



Condensed Interim Financial Statements
For the quarter and three months ended
March 31, 2024

The Directors of your Company are pleased to present the condensed interim financial statements (un-audited) for the quarter and three months' ended March 31, 2024:

Financial Highlights:
Profit / Loss

	March 31 2024	March 31 2023
	(Rs. in 000') (Unaudited)	
Net profit before tax	60,710	31,495
Taxation	(18,119)	(9,273)
Net profit after tax	42,591	22,222
Other comprehensive income / (loss) - net	11,542	(11,180)
	(in Rupees)	
Earnings per share	0.25	0.13
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	11.73	10.27

During the first quarter of 2024, gross premium written by your Company (including takaful contributions) stood at Rs. 3.248 billion as against Rs. 1.778 billion in the corresponding period last year. Individual life regular premium (including takaful contributions) posted decline of 14% and stood at Rs. 803 million as against Rs. 935 million in the corresponding period last year.

Group Life premiums / contribution (including takaful group family) stood at Rs. 295 million (2023: Rs. 252 million), posting an increase of 17% from corresponding period of last year. Group Health premium / contribution (including takaful group health) stood at Rs 627 million (2023: Rs. 454 million), posting an increase of 38% from corresponding period of last year.

Single premium / contribution individual policies stood at Rs 1,523 million as compared to Rs. 137 million written in the corresponding period last year.

The Company posted profit after tax of Rs. 42.591 million as compared to profit after tax of Rs. 22.222 million in corresponding period of last year.

The management is addressing the issues of higher acquisition costs and repricing the products of corporate life and health business to improve the profitability of the company.

Window Takaful Operations

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

	March 31 2024	March 31 2023
	(Rs. in 000')	
	(Unaudited)	
Policyholder' Fund		
Gross Contribution	612,239	491,857
Net Contribution	532,518	345,908
Investment Income	67,628	37,050
Operator's Fund		
Investment Income	607	428
Operators' loss before tax	(47,597)	(45,897)
Operators' loss after tax	(32,842)	(32,730)

Future Outlook

Looking ahead, we remain resolute in our commitment to leading the Company in a positive direction, building upon the momentum and initiatives of the past two years. Our committed efforts are meant to outperform the Company's results from the prior year in the months to come. Our strategy will remain centred on our strategic actions, which have been essential in the increase in revenue and profitability. Our objective is to increase profitability and provide more value for shareholders and policyholders. Our goal is to take advantage of possibilities for long-term growth and success while navigating the obstacles that lie ahead through smart initiatives and cautious management.

The Board of Directors would like to express their gratitude to IGI Life customers and business partners. We thank our Stakeholders for the trust they have placed in the Company and our employees for their valuable contributions.

On behalf of the Board of Directors



Shamim Ahmad Khan
Chairman

Dated: April 23, 2024



Ali Nadim
Chief Executive Officer

Dated: April 23, 2024

ڈائریکٹرز رپورٹ برائے ممبران

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ، 2024 کو ختم ہونے والی سہ ماہی کے عبوری مالیاتی گوشوارے (غیر آڈٹ شدہ) پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

مالیاتی جھلکیاں:

نفع (نقصان)	31 مارچ 2024	31 مارچ 2023
	(روپے ہزاروں میں) (غیر آڈٹ شدہ)	
خالص نفع قبل از ٹیکس	60,710	31,495
ٹیکسیشن	(18,119)	(9,273)
خالص نفع بعد از ٹیکس	42,591	22,222
دیگر مجموعی آمدن (نقصان) - خالص	11,542	(11,180)
	(روپوں میں)	
آمدن فی شیئر	0.25	0.13
فی شیئر بریک اپ ویلیو (اس میں انشورنس آرڈیننس کی تعمیل میں اسٹیجوری فنڈ میں رکھی گئی رقم بھی شامل ہے)	11.73	10.27

2024 کی پہلی سہ ماہی میں آپ کی کمپنی کا تحریر کردہ مجموعی پربیمیم (بشمول تکافل زرتعاون) گزشتہ سال کے اسی مدت کے 1.778 بلین کے مقابلے میں 3.248 بلین رہا۔ انفرادی لائف ریگولر پربیمیم (بشمول تکافل زرتعاون) گزشتہ سال کے اسی مدت کے 935 ملین کے مقابلے میں 14% اضافہ کے ساتھ 803 ملین رہا۔

گروپ لائف پربیمیم زرتعاون (بشمول تکافل گروپ فیملی) گزشتہ سال کے اسی مدت کے مقابلے میں 17% اضافے کے ساتھ 295 ملین رہا (2023: 252 ملین)۔ گروپ ہیلتھ پربیمیم زرتعاون (بشمول تکافل گروپ ہیلتھ) گزشتہ سال کے اسی مدت کے مقابلے میں 38% اضافے کے ساتھ 627 ملین رہا (2023: 454 ملین)۔

سنگل پربیمیم زرتعاون انفرادی پالیسیز گزشتہ سال کے اسی مدت کے تحریر کردہ 137 ملین کے مقابلے میں 1,523 ملین رہا۔

گزشتہ سال اسی مدت کے 22,222 ملین بعد از ٹیکس نفع کے مقابلے میں کمپنی کو اس سال 42,591 ملین بعد از ٹیکس کا نفع ہوا۔

کمپنی کے نفع کو بڑھانے کے لیے، مینجمنٹ بزنس کے حصول کی زیادہ لاگت اور کارپوریٹ لائف اور ہیلتھ پرائڈ کٹس کی ری پرائسنگ کے معاملات کو دیکھ رہی ہے۔

ونڈ و تکافل آپریشنز

کمپنی کے ونڈ و تکافل آپریشنز کے زیر جائزہ سہ ماہی نتائج کا خلاصہ ذیل میں مذکور ہے:

پالیسی ہولڈرز فنڈ	31 مارچ 2024	31 مارچ 2023
	(روپے ہزاروں میں) (غیر آڈٹ شدہ)	
مجموعی زرتعاون	612,239	491,857
خالص زرتعاون	532,518	345,908
سرمایہ کاری آمدن	67,628	37,050
آپریٹنگ		
سرمایہ کاری آمدن	607	428
آپریٹنگ کا نقصان قبل از ٹیکس	(47,597)	(45,897)
آپریٹنگ کا نقصان بعد از ٹیکس	(32,842)	(32,730)

مستقبل کا منظر نامہ

گزشتہ دو سال کی رفتار اور اقدامات کی بدولت حاصل ہونے والی ترقی کے سفر کو جاری رکھتے ہوئے ہم کمپنی کو صحیح نچ پر چلانے کے وعدے پر ثابت قدم ہیں۔ ہماری شبانہ روز کاوشوں کی کا مقصد، گزشتہ سالوں کے مقابلے میں آنے والے مہینوں میں کمپنی کے نتائج میں بہتری لانا ہے۔ ہماری پوری توجہ انہی حکمت عملیوں پر مرکوز رہے گی جن کا ہمارے ریویو اور نفع کی بڑھوتری میں اہم کردار رہا ہے۔ ہمارا مقصد شیئر ہولڈرز اور پالیسی ہولڈرز کے نفع کو بڑھانا اور انہیں زیادہ قدر فراہم کرنا ہے۔ ہمارا ہدف اسٹارٹ اقدامات اور محتاط مینجمنٹ کے ذریعے استحکام کے راستے میں آنے والی رکاوٹوں کو ختم کر کے طویل المیعاد بڑھوتری کے امکانات سے بھرپور فائدہ اٹھانا ہے۔

بورڈ آف ڈائریکٹرز اپنے آئی جی آئی لائف کے کسٹمرز اور بزنس پارٹنرز کے ممنون ہیں۔ ہم اپنے اسٹیک ہولڈرز کے کمپنی پر اعتماد اور اپنی کمپنی کے ملازمین کی قابل قدر اور انتھک محنت پر تہ دل سے شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

Ah. Al. Al.

علی ندیم

چیف ایگزیکٹو آفیسر

بتاریخ: 23 اپریل، 2024

S. Anwar

شمیم احمد خان

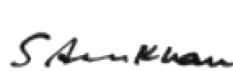
چیئر مین

بتاریخ: 23 اپریل، 2024

IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	(Un-audited) March 31 2024	(Audited) December 31, 2023
Note	----- Rupees in 000 -----	
Assets		
Property and equipment	9 156,035	172,297
Intangible assets	9 354,808	346,542
Investments		
Listed securities	10 8,723,970	8,189,645
Government securities	11 16,876,533	14,988,498
Debt securities	12 299,990	299,990
	25,900,493	23,478,133
Loans secured against life insurance policies	200,660	195,945
Insurance / takaful / reinsurance / retakaful receivables	454,600	306,061
Other loans and receivables	494,639	533,611
Taxation - payments less provision	757,922	722,339
Deferred tax asset - net	540,282	552,892
Prepayments	58,213	37,744
Cash and bank	13 593,728	342,469
Total assets	<u>29,511,380</u>	<u>26,688,033</u>
Equity and liabilities		
Capital and reserves attributable to Company's equity holders		
Authorised share capital (300,000,000 (2023: 300,000,000) ordinary shares of Rs. 10 each)	3,000,000	3,000,000
Issued, subscribed and paid-up capital	1,705,672	1,705,672
Ledger account C & D	(1,186,146)	(1,203,903)
Unappropriated profit	1,494,076	1,469,242
Deficit on revaluation of available for sale investments - net	(12,994)	(24,536)
Total equity	2,000,608	1,946,475
Liabilities		
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	14 25,768,723	23,067,220
Outstanding claims	578,201	570,344
Retirement benefit obligations	29,679	29,679
Premium received in advance	140,035	95,532
Reinsurance / retakaful payables	218,057	171,697
Other creditors and accruals	750,193	776,699
Lease liability against right-of-use assets	25,884	30,387
Total liabilities	27,510,772	24,741,558
Total equity and liabilities	<u>29,511,380</u>	<u>26,688,033</u>
Contingencies and commitments	15	

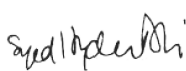
The annexed notes from 1 to 28 form an integral part of these condensed financial statements.



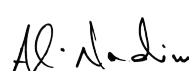
Chairman



Director



Director



Chief Executive Officer

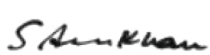


Chief Financial Officer

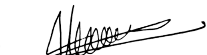
IGI LIFE INSURANCE LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2024

------(Un-audited)-----		
For the quarter and three months ended March 31		
Note	2024	2023
-----Rupees in 000-----		
Gross premium / contribution revenue	3,248,514	1,778,578
Less: premium / contribution ceded to reinsurers / retakaful operators	97,592	90,614
Net premium / contribution revenue	16 3,150,922	1,687,964
Investment income	17 784,325	492,027
Net realised fair value gains/ (losses) on financial assets	60,613	7,371
Other income - net	90,074	13,997
	935,012	513,395
Net income	4,085,934	2,201,359
Insurance benefits	1,080,716	1,199,122
Recoveries from reinsurers / retakaful operators	(21,137)	(44,751)
Net insurance benefits	18 1,059,579	1,154,371
	3,026,355	1,046,988
Change in insurance liabilities (other than outstanding claims)	2,364,992	396,442
Acquisition expenses	19 404,868	448,068
Marketing and administration expenses	20 191,646	166,712
Other expenses	21 2,397	2,374
Total expenses	2,963,903	1,013,596
	62,452	33,392
Finance costs	1,742	1,897
Profit before tax	60,710	31,495
Income tax	22 (18,119)	(9,273)
Profit after tax	42,591	22,222
-----Rupees-----		
Earnings per share	23 0.25	0.13

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



Chairman



Director



Director



Chief Executive Officer

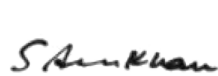


Chief Financial Officer

IGI LIFE INSURANCE LIMITED
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2024

	----- (Un-audited) -----	
	For the quarter and three months ended March 31	
	2024	2023
	----- Rupees in 000 -----	
Profit after tax	42,591	22,222
Other comprehensive income/ (loss)		
Change in unrealised loss on available-for-sale financial assets	352,684	(54,733)
Less: taxation	(4,631)	4,537
Change in unrealised loss on available-for-sale financial assets - net of tax	348,053	(50,196)
Change in insurance liabilities - net	(336,511)	39,016
Other comprehensive income/ (loss) for the period	11,542	(11,180)
Total comprehensive income / (loss) for the period	54,133	11,042

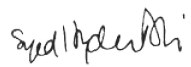
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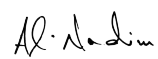
Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2024



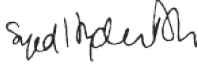
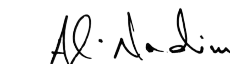

	Attributable to equity holders of the Company				Total
	Share capital	Un-appropriated profit *	Ledger C & D account **	Capital reserve Net (deficit) / surplus on revaluation of available for sale investments ***	
	-----Rupees in '000-----				
Balance as at December 31, 2022 (audited)	1,705,672	1,152,619	(1,029,780)	(88,124)	1,740,387
Profit for the three months ended March 31, 2023	-	11,990	10,232	-	22,222
Other comprehensive loss for the three months ended March 31, 2023	-	-	-	(11,180)	(11,180)
Balance as at March 31, 2023 (un-audited)	-	11,990	10,232	(11,180)	11,042
Total comprehensive income					
Profit for the nine months ended December 31, 2023	-	54,000	66,477	-	120,477
Other comprehensive income / (loss) for the nine months ended December 31, 2023	-	-	(199)	74,768	74,569
	-	54,000	66,278	74,768	195,046
Appropriation of surplus from ledger D to Shareholder fund	-	250,633	(250,633)	-	-
Balance as at December 31, 2023 (audited)	1,705,672	1,469,242	(1,203,903)	(24,536)	1,946,475
Total comprehensive income					
Profit for the three months ended March 31, 2024	-	24,834	17,757	-	42,591
Other comprehensive income for the three months ended March 31, 2024	-	-	-	11,542	11,542
	-	24,834	17,757	11,542	54,133
Appropriation of surplus from ledger D to Shareholder fund	-	-	-	-	-
Balance as at March 31, 2024 (un-audited)	<u>1,705,672</u>	<u>1,494,076</u>	<u>(1,186,146)</u>	<u>(12,994)</u>	<u>2,000,608</u>

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

** This represents reserve appropriated to shareholders.

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

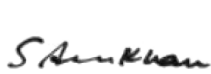
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 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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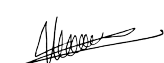
IGI LIFE INSURANCE LIMITED
CASH FLOW STATEMENT
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2024

	----- (Un-audited) -----	
	For the quarter and three months ended March 31	
Note	2024	2023
	----- Rupees in 000 -----	
Operating cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers	3,137,124	1,594,788
Reinsurance premium paid	(143,999)	(135,976)
Claims paid	(332,120)	(409,995)
Surrenders paid	(725,738)	(794,266)
Reinsurance recovery received	28,490	46,013
Commission paid	(163,016)	(208,791)
Commission received	-	-
Net cash inflow from / (outflow on) from underwriting activities	1,800,741	91,773
(b) Other operating activities		
Income tax paid	(45,726)	(34,436)
Marketing and administrative expenses paid	(487,629)	(379,134)
Other operating receipts	59,675	5,430
Loans advanced	1,952	(11,179)
Loan repayments received	-	496
Net cash outflow on other operating activities	(471,728)	(418,823)
Total cash inflow from / (outflow on) all operating activities	1,329,013	(327,050)
Investment activities		
Profit / return received	824,559	477,822
Dividend received	16,526	12,189
Payment for investments	(10,486,620)	(8,989,045)
Proceeds from disposal of investments	7,792,067	11,470,710
Proceeds from disposals of fixed assets	13,682	(5,649)
Capital work in progress	(3,117)	-
Fixed capital expenditure	(23,658)	(22,076)
Total cash inflow from investing activities	(1,866,561)	2,943,951
Financing activities		
Dividends paid	-	-
Total cash outflow on financing activities	-	-
Net cash inflow from / (outflow on) all activities	(537,548)	2,616,901
Cash and cash equivalents at beginning of the period	2,902,409	3,767,513
Cash and cash equivalents at end of the period	13.2 2,364,862	6,384,414
Reconciliation to the profit and loss account		
Operating cash flows	1,329,013	(327,050)
Depreciation and amortisation expenses	(31,282)	(28,656)
Gain on disposal of fixed assets	10,200	(203)
Increase in assets other than cash	(7,896)	17,333
Decrease / (increase) in liabilities	(2,475,567)	(93,706)
Investment income	1,194,391	451,793
Profit received on bank deposits	23,732	2,711
Profit after taxation	42,591	22,222

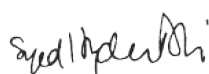
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Chairman



Director



Director



Chief Executive Officer



Chief Financial Officer

IGI LIFE INSURANCE LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE QUARTER AND THREE MONTHS ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

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

2 BASIS OF PREPARATION

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

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

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

2.1 Statement of compliance

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

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

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

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

3 BASIS OF MEASUREMENT

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

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2024. However, the Securities and Exchange Commission of Pakistan through S.R.O. 1715 (1)/2023 has directed companies engaged in insurance and reinsurance business for application of IFRS 17 for periods beginning on or after January 1, 2026.

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

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

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

7 INSURANCE AND FINANCIAL RISK MANAGEMENT

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

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

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

8.1 Fair value of financial assets as at March 31, 2024 and change in the fair values during the three months ended March 31, 2024:

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
----- Rupees in 000 -----			
<i>Pakistan Investment Bonds - available for sale (refer note 11)</i>			
Opening fair value		4,553,588	4,775,838
Additions during the period		221,340	(236,394)
Increase / (decrease) in fair value		32,815	14,144
Closing fair value		<u>4,807,743</u>	<u>4,553,588</u>
<i>Market Treasury Bills - available for sale (refer note 11)</i>			
Opening fair value		10,023,616	6,808,483
Disposals during the period		1,595,235	3,178,293
Increase / (decrease) in fair value		(35,655)	36,840
Closing fair value		<u>11,583,196</u>	<u>10,023,616</u>
<i>GOP Ijarah Sukuk - available for sale (refer note 11)</i>			
Opening fair value		411,294	278,074
Disposals during the period		80,194	125,162
Increase / (decrease) in fair value		(5,894)	8,058
Closing fair value		<u>485,594</u>	<u>411,294</u>
<i>Debt Securities - available for sale (refer note 12)</i>			
Opening fair value		299,990	600,000
Additions / disposals during the period		-	(300,010)
Increase / (decrease) in fair value		-	-
Closing fair value		<u>299,990</u>	<u>299,990</u>
Financial assets that do not meet the SPPI criteria			
<i>Mutual funds - available for sale (refer note 10)</i>			
Opening fair value		8,189,645	6,039,945
Additions during the period		1,436,235	775,070
Increase / (decrease) in fair value		(901,911)	1,374,629
Closing fair value		<u>8,723,970</u>	<u>8,189,644</u>
9 PROPERTY AND EQUIPMENT			
Tangible assets (including right-of-use-assets)		151,853	168,905
Capital work-in-progress		4,182	3,392
		<u>156,035</u>	<u>172,297</u>
Intangible assets		354,808	346,542
	9.1	<u>510,843</u>	<u>518,839</u>

	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
----- Rupees in 000 -----			
9.1	Opening net book value	511,633	525,082
	Add: additions during the period / year		
	- Leasehold improvements	400	5,930
	- Furniture and fixtures	-	222
	- Office equipment	1,153	1,285
	- Computer equipment	1,963	4,783
	- Motor vehicles - owned	-	21,183
	- Right-of-use assets	-	15,400
	- Software and licenses	20,142	81,532
		23,658	130,335
	Less: net book value of disposals		
	- Leasehold improvements	43	911
	- Furniture and fixtures	-	2,399
	- Office equipment	-	2,039
	- Computer equipment	9	16
	- Motor vehicles - owned	-	472
	- Right-of-use assets	3,430	11,302
		3,482	17,139
	Less: depreciation and amortisation for the period / year	31,282	126,645
	Closing net book value	500,527	511,633
	Add: capital work-in-progress		
	- Advance against civil works	4,182	3,392
	- Advance against software	6,134	3,814
		510,843	518,839

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

10 INVESTMENTS IN EQUITY SECURITIES

Available for sale

Mutual Funds	8,352,966	8,723,970	371,003	6,916,731	8,189,645	1,272,914
	<u>8,352,966</u>	<u>8,723,970</u>	<u>371,003</u>	<u>6,916,731</u>	<u>8,189,645</u>	<u>1,272,914</u>

11 INVESTMENTS IN GOVERNMENT SECURITIES

Available for sale

Pakistan Investment Bonds	11.1 & 11.2	5,106,882	4,807,743	(299,139)	4,885,542	4,553,588	(331,954)
Market Treasury Bills	11.3	11,599,619	11,583,196	(16,423)	10,004,384	10,023,616	19,232
GOP Ijarah Sukuk	11.4	484,500	485,594	1,094	404,306	411,294	6,988
		<u>17,191,001</u>	<u>16,876,533</u>	<u>(314,468)</u>	<u>15,294,232</u>	<u>14,988,498</u>	<u>(305,734)</u>

- 11.1 The effective yield on Pakistan Investment Bonds ranges from 7.5% to 21.86% (December 31, 2023: 7.50% to 23.57%) per annum. The market yield ranges from 15.71% to 21.75% (December 31, 2023: 15.79% to 21.36%) per annum. These are due to mature by August, 2029.
- 11.2 The Company has deposited 5 years Pakistan Investment Bonds having face value amounting to Rs. 193 million (December 31, 2023: Rs. 193 million) with the State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.
- 11.3 The effective yield on Market Treasury Bills ranges from 19.995% to 22.95% (December 31, 2023: 21.00% to 22.95%) per annum. The market yield ranges from 20.63% to 22.00% (December 31, 2023: 21.29% to 21.49%) per annum. These are due to mature by Mar, 2025.
- 11.4 The effective yield on GOP Ijarah Sukuk ranges from 18.395% to 21.14% (December 31, 2023: 20.33% to 23.71%) per annum and are due to mature by April, 2025.

12 INVESTMENTS IN DEBT SECURITIES

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

12.1 The effective yield on term finance certificates ranges from 22.35% to 23.58% (December 31, 2023: 22.94% to 24.47%) per annum.

