



**ASIA  
INSURANCE**  
COMPANY LTD

**2025  
ANNUAL  
REPORT**



**we've  
got you  
covered**





# ANNUAL REPORT 2025



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## CHAIRMAN'S MESSAGE



**I**t gives me great pleasure to present the Annual Report of the Company for the year ended December 31, 2025. The year 2025 marked a significant turning point for Pakistan's economy, transitioning from a phase of stabilization to a more sustainable recovery trajectory. Real GDP growth improved to approximately 3.1%, supported by a strong rebound in industrial activity of 4.8% and steady expansion in the services sector at 2.9%. This macroeconomic resilience was further reinforced by the successful continuation of the IMF's Extended Fund Facility, which strengthened investor confidence and contributed to improvements in Pakistan's sovereign credit ratings. Against this improving economic backdrop, your Company delivered an exceptional performance during 2025. Total Gross premium and gross contribution increased to Rs. 1,819.74 million as compared to Rs. 1,380.34 million in the previous year, showing growth of 32%. The Company reported a Profit Before Tax of Rs. 257.945

million, while Profit After Tax stood at Rs. 178.330 million, demonstrating enhanced profitability and operational strength. The improved liquidity environment and lower interest rates enabled the management to optimize the investment portfolio and improve operational efficiencies. As a result, the Company successfully surpassed its key financial targets, further strengthening its position as a resilient and high-performing player in the insurance sector.

I am pleased to note that our journey of progress and accomplishments continued in 2025. This continued sustainability and improvement in business and operations of the Company would not have been possible without the untiring hard work of the field force, back office staff and professional management of the Company. I am confident that the Company's spirited manpower will continue their hard work to increase the market share of your Company to a well-deserved level commensurate with its peers. The continued sustainability will be sustained to encourage all stake holders of the Company including its employees, management, shareholders and its valued clients. Under the able guidance of its illustrious Board of Directors, the management and staff of Asia Insurance Company will continue to remain committed to their vision, mission and core values. Your Company will continue to capitalize the new opportunities and the development of new products and services to achieve the fulfillment of its insurance potential. In addition to our dedicated staff and management, I would like to also thank Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Members of Pakistan Banking Council, our Auditors, brokers and above all our valued clients for their continued support and confidence in us.

**Chairman**

**Ihtsham ul Haq Qureshi**

(Prince Henrik Medal of Honour  
by Royal Kingdom of Denmark)



## COMPANY INFORMATION

<b>Chairman</b>	Mr. Ihtsham ul Haq Qureshi (Prince Henrik Medal of Honour by Royal Kingdom of Denmark)
<b>Chief Executive</b>	Mr. Zain ul Haq Qureshi
<b>Directors</b>	Mr. Ihtsham ul Haq Qureshi (Prince Henrik Medal of Honour by Royal Kingdom of Denmark) Mr. Zain ul Haq Qureshi Mrs. Nosheen Ihtsham Qureshi (Tamgha-e-Intiaz by Government of Pakistan) Mr. Wajahat Rasul Khan Mr. Umar Saeed Khan Mr. Syed Murtaza Hasnain Nadir Mrs. Shiza Hassan
<b>Audit Committee</b>	Mr. Syed Murtaza Hasnain Nadir (Chairman) Mrs. Shiza Hassan (Member) Mr. Ihtsham ul Haq Qureshi (Member) Mr. Waqas Iqbal Malik (Secretary)
<b>Legal Advisor</b>	Barister Munawar-us-Salam Cornelius, Lane & Mufti, Advocates and Solicitors, Nawa-e-Waqt Building, 4-Shahra-e-Fatima Jinnah, Lahore.
<b>Sharia Advisor</b>	Mufti Muhammad Akhlaq
<b>Share Registrar</b>	Corplink (Pvt.) Limited, Wings Arcade, 1-K, Model Town, Lahore.
<b>CFO</b>	Ms. Rafia Ashraf CA (Final), MBA (Malaysia)
<b>Company Secretary / Head of Compliance</b>	Ms. Shazia Hafeez (B.Sc.) (LL.B.)
<b>Internal Auditor</b>	Mr. Waqas Iqbal Malik B.Com, MBA Finance
<b>Auditors</b>	Ilyas Saeed & Company Chartered Accountants.
<b>Actuary</b>	Badri Solutions

## Management Committees

### Risk Management & Compliance Committee

Mr. Zain ul Haq Qureshi	Chairman
Mr. Shahbaz Hameed	Member
Mr. Muhammad Masood	Member
Ms. Shazia Hafeez	Secretary

### Underwriting Committee

Mr. Ihtisham ul Haq Qureshi	Chairman
Mrs. Nosheen Ihtisham	Member
Mr. Faisal Mehmood Qureshi	Member
Mr. Amjad Rao	Secretary

### Claim Settlement Committee

Mrs. Shiza Hassan	Chairman
Mr. Shahbaz Hameed	Member
Mr. Zain ul Haq Qureshi	Member
Mr. Asif Ali Mughal	Secretary

### Reinsurance & Co-insurance Committee

Mr. Ihtisham ul Haq Qureshi	Chairman
Mr. Zain ul Haq Qureshi	Member
Ms. Rafia Ashraf (CFO)	Member
Mr. Muhammad Masood	Secretary

## Board Committees

### Ethic, Human Resource & Remuneration Committee

Mr. Wajahat Rasul Khan	Chairman
Mrs. Nosheen Ihtisham	Member
Mr. Ihtisham ul Haq Qureshi	Member
Mr. Saad Masood	Secretary

### Investment Committee

Mr. Ihtisham ul Haq Qureshi	Chairman
Mr. Zain ul Haq Qureshi	Member
Mr. Wajahat Rasul Khan	Member
Ms. Rafia Ashraf (CFO)	Secretary

### Audit Committee

Mr. Syed Murtaza Hasnain	Chairman
Mrs. Shiza Hassan	Member
Mr. Ihtisham ul Haq Qureshi	Member
Mr. Waqas Iqbal Malik	Secretary

## MANAGEMENT

**Mr. Zain ul Haq Qureshi**

Chief Executive Officer

**Ms. Rafia Ashraf**

Chief Financial Officer

**Ms. Shazia Hafeez**

Company Secretary & Head of Compliance

**Mr. Riaz Hussain Shah**

Executive Vice President (EVP)

**Mr. Shahbaz Hameed**

Deputy General Manager Legal

**Mr. M. Amjad Rao**

Deputy General Manager/Controller of Branches

**Mr. Gulfaraz Anis**

Deputy General Manager MIS

**Mr. Saad Masood**

Assistant General Manager Human Resources

**Mr. M. Imran Qureshi**

Agri & Corporate Head

**Mr. Muhammad Ahmad Chauhan**

Head of Corporate Health

**Mr. Waqas Iqbal Malik**

Head of Internal Audit

**Mr. Asif Ali Mughal**

Head of Claims/Grievance

**Mr. Muhammad Masood**

Head of Reinsurance/Risk Management

**Mr. Amjad Hussain**

Head of Travel & Recovery

**Mr. Faisal Mehmood Qureshi**

Head of Underwriting

**Mr. Muhammad Abu Bakar**

Head of Livestock

**Mr. Muhammad Ali Maqsood**

Senior Manager Accounts

**Mr. Mian Allah Nawaz**

General Manager Window Takaful

**Mr. Asif Masood Bhatti**

General Manager South

**Mr. M. Mudassar Janjua**

Head of Digital Channel

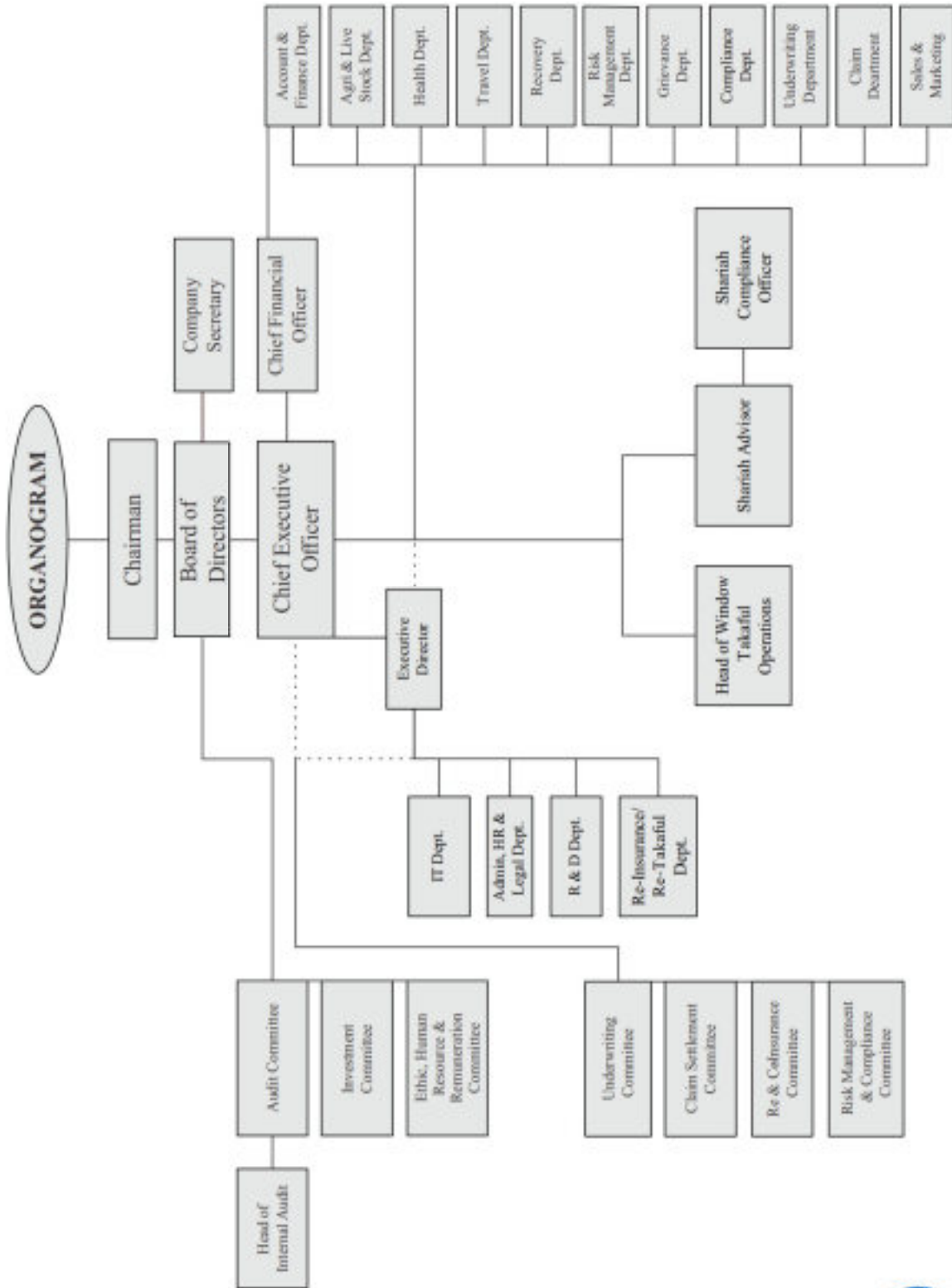
**Registered & Head Office:**

Asia House, 19 C/D, Block-L, Gulberg III, Main Ferozpur Road, Lahore Pakistan.

**Phone:**+92-42-35865575-78

**Fax:**+92-42-35865579

**UAN:**+92-311-111-ASIA (2742)



## Statement of Ethics

All Directors and staff are required to:

- Act with integrity, dignity and in an ethical manner when dealing with the public, clients and peers.
- Protect the confidentiality of client information at all times except where required by law to disclose it.
- Protect the confidentiality of information relating to the Company both during the course of Directorship or employment (as the case may be) and after its termination (regardless of reason).
- Obtain written permission from the Company's Compliance Officer (or the Chief Executive Officer in the event that the Compliance Officer is Unavailable) to hold any position (paid or unpaid) with any outside party, firm or organization. For clarity, positions covered include but are not limited to consultant, employee, Director, representative and agent. Directors are exempt from the requirement.
- Maintain accurate records of business transactions related to the Company or its clients.
- Report any business or professional activity that may result in a conflict with or be competitive with the interest of the Company.
- Report any person or activity to the Compliance Officer or their opinion is in violation of this statement.
- Disclose their shareholding in the Company's securities upon agreement and any changes in shareholding within 24 hours of any such change.
- Every Director and employee who has knowledge of confidential material information of the Company's affairs is prohibited from trading in shares of the Company.

## Statement of Business Practices

- **Uncompromising Integrity:**

Our business is founded on trust and we manage it ethically, lawfully and fairly. It is our objective to conduct business with reputable clients and business partners who are involved in lawful business activities. We do not facilitate money laundering.

- **Clients' Interest:**

Nothing we do is more important than shielding and preserving our clients' lawful interests. We hold responsibilities towards our clients in the highest regard.

- **Entrepreneurship:**

We work hard every day to hire the best people, stimulate them, reward them and endorse them to innovate. We are an equal opportunity employer.

- **Zeal for Performance:**

We contribute towards our Company's financial goals and focus on achieving better results.

- **A Culture of Distinction:**

We measure our performance on every task we undertake not just by the results but also by the quality of our work.

- **A Tradition of Success:**

While we are fair and ethical at all times, we compete fairly with the quality and the price of our innovative products and services, not by offering improper benefits to others. Employees are not permitted to use their jobs to solicit, to demand, accept, obtain or be promised advantages.

## PRODUCTS AND SERVICES

### a. CONVENTIONAL INSURANCE BUSINESS:

- **Motor Insurance**

We provide complete Auto Insurance plans for both individuals and corporate clients, covering accidental damage, theft, snatching, armed hold up, third party liability and terrorism. This is backed up with the liberty to have your vehicle repaired at the workshop of your own choice.

- **Property Insurance**

We provide insurance coverage to your homes, offices & factories against accidental fire, lightning and allied perils like Riot & Strike Damage, Malicious Damage, Earthquake (Fire and Shock), Explosion, Atmospheric Disturbance, Impact Damage, Burglary etc.

- **Marine Insurance**

We provide insurance coverage for the imports and exports of consignments, loss or damage of cargo during transit by air, sea and rail/road. It also covers dispatching of finished goods from the insured's premises to anywhere within and outside Pakistan.

- **Agriculture Insurance**

We provide insurance coverage against agriculture loans disbursed by banks, which cover insurance of crops and livestock, as well as farm implements like tractors and harvesters.

- **Travel Insurance**

We provide bank guarantees for travel agents and travel insurance service for our corporate clients, individuals, students and special packages for Hajj and Ummrah tour operators and groups. Our travel insurance policies are approved for travel around the world, including the Schengen States.

- **Miscellaneous Insurance**

We also provide customized insurance solutions for our corporate clients, the covers range from the insurance of engineering projects to electrical equipment and machinery breakdown, contractor all risks, erection all risk, bonds and guarantees.

- **Health Insurance**

We provide health insurance services to corporate employees and their families to safe guard against injuries and accidents in the course of daily life. We are also providing personal accident insurance for individuals and special policy for school going children.

## PRODUCTS AND SERVICES

### a. TAKAFUL BUSINESS:

- **Motor Takaful**

We offer complete Auto Takaful plans for both individuals and corporate clients, covering accidental damage, theft, snatching, armed hold up, third party liability and terrorism. This is backed up with the liberty to have your vehicle repaired at the workshop of your own choice.

- **Property Takaful**

We provide takaful coverage to your homes, offices & factories against accidental fire, lightning and allied perils like Riot & Strike Damage, Malicious Damage, Earthquake (Fire and Shock), Explosion, Atmospheric Disturbance, Impact Damage, Burglary etc.

- **Marine Takaful**

We provide takaful coverage for the imports and exports of consignments, loss or damage of cargo during transit by air, sea and rail/road. It also covers dispatching of finished goods from the insured's premises to anywhere within and outside Pakistan.

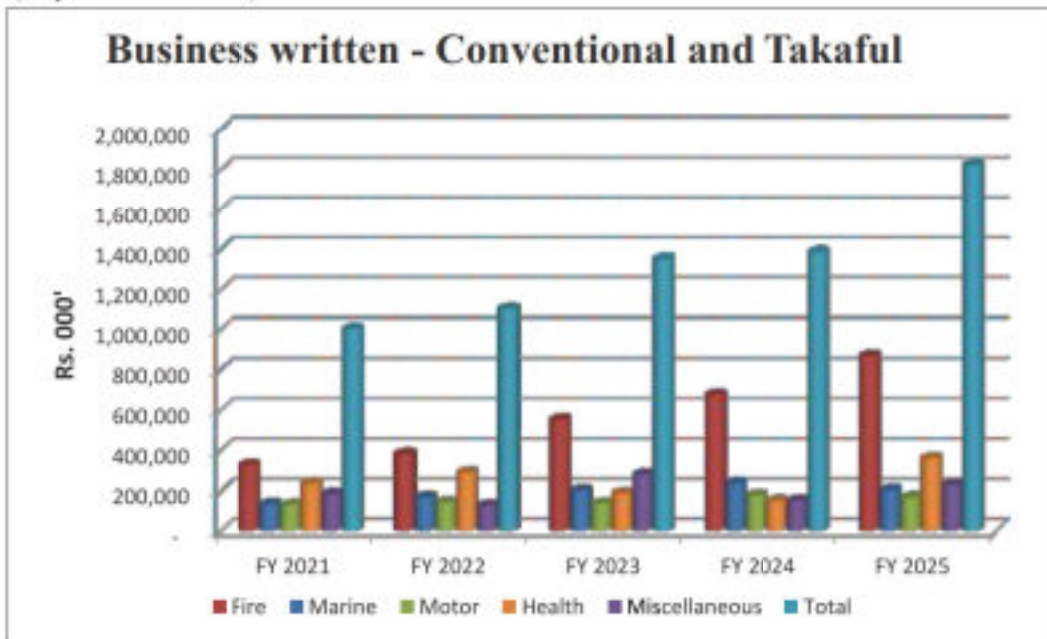
- **Miscellaneous Takaful**

We also provide customized takaful solutions for our corporate clients, the covers range from the takaful of engineering projects to electrical equipment and machinery breakdown, contractor all risks, erection all risk, money takaful, plate glass.

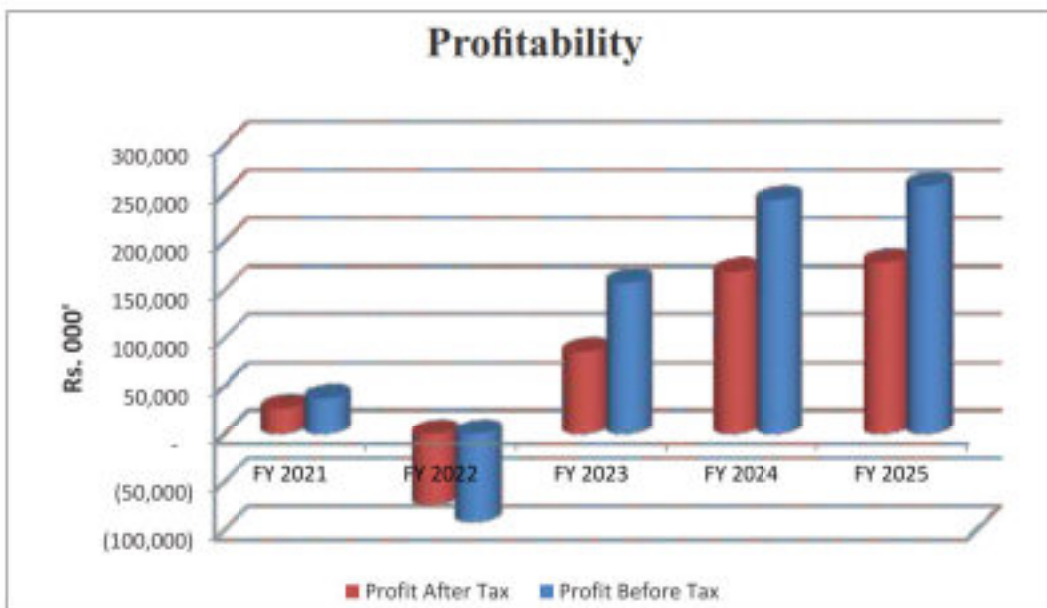
- **Health Takaful**

We provide health takaful services to corporate employees and their families to safe guard against injuries and accidents in the course of daily life. We are also providing personal accident takaful for individuals.

Financial Highlights – Performance at a glance  
 (Graphical Presentation)  
 (Rupees in Thousand)

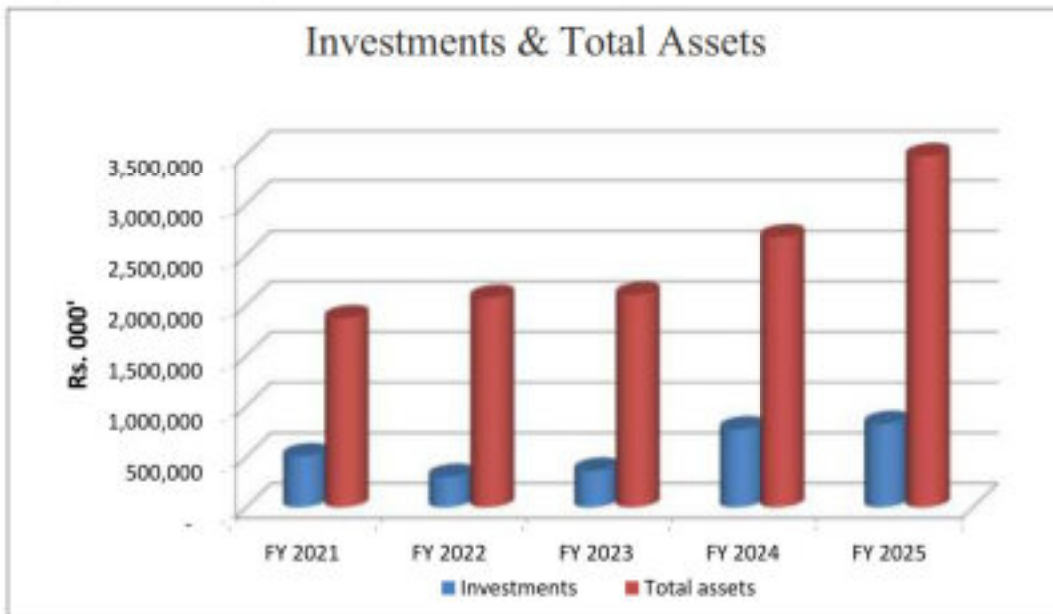


The company has sustained its premium and contribution growth for the fifth year in a row. During the current year, Company has achieved 1.82 billion rupees total Gross Written Premium and Gross Written Contribution in 2025 which depicts an increase of 32% as compared to last year.

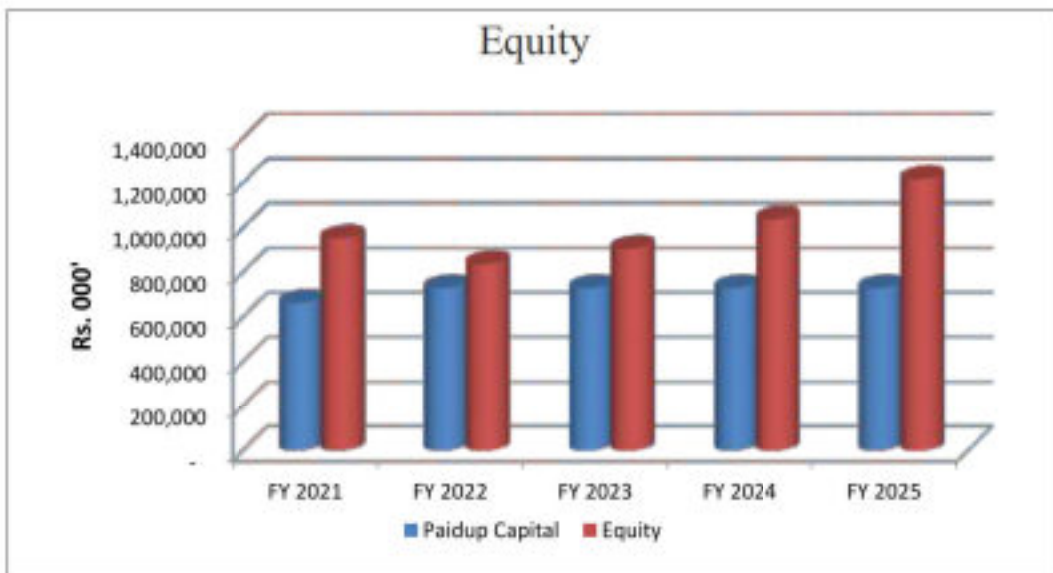


With the adverse economic indicators, the company still managed to post along with expansion of its branch network. The company is continuously making efforts to reduce its clam cost by focusing on the risk management process while underwriting the business.

Financial Highlights - Performance at a glance  
 (Graphical Presentation)  
 (Rupees in Thousand)



Healthier increase in total assets over the period of 5 years, shows company's prudent policies regarding safety of shareholders' investments along with growth.



Consistent hard work and diligent business strategy adopted by the Company's management resulted in persistent growth in the value of shareholder's wealth.

**Financial Highlights - Performance at a glance  
(Graphical Presentation)  
(Rupees in Thousand)**

Key operating and financial data for the last five years are as follows:

Particulars	2025	2024	2023	2022	2021
<b>Rupees in Thousands</b>					
<b>CONVENTIONAL</b>					
Paidup Capital	730,082	730,082	730,082	730,082	663,711
Total Assets	3,485,698	2,672,892	2,100,813	2,073,356	1,870,807
Equity	1,215,532	1,037,202	905,319	837,620	951,053
Cash and Bank Deposit	77,706	61,560	399,942	437,421	275,208
Gross Premium	1,575,444	1,234,774	1,219,521	1,001,553	923,509
Net Premium Revenue	1,090,544	990,880	827,145	735,276	593,676
Gross Claim Paid	586,226	452,525	543,533	368,589	248,575
Net Claim Expense	412,988	365,787	278,741	293,086	166,803
Under Writing Profit / (Loss)	36,004	15,951	7,272	(74,576)	6,503
Profit / (Loss) Before Tax	257,944	243,083	157,406	(91,229)	37,340
Profit / (Loss) After Tax	178,329	168,387	85,699	(73,831)	26,813
Investment Income (Loss)	188,836	151,570	53,804	(29,044)	19,259
(Loss)/Earning Per Share (Rs.)	2.44	2.31	1.17	(1.01)	0.40
<b>TAKAFUL</b>					
<b>PTF</b>					
Gross Contribution	244,292	145,568	129,284	100,408	77,339
Net Contribution Revenue	70,413	39,113	37,113	28,277	23,488
Gross Claim Paid	42,308	34,627	62,069	10,246	26,269
Net Claim Expense	77,040	44,933	49,200	28,394	25,489
Under Writing Profit / (Loss)	(17,392)	(9,040)	(15,599)	(329)	(1,904)
Investment Income	-	-	-	-	-
<b>OPF</b>					
Investment Income	17,004	11,529	12,078	2,890	2,477

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that 45<sup>th</sup> Annual General Meeting "AGM" of the members of the Asia Insurance Company Limited (the "Company") shall be held on Friday, the April 24<sup>th</sup>, 2026, at 11:30 AM at 19 C/D, Block L, Gulberg III, Lahore, to transact the following business:

### ORDINARY BUSINESS:

1. To confirm the minutes of the Extraordinary General Meeting held on November 27, 2025.
2. To receive, consider, and adopt the Audited Annual Accounts of the Company for the year ended December 31, 2025 together with Directors' and Auditors' report thereon.
3. To re-appoint M/s Ilyas Saeed & Co., Chartered Accountant as auditors of the Company and fix their remuneration for the year ending December 31, 2026.
4. To consider any other business of the Company with the permission of the Chair.

Lahore,  
April 3, 2026

By order of the Board

Shazia Hafeez  
Company Secretary

### NOTES:

1. The Share Transfer Books of the Company will remain closed from 17-04-2026 to 24-04-2026 (both days inclusive). Transfers received to our Shares Registrar M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K, Model Town, Lahore, by the close of business on 16-04-2026 will be treated as being in time for the purpose and to attend the meeting.
2. Shareholders interested in attending the AGM through Zoom Application will be requested to get themselves registered with the Company Secretary office at least 2 working days before AGM at email address [corporate@asiainsurance.com.pk](mailto:corporate@asiainsurance.com.pk) or may whatsapp or sms on 03154008755 by providing the following detail:

Name of Shareholder	CNIC No.	Folio/CDS No.	Cell No.	Email Address

Login facility will be opened thirty minutes before the meeting time to enable the participants to join the meeting after identification process. Shareholders will be able to login and participate in the AGM proceeding in person or through proxy, through their devices after completing all the formalities required for the identification and verification of the shareholders.

3. A Member entitled to attend, speak and vote at the meeting may appoint another Member as his/her proxy to attend the meeting and speak and vote for him/her. Instruments appointing proxies, in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the meeting, duly signed / notarized certified copy, as the case may be.
4. Shareholders are required to immediately notify the company of any change to their postal addresses.
5. CDC Account Holders are required to follow guidelines provided in Circular 1, dated January 26, 2000 (issued by the Securities and Exchange Commission of Pakistan):

### Attending the Meeting

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate their identity by showing their original CNIC or original passport at the time of attending the meeting.
- ii. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the nominee (along with CNIC) shall be produced at the time of the meeting.

### Appointing Proxies

- i. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as provided above.
  - ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - iv. The proxy shall produce his original CNIC or original passport at the time of the meeting.
  - v. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature (and attested copy of CNIC of nominee) shall be submitted along with proxy form to the Company.
6. Members are requested to notify/submit the following in case of book entry securities in CDC to respective CDC participants and in case of physical shares to the Company's Share Registrar, if not earlier provided/notified:
- a. Change in their addresses
  - b. Valid and legible photocopies of CNIC, for individual and NTN both for individual & Corporate entities.
7. The members holding in aggregate 10% or more shareholding residing in the city, can also avail video conference facility under the provisions of section 134 (1) (b) of the Act to participate in the meeting. The consent of such members must reach at the registered office of the Company at least 10 days before the meeting.
8. TRANSMISSION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS THROUGH QR-ENABLED CODE AND EMAIL: The Annual Report, including the Financial Statements of the Company, can be viewed using the following QR-enabled code.



The same will be shared via email in case an email address is provided by the members. A printed copy of the above referred Annual Report can be provided to members upon request.

9. **AVAILABILITY OF AUDITED FINANCIAL STATEMENT ON THE COMPANY'S WEBSITE:**  
The financial statements and reports have been placed on the website of the Company [www.asiainsurance.com.pk](http://www.asiainsurance.com.pk)
10. Members can exercise their right to demand a poll subject to meeting requirements under Sections 143-145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018.
11. In compliance of Section 244 of the Act, the Company uploaded the details of unclaimed dividend on its website and submitted a statement to the Commission through e-services portal, stating the amount of dividend, which remained unclaimed for a period of 3 years from the date it was due.

#### **12. Deposit of Physical Shares into CDC Accounts:**

The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misc./2016-639-640 dated March 26, 2021, has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book entry form. We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also suggested to contact the Central Depository Company of Pakistan Limited or any member/stockbroker of the Pakistan Stock Exchange to open an account in the Central Depository System and to facilitate conversion of physical shares into book-entry form. Members are informed that holding shares in book-entry form has several benefits including but not limited to secure and convenient custody of shares, conveniently tradeable and transferable, no risk of loss, damage or theft, no stamp duty on transfer of shares in book-entry form and hassle-free credit of bonus or right shares. We once again strongly advise shareholders of the Company, in their best interest, to convert their physical shares into book-entry form at the earliest.



ممبران کے فراہم کردہ ای میل ایڈریس پر بذریعہ ای میل بھی انہیں شیئرز کیا جائے گا۔ ممبران کے مطالبہ پر مذکورہ بالا سالانہ رپورٹ کی پرنٹ شدہ نقل بھی فراہم کی جاسکتی ہے۔

9. کمپنی کی ویب سائٹ پر پڑتال شدہ مالیاتی اسٹیٹمنٹس کی دستیابی : مالیاتی اسٹیٹمنٹس اور رپورٹس کمپنی کی ویب سائٹ [www.asiainsurance.com.pk](http://www.asiainsurance.com.pk) پر شائع کر دی گئی ہیں۔

10. کمپنی ایکٹ 2017ء کے سیکشن 143-145 اور کمپنیز (پوسٹل بیلت) ضوابط، 2018ء کی مروجہ شقوں پر عمل درآمد سے مشروط ممبران حق رائے دہی کے مطالبے کا حق استعمال کر سکتے ہیں۔

11. ایکٹ کے سیکشن 244 کی تعمیل میں کمپنی نے لادعویٰ منافع منقسمہ کی تفصیلات اپنی ویب سائٹ پر شائع کر دی ہیں اور ای سرومز پورٹل کے ذریعے کمیشن کو بیان جمع کرایا ہے جس میں منافع منقسمہ کی رقم درج ہے جو عرصہ 3 سال تک لادعویٰ رہی۔

12. فزیکل شیئرز کی CDC کاؤنٹس میں منتقلی

سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے اپنے سرکلر نمبر CSD/ED/Misc./2016-639-640 مؤرخہ 26 مارچ 2021ء کے ذریعے لسٹڈ کمپنیوں کو ایسے ممبران سے رابطہ کرنے کی تلقین کی ہے جن کے شیئرز ابھی تک فزیکل فارم میں ہیں کہ وہ اپنے شیئرز کو بک انٹری فارم میں تبدیل کروائیں۔ ہم یہاں فزیکل شیئرز رکھنے والے تمام ممبران سے التماس کرتے ہیں کہ وہ پہلی فرصت میں اپنے شیئرز کو بک انٹری فارم میں تبدیل کروائیں۔ سنٹرل ڈیپازٹری سسٹم میں اکاؤنٹ کھولنے کے لئے انہیں سنٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ یا پاکستان اسٹاک ایکسچینج کے کسی ممبر/اسٹاک بروکر سے رابطہ کرنے کی تجویز دی جاتی ہے تاکہ انہیں فزیکل شیئرز کی بک انٹری فارم میں تبدیلی کی سہولت میسر آسکے۔ ممبران کو بک انٹری فارم میں شیئرز رکھنے کے متعدد فوائد کے بارے میں بتایا گیا ہے جس میں مندرجہ ذیل شامل ہیں لیکن یہ محدود نہیں شیئرز کا محفوظ اور پرسکون قبضہ، آسانی قابل تجارت و قابل انتقال، گمشدگی، خرابی یا چوری کا کوئی خدشہ نہیں، شیئرز کی بک انٹری فارم میں تبدیلی پر کوئی سٹامپ ڈیوٹی نہیں۔ ہم ایک مرتبہ پھر کمپنی کے شیئرز ہولڈرز کو تجویز کرتے ہیں کہ فزیکل شیئرز کو فزیکل انٹری فارم میں تبدیل کرنا ان کے بہترین مفاد میں ہے۔

4. شیئر ہولڈرز کو اپنے پوسٹل ایڈریس میں کسی بھی قسم کی تبدیلی سے متعلق کمپنی کو فی الفور آگاہ کرنا ہوگا۔
5. CDC اکاؤنٹ ہولڈرز کو (سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ) مؤرخہ 26 جنوری 2000ء کے سرکالر 1 میں فراہم کردہ ہدایات پر عمل کرنا ہوگا:

#### اجلاس میں شرکت کرنا

- i. فرد واحد کی صورت میں اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور یا وہ شخص جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہیں اور CDC ضوابط کے تحت ان کی رجسٹریشن تفصیلات شائع کی گئی ہیں اجلاس کے موقع پر اپنا اصلی شناختی کارڈ یا اصلی پاسپورٹ پیش کر کے اپنی شناخت ثابت کریں گے۔
- ii. کاروباری اداروں کی صورت میں پراکسی فارم کے ہمراہ پورڈ آف ڈائریکٹرز کی قرارداد اور اختتامی نامہ، بعد نامزد فرد کے حضور کے دستخط (بعد شناختی کارڈ) اجلاس کے موقع پر پیش کئے جائیں گے۔

#### پراکسی کی تقرری

- i. فرد واحد کی صورت میں اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور یا وہ شخص جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہیں اور CDC ضوابط کے تحت ان کی رجسٹریشن تفصیلات شائع کی گئی ہیں کو ذمہ دار ہونا معیارات کے مطابق پراکسی فارم جمع کرانا ہوگا۔
- ii. دو افراد پر پراکسی فارم کی تصدیق کریں گے جن کے نام سچے اور شناختی کارڈ نمبر فارم میں درج ہوں۔
- iii. مستفید ہونے والے افراد اور پراکسی کے شناختی کارڈ اور پاسپورٹ کی مصدقہ نقل پراکسی فارم کے ساتھ فراہم کی جائیں گی۔
- iv. پراکسی کو اجلاس کے موقع پر اپنا اصلی شناختی کارڈ اور اصلی پاسپورٹ پیش کرنا ہوگا۔
- v. کاروباری اداروں کی صورت میں پراکسی فارم کے ہمراہ پورڈ آف ڈائریکٹرز کی قرارداد اور اختتامی نامہ، بعد نامزد فرد کے حضور کے دستخط (اور نامزد شخص کے شناختی کارڈ کی مصدقہ نقل) کمپنی کو جمع کرائے جائیں گے۔

6. CDC میں بیک انٹری سیکیورٹیز کی صورت میں ممبران سے التماس ہے کہ وہ اپنے متعلقہ CDC شراکت داروں کو متوجہ ذیل کے بارے میں آگاہ کریں اور فزیکل شیئرز کی صورت میں کمپنی کے شیئر رجسٹرار کو ذمہ داریوں کے بارے میں آگاہ کریں، اگر پہلے آگاہ/اسطلاح نہیں کیا گیا ہے:

- a. ان کے ہتوں میں تبدیلی
- b. شناختی کارڈ کی کارآمد اور قابل قبول فوٹو کاپیاں برائے فرد واحد اور NTN فرد واحد اور کاروباری اداروں دونوں کیلئے
7. دوسرے شہر میں مقیم 10% یا زائد شیئر ہولڈنگ رکھنے والے ممبران اجلاس میں شرکت کے لئے ایکٹ کے سیکشن (b)(1) 134 کے تحت وڈیو کانفرنس کی سہولت حاصل کر سکتے ہیں۔ ایسے اراکین کا قرارداد اجلاس کے انعقاد سے کم از کم 10 یوم قبل کمپنی کے رجسٹرار آفس میں پہنچانا چاہئے۔
8. بذریعہ QR کوڈ اور ای میل سالانہ پڑتال شدہ مالیاتی اسٹیٹمنٹس کی ترسیل: سالانہ رپورٹ بعد کمپنی کی مالیاتی اسٹیٹمنٹس مندرجہ ذیل QR کوڈ استعمال کر کے دیکھی جاسکتی ہیں:

## نوٹس برائے سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ ایشیا انشورنس کمپنی لمیٹڈ ("کمپنی") کے ممبران کا 45 واں سالانہ اجلاس عام بروز جمعہ مورخہ 24 اپریل، 2026ء بوقت 11:30 بجے دن بمقام C/D 19 بلاک L، گلبرگ III، لاہور میں مندرجہ ذیل امور پر بحث کے لئے منعقد ہوگا۔

عمومی امور:

1. 27 نومبر 2025ء کو منعقد ہونے والے غیر معمولی اجلاس عام کی روئیداد کی توثیق کرنا۔
2. 31 دسمبر 2025ء کو اختتام پذیر سال کے لئے کمپنی کے پڑ جائیں شدہ کھاتوں اور ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹوں کو وصولی کرنا اور غور کرنا اور اپنا۔
3. میسرز الیاس سعید اینڈ کو، چارٹرڈ اکاؤنٹنٹس کی بطور کمپنی آڈیٹرز اور ہائیکورٹ کی کرٹا اور 31 دسمبر 2026ء کو اختتام پذیر سال کے لئے ان کا معاوضہ طے کرنا۔
4. ڈیپوٹیشن کی اجازت سے کمپنی کے دیگر امور کو زیر غور کرنا۔

بھگت پورڈ

لاہور

03 اپریل 2026ء

شانہ علیہ  
کمپنی سیکرٹری

نوٹس:

1. کمپنی کی شیئرز ٹرانسفرنگس مورخہ 17-04-2026 تا 24-04-2026 (بشمول دونوں ایام) بند رہیں گی۔ 16-04-2026 کو کاروبار بند ہونے تک ہمارے شیئرز رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، گلز آر کیڈ K-1 ماڈل ٹاؤن لاہور کو موصول ٹرانسفرز اجلاس میں شرکت کی غرض سے بروقت وصولی شام کی جائیں گی۔
2. بذریعہ زوم اپنی کیشن AGM میں شرکت کرنے کے خواہشمند شیئرز ہولڈرز سے التماس ہے کہ وہ AGM کے انعقاد سے کم از کم 2 یوم قبل کمپنی سیکرٹری کے دفتر میں [corporate@asiainsurance.com.pk](mailto:corporate@asiainsurance.com.pk) پر بذریعہ ای میل اور 03154008755 پر بذریعہ نوٹس ایپ یا ایس ایم ایس مندرجہ ذیل معلومات فراہم کر کے اپنا اندراج کرائیں:

نام شیئرز ہولڈر	شناختی کارڈ نمبر	فولیو/ CDS نمبر	فون نمبر	ای میل ایڈریس

لاگ ان کی سہولت اجلاس کے انعقاد سے تیس منٹ قبل فعال ہو جائے گی تاکہ شرکاء شناختی عمل سے گزرنے کے بعد اجلاس میں شرکت کر سکیں۔ شیئرز ہولڈرز اپنی شناخت اور توثیق کے تمام تقاضوں کو پورا کرنے کے بعد ذاتی حیثیت میں یا بذریعہ پراسی اجلاس میں لاگ ان یا شرکت کر سکیں گے۔

3. اجلاس میں ووٹ اور شرکت کرنے کا اہل رکن اپنی جگہ اجلاس میں شرکت اور ووٹ کرنے کے لئے کسی دوسرے رکن کو اپنا پراسی مقرر کر سکتا ہے۔ مؤثر کرنے کی غرض سے پراسی کی تقرری کا باقاعدہ دستخط شدہ/نوٹری سے تصدیق شدہ نقل دستاویز کمپنی کے رجسٹرار آفس میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل پہنچ جانا چاہئے۔

## Directors' Report

For the year ended December 31, 2025

### Dear Shareholders!

The Directors of Asia Insurance Company Limited ("the Company") take pleasure in presenting the annual report of your company, together with the audited financial statements for the year ended December 31, 2025.

The Directors' Report prepared under Sections 226 and 227 of the Companies Act, 2017 and Code of Corporate Governance, will be put forward to the members at the 45th Annual General Meeting of the Company to be held on 24th April, 2026.

### State of Company's Affairs and Economic Overview

The 2025 fiscal year marked a significant turning point for the Pakistani economy, transitioning from stabilization to a more sustainable recovery phase. Real GDP growth reached approximately 3.1%, a notable improvement over the previous year, underpinned by a sharp 4.8% rebound in industrial activity and steady expansion in the services sector at 2.9%. This macroeconomic resilience was further bolstered by the successful continuation of the IMF's Extended Fund Facility, which anchored investor confidence and improved Pakistan's sovereign credit ratings.

A defining feature of the year was the dramatic decline in inflation, which fell from over 23% in the prior year to an average of 4.5% in 2025. This disinflationary trend allowed the State Bank of Pakistan (SBP) to pivot toward a more accommodative monetary policy, slashing the policy rate by 1,100 basis points to end the period at 11%. These favourable conditions, coupled with a stable exchange rate and a current account surplus, created a fertile environment for business expansion.

Against this stabilizing economic backdrop, your Company delivered an exceptional performance in 2025. We are pleased to report that the year was characterized by robust growth in premium volumes and significantly enhanced profitability. By leveraging improved market liquidity and the lower interest rate environment, the management successfully optimized the investment portfolio and operational efficiencies. As a result, the Company surpassed its key financial targets, reinforcing its position as a resilient and high-performing player in the insurance sector, your Company delivered impressive results, posting a Profit Before Tax of Rs. 257.945 million.

### Window Takaful Operations

The written contribution for the year was Rs.244.293 million; while net contribution revenue was Rs.70.414 million. Participants' Takaful Fund Contribution Deficit for the year was Rs. 9.244 million and profit from Operator's Funds (for shareholders) for the year was Rs.46.169 million.

### Financial Results

Following is the overall performance of the Company for the year ended December 31, 2025.

	2025	2024
Gross Premium	1,575,444,893	1,234,774,434
Profit for the year before tax	257,944,686	243,083,991
<u>Taxation:</u>		
Current	74,014,619	51,715,021
Deferred	(2,584,490)	21,245,882
Prior Year	0	(187,607)
Super Tax	8,184,766	1,923,465
	<u>79,614,895</u>	<u>74,696,761</u>
Profit for the year after tax	178,329,791	168,387,230
Un-appropriated profit brought forward	234,702,442	102,819,333
Qard-e-Hasna	0	0
Final Dividend Paid	0	0
Un-appropriated profit carried forward	<u>413,032,233</u>	<u>234,702,442</u>

### **Dividend**

The Board of Directors has decided not to declare any dividend for the financial year ended December 31, 2025, in order to retain profits for strengthening the company's capital base and supporting future growth initiatives.

### **Earnings per Share**

(Loss) / Earnings per share is Rs.2.44.

(Loss) / Earnings per share shows increase of 0.14 per share as compared to the last year.

### **Changes in the Board of Directors**

In accordance with corporate governance requirements, we report a change in the composition of the Board during the year. A casual vacancy occurred on June 30, 2025, following the resignation of Mr. Thibaud Ponchon, a nominee director representing IIF. The Board wishes to express its sincere gratitude to Mr. Ponchon for his dedicated service and strategic insights.

To fill this vacancy, the Board appointed Mr. Umar Saeed Khan as an Independent Director effective September 30, 2025. Mr. Khan brings a wealth of experience that will further strengthen the Board's independent oversight and corporate governance standards.

### **Remuneration Policy of the Non-Executive and Independent Directors**

In order to comply with the Companies Act, 2017, Listed Companies (Code of Corporate Governance, Regulations 2019 and Articles of Association of the Company, the Company has policy with respect to the remuneration of Executive, Non-executive and Independent directors.

The Non-Executive and Independent Directors are not paid employees of the Company and are not involved in its day-to-day running. The non-executive and Independent directors are entitled to receive a meeting fee.

### **Insurer Financial Rating Strength**

The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the IFS rating of the Company as "A++" on 22 August, 2025. This rating denotes a strong capacity to meet policyholders' and contractual obligations and reflects the gains achieved by the management in core insurance business.

### **Related Party Transactions**

All related party transactions were reviewed and recommended by the Audit Committee and approved by the Board of Directors. These transactions were carried out on arm's length basis and in the normal course of business.

### **Risk Management Policy and AML Policy**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. Our Company's Risk Management approach is made for qualitative evaluation of risk and minimizing its hazards. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been formulated and clearly spelled out in the said guidelines.

In addition to the Risk Management Policy, the Board has approved the AML and Know Your Customer Policy as formulated and recommended by the Risk Management and Compliance Committee.

A Compliance Program is also in place, which ensure and provide guidelines that relevant Laws are complied with in letter and spirit.

### **Internal Control**

The system of internal controls is sound and is being implemented and monitored by the Internal Audit Department. This is a continuing process and any weaknesses are identified and removed. Further, same is regularly reviewed by the board.

## Committees

The Board in compliance with the Code of Corporate Governance has established following committees;

### Management Committees

#### Risk Management & Compliance Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Zain ul Haq Qureshi	Chairman	4	4
Mr. Shahbaz Hameed	Member	4	4
Mr. Muhammad Masood	Member	4	4
Ms. Shazia Hafeez	Secretary	4	4

#### Underwriting Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Ihtsham ul Haq Qureshi	Chairman	4	4
Mrs. Nosheen Ihtsham	Member	4	4
Mr. Faisal Mehmood Qureshi	Member	4	4
Mr. Amjad Rao	Secretary	4	4

#### Claim settlement Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mrs. Shiza Hassan	Chairman	4	4
Mr. Shahbaz Hameed	Member	4	4
Mr. Zain ul Haq Qureshi	Member	4	4
Mr. Asif Ali Mughal	Secretary	4	4

#### Reinsurance & Co-insurance Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Ihtsham ul Haq Qureshi	Chairman	4	4
Mr. Zain ul Haq Qureshi	Member	4	4
Ms. Rafia Ashraf	Member	4	4
Mr. Muhammad Masood	Secretary	4	4

### Board Committees

#### Ethic, Human Resource & Remuneration Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Wajahat Rasul Khan	Chairman	1	0
Mrs. Nosheen Ihtsham	Member	1	1
Mr. Ihtsham ul Haq Qureshi	Member	1	1
Mr. Saad Masood	Secretary	1	1

#### Investment Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Ihtsham ul Haq Qureshi	Chairman	4	4
Mr. Zain ul Haq Qureshi	Member	4	4
Mr. Wajahat Rasul Khan	Member	4	4
Ms. Rafia Ashraf	Secretary	4	4

#### Audit Committee

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. Syed Murtaza Hasnain Nadir	Chairman	6	6
Mr. Ihtsham ul Haq Qureshi	Member	6	6
Mrs. Shiza Hassan	Member	6	6
Mr. Waqas Iqbal	Secretary	6	6

### Branch Network

Your company is fully aware of the fact that the network of feasible and profitable branches must be established in as many cities of Pakistan as possible. Our aims and objectives of opening branches are to provide excellent services to our esteemed clients and prompt settlement of claims besides ensuring ultimate profitability for the shareholders through prudent underwriting and cost efficiency.

### Statement of Investment of Provident Fund

The company operates an approved provident fund scheme covering all its permanent employees. The investment balances are as follows:

Particulars	December 31, 2025 Rupees	December 31, 2024 Rupees
Investment	80,881,647	65,520,005

### Annual Evaluation of Board's Performance and its Committees

The Board has placed a mechanism to evaluate its performance annually and also carried out an annual performance evaluation of its committees, as required by the Code of Corporate Governance. The mechanism devised is based on the emerging and leading trends on the functioning of the Board and improving its effectiveness.

### Principal Risks and Uncertainties

The principal risk the Company faces under insurance contracts is the possibility that the insured event occurs, the uncertainty of the amount of the resulting claims i.e. the frequency and severity of claims and that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy aims to minimize insurance risks with a balanced mix and spread of business classes and by observing underwriting guidelines and limits. The Company underwrites mainly property, motor, marine cargo and transportation and other miscellaneous general insurance business. These classes of insurance are generally regarded as short term insurance contracts where claims are normally intimated and settled within a short time span, usually one year. This helps to mitigate insurance risk.

### Risk Management Function

Your Company established a Risk Management Function. It is overseen by the Risk Management and Compliance Committee to identify and monitor risks associated with various operations of the Company.

Asia Insurance Company is committed to enhancing its overall profitability through optimization of value added activities, while maintaining a strong risk-adjusted capitalization.

### Corporate Briefing Session

Corporate Briefing Session was held on 29 May, 2025 for shareholders and analysts as per requirement of Pakistan Stock Exchange. Company's senior management shareholders and analysts attended the session.

### Statement of Ethics and Business Practices

The Board has adopted the Statement of Ethics and Business Practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to business and regulations

### Compliance with Code of Corporate Governance

The requirements of the Code of Corporate Governance set out by the regulatory authorities have been duly complied with. a statement to this effect is annexed in the report.

### **Corporate Social Responsibility, Sustainability and ESG**

Your Company recognizes its responsibility towards sustainable development and is committed to integrating Environmental, Social and Governance (ESG) considerations into its business strategy and operations. The Board ensures oversight of sustainability-related risks and opportunities, including environmental impact, social responsibility, and governance practices, with the objective of creating long-term corporate value.

The Company promotes diversity, equity and inclusion (DE&I) by providing equal employment opportunities, including for persons with disabilities, and fostering gender equality across the workplace. The Board also ensures that appropriate policies and practices are in place to support an inclusive and respectful work environment.

In line with its commitment to social responsibility, the Company continues to support its employees through financial assistance programs, contributes to the national exchequer, and undertakes initiatives aimed at energy conservation and environmental protection.

The Company maintains high standards of health, safety, and environmental practices to safeguard the well-being of its employees and the communities in which it operates. The Board periodically reviews sustainability - related risks, including emerging and climate-related risks, and ensures that appropriate mitigation measures are implemented.

The Company remains committed to continuously enhancing its sustainability framework in line with regulatory expectations and best practices.

### **Compliance with AML/CFT Laws**

The Company has duly complied with the AML/CFT laws of the country and timely reporting in this regard has been done.

### **Corporate and Financial Reporting Framework**

- (a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity,
- (b) Proper books of accounts have been maintained by the Company,
- (c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments,
- (d) The International Financial Reporting Standards (IFRS) as applicable in Pakistan, have been followed in preparation of financial statement and any departure from there has been adequately disclosed,
- (e) The system of internal control is sound in design and has been effectively implemented and monitored,
- (f) There are no significant doubts upon the Company's ability to continue as a going concern,
- (g) There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations,
- (h) The key operating and financial data for the last six years is annexed,
- (i) The value of investments of provident fund based on their audited accounts as on December 31, 2025 was Rs. 80,881,647.
- (j) The statement of pattern of shareholding in the Company as at 31 December 2025 is included with the Report.

## Key Financial Data

Key operational and financial data for the last 5 years is as follows:

Particulars	2025	2024	2023	2022	2021
<b>Rupees in Thousands</b>					
<b>CONVENTIONAL</b>					
Paidup Capital	730,082	730,082	730,082	730,082	663,711
Total Assets	3,485,698	2,672,892	2,100,813	2,073,356	1,870,807
Equity	1,215,532	1,037,202	905,319	837,620	951,053
Cash and Bank Deposit	77,706	61,560	399,942	437,421	275,208
Gross Premium	1,575,444	1,234,774	1,219,521	1,001,553	923,509
Net Premium Revenue	1,090,544	990,880	827,145	735,276	593,676
Gross Claim Paid	586,226	452,525	543,533	368,589	248,575
Net Claim Expense	412,988	365,787	278,741	293,086	166,803
Under Writing Profit / (Loss)	36,004	15,951	7,272	(74,576)	6,503
Profit / (Loss) Before Tax	257,944	243,083	157,406	(91,229)	37,340
Profit / (Loss) After Tax	178,329	151,570	85,699	(73,831)	26,813
Investment Income (Loss)	188,836	168,387	53,804	(29,044)	19,259
(Loss)/Earning Per Share (Rs.)	2.44	2.31	1.17	(1.01)	0.40
<b>TAKAFUL</b>					
<b>PTF</b>					
Gross Contribution	244,292	145,568	129,284	100,408	77,339
Net Contribution Revenue	70,413	39,113	37,113	28,277	23,488
Gross Claim Paid	42,308	34,627	62,069	10,246	26,269
Net Claim Expense	77,040	44,933	49,200	28,394	25,489
Under Writing Profit / (Loss)	(17,392)	(9,040)	(15,599)	(329)	(1,904)
Investment Income		-	-	-	-
<b>OPF</b>					
Investment Income	17,004	11,529	12,078	2,890	2,477

## Board Meetings

During the year ended December 31, 2025 following meetings of the Board of Directors were held and attended by the Directors as below:

Name of Directors	Meetings Held	Meetings Attended
Mr. Ihtisham ul Haq Qureshi	5	5
Mr. Zain ul Haq Qureshi	5	4
Mr. Thibaud Ponchon (Resigned on 30-06-2025)	5	3
Mrs. Nosheen Ihtisham	5	3
Mr. Wajahat Rasul Khan	5	5
Mrs. Shiza Hassan	5	5
Mr. Syed Murtaza Hasnain Nadir	5	3
Mr. Umar Saeed Khan (appointed on casual vacancy on 30-09-2025)	5	1

Leave of absence was granted to those Directors who could not attend the Board Meeting.

### **Internal Audit:**

The Company has an independent Internal Audit function. The Audit Committee reviews the appropriateness and authority of this function on a quarterly basis. The Head of Internal Audit functionally reports to the Audit Committee. The Audit Committee approves the audit plan, based on an annual and quarterly assessment of the operating areas. The Internal Audit function carries out reviews on the financial, operational and compliance controls, and reports the findings to the Audit Committee.

### **External Auditors:**

The present Auditors M/s. Ilyas Saeed & Company, Chartered Accountants, have completed their assignment for the year ended December 31, 2025, and shall retire on the conclusion of 45th Annual General Meeting

### **Company's relations with stakeholders**

We have a very positive and practical approach towards relations with various stakeholders particularly with regulatory authorities i.e. Securities and Exchange Commission of Pakistan (SECP), Federal Board of Revenue (FBR), State Bank of Pakistan (SBP), other Insurance Companies, the Reinsurers and the Insurance Association of Pakistan (IAP). The Company Secretary is responsible for adhering and implementing all the applicable laws, regulations and conventions in order to keep the organization at its highest.

### **FUTURE OUTLOOK**

While the economy has achieved a semblance of stability, the Government remains focused on critical structural reforms in taxation and the energy sector to ensure long-term growth. Asia Insurance is well-positioned to capitalize on this recovery. With a strong capital base and a proven track record of profitability in 2025, the Company remains committed to driving innovation in its product offerings and delivering superior value to its shareholders and customers alike.

### **Pattern of shareholding is attached with this report.**

We would like to thank our valued customers for their continued patronage and support and to Pakistan Reinsurance Company Limited, Securities and Exchange Commission of Pakistan and State Bank of Pakistan for their guidance and assistance.

It is a matter of deep gratification for your Directors to place on record their appreciation of the efforts made by officers, field force and staff who had contributed to the growth of the Company and the continued success of its operations.



Chief Executive Officer



Director

**THE COMPANIES ACT, 2017**  
**(Section 227(2)(f))**  
**PATTERN OF SHAREHOLDING**

**FORM 20**

1.1 Name of the Company **ASIA INSURANCE COMPANY LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at 12/31/2025

2.2 No. of Shareholders	-----Shareholdings-----		Total Shares Held
	From	To	
125	1	100	1,273
21	101	500	5,388
11	501	1,000	8,460
11	1,001	5,000	29,488
1	25,001	30,000	27,725
1	100,001	105,000	101,728
1	435,001	440,000	438,340
1	990,001	995,000	993,654
1	1,015,001	1,020,000	1,017,288
1	2,135,001	2,140,000	2,138,251
1	2,770,001	2,775,000	2,773,485
1	18,555,001	18,560,000	18,558,243
1	46,910,001	46,915,000	46,914,920
<b>177</b>			<b>73,008,243</b>

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	49,499,773	67.8003%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	--	--
2.3.3 NIT and ICP	--	--
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	--	--
2.3.5 Insurance Companies	0	0.0000%
2.3.6 Modarabas and MutualFunds	--	--
2.3.7 Shareholders holding 10% or more	65,473,163	89.6791%
2.3.8 General Public		
a. Local	3,955,968	5,4185%
b. Foreign	--	--
2.3.9 Others (to be specified)		
- Joint Stock Companies	605	0.0008%
- Government Holding	993,654	1.3610%
- Foreign Companies	18,558,243	25.4194%

**ASIA INSURANCE COMPANY LIMITED**  
**Categories of Shareholding required under Code of Corporate Governance (CCG)**  
**As on December 31, 2025**

Sr. No	Name	No. of Shares Held	Percentage
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**Associated Companies, Undertakings and Related Parties (Name Wise):** - -

**Mutual Funds (Name Wise Detail) - -**

**Directors, CEO and their Spouse and Minor Children (Name Wise):**

1	MR. IHTSHAM UL HAQ QURESHI (CDC)	46,914,920	64.2598
2	MRS. NOSHEEN IHTSHAM (CDC)	438,340	0.6004
3	MR. ZAIN UL HAQ QURESHI (CDC)	2,142,031	2.9340
4	MR. HASAN AHMAD KHAN H/O SHIZA HASSAN	1,334	0.0018
5	MR. UMAR SAEED KHAN	-	0.0000
6	SYED MURTAZA HASNAIN	2	0.0000
7	MR. WAJAHAT RASUL KHAN	30	0.0000
8	MRS. SHIZA HASSAN (CDC)	3,116	0.0043

**Executives:** - -

**Public Sector Companies & Corporations:** - -

**Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:** - 0.0000

**Shareholders holding five percent or more voting interest in the listed company (Name Wise)**

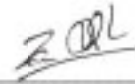
1	MR. IHTSHAM UL HAQ QURESHI (CDC)	46,914,920	64.2598
2	INSURESILIENCE INVESTMENT FUND (CDC)	18,558,243	25.4194

All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:  
 NIL

ریکارڈ کے ساتھ اپنی پیش کردہ پروڈکٹس میں جدت کو لانے اور اپنے شیئرز ہولڈرز اور صارفین کو خاطر خواہ منافع دینے کے لئے پرعزم ہے۔  
شیئرز ہولڈنگ کا پیٹرن رپورٹ ہذا کے ساتھ لگ ہے  
ہم جاری حمایت کے لئے اپنے معزز صارفین اور رہنمائی اور معاونت کے لئے پاکستان ری انشورنس کمپنی لمیٹڈ، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کے تبادلے سے مشکور ہیں۔  
اُسران، فیلڈ فورس اور عملے کی کاوشوں پر آپ کے ڈائریکٹرز کے لئے بے خراج تحسین کا موقع ہے جنہوں نے کمپنی کی ترقی اور اس کے آپریٹنگ کی مسلسل کامیابی کے لئے اہم کردار ادا کیا۔



ڈائریکٹر



چیف ایگزیکٹو آفیسر

## بورڈ کے اجلاس

31 دسمبر 2025ء کو اختتام پزیر سال کے دوران بورڈ آف ڈائریکٹرز کے مندرجہ ذیل اجلاس منعقد ہونے جس میں ڈائریکٹرز کی حاضری بھی درج ذیل ہے :

اجلاس میں حاضری	منعقدہ اجلاس	نام ڈائریکٹر
5	5	جناب احتشام الحق قریشی
4	5	جناب زین الحق قریشی
3	5	جناب تھانی باد پوٹین (30-06-2025) کو مستعفی ہوئے
3	5	مسز نوشین احتشام
5	5	جناب دہا بہت رسول خان
5	5	مسز شیراز حسن
3	5	جناب سید مرتضیٰ حسنین نادر
1	5	جناب عمر سعید خان (خالی نشست پر 30-09-2025 کو تقرری ہوئی)

بورڈ اجلاس میں شرکت نہ کر سکنے والے ڈائریکٹرز کو غیر حاضری کی رخصت عنایت کی گئی۔

### انٹرنل آڈٹ

کمپنی خود اپنا انٹرنل آڈٹ فنکشن کی حامل ہے۔ آڈٹ کمیٹی ماہی بنیادوں پر اس فنکشن کے کام اور اختیار کی نگرانی کرتی ہے۔ انٹرنل آڈٹ کا سربراہ آڈٹ کمیٹی کو رپورٹ کرتا ہے۔ آڈٹ کمیٹی فعال شعبوں کے سالانہ اور سہ ماہی جائزہ کی بنیاد پر آڈٹ پلان منظور کرتی ہے۔ انٹرنل آڈٹ فنکشن مالیاتی، فعال اور کمپلائنس کنٹرولز کا جائزہ لیتا ہے اور نتائج آڈٹ کمیٹی کو پیش کرتا ہے۔

### بیرونی آڈیٹرز

حالیہ آڈیٹرز میسرز الیاس سعید اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، نے 31 دسمبر 2025ء کو اختتام پزیر سال کے لئے اپنے فرائض مکمل کر لئے ہیں اور 45 ویں سالانہ اجلاس کے اختتام پر ریٹائر ہو جائیں گے۔

### اسٹیک ہولڈرز کے ساتھ کمپنی کے تعلقات

خصوصاً ریگولیٹری اتھارٹیز یعنی سیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP)، بلڈ رل بورڈ آف ریونیو (FBR)، اسٹیٹ بینک آف پاکستان (SBP)، دیگر انشورنس کمپنیوں، ری انشوررز اینڈ انشورنس ایسوسی ایشن آف پاکستان (IAP) اور متعدد اسٹیک ہولڈرز کے ساتھ تعلقات میں ہم مثبت اور عملی انداز میں رکھتے ہیں۔ ادارے کو بلند مقام پر رکھنے کے لئے کمپنی بیکری میزجی حرام مروجہ قوانین، ضوابط اور کنونشنز کی تعمیل اور اطلاق کے لئے ذمہ دار ہے۔

### مستقبل کا منظر نامہ

معیشت استحکام کی جانب گامزن ہے اور حکومت طویل مدتی نمو کو یقینی بنانے کے لئے ٹیکسیشن اور توانائی کے شعبہ میں اہم ساختی اصلاحات پر توجہ دے رہی ہے۔ ایشیا انشورنس اس بحالی بھر پور انتظار و حاصل کرنے کے لئے تیار ہے۔ مضبوط کپیٹل جیس اور سال 2025ء میں منافع کا ثابت شدہ و ٹریک

## اہم مالیاتی اعداد و شمار

گزشتہ 5 برس کے لئے اہم آپریشنل اور مالیاتی اعداد و شمار حسب ذیل ہیں:

تفصیلات	2021	2022	2023	2024	2025
روپے ہزاروں میں					
روایتی					
اداشدہ سرمایہ	663,711	730,082	730,082	730,082	730,082
کل اثاثہ جات	1,870,807	2,073,356	2,100,813	2,672,892	3,485,698
ایکویٹی	951,363	837,620	905,319	1,037,202	1,215,532
کیش اور بینک ڈپازٹس	275,208	437,421	399,942	61,560	77,706
مجموعی پرمییم	923,509	1,001,553	1,219,521	1,234,774	1,575,444
خالص پرمییم ریونیو	593,676	735,276	827,145	990,880	1,090,544
مجموعی اداشدہ کلیم	248,575	368,589	543,533	452,525	586,226
نیٹ کلیم اخراجات	166,803	293,086	278,741	365,787	412,988
انڈر رائٹنگ نفع / (نقصان)	6,503	(74,575)	7,272	15,951	36,004
نفع / (نقصان) بمعدہ ٹیکس	37,340	(91,229)	157,406	243,083	257,944
نفع / (نقصان) علاوہ ٹیکس	26,813	(73,831)	85,699	151,570	178,329
انویسٹمنٹ آمدنی / (خسارہ)	19,259	(29,044)	53,804	168,387	188,836
فی حصص آمدنی (روپے)	0.40	(1.01)	1.17	2.31	2.44
تکافل					
PTF					
مجموعی شراکت	77,339	100,408	129,284	145,568	244,292
شراکت پر خالص آمدنی	23,488	28,277	37,113	39,113	70,413
مجموعی اداشدہ کلیم	26,269	10,246	62,069	34,627	72,308
خالص کلیم اخراجات	25,489	28,394	49,200	44,933	77,040
انڈر رائٹنگ نفع / (نقصان)	(1,904)	(329)	(15,599)	(9,040)	(17,392)
سرمایہ داری آمدنی	-	-	-	-	-
OPF					
انویسٹمنٹ آمدنی	2,477	2,890	12,078	11,529	17,004

## کاروباری و سماجی ذمہ داری

آپ کی کمپنی پائیدار ترقی کی جانب اپنی ذمہ داری سے بخوبی آگاہ ہے اور ماحولیاتی، سماجی اور گورننس (ESG) نکتوں کو اپنی کاروباری حکمت عملی اور آپریشنز میں شامل کرنے کے لئے پرعزم ہے۔ بورڈ پائیداری سے منسوب خطرات اور مواقع پر گہری نظر کو یقینی بناتا ہے جس میں ماحولیاتی اثرات، سماجی ذمہ داری اور نظم و ضبط کے اصول شامل ہیں جس کا مقصد طویل مدتی کاروباری قدر قائم کرنا ہے۔

کمپنی ملازمت کے مساوی مواقع کی فراہمی جس میں معذور افراد بھی شامل ہیں اور کام کی جگہ پر صحتی مساوات کو بڑھا کر تنوع، نصف اور شمولیت (DE&I) کو فروغ دیتا ہے۔ بورڈ یہ بھی یقینی بناتا ہے کہ کام کے ایک خصوصی اور باوقار ماحول کو برقرار رکھنے کے لئے معقول پالیسیاں اور طریقے عمل میں لائے جوں۔

سماجی ذمہ داری کی پابندی، کمپنی کے عزم کی روشنی میں کمپنی مالیاتی معاونت کے پروگرام کے ذریعے ملازمین کی سپورٹ کرتی ہے اور قومی خزانے کو بڑھانے میں اہم کردار ادا کرتی ہے اور ایسے اقدامات پر عمل پیرا ہے جن کا مقصد توانائی کی بچت اور ماحولیاتی تحفظ ہے۔

کمپنی صحت، حفاظت اور ماحولیاتی امور کے اعلیٰ معیار کو برقرار رکھے ہوئے ہیں تاکہ اپنے ملازمین اور اپنی زیر خدمت کمیونٹی کی زندگی کی حفاظت کی جا سکی۔ بورڈ وقتاً فوقتاً پائیداری سے منسوب خطرات کا جائزہ لیتا جس میں ابھرتے ہوئے اور ماحولیات سے منسوب خطرات شامل ہیں۔ بورڈ یہ بھی یقینی بناتا ہے کہ ہر ایک کے مناسب اقدامات کا اطلاق کیا جائے۔

کمپنی ریگولٹری نکتوں اور کلائنٹوں کی عمل پیرائی کی روشنی میں اپنے پائیداری ورک کو لگاتار بڑھانے کے لئے پرعزم ہے۔

## AML/CFT قوانین کی تعمیل

کمپنی ملک کے AML/CFT قواعد کی تعمیل کرتی ہے اور اس بابت بروقت رپورٹنگ کی گئی ہے۔

## کاروباری و مالیاتی رپورٹنگ فریم ورک

- کمپنی انٹرمیڈیہ کی تیار کردہ مالیاتی اسٹیٹمنٹس اس کے امور کی صورت حال، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی عکاسی کرتی ہیں۔
- کمپنی نے کھاتوں کی مناسب کتابیں تیار کی ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ جات معقول اور جامع فیصلوں کے بنیاد پر لگائے گئے ہیں۔
- مالیاتی اسٹیٹمنٹس کی تیاری میں پاکستان میں رائج بین الاقوامی مالیاتی اصولوں (IFRS) پر عمل کیا گیا ہے اور اس میں کسی بھی قسم کے تخم کا واضح اظہار کیا گیا ہے۔
- انٹرنل کنٹرول کا ایک مربوط نظام موجود ہے جس کو موثر انداز میں لاگو کیا گیا ہے اور اس کا باقاعدہ نگرانی ہوتی ہے۔
- کمپنی کی کاروبار کرنے کی صلاحیت پر کوئی نمایاں ابہام موجود نہ ہے۔
- سٹیک ہولڈر کے مطابق کارپوریٹ گورننس کی بہترین عمل داری پر کوئی مادی تخم موجود نہ ہے۔
- گزشتہ تین برس کے لئے اہم آپریٹنگ اور مالیاتی اعداد و شمار لفٹ ہڈا ہیں۔
- 31 دسمبر 2025 تک کمپنی کے پڑنا سال شدہ کھاتوں میں پراویڈنٹ فنڈ کی سرمایہ کاری کی مالیت 80,881,647 روپے تھی۔
- 31 دسمبر 2025 تک کمپنی کے بیٹرن آف شیئرز ہولڈنگ کا اعلامیہ رپورٹ ہڈا میں شامل کیا گیا ہے۔

## پراویڈنٹ فنڈ میں انویسٹمنٹ کا اعلامیہ

کمپنی ایک منظور شدہ پراویڈنٹ فنڈ اسکیم چلا رہی ہے جو اس کے تمام مستقل ملازمین پر لاگو ہوتی ہے۔ انویسٹمنٹ پالیسی حسب ذیل ہے:

مندرجات	31 دسمبر 2025ء روپے	31 دسمبر 2024ء روپے
انویسٹمنٹ	80,881,647	65,520,005

بورڈ اور اس کی کمیٹیوں کی کارکردگی کا سالانہ جائزہ

بورڈ نے کوڈ آف کارپوریٹ گورننس کے تحت اپنی اور اپنی کمیٹیوں کی کارکردگی کے سالانہ جائزہ کا ایک طریقہ کار وضع کیا ہوا ہے۔ وضع کردہ طریقہ کار بورڈ کے کام اور اس کی بہتر کارکردگی پر ابھرتے ہوئے اور صاف اول کے رجحانات پر مبنی ہے۔

بنیادی خطرات اور بے یقینی کی صورت حال

انشورنس کنٹرولنگ کی بنیاد پر کمپنی کو درپیش بنیادی خطرات میں یہ امکان شامل ہے کہ یہ شدہ واقعات وقوع پذیر ہو جائیں اور اس کے نتیجے میں پیدا ہونے والے کلیمز کی رقم پر بے یقینی یعنی کلیمز کے تعدد اور شدت کی صورت حال ہو اور یہ کہ حقیقی کلیمز اور مراعات کی رقم انشورنس واجبات سے تجاوز کر جائے۔ انشورنس معاہدہ کی نوعیت کے مطابق یہ خطرہ بعض اوقات سامنے آتا ہے لہذا اس کی پیشنگوئی ممکن نہیں۔ کمپنی کا مقصد اس امر کو یقینی بنانا ہے کہ ان واجبات کو پورا کرنے کے لئے معقول وسائل موجود ہوں۔

انڈر رائٹنگ حکمت عملی معقول ری انشورنس معاہدوں اور کلیمز کی بروقت پیئمنٹ کے ذریعے کمپنی ان خطرات سے نپٹتی ہے۔ انڈر رائٹنگ حکمت عملی کا مقصد متوازن طریقوں کے ذریعے انشورنس معاہدوں اور کلیمز کی بروقت پیئمنٹ کو کم کرنا اور کاروبار کے درجوں کو وسعت دینا اور انڈر رائٹنگ ہدایات اور حدود کا مشاہدہ کرنا ہے۔ کمپنی پراپرٹی، موٹر، میرین کار اور ٹرانسپورٹیشن اور متفرق انشورنس برنس کے شعبوں میں انڈرائٹ کرتی ہے۔ انشورنس کے یہ درجے عموماً قلیل آمدنی انشورنس کنٹرولنگ سمجھے ہیں جہاں کلیمز کو عموماً 1 سال کے قلیل عرصے میں ادا کیا جاتا ہے۔ اس طرح انشورنس رسک کا خاتمہ کرنے میں مدد ملتی ہے۔

رسک مینجمنٹ فنکشن

آپ کی کمپنی نے رسک مینجمنٹ فنکشن قائم کیا ہے۔ جس کی نگرانی رسک مینجمنٹ اور کمپائٹنس کمیٹی کرتی ہے تاکہ کمپنی کے متعدد امور سے منسوب خطرات کی نشاندہی اور نگرانی کی جاسکے۔

ایشیا انشورنس کمپنی سرمایہ کاری کو خطرات سے پاک کر کے ویلیو ایڈڈ خدمات کو بہتر بنا کر اپنے مجموعی منافع کو بڑھانے کے لئے پرعزم ہے۔

کارپوریٹ بریفنگ سیشن

پاکستان اسٹاک ایکچینج کے تقاضوں کے مطابق شیئرز ہولڈرز اور تجزیہ نگاروں کے لئے کارپوریٹ بریفنگ سیشن کا انعقاد 29 مئی 2025ء کو کیا گیا۔ کمپنی کی اعلیٰ انتظامیہ، شیئرز ہولڈرز اور تجزیہ نگاروں نے سیشن میں شرکت کی۔

اخلاقیات اور کاروباری امور پر اعلامیہ

بورڈ نے اخلاقیات اور کاروباری امور پر ایک اعلامیہ جاری کیا ہے۔ تمام ملازمین کو اس اعلامیہ سے آگاہ کیا گیا ہے اور کاروبار اور ضوابط کی بابت ان سے ان اصول و ضوابط پر عمل درآمد کی توقع کی جاتی ہے۔

کوڈ آف کارپوریٹ گورننس کی تعمیل

مجاز حکموں کی جانب سے وضع کئے گئے کوڈ آف کارپوریٹ گورننس کے تقاضوں کی باقاعدہ تعمیل کی جاتی ہے جس کی بابت اعلامیہ رپورٹ ہذا کے ساتھ لف ہے۔

## بورڈ کمیٹیاں

ایچٹک، ہیومن ریسورس اینڈ ریوونیشن کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب وجاہت رسول خان	چیئر مین	0	1
مسز نوشین احتشام	رکن	1	1
جناب احتشام الحق قریشی	رکن	1	1
جناب سعد مسعود	سیکرٹری	1	1

انویسٹمنٹ کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب احتشام الحق قریشی	چیئر مین	4	4
جناب زین الحق قریشی	رکن	4	4
جناب وجاہت رسول خان	رکن	4	4
مسرافعہ اشرف	سیکرٹری	4	4

آڈٹ کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب مرتضیٰ حسین نادر	چیئر مین	6	6
جناب احتشام الحق قریشی	رکن	6	6
مسز شیراز مسن	رکن	6	6
جناب وقاص اقبال	سیکرٹری	6	6

براؤنج نیٹ ورک

آپ کی کمپنی اس حقیقت سے بخوبی واقف ہے کہ قابل عمل اور منافع بخش شامیں پاکستان کے زیادہ تر شہروں میں قائم کی جائیں۔ نئی شامیں کھولنے کے ہمارے اہداف اور مقاصد میں بہتر انڈر رائٹنگ اور لاگت پر کنٹرول کے ذریعے اپنے شیئرز ہولڈرز کو حتمی منافع کی ادائیگی کے علاوہ اپنے معزز کلائنٹس کو عمدہ خدمات فراہم کرنا اور گھمباز کی بروقت ادائیگی کرنا شامل ہیں۔

کمیٹیاں

کوڈ آف کارپوریشن گورننس کی تعمیل میں بورڈ نے مندرجہ ذیل کمیٹیاں تشکیل دی ہیں:

## انتظامی کمیٹیاں

رسک مینجمنٹ اور کمپلائنس کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب ذین الحق قریشی	چیئرمین	4	4
جناب شہناز حمید	رکن	4	4
جناب محمد مسعود	رکن	4	4
مس شازپہ حفیظ	سیکرٹری	4	4

انڈر رائٹنگ کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب احتشام الحق قریشی	چیئرمین	4	4
مسز نوشین احتشام	رکن	4	4
جناب فیصل محمود قریشی	رکن	4	4
جناب امجد رازا	سیکرٹری	4	4

کلیم سیٹلمنٹ کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
مسز شیراز حسن	چیئرمین	4	4
جناب شہباز حمید	رکن	4	4
جناب ذین الحق قریشی	رکن	4	4
جناب آصف علی مغل	سیکرٹری	4	4

ری انشورنس اینڈ گوانٹورنس کمیٹی

نام رکن	عہدہ	منتقدہ اجلاس	اجلاس میں حاضری
جناب احتشام الحق قریشی	چیئرمین	4	4
جناب ذین الحق قریشی	رکن	4	4
مس رابعہ اشرف	رکن	4	4
جناب محمد مسعود	سیکرٹری	4	4

کمپنیز ایکٹ 2017 کی تعمیل میں لسڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) شو ایڈ 2019، اور کمپنی کے آرٹیکلز آف ایسوسی ایشن کی تعمیل میں کمپنی نے ایگزیکٹو، نان ایگزیکٹو اور خود مختار ڈائریکٹرز کے معاہدہ کی پالیسی وضع کی ہے۔

نان ایگزیکٹو اور خود مختار ڈائریکٹرز کمپنی کے سٹو اوڈر ملازم نہیں اور اس کے روزمرہ امور میں کردار ادا نہیں کرتے۔ نان ایگزیکٹو اور خود مختار ڈائریکٹرز اجلاس کی فیس وصول کرنے کے اہل ہیں۔

انشورر کی مالیاتی ریٹنگ کی حیثیت

پاکستان کرڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے کمپنی کی FS ریٹنگ کو 22 اگست 2025ء کو "A++" پر اپ گریڈ کیا ہے۔ یہ ریٹنگ ظاہر کرتی ہے کہ کمپنی پالیسی ہولڈرز کے معاہدہ جاتی فریکٹس کو پورا کرنے کی واضح استطاعت رکھتی ہے اور انشورنس کے بنیادی کاروبار میں اختطام سے جان بچنے سے حاصل منافع کی عکاسی کرتی ہے۔

متعلقہ فریق سے لین دین

متعلقہ فریقین سے کی گئی تمام تر ٹرانزیکشنز کا جائزہ لیا گیا جنہیں آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے منظور کیا۔ یہ ٹرانزیکشنز عمومی کاروباری امور کے دوران آرمر لمیٹڈ کی بنیاد پر کی گئیں۔

رہسہ بینجمنٹ اور AML پالیسی

کمپنی نے ایک رہسہ بینجمنٹ پالیسی وضع اور نافذ کی ہے جو کمپنی کے رجسٹرڈ دفتر سے ہونے والے بڑے شدت کی نشاندہی کرتی ہے۔ ہماری کمپنی کا رہسہ بینجمنٹ طریقہ کار خطرے کے معیاری جائزہ اور خطرات کو کم کرنے کے لئے وضع کیا گیا ہے۔ اسے آپ کے بورڈ نے بھی اپنایا ہے اور وہ متاثرہ کتا جائزے سے بھی مشروط ہے۔ خطرات کے تدارک کا عمل اور اقدامات وضع کئے گئے ہیں اور انہیں مذکورہ ہدایات میں واضح طور پر بیان کیا گیا ہے۔ رہسہ بینجمنٹ پالیسی کے علاوہ بورڈ نے AML اور اپنے صارف کو جانیں جیسی پالیسیاں بھی منظور کی ہیں جسے رہسہ بینجمنٹ اور کمپلائنس کمیٹی نے وضع اور تجویز کیا ہے۔

کمپلائنس پروگرام بھی موجود ہے جو ایسی ہدایات کی تعمیل کو یقینی بناتا ہے کہ متعلقہ قوانین پر عمل و عمل ہو رہا ہے۔

داخلی اصول

داخلی اصولوں ایک مربوط نظام موجود ہے جس کا اطلاق اور نگرانی انٹرنل آڈٹ ڈیپارٹمنٹ کرتا ہے۔ یہ ایک جاری عمل ہے اور اس میں سہم کی نشاندہی کی جاتی ہے اور ختم کیا جاتا ہے۔ مزید یہ کہ بورڈ اس کا باقاعدگی سے جائزہ لیتا ہے۔

## مالیاتی نتائج

31 دسمبر 2025ء کو اختتام پزیر سال کے لئے کمپنی کی مجموعی کارکردگی حسب ذیل ہے:

,2024	,2025	
1,234,774,434	1,575,444,893	مجموعی پریمیوم
244,083,991	257,944,686	رواں برس کے لئے منافع بعد ٹیکس
		ٹیکسیشن
51,715,021	74,014,619	موجودہ
21,245,882	(2,584,490)	تاخیری
(187,607)	0	گذشتہ برس
1,923,465	8,184,766	سہر ٹیکس
74,696,761	79,614,895	
168,387,230	178,329,791	رواں برس کے لئے منافع علاوہ ٹیکس
102,819,333	234,702,442	آگے لایا گیا غیر تخصیص شدہ منافع
0		قرض حسد
0		ادا شدہ حتمی منافع منقسمہ
234,702,442	413,032,233	آگے کیا گیا غیر تخصیص شدہ منافع منافع منقسمہ

31 دسمبر 2025ء کو اختتام پزیر مالیاتی سال کے لئے بورڈ آف ڈائریکٹرز نے کمپنی کے سرمایہ کو مضبوط کرنے اور منافع برقرار رکھنے اور مستقلگی کے ترقیاتی اقدامات کو سپورٹ کرنے کے لئے کسی منافع منقسمہ کا فیصلہ نہیں کیا ہے۔

### فی حصص آمدنی

(خسارہ) / آمدنی فی حصص 2.44 روپے

(خسارہ) / آمدنی فی حصص گذشتہ برس کی نسبت 0.14 روپے فی حصص اضافہ ظاہر کرتی ہے۔

### بورڈ آف ڈائریکٹرز میں تبدیلیاں

کارپوریٹ گورننس قواعد کے مطابق ہم رواں برس کے دوران بورڈ کی ترکیب میں تبدیلی رپورٹ کرتے ہیں۔ IIF کی نمائندگی کرنے والے نامزد ڈائریکٹر جناب تھانی پاپنٹین کے استعفیٰ کے بعد 30 جون 2025ء کو ایک نشست خالی ہوئی۔ بورڈ ان کی خصوصی خدمات اور اسٹریٹجک بصیرت کے لئے جناب پاپنٹین کو خراج تحسین پیش کرنا چاہتا ہے۔

اس نشست کو پر کرنے کے لئے بورڈ نے جناب عمر سعید خان کو خود بخود ڈائریکٹر مقرر کیا ہے جن کی میعاد 30 ستمبر 2025ء کو شروع ہوئی۔ جناب خان وسیع تجربہ لے کر آئے جو بورڈ کی آزادانہ بصیرت اور کارپوریٹ گورننس اصولوں کو مزید مضبوط کرے گا۔

نان ایگزیکٹو اور خود بخود ڈائریکٹرز کے معاوضہ کی پالیسی

## ڈائریکٹرز کی رپورٹ

برائے سال ختمہ 31 دسمبر 2025ء

معزز شیئر ہولڈرز!

ایشیا انشورنس کمپنی لمیٹڈ ("کمپنی") کے ڈائریکٹرز 31 دسمبر 2025ء کو اختتام پذیر سال کے لئے آپ کی کمپنی کی سالانہ رپورٹ کے ہمراہ پڑھنا شدہ مالیاتی اہم نکاتس ازراہ مسرت پیش کرتے ہیں۔

کمپنیز ایکٹ 2017ء کے سیکشنز 226 اور 227 اور کوڈ آف کارپوریشن گورننس کے تحت تیار کردہ ڈائریکٹرز کی رپورٹ 24 اپریل 2026ء کو منقذہ ہونے والے 45 ویں سالانہ اجلاس عام میں اراکین کے روبرو پیش کی جائے گی۔

کمپنی کے امور کی حالت اور معاشی جائزہ

مالیاتی سال 2025ء پاکستانی معیشت کے لئے ایک انتھائی موثر ثابت ہوا جسے استحکام سے مزید پائیدار بحالی کے مرحلہ سے منسوب کیا جاسکتا ہے۔ حقیقی GDP شرح نمو تقریباً 3.1% تک پہنچ گئی ہے گذشتہ برس کے دوران ایک قابل ذکر پیش رفت کہا جاسکتا ہے جو کہ صنعتی سرگرمی میں 4.8% کی تیز بحالی اور خدمات کے شعبے میں 2.9% کی متواتر توسیع کے نتیجے میں سامنے آئی۔ یہ کلی اقتصادی بحالی IMF کی توسیعی فنڈ سہولت کے کامیاب تسلسل کے باعث مزید مستحکم ہوئی۔ جس نے سرمایہ داروں کے اعتماد میں اضافہ کیا اور پاکستان کی آزاد کرنیٹ ریٹنگ کو بہتر کیا۔

رواں برس کی قابل ذکر پیش رفت مہنگائی میں ڈرامائی تبدیلی سے جو گذشتہ برس میں 23% سے کم ہو کر سال 2025ء کے دوران اوسطاً 4.5% تک کم ہوئی۔ مہنگائی میں کمی کے اس رحمان نے اسٹیٹ بینک آف پاکستان (SBP) کو مزید سازگار مانیٹری پالیسی وضع کرنے میں مدد کی اور مذکورہ مدت کے اختتام تک پالیسی کی شرح کو 1,100 پوائنٹس کم کر کے 11% تک کر دیا۔ ان سازگار حالات اور مستحکم شرح مبادلہ اور اضافی کرنٹ اکاؤنٹ نے کاروبار کی توسیع کے لئے سود مند ماحول قائم کیا۔

مستحکم ہوتی ہوئی معیشت کے پس منظر میں آپ کی کمپنی نے سال 2025ء میں شاندار کارکردگی دکھائی۔ ہم ازراہ مسرت رپورٹ کرتے ہیں کہ رواں برس کی نمایاں پیش رفت پر بحیم غم میں ٹھوس کارکردگی اور واضح طور پر بڑھتا ہوا منافع ہے۔ بہتر مارکیٹ لیکویڈٹی کو بڑھا کر اور کم شرح سود کے ماحول میں انتظامیہ نے انویسٹمنٹ پورٹ فولیو اور آپریشنل کارکردگی کو کامیابی سے بہتر کیا ہے جس کے نتیجے میں کمپنی اپنے اہم مالیاتی اہداف کو عبور کر چکی ہے جس سے کمپنی انشورنس کے شعبہ میں ایک مضبوط اور اعلیٰ کارکردگی کی حامل کمپنی بن چکی ہے۔ آپ کی کمپنی نے 257.945 ملین روپے برآمد ٹیکس جمع درج کر کے متاثر کن نتائج پیش کئے ہیں۔

وڈ ڈیٹائل آپریشنز

رواں برس کے لئے تخمیر کردہ کنٹری بیوشن 244.293 ملین روپے جب کہ خالص کنٹری بیوشن آمدنی 70.41 ملین روپے رہی۔ رواں برس کے لئے شرکاء کے کاغذ کنٹری بیوشن کا نمبر 9.244 ملین روپے اور آپریٹنگ فنڈ (برائے شیئر ہولڈرز) کا منافع 46.169 ملین روپے ریکارڈ ہوا۔

## Statement on Gender Pay Gap Under Circular 10 of 2024

Following is gender pay gap calculated for the year ended December 31, 2025:

(i) Mean Gender Pay Gap:

-2.62%

(ii) Median Gender Pay Gap:

-9.76%



Chief Executive Officer

## Statement Under Section 46 (6) of the Insurance Ordinance, 2000

The incharge of the management of the business was Mr. Zain ul Haq Qureshi, Chief Executive Officer and the report on the affairs of business during the year 2025 signed by Mr. Zain ul Haq Qureshi and approved by the Board of Directors is part of the Annual Report 2025 under the title of "Directors' Report to Members" and

- a. in our opinion the annual statutory accounts of the Asia Insurance Co. Ltd. set out in the forms attached to the statement have been drawn up in accordance with the Insurance Ordinance, 2000 (Ordinance) and any rules made thereunder.
- b. Asia Insurance Co. Ltd. has at all times in the year complied with the provisions of the Ordinance and the rules made thereunder relating to paid-up capital, solvency and re-insurance arrangements; and
- c. As at the date of the statement, the Asia Insurance Co. Ltd. continues to be in compliance with the provisions of the Ordinance and the rules made thereunder relating to paid-up capital, solvency and re-insurance arrangements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

**Statement of Compliance with the Code of  
Corporate Governance for Insurers, 2016 and Listed Companies  
(Code of Corporate Governance) Regulations, 2019  
Asia Insurance Company Limited (The Company)  
For the Year Ended December 31, 2025**

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016, (the Code) and Listed Companies (Code of Corporate Governance) Regulations, 2019, (the Regulations) for the purpose of establishing a framework of good governance, whereby the company is managed in compliance with the best practices of corporate governance.

The company has applied principles contained in the Code and has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven (7) as per the following:
  - a) Male: Five (5)
  - b) Female: Two (2)
2. The Company encourages representation of independent non-executive directors and directors representing minority on its Board of Directors (the Board). At present the composition of the Board is as follows:

<b>Category</b>	<b>Name</b>
a) Independent Directors	Mr. Wajahat Rasul Khan
	Mr. Syed Murtaza Hasnain Nadir
	Mr. Umar Saeed Khan
b) Non-Executive Director (Male)	Mr. Ihtsham ul Haq Qureshi
c) Executive Director	Mr. Zain ul Haq Qureshi
d) Non-Executive Directors (Female)	Mrs. Nosheen Ihtsham
	Mrs. Shiza Hassan

The independent directors meet the criteria of independence as laid down under the Code and CCG 2019.

3. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this company.
4. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company. A Development Financial Institution or a Non Banking Financial Institution or, being a member of a stock exchange, has been declared as a defaulter by a stock exchange.
5. A casual vacancy occurring on the Board on 30 June 2025 was filled up by the Directors within 90 days thereof.
6. The Company has prepared a "Statement of Ethics and Business Practices" as Code of Conduct and has ensured the appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
7. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company.

8. All powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations. The decision on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and the key officers have been taken by the Board.
9. The meeting of the Board was presided over the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. The Board has complied with the requirements of Act and the CCG 2019 with respect to frequency, recording and circulating minutes of meeting of the Board. Written notice of the Board meetings, along with the agenda and working papers, were circulated at least seven (7) days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
10. The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
11. Out of seven Directors, four (4) have completed the director's training program and one (1) female director is exempted from such certification.
12. The Board has established a system of sound internal control, which is effectively implemented at all levels with the company. The company has adopted and complied with all the necessary aspects of internal controls given in the Code.
13. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, at the time of their appointment.
14. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and Regulations and fully describes the salient matters required to be disclosed.
15. The financial statements of the company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
16. The Directors, Chief Executive Officer and other executives do not hold any interest in the shares of the company other than disclosed in the pattern of shareholding.
17. The company has complied with all the corporate and financial reporting requirements of the Code.
18. The Board has formed the following Management Committees:

**Underwriting Committee:**

Name of Member	Category
Mr. Ihtsham ul Haq Qureshi	Chairman
Mrs. Nosheen Ihtsham	Member
Mr. Faisal Mehmood Qureshi	Member
Mr. Amjad Rao	Member

**Claims Settlement Committee:**

Name of Member	Category
Mrs. Shiza Hassan	Chairman
Mr. Zain ul Haq Qureshi	Member
Mr. Shahbaz Hameed	Member
Mr. Asif Ali Mughal	Secretary

**Reinsurance & Co-insurance Committee:**

Name of Member	Category
Mr. Ihtsham ul Haq Qureshi	Chairman
Mr. Zain ul Haq Qureshi	Member
Ms. Rafia Ashraf (CFO)	Member
Mr. Muhammad Masood	Secretary

**Risk Management & Compliance Committee:**

Name of Member	Category
Mr. Zain ul Haq Qureshi	Chairman
Mr. Shahbaz Hameed	Member
Mr. Muhammad Masood	Member
Ms. Shazia Hafeez	Secretary

19. The Board has formed the following Board Committees:

**Ethics, Human Resource & Remuneration Committee:**

Name of Member	Category
Mr. Wajahat Rasul Kjan	Chairman – Independent Director
Mrs. Nosheen Ihtsham	Member – Non-Executive Director
Mr. Ihtisham ul Haq Qureshi	Member – Non Executive Director
Mr. Saad Masood	Secretary

**Investment Committee:**

Name of Member	Category
Mr. Ihtisham ul Haq Qureshi	Chairman – Non - Executive Director
Mr. Zain ul Haq Qureshi	Member – CEO / Executive Director
Mr. Wajahat Rasul Kjan	Member – Independent Director
Ms. Rafia Ashraf (CFO)	Secretary

20. The Board has formed an Audit Committee. It comprises of three (3) members, of whom one (1) is an independent directors and two (2) are non-executive directors. The chairman of the Committee is an independent director. The composition of the Audit Committee is as follows:

**Audit Committee:**

Name of Member	Category
Mr. Syed Murtaza Hasnain Nadir	Chairman – Independent Director
Mrs. Shiza Hassan	Member – Non- Executive Director
Mr. Ihtisham ul Haq Qureshi	Member – Non-Executive
Mr. Waqas Iqbal	Secretary

21. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance
22. The frequency of meetings of the committee were as per the following:
- Audit Committee: Six (6) meetings
  - Ethics, Human Resource & Remuneration Committee: met once in financial year
  - Investment Committee: Quarterly meetings
  - Management Committees: Quarterly meetings

23. The Board has set up an effective internal audit function, the staff is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company and they are involved in the internal audit function on a regular basis.
24. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit are competent and qualified as per the Code. Moreover, the persons who are heading the underwriting, claims, reinsurance, risk management and grievance functions/department are competent, experience and qualified, as required under section 12 of the Insurance Ordinance, 2000.

Name of the Person	Designation
Mr. Zain ul Haq Qureshi	Chief Executive Officer
Ms. Rafia Ashraf	Chief Financial Officer
Ms. Shazia Hafeez	Company Secretary / Head of Compliance
Mr. Waqas Iqbal	Head of Internal Audit
Mr. Faisal Mehmood Qureshi	Head of Underwriting
Badri Solutions	Actuary
Mr. Asif Ali Mughal	Head of Claims and Head of Grievance Department
Mr. Muhammad Masood	Head of Reinsurance and Head of Risk Management Department

25. The statutory auditors of the company have been appointed from the panel of auditors approved by the Commission in terms of sections 48 of the Insurance Ordinance, 2000. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;
26. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirements and the auditors have confirmed that they have observed IFAC guidelines in this regard.
27. The Board ensures that the Appointed Actuary complies with the requirements set out for him in the Code.
28. The Board ensures that the investment policy of the company has been drawn up in accordance with the provision of the Code.
29. The Board ensures that the risk management system of the company is in place as per the requirements of the Code.
30. The company has set up a risk management department, which carries out its tasks as covered under the Code.
31. The Board ensures that as part of the risk management system, the company gets itself rated from Pakistan Credit Rating Agency (the PACRA), which is being used by its risk management department and the respective Committee as a risk monitoring tool. The rating assigned by the PACRA on August 22, 2025 is A++ (ifs) with stable outlook.

32. The Board has set up a grievance department, which fully complies with the requirements of the Code.

33. We confirm that all other material principles contained in the Code and all other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

34. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8 27, 32, 33 and 36 are below:

With respect to certain non-mandatory provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board has adopted practices that are considered appropriate and commensurate with the Company's current size, structure, and operational requirements.

The Board has not constituted a separate Nomination Committee as envisaged under Regulation 29(1). The related functions, including evaluation and recommendation of Board appointments, are effectively being carried out by the Human Resource & Remuneration Committee, ensuring that the intent of the regulation is adequately met.

Similarly, a separate Sustainability Committee, as referred to under Regulation 10A(5), has not been established. The Board of Directors itself oversees sustainability-related matters and integrates environmental, social, and governance considerations into its strategic decision-making processes.

The Board believes that these arrangements sufficiently address the underlying objectives of the respective provisions and remain committed to reviewing its governance framework periodically in line with evolving regulatory expectations and best practices.



Chief Executive Officer



Chairman

**Dated: March 26, 2026**

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ASIA INSURANCE COMPANY LIMITED  
REVIEW REPORT ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE  
GOVERNANCE FOR INSURERS, 2016  
& LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

We have reviewed the enclosed Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (combined called "the Regulations") prepared by the Board of Directors of Asia Insurance Company Limited ("the Company") for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Listed Companies (Code of Corporate Governance), Regulations, 2019 and provision (LXXVI) of the Code of Corporate Governance for Insurers, 2016.

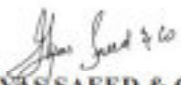
The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.

Further, we highlight content of paragraph 34 of the Statement of Compliance where the matter of non-constitution of the Nomination and Sustainability Committee has been explained.

  
**ILYAS SAEED & CO.**  
**CHARTERED ACCOUNTANTS**  
**LAHORE**  
**DATED: 26, March 2026**  
**UDIN: CR20251027807TsexKwy**

## **Independent Auditor's Report** **To the members of Asia Insurance Company Limited** **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the annexed financial statements of Asia Insurance Company Limited, (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No	Key audit matters	How the matter was addressed in our audit
<b>1.</b>	<b>Compliance with laws and regulations</b>	
	<p>The Company is in highly regulated industry and is governed by stringent laws and regulations which mainly include Insurance Ordinance, 2000, Insurance Accounting Regulations, 2017, Insurance Rules, 2017 and Companies Act, 2017, and various circulars issued by the SECP from time to time to regulate the business of the Company. The Company is required to comply with these rules and regulations.</p> <p>We have considered compliance with laws and regulation as a key audit matter since failure to comply with any of these applicable laws and regulations could have a material financial impact on the business of the Company.</p>	<p>Our audit procedures in respect of this area included the following:</p> <ul style="list-style-type: none"> <li>● Obtained an understanding of the relevant legal and regulatory framework within which the Company operates and assessed the design and operation of its key controls over this framework.</li> <li>● Discussed the applicable policies and procedures with senior management and reviewed minutes of Board meeting, and internal audit reports for any recorded instances of potential non-compliance, and maintained a high level of vigilance when carrying out our other audit procedures for indications of non-compliance with laws and regulations.</li> <li>● Reviewed the Company's documentation and correspondence with the regulators.</li> </ul>
<b>2.</b>	<b>Valuation of investments</b>	
	<p>Refer to notes 7.8, 10, 11 and 12 to the financial statements.</p> <p>The Company's investments of Rs.783.505 million as at December 31, 2025, comprising equity, term deposits and debt instruments, represent a significant portion of the Company's total assets.</p> <p>The proper valuation of investments of the Company as at December 31, 2025 was considered a significant area of estimation and therefore, we considered this as a key audit matter.</p>	<p>Our audit procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>● Obtained an understanding of the process relating to valuation of investment and test the design and implementation of the relevant controls identified in the process.</li> <li>● Checked that the investment was valued appropriately in accordance with the requirements of the accounting and reporting standards as applicable in Pakistan.</li> <li>● Checked that net unrealized gains/losses arising on the subsequent measurement of investments were appropriately accounted for in the financial statements.</li> <li>● Verified the existence of securities through reports obtained from the Central Depository Company.</li> <li>● Reviewed management's assessment of indicators of impairment, including for securities that are not actively traded.</li> <li>● Assessed the appropriateness of disclosures made in the financial statements to ascertain whether these are complied with the accounting and reporting standards.</li> </ul>

<p><b>3. Premium earned</b></p>	<p>Refer to notes 7.2 and 27 to the financial statements. The Company's premium earned amounts to Rs. 1,330.956 million which is generated from premium on insurance policies representing a significant element of the financial statements of the Company.</p> <p>Premium income is one of the key performance indicators of the Company. Because of the significance of the premium as key performance indicator and that it was considered as an area of significant audit risk as part of our audit process, we considered this area as a key audit matter.</p>	<p>Our audit procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>● Obtained an understanding of and evaluated the design and implementation of key controls over the process of capturing, processing and recording of premiums.</li> <li>● Compared the premiums underwritten on sample determined using an appropriate basis from the underlying policies issued to insurance contract holders.</li> <li>● Tested the policies on sample basis where premium was underwritten close to year end and subsequent to year end to evaluate that revenue from premiums was recognized in the appropriate accounting period.</li> <li>● Recalculated the unearned portion of premium income and ensured that appropriate amount has been recorded as provision for unearned premium in liabilities.</li> <li>● Assessed the relevant presentation and disclosures made in the financial statements to ascertain whether these are in accordance with the accounting and reporting standards.</li> </ul>
<p><b>4. Valuation of outstanding claims including claims (IBNR)</b></p>	<p>Refer to notes 7.3.1 and 28 to the financial statements, outstanding claims including IBNR amounted to Rs. 484.749 million as at December 31, 2025, which includes a gross provision for IBNR of Rs 89.210 million.</p> <p>The outstanding claims including IBNR represented 21.35% of the Company's total liabilities.</p> <p>We focused on this area because the valuation of outstanding claims including IBNR are significant in magnitude and requires use of judgement and estimates. Outstanding claims including IBNR are estimates for settlement of claims in future which are impacted by a number of factors which includes the trends in severity of historical claims, frequency of historical claims and changes in government regulations.</p> <p>Determination of IBNR involves complex and subjective judgements about future events, both internal and external to the business, for which small changes in assumptions can materially impact the valuation of these liabilities.</p>	<p>Our audit procedures in respect of this area includes the following:</p> <ul style="list-style-type: none"> <li>● Assessed and tested the operating effectiveness of selected key controls relating to the claims handling and reserving process, including controls over completeness and accuracy of the claims estimates recorded.</li> <li>● Substantive tests were performed on the amounts recorded for a sample of claims notified, focusing on those with significant impact on the financial statements, to assess whether the claims are appropriately estimated and recorded.</li> <li>● Tested the completeness and accuracy of the underlying data used in the valuation of outstanding claims including IBNR.</li> <li>● Assessed of competence, capability and objectivity of management's expert.</li> <li>● Assessed the adequacy of the disclosures by reference to the relevant accounting standards and applicable regulations.</li> </ul>

5.	Valuation of insurance / re-insurance receivables	
	<p>Refer to notes 7.29 and 14 to the financial statements for accounting policies and details in respect of valuation of insurance/reinsurance receivables.</p> <p>The Company's insurance / reinsurance receivable represents 30% of its total assets which are stated net of provision for impairment of Rs.33.206 million. Valuation of these receivable involves significant judgment regarding uncertainty in determining impairment / provisions.</p> <p>We identified the valuation of insurance / reinsurance receivables as a key matter as the estimation involves a significant degree of judgment.</p>	<p>Our audit procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>● Tested the accuracy of insurance/reinsurance receivables aging report, on a sample basis, by comparing individual balances in the report with underlying documentation to evaluate that the balances appearing in the ageing report were classified within appropriate ageing bucket.</li> <li>● Assessed the reasonableness of management's assumptions and estimates for the provision for impairment of insurance and reinsurance receivables by evaluating, on a sample basis, historical collection trends, creditworthiness and financial condition of counter parties, their credit ratings, and actual write-offs and subsequent receipts from customers and reinsurers after the year-end.</li> <li>● Circularized confirmation request letters to third parties and also performed alternative procedures to confirm the existence of balances.</li> <li>● Assessed the historical accuracy of provisions for bad debts recorded by examining the utilization or release of previously recorded provisions.</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 and the Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 and the Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit and loss account, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980). The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.

  
**ILYAS SAEED & CO.**  
**CHARTERED ACCOUNTANTS**  
**LAHORE**  
**DATED: 26, March 2026**  
**UDIN: AR202510278VCqSUTnb0**

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2025**

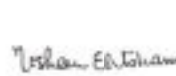
	Note	2025 Rupees	2024 Rupees Restated
<b>ASSETS</b>			
Property and Equipment	8	198,040,892	177,761,210
Investment Property	9	40,827,320	40,827,320
Investments			
Equity Securities	10	420,131,929	240,290,722
Debt Securities	11	81,372,828	79,616,506
Term Deposits	12	282,000,000	411,000,000
		783,504,757	730,907,228
Loans and Other Receivables	13	135,256,071	96,627,961
Insurance / Reinsurance Receivables	14	1,041,900,198	724,169,804
Reinsurance Recoveries Against Outstanding Claims	28	302,227,972	175,704,619
Deferred Commission Expense / Acquisition Cost	29	152,796,419	122,842,406
Prepayments	15	130,632,752	99,397,201
Cash and Bank	16	77,706,211	61,560,249
		2,862,892,592	2,229,797,998
Total Assets of Window Takaful Operations - OPF	17	237,328,819	156,773,408
Total Assets of Window Takaful Operations - PTF	17	385,477,250	286,320,174
<b>TOTAL ASSETS</b>		<b>3,485,698,661</b>	<b>2,672,891,580</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves Attributable to Company's Equity Holders</b>			
Ordinary Share Capital	18	730,082,430	730,082,430
Share Premium - Capital Reserve	18.4	69,917,570	69,917,570
Reserves - Revenue	19	2,500,000	2,500,000
Unappropriated Profit - Revenue Reserve		413,032,233	234,702,442
<b>TOTAL EQUITY</b>		<b>1,215,532,233</b>	<b>1,037,202,442</b>
<b>LIABILITIES</b>			
<b>Underwriting Provisions</b>			
Outstanding Claims Including IBNR	28	484,749,495	309,940,175
Unearned Premium Reserves	27	790,987,808	546,499,077
Premium Deficiency Reserve		4,758,620	-
Unearned Reinsurance Commission	29	28,887,222	20,990,654
Deferred Taxation	20	6,868,600	9,453,090
Provision for Taxation & Levies	21	25,878,951	11,180,329
Retirement Benefit Obligations	22	1,191,061	1,391,511
Lease Liabilities	23	84,771,237	110,531,151
Insurance / Reinsurance Payables	24	129,435,319	149,522,136
Other Creditors and Accruals	25	241,002,009	138,088,357
<b>TOTAL LIABILITIES</b>		<b>1,798,530,322</b>	<b>1,297,596,480</b>
Total Liabilities of Window Takaful Operations - OPF	17	86,158,856	51,772,484
Total Liabilities of Window Takaful Operations - PTF	17	385,477,250	286,320,174
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,485,698,661</b>	<b>2,672,891,580</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	26	-	-

The annexed notes 1 to 52 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	Note	2025 Rupees	2024 Rupees
Net Insurance Premium	27	1,090,544,114	990,880,067
Net Insurance Claims	28	(417,988,605)	(365,787,492)
Premium Deficiency		(4,758,620)	6,642,836
Net Commission and Other Acquisition Costs	29	(227,400,763)	(246,879,229)
Insurance Claims and Acquisition Expenses		(663,147,387)	(606,023,885)
Management Expenses	30	(429,331,353)	(368,904,560)
Underwriting Results		35,894,274	15,951,622
Investment Income	31	188,836,888	151,570,302
Other Income	32	7,303,879	61,765,702
Other Expenses	33	(10,498,640)	(8,634,663)
Results of Operating Activities		222,285,321	220,652,963
Finance Cost	34	(10,510,674)	(12,981,366)
Profit from Window Takaful Operations - OPF	35	46,169,839	35,412,394
Profit Before Tax & tax levies		257,844,686	243,083,991
Taxation & tax levies	36	(79,614,895)	(74,696,761)
Profit After Tax & tax levies		178,329,791	168,387,230
Earnings Per Share - Basic & Diluted	37	2.44	2.31

The annexed notes 1 to 52 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

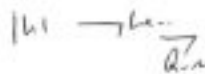
  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025 Rupees	2024 Rupees
Profit after Tax	178,329,791	168,387,230
Other Comprehensive Income:	-	-
Item that may be re-classified to profit and loss account:	-	-
Item that may not be re-classified to profit and loss account:	-	-
<b>Total Comprehensive Income for the year</b>	<b>178,329,791</b>	<b>168,387,230</b>

The annexed notes 1 to 52 form an integral part of these Financial Statements.



Chairman



Chief Executive Officer



Director



Director



Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025 Rupees	2024 Rupees
<b>Operating Cash Flows</b>		
<b>a) Underwriting Activities</b>		
Insurance Premium Received	1,211,826,086	1,179,471,297
Reinsurance Premiums Paid	(245,846,003)	(300,891,061)
Claims Paid	(586,226,038)	(452,525,768)
Reinsurance and Other Recoveries Received	221,523,400	122,175,533
Commission Paid	(270,264,938)	(235,790,682)
Commission Received	63,645,445	37,334,919
Management Expenses Paid	(319,677,862)	(334,303,897)
Other Underwriting Receipts / (Payments)	(70,117,080)	25,169,131
<b>Net Cash Flow from Underwriting Activities</b>	<b>4,863,010</b>	<b>40,639,472</b>
<b>b) Other Operating Activities</b>		
Income Tax Paid	(67,500,763)	(40,103,365)
Finance Charges Paid	(10,510,674)	(12,981,366)
Other Operating Receipts	-	2
Other Receipts in Respect of Operating Assets	6,424,023	44,934,321
<b>Net Cash Flow From Other Operating Activities</b>	<b>(71,587,414)</b>	<b>(8,150,408)</b>
<b>Total Cash Flow From All Operating Activities</b>	<b>(66,724,404)</b>	<b>32,489,064</b>
<b>Investment Activities</b>		
Profit / Return Received	135,704,434	69,090,120
Dividend Received	19,523,066	18,762,908
Decrease in Net Assets in Window Takaful Operations	(46,169,039)	(35,412,394)
Payments for Investments / Investment Properties	(70,854,326)	(33,875,384)
Investment (made) / matured	129,000,000	(311,000,000)
Fixed Capital Expenditure	(35,546,065)	(5,219,318)
Proceeds from Sale of Property and Equipment	2,286,887	18,714,974
<b>Total Net Cash Flow from Investing Activities</b>	<b>133,944,957</b>	<b>(278,939,094)</b>
<b>Financing Activities</b>		
Dividend Paid	-	(36,504,121)
Repayments of Lease	(51,074,591)	(55,428,338)
<b>Total Cash Flow from Financing Activities</b>	<b>(51,074,591)</b>	<b>(91,932,459)</b>
<b>Net cash (used in) / generated from all activities</b>	<b>16,145,962</b>	<b>(338,382,489)</b>
Cash and Cash Equivalents at the Beginning of the year	61,560,249	399,942,738
<b>Cash and Cash Equivalents at the End of the year</b>	<b>77,706,211</b>	<b>61,560,249</b>

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	2025 Rupees	2024 Rupees
<b>Reconciliation to Statement of Profit and Loss Account</b>		
Operating Cash Flows	(66,724,404)	32,489,064
Depreciation Expense	(39,814,029)	(35,806,229)
Profit on disposal of fixed assets	1,519,856	16,831,381
Dividend Income	19,523,066	18,762,908
Other Investment Income / (Loss)	169,313,742	132,807,394
Profit from Window Takaful Operations	46,169,039	35,412,394
Increase / (Decrease) in Assets Other than Cash	575,836,277	122,060,693
(Increase) / Decrease in Liabilities Other than Borrowings	(529,278,246)	(132,924,493)
Deferred Taxation	2,584,490	(21,245,882)
<b>Profit After Taxation for the year</b>	<b>178,329,791</b>	<b>168,387,230</b>

The annexed notes 1 to 52 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director


  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	Share Capital Issued, subscribed and paid up	Reserves		Un-appropriated profit	Total share capital and reserves
		Share Premium reserve	Revenue reserves		
-----RUPEES-----					
Balance as at January 1, 2024	730,082,430	69,917,570	2,500,000	102,819,333	905,319,333
Total comprehensive income for the year					
Profit after tax	-	-	-	168,387,230	168,387,230
Other comprehensive income	-	-	-	-	-
Final Dividend for the year ended December, 31 2023 @ 5% i.e Rs 0.5 Per share	-	-	-	168,387,230	168,387,230
Balance as at December 31, 2024	730,082,430	69,917,570	2,500,000	234,702,442	1,037,202,442
Total comprehensive profit for the year					
Profit after tax	-	-	-	178,329,791	178,329,791
Other comprehensive income	-	-	-	-	-
Qard-e-Hasna Contribution to PTF	-	-	-	178,329,791	178,329,791
Balance as at December 31, 2025	730,082,430	69,917,570	2,500,000	413,032,233	1,215,532,233

The annexed notes 1 to 52 form an integral part of these Financial Statements.

  
**Chairman**

  
**Chief Executive Officer**

  
**Director**

  
**Director**

  
**Chief Financial Officer**

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**1 STATUS AND NATURE OF BUSINESS**

1.1 Asia Insurance Company Limited (the Company) is a quoted public limited company which was incorporated in Pakistan on December 06, 1979 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Company is engaged in non-life insurance business mainly comprising of fire, marine, motor, bond and suretyship, agriculture and allied and miscellaneous. The Company commenced its commercial operations in 1980. The registered and principal office of the Company is situated at 19 C/D, Block L, Gulberg III, Main Ferozpur Road, Lahore Pakistan. Shares of the Company are quoted on Pakistan Stock Exchange. The incorporation number is 0007342.

1.2 The Company has been allowed to work as Window Takaful Operator through vide No. 10 on August 13, 2015 by Securities and Exchange Commission of Pakistan (SECP) under Window Takaful Rules, 2012 to carry on Islamic General Insurance in Pakistan. It has not transacted any business outside Pakistan.

1.3 The SECP has issued investigation order dated March 21, 2019 against the Company for matters pertaining to claims paid/payable and property valuation and appointed an investigation team. The Company has submitted a response to SECP and is confident, based on the confirmation from the legal advisors that no adverse inference is expected in respect of these matters except two orders have been issued against claim investigation by the SECP during the year 2020. Detail is as follows:

1.4 The Securities and Exchange Commission of Pakistan (SECP) initiated an investigation and issued show cause notices to the Company in respect of its order dated March 21, 2019, alleging that the Company had processed certain fake/bogus claims. The Company responded through its letter dated July 17, 2020 and categorically denied the allegations, stating that it has never knowingly processed any fake or bogus claims. The Company submitted that the claims in question were referred to an independent surveyor in accordance with the applicable laws and were processed after obtaining survey reports. The surveyor was a duly licensed entity authorized by the SECP to conduct insurance surveys. The Company had requested to withdraw the show cause notices, however, the SECP through its order dated July 21, 2020, the SECP imposed a penalty of Rs. 5.880 million on the Company and its Board of Directors.

The Company has challenged the order and filed an appeal before the Appellate Bench of the Commission and, based on the opinion of its legal advisor, expects a favorable outcome. During 2020, the Company also blacklisted the concerned surveyor and filed a suit against the surveyor amounting to Rs. 20.150 million. Accordingly, no provision has been recognized in these financial statements in respect of the above matter. From 2013 onwards, the Company has paid a total of 25,633 claims, with an annual average exceeding 3,000 claims, which reflects the existence of adequate internal control systems for claims processing.

1.5 With reference to above mentioned point at 1.3, reinsurance recoveries were also obtained from the respective reinsurers including Pakistan Reinsurance Company Limited (PRCL), a government owned entity. The SECP has passed an order directing the Company to provide some information. The Company believes that proceedings initiated by PRCL were beyond the scope of cited Sections of the Ordinance and notice/order has been issued on the basis of selective facts on insistence of PRCL. The Company has challenged the order and filed an appeal before the Appellate Bench of the Commission and expecting a favorable outcome.

**2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

The registered office of the Company is situated at 19 C/D, Block L, Gulberg III, Main Ferozpur Road, Lahore-Pakistan. The Company operates through 1 (2024: 1) principal office and 29 (2024: 28) branches in Pakistan.

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**3 SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING YEAR**

All other significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

**4 BASIS OF PREPARATION**

**4.1 Statement of Compliance**

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017,
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017, General Takaful Accounting Regulation 2019 and SECP Takaful Rules, 2012.

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

**4.2** A separate set of financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of the General Takaful Accounting Regulations, 2019.

The total assets of Operator Fund of WTO include an amount of Rs. 78.411 million (2024: Rs. 78.411 million) being Qard-e-Hasna receivable from Participant Takaful Fund of WTO. In accordance with the Takaful Rules, 2012, if at any point in time, assets in Participant Takaful Fund are not sufficient to cover its liabilities, the deficit shall be funded by way of an interest free loan (Qard-e-Hasna) from Operator Fund. In the event of future surplus in the Participant Takaful Fund to which a Qard-e-Hasna has been made, the Qard-e-Hasna shall be repaid prior to distribution of surplus to participants.

**4.3 Change in Accounting Policy – Presentation of Window Takaful Operations**

As per the requirements of the Takaful Rules, 2012 and SECP Circular No. 25 of 2015 dated July 09, 2015, previously, the assets, liabilities, profit and loss, and other comprehensive income of the Operator's Fund of the Window Takaful Operations of the Company have been presented as a single line item in the statement of financial position, Statement of profit and loss account and statement of comprehensive income of the Company respectively. During the year, the Securities and Exchange Commission of Pakistan (SECP), with the approval of the Policy Board, introduced certain amendments to the General Takaful Accounting Regulations, 2019 through S.R.O. 311(I)/2025. These amendments specifically impact the Regulation 6 and require insurers, who are undertaking Window Takaful Operations to disclose, in addition to the assets and liabilities of Operator's Fund (OPF), the assets and liabilities of Participants' Takaful Fund (PTF) as a single line item in their statements of financial position. This change has been applied as a change in accounting policy retrospectively, in accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Effect on Statement of financial position	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policies
For the Year ended December 31, 2025	Rupees	Rupees	Rupees
Total assets	2,386,571,406	286,320,174	2,672,891,580
Total funds and liabilities	2,386,571,406	286,320,174	2,672,891,580
	4,773,142,812	572,640,348	5,345,783,160

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**4.4 Basis of measurement**

These financial statements have been prepared under the historical cost convention without any adjustment for the effect of inflation except for certain investments which are stated at fair value. The financial statements, except for cash flow information, have been prepared under the accrual basis of accounting.

**4.5 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees which is the Company's functional and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

**5 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS**

**5.1 Standards, interpretations and amendments to approved accounting standards that became effective**

The Company has adopted the following revised standards, amendments in accounting standards and interpretations of IFRS which became effective for the current year:

IAS 1	Presentation of Financial Statements (Amendments)	01 January 2024
IAS 7	Statement of Cash Flows (Amendments)	01 January 2024
IFRS 16	Leases - Amendments to Sale and leaseback transactions	01 January 2024

However, this adoption has no impact on the financial statements of the Company.

**5.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company**

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 01, 2025. However, these do not have any significant impact on the Company's financial statements except as disclosed in the note to these financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	Standard or Interpretation	Effective Date (Annual periods beginning on or after)
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	01 January 2025
IFRS 7	Financial Instruments: Disclosures	01 January 2026
IFRS 9	Financial Instruments - Refer note 5.4	01 January 2027
IFRS 17	Insurance Contracts	01 January 2027

Adoption of IFRS 17 & IFRS 9 is likely to have a significant impact on the company's financial statements and the Company is in the process of assessing the impact of these standards on the financial statements in accordance with the directives of SECP.

Other than the aforesaid amendments, the IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements.
IFRS19	Subsidiaries without Public Accountability: Disclosures

The Company expects that the adoption of the above standards will have no material effect on the Company's financial statements, in the period of initial application.

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**5.3 IFRS 17 - Insurance Contracts**

Pursuant to the requirements of Securities and Exchange Commission of Pakistan SRO 1336 (I)/2025 dated July 23, 2025 IFRS 17 "Insurance Contracts", is applicable to the companies engaged in insurance/takaful and re-insurance/re takaful business from financial years commencing on or after 01 January 2027.

IFRS 17, replaces IFRS 4 Insurance Contracts. The new standard will apply to all entities that issue insurance and reinsurance contracts, and to all entities that hold reinsurance contracts. This standard requires entities to identify contracts and its terms and to assess whether they meet the definition of an insurance contract or includes components of an insurance contract. Insurance contracts are required to account for under the recognition/ derecognition of IFRS 17. Companies subject to the requirement of SRO 1336 will also be required to adopt requirements of IFRS 9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

SECP vide letter no. ID/MDPRD/IFRS-17/2021/176 dated 15 June 2021 initiated a four-phase approach towards implementation of IFRS 17 - Insurance Contracts. The first three phases now stand completed and Phase 4 parallel run and implementation has commenced and is currently under progress.

In Phase 4, as per the letter No. ID/MDPRD/IFRS-17/2025/4146 dated 04 August 2025 issued by the Securities and Exchange Commission of Pakistan (SECP), a parallel run of audited financial statements under IFRS 17 is required as follows:

Dry Run 1: Audited financial statements under IFRS 17 for the year ended 31 December 2024 are required to be submitted to SECP by 31 May 2026; and

Dry Run 2: Audited financial statements under IFRS 17 for the year ended 31 December 2025, along with a Long Form Report, are required to be submitted to SECP by 30 September 2026.

**5.4 IFRS 9 - Financial Instruments**

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

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

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

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Financial assets	31-Dec-25			
	Fail the SPPI test		Pass the SPPI test	
	Fair value	Change in unrealized gain or (loss) during the year	Carrying value	Change in unrealized gain or (loss) during the year
	Rupees	Rupees	Rupees	Rupees
Cash and bank *	-	-	77,706,211	-
Investments in equity securities				
Held for trading	420,131,929	(30,799,033)	-	-
Investments in debt securities				
Held to maturity	-	-	81,372,828	2,415,727
Term Deposits *	-	-	282,000,000	-
Loans and other receivables *	135,256,071	-	-	-
Total	555,388,000	(30,799,033)	441,079,039	2,415,727

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

	31-Dec-25			
	Gross carrying amounts of debt instruments that pass the SPPI test			
	BBB+	A-	A+	Unrated
	Rupees	Rupees	Rupees	Rupees
Investments in debt securities -				
Held to maturity	-	-	-	81,372,828
Term deposits	50,000,000	152,000,000	80,000,000	-
Total	50,000,000	152,000,000	80,000,000	81,372,828

The Company expects that the adoption of the other amendments and interpretations of the standards will not have any material impact and therefore will not affect the Company's financial statements in the period of initial application.

## 6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments, estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The areas where assumptions and estimates are significant to the financial statements or judgment was exercised in application of accounting policies, are as follows:

	Note
- Provision for unearned premiums	7.2.1
- Premium due but unpaid - net	7.2.5
- Provision for outstanding claims (including IBNR)	7.3.1
- Prepaid reinsurance premium ceded	7.4.2

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- Reinsurance recoveries against outstanding claims	7.5
- Deferred commission expense	7.6.1
- Commission income unearned	7.6.2
- Premium deficiency reserve	7.7
- Useful life/rate of fixed assets	7.10
- Taxation (current and deferred)	7.18
- Impairment in the value of investment	7.22

**7 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies adopted in preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

**7.1 Insurance Contracts**

Insurance contracts are those contracts under which the Company as an insurer has accepted insurance risk from the insurance contract holder (insured) by agreeing to compensate the insured if a specified uncertain future event (the insured event) adversely affects the insured. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its tenure, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Insurance contracts are classified into the following main categories, depending on the nature and duration of risk and whether or not the terms and conditions are fixed.

- Fire and property
- Marine, aviation and transport
- Motor
- Health
- Miscellaneous

These contracts are provided to individuals as well as commercial organizations with various tenures according to the nature and terms of the contract and the needs of the insured. The Company also accepts insurance risk pertaining to insurance contracts of other insurers as reinsurance inward. The insurance risk involved in these contracts is similar to the contracts undertaken by the Company as insurer. The Company neither issues investment contracts nor does it issue insurance contracts with discretionary participation features (DPF).

**7.2 Revenue recognition**

**7.2.1 Premium**

Premium receivable/received under a policy is recognized at the time of issuance of policy. Similarly reinsurance premium is recorded at the time reinsurance is ceded.

Premium written under a policy is recognized as income over the period of insurance from the date of issuance of the policy to which it relates to its expiry. Where the pattern of incidence of risk varies over the period of the policy, premium is recognized as revenue in accordance with the pattern of the incidence of risk. The portion of premium written relating to the unexpired period of coverage is recognized as unearned premium by the Company. This liability is calculated by applying 1/24 method as specified in the Insurance Accounting Regulations, 2017.

**7.2.2 Commission income**

Commission income from reinsurers is recognized at the time of issuance of the underlying insurance policy by the Company. This income is deferred and recognized as revenue in accordance with the pattern of recognition of the reinsurance premium to which it relates. Commission from reinsurers is arrived at after taking the impact of opening and closing unearned commission. Profit/ commission, if any, which the Company may be entitled to under the terms of reinsurance is recognized on accrual basis.

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**7.2.3 Investment income**

Return on investments and fixed deposits are recognized using the effective interest rate method. Profit or loss on sale of investments is recognized at the time of sale.

**7.2.4 Dividend Income and other income**

Dividend income and entitlement of bonus shares are recognized when the right to receive such dividend and bonus shares is established.

**7.2.5 Premiums due but unpaid, net**

Premiums due but unpaid is recorded as receivable when it is due, at the fair value of consideration receivable less provision for doubtful debts, if any. If there is objective evidence that receivable is impaired, the Company reduces the carrying amount of the receivable accordingly and recognizes that impairment loss in profit and loss account.

**7.3 Claims expense**

General insurance claims include all claims occurring during the year, whether reported or not, including external claims handling costs that are directly related to the processing and settlement of claims, reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years. Claims are charged to statement of profit and loss account as incurred based on estimated liability for compensation owed under the insurance contracts.

**7.3.1 Provision for outstanding claims**

The Company recognizes liability in respect of all claims incurred up to date of statement of financial position which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in an insurance contract. The liability for claims includes amounts relating to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

Provision for IBNR is based on the management's best estimate which takes into account the past trends net of exceptional claims.

**7.4 Reinsurance contracts**

Contracts (treaty and facultative) entered by the Company under which the Company cedes insurance risks assumed during normal course of its business and according to which the Company is compensated for losses on insurance contracts issued by the Company are classified as reinsurance contracts held.

**7.4.1 Reinsurance expense**

Reinsurance premium ceded (treaty and facultative) is recognized as an expense over the period of reinsurance from inception to which it relates to its expiry as follows:

- a) for proportional reinsurance business, evenly over the period of the underlying policies.
- b) for non-proportional reinsurance business, evenly over the period of indemnity.

Where the pattern of incidence of risk varies over the period of the policy, reinsurance premium is recognized as expense in accordance with the pattern of incidence of risk.

**7.4.2 Prepaid reinsurance premium ceded**

The portion of reinsurance premium ceded not recognized as an expense as at year end is recognized as prepaid reinsurance premium ceded. Unrecognized portion is determined in the same manner as for provision for unearned premiums.

**7.5 Reinsurance recoveries against outstanding claims**

Reinsurance recoveries receivable from reinsurers are recognized as an asset at the same time as and when the claims which give rise to the right of recovery are recognized as a liability and are measured at the amount expected to be received.

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- 7.6 Commission**
- 7.6.1 Commission expense**  
Commission expense incurred in obtaining and recording policies is deferred and is recognized in the statement of profit and loss account as an expense in accordance with the pattern of recognition of premium revenue.
- 7.6.2 Commission income**  
Commission and other forms of revenue (apart from recoveries) from reinsurers are deferred and recognized as liability and recognized in the statement of profit and loss account as revenue in accordance with the pattern of recognition of the reinsurance premium to which it relates.
- 7.7 Premium deficiency reserve - (liability adequacy test)**  
At each balance sheet date, liability adequacy test is performed to ensure the adequacy of unearned premium. Where the cumulative unearned premium reserve for any classes of business is not adequate to meet the expected future liability, after reinsurance from claims and other supplementary expenses, including reinsurance expenses, commissions and other underwriting expenses, expected to be incurred after the balance sheet date in respect of unexpired policies in that class of business in force at balance sheet date, a premium deficiency reserve is recognized as a liability to meet the deficit. The movement in premium deficiency reserve is recorded as an expense / income in the profit and loss account for the year. The Company determines adequacy of liability of premium deficiency by carrying out analysis of its loss ratio of expired risk.
- 7.8 Investments**  
All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs, except for held for trading, in which case transaction costs are charged to statement of profit and loss account. Subsequently, these are recognized and classified into the following categories:
- 7.8.1 Available for sale**  
The financial assets that are intended to be held for an indefinite period of time and may be sold in response to the need for liquidity are classified as available-for-sale.  
Subsequent to the initial recognition at cost, these are valued at market values and any unrealized gains / (losses) are taken to other comprehensive income.
- 7.8.2 Fair value through profit or loss-held for trading**  
Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading. After initial recognition, these are measured at fair values with any resulting gains or losses recognized directly in the statement of profit and loss account. Subsequent to initial recognition these are measured at fair value by reference to quoted market prices.
- 7.8.3 In debt securities**
- Held to maturity**  
Investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held to maturity.  
Subsequent to initial recognition at cost, these investments are measured at amortized cost, less provision for impairment in value, if any. Amortized cost is calculated taking into account any discount or premium on acquisition, which is deferred and included in the income for the period on a straight line basis, over the term of the investments.
- Investment at fair value through profit or loss-held for trading**  
Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading. After initial recognition, these are measured at fair values with any resulting gains or losses recognized directly in the statement of profit and loss account.

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**7.8.4 In term deposits**  
**Held to maturity**

Investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held to maturity.

Subsequent to initial recognition at cost, these investments are measured at amortized cost, less provision for impairment in value, if any. Amortized cost is calculated taking into account any discount or premium on acquisition, which is deferred and included in the income for the period on a straight line basis, over the term of the investments.

a) **Trade and settlement date accounting**

All 'regular way' purchases and sales of financial assets are recognized on the trade date, i.e. the date on which commitment to purchase / sale is made by the Company. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market place.

b) **De-recognized**

All investments are de-recognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

c) **Impairment**

**Available-for-sale**

The Company considers that available-for-sale investments is impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance.

**7.9 Employee benefits**

**Defined contribution plan**

The Company operates an approved provident fund scheme for all its permanent employees. Equal monthly contributions are made, both by the Company and its employees, to the fund at the rate of 8.33% (2024: 8.33%) of basic salary of the employees.

**7.10 Fixed assets and depreciation**

**7.10.1 Owned assets**

These are stated at cost less accumulated depreciation and impairment loss, if any.

Depreciation/amortization is charged to statement of profit and loss account on reducing balance method using the following rates:

- Building on freehold land	10%
- Furniture and fixture	10%
- Office equipments	10%
- Motor vehicles	20%
- Computer equipment	30%

Full month's depreciation / amortization is charged in the month when assets become available for use and no depreciation is charged in the month of disposal.

The assets' residual values, useful life and method of depreciation / amortization are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Subsequent costs are included in the asset's carrying amount or recognized as a separate part, as appropriate, only when it is possible that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance are charged to statement of profit and loss account.

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Gains or losses on disposal are included in statement of profit and loss account.

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment, in respect of item of fixed assets and intangible assets. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognized in the profit and loss account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortization or depreciation), had no impairment losses been recognized for the asset in prior years. Reversal of impairment loss is restricted to the original cost of the asset.

**7.10.2 Capital work-in-progress**

Capital work-in-progress is stated at cost. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These expenditures are transferred to relevant category of fixed assets or intangibles as and when the assets start operation.

**7.10.3 Right of use assets**

The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

**7.11 Lease liabilities**

Lease liabilities are initially measured at the present value of the lease payments, discounted using the interest rate implicit in the lease, if that rate cannot be readily determined, the Company's incremental borrowing rate is used. The Company used its incremental borrowing rate as the discount rate if any or market rate.

Subsequently, the lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit and loss account if the carrying amount of the right-of-use asset has been reduced to zero. The short term and low value leases have not been considered under IFRS 16 "Leases".

**Ijarah contracts**

Operating lease / ijarah in which a significant portion of the risks and rewards of ownership are retained by the lessor / Muj'ir (lessor) are classified as operating leases/ijarah. Payments made during the period are charged to statement of profit and loss account on a straight-line basis over the period of the lease / ijarah.

The SECP has issued directive (vide SRO 431(I)/2007 dated May 22, 2007) that Islamic Financial Accounting Standard 2 (IFAS-2) shall be followed in preparation of the financial statements by companies while accounting for Ijarah (Lease) transactions as defined by said Standard. The Company has adopted the above said standard.

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**Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

**Significant judgement in determining the lease term of contracts with renewal options**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

**7.12 Investment properties**

Property held for the purpose of rental income and long-term capital appreciation is classified as investment property.

**7.12.1 Initial recognition**

Investment property is initially recognized at cost which is equal to the fair value of consideration paid at the time of acquisition or construction of the asset.

**7.12.2 Measurement subsequent to initial recognition**

Subsequent to initial recognition, investment property is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any.

**7.12.3 Depreciation**

Depreciation is charged to statement of profit and loss account in the same manner as owned fixed assets.

**7.13 Investment and other income**

**7.13.1 Dividend income and bonus shares**

Dividend income is recognized when the right to receive the same is established.

Entitlement of bonus shares is recognized when the right to receive the same is established.

**7.13.2 Interest income**

Interest income is recognized on time proportion basis that takes into account effective yield on the assets.

**7.13.3 Rental income**

Rental income on investment properties is recognized as income on accrual basis.

**7.14 Segment reporting**

The Company's operating business is organized and managed separately according to the nature of the services provided with each segment representing a strategic business unit that serves different markets. The Company has five major segments namely fire and property damage, marine, aviation and transport, motor, crops and miscellaneous, as disclosed in note 7.1. The Company accounts for segment reporting are prepared in the format prescribed under the Insurance Ordinance 2000 and the Insurance Rules, 2017 and provide required information at appropriate level of detail.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them while the carrying amount of certain assets used jointly by two or more segments have been allocated to segments on a reasonable basis. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

**7.15 Financial instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of

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contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on the derecognition of the financial assets and liabilities is included in the net statement of profit and loss account for the period in which it arises.

Financial instruments carried in the statement of financial position include investments, loan and other receivables, insurance / reinsurance receivables, reinsurance recoveries against outstanding claims, cash and bank, provision for outstanding claims, insurance / reinsurance payables, other creditors and accruals.

**7.16 Off setting of financial asset and financial liabilities**

Financial assets and financial liabilities are off-set and the net amount is reported in the financial statements when there is a legally enforceable right to set-off the recognized amount and the Company intends either to settle on net basis, or realize the assets and to settle the liabilities simultaneously.

**7.17 Related party transactions**

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Company to do so.

**7.18 Taxation and tax levies**

**7.18.1 Current**

Provision for current taxation and tax levies is based on taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax and tax levies is calculated using prevailing tax rates or tax rates expected to be applied to the profit for the year, if entered. The charge for current tax and tax levies also include adjustments, where considered necessary, to provision for tax and tax levies made in previous years arising from assessment finalized during the current year for such years.

**7.18.2 Levy**

A levy is an outflow of resources embodying economic benefits imposed by the government that does not meet the definition of income tax provided in the International Accounting Standard (IAS) 12 'Income Taxes' because it is not based on taxable profit.

In these financial statements, levy includes final tax under the provision of income tax ordinance. The corresponding effect of levy other than worker's welfare fund expense and workers' profit participation, advance tax paid has been netted off and the net position is shown in the statement of financial position.

**7.18.3 Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to be applied to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax is charged or credited in the statement of profit and loss account, except in the case of items credited or charged to equity in which case it is included in statement of comprehensive income.

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**7.19 Foreign currencies**

Transactions in foreign currency, if any, are converted into Pak rupees at the rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into Pak rupees at the rate of exchange prevailing at the reporting date. Exchange differences are taken to statement of profit and loss account.

**7.20 Management expenses**

Management expenses are allocated to all classes of business in proportion to the net premium income of the year. Underwriting expenses have been allocated to various classes of business on a basis deemed equitable by the management. Provision for bad debts is based on review of outstanding amounts as at date of statement of financial position. Bad debts are written off to the statement of profit and loss account when identified. Expenses not allowable to the underwriting business are charged to Other expenses.

**7.21 Creditors, accruals and provisions**

Liabilities for creditors and other amounts payable are carried at cost which is fair value of the consideration to be paid in future for goods and / or services received, whether or not billed to the Company.

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

**7.22 Impairment**

The carrying amounts of the Company's assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated and impairment losses are recognized in the statement of profit and loss account.

**7.23 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

**7.24 Cash and cash equivalents**

For the purpose of statement of cash flows, Cash and cash equivalents include cash at bank in current and saving accounts, cash and stamps in hand and bank deposits.

**7.25 Dividend and bonus shares**

Dividend to shareholders is recognized as liability in the year in which it is approved. Similarly, reserve for issue of bonus shares is recognized in the year in which such issue is approved.

**7.26 Fair value**

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.

**7.27 Share capital**

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

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**7.28 Receivables and payables related to insurance contracts**

Receivables and payables related to insurance contracts are recognized when due at cost which is the fair value of the consideration given less provision for impairment, if any.

**7.29 Insurance / reinsurance receivables**

Amounts due to / from other insurers/reinsurers are carried at cost which is the fair value of the consideration to be received/paid in the future for the services. However, an assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized for the difference between the recoverable amount and the carrying amount.

**7.30 Reinsurance assets**

The Company determines the impairment of the reinsurance assets by looking at objective evidence, as a result of an event that occurred after initial recognition of the reinsurance assets, which indicates that the Company may not be able to recover amount due from reinsurer under the terms of reinsurance contract. In addition the Company also monitors the financial ratings of its reinsurers on each reporting date.

**7.31 Loans and other receivables**

These are recognized at cost, which is the fair value of the consideration given. However, an assessment is made at each statement of financial position date to determine whether there is objective evidence that a financial asset or group of assets may be impaired. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized for the difference between the recoverable amount and the carrying amount.

**7.32 Zakat**

Zakat on investment income is accounted for in the year of deduction, under Zakat and Ushr Ordinance, 1980.

**7.33 Contingencies**

Contingencies are disclosed when the company has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognized because it is not probable that an outflow of resource embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.

Contingencies are reviewed at each statement of financial position date and adjusted to reflect the current estimate.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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8 PROPERTY AND EQUIPMENT

NOTE	2025	2024
	RUPEES	
OPERATING FIXED ASSETS	84,377,574	71,147,362
RIGHT OF USE ASSETS	103,663,318	106,613,848
	198,040,892	177,761,210

8.1 The statement of operating fixed assets is as follows:

PARTICULARS	2025						2024						
	COST			Accumulated Depreciation			COST			Accumulated Depreciation			
	As at January 01, 2025	Additions	Disposals / write-offs	AS AT DECEMBER 31, 2025	As at January 01, 2025	Depreciation for the year	Disposals / write-offs	AS AT DECEMBER 31, 2025	As at January 01, 2025	Depreciation for the year	Disposals / write-offs	AS AT DECEMBER 31, 2024	W.D.V. AS AT DECEMBER 31, 2025
<b>OWNED</b>	RUPEES												
Building - on freehold land	34,607,000	-	-	34,607,000	7,614,940	2,699,204	-	10,314,164	24,292,836	10%			24,292,836
Furniture and fixtures	14,016,132	1,389,815	-	15,405,947	7,439,536	490,561	-	8,139,897	7,375,950	10%			7,375,950
Office equipment	24,413,452	2,999,534	(1,600,247)	25,806,739	12,464,634	1,272,551	(1,014,077)	12,723,108	13,083,631	10%			13,083,631
Motor vehicles	100,864,848	27,984,516	(1,907,631)	124,941,733	86,898,682	5,407,419	(1,744,941)	90,561,140	44,399,613	20%			44,399,613
Computers equipments	14,983,749	3,173,800	(628,031)	17,529,518	11,320,927	1,479,887	(615,848)	12,183,274	5,345,444	30%			5,345,444
	196,885,181	35,546,065	(4,141,889)	228,289,357	125,737,819	11,548,822	(3,374,858)	133,911,783	94,377,574				94,377,574
<b>RIGHT OF USE ASSETS</b>	RUPEES												
Buildings- Leasehold	158,115,762	3,601,316	(4,603,971)	157,113,107	180,552,034	17,498,424	(4,603,971)	183,446,487	43,666,620	20%			43,666,620
Vehicles- Leasehold	54,233,243	21,713,361	-	75,946,604	5,183,123	18,766,783	-	15,949,866	59,996,898	20%			59,996,898
	409,234,186	60,869,742	(8,745,860)	461,349,668	231,472,976	39,814,029	(7,978,829)	263,308,176	198,060,892				198,060,892
<b>OWNED</b>	RUPEES												
Building - on freehold land	34,607,000	-	-	34,607,000	4,615,844	2,999,116	-	7,614,960	26,992,040	10%			26,992,040
Furniture and fixtures	13,915,132	117,500	(16,590)	14,016,132	6,728,282	721,064	(9,810)	7,439,536	6,576,596	10%			6,576,596
Office equipment	21,945,684	2,603,418	(535,450)	24,413,452	11,567,624	1,209,975	(312,965)	12,464,634	11,948,818	10%			11,948,818
Motor vehicles	123,709,553	1,390,590	(16,135,205)	108,864,848	96,035,343	5,384,017	(14,520,698)	86,898,662	21,966,186	20%			21,966,186
Computers equipments	13,773,679	1,807,900	(597,830)	14,983,749	10,741,688	1,136,338	(557,919)	11,320,927	3,663,722	30%			3,663,722
	208,950,848	5,219,318	(17,284,985)	196,885,181	129,688,701	11,450,510	(15,401,392)	125,737,819	71,147,362				71,147,362
<b>RIGHT OF USE ASSETS</b>	RUPEES												
Buildings- Leasehold	158,115,762	-	-	158,115,762	81,379,438	19,172,596	-	180,552,034	57,563,728	20%			57,563,728
Vehicles- Leasehold	-	54,233,243	-	54,233,243	-	5,183,123	-	5,183,123	49,050,120	20%			49,050,120
	367,066,610	59,452,561	(17,284,985)	409,234,186	211,068,139	35,806,229	(15,401,392)	231,472,976	177,761,210				177,761,210

ASIA INSURANCE COMPANY LIMITED  
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8.2 Detail of Disposal of fixed assets

Particulars	Cost	Accumulated depreciation	Written down value	Sales proceeds	Profit on disposal	Mode of disposal	Particulars of Purchaser
AC 2 Ton	170,500	(103,712)	66,788	27,143	(39,645)	Negotiation	Zaryan Traders
AC 2 Ton	170,500	(103,712)	66,788	27,143	(39,645)	Negotiation	Zaryan Traders
AC 2 Ton	170,500	(103,712)	66,788	27,143	(39,645)	Negotiation	Zaryan Traders
AC 2 Ton	170,500	(103,712)	66,788	27,143	(39,645)	Negotiation	Zaryan Traders
AC 2 Ton	220,000	(128,337)	91,663	27,142	(64,521)	Negotiation	Zaryan Traders
<b>Sub-Total</b>	<b>902,000</b>	<b>(563,185)</b>	<b>338,815</b>	<b>135,714</b>	<b>(223,101)</b>		
Building - Lease	4,603,971	(4,603,971)	-	-	-	Remeasurement	
<b>Total</b>	<b>5,505,971</b>	<b>(5,147,156)</b>	<b>358,815</b>	<b>135,714</b>	<b>(223,101)</b>		

8.3 The following assets with book value below Ba. 50,000/- were disposed off during the year:

Particulars	Cost	Accumulated depreciation	Written down value	Sales proceeds	Profit on disposal	Mode of disposal	Particulars of Purchaser
CPU intel	2,500	(2,488)	12	4,250	4,238	Negotiation	Ali Computers
CPU dell	10,000	(9,438)	562	2,000	1,438	Negotiation	Rain Computers
CPU HP	12,000	(11,308)	692	4,250	3,558	Negotiation	Ali Computers
Laptop core i5	21,500	(20,076)	1,424	-	(1,424)	Negotiation	New Cosmos
Printer HP Laser Jet P1102	2,600	(2,584)	16	-	(16)	Negotiation	Copier Links
CPU	7,500	(6,958)	542	2,500	1,958	Negotiation	A. Hamd Computer
Dell CPU	59,533	(59,327)	206	2,000	1,794	Negotiation	Zaryan Traders
Dell CPU	59,533	(59,327)	206	2,000	1,794	Negotiation	Zaryan Traders
Honda CD 70 LEP-8183	31,500	(30,892)	608	25,000	24,392	Negotiation	Abdullah Traders
CPU	5,500	(5,479)	21	2,000	1,979	Negotiation	Zaryan Traders
Battery	24,000	(19,388)	4,612	8,500	3,888	Negotiation	Zaryan Traders
Battery	43,000	(34,737)	8,263	8,500	237	Negotiation	Zaryan Traders
Battery	43,000	(34,737)	8,263	8,500	237	Negotiation	Zaryan Traders
CPU-dell p4	7,000	(6,971)	29	2,000	1,971	Negotiation	Zaryan Traders

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Particulars	Cost	Accumulated depreciation	Written down value	Sales proceeds	Profit on disposal	Mode of disposal	Particulars of Purchaser
Printer-hp-p1102	8,700	(8,666)	36	70	34	Negotiation	Zaryan Traders
Printer-hp-p1102	8,500	(8,463)	37	70	33	Negotiation	Zaryan Traders
17" LCD	3,500	(3,480)	20	500	480	Negotiation	Zaryan Traders
17" LCD	3,500	(3,480)	20	500	480	Negotiation	Zaryan Traders
17" LCD	5,100	(5,070)	30	500	470	Negotiation	Zaryan Traders
17" LCD	5,100	(5,070)	30	500	470	Negotiation	Zaryan Traders
17" LCD	10,920	(10,876)	44	500	456	Negotiation	Zaryan Traders
LCD	12,000	(11,891)	109	500	391	Negotiation	Zaryan Traders
LCD	10,170	(10,068)	102	500	398	Negotiation	Zaryan Traders
LCD	10,170	(10,068)	102	500	398	Negotiation	Zaryan Traders
LCD	9,615	(9,513)	102	500	398	Negotiation	Zaryan Traders
Printer-hp-p1102	10,500	(10,324)	176	3,000	2,824	Negotiation	Copier Links
CPU	9,800	(9,634)	166	2,000	1,834	Negotiation	Zaryan Traders
Printer-hp-p1102	20,250	(19,908)	342	70	(272)	Negotiation	Zaryan Traders
CPU Dell Tower 3: 1 GB, 80 GB	19,690	(19,346)	344	2,000	1,656	Negotiation	Zaryan Traders
CPU	15,520	(15,249)	271	2,000	1,729	Negotiation	Zaryan Traders
Battery	10,500	(7,340)	3,160	8,500	5,340	Negotiation	Zaryan Traders
CPU	5,300	(5,204)	96	2,000	1,904	Negotiation	Zaryan Traders
Fan-bracket	9,750	(6,789)	2,961	70	(2,891)	Negotiation	Zaryan Traders
Fan-Bracket	9,750	(6,789)	2,961	70	(2,891)	Negotiation	Zaryan Traders
Fan-Bracket	9,750	(6,789)	2,961	70	(2,891)	Negotiation	Zaryan Traders
Printer-HP-p1102	10,400	(10,206)	194	70	(124)	Negotiation	Zaryan Traders
CPU	14,520	(14,250)	270	2,000	1,730	Negotiation	Zaryan Traders
Printer-HP-2420	25,650	(25,143)	507	70	(437)	Negotiation	Zaryan Traders
Del CPU	13,250	(12,988)	262	2,000	1,738	Negotiation	Zaryan Traders
CPU Del Tower 620	7,000	(6,854)	146	2,000	1,854	Negotiation	Zaryan Traders
CPU	7,000	(6,854)	146	2,000	1,854	Negotiation	Zaryan Traders
CPU	7,000	(6,854)	146	2,000	1,854	Negotiation	Zaryan Traders
CPU	5,800	(5,679)	121	2,000	1,879	Negotiation	Zaryan Traders

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Particulars	Cost	Accumulated depreciation	Written down value	Sales proceeds	Profit on disposal	Mode of disposal	Particulars of Purchaser
CPU	11,000	(10,770)	230	2,000	1,770	Negotiation	Zaryan Traders
CPU Del	5,600	(5,483)	117	2,000	1,883	Negotiation	Zaryan Traders
CPU	5,600	(5,483)	117	2,000	1,883	Negotiation	Zaryan Traders
CPU	8,900	(8,709)	191	2,000	1,809	Negotiation	Zaryan Traders
CPU	8,900	(8,709)	191	2,000	1,809	Negotiation	Zaryan Traders
CPU	8,900	(8,709)	191	2,000	1,809	Negotiation	Zaryan Traders
CPU	8,900	(8,704)	196	2,000	1,804	Negotiation	Zaryan Traders
CPU	8,900	(8,704)	196	2,000	1,804	Negotiation	Zaryan Traders
CPU	19,300	(18,864)	436	120	(316)	Negotiation	Zaryan Traders
BATTERY	14,700	(9,917)	4,783	5,000	217	Negotiation	Zaryan Traders
BATTERY	14,700	(9,917)	4,783	5,000	217	Negotiation	Zaryan Traders
CPU	9,600	(9,383)	217	120	(97)	Negotiation	Zaryan Traders
CPU Del 620	9,710	(9,491)	219	120	(99)	Negotiation	Zaryan Traders
Printer-HP laser jet	6,800	(6,646)	154	70	(84)	Negotiation	Zaryan Traders
Printer-HP-4250	25,200	(24,631)	569	70	(499)	Negotiation	Zaryan Traders
Printer-HP-p1102	10,500	(10,263)	237	70	(167)	Negotiation	Zaryan Traders
Fan-exhaust	4,880	(3,083)	1,797	70	(1,727)	Negotiation	Zaryan Traders
Fan-exhaust	5,330	(3,366)	1,962	70	(1,892)	Negotiation	Zaryan Traders
CPU	25,600	(24,656)	944	120	(824)	Negotiation	Zaryan Traders
AC 1 Ton	91,250	(55,505)	35,745	27,143	(8,602)	Negotiation	Zaryan Traders
LED TV	49,637	(29,510)	20,127	1,000	(19,127)	Negotiation	Zaryan Traders
AC 1 Ton	110,000	(65,397)	44,603	27,143	(17,460)	Negotiation	Zaryan Traders
ROAD PRINCE LEP-17A-4138	39,000	(32,498)	6,502	22,000	15,498	Negotiation	Abdullah Traders
ROAD PRINCE LEP-17A-4280	39,000	(32,498)	6,502	21,000	14,498	Negotiation	Abdullah Traders
ROAD PRINCE LEP-17A-4262	39,000	(32,498)	6,502	20,000	13,498	Negotiation	Shahid Enterprises
Air Conditions 1.5 Ton (Pel Majestic	61,500	(27,570)	33,930	20,000	(13,930)	Negotiation	Glacier & Company
A.C	125,000	(111,122)	13,878	4,500	(9,378)	Negotiation	Shahid and Sons
Suzuki Mehran LEE-07-6833	397,440	(389,269)	8,171	533,333	525,162	Negotiation	Muhammad Riaz
Suzuki Alto Lee-2135 Model 2012	766,670	(727,858)	38,812	533,333	494,521	Negotiation	Muhammad Riaz
Road Prince Len-14B-8597	42,500	(38,698)	3,802	12,000	8,198	Negotiation	Shahzaib Autos

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Particulars	Cost	Accumulated depreciation	Written down value	Expense		Gain proceeds	Profit or (loss)	Mode of disposal	Particulars of Purchaser
MOTOR CYCLE KGV-0188	45,000	(39,545)	5,455		16,500	11,045		Negotiation	Shahzaib Autos
MOTOR CYCLE KJI-1145	43,500	(37,917)	5,583		16,500	10,917		Negotiation	Shahzaib Autos
MICROWAVE OVEN (HAIER)	9,500	(5,909)	3,591		2,000	(1,591)		Negotiation	Faisal Electronics
UNIQUE 70 KIW-8346	44,000	(38,144)	5,856		16,500	10,644		Negotiation	Shahzaib Autos
UNIQUE 70 KIW-8342	44,000	(38,144)	5,856		16,500	10,644		Negotiation	Shahzaib Autos
UNITED MNL-17-2267	43,500	(36,912)	6,588		25,000	18,412		Negotiation	Shahzaib Autos
UNITED MNL-17-2269	43,500	(36,912)	6,588		15,000	8,412		Negotiation	Muhammad Riaz
Motor CYCLE LEP-17A-4088	39,000	(32,980)	6,020		15,000	8,980		Negotiation	Shahzaib Autos
ROAD PRINCE LEP-17A-4277	39,000	(32,980)	6,020		23,000	16,980		Negotiation	Shahzaib Autos
ROAD PRINCE LEP-17A-4122	39,000	(32,980)	6,020		23,000	16,980		Negotiation	Shahzaib Autos
ROAD PRINCE LEP-17A-4101	39,000	(32,980)	6,020		30,000	23,980		Negotiation	Shahzaib Autos
ROAD PRINCE LEP-17A-4246	39,000	(32,980)	6,020		23,000	16,980		Negotiation	Shahzaib Autos
CPU-DELL	8,000	(7,540)	460		2,000	1,540		Negotiation	Al-Hamd computer
A.C SPLIT 1.5 PELL	68,000	(33,025)	34,975		4,500	(30,475)		Negotiation	Shahid and Sons
UNIQUE 2018 KLT-9241	47,000	(34,128)	12,872		16,500	3,628		Negotiation	Shahzaib Autos
UNIQUE 2018 KLT-9247	47,000	(34,128)	12,872		16,500	3,628		Negotiation	Shahzaib Autos
LEA-17A-6098	1	-	1		533,333	533,332		Negotiation	Shahzaib Autos
<b>Sub-Total</b>	<b>3,239,889</b>	<b>(2,831,670)</b>	<b>408,219</b>		<b>2,151,176</b>	<b>1,742,957</b>			
<b>Grand Total 2025</b>	<b>4,141,889</b>	<b>(3,374,855)</b>	<b>767,034</b>		<b>2,286,890</b>	<b>1,519,856</b>			
Grand Total 2024	17,284,985	(15,401,393)	1,883,592		18,810,427	16,926,835			

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		2025	2024
	Note	Rupees	Rupees
<b>8.4 Right of use assets</b>			
The following is the statement of right of use assets:			
<b>Year ended December 31,</b>			
<b>Net carry value basis</b>			
Opening net book value		106,613,848	76,736,324
Addition (at cost)		25,314,677	54,233,243
Disposal (at cost)		(4,603,971)	-
Depreciation for the year		(23,661,236)	(24,355,719)
Closing net book value		<u>103,663,318</u>	<u>106,613,848</u>
<b>Gross carry value basis</b>			
Cost		212,349,005	158,115,762
Addition (at cost)		25,314,677	54,233,243
Disposal (at cost)		(4,603,971)	-
Accumulated depreciation		(129,396,393)	(105,735,157)
Net book value		<u>103,663,318</u>	<u>106,613,848</u>
Depreciation rate % per annum		10%-33%	10%-33%
<b>9 INVESTMENT PROPERTY</b>			
Freehold land (Residential plots)	9.1	<u>40,827,320</u>	<u>40,827,320</u>
9.1 The movement in this account is as follows:			
Opening balance	9.2	40,827,320	40,827,320
Additions		-	-
Disposal/transfer		-	-
Closing balance		<u>40,827,320</u>	<u>40,827,320</u>
9.2 This comprises three residential plots at DHA, Multan and considered as freehold land held for capital appreciation. Investment property is initially recognized at cost, being the fair value of the consideration given. Subsequent to initial recognition investment property will be carried out at cost model.			
<b>10 INVESTMENTS IN EQUITY SECURITIES</b>	Note	2025	2024
		Rupees	Rupees
Investments in equity securities			
Held for Trading ( FV through P/L)	10.1	<u>420,131,929</u>	<u>240,290,722</u>
10.1 Held for Trading ( FV through P/L)			
<b>Listed shares</b>			
Cost		93,040,784	53,707,247
Add: unrealized Gain / (loss) on revaluation of investment		28,711,842	48,837,993
Carrying value	10.2	121,752,626	102,545,240
<b>Mutual funds</b>			
Cost		292,264,056	120,957,352
Add: unrealized gain on revaluation of investment		6,115,247	16,788,130
Carrying value	10.2	298,379,303	137,745,482
		<u>420,131,929</u>	<u>240,290,722</u>

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**10.2 Investments - Held for Trading**

	2025			2024		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
<b>LISTED SHARES</b>						
EFU Life Assurance Limited	130,706	(52,001)	78,705	130,706	(46,225)	84,481
MCB Bank Limited	2,783,755	5,537,566	8,321,321	21,490,673	18,313,277	39,803,950
Bank Alfalah Limited	10,075,594	24,275,156	34,350,750	10,075,594	16,173,356	26,248,950
The Bank Of Punjab	3,972,476	(116,476)	3,856,000	9,878,220	16,281,980	26,160,200
Jubilee Life Insurance Company Limited	2,143,481	(1,416,698)	726,783	2,143,481	(1,298,462)	745,019
National Bank Limited	-	-	-	9,988,573	(485,933)	9,502,640
Fauji Fertilizer Company Limited	9,005,740	(145,090)	8,860,650	-	-	-
Pakistan Petroleum Limited	1,151,375	26,375	1,177,750	-	-	-
United Bank Limited	8,679,662	1,085,908	9,765,570	-	-	-
Aisha Steel Mills Limited	690,577	(57,457)	633,120	-	-	-
Engro Holdings Limited	6,926,400	96,792	7,023,192	-	-	-
Habib Metropolitan Bank Limited	4,182,500	(9,125)	4,173,375	-	-	-
Kohinoor Textile Mills Limited	2,221,582	(161,578)	2,060,004	-	-	-
Lucky Cement Limited	5,506,250	(281,690)	5,224,560	-	-	-
Meezan Bank Limited	4,477,500	(33,700)	4,443,800	-	-	-
Maple Leaf Cement Factory Limited	4,893,843	(196,643)	4,697,200	-	-	-
National Refinery Limited	4,130,884	(16,984)	4,113,900	-	-	-
Oil And Gas Development Company Limited	15,764,464	272,282	16,036,746	-	-	-
Pioneer Cement Limited	2,029,000	(91,800)	1,937,200	-	-	-
Systems Limited	4,274,995	(2,995)	4,272,000	-	-	-
	<b>93,040,784</b>	<b>28,711,842</b>	<b>121,752,626</b>	<b>53,707,247</b>	<b>48,837,993</b>	<b>102,545,240</b>
<b>MUTUAL FUNDS</b>						
Pakistan Income Fund	14,830,071	1,386,438	16,216,509	13,077,134	2,114,690	15,191,824
HBL Money Market Fund	697,331	34,105	731,436	630,082	53,248	683,330
Almeezan Investment	99,470,529	25,003	99,495,532	87,250,136	13,181,315	100,431,451
NBP Funds	127,266,125	919,701	128,185,826	20,000,000	1,438,877	21,438,877
Alfalah Asset Management	50,000,000	3,750,000	53,750,000	-	-	-
	<b>292,264,056</b>	<b>6,115,247</b>	<b>298,379,303</b>	<b>120,957,352</b>	<b>16,788,130</b>	<b>137,745,482</b>
<b>Total Equity Securities</b>	<b>385,304,840</b>	<b>34,827,089</b>	<b>420,131,929</b>	<b>174,664,599</b>	<b>65,626,123</b>	<b>240,290,722</b>

11 INVESTMENTS IN DEBT SECURITIES	Note	2025 Rupees	2024 Rupees
Held to maturity			
Pakistan Investment Bonds	11.1	<b>81,372,828</b>	79,616,506

	2025			2024		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
-----Rupees-----						

Government securities						
Pakistan Investment Bonds	<b>81,372,828</b>	-	<b>81,372,828</b>	79,616,506	-	79,616,506
	<b>81,372,828</b>	-	<b>81,372,828</b>	79,616,506	-	79,616,506

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**11.1** Pakistan Investments Bonds (PIBs) having face value of Rs. 83 million (2024: 83 million), carry interest rate ranging from 11% to 12% (2024: 7.5% to 12% ) per annum. Profit is paid semi annually and these will mature latest by July 2026.

**11.2** Company has deposited following securities with State Bank of Pakistan against statutory deposits under the Insurance Ordinance, 2000:

	Note	2025 Rupees	2024 Rupees
Pakistan investment bonds		81,372,828	79,616,506
		<u>81,372,828</u>	<u>79,616,506</u>

**12 INVESTMENTS IN TERM DEPOSITS**

Hold to maturity

Deposits maturing within 12 months	12.1	<u>282,000,000</u>	<u>411,000,000</u>
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12.1 At amortised cost

Term deposit receipts (TDRs)

Bank Al Habib Limited		-	41,000,000
U Bank Limited		80,000,000	110,000,000
NRSP Bank Limited		52,000,000	250,000,000
LOLC Bank		100,000,000	10,000,000
FINCA Microfinance		50,000,000	-
		<u>282,000,000</u>	<u>411,000,000</u>

12.2 This represents, investment in Term Deposit Receipts (TDRs) with various banks, have a maturity period of one year and will matured on March, 2026. These carry mark up 12% to 14.25% (2024: 15.5% to 23.25%) per annum.

13 LOANS AND OTHER RECEIVABLES	Note	2025 Rupees	2024 Rupees
Unsecured Considered good			
Accrued investment income		27,332,583	58,297,369
Balance with brokers	13.1	60,202,866	56,671
Security deposits	13.2 & 13.3	22,328,127	17,791,913
Other receivable		25,392,565	20,482,008
		<u>135,256,071</u>	<u>96,627,961</u>

**13.1** This includes balance amounting to Rs. 60 million (2024: Rs. 0.012 million) with broker, Arif Habib Limited for investment purposes.

**13.2** This includes security deposit against rented premises. The said deposit is refundable at the expiry of the respective rent agreement or on vacation of the rented premises. These deposits do not carry any interest or mark-up.

**13.3** This includes security deposit with related parties and their relatives amounting to Rs. 4.538 million against rented premises (2024: Rs. 4.538 million).

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		2025	2024
		Rupees	Rupees
<b>14</b>	<b>INSURANCE / REINSURANCE RECEIVABLES</b>		
	(Unsecured and considered good)		
	Due from insurance contract holders	236,007,287	184,926,762
	Less : Provision for impairment of receivables from insurance contract holders	(18,446,214)	(14,127,414)
	Due from other insurers / reinsurers	839,099,226	567,467,068
	Less : Provision for impairment of due from other insurers / reinsurers	(14,760,101)	(14,096,612)
		<u>1,041,900,198</u>	<u>724,169,804</u>
<b>14.1</b>	<b>Movement of provision for impairment is as follows:</b>		
	Opening balance	(28,224,026)	(28,224,026)
	Adjustment on account of:		
	Doubtful premium written off	512,303	-
	Provision made for doubtful due from:		
	Due from insurance contract holders	(4,831,163)	-
	Due from other insurers / reinsurers	(663,469)	-
	Net adjustment	(4,982,289)	-
	Closing balance	<u>(33,206,315)</u>	<u>(28,224,026)</u>
<b>15</b>	<b>PREPAYMENTS</b>		
	Prepaid reinsurance premium coded	130,632,752	99,397,201
		<u>130,632,752</u>	<u>99,397,201</u>
<b>16</b>	<b>CASH AND BANK</b>		
	Cash in hand		60,000
	Cash at bank		
	Current accounts	23,789,097	17,136,113
	Saving accounts	53,517,114	44,364,136
		<u>77,706,211</u>	<u>61,560,249</u>
<b>16.1</b>	The rate of return on PLS saving accounts maintained at various banks ranges from 8.75% to 12% per annum (2024: 8.75% to 14% per annum).		
<b>16.2</b>	Cash and bank include the following for the purpose of the cash flow statement.		
	Cash and cash equivalents	77,706,211	61,560,249
		<u>77,706,211</u>	<u>61,560,249</u>
<b>17</b>	<b>TOTAL ASSETS AND LIABILITIES OF WINDOW TAKAFUL OPERATIONS</b>		
		2025	2024
		Rupees	Rupees
<b>17.1</b>	<b>Assets</b>		<b>Restated</b>
	Operator's Fund	237,328,819	156,773,408
	Participants' Fund	385,477,250	286,320,174
	Total	<u>622,806,069</u>	<u>443,093,582</u>
<b>17.2</b>	<b>Liabilities and funds</b>		
	Operator's Fund	86,158,856	51,772,484
	Participants' Fund	385,477,250	286,320,174
	Total	<u>471,636,106</u>	<u>338,092,658</u>

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17.3 The financial statements of window takaful operations are separately prepared under the provisions of clause 11(b) of Takaful Rules, 2012 read with Circular No. 25 of 2015 issued dated July 9, 2015 and General Takaful Accounting Regulations, 2019.

17.4 The comparative figures have been restated based on the S.R.O. 311(I)/2025 on General Takaful Accounting Regulations, 2019 as more fully explained in note 4.3 of these financial statements.

18 ORDINARY SHARE CAPITAL		2025	2024
		Rupees	Rupees
18.1	Authorized share capital.		
	100,000,000 (2024:100,000,000) Ordinary shares of Rs. 10/- each	1,000,000,000	1,000,000,000
18.2	Issued, subscribed and paid-up share capital.		
	40,337,391 (2024:40,337,391) Ordinary shares of Rs. 10/- each fully paid in cash	403,373,910	403,373,910
	27,670,852 (2024:27,670,852) Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	18.4 276,708,520	276,708,520
	5,000,000 (2024:5,000,000) Statutory fund of Rs. 10 each for window takaful operations	18.3 50,000,000	50,000,000
		730,082,430	730,082,430

18.3 Amount of Rs. 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No 8 of 2014 read with section 11(c) of Takaful Rules, 2012 issued by Securities and Exchange Commission of Pakistan.

18.4 During the year 2018, the Company has issued 15,337,391 shares to InsuResilience Investment Fund SICAV RAIF, Luxembourg for an aggregate amount of Rs. 350 million bearing a premium of Rs. 12.82 per share and total amounting to Rs. 196,626,090/- under the shareholders agreement.

During the year 2021, the Company issued a 10% bonus share (10 bonus shares for every 100 shares held), funded from the share premium account, reducing it by Rs. 60,337,390/. Subsequently, in the year 2022, a similar 10% bonus issue was made, further reducing the share premium account by Rs. 66,371,130/.

19 RESERVES - REVENUE		2025	2024
		Rupees	Rupees
	Revenue reserve		
	General reserves	19.1 2,500,000	2,500,000

19.1 These represent general reserves utilizable at the discretion of the board of directors.

**20 DEFERRED TAXATION**

**Deferred tax (liability) / asset arising in respect of:**

	Accelerated depreciation on property and equipment	(919,872)	257,500
	Unrealized gain on re-measurement of investment	(10,099,856)	(19,031,576)
	Lease liability and Right of use asset	(5,478,703)	1,136,018
	Provision for doubtful debt	9,629,831	8,184,968
20.1		(6,868,600)	(9,453,090)

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	Note	2025 Rupees	2024 Rupees
<b>20.1</b>			
Balance at beginning of the year		(9,453,090)	11,792,792
Charged/ Reversal during the year			
charged to profit and loss account		2,584,490	(21,245,882)
charged to other comprehensive income		-	-
		2,584,490	(21,245,882)
Balance at the end of the year		(6,868,600)	(9,453,090)
<b>21</b>	<b>PROVISION FOR TAXATION &amp; LEVIES</b>		
Opening balance		(11,180,329)	2,167,185
Income tax deducted at source / payments (Advance Tax)		67,508,763	40,103,365
Prior year adjustment		-	187,607
Provision for tax payable		(82,199,385)	(53,638,486)
		(25,878,951)	(11,180,329)
<b>22</b>	<b>RETIREMENT BENEFIT OBLIGATIONS</b>		
Staff provident fund		1,191,061	1,391,511
<b>22.1</b>	The company operates a funded Provident Fund Scheme for its employees and contributions are made monthly equal to employees contribution @ 8.33% (2024: 8.33%) of basic salary and cost of living allowance.		
<b>23</b>	<b>LEASE LIABILITIES</b>		
	Note	2025 Rupees	2024 Rupees
Secured			
Lease liabilities as at Beginning of year		110,531,151	111,726,246
Add: Additions during the year		25,314,677	20,278,333
Less: Completion of Lease/remeasurement		-	-
Less: Payment made during the year		(61,585,265)	(34,454,794)
Add: Interest expense for the year		10,510,674	12,981,366
		84,771,237	110,531,151
<b>23.1</b>	<b>Maturity analysis-contractual undiscounted cash flow</b>		
	The contractual undiscounted cash flows to which the Company is committed under the lease agreement and the years in which they became due are as follows:		
Less than one year		53,998,774	55,160,934
One to five year		38,984,790	63,825,977
More than five year		7,846,071	14,978,863
Total undiscounted lease liability		100,829,635	133,965,774
<b>23.2</b>	The above liabilities were obligations under leases with various lessors for lease of buildings.		
<b>23.3</b>	The Company discounted lease payments using its incremental borrowing rate. The weighted average rate applied is 12% (2024: 12%) per annum.		

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		2025 Rupees	2024 Rupees
<b>24 INSURANCE / REINSURANCE PAYABLES</b>	<b>Note</b>		
Due to other insurers / reinsurers		<b>129,435,319</b>	149,522,136
		<b>129,435,319</b>	149,522,136
<b>25 OTHER CREDITORS AND ACCRUALS</b>			
Outstanding agency commissions		<b>127,666,364</b>	84,827,650
Sales tax		5,544,723	5,047,811
Federal insurance fee		510,253	1,531,279
Worker Welfare Fund		17,770,905	12,314,394
Tax deducted at source		3,791,520	1,983,104
EOBI payable		254,462	259,102
Receipts from foreign reinsurers	25.1	7,133,952	7,133,952
Auditors' remuneration		1,276,506	1,027,571
Unpaid and unclaimed dividend	25.2	2,515,672	2,487,961
Security against various policies		18,738,754	18,480,603
Others		55,698,898	2,994,930
		<b>241,002,009</b>	138,088,357

**25.1** It represents receipts from foreign reinsurers against settlement of treaty agreements in 2011 after adjustment of receivable balances.

**25.2** The Company has transferred unpaid and unclaimed dividend to separate bank account.

**26 CONTINGENCIES AND COMMITMENTS**

**26.1 Contingencies**

- a) Suits for recovery of approximate Rs. 274.45 million (2024: Rs. 209.29 million) have been lodged but are not accepted by the Company and the cases are pending adjudication before different courts. As per the Company's legal advisor, such claims are untenable and accordingly management has not provided any liability in respect thereof.
- b) The Company has filed suit for recovery of Rs. 108.96 million (2024: Rs. 84.249 million) against insurer/reinsurer for amount due. The management of the Company on the basis of the facts of the case and advice of the legal advisor believe that they have strong case and has not, therefore, made provision in the financial statements against the aforesaid claim.
- c) The Commissioner Inland Revenue, under section 177 of the Income Tax Ordinance, 2001, initiated an audit of the income tax affairs for the tax year 2014, relevant to the financial year ending on December 31, 2013. A final order under section 122 of the Ordinance was issued by the tax department on July 31, 2019, resulting in a tax demand of Rs.1.245 million. This demand was established by disallowing various profit and loss expenses totaling Rs.13.373 million under section 174(2) of the Ordinance. The company filed an appeal against this order before the Commissioner Inland Revenue, Appeals (CIR-A), Lahore. The CIR-A, through an order dated May 06, 2021, granted relief to the company by reducing the disallowed profit and loss expenses. Subsequently, the tax department filed a second appeal before the Appellate Tribunal Inland Revenue (ATIR) challenging the CIR-A's order, and this appeal is currently awaiting adjudication. It is anticipated that there will be no unfavorable outcome concerning the tax liability.
- d) The Commissioner Inland Revenue issued a withholding tax order under sections 161/205 of the Ordinance, finalizing it on July 27, 2017, resulting in a tax demand of Rs.47,713 for the tax year 2015, relevant to the financial year ending on December 31, 2024. Subsequently, on June 30, 2021, the department issued another order under sections 161/205 of the Ordinance, creating a tax demand of Rs.8.285 million.

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The company filed an appeal against this order before the Commissioner Inland Revenue, Appeals, Lahore (CIR-A). The CIR-A, through an order dated January 12, 2022, deleted the tax charged, citing it as a duplicate order. Despite this, the tax department filed a second appeal before the Appellate Tribunal Inland Revenue challenging the CIR-A's order, and it is currently awaiting adjudication. It is anticipated that there will be no unfavorable outcome regarding the tax liability.

- e) The tax department imposed Federal Excise Duty (FED) along with a penalty, citing FED on sales tax mode for the tax period from January 2012 to December 2015 (spanning 4 years) through orders dated June 01, 2016. This resulted in a sales tax demand of Rs.172.252 million. The company appealed these orders before the Commissioner Inland Revenue, Appeals, Lahore (CIR-A). However, the CIR-A, through an order dated March 22, 2017, dismissed all four appeals lodged by the company. Subsequently, the company filed second appeals before the Appellate Tribunal Inland Revenue (ATIR) challenging the CIR-A's decision. The ATIR, in orders dated August 25, 2022, nullified the FED charged by the tax department, amounting to Rs.172.252 million. The department filed a tax reference before the Hon'ble Lahore High Court against the orders of the ATIR. The Hon'ble Lahore High Court decided the tax reference against the department. The Department has now filed a Civil Petition for Leave to Appeal before the Hon'ble Supreme Court of Pakistan, which is pending adjudication.
- f) In the income tax return for the tax year 2021, corresponding to the financial year ending on December 31, 2020, the company offset the previous year's refund adjustment of Rs.18.061 million against the tax payable for the tax year 2021. However, the tax department finalized an order under section 221(1) of the Income Tax Ordinance, 2001 on March 13, 2023, disallowing the refund adjustment. Consequently, a tax demand of Rs.18.061 million was established. The company appealed this order before the Commissioner Inland Revenue, Appeals, Lahore (CIR-A). On May 31, 2023, the CIR-A nullified the order and directed the tax department to reconsider the matter in accordance with the law, providing the company with a proper opportunity to be heard. The case is currently pending.
- g) The order was finalized by the Additional Commissioner (Enforcement), Punjab Revenue Board (PRA), relevant to the tax period from July 2022 to June 2023, and a sales tax demand was created amounting to Rs.1,738,849 on account of exempt services by an order dated November 22, 2024. The company filed an appeal against the said order before the Commissioner PRA. The matter is pending for adjudication. There is no likelihood of an unfavourable outcome with regard to tax liability.
- h) An order under Section 161 (1) /205 of the Ordinance bearing No. 100000267025752 dated December 31,2025 created a tax demand of Rs. 7,664,775 on account of alleged non/short deduction of tax on dividend payments for tax year 2022. A rectification application was filed on January 02, 2026 on the ground that, being an insurance company, the taxpayer follows a special tax year ending in December 31; accordingly, the period January 01, 2021 to December 31, 2021 relates to tax year 2022. Subsequent to the reporting date, the Company filed a rectification application on 02 January 2026. Further, an appeal has been filed before the Commissioner Inland Revenue (Appeals) on 27 January 2026 and the matter is pending adjudication.

**26.2 Commitments**

There is no known commitment as at December 31, 2025 (2024: nil). However, commitment against lease liabilities has been disclosed in the relevant note to these financial statements.

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	Note	2025 Rupees	2024 Rupees
<b>27 NET INSURANCE PREMIUM</b>			
Written Gross Premium		1,575,444,893	1,234,774,434
Add: Unearned premium reserve - Opening		546,499,077	538,157,690
Less: Unearned premium reserve - Closing		(790,987,808)	(546,499,077)
Premium earned		1,330,956,162	1,226,433,047
Reinsurance premium ceded		271,647,599	216,377,173
Add: Prepaid reinsurance premium - Opening		99,397,201	118,573,008
Less: Prepaid reinsurance premium - Closing		(130,632,752)	(99,397,201)
Reinsurance expense		240,412,048	235,552,980
		<u>1,090,544,114</u>	<u>990,880,067</u>
<b>28 NET INSURANCE CLAIMS</b>			
Claims Paid		586,226,038	452,525,768
Add: Outstanding claims including IBNR - Closing		484,749,495	309,940,175
Less: Outstanding claims including IBNR - Opening		(309,940,175)	(254,913,907)
Claims expense		761,035,358	507,552,036
Reinsurance and other recoveries received		221,523,400	122,175,533
Add: Reinsurance and other recoveries in respect of outstanding claims - Closing		302,227,972	175,704,619
Less: Reinsurance and other recoveries in respect of outstanding claims - Opening		(175,704,619)	(156,115,608)
Reinsurance and other recoveries revenue		348,046,753	141,764,544
		<u>412,988,685</u>	<u>365,787,492</u>

**28.1 CLAIM DEVELOPMENT**

	2021	2022	2023	2024	2025
<b>Estimate of ultimate claims costs:</b>	-----Rs. in '000'-----				
At end of accident year	295,894	600,211	382,080	531,506	721,164
One year later	298,834	570,524	385,445	539,269	-
Two years later	301,774	568,952	383,573	-	-
Three years later	301,444	570,189	-	-	-
Four years later	300,684	-	-	-	-
Current estimate of cumulative claims	300,684	570,189	383,573	539,269	721,164
Cumulative payments to date	(274,115)	(543,605)	(305,925)	(483,264)	(452,238)
Liability recognized	26,569	26,584	77,648	56,005	268,926

**28.2 Age-wise Breakup of Unclaimed Insurance Benefits**

Statement of Age wise Break up of Unclaimed Insurance Benefits as on 31 December 2025:

This represents outstanding claims in respect of which cheques have been issued by the Company for claim settlement. However, the same have not been encashed by the claimant. Following is the aging as required by the SECP Circular no.11 of 2014 dated 19 May 2014:

Particulars	Total Amount	1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	Beyond 36 months
Other unclaimed benefits	23,036,006	17,033,341	209,266	1,127,111	874,441	3,791,847

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		2025	2024
		Rupees	Rupees
<b>29 NET COMMISSION AND OTHER ACQUISITION COSTS</b>			
Commission paid or payable		313,103,652	259,994,726
Add: Deferred commission expense - Opening		122,842,406	140,105,642
Less: Deferred commission expense - Closing		(152,796,419)	(122,842,406)
Net Commission		<u>283,149,639</u>	<u>277,257,962</u>
Less: Commission received or recoverable		63,645,445	37,334,919
Add: Unearned re-insurance commission - Opening		20,990,654	14,034,468
Less: Unearned re-insurance commission - Closing		(28,887,222)	(20,990,654)
Commission from reinsurers		<u>55,748,877</u>	<u>30,378,733</u>
		<u>227,408,762</u>	<u>246,879,229</u>
<b>30 MANAGEMENT EXPENSES</b>			
Employee benefit cost	30.1	245,749,822	213,933,701
Travelling and conveyance		13,465,953	10,399,792
Advertisement and sales promotion		3,198,774	4,025,798
Printing and stationery		5,781,148	6,242,604
Depreciation	30.2	39,814,029	35,806,229
Rent, rates and taxes	30.3	7,849,885	8,588,260
Legal and professional charges - business related		4,597,117	5,153,227
Electricity, gas and water		8,280,855	11,660,746
Petrol, oil and lubricants		22,302,319	20,523,873
Repairs and maintenance		19,784,060	19,616,094
Postages, telegram and telephone		11,285,215	10,618,379
Annual Supervision fee SECP		1,372,330	1,292,384
Service charges		8,453,776	9,396,091
Entertainment		7,087,489	6,909,324
Provision for bad and doubtful receivable	14	5,496,382	
Miscellaneous		4,874,694	4,737,858
		<u>409,351,883</u>	<u>368,904,560</u>
<b>30.1 EMPLOYEE BENEFIT COST</b>			
Salaries, allowance and other benefits		238,734,889	207,547,363
Charges for post employment benefit		7,015,019	6,386,338
		<u>245,749,822</u>	<u>213,933,701</u>
<b>30.2 DEPRECIATION</b>			
Operating fixed assets	8.1	11,548,822	11,450,510
Right of use assets	8.1	28,265,207	24,355,719
		<u>39,814,029</u>	<u>35,806,229</u>
<b>30.3</b>	The Company has obtained 28 branches on operating lease. According to management, these rental agreements have been classified as short-term leases due to their duration being less than 12 months or low value. The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).		

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		2025	2024
	Note	Rupees	Rupees
<b>31 INVESTMENT INCOME</b>			
<b>Income from equity securities</b>			
<b>Held for trading</b>			
- Dividend income on listed securities		15,354,585	13,913,340
- Dividend income on mutual funds		4,168,481	4,849,568
- CGT Refund from mutual funds		-	-
<b>Income from debt securities</b>			
<b>Held to maturity</b>			
- Return on Debt securities		8,808,863	8,028,729
<b>Income from term deposits</b>			
<b>Held to maturity</b>			
- Return on term deposits		55,154,812	62,196,950
		<u>84,485,938</u>	<u>88,988,587</u>
<b>Net realized fair value gain/(losses) on investments</b>			
<b>Held for trading</b>			
- Listed securities		93,449,603	12,873,940
- Mutual funds		40,255,967	-
<b>Net unrealized fair value gain/(losses) on investments</b>			
<b>Held for trading</b>			
- Listed securities		(20,126,151)	30,474,469
- Mutual funds		(10,672,882)	14,935,304
<b>Held to maturity</b>			
- Debt securities		2,405,727	5,063,034
Total investment income		<u>189,808,199</u>	<u>152,335,334</u>
Less: Investment related expenses		(571,391)	(765,032)
Net Investment Income / (loss)		<u>188,236,808</u>	<u>151,570,302</u>
<b>32 OTHER INCOME</b>			
<b>Income from financial assets</b>			
Return on bank balances		6,424,823	44,934,321
Realized exchange gain		-	-
<b>Income from non financial assets</b>			
Gain on disposal of fixed assets	8.3	1,819,896	16,831,381
		<u>7,943,879</u>	<u>61,765,702</u>
<b>33 OTHER EXPENSES</b>			
Auditors' remuneration	33.1	1,681,752	1,234,132
Fees and subscriptions		3,360,377	2,439,633
Workers' welfare fund		5,456,511	4,960,898
Loss on disposal of fixed assets		-	-
		<u>10,498,640</u>	<u>8,634,663</u>
<b>33.1 Auditors' remuneration</b>			
Audit fee		1,011,717	924,636
Half yearly review fee		98,670	85,800
Other services		497,995	156,996
Out of pocket expenses		73,370	66,700
		<u>1,681,752</u>	<u>1,234,132</u>

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	Note	2025 Rupees	2024 Rupees
<b>34 FINANCE COST</b>			
Finance cost on right of use asset	23	<u>10,510,674</u>	<u>12,981,366</u>
		<b>10,510,674</b>	<b>12,981,366</b>
<b>35 PROFIT FROM WINDOW TAKAFUL OPERATIONS - OPF</b>			
Wakala Fee		76,756,286	54,872,158
Commission Expense		(39,315,742)	(27,343,513)
General, Administration and Management Expenses		(7,870,201)	(3,293,666)
Other Income		576,777	11,529,890
Investment Income		16,427,265	-
Other Expenses		(405,346)	(352,475)
Profit for the year		<u>46,169,039</u>	<u>35,412,394</u>
<b>36 TAXATION &amp; TAX LEVIES</b>			
Levies - final and minimum tax:			
Final tax		2,303,186	2,814,435
Minimum tax		-	-
Current tax levies		<u>2,303,186</u>	<u>2,814,435</u>
Prior years levies		-	-
		<u>2,303,186</u>	<u>2,814,435</u>
Taxation			
Current		71,711,433	48,900,586
Super Tax		8,184,766	1,923,465
Deferred		(2,584,490)	21,245,882
		<u>79,614,895</u>	<u>74,884,368</u>
For the prior year(s)			
Current		-	(187,607)
		<u>79,614,895</u>	<u>74,696,761</u>

**36.1 Relationship between tax expense and accounting profit:**

	2025	2024	2025	2024
	%	%	Rupees	Rupees
Profit before taxation			257,944,686	243,083,991
Tax at the applicable rate	29.88%	29.00%	74,803,959	70,494,357
Effect of super tax at the rate of 3%	3.17%	0.00%	8,184,766	1,923,465
Tax effects of permanent differences	(2.12)%	(2.04)%	(5,456,511)	(4,960,898)
Prior years tax	0.00%	0.08%	-	187,607
Final Tax	0.89%	(1.16)%	2,303,186	(2,814,435)
Others	(0.09)%	4.00%	(220,505)	9,866,665
Average effective rate	<u>31%</u>	<u>30%</u>	<u>79,614,895</u>	<u>74,696,761</u>

**36.2** As at December 31, 2025, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in accounts for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

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37 EARNINGS / (LOSS) PER SHARE	Note	Rupees	Rupees
Net Profit / (loss) after tax for the year		<u>178,329,791</u>	<u>168,387,230</u>
Weighted average number of ordinary shares Outstanding		<u>73,008,243</u>	<u>73,008,243</u>
Earnings / (loss) per share - basic and diluted	37.1	<u>2.44</u>	<u>2.31</u>

37.1 There is no dilution effect on the basic earnings per share as the Company has no convertible dilutive potential ordinary shares outstanding at the year end; consequently, the reported basic earnings per share is also the diluted earnings per share.

**38 DEFINED CONTRIBUTION PLAN**

The Company has contributory provident fund scheme for benefit of all its permanent employees under the title of "Asia Insurance Company Limited Employee Provident Trust". The Fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees independent of the Company.

The Trustees have intimated that the size of the Fund at year end was Rs. 89.127 million (2024: Rs. 83.034 million). The category wise break up of investment as per section 218 of the Companies Act, 2017 is given below:

Break up of fair value of investments out of provident fund is as follows:	2025	2024
	Rupees Audited	Rupees Audited
Saving accounts	<u>77,881,647</u>	<u>25,520,005</u>
Term deposits receipts	<u>3,000,000</u>	<u>40,000,000</u>
	<u>80,881,647</u>	<u>65,520,005</u>
<b>Employees' provident fund</b>		
Size of the fund	<u>89,127,895</u>	<u>83,034,131</u>
Cost of investment made	<u>80,881,647</u>	<u>65,520,005</u>
Percentage of investment made	<u>90.75%</u>	<u>78.91%</u>
Fair value of investment	<u>80,881,647</u>	<u>65,520,005</u>

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**39 REMUNERATION OF DIRECTORS AND EXECUTIVES**

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	2025				2024			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	Rupees							
Managerial remuneration	22,200,000	-	29,810,214	52,010,214	21,135,085	-	17,189,807	38,324,892
Utilities	-	-	2,907,468	2,907,468	270,900	-	2,114,424	2,385,324
Fees	-	-	-	-	-	-	-	-
Bonus	1,665,000	-	3,173,487	4,838,487	1,354,500	-	1,833,698	3,188,198
Rent and house maintenance	-	-	12,070,424	12,070,424	650,160	-	6,471,828	7,121,988
Contribution to defined contribution plan	1,664,340	-	1,738,033	3,402,373	1,645,693	-	1,067,472	2,713,165
	<b>25,529,340</b>	<b>-</b>	<b>49,699,626</b>	<b>75,228,966</b>	<b>25,056,338</b>	<b>-</b>	<b>28,677,229</b>	<b>53,733,567</b>
	Rupees							
	2025				2024			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
Executive Directors	25,529,340	-	-	25,529,340	25,056,338	-	-	25,056,338
Non-Executive Director	-	-	-	-	-	-	-	-
	<b>25,529,340</b>	<b>-</b>	<b>-</b>	<b>25,529,340</b>	<b>25,056,338</b>	<b>-</b>	<b>-</b>	<b>25,056,338</b>
Number of persons	1	7	17	25	1	7	9	17

**39.1** The chief executive officer, directors and certain executives are also provided with Company's maintained cars for official purposes.

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**40 TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties comprise of chief executive officer, directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions and compensation to key management personnel is on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of Parties	Nature of relationship	Nature of transactions	Note	2025		2024	
				Transactions during the period	Closing Balance	Transactions during the year	Closing Balance
----- Rupees -----							
Contribution payable to provident fund	EPF	Contribution to provident fund		7,015,019	-	6,386,338	-
		Payable		-	1,191,061	-	1,391,511
Directors, their spouses and relatives (Country of origin - Pakistan and relationship - Directors, spouses and relatives)	Shareholders and relatives	Security Deposit		-	4,537,500	-	4,537,500
		Final Cash Dividend		-	-	22,664,379	-
		Bonus Shares Issued (Numbers)		-	-	-	-
		Rental paid		36,809,175	-	33,533,320	-
		Remunerations and fee		25,529,340	-	25,056,338	-
		Right of use of assets		-	41,627,306	-	59,125,730
		Lease liabilities		-	62,938,477	-	89,653,759
		Commission paid		354,846	-	223,914	-
InsuResilience Investment Fund SICAV RAIF	Shareholder	Final Cash Dividend		-	-	7,887,254	-
		Bonus Shares Issued (Numbers)		-	-	-	-
		Consultancy Fee		-	-	-	-
Executives	Key Management Personnel	Remuneration paid		49,699,626	-	28,677,229	-
		Commission paid		-	-	-	-
Tagmu (Private) Limited	Common Director	Services Charges Paid		6,736,240	-	5,507,680	-

**40.1 Basis of relationship with the company**

In respect of related parties with whom the company had entered into an agreement along with basis of relationship is as follows:

Name of related party	Country of origin	Relationship	Basis of Association	Shareholdings
InsuResilience Investment Fund SICAVRAIF	Luxembourg	Shareholder with significant influence	Shareholding	25.42%
C-Soft Private Limited	Pakistan	Related Party	Common Director	-
Omega Project Management and Consultant Private Limited	Pakistan	Related Party	Common Director	-
Zee Que Track Solutions Private Limited	Pakistan	Related Party	Common Director	-
Ace Sports Private Limited	Pakistan	Related Party	Common Director	-
Tagmu( Private) Limited	Pakistan	Related Party	Common Director	-

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**41 SEGMENT REPORTING**

**41.1** Following are the segment assets, liabilities, revenue and expenses of the Company:

Current Period ended on 31 December, 2025	Repos					
	Fire And Property Damage	Marine Aviation And Transport	Motor	Health & Personal Accident	Miscellaneous	Total
Premium received (inclusive of FED, FIF and Admin surcharge)	767,304,975	176,837,747	144,911,026	363,270,269	325,403,090	1,678,031,907
Less: Federal Excise Duty / Sales Tax	(37,480,33)	(17,307,460)	(16,512,954)	(14,011,533)	(7,000,305)	(93,013,771)
Federal Insurance Fee	(2,418,895)	(1,499,214)	(1,045,961)	(3,434,343)	(1,438,312)	(9,837,343)
Gross Written Premium (inclusive of Admin surcharge)	727,485,748	158,040,873	127,352,111	345,214,433	317,065,080	1,675,644,895
Gross direct Premium	236,738,506	142,950,785	101,245,137	345,194,036	140,218,230	966,676,631
Facultative inward Premium	485,698,612	9,384,967	23,731,783	-	71,246,280	589,061,642
Administrative surcharge	5,048,630	5,704,321	2,375,191	56,320	3,800,286	18,990,828
Insurance Premium earned	619,724,638	156,968,572	135,299,443	248,103,694	170,790,240	1,330,926,587
Insurance Premium ceded to reinsurers	(159,855,151)	(31,813,528)	(8,737,488)	-	(48,002,607)	(248,413,774)
Net Insurance Premium	459,869,487	125,155,044	126,561,955	248,103,694	122,787,633	1,073,546,114
Commission income	46,385,033	7,832,220	1	-	7,000,000	54,217,277
Net underwriting income	506,254,520	132,987,264	126,561,956	248,103,694	129,787,633	1,143,735,091
Insurance claims	(295,566,654)	(78,694,461)	(90,319,081)	(231,041,730)	(84,913,430)	(779,935,356)
Insurance claims recovered from reinsurers	228,886,329	66,684,382	40,790,482	118,040	11,075,201	347,544,435
Net claims	(66,680,325)	(12,010,079)	(49,528,679)	(231,031,690)	(73,838,229)	(432,098,923)
Commission expenses	(174,655,066)	(42,918,874)	(25,572,620)	(11,624,240)	(38,270,615)	(293,140,425)
Management expenses	(198,612,847)	(48,267,399)	(41,635,151)	(76,301,007)	(32,624,973)	(497,541,377)
Premium deficiency expense	-	-	-	(4,758,620)	-	(4,758,620)
Net Insurance claims and expenses	(671,959,238)	(189,180,332)	(116,733,420)	(324,196,144)	(124,244,633)	(1,316,288,717)
Underwriting results - balance carried forward	66,587,082	29,797,013	9,828,276	(75,982,700)	4,863,374	36,982,774
Net investment income	-	-	-	-	-	188,836,888
Other income	-	-	-	-	-	7,943,879
Other expenses	-	-	-	-	-	(10,498,640)
Finance cost	-	-	-	-	-	(10,510,674)
Profit from WTO Operations	-	-	-	-	-	46,169,039
Profit before tax	-	-	-	-	-	257,944,086
Segment assets - Conventional	714,911,224	166,197,344	99,950,829	199,460,558	164,551,357	1,344,871,312
Segment assets - Takafal OPF	19,835,081	1,334,293	1,996,830	-	1,117,604	24,264,288
Segment assets - Takafal PTF	171,130,219	22,020,179	32,264,034	-	23,780,309	257,214,741
Unallocated assets - Conventional	-	-	-	-	-	1,518,814,280
Unallocated assets - Takafal OPF	-	-	-	-	-	213,864,531
Unallocated assets - Takafal PTF	-	-	-	-	-	126,282,510
Total assets	-	-	-	-	-	3,485,698,662
Segment liabilities - Conventional	820,307,052	135,894,608	126,420,335	279,578,673	214,724,109	1,594,544,257
Segment liabilities - Takafal OPF	92,848,957	6,893,347	13,035,438	-	10,838,584	85,276,216
Segment liabilities - Takafal PTF	139,928,098	8,726,511	31,910,046	-	20,692,242	201,256,897
Unallocated liabilities - Conventional	-	-	-	-	-	(8,195,826)
Unallocated liabilities - Takafal OPF	-	-	-	-	-	213,864,531
Unallocated liabilities - Takafal PTF	-	-	-	-	-	184,220,754
Total liabilities	-	-	-	-	-	2,270,166,429

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**41.2 SEGMENT REPORTING**

Prior Period ended on December 31, 2024	Rupes					Total
	Fire And Property Damage	Marine Aviation And Transport	Motor	Health & Personal Accident	Miscellaneous	
Premium received (inclusive of FED, FIF and Admin surcharge)	627,083,932	232,625,333	176,024,057	158,696,961	139,446,960	1,333,882,243
Less: Federal Excise Duty / Sales Tax	(28,842,200)	(22,590,598)	(21,063,431)	(10,209,295)	(5,728,739)	(91,434,363)
Federal Insurance Fee	(1,857,047)	(1,979,212)	(1,339,436)	(1,479,800)	(3,093,971)	(7,659,566)
Gross Written Premium (inclusive of Admin surcharge)	596,384,685	208,055,523	153,621,190	147,006,786	129,706,250	1,234,774,434
Gross direct Premium	182,007,848	192,527,796	136,539,789	146,040,023	97,867,397	768,991,253
Facultative inward Premium	410,729,048	10,143,259	19,761,977	-	29,138,263	469,712,547
Administrative surcharge	3,647,789	5,384,468	3,379,424	58,363	3,800,390	15,070,034
Insurance Premium ceded	582,013,121	207,514,406	150,462,480	177,465,525	128,077,515	1,255,433,047
Insurance Premium ceded to reinsurers	(118,958,978)	(46,771,427)	(9,000,555)	(761,239)	(60,080,761)	(235,572,960)
Net Insurance Premium	443,054,143	160,742,979	141,461,925	176,704,266	68,916,734	999,880,057
Commission income	25,258,590	3,349,698	-	-	1,770,465	30,378,753
Net underwriting income	468,312,733	164,092,677	141,461,925	176,704,266	70,687,199	1,021,258,690
Insurance claims	(208,423,567)	(22,294,486)	(62,796,089)	(187,967,970)	(56,069,024)	(537,551,136)
Insurance claims recovered from reinsurers	119,268,945	14,335,127	9,454,215	(520,587)	(771,157)	141,764,544
Net claims	(89,154,622)	(7,959,359)	(53,341,874)	(188,490,557)	(56,840,181)	(395,781,493)
Commission expenses	(168,202,903)	(49,631,954)	(29,822,903)	(7,676,898)	(21,723,344)	(277,057,902)
Management expenses	(169,068,960)	(62,418,652)	(45,264,590)	(53,380,490)	(58,771,869)	(388,904,560)
Premium deficiency expense	-	-	-	-	6,640,836	6,640,836
Net Insurance claims and expenses	(626,435,485)	(130,009,364)	(128,425,266)	(309,747,905)	(80,693,498)	(1,265,301,178)
Underwriting results - balance carried forward	41,896,348	44,092,713	13,033,539	(79,043,639)	(10,006,299)	15,951,622
Net investment income	-	-	-	-	-	151,570,302
Other income	-	-	-	-	-	61,765,702
Other expenses	-	-	-	-	-	(8,694,603)
Finance cost	-	-	-	-	-	(12,981,166)
Profit from WTO Operations	-	-	-	-	-	35,612,394
Profit before tax	-	-	-	-	-	243,083,991
Segment assets - Conventional	616,603,127	151,059,273	116,285,596	198,336,362	116,369,629	1,208,654,899
Segment assets - Takafal OPF	9,892,112	1,140,681	1,315,438	-	983,980	13,332,211
Segment assets - Takafal PTF	67,314,389	27,113,370	23,297,079	-	22,686,023	140,410,861
Unallocated assets - Conventional	-	-	-	-	-	1,128,743,099
Unallocated assets - Takafal OPF	-	-	-	-	-	143,712,279
Unallocated assets - Takafal PTF	-	-	-	-	-	325,856,211
Total assets	-	-	-	-	-	3,077,891,790
Segment liabilities - Conventional	615,843,771	93,212,326	139,214,064	141,235,252	125,354,816	1,114,858,229
Segment liabilities - Takafal OPF	27,869,363	6,321,394	7,855,577	-	8,235,736	50,182,170
Segment liabilities - Takafal PTF	48,462,612	7,033,539	14,046,478	-	15,385,393	84,877,022
Unallocated liabilities - Conventional	-	-	-	-	-	180,758,251
Unallocated liabilities - Takafal OPF	-	-	-	-	-	1,990,514
Unallocated liabilities - Takafal PTF	-	-	-	-	-	201,442,410
Total liabilities	-	-	-	-	-	1,635,689,138

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**42 MOVEMENT IN INVESTMENTS**

	Held to maturity	Available for sale	Fair value through P&L	Total
As at January 01, 2024	235,053,472	-	85,430,962	320,484,434
Additions	311,000,000	-	119,403,487	430,403,487
Disposals (sale and redemption)	(57,649,871)	-	(15,974,640)	(73,624,511)
Amortization of PIBs	2,212,905	-	-	2,212,905
Fair value net gains (excluding net realized gains)	-	-	51,430,913	51,430,913
At beginning of January 01, 2025	<b>490,616,506</b>	-	<b>240,290,722</b>	<b>730,907,228</b>
Additions	<b>(129,000,000)</b>	-	<b>111,318,131</b>	<b>(17,681,869)</b>
Disposals (sale and redemption)	-	-	-	-
Amortization of PIBs	<b>1,756,322</b>	-	-	<b>1,756,322</b>
Fair value net gains (excluding net realized gains)	-	-	<b>68,523,076</b>	<b>68,523,076</b>
At end of current year	<b>363,372,828</b>	-	<b>420,131,929</b>	<b>783,504,757</b>

**43 MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK**

**Risk management framework**

The Company's activities expose it to a variety of financial risks; credit risk, liquidity risk and market risk. The Company's overall risk management process focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risks without any material change from previous period in the manner described in notes below. The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework and is also responsible for development of the Company's risk management policies.

**43.1 Insurance risk**

The risk under an insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim i.e. frequency and severity of claims and that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The Company's risk profile is improved by diversification of these risks of losses to a large portfolio of contracts, since a diversified portfolio is less likely to be affected by an unexpected event in single subset. The Company principally issues the general insurance cover. Risks under these policies usually cover a twelve month duration. For general insurance contracts, the most significant risks arise from fire.

Underwriting limits and retention policies and procedures precisely regulate who is authorized and accountable for concluding insurance and reinsurance contracts and at what conditions. Compliance with these guidelines is regularly checked and developments in the global, regional and local markets are closely observed, reacting, where necessary, with appropriate measures that are translated without delay into underwriting guidelines if required. The primary risk control measure in respect of the insurance risk is the transfer of the risks to third parties through reinsurance. The reinsurance business ceded is placed on a proportional and non proportional basis with retention limits varying by lines of business.

Reinsurance is used to manage insurance risk. Although the Company has reinsurance arrangements, it does not, however, discharge the Company's liability as primary insurer and thus a credit risk exposure remains with respect to reinsurance ceded to the extent that any reinsurer may be unable to meet its obligations under such reinsurance arrangements. The Company minimizes such credit risk by entering into reinsurance arrangements with reinsurers having good credit ratings, which are reviewed on a regular basis. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalization of any contract.

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**43.1.1 Frequency and severity of claims**

The frequency and severity of claims can be affected by several factors like political violence, environmental and economical, atmospheric disturbances, natural disasters, concentration of risks, civil riots etc. The Company manages these risk through the measures described above.

The Company monitors concentration of insurance risks primarily by class of business. The table below sets out the concentration of the claims and premium liabilities (in percentage terms) by class of business as at the balance sheet date:

Class of business	2025				2024			
	Gross claims liability	Net claims liability	Gross premium liability	Net premium liability	Gross claims liability	Net claims liability	Gross premium liability	Net premium liability
	%	%	%	%	%	%	%	%
Fire and property damage	55%	36%	53%	46%	59%	38%	57%	48%
Marine, aviation and transport	16%	6%	2%	10%	10%	2%	3%	17%
Motor	10%	14%	8%	8%	13%	11%	13%	12%
Health	7%	38%	22%	22%	8%	42%	14%	12%
Miscellaneous	12%	7%	15%	14%	10%	7%	13%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**43.1.2 Source of uncertainty in estimation of future claim payments**

The key source of estimation of uncertainty at the balance sheet date relates to valuation of outstanding claims, whether reported or not, and includes expected claims settlement costs. Considerable judgment by management is required in the estimation of amounts due to policyholders arising from claims made under insurance contracts. Such estimates are necessarily based on assumptions about several factors, involving varying and significant degrees of judgment and uncertainty, and actual results may differ from management's estimates resulting in future changes in estimated liabilities. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Similarly, the provision for claims incurred but not reported is based on historic reporting pattern of the claims; hence, actual amount of incurred but not reported claims may differ from the amount estimated.

**43.1.3 Key assumptions**

The principal assumption underlying the liability estimation of IBNR and Premium Deficiency Reserves is that the Company's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc. The internal factors such as portfolio mix, policy conditions and claim handling procedures are further used in this regard.

**43.1.4 Claims development**

The Company maintains adequate reserves in respect of its insurance business in order to protect itself against adverse future claims experience and developments. The uncertainties about the amount and timing of claim payments are normally resolved within one year.

Claims which involve litigation and, in the case of marine, general average adjustments take longer for the final amounts to be determined which exceed one year. Claims of last five years are disclosed in note 28.1. All amounts are presented in gross numbers before reinsurance.

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**43.1.5 Sensitivity analysis**

The insurance claims provision is sensitive to the above key assumptions. The analysis below is performed for possible movements in key assumptions, with all other assumptions held constant, showing the impact on liabilities and revenue account.

December 31, 2025	Rate	Impact on gross liabilities	Impact on profit and loss account
Current claims	+10%	76,103,536	(76,103,536)
	-10%	(76,103,536)	76,103,536

December 31, 2024	Rate	Impact on gross liabilities	Impact on profit and loss account
Current claims	+10%	50,755,204	(50,755,204)
	-10%	(50,755,204)	50,755,204

**43.2 Reinsurance risk**

An analysis of gross amount due from other insurers and reinsurers recognized by the rating of the entity from which it is due is as follows:

Rating	Amount due from reinsurers	Reinsurance recoveries against outstanding claims	Other reinsurance assets
A or above (including PRCL)	839,099,226	302,227,972	130,632,752
<b>Total</b>	<b>839,099,226</b>	<b>302,227,972</b>	<b>130,632,752</b>

**Geographical concentration of insurance risk**

To optimize benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risks with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the commercial/industrial/residential occupation of the insurers. Details regarding the fire separation/segregation with respect to the manufacturing processes, storage, utilities etc. are extracted from the layout plan of the insured facility. Such details form part of the reports which are made available to the underwriters/reinsurance personnel for their evaluation. Reference is made to the standard construction specifications as laid down by IAP (Insurance Association of Pakistan) for instance, the presence of Perfect Party Walls, Double Fire Proof Iron Doors, physical separation between the buildings within an insured's premises. It is basically that the property contained within an area which is separated by another property by sufficient distance to confine insured damage from uncontrolled fire and explosion under the most adverse conditions to that one area.

Address look up and geocoding is the essential field of the policy data interphase of IT systems. It provides instant location which is dependent on data collection provided under the policy schedule. All critical underwriting information is punched into the IT system/application through which a number of MIS reports can be generated to assess the concentration of risk.

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For Marine risk, complete underwriting details, besides sums insured and premiums, like vessel identification, voyage input (sea/air/inland transit), sailing dates, origin and destination of the shipments, per carry limits etc. are fed into the IT system. The reinsurance module of the IT system is designed to satisfy the requirements as laid down in the proportional treaty agreement. Shipment declarations are also endorsed on the policies. Respective reinsurance cessions are automatically made upon the posting of policy documents.

**Reinsurance arrangements**

Keeping in view the maximum exposure in respect of key zone aggregates, a number of proportional and non proportional reinsurance arrangements are in place to protect the net account in case of a major catastrophe. Apart from the adequate event limit which is a multiple of the treaty capacity or the primary recovery from the proportional treaty, any loss over and above the said limit would be recovered from the non proportional treaty which is very much in line with the risk management philosophy of the Company.

