

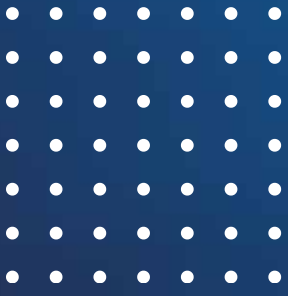


Century Insurance Company Limited  
A Lakson Group Company



# Your Trust **Our Assurance**

Annual Report 2025





## Century Insurance at a Glance

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance and takaful business.
- One of the premier general insurance companies of Pakistan.
- Rated "AA" with a stable outlook by VIS Credit Rating Company Limited, signifying a 'very strong capacity to meet policyholders' and contractual obligations.
- Total equity in excess of Rs. 3.4 billion.
- Twice awarded 'Top 25 Companies Award' by the Karachi Stock Exchange.
- Very strong reinsurance treaty arrangements with highly rated international reinsurers.
- Broad client base consisting of individuals as well as some of the most prestigious local and multinational companies.



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Form of Proxy

## