



A VISION OF  
**PROGRESS**

INTERIM FINANCIAL STATEMENTS  
FOR THE **SIX MONTHS** ENDED  
30 JUNE 2024



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# VISION & MISSION

Our will is to **Explore, Innovate** and **Differentiate.**

Our Passion is to provide **Leadership** to the insurance industry.

# CORE VALUES

**Integrity** - Transparency and honesty without compromise

**Humility** - Empathy, self-esteem and respect in all relationships

**Fun at Workplace** - Work-life balance

**Corporate Social Responsibility** - Service to humanity





# Company Information

## BOARD OF DIRECTORS

Umer Mansha	Chairman
Ibrahim Shamsi	Director
Imran Maqbool	Director
Khawaja Jalaluddin	Director
Muhammad Arif Hameed	Director
Sadia Younas Mansha	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & Chief Executive Officer

## ADVISOR

Mian Muhammad Mansha

## AUDIT COMMITTEE

Muhammad Airf Hameed	Chairman
Ibrahim Shamsi	Member
Shaikh Muhammad Jawed	Member
Umer Mansha	Member

## ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

Khawaja Jalaluddin	Chairman
Umer Mansha	Member
Ibrahim Shamsi	Member
Muhammad Ali Zeb	Member

## INVESTMENT COMMITTEE

Shaikh Muhammad Jawed	Chairman
Umer Mansha	Member
Imran Maqbool	Member
Muhammad Ali Zeb	Member
Muhammad Asim Nagi	Member

## COMPANY SECRETARY

Tameez ul Haque, FCA

## CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi, FCA

## **EXECUTIVE MANAGEMENT TEAM**

Muhammad Ali Zeb  
Muhammad Asim Nagi  
Adnan Ahmad Chaudhry  
Asif Jabbar  
Muhammad Salim Iqbal

## **AUDITORS**

KPMG Taseer Hadi & Co.  
Chartered Accountants  
351 Shadman-1, Jail Road  
Lahore, Pakistan

## **SHARIAH ADVISOR**

Mufti Muhammad Hassan Kaleem

## **SHARE REGISTRAR**

CDC Share Registrar Services Ltd  
CDC House, 99-B, Block-B, S.M.C.H.S.,  
Main Shakra-e-Faisal, Karachi-74400  
Tel: (92) 0800-23275  
Fax: (92-21) 34326053

## **BANKERS**

Askari Bank Limited  
Abu Dhabi Commercial Bank, UAE  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
First Abu Dhabi Bank, UAE  
Habib Bank Limited  
Habib Metropolitan Bank  
Khushali Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
Mobilink Microfinance Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
The Punjab Provincial Cooperative Bank Limited  
United Bank Limited  
Zarai Taraqati Bank Limited

## **REGISTERED OFFICE**

Adamjee House, 80/A, Block E-1,  
Main Boulevard, Gulberg III,  
Lahore - 54000, Pakistan  
Phone: (92-42) 35772960-79  
Fax (92-42) 35772868  
Email: [info@adamjeeinsurance.com](mailto:info@adamjeeinsurance.com)  
Web: [www.adamjeeinsurance.com](http://www.adamjeeinsurance.com)

# Directors' Review

## to the Members on Unconsolidated Condensed Interim Financial Statements (Unaudited) For the six months ended 30 June 2024

On behalf of the Board, we are pleased to present the unaudited unconsolidated condensed interim financial statements of the Company for the half year ended 30 June 2024.

### Financial Highlights:

The highlights for the period under review are as follows:

	(Unaudited)	
	30 June 2024	30 June 2023
	Rupees in thousand	
Gross Premium	24,049,597	17,480,941
Net Premium	11,877,203	9,596,924
Underwriting results	271,254	(679,474)
Investment Income	2,412,180	1,255,888
Profit before tax	3,159,097	1,312,165
Profit after tax	1,904,801	676,390

	(Unaudited)	
	30 June 2024	30 June 2023
	Rupees	
Earnings (after tax) per share	5.44	1.93

### Performance Review:

The gross premium of the Company increased by 38% while net premium increased by 24%. The underwriting result also witnessed growth of 140% from the corresponding period of last year due to curtailment of losses suffered in UAE operations during the corresponding period.

Profit before tax increased by 141% mainly due to 92% increase in investment income and improved underwriting result. Accordingly profit after tax for the first six months period increased by 182% from the corresponding period.

### Window Takaful Operations:

The written contribution and deficit before tax of Participants' Takaful Fund are Rs. 2,076,166 thousands (2023: Rs. 1,596,536 thousands) and Rs. 20,499 thousands (2023: Surplus of Rs. 81,203 thousands) respectively. The profit before tax of Window Takaful Operations amounts to Rs. 271,856 thousands for the half year ended 30 June 2024 (2023: Rs. 221,310 thousands).

### Future Outlook :

The economy of Pakistan has shown GDP growth of 2.38% during the fiscal year 2024 (FY2024) after facing significant challenges during FY2023. This has been brought about by the strong resilience depicted by global economy. The government successfully completed the IMF Stand-By Arrangement (SBA) program. The government is also focusing on controlling inflationary pressure and achieving sustained economic growth by tightening monetary policies. The State Bank of Pakistan has cut interest rates by 150 basis points to 20.50% during the first half of 2024 to bolster the economic growth and restore business confidence.

### Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Insurance to emerge as one of the Pakistan's leading insurance companies. We are also grateful to the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan for their continued guidance and assistance.

For and on behalf of the Board

  
Shaikh Muhammad Jawed  
Director

  
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 26 August 2024

# غیرمجمع مختصر عبوری مالیاتی معلومات (غیر آڈٹ شدہ) پر ممبران کو ڈائریکٹرز کا جائزہ

بابت ششماہی ختمہ 30 جون 2024ء

بورڈ کی جانب سے 30 جون 2024ء کو ختم ہونے والی ششماہی کیلئے کمپنی کی غیر آڈٹ شدہ غیرمجمع عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

## مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

30 جون 2023ء	30 جون 2024ء
ہزار روپے میں (غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
17,480,941	24,049,597
9,596,924	11,877,203
(679,474)	271,254
1,255,888	2,412,180
1,312,165	3,159,097
676,390	1,904,801
30 جون 2023ء	30 جون 2024ء
روپے میں (غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
1.93	5.44

مجموعی پر بیم

خالص پر بیم

زیر تحریر نتائج

سرمایہ کاری سے آمدنی

منافع قبل از ٹیکس

منافع بعد از ٹیکس

آمدنی (بعد از ٹیکس) فی شیئر

## کارکردگی کا جائزہ

کمپنی کی مجموعی اقساط (پر بیم) میں 38% اور خالص پر بیم آمدن میں 24% کا اضافہ ہوا۔ اس عرصے کے دوران متحدہ عرب امارات کے آپریشنز میں ہونے والے نقصانات میں کمی کے باعث زیر تحریر نتائج میں بھی گزشتہ سال اسی مدت کے مقابلے میں 140% کا منافع دیکھا گیا۔

سرمایہ کاری کی آمدن میں 92% کے اضافے اور زیر تحریر نتائج میں بہتری کی وجہ سے قبل از ٹیکس منافع میں 141% کا خاطر خواہ اضافہ ہوا۔ اسی طرح پہلے چھ ماہ کی مدت کیلئے بعد از ٹیکس منافع میں گزشتہ اسی عرصے کے مقابلے میں 182% کا اضافہ ہوا۔

## ونڈو مکافل آپریشنز

شرکاء مکافل فنڈ کا تحریر کردہ حصہ اور قبل از ٹیکس خسارہ بالترتیب 2,076,166 ہزار روپے (2023ء میں 1,596,536 ہزار روپے) اور 20,499 ہزار روپے (2023ء میں 81,203 ہزار روپے) کا سرپلس ہیں۔ 30 جون 2024 کو ختم ہونے والی ششماہی کے لیے ونڈو مکافل آپریشنز کا قبل از ٹیکس منافع 271,856 ہزار روپے (2023ء میں 221,310 ہزار روپے) ہے۔

## توقعات مستقبل

مالی سال 2023ء کے دوران بڑے چیلنجز کا مقابلہ کرنے کے بعد 2024ء میں پاکستان کی جی ڈی پی نے 2.38% کا نمو ظاہر کیا۔ یہ عالمی معیشت کی جانب سے دکھائی گئی مضبوط چمک کے باعث ممکن ہوا ہے۔ حکومت نے آئی ایم ایف اسٹینڈ بائی آرینجمنٹ (ایس بی اے) پروگرام کامیابی سے مکمل کیا۔ حکومت افراط زر کے دباؤ کو کنٹرول کرنے اور سخت مائیکرو پالیسیز کے ذریعے پائیدار اقتصادنی نمو کے حصول پر توجہ دے رہی ہے۔ اسٹیٹ بینک آف پاکستان نے معاشی نمو کو تقویت دینے اور کاروباری اعتماد بحال کرنے کیلئے 2024ء کی پہلی ششماہی کے دوران شرح سود میں 150 بیس پوائنٹس کے ذریعے 20.50% تک کی کمی کر دی ہے۔

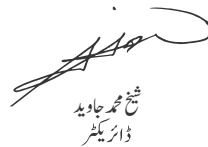
## اعتراف

ہم اپنے شیئرز، ہولڈرز، معزز صارفین، ملازمین اور ترقیاتی عملے کا اُن کی مستقل معاونت پر تہ دل سے شکر یہ ادا کرتے ہیں جنہوں نے آمدنی انشورنس کو پاکستان کی بڑی اور نمایاں انشورنس کمپنی بننے میں مدد کی۔ ہم سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی مستقل معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

مخانب و برائے بورڈ

  
محمد علی زب

ٹیچنگ ڈائریکٹر اینڈ چیف ایگزیکٹو آفیسر

  
شاہد حسین  
ڈائریکٹر

لاہور: 26 اگست 2024ء



# INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of Adamjee Insurance Company Limited**

**Report on review of Unconsolidated Condensed Interim Financial Statements**

## **Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Adamjee Insurance Company Limited ("the Company")** as at 30 June 2024 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed 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 unconsolidated condensed 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 unconsolidated condensed 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 unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

## **Other Matter relating to comparative information**

The figures for the three months period ended 30 June 2024 in the unconsolidated condensed interim financial statements have not been reviewed by us and we do not express a conclusion on them.

The unconsolidated condensed interim financial statements of the Company for the period ended 30 June 2023 and unconsolidated financial statements for the year ended 31 December 2023 were reviewed and audited by another auditor who expressed an unmodified conclusion / opinion on those financial statements on 29 August 2023 and 04 April 2024 respectively.

As part of our review of the unconsolidated condensed interim financial statements as at and for the period ended 30 June 2024, we also reviewed the retrospective adjustments described in note 18.5 to the unconsolidated condensed interim financial statements that were applied to restate the comparative information. We were not engaged to audit, review, or apply any procedures to the comparative information, other than with respect to the retrospective adjustments described in note 18.5. Accordingly, we do not express conclusion or any other form of assurance on comparative information.

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

*KPMG Taseer Hadi & Co*

**Lahore**

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**KPMG Taseer Hadi & Co.  
Chartered Accountants**

**Date:** 29 August 2024

**UDIN:** RR202410114XFHfohJVA

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BY THE NUMBERS


# UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2024

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Financial Position**  
**As at June 30, 2024**


		(Un-Audited)	(Audited)
	Note	June 30, 2024	December 31, 2023
Rupees in thousand (Restated)			
<b>ASSETS</b>			
Property and equipment	8	4,130,990	4,191,853
Intangible assets	9	145,539	115,974
Investment properties	10	2,910,762	2,914,435
Investment in subsidiary	11	2,396,166	2,396,166
Investments			
Equity securities	12	29,861,683	24,865,243
Debt securities	13	3,739,121	1,774,347
Term deposits	14	8,668,903	7,003,102
Loans and other receivables	15	1,088,072	1,124,695
Insurance / reinsurance receivables	16	9,535,583	7,555,082
Reinsurance recoveries against outstanding claims		19,113,618	20,601,648
Salvage recoveries accrued		495,009	300,921
Deferred commission expense / acquisition cost		2,444,943	2,133,671
Prepayments	17	6,640,369	8,452,203
Bank deposits subject to encumbrances	18	3,042,168	3,125,356
Cash and bank	19	2,486,274	2,127,420
		<b>96,699,200</b>	<b>88,682,116</b>
Total assets of Window Takaful Operations - Operator's Fund	20	1,694,322	1,445,636
<b>TOTAL ASSETS</b>		<b>98,393,522</b>	<b>90,127,752</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	21	11,031,666	7,963,751
Unappropriated profit		20,536,119	19,156,318
<b>Total Equity</b>		<b>35,067,785</b>	<b>30,620,069</b>
<b>Surplus on revaluation of fixed assets</b>		<b>30,368</b>	<b>30,754</b>
<b>Liabilities</b>			
<b>Underwriting provisions</b>			
Outstanding claims including IBNR		24,832,912	26,395,403
Unearned premium reserves		20,502,638	19,343,851
Unearned reinsurance commission		286,961	507,332
Retirement benefit obligations		189,950	175,627
Deferred taxation		5,733,247	3,692,563
Premium received in advance		829,936	785,284
Insurance / reinsurance payables		5,600,399	3,952,563
Other creditors and accruals	22	3,748,464	3,406,567
Deposits and other liabilities	23	485,064	500,849
Taxation - provision less payments		516,752	230,426
		<b>62,726,323</b>	<b>58,990,465</b>
Total liabilities of Window Takaful Operations - Operator's Fund	20	569,046	486,464
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>98,393,522</b>	<b>90,127,752</b>
<b>Contingencies and commitments</b>	24		

The annexed notes from 1 to 37 form an integral part of these unconsolidated condensed interim financial statements.

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Managing Director &  
 Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Profit or Loss Account (Un-Audited)**  
**For six month period ended June 30, 2024**

Note	For three month period ended		For six month period ended		
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	
	<b>Rupees in thousand</b>				
Net insurance premium	25	6,161,619	4,757,055	11,877,203	9,596,924
Net insurance claims	26	(3,868,237)	(3,290,876)	(7,431,509)	(6,833,726)
Net commission and other acquisition costs	27	(911,389)	(638,081)	(1,709,122)	(1,328,735)
Insurance claims and acquisition expenses		(4,779,626)	(3,928,957)	(9,140,631)	(8,162,461)
Management expenses	28	(1,238,650)	(1,120,751)	(2,465,318)	(2,113,937)
<b>Underwriting results</b>		<b>143,343</b>	<b>(292,653)</b>	<b>271,254</b>	<b>(679,474)</b>
Investment income	29	1,209,605	550,985	2,412,180	1,255,888
Rental income		48,781	44,179	97,079	88,398
Other income	30	129,010	101,859	251,796	207,259
Fair value adjustment to investment property		-	6,456	-	293,284
Other expenses	31	(82,090)	(44,154)	(141,440)	(73,271)
<b>Results of operating activities</b>		<b>1,448,649</b>	<b>366,672</b>	<b>2,890,869</b>	<b>1,092,084</b>
Finance costs		(1,569)	(682)	(3,628)	(1,229)
Profit from Window Takaful Operations - Operator's Fund	20	98,166	122,551	271,856	221,310
<b>Profit before taxation</b>		<b>1,545,246</b>	<b>488,541</b>	<b>3,159,097</b>	<b>1,312,165</b>
Income tax expense		(615,195)	(316,715)	(1,254,296)	(635,775)
<b>Profit after taxation</b>		<b>930,051</b>	<b>171,826</b>	<b>1,904,801</b>	<b>676,390</b>
----- <b>(Rupees)</b> -----					
Earnings after tax per share - basic and diluted	32	2.65	0.49	5.44	1.93

The annexed notes from 1 to 37 form an integral part of these unconsolidated condensed interim financial statements.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)**  
**For six month period ended June 30, 2024**

	<u>For three month period ended</u>		<u>For six month period ended</u>	
	<u>June 30,</u> <u>2024</u>	<u>June 30,</u> <u>2023</u>	<u>June 30,</u> <u>2024</u>	<u>June 30,</u> <u>2023</u>
	<b>Rupees in thousand</b>			
<b>Profit after taxation</b>	<b>930,051</b>	171,826	<b>1,904,801</b>	676,390
<b>Other comprehensive income</b>				
<b>Items that will not be subsequently reclassified to profit and loss account</b>				
- Surplus on revaluation of fixed assets - net of tax	37	(2,810)	(386)	31,202
<b>Items that may be reclassified subsequently to profit and loss:</b>				
- Unrealized gain on 'available-for-sale' investments - net of tax	2,048,286	97,424	3,157,174	1,115,840
- Reclassification adjustment relating to 'available for sale' investments disposed off during the period - net of tax	(58,781)	111	(58,781)	(656)
- Net effect of translation of foreign branch	2,908	56,238	(30,478)	639,724
Other comprehensive income for the period	1,992,413	153,773	3,067,915	1,754,908
<b>Total comprehensive income for the period</b>	<b>2,922,501</b>	322,789	<b>4,972,330</b>	2,462,500

The annexed notes from 1 to 37 form an integral part of these unconsolidated condensed interim financial statements.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

Adamjee Insurance Company Limited  
Unconsolidated Condensed Interim Statement of Cash Flow (Unaudited)  
For six month period ended June 30, 2024

	<b>For six month period ended</b>	
	<b>June 30, 2024</b>	June 30, 2023
	<b>Rupees in thousand</b>	
<b>Cash flows from operating activities</b>	<i>(Restated)</i>	
<b>Underwriting activities</b>		
Insurance premium received	22,470,884	17,118,109
Reinsurance premium paid	(7,328,664)	(8,703,509)
Claims paid	(13,274,055)	(11,804,916)
Surrenders paid	(81,115)	(178,072)
Reinsurance and other recoveries received	5,321,535	4,276,995
Commission paid	(2,653,418)	(1,535,983)
Commission received	383,954	385,001
Other underwriting payments	(2,198,868)	(966,695)
<b>Net cash inflows / (outflows) from underwriting activities</b>	<b>2,640,253</b>	(1,409,070)
<b>Other operating activities</b>		
Income tax paid	(802,474)	(330,456)
Other operating payments	(153,823)	(138,512)
Loans advanced	(29,716)	(36,008)
Loans instalments received	37,981	40,307
Other operating receipts	12,915	21,256
<b>Net cash outflows from other operating activities</b>	<b>(935,117)</b>	(443,413)
<b>Total cash inflows / (outflows) from all operating activities</b>	<b>1,705,136</b>	(1,852,483)
<b>Cash flows from investing activities</b>		
Profit / return received on bank deposits	630,617	304,038
Income received from Pakistan Investment Bonds	158,292	-
Income from Treasury Bills	80,293	30,487
Bank deposits subject to encumbrances	83,188	(484,222)
Dividends received	1,750,788	1,087,887
Rentals received	91,503	93,578
Payments for investments	(12,674,033)	(7,735,110)
Proceeds from disposal of investments	9,126,283	8,097,379
Fixed capital expenditure - operating assets	(40,892)	(77,297)
Fixed capital expenditure - intangible assets	(46,116)	(30,447)
Proceeds from disposal of operating fixed assets	24,435	20,953
<b>Total cash (outflows) / inflows from investing activities</b>	<b>(815,642)</b>	1,307,246
<b>Cash flows from financing activities</b>		
Payments against lease liabilities	(11,302)	(10,402)
Dividends paid	(519,338)	(517,535)
<b>Net cash outflows from financing activities</b>	<b>(530,640)</b>	(527,937)
<b>Net cash inflows / (outflows) from all activities</b>	<b>358,854</b>	(1,073,174)
Cash and cash equivalents at beginning of the period	2,127,420	2,550,000
<b>Cash and cash equivalents at end of the period</b>	<b>2,486,274</b>	1,476,826

**For six month period ended**  
**June 30, 2024**      **June 30, 2023**

**Rupees in thousand**

**Reconciliation to profit or loss account**

Operating cash flows	<b>1,705,136</b>	(1,852,483)
Depreciation expense	<b>(91,383)</b>	(94,168)
Provision for retirement benefit obligations	<b>(28,534)</b>	(26,890)
Finance costs	<b>(3,628)</b>	(1,229)
Other income - bank and term deposits	<b>472,700</b>	314,935
Gain on disposal of operating fixed assets	<b>11,696</b>	14,195
Rental income	<b>98,714</b>	89,103
Fair value adjustment to investment property	<b>-</b>	293,284
(Decrease) / increase in assets other than cash	<b>(777,572)</b>	5,568,513
Increase in liabilities other than running finance	<b>(285,937)</b>	(4,278,164)
Gain / (loss) on disposal of investments	<b>28,132</b>	(25,648)
Amortization expense	<b>(16,038)</b>	(19,285)
Increase in unearned premium	<b>(1,158,787)</b>	(355,874)
Decrease in loans	<b>(8,265)</b>	(4,299)
Income taxes paid	<b>802,474</b>	330,456
Increase in tax liabilities	<b>(1,254,296)</b>	(635,775)
Reversal / (provision) for impairment in value of 'available-for-sale' investments	<b>116,784</b>	(40,017)
Dividend and other income	<b>1,750,788</b>	1,087,887
Income from Treasury Bills	<b>106,411</b>	90,539
Income from Pakistan Investment Bonds	<b>164,550</b>	-
Profit from Window Takaful Operations - Operator's fund	<b>271,856</b>	221,310
<b>Profit after tax</b>	<b>1,904,801</b>	676,390

**Cash and cash equivalents for the purposes of the statement of cash flows consists of:**

*(Restated)*


Cash and cash equivalents	<b>4,894</b>	19,939
Current and saving accounts	<b>2,481,380</b>	1,456,887
<b>Total cash and cash equivalents</b>	<b>2,486,274</b>	1,476,826

The annexed notes from 1 to 37 form an integral part of these unconsolidated condensed interim financial statements.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Unconsolidated Condensed Interim Statement of Changes in Equity**  
**For six month period ended June 30, 2024**

	Share capital	Capital reserves					Revenue reserves		Total
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair value reserve	Surplus on revaluation of fixed assets	General reserve	Unappropriated profit	
<b>Rupees in thousand</b>									
<b>Balance as at December 31, 2022 - (Audited)</b>	3,500,000	22,859	3,764	1,532,444	1,031,608	-	936,500	17,891,764	<b>24,918,939</b>
Profit for the period January 01, 2023 to June 30, 2023	-	-	-	-	-	-	-	676,390	<b>676,390</b>
Other comprehensive income for the period January 01, 2023 to June 30, 2023	-	-	-	639,724	1,115,184	31,202	-	-	<b>1,786,110</b>
<b>Total comprehensive income for the period</b>	-	-	-	639,724	1,115,184	31,202	-	676,390	<b>2,462,500</b>
<b>Transactions with owners of the Company</b>									
Final dividend for the year ended December 31, 2022 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	3,500,000	22,859	3,764	2,172,168	2,146,792	31,202	936,500	18,043,154	<b>26,856,439</b>
Profit for the period July 01, 2023 to December 31, 2023	-	-	-	-	-	-	-	1,585,640	<b>1,585,640</b>
Other comprehensive income for the period July 01, 2023 to December 31, 2023	-	-	-	(6,749)	2,688,417	(448)	-	52,524	<b>2,733,744</b>
<b>Total comprehensive income for the period</b>	-	-	-	(6,749)	2,688,417	(448)	-	1,638,164	<b>4,319,384</b>
<b>Balance as at June 30, 2023 - (Unaudited)</b>	3,500,000	22,859	3,764	2,165,419	4,835,209	30,754	936,500	19,681,318	<b>31,175,823</b>
<b>Transactions with owners of the Company</b>									
Interim dividend for the half year ended June 30, 2023 @ 15% (Rupee 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at December 31, 2023 - (Audited)</b>	3,500,000	22,859	3,764	2,165,419	4,835,209	30,754	936,500	19,156,318	<b>30,650,823</b>
Profit for the period January 01, 2024 to June 30, 2024	-	-	-	-	-	-	-	1,904,801	<b>1,904,801</b>
Other comprehensive income for the period January 01, 2024 to June 30, 2024	-	-	-	(30,478)	3,098,393	(386)	-	-	<b>3,067,529</b>
<b>Total comprehensive income for the period</b>	-	-	-	(30,478)	3,098,393	(386)	-	1,904,801	<b>4,972,330</b>
<b>Transactions with owners of the Company</b>									
Final dividend for the year ended December 31, 2023 @ 15% (Rupees 1.50/- per share)	-	-	-	-	-	-	-	(525,000)	<b>(525,000)</b>
<b>Balance as at June 30, 2024 - (Unaudited)</b>	3,500,000	22,859	3,764	2,134,941	7,933,602	30,368	936,500	20,536,119	<b>35,098,153</b>

The annexed notes from 1 to 37 form an integral part of these unconsolidated condensed interim financial statements.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)**  
**For six month period ended June 30, 2024**

**1 Legal status and nature of business**

Adamjee Insurance Company Limited ('the Company') is a public limited Company incorporated in Pakistan on September 28, 1960 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange limited and is principally engaged in the general insurance business. The registered office of the Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Company was granted authorization on December 23, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on January 01, 2016.

**2 Basis of preparation and statement of compliance**

These unconsolidated condensed interim financial statements of the Company for the six month period ended June 30, 2024 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards comprise of:

- International Accounting Standard 34 - "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision 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 provisions of or the 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, shall prevail.

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the unconsolidated condensed interim statement of financial position and statement of profit and loss account of the Company respectively. A separate set of condensed interim financial statements of the Window Takaful operations has been annexed to these unconsolidated condensed financial statements as per the requirements of the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

These unconsolidated 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 annual financial statements of the Company for the year ended December 31, 2023. Comparative figures for unconsolidated 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 interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim statement of cash flow and related notes are extracted from unconsolidated condensed interim financial statements of the Company for the six month ended June 30, 2023.

These unconsolidated condensed interim financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

**3 Basis of measurement**

These unconsolidated condensed interim financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value and defined benefit obligations under employee benefits carried at present value. All transactions reflected in these unconsolidated condensed interim financial statements are on accrual basis except for those reflected in cash flow statement.

**4 Accounting policies**

The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the preparation of unconsolidated annual audited financial statements for the year ended December 31, 2023.

#### 4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosures in these unconsolidated condensed interim financial statements.

##### IFRS 9

IFRS 9 " Financial Instruments" has become applicable , 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 are given below:

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

- (a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- (b) all other financial assets

<b>June 30, 2024</b>					
<b>Fail the SPPI test</b>			<b>Pass the SPPI test</b>		
<b>Fair value</b>	<b>Change in unrealized gain / (loss) during the period</b>	<b>Carrying Value</b>	<b>Cost less Impairment</b>	<b>Change in unrealized gain / (loss) during the period</b>	
<b>Rupees in thousand</b>					
<b>Financial assets</b>					
Cash and Bank*	2,036,922	-	449,352	-	-
Bank deposits subject to encumbrances*	3,042,168	-	-	-	-
Investment in subsidiary	7,931,188	-	-	-	-
Investments in equity securities - available-for-sale	29,861,683	5,079,332	-	-	-
Investments in debt securities - held-to-maturity	-	-	3,739,121	-	-
Term deposits*	454,682	-	8,214,221	-	-
Loans and other receivables*	757,842	-	2,166	-	-
<b>Total</b>	<b>44,084,485</b>	<b>5,079,332</b>	<b>12,404,860</b>	-	-

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

#### 5 Use of estimates and judgments

The preparation of these unconsolidated 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of these unconsolidated 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 published financial statements of the Company for the year ended December 31, 2023.

#### 6 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is also the Company's functional currency. Figures have been rounded off to the nearest thousand rupees unless other wise stated.

#### 7 Insurance and Financial risk management

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

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Note	Rupees in thousand	
<b>8 Property and equipment</b>			
Operating assets	8.1	4,062,077	4,142,868
Capital work in progress		32,809	13,803
Right of use asset		36,104	35,182
		<u>4,130,990</u>	<u>4,191,853</u>
<b>8.1 Operating assets</b>			
Opening balance - net book value		4,142,868	4,161,207
Additions during the period / year	8.1.1	21,887	153,455
Transfer to investment property		-	(102,929)
(Less) / Add:			
Book value of disposals during the period / year	8.1.2	(12,739)	(10,891)
Depreciation charged during the period / year		(83,141)	(172,455)
Exchange differences and other adjustments		(6,798)	114,481
		<u>(102,678)</u>	<u>(68,865)</u>
		<u>4,062,077</u>	<u>4,142,868</u>
<b>8.1.1 Additions during the period / year:</b>			
Land and buildings		-	53,303
Furniture and fixtures		777	4,950
Motor vehicles		14,472	38,542
Machinery and equipment		3,231	5,037
Computer and related accessories		3,407	51,623
		<u>21,887</u>	<u>153,455</u>
<b>8.1.2 Written down values of operating assets disposed off during the period / year:</b>			
Furniture and fixtures		-	157
Motor vehicles		5,834	10,631
Machinery and equipment		4,762	103
Computer and related accessories		2,143	
		<u>12,739</u>	<u>10,891</u>
<b>9 Intangible assets</b>			
Opening balance - net book value		100,725	108,977
Additions during the period / year		236	31,346
Less:			
Amortization charged during the period / year		(16,038)	(36,808)
Exchange difference		(512)	(2,790)
		<u>(16,550)</u>	<u>(39,598)</u>
		<u>84,411</u>	<u>100,725</u>
Capital work in progress		61,128	15,249
		<u>145,539</u>	<u>115,974</u>
<b>10 Investment properties</b>			
Opening net book value		2,914,435	2,427,337
Transfer from Property and equipment		-	102,929
Unrealized fair value gain		-	358,100
Exchange differences and other adjustments		(3,673)	26,069
<b>Closing book value</b>		<u>2,910,762</u>	<u>2,914,435</u>

The market value of the investment properties as per valuations carried out by the professional valuers as at Dec 31, 2023 and as ascertained by the management.

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Note	Rupees in thousand	
<b>11 Investment in a subsidiary</b>			
Adamjee Life Assurance Company Limited - at cost	11.1	<u>2,396,166</u>	<u>2,396,166</u>

**11.1** Adamjee Life Assurance Company Limited ("the Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Company was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. Registered office of the Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

## 12 Investments - Equity securities

### Available-for-sale

	June 30, 2024 (Unaudited)				December 31, 2023 (Audited)			
	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value	Cost	Impairment / Provision	Unrealized Gain / (Loss)	Carrying Value
<b>Rupees in thousand</b>								
<b>Related parties</b>								
Listed shares	10,358,756	(31)	6,024,749	16,383,474	10,358,756	(31)	1,784,253	12,142,978
Unlisted shares	2,882,316	-	3,683,404	6,565,720	2,882,316	-	3,683,404	6,565,720
	13,241,072	(31)	9,708,153	22,949,194	13,241,072	(31)	5,467,657	18,708,698
<b>Others</b>								
Listed shares	5,432,464	(1,855,080)	3,278,192	6,855,576	5,635,253	(1,971,864)	2,443,018	6,106,407
NIT Units	161	-	908	1,069	161	-	791	952
Mutual Funds	53,560	(16,366)	18,650	55,844	50,447	(16,366)	15,105	49,186
	5,486,185	(1,871,446)	3,297,750	6,912,489	5,685,861	(1,988,230)	2,458,914	6,156,545
<b>Total</b>	<b>18,727,257</b>	<b>(1,871,477)</b>	<b>13,005,903</b>	<b>29,861,683</b>	<b>18,926,933</b>	<b>(1,988,261)</b>	<b>7,926,571</b>	<b>24,865,243</b>

- 12.1 5,700,000 (2023 : 5,700,000) shares of MCB Bank Limited and 5,200,000 (2023 : 5,200,000) shares of Fauji Fertilizer Company Limited have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company.

	(Unaudited)	(Audited)
	June 30, 2024	December 31, 2023
<b>Rupees in thousand</b>		
<b>Held to maturity</b>		
Treasury Bills	2,283,786	431,264
Pakistan Investment Bonds	1,455,335	1,343,083
	<b>3,739,121</b>	<b>1,774,347</b>

## 13 Investments - Debt securities

### Held to maturity

Treasury Bills  
Pakistan Investment Bonds

### Treasury Bills

Face value Rupees	Type of security	Profit Payment	Maturity date		
300,000,000	12 Month Treasury Bills	On maturity	6-Mar-25	265,784	-
325,000,000	12 Month Treasury Bills	On maturity	3-Mar-25	282,651	-
375,000,000	12 Month Treasury Bills	On maturity	3-Mar-25	326,253	-
500,000,000	12 Month Treasury Bills	On maturity	17-Apr-25	431,484	-
300,000,000	12 Month Treasury Bills	On maturity	15-May-25	255,903	-
500,000,000	12 Month Treasury Bills	On maturity	29-May-25	424,462	-
350,000,000	12 Month Treasury Bills	On maturity	29-May-25	297,249	-
454,400,000	12 Month Treasury Bills	On maturity	18-Apr-24	-	431,264
				<b>2,283,786</b>	<b>431,264</b>

### Pakistan Investment Bonds

Face value Rupees	Type of security	Profit Payment	Maturity date		
300,000,000	5 Years Pakistan Investment Bonds Semi-Annually		21-Sep-28	290,042	309,466
700,000,000	5 Years Pakistan Investment Bonds Semi-Annually		21-Sep-28	680,549	726,412
100,000,000	5 Years Pakistan Investment Bonds Semi-Annually		21-Sep-28	97,214	103,765
200,000,000	5 Years Pakistan Investment Bonds Semi-Annually		19-Oct-28	194,860	203,440
200,000,000	5 Years Pakistan Investment Bonds Semi-Annually		7-Feb-29	192,670	-
				<b>1,455,335</b>	<b>1,343,083</b>

## 14 Investments - Term deposits

### Held to maturity

#### Deposits maturing within 12 months

#### Outside Pakistan

- related parties  
- others

2,087,504	2,020,329
6,581,399	4,982,773
8,668,903	7,003,102
8,668,903	7,003,102

- 14.1 These include fixed deposits amounting to Rs. 454,682 thousands (AED 6,000 thousands) [2023: Rs. 460,456 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These deposits carry interest rates ranging from 2% to 5.82% with maturities upto May 30, 2025.

		<u>(Unaudited)</u>	<u>(Audited)</u>
	<b>Note</b>	<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>15</b>	<b>Loans and other receivables - considered good</b>	<b>Rupees in thousand</b>	
		14,228	7,017
	15.1	102,246	89,968
		224,795	296,669
		61,185	60,677
		323,813	378,207
		4,251	2,751
		51,597	59,991
		305,957	229,415
		<u>1,088,072</u>	<u>1,124,695</u>
15.1	This represents receivable from Adamjee Life Assurance Company Limited, subsidiary of the Company, in respect of cash value of life policies obtained for key management personnel of the Company. Company is the beneficiary in respect of policies obtained for the employees.		
		<u>(Unaudited)</u>	<u>(Audited)</u>
		<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>16</b>	<b>Insurance / reinsurance receivables - unsecured and considered good</b>	<b>Rupees in thousand</b>	
		10,231,962	8,566,251
		(1,630,507)	(1,648,180)
		8,601,455	6,918,071
		1,135,430	838,313
		(201,302)	(201,302)
		934,128	637,011
		<u>9,535,583</u>	<u>7,555,082</u>
16.1	Due from insurance contact holders include an amount of Rs. 607,194 thousands (2023: Rs. 453,735 thousands) held with related parties.		
		<u>(Unaudited)</u>	<u>(Audited)</u>
		<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>17</b>	<b>Prepayments</b>	<b>Rupees in thousand</b>	
		6,361,927	8,298,195
		278,442	154,008
		<u>6,640,369</u>	<u>8,452,203</u>
<b>18</b>	<b>Bank deposits subject to encumbrances</b>	<i>(Restated)</i>	
	<b>Inside Pakistan</b>		
	Saving accounts under lien	548,411	592,982
	Margin against guarantee	83,999	83,999
		632,410	676,981
	<b>Outside Pakistan</b>		
	Current accounts under lien	136,346	146,094
	Margin against guarantee	2,273,412	2,302,281
		2,409,758	2,448,375
		<u>3,042,168</u>	<u>3,125,356</u>
18.1	This represents lien marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Company and for claims under litigation filed against the Company.		
18.2	This represents margin against bank guarantee, kept with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company and bid bond guarantees.		
18.3	This represents lien marked on current accounts by the banks as per the instructions issued by the Court in lieu of execution of legal orders in different cases pertaining to claims in United Arab Emirates.		
18.4	This represents margin provided for a bank guarantee issued outside Pakistan in favor of the Central Bank of the UAE to meet regulatory requirement.		
18.5	In previous years, the Company had classified amount of bank deposits under lien and held as margin against guarantees as cash and bank considering that these deposits met the definition of 'cash' as per IAS 7 'Statement of Cash Flows'. However, as per the requirements of accounting and reporting standards as applicable in Pakistan, deposits that cannot be accessed on demand should have been presented in statement of financial position as other financial assets.		

Accordingly, as per IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the Company has reclassified its comparative figures as follows:

	<b>As at 31 December 2023</b>		
	<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>
<b>Rupees in thousand</b>			
<b>Assets</b>			
Cash and bank	5,252,776	(3,125,356)	2,127,420
Bank deposits subject to encumbrances	-	3,125,356	3,125,356
Other assets	84,874,976	-	84,874,976
	<b>90,127,752</b>	<b>-</b>	<b>90,127,752</b>

	<b>For the six months period ended 30 June 2023</b>		
	<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>
<b>Rupees in thousand</b>			
Net cash outflows from all activities	(588,952)	(484,222)	(1,073,174)
Cash flows from investing activities	1,791,468	(484,222)	1,307,246

	<b>As at 30 June 2023</b>		
	<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>
<b>Rupees in thousand</b>			
Cash and cash equivalents	4,603,743	(3,126,917)	1,476,826

	<b>As at 31 December 2022</b>		
	<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>
<b>Rupees in thousand</b>			
Cash and cash equivalents	5,192,695	(2,642,695)	2,550,000

18.5.1 There is no impact on the operating and financing cashflows for the six month period ended 30 June 2023.

18.5.2 There is no impact on profit after tax for six month period ended 30 June 2023.

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
<b>Rupees in thousand</b>		
<i>(Restated)</i>		
<b>19 Cash and bank</b>		
<b>Cash and cash equivalents</b>		
<b>Inside Pakistan</b>		
Cash in hand	1,199	147
Policy & Revenue stamps, Bond papers	3,458	23,675
	<b>4,657</b>	<b>23,822</b>
<b>Outside Pakistan</b>		
Cash in hand	237	-
	<b>4,894</b>	<b>23,822</b>
<b>Cash at bank</b>		
<b>Inside Pakistan</b>		
Current accounts	816,082	(414,044)
Saving accounts	447,034	1,672,838
	<b>1,263,116</b>	<b>1,258,794</b>
<b>Outside Pakistan</b>		
Current accounts	1,215,946	842,457
Saving accounts	2,318	2,347
	<b>1,218,264</b>	<b>844,804</b>
	<b>2,481,380</b>	<b>2,103,598</b>
	<b>2,486,274</b>	<b>2,127,420</b>



19.1 Saving / Profit and loss accounts placed in Pakistan carry expected profit rates ranging from 20.50% to 20.80% (2023: 14.50% to 20.80%).

	(Unaudited) June 30, 2024	(Audited) December 31, 2023
<b>20 Window Takaful Operations - Operator's Fund</b>	<b>Rupees in thousand</b>	
<b>Assets</b>		
Cash and bank deposits	787,919	76,860
Qard e Hasna to Participants' Takaful Fund	221,460	221,460
Investments - Equity securities	319,155	293,848
Investments - Debt securities	51,974	51,974
Investments - Term deposits	-	500,000
Intangible assets	16,784	16,922
Property and equipment	31,306	34,524
Loans and other receivables	22,035	17,620
Wakala and mudarib fee receivable	178,287	155,820
Deferred commission expense	65,402	76,608
<b>Total Assets</b>	<b>1,694,322</b>	<b>1,445,636</b>
<b>Total liabilities</b>	<b>569,046</b>	<b>486,464</b>
	(Unaudited) June 30, 2024	(Unaudited) June 30, 2023
	<b>Rupees in thousand</b>	
Wakala income	463,524	397,748
Commission expense	(168,175)	(123,268)
Management expenses	(145,167)	(124,264)
Investment income	80,101	44,952
Other income	20,285	19,916
Mudarib's share of PTF investment income	22,828	7,773
Other Expenses	(1,540)	(1,547)
Profit before taxation	271,856	221,310
Taxation	(105,752)	(106,538)
<b>Profit after taxation</b>	<b>166,104</b>	<b>114,772</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial statements for the six month period ended June 30, 2024.		
	(Unaudited) June 30, 2024	(Audited) December 31, 2023
<b>21 Reserves</b>	<b>Rupees in thousand</b>	
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,134,941	2,165,419
Fair value reserves	7,933,602	4,835,209
	<b>10,095,166</b>	<b>7,027,251</b>
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	<b>936,500</b>	<b>936,500</b>
	<b>11,031,666</b>	<b>7,963,751</b>
<b>22 Other creditors and accruals</b>		
Agents commission payable	1,087,862	1,101,013
Federal excise duty / Sales tax / VAT	565,334	551,894
Federal insurance fee payable	85,395	34,998
Workers' welfare fund payable	368,864	304,348
Tax deducted at source	75,632	53,934
Accrued expenses	195,862	271,126
Unpaid and unclaimed dividend	179,174	173,512
Payable to employees' provident fund	455	154
Sundry creditors	1,189,886	915,588
	<b>3,748,464</b>	<b>3,406,567</b>
<b>23 Deposits and other liabilities</b>		
Cash margin against performance bonds	445,100	462,374
Lease liability	39,964	38,475
	<b>485,064</b>	<b>500,849</b>

## 24 Contingencies and commitments

There has been no significant change in the status of contingencies and commitments as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended December 31, 2023 except for the following.

- The Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,149,329 thousands (2023: Rs. 1,193,900 thousands).
- The Company has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,714,746 thousands (2023: AED 115,000,000 amounting to Rs. 8,825,411 thousands) relating to UAE branch.

	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Rupees in thousand</b>				
<b>25 Net insurance premium revenue</b>				
Written gross premium	12,222,416	10,389,798	24,049,597	17,480,941
Unearned premium reserve - opening	19,830,734	14,521,410	19,343,851	14,996,454
Unearned premium reserve - closing	(20,502,638)	(15,352,328)	(20,502,638)	(15,352,328)
Currency translation effect	13,874	70,257	(111,163)	1,372,485
Premium earned	11,564,386	9,629,137	22,779,647	18,497,552
Reinsurance premium ceded	(5,083,819)	(6,464,031)	(8,976,500)	(9,478,173)
Prepaid reinsurance premium - opening	(6,680,078)	(5,723,083)	(8,298,195)	(6,536,997)
Prepaid reinsurance premium - closing	6,361,927	7,322,772	6,361,927	7,322,772
Currency translation effect	(797)	(7,740)	10,324	(208,230)
Reinsurance expense	(5,402,767)	(4,872,082)	(10,902,444)	(8,900,628)
	6,161,619	4,757,055	11,877,203	9,596,924
<b>25.1 Net insurance premium</b>				
<b>- Business underwritten inside Pakistan</b>				
Written gross premium	7,384,040	8,219,374	14,218,985	13,452,209
Unearned premium reserve - opening	9,967,740	8,841,192	10,824,315	9,454,477
Unearned premium reserve - closing	(9,918,047)	(10,276,075)	(9,918,047)	(10,276,075)
Premium earned	7,433,733	6,784,491	15,125,253	12,630,611
Reinsurance premium ceded	(4,667,667)	(6,118,775)	(8,228,156)	(8,713,137)
Prepaid reinsurance premium - opening	(5,957,177)	(4,818,188)	(7,441,378)	(5,699,784)
Prepaid reinsurance premium - closing	5,727,250	6,535,642	5,727,250	6,535,642
Reinsurance expense	(4,897,594)	(4,401,321)	(9,942,284)	(7,877,279)
	2,536,139	2,383,170	5,182,969	4,753,332
<b>25.2 Net insurance premium</b>				
<b>- Business underwritten outside Pakistan</b>				
Written gross premium	4,838,376	2,170,424	9,830,612	4,028,732
Unearned premium reserve - opening	9,862,994	5,680,218	8,519,536	5,541,977
Unearned premium reserve - closing	(10,584,591)	(5,076,253)	(10,584,591)	(5,076,253)
Currency translation effect	13,874	70,257	(111,163)	1,372,485
Premium earned	4,130,653	2,844,646	7,654,394	5,866,941
Reinsurance premium ceded	(416,152)	(345,256)	(748,344)	(765,036)
Prepaid reinsurance premium - opening	(722,901)	(904,895)	(856,817)	(837,213)
Prepaid reinsurance premium - closing	634,677	787,130	634,677	787,130
Currency translation effect	(797)	(7,740)	10,324	(208,230)
Reinsurance expense	(505,173)	(470,761)	(960,160)	(1,023,349)
	3,625,480	2,373,885	6,694,234	4,843,592

	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Rupees in thousand</b>				
<b>26 Net insurance claims expense</b>				
Claims paid	6,686,969	6,066,617	13,274,055	11,804,916
Outstanding claims including IBNR - closing	24,832,912	25,086,544	24,832,912	25,086,544
Outstanding claims including IBNR - opening	(25,065,182)	(24,626,105)	(26,395,403)	(20,726,702)
Currency translation effect	(13,198)	(69,690)	126,463	(2,229,511)
Claims expense	6,441,501	6,457,366	11,838,027	13,935,247
Reinsurance and other recoveries received	(2,239,435)	(2,535,905)	(5,618,652)	(4,805,032)
Reinsurance and other recoveries in respect of outstanding claims - closing	(19,608,627)	(18,768,919)	(19,608,627)	(18,768,919)
Reinsurance and other recoveries in respect of outstanding claims - opening	19,268,369	18,096,398	20,902,569	15,233,478
Currency translation effect	6,429	41,936	(81,808)	1,238,952
Reinsurance and other recoveries revenue	(2,573,264)	(3,166,490)	(4,406,518)	(7,101,521)
	3,868,237	3,290,876	7,431,509	6,833,726
<b>26.1 Net insurance claims expense</b>				
<b>- Business underwritten inside Pakistan</b>				
Claims paid	1,820,430	2,049,186	5,190,000	3,879,122
Outstanding claims including IBNR - closing	13,960,258	14,960,418	13,960,258	14,960,418
Outstanding claims including IBNR - opening	(14,683,878)	(14,091,244)	(16,482,355)	(12,123,015)
Claims expense	1,096,810	2,918,360	2,667,903	6,716,525
Reinsurance and other recoveries received	(397,693)	(723,764)	(2,440,437)	(1,194,903)
Reinsurance and other recoveries in respect of outstanding claims - closing	(12,152,796)	(13,150,941)	(12,152,796)	(13,150,941)
Reinsurance and other recoveries in respect of outstanding claims - opening	12,819,614	12,285,691	14,571,713	10,450,405
Reinsurance and other recoveries revenue	269,125	(1,589,014)	(21,520)	(3,895,439)
	1,365,935	1,329,346	2,646,383	2,821,086
<b>26.2 Net insurance claims expense</b>				
<b>- Business underwritten outside Pakistan</b>				
Claims paid	4,866,539	4,017,431	8,084,055	7,925,794
Outstanding claims including IBNR - closing	10,872,654	10,126,126	10,872,654	10,126,126
Outstanding claims including IBNR - opening	(10,381,304)	(10,534,861)	(9,913,048)	(8,603,687)
Currency translation effect	(13,198)	(69,690)	126,463	(2,229,511)
Claims expense	5,344,691	3,539,006	9,170,124	7,218,722
Reinsurance and other recoveries received	(1,841,742)	(1,812,141)	(3,178,215)	(3,610,129)
Reinsurance and other recoveries in respect of outstanding claims - closing	(7,455,831)	(5,617,978)	(7,455,831)	(5,617,978)
Reinsurance and other recoveries in respect of outstanding claims - opening	6,448,755	5,810,707	6,330,856	4,783,073
Currency translation effect	6,429	41,936	(81,808)	1,238,952
Reinsurance and other recoveries revenue	(2,842,389)	(1,577,476)	(4,384,998)	(3,206,082)
	2,502,302	1,961,530	4,785,126	4,012,640

	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Rupees in thousand</b>				
<b>27 Net commission and other acquisition costs</b>				
Commission paid or payable	<b>1,289,968</b>	714,467	<b>2,645,621</b>	1,332,381
Deferred commission expense - opening	<b>2,357,359</b>	1,436,788	<b>2,133,671</b>	1,489,080
Deferred commission expense - closing	<b>(2,444,943)</b>	(1,292,025)	<b>(2,444,943)</b>	(1,292,025)
Currency translation effect	<b>2,806</b>	14,137	<b>(21,950)</b>	255,987
Net commission	<b>1,205,190</b>	873,367	<b>2,312,399</b>	1,785,423
Commission received or recoverable	<b>(138,311)</b>	(186,393)	<b>(383,954)</b>	(385,001)
Unearned reinsurance commission - opening	<b>(442,378)</b>	(352,900)	<b>(507,332)</b>	(365,610)
Unearned reinsurance commission - closing	<b>286,961</b>	304,394	<b>286,961</b>	304,394
Currency translation effect	<b>(73)</b>	(387)	<b>1,048</b>	(10,471)
Commission from reinsurance	<b>(293,801)</b>	(235,286)	<b>(603,277)</b>	(456,688)
	<b>911,389</b>	638,081	<b>1,709,122</b>	1,328,735
<b>27.1 Net commission and other acquisition costs</b>				
<b>- Business underwritten inside Pakistan</b>				
Commission Paid or payable	<b>371,964</b>	332,691	<b>749,904</b>	629,177
Deferred commission expense - opening	<b>401,736</b>	404,990	<b>448,982</b>	447,607
Deferred commission expense - closing	<b>(367,904)</b>	(382,054)	<b>(367,904)</b>	(382,054)
Net Commission	<b>405,796</b>	355,627	<b>830,982</b>	694,730
Commission received or recoverable	<b>(137,223)</b>	(166,819)	<b>(379,944)</b>	(346,980)
Unearned reinsurance commission - opening	<b>(378,254)</b>	(306,562)	<b>(415,444)</b>	(323,930)
Unearned reinsurance commission - closing	<b>248,928</b>	262,786	<b>248,928</b>	262,786
Commission from reinsurance	<b>(266,549)</b>	(210,595)	<b>(546,460)</b>	(408,124)
	<b>139,247</b>	145,032	<b>284,522</b>	286,606
<b>27.2 Net commission and other acquisition costs</b>				
<b>- Business underwritten outside Pakistan</b>				
Commission Paid or payable	<b>918,004</b>	381,776	<b>1,895,717</b>	703,204
Deferred commission expense - opening	<b>1,955,623</b>	1,031,798	<b>1,684,689</b>	1,041,473
Deferred commission expense - closing	<b>(2,077,039)</b>	(909,971)	<b>(2,077,039)</b>	(909,971)
Currency translation effect	<b>2,806</b>	14,137	<b>(21,950)</b>	255,987
Net Commission	<b>799,394</b>	517,740	<b>1,481,417</b>	1,090,693
Commission received or recoverable	<b>(1,088)</b>	(19,574)	<b>(4,010)</b>	(38,021)
Unearned reinsurance commission - opening	<b>(64,124)</b>	(46,338)	<b>(91,888)</b>	(41,680)
Unearned reinsurance commission - closing	<b>38,033</b>	41,608	<b>38,033</b>	41,608
Currency translation effect	<b>(73)</b>	(387)	<b>1,048</b>	(10,471)
Commission from reinsurance	<b>(27,252)</b>	(24,691)	<b>(56,817)</b>	(48,564)
	<b>772,142</b>	493,049	<b>1,424,600</b>	1,042,129

	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	<b>Rupees in thousand</b>			
<b>28 Management expenses</b>				
Employee benefit cost	654,098	607,048	1,318,382	1,171,791
Travelling expenses	24,045	20,296	55,410	38,702
Advertisement and sales promotion	22,293	18,574	39,812	38,615
Printing and stationery	13,696	15,589	30,200	27,789
Depreciation	46,501	43,315	91,383	94,168
Amortization	8,017	13,895	16,038	19,285
Rent, rates and taxes	13,350	8,508	22,931	17,290
Legal and professional charges	63,392	63,275	121,155	120,247
Electricity, gas and water	37,005	31,162	68,467	50,545
Entertainment	10,902	7,331	22,101	16,568
Vehicle running expenses	63,909	58,664	117,980	106,750
Office repairs and maintenance	41,133	23,190	83,639	50,746
Bank charges	41,839	41,933	86,620	82,401
Postages, telegrams and telephone	6,899	8,290	15,873	17,176
Supervision fee	36,940	17,719	68,919	31,863
IT related costs	67,794	46,328	106,570	75,626
Tracking and monitoring charges	16,934	26,181	38,650	50,331
Regulatory fee	47,032	34,512	113,882	60,128
Miscellaneous	22,871	34,941	47,306	43,916
	<b>1,238,650</b>	<b>1,120,751</b>	<b>2,465,318</b>	<b>2,113,937</b>
<b>29 Investment Income</b>				
<b>Business underwritten Inside Pakistan</b>				
<b>Available-for-sale</b>				
<b>Income from equity securities</b>				
Dividend income				
- associated undertakings	638,988	410,050	1,411,541	816,666
- others	128,670	60,417	339,247	271,221
	<b>767,658</b>	<b>470,467</b>	<b>1,750,788</b>	<b>1,087,887</b>
<b>Income from debt securities - Held to maturity</b>				
Return on Pakistan Investment Bonds	84,903	-	164,550	-
Profit on Treasury Bills	82,845	56,667	106,411	90,539
	<b>167,748</b>	<b>56,667</b>	<b>270,961</b>	<b>90,539</b>
<b>Net realized gains on investments</b>				
Realized gains on investments	28,132	(24,503)	28,132	(25,648)
	<b>963,538</b>	<b>502,631</b>	<b>2,049,881</b>	<b>1,152,778</b>
Reversal / (Provision) for impairment in value of 'available-for-sale' investments	116,784	(40,017)	116,784	(40,017)
	<b>1,080,322</b>	<b>462,614</b>	<b>2,166,665</b>	<b>1,112,761</b>
<b>Business underwritten Outside Pakistan</b>				
<b>Income from term deposits</b>				
Return on Term Deposits	129,283	88,371	245,515	143,127
	<b>129,283</b>	<b>88,371</b>	<b>245,515</b>	<b>143,127</b>
<b>Net investment income</b>	<b>1,209,605</b>	<b>550,985</b>	<b>2,412,180</b>	<b>1,255,888</b>
<b>30 Other income</b>				
Return on bank balances	118,218	85,628	227,185	171,808
Gain on sale of fixed assets	5,413	6,000	11,696	14,195
Return on loan to employees	25	33	53	68
Exchange (loss) / gain	(2)	2,984	429	4,524
Shared expenses received	4,000	4,060	7,970	8,600
Miscellaneous	1,356	3,154	4,463	8,064
	<b>129,010</b>	<b>101,859</b>	<b>251,796</b>	<b>207,259</b>
<b>31 Other expenses</b>				
Legal and professional charges - Other	17,272	13,429	30,152	22,381
Auditors' remuneration	6,139	5,993	11,918	11,597
Subscription fee	4,967	1,957	8,478	6,679
Donations	-	1,500	2,000	1,500
Directors' fee	275	575	275	575
Central Depository expense	330	310	660	660
Meeting and conference expenses	19,791	703	20,338	1,217
Workers Welfare Fund	31,535	18,920	64,471	26,779
Others	1,781	767	3,148	1,883
	<b>82,090</b>	<b>44,154</b>	<b>141,440</b>	<b>73,271</b>

	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>32 Earnings per share - basic and diluted</b>	<b>Rupees in thousand</b>			
There is no dilutive effect on the basic earnings per share which is based on:				
Net profit after tax for the period	<b>930,051</b>	171,826	<b>1,904,801</b>	676,390
	----- Number of shares -----			
Weighted average number of shares	<b>350,000,000</b>	350,000,000	<b>350,000,000</b>	350,000,000
	----- (Rupees) -----			
Earnings after tax per share - basic and diluted	<b>2.65</b>	0.49	<b>5.44</b>	1.93

### 33 Transactions with related parties

The Company has related party relationships with its associates, subsidiary company, entities with common directors, employee retirement benefit plans, key management personnel and other parties. 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. There are no transactions with key management personnel other than those specified in their terms of employment.

The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

		June 30, 2024	June 30, 2023
		<b>Rupees in thousand</b>	
<b>i) Transactions</b>			
	<b>Subsidiary company</b>		
	Premium underwritten	26,517	22,135
	Premium received	29,619	23,905
	Claims paid	8,962	6,862
	Premium paid	17,845	14,986
	Rent paid / payable	1,500	750
	Rent / service charges / expenses received	53,849	17,403
	Dividend received	191,249	-
	<b>Other related parties</b>		
	Premium underwritten	1,170,303	919,757
	Premium received	1,815,433	764,403
	Claims paid	454,654	398,851
	Commission Paid	13,080	26,612
	Rent paid	5,474	11,270
	Rent received	28,995	68,435
	Dividend received	1,016,508	698,043
	Dividend paid	245,995	170,627
	Income on bank deposits	187,456	113,038
	Investments made	-	641
	Fee / service charges paid	5,988	7,260
	Fee / service charges / expenses received / receivable	21,144	14,063
	Charge in respect of gratuity expense	17,108	18,175
	Contribution to Employees' Provident Fund	22,712	21,388
	Compensation paid to Key management personnel	1,118,848	964,503
		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>June 30, 2024</b>	<b>December 31, 2023</b>
		<b>Rupees in thousand</b>	
<b>ii) Period end balances</b>			
	<b>Subsidiary company</b>		
	Balances receivable	100,357	91,151
	Balances payable	8,230	8,165
	<b>Other related parties</b>		
	Balances receivable	635,143	474,129
	Balances payable	602,391	651,154
	Cash and bank balances including term deposits	4,895,124	5,131,257
	Payable to Staff Gratuity Fund	53,724	36,615

Six month period ended June 30, 2024 (Un-Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	8,596,973	24,190	2,146,620	49,413	1,933,956	9,260,618	2,315,588	977,956	1,141,763	9,960	16,134,900	10,322,137	26,457,037
Federal excise duty / VAT	(1,044,035)	(1,152)	(242,888)	(2,346)	(247,839)	(440,982)	(125,734)	(46,569)	(113,535)	(474)	(1,774,031)	(491,523)	(2,265,554)
Federal insurance fee	(74,567)	-	(18,961)	(2)	(16,808)	-	(21,682)	-	(9,866)	-	(141,884)	(2)	(141,886)
	7,478,371	23,038	1,884,771	47,065	1,669,309	8,819,636	2,168,172	931,387	1,018,362	9,486	14,218,985	9,830,612	24,049,597
Gross written premium (inclusive of administrative surcharge)	7,478,371	23,038	1,884,771	47,065	1,669,309	8,819,636	2,168,172	931,387	1,018,362	9,486	14,218,985	9,830,612	24,049,597
Gross direct premium	7,466,410	22,955	1,864,569	47,059	1,617,499	8,793,687	2,166,877	931,387	977,784	9,458	14,093,139	9,804,546	23,897,685
Facultative inward premium	4,217	-	-	-	-	-	-	-	32,870	-	37,087	-	37,087
Administrative surcharge	7,744	83	20,202	6	51,810	25,949	1,295	-	7,708	28	88,759	26,066	114,825
	7,478,371	23,038	1,884,771	47,065	1,669,309	8,819,636	2,168,172	931,387	1,018,362	9,486	14,218,985	9,830,612	24,049,597
Insurance premium earned	9,352,510	16,058	1,500,356	57,694	1,712,180	6,680,890	1,791,309	893,033	768,898	6,719	15,125,253	7,654,394	22,779,647
Insurance premium ceded to reinsurers	(8,696,845)	(13,031)	(859,269)	-	(38,463)	(465,133)	-	(477,729)	(347,707)	(4,267)	(9,942,284)	(960,160)	(10,902,444)
Net insurance premium	655,665	3,027	641,087	57,694	1,673,717	6,215,757	1,791,309	415,304	421,191	2,452	5,182,969	6,694,234	11,877,203
Commission income	476,059	2,581	16,218	-	2,790	52,871	-	-	51,393	1,365	546,460	56,817	603,277
<b>Net underwriting income</b>	<b>1,131,724</b>	<b>5,608</b>	<b>657,305</b>	<b>57,694</b>	<b>1,676,507</b>	<b>6,268,628</b>	<b>1,791,309</b>	<b>415,304</b>	<b>472,584</b>	<b>3,817</b>	<b>5,729,429</b>	<b>6,751,051</b>	<b>12,480,480</b>
Insurance claims	354,748	95,842	(535,698)	(12,866)	(786,368)	(8,554,583)	(1,559,592)	(683,333)	(140,993)	(15,184)	(2,667,903)	(9,170,124)	(11,838,027)
Insurance claim recoveries from reinsurers	(454,801)	(91,485)	421,893	3,681	59,973	3,986,700	-	471,833	(5,545)	14,269	21,520	4,384,998	4,406,518
Net claims	(100,053)	4,357	(113,805)	(9,185)	(726,395)	(4,567,883)	(1,559,592)	(211,500)	(146,538)	(915)	(2,646,383)	(4,785,126)	(7,431,509)
Commission expense	(396,497)	(2,065)	(136,458)	(3,828)	(157,822)	(1,369,522)	(71,529)	(105,884)	(68,676)	(118)	(830,982)	(1,481,417)	(2,312,399)
Management expenses	(320,644)	(11,997)	(320,537)	(12,072)	(638,004)	(776,620)	(90,240)	(111,700)	(171,507)	(11,997)	(1,540,932)	(924,386)	(2,465,318)
Net insurance claims and expenses	(817,194)	(9,705)	(570,800)	(25,085)	(1,522,221)	(6,714,025)	(1,721,361)	(429,084)	(386,721)	(13,030)	(5,018,297)	(7,190,929)	(12,209,226)
<b>Underwriting results</b>	<b>314,530</b>	<b>(4,097)</b>	<b>86,505</b>	<b>32,609</b>	<b>154,286</b>	<b>(445,397)</b>	<b>69,948</b>	<b>(13,780)</b>	<b>85,863</b>	<b>(9,213)</b>	<b>711,132</b>	<b>(439,878)</b>	<b>271,254</b>
Net investment income											2,166,665	245,515	2,412,180
Rental income											95,163	1,916	97,079
Other income											164,804	86,992	251,796
Other expenses											(128,879)	(12,561)	(141,440)
Finance costs											(3,628)	-	(3,628)
Profit from Window Takaful Operations - Operator's Fund											271,856	-	271,856
<b>Profit before taxation</b>											<b>3,277,113</b>	<b>(118,016)</b>	<b>3,159,097</b>

As at June 30, 2024 (Un-Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment assets	19,199,667	95,954	1,929,718	19,955	1,160,757	11,013,444	1,138,668	1,321,331	2,045,441	26,146	25,474,251	12,476,830	37,951,081
Unallocated assets											46,506,049	13,936,392	60,442,441
											<b>71,980,300</b>	<b>26,413,222</b>	<b>98,393,522</b>
Segment liabilities	19,764,318	110,529	2,144,780	37,970	2,708,434	19,947,984	2,887,708	1,712,344	2,708,514	30,265	30,213,754	21,839,092	52,052,846
Unallocated liabilities											9,470,263	1,772,260	11,242,523
											<b>39,684,017</b>	<b>23,611,352</b>	<b>63,295,369</b>



34.1 Segment information

Six month period ended June 30, 2023 (Un-Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	9,122,358	20,705	1,518,926	21,061	2,031,285	3,125,025	1,692,579	1,054,267	856,548	9,620	15,221,696	4,230,678	19,452,374
Federal excise duty / VAT	(1,126,028)	(1,318)	(172,364)	(1,099)	(242,825)	(148,811)	(12,905)	(50,203)	(82,390)	(458)	(1,636,512)	(201,889)	(1,838,401)
Federal insurance fee	(77,632)	(44)	(13,455)	(13)	(17,850)	-	(16,630)	-	(7,408)	-	(132,975)	(57)	(133,032)
	7,918,698	19,343	1,333,107	19,949	1,770,610	2,976,214	1,663,044	1,004,064	766,750	9,162	13,452,209	4,028,732	17,480,941
Gross written premium (inclusive of administrative surcharge)	7,918,698	19,343	1,333,107	19,949	1,770,610	2,976,214	1,663,044	1,004,064	766,750	9,162	13,452,209	4,028,732	17,480,941
Gross direct premium	7,911,218	19,285	1,318,372	19,940	1,710,828	2,973,057	1,661,889	1,004,064	730,745	9,146	13,333,052	4,025,492	17,358,544
Facultative inward premium	290	-	-	-	-	-	-	-	29,114	-	29,404	-	29,404
Administrative surcharge	7,190	58	14,735	9	59,782	3,157	1,155	-	6,891	16	89,753	3,240	92,993
	7,918,698	19,343	1,333,107	19,949	1,770,610	2,976,214	1,663,044	1,004,064	766,750	9,162	13,452,209	4,028,732	17,480,941
Insurance premium earned	7,505,041	15,963	1,063,221	15,551	1,803,971	4,463,784	1,575,838	1,365,546	682,540	6,097	12,630,611	5,866,941	18,497,552
Insurance premium ceded to reinsurers	(6,962,621)	(12,508)	(592,211)	-	(34,936)	(258,726)	-	(747,055)	(287,511)	(5,060)	(7,877,279)	(1,023,349)	(8,900,628)
Net insurance premium	542,420	3,455	471,010	15,551	1,769,035	4,205,058	1,575,838	618,491	395,029	1,037	4,753,332	4,843,592	9,596,924
Commission income	363,425	2,623	1,336	-	2,774	44,805	-	-	40,589	1,136	408,124	48,564	456,688
<b>Net underwriting income</b>	905,845	6,078	472,346	15,551	1,771,809	4,249,863	1,575,838	618,491	435,618	2,173	5,161,456	4,892,156	10,053,612
Insurance claims	(3,927,982)	(205)	(347,272)	4,875	(825,034)	(6,123,364)	(1,394,871)	(1,100,142)	(221,366)	114	(6,716,525)	(7,218,722)	(13,935,247)
Insurance claim recoveries from reinsurers	3,600,095	(741)	196,044	(236)	(19,655)	2,426,389	-	780,218	118,955	452	3,895,439	3,206,082	7,101,521
Net claims	(327,887)	(946)	(151,228)	4,639	(844,689)	(3,696,975)	(1,394,871)	(319,924)	(102,411)	566	(2,821,086)	(4,012,640)	(6,833,726)
Commission expense	(330,756)	(2,075)	(82,208)	(1,854)	(164,146)	(928,504)	(50,311)	(158,166)	(67,309)	(94)	(694,730)	(1,090,693)	(1,785,423)
Management expenses	(244,175)	(1,170)	(234,682)	(18,514)	(640,246)	(631,558)	(84,954)	(116,814)	(141,114)	(710)	(1,345,171)	(768,766)	(2,113,937)
Net insurance claims and expenses	(902,818)	(4,191)	(468,118)	(15,729)	(1,649,081)	(5,257,037)	(1,530,136)	(594,904)	(310,834)	(238)	(4,860,987)	(5,872,099)	(10,733,086)
<b>Underwriting results</b>	3,027	1,887	4,228	(178)	122,728	(1,007,174)	45,702	23,587	124,784	1,935	300,469	(979,943)	(679,474)
Net investment income											1,112,761	143,127	1,255,888
Rental income											86,723	1,675	88,398
Other income											141,621	65,638	207,259
Change in fair value of investment property											151,259	142,025	293,284
Other expenses											(60,921)	(12,350)	(73,271)
Finance costs											(1,229)	-	(1,229)
Profit from Window Takaful Operations - Operator's Fund											221,310	-	221,310
<b>Profit before taxation</b>											1,951,993	(639,828)	1,312,165

As at December 31, 2023 (Audited)													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousand													
Segment assets	24,026,231	639,227	718,124	9,040	1,008,561	8,880,546	649,144	1,180,206	1,753,163	25,275	28,155,223	10,734,294	38,889,517
Unallocated assets											39,190,115	12,048,120	51,238,235
											67,345,338	22,782,414	90,127,752
Segment liabilities	24,074,001	710,512	977,468	39,912	2,580,655	16,827,569	1,987,758	1,459,328	2,299,743	27,487	31,919,625	19,064,808	50,984,433
Unallocated liabilities											7,023,657	1,468,839	8,492,496
											38,943,282	20,533,647	59,476,929

### 35 Fair value measurement of financial instruments

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		June 30, 2024 (Un-Audited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand									
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	12	23,295,963	-	-	-	-	23,295,963	23,295,963	-	-	23,295,963
	12	6,565,720	-	-	-	-	6,565,720	-	-	6,565,720	6,565,720
Investments of Window Takaful Operations - Operator's Fund	20	319,155	-	-	-	-	319,155	319,155	-	-	319,155
<b>Financial assets - not measured at fair value</b>											
Debt securities	13	-	3,739,121	-	-	-	3,739,121	-	3,739,121	-	3,739,121
Debt securities of Window Takaful Operations - Operator's Fund	20	-	51,974	-	-	-	51,974	-	51,974	-	51,974
Loans and other receivables *	15	-	-	760,008	-	-	760,008	-	-	-	-
Investment - Term Deposits*	14	-	8,668,903	-	-	-	8,668,903	-	-	-	-
Investment - Term deposits of Window Takaful Operations - Operator's Fund*	20	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	11	-	-	2,396,166	-	-	2,396,166	7,931,188	-	-	7,931,188
Insurance / reinsurance receivables - unsecured and considered good*	16	-	-	9,535,583	-	-	9,535,583	-	-	-	-
Reinsurance recoveries against outstanding claims*		-	-	19,113,618	-	-	19,113,618	-	-	-	-
Bank deposits subject to encumbrances*	18	-	-	3,042,168	-	-	3,042,168	-	-	-	-
Cash and bank*	19	-	-	-	2,486,274	-	2,486,274	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	20	-	-	243,495	787,919	-	1,031,414	-	-	-	-
		30,180,838	12,459,998	35,091,038	3,274,193	-	81,006,067	31,546,306	3,791,095	6,565,720	41,903,121
<b>Financial liabilities - not measured at fair value</b>											
Outstanding claims (including IBNR)*		-	-	-	-	24,832,912	24,832,912	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	5,600,399	5,600,399	-	-	-	-
Other creditors and accruals*		-	-	-	-	2,653,239	2,653,239	-	-	-	-
Deposits and other liabilities*		-	-	-	-	485,064	485,064	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	20	-	-	-	-	569,046	569,046	-	-	-	-
		-	-	-	-	34,140,660	34,140,660	-	-	-	-

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

35.1 Fair value measurement of financial instruments

		December 31, 2023 (Audited)									
	Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Note	Rupees in thousand										
(Restated)											
<b>Financial assets - measured at fair value</b>											
<i>Investment</i>											
	Equity securities- quoted	12	18,299,523	-	-	-	-	18,299,523	-	-	18,299,523
	Equity securities- unquoted	12	6,565,720	-	-	-	-	-	6,565,720	-	6,565,720
	Investments of Window Takaful Operations - Operator's Fund	20	293,848	-	-	-	-	293,848	293,848	-	293,848
<b>Financial assets - not measured at fair value</b>											
	Debt securities	13	-	1,774,347	-	-	-	1,774,347	-	1,774,347	1,774,347
	Debt securities of Window Takaful Operations - Operator's Fund	20	-	51,974	-	-	-	51,974	-	51,974	51,974
	Loans and other receivables*	15	-	-	743,737	-	-	743,737	-	-	-
	Investment - Term Deposits*	14	-	7,003,102	-	-	-	7,003,102	-	-	-
	Investment - Term deposits of Window Takaful Operations - Operator's Fund*	20	-	500,000	-	-	-	500,000	-	-	-
	Investment in subsidiary	11	-	-	2,396,166	-	-	2,396,166	5,615,956	-	5,615,956
	Insurance / reinsurance receivables - unsecured and considered good*	16	-	-	7,555,082	-	-	7,555,082	-	-	-
	Reinsurance recoveries against outstanding claims*		-	-	20,601,648	-	-	20,601,648	-	-	-
	Bank deposits subject to encumbrances*	18	-	-	3,125,356	-	-	3,125,356	-	-	-
	Cash and bank*	19	-	-	-	2,127,420	-	2,127,420	-	-	-
	Other Assets of Window Takaful Operations - Operator's Fund*	20	-	-	239,080	76,860	-	315,940	-	-	-
			25,159,091	9,329,423	34,661,069	2,204,280	-	71,353,863	24,209,327	1,826,321	6,565,720
											32,601,368
<b>Financial liabilities - not measured at fair value</b>											
	Outstanding claims (including IBNR)*		-	-	-	-	26,395,403	26,395,403	-	-	-
	Insurance / reinsurance payables *		-	-	-	-	3,952,563	3,952,563	-	-	-
	Other creditors and accruals*		-	-	-	-	2,461,393	2,461,393	-	-	-
	Deposits and other liabilities*		-	-	-	-	500,849	500,849	-	-	-
	Total liabilities of Window Takaful Operations- Operator's Fund*	20	-	-	-	-	486,464	486,464	-	-	-
			-	-	-	-	33,796,672	33,796,672	-	-	-

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

**36 Date of authorization for issue**

These unconsolidated condensed interim financial statements were approved for issue on August 26, 2024 by the Board of Directors of the Company.

**37 Non-adjusting events after statement of financial position date**


The Board of Directors of the Company in their meeting held on August 26, 2024 proposed an interim cash dividend for the six month period ended June 30, 2024 @ 15% i.e. Rupees 1.50/- per share (June 30, 2023 @ 15% i.e. Rupees 1.50/- per share). These unconsolidated condensed interim financial statements for the six month period ended June 30, 2024 do not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending December 31, 2024.



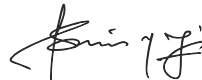
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

# Directors' Review

## to the Members on Consolidated Condensed Interim Financial Statements (Unaudited) For the six months ended 30 June 2024

On behalf of the Board, We are pleased to present the consolidated condensed interim financial statements of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited, for six months period ended 30 June 2024.

The following appropriation of profit has been recommended by the Board of Directors:

	(Unaudited)	
	30 June 2024	30 June 2023
	Rupees in thousand	
Profit before tax	3,876,527	1,782,170
Taxation	(1,650,995)	(850,893)
Profit after tax	2,225,532	931,277
Less: Profit attributable to non-controlling interest	(64,867)	(42,184)
Profit attributable to ordinary shares	2,160,665	889,093
Unappropriated profit brought forward	19,849,188	18,214,850
Profit available for appropriation	22,009,853	19,103,943
Final cash dividend at Rs. 1.5 per share - 31 December 2023 [31 December 2022 (Rupee 1.5 per share)]	(525,000)	(525,000)
Profit after appropriation	<u>21,484,853</u>	<u>18,578,943</u>
	(Unaudited)	
	30 June 2024	30 June 2023
	Rupees	
<b>Earnings after tax per share - basic and diluted</b>	<u>6.17</u>	<u>2.54</u>

For and on behalf of the Board



Shaikh Muhammad Jawed  
Director



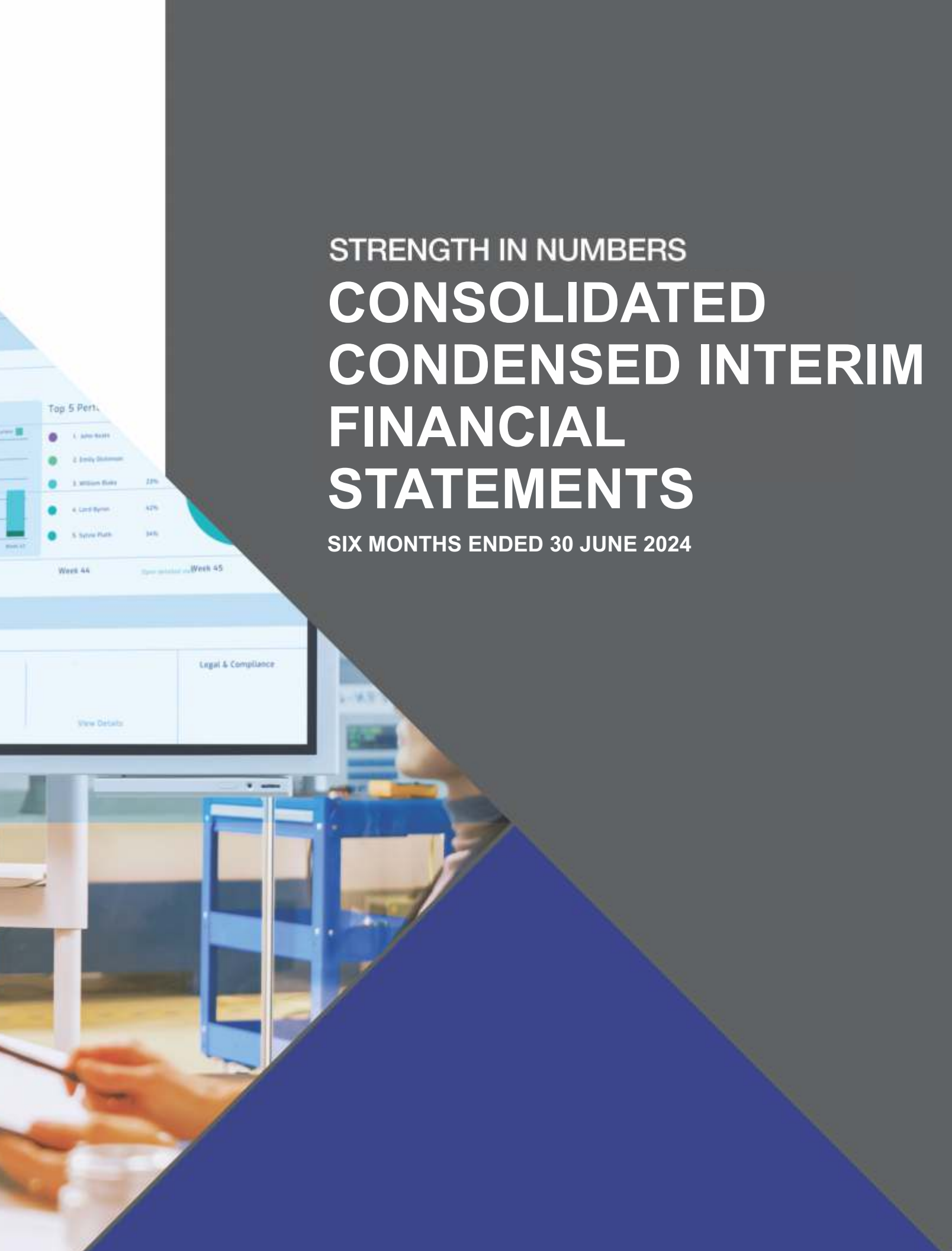
Muhammad Ali Zeb  
Managing Director &  
Chief Executive Officer

Lahore: 26 August 2024

STRENGTH IN NUMBERS

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2024



Adamjee Insurance Company Limited  
Consolidated Condensed Interim Statement of Financial Position  
As at June 30, 2024

	Note	(Un-Audited)	(Audited)
		June 30, 2024	December 31, 2023
		<b>Rupees in thousand</b> (Restated)	
<b>ASSETS</b>			
Property and equipment	7	5,308,236	5,385,484
Intangible assets	8	172,461	141,880
Investment properties	9	2,150,999	2,154,672
Investments			
Equity securities	10	45,806,775	38,403,345
Debt securities	11	74,837,686	66,769,062
Term deposits	12	8,668,903	7,078,102
Loan secured against life insurance policies		8,427	35,975
Loans and other receivables	13	2,823,344	2,406,313
Insurance / reinsurance receivables	14	9,693,002	7,649,565
Reinsurance recoveries against outstanding claims		19,113,618	20,601,648
Salvage recoveries accrued		495,009	300,921
Deferred commission expense / acquisition cost		2,444,943	2,133,671
Taxation - payment less provisions		43,658	606,950
Prepayments	15	6,750,599	8,507,372
Bank deposits subject to encumbrances	16	3,042,168	3,125,356
Cash and bank	17	6,391,949	6,054,016
		187,751,777	171,354,332
Total assets of Window Takaful Operations			
- Operator's Fund (Parent Company)	18	1,694,322	1,445,636
<b>TOTAL ASSETS</b>		<b>189,446,099</b>	<b>172,799,968</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Ordinary share capital		3,500,000	3,500,000
Reserves	19	11,029,937	7,963,020
Unappropriated Profit		21,484,853	19,849,188
<b>Equity attributable to equity holders of the parent</b>		<b>36,014,790</b>	<b>31,312,208</b>
Non-controlling interest		481,511	441,756
<b>Total Equity</b>		<b>36,496,301</b>	<b>31,753,964</b>
<b>Surplus on revaluation of fixed assets</b>		<b>30,368</b>	<b>30,754</b>
<b>Liabilities</b>			
Insurance liabilities		88,170,247	79,470,020
<b>Underwriting provisions:</b>			
Outstanding claims including IBNR		24,832,912	26,395,403
Unearned premium reserve		20,502,638	19,343,851
Unearned reinsurance commission		286,961	507,332
Retirement benefits obligations		199,374	175,627
Deferred taxation		6,671,538	4,349,859
Premium received in advance		1,076,497	1,031,565
Insurance / reinsurance payables		5,632,985	4,054,711
Other creditors and accruals	20	4,420,317	4,391,678
Deposits and other liabilities		556,915	578,314
Taxation - provision less payments		-	230,426
		64,180,137	61,058,766
Total assets of Window Takaful Operations			
- Operator's Fund (Parent Company)	18	569,046	486,464
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>189,446,099</b>	<b>172,799,968</b>
<b>Contingencies and commitments</b>	21		

The annexed notes from 1 to 33 form an integral part of these consolidated condensed interim financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Profit and Loss Account (Un-audited)  
For six months period ended June 30, 2024

	Note	For three months period ended		For six months period ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Rupees in thousand</b>					
Net insurance premium	22	11,566,292	9,921,111	23,601,210	20,520,612
Net insurance claims	23	(8,997,691)	(7,674,894)	(18,644,845)	(15,398,449)
Net commission and other acquisition costs	24	(1,679,267)	(1,376,126)	(3,245,009)	(2,815,026)
Insurance claims and acquisition expenses		(10,676,958)	(9,051,020)	(21,889,854)	(18,213,475)
Management expenses		(1,530,549)	(1,390,400)	(3,016,622)	(2,596,771)
Net change in insurance liabilities (other than outstanding claims)		(5,294,411)	(2,591,449)	(8,077,763)	(5,141,094)
<b>Underwriting results</b>		<b>(5,935,626)</b>	<b>(3,111,758)</b>	<b>(9,383,029)</b>	<b>(5,430,728)</b>
Investment income	25	5,926,395	3,502,279	10,732,993	6,485,143
Net fair value gain / (loss) on financial assets at fair value through profit and loss - unrealised		1,640,056	69,014	1,729,244	(344,436)
Fair value adjustment to investment property		-	(17,964)	-	212,374
Rental income		31,196	28,377	61,874	56,831
Other income		296,666	349,168	615,248	664,501
Other expenses		(68,107)	(48,859)	(148,284)	(80,071)
<b>Results of operating activities</b>		<b>1,890,580</b>	<b>770,257</b>	<b>3,608,046</b>	<b>1,563,614</b>
Finance cost		(1,461)	(1,437)	(3,375)	(2,754)
Profit from Window Takaful Operations - Operator's Fund (Parent Company)	18	98,166	122,551	271,856	221,310
<b>Profit before tax</b>		<b>1,987,285</b>	<b>891,371</b>	<b>3,876,527</b>	<b>1,782,170</b>
Income tax expense		(808,868)	(456,887)	(1,650,995)	(850,893)
<b>Profit after tax for the period</b>		<b>1,178,417</b>	<b>434,484</b>	<b>2,225,532</b>	<b>931,277</b>
<b>Profit attributable to:</b>					
Equity holders of the parent		1,143,935	405,350	2,160,665	889,093
Non-controlling interest		34,482	29,134	64,867	42,184
		<b>1,178,417</b>	<b>434,484</b>	<b>2,225,532</b>	<b>931,277</b>
----- (Rupees) -----					
Earnings after tax per share - basic and diluted	26	3.27	1.16	6.17	2.54

The annexed notes from 1 to 33 form an integral part of these consolidated condensed interim financial statements.




Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer



Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)  
 For six months period ended June 30, 2024

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand			
<b>Profit after tax</b>	<b>1,178,417</b>	434,484	<b>2,225,532</b>	931,277
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to profit and loss:</b>				
Surplus / (deficit) on revaluation of fixed assets - net of tax	37	(2,810)	(386)	31,202
<b>Items that may be reclassified subsequently to profit and loss:</b>				
Unrealized gain on 'available-for-sale' investments - net of tax	2,047,178	97,851	3,156,066	1,116,597
Reclassification adjustment relating to 'available for sale' investments disposed of during the period - net of tax	(58,781)	111	(58,781)	(656)
Net effect of translation of foreign branches	2,908	56,238	(30,478)	639,724
<b>Total comprehensive income for the period</b>	<b>3,169,759</b>	585,874	<b>5,291,953</b>	2,718,144
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	3,135,387	556,697	5,227,196	2,675,884
Non-controlling interest	34,372	29,177	64,757	42,260
	<b>3,169,759</b>	585,874	<b>5,291,953</b>	2,718,144

The annexed notes from 1 to 33 form an integral part of these consolidated condensed interim financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
Consolidated Condensed Interim Cash Flow Statement (Un-audited)  
For six months period ended June 30, 2024

	<b>For six months period ended</b>	
	<b>June 30, 2024</b>	June 30, 2023
	<b>Rupees in thousand</b>	
		<i>(Restated)</i>
<b><u>Cash flows from operating activities</u></b>		
<b>Underwriting activities</b>		
Insurance premium received	34,425,242	28,135,973
Reinsurance premium paid	(7,480,760)	(8,876,545)
Claims paid	(24,115,468)	(20,481,995)
Reinsurance and other recoveries received	5,321,535	4,276,995
Commissions paid	(3,603,645)	(2,555,795)
Commissions received	383,954	385,001
Other underwriting payments	(3,444,538)	(2,052,857)
<b>Net cash flow from underwriting activities</b>	<b>1,486,320</b>	<b>(1,169,223)</b>
<b>Other operating activities</b>		
Income tax paid	(870,930)	(443,687)
Other operating payments	(153,823)	(138,512)
Loans advanced	(29,716)	(36,008)
Loans installments received	37,981	40,307
Other operating receipts	12,915	21,256
<b>Net cash outflow for other operating activities</b>	<b>(1,003,573)</b>	<b>(556,644)</b>
<b>Total cash flow from all operating activities</b>	<b>482,747</b>	<b>(1,725,867)</b>
<b><u>Cash flows from investing activities</u></b>		
Profit / return received on bank deposits	7,498,946	4,950,130
Income from treasury bills and Pakistan Investment Bonds	238,585	30,487
Bank deposits subject to encumbrances	83,188	(484,222)
Dividends received	2,585,700	1,649,346
Rentals received	92,853	95,066
Payment for investments/ investment properties	(146,224,355)	(152,605,895)
Loan from policy holder	28,344	6,007
Proceeds from disposal investments/ investment properties	136,406,076	147,623,296
Fixed capital expenditure	(129,948)	(148,048)
Proceeds from disposal of fixed assets	25,298	25,746
<b>Total cash flow from investing activities</b>	<b>604,687</b>	<b>1,141,913</b>
<b><u>Cash flows from financing activities</u></b>		
Payments against lease liabilities	(55,159)	(10,402)
Dividends paid	(769,342)	(517,535)
Loan principal and interest expense against loan paid	-	-
<b>Total cash outflow for financing activities</b>	<b>(824,501)</b>	<b>(527,937)</b>
<b>Net cash flow from all activities</b>	<b>262,933</b>	<b>(1,111,891)</b>
Cash and cash equivalents at beginning of the period	6,129,016	9,141,997
<b>Cash and cash equivalents at end of period</b>	<b>6,391,949</b>	<b>8,030,106</b>

For six months period ended	
June 30, 2024	June 30, 2023
Rupees in thousand	

**Reconciliation to profit and loss account**

Operating cash flows	482,747	(1,725,867)
Depreciation and amortization expense	(158,620)	(160,747)
Provision for retirement benefit obligations	(28,534)	(26,890)
Finance cost	(6,666)	(2,754)
Other income - bank and term deposits	840,098	314,935
Gain on disposal of fixed assets	11,696	14,195
Provision / Write offs for doubtful balances	-	(5,007)
Rental income	63,509	57,536
Fair value adjustment to investment property	-	212,374
Increase in assets other than cash	(711,689)	5,721,363
Increase in liabilities	(10,391,009)	(10,114,718)
Gain on disposal of investments	706,185	213,840
Increase in unearned premium	(1,158,787)	(355,874)
(Decrease) / increase in loans	(8,265)	(4,299)
Income taxes paid	802,474	330,456
Reversal / (provision) for impairment in value of 'available-for-sale' investments	116,784	(40,017)
Dividend and other investment income	11,393,753	6,281,441
Profit from Window Takaful Operations	271,856	221,310
<b>Profit after tax</b>	<b>2,225,532</b>	<b>931,277</b>

**Cash for the purposes of the cash flows statement consists of:**

Cash and cash equivalents	18,278	30,864
Current and saving accounts	6,373,671	5,324,242
Term deposits	-	2,675,000
<b>Total cash and cash equivalents</b>	<b>6,391,949</b>	<b>8,030,106</b>

The annexed notes from 1 to 33 form an integral part of these consolidated condensed interim financial statements.



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

Adamjee Insurance Company Limited  
 Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)  
 For six months period ended June 30, 2024

	Share capital	Capital reserves				Revenue reserves		Equity	Non-controlling	Total	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Fair Value Reserve	Surplus on revaluation of fixed assets	General reserve	Retained earnings	attributable to equity holders of the parent		interest
	Rupees in thousand										
<b>Balance as at 31 December 2022 - (Audited)</b>	3,500,000	22,859	3,764	1,532,444	1,026,501	-	936,500	18,214,850	25,236,918	374,828	<b>25,611,746</b>
Profit for the period 01 January 2023 to 30 June 2023	-	-	-	-	-	-	-	889,093	889,093	42,184	<b>931,277</b>
Other comprehensive income for the period 01 January 2023 to 30 June 2023	-	-	-	639,724	1,115,865	31,202	-	-	1,786,791	76	<b>1,786,867</b>
<b>Total comprehensive income for the period</b>	-	-	-	639,724	1,115,865	31,202	-	889,093	2,675,884	42,260	<b>2,718,144</b>
<b>Transactions with owners, recognized directly in equity</b>											
Final cash dividend at Rs. 1.5 per share - 31 December 2022 - Parent	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
<b>Balance as at 30 June 2023 - (Unaudited)</b>	3,500,000	22,859	3,764	2,172,168	2,142,366	31,202	936,500	18,578,943	27,387,802	417,088	<b>27,804,890</b>
Profit for the period 01 July 2023 to 31 December 2023	-	-	-	-	-	-	-	1,737,014	1,737,014	48,624	<b>1,785,638</b>
Other comprehensive income for the period 01 July 2023 to 31 December 2023	-	-	-	(6,749)	2,692,112	(448)	-	58,231	2,743,146	1,044	<b>2,744,190</b>
<b>Total comprehensive income for the period</b>	-	-	-	(6,749)	2,692,112	(448)	-	1,795,245	4,480,160	49,668	<b>4,529,828</b>
<b>Transactions with owners, recognized directly in equity</b>											
Interim cash dividend at Rs. 1.5 per share - 30 June 2023 - Parent	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
Interim cash dividend at Re. 1 per share - 30 June 2023 - Subsidiary	-	-	-	-	-	-	-	-	-	(25,000)	<b>(25,000)</b>
<b>Balance as at 31 December 2023 - (Audited)</b>	3,500,000	22,859	3,764	2,165,419	4,834,478	30,754	936,500	19,849,188	31,342,962	441,756	<b>31,784,718</b>
Profit for the period 01 January 2024 to 30 June 2024	-	-	-	-	-	-	-	2,160,665	2,160,665	64,867	<b>2,225,532</b>
Other comprehensive income for the period 01 January 2024 to 30 June 2024	-	-	-	(30,478)	3,097,395	(386)	-	-	3,066,531	(110)	<b>3,066,421</b>
<b>Total comprehensive income for the period</b>	-	-	-	(30,478)	3,097,395	(386)	-	2,160,665	5,227,196	64,757	<b>5,291,953</b>
<b>Balance as at 30 June 2024 - (Unaudited)</b>	3,500,000	22,859	3,764	2,134,941	7,931,873	30,368	936,500	22,009,853	36,570,158	506,513	<b>37,076,671</b>
<b>Transactions with owners, recognized directly in equity</b>											
Final cash dividend at Rs. 1.5 per share - 31 December 2023 - Parent	-	-	-	-	-	-	-	(525,000)	(525,000)	-	<b>(525,000)</b>
Final cash dividend at Re. 1 per share - 31 December 2023 - Subsidiary	-	-	-	-	-	-	-	-	-	(25,002)	<b>(25,002)</b>
	-	-	-	-	-	-	-	(525,000)	(525,000)	(25,002)	<b>(550,002)</b>
<b>Balance as at 30 June 2024 - (Unaudited)</b>	<b>3,500,000</b>	<b>22,859</b>	<b>3,764</b>	<b>2,134,941</b>	<b>7,931,873</b>	<b>30,368</b>	<b>936,500</b>	<b>21,484,853</b>	<b>36,045,158</b>	<b>481,511</b>	<b>36,526,669</b>

The annexed notes from 1 to 33 form an integral part of these consolidated condensed interim financial statements.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

# Adamjee Insurance Company Limited

## Notes to the Consolidated Condensed Interim Financial Statements (Un-audited)

For six months period ended June 30, 2024

### 1 The group and its operations:

#### 1.1 The group comprises of:

	2024 (Holding percentage)	2023
<b>Parent Company</b>		
Adamjee Insurance Company Limited	100%	100%
<b>Subsidiary Company</b>		
Adamjee Life Assurance Company Limited	90%	90%

#### **Adamjee Insurance Company Limited (Parent Company)**

The Parent Company is a public limited company incorporated in Pakistan on September 28, 1960 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Parent Company is listed on Pakistan Stock Exchange limited and is principally engaged in the general insurance business. The registered office of the Parent Company is situated at Adamjee House Building, 80/A Block E-1, Main Boulevard Gulberg-III, Lahore.

The Parent Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Parent Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

#### **Adamjee Life Assurance Company Limited (Subsidiary Company)**

Adamjee Life Assurance Company Limited ("the Subsidiary Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Subsidiary Company was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Subsidiary Company started its operations from April 24, 2009. Registered office of the Subsidiary Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi.

The Subsidiary Company is engaged in life assurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Subsidiary Company has established a shareholders' fund and the following statutory funds in respect of each class of its life assurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitized Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business
- Group Family Takaful Business

The Subsidiary Company was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Subsidiary Company commenced Window Takaful Operations from July 14, 2016. The Subsidiary Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF)) on December 22, 2015 under a Waqf deed executed by the Subsidiary Company with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Subsidiary Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Subsidiary Company.

### 2 Basis of preparation and statement of compliance

These consolidated condensed interim financial statements of the Group for the six months period ended 30 June 2024 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, 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 provisions of or the 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, shall prevail.

As per the requirements of the Takaful Rules, 2012 and SECP Circular No. 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss account of the Operator's Fund of the Window Takaful Operations of the Parent Company have been presented as a single line item in the statement of financial position and profit and loss account of the Parent Company respectively. A separate set of financial statements of the Window Takaful Operations of Parent Company has been annexed to these consolidated financial statements as per the requirements of the Takaful Rules, 2012.

These consolidated 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 annual financial statements of the Group for the year ended 31 December 2023. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2023, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial statements of the Group for the six months period ended 30 June 2023.

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. All the financial statements presented in Pak Rupees has been rounded off to the nearest thousand in rupee, unless otherwise stated.

### 3 Basis of measurement

These consolidated financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and retirement benefit obligations under employee benefits carried at present value.

### 4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the consolidated condensed interim financial statements are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2023.

#### 4.1 Standards, amendments or interpretations

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosed in this condensed interim financial statements.

#### IFRS

IFRS 9 " Financial Instruments" has become applicable , 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 are given below:

The tables below set out the fair values as 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:

(a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and

(b) all other financial assets

	June 30, 2024				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----					
Cash and Bank*	2,121,131	-	4,270,818	-	-
Bank deposits subject to encumbrances*	3,042,168	-	-	-	-
Investments in equity securities - available-for-sale	29,927,573	5,077,517	-	-	-
Investment in debt securities	-	-	74,837,686	-	-
Term deposits*	-	-	8,668,903	-	-
Loan secured against life insurance policies*	-	-	8,427	-	-
Loans and other receivables*	2,482,548	-	2,166	-	-
<b>Total</b>	<b>37,573,420</b>	<b>5,077,517</b>	<b>87,788,000</b>	<b>-</b>	<b>-</b>

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

**5 Use of estimates and judgments**

The preparation of these consolidated 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 Group'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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

**6 Insurance and Financial risk management**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated annual financial statements for the year ended 31 December 2023.

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Note	<b>Rupees in thousand</b>	
<b>7 Property and equipment</b>			
Operating assets	7.1	5,209,723	5,294,880
Capital work in progress		32,809	16,374
Right of use asset		65,704	74,230
		<u>5,308,236</u>	<u>5,385,484</u>
<b>7.1 Operating assets</b>			
Opening balance - net book value		5,294,880	5,309,131
Additions during the period / year	7.2	60,462	235,713
Transfer to investment property		-	(102,929)
Less:			
Book value of disposals during the period / year	7.3	(17,278)	(27,432)
Depreciation charged during the period / year		(121,543)	(240,105)
Exchange differences and other adjustments		(6,798)	120,502
		<u>(145,619)</u>	<u>(147,035)</u>
		<u>5,209,723</u>	<u>5,294,880</u>
<b>7.2 Additions during the period / year - cost</b>			
Land and buildings		-	53,303
Furniture and fixtures		1,233	8,667
Motor vehicles		40,308	84,213
Machinery and equipment		4,896	9,326
Computer and related accessories		8,111	73,215
Leasehold Improvements		5,914	6,989
		<u>60,462</u>	<u>235,713</u>
<b>7.3 Written down values of property and equipment disposed off during the period / year</b>			
Furniture and fixtures		710	4,200
Motor vehicles		5,834	18,946
Machinery and equipment		4,763	121
Computer and related accessories		2,736	923
Leasehold Improvements		3,235	3,242
		<u>17,278</u>	<u>27,432</u>
<b>8 Intangible assets</b>			
Opening balance - net book value		122,877	131,802
Additions during the period		236	44,484
Amortization charged during the period		(19,387)	(50,620)
Exchange differences and other adjustments		(512)	(2,789)
		<u>(19,899)</u>	<u>(53,409)</u>
		<u>103,214</u>	<u>122,877</u>
Capital work in progress		69,247	19,003
		<u>172,461</u>	<u>141,880</u>
<b>9 Investment Properties</b>			
Opening balance - net book value		2,154,672	1,757,365
Transfer from Property and equipment		-	102,929
Unrealized fair value gain		-	268,309
Exchange differences and other adjustments		(3,673)	26,069
		<u>2,150,999</u>	<u>2,154,672</u>



**10 Investment in equity securities**

	June 30, 2024 (Unaudited)				December 31, 2023 (Audited)			
	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value	Cost	Impairment / provision	Unrealized Gain / (loss)	Carrying value
<b>Rupees in thousands</b>								
<b>Available-for-sale</b>								
<b>Related parties</b>								
Listed shares	10,426,462	(31)	6,022,933	16,449,364	10,400,757	(31)	1,770,833	12,171,559
Unlisted shares	2,882,316	-	3,683,404	6,565,720	2,882,316	-	3,683,404	6,565,720
	<b>13,308,778</b>	<b>(31)</b>	<b>9,706,337</b>	<b>23,015,084</b>	<b>13,283,073</b>	<b>(31)</b>	<b>5,454,237</b>	<b>18,737,279</b>
<b>Others</b>								
Listed shares	5,432,464	(1,855,080)	3,278,192	6,855,576	5,593,252	(1,971,864)	2,456,437	6,077,825
NIT Units	161	-	908	1,069	161	-	791	952
Mutual Funds	53,560	(16,366)	18,650	55,844	50,447	(16,366)	15,105	49,186
	<b>5,486,185</b>	<b>(1,871,446)</b>	<b>3,297,750</b>	<b>6,912,489</b>	<b>5,643,860</b>	<b>(1,988,230)</b>	<b>2,472,333</b>	<b>6,127,963</b>
<b>Total - available for sale</b>	<b>18,794,963</b>	<b>(1,871,477)</b>	<b>13,004,087</b>	<b>29,927,573</b>	<b>18,926,933</b>	<b>(1,988,261)</b>	<b>7,926,570</b>	<b>24,865,242</b>
<b>Fair value through profit and loss</b>								
<b>Related parties</b>								
Listed shares	2,138,513	-	609,023	2,747,536	1,535,048	-	667,818	2,202,866
Mutual Funds	4,078,907	-	1,161,623	5,240,530	3,129,148	-	1,852,193	4,981,341
	<b>6,217,420</b>	<b>-</b>	<b>1,770,646</b>	<b>7,988,066</b>	<b>4,664,196</b>	<b>-</b>	<b>2,520,011</b>	<b>7,184,207</b>
<b>Others</b>								
Listed shares	5,172,505	-	1,473,067	6,645,572	5,377,513	-	976,383	6,353,896
Mutual Funds	969,471	-	276,093	1,245,564	-	-	-	-
	<b>6,141,976</b>	<b>-</b>	<b>1,749,160</b>	<b>7,891,136</b>	<b>5,377,513</b>	<b>-</b>	<b>976,383</b>	<b>6,353,896</b>
<b>Total - fair value through profit and loss</b>	<b>12,359,396</b>	<b>-</b>	<b>3,519,806</b>	<b>15,879,202</b>	<b>10,041,709</b>	<b>-</b>	<b>3,496,394</b>	<b>13,538,103</b>
<b>Grand Total</b>	<b>31,154,359</b>	<b>(1,871,477)</b>	<b>16,523,893</b>	<b>45,806,775</b>	<b>28,968,642</b>	<b>(1,988,261)</b>	<b>11,422,964</b>	<b>38,403,345</b>

**10.1** 5,700,000 (2023 : 5,700,000) shares of MCB Bank Limited and 5,200,000 (2023 : 5,200,000) shares of Fauji Fertilizer Company Limited have been pledged against SBLC (Standby Letter of Credit) issued in favour of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group.

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>June 30,</u>	<u>December 31,</u>
	<u>2024</u>	<u>2023</u>
Note	<b>Rupees in thousand</b>	
<b>11 Investments in debt securities</b>		
<b>Held to maturity</b>		
Treasury Bills	2,283,786	431,264
Pakistan Investment Bonds	1,455,335	1,343,083
	<b>3,739,121</b>	1,774,347
<b>Fair value through profit and loss</b>		
Term Finance Certificate	1,996,675	2,087,561
Corporate sukuks	1,550,515	1,541,472
Ijarah sukuks	9,030,068	8,412,527
Treasury Bills	32,752,519	37,193,487
Pakistan Investment Bonds	25,768,788	15,759,668
	<b>71,098,565</b>	64,994,715
	<b>74,837,686</b>	66,769,062
<b>12 Investments in Term Deposits</b>		
<b>Held to maturity</b>		
<b>Deposits maturing within 12 months</b>		
<b>Inside Pakistan</b>		
- others	-	75,000
	-	75,000
<b>Outside Pakistan</b>		
- related parties	2,087,504	2,020,329
- others	6,581,399	4,982,773
	<b>8,668,903</b>	7,003,102
	<b>8,668,903</b>	7,078,102
<b>12.1</b>	<b>8,668,903</b>	7,078,102

**12.1** These include fixed deposits amounting to Rs. 454,682 thousands (AED 6,000 thousands) [2023: Rs. 460,456 thousands (AED 6,000 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates.

		(Unaudited) June 30, 2024	(Audited) December 31, 2023
		Rupees in thousand	
<b>13</b>	<b>Loans and other receivables - considered good</b>		
	Rent receivable	14,228	7,017
	Accrued income	1,882,228	1,474,089
	Security deposits	107,932	108,818
	Advances to employees and suppliers	334,379	383,754
	Advance agent commission	4,251	2,751
	Loans to employees	68,296	83,542
	Receivable against the sale of investment	97,296	98,143
	Receivable from gratuity fund	-	11,791
	Other receivables	314,734	236,408
		<u>2,823,344</u>	<u>2,406,313</u>
<b>14</b>	<b>Insurance / reinsurance receivables - unsecured and considered good</b>		
	Due from insurance contract holders	10,298,041	8,608,373
	Provision for impairment of receivables from insurance contract holders	(1,630,507)	(1,648,180)
		8,667,534	6,960,193
	Due from other insurers / other reinsurers	1,226,770	890,674
	Provision for impairment of due from other insurers / reinsurers	(201,302)	(201,302)
		1,025,468	689,372
		<u>9,693,002</u>	<u>7,649,565</u>
<b>14.1</b>	Due from insurance contact holders include an amount Rs. 629,181 thousands (2023: Rs. 469,780 thousands) held with related parties.		
		(Unaudited) June 30, 2024	(Audited) December 31, 2023
	Note	Rupees in thousand	
<b>15</b>	<b>Prepayments</b>		
	Prepaid reinsurance premium ceded	6,361,927	8,298,195
	Prepaid miscellaneous expenses	388,672	209,177
		<u>6,750,599</u>	<u>8,507,372</u>
<b>16</b>	<b>Bank deposits subject to encumbrances</b>		(Restated)
	<b>Inside Pakistan</b>		
	Saving accounts under lien	16.1	548,411
	Margin against guarantee	16.2	83,999
			632,410
	<b>Outside Pakistan</b>		
	Current accounts under lien	16.3	136,346
	Margin against guarantee	16.4	2,273,412
			2,409,758
			<u>3,042,168</u>
<b>16.1</b>	This represents lien marked on cash deposits in saving accounts against SBLC (Standby Letter of Credit) issued in favor of Meezan Bank Limited on behalf of Hyundai Nishat Motor (Private) Limited, a related party of the Group and for claims under litigation filed against the Parent Company.		
<b>16.2</b>	This represents margin against bank guarantee, kept with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Parent Company for claims under litigation filed against the Parent Company and bid bond guarantees.		
<b>16.3</b>	This represents lien marked on current accounts by the banks as per the instructions issued by the Court in lieu of execution of legal orders in different cases pertaining to claims in United Arab Emirates of the Parent Company.		
<b>16.4</b>	This represents margin provided for a bank guarantee issued outside Pakistan in favor of the Central Bank of the UAE to meet regulatory requirement of the Parent Company.		
<b>16.5</b>	In previous years, the Group had classified amount of bank deposits under lien and held as margin against guarantees as cash and bank considering that these deposits met the definition of 'cash' as per IAS 7 'Statement of Cash Flows'. However, as per the requirements of accounting and reporting standards as applicable in Pakistan, deposits that cannot be accessed on demand should have been presented in statement of financial position as other financial assets.		

Accordingly, as per IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the Group has reclassified its comparative figures as follows:

<b>As at 31 December 2023</b>			
<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>	
<b>Rupees in thousand</b>			
<b><u>Unconsolidated Statement of Financial Position</u></b>			
<b>Assets</b>			
Cash and bank	9,179,372	(3,125,356)	6,054,016
Bank deposits subject to encumbrances	-	3,125,356	3,125,356
Other assets	163,620,596	-	163,620,596
	<b>172,799,968</b>	<b>-</b>	<b>172,799,968</b>

<b>For the six months period ended 30 June 2023</b>			
<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>	
<b>Rupees in thousand</b>			
<b><u>Unconsolidated condensed interim Statement of Cash flow</u></b>			
Net cash outflows from all activities	(627,669)	(484,222)	(1,111,891)
Cash flows from investing activities	1,626,135	(484,222)	1,141,913

<b>As at 30 June 2023</b>			
<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>	
<b>Rupees in thousand</b>			
Cash and cash equivalents	11,157,023	(3,126,917)	8,030,106

<b>As at 31 December 2022</b>			
<b>As previously reported</b>	<b>Adjustments Increase/ (Decrease)</b>	<b>As restated</b>	
<b>Rupees in thousand</b>			
Cash and cash equivalents	11,784,692	(2,642,695)	9,141,997

16.5.1 There is no impact on the operating and financing cashflows for the six month period ended 30 June 2023.

16.5.2 There is no impact on profit after tax for six month period ended 30 June 2023.

		<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>June 30, 2024</b>	<b>December 31, 2023</b>
		<b>Rupees in thousand</b>	
		<i>(Restated)</i>	
<b>17</b>	<b>Cash and bank</b>		
	<b>Cash and cash equivalents</b>		
	<b>Inside Pakistan</b>		
	Cash in hand	1,411	764
	Policy & Revenue stamps, Bond papers	16,630	32,861
		18,041	33,625
	<b>Outside Pakistan</b>		
	Cash in hand	237	-
		18,278	33,625
	<b>Cash at bank</b>		
	<b>Inside Pakistan</b>		
	Current accounts	886,907	(186,281)
	Savings accounts	4,268,500	5,361,868
		5,155,407	5,175,587
	<b>Outside Pakistan</b>		
	Current accounts	1,215,946	842,457
	Savings accounts	2,318	2,347
		1,218,264	844,804
		6,373,671	6,020,391
		6,391,949	6,054,016

17.1

	(Unaudited)	(Audited)
	June 30,	December 31,
	2024	2023
	Rupees in thousand	
<b>18 Window Takaful Operations - Parent Company</b>		
<b>Operator's Fund</b>		
<b>Assets</b>		
Cash and bank deposits	787,919	76,860
Qard-e-Hasna to Participant Takaful Fund	221,460	221,460
Investments - Equity securities	319,155	293,848
Investments - Debt securities	51,974	51,974
Investments - Term deposits	-	500,000
Intangible assets	16,784	16,922
Property and equipment	31,306	34,524
Loans and other receivables	22,035	17,620
Wakala and mudarib fee receivable	178,287	155,820
Deferred commission expense	65,402	76,608
<b>Total Assets</b>	<b>1,694,322</b>	<b>1,445,636</b>
<b>Total Liabilities</b>	<b>569,046</b>	<b>486,464</b>
	<b>For six month period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2023</b>	<b>2022</b>
	Rupees in thousand	
Wakala income	463,524	397,748
Commission expense	(168,175)	(123,268)
Management expenses	(145,167)	(124,264)
Investment income	80,101	44,952
Other income	20,285	19,916
Mudarib's share of PTF investment income	22,828	7,773
Other Expenses	(1,540)	(1,547)
Profit before tax	271,856	221,310
Provision for tax	(105,752)	(106,538)
<b>Profit from Window Takaful Operations</b>	<b>166,104</b>	<b>114,772</b>
Details of total assets, total liabilities and segment disclosure of window takaful operations of the Parent Company are stated in the annexed condensed interim financial statements.		
	(Unaudited)	(Audited)
	June 30,	December 31,
	2024	2023
	Rupees in thousand	
<b>19 Reserves</b>		
<b>Capital reserves</b>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	2,134,941	2,165,419
Fair value reserve	7,931,873	4,834,478
	<b>10,093,437</b>	<b>7,026,520</b>
<b>Revenue reserves</b>		
General reserves	936,500	936,500
	<b>11,029,937</b>	<b>7,963,020</b>
<b>20 Other creditors and accruals</b>		
Agents commission payable	1,409,165	1,450,044
Payable against the purchase of investments	-	232,841
Federal Excise Duty / Sales Tax / VAT	565,334	551,894
Federal Insurance Fee payable	85,395	34,998
Payable to related parties	5,806	9,870
Workers' welfare fund payable	368,864	304,348
Tax deducted at source	84,626	71,390
Accrued expenses	546,237	665,160
Unpaid and unclaimed dividend	179,209	173,551
Payable to employees' provident fund	455	154
Sundry creditors	1,175,226	897,428
	<b>4,420,317</b>	<b>4,391,678</b>

## 21 Contingencies and commitments

### Parent Company

#### Contingencies and commitments

There has been no significant change in the status of contingencies and commitments as reported in the preceding published consolidated annual financial statements of the Parent Company for the year ended December 31, 2023 except for the following.

- The Parent Company has provided a guarantee to Meezan Bank Limited (MBL) against the loan provided by MBL to Hyundai Nishat Motor (Private) Limited, a related party, amounting to Rs. 1,149,329 thousands (2023: Rs. 1,193,900 thousands).
- The Parent Company has issued letter of guarantees amounting to AED 115,000,000 amounting to Rs. 8,714,746 thousands (2023: AED 115,000,000 amounting to Rs. 8,825,411 thousands) relating to UAE branch.

### Subsidiary Company

#### Contingencies

##### Sales tax on life insurance premium

Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. Subsequently, life insurance was made taxable from July 1, 2019 at the rate of 3% and group life insurance at the rate of 13%. With effect from November 1, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Subsidiary Company collectively through the forum of Insurance Association of Pakistan (“IAP”) filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on September 28, 2019 and November 28, 2019 against PRA and SRB respectively on the following main contentions:

- Substantiating the Subsidiary Company's view that insurance is not a service but in fact, in sum and substance, a contingent contract under which payment is made on the occurrence of the event, specified in the term of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service;
- A question of constitutionality arose on the levy of provincial sales tax on life insurance, which in their view, was a Federal subject, since the Federation has retained a legislative mandate over all laws relating to insurance under Entry 29 of the said List, therefore, only the Federation is entitled to levy and any tax in relation to insurance business; and
- A vast majority of premium received from a policyholder, during the life of the policy, is in fact channeled to the policyholders' investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules. Thus, the legal advisors had expressed the view that if the entire Gross Written Premium (GWP) was subjected to the provincial sales tax, the this was akin to a direct tax on the policyholders, in the nature of income tax, wealth tax or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

In Sindh, on June 22, 2020, the SRB through Notification No. SRB-3-4/13/2020, has made taxable, life insurance w.e.f. July 1, 2020 at the full rate, and issued a conditional exemption for the financial year 2019-20, from the levy of SST, subject to the person providing or rendering life insurance services commencing e-depositing with SRB, the amount of SST due on such services from the tax period from July 1, 2020 onward. On June 29, 2020 SRB through another notification No. SRB-3-4/18/2020 has amended the responsibility of withholding agent requiring clients to also withheld SST on services of life and health insurance. The Subsidiary Company with other life insurance companies, have filed another petition at the Hon'ble SHC. The Hon'ble SHC has directed that no coercive measure will be taken until the next date of hearing. Further, the Hon'ble SHC through its interim order dated December 8, 2020 implored that the Federal Government be also added as one of the Respondents.

The life insurance industry has been granted interim relieves by the Honorable High Courts of Sindh and Lahore whereby the provincial tax authorities of Sindh and Punjab have been restrained and no sales tax on services has so far been paid on life and health insurance in either province.

In view of the opinion of the legal advisors, and pending the adjudication of petitions filed, the Subsidiary Company has neither billed its customers, nor recognised the contingent liability for SST, PST & KPST, which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of legal advisors, aggregated to Rs.1,178.56 million (2023: Rs. 1,052.46 million). In Balochistan province, given that the Subsidiary Company has limited operations in that province, the amount of contingent sales tax liability for BSTS, calculated on the similar basis as SST, PST & KPST, is immaterial. The Subsidiary Company, along with the IAP and other insurance companies, will continue its administrative efforts to convince the provincial revenue authorities about the merit of the case.

#### Income tax

Additional Commissioner Inland Revenue (ACIR), Range B, Zone VI, Large Taxpayers Office, Karachi issued an order dated December 29, 2023 u/s 122(5A) of the Income Tax Ordinance, 2001 to the Subsidiary Company for tax year 2018. In the aforementioned order, ACIR levied a minimum tax of Rs. 197.361 million under section 113 of the Ordinance @ 1.25% on the gross turnover of the Subsidiary Company which also includes the income generated on policyholders' fund.

The Subsidiary Company, through its tax consultant has filed an appeal on the grounds that owing to the special nature of insurance business, ACIR, while levying the minimum tax on the “gross turnover” has ignored the well-settled principles that used to calculate the income tax liability of life assurance business. Rules 1, 2 and 3 of the Fourth Schedule to the Ordinance overrides the provisions of the Ordinance by virtue of section 99 of the Ordinance. Rule 2 of the Fourth Schedule provides that profit and gains of a life insurance business shall be the current year's surplus appropriated to P&L Account as per advice of the appointed Actuary. Further, as per Rule 3 of the Fourth Schedule, amount paid to, reserved for or expanded on behalf of the policyholders shall be allowed as deduction. It is evident that tax can only be levied on shareholder's surplus appropriated to P&L account whereas policyholder's surplus is exempt from tax.

The gross turnover as calculated by ACIR does not represent the income of the Subsidiary Company and hence levying minimum tax on gross turnover is tantamount to tax on policyholders which is against the intent of the legislature.

The Subsidiary Company has reasonable grounds to believe that the likely outcome of the aforesaid appeal will be in its favor and hence no provision was made in financial statements.

### **Commitments**

#### **Commitments in respect of Ijarah rentals**

	<u>(Unaudited)</u>	<u>(Audited)</u>
	<u>June 30,</u>	<u>December 31,</u>
	<u>2024</u>	<u>2023</u>
	<b>Rupees in thousand</b>	
Not later than one year	<b>59,835</b>	67,254
Later than one year and not later than five years	<b>60,869</b>	94,587
	<b><u>120,704</u></b>	<u>161,841</u>

Commitments represent Ijarah rentals for vehicles payable in future period.

Note	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand			
<b>22 Net insurance premium</b>				
<b>Parent Company</b>				
Written gross premium	12,216,647	10,390,094	24,023,080	17,458,806
Unearned premium reserve opening	19,830,734	14,521,410	19,343,851	14,996,454
Unearned premium reserve closing	(20,502,638)	(15,352,328)	(20,502,638)	(15,352,328)
Currency translation effect	13,874	70,257	(111,163)	1,372,485
Premium earned	11,558,617	9,629,433	22,753,130	18,475,417
Reinsurance premium ceded	(5,083,819)	(6,464,031)	(8,976,500)	(9,478,173)
Prepaid reinsurance premium opening	(6,680,078)	(5,723,083)	(8,298,195)	(6,536,997)
Prepaid reinsurance premium closing	6,361,927	7,322,772	6,361,927	7,322,772
Currency translation effect	(797)	(7,740)	10,324	(208,230)
Reinsurance expense	(5,402,767)	(4,872,082)	(10,902,444)	(8,900,628)
22.1 & 22.2	6,155,850	4,757,351	11,850,686	9,574,789
<b>Subsidiary Company</b>				
<b>Regular premium / contributions individual policies</b>	22.3			
- first year	460,470	691,444	1,023,987	1,343,459
- second year renewal	510,441	482,436	1,052,008	1,246,724
- subsequent years renewal	1,596,840	1,473,546	3,661,724	3,489,254
Single premium / contributions individual policies	22.3			
Group policies without cash values	2,823,146	2,537,506	5,926,721	4,878,360
Less: Experience refund	121,598	71,417	415,935	324,942
	-	-	(23,477)	(38,249)
	5,512,495	5,256,349	12,056,898	11,244,490
<b>Less: reinsurance premiums / retakaful contributions ceded</b>				
On individual life first year business	(10,079)	(11,469)	(21,543)	(23,485)
On individual life second year business	(8,155)	(9,138)	(16,162)	(18,340)
On individual life subsequent renewal business	(32,287)	(38,115)	(66,090)	(80,086)
On individual life single premium business	(1,521)	(1,977)	(3,030)	(3,583)
On group policies	(50,176)	(35,160)	(216,896)	(176,443)
Profit commission on reinsurance	165	3,270	17,347	3,270
	(102,053)	(92,589)	(306,374)	(298,667)
	5,410,442	5,163,760	11,750,524	10,945,823
	11,566,292	9,921,111	23,601,210	20,520,612
<b>22.1 Net insurance premium - Business underwritten inside Pakistan</b>				
Written gross premium	7,378,271	8,219,670	14,192,468	13,430,074
Unearned premium reserve opening	9,967,740	8,841,192	10,824,315	9,454,477
Unearned premium reserve closing	(9,918,047)	(10,276,075)	(9,918,047)	(10,276,075)
Premium earned	7,427,964	6,784,787	15,098,736	12,608,476
Reinsurance premium ceded	(4,667,667)	(6,118,775)	(8,228,156)	(8,713,137)
Prepaid reinsurance premium opening	(5,957,177)	(4,818,188)	(7,441,378)	(5,699,784)
Prepaid reinsurance premium closing	5,727,250	6,535,642	5,727,250	6,535,642
Reinsurance expense	(4,897,594)	(4,401,321)	(9,942,284)	(7,877,279)
	2,530,370	2,383,466	5,156,452	4,731,197
<b>22.2 Net insurance premium - Business underwritten outside Pakistan</b>				
Written gross premium	4,838,376	2,170,424	9,830,612	4,028,732
Unearned premium reserve opening	9,862,994	5,680,218	8,519,536	5,541,977
Unearned premium reserve closing	(10,584,591)	(5,076,253)	(10,584,591)	(5,076,253)
Currency translation effect	13,874	70,257	(111,163)	1,372,485
Premium earned	4,130,653	2,844,646	7,654,394	5,866,941
Reinsurance premium ceded	(416,152)	(345,256)	(748,344)	(765,036)
Prepaid reinsurance premium opening	(722,901)	(904,895)	(856,817)	(837,213)
Prepaid reinsurance premium closing	634,677	787,130	634,677	787,130
Currency translation effect	(797)	(7,740)	10,324	(208,230)
Reinsurance expense	(505,173)	(470,761)	(960,160)	(1,023,349)
	3,625,480	2,373,885	6,694,234	4,843,592
<b>22.3 Individual policies are those underwritten on an individual basis.</b>				



Note	For three month period ended		For six month period ended	
	June 30,	June 30,	June 30,	June 30,
	2024	2023	2024	2023
	<b>Rupees in thousand</b>			
<b>23 Net insurance claims expense</b>				
<b>Parent Company</b>				
Claims paid	6,686,969	6,066,617	13,274,055	11,804,916
Outstanding claims including IBNR closing	24,832,912	25,086,544	24,832,912	25,086,544
Outstanding claims including IBNR opening	(25,065,182)	(24,626,105)	(26,395,403)	(20,726,702)
Currency translation effect	(13,198)	(69,690)	126,463	(2,229,511)
Claims expense	6,441,501	6,457,366	11,838,027	13,935,247
Reinsurance and other recoveries received	(2,239,435)	(2,535,905)	(5,618,652)	(4,805,032)
Reinsurance and other recoveries in respect of outstanding claims closing	(19,608,627)	(18,768,919)	(19,608,627)	(18,768,919)
Reinsurance and other recoveries in respect of outstanding claims opening	19,268,369	18,096,398	20,902,569	15,233,478
Currency translation effect	6,429	41,936	(81,808)	1,238,952
Reinsurance and other recoveries revenue	(2,573,264)	(3,166,490)	(4,406,518)	(7,101,521)
<b>23.1 &amp; 23.2</b>	<b>3,868,237</b>	<b>3,290,876</b>	<b>7,431,509</b>	<b>6,833,726</b>
<b>Subsidiary Company</b>				
<b>Gross claims</b>				
Claims under individual policies				
- by death	172,520	147,779	336,236	362,461
- by insured event other than death	3,945	1,912	8,636	2,129
- by maturity	1,807,175	1,897,046	4,069,885	3,351,788
- by surrender	3,092,494	2,317,799	6,703,841	4,830,068
Total gross individual policy claims	5,076,134	4,364,536	11,118,598	8,546,446
Claims under group policies				
- by death	156,425	182,485	332,928	310,804
- by insured event other than death	17,411	686	21,639	5,049
Total gross group policy claims	173,836	183,171	354,567	315,853
Claim related expenses	1,419	1,889	2,990	3,822
<b>Total gross claims</b>	<b>5,251,389</b>	<b>4,549,596</b>	<b>11,476,155</b>	<b>8,866,121</b>
<b>Less: Reinsurance recoveries</b>				
- on individual claims	27,079	34,949	47,781	88,542
- on group claims	94,856	130,629	215,038	212,856
	121,935	165,578	262,819	301,398
	5,129,454	4,384,018	11,213,336	8,564,723
	8,997,691	7,674,894	18,644,845	15,398,449
<b>23.1 Net insurance claims expense - Business underwritten inside Pakistan</b>				
Claim paid	1,820,430	2,049,186	5,190,000	3,879,122
Outstanding claims including IBNR closing	13,960,258	14,960,418	13,960,258	14,960,418
Outstanding claims including IBNR opening	(14,683,878)	(14,091,244)	(16,482,355)	(12,123,015)
Claim expense	1,096,810	2,918,360	2,667,903	6,716,525
Reinsurance and other recoveries received	(397,693)	(723,764)	(2,440,437)	(1,194,903)
Reinsurance and other recoveries in respect of outstanding claims closing	(12,152,796)	(13,150,941)	(12,152,796)	(13,150,941)
Reinsurance and other recoveries in respect of outstanding claims opening	12,819,614	12,285,691	14,571,713	10,450,405
Reinsurance and other recoveries revenue	269,125	(1,589,014)	(21,520)	(3,895,439)
	1,365,935	1,329,346	2,646,383	2,821,086
<b>23.2 Net insurance claims expense - Business underwritten outside Pakistan</b>				
Claim Paid	4,866,539	4,017,431	8,084,055	7,925,794
Outstanding claims including IBNR closing	10,872,654	10,126,126	10,872,654	10,126,126
Outstanding claims including IBNR opening	(10,381,304)	(10,534,861)	(9,913,048)	(8,603,687)
Currency translation effect	(13,198)	(69,690)	126,463	(2,229,511)
Claim expense	5,344,691	3,539,006	9,170,124	7,218,722
Reinsurance and other recoveries received	(1,841,742)	(1,812,141)	(3,178,215)	(3,610,129)
Reinsurance and other recoveries in respect of outstanding claims closing	(7,455,831)	(5,617,978)	(7,455,831)	(5,617,978)
Reinsurance and other recoveries in respect of outstanding claims opening	6,448,755	5,810,707	6,330,856	4,783,073
Currency translation effect	6,429	41,936	(81,808)	1,238,952
Reinsurance and other recoveries revenue	(2,842,389)	(1,577,476)	(4,384,998)	(3,206,082)
	2,502,302	1,961,530	4,785,126	4,012,640

Note	For three month period ended		For six month period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	<b>Rupees in thousand</b>			
<b>24 Net commission and other acquisition costs</b>				
<b>Parent Company</b>				
Commission paid or payable	1,289,968	714,467	2,645,621	1,332,381
Deferred commission expense opening	2,357,359	1,436,788	2,133,671	1,489,080
Deferred commission expense closing	(2,444,943)	(1,292,025)	(2,444,943)	(1,292,025)
Currency translation effect	2,806	14,137	(21,950)	255,987
Net commission	1,205,190	873,367	2,312,399	1,785,423
Commission received or recoverable	(138,311)	(186,393)	(383,954)	(385,001)
Unearned reinsurance commission opening	(442,378)	(352,900)	(507,332)	(365,610)
Unearned reinsurance commission closing	286,961	304,394	286,961	304,394
Currency translation effect	(73)	(387)	1,048	(10,471)
Commission from reinsurance	(293,801)	(235,286)	(603,277)	(456,688)
<b>24.1 &amp; 24.2</b>	<b>911,389</b>	<b>638,081</b>	<b>1,709,122</b>	<b>1,328,735</b>
<b>Subsidiary Company</b>				
Remuneration to insurance / takaful intermediaries on individual policies:				
- Commission on first year contribution / premium	150,317	246,881	340,098	475,990
- Commission on second year contribution / premium	28,903	29,006	60,421	74,454
- Commission on subsequent years renewal contribution / premium	38,475	32,510	83,267	76,665
- Commission on single contribution / premium	80,990	72,135	170,509	138,840
- Other benefits to insurance intermediaries	160,483	84,929	255,146	144,293
	459,168	465,461	909,441	910,242
Remuneration to insurance intermediaries on group policies:				
- Commission	3,835	1,455	12,628	8,678
- Other benefits to insurance intermediaries	182	345	430	2,066
	4,017	1,800	13,058	10,744
Other acquisition costs	304,693	270,784	613,388	565,305
	767,878	738,045	1,535,887	1,486,291
	1,679,267	1,376,126	3,245,009	2,815,026
<b>24.1 Net commission and other acquisition costs - Business underwritten inside Pakistan</b>				
Commission paid or payable	371,964	332,691	749,904	629,177
Deferred commission expense opening	401,736	404,990	448,982	447,607
Deferred commission expense closing	(367,904)	(382,054)	(367,904)	(382,054)
Net commission	405,796	355,627	830,982	694,730
Commission received or recoverable	(137,223)	(166,819)	(379,944)	(346,980)
Unearned reinsurance commission opening	(378,254)	(306,562)	(415,444)	(323,930)
Unearned reinsurance commission closing	248,928	262,786	248,928	262,786
Commission from reinsurance	(266,549)	(210,595)	(546,460)	(408,124)
	139,247	145,032	284,522	286,606
<b>24.2 Net commission and other acquisition costs - Business underwritten outside Pakistan</b>				
Commission paid or payable	918,004	381,776	1,895,717	703,204
Deferred commission expense opening	1,955,623	1,031,798	1,684,689	1,041,473
Deferred commission expense closing	(2,077,039)	(909,971)	(2,077,039)	(909,971)
Currency translation effect	2,806	14,137	(21,950)	255,987
Net commission	799,394	517,740	1,481,417	1,090,693
Commission received or recoverable	(1,088)	(19,574)	(4,010)	(38,021)
Unearned reinsurance commission opening	(64,124)	(46,338)	(91,888)	(41,680)
Unearned reinsurance commission closing	38,033	41,608	38,033	41,608
Currency translation effect	(73)	(387)	1,048	(10,471)
Commission from reinsurance	(27,252)	(24,691)	(56,817)	(48,564)
	772,142	493,049	1,424,600	1,042,129

25 **Investment income**

**Business underwritten Inside Pakistan**

**Income from equity securities**

**Dividend Income**

	For three month period ended June 30, 2024	June 30, 2023	For six month period ended June 30, 2024	June 30, 2023
- Available for sale	767,660	471,268	1,525,790	1,088,688
- Fair value through profit or loss	678,366	324,338	832,119	512,376
	<b>1,446,026</b>	795,606	<b>2,357,909</b>	1,601,064

**Income from debt securities**

**Return on debt securities**

- Fair value through profit or loss	189,600	194,122	402,293	369,267
- Held to maturity	167,748	56,667	270,961	90,539
	<b>357,348</b>	250,789	<b>673,254</b>	459,806

**Return on government securities**

- Available for Sale	-	3,369	-	6,738
- Fair value through profit or loss	3,349,628	2,249,221	6,625,317	3,865,691
	<b>3,349,628</b>	2,252,590	<b>6,625,317</b>	3,872,429

**Income from term deposit receipts**

- Held to maturity	7,787	133,885	8,029	234,894
	<b>7,787</b>	133,885	<b>8,029</b>	234,894

**Net realized gains / (losses) on investments**

**Available for sale**

- Equity securities	28,132	(24,503)	28,132	(25,648)
- Government securities	-	6	-	-
	<b>28,132</b>	(24,497)	<b>28,132</b>	(25,648)

**Fair value through profit or loss**

- Equity securities	626,926	74,738	863,195	343,556
- Debt securities	-	(14,942)	-	(14,942)
- Government securities	(135,519)	(14,244)	(185,142)	(89,126)
	<b>491,407</b>	45,552	<b>678,053</b>	239,488

Reversal of / (provision for) impairment in value of 'available-for-sale' investments

	<b>116,784</b>	(40,017)	<b>116,784</b>	(40,017)
	<b>5,797,112</b>	3,413,908	<b>10,487,478</b>	6,342,016

**Business underwritten Outside Pakistan**

**Return on term deposits**

- Held to maturity	129,283	88,371	245,515	143,127
	<b>129,283</b>	88,371	<b>245,515</b>	143,127
	<b>129,283</b>	88,371	<b>245,515</b>	143,127

**Total investment income**

	<b>5,926,395</b>	3,502,279	<b>10,732,993</b>	6,485,143
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Rupees in thousand

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	<b>Rupees in thousand</b>			
<b>26 Earnings per share - basic and diluted</b>				
There is no dilutive effect on the basic earnings per share which is based on:				
Profit after tax for the period attributable to ordinary shareholders	<u>1,143,935</u>	<u>405,350</u>	<u>2,160,665</u>	<u>889,093</u>
	<b>Number of shares</b>		<b>Number of shares</b>	
Weighted average number of ordinary shares outstanding	<u>350,000,000</u>	<u>350,000,000</u>	<u>350,000,000</u>	<u>350,000,000</u>
	<b>Rupees</b>		<b>Rupees</b>	
Earnings after tax per share - basic and diluted	<u>3.27</u>	<u>1.16</u>	<u>6.17</u>	<u>2.54</u>

## 27 Transactions with related parties

The Group has related party relationships with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. Transactions are entered into with these related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than those specified in their terms of employment.

The transactions and balances with related parties during the period other than those which have been specifically disclosed elsewhere in this consolidated condensed interim financial statements are as follows:

	For six month period ended	
	June 30, 2024	June 30, 2023
	<b>Rupees in thousand</b>	
<b>Parent Company</b>		
<b>i) Transactions</b>		
Premium underwritten	1,170,303	919,757
Premium received	1,815,433	764,403
Claims paid	454,654	398,851
Commission Paid	13,080	26,612
Rent paid	5,474	11,270
Rent received	28,995	68,435
Dividend received	1,016,508	698,043
Dividend paid	245,995	170,627
Income on bank deposits	187,456	113,038
Investments made	-	641
Fee / service charges paid	5,988	7,260
Fee / service charges / expenses received / receivable	21,144	14,063
Charge in respect of gratuity expense	17,108	18,175
Contribution to Employees' Provident Fund	22,712	21,388
Compensation paid to Key management personnel	1,118,848	964,503
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	<b>Rupees in thousand</b>	
<b>ii) Period end balances</b>		
Balances receivable	635,143	474,129
Balances payable	602,391	651,154
Cash and bank balances including term deposits	4,895,124	5,131,257
Payable to Staff Gratuity Fund	53,724	36,615

	<b>For six month period ended</b>	
	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	<b>Rupees in thousand</b>	
<b>Subsidiary Company</b>		
<b>i) Transactions</b>		
<b>Associated undertakings</b>		
Premium written	110,766	51,275
Claims expense	167,708	9,018
Other expense	6,651	8,100
Commission and other incentives in respect of bancassurance	539,368	611,671
Profit on bank deposits	279,275	228,977
Bank charges	4,196	5,362
Investments purchased	1,584,049	4,097,625
Investments sold	1,718,695	4,740,639
Dividend income	477,901	63,816
Dividend paid	9,118	-
<b>Other related parties</b>		
Premium written	16,034	17,760
Claims expense	12,810	9,818
Investment advisor fee	25,247	24,449
Dividend paid	3,614	-
<b>Directors</b>		
Fee	325	761
Dividend paid	2	-
<b>Transactions with key management personnel</b>		
Remuneration	191,087	109,056
Loan given to key management personnels	190	5,000
Recoveries against advances to key management personnels	4,313	2,557
<b>Staff Retirement Benefit Plan (Gratuity Fund)</b>		
Charge for the period	21,215	22,850
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	<b>Rupees in thousand</b>	
<b>ii) Period end balances</b>		
<b>Associated undertakings</b>		
Premium due but unpaid	17,225	5,618
Bank deposits	2,479,007	2,596,696
Investments held	8,053,956	7,184,206
Dividend receivables	-	6,092
Commission payable	237,077	296,091
Claims payable	2,759	1,000
Premium received in advance	757	165
<b>Other related parties</b>		
Premium due but unpaid	1,878	5,792
Remuneration payable for the management of discretionary investment portfolio	4,571	8,109
Premium received in advance	1,049	-
<b>Key management personnel</b>		
Short term loans (as per policy)	1,312	8,050
<b>Staff retirement benefit plan (gratuity fund)</b>		
(Payable) / receivable to gratuity fund	(9,424)	11,791

28 Segment Information

For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Six month period ended 30 June 2024														Aggregate Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	8,595,572	24,190	2,146,620	49,413	1,933,956	9,260,618	2,291,778	977,956	1,140,457	9,960	16,108,383	10,322,137	26,430,520	12,056,898	38,487,418
Less: Federal excise duty / VAT	(1,044,035)	(1,152)	(242,888)	(2,346)	(247,839)	(440,982)	(125,734)	(46,569)	(113,535)	(474)	(1,774,031)	(491,523)	(2,265,554)	-	(2,265,554)
Federal insurance fee	(74,567)	-	(18,961)	(2)	(16,808)	-	(21,682)	-	(9,866)	-	(141,884)	(2)	(141,886)	-	(141,886)
	7,476,970	23,038	1,884,771	47,065	1,669,309	8,819,636	2,144,362	931,387	1,017,056	9,486	14,192,468	9,830,612	24,023,080	12,056,898	36,079,978
Gross written premium (inclusive of administrative surcharge)	7,476,970	23,038	1,884,771	47,065	1,669,309	8,819,636	2,144,362	931,387	1,017,056	9,486	14,192,468	9,830,612	24,023,080	12,056,898	36,079,978
Gross direct premium	7,465,009	22,955	1,864,569	47,059	1,617,499	8,793,687	2,143,067	931,387	976,478	9,458	14,066,622	9,804,546	23,871,168	12,056,898	35,928,066
Facultative inward premium	4,217	-	-	-	-	-	-	-	32,870	-	37,087	-	37,087	-	37,087
Administrative surcharge	7,744	83	20,202	6	51,810	25,949	1,295	-	7,708	28	88,759	26,066	114,825	-	114,825
	7,476,970	23,038	1,884,771	47,065	1,669,309	8,819,636	2,144,362	931,387	1,017,056	9,486	14,192,468	9,830,612	24,023,080	12,056,898	36,079,978
Insurance premium earned	9,351,109	16,058	1,500,356	57,694	1,712,180	6,680,890	1,767,499	893,033	767,592	6,719	15,098,736	7,654,394	22,753,130	12,056,898	34,810,028
Insurance premium ceded to reinsurers	(8,696,845)	(13,031)	(859,269)	-	(38,463)	(465,133)	-	(477,729)	(347,707)	(4,267)	(9,942,284)	(960,160)	(10,902,444)	(306,374)	(11,208,818)
Net insurance premium	654,264	3,027	641,087	57,694	1,673,717	6,215,757	1,767,499	415,304	419,885	2,452	5,156,452	6,694,234	11,850,686	11,750,524	23,601,210
Commission income	476,059	2,581	16,218	-	2,790	52,871	-	-	51,393	1,365	546,460	56,817	603,277	-	603,277
<b>Net underwriting income</b>	1,130,323	5,608	657,305	57,694	1,676,507	6,268,628	1,767,499	415,304	471,278	3,817	5,702,912	6,751,051	12,453,963	11,750,524	24,204,487
Insurance claims	354,748	95,842	(535,698)	(12,866)	(786,368)	(8,554,583)	(1,559,592)	(683,333)	(140,993)	(15,184)	(2,667,903)	(9,170,124)	(11,838,027)	(11,476,155)	(23,314,182)
Insurance claim recoveries from reinsurer	(454,801)	(91,485)	421,893	3,681	59,973	3,986,700	-	471,833	(5,545)	14,269	21,520	4,384,998	4,406,518	262,819	4,669,337
Net claims	(100,053)	4,357	(113,805)	(9,185)	(726,395)	(4,567,883)	(1,559,592)	(211,500)	(146,538)	(915)	(2,646,383)	(4,785,126)	(7,431,509)	(11,213,336)	(18,644,845)
Commission expense	(396,497)	(2,065)	(136,458)	(3,828)	(157,822)	(1,369,522)	(71,529)	(105,884)	(68,676)	(118)	(830,982)	(1,481,417)	(2,312,399)	(1,535,887)	(3,848,286)
Management expense	(320,644)	(11,997)	(320,537)	(12,072)	(638,004)	(776,620)	(90,240)	(111,700)	(167,764)	(11,997)	(1,537,189)	(924,386)	(2,461,575)	(555,047)	(3,016,622)
Net insurance claims and expenses	(817,194)	(9,705)	(570,800)	(25,085)	(1,522,221)	(6,714,025)	(1,721,361)	(429,084)	(382,978)	(13,030)	(5,014,554)	(7,190,929)	(12,205,483)	(13,304,270)	(25,509,753)
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,077,763)	(8,077,763)
<b>Underwriting result</b>	313,129	(4,097)	86,505	32,609	154,286	(445,397)	46,138	(13,780)	88,300	(9,213)	688,358	(439,878)	248,480	(9,631,509)	(9,383,029)
Net investment income											1,941,667	245,515	2,187,182	8,545,811	10,732,993
Net fair value loss on financial assets at fair value through profit and loss - unrealised											-	-	-	1,729,244	1,729,244
Fair value adjustment to investment property											-	-	-	-	-
Rental income											59,958	1,916	61,874	-	61,874
Other income											164,534	86,992	251,526	363,722	615,248
Other expenses											(128,879)	(12,561)	(141,440)	(6,844)	(148,284)
Finance Cost											(3,628)	-	(3,628)	253	(3,375)
Profit from Window Takaful Operations											271,856	-	271,856	-	271,856
<b>Profit before tax</b>											2,993,866	(118,016)	2,875,850	1,000,677	3,876,527

30 June 2024														Aggregate Life Insurance	Aggregate
General Insurance												Aggregate General Insurance			
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan				
Rupees in thousands															
Segment Assets	19,199,667	95,954	1,929,718	19,955	1,160,757	11,013,444	1,138,668	1,321,331	2,045,441	26,146	25,474,251	12,476,830	37,951,081	91,837,886	129,788,967
Unallocated assets											42,897,808	13,936,392	56,834,200	2,822,932	59,657,132
											<b>68,372,059</b>	<b>26,413,222</b>	<b>94,785,281</b>	<b>94,660,818</b>	<b>189,446,099</b>
Segment Liabilities	19,764,318	110,529	2,144,780	37,970	2,708,434	19,947,984	2,887,708	1,712,344	2,708,514	30,265	30,213,754	21,839,092	52,052,846	89,962,520	142,015,366
Unallocated Liabilities											8,935,895	1,772,260	10,708,155	195,909	10,904,064
											<b>39,149,649</b>	<b>23,611,352</b>	<b>62,761,001</b>	<b>90,158,429</b>	<b>152,919,430</b>

## 28.1 Segment Information

For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. The Group conducts general insurance business both inside and outside Pakistan while life assurance is conducted only in Pakistan.

Six month period ended 30 June 2023														Aggregate General Insurance	Aggregate Life Insurance	Aggregate
General Insurance																
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total						
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan					
Rupees in thousands																
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	9,120,939	20,705	1,518,926	21,061	2,031,285	3,125,025	1,672,568	1,054,267	855,843	9,620	15,199,561	4,230,678	19,430,239	11,244,490	30,674,729	
Less: Federal excise duty / VAT	(1,126,028)	(1,318)	(172,364)	(1,099)	(242,825)	(148,811)	(12,905)	(50,203)	(82,390)	(458)	(1,636,512)	(201,889)	(1,838,401)	-	(1,838,401)	
Federal insurance fee	(77,632)	(44)	(13,455)	(13)	(17,850)	-	(16,630)	-	(7,408)	-	(132,975)	(57)	(133,032)	-	(133,032)	
	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296	
Gross written premium (inclusive of administrative surcharge)	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296	
Gross direct premium	7,909,799	19,285	1,318,372	19,940	1,710,828	2,973,057	1,641,878	1,004,064	730,040	9,146	13,310,917	4,025,492	17,336,409	11,244,490	28,580,899	
Facultative inward premium	290	-	-	-	-	-	-	-	29,114	-	29,404	-	29,404	-	29,404	
Administrative surcharge	7,190	58	14,735	9	59,782	3,157	1,155	-	6,891	16	89,753	3,240	92,993	-	92,993	
	7,917,279	19,343	1,333,107	19,949	1,770,610	2,976,214	1,643,033	1,004,064	766,045	9,162	13,430,074	4,028,732	17,458,806	11,244,490	28,703,296	
Insurance premium earned	7,503,622	15,963	1,063,221	15,551	1,803,971	4,463,784	1,555,827	1,365,546	681,835	6,097	12,608,476	5,866,941	18,475,417	11,244,490	19,072,658	
Insurance premium ceded to reinsurers	(6,962,621)	(12,508)	(592,211)	-	(34,936)	(258,726)	-	(747,055)	(287,511)	(5,060)	(7,877,279)	(1,023,349)	(8,900,628)	(298,667)	(9,199,295)	
Net insurance premium	541,001	3,455	471,010	15,551	1,769,035	4,205,058	1,555,827	618,491	394,324	1,037	4,731,197	4,843,592	9,574,789	10,945,823	20,520,612	
Commission income	363,425	2,623	1,336	-	2,774	44,805	-	-	40,589	1,136	408,124	48,564	456,688	-	456,688	
Net underwriting income	904,426	6,078	472,346	15,551	1,771,809	4,249,863	1,555,827	618,491	434,913	2,173	5,139,321	4,892,156	10,031,477	10,945,823	20,977,300	
Insurance claims	(3,927,982)	(205)	(347,272)	4,875	(825,034)	(6,123,364)	(1,394,871)	(1,100,142)	(221,366)	114	(6,716,525)	(7,218,722)	(13,935,247)	(8,866,121)	(22,801,368)	
Insurance claim recoveries from reinsurer	3,600,095	(741)	196,044	(236)	(19,655)	2,426,389	-	780,218	118,955	452	3,895,439	3,206,082	7,101,521	301,398	7,402,919	
Net claims	(327,887)	(946)	(151,228)	4,639	(844,689)	(3,696,975)	(1,394,871)	(319,924)	(102,411)	566	(2,821,086)	(4,012,640)	(6,833,726)	(8,564,723)	(15,398,449)	
Commission expense	(330,756)	(2,075)	(82,208)	(1,854)	(164,146)	(928,504)	(50,311)	(158,166)	(67,309)	(94)	(694,730)	(1,090,693)	(1,785,423)	(1,486,291)	(3,271,714)	
Management expense	(244,175)	(1,170)	(234,682)	(18,514)	(640,246)	(631,558)	(84,954)	(116,814)	(137,378)	(710)	(1,341,435)	(768,766)	(2,110,201)	(486,570)	(2,596,771)	
Net insurance claims and expenses	(902,818)	(4,191)	(468,118)	(15,729)	(1,649,081)	(5,257,037)	(1,530,136)	(594,904)	(307,098)	(238)	(4,857,251)	(5,872,099)	(10,729,350)	(10,537,584)	(21,266,934)	
Net change in insurance liabilities (other than outstanding claims)	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,141,094)	(5,141,094)	
Underwriting result	1,608	1,887	4,228	(178)	122,728	(1,007,174)	25,691	23,587	127,815	1,935	282,070	(979,943)	(697,873)	(4,732,855)	(5,430,728)	
Net investment income											1,112,761	143,127	1,255,888	5,229,255	6,485,143	
Net fair value loss on financial assets at fair value through profit and loss - unrealised											-	-	-	(344,436)	(344,436)	
Fair value adjustment to investment property											70,349	142,025	212,374	-	212,374	
Rental income											55,156	1,675	56,831	-	56,831	
Other income											141,400	65,638	207,038	457,463	664,501	
Other expenses											(60,921)	(12,350)	(73,271)	(6,800)	(80,071)	
Finance Cost											(1,224)	-	(1,224)	(1,530)	(2,754)	
Profit from Window Takaful Operations											221,310	-	221,310	-	221,310	
Profit before tax											1,820,901	(639,828)	1,181,073	601,097	1,782,170	

31 December 2023

General Insurance														Aggregate General Insurance	Aggregate Life Insurance	Aggregate
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total						
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan					
Rupees in thousands																
Segment Assets	24,026,231	639,227	718,124	9,040	1,008,561	8,880,546	649,144	1,180,206	1,753,163	25,275	28,155,223	10,734,294	38,889,517	82,653,643	121,543,160	
Unallocated assets											36,108,379	12,048,120	48,156,499	3,100,309	51,256,808	
											64,266,602	22,782,414	87,046,016	85,753,952	172,799,968	
Segment Liabilities	24,074,001	710,512	977,468	39,912	2,580,655	16,827,569	1,987,758	1,459,328	2,299,743	27,487	31,919,625	19,064,808	50,984,433	81,242,048	132,226,481	
Unallocated Liabilities											7,005,952	1,468,839	8,474,791	313,978	8,788,769	
											38,925,577	20,533,647	59,459,224	81,556,026	141,015,250	

## 29 Fair value measurement of financial instruments

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

Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		30 June 2024										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note	Rupees in thousand											
<b><u>Financial assets - measured at fair value</u></b>												
Investment												
	Equity securities- quoted	10	23,361,853	-	15,879,202	-	-	39,241,055	39,241,055	-	-	39,241,055
	Equity securities- unquoted	10	6,565,720	-	-	-	-	6,565,720	-	-	6,565,720	6,565,720
	Debt securities	11	-	-	71,098,565	-	-	71,098,565	-	71,098,565	-	71,098,565
Investments of Window Takaful Operations -												
	Operator's Fund	18	319,155	-	-	-	-	319,155	319,155	-	-	319,155
<b><u>Financial assets - not measured at fair value</u></b>												
	Debt securities	11	-	3,739,121	-	-	-	3,739,121	-	3,739,121	-	3,739,121
Debt securities of Window Takaful Operations -												
	Operator's Fund	18	-	51,974	-	-	-	51,974	-	51,974	-	51,974
	Loans and other receivables *	13	-	-	2,484,714	-	-	2,484,714	-	-	-	-
	Loan secured against life insurance policies*		-	-	8,427	-	-	8,427	-	-	-	-
	Investment - Term deposits*	12	-	8,668,903	-	-	-	8,668,903	-	-	-	-
Investment - Term deposits of Window Takaful												
	Operations - Operator's Fund*	18	-	-	-	-	-	-	-	-	-	-
Insurance / reinsurance receivables												
	- unsecured and considered good *	14	-	-	9,693,002	-	-	9,693,002	-	-	-	-
	Reinsurance recoveries against outstanding claims *		-	-	19,113,618	-	-	19,113,618	-	-	-	-
	Cash and bank *	17	-	-	-	6,391,949	-	6,391,949	-	-	-	-
	Bank deposits subject to encumbrances*	16	-	-	3,042,168	-	-	3,042,168	-	-	-	-
Other Assets of Window Takaful Operations -												
	Operator's Fund*	18	-	-	487,184	787,919	-	1,275,103	-	-	-	-
			30,246,728	12,459,998	86,977,767	34,829,113	7,179,868	171,693,474	39,560,210	74,889,660	6,565,720	121,015,590
<b><u>Financial liabilities - not measured at fair value</u></b>												
Underwriting provisions:												
	Outstanding claims (including IBNR)*	23	-	-	-	-	24,832,912	24,832,912	-	-	-	-
	Insurance / reinsurance payables *		-	-	-	-	5,632,985	5,632,985	-	-	-	-
	Other creditors and accruals*	20	-	-	-	-	3,316,098	3,316,098	-	-	-	-
	Deposits and other liabilities*		-	-	-	-	556,915	556,915	-	-	-	-
Total liabilities of Window Takaful Operations-												
	Operator's Fund*	18	-	-	-	-	569,046	569,046	-	-	-	-
			-	-	-	-	34,907,956	34,907,956	-	-	-	-

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



29.1 Fair value measurement of financial instruments

		31 December 2023										
		Available for sale	Held to maturity	Fair value through P&L	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand										
<i>(Restated)</i>												
<u>Financial assets - measured at fair value</u>												
Investment												
	10	18,299,522	-	13,538,103	-	-	-	31,837,625	31,837,625	-	-	31,837,625
	10	6,565,720	-	-	-	-	-	6,565,720	-	-	6,565,720	6,565,720
	11	-	-	64,994,715	-	-	-	64,994,715	-	64,994,715	-	64,994,715
	18	293,848	-	-	-	-	-	293,848	293,848	-	-	293,848
<u>Financial assets - not measured at fair value</u>												
	11	-	1,774,347	-	-	-	-	1,774,347	-	1,774,347	-	1,774,347
	18	-	51,974	-	-	-	-	51,974	-	51,974	-	51,974
	13	-	-	-	2,008,017	-	-	2,008,017	-	-	-	-
	12	-	-	-	35,975	-	-	35,975	-	-	-	-
	12	-	7,078,102	-	-	-	-	7,078,102	-	-	-	-
	18	-	500,000	-	-	-	-	500,000	-	-	-	-
	14	-	-	-	7,649,565	-	-	7,649,565	-	-	-	-
	17	-	-	-	20,601,648	-	-	20,601,648	-	-	-	-
	16	-	-	-	3,125,356	6,054,016	-	6,054,016	-	-	-	-
	18	-	-	-	471,508	76,860	-	548,368	-	-	-	-
		25,159,090	9,404,423	78,532,818	33,892,069	6,130,876	-	153,119,276	32,131,473	66,821,036	6,565,720	105,518,229
<u>Financial liabilities - not measured at fair value</u>												
Underwriting provisions:												
	23	-	-	-	-	-	26,395,403	26,395,403	-	-	-	-
	20	-	-	-	-	-	4,054,711	4,054,711	-	-	-	-
	20	-	-	-	-	-	3,429,048	3,429,048	-	-	-	-
	18	-	-	-	-	-	578,314	578,314	-	-	-	-
	18	-	-	-	-	-	486,464	486,464	-	-	-	-
		-	-	-	-	-	34,943,940	34,943,940	-	-	-	-

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

### 30 Corresponding figures

Wherever considered necessary, corresponding figures have been reclassified for the purpose of comparison and improved presentation.