The Company monitors concentration of insurance risks primarily by class of business. The table below sets out the concentration of the claims and premium liabilities (in percentage terms) by class of business as at the balance sheet date:

Direct and Facultative	Gross sum insured		Reinsurance		Net	
	2025	2024	2025	2024	2025	2024
	Rupees					
Fire and property damage	619,667,772,214	477,787,714,372	155,819,682,428	468,231,960,085	464,648,689,786	9,555,754,287
Marine, aviation and transport	246,148,911,936	295,077,758,073	60,845,526,968	289,176,202,912	186,103,384,968	5,901,555,161
Motor	9,408,389,810	10,683,055,503	593,265,276	10,390,994,393	8,895,124,534	212,061,110
Health & PA	15,451,571,000	7,102,515,933	-	-	15,451,571,000	7,102,515,933
Miscellaneous	31,753,375,342	15,804,529,817	6,816,799,629	15,488,499,221	24,936,575,713	316,890,596
<b>Total</b>	<b>922,510,828,302</b>	<b>806,375,373,698</b>	<b>222,474,674,300</b>	<b>783,287,506,810</b>	<b>699,835,344,602</b>	<b>23,087,777,688</b>

**Sources of Uncertainty in estimation of future claim payments**

Claims on general insurance contracts are payable on a claim occurrence basis. The Company is liable for all insured events that occur during the term of the insurance contract.

An estimated amount of the claim is recorded immediately on intimation to the Company. The estimation of the amount is based on the amount notified by the policy holder, management or preliminary assessment by the independent surveyor appointed for this purpose. The initial estimates include expected settlement cost of the claims. Incurred But Not Reported (IBNR) claims have been estimated using Chain Ladder (CL) methodology. The Chain Ladder (CL) Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level. IBNR for all classes is determined and recognized in accordance with valuation carried out by an appointed actuary which is also based on Chain Ladder (CL) method.

There are several variable factors which affect the amount and timing of recognized claim liabilities. However, the management considers that uncertainty about the amount and timing of claim payments is generally resolved within a year. The Company takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities. It is likely that final settlement of these liabilities may be different from recognized amounts.

**Changes in assumptions**

The principal assumption underlying the liability estimation of IBNR and Premium Deficiency Reserves is that the Company's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc.

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**43.3 Financial risk**

**43.3.1 Credit risk**

Credit risk is the risk that the counter party to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulatory requirements.

**Exposure to credit risk**

The maximum exposure to credit risk before any credit enhancements at December 31, 2025 is the carrying amount of the financial assets as set out below:

Nature of financial assets	2025	2024
	Empena	Rupers
Investments		
Equity securities	425,151,523	240,290,722
Debt securities	81,372,828	79,516,506
Term deposits	282,000,000	411,000,000
	<u>788,524,351</u>	<u>730,807,228</u>
Loans and other receivables	135,256,071	96,527,961
Insurance / reinsurance receivables	1,041,900,198	724,169,804
Reinsurance recoveries against outstanding claims	352,227,572	175,704,619
Cash and bank	77,705,211	61,500,249
	<u>2,348,395,203</u>	<u>1,788,909,861</u>

**Concentration of credit risk**

Concentration of risks arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Company's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties, thereby mitigating any significant concentration of credit risk. Provision for impairment is made for doubtful receivables according to the Company's policy.

The remaining past due balances were not impaired as they relate to a number of policy holders and other insurers / reinsurers for whom there is no history of default. The credit quality of the banks with which Company has balances including TDR's can be assessed with reference to external credit ratings as follows:

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Name of banks	Rating		Rating agency	2025	2024
	Short term	Long term			
----- Rupees -----					
<b>Cash at bank</b>					
JS Bank Limited	A1+	AA	PACRA	720,396	40,102
United Bank Limited	A1+	AAA	JCR-VIS	21,977,291	1,198,414
Summit Bank Limited*(BML)	N/A	N/A	-	7,071,234	7,842,533
Silk Bank Limited	A-2	A-	JCR-VIS	114,279	109,015
MCB Bank Limited	A1+	AAA	PACRA	200,000	200,000
Askari Bank Limited	A1+	AA+	PACRA	515	41,019
Faysal Bank Limited	A1+	AA	PACRA	7,088,473	9,644,521
Habib Bank Limited	A1+	AAA	JCR-VIS	11,379,770	1,691,906
The Bank of Khyber	A1	AA-	JCR-VIS	1,307	1,244
Soneri Bank Limited	A1+	AA-	PACRA	55,518	1,507,804
Bank of Azad Jammu Kashmir*	N/A	N/A	-	33,789	33,789
Punjab Provincial Co-operative Bank*	A-2	BBB+	-	15,215	15,215
The Bank of Punjab	A1+	AA+	PACRA	340	590
Bank Al - Habib Limited	A1+	AAA	PACRA	1,612,093	961,426
Zaraai Taraqiyati Bank Limited	A1+	AAA	JCR-VIS	723,162	720,985
National Bank of Pakistan	A1+	AAA	PACRA	2,918,427	7,914,282
Khushhali Microfinance Bank Limited	A2	A-	JCR-VIS	427,465	362,371
Dubai Islamic Bank Limited	A1+	AA	JCR-VIS	85,981	85,981
Samba Bank Limited	A1+	AA	PACRA	11,570	269,611
Sindh Bank Limited	A1+	AA-	JCR-VIS	8,765	8,865
NRSP Microfinance Bank Limited	A2	A-	JCR-VIS	18,593,427	24,475,252
U Microfinance Bank Limited	A1	A+	JCR-VIS	81,097	744,550
Finca Microfinance Bank Limited	A3	BBB+	PACRA	143,429	1,207,371
The Karakum Co-Operative Bank Limited	N/A	N/A	-	990,710	991,490
Bank Alfalah Limited	A1+	AAA	PACRA	3,007,586	1,429,569
LOLC Microfinance Bank	A2	A-	JCR-VIS	444,372	2,344
				77,706,211	61,500,249
<b>TDRs</b>					
NRSP Microfinance Bank Limited	A-2	A-	JCR-VIS	52,000,000	250,000,000
U Microfinance Bank Limited	A-1	A+	JCR-VIS	80,000,000	110,000,000
Bank Al-Habib	A1+	AAA	JCR-VIS	-	41,000,000
FINCA Microfinance	A3	BBB+	PACRA	50,000,000	-
LOLC Microfinance Bank	A-2	A-	JCR-VIS	100,000,000	10,000,000
				282,000,000	411,000,000

\* Credit ratings are not available.

The following are the contractual maturities of financial assets and liabilities on an undiscounted cash flow basis:

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<b>Financial liabilities as at December 31, 2025</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>More Than One Year</b>
Outstanding Claims Including IBNR	484,749,495	484,749,495	-
Insurance / Reinsurance Payables	129,435,319	129,435,319	-
Retirement Benefit Obligations	1,191,061	1,191,061	-
Other Creditors and Accruals	157,431,248	157,431,248	-
	<b>772,807,123</b>	<b>772,807,123</b>	<b>-</b>

<b>Financial liabilities as at December 31, 2024</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>More Than One Year</b>
Outstanding Claims Including IBNR	309,940,175	309,940,175	-
Insurance / Reinsurance Payables	149,522,136	149,522,136	-
Retirement Benefit Obligations	1,391,511	1,391,511	-
Other Creditors and Accruals	113,957,737	113,957,737	-
	<b>574,811,559</b>	<b>574,811,559</b>	<b>-</b>

<b>Financial Assets as at December 31, 2025</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>From 1 - 2 years</b>
Insurance / Reinsurance Receivables	1,041,900,198	1,041,900,198	-
Reinsurance Recoveries Against Outstanding Claims	302,227,972	302,227,972	-
Accrued investment income	27,332,513	27,332,513	-
Balance with brokers	60,202,866	60,202,866	-
Security deposits	22,328,127	22,328,127	-
Other receivable	25,392,565	25,392,565	-
	<b>1,479,384,241</b>	<b>1,479,384,241</b>	<b>-</b>

<b>Financial Assets as at December 31, 2024</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>From 1 - 2 years</b>
Insurance / Reinsurance Receivables	724,169,804	724,169,804	-
Reinsurance Recoveries Against Outstanding Claims	175,704,619	175,704,619	-
Accrued investment income	58,297,369	58,297,369	-
Balance with brokers	56,671	56,671	-
Security deposits	17,791,913	17,791,913	-
Other receivable	20,482,008	20,482,008	-
	<b>996,502,384</b>	<b>996,502,384</b>	<b>-</b>

The credit quality of amount due from other insurers/ reinsurers and reinsurance recoveries against outstanding claims can be assessed with reference to external credit ratings as follows:

	<b>Amount due from other insurers / reinsurers</b>	<b>Reinsurance recoveries against outstanding claims</b>	<b>-----Rupees-----</b>	
			<b>2025</b>	<b>2024</b>
A or above (including PRCL)	722,970,615	253,227,972	976,198,587	622,251,808
Below A	513,409	-	513,409	794,793
Others	115,615,202	49,000,000	164,615,202	120,125,086
<b>Total</b>	<b>839,099,226</b>	<b>302,227,972</b>	<b>1,141,327,198</b>	<b>743,171,687</b>

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**Impaired assets**

The impairment provision is written-off when the Company expects that it cannot recover the balance due. During the year, receivables of Rs. 5.49 million (2024: Nil ) were impaired and provided for.

**43.3.2 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In the case of the Company, the liquidity level remained on satisfactory level during the year and Company did not face any difficulty in generation of liquidity.

The following are the contractual maturities of financial liabilities including estimated interest payments on an undiscounted cash flow basis:

	2025			
	Carrying amount	Contractual cash flows	Up to one year	More than one year
-----Rupees-----				
<b>Financial liabilities:</b>				
Outstanding claims including IBNR	484,749,495	484,749,495	484,749,495	-
Insurance / Reinsurance payables	129,435,319	129,435,319	129,435,319	-
Other Creditors and Accruals	157,431,248	157,431,248	157,431,248	-
Lease Liabilities	84,771,237	100,829,635	53,998,774	46,830,861
	856,387,299	872,445,697	825,614,836	46,830,861
-----Rupees-----				
2024				
	Carrying amount	Contractual cash flows	Up to one year	More than one year
-----Rupees-----				
<b>Financial liabilities:</b>				
Outstanding claims including IBNR	309,940,175	309,940,175	309,940,175	-
Insurance / Reinsurance payables	149,522,136	149,522,136	149,522,136	-
Other Creditors and Accruals	113,957,737	113,957,737	113,957,737	-
Lease Liabilities	110,531,151	133,965,774	55,160,934	78,804,840
	683,951,199	707,385,822	628,580,982	78,804,840

**Sensitivity analysis**

The risks associated with the insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The sensitivity analysis is performed on the same basis as that of last year. The Company makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Company considers that the liability for insurance claims recognized in the balance sheet is adequate. However, actual experience will differ from the expected outcome.

As the company enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of reinsurance.

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	Pre tax Profit		Shareholders' equity	
	2025	2024	2025	2024
	Rupees			
<b>10% decrease in Profit</b>				
Fire and property damage	(6,668,033)	(8,915,462)	(4,734,303)	(6,329,978)
Marine aviation and transport	(1,201,008)	(795,936)	(852,716)	(565,115)
Motor	(4,952,868)	(5,334,187)	(3,516,536)	(3,787,273)
Health	(23,143,168)	(18,849,056)	(16,431,649)	(13,382,830)
Miscellaneous	(5,333,784)	(2,684,108)	(3,786,987)	(1,905,717)
	<b>(41,298,861)</b>	<b>(36,578,749)</b>	<b>(29,322,191)</b>	<b>(25,970,912)</b>

**43.3.3 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities. This can be due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Market risk comprises of three types of risks: price risk, interest rate risk and currency risk.

**43.3.4 Price risk**

Primarily, the Company's equity investments are exposed to the price risk. Price risk is limited by the Company through diversification of its portfolio and active monitoring of capital markets.

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted equity securities amounting to Rs. 122/- million (2024: 103/- million) at the balance sheet date.

The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favorable. The Company strives to maintain above average levels of shareholders' capital to provide a margin of safety against short term equity price volatility. The Company manages price risk by monitoring exposure in quoted equity securities and implementing strict discipline in internal risk management and investment policies.

The carrying value of investments subject to equity price risk are based on quoted market prices as of the balance sheet date and available for sale equity instruments which are stated at fair value.

Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold. The Company has no significant concentration of price risk.

**Sensitivity analysis**

The table below summarizes company's equity price risk as of December 31, 2025 and 2024 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios, results could be worse because of the nature of equity markets.

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	Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase/(decrease) in profit before tax
December 31, 2025	121,752,626	10% increase	133,927,889	8,644,436	12,175,263
		10% decrease	109,577,363	(8,644,436)	(12,175,263)
December 31, 2024	102,545,240	10% increase	112,799,764	7,280,712	10,254,524
		10% decrease	92,290,716	(7,280,712)	(10,254,524)

**43.3.5 Interest/mark up rate risk**

Interest/mark up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest/mark up rates. Sensitivity to interest/mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The company manages these mismatches through risk management strategies.

The financial instruments of the Company can be classified into fixed rate instruments and variable rate instruments as shown below:

	2025	2024	2025	2024
	Effective interest rate (in %)		Rupees	Rupees
<b>Financial assets</b>				
Saving accounts	8.75% to 12%	8.75% to 14%	53,917,114	44,364,136
Deposits maturing within 12 months - Fixed rate	12% to 14.25%	15.5 % to 23.25%	282,000,000	411,000,000
Investments				
- Interest bearing - Fixed rate	11% to 12%	7.5% to 12%	81,372,828	79,616,506
			<b>417,289,942</b>	<b>534,980,642</b>

**Sensitivity analysis for fixed rate instruments**

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at reporting date would not affect profit and loss account.

**Sensitivity analysis for variable rate instruments**

An increase of 100 basis points in interest rates would have increased the profit and loss by the amounts shown below. Reduction in interest rates by 100 basis points would have an opposite impact. This analysis assumes that all variables remain constant. The analysis has been performed on the same basis for the comparative period.

	Profit before tax		Total equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	-----Rupees-----			
As at December 31, 2025	4,172,899	(4,172,899)	2,962,758	(2,962,758)
As at December 31, 2024	5,349,806	(5,349,806)	3,798,362	(3,798,362)

Above sensitivities are calculated on the assumption that all factors remain constant except interest rates and resulting variation in fair values of the investments and impact on the profit and loss.

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The Company monitors the interest rate environment on a regular basis and alters the portfolio mix of fixed and floating rate securities. The Company's policy requires the management to manage the risk by measuring the mismatch of the interest rate sensitivity gap of financial assets and liabilities and calculating the average duration of the portfolio of fixed interest securities. The average effective duration of the Company's portfolio is a measure of the sensitivity of the fair value of the Company's fixed interest securities to the changes in market interest rates.

The Company's policy refrains from the holding of interest bearing instruments that induce the average effective duration of the fixed interest portfolio to pass the benchmark of the average duration.

Interest rate of the Company's financial assets and financial liabilities as at December 31, 2025 can be evaluated from the note 46.

**43.3.6 Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company, at present is not materially exposed to currency risk as majority of the transactions are carried out in Pakistani rupees.

**44 CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. The Company's overall strategy remains unchanged from 2012. The company has not obtained long term finance and short term borrowings, therefore gearing ratio of the company is not applicable. In accordance with S.R.O. 89(I)/2017 of Securities and Exchange Commission of Pakistan (SECP), minimum paid up capital requirement to be complied with by Insurance Companies at the end of each year are as follows:

	2025	2024	2023
	(Rupees)		
Minimum paid up capital	500,000,000	500,000,000	500,000,000

**45 Fair value of financial instruments**

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

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

Level 2: Valuation techniques for which the lowest level input for which the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input for which the fair value measurement is unobservable. Carrying amount of assets measured under historical cost convention approximate their fair value. Further, fair value of certain assets measured under present value convention is not determinable.

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45.1 Hierarchy of fair value basis

2025								
Held for trading	Held to maturity	Receivables and other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees								
<b>Financial assets - measured at fair value</b>								
<b>Investments</b>								
- Equity securities	420,131,929	-	-	420,131,929	420,131,929	-	-	420,131,929
- Equity securities - WTO	109,119,776	-	-	109,119,776	109,119,776	-	-	109,119,776
<b>Financial assets - not measured at fair value</b>								
<b>Investments</b>								
- Term deposit*	-	282,000,000	-	282,000,000	-	282,000,000	-	282,000,000
- Debt securities	-	81,572,828	-	81,572,828	-	81,572,828	-	81,572,828
- Term deposit* - WTO	-	50,000,000	-	50,000,000	-	50,000,000	-	-
Loan and other receivable*	-	-	135,256,871	135,256,871	-	-	-	-
Insurance / reinsurance receivable*	-	-	1,041,990,198	1,041,990,198	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	302,227,972	302,227,972	-	-	-	-
Cash and bank*	-	-	77,786,211	77,786,211	-	-	-	-
Cash and bank* - WTO	-	-	74,444,826	74,444,826	-	-	-	-
Other Assets of Window Takafal Operations - Operator's Fund*	-	-	51,868,426	51,868,426	-	-	-	-
Other Assets of Window Takafal Operations - Participants' Fund*	-	-	258,548,130	258,548,130	-	-	-	-
	529,251,705	413,372,828	1,933,943,834	2,876,568,367	529,251,705	413,372,828	-	992,624,533
2024								
Held for trading	Held to maturity	Receivables and other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees								
<b>Financial liabilities - not measured at fair value</b>								
<b>Outstanding claims including IBNR</b>								
- Lease Liabilities	-	-	484,749,495	484,749,495	-	-	-	-
Insurance / reinsurance payables*	-	-	84,771,237	84,771,237	-	-	-	-
Other creditors and accruals*	-	-	129,435,319	129,435,319	-	-	-	-
Other Liabilities of Window Takafal Operations - Operator's Fund*	-	-	157,431,248	157,431,248	-	-	-	-
Other Liabilities of Window Takafal Operations - Participants' Fund*	-	-	37,228,599	37,228,599	-	-	-	-
	-	-	173,498,625	173,498,625	-	-	-	-
	-	-	1,067,186,513	1,067,186,513	-	-	-	-

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

**Valuation techniques**

Fair value of investments classified as held to maturity is assessed using level 2 inputs usually closing market price as per rates prescribed by Financial Market Association of Pakistan by using PKRV rates at reporting date per certificates multiplied by the number of certificates held.

Fair value of Investments at fair value through profit or loss is determined using level 1 inputs i.e., quoted market prices of listed securities / NAVs of open end mutual funds.

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

2024								
Hold for trading	Hold to maturity	Receivables and other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Riyals								
<b>Financial assets - measured at fair value</b>								
<b>Investments</b>								
- Equity securities	240,290,722	-	-	240,290,722	240,290,722	-	-	240,290,722
<b>Financial assets - not measured at fair value</b>								
<b>Investments</b>								
- Debt securities	-	79,516,506	-	79,516,506	-	-	-	-
- Term deposit*	-	411,000,000	-	411,000,000	-	411,000,000	-	411,000,000
- Term deposit* - WTO	-	50,000,000	-	50,000,000	-	50,000,000	-	50,000,000
Loans and other receivables*	-	-	96,627,961	96,627,961	-	-	-	-
Insurance / reinsurance receivables*	-	-	724,169,804	724,169,804	-	-	-	-
Reinsurance movement against outstanding claims*	-	-	173,704,619	173,704,619	-	-	-	-
Cash and bank*	-	-	61,590,249	61,590,249	-	-	-	-
Cash and bank* - WTO	-	-	129,046,340	129,046,340	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund*	-	-	90,622,249	90,622,249	-	-	-	-
Other Assets of Window Takaful Operations - Participants' Fund*	-	-	117,635,106	117,635,106	-	-	-	-
240,290,722	940,616,306	1,239,345,322	-	2,176,272,230	240,290,722	461,000,000	-	701,290,722

2024								
Hold for trading	Hold to maturity	Receivables and other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Riyals								
<b>Financial liabilities - not measured at fair value</b>								
<b>Outstanding claims including IBNR</b>								
-	-	-	309,940,175	309,940,175	-	-	-	-
<b>Lease Liabilities</b>								
-	-	-	110,551,151	110,551,151	-	-	-	-
<b>Insurance / reinsurance payables*</b>								
-	-	-	149,522,136	149,522,136	-	-	-	-
<b>Other creditors and accruals*</b>								
-	-	-	138,088,357	138,088,357	-	-	-	-
<b>Total Liabilities of Window Takaful Operations - Operator's Fund*</b>								
-	-	-	24,062,082	24,062,082	-	-	-	-
<b>Total Liabilities of Window Takaful Operations - Participants' Fund*</b>								
-	-	-	128,569,211	128,569,211	-	-	-	-
-	-	-	860,713,112	860,713,112	-	-	-	-

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

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**46 INTEREST RATE RISK**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from investment in PIBs, and TDRs. Following table shows the interest rate profile of the Company's interest bearing financial instruments at the balance sheet date:

FINANCIAL ASSETS AND LIABILITIES	Effective Yield / Interest rate	2025						Total
		Interest mark-up bearing			Non-interest/ non mark-up bearing			
		Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Rpases								
<b>FINANCIAL ASSETS</b>								
<b>Investments</b>								
Equity Securities	-	-	-	-	428,131,928	-	428,131,928	428,131,928
Debt Securities	11% to 12%	-	81,372,828	81,372,828	-	-	-	81,372,828
Term Deposits	12% to 14.25%	282,880,000	-	282,880,000	-	-	-	282,880,000
Equity Securities - WFO	-	-	-	-	189,819,776	-	189,819,776	189,819,776
Term Deposits - WFO	9.5%	50,000,000	-	50,000,000	-	-	-	50,000,000
Loans and Other Receivables	-	-	-	-	135,256,071	-	135,256,071	135,256,071
Insurance / Reinsurance Receivables	-	-	-	-	1,641,968,198	-	1,641,968,198	1,641,968,198
Reinsurance Recoveries Against Outstanding Claims	-	-	-	-	382,237,972	-	382,237,972	382,237,972
Cash and Bank	8.75% to 12%	53,917,114	-	53,917,114	23,789,697	-	23,789,697	77,706,811
Cash and Bank - Window Takafal Operations	5.87% to 9.5%	74,444,826	-	74,444,826	-	-	-	74,444,826
Other assets of Window Takafal Operations - OPF	-	-	-	-	51,868,126	-	51,868,126	51,868,126
Other assets of Window Takafal Operations - PTF	-	-	-	-	288,548,138	-	288,548,138	288,548,138
		480,261,044	81,372,828	561,633,872	2,334,837,699	-	2,334,837,699	2,876,506,571
<b>FINANCIAL LIABILITIES</b>								
Outstanding Claims Including IBNR	-	-	-	-	484,748,495	-	484,748,495	484,748,495
Retirement benefit obligation	-	-	-	-	1,391,861	-	1,391,861	1,391,861
Lease Liabilities	-	33,998,774	24,772,662	58,771,437	-	-	-	58,771,437
Insurance / Reinsurance Payables	-	-	-	-	129,435,349	-	129,435,349	129,435,349
Other Creditors and Accruals	-	-	-	-	157,431,248	-	157,431,248	157,431,248
Other liabilities of Window Takafal Operations - OPF	-	-	-	-	37,238,589	-	37,238,589	37,238,589
Other liabilities of Window Takafal Operations - PTF	-	-	-	-	173,498,625	-	173,498,625	173,498,625
		33,998,774	24,772,662	58,771,437	963,356,317	-	963,356,317	1,668,297,874

FINANCIAL ASSETS AND LIABILITIES	Effective Yield / Interest rate	2024						Total
		Interest mark-up bearing			Non-interest/ non mark-up bearing			
		Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
Rpases								
<b>FINANCIAL ASSETS</b>								
<b>Investments</b>								
Equity Securities	-	-	-	-	340,296,722	-	340,296,722	340,296,722
Debt Securities	7.5% to 12%	-	79,615,506	79,615,506	-	-	-	79,615,506
Term Deposits	11.5% to 23.25%	411,000,000	-	411,000,000	-	-	-	411,000,000
Term Deposits - WFO	17.8%	50,000,000	-	50,000,000	-	-	-	50,000,000
Loans and Other Receivables	-	-	-	-	95,627,961	-	95,627,961	95,627,961
Insurance / Reinsurance Receivables	-	-	-	-	724,168,884	-	724,168,884	724,168,884
Reinsurance Recoveries Against Outstanding Claims	-	-	-	-	175,704,619	-	175,704,619	175,704,619
Cash and Bank	5.17% to 7.4%	46,264,136	-	46,264,136	17,196,113	-	17,196,113	63,460,249
Cash and Bank - Window Takafal Operations	5.87% to 9%	120,062,348	-	120,062,348	-	-	-	120,062,348
Other assets of Window Takafal Operations - OPF	-	-	-	-	80,622,249	-	80,622,249	80,622,249
Other assets of Window Takafal Operations - PTF	-	-	-	-	117,635,188	-	117,635,188	117,635,188
		614,410,476	79,615,506	714,025,982	1,462,246,568	-	1,462,246,568	2,176,271,558
<b>FINANCIAL LIABILITIES</b>								
Outstanding Claims Including IBNR	-	-	-	-	389,940,175	-	389,940,175	389,940,175
Lease Liabilities	-	55,168,934	55,370,217	110,539,151	-	-	-	110,539,151
Insurance / Reinsurance Payables	-	-	-	-	149,522,136	-	149,522,136	149,522,136
Other Creditors and Accruals	-	-	-	-	138,088,357	-	138,088,357	138,088,357
Other liabilities of Window Takafal Operations - OPF	-	-	-	-	24,062,082	-	24,062,082	24,062,082
Other liabilities of Window Takafal Operations - PTF	-	-	-	-	128,569,211	-	128,569,211	128,569,211
		55,168,934	55,370,217	110,539,151	790,181,961	-	790,181,961	880,713,112

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

47 STATEMENT OF SOLVENCY	2025
ASSETS	Rupees
Property and Equipment	198,040,892
Investment Property	40,827,320
Investments	
Equity Securities	420,131,929
Debt Securities	81,371,828
Term Deposits	232,800,000
Total Assets of Window Takaful Operations - OPF	237,318,819
Total Admissible Assets of Window Takaful Operations - PTF	312,999,294
Loans and Other Receivables	136,286,871
Insurance / Reinsurance Receivables	1,041,900,198
Reinsurance Recoveries Against Outstanding Claims	302,227,972
Deferred Commission Expense / Acquisition Cost	152,796,429
Prepayments	130,632,752
Cash and Bank	77,706,211
<b>Total assets (A)</b>	<b>3,413,220,705</b>
<b>In-admissible assets as per following clauses of section 32(2) of the Insurance Ordinance, 2000</b>	
(g) any body that is related to insurers	4,537,980
(h) Insurance / Reinsurance receivables	810,879,615
(j) Deferred Taxation	-
(k) Amounts available to the insurer under guarantees	20,462,587
(u) i. Vehicle, ii. Office Equipment and iii. Furniture and fittings iv. Computers	70,084,738
<b>Total of Inadmissible assets (B)</b>	<b>905,964,440</b>
<b>Total Admissible assets (C=A-B)</b>	<b>2,507,256,265</b>
<b>Total Liabilities</b>	
Total Liabilities of Window Takaful Operations - OPF	86,158,856
Total Liabilities of Window Takaful Operations - PTF	312,218,553
Underwriting Provisions	
Outstanding Claims Including IBNR	484,749,495
Unearned Premium Reserves	790,987,808
Premium Deficiency Reserve	4,758,620
Unearned Reinsurance Commission	28,887,222
Provision for Taxation & Levies	25,878,951
Retirement Benefit Obligations	1,191,061
Insurance / Reinsurance Payables	129,435,319
Lease Liabilities	84,771,237
Other Creditors and Accruals	241,002,009
<b>Total liabilities (D)</b>	<b>2,190,039,131</b>
<b>Total net Admissible assets (E=C-D)</b>	<b>317,217,134</b>
<b>Minimum Solvency Requirement (higher of following)</b>	
Method A - U/s 36(3)( a )	150,000,000
Method B - U/s 36(3)( b )	232,191,563
Method C - U/s 36(3)( c )	98,005,899
	<b>232,191,563</b>
<b>Excess / Deficit in Net Admissible Assets over Minimum Requirements</b>	<b>85,025,571</b>

**ASIA INSURANCE COMPANY LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2025**

**48 RISK MANAGEMENT FRAMEWORK**

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee. The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

**49 NUMBER OF EMPLOYEES**

	2025	2024
Number of employees at the end of the year	234	235
Average number of employees during the year	230	227

**50 CORRESPONDING FIGURES**

Corresponding figures have been rearranged, and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, except for the reasons mentioned in note 4.3 of these financial statements, no significant rearrangements have been made.

Conventional financial statements do not have any figures under Islamic mode.

**51 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 26, March 2026 by the Board of Directors of the Company.

**52 GENERAL**

The figures in the financial statements has been rounded off to the nearest Rupee unless otherwise stated.



Chairman



Chief Executive Officer



Director



Director



Chief Financial Officer



Asia Insurance  
Company Limited -  
Window Takaful Operations

Financial Statements  
As at December 31, 2025





## Shari'ah Advisor's Report to the Board of Directors For the year ended December 31, 2025

نحمده و نصلي على رسوله الكريم اما بعد

The year 2025 marked the ninth year of Asia Insurance Company Limited's Window Takaful Operations (AI WTO). The launch of these operations has been a significant step towards promoting a comprehensive Islamic economic system by providing Shariah-compliant alternatives to conventional insurance.

As the Shariah Advisor of AI WTO, it is my responsibility to ensure that the participant membership documents, underwriting procedures, Re-Takaful arrangements, and all financial activities related to participants and stakeholders comply with Shariah rulings. Conversely, it is the responsibility of AI WTO's management to adhere to the Takaful rules and guidelines set by the Shariah Advisor and to obtain prior approval for all contracts and services offered by AI WTO. As the Shariah Advisor of AI WTO, I confirm the following:

- **Review of Products:** I have carefully reviewed all products of AI WTO, including the Waqf Deed, PTF Policies, Takaful Policies, and Re-Takaful Agreements. I have found them to be in accordance with Shariah principles.
- **Conversion to Full Takaful Company:** We have developed and submitted a comprehensive strategic plan to the Securities and Exchange Commission of Pakistan (SECP) to convert Asia Insurance Company Limited into a full-fledged Takaful Company. This transition reflects our commitment to becoming a purely Shariah-compliant entity.
- **Shariah & Legal Consultancy:** The management of AI WTO consistently seeks guidance on day-to-day operations. I confirm that we have provided continuous Shariah supervision alongside legal and regulatory advice to ensure that all business practices are not only Shariah-compliant but also aligned with the prevailing legal framework.
- **Segregation of Funds:** AI WTO continues to prioritize the strict segregation of all Takaful Funds, investments, bank accounts, and systems from its conventional insurance business, as mandated by Shariah.
- **Securing Shariah-Compliant Funds:** To meet the financial needs of the operations, Shariah-compliant funds were secured, and all expenses, including the Waqf seed money, were covered using these specialized funds.

I extend my gratitude to the Board of Directors, the Management, and all departments for their unwavering support and cooperation in ensuring Shariah compliance in our practices.

In closing, I pray that Allah Almighty accepts our efforts and grants financial prosperity and success to Asia Insurance Company Ltd.

"And Allah Knows Best"



Dr Mufti Muhammad Akhlaq  
Shariah Advisor,  
Asia Insurance Company Ltd,  
Window Takaful Operations  
Date: March 04, 2026

## STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

The financial arrangements, contracts and transactions, entered into by Window Takaful Operations of Asia Insurance Company Limited ('the Company') for the year ended December 2025 are in compliance with the Takaful Rules, 2012.

Further we confirmed that:

- The Company has developed and implemented all the policies and procedures in accordance with takaful rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such ruling and Takaful rules, 2012 in their overall operations. Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the audit Committee / Shariah Advisor and the Board of Directors have been implement;
- The Company has imparted training / orientations and ensured availability of all manuals / arrangements approved by Shariah Advisor / Board of Directors to maintain the adequate level of awareness, capacity and sensitization of the staff, management
- All the products and polices have been approval by the Shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window Takaful Operations are in accordance with the policies approved by Shari Advisor; and
- The assets and liabilities of Window Takaful Operations (Participants' Takaful Fund and Operator's Fund) are segregated from its other assets and liabilities, at all times in accordance with the provisions of the takaful rules, 2012.

This has been duly confirmed by the Shariah Advisor of the Company.



Zain ul Haq Qureshi  
Chief Executive Officer

## INDEPENDENT REASONABLE ASSURANCE REPORT TO THE BOARD OF DIRECTORS ON THE MANAGEMENT'S STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

We were engaged by the Board of Directors of Asia Insurance Company Limited (the Operator) to report on the annexed Statement of Compliance (the Statement) with the Shariah Principles of the Window Takaful Operations (Takaful Operations) of the Company, as set out in the annexed Statement prepared by the management for the year ended 31 December 2025, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the Statement presents fairly the status for the year ended 31 December 2025 of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

### **The Management's Responsibilities**

The management of the Company is responsible for designing, implementing, and maintaining internal controls relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012 and other applicable laws and regulations.

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Takaful Operations comply with laws and regulations applicable to its activities. It is also responsible for ensuring that the management, where appropriate, those charged with governance, and personnel involved with the Takaful Operations compliance with the Takaful Rules, 2012 are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

### **Auditor's Responsibilities**

Our responsibility is to examine the annexed statement prepared by management and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our judgment, including the assessment of the risks of non-compliances with the Takaful Rules, 2012, whether due to fraud or error.

In making those risk assessments, we have considered internal controls relevant to the preparation of the Statement in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the preparation of the Statement. Our engagement also included assessing the appropriateness of the compliance with Shariah Principles, the suitability of the criteria used by the management in preparing the Statement in the circumstances of the engagement, evaluating the appropriateness of the methods, policies and procedures, and models used in the preparation of the Statement and the reasonableness of estimates made by the management and evaluating the overall presentation of the Statement. Reasonable assurance is less than absolute assurance.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Statement nor of the underlying records or other sources from which the statement was extracted.

#### **The procedures performed included:**

- Evaluating the systems, procedures and practices in place with respect to the Takaful operations in compliance with the Takaful Rules, 2012 and Shariah advisor's guidelines;
- Evaluating the governance arrangements including the reporting of events and status relating to Takaful Operations to those charged with relevant responsibilities, such as the Audit Committee / Shariah Advisor and the Board of Directors;
- Testing transactions relating to Takaful operations, using an appropriate sample, to assess compliance of tested transactions carried out in compliance with the laid down procedures and practices including the regulations relating to Takaful operations as laid down in Takaful Rules, 2012;
- Inspecting the Statement to assess whether it is prepared in accordance with Shariah Principles of Takaful Rules, 2012; and
- In performing our assurance procedures, necessary guidance on Shariah matters was provided by independent Shariah scholar.

#### **Characteristics and Limitations of the Statement**

A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with Takaful Rules, 2012, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

#### **Applicable Criteria**


The criteria against which the subject matter information (the Statement) is assessed comprise of the provisions of Takaful Rules, 2012, issued by Securities and Exchange Commission of Pakistan (SECP).

#### **Conclusion**

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the annexed statement, for the year ended 31 December 2025, presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

The engagement partner responsible for the independent reasonable assurance reports is Bushra Sana.

  
ILYAS SAEED & CO.  
CHARTERED ACCOUNTANTS  
LAHORE  
DATED 26, March 2026

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ASIA INSURANCE  
COMPANY LIMITED (WINDOW TAKAFUL OPERATIONS)  
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinion**

We have audited the annexed financial statements of **Asia Insurance Company Limited- Window Takaful Operations** (the Operator), which comprise the statement of financial position of OPF and PTF as at December 31, 2025, and the profit and loss account, the statement of comprehensive income, the statement of changes in shareholders equity and participants' takaful fund and the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position of OPF and PTF, the profit and loss account, the statement of comprehensive income, the statement of changes in shareholders equity and participants' takaful fund and the cash flow statement together with the notes forming part thereof, conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of Operator's affairs as at December 31, 2025 and of the profit, other comprehensive income, the changes in shareholders equity and participants' takaful fund and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Operator in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors or the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and, Companies Act, 2017 (XIX of 2017), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operator's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Operator's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Operator's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Operator's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Operator to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

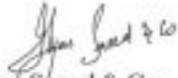
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Operator as required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position of OPF and PTF, the profit and loss account, the statement of comprehensive income, the statement of changes in shareholders equity and participants' takaful fund and the cash flow statement together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000, the Companies Act, 2017 (XXI of 2017), and are in agreement with the books of account;
- c) investments made, expenditure incurred and guarantees extended during the period were for the purpose of the Operator's business; and;
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Bushra Sana.



Ilyas Saeed & Co.

Chartered Accountants Lahore

Dated: 26, March 2026

UDIN: AR202510278DpkAvY3tq

**ASIA INSURANCE COMPANY LIMITED -WINDOW TAKAFUL OPERATIONS  
STATEMENT OF FINANCIAL POSITION OF OPF AND PTF  
AS AT DECEMBER 31, 2025**

	Note	Operators' Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
-----Rupees-----					
<b>ASSETS</b>					
Loans and Other Receivables	7	2,835,740	1,178,030	53,894,013	-
Takaful / Retakaful Receivables	8	-	-	155,675,327	117,596,819
Deferred Wakala Fee	22	-	-	48,452,158	27,491,425
Receivable from PTF	16	44,920,357	81,269,561	-	-
Accrued Investment Income		4,112,329	8,174,658	-	-
Retakaful Recoveries Against Outstanding Claims	20	-	-	40,970,790	38,281
Deferred Commission Expense	21	24,264,288	13,061,131	-	-
Prepayments	9	-	-	14,116,468	15,237,337
Investments	10				
Term Deposits		50,000,000	50,000,000	-	-
Equity Securities		109,119,776	-	-	-
Cash and Bank	11	2,076,329	3,090,028	72,368,497	125,956,312
<b>TOTAL ASSETS</b>		<b>237,328,819</b>	<b>156,773,408</b>	<b>385,477,250</b>	<b>286,320,174</b>
<b>FUND AND LIABILITIES</b>					
<b>OPERATOR'S FUND (OPF)</b>					
Statutory Fund	13	50,000,000	50,000,000	-	-
Qard-E-Hasna	6	(78,411,000)	(78,411,000)	-	-
Accumulated Profit		179,580,963	133,411,924	-	-
<b>Total Operator's Funds</b>		<b>151,169,963</b>	<b>105,000,924</b>	<b>-</b>	<b>-</b>
<b>WAAQ / PARTICIPANTS' TAKAFUL FUND (PTF)</b>					
Seed Money	12	-	-	500,000	500,000
Qard-E-Hasna	6	-	-	78,411,000	78,411,000
Accumulated Surplus / (Deficit)		-	-	(5,652,303)	3,591,153
Balance of Waqf / PTF		-	-	73,258,697	82,502,153
<b>LIABILITIES</b>					
<b>PTF Underwriting Provisions</b>					
Outstanding Claims Including IBNR	20	-	-	107,953,497	32,288,199
Unearned Contribution Reserve		-	-	121,130,387	68,728,554
Contribution Deficiency Reserves		-	-	16,174,520	5,849,042
		-	-	245,258,404	106,865,795
Retirement Benefit Obligations	17	13,998	16,294	-	-
Contributions Received In Advance		-	-	-	208,826
Unearned Wakala Fee	22	48,452,158	27,491,425	-	-
Takaful / Retakaful Payables	14	-	-	20,624,771	11,143,610
Other Credits and Accruals	15	37,692,700	24,264,765	1,415,021	4,330,229
Payable to PTF / OPF	16	-	-	44,920,357	81,269,561
<b>TOTAL LIABILITIES</b>		<b>86,158,856</b>	<b>51,772,484</b>	<b>312,218,553</b>	<b>203,818,021</b>
<b>TOTAL FUND AND LIABILITIES</b>		<b>237,328,819</b>	<b>156,773,408</b>	<b>385,477,250</b>	<b>286,320,174</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	18	-	-	-	-

The annexed notes from 1 to 42 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED -WINDOW TAKAFUL OPERATIONS**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR YEAR ENDED DECEMBER 31, 2025**


		2025	2024
		Rupees	Rupees
<b>Participants' Takaful Fund (PTF)</b>	<b>Note</b>		
Contributions Earned	19	115,134,424	81,860,097
Less: Contributions Ceded to Retakaful	19	(44,720,724)	(42,746,863)
Net Contributions Revenue		70,413,700	39,113,234
Retakaful Rebate Earned	20	-	-
Net Underwriting Income		70,413,700	39,113,234
Net Claims - Reported / Settled - IBNR	20	(77,040,890)	(44,933,831)
Charge of Contribution Deficiency Reserve		(10,325,478)	(3,214,722)
		(87,366,368)	(48,148,553)
Other Direct Expenses	26	(440,010)	(5,517)
(Deficit) / Surplus Before Investment Income		(17,392,678)	(9,040,836)
Investment Income	24	2,711,200	-
Other Income	25	5,438,022	14,512,238
(Deficit) / Surplus Transferred to Accumulated Surplus		(9,243,456)	5,471,402
<b>Operator's Fund (OPF)</b>			
Wakala Fee	22	76,756,286	54,872,158
Commission Expense	21	(39,315,742)	(27,343,513)
General, Administration and Management Expenses	23	(7,870,201)	(3,293,666)
Operating Results		29,570,343	24,234,979
Other Income	25	576,777	11,529,890
Investment Income	24	16,427,265	-
Other Expenses	27	(405,346)	(352,475)
Profit for the year		46,169,039	35,412,394

The annexed notes from 1 to 42 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED -WINDOW TAKAFUL OPERATIONS  
STATEMENT OF COMPREHENSIVE INCOME  
FOR YEAR ENDED DECEMBER 31, 2025**

		2025	2024
	Note	Rupees	Rupees
<b>PARTICIPANT'S TAKAFUL FUND (PTF)</b>			
(Deficit) / Surplus during the year		(9,243,456)	5,471,402
Other Comprehensive Income for the year		-	-
Total Comprehensive (Deficit) / Income for the year		<u>(9,243,456)</u>	<u>5,471,402</u>
<b>OPERATOR'S FUND (OPF)</b>			
Profit during the year		46,169,039	35,412,394
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		<u>46,169,039</u>	<u>35,412,394</u>

The annexed notes from 1 to 42 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED -WINDOW TAKAFUL OPERATIONS**  
**STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY AND PARTICIPANTS' TAKAFUL FUNDS**  
**FOR YEAR ENDED DECEMBER 31, 2025**

Note	OPERATOR'S FUND			
	Statutory fund	Qard-e-Hasna	Accumulated Surplus	Total
	Rupees			
Balance as at January 1, 2024	50,000,000	(78,411,000)	97,999,530	69,588,530
<i>Total Comprehensive Income for the year</i>				
Profit for the year			35,412,394	35,412,394
Other Comprehensive Income for the year			35,412,394	35,412,394
Qard-e-Hasna to Participants' Takaful Fund (PTIF)				
Balance as at December 31, 2024	50,000,000	(78,411,000)	133,411,924	105,000,924
<i>Total Comprehensive Income for the year</i>				
Profit for the year			46,169,039	46,169,039
Other Comprehensive Income for the year			46,169,039	46,169,039
Qard-e-Hasna to Participants' Takaful Fund (PTIF)				
Balance as at December 31, 2025	90,000,000	(78,411,000)	179,580,963	191,169,963
	PARTICIPANTS' FUND			
	Seed money	Qard-e-Hasna	Accumulated Surplus	Total
	Rupees			
Balance as at January 1, 2024	300,000	78,411,000	(1,880,249)	77,030,751
<i>Total Comprehensive Income for the year</i>				
Surplus for the year			5,471,402	5,471,402
Other Comprehensive Income for the year			5,471,402	5,471,402
Qard-e-Hasna from Operator's Fund (OFF)				
Balance as at December 31, 2024	300,000	78,411,000	3,591,153	82,302,153
<i>Total Comprehensive Income for the year</i>				
(Deficit) for the year			(9,243,456)	(9,243,456)
Other Comprehensive Income for the year			(9,243,456)	(9,243,456)
Qard-e-Hasna from Operator's fund (OFF)				
Balance as at December 31, 2025	300,000	78,411,000	(5,652,303)	73,258,697

The annexed notes from 1 to 42 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

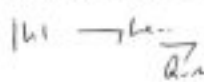
  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED -WINDOW TAKAFUL OPERATIONS**  
**CASH FLOW STATEMENT**  
**FOR YEAR ENDED DECEMBER 31, 2025**

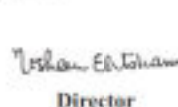
OPERATING CASH FLOWS	Operators' Fund		Participants' Takaful Fund	
	2025	2024	2025	2024
<b>a)Takaful activities</b>	<b>Rupees</b>			
Contributions received	-	-	246,228,763	146,973,626
Wakala fee received / (paid)	97,717,019	58,227,321	(97,717,019)	(58,227,321)
Retakaful contribution ceded	-	-	(74,773,518)	(70,861,092)
Claims Paid	-	-	(42,308,101)	(34,627,131)
Commissions Paid	(36,385,586)	(20,899,225)	-	-
Rebate on retakaful	-	-	-	-
Direct, management and other expenses	(8,983,221)	(2,630,105)	(40,217,088)	49,319,259
Other takaful receipts / (payments)	34,691,494	(49,677,279)	(52,950,074)	713,024
<b>Net cash flow from Takaful activities</b>	<b>87,039,706</b>	<b>(14,979,288)</b>	<b>(61,737,037)</b>	<b>33,290,365</b>
<b>b) Other operating activities</b>				
Income tax paid	-	-	-	-
Direct expenses paid	-	-	-	-
Other expenses paid	-	-	-	-
Management expenses paid	-	-	-	-
Other operating receipts	4,639,106	5,222,972	5,438,022	14,512,238
Net cash flow from other operating activities	4,639,106	5,222,972	5,438,022	14,512,238
<b>Total cash flow from all operating activities</b>	<b>91,678,812</b>	<b>(9,756,316)</b>	<b>(56,299,015)</b>	<b>47,802,603</b>
<b>INVESTMENT ACTIVITIES</b>				
Profit/ return received	15,717,231	-	2,711,200	-
Dividend received	565,160	-	-	-
Qard o Hasna	-	-	-	-
Payments for investments	(108,974,902)	-	-	-
Fixed capital expenditure	-	-	-	-
<b>Total cash flow from investing activities</b>	<b>(92,692,511)</b>	<b>-</b>	<b>2,711,200</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>				
Contribution to the operator's fund	-	-	-	-
Ceded money	-	-	-	-
<b>Total cash flows from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash flow from all activities</b>	<b>(1,013,699)</b>	<b>(9,756,316)</b>	<b>(53,587,815)</b>	<b>47,802,603</b>
Cash and cash equivalents at beginning of the year	3,090,028	12,846,344	125,956,312	78,153,709
<b>Cash and cash equivalents at end of the year</b>	<b>2,076,329</b>	<b>3,090,028</b>	<b>72,368,497</b>	<b>125,956,312</b>
<b>RECONCILIATION TO PROFIT AND LOSS ACCOUNT</b>				
Operating cash flows	91,678,812	(9,756,316)	(56,299,015)	47,802,603
Dividend Income	565,160	-	-	-
Investment income/loss	15,862,105	-	2,711,200	-
Increase / (Decrease) in assets other than cash	(27,550,666)	57,861,135	152,744,891	30,997,643
(Increase) / decrease in liabilities	(34,386,372)	(12,692,425)	(108,400,532)	(73,328,844)
<b>Profit for the year</b>	<b>46,169,039</b>	<b>35,412,394</b>	<b>(9,243,456)</b>	<b>5,471,402</b>
<b>Attributed to</b>				
Participants' Takaful Fund	-	-	(9,243,456)	5,471,402
Operator's Fund	46,169,039	35,412,394	-	-
	<b>46,169,039</b>	<b>35,412,394</b>	<b>(9,243,456)</b>	<b>5,471,402</b>

The annexed notes from 1 to 42 form an integral part of these Financial Statements.

  
Chairman

  
Chief Executive Officer

  
Director

  
Director

  
Chief Financial Officer

**ASIA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2025**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Asia Insurance Company Limited ('the Company'), a quoted public limited company, was incorporated in Pakistan on December 06, 1979 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The Company is engaged in non-life insurance business mainly comprising of fire, marine, motor and miscellaneous. The Company commenced its commercial operations in 1980. The registered and principal office of the Company is situated at 19 C/D, Block L, Gulberg III, Main Ferozpur Road, Lahore. Shares of the Company are quoted on Pakistan Stock Exchange.

The Company has been allowed to work as Window Takaful Operator ('the Operator') through License No.10 on August 13, 2015 by Securities and Exchange Commission of Pakistan under Window Takaful Rules, 2012 to carry on Islamic General Takaful in Pakistan. It has not transacted any business outside Pakistan.

For the purpose of carrying on the takaful business, the Company has formed a waqf for participants' equity fund. The Waqf namely Asia Insurance Company Limited (Window Takaful Operations)-Waqf Fund (hereafter referred to as participant takaful fund (PTF)) was created on August 20, 2015 under a trust deed executed by the Company with a ceded money of Rs.500,000/-. Waqf deed also governs the relationship of Operators and policy holders for management of takaful operations, investment policy holders funds and investment of Operators' funds approved by shariah advisor of the company.

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

**2.1 STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019. In case requirements differ, the provisions or directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019, shall prevail.

These financial statements reflect the financial position and results of Window Takaful Operations of both the Operators' Fund (OPF) and the Participants' Takaful Fund (PTF) in a manner that assets, liabilities, income and expenses of the Operator and PTF remains separately identifiable.

During 2019, the SECP vide its S.R.O 1416 (I) /2019 dated November 20, 2019 has issued the General Takaful Accounting Regulations, 2019 (Regulations). These regulations prescribed the format for the regulatory returns and published financial Statements of the Window Takaful Operations applicable from January 01, 2020. The financial statements for the year ended December 31, 2025 have been prepared in accordance with these Regulations.

**2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention without any adjustment for the effect of inflation except where disclosed. The financial statements, except for cash flow information, have been prepared under the accrual basis of accounting.

**2.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees which is the Operator's functional currency and presentation currency. All figures have been rounded to the nearest rupee, unless otherwise stated.

**3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS**

**3.1 Standards, interpretations and amendments to approved accounting standards that became effective**

The Company has adopted the following revised standards, amendments in accounting standards and interpretations of IFRS which became effective for the current year:

IAS 1	Presentation of Financial Statements (Amendments)	01-January-2024
IAS 7	Statement of Cash Flows (Amendments)	01-January-2024
IFRS 16	Leases - Amendments to Sale and leaseback transactions	01-January-2024

However, this adoption has no impact on the financial statements of the Company.

**ASIA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR YEAR ENDED DECEMBER 31, 2025**

**3.2 Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company**

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on January 1, 2025. However, these do not have any significant impact on the Company's financial statements except as disclosed in the note to these financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

	<b>Standard or Interpretation</b>	<b>Effective Date (Annual periods beginning on or after)</b>
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	01-January 2025
IFRS 7	Financial Instruments: Disclosures	01-January 2026
IFRS 9	Financial Instruments - Ref. 3.3.2	01-January 2027
IFRS 17	Insurance Contracts	01-January 2027

Other than the aforesaid amendments, the IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements.
IFRS 19	Subsidiaries without Public Accountability: Disclosures

Adoption of IFRS 17 & IFRS 9 is likely to have a significant impact on the company's financial statements and the Company is in the process of assessing the impact of these standards on the financial statements in accordance with the directives of SECP.

The Company expects that the adoption of the above standards will have no material effect on the Company's financial statements, in the period of initial application.

**3.3 Temporary Exemption from IFRS 17 & IFRS 9**

**3.3.1 IFRS 17 - Insurance Contracts**

Pursuant to the requirements of Securities and Exchange Commission of Pakistan SRO 1336 (T)/2025 dated July 23, 2025 IFRS 17 "Insurance Contracts", is applicable to the companies engaged in insurance/takaful and re-insurance/re takaful business from financial years commencing on or after 01 January 2027.

IFRS 17, replaces IFRS 4 Insurance Contracts. The new standard will apply to all entities that issue insurance and reinsurance contracts, and to all entities that hold reinsurance contracts. This standard requires entities to identify contracts and its terms and to assess whether they meet the definition of an insurance contract or includes components of an insurance contract. Insurance contracts are required to account for under the recognition / derecognition of IFRS 17. Companies subject to the requirement of SRO 1336 will also be required to adopt requirements of IFRS-9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

SECP vide letter no. ID/MDPRD/IFRS-17/2021/176 dated 15 June 2021 initiated a four-phase approach towards implementation of IFRS 17 - Insurance Contracts. The first three phases now stand completed and Phase 4 parallel run and implementation has commenced and is currently under progress.

In Phase 4, as per the letter No. ID/MDPRD/IFRS-17/2025/4146 dated 04 August 2025 issued by the Securities and Exchange Commission of Pakistan (SECP), a parallel run of audited financial statements under IFRS 17 is required as follows:

Dry Run 1: Audited financial statements under IFRS 17 for the year ended 31 December 2024 are required to be submitted to SECP by 31 May 2026; and

Dry Run 2: Audited financial statements under IFRS 17 for the year ended 31 December 2025, along with a Long Form Report, are required to be submitted to SECP by 30 September 2026.

**ASIA INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR YEAR ENDED DECEMBER 31, 2025**

**3.3.2 IFRS 09 - Financial Instruments**

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

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

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

b) All other financial assets:

Operator Fund

	December 31, 2025			
	Gross carrying amounts of debt instruments that pass the SPPI test			
	AAA	AA-	A+	Unrated
	Rupees	Rupees	Rupees	Rupees
Term deposit receipts (TDRs)	50,000,000	-	-	-
Total	50,000,000	-	-	-

	December 31, 2025				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain or (loss) during the year	Carrying value	Cost less Impairment	Change in unrealized gain or (loss) during the year
	Rupees	Rupees	Rupees	Rupees	Rupees
Cash and bank *	2,076,329	-	-	-	-
Loans and other receivables *	2,835,740	-	-	-	-
Investments in equity securities	109,119,776	144,874	-	-	-
Term deposits	-	-	50,000,000	-	-
Total	114,031,845	144,874	50,000,000	-	-

Participant Takaful Fund

	December 31, 2025				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealized gain or (loss) during the year	Carrying value	Cost less Impairment	Change in unrealized gain or (loss) during the year
	Rupees	Rupees	Rupees	Rupees	Rupees
Cash and bank *	72,368,497	-	-	-	-
Loans and other receivables *	53,894,013	-	-	-	-
Total	126,262,510	-	-	-	-

**4 MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted in preparation of these financial statements are set out below. These policies have been applied consistently to all years presented.

**4.1 Property and equipment**

**4.1.1 Operating assets - Owned**

These are stated at cost less accumulated depreciation and impairment.

Depreciation on all fixed assets is charged to statement of comprehensive income on the reducing balance method so as to write off depreciable amount of an asset over its useful life at the rates stated in note. Depreciation on additions to fixed assets is charged on "number of months basis".

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The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Operator and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

**4.2 Takaful contracts**

The Takaful contracts are based on the principles of wakala. The takaful contracts so agreed usually inspire concept of tabarru (to donate for benefit of others) and mutual sharing of losses with the overall objective of eliminating the element of uncertainty. Contracts under which the Participant Takaful Fund (PTF) accepts significant takaful risk from another party (the policy holder) by agreeing to compensate the policyholder if a specified uncertain future event (the takaful event) adversely affects the policyholder are classified as takaful contracts.

Takaful risk is significant if a takaful event could cause the PTF to pay significant benefits due to the happening of the takaful event compared to its non happening.

Once a contract has been classified as a takaful contract, it remains a takaful contract for the remainder of its lifetime, even if the takaful risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

The PTF underwrites non-life takaful contracts that can be categorized into fire and property, marine, aviation and transport, motor, health and miscellaneous contracts. Contracts may be concluded for a fixed term of one year, for less than one year and in some cases for more than one year. However, most of the contracts are for twelve months duration. Takaful contracts entered into by the PTF under which the contract holder is another takaful operator/ insurer of a facultative nature are included within the individual category of takaful contracts, other than those which fall under the treaty.

Fire and property damage takaful provides coverage against damages caused by fire, riot and strike, explosion, earthquake, atmospheric damage, flood, electric fluctuation and other related perils.

Marine, aviation and transport takaful provides coverage against cargo risk, terminals, damage occurred in between the points of origin and final destination and other related perils.

Motor takaful provides comprehensive car coverage, indemnity against third party loss and other related covers.

Health takaful provides basic hospital care including maternity care and outpatient care.

Miscellaneous takaful provides cover against Engineering, Health, Cash in safe, Cash in transit, ATM withdrawals snatching, Personal Accident Takaful, Workmen's Compensation Takaful, Terrorism Takaful, Third party liability Takaful, Plate Glass Takaful and Home Takaful.

**4.3 Deferred commission expense**

Commission expenses and other acquisition costs are spread over the tenure of the contract, it is calculated by applying 1/24 method in accordance with the provisions of the Insurance Accounting Regulations, 2017 and General Takaful Accounting Regulations, 2019. Rebate from re-takaful is spread over the tenure of the contract ceded, it is calculated by applying 1/24 method in accordance with the provisions of the Insurance Accounting Regulations, 2017 and General Takaful Accounting Regulations, 2019. The deferred commission expense and other acquisition costs and unearned portion of rebate from re-takaful is set aside as a reserve. Such reserve is calculated by applying 1/24 method in accordance with the provisions of the Insurance Accounting Regulations, 2017 and General Takaful Accounting Regulations, 2019.

**4.4 Reserve for Unearned contribution**

The unearned portion of contribution written net of wakala is set aside as a reserve and is recognized as a liability. The reserve for unearned contribution is calculated by applying 1/24 method in accordance with the provisions of the Insurance Accounting Regulations, 2017 and General Takaful Accounting Regulations, 2019.

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**4.5 Contribution deficiency reserve**

According to the requirements of the Insurance Rules, 2017 and General Takaful Accounting Regulations, 2019, a contribution deficiency reserve needs to be created where the unearned contribution for any class of business is not sufficient to cover the liability after re-takaful from claims, and other supplementary expenses expected to be incurred after the statement of financial position date in respect of the policies in that class of business. Any movement in the reserve is to be charged to the statement of comprehensive income.

For this purpose, loss ratios for each class, excluding health are estimated based on historical claim development. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off claims.

If these ratios are adverse, contribution deficiency is determined. The liability of contribution deficiency in relation to Health Takaful is calculated in accordance with the advice of actuary. As at year end, a provision is created in respect of contribution deficiency reserve for those classes of business where it is estimated that the unearned contribution for that class will not be sufficient to provide for the expected losses and expenses attributable to the unexpired periods of policies in force at the statement of financial position date.

**4.6 Re-takaful contracts held**

The operator cedes ratakaful in normal course of business for the purpose of limiting its net loss potential through the diversification of its risks. Assets, liabilities and income and expense arising from ceded retakaful contracts are presented separately from assets, liabilities, income and expense from the related takaful contract because the retakaful arrangements do not relieve the PTF from its direct obligation to its policyholder.

**4.7 Re-takaful ceded**

The Operator enters in to retakaful contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outward retakaful contributions are accounted for in the same period as the related contribution for the direct or accepted retakaful business.

Retakaful liabilities represent balance due to retakaful companies. Amounts payable are estimated in a manner consistent with the related retakaful contract.

Retakaful assets represent balances due from retakaful companies. Amounts recoverable from retakaful are estimated in a manner consistent with the provisions for outstanding claims or settled claims associated with the retakaful policies and are in accordance with the related retakaful contract.

Retakaful assets are not offset against related takaful liabilities. Income or expenses from retakaful contracts are not offset against expenses or income from related takaful assets.

Retakaful assets or liabilities are derecognized when the contractual rights are extinguished or expired.

The Operator assesses its retakaful assets for impairment on statement of financial position date. If there is objective evidence that retakaful assets are impaired, the Operator reduces the carrying amount of the retakaful assets to its recoverable amount and recognizes that impairment loss in the statement of comprehensive income.

**4.8 Receivables due to / from retakaful operators**

Receivables and payables related to takaful contracts are recognized when due at cost which is the fair value of the consideration given less provision for impairment, if any.

**4.8.1 Takaful / Re-takaful receivables**

Contributions due from takaful / retakaful represents the amount due from participants and other takaful insurers on account of takaful contracts. These are recognized at cost, which is the fair value of the contribution to be received less provision for impairment, if any.

**4.8.2 Retakaful recoveries against outstanding claims**

Claims recoveries recoverable from the retakaful operators are recognized as an asset at the same time as the claims which gives rise to the right of recovery are recognized as a liability and are measured at the amount expected to be received.

**4.9 Segment reporting**

A business segment is a distinguishable component of the Operator that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Operator accounts for segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000, General Takaful Accounting Regulations, 2019 and the Insurance Accounting Regulations, 2017 as the primary reporting format.

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Based on its classification of takaful contracts issued, the Operator has four primary business segments for reporting purposes namely fire, marine, motor and miscellaneous. The nature and business activities of these segments are disclosed in respective notes to the Financial Statements.

Assets and liabilities are allocated to particular segments on the basis of contribution written. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities. Depreciation and amortization are allocated to a particular segment on the basis of contribution written.

**4.10 Financial instruments**

Financial assets and financial liabilities within the scope of IAS - 39 are recognized at the time when the Operator becomes a party to the contractual provisions of the instrument and de-recognized when the Operator loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired.

Any gain or loss on derecognizing of the financial assets and financial liabilities is included in the statement of comprehensive income for the year.

Financial instruments carried on the statement of financial position include cash and bank deposits, investments, takaful / re-takaful receivables, loan and other receivables, contribution and claim reserves detained by cedants, retakaful recoveries against outstanding claims, provision for outstanding claims, takaful / re-takaful payable, other creditors and accruals, liabilities against assets subject to finance lease.

**4.11 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash, cheques, pay orders, demand drafts and balances with banks.

**4.12 Revenue recognition**

**a) Contribution - PTF**

Contribution income under a policy is recognized over the period of takaful net off wakala fee. Administrative surcharge recovered from insurer is recognized as part of contribution in the case of co-takaful policies (Leader Follower Case) on proportionate basis.

**Wakala fee - OPF**

The operator manages the general takaful operations for the participants and charges 40% on gross contribution for all classes as wakala fee against the services.

Wakala fee is recognized on the same basis as the related revenue is recognized. Unexpired portion of wakala fee is recognized as a liability of OPF and an asset of PTF.

**b) Commission Income-PTF**

Rebate from retakaful operators is recognized at the time of issuance of the underlying takaful policy by the operator. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the retakaful contribution to which it relates.

**c) Investment Income - PTF / OPF**

Profit on Islamic investment products is recognized on accrual basis.

**d) Dividend Income - PTF / OPF**

Dividend income is recognized when the right to receive the dividend is established.

**4.13 Investments**

**a) In equity securities**

**Available for sale**

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates etc. are classified as available for sale.

Subsequent to initial recognition at cost including the transaction cost, these are measured at fair value. Changes in fair value are recognized as other comprehensive income until the investment is derecognized or impaired. Gains and losses on derecognition and impairment losses are recognized in statement of comprehensive income.

Return on fixed income securities classified as available for sale is recognized on a time proportion basis.

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**Held for trading**

Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading. After initial recognition, these are measured at fair values with any resulting gains or losses recognized directly in the statement of comprehensive income.

**b) In debt securities**

**Held to maturity**

These are securities with fixed or determinable payments and fixed maturity that the Operator's has a positive intent and ability to hold to maturity. These are initially measured at cost including acquisition charges associated with the investments. Subsequent to initial recognition, these investments are measured at amortized cost less any accumulated impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition by using the effective yield method. These are reviewed for impairment and any losses arising from impairment in values are charged to the statement of comprehensive income.

**Held for trading**

Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading. After initial recognition, these are measured at fair values with any resulting gains or losses recognized directly in the statement of comprehensive income.

**c) In term deposits**

**Held to maturity**

These are securities with fixed or determinable payments and fixed maturity that the Operator's has a positive intent and ability to hold to maturity. These are initially measured at cost including acquisition charges associated with the investments. Subsequent to initial recognition, these investments are measured at amortized cost less any accumulated impairment losses.

Amortized cost is calculated taking into account any discount or premium on acquisition by using the effective yield method. These are reviewed for impairment and any losses arising from impairment in values are charged to the statement of comprehensive income.

**4.14 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Operator intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

**4.15 Provisions**

Claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries and any adjustments to claims outstanding from previous years.

The Operator recognizes liability in respect of all claims incurred up to the balance sheet date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of incident giving rise to the claims except as otherwise expressly indicated in an insurance contract.

The liability for claims include amounts relating to unpaid reported claims, claims Incurred But Not Reported (IBNR) and expected claims settlement costs.

Provision for liability in respect of claims reported but not settled at the balance sheet date is made on the basis of individual case estimates. The case estimates are based on the assessed amounts of individual losses and where loss assessments have not been carried out, the estimates are established in light of currently available information, past experience of similar claims and in some cases in relation to the sums insured. Case estimates are reviewed periodically to ensure that the recognized outstanding claim amounts are adequate to cover expected future payments including expected claims settlement costs and are updated as and when new information becomes available.

The provision for claims incurred but not reported (IBNR) is consistently made at the balance sheet date in accordance with the SECP Circular no. 9 of 2016. IBNR claim have been estimated using Chain Ladder (CL) methodology.

The Chain Ladder (CL) Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level. Provision for IBNR is based on the management best estimate.

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As a general policy of the Operator, being followed consistently over the years, no provision of claims has been made where the quantum of loss is unknown.

**4.16 Staff retirement benefits**

**Defined contribution plan**

The Company operates a funded Provident Fund Scheme for its employees and contributions are made monthly equal to employees contribution @ 8.33% (2024: 8.33%) of basic salary and cost of living allowance if any.

**4.17 Impairment of assets**

The carrying amount of assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment of any asset or group of assets. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in statement of comprehensive income.

Where impairment loss subsequently reverses, the carrying amounts of the assets are increased to the revised recoverable amounts but limited to the carrying amounts that would have been determined had no impairment loss been recognized for the assets in prior years. A reversal of an impairment loss is recognized immediately in statement of comprehensive income.

In addition, impairment on available for sale investments and retakaful assets are recognized as follows:

**i) Available for sale**

The operator determines that available for sale equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment.

In making this judgment, the operator evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology and operational and financing cash flows.

**ii) Re-takaful assets**

The operator determines the impairment of the re-takaful assets by looking at objective evidence, as a result of an event that occurred after initial recognition of the re-takaful assets, which indicates that the operator may not be able to recover amount due from re-takaful under the terms of re-takaful contract. In addition the operator also monitors the financial ratings of its re-takaful operators on each reporting date.

**4.18 Management expenses**

**4.18.1 Direct expense**

Expenses allocated to the "PTF" represents directly attributable expenses. Expenses not directly allocable to "PTF" are charged to Operator's Fund.

**4.18.2 Management expense**

Expenses not allocable to the underwriting business are charged as management expenses. Management expenses of takaful business are allocated to revenue account of operator as per requirements of Takaful Rules, 2012.

**4.18.3 Claims expense**

General takaful claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

**4.19 Creditors, accruals and provisions**

Liabilities for creditors and other amounts payable are carried at cost which is fair value of the consideration to be paid in future for goods and / or services received, whether or not billed to the Operator.

Provisions are recognized when the Operator has a present legal or constructive obligation as a result of past events, it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

**4.20 Foreign currency transactions and translations**

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

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**4.21 Takaful surplus**

Takaful surplus attributable to the participants is calculated after charging all direct cost and setting aside various reserves and charity.

Allocation to participants, if applicable, is made after deducting the claims paid to them during the year. Further, surplus will be distributed to participants after payment of qard-e-hasna to operator .

**4.22 Zakat**

Zakat on investment income is accounted for in the year of deduction, under Zakat & Ushr Ordinance, 1980.

**4.23 Qard-e-hasna**

Qard-e-hasna is provided by Operators' Fund (OPF) to Participants' Takaful Fund (PTF) in case of deficit in Participants' Takaful Fund (PTF).

**4.24 Related party transactions**

Party is said to be related if they are able to influence the operating and financial decisions of the Operator and vice versa. The Operator in the normal course of business carries out transactions with related parties. Transactions with related parties are priced at comparable uncontrolled market price and are carried out at arm's length prices.

**5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Operator's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

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

The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

- a) Useful lives and residual value of property and equipment (Note 4.1)
- b) Reserve for Unearned contribution. (Note 4.4)
- c) Contribution deficiency reserve. (Note 4.5)
- d) Classification of investments. (Note 4.13)
- e) Outstanding claims including IBNR. (Note 4.15)

Other areas involving estimates and judgments are disclosed in respective notes to the financial statements.

**6 QARD-E-HASNA TO PTF**

In accordance with the Takaful Rules, 2012, if at any point in time, assets in Participants' Takaful Fund are not sufficient to cover its liabilities, the deficit shall be funded by way of an interest free loan (Qard-e-Hasna) from Operator's Fund. In the event of future surplus in the Participants' Takaful Fund, to which a Qard-e-Hasna has been made, the Qard-e-Hasna shall be repaid prior to distribution of surplus to Participants.

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	NOTE	Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
<b>7 LOANS AND OTHER RECEIVABLES</b>					
Unsecured considered - Good					
Advances to staff		5,000	7,000	-	-
Advance against commission		829,110	1,011,030	-	-
Others		1,841,630	-	53,894,013	-
Security Deposits		160,000	160,000	-	-
		<u>2,835,740</u>	<u>1,178,030</u>	<u>53,894,013</u>	<u>-</u>
<b>8 TAKAFUL / RETAKAFUL RECEIVABLES</b>					
(Unsecured and considered good)					
Due from takaful contract participants		-	-	6,855,959	8,201,005
Less: Provision for impairment of receivables from takaful participants holders		-	-	(223,574)	(223,574)
Due from other takaful / retakaful		-	-	151,135,856	110,480,229
Less: Provision for impairment of receivable from takaful / retakaful		-	-	(1,292,114)	(860,841)
		<u>-</u>	<u>-</u>	<u>155,678,327</u>	<u>117,596,819</u>
Movement of provision for impairment is as follows:					
Opening balance		-	-	1,084,415	1,084,415
Adjustment on account of:					
Doubtful premium written of		-	-	-	-
Provision made for doubtful due from:					
Due from takaful contract participants		-	-	-	-
Due from other takaful / retakaful		-	-	431,273	-
Net adjustment		-	-	431,273	-
Closing balance		-	-	1,515,688	1,084,415
<b>9 PREPAYMENTS</b>					
Prepaid re-takaful contribution ceded		-	-	14,116,468	15,237,337
<b>10 INVESTMENTS</b>					
Term deposit receipts					
Deposits Maturing within 12 months	10.1	50,000,000	50,000,000	-	-
		<u>50,000,000</u>	<u>50,000,000</u>	-	-
Equity securities					
Investment in Mutual funds					
Cost		108,974,982	-	-	-
Add unrealized gain on investment		144,874	-	-	-
NBV: Investment in Mutual funds		<u>109,119,776</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>10.1</b> This represents, investment in Term Deposit Receipts (TDRs) with the National Bank Of Pakistan, have a maturity period of one year and will be matured on February 20, 2026. This carries a mark-up at the rate of 9.5% per annum.					
<b>11 CASH AND BANK</b>					
	NOTE				
Cash in hand		-	-	-	-
Cash at bank					
- Saving accounts	11.1	2,076,329	3,090,028	72,368,497	125,956,312
		<u>2,076,329</u>	<u>3,090,028</u>	<u>72,368,497</u>	<u>125,956,312</u>
<b>11.1</b> The rate of return on PLS saving accounts maintained at various banks range from 5.87% to 9.5% (2024: 5.87% to 9%) per annum.					

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12 SEED MONEY	NOTE	Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Waqf money	12.1	-	-	500,000	500,000
-----Rupees-----					
12.1 The amount of Rs. 500,000/- has been set apart for Waqf Fund / Participant Takaful Fund as Waqf money according to the Waqf deed prepared for the purpose of creation of Waqf Fund / Participant Takaful Fund.					
13 STATUTORY FUND (OFF)	NOTE	Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Statutory reserve	13.1	50,000,000	50,000,000	-	-
-----Rupees-----					
13.1 This represents amount of Rs. 50 million deposited as statutory fund to comply with provisions of paragraph 4 of circular no. 8 of 2014 read with section 11(1)(c) of Takaful Rules, 2012 issued by SBPC, which states that 'every insurer who is interested to commence Window Takaful business shall transfer an amount of not less than Rs. 50 million to be deposited in a separate bank account for Window Takaful business duly maintained in a scheduled bank'.					
14 TAKAFUL / RETAKAFUL PAYABLES	NOTE	Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Unsecured Takaful / Re-takaful payables		-	-	20,824,771	11,143,610
-----Rupees-----					
15 OTHER CREDITORS AND ACCRUALS		Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Sales tax payable		-	-	1,269,166	380,305
Federal takaful fee payable		-	-	134,372	79,294
Tax deducted at source		323,871	117,003	11,483	2,789
Salaries and wages		-	-	-	-
EOBI payable		149,848	85,680	-	-
Outstanding agency commissions		36,824,858	22,690,745	-	-
Auditors' remuneration		333,630	225,370	-	-
Others		62,921	1,145,967	-	3,867,841
		<u>37,692,700</u>	<u>24,264,765</u>	<u>1,415,021</u>	<u>4,330,229</u>
15.1 This represent the commission payable on the policies which has been underwritten during the year.					
16 RECEIVABLE/ PAYABLE (BETWEEN OPF AND PTF)		Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Other Receivable / Payable		44,920,357	81,269,561	(44,920,357)	(81,269,561)
		<u>44,920,357</u>	<u>81,269,561</u>	<u>(44,920,357)</u>	<u>(81,269,561)</u>
-----Rupees-----					
17 RETIREMENT BENEFIT OBLIGATIONS - OPF		Operator's Fund		Participants' Takaful Fund	
		2025	2024	2025	2024
Staff provident fund		13,998	16,294	-	-
17.1 The Company operates a funded Provident Fund Scheme for its employees and contributions are made monthly equal to employees contribution @ 8.33% (2024: 8.33%) of basic salary and cost of living allowance.					
18 CONTINGENCIES AND COMMITMENTS					
18.1 Contingencies					
There were no contingencies outstanding as at December 31, 2025 (2024: Nil).					
18.2 Commitments					
There were no commitments outstanding as at December 31, 2025 (2024: Nil).					

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19 NET CONTRIBUTION	NOTE	Participants' Takaful Fund	
		2025	2024
		-----Rupees-----	
Written gross contribution		244,292,543	145,568,289
Less: Wakala fee		(97,717,019)	(58,227,321)
		<b>146,575,524</b>	<b>87,340,968</b>
Add: Provision for unearned contribution - Opening		41,237,129	35,756,258
Less: Provision for unearned contribution - Closing		(72,578,239)	(41,237,129)
Contribution earned		115,134,424	81,860,097
Less: Re-takaful contribution ceded		(43,599,852)	(43,016,000)
Add: Prepaid re-takaful contribution - Opening		(15,237,337)	(14,968,200)
Less: Prepaid re-takaful contribution - Closing		14,116,465	15,237,337
Re-takaful expense		(44,720,724)	(42,746,863)
Net Contribution		<b>70,413,708</b>	<b>39,113,234</b>
<b>20 NET CLAIMS - REPORTED / SETTLED - IBNR</b>			
Benefits / Claims Paid		42,308,101	34,627,131
Add: Outstanding claims including IBNR - Closing		107,983,897	32,288,199
Less: Outstanding claims including IBNR - Opening		(32,288,199)	(24,942,209)
Claims expense		117,973,399	41,973,121
Less: Re-takaful and other recoveries received		-	-
Add: Re-takaful and other recoveries in respect of outstanding claims - Closing		40,970,798	38,281
Less: Re-takaful and other recoveries in respect of outstanding claims - Opening		(30,301)	(2,993,991)
Re-takaful and other recoveries revenue		40,932,509	(2,960,710)
Net Claim Expense		<b>77,040,890</b>	<b>44,933,831</b>
<b>20.1 Benefit/ Claim development</b>			
There is no claim for which there is uncertainty about the amount and timing of the claim payment and will be paid within 1 year.			
<b>21 COMMISSION EXPENSE</b>	<b>NOTE</b>	Operator's Fund (OPF)	
		2025	2024
		Rupees	Rupees
Commission paid or payable		50,518,899	29,220,431
Add: Deferred commission expense - opening		13,061,131	11,184,193
Less: Deferred commission expense - closing		(24,364,288)	(13,061,131)
Net Commission		<b>39,215,743</b>	<b>27,343,513</b>
<b>22 WAKALA FEE</b>			
Wakala fee		97,717,019	58,227,321
Add: Unearned Wakala fee - opening		37,491,425	24,136,262
Less: Unearned Wakala fee - closing		(48,482,158)	(27,491,425)
Wakala Fee Earned		<b>76,756,286</b>	<b>54,872,158</b>
<b>23 GENERAL, ADMINISTRATION AND MANAGEMENT EXPENSES</b>			
Employee benefit cost	23.1	6,320,886	2,386,682
Travelling expense		679,702	305,003
Repairs and maintenance		54,850	-
Printing and stationery		128,780	140,564
Bank charges		11,807	5,473
Service charges		411,175	351,032
Miscellaneous		263,001	104,912
		<b>7,870,201</b>	<b>3,293,666</b>

23.1 These include Rs.0.077 million (2024: Rs. 0.071 million) in respect of post employment benefit respectively.

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24 INVESTMENT INCOME	NOTE	Operator's Fund		Participants' Takaful Fund			
		2025	2024	2025	2024		
		-----Rupees-----					
<b>Income from equity securities</b>							
Held for trading							
Dividend income on mutual funds		565,160	-	-	-		
Net realized fair value gain on mutual funds		11,027,923	-	2,711,200	-		
Net unrealised fair value gain on mutual funds		144,874	-	-	-		
Return on Term Deposit Certificates		4,689,308	-	-	-		
		<u>16,427,265</u>	<u>-</u>	<u>2,711,200</u>	<u>-</u>		
25 OTHER INCOME							
Return on bank balances	25.1	576,777	11,529,890	4,143,691	13,583,446		
Other income		-	-	1,294,131	928,792		
		<u>576,777</u>	<u>11,529,890</u>	<u>5,438,022</u>	<u>14,512,238</u>		
25.1	The rate of return on FLS saving accounts maintained at various banks range from 5.87% to 9.5% (2024: 5.87% to 9%) per annum.						
26 OTHER DIRECT EXPENSES	NOTE	Operator's Fund		Participants' Takaful Fund			
		2025	2024	2025	2024		
		-----Rupees-----					
Provision for bad and doubtful receivable		-	-	431,273	-		
Bank charges		-	-	8,737	5,517		
Others		-	-	-	-		
		<u>-</u>	<u>-</u>	<u>440,010</u>	<u>5,517</u>		
27 OTHER EXPENSES							
Shariah advisor fee		-	-	-	-		
Auditors' remuneration	27.1	485,346	352,475	-	-		
		<u>485,346</u>	<u>352,475</u>	<u>-</u>	<u>-</u>		
27.1 AUDITORS' REMUNERATION							
Audit fee		348,016	295,145	-	-		
Half yearly review		57,330	57,330	-	-		
		<u>405,346</u>	<u>352,475</u>	<u>-</u>	<u>-</u>		
18 COMPENSATION OF DIRECTORS AND EXECUTIVES		Chief Executive		Directors		Executives	
		2025	2024	2025	2024	2025	2024
		Rupees		Rupees		Rupees	
Managerial remuneration		-	-	-	-	2,298,805	-
Utilities		-	-	-	-	214,900	-
Bonus		-	-	-	-	-	-
Ex-gratia allowance		-	-	-	-	-	-
Contribution to defined contribution plan		-	-	-	-	890,500	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,400,806</u>	<u>-</u>
Number of persons		-	-	-	-	1	-

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**29 RELATED PARTY TRANSACTION**

- 29.1** Related parties comprise of directors, major shareholders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions and compensation to key management personnel is on employment terms. The transactions and balances with related parties other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

<b>Party name/description</b>	<b>Basis</b>	<b>Relation</b>	<b>2025</b>	<b>2024</b>
Directors	Shareholder	-		
Key management	-	-		
Staff retirement benefits	-	-		
<b>Relation with undertaking</b>		<b>Nature and transaction</b>		
<b>Balances at year end:</b>			<b>(Rupees)</b>	<b>(Rupees)</b>
Staff retirement benefits plan		(Payable) to defined benefit plan	(13,958)	(16,294)
<b>Transactions during the year:</b>				
Key management personnel		Remuneration of key management personnel	2,295,896	
Staff retirement benefits plan		Contribution to provident fund during the year	76,979	70,680
Key management personnel		Commission paid to relatives		

- 29.2** The transactions with Asia Insurance Company Limited have been disclosed in the relevant notes to the financial statements.

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**30 SEGMENT INFORMATION**

The operator has four primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor and miscellaneous. Assets and liabilities, wherever possible have been assigned to the following segments based on specific identification or allocated on the basis of contribution written by each segment.

Current period ended 31 December 2025	Repees				TOTAL
	FIRE AND PROPERTY DAMAGE	MARINE AVIATION AND TRANSPORT	MOTOR	MISCELLANEOUS	
Contribution received (inclusive of FED, FIF and Admin Surcharge)	144,696,417	58,324,896	89,773,905	28,863,839	266,747,961
Less: Federal Excise Duty/Sales Tax	(5,588,814)	(8,860,831)	(3,074,919)	(875,498)	(18,332,274)
Federal Takaful Fee	(252,807)	(488,296)	(192,800)	(163,305)	(1,125,134)
<b>Gross written contribution (inclusive of Admin surcharge)</b>	<b>138,763,894</b>	<b>44,814,269</b>	<b>86,506,184</b>	<b>24,998,236</b>	<b>244,292,543</b>
Gross direct contribution	34,652,276	39,384,975	18,980,800	16,721,809	109,393,299
Facultative inward contribution	183,486,642	3,185,796	17,242,572	8,077,127	193,982,131
Administrative surcharge	824,676	1,816,984	262,702	54,360	2,898,322
Wakala fee expense	39,513,499	17,342,842	11,877,240	8,822,706	76,756,286
Takaful contribution earned	59,278,239	26,814,240	16,615,873	13,336,852	115,834,434
Takaful contribution ceded to retakafal	(18,987,634)	(20,331,864)	(2,377,973)	(1,843,174)	(43,739,734)
<b>Net Takaful contribution</b>	<b>40,290,605</b>	<b>6,482,376</b>	<b>14,237,901</b>	<b>11,493,678</b>	<b>70,413,798</b>
Retakafal rebate income	-	-	-	-	-
<b>Net underwriting income</b>	<b>40,290,605</b>	<b>6,482,376</b>	<b>14,237,901</b>	<b>11,493,678</b>	<b>70,413,798</b>
Takaful claims	(78,152,123)	(360,467)	(26,193,760)	(13,327,023)	(117,973,299)
Takaful claims recovered from retakafal	48,978,799	-	(38,321)	-	48,940,478
<b>Net claims</b>	<b>(29,173,324)</b>	<b>(360,467)</b>	<b>(26,232,081)</b>	<b>(13,327,023)</b>	<b>(77,862,891)</b>
Direct expenses	(226,513)	(99,419)	(63,891)	(58,877)	(448,299)
Contribution deficiency expense	1,633,814	-	(152,632)	(11,270,810)	(10,249,478)
<b>Net Takaful claims and expenses</b>	<b>(27,765,023)</b>	<b>(399,886)</b>	<b>(26,448,603)</b>	<b>(24,649,707)</b>	<b>(81,862,891)</b>
<b>Underwriting results</b>	<b>4,398,573</b>	<b>5,282,410</b>	<b>(12,211,879)</b>	<b>(14,790,985)</b>	<b>(17,399,810)</b>
Investment income	-	-	-	-	3,711,288
Other income	-	-	-	-	2,428,203
Other expenses	-	-	-	-	(5,430,458)
<b>Result of operating activities-PTF</b>					
<b>Segment assets - (PTF)</b>	<b>171,138,218</b>	<b>32,820,179</b>	<b>32,364,804</b>	<b>23,700,808</b>	<b>250,214,348</b>
Unallocated assets - (PTF)	-	-	-	-	156,769,310
<b>Total assets - (PTF)</b>					<b>406,983,658</b>
<b>Segment liabilities - (PTF)</b>	<b>139,926,895</b>	<b>8,726,511</b>	<b>31,919,816</b>	<b>30,999,243</b>	<b>171,281,951</b>
Unallocated liabilities - (PTF)	-	-	-	-	133,902,294
<b>Total liabilities - (PTF)</b>					<b>305,184,245</b>
<b>Operators' fund account</b>					
Wakala fee earned	39,513,499	17,342,842	11,877,240	8,822,706	76,756,286
Net Commission and other acquisition costs	(24,541,261)	(18,449,778)	(2,742,800)	(1,281,795)	(47,015,734)
Management expenses	(4,678,448)	(3,423,198)	(1,176,892)	(202,443)	(9,479,979)
Investment income	-	-	-	-	16,457,265
Other income	-	-	-	-	576,777
Other expenses	-	-	-	-	(488,346)
<b>Profit for the period</b>					<b>46,169,819</b>
<b>Segment assets - (OPF)</b>	<b>19,835,581</b>	<b>1,324,273</b>	<b>1,986,830</b>	<b>1,117,694</b>	<b>24,264,288</b>
Unallocated assets - (OPF)	-	-	-	-	213,864,531
<b>Total assets - (OPF)</b>					<b>238,128,819</b>
<b>Segment liabilities - (OPF)</b>	<b>52,848,957</b>	<b>8,853,247</b>	<b>13,535,428</b>	<b>18,838,584</b>	<b>85,276,216</b>
Unallocated liabilities - (OPF)	-	-	-	-	882,640
<b>Total liabilities - (OPF)</b>					<b>86,158,856</b>

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Prior period ended 31 December 2024	Rupes				TOTAL
	FIRE AND PROPERTY DAMAGE	MARINE AVIATION AND TRANSPORT	MOTOR	MISCELLANEOUS	
Contribution received (inclusive of FED, FIF and Admin Surcharge)	80,252,911	31,113,621	23,259,983	20,517,499	155,144,014
Less: Federal Excise Duty/Sales Tax	(3,502,159)	(3,134,361)	(1,674,378)	(539,376)	(8,850,474)
Federal Takaful Fee	(221,576)	(259,387)	(105,572)	(138,716)	(725,251)
<b>Gross written contribution (inclusive of Admin surcharge)</b>	<b>76,529,176</b>	<b>27,719,873</b>	<b>21,479,833</b>	<b>18,839,407</b>	<b>144,568,289</b>
Gross direct contribution	21,573,408	24,926,186	10,245,877	13,515,406	70,260,877
Facultative inward contribution	54,465,618	1,780,758	10,977,605	3,963,895	73,287,876
Administrative surcharge	490,150	1,800,928	255,351	53,126	1,800,555
Wakala fee expense	28,478,039	10,851,397	6,730,710	9,012,012	54,872,158
Takaful contribution earned	42,717,058	15,977,692	10,096,053	13,088,884	81,880,587
Takaful contribution ceded to retakaful	(18,823,496)	(18,553,736)	(2,437,957)	(2,931,694)	(42,746,883)
<b>Net Takaful contribution</b>	<b>23,893,562</b>	<b>(2,576,044)</b>	<b>7,658,096</b>	<b>10,157,190</b>	<b>39,113,254</b>
Retakaful rebate income	-	-	-	-	-
<b>Net underwriting income</b>	<b>23,893,562</b>	<b>(2,576,044)</b>	<b>7,658,096</b>	<b>10,157,190</b>	<b>39,113,254</b>
Takaful claims	(22,328,488)	421,320	(6,210,170)	(13,825,893)	(42,943,231)
Takaful claims recovered from retakaful	(3,149,356)	(1,567,162)	38,261	(282,273)	(5,060,530)
<b>Net claims</b>	<b>(23,478,044)</b>	<b>(1,145,842)</b>	<b>(6,171,899)</b>	<b>(14,108,166)</b>	<b>(49,900,051)</b>
Direct expenses	(2,879)	(1,877)	(699)	(881)	(6,336)
Contribution deficiency expense	(8,119,297)	421,820	-	(2,517,043)	(10,214,717)
<b>Net Takaful claims and expenses</b>	<b>(24,600,220)</b>	<b>(725,899)</b>	<b>(6,172,598)</b>	<b>(16,625,050)</b>	<b>(48,154,077)</b>
<b>Underwriting results</b>	<b>(706,658)</b>	<b>(3,302,033)</b>	<b>1,485,527</b>	<b>(6,511,072)</b>	<b>(9,044,236)</b>
Investment income					-
Other income					14,312,236
Other expenses					-
<b>Result of operating activities-PTF</b>					<b>5,471,402</b>
<b>Segment assets - (PTF)</b>	<b>83,314,389</b>	<b>27,113,326</b>	<b>23,320,073</b>	<b>22,686,023</b>	<b>160,363,863</b>
Unallocated assets - (PTF)					325,956,311
<b>Total assets - (PTF)</b>					<b>486,320,174</b>
<b>Segment liabilities - (PTF)</b>	<b>48,462,412</b>	<b>7,803,532</b>	<b>14,046,428</b>	<b>15,335,292</b>	<b>86,647,664</b>
Unallocated liabilities - (PTF)					118,940,257
<b>Total liabilities - (PTF)</b>					<b>205,587,921</b>
<b>Operators' fund account</b>					
Wakala fee earned	28,478,039	10,851,397	6,730,710	9,012,012	54,872,158
Net Commission and other acquisition costs	(17,696,334)	(6,414,101)	(1,653,680)	(1,579,398)	(27,343,513)
Management expenses	(1,731,569)	(877,197)	(486,008)	(443,892)	(3,538,666)
Investment income					11,529,890
Other income					(352,473)
Other expenses					-
<b>Profit for the period</b>					<b>35,417,394</b>
<b>Segment assets - (OPF)</b>	<b>9,892,112</b>	<b>1,349,601</b>	<b>1,115,438</b>	<b>903,989</b>	<b>13,061,141</b>
Unallocated assets - (OPF)					143,712,277
<b>Total assets - (OPF)</b>					<b>156,773,408</b>
<b>Segment liabilities - (OPF)</b>	<b>27,869,263</b>	<b>6,221,594</b>	<b>7,855,577</b>	<b>8,235,736</b>	<b>50,182,170</b>
Unallocated liabilities - (OPF)					1,990,314
<b>Total liabilities - (OPF)</b>					<b>52,172,484</b>

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**31 MOVEMENT IN INVESTMENTS**

During the year, the entity invested Rs. 50 million in term deposit receipts, which is categorized at amortized cost. There are no opening balances, additions and impairments for the year, eliminating the need for reconciliation. This is classified under short term investment.

**32 CAPITAL MANAGEMENT**

The objectives, policies and processes for managing capital of the Operator are as follows:

- to be an appropriately capitalized institution, as defined by regulatory authorities and comparable to the peers;
- maintain strong rating and to protect the Operator against unexpected events;
- availability of adequate capital at reasonable cost so as to enable the Operator to expand; and
- achieve low cost of capital with appropriate mix of capital elements.

**33 MANAGEMENT OF TAKAFUL RISK AND FINANCIAL RISK**

The operator is exposed to a variety of financial risks: credit risk, liquidity risk, market risk (comprising currency risk, interest rate risk and other price risk) that could result in a reduction in operator's net assets or a reduction in the profits. The operator's overall risk management program focuses on unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall risks arising from the operator's financial assets and liabilities are limited. The operator consistently manages its exposure to financial risks without any material change from previous year in the manner described in the notes below. The Board of Directors has the overall responsibility for the establishment and oversight of operator's risk management framework. The Board is also responsible for developing and monitoring the operator's risk management policy.

**33.1 Takaful risks**

**33.1.1 Takaful risk**

The company accepts the takaful risk through its takaful contracts where it assumes the risk of loss from persons or organizations that are directly subject to the underlying loss. The company is exposed to the uncertainty surrounding the timing, frequency and severity of claims under these contracts.

The company manages its risk via its underwriting and retakaful strategy within an overall risk management framework. Exposures are managed by having documented underwriting limits and criteria. Retakaful is purchased to mitigate the effect of potential loss to the company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Retakaful policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.

A concentration of risk may also arise from a single takaful contract issued to a particular demographic type of policy holder, within a geographical location or to types of commercial business. The company minimizes its exposure to significant losses by obtaining retakaful from a number of retakaful operators, who are dispersed over several geographical regions.

**Geographical concentration of takaful risk**

To optimize benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risks with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the commercial/industrial/residential occupation of the insurers. Details regarding the fire separation/segregation with respect to the manufacturing processes, storage, utilities etc. are extracted from the layout plan of the insured facility. Such details form part of the reports which are made available to the underwriters/retakaful personnel for their evaluation. Reference is made to the standard construction specifications as laid down by IAP (Insurance Association of Pakistan) for instance, the presence of Perfect Party Walls, Double Fire Proof Iron Doors, physical separation between the buildings within an insured's premises. It is basically that the property contained within an area which is separated by another property by sufficient distance to confine insured damage from uncontrolled fire and explosion under the most adverse conditions to that one area.

Address look up and geocoding is the essential field of the policy data interphase of IT systems. It provides instant location which is dependent on data collection provided under the policy schedule. All critical underwriting information is punched into the IT system/application through which a number of MIS reports can be generated to assess the concentration of risk.

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For Marine risk, complete underwriting details, besides sums covered and contribution, like vessel identification, voyage input (sea/air/inland transit), sailing dates, origin and destination of the shipments, per carry limits etc. are fed into the IT system. The retakaful module of the IT system is designed to satisfy the requirements as laid down in the proportional treaty agreement. Shipment declarations are also endorsed on the policies. Respective retakaful cessions are automatically made upon the posting of policy documents.

**33.1.2 Retakaful arrangements**

Keeping in view the maximum exposure in respect of key zone aggregates, a number of proportional and non proportional retakaful arrangements are in place to protect the net account in case of a major catastrophe. Apart from the adequate event limit which is a multiple of the treaty capacity or the primary recovery from the proportional treaty, any loss over and above the said limit would be recovered from the non proportional treaty which is very much in line with the risk management philosophy of the Company.

In compliance with the regulatory requirement, the retakaful agreements are duly submitted with Securities and Exchange Commission of Pakistan on an annual basis.

The concentration of risk by type of contracts is summarized below by reference to liabilities.

	Gross sum covered		Retakaful Cover		Net Liability	
	2025	2024	2025	2024	2025	2024
	<b>Repres</b>					
Fire and property damage	139,292,235,281	68,561,731,096	19,496,042,691	65,819,261,852	119,896,192,590	2,742,469,244
Marine aviation and transport	73,533,740,770	44,389,340,403	33,351,976,833	43,501,553,595	40,181,764,737	887,786,808
Motor	3,066,157,667	2,106,830,932	177,627,982	2,064,694,313	2,888,529,685	42,136,619
Miscellaneous	4,418,645,318	1,131,338,307	1,223,195,043	1,018,204,476	3,195,450,275	113,133,831
	220,310,779,836	116,389,240,738	54,058,841,750	112,403,714,237	166,251,937,286	3,785,526,501

**33.1.3 Uncertainty in the estimation of future claims payment**

Claims on general takaful contracts are payable on a claim occurrence basis. The operator is liable for all insured events that occur during the term of the takaful contract.

An estimated amount of the claim is recorded immediately on intimation to the Company. The estimation of the amount is based on the amount notified by the policy holder, management or preliminary assessment by the independent surveyor appointed for this purpose. The initial estimates include expected settlement cost of the claims. Incurred But Not Reported (IBNR) claims have been estimated using Chain Ladder (CL) methodology. The Chain Ladder (CL) Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level. IBNR for all classes is determined and recognized in accordance with valuation carried out by an appointed actuary which is also based on Chain Ladder (CL) method.

There are several variable factors which affect the amount and timing of recognized claim liabilities. However, the management considers that uncertainty about the amount and timing of claim payments is generally resolved within a year. The operator takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be different from recognized amounts.

**33.1.4 Key assumptions**

The principal assumption underlying the liability estimation of IBNR and contribution deficiency reserve is that the operator's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgment includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc.

**33.1.5 Sensitivity analysis**

The risks associated with the takaful contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The sensitivity analysis is performed on the same basis as that of last year. The Company makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Company considers that the liability for takaful claims recognized in the statement of financial position is adequate. However, actual experience will differ from the expected outcome.

As the company enters into short term takaful contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of retakaful.

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	Pre tax Profit		Participants' Takaful Fund	
	2025	2024	2025	2024
	Rupees			
10% decrease in profit				
Fire and property damage	(3,718,133)	(2,347,804)	(3,718,133)	(2,347,804)
Marine aviation and transport	(30,047)	(114,593)	(30,047)	(114,593)
Motor	(2,623,207)	(617,189)	(2,623,207)	(617,189)
Miscellaneous	(1,332,702)	(1,413,797)	(1,332,702)	(1,413,797)
	<b>(7,704,089)</b>	<b>(4,493,383)</b>	<b>(7,704,089)</b>	<b>(4,493,383)</b>

10% increase in profit would have the same but opposite impact on above analysis.

**33.2 Credit risk and concentration of credit risk**

Credit risk is the risk, which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counterparties.

Concentration of credit risk arises when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet contractual obligations in similar manner. The Company's credit risk exposure is not significantly different from that reflected in the financial statements. The management monitors and limits the Company's exposure to credit risk through monitoring of clients exposure and conservative estimates of provision for doubtful assets, if any. The management is of the view that it is not exposed to the significant concentration of credit risk as its financial assets are adequately diversified in entities of sound financial standing, covering various industrial sectors.

The carrying amount of financial assets represents the maximum credit exposure, as specified below:

	2025 Rupees	2024 Rupees
Saving accounts	74,444,826	129,046,340
Takaful / re-takaful receivables	155,675,327	117,596,819
Receivable from PTF	44,920,357	81,269,561
Loan and other receivables	2,835,740	1,178,030
	<b>277,876,250</b>	<b>329,090,750</b>

The company did not hold any collateral against the above during the year. General provision is made for receivables according to the Company's policy. No provision is made for impairment during the year. This impairment provision is utilized to write off a financial asset when it is determined that Company cannot recover the balance due.

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating Agency	2025	2024
	Short term	Long term		Rupees	Rupees
Sinch Bank Limited	A1+	AA	JCR-VIS	844,132	771,364
Meezan Bank Limited	A1+	AAA	JCR-VIS	29,067,148	10,531,174
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	110	104
Bank Islami Pakistan Ltd.	A1	AA-	PACRA	24,695	26,175
National Bank of Pakistan	A1+	AAA	PACRA	35,874,154	109,665,725
Faysal Bank	A1+	AA	PACRA	8,634,587	8,051,799
				<b>74,444,826</b>	<b>129,046,341</b>

The following are the contractual maturities of financial liabilities on an undiscounted cash flow basis:

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<b>Financial liabilities: 2025</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>More Than One Year</b>
Provision for outstanding claims (including IBNR)	107,953,497	107,953,497	-
Contribution received in advance	-	-	-
Takaful / re-takaful payables	20,624,771	20,624,771	-
Payable to PTF / OPF	44,920,357	44,920,357	-
Other creditors and accruals	37,223,589	37,223,589	-
	<b>210,719,214</b>	<b>210,719,214</b>	<b>-</b>

<b>Financial liabilities: 2024</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>More Than One Year</b>
Provision for outstanding claims (including IBNR)	32,288,199	32,288,199	-
Contribution received in advance	208,826	208,826	-
Takaful / re-takaful payables	11,143,610	11,143,610	-
Payable to PTF / OPF	81,269,561	81,269,561	-
Other creditors and accruals	24,062,082	24,062,082	-
	<b>148,972,278</b>	<b>148,972,278</b>	<b>-</b>

Age analysis of financial assets is as under:

<b>Financial assets: 2025</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>From 1 - 2 years</b>	<b>More than 2 years</b>
			Rupees	
Takaful / re-takaful receivables	155,673,377	134,645,596	24,635,508	6,393,853
Loan and other receivables	2,835,740	2,835,740	-	-
Receivable from PTF	44,920,357	44,920,357	-	-
Saving accounts	74,444,826	74,444,826	-	-
	<b>277,874,300</b>	<b>246,846,519</b>	<b>24,635,508</b>	<b>6,393,853</b>

<b>Financial assets: 2024</b>	<b>Carrying Amount</b>	<b>Up to One Year</b>	<b>From 1 - 2 years</b>	<b>More than 2 years</b>
			Rupees	
Takaful / re-takaful receivables	117,596,819	73,888,043	34,047,815	9,660,961
Receivable from PTF	81,269,561	81,269,561	-	-
Loan and other receivables	1,178,030	1,178,030	-	-
Saving accounts	129,046,340	129,046,340	-	-
	<b>329,090,750</b>	<b>285,381,974</b>	<b>34,047,815</b>	<b>9,660,961</b>

The credit quality of amount due from other takaful/ rotakaful and retakaful recoveries against outstanding claims can be assessed with reference to external credit ratings as follows:

	<b>Amount due from other takaful / retakaful</b>	<b>Retakaful recoveries against outstanding</b>	<b>2025</b>		<b>2024</b>	
			Rupees			
A or above (including PRCL)	151,122,339	-	151,122,339	110,467,512		
Others	12,717	40,970,790	40,983,507	50,998		
<b>Total</b>	<b>151,135,056</b>	<b>40,970,790</b>	<b>192,105,846</b>	<b>110,518,510</b>		

**33.3 Liquidity risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Company finances its operations through equity and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. Please refer to note 33 for liquidity risk schedule.

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**33.4 Market risk**

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The market risks associated with the Company's business activities are interest/mark up rate risk and price risk. The Company is not exposed to material currency risk.

**a) Interest/mark up rate risk**

Interest/mark up rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest/mark up rates. Sensitivity to interest/mark up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The company manages these mismatches through risk management strategies.

At the statement of financial position date, the interest rate profile of the Company's significant interest bearing financial instruments is as follows:

Financial assets	2025	2024	2025	2024
	Effective interest rate (in %)		Rupees	Rupees
Saving accounts	5.87 to 9.5%	5.87 to 9%	76,646,826	129,046,340
Term deposit	9.50%	17.50%	53,800,000	50,000,000
			124,446,826	179,046,340

**Sensitivity analysis**

For cash flow sensitivity analysis of variable rate instruments a hypothetical change of 100 basis points in interest rates at the reporting date would have decreased/(increased) profit for the year by the amounts shown below.

	2025	2024
	Rupees	Rupees
Cash flow sensitivity - Variable rate financial assets	1,244,448	1,790,463

It is assumed, for the purpose of sensitivity analysis, that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details. The analysis assumes that all other variables remain constant.

**b) Price risk**

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest/mark up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is not exposed to equity price risk since it has no significant investments in quoted equity securities at the statement of financial position date. The Company is exposed to equity price risk since it has investments in quoted equity securities amounting to Rs. 109 million (2024: Nil/-) at the statement of financial position date.

The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favorable. The Company strives to maintain above average levels of shareholders' capital to provide a margin of safety against short term equity price volatility. The Company manages price risk by monitoring exposure in quoted equity securities and implementing strict discipline in internal risk management and investment policies.

The carrying value of investments subject to equity price risk are based on quoted market prices as of the statement of financial position date and available for sale equity instruments which are based on quoted market prices as of the statement of financial position date in accordance with the requirements of the Insurance Accounting Rules and Regulations issued by the Securities and Exchange Commission of Pakistan (SECP), dated February 09, 2017.

Market prices are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold. The Company has no significant concentration of price risk.

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**Sensitivity analysis**

The table below summarizes company's equity price risk as of December 31, 2025 and December 31, 2024 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios, results could be worse because of the nature of equity markets.

Equity investments have been measured at fair values as required by IAS 39 "Financial Instruments: Recognition and Measurement", the impact of hypothetical change would be as follows:

	Fair value	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase/(decrease) in profit before tax
2025		10% increase		-	-
		10% decrease		-	-
2024		10% increase		-	-
		10% decrease		-	-

**33.5 FUND MANAGEMENT**

The operator's objectives when managing capital or to safeguard operator's ability to continue as going concern in order to provide returns for operator or participants and to offer benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the amount of return paid to operators or to participants may be adjusted.

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**34 FINANCIAL ASSETS AND LIABILITIES**

FINANCIAL ASSETS	2025						Total	
	Effective Yield/ Mark-up rate per annum	Interest/mark-up bearing			Non-Interest/mark-up bearing			
		Maturity up to one year	Maturity over five years	Sub Total	Maturity up to one year	Maturity over one year to five years		Sub Total
Loans and others receivables	-	-	-	56,719,753	-	56,719,753	56,719,753	
Takaful / Re-takaful receivables	-	-	-	155,675,327	-	155,675,327	155,675,327	
Receivable from PTF	-	-	-	44,920,357	-	44,920,357	44,920,357	
Accrued Investment Income	-	-	-	4,112,329	-	4,112,329	4,112,329	
Re-takaful recoveries against outstanding claims	-	-	-	48,970,790	-	48,970,790	48,970,790	
Investments	-	-	-	-	-	-	-	
Term deposit certificates	9.5%	50,000,000	-	50,000,000	-	50,000,000	50,000,000	
Equity Securities	-	109,119,776	-	109,119,776	-	109,119,776	109,119,776	
Cash and bank	5.87 to 9.5%	74,444,826	-	74,444,826	-	74,444,826	74,444,826	
		233,564,602	-	233,564,602	302,408,556	302,408,556	535,973,158	

FINANCIAL LIABILITIES	2025						Total	
	Effective Yield/ Mark-up rate per annum	Interest/mark-up bearing			Non-Interest/mark-up bearing			
		Maturity up to one year	Maturity over five years	Sub Total	Maturity up to one year	Maturity over one year to five years		Sub Total
Provision for outstanding claims (including IBNR)	-	-	-	-	-	-	-	
Contribution received in advance Takaful / Re-takaful payables	-	-	-	197,953,497	-	197,953,497	197,953,497	
Other creditors and accruals	-	-	-	20,624,771	-	20,624,771	20,624,771	
Payable to PTF / OPF	-	-	-	37,220,589	-	37,220,589	37,220,589	
				44,920,357	-	44,920,357	44,920,357	
				210,719,214	-	210,719,214	210,719,214	

FINANCIAL ASSETS	2024						Total	
	Effective Yield/ Mark-up rate per annum	Interest/mark-up bearing			Non-Interest/mark-up bearing			
		Maturity up to one year	Maturity over five years	Sub Total	Maturity up to one year	Maturity over one year to five years		Sub Total
Loans and others receivables	-	-	-	1,178,030	-	1,178,030	1,178,030	
Receivable from PTF	-	-	-	81,269,561	-	81,269,561	81,269,561	
Accrued Investment Income	-	-	-	8,174,658	-	8,174,658	8,174,658	
Takaful / Re-takaful receivables	-	-	-	117,596,819	-	117,596,819	117,596,819	
Re-takaful recoveries against outstanding claims	-	-	-	38,281	-	38,281	38,281	
Cash and bank deposits	7% to 10.4%	179,046,340	-	179,046,340	-	179,046,340	179,046,340	
		179,046,340	-	179,046,340	208,357,349	208,357,349	387,403,689	

FINANCIAL LIABILITIES	2024						Total	
	Effective Yield/ Mark-up rate per annum	Interest/mark-up bearing			Non-Interest/mark-up bearing			
		Maturity up to one year	Maturity over five years	Sub Total	Maturity up to one year	Maturity over one year to five years		Sub Total
Provision for outstanding claims (including IBNR)	-	-	-	32,288,199	-	32,288,199	32,288,199	
Contribution received in advance Takaful / Re-takaful payables	-	-	-	208,826	-	208,826	208,826	
Payable to PTF / OPF	-	-	-	11,343,610	-	11,343,610	11,343,610	
Other creditors and accruals	-	-	-	81,269,561	-	81,269,561	81,269,561	
				213,700,196	-	213,700,196	213,700,196	
				148,977,378	-	148,977,378	148,977,378	

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35 STATEMENT OF SOLVENCY	Note	Participant's Takaful Fund 31-Dec-25 Rupees
<b>Assets</b>		
Property and equipment		-
Investments		
Equity Securities		-
Debt Securities		
Term deposits		
Loans and others receivables		53,854,813
Takaful / Re-takaful receivables	8	195,679,327
Retakaful recoveries against outstanding claims	30	40,370,790
Deferred wakala fee	22	48,452,158
Prepayments	9	14,116,463
Cash & bank	21	72,358,497
<b>Total assets (A)</b>		<b>385,471,258</b>
In admissible assets as per following clause of section 32(2) of the Insurance Ordinance, 2000.		
(a) Takaful / Re-takaful receivables		72,471,557
(u)		-
(v)		-
<b>Total of inadmissible assets (B)</b>		<b>72,471,557</b>
<b>Total Admissible assets (C=A-B)</b>		<b>312,999,293</b>
<b>Total Liabilities</b>		
Underwriting provisions		
Provision for outstanding claims (including IBNR)	20	107,953,497
Contribution deficiency reserve		16,174,520
Reserve for unearned contribution		121,130,387
Reserve for unearned retakaful rebate		-
Contributions received in advance		-
Takaful / Re-takaful payables	14	20,624,771
Other creditors and accruals	15	1,415,021
Payable to OPF		44,920,357
<b>Total Liabilities (D)</b>		<b>312,218,553</b>
<b>Total net Admissible assets (E=C-D)</b>		<b>780,740</b>

**Minimum Solvency Requirement**

As per requirement of section 10(k) of Takaful Rules, 2012 An Operator shall ensure that in case of General tkaful each participant takaful fund, at all times, has admissible assets in excess of its liabilities.

**36 Fair value of financial instruments**

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

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted market price (unadjusted) in active market for identical instrument.

Level 2: Valuation techniques based on observable inputs either directly (i.e. as prices) or indirectly (i.e. derived from

Level 3: Valuation techniques using significant unobservable inputs.

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	Level-1	Level-2	Level-3	Total
	Rupees			
<b>As at December 31, 2025</b>				
At fair value through profit or loss-Held for trading	-	-	-	-
At fair value through OCI - Available for sale	-	-	-	-
<b>As at December 31, 2024</b>				
At fair value through profit or loss-Held for trading	-	-	-	-
At fair value through OCI - Available for sale	-	-	-	-

	2025 Rupees	2024 Rupees
<b>Operator's Fund</b>		
<b>Category of financial assets</b>		
<b>Loan and receivables</b>		
Term deposit certificates	-	-
Loan and receivables	2,835,768	1,178,030
Takaful / retakaful receivable	-	-
Receivable from PTF	44,928,387	81,269,561
Accrued investment income	4,112,328	8,174,658
<b>Other financial assets</b>		
Short term investment	58,888,888	50,000,000
Cash and bank deposits	2,076,328	3,090,028
	1,82,944,788	143,712,277
<b>Category of financial Liabilities</b>		
<b>Other financial liabilities</b>		
Other creditors and accruals	37,228,588	24,062,082
	37,228,588	24,062,082
<b>Participants Takaful fund</b>		
<b>Category of financial assets</b>		
<b>Loan and receivables</b>		
Takaful / retakaful receivable	188,678,327	117,596,819
Retakaful recoveries against outstanding claims	46,970,798	38,281
Other financial assets	83,894,813	-
Cash and bank balances	73,368,687	125,956,312
	322,908,627	243,591,412
<b>Category of financial Liabilities</b>		
<b>Other financial liabilities</b>		
Outstanding claims including IBNR	107,953,497	32,288,199
Contribution received in advance	-	208,826
Takaful / retakaful payable	20,624,771	11,143,610
Payable to OPF	44,928,357	81,269,561
Other creditors and accruals	1,415,021	4,330,229
	174,913,646	129,240,425

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**37 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS**

All significant transactions and events that have affected the Company's financial position and performance during the year have been adequately disclosed in the notes to these financial statements.

**38 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, whenever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant reclassification has been made during the year.

**39 SUBSEQUENT EVENTS - NON ADJUSTING EVENTS**

There is no event causing adjustment to or disclosure in financial statements.

**40 NUMBER OF EMPLOYEES**

Number of employees at the end of the year

Average number of employees


	2025 Number	2024 Number
Number of employees at the end of the year	6	3
Average number of employees	6	3

**41 DATE OF AUTHORIZATION FOR ISSUE**

These financial statements have been authorized for issue on 26, March 2026 the Board of Directors of the company.

**42 GENERAL**

The figures are rounded off to the nearest rupee unless otherwise stated.



Chairman



Chief Executive Officer



Director



Director



Chief Financial Officer

## BRANCHES NETWORK

### Detail of Branches / Sub Offices across the Country

#### HEAD OFFICE

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Ph: 042-35865574-78 Fax: 042-35865579  
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www.asiainsurance.com.pk

#### HEALTH / AGRI / TRAVEL DIVISION

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#### WINDOW TAKAFUL OPERATION

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#### LAHORE REGION

##### Branch Head

**Mr. Zaheer ud Din Babar / Mr. Jaffar Abbas**  
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##### Branch Head

**Mr. Javaid Talib**

##### Mumtaz Centre Office

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Shahrah-e-Fatima Jinnah, Lahore  
Ph: 042-36299472-3  
mumtazcentre@asiainsurance.com.pk

##### Branch Head

**Mr. Sana Ullah / Mr. Muhammad Ahmad**  
**Land Mark Plaza Office**

330 3rd Floor, Landmark Plaza, Jail Road  
Lahore  
Ph: 042-35764121  
land.mark@asiainsurance.com.pk

##### Branch Head

**Mr. Agha Soud**

##### Abbot Road Office

2nd Floor, Asif Center, 19-A, Abbot road  
Lahore.  
Ph: 042-36308070 Fax: 042-36308066  
abbot@asiainsurance.com.pk

##### Branch Head

**Mr. Afaq Ali**

##### Bilal Center Office

Room No. 213, 2nd Floor, Hassan Centre  
83-Brandreth Road, Lahore  
Ph: 042-37672619

##### Branch Head

**Mr. Khawar Abbas**

##### Walton Road Branch

Paradise Center, E-26, 3rd floor,  
Main Walton Road, Cantt. Lahore,  
Cell no. 03004994339

**Mr. Naveed Baig**

##### Shadman II Branch

Office Flat No. 1-B, 2nd Floor,  
Shadman Plaza, Shadman  
Market, Lahore  
Cell no. 03227284337

##### Branch Head

**Mr. Nadeem Haider**

##### Patiala Complex Office

Office No. 7, 2nd Floor, Patiala Complex  
2-link Mecload Road, Lahore  
Ph: 042-37351138 Fax: 042-37351139

#### FAISALABAD REGION

##### Branch Head

**Mr. Ch. Muhammad Ashraf**

##### Faisalabad Regional Office

Office No. 08, 4th Floor, Sidq Plaza, Outside  
Kutchery Bazar, Circular Road, Faisalabad  
Ph: 041-2605557-58 Fax: 041-2605559  
fsd@asiainsurance.com.pk

##### Branch Head

**Mr. Mian Muhammad Afzal**

##### Faisalabad Pakistan Market Office

Office No. 17-C, 1st Floor Pearl City Tower  
Opp. PSO Pump, Sargodha Road, Faisalabad.  
Ph: 041-8815227

##### Branch Head

**Mr. Muhammad Shafiq**

##### Faisalabad Kotwali Road Office

Taj Plaza, 3rd Floor, Opposite Shell Petrol Pump  
Kotwali Road, Faisalabad  
Ph: 041-2648291, 041-2412192  
fsd3@asiainsurance.com.pk

##### Branch Head

**Mr. Abdul Rasheed**

##### Sargodha Office

Khan Arcade, Kutchery Road, Sargodha  
Ph: 048-3721286  
sgd@asiainsurance.com.pk

#### SIALKOT REGION

##### Branch Head

**Mr. Younas Shaheen**

##### Sialkot Kashmir Road Office

2nd Floor, Al-Khalil Center, Kashmir Road  
Sialkot Ph: 052-3240271-3  
sktc@asiainsurance.com.pk

##### Branch Head

**Mr. Ahmad Waqas Afzal**

##### Sialkot Paka Garha Office

Plot / Building # 14 & 15 1st Floor  
Business Bay, Clock Tower, Pakka  
Garha, Sialkot.  
Ph: 052-4591023 Fax: 052-4593022  
silk@asiainsurance.com.pk

## BRANCHES NETWORK

### MULTAN REGION

**Branch Head**

**Mr. Syed Khalil Ahmad**  
**Multan Corporate Office**

2nd Floor, Ghaffar Plaza, Bohra Street, Multan  
Cantt. Ph: 061-6306813, 061-4586814  
mnt@asiainsurance.com.pk

**Branch Head**

**Mr. Ch. Imran Ali**  
**Multan Nusrat Road Office**

1st Floor, Khawar Centre, Near SP Chowk  
Nusrat Road, Multan Cantt  
Ph: 061-4541451-2 Fax: 061-4541450  
mnt2@asiainsurance.com.pk

**Branch Head**

**Mr. Attiq ur Rehman**  
**Sadiqabad Office**

Mukarram Plaza, Alfalah Town Sadiqabad  
District Rahim Yar Khan  
Ph: 068-5701195 Fax: 068-5957377  
sadiqabad@asiainsurance.com.pk

### KARACHI REGION

**Branch Head**

**Mr. Muhammad Ashruf Ansari**  
**Karachi I**

Room No. 1, 1st Floor Mian Chamber, Opposite  
Sindh Madrasa, Shahr-e Liaqat, Karachi.  
Ph: 021-32428365, 32466960, 32465203  
Fax: 021-32433569  
k1@asiainsurance.com.pk

**Branch Head**

**Mr. Sh. Murad Afzal**  
**Karachi II**

Office No. 510, 511, 512, Gul Tower,  
LI Chundrigar Road, Karachi.  
Ph: 021-32461834-5  
k2@asiainsurance.com.pk

**Branch Head**

**Mr. Asif Masood Bhatti**  
**Karachi Regional Office**

Office No. 512-513, 5th Floor Falak  
Corporate City, Mithandar Police Station,  
Bolton Market, Karachi.  
Ph: 021-32469584-5  
karachi@asiainsurance.com.pk

**Branch Head**

**Mr. Suleman Basaria**  
**Karachi V**

806, 8th Floor, Business Plaza, Mumtaz  
Hussain Road LI Chundrigar Road, Karachi.  
Ph: 021-32431032-3  
s.basaria@asiainsurance.com.pk

### RAWALPINDI REGION

**Branch Head**

**Mr. Liaqat Ali Malik**  
**Rawalpindi Canning Road Office**

Office No. 62, 3rd Floor Nice Plaza  
Canning Road Saddar, Rawalpindi  
Ph: 051-5582116  
rwp@asiainsurance.com.pk

**Branch Head**

**Mr. Mohsin Mahmood**  
**Islamabad Corporate Office**

Flat No.6, 1st Floor, Al Barkat Plaza  
Punjab Market G. 13/4, Islamabad

### PESHAWAR REGION

**Branch Head**

**Mr. Barkat Ali Bhatti**  
**Peshawar Office**

Deans trade Centre, Unit No. 180-TF  
Saddar Road, Peshawar Cantt  
Ph: 091-5603040  
psw@asiainsurance.com.pk

**Branch Head**

**Mr. Tanveer Ahmad**  
**Hyderabad**

Silver Plaza, Unit No 07, Latifabad,  
Auto Bhan Road, Hyderabad, Sindh.  
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hyd@asiainsurance.com.pk

**Branch Head**

**Mr. Syed Waqas Hussain Shah**  
**Muzaffarabad Office**

2nd Floor Near Baba Bakery  
Gojra Muzaffarabad, AJK  
Ph: 0582-2446242  
muz@asiainsurance.com.pk

**Branch Head**

**Mr. Faheem Akhtar**  
**Gilgit Office**

Office No. 14, 2nd Floor, Meer Shah Market  
Shahrah-e-Quaid Azam, Jutial Gilgit.

**Abbotabad Office**

Representative Office  
abbe@asiainsurance.com.pk

**We've got You covered**

**Option 1**

**Appointing other person a Proxy**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of Asia Insurance Company Limited and holder of \_\_\_\_\_ (number of shares) Ordinary Shares as per Registered Folio No. \_\_\_\_\_ hereby appoint Mr./Ms. \_\_\_\_\_ of \_\_\_\_\_ or failing whom Mr./Ms. \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the (annual, extraordinary general meeting as the case may be) of the Company to be held on \_\_\_\_\_ and at any adjourned thereof.

Signed under my/our this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Sign Across  
Revenue Stamp  
Rs. 5/-

Signature should agree  
With the specimen signature  
Registered with the Company

Signed in presence of:

Signature of Witness

Signature of Witness

**Option 2**

**E-voting as per The Companies (E-voting) Regulations, 2016**

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of Asia Insurance Company Limited and holder of \_\_\_\_\_ (number of shares) Ordinary Shares as per Registered Folio No. \_\_\_\_\_, hereby appoint for e-voting through intermediary and hereby consent the appointment of execution officer \_\_\_\_\_ as proxy and will exercise e-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for resolution.

My secured email address is \_\_\_\_\_. Please send login details, password and electronic signature through email.

Sign Across  
Revenue Stamp  
Rs. 5/-

Signature should agree  
With the specimen signature  
Registered with the Company

Signed in presence of:

Signature of Witness

Signature of Witness

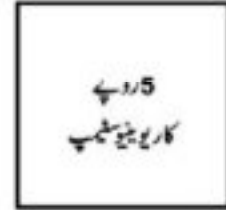
**Important:**

- This form of Proxy, duly completed, must be deposited at the Company's Registered Office at Asia House, 19 C/D, Block-L, Gulberg III, Main Ferozpur Road, Lahore, not later than 48 hours before the time appointed for the meeting.
- CDC Shareholders and their Proxies are each requested to attach attested photocopy of their Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.
- CDC Shareholders or their Proxies are requested to bring with them their Original Computerized National Identity Card or Passport along with the Participant's ID number and their account number at the time of attending the Annual General Meeting in order to facilitate their identification.

## 2. کمپنی کے (ای۔ ڈوننگ) ضوابط 2016ء کے تحت ای۔ ڈوننگ

ایشیا انشورنس کمپنی لمیٹڈ کے رکن اور رجسٹرڈ فو لبر (حصص کی تعداد) کے عمومی حصص کا مالک ہونے کی حیثیت سے میں اہم رہائش ای۔ ڈوننگ کے کے تقرر کرتے ہیں بذریعہ ثالث اور عمل کرنے والے امر کی ایک پراکسی / نمائندہ کی حیثیت سے تقرری پر رضامندی ظاہر کرتے ہیں اور کمپنی کے (ای۔ ڈوننگ) ضوابط 2016ء کے تحت ای۔ ڈوننگ پر عمل کریں گے، پس قرارداد پر پونگ کی استماعا کرتے ہیں۔

میرا مظلوم ای میل ایڈریس ہے۔ برائے صبرانی لاگ ان تفصیلات، پاس ورڈ اور الیکٹرانک دخلظ ای میل کے ذریعے بھیج دیں۔



(دخلظ کمپنی کے رجسٹرڈ نمونہ کے دخلظ کے مطابق ہونے چاہئیں)

کی موجودگی میں دخلظ کئے گئے:

گواہ کے دخلظ

گواہ کے دخلظ

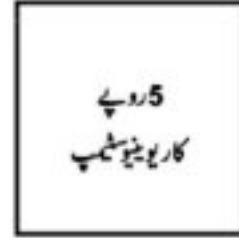
ہدایات:

- ✓ مکمل شدہ پراکسی فارم کمپنی کے رجسٹرڈ آفس ایشیا پاس C/D 19 بلاک۔ 11، مین فیروز پور روڈ 11، بور، میں اجلاس کے آغاز سے 48 گھنٹے پہلے بھیج جانا چاہئے۔
- ✓ CDC حصص داران اور ان کے نمائندہ پراکسی کو درخواست کی جاتی ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) اور پاسپورٹ کی تصدیق شدہ نقول اس پراکسی فارم کے ساتھ منسلک کریں۔
- ✓ CDC حصص داران اور ان کے نمائندہ پراکسی کو درخواست کی جاتی ہے کہ سالانہ اجلاس عام میں شمولیت کے موقع پر اپنی شناخت ثابت کرنے کے لئے وہ اپنے اصلی کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ مع شامل ہونے کا آئی ڈی نمبر اور اپنا اکاؤنٹ نمبر مہر لائیں۔

## 1. کسی شخص کا اپنا نمائندہ / پراکسی مقرر کرنا

ایشیا انشورنس کمپنی لمیٹڈ کے رکن اور رجسٹرڈ فوئیو نمبر ..... کے تحت  
(حصص کی تعداد) کے عمومی حصص کا مالک ہونے کی حیثیت سے میں / ہم .....  
رہائش .....  
میرے / ہمارے لئے ووٹ کرنے اور میری / ہماری جگہ پر کبھی کے سالانہ / غیر معمولی اجلاس عام، جو بھی معاملہ ہو، منعقدہ .....  
میں شرکت کرنے کے لئے اور اس کی معطلی کی صورت میں محترم / محترمہ .....  
رہائش ..... کو یا تا کا می کی صورت میں،  
محترم / محترمہ ..... رہائش .....  
کو اپنا پراکسی / نمائندہ مقرر کرتے ہیں۔

.....، 20 کو دھخلا کے گئے۔



(دھخلا کبھی کے رجسٹرڈ نمونہ کے دھخلا کے مطابق ہونے چاہئیں)

کی موجودگی میں دھخلا کئے گئے:

گواہ کے دھخلا

گواہ کے دھخلا



# 2024 ANNUAL REPORT

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FAX: 042-35865579

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[info@asiainsurance.com.pk](mailto:info@asiainsurance.com.pk)



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