

August 29, 2024

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

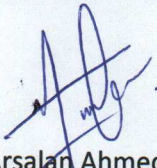
**Subject: Transmission of Half Yearly Report for the Period Ended June 30, 2024**

Dear Sir,

We have to inform you that the Half Yearly Report of the Company for the period ended June 30, 2024 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,



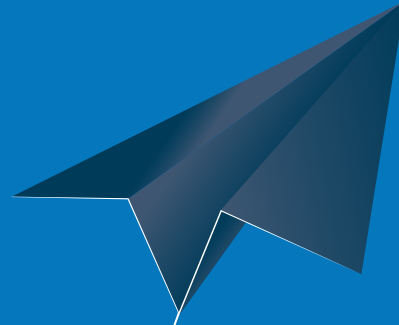
Arsalan Ahmed Khan  
Company Secretary

Encl: As above.

CC: Director/HOD  
Surveillance, Supervision and Enforcement Department  
Securities Exchange Commission of Pakistan  
NIC Building  
63 Jinnah Avenue  
Blue Area Islamabad



Interim Financial Information for the  
**Half Yearly**  
Ended June 30, 2024



Your  
**Trusted**  
Partner

Scan Here



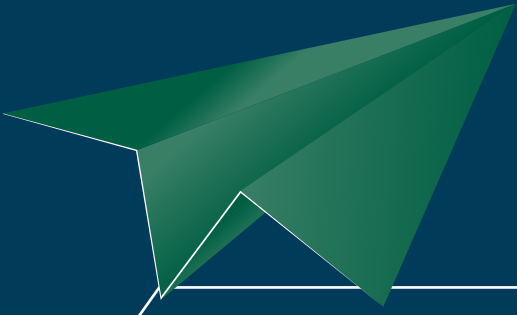
[www.adamjeelife.com](http://www.adamjeelife.com)



# Your **Trusted** Partner

Adamjee Life, backed by the corporate powerhouse Nishat Group, stands out as the epitome of customer-centricity in the insurance industry. With a strong commitment to understanding and meeting the needs of our customers, Adamjee Life has established itself as a trusted partner for individuals and families alike.

By leveraging the expertise of the Nishat Group, Adamjee Life is able to offer innovative insurance solutions that provide peace of mind and financial security to its policyholders. With a focus on building long-term relationships and delivering exceptional service, Adamjee Life continues to set the standard for excellence in the insurance sector, making it the perfect choice for those seeking a reliable and trusted partner for their insurance needs.



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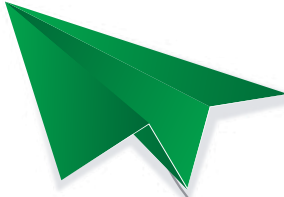
# Vision

To be the most trusted insurance partner

# Mission

Adhere to exemplary sales practices, best in class product packaging and customer engagement





# Core Values



## Value Creation

Create value in everything we do



## Customer Focus

Always keep the customer's interest in mind



## Openness

Foster a culture of trust and transparency



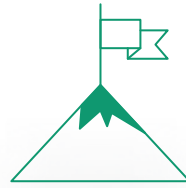
## Respect

Promote mutual respect and inclusiveness

# Strategic Objectives



Attain profitability in direct distribution model



Capitalize strategic partnerships to capture digital space



Create product awareness and its value proposition thus promoting need-based sales



Provide excellence in quality of sales and after sale services



Bring product innovation to strengthen long term value for our customers



Prepare for new lines and territories of business





# Rating of the Company

Outlook: Stable

Rating Agency: PACRA

Rating Date: June 14, 2024

Insurer Financial Strength (IFS) Rating

**A+++**



## Company Information

### Board Of Directors

**S. M. Jawed**  
Chairman

**Imran Maqbool**  
Director

**Mian Umer Mansha**  
Director

**Shahmeer Khalid Butt**  
Director

**Muhammad Ali Zeb**  
Director

**Naz Mansha**  
Director

**Ahmad Alman Aslam**  
Director



## Management

**Manzar Mushtaq**  
Chief Executive Officer

**Jalal Meghani**  
Chief Financial Officer & Deputy Managing Director

**Ali Haider**  
Director Bancassurance,  
Corporate Sales and Marketing

**Absar Azim Burney**  
Head of Direct Distribution

**Zehra Faiz**  
Head of Human Resources

**Amin Nizar**  
Director Actuarial Services and Risk Management

**Sheraz Bukhari**  
Head of Window Takaful Operations

**Athar Chaudhry**  
Director Information Solutions & Technologies

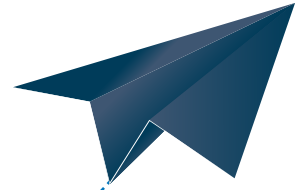
**Dr. Bakht Jamal**  
Director Business Operations and Legal Affairs

## Statutory Positions

**Arsalan Ahmed Khan**  
Company Secretary

**Asif Mirza**  
Head of Compliance

**Samad Ali Naqvi**  
Head of Internal Audit



## Bankers

- Al Baraka Bank (Pakistan) Limited
- Askari Bank Limited
- Bank Alfalah Limited
- BankIslami Pakistan Limited
- Dubai Islamic Bank Limited
- Faysal Bank Limited
- Finca Microfinance Bank Limited
- Silk Bank Limited
- Telenor Microfinance Bank Limited
- U Microfinance Bank Limited
- Standard Chartered Bank (Pakistan) Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- Mobilink Microfinance Bank Limited
- National Bank Of Pakistan
- NRSP Microfinance Bank Limited
- Samba Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- Khushhali Bank Limited
- United Bank Limited

## Address

### HEAD OFFICE

Adamjee Life Assurance Company Limited,  
3rd & 4th Floor, Adamjee House,  
I.I Chundrigar Road, Karachi, Pakistan.

### REGISTERED OFFICE

Adamjee Life Assurance Company  
Limited, Office # 505, 5th Floor,  
Islamabad Stock Exchange Building,  
Blue Area, Islamabad, Pakistan.

# Directors' Review





The Board of Directors of Adamjee Life Assurance Company Limited are pleased to present to the members, the condensed interim financial statements of the Company, for the half year ended on 30th June 2024.

### Financial Highlights:

The highlights for the period under review are as follows

	<b>June 30, 2024 (Un-audited)</b>	December 31, 2023 (Audited)
	----- <b>(Rupees in '000)</b> -----	
Gross Premium	12,059,841	11,247,127
Net Premium	11,753,467	10,948,460
Investment income	10,729,527	5,423,495
Net Benefits paid to and reserved for policyholders	19,288,109	13,701,995
Acquisition & other operating expenses	2,149,512	2,033,000
Profit before tax	1,045,373	636,960
Profit after tax	648,673	421,842
	<b>June 30, 2024 (Un-audited)</b>	December 31, 2023 (Audited)
	----- <b>(Rupees)</b> -----	
Size of Statutory Fund	87,102,540	78,264,502
Shareholders' Equity	4,815,133	4,417,568
Earnings Per Share	2.59	1.69

### Performance Review:

The Company has demonstrated exceptional performance despite the challenging economic environment, primarily due to the strategic buildup of its portfolio over the years, reduced acquisition costs, and substantial investment returns on its non-policyholder reserves. Both gross and net premiums of the Company have increased by approximately 7%. Furthermore, investment income has surged by 98% compared to the corresponding period last year, driven by robust stock market & income from high interest-based securities. Consequently, benefits paid to and reserved for policyholders have risen by 40% over the previous year. As a result, the underwriting surplus of the Company has reached to 11.02%. Additionally, profit before tax for the six-month period has risen by 64%, and profit after tax has increased by nearly 53% compared to the corresponding period last year.

Keeping in view the performance of Company, your Directors have pleasure in declaring interim cash dividend of Rs. 1.00 (10 %) per share for the year 2024

### Window Takaful Operations:

The gross contribution generated from Window Takaful operations was Rs. 1.724 Billion (June 30, 2023: Rs. 1.829 Billion). The profit before tax that has been reported for June 2024 is amounting to Rs. 91.469 million which has increased by 5% from the corresponding period last year.

### Future Outlook:

While macro-economic indicators have started showing signs of some stability with the decline in inflation and current account deficit and consequently interest rates are gradually coming down, however the pressure on the disposable income and propensity to save of the masses is continuously under pressure with increase in taxes in the fiscal budget 2024-25 and rising energy prices.

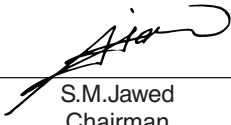



For the first half of the year, our Company has reported commendable financial performance, surpassing profit targets. Despite the challenging economic environment, we remain prepared to adjust our cost structure if necessary. Looking ahead, we are cautiously optimistic about economic recovery. We will continue our efforts to innovate need based products and raising awareness about financial protection needs through mass campaigns. We also anticipate stable returns on investment-linked insurance products.

**Acknowledgements:**

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Life emerge as one of the Pakistan's fastest growing life insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan (SECP) for its continued guidance and assistance.

August 23, 2024

  
\_\_\_\_\_  
S.M. Jawed  
Chairman

  
\_\_\_\_\_  
Manzar Mushtaq  
Chief Executive Officer

## ڈائریکٹرز کا تہ

آدھی لائف انشورنس کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز کے لئے یہ بات انتہائی مسرت کا باعث ہے کہ ہم ۳۰ جون ۲۰۲۳ کو ختم ہونے والے نصف سال کے کمپنی کے غیر آڈٹ شدہ مالی رپوٹ (Condensed Interim Financial Statements) پیش کر رہے ہیں۔

### مالیتی امور کے نمایاں پہلو:

زیر نظر مدت کے نمایاں پہلو درج ذیل ہیں:

2023 جون 30 غیر آڈٹ شدہ	2024 جون 30 غیر آڈٹ شدہ	
11,247,127	12,059,841	گراس پریمیم
10,948,460	11,753,467	نقد پریمیم
5,423,495	10,729,527	سرمایہ کاری سے آمدنی
13,701,995	19,288,109	پالیسی ہولڈرز کو ادا شدہ اور ان کے لئے مخصوص نقد مراعات
2,033,000	2,149,512	خریداری یا ایکویزیشن اور دیگر آپریشنل اخراجات
636,960	1,045,373	قبل از ٹیکس منافع
421,842	648,673	بعد از ٹیکس منافع
78,264,502	87,102,540	اسٹیٹوٹری فنڈ کا حجم
4,417,568	4,815,133	حصص داران کی ایکویٹی
1.69	2.59	فی حصص آمدنی

### کارکردگی کا جائزہ:

مشکل اقتصادی حالات کے باوجود کمپنی نے غیر معمولی حد تک شاندار کارکردگی کا مظاہرہ کیا ہے۔ بنیادی طور پر یہ سٹریٹجک کوششوں کی بدولت سال در سال کمپنی کے پورٹ فولیو میں ہونے والے اضافہ، ایکویزیشن کے اخراجات میں کمی اور پالیسی ہولڈرز کے لئے مخصوص رقوم سے کی گئی سرمایہ کاری پر خاطر خواہ منافع کی بدولت ممکن ہوا۔ کمپنی کے گراس اور نیٹ دونوں پریمیم میں تقریباً ۷ فیصد تک اضافہ ہوا ہے۔ علاوہ ازیں، سرمایہ کاری سے ہونے والی آمدنی گزشتہ سال کی اسی مدت کے مقابلے میں ۹۸ فیصد تک بڑھی ہے جس میں سٹاک مارکیٹ کی عمدہ کارکردگی اور زیادہ منافع پر مبنی سکیورٹیز سے ہونے والی آمدنی نے اپنا کردار ادا کیا۔ اس بناء پر پالیسی ہولڈرز کو ادا شدہ اور ان کے لئے مخصوص مراعات میں گزشتہ سال کے دوران ۴۰ فیصد تک اضافہ ہوا ہے۔ نتیجتاً کمپنی کا انڈر رائٹنگ سولس ۱۱ء۰۲ فیصد تک پہنچ چکا ہے۔ علاوہ ازیں ششماہی مدت کے منافع قبل از ٹیکس میں گزشتہ سال کی اسی مدت کی نسبت ۶۲ فیصد تک اور منافع بعد از ٹیکس میں ۵۳ فیصد تک اضافہ ہوا ہے۔

کمپنی کی کارکردگی کو پیش نظر رکھتے ہوئے ڈائریکٹرز کے لئے یہ خوشی کا باعث ہے کہ سال ۲۰۲۳ کے لئے ۱۰۰ روپے (۱۰ فیصد) فی حصص کے عبوری نقد منافع کا اعلان کیا جا رہا ہے۔



## ہڈو تکافل کی سرگرمیاں:

ہڈو تکافل کی سرگرمیوں سے حاصل ہونے والا مجموعی زر شمولیت ۲۰۲۳ء ارب روپے (۳۰ جون ۲۰۲۳ء: ۸۲۹:۲۰۲۳ ارب روپے) ماہ جون ۲۰۲۳ کے لئے بتائے گئے قبل از ٹیکس منافع کی مالیت ۹۱،۴۶۹ ملین روپے رہی جس میں گزشتہ سال کی اسی مدت کی نسبت ۵ فیصد اضافہ دیکھنے میں آیا۔

## مستقبل کا منظر نامہ:

افراط زر اور کرنٹ اکاؤنٹ خسارے میں کمی کی بدولت میکرو اکنامک اشاریوں میں کسی قدر استحکام کی علامات ظاہر ہونا شروع ہو گئی ہیں اور نتیجتاً شرح سود آہستہ آہستہ نیچے آ رہی ہے۔ تاہم بجٹ ۲۰۲۳-۲۵ میں ٹیکسوں میں اضافہ اور توانائی کی بڑھتی قیمتوں کے باعث اضافی آمدنی پر دباؤ اور عوام کا بچت کی جانب جھکاؤ مسلسل دباؤ کا شکار ہے۔

اس سال شش ماہی دورانیے میں کمپنی کی مالیاتی کارکردگی لائق تحسین رہی ہے اور منافع اہداف سے تجاوز کر گیا ہے۔ کٹھن اقتصادی ماحول کے باوجود ہم ضرورت پڑنے پر اپنے اخراجات کے ڈھلچھے میں ردوبدل کے لئے تیار ہیں۔ آنے والے دنوں کے لئے ہم محتاط ضرور ہیں لیکن اقتصادی بحالی کے لئے پر امید ہیں۔ ہم ضروریات کی بنیاد پر اپنی پراڈکٹس میں جدت پیدا کرنے اور آگاہی مہم کے ذریعے ملکی ضروریات کے بارے میں آگاہی بڑھانے کے لئے اپنی کوششوں کا سلسلہ جاری رکھیں گے۔ ہمیں امید ہے کہ سرمایہ کاری پر مبنی انشورنس پراڈکٹس پر منافع مستحکم رہے گا۔

## اظہارِ تشکر:

ہم اپنے حصص داران معزز کسٹمرز، ملازمین اور ڈویلپمنٹ سٹاف کی مسلسل معاونت پر تہ دل سے ان کے شکر گزار ہیں جنہوں نے آدھی لائف کو پاکستان کی انتہائی تیزی سے ترقی کرتی لائف انشورنس کمپنی بنانے میں مدد دی۔ ہم مسلسل رہنمائی اور معاونت پر سکیورٹیز اینڈ اینڈاؤٹس کمیونٹی آف پاکستان (ایس ای سی پی) کے بھی ممنون ہیں۔

Murtagh

منظر مشتاق  
چیف ایگزیکٹو آفیسر

ایس ایم جاوید  
چیرمین

۲۳ اگست ۲۰۲۳

# Financial Statements



**To the members of Adamjee Life Assurance Company Limited**

**Report on Review of Interim Financial Statements**

### **Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Adamjee Life Assurance Limited (the Company) as at June 30, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to and forming the part of the condensed interim financial statements for the half year then ended (here-in-after referred to as "interim financial statements"). Management is responsible for the preparation and fair 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 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.

### **Emphasis of Matter**

We draw attention to note 21.1.1 to the condensed interim financial statements, which describes that certain insurance companies have challenged the scope and applicability of provincial sales tax on services on premium received from insurance business in a provincial High Court.

The hearing of the petition is currently in progress and the provincial High Court has granted stay to the petitioners against any coercive recovery measures by Punjab Sales Tax (PST) and Sindh Sales Tax (SST).

The Company has not charged PST and SST to its clients, nor has recognized any liability for the impugned sales tax in its condensed interim financial statements as the management is confident that the final outcome will be in the favour of Company based on legal opinion.

Our conclusion is not modified in respect of the above matter.

### **Conclusion**

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

### **Other Matter**

The figures for the quarters ended 30 June 2024 and 30 June 2023 in the condensed interim profit or loss and the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The interim financial statements of the Company for the period ended 30 June 2023 were reviewed by another firm of chartered accountants who had expressed an unmodified conclusion thereon dated 23 August 2023.

The engagement partner on the engagement resulting in this independent auditors' review report is Aamyn Malik.

**Date: 26 August 2024**

**Karachi**

**UDIN: RR202410096phYNzf89J**



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

**Condensed Interim Statement of Financial Position**

As at June 30, 2024



		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Property and equipment	6	213,769	220,156
Intangible assets		26,921	25,906
Right of use assets		43,295	72,502
Investment property	7	1,154,794	1,065,394
Investments			
Equity securities	8	9,458,998	8,556,762
Government securities	9	67,551,375	61,365,683
Debt securities	10	3,547,190	3,629,033
Term deposits	11	-	75,000
Mutual funds	12	6,486,094	4,981,341
Loan secured against life insurance policies		8,427	35,975
Insurance / takaful / reinsurance / retakaful receivables	13	157,769	94,143
Loans, advances and other receivables	14	1,841,142	1,379,058
Taxation - payments less provision		560,410	606,950
Prepayments	15	110,230	55,169
Cash and bank	16	3,905,675	3,926,596
<b>Total Assets</b>		<b>95,066,089</b>	<b>86,089,668</b>
<b>Equity and Liabilities</b>			
<b>Capital and reserves attributable to Company's equity holders</b>			
Ordinary share capital		2,500,000	2,500,000
Money ceded to Waqf fund		500	500
Deficit on revaluation of available for sale investments		(1,108)	-
Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)		1,511,084	1,047,316
Unappropriated profit		804,658	869,752
<b>Total Equity</b>		<b>4,815,134</b>	<b>4,417,568</b>
<b>Liabilities</b>			
Insurance / takaful liabilities	17	88,272,493	79,559,988
Retirement benefit obligations		9,424	-
Deferred taxation		938,291	657,296
Lease liabilities	18	65,087	103,455
Premium / contribution received in advance		246,561	246,282
Insurance / takaful / reinsurance / retakaful payables	19	32,586	102,148
Unclaimed dividends		35	39
Other creditors and accruals	20	686,478	1,002,892
<b>Total Liabilities</b>		<b>90,250,955</b>	<b>81,672,100</b>
<b>Total Equity and Liabilities</b>		<b>95,066,089</b>	<b>86,089,668</b>
<b>Contingencies and commitments</b>	21		

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

**S. Muhammad Jawed**  
Chairman

**Muhammad Ali Zeb**  
Director

**Shahmeer Khalid Butt**  
Director

**Manzar Mushtaq**  
Chief Executive Officer

**Jalal Meghani**  
Chief Financial Officer

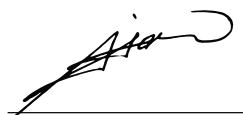
**Condensed Interim Statement of Profit or Loss (Un-audited)**

For the half year and quarter ended June 30, 2024



	Note	For the half year ended		For the quarter ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(Rupees in '000)					
Premium / contribution revenue		12,059,841	11,247,127	5,512,576	5,256,376
Premium / contribution ceded to reinsurers / (retakaful operators)		(306,374)	(298,667)	(102,053)	(92,589)
<b>Net premium / contribution revenue</b>	22	<b>11,753,467</b>	<b>10,948,460</b>	<b>5,410,523</b>	<b>5,163,787</b>
Investment income	23	7,867,758	4,989,767	4,225,381	2,905,736
Net realised fair value gains / losses on financial assets	24	678,053	239,488	491,407	45,558
Net fair value gains / (losses) on financial assets at fair value through profit or loss - unrealised	25	1,729,244	(344,436)	1,640,056	69,014
Net rental income		1,350	1,488	638	1,244
Net unrealised gain on investment property	7	89,400	79,725	89,400	-
Other income		363,722	457,463	167,656	247,309
		<b>10,729,527</b>	<b>5,423,495</b>	<b>6,614,538</b>	<b>3,268,861</b>
<b>Net income</b>		<b>22,482,994</b>	<b>16,371,955</b>	<b>12,025,061</b>	<b>8,432,648</b>
Insurance / takaful benefits	27	(11,473,165)	(8,862,299)	(5,249,970)	(4,547,707)
Recoveries from reinsurers / retakaful operators	27	262,819	301,398	121,935	165,578
Claims related expenses		(2,990)	(3,822)	(1,419)	(1,889)
<b>Net insurance / takaful benefits</b>		<b>(11,213,336)</b>	<b>(8,564,723)</b>	<b>(5,129,454)</b>	<b>(4,384,018)</b>
Net change in insurance / takaful liabilities (other than outstanding claims)		(8,077,763)	(5,141,094)	(5,294,411)	(2,591,449)
Acquisition expenses	28	(1,535,887)	(1,486,292)	(767,878)	(738,047)
Marketing and administration expenses	29	(601,323)	(528,711)	(290,252)	(279,533)
Other expenses	30	(7,114)	(7,021)	(3,719)	(4,705)
		<b>(10,222,087)</b>	<b>(7,163,118)</b>	<b>(6,356,260)</b>	<b>(3,613,734)</b>
<b>Total expenses</b>		<b>(21,435,423)</b>	<b>(15,727,841)</b>	<b>(11,485,714)</b>	<b>(7,997,752)</b>
Finance costs	31	(2,198)	(7,154)	(851)	(3,380)
<b>Profit before tax</b>		<b>1,045,373</b>	<b>636,960</b>	<b>538,496</b>	<b>431,516</b>
Income tax expense	32	(396,699)	(215,118)	(193,673)	(140,172)
<b>Profit after tax for the period</b>		<b>648,674</b>	<b>421,842</b>	<b>344,823</b>	<b>291,344</b>
Earnings (after tax) per share - Rupees	33	<b>2.59</b>	<b>1.69</b>	<b>1.38</b>	<b>1.17</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

  
 S. Muhammad Jawed  
 Chairman

  
 Muhammad Ali Zeb  
 Director

  
 Shahmeer Khalid Butt  
 Director

  
 Manzur Mushtaq  
 Chief Executive Officer

  
 Jalal Meghani  
 Chief Financial Officer

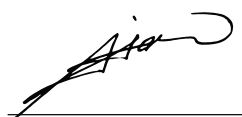
**Condensed Interim Statement of Comprehensive Income (Un-audited)**

For the half year and quarter ended June 30, 2024



	For the half year ended		For the quarter ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Note	(Rupees in '000)			
<b>Profit after tax for the period</b> - as per statement of profit or loss	648,674	421,842	344,823	291,344
Other comprehensive income:				
<b>Item that will be reclassified subsequently to statement of profit or loss:</b>				
Change in unrealised (loss) / gain on revaluation of available for sale investments	(1,816)	1,097	(1,816)	625
Related deferred tax	708	(340)	708	(192)
Total other comprehensive (loss) / Income	(1,108)	757	(1,108)	433
<b>Total comprehensive income for the period</b>	<b>647,566</b>	<b>422,599</b>	<b>343,715</b>	<b>291,777</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

  
S. Muhammad Jawed  
Chairman

  
Muhammad Ali Zeb  
Director

  
Shahmeer Khalid Butt  
Director

  
Manzar Mushtaq  
Chief Executive Officer

  
Jalal Meghani  
Chief Financial Officer

**Condensed Interim Statement of Changes in Equity**

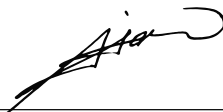
For the half year ended June 30, 2024



	Attributable to equity holders' of the Company					Total
	Share capital	Money ceded to Waqf fund	(Deficit) / surplus on revaluation of available for sale investments	Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)*	Unappropriated profit	
----- (Rupees in '000) -----						
<b>Balance as at January 01, 2023 (Audited)</b>	2,500,000	500	(5,496)	776,870	476,416	3,748,290
Total comprehensive income for the period ended June 30, 2023						
- Profit for the period after tax	-	-	-	-	421,842	421,842
- Other comprehensive income	-	-	757	-	-	757
	-	-	757	-	421,842	422,599
<b>Surplus for the period retained in statutory funds</b>	-	-	-	309,495	(309,495)	-
<b>Balance as at June 30, 2023 (Un-audited)</b>	<u>2,500,000</u>	<u>500</u>	<u>(4,739)</u>	<u>1,086,365</u>	<u>588,763</u>	<u>4,170,889</u>
<b>Balance as at January 01, 2024 (Audited)</b>	2,500,000	500	-	1,047,316	869,752	4,417,568
Total comprehensive income for the period ended June 30, 2024						
- Profit for the period after tax	-	-	-	-	648,674	648,674
- Other comprehensive loss	-	-	(1,108)	-	-	(1,108)
	-	-	(1,108)	-	648,674	647,566
<b>Transaction with owners recorded directly in the equity</b>						
Final dividend @ Re. 1 per share i.e 10%	-	-	-	-	(250,000)	(250,000)
<b>Surplus for the period retained in statutory funds</b>	-	-	-	463,768	(463,768)	-
<b>Balance as at June 30, 2024 (Un-audited)</b>	<u>2,500,000</u>	<u>500</u>	<u>(1,108)</u>	<u>1,511,084</u>	<u>804,658</u>	<u>4,815,134</u>

\* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

  
S. Muhammad Jawed  
Chairman

  
Muhammad Ali Zeb  
Director

  
Shahmeer Khalid Butt  
Director

  
Manzoor Mushtaq  
Chief Executive Officer

  
Jalal Meghani  
Chief Financial Officer

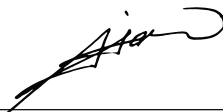
**Condensed Interim Statement of Cash Flows (Un-audited)**

For the half year ended June 30, 2024



	June 30, 2024	June 30, 2023
Note	------(Rupees in '000)-----	
<b>Operating Cash Flows</b>		
<b>(a) Underwriting activities</b>		
Insurance premium / contribution received	12,035,473	11,195,936
Reinsurance premium / retakaful contribution paid	(152,096)	(173,036)
Claims paid	(10,841,413)	(8,677,079)
Commission paid	(950,227)	(1,019,812)
Marketing and administrative expenses paid	(1,245,670)	(1,045,208)
<b>Net cash flow (used in) / generated from underwriting activities</b>	<b>(1,153,933)</b>	<b>280,801</b>
<b>(b) Other operating activities</b>		
Income tax paid	(68,456)	(113,231)
<b>Total cash flow (used in) / generated from operating activities</b>	<b>(1,222,389)</b>	<b>167,570</b>
<b>Investment activities</b>		
Profit / return received	6,868,329	4,646,092
Dividend received	834,912	561,459
Rental received	1,350	1,488
Payment for investments	(133,550,322)	(144,870,785)
Proceeds from investments	127,279,793	139,525,917
Fixed capital expenditure	(42,940)	(40,304)
Loan to policyholders	28,344	6,007
Proceeds from sale of property and equipment	863	4,793
<b>Total cash flow generated from / (used in) investing activities</b>	<b>1,420,329</b>	<b>(165,333)</b>
<b>Financing activities</b>		
Finance cost paid	(5,489)	(9,831)
Payments against lease liabilities	(38,368)	(31,123)
Dividend paid	(250,004)	-
<b>Total cash flow used in financing activities</b>	<b>(293,861)</b>	<b>(40,954)</b>
<b>Net cash outflows) from all activities</b>	<b>(95,921)</b>	<b>(38,717)</b>
<b>Cash and cash equivalent at the beginning of the period</b>	<b>4,001,596</b>	<b>6,591,997</b>
<b>Cash and cash equivalent at the end of the period</b>	<b>3,905,675</b>	<b>6,553,280</b>
	16.2	
<b>Reconciliation to statement of profit or loss</b>		
Cash flow from all operating activities	(1,222,389)	167,570
Depreciation and amortisation expense	(70,408)	(66,007)
Financial charge expense	(5,489)	(9,831)
Write offs	-	(5,007)
Profit on disposal of investment	678,053	239,488
Rental income	1,350	1,488
Dividend income	832,119	513,177
Other investment income	7,492,437	5,013,999
Increase in assets other than cash	64,533	153,134
Increase in liabilities other than borrowings	(8,850,776)	(5,241,733)
Surplus / (deficit) on revaluation of investment	1,729,244	(344,436)
<b>Profit after taxation</b>	<b>648,674</b>	<b>421,842</b>

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.



**S. Muhammad Jawed**  
Chairman



**Muhammad Ali Zeb**  
Director



**Shahmeer Khalid Butt**  
Director



**Manzar Mushtaq**  
Chief Executive Officer



**Jalal Meghani**  
Chief Financial Officer





## **1. LEGAL STATUS AND NATURE OF BUSINESS**

**1.1** 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 into a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Company started its operations on April 24, 2009. 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. The Company is a subsidiary of Adamjee Insurance Company Limited.

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

- Conventional Business;
- Accident and Health Business;
- Individual Life Non-unitised Investment Linked Business;
- Individual Life Unit Linked Business;
- Individual Family Takaful Business (refer note 1.2); and
- Group Family Takaful Business (refer note 1.2).

**1.2** The 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 Company commenced Window Takaful Operations from July 14, 2016. The 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 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 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 Company.

The Company issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Company commenced its Group Family Takaful Business in the second Quarter of 2020.

## **2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

**2.1** These condensed interim 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 Accounting Standards IAS 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

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

These condensed interim financial statements do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual



financial statements for the year ended December 31, 2023.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has consistently applied the accounting policies to all periods presented in these financial statements adopted in the preparation of these condensed interim financial statements. These are consistent with those applied in preparation of the published annual audited financial statements of the Company for the year ended 31 December 2023. In addition, the Company has adopted Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the disclosure of "material" rather than 'significant' accounting policies. The amendments did not result in any changes to the accounting policies.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Company has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 31 December 2023.

### 5. APPLICATION OF IFRS 9 AND IFRS 17

IFRS 9 - Financial Instruments

IFRS 17 - Insurance contracts

#### Effective Date

January 01, 2026\*\*

January 01, 2026\*\*

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

\* 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. Further details relating to temporary exemption from the application of IFRS 9 is given in annual financial statements of the Company for the year ended December 31, 2023.

\*\* IFRS 17 - 'Insurance contracts' has been issued by the IASB to be effective for annual periods beginning on or after January 01, 2023 but is yet to be notified by the Securities and Exchange Commission of Pakistan.

The SECP vide SRO 1715 (I) / 2023 dated November 21, 2023 has directed the companies engaged in insurance/ takaful and re-insurance/re-takaful to follow IFRS 17 from January 01, 2026. The Company is in the process of determination of impact assessment of IFRS - 17 on the Company's financial statements. Accordingly, IFRS 9 would be adopted from January 01, 2026.



	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	------(Rupees in '000)-----	
<b>6. PROPERTY AND EQUIPMENT</b>		
Operating assets	213,769	217,585
Capital work in progress	-	2,571
	<u>213,769</u>	<u>220,156</u>
<b>6.1 Additions - operating assets (at cost)</b>		
Motor vehicles	25,836	45,671
Leasehold improvement	5,914	6,989
Computer and related equipment	4,704	21,592
Office equipment	1,665	4,289
Furniture & fixtures	456	2,731
	<u>38,575</u>	<u>81,272</u>
<b>6.2 Disposals - operating asset (at net book value)</b>		
Leasehold improvement	3,235	3,242
Furniture & fixtures	710	4,043
Computer and related equipment	593	923
Office equipment	1	18
Motor vehicles	-	8,315
	<u>4,539</u>	<u>16,541</u>
<b>7. INVESTMENT PROPERTY</b>		
Opening net book value	1,065,394	943,669
Unrealised fair value gain	89,400	121,725
Closing net book value	7.1 <u>1,154,794</u>	<u>1,065,394</u>

- 7.1** This represents piece and parcel of plot no. 1-A, Main Gulberg, Jail Road, Lahore, measuring 8 Kanal 8 Marla 203 Sq. ft. of a land bought by the Company for the Unit Linked Investment Business.

Market value of this investment property is estimated around Rs. 1,154.79 million with the forced sale value (FSV) of Rs. 810.72 million as at June 20, 2024. Total unrealised gain till June 30, 2024 is Rs. 382.867 million (December 31, 2023: Rs. 293.467 million). The fair value of investment property is determined by K.G Traders (Private) Limited, an external, independent property valuer having appropriate recognised professional qualifications.

#### Valuation technique

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



		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		------(Rupees in '000)-----	
<b>8. INVESTMENT IN EQUITY SECURITIES</b>	<b>Note</b>		
Available for sale	8.1	65,890	-
Fair value through profit or loss (held for trading)	8.2	9,393,108	8,556,762
		<u>9,458,998</u>	<u>8,556,762</u>

**8.1 Available for sale**

	As at June 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
	Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
----- (Rupees in '000) -----						
Related parties	67,706	-	65,890	-	-	-
	<u>67,706</u>	<u>-</u>	<u>65,890</u>	<u>-</u>	<u>-</u>	<u>-</u>

**8.2 Fair value through profit or loss (held for trading)**

	As at June 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
	Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
----- (Rupees in '000) -----						
Related parties	2,208,523	-	2,747,536	1,535,048	-	2,202,866
Others	5,908,451	-	6,645,572	5,377,513	-	6,353,896
	<u>8,116,974</u>	<u>-</u>	<u>9,393,108</u>	<u>6,912,561</u>	<u>-</u>	<u>8,556,762</u>

		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		------(Rupees in '000)-----	
<b>9. INVESTMENT IN GOVERNMENT SECURITIES</b>	<b>Note</b>		
Fair value through profit or loss (held for trading)	9.1	67,551,375	61,365,683
		<u>67,551,375</u>	<u>61,365,683</u>



## 9.1 Fair value through profit or loss (held for trading)

	Term (year / months)	Maturity year	Effective yield (%)	Face value	Carrying value	Market value
----- (Rupees in '000) -----						
<b>Fixed rate instruments</b>						
GOP Ijara Sukuk 5 Years	5 years	2028	15.59% - 20.33%	600,000	590,628	591,890
GOP Ijara Sukuk 5 Years	5 years	2026	16.73% - 21.05%	917,500	849,716	840,848
GOP Ijara Sukuk 5 Years	5 years	2025	18.54% - 21.05%	555,000	535,393	540,647
GOP Ijara Sukuk 3 Years	3 years	2027	16.68%	35,000	35,000	35,000
GOP Ijara Sukuk 3 Years	3 years	2026	16.02% - 21.03%	2,308,000	2,292,372	2,301,580
GOP Ijara Sukuk 1 Year	1 year	2025	19.08% - 19.71%	1,241,965	1,072,486	1,076,637
GOP Ijara Sukuk 1 Year	1 year	2024	19.64% - 21.91%	1,885,625	1,868,352	1,865,809
GOP Ijara Sukuk 5 Years	5 years	2029	15.63%	135,000	135,000	135,000
Pakistan Investment Bond	10 years	2030	14.96%	1,470,000	1,049,364	1,055,844
Pakistan Investment Bond	5 years	2029	15.64%	555,000	530,058	525,955
Pakistan Investment Bond	5 years	2027	16.35% - 16.57%	225,000	190,308	188,347
Pakistan Investment Bond	5 years	2025	18.00%	500	440	441
Pakistan Investment Bond	3 years	2027	16.66%	1,200,000	1,132,752	1,133,703
Pakistan Investment Bond	3 years	2026	16.92%	5,200,000	4,780,884	4,778,683
Pakistan Investment Bond	3 years	2025	19.00%	10,000	9,146	9,185
Treasury Bills	12 months	2025	18.72% - 19.88%	23,722,250	19,935,420	19,981,840
Treasury Bills	12 months	2024	19.92% - 20.58%	11,847,500	10,603,055	10,583,800
Treasury Bills	6 months	2024	19.99% - 20.05%	1,855,310	1,713,175	1,704,486
Treasury Bills	3 months	2024	20.18%	500,000	482,716	482,393
<b>Floating rate instruments</b>						
GOP Ijara Sukuk 5 Years	5 years	2028	15.72%	760,000	761,183	764,726
GOP Ijara Sukuk 5 Years	5 years	2027	16.33% - 16.57%	239,900	243,162	241,473
GOP Ijara Sukuk 5 Years	5 years	2026	16.78% - 16.81%	85,000	110,742	110,598
GOP Ijara Sukuk 5 Years	5 years	2025	18.54% - 19.32%	175,000	175,695	174,630
GOP Ijara Sukuk 1 Year	1 year	2024	20.04%	300,000	350,449	351,230
Pakistan Investment Bond	10 years	2031	22.77% - 24.91%	850,000	808,289	811,410
Pakistan Investment Bond	10 years	2030	22.54% - 24.91%	500,000	492,526	491,054
Pakistan Investment Bond	10 years	2028	22.02%	50,000	49,100	48,975
Pakistan Investment Bond	5 years	2029	21.30% - 24.91%	6,220,000	6,008,304	6,007,274
Pakistan Investment Bond	5 years	2028	22.02% - 24.91%	11,040,000	10,686,059	10,680,996
Pakistan Investment Bond	5 years	2027	22.54%	38,000	37,026	36,921
<b>As at June 30, 2024 (Un-audited)</b>				<b>74,521,550</b>	<b>67,528,800</b>	<b>67,551,375</b>
<b>Unrealised gain</b>				<b>-</b>	<b>22,575</b>	<b>-</b>
				<b>74,521,550</b>	<b>67,551,375</b>	<b>67,551,375</b>
As at December 31, 2023 (Audited)				<b>69,140,600</b>	<b>61,492,790</b>	<b>61,365,683</b>

9.1.1 These include PIBs of Rs. 75 million, Rs. 100 million & Rs. 300 million (December 31, 2023: Rs. 75 million, Rs. 100 million & Rs. 300 million) placed with State Bank of Pakistan as per the requirement of section 29 of Insurance Ordinance, 2000 carrying coupon rate of 7.5%, 8% & 12% having yield 16.57%, 14.96% and 16.92% per annum having maturity period of 5, 10 & 3 years and will mature on April 29, 2027, December 10, 2030 & July 4, 2026 respectively.

## 10. INVESTMENT IN DEBT SECURITIES

## At fair value through profit or loss (held for trading)

	Note	As at June 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
		Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
----- (Rupees in '000) -----							
Term finance certificates / corporate sukuk	10.1	3,526,796	-	3,547,190	3,673,144	-	3,629,033
		<b>3,526,796</b>	<b>-</b>	<b>3,547,190</b>	<b>3,673,144</b>	<b>-</b>	<b>3,629,033</b>



### 10.1 Term finance certificates / corporate sukuks

Details of the term finance certificates and corporate sukuks are as follows:

	Maturity date	As at June 30, 2024 (Un-audited)	As at December 31, 2023 (Audited)	Face Value	Carrying value	Market Value
	(Number of certificates)	----- (Rupees in '000) -----				
Askari Bank Limited VII - TFC	17-Mar-30	100	100	100,000	99,500	99,500
Askari Bank Limited VI - TFC	Perpetual	100	100	100,000	100,000	100,000
Bank Al Habib Limited - TFC	30-Sep-31	195,000	195,000	974,025	952,300	959,415
Bank Alfalah Limited - TFC	15-Jan-24	-	20,000	100,000	-	-
Dubai Islamic Bank - Sukuk	2-Dec-32	22	22	22,132	22,132	22,072
Ghani Chemical Industries Limited - TFC	3-Feb-24	-	600	7,200	-	-
Habib Bank Limited II - TFC	26-Sep-34	500	500	50,000	50,000	50,000
Meezan Bank Limited - Sukuk	16-Dec-31	450	450	450,000	442,917	446,782
Meezan Bank Limited - Sukuk	9-Jan-30	500	500	500,000	501,250	505,971
Pakistan Energy - Sukuk II	21-May-30	115,000	115,000	575,000	575,173	575,690
Samba Bank Limited - TFC	1-Mar-31	4,250	4,250	424,490	423,953	427,193
The Bank of Punjab I - TFC	17-Apr-28	1,000	1,000	100,000	100,334	98,211
The Bank of Punjab II - TFC	23-Apr-28	2,580	2,580	258,000	259,237	262,356
				<b>3,660,847</b>	<b>3,526,796</b>	<b>3,547,190</b>
Unrealised gain				-	20,394	-
				<b>3,660,847</b>	<b>3,547,190</b>	<b>3,547,190</b>
As at December 31, 2023 (Audited)				<b>3,661,476</b>	<b>3,673,144</b>	<b>3,629,033</b>
				<b>June 30, 2024</b>	<b>December 31, 2023</b>	
				<b>(Un-audited)</b>	<b>(Audited)</b>	
				----- (Rupees in '000) -----		

### 11. INVESTMENT IN TERM DEPOSITS

Deposits maturing within 12 months (held to maturity)

- 75,000

### 12. INVESTMENT IN MUTUAL FUNDS

Fair value through profit or loss (held for trading)

12.1 6,486,094 4,981,341

#### 12.1 Fair value through profit or loss (held for trading)

	As at June 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
	Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
	----- (Rupees in '000) -----					
Related parties	4,768,093	-	5,240,530	3,129,148	-	4,981,341
Others	1,247,286	-	1,245,564	-	-	-
	<b>6,015,379</b>	<b>-</b>	<b>6,486,094</b>	<b>3,129,148</b>	<b>-</b>	<b>4,981,341</b>



	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	------(Rupees in '000)-----	
<b>13. INSURANCE / TAKAFUL / REINSURANCE / RETAKAFUL RECEIVABLES</b>		
Due from insurance contract holders - Group life business	66,429	41,782
Due from reinsurers / retakaful operators	91,340	52,361
Net insurance / takaful / reinsurance / retakaful receivable	<u>157,769</u>	<u>94,143</u>
<b>14. LOANS, ADVANCES AND OTHER RECEIVABLES</b>		
Accrued income on investments	1,650,758	1,177,420
Receivable against the sale of investment	97,296	98,143
Security deposits	46,747	48,141
Loan to employees - secured	14.1 16,699	23,551
Advance to supplier	10,566	5,547
Dividend receivable	6,675	9,468
Other receivables	12,401	4,997
Receivable from gratuity fund	-	11,791
	<u>1,841,142</u>	<u>1,379,058</u>
<b>14.1</b>	This represents interest free loans secured against the gratuity entitlement and are repayable within one year of the disbursement.	
	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	------(Rupees in '000)-----	
<b>15. PREPAYMENTS</b>		
Prepaid rent- Ijarah term	21,120	17,410
Prepaid miscellaneous expenses	15.1 89,110	37,759
	<u>110,230</u>	<u>55,169</u>
<b>15.1</b>	These include prepayments related to insurance and software subscriptions.	
<b>16. CASH AND BANK</b>		
- Cash in hand	212	617
- Policy stamps	13,172	9,186
<b>Cash at bank</b>	<u>13,384</u>	<u>9,803</u>
- Current accounts	70,825	227,763
- Saving accounts	16.1 3,821,466	3,689,030
	<u>3,892,291</u>	<u>3,916,793</u>
	<u>3,905,675</u>	<u>3,926,596</u>
<b>16.1</b>	This carries profit rate ranging from 7.84% to 20.5% (December 31, 2023: 12% to 21%) per annum.	



		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
	Note	------(Rupees in '000)-----	
<b>16.2 Cash and cash equivalents</b>			
Cash and cash equivalents includes the following for the purpose of cash flow statement:			
- Cash in hand and policy stamps		13,384	10,925
- Cash at bank		3,892,291	3,867,355
- Term deposits maturing within three months	11	-	2,675,000
		<u>3,905,675</u>	<u>6,553,280</u>
<b>17. INSURANCE / TAKAFUL LIABILITIES</b>			
		June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	------(Rupees in '000)-----	
Investment component of unit-linked and account value policies	17.3	82,707,577	74,570,484
Reported outstanding claims (including claims in payment)	17.1	4,011,796	3,377,054
Incurred but not reported claims	17.2	208,058	229,319
Liabilities under individual conventional insurance / takaful contracts	17.4	32,497	27,503
Liabilities under group insurance contracts (other than investment linked)	17.5	169,737	199,093
Other insurance / takaful liabilities	17.6	865,859	902,282
Gross insurance / takaful liabilities		<u>87,995,524</u>	<u>79,305,735</u>
Surplus of Participant Takaful Fund		276,969	254,253
Total Insurance / takaful liabilities		<u>88,272,493</u>	<u>79,559,988</u>
<b>17.1 Reported outstanding claims</b>			
<b>Gross of reinsurance / retakaful</b>			
Payable within one year		4,098,855	3,471,607
Recoverable from reinsurers / retakaful operators		(87,059)	(94,553)
Net reported outstanding claims		<u>4,011,796</u>	<u>3,377,054</u>
<b>17.2 Incurred but not reported claims</b>			
<b>Individual life</b>			
Gross of reinsurance / retakaful		234,497	280,053
Reinsurance / retakaful recoveries		(83,493)	(105,827)
Net of reinsurance / retakaful		151,004	174,226
<b>Group life</b>			
Gross of reinsurance / retakaful		146,896	133,185
Reinsurance / retakaful recoveries		(89,842)	(78,092)
Net of reinsurance / retakaful		57,054	55,093
Net incurred but not reported claims		<u>208,058</u>	<u>229,319</u>





	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	------(Rupees in '000)-----	
<b>17.3 Investment component of unit linked and account value policies</b>		
Investment component of unit linked policies	81,756,856	73,346,877
Investment component of account value policies	950,721	1,223,607
	<u>82,707,577</u>	<u>74,570,484</u>
<b>17.4 Liabilities under individual conventional insurance / takaful contracts</b>		
Gross of reinsurance / retakaful	34,094	29,348
Reinsurance / retakaful credit	(1,597)	(1,845)
Net of reinsurance / retakaful	<u>32,497</u>	<u>27,503</u>
<b>17.5 Liabilities under group insurance / takaful contracts (other than investment linked)</b>		
Gross of reinsurance / retakaful	314,771	377,626
Reinsurance / retakaful credit	(145,034)	(178,533)
Net of reinsurance / retakaful	<u>169,737</u>	<u>199,093</u>
<b>17.6 Other insurance / takaful liabilities</b>		
Gross of reinsurance / retakaful	973,196	1,027,288
Reinsurance / retakaful credit	(107,337)	(125,006)
Net of reinsurance / retakaful	<u>865,859</u>	<u>902,282</u>
<b>18. LEASE LIABILITIES</b>	18.1	<u>65,087</u>
<b>18.1 Lease liabilities - movement</b>		
Opening balances	103,455	159,592
Addition during the period / year	-	8,936
Derecognition during the period / year	-	(3,494)
	<u>103,455</u>	<u>165,034</u>
Interest accretion during the period / year	5,489	17,931
	<u>108,944</u>	<u>182,965</u>
Repaid during the period/ year	(43,857)	(79,510)
Closing balances	<u>65,087</u>	<u>103,455</u>
Current portion	40,891	71,514
Non-current portion	24,196	31,941
	<u>65,087</u>	<u>103,455</u>
<b>19. (INSURANCE / TAKAFUL) / (REINSURANCE / RETAKAFUL) PAYABLES</b>		
Due to reinsurers / retakaful operators	<u>32,586</u>	<u>102,148</u>



	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	------(Rupees in '000)-----	
<b>20. OTHER CREDITORS AND ACCRUALS</b>		
Accrued expenses	350,375	394,034
Agents commission payable	321,303	349,031
Payable to related parties	5,806	9,530
Payable against the purchase of investments	-	232,841
Other tax payable	8,994	17,456
	<b>686,478</b>	<b>1,002,892</b>

**20.1** This includes provision for compensated absences amounting in aggregated to Rs.81.56 million (December 31, 2023: Rs. 68.42 million).

## 21. CONTINGENCIES AND COMMITMENTS

### 21.1 CONTINGENCIES

#### 21.1.1 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 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 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 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 impleaded 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 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 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 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.

### 21.1.2 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 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 Company which also includes the income generated on policyholders' fund.

The 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 Company and hence levying minimum tax on gross turnover is tantamount to tax on policyholders which is against the intent of the legislature.

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.

## 21.2 COMMITMENTS

### 21.2.1 Commitments in respect of Ijarah rentals

Not later than one year  
Later than one year and not later than five years

Commitments represent Ijarah rentals for vehicles payable in future period.

	June 30, 2024 (Un-audited)	December 31, 2023 (Audited)
------(Rupees in '000)-----		
	59,835	67,254
	60,869	94,587
	<b>120,704</b>	<b>161,841</b>



	For the half year ended		For the quarter ended	
	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
(Rupees in '000)				
<b>22. NET PREMIUM / CONTRIBUTION REVENUE</b>				
<b>Gross premiums / contributions</b>				
Regular premium / contributions individual policies*				
- first year	1,023,987	1,343,459	460,470	691,444
- second year renewal	1,052,008	1,246,724	510,441	482,436
- subsequent years renewal	3,661,724	3,489,254	1,596,840	1,473,546
Single premium / contributions individual policies*	5,926,721	4,878,360	2,823,146	2,537,506
Group policies/ contracts without cash values	418,878	327,579	121,679	71,444
Less: experience refund	(23,477)	(38,249)	-	-
<b>Total gross premiums / contributions</b>	<b>12,059,841</b>	<b>11,247,127</b>	<b>5,512,576</b>	<b>5,256,376</b>
<b>Less: reinsurance premiums / retakaful contributions ceded</b>				
On individual life first year business	(21,543)	(23,485)	(10,079)	(11,469)
On individual life second year business	(16,162)	(18,340)	(8,155)	(9,138)
On individual life subsequent renewal business	(66,090)	(80,086)	(32,287)	(34,845)
On individual life single premium business	(3,030)	(3,583)	(1,521)	(1,977)
On group policies/ contracts	(216,896)	(176,443)	(50,176)	(35,160)
Less: Experience refund from reinsurers	17,347	3,270	165	-
	(306,374)	(298,667)	(102,053)	(92,589)
<b>Net premiums / contributions</b>	<b>11,753,467</b>	<b>10,948,460</b>	<b>5,410,523</b>	<b>5,163,787</b>

\* Individual policies/ contracts are those underwritten on an individual basis.

<b>23. INVESTMENT INCOME</b>				
<b>Income from equity and mutual funds</b>				
<b>Dividend income</b>				
Available for sale	-	801	-	393
Fair value through profit or loss	832,119	512,376	678,366	324,746
	832,119	513,177	678,366	325,139
<b>Income from government securities</b>				
Available for sale	-	6,738	-	3,369
Fair value through profit or loss	6,625,317	3,865,691	3,349,628	2,249,221
	6,625,317	3,872,429	3,349,628	2,252,590
<b>Income from debt securities - fair value through profit or loss</b>				
Return on TFCs and corporate sukuks	402,293	369,267	189,600	194,122
<b>Income from term deposit receipts - held to maturity</b>				
Return on term deposit receipts	8,029	234,894	7,787	133,885
	7,867,758	4,989,767	4,225,381	2,905,736



	Note	For the half year ended		For the quarter ended	
		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
(Rupees in '000)					
<b>24. NET REALISED FAIR VALUE GAINS / LOSSES ON FINANCIAL ASSETS</b>					
Fair value through profit or loss					
Realised gains / (losses) on:					
- Equity securities		792,088	275,499	562,699	24,695
- Government securities		(185,142)	(89,126)	(135,519)	(29,186)
- Debt securities		-	(14,942)	-	-
- Mutual funds		71,107	68,057	64,227	50,049
		<b>678,053</b>	<b>239,488</b>	<b>491,407</b>	<b>45,558</b>
<b>25. NET FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED</b>					
Net unrealised gains / (losses) on:					
- Equity securities		1,276,134	(83,503)	1,011,700	176,090
- Government securities	9.1	22,575	(285,166)	368,534	(71,303)
- Debt securities	10.1	20,394	(34,593)	18,091	(6,323)
- Mutual funds		470,715	114,717	272,046	(4,813)
Total gain / (loss)		1,789,818	(288,545)	1,670,371	93,651
Investment related expenses		(60,574)	(55,891)	(30,315)	(24,637)
		<b>1,729,244</b>	<b>(344,436)</b>	<b>1,640,056</b>	<b>69,014</b>
<b>26. CHANGE IN UNREALISED (LOSSES) / GAIN ON AVAILABLE-FOR-SALE FINANCIAL ASSETS</b>					
- Equity securities		(1,816)	1,097	(1,816)	625
		<b>(1,816)</b>	<b>1,097</b>	<b>(1,816)</b>	<b>625</b>
<b>27. NET INSURANCE / TAKAFUL BENEFITS</b>					
<b>Gross claims</b>					
Claims under individual policies / contracts					
- by death		(336,236)	(362,461)	(172,520)	(147,779)
- by insured event other than death		(8,636)	(2,129)	(3,945)	(1,912)
- by maturity		(4,069,885)	(3,351,788)	(1,807,175)	(1,897,046)
- by surrender		(6,703,841)	(4,830,068)	(3,092,494)	(2,317,799)
<b>Total gross individual policy claims</b>		<b>(11,118,598)</b>	<b>(8,546,446)</b>	<b>(5,076,134)</b>	<b>(4,364,536)</b>
Claims under group policies / contracts					
- by death		(332,928)	(310,804)	(156,425)	(182,485)
- by insured event other than death		(21,639)	(5,049)	(17,411)	(686)
<b>Total gross group policy claims</b>		<b>(354,567)</b>	<b>(315,853)</b>	<b>(173,836)</b>	<b>(183,171)</b>
<b>Total gross claims</b>		<b>(11,473,165)</b>	<b>(8,862,299)</b>	<b>(5,249,970)</b>	<b>(4,547,707)</b>
<b>Less: reinsurance / retakaful recoveries</b>					
- on individual life claims		47,781	88,542	27,079	34,949
- on group life claims		215,038	212,856	94,856	130,629
		<b>262,819</b>	<b>301,398</b>	<b>121,935</b>	<b>165,578</b>
<b>Net insurance / takaful benefit expense (excluding claims related expenses)</b>		<b>(11,210,346)</b>	<b>(8,560,901)</b>	<b>(5,128,035)</b>	<b>(4,382,129)</b>



	Note	For the half year ended		For the quarter ended	
		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
----- (Rupees in '000) -----					
<b>28. ACQUISITION EXPENSES</b>					
Remuneration to insurance / takaful intermediaries on individual policies / contracts:					
- Commission on first year premiums / contributions		(340,098)	(475,990)	(150,317)	(246,881)
- Commission on second year premiums / contributions		(60,421)	(74,454)	(28,903)	(29,006)
- Commission on subsequent years renewal premiums / contributions		(83,267)	(76,665)	(38,475)	(32,510)
- Commission on single premiums / contributions		(170,509)	(138,840)	(80,990)	(72,135)
- Other benefits to insurance / takaful intermediaries		(255,146)	(144,293)	(160,483)	(84,929)
		<b>(909,441)</b>	<b>(910,242)</b>	<b>(459,168)</b>	<b>(465,461)</b>
Remuneration to insurance / takaful intermediaries on group policies:					
- Commission		(12,628)	(8,678)	(3,835)	(1,455)
- Other benefits to insurance / takaful intermediaries		(430)	(2,066)	(182)	(345)
		<b>(13,058)</b>	<b>(10,744)</b>	<b>(4,017)</b>	<b>(1,800)</b>
Other acquisition costs					
- Employee benefit cost	28.1	(342,528)	(314,577)	(175,731)	(143,539)
- Traveling expenses		(8,440)	(4,166)	(4,925)	(2,251)
- Information technology expenses		(4,607)	(3,603)	(1,921)	(2,524)
- Printing and stationery		(3,133)	(1,730)	(884)	(900)
- Depreciation		(22,000)	(18,662)	(10,876)	(9,120)
- Depreciation - Right of use asset		(11,592)	(9,580)	(5,795)	(4,789)
- Rent, rates and taxes		(29,371)	(27,676)	(14,947)	(13,561)
- Insurance expenses		(1,702)	(1,501)	(1,165)	(779)
- Vehicle running expenses		(45,101)	(50,261)	(22,268)	(30,179)
- Postages, telegrams and telephone		(5,608)	(5,636)	(2,678)	(2,532)
- Electricity, gas and water		(17,110)	(11,690)	(10,951)	(6,428)
- Office repairs and maintenance		(41,739)	(30,625)	(19,090)	(17,873)
- Entertainment		(7,765)	(7,694)	(1,536)	(2,816)
- Training and development		(4,505)	(2,800)	(2,490)	(1,340)
- Advertisements and sales promotion		(32,513)	(30,223)	(14,979)	(10,597)
- Bank charges		(3,291)	(4,209)	(1,530)	(2,032)
- Write off against property and equipment		-	(4,517)	-	(106)
- Legal and professional charges		(10,236)	(5,107)	(2,393)	(2,644)
- Stamp duty		(21,014)	(29,980)	(10,075)	(18,080)
- Medical examination fee		(1,133)	(1,068)	(459)	1,306
		<b>(613,388)</b>	<b>(565,306)</b>	<b>(304,693)</b>	<b>(270,786)</b>
		<b>(1,535,887)</b>	<b>(1,486,292)</b>	<b>(767,878)</b>	<b>(738,047)</b>

**28.1** Employee benefit cost includes charges for post employment benefit of Rs. 12.689 million (June 30, 2023: Rs.13.632 million).



	Note	For the half year ended		For the quarter ended	
		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
----- (Rupees in '000) -----					
<b>29. MARKETING AND ADMINISTRATION EXPENSES</b>					
Employee benefit cost	29.1 & 29.2	(299,683)	(277,907)	(140,876)	(143,479)
Travelling expenses		(4,696)	(2,719)	(3,512)	(1,903)
Advertisements and sales promotion		(20,445)	(7,697)	(14,091)	(1,698)
Printing and stationery		(7,261)	(6,883)	(4,231)	(3,422)
Depreciation		(15,851)	(13,222)	(8,377)	(6,847)
Depreciation Right of use asset		(17,616)	(17,614)	(8,809)	(8,806)
Amortisation		(3,349)	(6,929)	(1,675)	(3,282)
Rent, rates and taxes		(1,117)	(2,457)	(557)	(943)
Legal and professional charges		(41,498)	(31,695)	(444)	(8,077)
Electricity, gas and water		(9,454)	(8,808)	(4,054)	(7,644)
Entertainment		(2,776)	(3,119)	(1,028)	(2,010)
Vehicle running expenses		(32,307)	(12,814)	(19,482)	499
Office repairs and maintenance		(19,108)	(21,704)	(10,294)	(14,974)
Appointed actuary fees		(10,564)	(8,468)	(6,682)	(4,920)
Postages, telegrams and telephone		(40,947)	(24,386)	(27,428)	(15,786)
Bank charges		(4,532)	(3,958)	(2,248)	(3,518)
Directors' Fee		(325)	(761)	-	(601)
Insurance expenses		(2,044)	(1,397)	(1,265)	(578)
Annual supervision fee		(16,776)	(16,586)	(8,388)	(8,293)
Information technology expenses		(49,962)	(52,415)	(25,912)	(37,485)
Training and development		(518)	(6,634)	(412)	(5,272)
Write off against property and equipment		-	(490)	-	(490)
Miscellaneous		(494)	(49)	(487)	(6)
		<b>(601,323)</b>	<b>(528,711)</b>	<b>(290,252)</b>	<b>(279,533)</b>
<b>29.1 Employee benefit cost</b>					
Salaries, allowances and other benefits		(291,156)	(268,690)	(136,656)	(135,956)
Charges for post employment benefit		(8,527)	(9,217)	(4,220)	(7,523)
		<b>(299,683)</b>	<b>(277,907)</b>	<b>(140,876)</b>	<b>(143,479)</b>
<b>29.2</b>	Total number of employees as at June 30, 2024 are 1,826 (June 30, 2023: 1,700) which includes permanent and contractual employees. Average number of employees during period ended June 30, 2024 were 1,814 (June 30, 2023: 1,721).				
	Note	For the half year ended		For the quarter ended	
		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
----- (Rupees in '000) -----					
<b>30. OTHER EXPENSES</b>					
Auditor's remuneration		(4,592)	(3,965)	(2,551)	(2,959)
Fee and subscription		(2,003)	(2,737)	(954)	(1,656)
Charity and donations	30.1	(519)	(319)	(214)	(90)
		<b>(7,114)</b>	<b>(7,021)</b>	<b>(3,719)</b>	<b>(4,705)</b>
<b>30.1 Charity and donations</b>					

This represents the charity payable against purification of income of Sharia compliant securities.



	Note	For the half year ended		For the quarter ended	
		June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2023 (Un-audited)
----- (Rupees in '000) -----					
<b>31. FINANCE COSTS</b>					
Interest expense on lease liabilities		(2,198)	(7,154)	(851)	(3,380)
		<u>(2,198)</u>	<u>(7,154)</u>	<u>(851)</u>	<u>(3,380)</u>
<b>32. INCOME TAX EXPENSE</b>					
For the period					
- Current		(114,996)	(68,683)	(57,962)	(40,303)
- Deferred		(281,703)	(146,435)	(135,711)	(99,869)
		<u>(396,699)</u>	<u>(215,118)</u>	<u>(193,673)</u>	<u>(140,172)</u>
<b>33. EARNINGS PER SHARE</b>					
Profit after tax for the period		<u>648,674</u>	<u>421,842</u>	<u>344,823</u>	<u>291,344</u>
		(Number of shares in '000)			
Weighted average number of ordinary share outstanding as at period end		<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
		----- (Rupees in '000) -----			
Basic earnings per share	33.1	<u>2.59</u>	<u>1.69</u>	<u>1.38</u>	<u>1.17</u>

**33.1** There are no dilutive affect on basic earnings per share of the Company.

#### **34. RELATED PARTY TRANSACTIONS**

The related parties comprise of the parent company, directors, key management personnel, associated undertakings, group companies, entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed interim financial statements are given below:







	<b>For the half year ended</b>	
	<b>June 30, 2024 (Un-audited)</b>	<b>December 31, 2023 (Audited)</b>
	------(Rupees in '000)-----	
<b>Balances outstanding as at the end of the period</b>		
<b>Holding company</b>		
Insurance premium receivable	2,884	-
Other receivable	-	4
<b>Associated undertakings</b>		
Premium / contribution 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
Accrued income	-	-
Commission payable	237,077	296,091
Claims payable	2,759	1,000
Premium received in advance	757	165
<b>Other related parties</b>		
Premium / contribution 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



## 35. SEGMENTAL INFORMATION

35.1 Revenue account by statutory fund  
For the half year ended June 30, 2024 (Un-audited)

	Statutory Funds						Total
	Conventional Business	Accident and Health Business	Non-utilised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	
	(Rupees in 000)						
<b>Income</b>							
Premiums / contributions less reinsurances / re-takaful	144,355	2,773	15,692	9,929,728	1,611,134	49,785	11,753,467
Rental income from investment property	-	-	-	1,350	-	-	1,350
Net investment income	64,756	-	178,203	8,696,863	1,440,296	20,590	10,400,708
<b>Total net income</b>	<b>209,111</b>	<b>2,773</b>	<b>193,895</b>	<b>18,627,941</b>	<b>3,051,430</b>	<b>70,375</b>	<b>22,155,525</b>
<b>Insurance / takaful benefits and expenditures</b>							
Insurance benefits including bonus net of reinsurance / retakaful	(110,281)	-	(397,080)	(9,545,328)	(1,131,163)	(29,484)	(11,213,336)
Management expenses less recoveries	(38,278)	(969)	(1,191)	(1,615,276)	(440,194)	(8,242)	(2,104,150)
<b>Total insurance / takaful benefits and expenditures</b>	<b>(148,559)</b>	<b>(969)</b>	<b>(398,271)</b>	<b>(11,160,604)</b>	<b>(1,571,357)</b>	<b>(37,726)</b>	<b>(13,317,486)</b>
Excess / (deficit) of income over insurance / takaful benefits and expenditures	60,552	1,804	(204,376)	7,467,337	1,480,073	32,649	8,838,039
Add: policyholders' liabilities at beginning of the period	261,143	1,324	1,315,617	62,792,011	11,702,085	110,754	76,182,934
Less: policyholders' liabilities at end of the period	234,716	2,855	1,041,641	69,747,323	13,096,777	137,385	84,260,697
Net change in insurance / takaful liabilities (other than outstanding claims)	26,427	(1,531)	273,976	(6,955,312)	(1,394,692)	(26,631)	(8,077,763)
Surplus before tax	86,979	273	69,600	512,025	85,381	6,018	760,276
Movement in policyholders' liabilities	(26,427)	1,531	(273,976)	6,955,312	1,394,692	26,631	8,077,763
Balance of statutory funds at beginning of the period	552,046	2,872	1,377,738	64,058,048	12,112,926	160,871	78,264,501
<b>Balance of statutory funds at end of the period</b>	<b>612,598</b>	<b>4,676</b>	<b>1,173,362</b>	<b>71,525,385</b>	<b>13,592,999</b>	<b>193,520</b>	<b>87,102,540</b>
<b>Represented by:</b>							
Capital contribution by shareholders fund	327,515	1,511	-	-	-	35,630	364,656
Receipt of Qard-e-Hasna to OSF from PTF	-	-	-	-	22,500	-	22,500
Refund of Qard-e-Hasna by PTF	-	-	-	-	(22,500)	-	(22,500)
Policyholders' liabilities	234,716	2,855	1,041,641	69,747,323	12,932,621	24,572	83,983,728
Retained earning on other than participating business	50,367	310	131,721	1,778,062	660,378	133,318	2,754,156
<b>Balance of statutory funds</b>	<b>612,598</b>	<b>4,676</b>	<b>1,173,362</b>	<b>71,525,385</b>	<b>13,592,999</b>	<b>193,520</b>	<b>87,102,540</b>

35.2 Revenue account by statutory fund  
For the half year ended June 30, 2023 (Un-audited)

	Statutory Funds						Total
	Conventional Business	Accident and Health Business	Non-utilised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	
	(Rupees in 000)						
<b>Income</b>							
Premiums / contribution less reinsurances / re-takaful	79,348	1,156	33,820	9,062,120	1,733,743	38,273	10,948,460
Rental income from investment property	-	-	-	1,488	-	-	1,488
Net investment income	46,677	-	171,023	4,315,337	663,483	13,487	5,210,007
<b>Total net income</b>	<b>126,025</b>	<b>1,156</b>	<b>204,843</b>	<b>13,378,945</b>	<b>2,397,226</b>	<b>51,760</b>	<b>16,159,955</b>
<b>Insurance benefits and expenditures</b>							
Insurance benefits including bonus net of reinsurance / retakaful	(75,076)	-	(321,450)	(7,445,784)	(693,164)	(29,249)	(8,564,723)
Management expenses less recoveries	(37,057)	(493)	(2,217)	(1,472,716)	(473,613)	(6,009)	(1,992,105)
<b>Total insurance / takaful benefits and expenditures</b>	<b>(112,133)</b>	<b>(493)</b>	<b>(323,667)</b>	<b>(8,918,500)</b>	<b>(1,166,777)</b>	<b>(35,258)</b>	<b>(10,556,828)</b>
Excess / (deficit) of income over insurance / takaful benefits and expenditures	13,892	663	(118,824)	4,460,445	1,230,449	16,502	5,603,127
Net change in insurance / takaful liabilities (other than outstanding claims)	31,992	(499)	157,344	(4,170,149)	(1,140,634)	(19,148)	(5,141,094)
Surplus / (deficit) before tax	45,884	164	38,520	290,296	89,815	(2,646)	462,033
Movement in policyholders' liabilities	(31,992)	499	(157,344)	4,170,149	1,140,634	19,148	5,141,094
Balance of statutory funds at beginning of the period	363,539	1,322	1,713,066	50,969,588	8,652,137	110,574	61,810,226
<b>Balance of statutory funds at end of the period</b>	<b>377,431</b>	<b>1,985</b>	<b>1,594,242</b>	<b>55,430,033</b>	<b>9,882,586</b>	<b>127,076</b>	<b>67,413,353</b>
<b>Represented by:</b>							
Capital contribution by shareholders fund	327,515	1,510	-	-	-	35,630	364,655
Qard-e-Hasna from Window Takaful Operator to PTF	-	-	-	-	(22,500)	-	(22,500)
Qard-e-Hasna received by PTF	-	-	-	-	22,500	-	22,500
Policyholders' liabilities	152,552	862	1,467,141	54,193,230	9,388,642	27,456	65,229,883
Retained (losses) / earnings on other than participating business	(102,636)	(387)	127,101	1,236,803	493,944	63,990	1,818,815
<b>Balance of statutory funds</b>	<b>377,431</b>	<b>1,985</b>	<b>1,594,242</b>	<b>55,430,033</b>	<b>9,882,586</b>	<b>127,076</b>	<b>67,413,353</b>



	As at June 30, 2024 (Un-audited)		
	Statutory	Shareholders'	Total
	Funds	Fund	
	(Rupees in '000)		
<b>36. Segmental statement of financial position</b>			
Property and equipment	-	213,769	213,769
Intangible assets	-	26,921	26,921
Right of use assets	-	43,295	43,295
Investment property	1,154,794	-	1,154,794
Investments			
Equity securities	9,393,108	65,890	9,458,998
Government securities	64,728,611	2,822,764	67,551,375
Debt securities	3,547,190	-	3,547,190
Term deposits	-	-	-
Mutual funds	6,486,094	-	6,486,094
Loan secured against life insurance policies	8,427	-	8,427
Insurance / takaful / reinsurance / retakaful receivables	157,769	-	157,769
Deferred tax asset	-	28,683	28,683
Loans, advances and other receivables	1,682,347	158,795	1,841,142
Taxation - payment less provision	1,058,575	-	1,058,575
Prepayments	9,264	100,966	110,230
Cash and bank	3,611,707	293,968	3,905,675
<b>Total assets</b>	<b>91,837,886</b>	<b>3,755,051</b>	<b>95,592,937</b>
Insurance / takaful liabilities	88,272,493	-	88,272,493
Retirement benefit obligations	799	8,625	9,424
Taxation - payment less provision	-	498,165	498,165
Deferred tax liability	966,974	-	966,974
Lease liabilities	-	65,087	65,087
Premium / contribution received in advance	246,561	-	246,561
Insurance / takaful / reinsurance / retakaful payables	32,586	-	32,586
Unclaimed dividends	-	35	35
Other creditors and accruals	443,107	243,371	686,478
<b>Total liabilities</b>	<b>89,962,520</b>	<b>815,283</b>	<b>90,777,803</b>
	As at December 31, 2023 (Audited)		
	Statutory	Shareholders	Total
	Funds	Fund	
	(Rupees in '000)		
Property and equipment	-	220,156	220,156
Intangible assets	-	25,906	25,906
Right of use asset	-	72,504	72,502
Investment property	1,065,394	-	1,065,394
Investments			
Equity securities	8,556,762	-	8,556,762
Government securities	58,521,485	2,844,198	61,365,683
Debt securities	3,629,033	-	3,629,033
Term deposits	75,000	-	75,000
Mutual funds	4,981,341	-	4,981,341
Loan secured against life insurance policies	35,975	-	35,975
Insurance / takaful / reinsurance / retakaful receivables	94,143	-	94,143
Deferred tax asset	-	13,177	13,177
Loans, advances and other receivables	1,242,250	136,808	1,379,058
Taxation - payment less provision	992,572	-	992,572
Prepayments	7,642	47,527	55,169
Cash and bank	3,452,046	474,550	3,926,596
<b>Total assets</b>	<b>82,653,643</b>	<b>3,834,826</b>	<b>86,488,467</b>



	As at December 31, 2023 (Audited)		
	Statutory Funds	Shareholders Fund	Total
	(Rupees in '000)		
Insurance / takaful liabilities	79,559,988	-	79,559,988
Taxation - payment less provision	-	385,622	385,622
Deferred tax liability	670,473	-	670,473
Lease liabilities	-	103,455	103,455
Premium / contribution received in advance	246,282	-	246,282
(Insurance / takaful) / (reinsurance / retakaful) payables	102,148	-	102,148
Unclaimed dividends	-	39	39
Other creditors and accruals	663,157	339,735	1,002,892
<b>Total liabilities</b>	<b>81,242,048</b>	<b>828,851</b>	<b>82,070,899</b>

### 37. FAIR VALUE MEASUREMENT

The table below analyses assets measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

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.

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

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

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

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

	As at June 30, 2024 (Un-audited)					Fair value			
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
<b>Financial assets measured at fair value</b>									
- Investments									
Government securities (T-bills + PIBs + Sukuks)	-	67,551,375	-	-	67,551,375	-	67,551,375	-	67,551,375
Equity securities	65,890	9,393,108	-	-	9,458,998	9,458,998	-	-	9,458,998
Mutual funds	-	6,486,094	-	-	6,486,094	-	6,486,094	-	6,486,094
Debt securities (listed TFCs / corporate sukus)	-	3,547,190	-	-	3,547,190	-	3,547,190	-	3,547,190
<b>Non-financial assets measured at fair value</b>									
- Investment property	-	1,154,794	-	-	1,154,794	-	-	1,154,794	1,154,794
<b>Financial assets not measured at fair value</b>									
Loan secured against life insurance policies	-	-	8,427	-	8,427				
Insurance / takaful / reinsurance / retakaful receivables	-	-	157,769	-	157,769				
Loans, advances and other receivables	-	-	1,830,576	-	1,830,576				
Cash and bank	-	-	3,892,503	-	3,892,503				
	<b>65,890</b>	<b>88,132,561</b>	<b>5,889,275</b>	<b>-</b>	<b>94,087,726</b>				
<b>Financial liabilities not measured at fair value</b>									
- Insurance / takaful liabilities	-	-	-	88,272,493	88,272,493				
- Lease liabilities	-	-	-	65,087	65,087				
- Insurance / takaful / reinsurance / retakaful payables	-	-	-	32,586	32,586				
- Unclaimed dividends	-	-	-	35	35				
- Other creditors and accruals	-	-	-	677,484	677,484				
	-	-	-	<b>89,047,685</b>	<b>89,047,685</b>				



	As at December 31, 2023 (Audited)								
	Carrying value				Fair value				
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000')									
Financial assets measured at fair value									
- Investments									
Government securities (T-bills + PIBs + Sukuks)	-	61,365,683	-	-	61,365,683	-	61,365,683	-	61,365,683
Equity securities	-	8,556,762	-	-	8,556,762	8,556,762	-	-	8,556,762
Mutual funds	-	4,981,341	-	-	4,981,341	-	4,981,341	-	4,981,341
Debt securities (listed TFCs / corporate sukus)	-	3,629,033	-	-	3,629,033	-	3,629,033	-	3,629,033
Non-financial assets measured at fair value									
- Investment property	-	1,065,394	-	-	1,065,394	-	-	1,065,394	1,065,394
Financial assets not measured at fair value									
Loan secured against life insurance policies	-	-	35,975	-	35,975				
Insurance / takaful / reinsurance / retakaful receivables	-	-	94,143	-	94,143				
Loans, advances and other receivables	-	-	1,373,511	-	1,373,511				
Cash and bank	-	-	3,917,410	-	3,917,410				
Trade deposit	-	-	75,000	-	75,000				
	-	79,598,213	5,496,039	-	85,094,252				
Financial liabilities not measured at fair value									
- Insurance / takaful liabilities	-	-	-	79,559,988	79,559,988				
- Lease liabilities	-	-	-	103,455	103,455				
- Insurance / takaful / reinsurance / retakaful payables	-	-	-	102,148	102,148				
- Unclaimed dividends	-	-	-	39	39				
- Other creditors and accruals	-	-	-	985,436	985,436				
	-	-	-	80,751,066	80,751,066				

**37.1** The Company has not disclosed fair values of few of the above mentioned financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

### 38. CORRESPONDING FIGURES

Acquisition expenses represents costs / expenses incurred to acquire insurance business. Previously, only agency costs were classified as acquisition expenses. During the last quarter of 2023, the management re-evaluated these costs and accordingly reclassified the directly attributable expenses of group life and bancassurance business as acquisition expenses which were previously classified as marketing and administration expenses. The corresponding figures of statement of profit or loss account for the year ended 31 December 2023 have also been reclassified for the aforementioned matter. The details of reclassifications for the comparative periods are as follows:



	For the half year ended June 30, 2023		For the quarter ended June 30, 2023	
	MARKETING AND ADMINISTRATION EXPENSES Note 29	ACQUISITION EXPENSES Note 28	MARKETING AND ADMINISTRATION EXPENSES Note 29	ACQUISITION EXPENSES Note 28
----- (Rupees in '000) -----				
- Employee benefit cost	(106,973)	106,973	(46,249)	46,249
- Traveling expenses	(2,135)	2,135	(1,200)	1,200
- Information technology expense	(1,280)	1,280	(772)	772
- Printing and stationery	(812)	812	(380)	380
- Depreciation	(4,995)	4,995	(2,493)	2,493
- Depreciation - Right of use asset	(2,857)	2,857	(1,428)	1,428
- Rent, rates and taxes	(4,264)	4,264	(2,274)	2,274
- Insurance cost	(158)	158	(79)	79
- Car fuel and maintenance	(29,654)	29,654	(18,424)	18,424
- Postages, telegrams and telephone	(1,955)	1,955	6,294	(6,294)
- Electricity, gas and water	(3,096)	3,096	(1,559)	1,559
- Office repairs and maintenance	(5,293)	5,293	4,092	(4,092)
- Entertainment	(968)	968	(487)	487
- Training and development	(1,745)	1,745	(1,040)	1,040
- Marketing cost	(29,270)	29,270	(15,066)	15,066
- Financial charges	(1,532)	1,532	(757)	757
- Legal and professional charges	(3,824)	3,824	(16,047)	16,047
	<b>(200,811)</b>	<b>200,811</b>	<b>(97,869)</b>	<b>97,869</b>

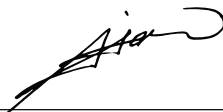
### 39. GENERAL

#### 39.1. Non Adjusting after Reporting Period

The Board of directors of the Company in its meeting held on 23 August 2024 have approved an interim cash dividend of Re. 1/- per Share (2023: Re. 1/- per share) for the period ended 30 June 2024. These condensed interim financial statements do not include the effect of the said interim dividend.

#### 39.2. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on August 23, 2024.

  
S. Muhammad Jawed  
Chairman

  
Muhammad Ali Zeb  
Director

  
Shahmeer Khalid Butt  
Director

  
Manzar Mushtaq  
Chief Executive Officer

  
Jalal Meghani  
Chief Financial Officer

# Window Takaful Operations





To the members of Adamjee Life Assurance Company Limited

## Report on Review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Adamjee Life Assurance Limited-Window Takaful Operations (the WTO Operations) as at June 30, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to and forming the part of the condensed interim financial statements for the half year then ended (here-in-after referred to as "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for Window Takaful Operations. 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 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.

### Emphasis of Matter

We draw attention to note 13.1 to the condensed interim financial statements, which describes that certain insurance companies have challenged the scope and applicability of provincial sales tax on services on premium received from insurance business in a provincial High Court.

The hearing of the petition is currently in progress and the provincial High Court has granted stay to the petitioners against any coercive recovery measures by Punjab Sales Tax (PST) and Sindh Sales Tax (SST).

The Company has not charged PST and SST to its clients, nor has recognized any liability for the impugned sales tax in its condensed interim financial statements as the management is confident that the final outcome will be in the favour of Company based on legal opinion.

Our conclusion is not modified in respect of the above matter.

### Conclusion

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

### Other Matter

The figures for the quarters ended 30 June 2024 and 30 June 2023 in the condensed interim profit or loss and the condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The interim financial statements of the Company for the period ended 30 June 2023 were reviewed by another firm of chartered accountants who had expressed an unmodified conclusion thereon dated 23 August 2023.

The engagement partner on the engagement resulting in this independent auditors' review report is Aamyn Malik.

Date: 28 August 2024

Karachi

UDIN: RR202410096BR0SsqFoM



KPMG Taseer Hadi & Co.  
Chartered Accountants

**Condensed Interim Statement of Financial Position**

Window Takaful Operations (Un-audited)

As at June 30, 2024

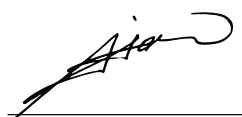


	Note	Aggregate			
		Operator's Sub Fund	Statutory Fund	June 30, 2024	December 31, 2023
(Rupees in '000)					
<b>Assets</b>					
Investments					
Equity securities	6	-	1,157,259	1,157,259	1,194,109
Government securities	7	439,251	7,766,170	8,205,421	7,544,254
Debt securities	8	-	262,407	262,407	261,272
Term deposits	9	-	-	-	75,000
Mutual funds	10	27,985	1,867,639	1,895,624	717,730
Takaful / retakaful receivables		-	36,884	36,884	30,138
Accrued income on investments and others		261	306,551	306,812	342,056
Interfund receivable		92,797	-	92,797	93,554
Taxation - payments less provision		10,082	177,549	187,631	185,070
Prepayments		9,264	-	9,264	7,642
Cash and bank	11	145,738	2,007,240	2,152,978	2,337,413
<b>Total Assets</b>		<b>725,378</b>	<b>13,581,699</b>	<b>14,307,077</b>	<b>12,788,238</b>
<b>Equity and Liabilities</b>					
Capital contributed from shareholders' fund		35,630	-	35,630	35,630
Money ceded to waqf fund		-	500	500	500
Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)		314,321	-	314,321	258,498
<b>Total Equity</b>		<b>349,951</b>	<b>500</b>	<b>350,451</b>	<b>294,628</b>
<b>Liabilities</b>					
Takaful liabilities	12	77,432	13,391,584	13,469,016	12,006,884
Deferred taxation		201,975	-	201,975	166,330
Contribution received in advance		-	68,548	68,548	80,134
Interfund payable		-	92,797	92,797	93,554
Other creditors and accruals		96,020	28,270	124,290	146,708
<b>Total Liabilities</b>		<b>375,427</b>	<b>13,581,199</b>	<b>13,956,626</b>	<b>12,493,610</b>
<b>Total Equity and Liabilities</b>		<b>725,378</b>	<b>13,581,699</b>	<b>14,307,077</b>	<b>12,788,238</b>

**Contingencies and commitments**

13

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



S. Muhammad Jawed  
Chairman



Muhammad Ali Zeb  
Director



Shahmeer Khalid Butt  
Director



Manzar Mushtaq  
Chief Executive Officer



Jalal Meghani  
Chief Financial Officer

**Condensed Interim Statement of Profit or Loss**

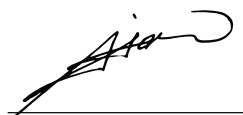
Window Takaful Operations (Un-audited)

For the half year and quarter ended June 30, 2024



Note	Operator's Sub Fund	Statutory Fund	For the half year ended		For the quarter ended	
			June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(Rupees in '000)						
Contribution revenue	351,373	1,373,618	1,724,991	1,829,937	734,021	763,291
Contribution ceded to retakaful	-	(64,072)	(64,072)	(57,921)	(21,915)	(38,162)
<b>Net contribution revenue</b>	<b>351,373</b>	<b>1,309,546</b>	<b>1,660,919</b>	<b>1,772,016</b>	<b>712,106</b>	<b>725,129</b>
Takaful operator's fee	166,808	(166,808)	-	-	-	-
Investment income	41,127	894,112	935,239	463,700	531,657	274,594
Net realised fair value gain/(loss) on financial assets	(4,310)	167,678	163,368	43,783	125,840	15,149
Net fair value gain / (loss) on financial assets at fair value through profit or loss - unrealised	(2,105)	198,873	196,768	(40,919)	142,947	11,800
Other income	10,599	170,607	181,206	231,865	77,618	130,266
	212,119	1,264,462	1,476,581	698,429	878,062	431,809
<b>Net income</b>	<b>563,492</b>	<b>2,574,008</b>	<b>3,137,500</b>	<b>2,470,445</b>	<b>1,590,168</b>	<b>1,156,938</b>
Takaful benefits	(1,492)	(1,208,088)	(1,209,580)	(768,923)	(588,278)	(353,186)
Recoveries from retakaful	-	50,259	50,259	47,915	37,061	17,357
Claims related expenses	-	(1,326)	(1,326)	(1,405)	(681)	(660)
<b>Net takaful benefits</b>	<b>(1,492)</b>	<b>(1,159,155)</b>	<b>(1,160,647)</b>	<b>(722,413)</b>	<b>(551,898)</b>	<b>(336,489)</b>
Net change in takaful liabilities (other than outstanding claims)	(7,646)	(1,413,677)	(1,421,323)	(1,159,682)	(776,521)	(543,306)
Acquisition expenses	(381,697)	-	(381,697)	(382,349)	(199,082)	(199,256)
Marketing and administration expenses	(64,340)	-	(64,340)	(95,665)	(26,921)	(46,054)
Other expenses	(15,716)	(1,176)	(16,892)	(23,167)	(6,340)	(14,889)
	(469,399)	(1,414,853)	(1,884,252)	(1,660,863)	(1,008,864)	(803,505)
<b>Total expenses</b>	<b>(470,891)</b>	<b>(2,574,008)</b>	<b>(3,044,899)</b>	<b>(2,383,276)</b>	<b>(1,560,762)</b>	<b>(1,139,994)</b>
Finance Cost	(1,132)	-	(1,132)	-	(513)	-
<b>Profit before tax</b>	<b>91,469</b>	<b>-</b>	<b>91,469</b>	<b>87,169</b>	<b>28,893</b>	<b>16,944</b>
Income tax expense	(35,646)	-	(35,646)	(28,783)	(10,911)	(5,558)
<b>Profit after tax for the period</b>	<b>55,823</b>	<b>-</b>	<b>55,823</b>	<b>58,386</b>	<b>17,982</b>	<b>11,386</b>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



**S. Muhammad Jawed**  
Chairman



**Muhammad Ali Zeb**  
Director



**Shahmeer Khalid Butt**  
Director



**Manzoor Mushtaq**  
Chief Executive Officer



**Jalal Meghani**  
Chief Financial Officer

**Condensed Interim Statement of Comprehensive Income**

Window Takaful Operations (Un-audited)

For the half year and quarter ended June 30, 2024

	Operator's Sub Fund	Statutory Fund	For the half year ended		For the quarter ended	
			June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----						
Profit after tax for the period - as per statement of profit or loss	55,823	-	55,823	58,386	17,982	11,386
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>55,823</b>	<b>-</b>	<b>55,823</b>	<b>58,386</b>	<b>17,982</b>	<b>11,386</b>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

**S. Muhammad Jawed**  
Chairman**Muhammad Ali Zeb**  
Director**Shahmeer Khalid Butt**  
Director**Manzar Mushtaq**  
Chief Executive Officer**Jalal Meghani**  
Chief Financial Officer

**Condensed Interim Statement of Changes in Equity**

Window Takaful Operations (Un-audited)

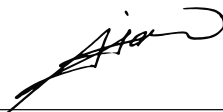
For the half year ended June 30, 2024



	Capital contributed from shareholders' fund	Money ceded to waqf fund	Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)*	Total
----- (Rupees in '000) -----				
<b>Balance as at January 01, 2023</b>	35,630	500	182,337	218,467
Total comprehensive income for the period ended June 30, 2023				
- Profit for the period after tax	-	-	58,386	58,386
- Other comprehensive income	-	-	-	-
	-	-	58,386	58,386
<b>Balance as at June 30, 2023</b>	35,630	500	240,723	276,853
<b>Balance as at January 01, 2024</b>	35,630	500	258,498	294,628
Total comprehensive income for the period ended June 30, 2024				
- Profit for the period after tax	-	-	55,823	55,823
- Other comprehensive income	-	-	-	-
	-	-	55,823	55,823
<b>Balance as at June 30, 2024</b>	35,630	500	314,321	350,451

\* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life assurance business.

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



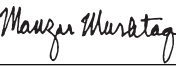
S. Muhammad Jawed  
Chairman



Muhammad Ali Zeb  
Director



Shahmeer Khalid Butt  
Director



Manzar Mushtaq  
Chief Executive Officer



Jalal Meghani  
Chief Financial Officer

**Condensed Interim Statement of Cash Flows**

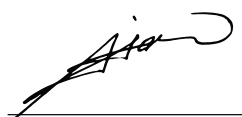
Window Takaful Operations (Un-audited)

For the half year ended June 30, 2024



	Note	June 30, 2024	June 30, 2023
		------(Rupees in '000)-----	
<b>Operating Cash Flows</b>			
<b>(a) Takaful activities</b>			
Takaful contribution received		1,713,405	1,805,473
Retakaful contribution paid		(20,559)	-
Claims paid		(1,170,097)	(741,338)
Hadia paid		(212,123)	(235,326)
Marketing and administrative expenses paid		(237,866)	(192,175)
<b>Net cash flow generated from takaful activities</b>		<b>72,760</b>	<b>636,634</b>
<b>(b) Other operating activities</b>			
Income tax paid		(2,561)	(25,325)
<b>Total cash flow generated from all operating activities</b>		<b>70,199</b>	<b>611,309</b>
<b>Investment activities</b>			
Profit / return received		991,882	454,409
Dividend received		157,902	55,144
Payment for investments		(3,999,014)	(3,531,715)
Proceeds from disposal of investments		2,519,596	3,187,170
<b>Total cash flow (used in) / generated from investing activities</b>		<b>(329,634)</b>	<b>165,008</b>
<b>Net cash (outflow) / inflows from all activities</b>		<b>(259,435)</b>	<b>776,317</b>
<b>Cash and cash equivalent at the beginning of the period</b>		<b>2,412,413</b>	<b>3,978,762</b>
<b>Cash and cash equivalent at the end of the period</b>	11.2	<b>2,152,978</b>	<b>4,755,079</b>
<b>Reconciliation to statement of profit or loss</b>			
Cash flow from all operating activities		70,199	611,309
Depreciation and amortisation expense		(12,001)	(9,252)
Financial charge expense		(1,461)	(1,568)
Write offs		-	(4,517)
Profit on disposal of investment		163,368	43,783
Dividend income		151,238	57,870
Other investment income		957,056	637,695
Increase in assets other than cash		16,021	43,972
Increase in liabilities other than borrowings		(1,493,516)	(1,279,987)
Surplus /(deficit) on revaluation of investment		204,919	(40,919)
<b>Profit after taxation for the period</b>		<b>55,823</b>	<b>58,386</b>

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

  
S. Muhammad Jawed  
Chairman

  
Muhammad Ali Zeb  
Director

  
Shahmeer Khalid Butt  
Director

  
Manzar Mushtaq  
Chief Executive Officer

  
Jalal Meghani  
Chief Financial Officer



## 1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Adamjee Life Assurance Company Limited ("the Operator") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Operator was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Operator started its operations from April 24, 2009. Registered office of the Operator 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 Operator is a subsidiary of Adamjee Insurance Company Limited.

The Operator is engaged in Takaful business carrying on non-participating business only. Following are the statutory funds in respect of each class of its Takaful business:

- Individual Family Takaful Business (refer note 1.2)
- Group Family Takaful Business (refer note 1.2)

1.2 The Operator 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 Company commenced Window Takaful Operations from July 14, 2016. The Operator 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 Operator 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 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 Operator.

The Operator issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Operator commenced its Group Family Takaful Business in the second Quarter of 2020.

## 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These condensed interim 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 Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

In case the requirements differ, provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, have been followed.

These condensed interim financial statements do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements of the Window Takaful Operations of the Operator for the year ended 31 December 2023.



The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Window Takaful Operations of the Operator for the year ended 31 December 2023.

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION

The Operator has consistently applied the accounting policies to all periods presented in these financial statements adopted in the preparation of these condensed interim financial statements. These are consistent with those applied in preparation of the published annual audited financial statements of the Window Takaful Operations of the Operator for the year ended 31 December 2023. In addition, the Operator has adopted Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. The amendments require the Disclosure of "material" rather than 'significant' accounting policies. The amendments did not result in any changes to the accounting policies.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Operator has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

#### 5. APPLICATION OF IFRS 9 AND IFRS 17

IFRS 9 - Financial Instruments

**Effective Date**

January 01, 2026\*

IFRS 17 - Insurance contracts

January 01, 2026\*\*

\* 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. Further details relating to temporary exemption from the application of IFRS 9 is given in annual financial statements of the Operator for the year ended December 31, 2023.

\*\* IFRS 17 - 'Insurance contracts' has been issued by the IASB to be effective for annual periods beginning on or after January 01, 2023 but is yet to be notified by the Securities and Exchange Commission of Pakistan.

The SECP vide SRO 1715 (I) / 2023 dated November 21, 2023 has directed the companies engaged in insurance/ takaful and re-insurance/re-takaful to follow IFRS 17 from January 01, 2026. The Operator is in the process of determination of impact assessment of IFRS - 17 on the Operator's financial statements. Accordingly, IFRS 9 would be adopted from January 01, 2026.

#### 6. INVESTMENTS IN EQUITY SECURITIES

Fair value through profit or loss  
(held for trading)

June 30,  
2024

December 31,  
2023

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

6.1 1,157,259 1,194,109

##### 6.1 At fair value through profit or loss (held for trading)

	As at June 30, 2024			As at December 31, 2023		
	Carrying Value	Provision / Impairment	Market value	Carrying Value	Provision / Impairment	Market value
	----- (Rupees in '000) -----					
Related parties	286	-	368	18,821	-	27,518
Others	1,027,160	-	1,156,891	952,243	-	1,166,591
	<u>1,027,446</u>	<u>-</u>	<u>1,157,259</u>	<u>971,064</u>	<u>-</u>	<u>1,194,109</u>



## Notes to and forming part of the Condensed Interim Financial Statements



For the half year and quarter ended June 30, 2024

Window Takaful Operations (Un-audited)

		June 30, 2024	December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>7. INVESTMENT IN GOVERNMENT SECURITIES</b>			
Fair value through profit or loss (held for trading)	7.1	<b>8,205,421</b>	<b>7,544,254</b>

**7.1 Fair value through profit or loss (held for trading)**

As at June 30, 2024						
Term	Maturity year	Effective yield (%)	Face value	Carrying value	Market value	
----- (Rupees in '000) -----						
<b>Fixed rate instruments</b>						
GOP Ijara Sukuk 5 Years	5 years	2028	15.59% - 15.72%	400,000	401,413	404,150
GOP Ijara Sukuk 5 Years	5 years	2026	16.73% - 21.05%	815,000	774,366	765,492
GOP Ijara Sukuk 5 Years	5 years	2025	18.54% - 21.05%	555,000	535,393	540,647
GOP Ijara Sukuk 3 Years	3 years	2027	16.68%	35,000	35,000	35,000
GOP Ijara Sukuk 3 Years	3 years	2026	16.02% - 21.03%	2,178,000	2,213,446	2,216,582
GOP Ijara Sukuk 1 Year	1 year	2025	19.08% - 19.71%	1,241,965	1,072,486	1,076,637
GOP Ijara Sukuk 1 Year	1 year	2024	19.64% - 21.91%	1,790,625	1,792,954	1,790,466
<b>Floating rate instruments</b>						
GOP Ijara Sukuk 5 Years	5 years	2029	15.63%	135,000	135,000	135,000
GOP Ijara Sukuk 5 Years	5 years	2028	15.72%	760,000	761,183	764,726
GOP Ijara Sukuk 5 Years	5 years	2027	16.33% - 16.57%	239,900	243,162	241,473
GOP Ijara Sukuk 5 Years	5 years	2026	16.78%	60,000	60,742	60,618
GOP Ijara Sukuk 5 Years	5 years	2025	18.54% - 19.32%	175,000	175,695	174,630
<b>As at June 30, 2024</b>				<b>8,385,490</b>	<b>8,200,840</b>	<b>8,205,421</b>
<b>Unrealised gain</b>				<b>-</b>	<b>4,581</b>	<b>-</b>
				<b>8,385,490</b>	<b>8,205,421</b>	<b>8,205,421</b>
As at December 31, 2023				7,498,709	7,557,525	7,544,254

		June 30, 2024	December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>8. INVESTMENT IN DEBT SECURITIES</b>			
At fair value through profit or loss (held for trading)	8.1	<b>262,407</b>	<b>261,272</b>

**8.1 At fair value through profit or loss (held for trading)**

	As at June 30, 2024			As at December 31, 2023		
	Carrying Value	Provision / impairment	Market value	Carrying Value	Provision / impairment	Market value
----- (Rupees in '000) -----						
Corporate sukuk	262,240	-	262,407	259,731	-	261,272
	<b>262,240</b>	<b>-</b>	<b>262,407</b>	<b>259,731</b>	<b>-</b>	<b>261,272</b>

## Notes to and forming part of the Condensed Interim Financial Statements



For the half year and quarter ended June 30, 2024

Window Takaful Operations (Un-audited)

		June 30, 2024	December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>9. INVESTMENT IN TERM DEPOSITS</b>			
Deposits maturing within 12 months (held to maturity)		-	75,000

<b>10. INVESTMENT IN MUTUAL FUNDS</b>			
Fair value through profit or loss (held for trading)	10.1	1,895,624	717,730

**10.1 Fair value through profit or loss (held for trading)**

	As at June 30, 2024			As at December 31, 2023		
	Carrying Value	Provision / Impairment	Market value	Carrying Value	Provision / Impairment	Market value
	----- (Rupees in '000) -----					
Related parties	1,825,266	-	1,895,624	488,169	-	717,730
	1,825,266	-	1,895,624	488,169	-	717,730

		June 30, 2024	December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>11. CASH AND BANK</b>			
- Policy stamps		8,847	3,753
<b>Cash at bank</b>			
- Current accounts		52,586	90,391
- Islamic saving accounts	11.1	2,091,545	2,243,269
		2,144,131	2,333,660
		2,152,978	2,337,413

11.1 This carries profit rate ranging from 7.84% to 21.20% (December 31, 2023: 12.5% to 20.5%) per annum.

		June 30, 2024	June 30, 2023
	Note	----- (Rupees in '000) -----	
<b>11.2 Cash and cash equivalents</b>			
Cash and cash equivalents includes the following for the purpose of cash flow statement:			
- Policy stamps	11	8,847	8,486
- Cash at bank	11	2,144,131	2,121,593
- Term deposits maturing within three months	9	-	2,625,000
		2,152,978	4,755,079



		June 30, 2024	December 31, 2023
<b>12 TAKAFUL LIABILITIES</b>	<b>Note</b>	----- (Rupees in '000) -----	
Investment component of unit-linked and account value policies	12.3	12,759,984	11,354,261
Reported outstanding claims (including claims in payment)	12.1	234,854	194,045
Incurred but not reported claims	12.2	54,702	61,967
Liabilities under group takaful contracts (other than investment linked)	12.4	13,412	7,290
Other takaful liabilities	12.5	129,095	135,068
		<u>13,192,047</u>	<u>11,752,631</u>
Surplus retained in Participants' Takaful Fund (PTF)		276,969	254,253
		<u>13,469,016</u>	<u>12,006,884</u>
<b>12.1 Reported outstanding claims (including claims in payment)</b>			
Gross of retakaful		252,061	220,517
Retakaful recoveries		(17,207)	(26,472)
Net reported outstanding claims		<u>234,854</u>	<u>194,045</u>
<b>12.2 Incurred but not reported claims</b>			
<b>Individual life</b>			
Gross of retakaful		78,222	98,725
Retakaful recoveries		(34,679)	(50,015)
Net of retakaful		<u>43,543</u>	<u>48,710</u>
<b>Group life</b>			
Gross of retakaful		24,897	25,588
Retakaful recoveries		(13,738)	(12,331)
Net of retakaful		<u>11,159</u>	<u>13,257</u>
		<u>54,702</u>	<u>61,967</u>
<b>12.3 Investment component of unit linked policies</b>		<u>12,759,984</u>	<u>11,354,261</u>
<b>12.4 Liabilities under group takaful contracts (other than investment linked)</b>			
Gross of retakaful		30,327	13,267
Retakaful recoveries		(16,915)	(5,977)
Net of retakaful		<u>13,412</u>	<u>7,290</u>
<b>12.5 Other takaful liabilities</b>			
Gross of retakaful		156,793	166,865
Retakaful recoveries		(27,698)	(31,797)
Net of retakaful		<u>129,095</u>	<u>135,068</u>
<b>12.6</b>	This comprises of surplus of Participant Takaful Fund, which relates exclusively to participants of the Individual Family Takaful Unit Linked Fund and Group Family Takaful Business and is not available for distribution to shareholders. Under the Waqf Deed of Individual Family Takaful Fund read with Rule 21 of Takaful Rules, 2012, the surplus arising in the Participants Sub Fund can only be distributed to the Participants of that Fund based on approval of the Appointed Actuary. The surplus has been classified under insurance liabilities as clarified by SECP.		

**13. CONTINGENCIES AND COMMITMENTS**

**13.1** 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 Operator 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 Operator'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, then 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 withhold SST on services of life and health insurance. The Operator 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 impleaded 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 Operator 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 Operator 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 Operator, 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.



	For the half year ended		For the quarter ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----				
<b>14. CONTRIBUTION REVENUE</b>				
<b>Gross Contribution</b>				
Regular contribution individual policies*				
First year	356,257	363,835	199,829	208,862
Second year renewal	229,683	490,144	106,974	134,603
Subsequent year renewal	1,014,093	859,612	383,468	356,954
Total regular contribution individual policies	1,600,033	1,713,591	690,271	700,419
Single contribution individual Policies*	35,126	46,969	17,812	21,262
Group policies without cash values	89,832	69,377	25,938	41,610
	124,958	116,346	43,750	62,872
<b>Total gross contribution</b>	1,724,991	1,829,937	734,021	763,291
<b>Less: retakaful contributions ceded</b>				
On individual life first year business	(6,350)	(6,580)	(3,103)	(3,315)
On individual life second year business	(3,740)	(7,513)	(1,947)	(3,642)
On individual life subsequent renewal business	(13,920)	(12,695)	(6,867)	(6,595)
On individual life single premium business	(15)	(29)	(8)	(16)
On group policies	(40,047)	(31,104)	(9,990)	(24,594)
	(64,072)	(57,921)	(21,915)	(38,162)
<b>Net contribution</b>	1,660,919	1,772,016	712,106	725,129
* Individual policies are those underwritten on an individual basis.				
<b>15. INVESTMENT INCOME</b>				
Income from equity and mutual funds	151,238	57,870	138,576	41,777
Income from government securities - fair value through profit or loss	747,864	159,707	377,469	97,150
<b>Income from debt securities - fair value through profit or loss</b>				
- Return on corporate sukuks	36,137	24,636	15,612	12,168
<b>Income from term deposit receipts - held to maturity</b>				
- Return on term deposit receipts	-	221,487	-	123,499
	935,239	463,700	531,657	274,594



16. NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS	Note	For the half year ended		For the quarter ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Fair value through profit or loss					
Realised gains / (losses) on:					
- Equity securities		148,504	34,706	113,006	9,312
- Government securities		14	-	1	-
- Debt securities		-	(6,378)	-	-
- Mutual funds		14,850	15,455	12,833	5,837
		<b>163,368</b>	<b>43,783</b>	<b>125,840</b>	<b>15,149</b>
----- (Rupees in '000) -----					
17. NET FAIR VALUE GAINS/ (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED					
Net unrealised gains /(losses) on:					
- Equity securities		129,813	(10,942)	112,458	16,831
- Government securities	7.1	4,581	(25,368)	16,931	(588)
- Debt securities		167	(1,796)	(22)	426
- Mutual funds		70,358	2,784	17,653	(2,917)
Total gains /(losses)		204,919	(35,322)	147,020	13,752
Less: Investment related expenses		(8,151)	(5,597)	(4,073)	(1,952)
		<b>196,768</b>	<b>(40,919)</b>	<b>142,947</b>	<b>11,800</b>
18. OTHER INCOME					
Return on bank balances		165,511	210,406	71,838	116,162
Bonus allocation from operator's sub fund		15,695	21,459	5,780	14,104
		<b>181,206</b>	<b>231,865</b>	<b>77,618</b>	<b>130,266</b>
19. NET TAKAFUL BENEFITS					
<b>Gross Claims</b>					
<b>Claims under individual policies</b>					
- by death		(68,448)	(80,327)	(32,633)	(27,225)
- by insured event other than death		(1,715)	(1,104)	(2,395)	(977)
- by maturity		(128,096)	(122,718)	(52,795)	(36,712)
- by surrender		(945,826)	(517,422)	(458,876)	(264,356)
<b>Total gross individual policy claims</b>		<b>(1,144,085)</b>	<b>(721,571)</b>	<b>(546,699)</b>	<b>(329,270)</b>
<b>Claims under group policies</b>					
- by death		(62,277)	(46,414)	(40,429)	(23,514)
- by insured event other than death		(3,218)	(938)	(1,150)	(402)
<b>Total gross claims</b>		<b>(1,209,580)</b>	<b>(768,923)</b>	<b>(588,278)</b>	<b>(353,186)</b>
<b>Less: Retakaful recoveries</b>					
- on individual life claims		14,248	29,812	12,226	5,754
- on group life claims		36,011	18,103	24,835	11,603
		<b>50,259</b>	<b>47,915</b>	<b>37,061</b>	<b>17,357</b>
<b>Net takaful benefit expense</b>		<b>(1,159,321)</b>	<b>(721,008)</b>	<b>(551,217)</b>	<b>(335,829)</b>



## 20. ACQUISITION EXPENSES

**Remuneration to takaful intermediaries on individual policies:**

	For the half year ended		For the quarter ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
- Hadia to agent on first year contributions	(128,198)	(137,240)	(67,045)	(79,211)
- Hadia to agent on second year contributions	(16,804)	(31,897)	(7,584)	(9,447)
- Hadia to agent on subsequent year renewal contributions	(22,906)	(17,783)	(8,689)	(7,518)
- Hadia to agent on single contributions	(1,592)	(1,984)	(433)	(569)
- Other benefits to takaful intermediaries	(23,393)	(12,823)	(21,143)	(17,550)
<b>Total hadia cost</b>	<b>(192,893)</b>	<b>(201,727)</b>	<b>(104,894)</b>	<b>(114,295)</b>

**Remuneration to takaful intermediaries on group contracts:**

- Hadia	(3,708)	(2,582)	(1,092)	(461)
- Other benefits to takaful intermediaries	(234)	(457)	(92)	(73)
	<b>(3,942)</b>	<b>(3,039)</b>	<b>(1,184)</b>	<b>(534)</b>

## Other acquisition costs

- Employee benefit costs	(106,580)	(109,400)	(54,459)	(45,086)
- Travelling expenses	(1,660)	(784)	(878)	(378)
- Information technology expense	(1,136)	(415)	(465)	(288)
- Printing and stationery	(1,037)	(556)	(284)	(150)
- Depreciation	(2,200)	(1,367)	(1,088)	(663)
- Depreciation - right of use asset	(1,159)	(672)	(579)	(336)
- Rent, rates and taxes	(15,702)	(13,831)	(8,015)	(7,956)
- Insurance cost	(170)	(144)	(116)	(80)
- Car fuel and maintenance	(14,542)	(14,265)	(7,131)	(9,228)
- Postages, telegrams and telephone	(2,422)	(1,864)	(1,262)	(886)
- Electricity, gas and water	(6,189)	(3,837)	(3,969)	(2,138)
- Office repairs and maintenance	(14,879)	(10,778)	(6,712)	(6,396)
- Entertainment	(2,486)	(2,894)	(336)	(1,112)
- Training and development	(1,101)	(1,087)	(584)	(183)
- Marketing cost	(7,058)	(5,989)	(3,906)	(3,556)
- Financial charges	(329)	(268)	(153)	(128)
- Legal and professional charges	(1,024)	(128)	(240)	(88)
- Miscellaneous	-	(452)	-	(11)
- Policy stamps	(4,897)	(8,617)	(2,759)	(5,691)
- Medical examination fee	(291)	(235)	(68)	(73)
	<b>(184,862)</b>	<b>(177,583)</b>	<b>(93,004)</b>	<b>(84,427)</b>
	<b>(381,697)</b>	<b>(382,349)</b>	<b>(199,082)</b>	<b>(199,256)</b>



	For the half year ended		For the quarter ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
----- (Rupees in '000) -----				
<b>21. MARKETING AND ADMINISTRATION EXPENSES</b>				
Employee benefit cost	(24,854)	(46,755)	(8,705)	(20,882)
Travelling expenses	(805)	(647)	(728)	(443)
Appointed actuary's fee	(1,056)	(845)	(668)	(490)
Auditor's remuneration	(459)	(397)	(255)	(296)
Legal and professional charges	(8,368)	(6,501)	(3,011)	(3,400)
Information technology expenses	(5,282)	(5,626)	(2,751)	(4,025)
Printing and stationery	(1,461)	(2,328)	(761)	(1,438)
Depreciation	(4,065)	(3,146)	(2,104)	(1,619)
Depreciation-right of use assets	(4,336)	(3,434)	(2,169)	(2,310)
Amortisation	(241)	(633)	(120)	(315)
Rent expense	(507)	(912)	(257)	(461)
Insurance expense	(357)	(172)	(227)	(74)
Vehicle running	(4,015)	(4,462)	(2,471)	(1,782)
Postages, telegrams and telephone	(4,245)	(6,273)	(1,150)	(3,234)
Electricity, gas and water	(633)	(1,407)	(281)	(1,030)
Office repairs and maintenance	(1,324)	(2,653)	(71)	(1,530)
Entertainment	(258)	(556)	(85)	(343)
Bank charges	(158)	(42)	(70)	(13)
Training and development	(38)	(195)	(103)	-
Fees and subscription	(1,878)	(1,909)	(934)	(995)
Others	-	(6,772)	-	(1,374)
	<b>(64,340)</b>	<b>(95,665)</b>	<b>(26,921)</b>	<b>(46,054)</b>

**22. RELATED PARTY TRANSACTIONS**

The related parties comprise of the holding company, directors, key management personnel, associated undertakings, group companies entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed financial statements are given below:

	Aggregate	
	For the half year ended June 30, 2024	June 30, 2023
----- (Rupees in '000) -----		
<b>Transactions during the period</b>		
<b>Associated undertakings</b>		
Contribution written	34,433	30,024
Takaful expense	15,445	9,018
Insurance expense	-	11
Hadia and other incentives in respect of bancatakaful	37,496	63,478
Profit on bank deposits	98,593	23,700
Bank charges	717	1,151
Investments purchased	641,969	625,333
Investments sold	603,487	1,000,978
Dividend income	64,182	2,706
<b>Other related parties</b>		
Contribution written	2,330	2,155
Takaful expense	-	22
Investment advisor fee	3,683	2,478





	<b>Aggregate</b>	
	<b>For the half year ended</b>	
	<b>June 30, 2024</b>	<b>June 30, 2023</b>
	----- (Rupees in '000) -----	
<b>Key management personnel</b>		
Remuneration	17,359	10,906
Advances given to key management personnels	19	500
Recoveries against advances to key management personnels	431	256
<b>Staff retirement benefit plan (gratuity fund)</b>		
Charge for the period	2,503	2,622

	<b>Aggregate</b>	
	<b>For the half year ended</b>	
	<b>June 30, 2024</b>	<b>December 31, 2023</b>
	----- (Rupees in '000) -----	
<b>Balances outstanding as at the end of the period</b>		
<b>Associated undertakings</b>		
Contribution due but unpaid	5,967	4,621
Bank deposits	812,799	1,272,955
Investments held	1,895,992	745,248
Hadia payable	26,282	29,164
Dividend receivables	-	6,092
Contribution received in advance	673	-
<b>Key management personnel</b>		
Short term loans (as per policy)	131	805
<b>Other related parties</b>		
Contribution due but unpaid	1,283	438
Remuneration payable for the management of discretionary investment portfolio	767	767

**23. SEGMENTAL INFORMATION****23.1 Revenue Account by Statutory Fund  
for the half year ended June 30, 2024**

	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	Total
	------(Rupees in '000)-----		
<b>Income</b>			
Contribution less re-takaful	1,611,134	49,785	1,660,919
Net investment income	1,440,296	20,590	1,460,886
Total net income	<u>3,051,430</u>	<u>70,375</u>	<u>3,121,805</u>
<b>Takaful benefits and expenditures</b>			
Takaful benefits including bonuses net of re-takaful	(1,131,163)	(29,484)	(1,160,647)
Management expenses less recoveries	(440,194)	(8,172)	(448,366)
<b>Total takaful benefits and expenditures</b>	<u>(1,571,357)</u>	<u>(37,656)</u>	<u>(1,609,013)</u>
<b>Excess of income over takaful benefits and expenditures</b>	<u>1,480,073</u>	<u>32,719</u>	<u>1,512,792</u>
<b>Net change in takaful liabilities (other than outstanding claims)</b>	(1,394,692)	(26,631)	(1,421,323)
<b>Surplus before tax</b>	<u>85,381</u>	<u>6,088</u>	<u>91,469</u>
<b>Movement in takaful' liabilities</b>	1,394,692	26,631	1,421,323
<b>Surplus transferred to shareholders' fund</b>	-	-	-
<b>Balance of statutory funds at beginning of the period</b>	<u>12,112,926</u>	<u>160,871</u>	<u>12,273,797</u>
<b>Balance of statutory funds at end of the period</b>	<u><u>13,592,999</u></u>	<u><u>193,590</u></u>	<u><u>13,786,589</u></u>

**Notes to and forming part of the Condensed Interim Financial Statements**

For the half year and quarter ended June 30, 2024

Window Takaful Operations (Un-audited)

	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	Total
	------(Rupees in '000)-----		
<b>Income</b>			
Contribution less re-takaful	1,733,743	38,273	1,772,016
Net investment income	663,483	13,487	676,970
Total net income	2,397,226	51,760	2,448,986
<b>Takaful benefits and expenditures</b>			
Takaful benefits including bonus net of re-takaful	(693,164)	(29,249)	(722,413)
Management expenses less recoveries	(473,713)	(6,009)	(479,722)
<b>Total takaful benefits and expenditures</b>	(1,166,877)	(35,258)	(1,202,135)
<b>Excess of income over takaful benefits and expenditures</b>	1,230,349	16,502	1,246,851
<b>Net change in takaful liabilities (other than outstanding claims)</b>	(1,140,634)	(19,048)	(1,159,682)
<b>Surplus / (deficit) before tax</b>	89,715	(2,546)	87,169
<b>Movement in takaful' liabilities</b>	1,140,634	19,048	1,159,682
<b>Balance of statutory funds at beginning of the period</b>	8,652,237	110,574	8,762,811
<b>Balance of statutory funds at end of the period</b>	9,882,586	127,076	10,009,662



## 23.2 Revenue Account by Sub Statutory Fund For the half year ended 30 June 2024

	Note	Statutory funds		Aggregated	
		Individual Family Takaful	Group Family Takaful	For the half year ended	
				June 30, 2024	June 30, 2023
		----- (Rupees in '000) -----			
<b>23.2.1 Operator's Sub Fund (OSF)</b>					
<b>Income</b>					
Wakalah fee		264,925	17,806	282,731	333,359
Surrender charges		-	-	-	985
Tharawat fee - investment management	23.2.3	104,313	-	104,313	75,449
Bid offer spread		68,642	-	68,642	71,467
Participants' takaful fund management income	23.2.2	42,744	-	42,744	47,004
Income against admin cost charged to PIF	23.2.3	19,751	-	19,751	22,289
Investment income		45,311	-	45,311	39,110
<b>Total income</b>		<b>545,686</b>	<b>17,806</b>	<b>563,492</b>	<b>589,663</b>
<b>Less: Expenditures</b>					
Acquisition costs		(377,658)	(4,039)	(381,697)	(382,349)
Administration cost and others		(61,270)	(4,202)	(65,472)	(95,665)
Claim related expenses		(892)	(600)	(1,492)	(1,234)
Bonus allocation to PIF	23.2.3	(15,695)	-	(15,695)	(21,459)
Expenses on behalf of PTF - premium		(20)	(1)	(21)	(47)
Expenses on behalf of PTF - tabbarru		-	-	-	(104)
<b>Total management cost</b>		<b>(455,535)</b>	<b>(8,842)</b>	<b>(464,377)</b>	<b>(500,858)</b>
<b>Excess of income over expenditure</b>		<b>90,151</b>	<b>8,964</b>	<b>99,115</b>	<b>88,805</b>
Technical reserve at the beginning of the period		66,715	3,071	69,786	56,999
Less: Technical reserve at end of the period		(71,415)	(6,017)	(77,432)	(58,635)
Movement in technical reserves		(4,700)	(2,946)	(7,646)	(1,636)
<b>Surplus for the period</b>		<b>85,451</b>	<b>6,018</b>	<b>91,469</b>	<b>87,169</b>
Movement in technical reserves		4,700	2,946	7,646	1,636
Surplus transferred to Shareholders' Fund		-	-	-	-
Refund of Qard-e-Hasna to PTF		22,500	-	22,500	-
<b>Balance of Operator's Sub Fund at the beginning of the period</b>		<b>454,555</b>	<b>17,559</b>	<b>472,114</b>	<b>307,389</b>
<b>Balance of Operator's Sub Fund at end of the period</b>		<b>567,206</b>	<b>26,523</b>	<b>593,729</b>	<b>396,194</b>
<b>Represented by:</b>					
Capital contributed by shareholders' fund		-	10,000	10,000	10,000
Capital contributed to group family takaful		-	(10,000)	(10,000)	(10,000)
Surplus transferred to shareholders' fund		-	-	-	-
Qard-e-Hasna to PTF		-	-	-	(22,500)
Technical reserve at end of the period		71,415	6,017	77,432	58,635
Retained earnings on other than participating business		495,791	20,506	516,297	360,059
<b>Balance of Operator's Sub Fund</b>		<b>567,206</b>	<b>26,523</b>	<b>593,729</b>	<b>396,194</b>



	Statutory funds		Aggregated	
	Individual	Group Family	For the period ended	
	Family	Takaful	June 30,	June 30,
	Takaful		2024	2023
Note	----- (Rupees in '000) -----			
<b>23.2.2 Participants' Takaful Fund (PTF)</b>				
<b>Income</b>				
Allocated contribution	15,015	72,026	87,041	79,740
Tabarru income	106,971	-	106,971	117,128
Re-takaful ceded	(24,025)	(40,047)	(64,072)	(57,921)
<b>Total contribution income net of re-takaful</b>	<b>97,961</b>	<b>31,979</b>	<b>129,940</b>	<b>138,947</b>
Add: Investment income	26,912	20,590	47,502	24,998
<b>Total income</b>	<b>124,873</b>	<b>52,569</b>	<b>177,442</b>	<b>163,945</b>
<b>Less: Expenditure</b>				
Participants' Takaful fund management charges	(42,744)	-	(42,744)	(47,004)
Expenses	-	-	-	-
Surplus distribution to PIF	(62,468)	-	(62,468)	-
Death claim expense net of retakaful recoveries	(35,814)	(28,884)	(64,698)	(65,346)
	(141,026)	(28,884)	(169,910)	(112,350)
<b>Excess of income over expenditure</b>	<b>(16,153)</b>	<b>23,685</b>	<b>7,532</b>	<b>51,595</b>
Technical reserve at the beginning of the period	281,533	107,683	389,216	284,796
(Less): technical reserve at end of the period	(101,224)	(18,555)	(119,779)	(139,016)
(Less): surplus retained in technical reserves	(164,156)	(112,813)	(276,969)	(197,375)
<b>Movement in technical reserve</b>	<b>16,153</b>	<b>(23,685)</b>	<b>(7,532)</b>	<b>(51,595)</b>
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Movement in technical reserve	(16,153)	23,685	7,532	51,595
Capital contribution by OSF	-	-	-	-
Qard-e-Hasna refund by PTF	(22,500)	-	(22,500)	-
Balance of Participants' Takaful Fund at beginning of the period	304,533	143,313	447,846	343,426
<b>Balance of Participants' Takaful Fund at end of the period</b>	<b>265,880</b>	<b>166,998</b>	<b>432,878</b>	<b>395,021</b>
<b>Represented by:</b>				
Money ceded to Waqf Funds	500	-	500	500
Capital contribution by OSF	-	35,630	35,630	35,630
Qard-e-Hasna received by PTF	-	-	-	22,500
Policyholders' liabilities	265,380	131,368	396,748	336,391
<b>Balance of statutory fund</b>	<b>265,880</b>	<b>166,998</b>	<b>432,878</b>	<b>395,021</b>



	Statutory Funds		Aggregated	
	Individual Family Takaful	Group Family Takaful	For the period ended	
Note	(Rupees in '000)			
<b>23.2.3 Participants' Investment Fund (PIF)</b>				
<b>Income</b>				
Allocated contribution	1,286,577	-	1,286,577	1,345,371
Bonus allocation from OSF	23.2.1 15,695	-	15,695	21,459
Surplus distribution from PTF	62,468	-	62,468	-
Investment income	1,368,073	-	1,368,073	612,862
<b>Total net income</b>	<b>2,732,813</b>	<b>-</b>	<b>2,732,813</b>	<b>1,979,692</b>
<b>Less: claims expense</b>				
Surrender - regular	(829,054)	-	(829,054)	(369,232)
Surrender - top up	(117,944)	-	(117,944)	(149,175)
Maturity	(128,096)	-	(128,096)	(122,718)
Death claim	(19,363)	-	(19,363)	(15,693)
	<b>(1,094,457)</b>	<b>-</b>	<b>(1,094,457)</b>	<b>(656,818)</b>
<b>Less: Expenditures</b>				
Tabarru charges	(106,902)	-	(106,902)	(117,128)
Tharawat fee - investment management	23.2.1 (104,313)	-	(104,313)	(75,449)
Administrative cost to OSF	23.2.1 (19,751)	-	(19,751)	(22,289)
Other expenses	(495)	-	(495)	(420)
Bank charges	(750)	-	(750)	(1,137)
	<b>(232,211)</b>	<b>-</b>	<b>(232,211)</b>	<b>(216,423)</b>
<b>Excess of income over expenditures</b>	<b>1,406,145</b>	<b>-</b>	<b>1,406,145</b>	<b>1,106,451</b>
Technical reserve at the beginning of the period	11,353,837	-	11,353,837	8,111,996
Less: technical reserve at the end of the period	12,759,982	-	12,759,982	9,218,447
<b>Movement in technical reserve</b>	<b>1,406,145</b>	<b>-</b>	<b>1,406,145</b>	<b>1,106,451</b>
<b>Surplus for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movement in technical reserve</b>	<b>1,406,145</b>	<b>-</b>	<b>1,406,145</b>	<b>1,106,451</b>
<b>Balance of statutory funds at beginning of the period</b>	<b>11,353,837</b>	<b>-</b>	<b>11,353,837</b>	<b>8,111,996</b>
<b>Balance of statutory funds at end of the period</b>	<b>12,759,982</b>	<b>-</b>	<b>12,759,982</b>	<b>9,218,447</b>
<b>Represented by:</b>				
Retained earnings on other than participating business	12,759,982	-	12,759,982	9,218,447
<b>Balance of statutory fund</b>	<b>12,759,982</b>	<b>-</b>	<b>12,759,982</b>	<b>9,218,447</b>



## 24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

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.

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

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

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

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

### On balance sheet financial instruments

		As at June 30, 2024							
		Carrying value			Fair value				
Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total	
(Rupees in '000')									
<b>Financial assets measured at fair value</b>									
- Investments									
Equity securities	-	1,157,259	-	-	1,157,259	1,157,259	-	-	1,157,259
Government securities	-	8,205,421	-	-	8,205,421	-	8,205,421	-	8,205,421
Debt securities	-	262,407	-	-	262,407	-	262,407	-	262,407
Mutual funds	-	1,895,624	-	-	1,895,624	-	1,895,624	-	1,895,624
- Takaful / retakaful receivables	-	-	36,884	-	36,884	-	-	-	36,884
- Accrued income on investments and others	-	-	306,812	-	306,812	-	-	-	306,812
- Balances with banks	-	-	2,144,131	-	2,144,131	-	-	-	2,144,131
	-	11,520,711	2,487,827	-	14,008,538				14,008,538
<b>Financial liabilities not measured at fair value</b>									
- Takaful liabilities	-	-	-	13,469,016	13,469,016				13,469,016
- Other creditors and accruals	-	-	-	124,290	124,290				124,290
	-	-	-	13,593,306	13,593,306				13,593,306
		As at December 31, 2023							
		Carrying value			Fair value				
Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total	
(Rupees in '000')									
<b>Financial assets measured at fair value</b>									
- Investments									
Equity securities	-	1,194,109	-	-	1,194,109	1,194,109	-	-	1,194,109
Government securities	-	7,544,254	-	-	7,544,254	-	7,544,254	-	7,544,254
Debt securities	-	261,272	-	-	261,272	-	261,272	-	261,272
Mutual funds	-	717,730	-	-	717,730	-	717,730	-	717,730
<b>Financial assets not measured at fair value</b>									
- Takaful / retakaful receivables	-	-	30,138	-	30,138				30,138
- Term deposit	-	-	-	75,000	75,000				75,000
- Accrued income on investments and others	-	-	342,056	-	342,056				342,056
- Balances with banks	-	-	2,333,660	-	2,333,660				2,333,660
	-	9,717,365	2,705,854	75,000	12,498,219				12,498,219
<b>Financial liabilities not measured at fair value</b>									
- Takaful liabilities	-	-	-	12,006,884	12,006,884				12,006,884
- Other creditors and accruals	-	-	-	146,708	146,708				146,708
	-	-	-	12,153,592	12,153,592				12,153,592



24.1 The Operator has not disclosed fair values of few of the above mentioned financial assets and financial liabilities because their carrying amounts are reasonable approximation of fair value.

## 25. CORRESPONDING FIGURES

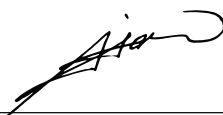
Acquisition expenses represents costs / expenses incurred to acquire insurance business. Previously, only agency costs were classified as acquisition expenses. During the last quarter of 2023, the management re-evaluated these costs and accordingly reclassified the directly attributable expenses of group life and bancassurance business as acquisition expenses which were previously classified as marketing and administration expenses. The corresponding figures of statement of profit or loss account for the year ended 31 December 2023 have also been reclassified for the aforementioned matter. The details of reclassifications for the comparative periods are as follows:

The details of reclassification are as follows:

	For the half year ended June 30, 2023		For the quarter ended June 30, 2023	
	Marketing and administration expenses Note 21	Acquisition expenses Note 20	Marketing and administration expenses Note 21	Acquisition expenses Note 20
	----- (Rupees in '000) -----			
Advertisement & sales promotion	(5,891)	5,891	(4,003)	4,003
Information technology expenses	(39)	39	(20)	20
Printing and stationery	(169)	169	-	-
Rent, rates & taxes	(150)	150	(60)	60
Salaries and other benefits	(22,164)	22,164	(8,388)	8,388
Training and development	(433)	433	(260)	260
Vehicle running expenses	(6,843)	6,843	(4,646)	4,646
	<b>(35,689)</b>	<b>35,689</b>	<b>(17,377)</b>	<b>17,377</b>


## 26. DATE OF AUTHORISATION FOR ISSUE

These Condensed interim financial statements were authorised for issue by the Board of Directors of the Operator in their meeting held on August 23, 2024.

  
S. Muhammad Jawed  
Chairman

  
Muhammad Ali Zeb  
Director

  
Shahmeer Khalid Butt  
Director

  
Manzar Mushtaq  
Chief Executive Officer

  
Jalal Meghani  
Chief Financial Officer





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