12.2 The effective yield on Corporate Sukkuk ranges from 17.06% to 19.44% (December 31, 2023: 17.06% to 18.45%) per annum.

13 CASH AND BANK	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
----- Rupees in 000 -----			
Cash in hand		820	535
Cash at bank			
- Savings accounts	13.1	592,908	341,934
		<u>593,728</u>	<u>342,469</u>

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

13.2 Cash and cash equivalents	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
----- Rupees in 000 -----			
Cash and bank balances	13	593,728	342,469
Treasury Bills (with original maturity of less than 3 months)		1,771,134	2,559,940
		<u>2,364,862</u>	<u>2,902,409</u>

14 INSURANCE LIABILITIES	Note	(Un-audited)	(Audited)
		March 31, 2024	December 31, 2023
----- Rupees in 000 -----			
Incurring but not reported claims		151,173	151,173
Investment component of unit-linked and account value policies		16,261,693	14,210,116
Liabilities under individual conventional insurance contracts		6,537,489	6,518,733
Liabilities under group insurance contracts		756,680	438,498
Other insurance liabilities		1,326,885	1,086,316
Ledger account A and B		734,803	662,384
		<u>25,768,723</u>	<u>23,067,220</u>

15 CONTINGENCIES AND COMMITMENTS

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

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

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

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

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

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

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

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

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

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

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

Had the sales tax liability on life insurance and health insurance premium been recorded, the profit after tax would have decreased by Rs. 643.281 million (December 31, 2023: Rs 539.619 million) while sales tax liability as at March 31, 2024 would have been higher by Rs. 1054.558 million (December 31, 2023: Rs 884.621 million).

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

16 **NET PREMIUM / CONTRIBUTION REVENUE**

Gross premiums / contribution:

Regular premium / contribution individual policies*

	March 31, 2024	March 31, 2023
First year	161,266	278,543
Second year renewal	182,852	232,275
Subsequent year renewal	458,597	424,731

Single premium / contribution individual policies	1,522,953	136,534
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Group policies without cash value	922,846	706,495
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Total gross premiums / contribution

3,248,514	1,778,578
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Less: reinsurance premium / contribution ceded

On individual life first year business	9,829	7,999
On individual life second year business	6,329	5,283
On individual life renewal business	16,212	12,154
On single premium policies	393	3,375
On individual accident and health first year	1,022	907
On group policies	63,810	60,896
Less: commission from reinsurers	(3)	-
	97,592	90,614

Net premium / contribution

3,150,922	1,687,964
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* Individual policies are those underwritten on an individual basis and include joint life policies underwritten as such.

-----**(Un-audited)**-----
For the three months ended
March 31, March 31,
2024 2023
 -----**Rupees in 000**-----

		------(Un-audited)-----	
		For the three months ended	
		March 31,	March 31,
		2024	2023
		-----Rupees in 000-----	
17	INVESTMENT INCOME		
	Return on government securities	734,225	447,675
	Amortisation of discount	16,120	11,245
	Dividend income	16,526	12,189
	Profit on term deposit receipts	-	-
	Profit on debt securities	17,454	20,918
		<u>784,325</u>	<u>492,027</u>
18	NET INSURANCE BENEFITS		
	Gross claims		
	Claims under individual policies		
	By death	36,113	78,212
	By maturity	3,360	2,247
	By surrender	722,378	792,019
	Total gross individual policy claims	<u>761,851</u>	<u>872,478</u>
	Claims under group policies		
	by death	71,463	85,496
	by insured event other than death	232,402	203,148
	experience refund	15,000	38,000
	Total gross group policy claims	<u>318,865</u>	<u>326,644</u>
	Total gross policy claims	<u>1,080,716</u>	<u>1,199,122</u>
	Less: reinsurance recoveries		
	On individual life claims	12,743	28,239
	On group life claims	8,394	16,512
		<u>21,137</u>	<u>44,751</u>
	Net insurance benefit expense	<u>1,059,579</u>	<u>1,154,371</u>
19	ACQUISITION EXPENSES		
	Remuneration to insurance intermediaries		
	on individual policies:		
	- Commission on first year premiums / contribution	59,350	106,772
	- Commission on second year premiums / contribution	11,246	14,101
	- Commission on subsequent renewal premiums / contribution	13,315	13,319
	- Commission on single premiums / contribution	13,902	4,128
	- Other benefits to insurance intermediaries	145,107	149,300
		<u>242,919</u>	<u>287,620</u>
	Remuneration to insurance intermediaries on group policies:		
	- Commission	35,414	44,973
	- Other benefits to insurance intermediaries	580	578
		<u>35,994</u>	<u>45,551</u>
	Branch overheads:		
	- Salaries and other benefits	35,176	38,982
	- Other operational cost	88,039	70,587
		<u>123,215</u>	<u>109,569</u>
	Other acquisition cost :		
	- Policy stamps	2,740	5,328
		<u>404,868</u>	<u>448,068</u>

	------(Un-audited)-----	
	For the nine months ended	
	March 31, 2024	March 31, 2023
	-----Rupees in 000-----	
20	MARKETING AND ADMINISTRATION EXPENSES	
Salaries, allowances & other benefits	105,607	87,555
Travelling expenses	7,865	4,301
Directors fees	2,276	2,152
Regulators fee	3,466	3,404
Actuary's fees	3,254	3,402
Legal and professional charges	2,630	1,141
Advertisement and publicity	1,436	10,045
Printing and stationery	699	(2)
Depreciation and amortisation	31,282	28,657
Rentals	2,533	7,832
Vehicles and general repair and maintenance	4,794	2,011
Utilities-electricity, water and gas	1,217	2,781
Transportation	3,148	613
Communication	3,895	1,250
Consultancy fee	1,099	1,889
Training and workshop	4,816	697
Insurance	952	600
Interest on premium deposit in advance	109	116
Social security	434	334
Entertainment	3,143	3,612
Provision for Sindh WWF	1,023	-
Miscellaneous expenses	5,968	4,322
	<u>191,646</u>	<u>166,712</u>
21	OTHER EXPENSES	
Auditors' remuneration	<u>2,397</u>	<u>2,374</u>
22	TAXATION	

As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the three months ended March 31, 2024, the shareholder's fund reflected a profit before tax of Rs. 34.977 million resulting in current tax amounting to Rs.10.143 million.

The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in profit and loss account on aggregate basis. Therefore the Company has recognised deferred tax of Rs. 532.905 million (December 31, 2023: Rs. 540.881 million) in this respect.

		-----Un-audited-----	
		Three months ended	
23 EARNINGS PER SHARE		March 31, 2024	March 31, 2023
		-----Rupees in 000-----	
Basic / diluted earning per share			
Profit for the period		42,591	22,222
-----No of shares-----			
Weighted average number of ordinary shares		170,567,200	170,567,200
----- (Rupees)-----			
Earning per share		0.25	0.13

24 SEGMENT INFORMATION

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

24.1 Revenue account by statutory funds

(Un-audited)												
For the three months ended March 31 2024												
Life (Participating)	CONVENTIONAL - STATUTORY FUNDS					TAKAFUL - STATUTORY FUNDS					Total	
	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health		
	Individual	Group		Individual	Group							
----- Rupees in '000 -----												
INCOME												
Premiums / contribution less reinsurances / retakaful	2,460	190,446	217,283	1,554,542	1,733	576,107	14,150	542,629	73	14,645	36,851	3,150,919
Net investment income	113,201	263,232	16,274	408,992	25	-	14,445	328,809	-	3,008	5,197	1,153,183
Other income - net	2,605	5,581	31,611	18,111	19	11,211	945	19,284	9	208	490	90,074
Total net income	118,266	459,259	265,168	1,981,645	1,777	587,318	29,540	890,722	82	17,861	42,538	4,394,176
CLAIMS AND EXPENDITURE												
Claims, including bonuses, net of reinsurance recoveries	69,525	149,348	77,569	276,153	-	213,523	-	254,082	-	500	18,879	1,059,579
Management expenses less recoveries	6,106	73,401	34,537	175,836	4,653	80,159	-	201,681	287	5,123	12,635	594,418
Total claims and expenditure	75,631	222,749	112,106	451,989	4,653	293,682	-	455,763	287	5,623	31,514	1,653,997
Excess / (shortage) of income over claims and expenditure	42,635	236,510	153,062	1,529,656	(2,876)	293,636	29,540	434,959	(205)	12,238	11,024	2,740,179
Add: Policyholders' liabilities at beginning of the period	1,613,859	5,440,758	182,213	7,660,369	19,947	322,881	421,751	6,776,244	2,259	(35,244)	(201)	22,404,836
Less: Policyholders' liabilities at end of the period	(1,584,075)	(5,685,229)	(244,681)	(9,239,597)	(19,947)	(569,982)	(450,347)	(7,259,118)	(1,969)	25,665	(4,640)	(25,033,920)
Movement in policyholders' liabilities	29,784	(244,471)	(62,468)	(1,579,228)	-	(247,101)	(28,596)	(482,874)	290	(9,579)	(4,841)	(2,629,084)
Surplus / (deficit) before tax	72,419	(7,961)	90,594	(49,572)	(2,876)	46,535	944	(47,915)	85	2,659	6,183	111,095
Taxation	-	2,850	(27,111)	15,355	892	(14,425)	(292)	15,503	(26)	(117)	(605)	(7,976)
Surplus / (deficit) after tax	72,419	(5,111)	63,483	(34,217)	(1,984)	32,110	652	(32,412)	59	2,542	5,578	103,119
Movement in policyholders' liabilities	(29,784)	244,471	62,468	1,579,228	-	247,101	28,596	482,874	(290)	9,579	4,841	2,629,084
Transfers (to) or from shareholders' fund												
- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	108,349	-	-	-	108,349
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	-	-	-
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	-	-	-
- Capital returned to shareholder's fund	-	-	(150,000)	-	-	-	-	-	-	-	-	(150,000)
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	(150,000)	-	-	-	-	108,349	-	-	-	(41,651)
Balance of statutory fund at beginning of the period	2,276,243	5,925,609	442,476	7,535,045	6,128	467,057	435,751	6,525,474	7,354	13,762	77,551	23,712,450
Balance of statutory fund at end of the period	2,318,878	6,164,969	418,427	9,080,056	4,144	746,268	464,999	7,084,285	7,123	25,883	87,970	26,403,002

Represented by:

Capital contributed by shareholders' fund
 Policyholders' liabilities / PTF
 Retained earnings attributable to policyholders
 (Ledger Account A)
 Retained earnings on par business attributable
 to shareholders - undistributable (Ledger Account B)
 Retained earnings on other than
 participating business (Ledger Account D) / PTF
 Revaluation surplus / (deficit) on revaluation
 of available for sale investments

-	-	-	691,392	49,014	161,147	6,000	706,399	4,095	42,200	155,889	1,816,136
1,584,075	5,685,229	244,681	9,239,597	19,947	569,982	450,347	7,259,118	1,969	(25,665)	4,640	25,033,920
686,345	-	-	-	-	-	-	-	-	-	-	686,345
48,458	-	-	-	-	-	-	-	-	-	-	48,458
-	476,307	173,751	(850,904)	(64,816)	15,139	8,652	(886,412)	1,059	4,995	(81,164)	(1,203,393)
-	3,433	(5)	(29)	(1)	-	-	5,180	-	4,353	8,605	21,536

BALANCE OF STATUTORY FUND

2,318,878	6,164,969	418,427	9,080,056	4,144	746,268	464,999	7,084,285	7,123	25,883	87,970	26,403,002
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(Un-audited)											
For the three months ended March 31, 2023											
Life (Participating)	CONVENTIONAL - STATUTORY FUNDS					TAKAFUL - STATUTORY FUNDS				Total	
	Life (Non-participating)		Investment Linked	Accident & Health		Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family		Group Health
	Individual	Group		Individual	Group						

Rupees in '000

INCOME

Premiums/contribution less reinsurances/retakaful
 Net investment income
 Other income - net
Total net income

3,349	167,813	190,866	416,542	2,031	427,353	9,796	452,473	157	282	17,302	1,687,964
51,781	77,854	(5,230)	171,248	3	-	5,938	126,644	-	310	1,057	429,605
2,277	3,730	130	197	4	5,073	697	1,795	2	28	64	13,997
57,407	249,397	185,766	587,987	2,038	432,426	16,431	580,912	159	620	18,423	2,131,566

CLAIMS AND EXPENDITURE

Claims, including bonuses, net of reinsurance recoveries
 Policy transfers to other statutory funds
 Management expenses less recoveries
Total claims and expenditure

57,939	202,564	103,345	347,891	1,057	193,407	-	234,788	-	3,639	9,741	1,154,371
5,122	86,481	36,998	177,595	4,239	69,932	-	210,190	462	8,814	13,917	613,750
63,061	289,045	140,343	525,486	5,296	263,339	-	444,978	462	12,453	23,658	1,768,121

Excess / (shortage) of Income over claims and expenditure

(5,654)	(39,648)	45,423	62,501	(3,258)	169,087	16,431	135,934	(303)	(11,833)	(5,235)	363,445
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Add: Policyholders' liabilities at beginning of the period
 Less: Policyholders' liabilities at end of the period
 Movement in policyholders' liabilities

1,562,449	5,092,807	165,940	5,472,909	17,861	302,137	355,811	4,719,947	3,291	(30,717)	(19,185)	17,643,250
(1,541,242)	(4,999,804)	(195,228)	(5,616,380)	(17,861)	(409,871)	(371,545)	(4,890,524)	(3,103)	42,211	18,224	(17,985,123)
21,207	93,003	(29,288)	(143,471)	-	(107,734)	(15,734)	(170,577)	188	11,494	(961)	(341,873)

Surplus / (deficit) before tax

Taxation

Surplus / (deficit) after tax

15,553	53,355	16,135	(80,970)	(3,258)	61,353	697	(34,643)	(115)	(339)	(6,196)	21,572
-	(15,535)	(8,475)	23,511	946	(17,792)	(202)	11,234	(106)	64	1,979	(4,376)
15,553	37,820	7,660	(57,459)	(2,312)	43,561	495	(23,409)	(221)	(275)	(4,217)	17,196

Movement in policyholders' liabilities

(21,207)	(93,003)	29,288	143,471	-	107,734	15,734	170,577	(188)	(11,494)	961	341,873
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Transfers (to) or from shareholders' fund

- Capital contributions from shareholders' fund
 - Qard-e-Hasna from Operators' Sub Fund to PTF
 - Qard-e-Hasna received from PTF to Operators' Sub Fund
 - Capital returned to shareholder's fund
 - Surplus appropriated to shareholders' fund

-	-	-	-	1,000	-	-	-	-	6,000	-	8000
-	-	-	-	-	-	-	-	-	(6,000)	-	(6,000)
-	-	-	-	-	-	-	-	-	6,000	-	6,000
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	1,000	-	-	-	-	6,000	-	8,000

Balance of statutory fund at beginning of the period

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

2,072,570	5,579,879	351,551	5,454,354	(443)	443,538	383,865	4,663,976	7,641	1,896	42,394	19,002,221
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Represented by:

Capital contributed by shareholders' fund	-	-	150,000	584,831	43,000	32,057	6,000	556,148	4,095	42,200	151,554	1,569,885
Policyholders' liabilities / PTF	1,541,242	4,999,804	195,228	5,616,380	17,861	409,871	371,545	4,890,524	3,103	(42,211)	(18,224)	17,985,123
Retained earnings attributable to policyholders (Ledger Account A)	497,531	-	-	-	-	-	-	-	-	-	-	497,531
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	33,797	-	-	-	-	-	-	-	-	-	-	33,797
Retained earnings on other than participating business (Ledger Account D) / PTF	-	596,473	7,283	(741,639)	(61,151)	1,610	6,320	(777,449)	582	2,337	(90,798)	(1,056,432)
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(16,398)	(960)	(5,218)	(153)	-	-	(4,247)	(139)	(430)	(138)	(27,683)
BALANCE OF STATUTORY FUND	2,072,570	5,579,879	351,551	5,454,354	(443)	443,538	383,865	4,663,976	7,641	1,896	42,394	19,002,221

24.2 Condensed Interim Statement of Financial Position by Segment

	----- Un-audited ----- March 31, 2024			----- Audited ----- December 31, 2023		
	Shareholders Fund	Statutory Funds	Total	Shareholders Fund	Statutory Funds	Total
	----- Rupees in 000 -----			----- Rupees in 000 -----		
Assets						
Property and equipment	23,820	132,215	156,035	20,300	151,997	172,297
Intangible assets	6,141	348,667	354,808	-	346,542	346,542
Investments						
Mutual funds	-	8,723,970	8,723,970	-	8,189,645	8,189,645
Government securities	324,786	16,551,747	16,876,533	320,132	14,668,366	14,988,498
Debt securities	-	299,990	299,990	-	299,990	299,990
Loans secured against life insurance policies	-	200,660	200,660	-	195,945	195,945
Insurance / takaful / reinsurance / retakaful receivables	-	454,600	454,600	-	306,061	306,061
Other loans and receivables	81,872	412,767	494,639	52,770	480,841	533,611
Taxation - payments less provision	757,922	-	757,922	722,339	-	722,339
Deferred tax asset - net	540,282	-	540,282	552,892	-	552,892
Prepayments	10,955	47,258	58,213	2,208	35,536	37,744
Cash and bank	820	592,908	593,728	535	341,934	342,469
Total assets	1,746,598	27,764,782	29,511,380	1,671,176	25,016,857	26,688,033
Liabilities						
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	-	25,768,723	25,768,723	-	23,067,220	23,067,220
Outstanding claims	-	578,201	578,201	-	570,344	570,344
Retirement benefit obligations	29,679	-	29,679	29,679	-	29,679
Premium received in advance	-	140,035	140,035	-	95,532	95,532
Reinsurance / retakaful payables	-	218,057	218,057	-	171,697	171,697
Other creditors and accruals	314,383	435,810	750,193	309,867	466,832	776,699
Liabilities against right-of-use assets	25,884	-	25,884	30,387	-	30,387
Total liabilities	369,946	27,140,826	27,510,772	369,933	24,371,625	24,741,557

25 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Company, associated companies, retirement benefit funds, directors and key management personnel of the Company. Remuneration to the key personnel is determined in accordance with the terms of their appointments. All transactions involving related parties arise in the normal course of business. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

25.1 The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the condensed interim financial statements are as follows:

------(Un-audited)-----							
For the three months ended March 31							
Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
2024	2023	2024	2023	2024	2023	2024	2023

----- (Rupees in '000) -----

Transactions

Premium underwritten	-	556	-	-	-	108,497	1,945
Premium paid for general insurance	-	-	-	-	-	1,150	850
Claims paid	486	313	-	-	-	21,203	22,217
Charge for administrative services received	1,500	1,500	-	-	-	22,870	32,146
Charge for administrative services provided	25	-	-	-	-	19,626	5,811
Rent expense	-	-	-	-	-	6,538	7,385
Remuneration paid	-	-	-	-	112,899	51,888	-
Charged in respect of employees gratuity fund	-	-	4,749	4,361	-	-	-
Charge in respect of provident fund	-	-	2,610	2,219	-	-	-

Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
2024	2023	2024	2023	2024	2023	2024	2023
(un-audited)	(audited)	(un-audited)	(audited)	(un-audited)	(audited)	(un-audited)	(audited)

----- (Rupees in '000) -----

Balances

(Receivable) / payable for group shared services	6,992	5,517	-	-	-	34,296	57,755
Premium receivable	-	-	-	-	-	11,968	352
Payable to employee gratuity fund	-	-	29,679	29,679	-	-	-
Payable to employee provident fund	-	-	4,324	3,147	-	-	-

26 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

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

Fair value of investments is determined as follows:

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

26.1 Fair value hierarchy

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

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

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

-----Un-audited-----			
As at March 31, 2024			
Level 1	Level 2	Level 3	
----- Rupees in 000 -----			
Assets carried at fair value			
Available-for-sale investments	-	25,900,493	-

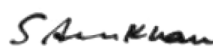

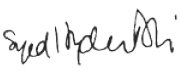


-----Audited-----			
As at December 31, 2023			
Level 1	Level 2	Level 3	
----- Rupees in 000 -----			
Assets carried at fair value			
Available-for-sale investments	-	23,478,133	-

27 GENERAL

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

28 DATE OF AUTHORISATION FOR ISSUE

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

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI

Life | Window Takaful Operations



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

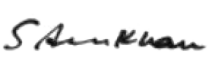
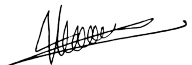
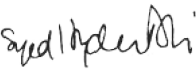


**For the quarter and three months
ended March 31, 2024**

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2024

	As at			As at
	March 31, 2024			December 31, 2023
	Operator sub fund	Policyholders fund	Total	Total
Note	----- Rupees in 000 -----			
Assets				
Property and equipment	35,649	-	35,649	41,103
Investments				
Mutual funds	633,008	6,448,972	7,081,980	6,570,887
Government Securities	-	228,754	228,754	168,747
Listed Securities	-	-	-	-
Term deposits	-	-	-	-
	633,008	6,677,726	7,310,734	6,739,634
Takaful / retakaful receivables	-	38,476	38,476	15,639
Other loans and receivables	72,984	-	72,984	82,815
Taxation - payments less provision	-	-	-	-
Deferred tax asset - net	-	-	-	-
Prepayments	9,723	-	9,723	9,871
Cash and bank	-	3,992	3,992	33,756
Total assets	751,364	6,720,194	7,471,558	6,922,818
Equity and liabilities				
Equity and reserves				
Waqf Ceded Money	-	500	500	500
Capital contributed	908,083	-	908,083	799,734
Ledger account C & D	(961,522)	-	(961,522)	(928,680)
Surplus / (deficit) on revaluation of available for sale investments	18,139	-	18,139	9,530
Total equity	(35,300)	500	(34,800)	(118,916)
Liabilities				
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]	40,145	7,199,916	7,240,061	6,743,057
Outstanding claims	-	147,585	147,585	129,259
Contribution received in advance	-	27,910	27,910	25,750
Takaful / retakaful payables	-	41,940	41,940	56,948
Other creditors and accruals	48,862	-	48,862	86,720
Interfund receivable / (payable)	697,657	(697,657)	-	-
Lease liability against right-of-use assets	-	-	-	-
Total liabilities	786,664	6,719,694	7,506,358	7,041,734
Total equity and liabilities	751,364	6,720,194	7,471,558	6,922,818
Contingencies and commitments				