The material reclassification has been made in the Consolidated Statement of Profit and Loss Account of Rs. 200.8 million which represents the expenses that are reclassified from management expenses to net commission and other acquisition costs. The details of reclassification are as follows:

	<b>Management expenses</b>	<b>Net commission and other acquisition costs</b>
	<b>Rupees in thousand</b>	
- Employee benefit cost	(106,973)	106,973
- Traveling expenses	(2,135)	2,135
- Information technology expense	(1,280)	1,280
- Printing and stationery	(812)	812
- Depreciation	(4,995)	4,995
- Depreciation - Right of use asset	(2,857)	2,857
- Rent, rates and taxes	(4,264)	4,264
- Insurance cost	(158)	158
- Car fuel and maintenance	(29,654)	29,654
- Postages, telegrams and telephone	(1,955)	1,955
- Electricity, gas and water	(3,096)	3,096
- Office repairs and maintenance	(5,293)	5,293
- Entertainment	(968)	968
- Training and development	(1,745)	1,745
- Marketing cost	(29,270)	29,270
- Financial charges	(1,532)	1,532
- Legal and professional charges	(3,824)	3,824
	<b>(200,811)</b>	<b>200,811</b>

### 31 Date of authorization for issue

These consolidated condensed interim financial statements were authorized for issue on August 26, 2024 by the Board of Directors of the Parent Company.

### 32 Non - adjusting events after balance sheet date

The Board of Directors of the Parent Company in their meeting held on August 26, 2024 proposed an interim cash dividend for the six month period ended June 30, 2024 @ 15% i.e. Rupees 1.5/- per share (June 30, 2023 @ 15% i.e. Rupees 1.5/- per share). These consolidated condensed interim financial statements for the six month period ended June 30, 2024 do not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending December 31, 2024.

### 33 General

33.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

33.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

# INDEPENDENT AUDITOR’S REVIEW REPORT

To the members of Adamjee 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 **Adamjee Insurance Company Limited – Window Takaful Operations (the operator)** as at 30 June 2024 and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in shareholders equity and participants’ takaful fund, condensed interim cash flow statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the “condensed interim financial statements”). Management is responsible for the preparation and presentation of these 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 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 condensed 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 condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

## Other Matter relating to comparative information

The figures for the three months period ended 30 June 2024 in the condensed interim financial statements have not been reviewed by us and we do not express a conclusion on them.

The condensed interim financial statements of the Operator for the period ended 30 June 2023 and financial statements for the year ended 31 December 2023 were reviewed and audited by another auditor who expressed an unmodified conclusion / opinion on those financial statements on 29 August 2023 and 04 April 2024 respectively.

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

**Lahore**

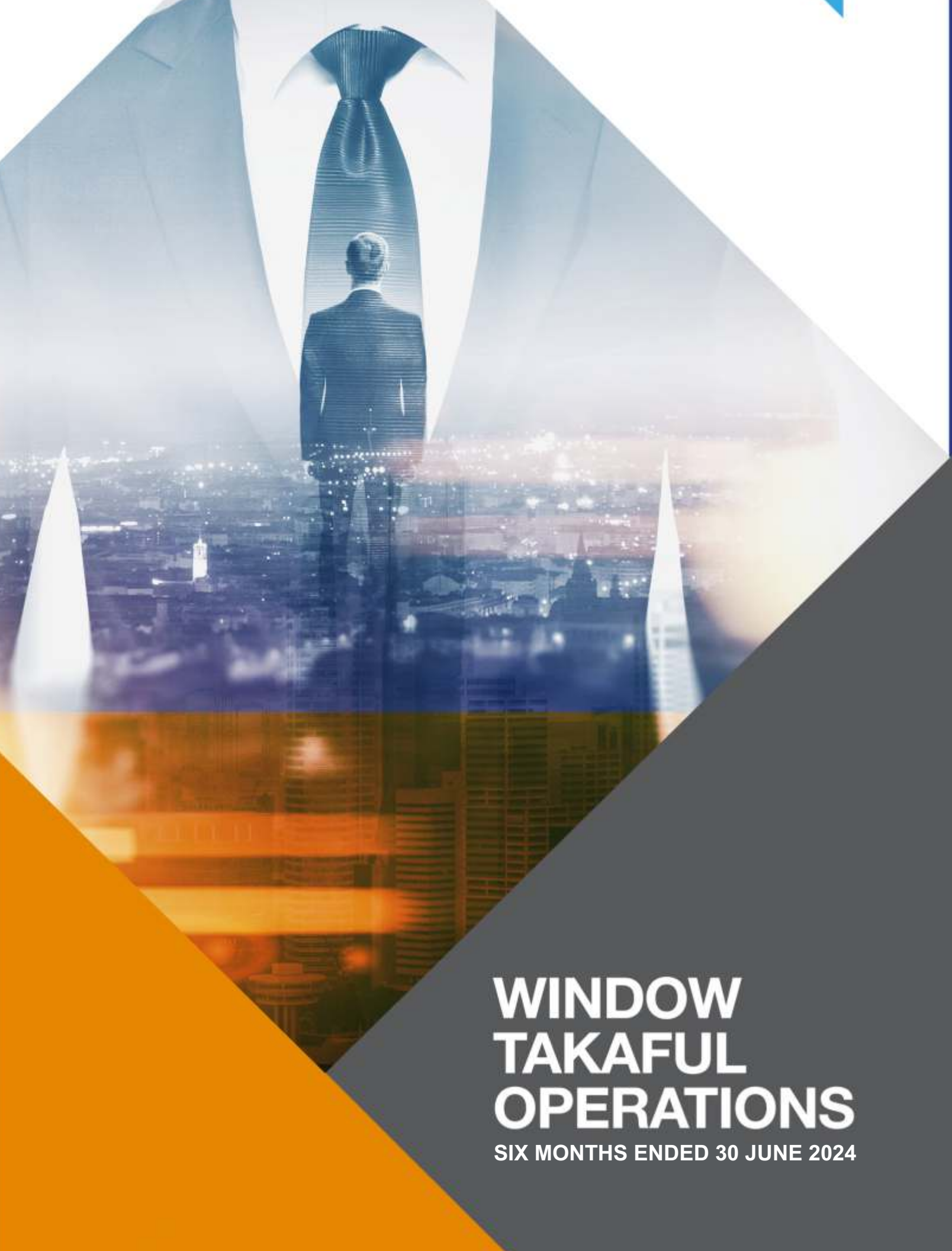
**Date:** 29 August 2024

**UDIN:** RR202410114elymZV2Lo

*KPMG Taseer Hadi & Co*

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**KPMG Taseer Hadi & Co.**  
**Chartered Accountants**



# WINDOW TAKAFUL OPERATIONS

SIX MONTHS ENDED 30 JUNE 2024

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Financial Position (Audited)**  
**As at June 30, 2024**

	Note	Operator's Takaful Fund		Participants' Takaful Fund	
		June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
		Rupees in thousand (Audited)		Rupees in thousand (Audited)	
<b>ASSETS</b>					
<b>Qard-e-Hasna to Participants' Takaful Fund</b>					
		221,460	221,460	-	-
Property and equipment	7	31,306	34,524	-	-
Intangible assets	8	16,784	16,922	-	-
Investments					
Equity securities	9	319,155	293,848	189,953	396,213
Debt securities	10	51,974	51,974	50,000	-
Term Deposits	11	-	500,000	685,000	252,000
Loans and other receivables	12	22,035	17,620	138,759	137,735
Wakala and mudarib fee receivable		178,287	155,820	-	-
Deferred commission expense	23	65,402	76,608	-	-
Prepayments	14	-	-	118,971	188,251
Cash and bank	15	787,919	76,860	477,646	584,528
		1,472,862	1,224,176	2,584,347	2,261,872
<b>TOTAL ASSETS</b>		<b>1,694,322</b>	<b>1,445,636</b>	<b>2,584,347</b>	<b>2,261,872</b>
<b>FUNDS AND LIABILITIES</b>					
<b>Funds attributable to Operator's and Participants'</b>					
<b>Operator's Takaful Fund</b>					
Statutory fund		50,000	50,000	-	-
Unappropriated profit		1,075,276	909,172	-	-
		1,125,276	959,172	-	-
<b>Waqf / Participants' Takaful Fund</b>					
Ceded money		-	-	500	500
Reserves		-	-	499	13,473
Accumulated surplus		-	-	112,904	177,917
		-	-	113,903	191,890
<b>Qard-e-Hasna from Operator's Takaful Fund</b>		-	-	221,460	221,460
<b>Liabilities</b>					
<b>Underwriting provisions</b>					
Outstanding claims including IBNR	21	-	-	702,783	616,699
Unearned contribution reserve	19	-	-	917,304	602,178
Unearned retakaful rebate	20	-	-	23,445	34,276
Contribution deficiency reserve		-	-	23,218	23,218
Retirement benefit obligations		3,878	3,878	-	-
Deferred taxation		1,105	1,502	319	8,613
Contribution received in advance		-	-	65,752	94,001
Takaful / re - takaful payables	16	-	-	208,887	195,102
Wakala and mudarib fee payable		-	-	178,287	155,820
Unearned wakala fee	24	360,454	255,479	-	-
Other creditors and accruals	17	94,657	107,362	101,160	78,117
Taxation - provision less payments		108,952	118,243	27,829	40,498
<b>Total Liabilities</b>		<b>569,046</b>	<b>486,464</b>	<b>2,248,984</b>	<b>1,848,522</b>
<b>TOTAL FUNDS AND LIABILITIES</b>		<b>1,694,322</b>	<b>1,445,636</b>	<b>2,584,347</b>	<b>2,261,872</b>
<b>Contingencies and commitments</b>	18				

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statement.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Profit and Loss Account (Audited)**  
**For the six months period ended June 30, 2024**

Note	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND - REVENUE ACCOUNT</b>				
Contributions earned	600,152	521,013	1,192,541	1,006,779
Contributions ceded to retakaful	(160,106)	(114,287)	(313,860)	(213,770)
<b>Net contribution revenue</b>	<b>440,046</b>	<b>406,726</b>	<b>878,681</b>	<b>793,009</b>
Retakaful rebate earned	27,218	18,617	56,990	36,277
<b>Net underwriting income</b>	<b>467,264</b>	<b>425,343</b>	<b>935,671</b>	<b>829,286</b>
Net takaful claims - reported / settled	(518,727)	(429,823)	(1,052,608)	(790,530)
Other direct expenses	(12,649)	(13,142)	(30,799)	(25,760)
<b>(Deficit) / Surplus before investment income</b>	<b>(64,112)</b>	<b>(17,622)</b>	<b>(147,736)</b>	<b>12,996</b>
Investment income	89,982	23,817	114,139	38,867
Other income	17,809	19,534	35,926	37,113
Mudarib's share of investment income	(17,997)	(4,763)	(22,828)	(7,773)
<b>Surplus / (deficit) before taxation</b>	<b>25,682</b>	<b>20,966</b>	<b>(20,499)</b>	<b>81,203</b>
Taxation expense	(35,093)	(8,747)	(44,514)	(18,521)
<b>(Deficit) / Surplus after taxation</b>	<b>(9,411)</b>	<b>12,219</b>	<b>(65,013)</b>	<b>62,682</b>
<b>OPERATOR'S TAKAFUL FUND - REVENUE ACCOUNT</b>				
Wakala fee	234,784	204,630	463,524	397,748
Commission expense	(136,433)	(61,802)	(168,175)	(123,268)
General, administrative and management expenses	(72,425)	(63,112)	(145,167)	(124,264)
	25,926	79,716	150,182	150,216
Other income	14,298	7,141	20,285	19,916
Mudarib's share of PTF investment income	17,997	4,763	22,828	7,773
Investment income	40,672	31,708	80,101	44,952
Direct expenses	(770)	(777)	(1,540)	(1,547)
<b>Profit before taxation</b>	<b>98,123</b>	<b>122,551</b>	<b>271,856</b>	<b>221,310</b>
Taxation expense	(38,013)	(73,948)	(105,752)	(106,538)
<b>Profit after taxation</b>	<b>60,110</b>	<b>48,603</b>	<b>166,104</b>	<b>114,772</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statement.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

Adamjee Insurance Company Limited  
Window Takaful Operations  
Condensed Interim Statement of Comprehensive Income (Audited)  
For the six months period ended June 30, 2024

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
<b>PARTICIPANTS' TAKAFUL FUND</b>				
Surplus / (deficit) after taxation	(9,411)	12,219	(65,013)	62,682
<b>Other comprehensive income:</b>				
Unrealized gain / (loss) on available-for-sale investment- net of tax	(10,975)	2,383	499	2,383
<b>Total comprehensive surplus / (deficit) for the period</b>	<b>(20,386)</b>	<b>14,602</b>	<b>(64,514)</b>	<b>65,065</b>
<b>OPERATOR'S TAKAFUL FUND</b>				
Profit after taxation	60,110	48,603	166,104	114,772
<b>Other comprehensive income:</b>				
Unrealized losses on available-for-sale investment- net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>60,110</b>	<b>48,603</b>	<b>166,104</b>	<b>114,772</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statement.

  
Chairman

  
Director

  
Director

  
Chief Financial Officer

  
Managing Director &  
Chief Executive Officer



**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Statement of Changes in Shareholders Equity and Participants' Takaful Funds (Audited)**  
**As at June 30, 2024**

	Operator's Takaful Fund			Total
	Statutory fund	Unappropriated profit	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2022 - (Audited)</b>	50,000	614,447	-	<b>664,447</b>
Profit after tax for the period January 01, 2023 to June 30, 2023	-	114,772	-	<b>114,772</b>
Other comprehensive income for the period January 01, 2023 to June 30 2023	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	<b>114,772</b>	-	<b>114,772</b>
<b>Balance as at June 30, 2023 - (Audited)</b>	50,000	729,219	-	<b>779,219</b>
Profit after tax for the period July 01, 2023 to December 31, 2023	-	179,953	-	<b>179,953</b>
Other comprehensive income for the period July 01, 2023 to December 31, 2023	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	<b>179,953</b>	-	<b>179,953</b>
<b>Balance as at December 31, 2023 - (Audited)</b>	50,000	909,172	-	<b>959,172</b>
Profit after tax for the period January 01, 2024 to June 30, 2024	-	166,104	-	<b>166,104</b>
Other comprehensive income for the period January 01, 2024 to June 30, 2024	-	-	-	<b>-</b>
<b>Total comprehensive income for the period</b>	-	<b>166,104</b>	-	<b>166,104</b>
<b>Balance as at June 30, 2024 - (Audited)</b>	<b>50,000</b>	<b>1,075,276</b>	-	<b>1,125,276</b>

	Participants' Takaful Fund			Total
	Ceded money	Accumulated surplus / (deficit)	Fair value reserves	
Rupees in thousand				
<b>Balance as at December 31, 2022 - (Audited)</b>	500	199,477	-	<b>199,977</b>
Surplus after tax for the period January 01, 2023 to June 30, 2023	-	62,682	-	<b>62,682</b>
Other comprehensive loss for the period January 01, 2023 to June 30, 2023	-	-	2,383	<b>2,383</b>
<b>Total comprehensive surplus for the period</b>	-	<b>62,682</b>	<b>2,383</b>	<b>65,065</b>
<b>Balance as at June 30, 2023 - (Audited)</b>	500	262,159	2,383	<b>265,042</b>
Deficit after tax for the period July 01, 2023 to December 31, 2023	-	(84,242)	-	<b>(84,242)</b>
Other comprehensive loss for the period July 01, 2023 to December 31, 2023	-	-	11,090	<b>11,090</b>
<b>Total comprehensive deficit for the period</b>	-	<b>(84,242)</b>	<b>11,090</b>	<b>(73,152)</b>
<b>Balance as at December 31, 2023 - (Audited)</b>	500	177,917	13,473	<b>191,890</b>
Surplus after tax for the period January 01, 2024 to June 30, 2024	-	(65,013)	-	<b>(65,013)</b>
Other comprehensive surplus for the period January 01, 2024 to June 30, 2024	-	-	(12,974)	<b>(12,974)</b>
<b>Total comprehensive deficit for the period</b>	-	<b>(65,013)</b>	<b>(12,974)</b>	<b>(77,987)</b>
<b>Balance as at June 30, 2024 - (Audited)</b>	<b>500</b>	<b>112,904</b>	<b>499</b>	<b>113,903</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statement.

  
 Chairman

  
 Director

  
 Director

  
 Chief Financial Officer

  
 Managing Director &  
 Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Condensed Interim Cash Flow Statement (Audited)**  
**For the six months period ended June 30, 2024**

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
<b>Operating cash flows</b>				
<b>(a) Takaful activities</b>				
Contributions received	-	-	1,809,411	1,432,669
Wakala fee received / (paid)	568,860	524,544	(568,860)	(524,544)
Retakaful / co-takaful paid	-	-	(190,813)	(125,507)
Claims paid	-	-	(990,240)	(811,771)
Retakaful and other recoveries received	-	-	-	-
Commissions paid	(168,641)	(120,842)	-	-
Commissions received	-	-	46,159	25,522
Management expenses paid	(146,553)	(84,353)	-	-
Other underwriting payments	-	-	(20,690)	1,694
<b>Net cash inflows from takaful activities</b>	<b>253,666</b>	<b>319,349</b>	<b>84,967</b>	<b>(1,937)</b>
<b>(b) Other operating activities</b>				
Income tax paid	(115,441)	(42,823)	(57,186)	(15,270)
Other Operating Payments	-	-	-	-
Other payments / (receipts)	-	-	26,724	(38,911)
Expenses paid	-	-	-	-
<b>Net cash outflows from other operating activities</b>	<b>(115,441)</b>	<b>(42,823)</b>	<b>(30,462)</b>	<b>(54,181)</b>
<b>Total cash inflows / (outflows) from operating activities</b>	<b>138,225</b>	<b>276,526</b>	<b>54,505</b>	<b>(56,118)</b>
<b>(c) Investment activities</b>				
Profit received on bank deposits and investments	99,308	64,093	136,617	75,262
Qard-e-Hasna paid to Participants' Takaful Fund	-	-	-	-
Payment for investments	(25,307)	(493,679)	(1,160,907)	(523,476)
Proceeds from disposal of investments	500,000	75,000	862,903	168,750
Fixed capital expenditure	(1,167)	(8,772)	-	-
<b>Total cash outflows from investing activities</b>	<b>572,834</b>	<b>(363,358)</b>	<b>(161,387)</b>	<b>(279,464)</b>
<b>Total cash inflows from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash outflows from all activities</b>	<b>711,059</b>	<b>(86,832)</b>	<b>(106,882)</b>	<b>(335,582)</b>
Cash and cash equivalent at the beginning of the period	76,860	164,215	584,528	619,465
<b>Cash and cash equivalent at the end of the period</b>	<b>787,919</b>	<b>77,383</b>	<b>477,646</b>	<b>283,883</b>
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	138,225	276,526	54,505	(56,118)
Depreciation	(2,685)	(3,013)	-	-
Amortization	(1,838)	(3,491)	-	-
Contribution deficiency	-	-	-	-
Provision for retirement benefits	-	-	-	-
Provision for impairment in value of 'available-for-sale' investment	-	-	-	-
(Decrease) / Increase in assets other than cash	14,597	(80,959)	167,419	90,309
(Increase) / Decrease in liabilities other than cash	(82,582)	(139,159)	(437,002)	(47,489)
Investment income	80,102	44,952	114,139	38,867
Loss on disposal of investments	-	-	-	-
Return on bank deposits	20,285	19,916	35,926	37,113
<b>Net profit / (loss) for the period</b>	<b>166,104</b>	<b>114,772</b>	<b>(65,013)</b>	<b>62,682</b>

**Definition of cash**

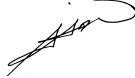
Cash comprises of cash in hand, policy stamps, bond papers, bank balances and other deposits which are readily convertible to cash in hand and which are used in cash management function on a day-to-day basis.

	Operator's Fund		Participants' Takaful Fund	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
<b>Attributed to</b>				
Operator's Takaful Fund	166,104	114,772	-	-
Participants' Takaful Fund	-	-	(65,013)	62,682
	<b>166,104</b>	<b>114,772</b>	<b>(65,013)</b>	<b>62,682</b>

The annexed notes from 1 to 34 form an integral part of these condensed interim financial statement.



Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

**Adamjee Insurance Company Limited**  
**Window Takaful Operations**  
**Notes to the Condensed Interim Financial Statements (Audited)**  
**For the six months period ended June 30, 2024**

**1 Legal status and nature of business**

Adamjee Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on September 28, 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Operator is listed on Pakistan Stock Exchange and is engaged in general takaful business comprising fire & property, marine aviation & transport, motor, accident & health and miscellaneous. The registered office of the Operator is situated at Adamjee House, 80/A, Block E-1, Main Boulevard, Gulberg-III, Lahore.

The Operator was granted authorization on December 23, 2015 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").

For the purpose of carrying on the Takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on January 01, 2016 under the Waqf deed with a ceded money of Rs.500,000. The Waqf deed govern the relationship of Operator and Participants' for management of Takaful operations.

**2 Basis of preparation and statement of compliance**

This condensed interim financial statement for the six months period ended June 30, 2024 has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard - 34 - "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulations, 2017, the Takaful Rules 2012, and the General Takaful Accounting Regulations, 2019.

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations 2019 and the Takaful Rules, 2012 shall prevail.

This condensed interim financial statement does not include all the statement and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator's for the year ended December 31, 2023. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of December 31, 2023, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in funds and interim cash flow statement and related notes are extracted from condensed interim financial statement of the Operator's for the three months period ended June 30, 2024.

The condensed interim financial statement reflect the financial position and result of operations of both Operator's Fund ('OPF') and Participant's Fund ('PTF') in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable.

This condensed interim financial statement is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This condensed interim financial statement is presented in Pakistan Rupees which is the Operator's functional currency and all financial statement presented has been rounded off to the nearest thousand, except otherwise stated.

**3 Basis of measurement**

This condensed interim financial statement has been prepared under historical cost convention except certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial statement are on accrual basis except for those reflected in cash flow statement.

**4 Accounting policies**

The accounting policies and the methods of computation adopted in the preparation of the condensed interim financial statement are same as those applied in the preparation of annual audited financial statements for the year ended December 31, 2023.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of January 01, 2023, as mentioned in the financial statement for the year ended December 31, 2023. Furthermore, the Company has adopted the temporary exemption which allows the Company to defer the application of both IFRS 9 and IFRS 17.

There is no significant impact of such changes on this condensed interim financial statement of the Operator.

**4.1 Standards, amendments or interpretations**

The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosures in these unconsolidated condensed interim financial statements.

**IFRS 9**

IFRS 9 " Financial Instruments" has become applicable, 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 are given below:

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

- (a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- (b) all other financial assets

Operator's Takaful Fund				
June 30, 2024				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----				
Investments in equity securities - available-for-sale	319,155	-	319,155	-
Investments in debt securities - held-to-maturity	51,974	-	51,974	-
Loans and other receivables*	200,322	-	200,322	-
<b>Total</b>	<b>571,451</b>	<b>-</b>	<b>571,451</b>	<b>-</b>

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

Participants' Takaful Fund				
June 30, 2024				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealized gain / (loss) during the period	Carrying Value	Cost less Impairment	Change in unrealized gain / (loss) during the period
---- (Rupees in thousand) ----				
Investments in equity securities - available-for-sale	189,953	-	189,953	-
Investments in debt securities - held-to-maturity	50,000	-	50,000	-
Term deposits*	685,000	-	685,000	-
Loans and other receivables*	1,023,002	-	1,023,002	-
<b>Total</b>	<b>1,947,955</b>	<b>-</b>	<b>1,947,955</b>	<b>-</b>

\* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

## 5 Use of estimates and judgments

The preparation of this condensed interim financial statement 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 Operator'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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

## 6 Takaful and Financial risk management

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

	Note	Operator's Takaful Fund	
		June 30, 2024	December 31, 2023
		Rupees in thousand	
		(Audited)	(Audited)
<b>7 Property and equipment</b>			
Opening balance - net book value		34,524	36,731
Additions during the period	7.1	-	5,493
Book value of disposals during the period		(533)	(1,499)
Depreciation charged during the period		(2,685)	(6,201)
		(3,218)	(7,700)
Closing balance - net book value		31,306	34,524
		<b>31,306</b>	<b>34,524</b>
<b>8 Intangible assets</b>			
Opening balance - net book value		10,072	6,047
Transfer from capital work-in-progress		1,950	8,631
Additions during the period		1,700	184
Book value of disposal during the period		-	-
Amortization charged during the period		(1,838)	(4,790)
		(1,838)	(4,790)
Closing balance		11,884	10,072
Capital work - in - progress	8.1	4,900	6,850
		<b>16,784</b>	<b>16,922</b>
<b>8.1 Capital work in progress</b>			
Opening balance		6,850	9,631
Additions during the year		-	5,850
Transfer to property and equipment		-	-
Transfer to intangibles		(1,950)	(8,631)
Closing balance		<b>4,900</b>	<b>6,850</b>

This represent amount advanced to Ozoned Digital (Private) Limited for digital platform of motor Takaful.

	No of Units		Face Value	Value of Units	
	June 30,2024	December 31, 2023		June 30,2024	December 31, 2023
	Rupees in thousand				
<b>9 Investments in equity securities</b>					
<b>Operator's Takaful Fund</b>					
<b>Available for sale - Mutual fund</b>					
<i>HBL Islamic Money Market Fund</i>	949,775	874,058	101.17	96,092	88,431
<i>NBP Islamicdaily Dividend Fund</i>	9,575,823	8,820,907	10.00	95,758	88,209
<i>ABL Islamic Cash Fund</i>	6,373,861	5,863,028	10.00	63,738	58,630
<i>Al Ameen Islamic Cash Fund Plan 1</i>	635,676	585,783	100.00	63,567	58,578
				<b>319,155</b>	<b>293,848</b>

These represent investment in Mutual Funds which carries profit ranging from 18.5% to 19% per annum.

**Participants' Takaful Fund**

**Available for sale - Mutual fund**

<i>Al Hamra Islamic Income Fund</i>	1,826,870	1,528,303	104	189,115	168,466
<i>Al-Habib Islamic Munafa Fund</i>	-	2,021,732	100	-	205,643
<i>Al Hamra Daily Dividend Fund</i>	195	180	100	19	18
Unrealized gain on revaluation				819	22,086
				<b>189,953</b>	<b>396,213</b>

These represent investment in Mutual Funds which carries profit ranging from 18.5% to 20.05% per annum.

	No. of Certificates		Face Value	Value of Certificates	
	June 30,2024	December 31, 2023		June 30,2024	December 31, 2023
	Rupees in thousand				
<b>10 Investments in debt securities</b>					
<b>Participants' Takaful Fund</b>					
<b>Held - to - maturity</b>					
<b>Sukuk certificates</b>					
Pak Electron Limited (PEL)	50.0	-	1,000,000	50,000	-
				<b>50,000</b>	<b>-</b>

\* These represent placement in Sukuks with PEL having tenure of four years with return 3 M KIBOR+1.9% and will be mature at September 2024.

Operator's Takaful Fund	No. of Certificates			Value of Certificates	
	June 30,2024	December 31, 2023	Face Value	June 30,2024	December 31, 2023
<b>Held - to - maturity</b>				<b>Rupees in thousand</b>	
<b>Sukuk certificates</b>					
K-Electric *	500	500	100,000	51,974	51,974
				<b>51,974</b>	<b>51,974</b>

\* These represent placement in Sukuks with K-Electric having tenure of five years with return of 3M KIBOR+ 1.7% and will be mature at November 01,2027.

11 Investments in Term Deposits	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
<b>Held - to - maturity</b>				
Deposit maturing within one month	-	500,000	685,000	252,000
	-	<b>500,000</b>	<b>685,000</b>	252,000

These represent placement in Term Deposit Receipts with financial institutions having tenure one month with returns ranging from 19.50% to 20.5% per annum (2023: 19.50% to 20.5% per annum).

12 Loans and other receivables - Considered good	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30,2024	December 31, 2023	June 30,2024	December 31, 2023
Federal excise duty	-	-	39,775	37,492
Accrued income	10,977	9,898	25,202	11,754
Loan to employees	2,783	2,785	-	-
Security deposits	310	310	-	-
Bid money for tenders	-	-	73,782	88,489
Advances	7,965	4,627	-	-
	<b>22,035</b>	17,620	<b>138,759</b>	137,735

13 Takaful / Re - takaful receivables - Unsecured and considered good	Participants' Takaful Fund	
	June 30,2024	December 31, 2023
Due from takaful participants' holders	596,105	357,599
Less: provision for impairment of takaful participants' holder	-	-
	<b>596,105</b>	357,599
Due from other takaful / re - takaful operator's	111,312	104,883
Less: provision for impairment of due from other takaful / re - takaful operator's	-	-
	<b>111,312</b>	104,883
	<b>707,417</b>	462,482
<b>14 Prepayments</b>		
Prepaid re - takaful contribution ceded	111,418	179,332
Prepaid monitoring charges (Tracking device)	7,553	8,919
	<b>118,971</b>	188,251

15 Cash and bank	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30,2024	December 31, 2023	June 30,2024	December 31, 2023
<b>Cash and cash equivalents:</b>				
Cash in hand	146	175	-	-
<b>Current and other accounts:</b>				
Profit or loss accounts	15.1	787,773	76,685	477,646
		<b>787,919</b>	76,860	<b>477,646</b>

15.1 Saving accounts carry expected profit rates ranging from 7% to 18.5% (2023: 7% to 18.5%).

	Participants' Takaful Fund	
	June 30, 2024	December 31, 2023
	Rupees in thousand	
	(Audited)	(Audited)
<b>16 Takaful / re - takaful payables</b>		
Due to takaful participants' holders	71,152	71,188
Due to other takaful / re - takaful operator's	137,735	123,914
	<b>208,887</b>	<b>195,102</b>

	Operator's Takaful Fund		Participants' Takaful Fund	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>17 Other creditors and accruals</b>				
Agents commission payable	61,727	73,399	-	-
Federal insurance fee	-	-	5,494	5,040
Sales tax payable	4,070	2,173	-	-
Income tax deducted at source	9,609	2,909	70,056	56,210
Accrued expenses	864	8,316	-	-
Others	18,387	20,565	25,610	16,867
	<b>94,657</b>	<b>107,362</b>	<b>101,160</b>	<b>78,117</b>

**18 Contingencies and commitments**

There has been no significant change in the contingencies and commitments since the date of preceding published annual financial statements.

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Unaudited)	(Audited)	(Unaudited)
<b>19 Net contribution revenue</b>				
Gross contribution written	540,480	462,030	2,076,166	1,596,536
Wakala fee	(160,289)	(135,679)	(568,499)	(445,795)
<b>Contribution net of wakala fee</b>	<b>380,191</b>	<b>326,351</b>	<b>1,507,667</b>	<b>1,150,741</b>
Unearned contribution reserve - opening	1,137,265	1,002,441	602,178	663,817
Unearned contribution reserve - closing	(917,304)	(807,779)	(917,304)	(807,779)
<b>Contribution earned</b>	<b>600,152</b>	<b>521,013</b>	<b>1,192,541</b>	<b>1,006,779</b>
<b>Less:</b>				
Re - takaful contribution ceded	100,796	65,791	245,945	153,635
Prepaid re - takaful contribution ceded - opening	170,727	119,853	179,332	131,492
Prepaid re - takaful contribution ceded - closing	(111,417)	(71,357)	(111,417)	(71,357)
<b>Re - takaful expense</b>	<b>160,106</b>	<b>114,287</b>	<b>313,860</b>	<b>213,770</b>
<b>Net contribution</b>	<b>440,046</b>	<b>406,726</b>	<b>878,681</b>	<b>793,009</b>

**20 Re - takaful rebate**

Re - takaful rebate received	16,515	9,615	46,159	25,522
Unearned re - takaful rebate - opening	34,148	23,498	34,276	25,251
Unearned re - takaful rebate - closing	(23,445)	(14,496)	(23,445)	(14,496)
<b>Net re-takaful rebate</b>	<b>27,218</b>	<b>18,617</b>	<b>56,990</b>	<b>36,277</b>

**21 Net Takaful Claims**

Claims Paid	556,605	479,979	990,240	811,771
Outstanding claims including IBNR - closing	702,783	509,611	702,783	509,611
Outstanding claims including IBNR - opening	(714,092)	(550,620)	(616,699)	(524,563)
<b>Claims expense</b>	<b>545,296</b>	<b>438,970</b>	<b>1,076,324</b>	<b>796,819</b>

**Less:**

Re - takaful and other recoveries received	22,558	24,475	47,776	54,194
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) closing	216,602	178,865	216,602	178,865
Re - takaful and other recoveries in respect of outstanding claims net of impairment (if any) opening	(212,591)	(194,193)	(240,662)	(226,770)
<b>Re-takaful and other recoveries revenue</b>	<b>26,569</b>	<b>9,147</b>	<b>23,716</b>	<b>6,289</b>
<b>Net claims expense</b>	<b>518,727</b>	<b>429,823</b>	<b>1,052,608</b>	<b>790,530</b>

	For six months period ended			
	Participants' Takaful Fund			
	June 30, 2024		June 30, 2023	
	Rupees in thousand			
	(Audited)	(Audited)	(Audited)	(Audited)
<b>22 Other Direct Expenses</b>				
Monitoring charges		13,050		15,543
Other taxes		-		779
Inspection charges		8,014		5,582
Bank charges		175		194
Others		9,559		3,662
		<b>30,798</b>		<b>25,760</b>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>23 Commission Expense</b>				
Commission paid or payable	67,557	60,425	156,969	115,012
Deferred commission - opening	134,278	67,460	76,608	74,339
Deferred commission - closing	(65,402)	(66,083)	(65,402)	(66,083)
<b>Net commission expense</b>	<b>136,433</b>	<b>61,802</b>	<b>168,175</b>	<b>123,268</b>

	For three months period ended		For six months period ended	
	Operator's Fund		Operator's Fund	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>24 Wakala Fee</b>				
Gross Wakala fee	160,289	135,679	568,499	445,795
Unearned Wakala fee - Opening	434,949	391,881	255,479	274,883
Unearned Wakala fee - Closing	(360,454)	(322,930)	(360,454)	(322,930)
<b>Net wakala fee</b>	<b>234,784</b>	<b>204,630</b>	<b>463,524</b>	<b>397,748</b>

The Operator manages the general takaful operations for the participants' and charges 28 % (2023: 28 %) for Fire & Property, 35 % (2023: 35 %) for Marine, Aviation & Transport, 32.5 % (2023: 32.5 %) for Motor, 25 % (2023: 25%) for Health and 25 % (2023: 25 %) for Miscellaneous classes, of gross contribution written including administrative surcharge as wakala fee against the services.

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>25 Management Expenses</b>				
Employee benefit cost	49,087	43,691	101,293	85,135
Depreciation	1,339	1,548	2,685	3,013
Amortization	993	1,667	1,838	3,491
Advertisement and sales promotion	2,579	764	4,731	1,606
Rent, rates and taxes	1,150	1,074	2,225	2,302
Communication	196	214	429	457
Legal and professional charges - business related	97	-	97	-
Travelling and conveyance expenses	392	335	923	866
Shared expenses	7,624	5,929	14,664	12,916
Entertainment	1,365	833	2,204	1,649
Printing, stationery and postage	17	581	283	702
Annual supervision fee SECP	1,002	582	2,004	1,164
Bank charges	9	8	15	17
Repair and maintenance	811	547	1,123	1,163
Others	5,764	5,339	10,653	9,783
	<b>72,425</b>	<b>63,112</b>	<b>145,167</b>	<b>124,264</b>

	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>26 Investment Income</b>				
<b>Operator's Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	15,120	12,190	29,729	21,964
Term Deposits	22,683	14,408	43,374	14,605
Sukuks	2,869	5,110	6,998	8,383
	<b>40,672</b>	<b>31,708</b>	<b>80,101</b>	<b>44,952</b>
<b>Participants' Takaful Fund</b>				
<b>Profit on</b>				
Mutual funds - Dividend Income	54,297	7,213	54,298	12,914
Sukuks	2,817	1,036	2,941	2,355
Term Deposits	32,868	15,568	56,900	23,598
	<b>89,982</b>	<b>23,817</b>	<b>114,139</b>	<b>38,867</b>



	For three months period ended		For six months period ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in thousand		Rupees in thousand	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>27 Other Income</b>				
<b>Operator's Takaful Fund</b>				
Profit on bank deposits	14,298	5,791	20,285	18,566
Other Income	-	1,350	-	1,350
	<u>14,298</u>	<u>7,141</u>	<u>20,285</u>	<u>19,916</u>
<b>Participants' Takaful Fund</b>				
Profit on bank deposits	17,809	14,020	35,926	31,599
Other Income	-	5,514	-	5,514
	<u>17,809</u>	<u>19,534</u>	<u>35,926</u>	<u>37,113</u>

**28 Transactions with related parties**

The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to these financial statements.

	June 30, 2024	June 30, 2023
	Rupees in thousand	
	(Audited)	(Audited)
<b>i) Transactions</b>		
<b>Subsidiary Company</b>		
Contribution underwritten	7,248	6,028
Contribution received	8,281	6,766
Claims paid	2,533	1,582
<b>Other related parties</b>		
Contribution underwritten	100,353	81,553
Contribution received	128,244	85,373
Claims paid	34,954	54,893
Income on bank deposits	1,285	342
<b>ii) Period end balances</b>		
<b>Subsidiary Company</b>		
Balances payable	708	39
Balances receivable	244	-
Contribution received in advance	7,285	2
<b>Other related parties</b>		
Balances receivable	16,509	15,079
Balances payable	11,616	22,995
Cash and bank balances	2,569	9,874
Contribution received in advance	3,572	455

## 29 Segment statement

Each class of business has been identified as reportable segment. Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000. The following is a schedule of class of business wise assets and liabilities.

### 29.1

	Participants' Takaful Fund					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	June 30,2024 (Unaudited)					
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	186,450	73,706	586,934	1,292,823	74,194	2,214,107
Less : Federal excise duty	(23,965)	(8,478)	(73,714)	(3,775)	(9,252)	(119,184)
Federal insurance fee	(1,609)	(646)	(5,083)	(12,763)	(643)	(20,744)
Gross direct written contribution (inclusive of administrative surcharge) facultative inward contribution	160,876	64,582	508,137	1,276,285	64,299	2,074,179
	1,925	62	-	-	-	1,987
<b>Gross Contribution Written</b>	162,801	64,644	508,137	1,276,285	64,299	2,076,166
Wakala fee	(45,584)	(22,626)	(165,144)	(319,071)	(16,074)	(568,499)
<b>Contribution net of wakala fee</b>	117,217	42,018	342,993	957,214	48,225	1,507,667
Contribution earned	165,610	41,311	326,271	625,908	33,441	1,192,541
Takaful contribution ceded to retakaful	(203,759)	(47,476)	(24,166)	-	(38,459)	(313,860)
Net takaful contribution	(38,149)	(6,165)	302,105	625,908	(5,018)	878,681
Re-takaful rebate	50,401	10,189	-	-	(3,600)	56,990
<b>Net underwriting income</b>	12,252	4,024	302,105	625,908	(8,618)	935,671
Takaful claims	12,639	(27,517)	(248,925)	(795,069)	(17,452)	(1,076,324)
Re - takaful and other recoveries	(19,321)	21,544	5,737	-	15,756	23,716
Net claims	(6,682)	(5,973)	(243,188)	(795,069)	(1,696)	(1,052,608)
Contribution deficiency reserve						-
Direct expenses	(3,371)	(238)	(22,748)	(4,229)	(213)	(30,799)
<b>Net takaful claims and expenses</b>	(10,053)	(6,211)	(265,936)	(799,298)	(1,909)	(1,083,407)
<b>(Deficit) / surplus before investment income</b>	2,199	(2,187)	36,169	(173,390)	(10,527)	(147,736)
Other income						114,139
Investment income						35,926
Mudarib fee						(22,828)
<b>(Deficit) transferred to Balance of PTF</b>						(20,499)
Corporate segment assets	183,893	36,011	267,573	431,524	116,436	1,035,437
Corporate unallocated assets	-	-	-	-	-	1,548,911
<b>Total assets</b>	<b>183,893</b>	<b>36,011</b>	<b>267,573</b>	<b>431,524</b>	<b>116,436</b>	<b>2,584,348</b>
Corporate segment liabilities	196,081	33,700	601,802	1,168,628	119,466	2,119,677
Corporate unallocated liabilities	-	-	-	-	-	350,768
<b>Total liabilities</b>	<b>196,081</b>	<b>33,700</b>	<b>601,802</b>	<b>1,168,628</b>	<b>119,466</b>	<b>2,470,444</b>

## 29.1.1

	June 30, 2023 (Unaudited)					Total
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	
	Rupees in thousand					
Contribution receivable (inclusive of Federal excise duty, Federal insurance fee and Administrative surcharge)	92,243	42,616	534,773	901,526	38,086	1,609,244
Less : Federal excise duty	(11)	(7)	(74)	(1)	(6)	(99)
Federal insurance fee	(718)	(465)	(5,356)	(5,682)	(388)	(12,609)
Gross direct written contribution (inclusive of administrative surcharge) facultative inward contribution	91,514	42,144	529,343	895,843	37,692	1,596,536
<b>Gross Contribution Written</b>	91,514	42,144	529,343	895,843	37,692	1,596,536
Wakala fee	(25,624)	(14,751)	(172,036)	(223,961)	(9,423)	(445,795)
<b>Contribution net of wakala fee</b>	65,890	27,393	357,307	671,882	28,269	1,150,741
Contribution earned	116,367	27,763	336,642	500,770	25,237	1,006,779
Takaful contribution ceded to retakaful	(137,283)	(35,326)	(19,654)	-	(21,507)	(213,770)
Net takaful contribution	(20,916)	(7,563)	316,988	500,770	3,730	793,009
Re-takaful rebate	29,430	7,370	-	-	(523)	36,277
<b>Net underwriting income</b>	8,514	(193)	316,988	500,770	3,207	829,286
Takaful claims	(9,593)	(2,498)	(185,620)	(593,958)	(5,150)	(796,819)
Re - takaful and other recoveries	7,369	1,727	(7,528)	-	4,721	6,289
Net claims	(2,224)	(771)	(193,148)	(593,958)	(429)	(790,530)
Contribution deficiency reserve	-	-	-	-	-	-
Direct expenses	(1,587)	(4)	(22,227)	(1,863)	(79)	(25,760)
<b>Net takaful claims and expenses</b>	(3,811)	(775)	(215,375)	(595,821)	(508)	(816,290)
<b>(Deficit) / surplus before investment income</b>	4,703	(968)	101,613	(95,051)	2,699	<b>12,996</b>
Other income						38,867
Investment income						37,113
Mudarib fee						(7,773)
<b>Surplus transferred to Balance of PTF</b>						<b>81,203</b>
	December 31, 2023 (Audited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total
	Rupees in thousand					
Corporate segment assets	327,289	25,397	243,282	209,273	77,237	<b>882,480</b>
Corporate unallocated assets	-	-	-	-	-	<b>1,379,392</b>
<b>Total assets</b>	327,289	25,397	243,282	209,273	77,237	2,261,872
Corporate segment liabilities	332,868	26,601	600,783	676,639	84,404	1,721,295
Corporate unallocated liabilities	-	-	-	-	-	348,687
<b>Total liabilities</b>	332,868	26,601	600,783	676,639	84,404	2,069,982

## 29.1.2

Operator's Takaful Fund						
June 30, 2024 (Unaudited)						
Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	64,404	22,245	157,093	208,636	11,146	<b>463,524</b>
Less : Commission expense	(42,995)	(9,538)	(47,707)	(62,269)	(5,666)	<b>(168,175)</b>
Management expenses	(37,114)	(8,234)	(41,179)	(53,749)	(4,891)	<b>(145,167)</b>
	(15,705)	4,473	68,207	92,618	589	<b>150,182</b>
Mudarib's share of PTF investment income						<b>22,828</b>
Investment income						<b>80,101</b>
Direct expenses						<b>(1,540)</b>
Other income						<b>20,285</b>
<b>Profit before tax</b>						<b>271,856</b>
Corporate segment assets	31,654	11,536	65,218	126,329	8,953	<b>243,690</b>
Corporate unallocated assets	-	-	-	-	-	<b>1,450,633</b>
<b>Total assets</b>	<b>31,654</b>	<b>11,536</b>	<b>65,218</b>	<b>126,329</b>	<b>8,953</b>	<b>1,694,322</b>
Corporate segment liabilities	34,979	1,108	160,118	155,733	8,516	<b>360,454</b>
Corporate unallocated liabilities	-	-	-	-	-	<b>208,592</b>
<b>Total liabilities</b>	<b>34,979</b>	<b>1,108</b>	<b>160,118</b>	<b>155,733</b>	<b>8,516</b>	<b>569,046</b>

## 29.1.3

June 30, 2023 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Wakala fee income	45,254	14,950	162,086	166,923	8,535	397,748
Less : Commission expense	4,578	(7,538)	(66,337)	(50,750)	(3,221)	(123,268)
Management expenses	4,614	(7,598)	(66,873)	(51,160)	(3,247)	(124,264)
	54,446	(186)	28,876	65,013	2,067	150,216
Mudarib's share of PTF investment income						7,773
Investment income						44,952
Direct expenses						(1,547)
Other income						19,916
<b>Profit before tax</b>						<b>221,310</b>
December 31, 2023 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Corporate segment assets	57,035	10,516	77,595	80,422	6,860	232,428
Corporate unallocated assets	-	-	-	-	-	1,213,208
<b>Total assets</b>	<b>57,035</b>	<b>10,516</b>	<b>77,595</b>	<b>80,422</b>	<b>6,860</b>	<b>1,445,636</b>
Corporate segment liabilities	53,799	727	152,067	45,298	3,588	255,479
Corporate unallocated liabilities	-	-	-	-	-	230,985
<b>Total liabilities</b>	<b>53,799</b>	<b>727</b>	<b>152,067</b>	<b>45,298</b>	<b>3,588</b>	<b>486,464</b>

30 **Fair values of financial instruments**

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

		Participants' Takaful Fund								
		June 30, 2024 (Unaudited)								
		Carrying amount				Fair value				
		Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	189,953	-	-	-	189,953	-	-	189,953
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	50,000	-	-	50,000	-	-	-
	Investments - Term Deposits	11	-	685,000	-	-	685,000	-	-	-
	Loan and other receivables	12	-	-	98,984	-	98,984	-	-	-
	Takaful / re - takaful receivables	13	-	-	707,417	-	707,417	-	-	-
	Re - takaful recoveries against outstanding claims		-	-	132,755	-	132,755	-	-	-
	Salvage recoveries accrued		-	-	83,846	-	83,846	-	-	-
			189,953	735,000	1,023,002	-	1,947,955	189,953	-	189,953
<b>Financial liabilities not measured at fair value</b>										
	Outstanding claims including IBNR	21	-	-	-	702,783	702,783	-	-	-
	Takaful / re - takaful payables		-	-	-	208,887	208,887	-	-	-
	Wakala and mudarib fee payable		-	-	-	178,287	178,287	-	-	-
	Other creditors and accruals	17	-	-	-	25,610	25,610	-	-	-
			-	-	-	-	1,115,567	-	-	-
<b>Participants' Takaful Fund</b>										
<b>December 31, 2023 (Audited)</b>										
		Carrying amount				Fair value				
		Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in thousand								
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	396,213	-	-	-	396,213	-	-	396,213
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	-	-	-	-	-	-	-
	Investments - Term Deposits	11	-	252,000	-	-	252,000	-	-	-
	Loan and other receivables	12	-	-	100,243	-	100,243	-	-	-
	Takaful / re - takaful receivables	13	-	-	462,482	-	462,482	-	-	-
	Retakaful recoveries against outstanding claims		-	-	163,403	-	163,403	-	-	-
	Salvage recoveries accrued		-	-	77,260	-	77,260	-	-	-
			396,213	252,000	803,388	-	1,451,601	396,213	-	396,213
<b>Financial liabilities not measured at fair value</b>										
	Outstanding claims including IBNR	21	-	-	-	619,699	616,699	-	-	-
	Takaful / retakaful payables		-	-	-	195,102	195,102	-	-	-
	Wakala and mudarib fee payable		-	-	-	155,820	155,820	-	-	-
	Other creditors and accruals	17	-	-	-	16,867	16,867	-	-	-
			-	-	-	984,488	984,488	-	-	-

		Operator's Takaful Fund								
		June 30, 2024 (Unaudited)								
		Carrying amount				Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	319,155	-	-	-	319,155	-	-	319,155
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	51,974	-	-	51,974	-	-	51,974
	Loan and other receivables	12	-	-	22,035	-	-	-	-	22,035
	Wakala and mudarib fee receivable		-	-	178,287	-	-	-	-	178,287
	Cash and bank deposits	15	-	-	-	-	-	-	-	-
			319,155	51,974	200,322	-	319,155	51,974	-	371,129
<b>Financial liabilities not measured at fair value</b>										
	Other creditors and accruals	17	-	-	-	80,978	-	-	-	80,978
			-	-	-	113,824	-	-	-	113,824
<b>Operator's Takaful Fund</b>										
<b>December 31, 2023 (Audited)</b>										
		Carrying amount				Fair value				
Note	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
<b>Financial assets measured at fair value</b>										
	Investments - Equity securities	9	293,848	-	-	-	293,848	-	-	293,848
<b>Financial assets not measured at fair value</b>										
	Investments - Debt securities	10	-	51,974	-	-	-	51,974	-	51,974
	Investments - Term Deposits	11	-	500,000	-	-	-	-	-	500,000
	Loan and other receivables	12	-	-	17,620	-	-	-	-	17,620
	Wakala and mudarib fee receivable		-	-	155,820	-	-	-	-	155,820
			293,848	551,974	173,440	-	293,848	51,974	-	1,019,262
<b>Financial liabilities not measured at fair value</b>										
	Other creditors and accruals	17	-	-	-	102,280	-	-	-	102,280
			-	-	-	102,280	-	-	-	102,280

	Operator's Takaful Fund		Participants' Takaful Fund	
	Available for sale	Held to Maturity	Available for sale	Held to Maturity
	Rupees in thousand			
<b>31 Movement in Investment - Available for sale</b>				
<b>At the beginning of previous year</b>	251,052	125,000	147,762	187,500
Additions	42,796	551,974	248,451	252,000
Disposals	-	(125,000)	-	(187,500)
Fair value gain (excluding net realized gain)	-	-	-	-
<b>At the beginning of current period</b>	<b>293,848</b>	<b>551,974</b>	<b>396,213</b>	<b>252,000</b>
Additions	25,307	-	21,468	735,000
Disposals	-	(500,000)	(227,728)	(252,000)
Fair value gain (excluding net realized gain)	-	-	-	-
<b>At the end of current period</b>	<b>319,155</b>	<b>51,974</b>	<b>189,953</b>	<b>735,000</b>

**32 Subsequent events - non adjusting event**

There are no significant events that need to be disclosed for the six months period ended June 30, 2024.

**33 Date of authorization for issue**

This condensed financial statements were authorized for issue on August 26, 2024 by the Board of Directors of the Operator.

**34 General**

Figures have been rounded off to the nearest thousand rupees unless other wise stated.



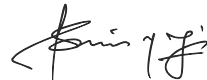
Chairman



Director



Director



Chief Financial Officer



Managing Director &  
Chief Executive Officer

