



**CONDENSED INTERIM
FINANCIAL STATEMENTS
OF
ALPHA INSURANCE COMPANY LIMITED
FOR THE SIX MONTHS PERIOD ENDED
JUNE 30, 2025**

BDO Ebrahim & Co. Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Alpha Insurance Company Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Alpha Insurance Company Limited ("the Company") as at June 30, 2025 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to note 6.1 to the condensed interim financial statements, which describes the change in accounting policy resulting as a result of amendments to the General Takaful Accounting Regulations, 2019. Our conclusion is not modified in respect of this matter.

Other matters

- i. Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months period ended, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income and related notes thereof for the three months period ended June 30, 2025 have not been reviewed by us; and

- ii. The condensed interim financial statements for the six months period ended June 30, 2024 and annual financial statements of the Company for year ended December 31, 2024 excluding the retrospective adjustments described in note 6 to these condensed interim financial statements that were applied to restate the comparative information, were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and opinion thereon vide their reports dated December 09, 2024 and May 21, 2025 respectively.

As part of review of the condensed interim financial statements as at and for the six months period ended June 30, 2025, we reviewed the retrospective adjustments described in note 6 to the condensed interim financial statements that were applied to restate the comparative information presented for the year ended December 31, 2024 and December 31, 2023. We were not engaged to audit, review or apply any procedures to the financial statements for the year ended December 31, 2024 and December 31, 2023, other than with respect to the retrospective adjustments described in note 6 to the condensed interim financial statements. Accordingly, we do not express a conclusion or any other form of assurance on the financial statements for the year ended December 31, 2024 and December 31, 2023 taken as a whole.

The engagement partner on the review resulting in this independent auditor's review report is Zulfikar Ali Causer.

KARACHI

DATED: 01 SEP 2025

UDIN: RR2025100670ZgpmSad8



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

		June 30, 2025 (Unaudited)	December 31, 2024 (Audited) Restated (Rupees)	January 01, 2024 (Audited) Restated
ASSETS	Note			
Property and equipment	7	24,039,193	25,457,155	17,610,267
Intangible assets		333,204	474,405	315,773
Investments				
- Equity securities	8	168,580,752	261,746,818	165,355,174
- Debt Securities	9	662,775,149	587,250,012	298,554,200
Loans and other receivables	10	34,413,155	75,311,758	17,192,556
Insurance / reinsurance receivables	11	198,717,965	192,822,758	137,546,331
Reinsurance recoveries against outstanding claims	20	135,755,738	122,581,102	101,275,592
Deferred commission expense	21	18,404,014	26,541,209	24,951,808
Deferred taxation		-	-	1,059,927
Taxation - provision less payment		70,631,310	88,012,879	79,230,408
Prepayments	12	75,985,821	59,192,450	47,285,919
Bank deposits held as margin	6 & 13	54,051,485	45,616,509	38,141,715
Cash and bank	6 & 14	81,997,679	99,403,200	277,225,911
		1,525,685,466	1,584,410,254	1,205,745,380
Total assets of Window Takaful Operations - Operator's Fund	15	91,065,472	81,318,308	65,196,853
Total Assets of Window Takaful Operations - Participants' Takaful Fund	6 & 15	145,660,542	79,001,424	35,056,640
TOTAL ASSETS		1,762,411,480	1,744,729,987	1,305,999,073
EQUITY AND LIABILITIES				
Capital and reserves attributable to Company's equity holders				
Ordinary share capital		500,000,000	500,000,000	500,000,000
Reserves		87,075,521	132,521,921	61,726,567
Unappropriated profit		255,951,418	194,333,914	156,412,774
TOTAL EQUITY		843,026,939	826,855,835	718,139,341
LIABILITIES				
Underwriting provisions				
Outstanding claims including IBNR	20	285,916,684	280,599,160	216,793,824
Unearned premium reserves	19	123,138,077	151,064,657	116,171,934
Premium deficiency reserves		468,847	15,049,884	5,215,362
Unearned reinsurance commission	21	10,059,970	4,964,011	1,291,035
Retirement benefit obligations		318,500	1,366,694	-
Premium received in advance		14,465,290	55,395,617	13,377,864
Lease liabilities		11,522,369	12,305,000	14,143,552
Insurance / reinsurance payables	16	200,916,484	164,136,155	92,049,713
Other creditors and accruals	17	88,825,160	94,241,074	78,244,732
Unclaimed dividend		3,001,450	3,001,450	3,001,450
Deferred tax liability		8,745,059	33,100,963	-
TOTAL LIABILITIES		747,377,890	815,224,665	540,489,466
Total liabilities of Window Takaful Operations - Operator's Fund	15	26,346,109	23,648,062	12,313,626
Total liabilities of Window Takaful Operations - Participants' Takaful Fund	6 & 15	145,660,542	79,001,424	35,056,640
TOTAL EQUITY AND LIABILITIES		1,762,411,480	1,744,729,987	1,305,999,073

CONTINGENCIES AND COMMITMENTS

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

Chief Executive Officer

Director


Director

Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2025

		Three months period ended		Six months period ended	
		June 30	June 30	June 30	June 30
		2025	2024	2025	2024
Note		(Rupees)			
Net insurance premium	19	78,628,316	104,400,730	187,004,802	183,366,982
Net insurance claims	20	(53,158,194)	(37,071,501)	(100,586,414)	(74,528,066)
Premium deficiency		5,524,489	(5,344,122)	14,581,037	(6,557,854)
Net commission expense	21	(23,735,823)	(36,361,372)	(45,948,581)	(48,743,329)
Insurance claims		(71,369,528)	(78,776,995)	(131,953,958)	(129,829,249)
Management expenses	22	(45,403,970)	(43,218,134)	(87,306,350)	(81,618,796)
Underwriting results		(38,145,182)	(17,594,399)	(32,255,506)	(28,081,063)
Investment income	23	91,610,388	40,140,361	118,900,507	58,131,601
Other income	24	9,136,407	(1,430,110)	13,393,905	11,921,397
Other expenses	25	(20,321,674)	(9,347,545)	(21,243,799)	(10,568,566)
		80,425,121	29,362,706	111,050,613	59,484,432
Results of operating activities		42,279,939	11,768,307	78,795,108	31,403,369
Finance costs - lease liability		(532,676)	(1,405,504)	(1,327,270)	(1,486,739)
Profit before tax from Conventional Insurance Operations		41,747,263	10,362,803	77,467,838	29,916,630
Profit before tax from Window Takaful					
Operations - Operator's Fund		6,136,619	4,509,030	9,445,015	6,206,960
Profit before taxation		47,883,882	14,871,833	86,912,853	36,123,590
Income tax expense	26	(12,747,899)	(8,191,446)	(25,295,349)	(15,470,614)
Profit after tax		35,135,983	6,680,387	61,617,504	20,652,976
Earnings per share (basic and diluted) - Rupees	27	0.70	0.13	1.23	0.41

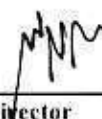
The annexed notes 1 to 32 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Director



Director




Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2025

	Three months period ended		Six months period ended	
	June 30 2025	June 30 2024	June 30 2025	June 30 2024
	(Rupees)			
Profit after taxation	35,135,983	6,680,387	61,617,504	20,652,976
Other comprehensive income:				
Items that will be reclassified to profit and loss account subsequently				
Unrealised (loss) / gain on available for sale investments	(2,472,837)	23,884,442	2,382,094	26,339,917
Net gain transferred to profit and loss account on disposal of investments	(68,710,686)	-	(68,710,686)	-
Reversal for diminishing in value of available for sale investments	1,646,900	-	1,646,900	-
Related deferred tax	19,253,838	(6,926,488)	19,235,292	(7,638,576)
Other comprehensive (loss) / income for the period	(50,282,785)	16,957,954	(45,446,400)	18,701,341
Total comprehensive (loss) / income for the period	(15,146,802)	23,638,341	16,171,104	39,354,317

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


Chief Executive Officer


Director


Director

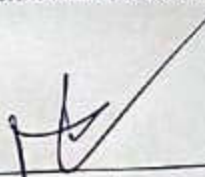

Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

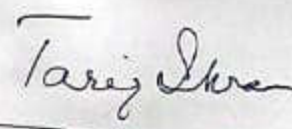
	Reserves				Total reserves	Unappropriated profit	Total equity
	Capital reserves	Revenue reserves					
	Reserve for exceptional losses	General reserve	Unrealized gain/loss on revaluation of available for sale - net of tax				
Share capital							
(Rupees)							
Balance as at January 01, 2024 (Audited)	500,000,000	3,355,000	6,820,000	51,551,567	61,726,567	156,412,774	718,139,341
Total comprehensive income for the period							
Profit after tax for the period	-	-	-	-	-	20,652,976	20,652,976
Other comprehensive income - net of tax	-	-	-	18,701,341	18,701,341	-	18,701,341
Total comprehensive income for the period	-	-	-	18,701,341	18,701,341	20,652,976	39,354,317
Balance as at June 30, 2024	500,000,000	3,355,000	6,820,000	70,252,908	80,427,908	177,065,750	757,493,658
Balance as at January 01, 2025 (Audited)	500,000,000	3,355,000	6,820,000	122,346,921	132,521,921	194,333,914	826,855,835
Total comprehensive income for the period							
Profit after tax for the period	-	-	-	-	-	61,617,504	61,617,504
Other comprehensive loss	-	-	-	(45,446,400)	(45,446,400)	-	(45,446,400)
Total comprehensive income for the period	-	-	-	(45,446,400)	(45,446,400)	61,617,504	16,171,104
Balance as at June 30, 2025	500,000,000	3,355,000	6,820,000	76,900,521	87,075,521	255,951,418	843,026,939

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


Chief Executive Officer


Director


Director


Chairman

ALPHA INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

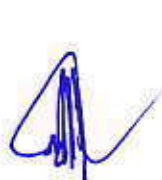
		Six months period ended	
		June 30, 2025	June 30, 2024 (Restated)
		Note	Rupees
Operating activities			
a) Underwriting activities			
Insurance premium received		161,509,747	189,112,698
Reinsurance premium paid		(50,367,078)	(22,655,748)
Claims paid	20	(170,661,904)	(65,396,818)
Reinsurance and other recoveries received		62,218,220	10,197,265
Commission paid		(44,625,813)	(33,964,636)
Commission received		10,454,776	2,055,517
Management expenses paid		(68,304,623)	(93,724,327)
Net cash (used in) underwriting activities		(99,776,675)	(14,376,049)
b) Other operating activities			
Income tax paid		(33,317,719)	(8,776,570)
Other operating payments		(21,243,799)	(1,876,357)
Other insurance receipts		-	(14,000)
Loans advanced, deposits received / (paid)		40,898,603	-
Net receipt to Window Takaful Operation		2,739,054	(3,001,894)
Net cash (used in) other operating activities		(10,923,861)	(13,668,821)
Total cash (used in) all operating activities		(110,700,536)	(28,044,870)
Investment activities			
Profit / return received		118,927,726	51,113,314
Dividend received		12,630,036	9,527,634
Payment for investments made		(508,091,254)	(331,587,353)
Bank deposits held as margin		(8,434,976)	(403,438)
Proceeds from investments disposed		481,022,432	65,000,000
Payment for window takaful operation		-	1,714,553
Proceeds from disposal of property and equipment		-	799,999
Fixed capital expenditure incurred		(1,431,679)	(423,580)
Total cash flow generated from / (used in) investing activities		94,622,285	(204,258,871)
Financing activities			
Lease payments		(1,327,270)	(2,508,240)
Total (cash used) in financing activities		(1,327,270)	(2,508,240)
Net cash (used in) all activities		(17,405,521)	(234,811,982)
Cash and cash equivalents at beginning of the period		99,403,200	314,964,162
Cash and cash equivalents at end of the period		81,997,679	80,152,180

Six months period ended	
June 30, 2025	June 30, 2024 (Restated)
----- Rupees -----	

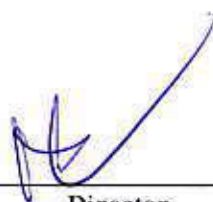
Reconciliation to profit and loss account

Operating cashflows	(110,700,536)	(28,044,870)
Depreciation expense	(2,849,640)	(2,326,292)
Amortization	-	799,999
Finance costs	736,649	-
Gain on sale of operating fixed assets	(1,327,270)	(1,486,739)
Dividend income	12,630,036	9,527,634
Investment income	118,927,726	48,603,967
Other income	-	11,121,398
(Decrease) / increase in assets other than cash	(15,765,245)	81,418,315
(Increase) / decrease in assets-PTF	(43,944,784)	(29,812,197)
Increase / (decrease) in liabilities and funds-PTF	43,944,784	29,812,197
Increase / (decrease) in liabilities other than borrowings	59,965,782	(98,960,436)
Profit after taxation	61,617,504	20,652,976

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



Chief Executive Officer



Director



Director



Chairman

ALPHA INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Alpha Insurance Company Limited ("the Company") was incorporated in Pakistan on December 24, 1951 under the Indian Companies Act VII of 1913 as a public limited company and registered as a non-life insurance company by the Securities and Exchange Commission of Pakistan (SECP) under the Insurance Ordinance, 2000. The Company is engaged in providing non-life insurance business comprising fire and property, marine, motor, health, credit and suretyship and miscellaneous. The Company commenced its commercial operations on January 23, 1952.

The Company was granted authorization on November 21, 2022 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (WTO) in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on January 11, 2023.

The Company has 12 (December 31, 2024: 09) branches in Pakistan. The parent entity of the Company is State Life Insurance Corporation of Pakistan holding 95.15% (December 31, 2024: 95.15%) shares of the Company.

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

Head office - Registered Office

4th Floor, Building # 1-B, State Life Square, Off. I.I. Chundrigar Road, Karachi, Province of Sindh, Pakistan.

Branches

- i) Province of Punjab, Pakistan:**
 - 4th Floor-Bank Square, 'Shahrah-e-Quaid-e-Azam, the Mall, Lahore.
 - 6th Floor, 'State Life Building, Liaquat Road, Faisalabad
 - 1st floor, Room 1 & 2, Hajvairree Arcade, Kutchery Road, Multan.
- ii) Province of Sindh, Pakistan:**
 - Office.406, 4th Floor, Business and Finance Center, Opp. State Bank of Pakistan, Karachi-Main Branch.
 - State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Karachi-North Branch.

- State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Karachi-South Unit.
- State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Karachi-South Division.
- State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Karachi-Eastern Branch.
- State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Corporate Branch.
- State Life Building No. 1-b, 4th Floor, State Life Square, I.I.Chundrigarh Road, Central Branch.

iv) Islamabad Capital Territory

- Ground Floor, State Life Building # 5, China Chowk, Jinnah Avenue Blue Area, Islamabad branch.
- Ground Floor, State Life Building # 5, China Chowk, Jinnah Avenue Blue Area-Blue area branch

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of Compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under Companies Act, 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and SECP Takaful Rules 2017, General Takaful Accounting Regulations, 2019;

In case the requirement differ, the provision or directives issued under Companies Act 2017, the Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017, SECP Takaful Rules 2012 and General Takaful Accounting Regulations, 2019, have been followed.

As required by Circular 15 of 2019 dated November 18, 2019 issued by the Securities & Exchange Commission of Pakistan (the Commission), the Company has prepared and annexed to these condensed interim financial statements, a separate set of condensed interim financial statements for Window Takaful Operations of the Company, as if these are carried out by a standalone Takaful Operator.

Basis of preparation

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended December 31, 2024.

The comparative statement of financial position presented in this condensed interim financial statement has been extracted from the annual financial statements of the Company as at and for the year ended December 31, 2024, whereas the comparative condensed interim statement of comprehensive income, condensed interim cash flows statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the six months period ended June 30, 2024.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for investments classified as available for sale that have been carried at fair value, right-of-use assets and their related lease liability which are measured at their present value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded to nearest Rupees, unless otherwise stated.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements as at and for the year ended December 31, 2024 except for the change in accounting policy as stated in note 6.1.

3.1 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1.1 Amendments to existing accounting and reporting standards that have become effective during the period

There are certain amendments to existing accounting and reporting standards that have become applicable for accounting periods beginning on or after January 01, 2025. These are considered either to not be relevant or to not have any significant impact on these condensed interim financial statements except for the application of S.R.O 311(1)/2025 dated March 03, 2025 as disclosed in note 6 to these condensed interim financial statements.

3.1.2 New standards and amendments to existing accounting and reporting standards that are not yet effective

Effective Date
(period beginning
on or after)

Standards, amendments or interpretations

IFRS 9 - Financial Instruments	January 1, 2027
IFRS 17 - Insurance contracts	January 1, 2027

SECP through its S.R.O 1336(I)/2025 dated July 23, 2025 has further deferred implementation of IFRS 17 "Insurance Contracts" which is applicable to the companies engaged in insurance / takaful and re-insurance/re-takaful business from financial years commencing on or after January 01, 2027.

IFRS 17, replaces IFRS 4 Insurance Contracts. The new standard will apply to all entities that issue insurance and reinsurance contracts, and to all entities that hold reinsurance contracts. This standards requires entities to identify contracts and its terms and to assess whether they meet the definition of an insurance contract or includes components of an insurance contract. Insurance contracts are required to account for under the recognition/ derecognition of IFRS-17. Companies subject to the requirement of SRO will also be required to adopt requirements of IFRS-9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

There are various other standards and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on these condensed interim financial statements.

3.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires the management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions. The accounting estimates and judgements made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2024.

4 FINANCIAL AND INSURANCE RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the annual financial statements of the Company as at and for the year ended December 31, 2024.

5 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

The Company has taken the benefit of the temporary exemption of applying IFRS 9 "Financial Instruments" with IFRS 17 "Insurance Contracts" as allowed under IFRS. SECP vide its SRO 1336(I)/2025 dated July 23, 2025, extended the application/adoption of IFRS 17 for the period commencing from January 01, 2027.

6 RESTATEMENTS

6.1 CHANGE IN ACCOUNTING POLICY - S.R.O 311(I)/2025 - 'AMENDMENTS TO THE GENERAL TAKAFUL ACCOUNTING REGULATIONS, 2019

The Securities and Exchange Commission of Pakistan (SECP) through its S.R.O. 311(I)/2025 dated March 03, 2025, made amendments to the General Takaful Accounting Regulations, 2019 whereby Insurers whose window takaful operations form twenty-five percent (25%) or more of their overall operations based on gross contribution, may as an alternative to disclose their Takaful results in their published financial statements as follows:

- (a) the assets and liabilities of the conventional operations shall be consolidated with the assets and liabilities of window general takaful operations (i.e. OPF and PTF) in the statement of financial position of the insurer;

(b) the incomes and expenses of the conventional operations shall be consolidated with the incomes and expenses of the window general takaful operations (i.e. OPF and PTF) in the profit and loss account or the statement of comprehensive income, as the case may be, of the insurer;

(c) supporting notes to the financial statements shall provide complete breakup of conventional and window takaful operations and the statement of financial position and the profit and loss account or the statement of comprehensive income, as the case may be, shall in footnote state that for breakup of conventional and window takaful operations, detailed notes to the financial statements may be referred; and

(d) segment disclosures for General Takaful Operations in accordance with the requirements of IFRS 8 – Operating Segments, shall be included in the published financial statements.

In view of the above amendments, during the period, the Company has reassessed its operations and concluded that presently its Window Takaful Operations do not exceed twenty-five percent (25%) of its overall operations based on gross contribution. Therefore, the aforementioned circular is not required to be followed. However, due to amendments in sub-regulations of regulation 6 of the Accounting Regulations, the Company has presented the total assets and total liabilities of PTF in addition to the OPF (the Window Takaful Operations) as a single line item in the condensed interim statement of financial position. Total liabilities comprise of liabilities and fund balance of PTF as the Company does not have residual interest in the PTF since surplus in the PTF is available only to the participants of the

6.2 CLASSIFICATION OF BANK DEPOSITS HELD AS MARGIN

Up to December 2024, the Company had classified amount of bank deposits held as margin against performance / bond policies as cash and bank considering that these deposits met the definition of 'cash' as per IAS 7 'Statement of Cash Flows'. However, Credit and Suretyship (Conduct of Business) Rules, 2018 requires that the collateral / deposits shall be held in trust and shall be recorded as liability of that insurer until guarantee / bond is either called (i.e. claim is lodged) or the underlying guarantee / bond expires, therefore, deposits that cannot be accessed on demand should have been presented in statement of financial position as other financial assets. Accordingly, bank deposits held as margin against performance / bond policies have been reclassified from "Cash and bank" to "Bank deposits held as margin" in the statement of financial position.

Effect of changes

The above changes have been made in accordance with the requirements of IAS-8, 'Accounting Policies, Changes in Accounting Estimates and Errors' in these condensed interim financial statements with retrospective effect and restatement of amounts reported in the condensed interim financial statements for the year ended December 31, 2024 and January 01, 2024 are given below:

	As previously reported	Adjustment increase / (decrease) ------(Rupees)-----	As restated
As at December 31, 2024			
Effect on statement of financial position:			
Total assets	1,665,728,563	79,001,424	1,744,729,987
Total equity and liabilities	1,665,728,563	79,001,424	1,744,729,987
Bank deposits held as margin	-	45,616,509	45,616,509
Cash and bank	145,019,708	(45,616,509)	99,403,200
As at January 1, 2024			
Effect on statement of financial position:			
Total assets	1,270,942,433	35,056,640	1,305,999,073
Total equity and liabilities	1,270,942,433	35,056,640	1,305,999,073
Bank deposits held as margin	-	38,141,715	38,141,715
Cash and bank	315,367,626	(38,141,715)	277,225,911
For the period ended June 30, 2024			
Effect on cash flow statement:			
Increase in assets- PTF	20,652,976	29,812,197	(9,159,221)
Increase in liabilities and funds-PTF	20,652,976	29,812,197	9,159,221
Cash and cash equivalents at beginning of the period	315,367,600	(403,438)	314,964,162
Cash and cash equivalents at end of the period	80,959,056	(403,438)	80,555,618

The above change has no effect on condensed interim profit and loss account, condensed interim statement of comprehensive income, and condensed interim statement of changes in equity in prior year.

		June 30 2025 (Unaudited)	December 31 2024 (Audited)
	Note	------(Rupees) -----	
7 Property and equipment			
Operating fixed assets	7.1	13,914,343	14,142,313
Right of use assets	7.2	10,124,850	11,314,842
		<u>24,039,193</u>	<u>25,457,155</u>
7.1 Operating fixed assets			
Opening balance - Net book value		14,142,313	3,466,715
Add: Additions during the period / year - at cost		1,431,679	12,451,935
Depreciation charged during the period / year		(1,659,649)	(1,776,337)
Closing balance - Net book value		<u>13,914,343</u>	<u>14,142,313</u>

7.2 Right-of-use-assets

The Company has recognized right-of-use assets in respect of the Head Office and its branches:

Head Office and branches:

	June 30 2025 (Unaudited) ----- (Rupees) -----	December 31 2024 (Audited)
Opening balance -Net book value	11,314,842	14,143,552
Less: Depreciation charged during the period / year	<u>(1,189,992)</u>	<u>(2,828,710)</u>
Closing balance - Net book value	<u>10,124,850</u>	<u>11,314,842</u>

INVESTMENTS IN EQUITY SECURITIES

June 30, 2025 (Un-audited)				December 31, 2024 (Audited)			
Cost	Impairment / provision for the period	Unrealized gain on revaluation	Carrying value	Cost	Impairment / provision for the year	Unrealized gain on revaluation	Carrying value
(Rupees)							

Other than related parties

Available-for-sale

Listed shares	62,589,730	-	105,991,022	168,580,752	91,074,104	(1,646,900)	172,319,614	261,746,818
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INVESTMENTS IN DEBT SECURITIES

June 30, 2025 (Un-audited)			December 31, 2024 (Audited)		
Cost	Impairment / provision for the period	Carrying value	Cost	Impairment / provision for the year	Carrying value

Note

Rupees

Other than related parties

Government securities

Held to maturity

Pakistan Investment Bonds

Treasury Bills

9.1

384,744,500	-	387,509,000	94,571,300	-	96,599,151
269,506,000	-	275,266,149	465,199,820	-	490,650,861
654,250,500	-	662,775,149	559,771,120	-	587,250,012

This includes Pakistan Investment Bonds amounting to Rs. 60 million that are placed with State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

		June 30 2025 (Unaudited)	December 31 2024 (Audited)
	Note	----- (Rupees) -----	
10	LOANS AND OTHER RECEIVABLES		
Receivable from Window Takaful -OPF		2,414,835	6,577,650
Receivable from Window Takaful -PTF		5,819,209	-
Loans to employees	10.1	1,464,155	725,164
Security deposit		305,120	61,225,860
Accrued investment income		19,334,374	2,872,928
Advance against commission		452,578	858,857
Advance to supplier		2,401,754	2,315,377
Federal insurance fee		938,803	-
Other receivables		1,282,327	735,922
		<u>34,413,155</u>	<u>75,311,758</u>
10.1	These are short term, unsecured interest free loans and advances provided to permanent employees of the Company adjustable against monthly salaries.		
11	INSURANCE / REINSURANCE RECEIVABLES		
Premium due but unpaid		52,690,648	46,290,001
Less: Provision for doubtful receivables from insurance contract holder		<u>(21,646,096)</u>	<u>(19,175,671)</u>
		31,044,552	27,114,330
Amounts due from other insurers / reinsurers		<u>221,294,225</u>	<u>203,131,815</u>
Less: Provision for doubtful receivables from insurers / reinsurers		<u>(53,620,812)</u>	<u>(37,423,388)</u>
		167,673,413	165,708,427
		<u>198,717,965</u>	<u>192,822,758</u>
12	PREPAYMENTS		
Prepaid reinsurance premium ceded		71,385,720	59,192,450
Other prepaid expense		4,600,101	-
		<u>75,985,821</u>	<u>59,192,450</u>

		June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
		(Rupees) ----- (Restated)	
13	BANK DEPOSITS HELD AS MARGIN		
	Bank deposits held as margin	13.1	<u>54,051,485</u> <u>45,616,509</u>
13.1	This represents bank deposits held as margin in respect of performance / bond policies issued by the Company, which are maintained in a separate bank account on behalf of policy holders.		
14	CASH AND BANK		
	Cash and cash equivalent		
	- Cash in hand	163,665	10,886
	- Policy and revenue stamps, bond papers	3,520,015	2,078,508
	Cash at bank		
	- Current accounts	33,133,541	3,805,680
	- Saving accounts	14.1	<u>45,180,458</u> <u>93,508,126</u>
			<u>81,997,679</u> <u>99,403,200</u>
14.1	The rate of return on saving accounts maintained at 13.39% per annum (December 31, 2024: 14% to 20.25% per annum).		
15	WINDOW TAKAFUL OPERATIONS		
15.1	Operator's Funds		
	Assets		
	Investments - debt securities	35,483,320	-
	Deferred commission expense	3,008,976	3,282,754
	Receivable from PTF	25,694,320	11,716,563
	Taxation - payment less provision	-	514,327
	Other receivables	1,325,035	-
	Cash and bank	553,821	40,804,664
		<u>66,065,472</u>	<u>56,318,308</u>
	Qard-e-hasna contributed to PTF	25,000,000	25,000,000
	Total Assets	<u>91,065,472</u>	<u>81,318,308</u>
	Total Liabilities	<u>26,346,109</u>	<u>23,648,062</u>
	Profit for the period / year	<u>6,705,961</u>	<u>4,787,019</u>

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
	(Rupees)	
	(Restated)	
15.2 Participant's Funds		
Assets		
Takaful / retakaful receivables	21,518,242	10,107,008
Reinsurance recoverable	30,806,878	626,028
Deferred wakala expense	4,261,838	8,290,890
Advance and other receivables	2,290,543	887,926
Prepayments	15,374,959	9,803,237
Taxation - payments less provision	746,254	507,879
Cash and bank	70,661,828	48,778,456
Total Assets	145,660,542	79,001,424
Total Liabilities	145,660,542	79,001,424
16 INSURANCE / REINSURANCE PAYABLES		
Due to other insurers / reinsurers	146,864,999	118,519,646
Cash margins against performance bonds	54,051,485	45,616,509
	200,916,484	164,136,155
	June 30	December 31
	2025	2024
	(Unaudited)	(Audited)
	(Rupees)	
17 OTHER CREDITORS AND ACCRUALS		
Agents commission payable	64,591,785	66,047,393
Federal excise duty/sales tax	4,275,450	6,704,575
Sindh Workers' Welfare Fund	5,062,213	5,062,212
Accrued expenses	2,881,479	2,512,455
Compensated absences	4,988,209	4,988,209
Income tax liabilities	-	1,046,196
Other tax payables	335,810	-
Accounts payables for goods and services	1,140,349	782,950
Other creditors and accruals	5,549,866	7,097,084
	88,825,160	94,241,074
18 CONTINGENCIES AND COMMITMENTS		

There were no material changes in the status of contingencies and commitments as reported in the annual financial statements as at and for the year ended December 31, 2024.

Three months period ended		Six months period ended	
June 30	June 30	June 30	June 30
2025	2024	2025	2024
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
----- (Rupees) -----		----- (Rupees) -----	

19 NET INSURANCE PREMIUM

Written gross premium	117,711,645	157,354,255	229,432,258	266,157,328
Add: Unearned premium reserve opening	120,197,262	120,184,835	151,064,657	116,171,934
Less: Unearned premium reserve closing	(123,138,077)	(146,528,063)	(123,138,077)	(146,528,063)
Premium earned	114,770,830	131,011,027	257,358,838	235,801,199
Less: Reinsurance premium ceded	49,185,945	25,187,559	82,547,306	49,434,352
Add: Prepaid reinsurance premium opening	58,342,289	45,708,792	59,192,450	47,285,919
Less: Prepaid reinsurance premium closing	(71,385,720)	(44,286,054)	(71,385,720)	(44,286,054)
Reinsurance expense	36,142,514	26,610,297	70,354,036	52,434,217
Net insurance premium	78,628,316	104,400,730	187,004,802	183,366,982

20 NET INSURANCE CLAIMS

Claims paid	113,835,980	44,452,644	170,661,904	65,396,818
Add: Outstanding claims including IBNR closing	285,916,684	237,334,887	285,916,684	237,334,887
Less: Outstanding claims including IBNR opening	(297,883,962)	(239,343,219)	(280,599,160)	(216,793,824)
Claims expense	101,868,702	42,444,312	175,979,428	85,937,881
Less: Reinsurance and other recoveries received	43,431,246	7,979,919	62,218,378	10,197,265
Add: Reinsurance and other recoveries in respect of outstanding claims closing	135,755,738	102,488,142	135,755,738	102,488,142
Less: Reinsurance and other recoveries received in respect of outstanding claims opening	(130,476,476)	(105,095,250)	(122,581,102)	(101,275,592)
Reinsurance and other recoveries revenue	48,710,508	5,372,811	75,393,014	11,409,815
Net insurance claims	53,158,194	37,071,501	100,586,414	74,528,066

21 NET COMMISSION EXPENSE

Commission paid or payable	18,986,794	28,290,611	43,170,203	48,963,007
Add: Deferred commission expense opening	26,151,488	32,570,206	26,541,209	24,951,808
Less: Deferred commission expense closing	(18,404,014)	(23,517,414)	(18,404,014)	(23,517,414)
Commission expense	26,734,268	37,343,403	51,307,398	50,397,401
Less: Commission received or recoverable from reinsurers	7,345,513	1,189,094	10,454,776	2,055,517
Add: Unearned reinsurance commission opening	5,712,902	1,485,417	4,964,011	1,291,035
Less: Unearned reinsurance commission closing	(10,059,970)	(1,692,480)	(10,059,970)	(1,692,480)
Commission from reinsurance	2,998,445	982,031	5,358,817	1,654,072
Net commission expense	23,735,823	36,361,372	45,948,581	48,743,329

22 MANAGEMENT EXPENSES

Employee benefit cost	27,166,343	26,336,322	52,825,651	48,344,420
Travelling expenses	344,199	426,694	565,158	858,358
Advertisement and sales promotion	1,262,442	494,081	3,282,442	1,099,139
Printing and stationary	653,604	440,152	1,067,797	1,026,060
Depreciation on property and equipment	1,335,165	711,070	2,849,641	2,236,070
Amortization	70,289	15,223	141,201	90,223
Rent, rates and taxes	463,823	-	485,303	2,207,418
Legal and professional charges	2,514,581	2,477,263	5,713,855	5,337,320
Electricity, gas and water	1,465,931	1,031,681	2,275,077	1,633,953

	Three months period ended		Six months period ended	
	June 30	June 30	June 30	June 30
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
Entertainment	948,124	848,099	1,639,915	1,326,151
Vehicle running expenses	6,788,454	7,431,010	12,130,524	12,259,514
Office repairs and maintenance	817,591	458,848	1,206,638	1,223,542
Bank charges	50,678	44,983	87,582	102,726
Postages, telegrams and telephone	590,967	521,946	1,194,066	1,025,551
Annual supervision fee - SECP	-	236,814	374,943	236,814
Co-insurance service charges	776,214	842,067	1,217,398	842,067
Insurance charges	75,900	74,150	139,604	74,150
Miscellaneous	79,665	827,731	109,555	1,695,320
	<u>45,403,970</u>	<u>43,218,134</u>	<u>87,306,350</u>	<u>81,618,796</u>
23 INVESTMENT INCOME				
Income from equity securities				
Available for sale				
Dividend income and realised gain on AFS securities	80,275,779	7,673,734	85,898,744	9,527,634
Income from debt securities				
Held to maturity				
-Return on government securities	12,555,920	16,866,952	32,265,114	39,865,316
-Amortization of discount on -government securities	379,199	701,466	736,649	1,636,876
	<u>93,210,898</u>	<u>25,242,152</u>	<u>118,900,507</u>	<u>51,029,826</u>
Add: Reversal / (impairment) in value of available				
• for sale securities	(1,600,510)	14,898,209	-	7,101,775
Total investment income	<u>91,610,388</u>	<u>40,140,361</u>	<u>118,900,507</u>	<u>58,131,601</u>
24 OTHER INCOME				
Income from financial assets				
Return on bank balances	9,136,407	4,317,452	13,393,904	11,121,398
Income from non-financial assets				
Gain on sale of fixed asset	-	799,999	-	799,999
Liability no longer payable		(6,547,561)	-	-
	<u>9,136,407</u>	<u>(1,430,110)</u>	<u>13,393,904</u>	<u>11,921,397</u>
25 OTHER EXPENSES				
Auditors' remuneration	489,104		772,304	484,600
Directors' fees	1,100,000	655,336	1,720,000	1,115,336
Fees and subscription	64,720	-	83,645	276,421
Bad and doubtful debts	18,667,850	8,692,209	18,667,850	8,692,209
	<u>20,321,674</u>	<u>9,347,545</u>	<u>21,243,799</u>	<u>10,568,566</u>
26 INCOME TAX EXPENSE				
- Current	19,649,871	8,579,366	30,416,173	15,858,534
- Deferred	(6,901,972)	(387,920)	(5,120,824)	(387,920)
	<u>12,747,899</u>	<u>8,191,446</u>	<u>25,295,349</u>	<u>15,470,614</u>

27 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of associated companies, entities under common control, entities with common directors, shareholder and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel is carried out on basis of employment terms and conditions. The transactions with related parties are as follows:

	June 30 2025	June 30 2024
	----- Rupees -----	
	(Unaudited)	
Transactions and balances with related parties		
Parent Company - State Life Insurance Corporation of Pakistan- 95.15%		
Rent paid	<u>1,736,700</u>	<u>4,009,000</u>
Pakistan Reinsurance Company Limited - Associate of parent (Common Directorship)		
Reinsurance - Net	<u>11,977,000</u>	<u>3,270,163</u>
Employees' funds		
Contribution to provident fund	<u>1,343,000</u>	<u>1,590,986</u>
Contribution to Gratuity fund	<u>133,000</u>	<u>-</u>
Others		
Remuneration to key management personnel	<u>16,917,900</u>	<u>14,299,761</u>
Directors' remuneration	<u>1,720,000</u>	<u>1,800,000</u>
	June 30	December 31
	2025	2024
	----- Rupees -----	
	(Unaudited)	(Audited)
Associate of Parent Company		
Payable to Pakistan Reinsurance Company Limited - Associate of parent (Common Directorship)	<u>(44,463,000)</u>	<u>(32,486,600)</u>
Others		
Payable to gratuity fund	<u>-</u>	<u>(1,366,693)</u>

28 SEGMENT INFORMATION

The class wise revenues and results are as follows:

June 30, 2025 (Un-audited)	Six months period ended June 30, 2025 (Un-audited)						2025 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
	(Rupees)						
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	75,033,560	31,572,255	51,881,781	445,600	1,578,117	94,791,044	255,302,357
Less: Federal excise duty / sales Tax	5,648,043	2,751,979	4,186,472	-	208,888	8,515,206	21,310,588
Federal insurance fee	359,905	231,365	263,316	2,743	13,377	557,612	1,428,318
Others	51,820	2,825,223	118,510	-	19,200	116,440	3,131,193
Gross written premium (inclusive of administrative surcharge)	68,973,792	25,763,688	47,313,483	442,857	1,336,652	85,601,786	229,432,258
Gross direct premium	35,250,672	22,511,771	25,757,730	442,857	1,289,461	55,317,144	140,569,635
Facultative inward premium	33,058,156	2,630,806	21,101,378	-	-	29,849,709	86,640,049
Administrative surcharge	664,964	621,111	494,375	-	47,191	434,933	2,262,574
Insurance premium earned	97,609,549	26,450,613	47,632,192	31,616,290	1,057,973	52,992,221	257,358,838
Reinsurance expense	(39,028,174)	(10,907,265)	(8,217,038)	-	(907,861)	(11,293,698)	(70,354,036)
Net insurance premium	58,581,375	15,543,348	39,415,154	31,616,290	150,112	41,698,523	187,004,802
Net commission income	3,234,979	595,230	812,396	-	-	716,211	5,358,816
Net Underwriting income	61,816,354	16,138,578	40,227,550	31,616,290	150,112	42,414,734	192,363,618
Insurance claims	(88,281,568)	(18,436,015)	(20,772,923)	(44,925,102)	-	(3,563,661)	(175,979,269)
Insurance claims recovered from reinsurers	58,553,859	8,183,337	8,655,660	-	-	-	75,392,856
Net claims	(29,727,709)	(10,252,678)	(12,117,263)	(44,925,102)	-	(3,563,661)	(100,586,413)
Commission expense	(25,508,667)	(8,093,622)	(5,527,064)	(1,583,533)	(91,804)	(10,502,708)	(51,307,398)
Management expenses	(26,168,724)	(9,774,768)	(17,950,781)	(168,020)	(507,127)	(32,736,930)	(87,306,350)
Premium deficiency expense	-	67,704	-	14,513,333	-	-	14,581,037
Net insurance claims and expenses	(81,405,100)	(28,053,364)	(35,595,108)	(32,163,322)	(598,931)	(46,803,299)	(224,619,124)
Underwriting result	(19,588,746)	(11,914,786)	4,632,442	(547,032)	(448,819)	(4,388,565)	(32,255,506)
Investment income							118,900,507
Other income							13,393,905
Other expenses							(21,243,799)
Results of operating activities							111,050,613
							78,795,107

June 30, 2025 (Un-audited)	Six months period ended June 30, 2025 (Un-audited)						2025 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
	(Rupees)						
Segment Assets	134,087,912	50,085,678	92,057,134	860,932	2,598,507	166,413,421	446,103,584
Unallocated Assets							1,079,581,882
Unallocated Assets - Operator's Fund							91,065,472
Unallocated Assets - Participants' Takaful Fund							145,660,542
Total assets							1,762,411,480
Segment liabilities							627,963,195
Unallocated liabilities							119,414,695
Unallocated liabilities - Operator's Fund							26,346,109
Unallocated liabilities - Participants' Takaful Fund							145,660,542
Total liabilities							919,384,542

June 30, 2024 (Un-audited)	Six months period ended June 30, 2024 (Un-audited)						2024 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
	(Rupees)						
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	97,609,584	57,014,561	44,025,908	46,619,498	1,544,513	37,044,401	283,858,465
Less: Federal excise duty / sales Tax	4,287,795	4,383,978	3,695,492	-	162,702	1,752,573	14,282,540
Federal insurance fee	303,253	432,131	261,597	461,848	11,008	124,442	1,594,279
Others	6,420	1,790,224	14,285	400	6,300	6,689	1,824,318
Gross written premium (inclusive of administrative surcharge)	93,012,116	50,408,228	40,054,534	46,157,250	1,364,503	35,160,697	266,157,328
Gross direct premium	28,629,847	41,921,928	25,531,006	46,149,250	1,067,739	12,288,046	155,587,816
Facultative inward premium	63,932,725	7,481,683	13,895,355	-	263,861	22,716,814	108,290,438
Administrative surcharge	449,544	1,004,617	628,173	8,000	32,903	155,837	2,279,074
	93,012,116	50,408,228	40,054,534	46,157,250	1,364,503	35,160,697	266,157,328
Insurance premium earned	96,861,954	40,271,934	35,730,809	26,395,397	1,276,333	35,264,772	235,801,199
Reinsurance expense	(23,895,933)	(12,201,706)	(5,804,691)	-	(845,724)	(9,686,163)	(52,434,217)
Net insurance premium	72,966,021	28,070,228	29,926,118	26,395,397	430,609	25,578,609	183,366,982
Net commission income	716,313	342,237	517,191	-	-	78,331	1,654,072
Net Underwriting income	73,682,334	28,412,465	30,443,309	26,395,397	430,609	25,656,940	185,021,054
Insurance claims	(16,196,474)	(27,184,670)	(15,326,662)	(23,153,113)	-	(4,076,962)	(85,937,881)
Insurance claims recovered from reinsurers	2,216,311	7,298,817	3,326,682	-	-	(1,431,995)	11,409,815
Net claims	(13,980,163)	(19,885,853)	(11,999,980)	(23,153,113)	-	(5,508,957)	(74,528,066)
Commission expense	(24,634,120)	(12,088,093)	(4,383,724)	(1,356,351)	(123,756)	(7,811,357)	(50,397,401)
Management expenses	(32,478,032)	(12,494,389)	(13,320,466)	(11,748,901)	(191,669)	(11,385,339)	(81,618,796)
Premium deficiency expense	-	(417,502)	-	(6,140,352)	-	-	(6,557,854)
Net insurance claims and expenses	(71,092,315)	(44,885,837)	(29,704,170)	(42,398,717)	(315,425)	(24,705,653)	(213,102,117)
Underwriting result	2,590,019	(16,473,372)	739,139	(16,003,320)	115,184	951,287	(28,081,063)
Investment income							58,131,601
Other income							11,921,397
Other expenses							(10,568,566)
Results of operating activities							59,484,432
							31,403,369

December 31, 2024 (Audited)	Six months period ended June 30, 2024 (Un-audited)						2024 Aggregate
	Fire & property	Marine, aviation & transport	Motor	Accident and Health	Bond	Other classes	
	(Rupees)						
Segment Assets	235,360,368	42,398,203	53,717,490	31,788,190	2,107,046	24,231,982	389,603,279
Unallocated Assets							1,194,806,975
Unallocated Assets - Operator's Fund							81,318,308
Unallocated Assets - Participants' Takaful Fund							79,001,424
Total assets							1,744,729,987
Segment liabilities	330,745,583	74,804,659	91,514,056	133,946,743	1,002,861	25,776,544	657,790,446
Unallocated liabilities							99,763,973
Unallocated liabilities - Operator's Fund							81,318,308
Unallocated liabilities - Participants' Takaful Fund							79,001,424
Total liabilities							917,874,151

29 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 defines fair value as an exit price. 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.

All assets and liabilities for which fair value is measured or disclosed in these condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There had been no transfers between the fair value of hierarchy during the period.

Following are the assets which are either measured at fair value or for which fair value is only disclosed and is different from their carrying value:

	June 30, 2025 (Un-audited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	----- (Rupees) -----		
Available for sale investments (measured at fair value)			
Equity securities	168,580,752	-	-
	<hr/>		
	December 31, 2024 (Audited)		
	Fair Value Measurement		
	Level 1	Level 2	Level 3
	----- (Rupees) -----		
Available for sale investments (measured at fair value)			
Equity securities	261,746,818	-	-
	<hr/>		

At the reporting date, the carrying amount of all financial assets and liabilities carried reflected in the financial statements approximate their fair values.

30 CORRESPONDING FIGURES

Corresponding figures have been restated, rearranged, and reclassified, wherever necessary, for the purposes of comparison and better presentation. However, there is no significant change except for the presentation of total assets and total liabilities and fund of the Participants' Takaful Fund (PTF) of the Window Takaful Operations (refer note 15) and bank deposits held as margin against performance / bond policies (refer note 13).

31 GENERAL

- 31.1 There is no individual class of business within the category of 'miscellaneous', where the gross premium of the class of business is 10% or more of the gross premium revenue of the Company.
- 31.2 All amounts have been rounded to the nearest Rupees.

32 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 29 AUG 2025 by the Board of Directors of the Company.



Chief Executive Officer



Director



Director



Chairman



CONDENSED INTERIM
FINANCIAL STATEMENTS
OF
ALPHA INSURANCE COMPANY LIMITED
(WINDOW TAKAFUL OPERATIONS)
FOR THE SIX MONTHS PERIOD ENDED
JUNE 30, 2025



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Alpha Insurance Company Limited - Window Takaful Operations Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Alpha Insurance Company Limited - Window Takaful Operations** ("the Company") as at June 30, 2025 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in funds, condensed interim cash flow statement, and notes to the financial statements for the six months period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

- i. Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months period ended, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months period ended June 30, 2025 have not been reviewed by us; and



- ii. The condensed interim financial statements for the six months period ended June 30, 2024 and annual financial statements of the Company for year ended December 31, 2024 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and opinion respectively vide their reports dated December 09, 2024 and May 21, 2025 respectively.

The engagement partner on the review resulting in this independent auditor's review report is Zulfikar Ali Causer.

KARACHI

DATED: **01 SEP 2025**

UDIN: RR202510067OwqC3fHgB

A handwritten signature in blue ink, appearing to read 'BDO Ebrahim & Co.', written over a horizontal line.

**BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS**

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

		Operator's Fund		Participant's Takaful Fund	
		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Note		------(Rupees)-----			
ASSETS					
Investments					
Equity securities	4	35,483,320	-	-	-
Takaful / retakaful receivables	5	-	-	21,518,242	10,107,008
Reinsurance recoverable	14	-	-	30,806,878	626,028
Deferred wakala expense		-	-	4,261,838	8,290,890
Deferred commission expense	16	3,008,976	3,282,754	-	-
Receivable from PTF	6	25,694,320	11,716,563	-	-
Qard-e-hasna contributed to PTF		25,000,000	25,000,000	-	-
Advance and other receivables		1,325,035	-	2,290,543	887,926
Prepayments	7	-	-	15,374,959	9,803,237
Taxation - payments less provision		-	514,327	746,254	507,879
Cash and bank	8	553,821	40,804,664	70,661,828	48,778,456
TOTAL ASSETS		91,065,472	81,318,308	145,660,542	79,001,424
FUNDS AND LIABILITIES					
Funds attributable to:					
Operator's Fund - (OPF)					
Statutory fund		50,000,000	50,000,000	-	-
Unappropriated profits		14,376,206	7,670,246	-	-
Revaluation reserves - available for - sale investments		343,157	-	-	-
Total Operator's Fund		64,719,363	57,670,246	-	-
Participants' Takaful Fund - (PTF)					
Seed money		-	-	500,000	500,000
Accumulated deficit		-	-	(21,347,884)	(18,613,794)
Balance of Participants' Takaful Fund		-	-	(20,847,884)	(18,113,794)
Qard-e- Hasna		-	-	25,000,000	25,000,000
LIABILITIES					
PTF Underwriting Provisions					
Outstanding claims including IBNR	14	-	-	50,026,788	8,437,126
Unearned contribution reserve	12	-	-	20,568,930	26,817,572
Reserve for unearned retakaful rebate	13	-	-	519,996	317,169
Contribution deficiency reserves		-	-	1,619,595	3,514,142
		-	-	72,735,309	39,086,009
Unearned wakala fee		4,261,838	8,290,890	-	-
Contribution received in advance		-	-	442,956	144,840
Takaful / retakaful payables	9	-	-	24,834,714	11,207,323
Other creditors and accruals	10	19,793,483	15,357,172	17,801,127	9,960,483
Taxation - payments less provision		2,150,625	-	-	-
Deferred taxation		140,163	-	-	-
Payable to OPF		-	-	25,694,320	11,716,563
TOTAL LIABILITIES		26,346,109	23,648,062	68,773,117	33,029,209
TOTAL FUNDS AND LIABILITIES		91,065,472	81,318,308	145,660,542	79,001,424

CONTINGENCIES AND COMMITMENTS

11

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2025


		THREE MONTHS PERIOD ENDED JUNE 30,		SIX MONTHS PERIOD ENDED JUNE 30,	
		2025	2024	2025	2024
	Note	------(Rupees)-----			
PARTICIPANTS' TAKAFUL FUND - (PTF)					
Contributions earned		13,336,475	7,314,949	32,578,355	11,098,231
Less: Contribution ceded to re-takaful		(1,838,410)	(4,047,249)	(7,718,396)	(7,454,555)
Net contribution revenue	12	11,498,065	3,267,700	24,859,959	3,643,676
Re-takaful rebate earned	13	33,724	145,860	211,421	262,760
Net underwriting income		11,531,789	3,413,560	25,071,380	3,906,436
Net claims - reported / settled	14	(11,764,846)	(4,258,349)	(29,984,500)	(6,332,600)
Contribution deficiency		1,894,547	-	1,894,547	-
Other direct expenses		(1,235,913)	(121,065)	(1,225,229)	(193,179)
Surplus / (deficit) before other income		425,577	(965,854)	(4,243,802)	(2,619,343)
Other income		980,441	1,061,334	1,589,170	1,310,704
Less: Mudarib's share of investment income		(49,022)	(318,401)	(79,458)	(393,212)
Surplus / (deficit) transferred to accumulated surplus		1,356,996	(222,921)	(2,734,090)	(1,701,851)
OPERATOR'S FUND - (OPF)					
Wakala fee	15	9,331,976	3,885,019	19,366,522	5,922,171
Commission expense	16	(1,963,629)	(1,816,330)	(4,465,956)	(2,863,080)
General, administrative and management expenses	17	(2,081,125)	(525,147)	(7,124,599)	(1,700,147)
		5,287,223	1,543,542	7,775,967	1,358,944
Mudarib's share of PTF investment income		49,022	318,401	79,458	393,212
Investment income		-	1,181,127	-	2,663,527
Other income		800,375	772,438	1,589,589	1,791,277
Profit before taxation		6,136,619	3,815,507	9,445,015	6,206,960
Taxation		(3,555,141)	(1,106,497)	(2,739,055)	(1,800,018)
Profit after taxation		2,581,479	2,709,010	6,705,960	4,406,942

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

**ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2025**

	THREE MONTHS PERIOD ENDED JUNE 30,		SIX MONTHS PERIOD ENDED JUNE 30,	
	2025	2024	2025	2024
	----- (Rupees) -----			
PARTICIPANTS' TAKAFUL FUND - (PTF)				
Surplus / (deficit) for the period	1,356,996	(222,921)	(2,734,090)	(1,701,851)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>1,356,996</u>	<u>(222,921)</u>	<u>(2,734,090)</u>	<u>(1,701,851)</u>
OPERATOR'S FUND - (OPF)				
Profit after tax for the period	2,581,479	2,709,010	6,705,960	4,406,942
Other comprehensive income:				
Item that will be reclassified to the profit and loss account in subsequent period				
Unrealized gain on available-for-sale investments	-	-	483,320	-
Impact of related deferred taxation	-	-	(140,163)	-
	-	-	343,157	-
Total comprehensive income for the period	<u>2,581,479</u>	<u>2,709,010</u>	<u>7,049,117</u>	<u>4,406,942</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CHANGES IN FUND
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

	ATTRIBUTABLE TO OPERATOR'S FUND			Total
	Statutory Fund	Unappropriated profit	Unrealised gain on revaluation of available-for-sale investments-Net	
	(Rupees)			
Balance as at January 01, 2024 (Audited)	50,000,000	2,883,227	-	52,883,227
Total comprehensive income for the period				
Profit for the period	-	4,406,942	-	4,406,942
Other comprehensive income	-	-	-	-
Balance as at June 30, 2024 (Un-audited)	50,000,000	7,290,169	-	57,290,169
Balance as at January 01, 2025 (Audited)	50,000,000	7,670,246	-	57,670,246
Total comprehensive income for the period				
Profit for the period	-	6,705,960	-	6,705,960
Other comprehensive income - net of tax	-	-	343,157	343,157
Balance as at June 30, 2025 (Un-audited)	50,000,000	14,376,206	343,157	64,719,363
	ATTRIBUTABLE TO PARTICIPANTS' FUND			Total
	Seed money	Accumulated Deficit	Unrealised gain on revaluation of available-for-sale investments-Net	
	(Rupees)			
Balance as at January 01, 2024 (Audited)	500,000	(2,474,275)	-	(1,974,275)
Total comprehensive loss for the period				
Deficit for the period	-	(1,701,851)	-	(1,701,851)
Other comprehensive income	-	-	-	-
Balance as at June 30, 2024 (Un-audited)	500,000	(4,176,126)	-	(3,676,126)
Balance as at January 01, 2025 (Audited)	500,000	(18,613,794)	-	(18,113,794)
Total comprehensive loss for the period				
Deficit for the period	-	(2,734,090)	-	(2,734,090)
Other comprehensive income	-	-	-	-
Balance as at June 30, 2025 (Un-audited)	500,000	(21,347,884)	-	(20,847,884)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chairman


Director


Director

ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

	OPERATOR'S FUND - (OPF) June 30,		PARTICIPANTS' TAKAFUL June 30,	
	2025	2024	2025	2024
	(Rupees)			
OPERATING CASH FLOWS				
(a) Takaful activities				
Contribution received	-	-	34,583,117	20,636,998
Retakaful contribution paid	-	-	337,273	(3,613,551)
Claims paid	-	-	11,605,162	(2,115,262)
Retakaful claims recovered	-	-	(30,180,850)	-
Re-takaful rebate received	-	-	414,248	309,763
*Net cash flows generated from takaful activities	-	-	16,758,950	15,217,948
(b) Other operating activities				
Income tax paid	(74,104)	(979,857)	(238,376)	(223,052)
Commission paid	(3,421,695)	(1,267,353)	-	-
Other operating receipts / (payments)	(3,404,640)	(2,747,635)	3,773,628	3,355,310
Net cash flow (used in) / generated from other operating activities	(6,900,439)	(4,994,845)	3,535,252	3,132,258
Total cash flow (used in) / generated from all operating activities	(6,900,439)	(4,994,845)	20,294,202	18,350,206
(c) Investment activities				
Profit / return received	1,649,596	4,454,804	1,589,170	1,310,704
Payments / proceeds for investments	(35,000,000)	25,000,000	-	-
Total cash flow (used in) / generated from investing activities	(33,350,404)	29,454,804	1,589,170	1,310,704
Net cash flows (used in) / generated from all activities	(40,250,843)	24,459,959	21,883,372	19,660,911
Cash and cash equivalents at beginning of period	40,804,664	25,545,371	48,778,456	9,533,696
Cash and cash equivalents at end of period	553,821	50,005,330	70,661,828	29,194,607
Reconciliation to profit and loss account				
Operating cash flows	(6,900,439)	(4,994,845)	20,294,202	18,350,206
Profit / return received	1,589,589	1,791,277	1,589,170	1,310,704
Investment income	-	2,663,527	-	-
Increase in assets other than cash	14,514,685	10,867,458	44,775,746	9,928,235
Increase in liabilities	(2,497,874)	(5,920,475)	(69,393,208)	(31,290,996)
Profit / (deficit) for the period	6,705,960	4,406,942	(2,734,090)	(1,701,851)
Attributed to:				
Operator's Fund	6,705,960	4,406,942	-	-
Participants' Takaful Fund	-	-	(2,734,090)	(1,701,851)
	6,705,960	4,406,942	(2,734,090)	(1,701,851)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Director


Director


Director

**ALPHA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alpha Insurance Company Limited (the Operator) has been authorized to undertake Window Takaful Operations (WTO) on November 21, 2022 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The registered office of the Operator is situated at 4th Floor, Building # 1-B, State Life Square, I. I. Chundrigar Road, Karachi.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF) on January 11, 2023 under the Waqf Deed with a Seed 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 Waqf 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 Waqf and the Operator are shown separately.

- 1.2 As at June 30, 2025, the accumulated deficit of the PTF is Rs. 21.348 million (December 31, 2024: Rs. 18.614 million) and deficit for the period of PTF is Rs. 2.734 million (June 30, 2024: Rs. 1.702 million).

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, "Interim Financial Reporting" issued by 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, Insurance Accounting Regulations 2017, SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

- In case requirements differ, the provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations 2017, SECP Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019 have been followed.

2.2 Basis of preparation

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated November 20, 2019 has prescribed format of the presentation of financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2024.

2.3 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless otherwise stated.

2.4 Functional and presentation currency

These condensed interim financial statements have been prepared and presented in Pakistan Rupees, which is the Operator's functional and presentation currency. All financial information presented has been rounded off to the nearest rupees unless otherwise stated.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and the method of computation adopted in the preparation of theses condensed interim financial statement are the same as those applied in the preparation of the annual audited annual financial statements of the Company as at and for the year ended December 31, 2024.

3.1 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

Amendments to existing accounting and reporting standards that have become effective during the period

There are certain amendments to existing accounting and reporting standards that have become applicable for accounting periods beginning on or after January 01, 2025. These are considered either to not be relevant or to not have any significant impact on these condensed interim financial statements.

3.2 New standards and amendments to existing accounting and reporting standards that are not yet effective

	Effective Date (period beginning on or after)
Standards, amendments or interpretations	
IFRS 9 - Financial Instruments	January 1, 2027
IFRS 17 - Insurance contracts	January 1, 2027

SECP through its S.R.O 1336(I)/2025 dated July 23, 2025 has further deferred implementation of IFRS 17 "Insurance Contracts" which is applicable to the companies engaged in insurance / takaful and re-insurance/re-takaful business from financial years commencing on or after January 01, 2027.

IFRS 17, replaces IFRS 4 Insurance Contracts. The new standard will apply to all entities that issue insurance and reinsurance contracts, and to all entities that hold reinsurance contracts. This standards requires entities to identify contracts and its terms and to assess whether they meet the definition of an insurance contract or includes components of an insurance contract. Insurance contracts are required to account for under the recognition/ derecognition of IFRS-17. Companies subject to the requirement of SRO will also be required to adopt requirements of IFRS-9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

There are various other standards and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on these condensed interim financial statements.

3.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires the management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions. The accounting estimates and judgements made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2024.

4 INVESTMENTS IN EQUITY SECURITIES

Available for sale - Mutual funds	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Cost	Impairment/ provision for the period	Carrying Value	Cost	Impairment/ provision for the period	Carrying Value
<hr style="border-top: 1px dashed black;"/> ----- (Rupees) ----- <hr style="border-top: 1px dashed black;"/>						
Operator's Fund						
NBP-FUND (Growth Fund)	20,000,000	-	20,203,622	-	-	-
JS-Investments	15,000,000	-	15,279,698	-	-	-
	<u>35,000,000</u>	<u>-</u>	<u>35,483,320</u>	<u>-</u>	<u>-</u>	<u>-</u>

4.1 The unrealised gain on available for sales investments is Rs. 483,320.

Operator's Fund	Participant's Takaful Fund	Operator's Fund	Participant's Takaful Fund
June 30 2025	June 30 2025	December 31, 2024	December 31, 2024
(Un-audited)		(Audited)	
<hr style="border-top: 1px dashed black;"/> ----- (Rupees) ----- <hr style="border-top: 1px dashed black;"/>			

5 TAKAFUL / RETAKAFUL RECEIVABLES

Unsecured and considered good

Due from takaful participants holders	-	7,237,030	-	6,651,715
Due from other takaful / retakaful operators	-	14,281,212	-	3,455,293
	<u>-</u>	<u>21,518,242</u>	<u>-</u>	<u>10,107,008</u>

6 RECEIVABLE FROM PTF

Wakala fee	16,739,736	-	1,402,265	-
Mudarib fee	116,504	-	116,504	-
Inter fund receivable	8,838,080	-	10,197,794	-
	<u>25,694,320</u>	<u>-</u>	<u>11,716,563</u>	<u>-</u>

7 PREPAYMENTS

Prepaid retakaful contribution ceded	-	15,374,959	-	9,803,237
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8 CASH AND BANK

Cash and cash equivalent
Cash at bank
Profit and loss sharing accounts

Operator's Fund	Participant's Takaful Fund	Operator's Fund	Participant's Takaful Fund
June 30 2025	June 30 2025	December 31, 2024	December 31, 2024
(Un-audited)		(Audited)	
----- (Rupees) -----			
553,821	70,661,828	40,804,664	48,778,456

8.1 The rate of return on profit and loss sharing accounts held with Islamic banks during the period range from 10% to 12% per annum (December 31, 2024: 10.75%).

Operator's Takaful Fund	Participant's Takaful Fund	Operator's Takaful Fund	Participant's Takaful Fund
June 30, 2025	June 30, 2025	December 31, 2024	December 31, 2024
(Un-audited)		(Audited)	
------(Rupees)-----		------(Rupees)-----	

9 TAKAFUL / RETAKAFUL PAYABLES

Due to takaful / retakaful payables

-	24,834,714	-	11,207,323
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10 OTHER CREDITORS AND ACCRUALS

Commission payable
Payable to Alpha Insurance Company Limited
Federal takaful fee
Sales tax on services
Withholding tax payable
Accrued expenses
Auditor's fee
Others

4,610,512	-	3,840,029	-
7,381,611	1,493,700	7,380,111	-
-	1,101,114	-	692,510
-	14,571,813	-	9,040,346
2,059,501	634,500	1,559,916	186,433
5,734,648	-	2,010,306	-
-	-	559,600	-
7,210	-	7,210	41,194
19,793,482	17,801,127	15,357,172	9,960,483

11 CONTINGENCIES AND COMMITMENTS

There were no material changes in the status of contingencies and commitments as reported in the annual financial statements as at and for the year ended December 31, 2024.

Three months period ended		Six months period ended	
June 30,2025	June 30,2024	June 30,2025	June 30,2024
(Un-audited)		(Un-audited)	
------(Rupees)-----		------(Rupees)-----	

12 NET CONTRIBUTION REVENUE - PTF

Written gross contribution
Less: Wakala fee
Contribution Net of Wakala Fee
Add: Unearned contribution reserve opening
Less: Unearned contribution reserve closing
Contribution earned

24,329,498	15,503,596	45,696,235	24,126,074
(9,331,976)	(3,885,019)	(19,366,522)	(5,922,171)
14,997,522	11,618,577	26,329,713	18,203,903
18,907,883	18,386,841	26,817,572	15,584,797
(20,568,930)	(22,690,469)	(20,568,930)	(22,690,469)
13,336,475	7,314,949	32,578,355	11,098,231

		Three months period ended		Six months period ended	
		June 30,2025	June 30,2024	June 30,2025	June 30,2024
		(Un-audited)		(Un-audited)	
		------(Rupees)-----			
Less: Retakaful contribution ceded		5,874,345	5,862,653	13,290,118	11,101,199
Add: Prepaid retakaful contribution opening		11,339,024	12,461,351	9,803,237	10,630,111
Less: Prepaid retakaful contribution closing		(15,374,959)	(14,276,755)	(15,374,959)	(14,276,755)
Retakaful expense		1,838,410	4,047,249	7,718,396	7,454,555
Net contribution revenue		11,498,065	3,267,700	24,859,959	3,643,676
13 RETAKAFUL REBATE EARNED - PTF					
Retakaful rebate received		56,255	183,314	312,304	309,763
Add: Unearned retakaful rebate opening		497,465	381,659	419,113	372,110
Less: Unearned retakaful rebate closing		(519,996)	(419,113)	(519,996)	(419,113)
		33,724	145,860	211,421	262,760
14 TAKAFUL BENEFITS / (CLAIMS EXPENSE) - PTF					
Benefits / (Claims paid)		(8,851,420)	(2,338,181)	(18,725,988)	(2,829,893)
Less: Outstanding claims including IBNR opening		46,982,212	2,073,021	8,437,126	490,482
Add: Outstanding claims including IBNR closing		(50,026,788)	(4,707,820)	(50,026,788)	(4,707,820)
Benefits / Claims expense		(11,895,996)	(4,972,980)	(60,315,650)	(7,047,231)
Less: Retakaful and other recoveries received		300	-	150,300	-
Add: Retakaful recoveries against outstanding claims opening		(30,676,028)	-	(626,028)	-
Less: Retakaful recoveries against outstanding claims closing		30,806,878	(714,631)	30,806,878	(714,631)
Retakaful and other recoveries revenue		131,150	(714,631)	30,331,150	(714,631)
Net Takaful Benefits / (Claim expense)		(11,764,846)	(4,258,349)	(29,984,500)	(6,332,600)
15 WAKALA FEE - OPF					
Gross wakala fee		7,052,656	5,426,259	15,337,470	8,444,126
Add: Deferred wakala expense opening		6,541,158	-	8,290,890	5,406,246
Less: Deferred wakala expense closing		(4,261,838)	(1,541,240)	(4,261,838)	(7,928,201)
		9,331,976	3,885,019	19,366,522	5,922,171

The shareholder of the Company manage the general takaful operations for the participants and charges 35% for all class of business (December 31, 2024: 35%) of the gross contribution written as wakala fee against the services.

		Three months period ended		Six months period ended	
		June 30,2025	June 30,2024	June 30,2025	June 30,2024
		(Un-audited)		(Un-audited)	
		------(Rupees)-----			
16	COMMISSION EXPENSE - OPF				
	Commission paid or payable	2,089,430	1,866,665	4,192,178	3,369,911
	Add: Deferred commission expense opening	2,883,175	3,280,268	3,282,754	2,823,772
	Less: Deferred commission expense closing	(3,008,976)	(3,330,603)	(3,008,976)	(3,330,603)
		<u>1,963,629</u>	<u>1,816,330</u>	<u>4,465,956</u>	<u>2,863,080</u>
17	GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES -				
	Employee benefit cost	962,723	-	1,890,705	-
	Bank charges	83	7,147	83	7,147
	Professional Charges - IT Related	408,569	355,500	4,290,531	1,368,000
	Auditors' remuneration	606,000	-	756,000	325,000
	Other admin expenses	103,750	162,500	187,280	-
		<u>2,081,125</u>	<u>525,147</u>	<u>7,124,599</u>	<u>1,700,147</u>

18 MODARIB'S FEE

The operator manage the participants' investments as a Modarib and charge 5% (December 31, 2024 : 5%) Modarib share of the investment income earned by PTF.

19 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, major shareholders, key management personnel, associated companies, subsidiary company, and entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties during the year other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows.

		Six months period ended	
		June 30,2025	June 30,2024
		(Un-audited)	
		------(Rupees)-----	
Relation with the Company	Nature of transaction		
Transactions during the period			
Associated companies	Reinsurance-Net	8,498,880	7,225,560
Balances as at reporting date			
Associated companies	Balance payable	15,821,637	7,322,757

20 SEGMENT INFORMATION

20.1 Participants' Takaful Fund

	Six months period ended June 30, 2025 (Un-audited)				
	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
	(Rupees)				
Contribution receivable (inclusive of federal excise duty and administrative surcharge)	10,118,053	5,683,043	14,151,703	22,939,694	52,892,493
Less:					
Federal Excise duty	(1,030,310)	(588,681)	(1,551,092)	(2,476,391)	(5,646,474)
Federal insurance fee	(65,433)	(39,500)	(102,674)	(200,997)	(408,604)
Others	(5,000)	(1,067,180)	(54,500)	(14,500)	(1,141,180)
Gross contributions (inclusive of administrative surcharge)	9,017,310	3,987,682	12,443,437	20,247,806	45,696,235
Wakala fee	(4,655,248)	(1,998,830)	(4,900,107)	(7,832,338)	(19,366,522)
Contribution earned	10,107,148	5,127,461	12,703,182	24,007,087	51,944,877
Takaful contribution ceded to retakaful operators	(2,722,657)	(1,814,004)	(2,049,607)	(1,132,128)	(7,718,396)
Net contribution	2,749,243	1,314,626	5,753,468	15,042,621	24,859,959
Rebate from retakaful	101,527	-	109,894	-	211,421
Net underwriting (expense)/income	2,850,770	1,314,626	5,863,362	15,042,621	25,071,380
Takaful claims	(41,224,840)	(2,064,858)	(4,860,881)	(12,165,071)	(60,315,650)
Takaful claims recovered from retakaful operator	30,200,000	-	131,150	-	30,331,150
Net claims	(11,024,840)	(2,064,858)	(4,729,731)	(12,165,071)	(29,984,500)
Other direct expense	(144,284)	(68,995)	(301,950)	(710,000)	(1,225,229)
Contribution Deficiency	-	1,545,509	60,900	288,338	1,894,547
Net takaful claims and expenses	(11,169,124)	(588,544)	(4,970,781)	(12,586,733)	(29,315,182)
Underwriting results	(8,318,354)	726,082	892,581	2,455,888	(4,243,802)
Other income					1,589,170
Less: Mudarib's share of investment income					(79,458)
					1,509,711
Deficit transferred					(2,734,090)
	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
June 30, 2025 (Un-audited)					
Corporate segment assets	7,958,212	3,805,438	16,654,517	43,543,750	71,961,917
Corporate unallocated assets	-	-	-	-	73,698,625
Total Assets	7,958,212	3,805,438	16,654,517	43,543,750	145,660,542
Corporate segment liabilities	10,839,179	5,183,051	22,683,649	59,307,100	98,012,979
Corporate unallocated liabilities	-	-	-	-	(29,239,862)
Total Liabilities	10,839,179	5,183,051	22,683,649	59,307,100	68,773,117

20.2 Participants' Takaful Fund

Six months period ended June 30, 2024 (Un-audited)

	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
Contribution receivable(inclusive of federal excise duty and administrative surcharge)	3,284,652	4,083,231	14,162,442	5,383,602	26,913,927
Less:					
Federal Excise duty	(277,233)	(355,091)	(1,393,952)	(166,635)	(2,192,911)
Federal insurance fee	(21,197)	(31,073)	(105,851)	(51,651)	(209,772)
Others	(650)	(378,570)	(5,600)	(350)	(385,170)
Gross contributions (inclusive of administrative surcharge)	2,985,572	3,318,497	12,657,039	5,164,966	24,126,074
Wakala fee	(714,198)	(1,037,726)	(2,980,611)	(1,189,636)	(5,922,171)
Contribution earned	2,044,007	2,564,267	8,802,973	3,609,155	17,020,402
Takaful contribution ceded to retakaful operators	(893,217)	(1,025,360)	(3,910,814)	(1,625,164)	(7,454,555)
Net contribution	436,592	501,181	1,911,548	794,355	3,643,676
Rebate from retakaful	31,484	36,142	137,849	57,285	262,760
Net underwriting (expense)/income	468,076	537,323	2,049,397	851,640	3,906,436
Takaful claims	(113,068)	(1,310,000)	(5,564,838)	(59,325)	(7,047,231)
Takaful claims recovered from retakaful operator	-	-	714,631	-	714,631
Net claims	(113,068)	(1,310,000)	(4,850,207)	(59,325)	(6,332,600)
Other direct expense	(25,147)	(26,571)	(101,346)	(42,115)	(193,179)
Net takaful claims and expenses	(136,215)	(1,336,571)	(4,951,553)	(101,440)	(6,525,779)
Underwriting results	331,861	(799,248)	(2,902,156)	750,200	(2,619,343)
Other income					1,310,704
Less: Mudarib's share of investment					(393,212)
Deficit transferred					917,492
					(1,701,851)

December 31, 2024 (Audited)	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
Corporate segment assets	8,791,344	3,158,602	11,970,254	4,906,963	28,827,163
Corporate unallocated assets					50,174,261
Total Assets					79,001,424
Corporate segment liabilities	13,048,274	6,860,368	22,329,367	8,263,353	50,501,362
Corporate unallocated liabilities					21,613,856
Total Liabilities					72,115,218

20.3 Operator's Fund

Six months period ended June 30, 2025 (Un-audited)

	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
	----- (Rupees) -----				
Wakala fee	4,635,248	1,998,830	4,900,107	7,832,338	19,366,523
Commission expense	(2,146,138)	(959,312)	(1,402,966)	42,460	(4,465,956)
Management expenses	(1,705,225)	(735,334)	(1,802,662)	(2,881,378)	(7,124,599)
	783,885	304,184	1,694,479	4,993,420	7,775,968
Investment income					79,458
Mudarib share					-
Other income					1,589,589
Ceded money expense					-
Other expense					-
					1,669,048
Profit before taxation					9,445,016
Taxation					(2,739,055)
Profit after taxation					6,705,960

June 30, 2025 (Un-audited)	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
	----- (Rupees) -----				
Corporate segment assets	720,178	310,558	761,329	1,216,910	3,008,975
Corporate unallocated assets					88,056,497
Total Assets	720,178	310,558	761,329	1,216,910	91,065,472
Corporate segment liabilities	1,020,042	439,867	1,078,328	1,723,601	4,261,838
Corporate unallocated liabilities					22,084,272
Total Liabilities	1,020,042	439,867	1,078,328	1,723,601	26,346,110

20.4 Operator's Fund

Six months period ended June 30, 2024 (Un-audited)

	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
	----- (Rupees) -----				
Wakala fee	714,198	1,037,726	2,980,611	1,189,636	5,922,171
Commission expense	(343,059)	(393,811)	(1,502,031)	(624,179)	(2,863,080)
Management expenses	(163,916)	(188,166)	(717,681)	(298,237)	(1,368,000)
	207,223	455,749	760,899	267,220	1,691,091
Investment income					393,212
Mudarib Share					2,663,527
Other income					1,791,277
Ceded money expense					-
Other expense					(332,147)
Profit before taxation					4,515,869
Taxation					6,206,960
Profit after taxation					(1,800,018)
					4,406,942

December 31, 2024 (Audited)	Fire & property	Marine, aviation & transport	Motor	Other classes	Aggregate
Corporate segment assets	1,406,692	345,447	1,346,308	184,306	3,282,753
Corporate unallocated assets					78,035,555
Total Assets					81,318,308
Corporate segment liabilities	2,152,017	1,069,496	4,016,244	1,053,133	8,290,890
Corporate unallocated liabilities					15,357,172
Total Liabilities					23,648,062

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

All assets and liabilities for which fair value is measured or disclosed in the condensed interim financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

HIERARCHY OF FAIR VALUE LEVELS

OPF

	June 30, 2025 (Un-Audited)			Total
	Level 1	Level 2	Level 3	
Equity securities	35,483,320	-	-	35,483,320
	35,483,320	-	-	35,483,320
	December 31, 2024 (Audited)			Total
	Level 1	Level 2	Level 3	
Equity securities	-	-	-	-
	-	-	-	-

22 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no reclassification has been made during the period.

23 **GENERAL**

Figures in the these condensed interim financial statements are rounded off to the nearest rupee.

24 **DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on
29 AUG 2025 by the Board of Directors of the Operator.



Chief Executive Officer



Chairman



Director



Director