9


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

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2024**

	Note	March 31, 2024			March 31, 2023		
		Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
		Rupees in 000					
Contribution revenue	10	-	612,239	612,239	-	491,857	491,857
Less: wakala fee recognised		61,683	(61,683)	-	124,306	(124,306)	-
		61,683	550,556	612,239	124,306	367,551	491,857
Less: contribution ceded to retakaful operators	10	-	18,038	18,038	-	21,643	21,643
Net contribution revenue		61,683	532,518	594,201	124,306	345,908	470,214
Investment income		633	33,613	34,246	428	24,077	24,505
Net realised fair value gains / (losses) on financial assets		(26)	34,015	33,989	-	12,973	12,973
Takaful operator fee income		49,347	(49,347)	-	44,297	(44,297)	-
Other income - net		19,129	862	19,991	1,889	-	1,889
		69,083	19,143	88,226	46,614	(7,247)	39,367
Net income		130,766	551,661	682,427	170,920	338,661	509,581
Takaful benefits		-	283,765	283,765	-	253,619	253,619
Recoveries from retakaful operators		-	(10,304)	(10,304)	-	(5,451)	(5,451)
Net takaful benefits	11	-	273,461	273,461	-	248,168	248,168
		130,766	278,200	408,966	170,920	90,493	261,413
Change in takaful liabilities (including profit retained in waqf fund)		(41,366)	278,200	236,834	(16,564)	90,493	73,929
Acquisition expenses	12	166,030	-	166,030	183,711	-	183,711
Marketing and administration expenses		53,699	-	53,699	49,670	-	49,670
Total expenses		178,363	278,200	456,563	216,817	90,493	307,310
Loss before tax attributable to Operator		(47,597)	-	(47,597)	(45,897)	-	(45,897)
Taxation		(14,755)	-	(14,755)	(13,167)	-	(13,167)
Loss after tax attributable to Operator		(32,842)	-	(32,842)	(32,730)	-	(32,730)

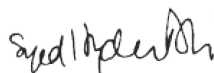
The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.



Chairman



Director



Director



Chief Executive Officer








Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2024

	March 31, 2024			March 31, 2023		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	-----Rupees in 000-----					
Loss after tax attributable to Operator	(32,842)	-	(32,842)	(32,730)	-	(32,730)
Other comprehensive income						
Change in unrealised (loss) / gains on available-for-sale financial assets - net of tax	8,609	260,170	268,779	4,608	85,925	90,533
Change in takaful liabilities - net	-	(260,170)	(260,170)	-	(85,925)	(85,925)
Other comprehensive income for the period	8,609	-	8,609	4,608	-	4,608
Total comprehensive loss for the period attributable to Operator	(24,233)	-	(24,233)	(28,122)	-	(28,122)

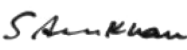

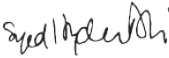


The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

				
<hr style="width: 80%; margin: 0 auto;"/> Chairman	<hr style="width: 80%; margin: 0 auto;"/> Director	<hr style="width: 80%; margin: 0 auto;"/> Director	<hr style="width: 80%; margin: 0 auto;"/> Chief Executive Officer	<hr style="width: 80%; margin: 0 auto;"/> Chief Financial Officer

**IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2024**

Note	For The three months ended March 31,	
	2024	2023
-----Rupees in 000-----		
Operating Cash flows		
(a) Underwriting activities		
Premiums received net of policy transfers - net of retakaful	588,485	443,469
Claims paid - net of retakaful recoveries	(8,762)	(23,494)
Surrenders paid	(246,373)	(228,346)
Commissions paid	(68,386)	(80,623)
Net cash inflow from underwriting activities	264,964	111,006
(b) Other operating activities		
Payment for expenses	(160,692)	(161,702)
Other operating receipts	15,022	69
Inter fund transactions	-	(698,043)
Net cash outflow on other operating activities	(145,670)	(859,676)
Total cash outflow on all operating activities	119,294	(748,670)
Investment activities		
Profit / return received	17,520	21,903
Dividend received	11,412	7,013
Payments (made) / received on investments	(177,990)	664,114
Fixed capital expenditure	-	-
Total cash inflow from / (outflow on) investing activities	(149,058)	693,030
Net cash (outflow on) / inflow from all activities	(29,764)	(55,640)
Cash and cash equivalents at beginning of period	33,756	98,014
Cash and cash equivalents at end of period	3,992	42,374
Reconciliation to Profit and Loss Account		
Operating cash flows	119,294	(748,670)
Depreciation and amortisation expenses	9,201	9,524
Increase in assets other than cash	(12,729)	740,978
Decrease in liabilities	(236,834)	(73,929)
Investment income and other income	83,257	37,547
Profit received on bank deposits	4,969	1,820
Loss after taxation	(32,842)	(32,730)

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

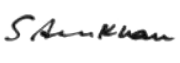

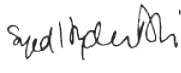
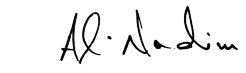

				
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2024

	Attributable to equity holders of the Company				Total
	Capital contributed	Waqf Ceded Money	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments **	
	-----Rupees in 000-----				
Balance as at December 31, 2022	746,497	500	(832,735)	(9,424)	(95,162)
Total comprehensive income / (loss)					
Loss for the three months ended March 31, 2023	-	-	(32,730)	-	(32,730)
Other comprehensive income for the three months ended March 31, 2023	-	-	-	4,608	4,608
	-	-	(32,730)	4,608	(28,122)
Capital Contributed	6,000	-	-	-	6,000
Balance as at March 31, 2023	<u>752,497</u>	<u>500</u>	<u>(865,465)</u>	<u>(4,816)</u>	<u>(117,284)</u>
Total comprehensive income / (loss)					
Loss for the nine months ended December 31, 2023	-	-	(63,215)	-	(63,215)
Other comprehensive income for the nine months ended December 31, 2023	-	-	-	14,346	14,346
	-	-	(63,215)	14,346	(48,869)
Transactions with owners recorded directly in equity					
Capital Contributed	47,237	-	-	-	47,237
Balance as at December 31, 2023	<u>799,734</u>	<u>500</u>	<u>(928,680)</u>	<u>9,530</u>	<u>(118,916)</u>
Total comprehensive income / (loss)					
Loss for the three months ended March 31, 2024	-	-	(32,842)	-	(32,842)
Other comprehensive income for the three months ended March 31, 2024	-	-	-	8,609	8,609
	-	-	(32,842)	8,609	(24,233)
Transactions with owners recorded directly in equity					
Capital Contributed	108,349	-	-	-	108,349
Balance as at March 31, 2024	<u><u>908,083</u></u>	<u><u>500</u></u>	<u><u>(961,522)</u></u>	<u><u>18,139</u></u>	<u><u>(34,800)</u></u>

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

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

 Chairman	 Director	 Director	 Chief Executive Officer	 Chief Financial Officer
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IGI LIFE INSURANCE LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

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

2 BASIS OF PREPARATION

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

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

2.1 Statement of compliance

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

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

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

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

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

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

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

3 BASIS OF MEASUREMENT

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

4 FUNCTIONAL AND PRESENTATION CURRENCY

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

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

7 TAKAFUL FINANCIAL AND RISK MANAGEMENT

The Company's takaful risk management objectives and policies are consistent with those disclosed in the condensed Interim Financial statements as at and for the three months ended March 31, 2024.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

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

9 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at March 31, 2024. There were no other material contingencies and commitments as at March 31, 2024.

