupees per share 7.50	-	-	-	-	(15,000,000)	(15,000,000)
	40,500,000	-	4,500,000	-	(60,000,000)	(15,000,000)
Balance as at September 30, 2024	<u>640,500,000</u>	<u>20,000,000</u>	<u>4,500,000</u>	<u>6,842,238</u>	<u>287,207,251</u>	<u>959,049,489</u>


The annexed notes from 1 to 33 form an integral part of these financial statements


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (Retd) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024


	September 30, 2024	September 30, 2023
	----- (Rupees) -----	
OPERATING CASHFLOW		
a) Underwriting activities		
Insurance premiums received	692,016,460	505,294,265
Reinsurance premiums paid	(140,963,831)	(164,536,727)
Claims paid	(175,330,989)	(276,461,612)
Reinsurance and other recoveries received	5,050,156	197,979,883
Commission paid	(152,555,839)	(80,357,004)
Commission received	16,821,017	14,993,953
Net cash flows generated from underwriting activities	<u>245,036,973</u>	<u>196,912,757</u>
b) Other operating activities		
Income tax paid	(63,211,314)	(10,367,931)
Management and administration expenses paid	(148,264,840)	(115,236,815)
Net cash used in other operating activities	<u>(211,476,153)</u>	<u>(125,604,746)</u>
Total cash generated from all operating activities	33,560,820	71,308,011
INVESTMENT ACTIVITIES		
Investment income received	91,058,766	94,585,707
Rentals received	-	2,275,586
Payments for investments - net	(150,755,292)	(17,087,386)
Fixed capital expenditure	(60,693,767)	(24,277,399)
Proceeds from disposal of property and equipment	8,405,000	1,972,491
Total cash (used in) /generated from investing activities	(111,985,294)	57,468,999
FINANCING ACTIVITIES		
Financial charges paid	(1,813,734)	-
Dividend Paid	(12,822,649)	(16,285)
Principal repayment of lease liabilities against right-of-use-assets	(12,630,296)	(11,081,594)
Total cash used in financing activities	(27,266,679)	(11,097,879)
Net cash generated from all activities	(105,691,153)	117,679,130
Cash and cash equivalents at beginning of period	<u>701,068,080</u>	<u>470,483,873</u>
Cash and cash equivalents at end of period	<u>595,376,927</u>	<u>588,163,005</u>


Air Vice Marshal Junaid
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CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	33,560,820	71,308,012
Depreciation on property and equipment	(18,334,766)	(16,700,002)
Finance charges on right-of-use-asset	(1,813,734)	(1,868,942)
Gain on disposal of property and equipment	6,153,411	277,299
Rental income	1,706,690	1,603,261
Increase in assets other than cash	431,315,962	291,843,142
Decrease in liabilities	(422,289,289)	(359,330,083)
Investment and other income	81,513,383	79,513,134
Profit from window takaful operations - OPF	11,026,726	7,393,080
Profit after tax	122,839,203	74,038,901

Definition of cash and cash equivalent

Cash and cash equivalent 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, 2024	September 30, 2023
	----- (Rupees) -----	
Cash and other equivalents		
Cash in hand	280,610	221,928
Policy stamps in hand	307,497	-
	588,107	221,928
Bank balances		
Current accounts	4,425,964	145,858,208
Savings accounts	229,083,565	43,303,578
	233,509,529	189,161,786
Deposits maturing within 1 month		
Term deposits - local currency	361,279,291	398,779,290
	595,376,927	588,163,005


The annexed notes from 1 to 33 form an integral part of these financial statements


Air Vice Marshal Junaid
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Janjua (Retd.) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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 listed on Pakistan Stock Exchange 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. Its registered office is located at 10th Floor, Shaheen Complex, Karachi. The company operates only in Pakistan through 12 Branches. Shaheen Foundation (the Parent) holds approximately 69.28% (Dec 2023: 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 Sindh;
- Upper 2nd floor, House No. 75, Soldier Bazar, Hyderabad, Sindh;
- Office 4-B, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore, Punjab,
- Office No. 6, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore;
- Office No. 23, Second Floor, Plot No. 14, Executive complex, G-8 Markaz Islamabad;
- Office 2, 4th Floor, Ahmed Plaza, Bilal Road, Civil Lines, Faisalabad, Punjab;
- Office 21 , 1st Floor Anali Arcade Near Chowk Kachary LMQ Road, Multan;
- Office C3, Jasmine Arcade Fakh-e-Alam Road Peshawar Cantt, Khyber Pakhtunkhwa;
- Office 210, Karim Plaza, Defence Road, Near Allama Iqbal Town, Sialkot, Punjab;
- Office 63, 1st Floor, Advance Book Shop, Rehman Complex, Ibne Seena Hospital Market, Kanchi More, Sarghoda Punjab;
- Ghousia Sultania Town, Sakhi Sarwar Colony, Rahim Yar Khan, Punjab;
- Office No. 110, 1st Floor, Falak Corporate opp. Chamber of Commerce, Talpur Road, Karachi Sindh;

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the format prescribed under Insurance Rules, 2017 and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2023. Further, 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:



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

- 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, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

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

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, 2023. 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, 2023, whereas comparatives for condensed interim statement of profit or loss, 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, 2023.

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 at 'fair value through profit or loss - held for trading' and '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'

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. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 given below:

The tables below set out the fair values at the end of reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

September 30, 2024

	Note	Fail the SPPI test		Pass the SPPI test		
		Fair value	Change in unrealised gain / (loss)	Carrying value	Fair value	Change in unrealised gain / (loss)
----- (Rupees) -----						
Cash and bank balances	14	5,014,071	-	-	229,083,565	-
Equity securities	9	237,915	(38,844)	-	-	-
Debt securities	10	-	-	-	197,152,325	-
Term deposits	11	-	-	-	361,279,291	-
Mutual funds	9	199,032,817	6,604,446	-	-	-
Loan and other receivable	12	-	-	22,498,275	-	-
		<u>204,284,803</u>	<u>6,565,602</u>	<u>22,498,275</u>	<u>787,515,181</u>	<u>-</u>

December 31, 2023

	Note	Fail the SPPI test		Pass the SPPI test		
		Fair value	Change in unrealised gain / (loss)	Carrying value	Fair value	Change in unrealised gain / (loss)
----- (Rupees) -----						
Cash and bank balances	14	922,656	-	-	251,266,134	-
Equity securities	9	276,758	70,403	-	-	-
Debt securities	10	-	-	-	119,292,049	-
Term deposits	11	-	-	-	448,879,290	-
Mutual funds	9	114,741,605	(3,625,334)	-	-	-
Loan and other receivable	12	-	-	22,617,001	-	-
		<u>115,941,019</u>	<u>(3,554,931)</u>	<u>22,617,001</u>	<u>819,437,473</u>	<u>-</u>

3. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies and method of computations adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended December 31, 2023.

3.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

3.1.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2023

The following standards, amendments and interpretations are effective for the year ended December 31, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements-Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

3.1.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

IFRS 1 standard has been issued by IASB effective from 01, July 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

4. CHANGE IN ACCOUNTING POLICY

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

During the period ended September 30, 2024, the Company has revised its accounting policy. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have not been restated.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended December 31, 2023.

6. 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 ended December 31, 2023.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Note	(Rupees)	
7. PROPERTY AND EQUIPMENT			
Operating fixed assets	7.1	107,213,071	59,026,691
Right of-use-of-assets	7.2	6,347,173	16,515,657
Capital work-in-progress	7.3	805,551	155,005
		<u>114,365,795</u>	<u>75,697,353</u>

7.1 This includes additions / disposals with following details:

	(Un-Audited)			
	Nine months period ended			
	September 30, 2024		September 30, 2023	
	Additions	Disposals	Additions	Disposals
	(Rupees)			
Cost:				
Leasehold Improvements	2,494,243	-	-	-
Furniture, fixtures and office equipment	1,467,792	-	-	-
Computers	2,685,234	77,005	1,145,970	750,795
Motor vehicles	52,353,678	9,632,200	28,636,268	500,000
	<u>60,693,767</u>	<u>9,724,633</u>	<u>30,641,395</u>	<u>1,695,192</u>

7.2 Right of-use-of assets

Buildings		
Opening balance	16,515,657	16,621,709
Additions during the period / year	-	12,836,233
Impact of modification of leases	-	(151,306)
Depreciation expense	(13,467,119)	(12,790,979)
Closing balance	<u>6,347,173</u>	<u>16,515,657</u>

7.3 Capital work-in-progress

CWIP	473,001	-
Advances to suppliers	332,550	155,004
	<u>805,551</u>	<u>155,004</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

September 30, 2024 (Unaudited) December 31, 2023 (Audited)
Note ————— (Rupees) —————

8. INVESTMENT PROPERTIES

Opening balance - fair value	167,050,569	167,050,569
Unrealised fair value gain	-	-
Closing balance - fair value	<u>167,050,569</u>	<u>167,050,569</u>

8.1 Investment properties consists of the following:

Particulars	Location	Fair value as at September 30, 2024 (Unaudited)	Un-realised gain for September 30, 2024 (Unaudited)	Fair value as at December 31, 2023 (Audited)	Un-realised gain for December 31, 2023 (Audited)
(Rupees)					
Freehold land	Islamabad	19,775,000	-	19,775,000	-
Shop premises	Lahore	90,894,150	-	90,894,150	-
Office premises	Karachi	56,381,419	-	56,381,419	-
		<u>167,050,569</u>	<u>-</u>	<u>167,050,569</u>	<u>-</u>

8.2 The fair value of investment properties was determined by Anderson Consulting (Pvt.) Ltd at December 31, 2023, who is external, independent property valuer having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

8.3 The fair value measurement for all of the investment properties has been categorised as a level 2 fair value based on the inputs to the valuation techniques used. The inputs used to the valuation techniques are average rental growth rate, yield on property, current market rates, occupancy rate and rent free period of the properties.

8.4 The Company earned rental income from the above mentioned properties amounting to Rs. 1.60 million (December 31, 2023: Rs. 2.172 million).

8.5 The covered area of the properties are:

Freehold land	5400 sq. ft.
Shops	2187 sq. ft.
Office premises	1676 sq. ft.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Valuation technique

The valuer has arranged enquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilisation, and current trends in prices of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the best estimates of the fair value.

8.6 The cost of freehold land, shop premises and office premises is Rs. 14.02 million (December 31, 2023: Rs. 14.02 million), Rs. 33.95 million (December 31, 2023: Rs. 33.95 million) and Rs. 2.85 million (December 31, 2023: Rs. 2.85 million) respectively.

8.7 As at September 30, 2024, the fair values of the investment properties approximate its market values.

9. INVESTMENT IN EQUITY SECURITIES

Note	September 30, 2024			December 31, 2023			
	Cost	Impairment	Carrying value	Cost	Impairment	Carrying value	
	----- (Rupees) -----			----- (Rupees) -----			
Available for sale							
<u>Listed shares</u>							
First Capital - Equities Limited	9.1	188,000,000	(188,000,000)	-	188,000,000	(188,000,000)	-
<u>Unlisted shares</u>							
Mutual funds	9.2	192,190,580	-	199,032,817	114,503,813	-	114,741,605
		<u>380,190,580</u>	<u>(188,000,000)</u>	<u>199,032,817</u>	<u>302,503,813</u>	<u>(188,000,000)</u>	<u>114,741,605</u>
Investments - held for trading							
<u>Listed shares</u>							
Bank Makramah Limited		237,915	-	237,915	206,355	-	276,758
		<u>380,428,495</u>	<u>(188,000,000)</u>	<u>199,270,732</u>	<u>302,710,168</u>	<u>-</u>	<u>115,018,363</u>

9.1 On November 29, 2012, the Company through an agreement settled balance of 'reverse repo' and 'premium due but unpaid' amounting to Rs. 99.89 million (reverse repo and associated mark-up) and Rs. 88.859 million of FCSC Group and Pace (Pakistan) Limited respectively, against Rs. 4.7 million shares of First Capital Equities Limited (FCEL) calculated at Rs. 40 per share against the market value of Rs. 69 per share as at that date. The agreement was subsequently amended on March 07, 2013 to make the clause of restriction on holding period and swap against property null and void.

The Company has filed a civil suit in Civil Court Lahore in April 2015 against First Capital Equities Limited and five others for recovery of Rs.188.00 million and cancellation of documents. Company is aggressively following up the case, and regular hearings are taking place.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Further, management strongly believe that the company has irrefutable evidences / arguments to win this litigation, and is deploying every possible resource for expeditious disposal of the case. However, being prudent an impairment provision equal to the carrying value is included in these condensed interim financial statements.

9.2 Mutual funds

Name of Funds	Units		September 30, 2024		December 31, 2023	
	September 30, 2024	December 31, 2023	Cost	Fair Value	Cost	Fair Value
	----- (Number) -----		----- (Rupees) -----			
ABL Government Securities Fund	6,298,921	-	68,000,000	68,769,098	-	-
HBL Cash Fund	544	500	55,442	58,875	50,970	51,578
HBL Islamic Money Market Fund	1,232,116	1,131,715	124,135,138	130,204,844	114,452,843	114,690,026
			<u>192,190,580</u>	<u>199,032,817</u>	<u>114,503,813</u>	<u>114,741,604</u>

10. INVESTMENTS IN DEBT SECURITIES

Name of Investment	Face value (Rupees)	Certificates (Number)	Profit rate (%)	Profit payment	Maturity date	September 30, 2024		December 31, 2023	
						Cost	Carrying value	Cost	Carrying value
						----- (Rupees) -----			
Held to Maturity									
5 Years Pakistan Investment Bonds	-	-	-	Semi annually	September 19, 2024	-	-	60,587,150	64,348,271
3 Years Pakistan Investment Bonds - Pledged 10.2	98,100,000	981,000	16.10	Semi annually	February 2, 2027	93,757,407	94,068,921	-	-
3 Years Pakistan Investment Bonds	62,000,000	620,000	19.10	Semi annually	August 4, 2025	52,587,656	58,271,497	52,587,656	54,943,778
Treasury Bills	49,630,000	496,300	19.00	Annually	May 29, 2025	41,999,834	44,811,907	-	-
	<u>209,730,000</u>	<u>2,097,300</u>				<u>188,344,897</u>	<u>197,152,325</u>	<u>113,174,806</u>	<u>119,292,049</u>

10.1 The rate of return on PIBs & Treasury Bills ranges between 16.10% to 19.01% (2023: 11.35% to 19.01%) per annum.

10.2 They are pledged with the State Bank of Pakistan under the provisions of Insurance Rules 2017.

September 30, 2024 (Un-audited) December 31, 2023 (Audited)

Note (Rupees)

11. INVESTMENTS IN TERM DEPOSITS

Held to maturity

Deposits maturing within one months 11.1 361,279,291 448,879,290

11.1 The balance includes term deposits with various commercial banks having maturities within 1 months i.e. upto October 30, 2024. The rate of return on these term deposits ranges between 8% to 15% (December 31, 2023: 15% to 20.75%) per annum.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

		SEPTEMBER 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	(Rupees)	
12. ADVANCES, DEPOSITS AND OTHER RECEIVABLES (unsecured, considered good)			
Advances		2,297,998	616,978
Security deposits	12.1	9,583,944	8,096,898
Accrued investment income		2,930,023	12,475,406
Other receivables		7,686,311	1,427,719
		<u>22,498,276</u>	<u>22,617,001</u>
12.1 This includes Rs. 3.33 million (December 31, 2023: Rs. 3.33 million) in respect of security deposits paid against rental arrangements to Shaheen Foundation (Parent undertaking).			
		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	(Rupees)	
13. INSURANCE / REINSURANCE RECEIVABLES (unsecured, considered good)			
Due from insurance contract holders	13.1	47,308,196	20,816,504
Less: Provision for impairment		(96,219)	(96,219)
		<u>47,211,976</u>	<u>20,720,285</u>
Due from other insurers / reinsurers		522,820,978	247,337,682
Less: Provision for impairment		(26,613,874)	(26,613,874)
		<u>496,207,104</u>	<u>220,723,808</u>
		<u>543,419,080</u>	<u>241,444,093</u>
13.1 This includes premium due but unpaid from Shaheen Foundation, a related party of Rs. 31.86 million (December 31, 2023: Rs. 18.779 million).			
14. CASH AND BANK			
-Cash in hand		280,610	34,756
-Policy stamps and bond papers in hand		307,497	133,956
		<u>588,107</u>	<u>168,712</u>
Cash at bank			
- Current accounts	14.1	4,425,964	753,944
- Savings accounts	14.2	229,083,564	251,266,134
		<u>233,509,528</u>	<u>252,020,078</u>
		<u>234,097,635</u>	<u>252,188,790</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

14.1 These includes foreign currency amounting to Rs. 0.717 million

14.2 These carry mark-up at rates ranging between 7% to 17.50% (December 31, 2023: 7% to 19.50%) per annum.

15 SHARE CAPITAL

15.1 Authorized share capital

September 30, 2024	December 31, 2023		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
------(Number of shares)-----			------(Rupees)-----	
<u>100,000,000</u>	<u>100,000,000</u>	Ordinary shares of Rs. 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>

15.2 Issued, subscribed and paid - up share capital

September 30, 2024	December 31, 2023		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
------(Number of shares)-----			------(Rupees)-----	
<u>8,000,000</u>	8,000,000	Ordinary shares of Rs. 10 each, fully paid in cash	<u>80,000,000</u>	80,000,000
<u>12,000,000</u>	12,000,000	Ordinary shares of Rs. 10 each, issued as bonus shares	<u>120,000,000</u>	120,000,000
<u>25,000,000</u>	25,000,000	Ordinary shares of Rs. 10 each, issued as right shares fully paid in cash	<u>250,000,000</u>	250,000,000
<u>15,000,000</u>	15,000,000	Ordinary shares of Rs. 10 each, issued otherwise than right issue	<u>150,000,000</u>	150,000,000
<u>4,050,000</u>	-	Ordinary shares of Rs. 10 each, issued as bonus shares	<u>40,500,000</u>	-
<u>64,050,000</u>	<u>60,000,000</u>		<u>640,500,000</u>	<u>600,000,000</u>

15.3 As at September 30, 2024, details of shares held by the related parties undertaking are as follows:

Related party name	Basis of relationship	Percentage (%)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
			------(Rupees)-----	
Shaheen Foundation	Parent Undertaking	69.28%	<u>44,371,676</u>	41,565,473
Central Non Public Fund	Associate	4.17%	<u>2,668,750</u>	2,500,000
			<u>47,040,426</u>	<u>44,065,473</u>
			<u>2024</u>	<u>2023</u>
Percentage of shareholding held by related parties.			<u>73.44%</u>	<u>73.44%</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

15.4 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 meetings of the Company. All shares rank equally with regard to the Company's residual assets.

	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	(Rupees)	
16 RESERVES		
General reserves	20,000,000	20,000,000
Unrealised gain on available-for-sale investments	6,842,238	237,792
	<u>26,842,238</u>	<u>20,237,792</u>
17. LEASE LIABILITIES AGAINST RIGHT OF-USE-ASSET		
Lease liability - buildings	<u>6,785,034</u>	<u>19,415,330</u>
17.1 Opening balance	19,415,330	19,315,492
Addition in lease liability	-	12,836,233
Impact of modification of leases	-	(212,316)
Rental payments	(15,099,079)	(14,846,696)
Interest expense	1,813,734	2,322,617
Closing balance	17.2 <u>6,785,034</u>	<u>19,415,330</u>
17.2 Tenure analysis		
Current period	15,099,079	14,355,097
Non-current period	(8,314,045)	5,060,233
	<u>6,785,034</u>	<u>19,415,330</u>
18. INSURANCE / REINSURANCE PAYABLES		
Due to other insurers / re-insurers	<u>64,697,200</u>	<u>32,297,866</u>
19. OTHER CREDITORS AND ACCRUALS		
Agent commission payable	21,959,720	11,612,199
Provincial service taxes	129,807,975	100,675,604
Federal insurance fee payable	11,465,964	10,086,351
Workers' welfare fund payable	13,045,815	11,794,513
Accrued expenses	12,082,185	12,227,821
Withholding tax payable	3,590,164	3,606,896
Unearned rental income	568,897	1,137,793
Payable to provident fund	501,575	517,275
Security deposit against bond issuance	19.1 35,292,260	51,993,778
Others	3,875,331	3,185,725
	<u>232,189,884</u>	<u>206,837,955</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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

20. CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

There is no change in contingencies as reported in the annual audited financial statements of the Company for the year ended December 31, 2023 except for the following:

20.1.1 Taxation Officer issued notice for amendment of assessment for tax year 2018 u/s122(9)/122(5A) of Income Tax Ordinance 2001. In response thereof, certain information, details; documents and explanations were provided. Despite our submissions, ADCIR passed the amended order and raised the tax demand. Against the order passed, rectification application was filed, which is pending. Further, aggrieved with the order passed, Company filed an appeal before ATIR, and the main appeal is pending. However, Taxation Officer has not issued the recovery notice under section 138 of the Ordinance, till to date. In case recovery notice is received u/s.138 of the Ordinance application will be filed before the ATIR to halt the recovery proceeding, till the appeal is decided by the ATIR. However, Company and its tax consultants has strong grounds to believe that the aforesaid issues will be decided in favour of the Company.

20.2 Commitments

There are no commitments as at September 30, 2024

Three months period ended		Nine months period ended	
September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
(Rupees)			

21. NET INSURANCE PREMIUM

Written gross premium	358,244,560	230,304,218	962,879,312	589,997,296
Add: Unearned premium reserve opening	349,238,050	173,577,645	249,264,266	156,749,372
Less :Unearned premium reserve closing	(520,127,118)	(292,681,471)	(520,127,118)	(292,681,471)
Premium earned	187,355,492	111,200,392	692,016,460	454,065,197
Re-insurance premium ceded	90,941,722	83,728,375	235,005,754	216,804,940
Add: Prepaid reinsurance premium opening	48,763,990	21,609,179	48,477,102	14,560,355
Less: Prepaid reinsurance premium closing	(142,519,025)	(93,382,383)	(142,519,025)	(93,382,383)
Reinsurance expense	(2,813,313)	11,955,171	140,963,831	137,982,912
	190,168,805	99,245,221	551,052,629	316,082,285



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Three months period ended		Nine months period ended	
	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
(Rupees)				
22. NET INSURANCE CLAIMS				
Claims paid	67,052,362	39,894,548	175,330,989	276,461,612
Less: Outstanding claims including IBNR opening	(276,783,142)	(166,748,376)	(207,559,987)	(128,962,567)
Add: Outstanding claims including IBNR closing	284,998,375	219,555,366	284,998,375	219,555,366
Claims expense	75,267,595	92,701,538	252,769,377	367,054,411
Less: Re-insurance and other recoveries received	1,801,605	11,886,683	5,050,156	197,979,883
Less: Re-insurance and other recoveries receivable in respect of outstanding claims opening	(7,894,530)	(62,099,353)	(8,006,239)	(46,299,007)
Add: Re-insurance and other recoveries receivable in respect of outstanding claims closing	8,729,643	107,702,073	8,729,643	107,702,073
Re-insurance and other recoveries revenue	2,636,718	57,489,403	5,773,560	259,382,949
	72,630,878	35,212,135	246,995,817	107,671,462
23. NET COMMISSION EXPENSE				
Commission paid or payable	54,318,116	32,131,958	152,555,839	83,619,465
Add: Deferred commission expense opening	64,813,929	28,560,219	38,205,966	26,062,948
Less: Deferred commission expense closing	(62,378,477)	(36,423,643)	(62,378,477)	(36,423,643)
Net Commission	56,753,568	24,268,534	128,383,328	73,258,770
Less: Commission received or recoverable	8,254,714	9,282,047	16,821,017	14,993,953
Add: Unearned reinsurance commission opening	3,319,601	1,680,046	2,880,777	2,323,817
Less: Unearned reinsurance commission closing	(3,408,640)	(2,582,188)	(3,408,640)	(2,582,188)
Commission from reinsurers	8,165,675	8,379,905	16,293,154	14,735,582
	48,587,893	15,888,629	112,090,174	58,523,188
24. INVESTMENT INCOME				
(Rupees)				
Income from equity securities				
Available for sale investments				
Dividend income	281,243	5,450,737	11,396,197	22,575,062
Realized gain on sale mutual funds	-	-	5,008	-
	281,243	5,450,737	11,401,205	22,575,062
Income from debt securities				
Held to maturity				
Return on other fixed income securities	10,657,555	16,080,662	51,381,554	47,795,413
Return on government securities	9,533,494	4,180,592	18,769,467	9,119,597
	20,191,049	20,261,253	70,151,022	56,915,010
Unrealised gain / (loss) on revaluation of held-for-trading investments	(16,993)	16,994	(38,844)	23,063
	20,455,298	25,728,984	81,513,383	79,513,135



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Three months period ended		Nine months period ended	
	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
	(Rupees)			
25 OTHER EXPENSES				
Fee and subscription	1,736,335	781,104	4,711,578	2,121,182
Auditor's remuneration	25.1 -	882,000	279,450	1,125,000
Workers' welfare fund	-	681,657	1,251,613	2,085,601
	<u>1,736,335</u>	<u>2,344,761</u>	<u>6,242,641</u>	<u>5,331,783</u>
26. TAXATION				
Current	(42,257,420)	(10,887,738)	(50,173,759)	(30,241,241)
Deferred	26.1 -	-	-	-
	<u>(42,257,420)</u>	<u>(10,887,738)</u>	<u>(50,173,759)</u>	<u>(30,241,241)</u>

26.1. Deferred

Deferred tax asset on deductible temporary differences amounting to Rs. 57.41 million (December 31, 2023: Rs. 63.87 million) has not been recognized in view of the uncertainty about its realisation.



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

27. SEGMENT INFORMATION

27.1 Segment of profit or loss - September 30, 2024 (Un-audited)

	For the nine months period ended September 30, 2024 (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)	262,322,601	251,824,054	264,246,009	108,589,633	174,880,674	1,061,862,971
Less: Federal excise duty	(16,188,018)	(29,124,755)	(23,413,791)	-	(21,595,926)	(90,322,490)
Less: Federal insurance fee	(1,246,949)	(2,580,408)	(1,672,259)	-	(3,161,553)	(8,661,169)
Gross written premium (inclusive of administrative surcharge)	<u>244,887,634</u>	<u>220,118,891</u>	<u>239,159,959</u>	<u>108,589,633</u>	<u>150,123,195</u>	<u>962,879,312</u>
Gross direct premium	243,379,108	219,677,654	235,693,136	108,589,633	148,794,204	956,133,735
Administrative surcharge	1,508,526	441,237	3,466,823	-	1,328,991	6,745,577
Insurance premium earned	<u>219,571,389</u>	<u>113,109,357</u>	<u>180,181,079</u>	<u>79,731,410</u>	<u>99,423,223</u>	<u>692,016,458</u>
Less: Insurance premium ceded to reinsurers	(37,680,914)	(71,404,132)	(22,428,100)	-	(9,450,684)	(140,963,830)
Net insurance premium	<u>181,890,475</u>	<u>41,705,225</u>	<u>157,752,980</u>	<u>79,731,410</u>	<u>89,972,539</u>	<u>551,052,628</u>
Commission income	791,633	12,307,578	3,090,430	-	103,512	16,293,153
Net underwriting income	<u>182,682,108</u>	<u>54,012,803</u>	<u>160,843,410</u>	<u>79,731,410</u>	<u>90,076,050</u>	<u>567,345,781</u>
Insurance claims	117,580,756	23,605,217	88,868,945	22,359,044	355,415	252,769,377
Less: Insurance claims recovered from reinsurance	(21,803)	-	(5,751,757)	-	-	(5,773,560)
Net claim	<u>117,558,953</u>	<u>23,605,217</u>	<u>83,117,188</u>	<u>22,359,044</u>	<u>355,415</u>	<u>246,995,817</u>
Add: Commission expense	49,062,770	12,003,276	26,999,746	23,879,855	16,437,680	128,383,327
Add: Management expenses	49,620,342	39,541,268	34,673,285	16,348,032	18,590,640	158,773,567
Net insurance claims and expenses	<u>216,242,065</u>	<u>75,149,761</u>	<u>144,790,218</u>	<u>62,586,931</u>	<u>35,383,735</u>	<u>534,152,711</u>
Underwriting result	<u>(33,559,957)</u>	<u>(21,136,958)</u>	<u>16,053,191</u>	<u>17,144,479</u>	<u>54,692,315</u>	<u>33,193,070</u>
Net investment income						81,513,383
Rental income						1,706,690
Other income						53,629,468
Other expenses						(6,242,641)
Finance charges on right-of-use assets						(1,813,734)
Loss after tax from window takaful operations - OPF						11,026,726
Profit before tax						<u>173,012,961</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Segment of profit or loss - September 30, 2023 (Un-audited)

	For the nine months period ended September 30, 2023 (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)	216,068,583	264,476,312	158,207,674	1,902,723	46,151,990	686,807,282
Less: Federal excise duty	(15,575,480)	(51,867,878)	(17,208,723)	-	(4,788,324)	(89,440,405)
Less: Federal insurance fee	(1,125,927)	(4,757,414)	(1,183,805)	(18,858)	(283,577)	(7,369,581)
Gross written premium (inclusive of administrative Surcharge)	199,367,176	207,851,020	139,815,146	1,883,865	41,080,089	589,997,296
Gross direct premium	198,093,488	206,275,892	136,909,344	1,878,865	40,852,552	584,010,141
Administrative surcharge	1,273,688	1,575,128	2,905,802	5,000	227,537	5,987,155
Insurance premium earned	161,396,536	128,660,645	131,463,548	1,409,028	31,135,441	454,065,198
Insurance premium ceded to reinsurers	32,127,786	83,329,867	19,260,658	-	3,264,601	137,982,912
Net insurance premium	129,268,750	45,330,778	112,202,890	1,409,028	27,870,839	316,082,285
Commission income	309,749	11,277,871	3,139,358	-	8,603	14,735,581
Net underwriting income	129,578,499	56,608,649	115,342,248	1,409,028	27,879,443	330,817,866
Insurance claims	120,648,083	174,948,696	67,249,874	844,372	3,363,386	367,054,411
Insurance claims recovered from reinsurance	70,213,600	171,919,457	17,249,892	-	-	259,382,949
Net claim	50,434,483	3,029,239	49,999,982	844,372	3,363,386	107,671,462
Commission expense	34,256,747	16,015,606	16,717,636	140,529	6,128,251	73,258,768
Management expenses	49,565,791	39,512,413	40,373,200	432,720	9,561,870	139,445,994
Net insurance claims and expenses	134,257,021	58,557,259	107,090,819	1,417,621	19,053,507	320,376,225
Underwriting result	(4,678,522)	(1,948,609)	8,251,429	(8,593)	8,825,936	10,441,641
Net investment income						79,513,134
Rental income						1,603,261
Other income						12,529,753
Other expenses						(5,331,783)
Finance charges on right-of-use assets						(1,868,942)
Loss after tax from window takaful operations - OPF						7,393,080
Profit before tax						104,280,143

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

27.2 Segment Assets & Liabilities

For the nine months period ended September 30, 2024 (Un-audited)

	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident and Health	Miscellaneous	Total
SEGMENT ASSETS						
Segment assets	234,597,521	232,540,784	228,932,328	103,945,819	121,577,844	921,594,296
Segment assets - Takaful OPF	5,248,377	2,328,645	11,434,761	-	1,358,313	20,370,096
Unallocated assets - Takaful OPF						75,777,038
Unallocated corporate assets						1,139,620,589
Total assets						<u>2,157,362,019</u>
SEGMENT LIABILITIES						
Segment liabilities	222,286,431	220,337,626	216,918,533	98,491,001	115,197,743	873,231,333
Segment liabilities - Takaful OPF	2,404,904	1,067,029	5,239,621	-	622,404	9,333,958
Unallocated liabilities - Takaful OPF						20,028,667
Unallocated corporate liabilities						295,718,572
Total liabilities						<u>1,198,312,530</u>

For the nine months period ended September 30, 2023 (Un-audited)

	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident and Health	Miscellaneous	Total
SEGMENT ASSETS						
Segment assets	169,939,419	177,170,998	119,177,616	1,605,795	35,016,428	502,910,256
Segment assets - Takaful OPF	5,101,101	778,238	9,102,310	-	802,482	15,784,131
Unallocated assets - Takaful OPF						64,578,834
Unallocated corporate assets						1,107,195,317
Total assets						<u>1,690,468,538</u>
SEGMENT LIABILITIES						
Segment liabilities	210,133,116	219,075,093	147,365,243	1,985,595	43,298,437	621,857,484
Segment liabilities - Takaful OPF	3,573,816	545,231	6,377,052	-	562,216	11,058,315
Unallocated liabilities - Takaful OPF						7,652,154
Unallocated corporate liabilities						243,911,496
Total liabilities						<u>884,479,449</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

28. 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, 2024 (Un-audited)								
	Fair value					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	199,032,817	-	-	237,915	-	199,270,732	199,270,732	-	-
Financial assets not measured at fair value									
Debt securities	-	197,152,325	-	-	-	197,152,325	-	-	-
Term deposits	-	361,279,291	-	-	-	361,279,291	-	-	-
Loans and other receivables*	-	-	22,498,275	-	-	22,498,275	-	-	-
Insurance / re-insurance receivables*	-	-	543,419,080	-	-	543,419,080	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	8,729,643	-	-	8,729,643	-	-	-
Cash and bank	-	-	-	234,097,636	-	234,097,636	-	-	-
	<u>199,032,817</u>	<u>558,431,616</u>	<u>574,646,998</u>	<u>234,335,551</u>	<u>-</u>	<u>1,566,446,983</u>	<u>199,270,732</u>	<u>-</u>	<u>-</u>
Financial liabilities not measured at fair value									
Outstanding claims including IBNR*	-	-	-	-	(284,998,375)	(284,998,375)	-	-	-
Insurance / re-insurance payables*	-	-	-	-	(64,697,200)	(64,697,200)	-	-	-
Other creditors and accruals*	-	-	-	-	(232,189,884)	(232,189,884)	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(581,885,459)</u>	<u>(581,885,459)</u>	<u>-</u>	<u>-</u>	<u>-</u>



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	December 31, 2023 (Audited)								
	Fair value					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	114,741,605	-	-	276,758	-	115,018,363	115,018,363	-	-
Debt securities	-	119,292,049	-	-	-	119,292,049	-	-	-
Financial assets not measured at fair value									
Term deposits	-	136,578,542	-	-	-	-	-	-	-
Advances, deposits and other receivables*	-	448,879,290	-	-	-	448,879,290	-	-	-
Insurance / re-insurance receivables*	-	-	22,617,001	-	-	22,617,001	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	241,444,093	-	-	241,444,093	-	-	-
Salvage recoveries accrued	-	-	8,006,239	-	-	8,006,239	-	-	-
Deferred commission expense	-	-	-	-	-	-	-	-	-
Taxation-payment less provision	-	-	-	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-	-	-	-
Cash and bank	-	-	-	252,188,790	-	252,188,790	-	-	-
	114,741,605	704,749,881	272,067,333	252,465,548	-	1,207,445,825	115,018,363	-	-
Financial liabilities not measured at fair value									
Outstanding claims including IBNR*	-	-	-	-	(207,559,987)	(207,559,987)	-	-	-
Insurance / re-insurance payables*	-	-	-	-	(32,297,866)	(32,297,866)	-	-	-
Other creditors and accruals*	-	-	-	-	(206,837,955)	(206,837,955)	-	-	-
	-	-	-	-	(446,695,808)	(446,695,808)	-	-	-

*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 2 fair value measurements:

Description	Fair value	Unobserved-able inputs	Range of inputs	Relationship of unobservable inputs to fair value
Investment properties	167,050,569	yield	5% to 6%	The higher the terminal yield, the higher the fair value
		Expected rent	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



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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 2023, 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, 2023.

29. 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,	September 30,
			2024 (Un-audited)	2023 (Un-Audited)
			----- (Rupees) -----	
Shaheen Foundation	Parent Undertaking	Advertisement expense	109,200	468,959
Shaheen Foundation	Parent Undertaking	Claim expense	1,498,486	364,430
Shaheen Foundation	Parent Undertaking	Lease rentals	9,887,841	7,449,775
Shaheen Foundation	Parent Undertaking	Premium written	34,563,369	33,097,610
Air Eagle (Private) Limited	Associated Company	Premium written	109,945,046	54,505,013
			----- (Rupees) -----	
			September 30,	December 31,
			2024 (Un-audited)	2023 (Audited)
			----- (Rupees) -----	
Shaheen Foundation	Parent undertaking	Due from Insurance contract holder	31,860,884	18,779,284
Shaheen Foundation	Parent undertaking	Outstanding claims	847,750	91,250
Shaheen Foundation	Parent undertaking	Security deposits	3,317,248	3,317,246
			----- (Rupees) -----	
			September 30,	September 30,
			2024 (Un-audited)	2023 (Un-Audited)
			----- (Rupees) -----	
Other transactions during the period with associated undertakings				
Remuneration of key management personnel			15,589,924	11,370,096
Contribution to provident fund			1,010,934	1,392,226

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

29.2 Other transactions are executed at agreed terms.

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



NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

30. EARNINGS PER SHARE - BASIC AND DILUTED

	----- (Un-audited) -----			
	Three months period ended		Six months period ended	
	September 30, 2024	September 30, 2023 (Restated)	September 30, 2024	September 30, 2023 (Restated)
	----- (Rupees) -----			
Profit for the period	<u>40,337,614</u>	<u>22,587,200</u>	<u>122,839,203</u>	<u>74,038,901</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares of Rs. 10 each	<u>64,050,000</u>	<u>64,050,000</u>	<u>64,050,000</u>	<u>64,050,000</u>
	----- (Rupees) -----			
Earnings per share - basic	<u>0.63</u>	<u>0.35</u>	<u>1.92</u>	<u>1.16</u>

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

31. ROUNDING OFF

The figures have been rounded off to the nearest rupee.

32. CORRESPONDING FIGURES

Corresponding figures and balances have been reclassified, wherever considered necessary, for the purpose of comparison.

33. GENERAL

These financial statements have been approved and authorised for issue in the Board of Director's meeting held on October 29, 2024.

 Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman	 Air Vice Marshal Muhammad Qaiser Janjua (Retd) - Director	 Adeel Ali Director	 Rizwan Akhtar Chief Executive Officer	 Nisar Ahmed Almani Chief Financial Officer
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Window Takaful Operations Financial Statements



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2024

	Note	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
		September 30, 2024 Un-Audited	December 31, 2023 Audited	September 30, 2024 Un-Audited	December 31, 2023 Audited
ASSETS					
Qard-e-Hasna to PTF	6	5,000,000	12,500,000	-	-
Property and equipment -OPF	8	457,129	560,316	-	-
Investments in term deposits	10	49,850,000	30,100,000	17,225,000	21,700,000
Takaful / retakaful receivables	9	-	-	79,308,296	33,256,315
Other receivables	9	799,824	1,289,212	4,297,395	2,953,130
Retakaful recoveries against outstanding / benefits		-	-	2,835,084	172,841
Deferred commission expense	11	7,019,759	4,365,156	-	-
Receivable from PTF	11	28,480,042	13,217,811	-	-
Deferred wakala fee		-	-	11,599,810	10,357,962
Taxation less provision	12	-	-	1,955,013	1,282,444
Prepaid retakaful contribution ceded	13	-	-	265,274	285,951
Bank balances	13	18,629,547	21,691,571	23,061,298	10,664,610
TOTAL ASSETS		105,236,301	71,224,066	140,547,170	80,673,254
		110,236,301	83,724,066	140,547,170	80,673,254
FUNDS AND LIABILITIES					
OPERATOR'S FUND					
Statutory fund		50,000,000	50,000,000	-	-
Accumulated profit / deficit		19,095,195	11,266,218	-	-
		69,095,195	61,266,218	-	-
WAQF / PARTICIPANT'S TAKAFUL FUND					
Ceded money		-	-	500,000	500,000
Accumulated profit / deficit		-	-	29,159,061	2,881,618
		-	-	29,659,061	3,381,618
Qard-e-Hasna from Operator's Fund	6	-	-	5,000,000	12,500,000
LIABILITIES					
Underwriting provisions					
Outstanding claims including IBNR	19	-	-	17,583,145	12,792,820
Unearned contribution reserve	17	-	-	43,385,143	29,302,317
Reserve for unearned retakaful rebate	18	-	-	34,872	68,558
		-	-	61,003,160	42,163,695
Contribution received in advance		-	-	1,805,477	509,149
Takaful / retakaful payables	14	-	-	8,492,817	5,242,858
Unearned wakala fee		11,599,811	10,357,962	-	-
Payable to OPF		-	-	28,480,042	13,217,811
Taxation - provision less payments		2,833,335	935,437	-	-
Other creditors and accruals	15	26,707,960	11,164,449	6,106,613	3,658,124
Total Liabilities		41,141,105	22,457,848	105,888,108	64,791,636
		110,236,301	83,724,066	140,547,170	80,673,254
Total Funds and Liabilities		110,236,301	83,724,066	140,547,170	80,673,254
Contingencies and commitments	16				

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

Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman

Air Vice Marshal Muhammad Qaiser
Janjua (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



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


FOR THE PERIOD ENDED SEPTEMBER 30, 2024


Note	Three months period ended		Nine months period ended		
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	
(Rupees)					
PTF revenue account					
Contributions earned	17	13,608,981	8,371,141	44,336,264	22,176,149
Less: Re-takaful contribution ceded	17	(3,093,241)	(2,206,158)	(8,324,173)	(5,754,167)
Net contributions revenue		10,515,740	6,164,983	36,012,092	16,421,982
Retakaful rebate earned	18	34,451	7,687	83,982	18,808
Net underwriting income		10,550,191	6,172,670	36,096,074	16,440,790
Net claims reported / settled - IBNR	19	(9,107,977)	(2,200,349)	(13,482,655)	(11,794,010)
Other direct expenses	20	(205,430)	(50,127)	(457,811)	(304,370)
Surplus / (Deficit) before investment income		1,236,785	3,922,194	22,155,608	4,342,410
Investment Income	21	519,929	814,309	1,677,194	2,356,238
Other income	22	1,037,715	212,292	2,521,760	419,285
Less: Modarib's share of PTF's investment income		-	(81,431)	(77,119)	(235,624)
Surplus for the period transferred to accumulated surplus		2,794,429	4,867,364	26,277,443	6,882,309
Total comprehensive income for the period		2,794,429	4,867,364	26,277,443	6,882,309
OPF revenue account					
Wakala fee	23	13,061,233	5,770,045	26,843,263	14,327,033
Commission expense	24	(4,377,877)	(2,446,407)	(11,467,395)	(6,968,089)
Management expenses	25	(7,634,860)	(1,118,681)	(11,470,282)	(4,156,985)
Net Revenue		1,048,496	2,204,957	3,905,586	3,201,959
Modarib's share of PTF investment income		-	81,431	77,119	235,624
Investment income	21	1,404,455	1,127,445	4,989,695	3,248,859
Direct expenses	26	(19,054)	(903)	(330,268)	(278,310)
Other income	22	820,590	418,160	2,384,595	984,949
Profit before taxation		3,254,487	3,831,089	11,026,727	7,393,080
Taxation (Restated)	27	(943,801)	-	(3,197,751)	-
Profit / (Loss) after taxation		2,310,686	3,831,089	7,828,976	7,393,080

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


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (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, 2024

	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
----- (Rupees) -----				
PARTICIPANTS' TAKAFUL FUND				
Surplus / (deficit) during the period	2,794,429	4,867,364	26,277,443	6,882,309
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	<u>2,794,429</u>	<u>4,867,364</u>	<u>26,277,443</u>	<u>6,882,309</u>
OPERATORS' FUND				
Profit / (loss) after tax for the period	2,310,686	3,831,089	7,828,976	7,393,080
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>2,310,686</u>	<u>3,831,089</u>	<u>7,828,976</u>	<u>7,393,080</u>


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


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (Retd.) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



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

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Operator's Fund		
	Statutory fund	Accumulated profit	Total
	----- (Rupees) -----		
Balance as at January 01, 2023	50,000,000	4,259,416	54,259,416
Profit for the period	-	7,393,081	7,393,081
Balance as at September 30, 2023	<u>50,000,000</u>	<u>11,652,497</u>	<u>61,652,497</u>
Balance as at January 01, 2024	50,000,000	11,266,218	61,266,218
Profit for the period	-	7,828,976	7,828,976
Balance as at September 30, 2024	<u>50,000,000</u>	<u>19,095,194</u>	<u>69,095,194</u>

	Participants' Takaful Fund		
	Ceded Money	Accumulated surplus / deficit	Total
	----- (Rupees) -----		
Balance as at January 01, 2023	500,000	(14,845,071)	(14,345,071)
Surplus for the period	-	6,882,309	6,882,309
Balance as at September 30, 2023	<u>500,000</u>	<u>(7,962,762)</u>	<u>(7,462,762)</u>
Balance as at January 01, 2024	500,000	2,881,618	3,381,618
Surplus for the period	-	26,277,443	26,277,443
Balance as at September 30, 2024	<u>500,000</u>	<u>29,159,061</u>	<u>29,659,061</u>


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


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (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 PERIOD ENDED SEPTEMBER 30, 2024

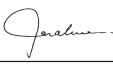
	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Rupees) -----			
OPERATING ACTIVITIES				
(a) Takaful activities				
Contribution received	-	-	44,336,264	31,465,836
Re-takaful contributions paid	-	-	(8,324,173)	(6,132,801)
Claims paid / benefits paid	-	-	(11,400,352)	(12,679,901)
Commissions paid	(14,121,999)	(5,994,983)	-	-
Re-takaful rebate / commissions received	-	-	50,296	24,624
Re-takaful and other recoveries received	-	-	45,780	703,318
Wakala fees received	12,900,000	13,769,111	-	-
Wakala fees paid	-	-	(12,900,000)	(13,769,111)
Modarib share received	77,119	438,501	-	-
Modarib share paid	-	-	(77,119)	438,501
Net cash (used in) / generated from underwriting activities	(1,144,880)	8,212,629	11,730,696	50,466
(b) Other operating activities				
Management and other expenses paid	(555,748)	(4,629,501)	(495,876)	(229,492)
Taxes Paid	2,889,600	(837,974)	(552,666)	(686,240)
Net cash used in other operating activities	2,333,852	(5,467,475)	(1,048,541)	(915,732)
Total cash (used in) / generated from operating activities	1,188,972	2,745,154	10,682,155	(865,266)
INVESTING ACTIVITIES				
Profit / return received	7,999,004	4,278,492	4,739,533	2,810,918
Total cash generated from investing activities	7,999,004	4,278,492	4,739,533	2,810,918
FINANCING ACTIVITIES				
Qrad-e-hasna received / (repaid)	7,500,000	-	(7,500,000)	-
Total cash used in financing activities	7,500,000	-	(7,500,000)	-
Net cash (used in) / generated from all activities	16,687,976	7,023,646	7,921,688	1,945,652
Cash and cash equivalents at the beginning of period	51,791,571	34,522,475	32,364,610	23,682,548
Cash and cash equivalents at end of the period	68,479,548	41,546,122	40,286,298	25,628,200


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (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 PERIOD ENDED SEPTEMBER 30, 2024

	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Rupees) -----			
Reconciliation to profit and loss account				
Operating cash flows	1,188,972	2,745,154	10,682,155	(865,266)
Increase / (decrease) in assets other than cash	9,824,259	7,165,396	51,952,229	25,290,126
Increase / (decrease) in liabilities	(5,465,663)	(6,646,219)	(38,878,702)	(20,318,074)
Depreciation / amortisation expense	(103,187)	(105,059)	-	-
Investment and other income - net	2,384,595	4,233,808	2,521,760	2,775,523
Surplus for the period	7,828,976	7,393,080	26,277,442	6,882,309

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 condensed interim statement of cash flows consist of:

	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Rupees) -----			
Savings accounts	68,479,548	41,546,122	40,286,298	25,628,200
	68,479,548	41,546,122	40,286,298	25,628,200


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


Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman


Air Vice Marshal Muhammad Qaiser
Janjua (Retd.) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

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

The condensed interim financial statements of WTO have been prepared in accordance with the requirements of the International Accounting standard (IAS) 34 - Interim Financial Reporting as applicable in Pakistan, provisions and directives issued under Companies Act 2017, the Insurance Ordinance 2000, Insurance Rules 2017, the Insurance Accounting Regulations 2017 and Takaful Rules 2012. In case where requirements differ the provisions of or directives issued under Companies Act 2017, the Insurance Ordinance 2000, Insurance Rules 2017 the Insurance Accounting Regulations 2017, General takaful accounting regulation, 2019 and Takaful Rules 2012 shall prevail.

The condensed interim statement of financial position, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in fund for the period does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the WTO for the year ended December 31, 2023.

The condensed interim financial statements reflect the financial position and result of operations of both OPF and PTF in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable. Comparative figures of statement of financial position are taken from annual financial statements for the year ended December 31, 2023 and comparatives of statement of comprehensive income, statement of cash flows and statement of changes in equity are taken from unaudited condensed interim financial statement for the period ended September 30, 2023.

2.1 Basis of measurement

The condensed interim financial statements for the period ended September 30, 2024 have been prepared under historic cost basis.

2.2 Functional and presentation currency

The condensed interim financial statements are prepared and presented in Pakistani Rupees, which is the Operator's functional and presentation currency.



NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

3. CRITICAL ACCOUNTING ESTIMATES

In preparing these condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements for the year ended December 31, 2023.

4. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies and method of computations adopted in the preparation of this condensed interim financial statements and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended December 31, 2023.

4.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

4.1.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2023

The following standards, amendments and interpretations are effective for the year ended December 31, 2023. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements-Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.	January 01, 2023

4.1.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

4.1.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026

IFRS 1 standard has been issued by IASB effective from 01, July 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2023.

September 30, 2024	December 31, 2023
(Rupees)	

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

Opening balance of Qard-e-Hasna	12,500,000	20,000,000
Qard-e-Hasna transferred from OPF during the period	-	-
Qard-e-Hasna returned by PTF during the period	(7,500,000)	(7,500,000)
Closing balance of Qard-e-Hasna	5,000,000	12,500,000



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

7. PROPERTY AND EQUIPMENT-OPF

Particulars	Cost			Depreciation				
	As at January 01, 2024	Addition / (disposals)	As at September 30, 2024	As at January 01, 2024	Depreciation for the period	As at September 30, 2024	Written down value as at September 30, 2024	Depreciation Rate (%)
	(Rupees)							
Motor Vehicle	790,000	-	790,000	229,684	103,187	332,871	457,129	20%
Computer hardware	25,000	-	25,000	25,000	-	25,000	-	33.33%
	<u>815,000</u>	<u>-</u>	<u>815,000</u>	<u>254,684</u>	<u>103,187</u>	<u>357,871</u>	<u>457,129</u>	

Particulars	Cost			Depreciation				
	As at January 01, 2023	Addition / (disposals)	As at December 30, 2023	As at January 01, 2023	Depreciation for the period	As at December 30, 2023	Written down value as at September 30, 2023	Depreciation Rate (%)
	(Rupees)							
Motor Vehicle	790,000	-	790,000	89,605	70,039	159,644	630,356	20%
Computer hardware	25,000	-	25,000	25,000	-	25,000	-	33.33%
	<u>815,000</u>	<u>-</u>	<u>815,000</u>	<u>114,605</u>	<u>70,039</u>	<u>184,644</u>	<u>630,356</u>	

Note	OPF		PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)			

8. INVESTMENTS IN TERM DEPOSITS

Held to maturity

Deposits maturing within 1 months	8.1	<u>49,850,000</u>	<u>30,100,000</u>	<u>17,225,000</u>	<u>21,700,000</u>
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8.1 The rate of return on these term deposits is 15.00% (December 31, 2023: to 20.75%) per annum.

Note	OPF		PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)			

9. OTHER RECEIVABLES

Sindh sales tax receivable	694,006	564,380	-	-
Punjab sales tax receivable	5,699	-	-	-
Accrued profit on bank deposits	81,945	706,659	14,343	554,922
GST receivable claims	-	-	592,552	446,568
Others	18,174	18,173	3,690,500	1,951,640
	<u>799,824</u>	<u>1,289,212</u>	<u>4,297,395</u>	<u>2,953,130</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	OPF		PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)

(Rupees)

10. TAKAFUL / RETAKAFUL RECEIVABLES - Unsecured and considered good

Due from takaful participant holders	-	-	155,904	57,715
Due from other takaful / retakaful operators	-	-	79,152,392	33,198,600
	<u>-</u>	<u>-</u>	<u>79,308,296</u>	<u>33,256,315</u>

	OPF		PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)

(Rupees)

11. RECEIVABLE / PAYABLES FROM / TO PTF/ OPF

Wakala Fee	28,069,828	12,884,717	28,069,828	12,884,717
Modarib Fee	410,213	333,094	410,213	333,094
	<u>28,480,042</u>	<u>13,217,811</u>	<u>28,480,042</u>	<u>13,217,811</u>

12. PREPAID RETAKAFUL CONTRIBUTION CEDED

Prepaid Re-Takaful Contribution Ceded	-	-	265,274	285,951
	<u>-</u>	<u>-</u>	<u>265,274</u>	<u>285,951</u>

13. BANK BALANCES

Savings accounts	13.1	<u>18,629,547</u>	<u>21,691,571</u>	<u>23,061,298</u>	<u>10,664,610</u>
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13.1 These carry mark-up at rates ranging between 5% to 13% (December 31, 2023: 10% to 18.5%) per annum.

	PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)

(Rupees)

14. TAKAFUL / RE-TAKAFUL PAYABLES

Due to re-takaful operators	<u>8,492,817</u>	<u>5,242,858</u>
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	OPF		PTF	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)			
15. OTHER CREDITORS AND ACCRUALS				
Federal Takaful fee	-	-	404,930	233,998
Sales tax payable	-	-	5,205,263	2,965,771
Sales tax on services	572,771	568,642	-	-
Agent commission payable	16,432,449	7,244,716	-	-
Auditors fee	574,929	565,783	-	-
Others payables	3,230,479	2,785,308	496,420	458,355
Payable against common expenses				
- Conventional	5,897,332	-	-	-
	<u>26,707,960</u>	<u>11,164,449</u>	<u>6,106,613</u>	<u>3,658,124</u>
16. CONTINGENCIES AND COMMITMENTS				
There were no contingencies and commitments as on September 30, 2024 and as at December 31, 2023				
			PTF	
			Three months period ended	Nine months period ended
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Un Audited)			
	(Rupees)			
17. NET CONTRIBUTION EARNED				
Written gross contribution	38,981,827	20,335,249	85,262,353	49,333,079
Less: wakala fee	(13,061,233)	(5,770,045)	(26,843,263)	(14,327,033)
Contribution net of wakala fee	25,920,594	14,565,204	58,419,090	35,006,046
Add: Unearned contribution	31,073,530	21,756,624	29,302,317	15,120,790
reserve - opening				
Less: Unearned contribution	(43,385,143)	(27,950,687)	(43,385,143)	(27,950,687)
reserve - closing				
Contribution earned	13,608,981	8,371,141	44,336,264	22,176,149
Less: Re-takaful Contribution ceded	3,255,040	2,149,947	8,303,496	5,822,895
Prepaid re-takaful	103,475	178,410	285,951	53,471
contribution ceded - opening	(265,274)	(122,199)	(265,274)	(122,199)
Prepaid re-takaful				
contribution ceded - closing	3,093,241	2,206,158	8,324,173	5,754,167
Re-takaful expense				
Net contribution revenue	<u>10,515,740</u>	<u>6,164,983</u>	<u>36,012,092</u>	<u>16,421,982</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	PTF			
	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Un Audited)			
	(Rupees)			
18. RETAKAFUL REBATE EARNED				
Commission received or receivable	46,775	-	50,296	24,624
Add: Unearned reinsurance commission opening	22,548	24,103	68,558	10,600
Less: Unearned reinsurance commission closing	(34,872)	(16,416)	(34,872)	(16,416)
Commission from reinsurance	<u>34,451</u>	<u>7,687</u>	<u>83,982</u>	<u>18,808</u>

	PTF			
	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Un Audited)			
	(Rupees)			
19. NET CLAIMS REPORTED / SETTLED - IBNR				
Claims paid	6,776,210	3,096,985	11,400,352	12,679,901
Less: Outstanding claims including IBNR opening	15,190,105	(11,956,658)	12,792,819	11,587,681
Add: Outstanding claims including IBNR closing	17,583,145	11,114,022	17,583,145	11,114,022
Claims expense	<u>9,169,250</u>	<u>2,254,349</u>	<u>16,190,678</u>	<u>12,206,242</u>
Less:				
Re-Takaful and Other Recoveries received	10,728	-	45,780	703,318
Less: Re-Takaful and other recoveries receivable in respect of outstanding claims opening	(2,784,539)	(148,073)	(172,841)	(493,159)
Add: Re-Takaful and other recoveries receivable in respect of outstanding claims closing	2,835,084	202,073	2,835,084	202,073
Re-Takaful and other recoveries revenue	<u>61,273</u>	<u>54,000</u>	<u>2,708,023</u>	<u>412,232</u>
Net Claims Expense	<u>9,107,977</u>	<u>2,200,349</u>	<u>13,482,655</u>	<u>11,794,010</u>

	PTF			
	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Un Audited)			
	(Rupees)			
20. OTHER DIRECT EXPENSES				
Coinsurance surcharge	187,642	49,390	418,383	275,906
Others	17,788	737	39,428	28,464
	<u>205,430</u>	<u>50,127</u>	<u>457,811</u>	<u>304,370</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

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

21. INVESTMENT INCOME

OPERATOR'S FUND

Three months period ended		Nine months period ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Un-audited)			
(Rupees)			

Income from TDRs - held to maturity

Return on term deposits receipts	1,404,455	1,127,445	4,989,695	3,248,859
	<u>1,404,455</u>	<u>1,127,445</u>	<u>4,989,695</u>	<u>3,248,859</u>

PARTICIPANT'S TAKAFUL FUND

Three months period ended		Nine months period ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Un-audited)			
(Rupees)			

Income from TDRs - held to maturity

Return on term deposits receipts	519,929	814,309	1,677,194	2,356,238
	<u>519,929</u>	<u>814,309</u>	<u>1,677,194</u>	<u>2,356,238</u>

22. OTHER INCOME

Return on bank balances	1,001,315	211,179	2,485,360	417,434
Others	36,400	1,113	36,400	1,851
	<u>1,037,715</u>	<u>212,292</u>	<u>2,521,760</u>	<u>419,285</u>

OPERATOR'S FUND

Three months period ended		Nine months period ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Un-audited)			
(Rupees)			

Return on saving accounts	820,590	418,160	2,384,595	984,949
	<u>820,590</u>	<u>418,160</u>	<u>2,384,595</u>	<u>984,949</u>

23. WAKALA FEE

Gross wakala fee	13,371,563	7,952,318	28,085,111	19,341,149
Unearned wakala fee opening	11,289,480	8,876,043	10,357,962	6,044,200
Unearned wakala fee closing	<u>(11,599,810)</u>	<u>(11,058,316)</u>	<u>(11,599,810)</u>	<u>(11,058,316)</u>
Wakala expense	<u>13,061,233</u>	<u>5,770,045</u>	<u>26,843,263</u>	<u>14,327,033</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

OPERATOR'S FUND

	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
----- (Un-audited) -----				
----- (Rupees) -----				
24. COMMISSION EXPENSES				
Commission paid or payable	6,518,360	2,553,428	14,121,999	7,909,495
Deferred commission opening	4,879,276	3,918,616	4,365,155	3,084,232
Deferred commission closing	7,019,759	4,025,637	7,019,759	4,025,637
Commission expense	<u>4,377,877</u>	<u>2,446,407</u>	<u>11,467,395</u>	<u>6,968,089</u>
25. MANAGEMENT EXPENSES				
Salaries, wages and benefits	6,479,132	450,000	7,605,132	1,385,778
Depreciation / amortization	65,833	35,020	103,187	105,059
Shariah advisory fee	377,780	188,890	850,005	755,560
Software maintenance	330,000	255,000	965,000	645,000
Business acquisition cost	366,487	179,520	1,680,599	428,337
Others	15,628	10,251	266,359	837,251
	<u>7,634,860</u>	<u>1,118,681</u>	<u>11,470,282</u>	<u>4,156,985</u>
26. DIRECT EXPENSES				
Auditor's remuneration	26.1	-	300,000	121,539
Sharia Audit Fee		-	-	154,325
Printing and stationery		19,000	28,600	850
Others		54	1,668	1,596
		<u>19,054</u>	<u>330,268</u>	<u>278,310</u>
26.1 Auditor's remuneration				
Interim review fee		-	252,525	89,100
Out of pocket expenses		-	25,253	20,000
Sales tax @ 8%		-	22,222	12,439
		<u>-</u>	<u>300,000</u>	<u>121,539</u>
27. PROVISION FOR TAXATION				
Current tax for the year		<u>943,801</u>	<u>3,197,751</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

28. TRANSACTIONS WITH RELATED PARTIES

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

PARTICIPANT'S TAKAFUL FUND

	Three months period ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Un-audited) -----			
	----- (Rupees) -----			
Contribution to provident fund	<u>14,419</u>	<u>-</u>	<u>23,659</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

29 SEGMENT REPORTING

Segment information is prepared in accordance with the requirements of Insurance Ordinance, 2000 and General Takaful Accounting Regulations, 2019 for class wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

	September 30, 2024 - PTF					Aggregate
	Fire and property damages	Marine, aviation & transport	Motor	Accident and Health	Miscellaneous	
	----- (Un-audited) -----					
	----- (Rupees) -----					
29.1. Participants' Takaful Fund						
Written gross contribution (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	25,638,529	7,478,055	43,832,148	6,967,642	9,106,117	93,022,491
Less : Federal excise duty	(1,601,866)	(398,697)	(3,914,217)	(437,396)	(811,939)	(7,164,115)
Less : Federal insurance fee	(108,338)	(114,245)	(262,694)	(65,696)	(99,428)	(650,401)
Gross written contribution (inclusive of Administrative Surcharges)	<u>23,928,325</u>	<u>6,965,113</u>	<u>39,655,237</u>	<u>6,464,550</u>	<u>8,194,750</u>	<u>85,207,975</u>
Gross contribution direct	23,793,781	6,875,759	39,153,912	6,442,879	7,981,277	84,247,608
Admin surcharge	134,544	89,354	501,325	21,671	213,473	960,367
Written gross contribution	<u>23,928,325</u>	<u>6,965,113</u>	<u>39,655,237</u>	<u>6,464,550</u>	<u>8,194,750</u>	<u>85,207,975</u>
Takaful contribution earned	19,922,247	5,870,214	32,766,780	4,815,915	7,749,993	71,125,148
Wakala expense	(8,383,017)	(2,406,533)	(13,703,898)	(1,288,577)	(2,207,098)	(27,989,123)
	<u>11,539,230</u>	<u>3,463,681</u>	<u>19,062,882</u>	<u>3,527,338</u>	<u>5,542,895</u>	<u>43,136,025</u>
Re-takaful contribution ceded	(3,188,109)	(941,305)	(2,793,642)	-	(442,773)	(7,365,829)
Net takaful contribution	<u>8,351,122</u>	<u>2,764,271</u>	<u>16,269,239</u>	<u>3,527,338</u>	<u>5,100,122</u>	<u>36,012,092</u>
Re-takaful rebate earned	34,068	-	49,914	-	-	83,982
Operation income	<u>8,385,189</u>	<u>2,764,271</u>	<u>16,319,154</u>	<u>3,527,338</u>	<u>5,100,122</u>	<u>36,096,074</u>
Claim expense	(4,043,817)	(1,092,445)	(8,700,378)	(2,087,840)	(266,198)	(16,190,678)
Re-takaful & other recoveries revenue	39,000	-	2,669,023	-	-	2,708,023
Net claims reported / settled - IBNR	<u>(4,004,817)</u>	<u>(1,092,445)</u>	<u>(6,031,355)</u>	<u>(2,087,840)</u>	<u>(266,198)</u>	<u>(13,482,655)</u>
Other Expenses	(128,233.38)	(41,189)	(210,910)	(30,999)	(46,480)	(457,811)
Surplus/(deficit) before investment income	<u>4,252,139</u>	<u>1,630,636</u>	<u>10,076,889</u>	<u>1,408,499</u>	<u>4,787,444</u>	<u>22,155,608</u>
Net investment income						1,677,194
Other income						2,521,760
Less: Modarib's share of investment income						(77,119)
Surplus for the period						<u>26,277,443</u>
The following presents segments assets and liabilities as at September 30, 2024						
Segment assets	25,530,425	7,431,056	42,308,041	6,016,954	8,741,577	90,028,053
Unallocated assets						<u>50,519,117</u>
						<u>140,547,170</u>
Segment liabilities	24,325,557	4,703,948	39,705,874	4,953,522	6,669,101	80,358,002
Unallocated liabilities						<u>25,530,106</u>
						<u>105,888,108</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

September 30, 2024 - OPF

Fire and property damages	Marine, aviation & transport	Motor	Accident and Health	Miscellaneous	Aggregate
----- (Un-audited) -----					
----- (Rupees) -----					

29.2 Operator's Fund

Wakala fee income	7,237,157	2,406,533	13,703,898	1,288,577	2,207,098	26,843,263
Commission expense	(5,398,508)	(1,468,685)	(3,373,077)	(314,208)	(912,917)	(11,467,395)
Management expense	(3,212,841.01)	(1,031,986.79)	(5,284,265.98)	(776,658)	(1,164,530.42)	(11,470,282)
						<u>3,905,586</u>

Modarib's share of PTF investment income						77,119
Investment income						4,989,695
Direct expenses						(330,270)
Other Income						<u>2,384,595</u>
Profit before taxation						11,026,725
Provision for taxation						<u>(3,197,751)</u>
Profit after tax						<u><u>7,828,974</u></u>

The following presents segments assets and liabilities as at September, 2024

Segment assets	9,969,683	2,901,843	16,521,376	-	3,413,604	32,806,506
Unallocated assets						<u>77,429,795</u>
						<u>110,236,301</u>
Segment liabilities	3,257,664	948,197	5,398,476	-	1,115,419	10,719,756
Unallocated liabilities						<u>30,421,349</u>
						<u>41,141,105</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

SEGMENT INFORMATION

	September 30, 2023 - PTF					
	Fire and property damages	Marine, aviation & transport	Motor	Accident and Health	Miscellaneous	Aggregate
	----- (Un-audited) -----					
	----- (Rupees) -----					
Participants' Takaful Fund						
Contribution written (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	17,524,391	2,819,988	32,421,978	-	2,892,440	55,658,797
Less : Federal excise duty	(1,476,199)	(314,786)	(3,715,597)	-	(354,860)	(5,861,442)
Less : Federal insurance fee	(104,772)	(72,830)	(257,239)	-	(29,435)	(464,276)
Stamp duty	-	-	-	-	-	-
Advance tax	-	-	-	-	-	-
Gross written contribution (inclusive of Administrative Surcharges)	15,943,420	2,432,372	28,449,142	-	2,508,145	49,333,079
Gross contribution direct	15,832,756	2,361,323	27,944,555	-	2,409,286	48,547,920
Admin surcharge	110,664	71,049	504,587	-	98,859	785,159
	15,943,420	2,432,372	28,449,142	-	2,508,145	49,333,079
Takaful contribution earned	11,136,603	2,465,444	21,123,898	-	1,777,236	36,503,182
Wakala expense	(4,281,121)	(960,416)	(8,286,609)	-	(798,887)	(14,327,033)
	6,855,482	1,505,028	12,837,289	-	978,349	22,176,149
Re-takaful contribution ceded	(2,224,550)	(1,249,484)	(1,967,761)	-	(312,372)	(5,754,167)
Net takaful contribution	4,630,932	255,544	10,869,528	-	665,977	16,421,981
Re-takaful rebate earned	11,719	-	7,089	-	-	18,808
Net underwriting income	4,642,650	255,544	10,876,618	-	665,977	16,440,789
Claim expense	(2,876,261)	(187,572)	(8,989,445)	-	(152,964)	(12,206,242)
Re-takaful & other recoveries revenue	54,000	-	358,232	-	-	412,232
Net claims reported / settled - IBNR	(2,822,261)	(187,572)	(8,631,213)	-	(152,964)	(11,794,010)
Direct expense	(92,859)	(20,557)	(176,135)	-	(14,819)	(304,370)
Net takaful claim & expense	(2,915,120)	(208,129)	(8,807,348)	-	(167,783)	(12,098,380)
Surplus/(deficit) before investment income	1,727,530	47,415	2,069,270	-	498,194	4,342,409
Net investment income						2,356,238
Other income						419,285
Less: Modarib's share of investment income						(235,624)
Surplus for the period						6,882,309
The following presents segments assets and liabilities as at June 30, 2023						
Segment assets	14,671,400	2,238,309	26,179,374	-	2,308,036	45,397,119
Unallocated assets						27,700,047
						73,097,166
Segment liabilities	14,954,742	1,371,156	26,552,560	-	2,416,039	45,294,498
Unallocated liabilities						15,265,431
						60,559,929



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

September 30, 2023 - OPF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and Health	Miscellaneous	Aggregate
	----- (Un-audited) -----					
	----- (Rupees) -----					
Operator's Fund						
Wakala fee income	4,281,121	960,416	8,286,609	-	798,887	14,327,034
Commission expense	(3,276,902)	(637,954)	(2,744,804)	-	(308,430)	(6,968,090)
Management expense	(1,268,237)	(280,765)	(2,405,591)	-	(202,392)	(4,156,985)
	(264,018)	41,697	3,136,214	-	288,065	3,201,959
						235,624
Modarib's share of PTF's investment income						3,248,859
Investment income						(278,310)
Direct expenses						984,949
Other income						7,393,080
Loss before taxation						-
Provision for taxation						7,393,080
Loss after taxation						
The following presents segments assets and liabilities as at September 30, 2023						
Segment assets	5,101,101	778,238	9,102,310	-	802,482	15,784,131
Unallocated assets						64,578,834
						80,362,965
Segment liabilities	3,573,816	545,231	6,377,052	-	562,216	11,058,315
Unallocated liabilities						7,652,154
						18,710,469



NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Fair value of financial instruments

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

The fair values of all the financial instruments are estimated to be not significantly different from their carrying values.

The Operator measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2024 there were no financial assets or liabilities which can be classified under the above levels. The carrying value of financial instruments approximate their fair values.

30. DATE OF AUTHORISATION OF ISSUE

These financial statements have been authorised for issue on October 29, 2024 by the Board of Director's of the Operator.

31. CORRESPONDING FIGURES

Corresponding figures and balances have been reclassified, wherever considered necessary, for the purpose of comparison.

32. GENERAL

All amount have been rounded off to the nearest rupees.

Air Vice Marshal Junaid
Ahmed Siddiqui (Retd.) - Chairman

Air Vice Marshal Muhammad Qaiser
Janjua (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



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