10 NET CONTRIBUTION REVENUE	(Un-audited)	
	For the three months ended March, 31	
	2024	2023
	---- (Rupees in '000) ----	
Gross contribution:		
Regular contribution individual policies*		
First year	66,292	130,843
Second year renewal	240,989	196,032
Subsequent year renewal	81,700	134,767
Single contribution individual policies	170,800	5,380
Group policies without cash value	52,458	24,835
Total gross contribution	612,239	491,857
Less: retakaful contribution ceded		
On individual life first year business	4,123	3,632
On individual life second year business	4,660	3,217
On individual life renewal business	7,733	4,171
On single premium policies	31	2,954
On group policies	1,494	7,669
Commission from reinsurers	(3)	-
	18,038	21,643
Net contribution	594,201	470,214

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

11 NET TAKAFUL BENEFITS	(Un-audited)	
	For the three months ended March, 31	
	2024	2023
	---- (Rupees in '000) ----	
Gross Claims		
Claims under individual policies		
By death	18,013	11,093
By surrender	246,373	228,346
Total gross individual policy claims	264,386	239,439
Claims under group policies		
by death	500	4,439
by insured event other than death	18,879	9,741
experience refund	-	-
Total gross group policy claims	19,379	14,180
Total gross policy claims	283,765	253,619
Less: retakaful recoveries		
On Individual life claims	10,304	4,651
On Group Life claims	-	800
	10,304	5,451
Net takaful benefit expense	273,461	248,168

		(Un-audited)	
		For the three months ended March, 31	
		2024	2023
		---- (Rupees in '000) ----	
12 ACQUISITION EXPENSES			
Remuneration to takaful intermediaries on individual policies:			
- Commission on first year contribution		24,786	47,941
- Commission on second year contribution		3,793	7,650
- Commission on subsequent renewal contribution		6,617	5,492
- Commission on single contribution		2,912	143
- Other benefits to takaful intermediaries		84,634	74,503
		122,742	135,729
Remuneration to takaful intermediaries on group policies:			
- Commission		7,256	12,630
- Other benefits to takaful intermediaries		-	-
		7,256	12,630
Branch overheads :			
- Salaries and other benefits		9,965	11,686
- Other operational cost		24,941	21,163
		34,906	32,849
Other acquisition cost :			
- Policy stamps		1,126	2,503
		166,030	183,711

13 SEGMENT INFORMATION

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

13.1 Participants' Investment Fund (PIF)

----- (Un-audited) -----					
TAKAFUL - STATUTORY FUNDS				Aggregate	
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31, December 31,	
				2024	2023
----- (Rupees in '000) -----					
Income					
Allocated Contribution	516,003	-	-	-	2,016,518
Net Investment Income	297,150	-	-	-	1,271,909
Other Income	862	-	-	-	7,098
Total Net Income	814,015	-	-	-	3,295,525
Less: Claims and Expenditure					
Surrenders / Partial Surrenders	246,373	-	-	-	929,452
Risk Contributions	45,941	-	-	-	189,768
Wakalat-ul-Istismar	23,141	-	-	-	79,325
Policy admin fee	26,206	-	-	-	105,723
	341,661	-	-	-	1,304,268
Excess of Income over Claims and expenditure	472,354	-	-	-	1,991,257
Add: Technical reserves at the beginning	6,596,367	-	-	-	4,605,110
Less: Technical reserves at the end	(7,068,721)	-	-	-	(6,596,367)
	(472,354)	-	-	-	(1,991,257)
Surplus	-	-	-	-	-
Movement in technical reserves	472,354	-	-	-	1,991,257
Balance of PIF at the beginning of the period	6,596,367	-	-	-	4,605,110
Balance of PIF at the end of the period	7,068,721	-	-	-	6,596,367

13.2 Participants' Takaful Fund (PTF)

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31.		For the year ended December 31.
				2024	2023	2023
------(Rupees in '000)-----						
Income						
Contribution net of retakaful	18,232	(290)	9,222	24,136	51,300	138,011
Net investment income	-	-	728	339	1,067	10,947
Other income	-	-	-	-	-	8,915
	18,232	(290)	9,950	24,475	52,367	157,873
Less: Claims and Expenditure						
Claims	7,709	-	500	18,879	27,088	89,725
Wakala fee	-	-	-	-	-	-
	7,709	-	500	18,879	27,088	89,725
Excess of Income over Claims and expenditure	10,523	(290)	9,450	5,596	25,279	68,148
Add : Technical reserves at the beginning	172,498	769	(44,160)	(23,190)	105,917	37,771
Less : Technical reserves at the end	(172,498)	(544)	(6,748)	(45,355)	(225,145)	(138,253)
Add: Deficit retained in technical reserves	-	(225)	46,768	62,948	109,491	115,009
	-	-	(4,140)	(5,597)	(9,737)	14,527
Surplus / (deficit)	10,523	(290)	5,310	(1)	15,542	82,675
Movement in technical reserves	-	-	4,140	5,597	9,737	(14,527)
Qard-e-Hasna contributed by Window Takaful Op	-	-	-	-	-	6,000
Balance of PTF at the beginning of the period	172,499	769	6,987	23,219	203,474	129,326
Balance of PTF at the end of the period	183,022	479	16,437	28,815	228,753	203,474

13.3 Operators' Sub Fund (OSF)

------(Un-audited)-----						
TAKAFUL - STATUTORY FUNDS				Aggregate		
Individual Family	Individual Accidental and Health	Group Family	Group Health	For the three months ended March 31.		For the year ended December 31.
				2024	2023	2023
------(Rupees in '000)-----						
Income						
Allocation fee	43,182	363	5,423	12,715	61,683	603,654
Investment income	31,659	-	2,280	4,858	38,797	(52,282)
Other Income	18,422	9	208	490	19,129	18,821
Wakala fee - PTF	11,159	-	-	-	11,159	60,522
Policy admin fee	26,206	-	-	-	26,206	105,723
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	23,141	-	-	-	23,141	79,325
	153,769	372	7,911	18,063	180,115	815,763
Less: Expenses						
Acquisition cost	123,581	287	1,894	5,362	131,124	647,251
Administration expenses / deferred taxation	62,600	26	3,346	7,878	73,850	235,184
	186,181	313	5,240	13,240	204,974	882,435
Excess of (expenditure)/over income	(32,412)	59	2,671	4,823	(24,859)	(66,672)
Add : Technical reserves at the beginning	7,376	1,490	8,916	22,989	40,771	30,456
Less : Technical reserves at the end	(7,376)	(1,490)	(9,045)	(22,234)	(40,145)	(40,775)
	-	-	(129)	755	626	(10,319)
Deficit	(32,412)	59	2,542	5,578	(24,233)	(76,991)
Movement in technical reserves	-	-	129	(755)	(626)	10,319
Capital Contribution during the period	108,349	-	-	-	108,349	53,237
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	(6,000)
Balance of OSF at the beginning of the period	(243,391)	6,585	6,775	54,332	(175,699)	(156,264)
Balance of OSF at the end of the period	(167,454)	6,644	9,446	59,155	(92,209)	(175,699)
Balance of Family Takaful statutory fund	7,084,289	7,123	25,883	87,970	7,205,265	6,624,142

14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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

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

As at March 31, 2024 the Operator and policyholders held the following financial instruments measured at fair value:

As at March 31, 2024		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	7,310,734	-
As at December 31, 2023		
Level 1	Level 2	Level 3
----- Rupees in '000-----		
Assets carried at fair value		
Available-for-sale investments	6,739,634	-

15 GENERAL

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

16 DATE OF AUTHORISATION FOR ISSUE

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

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer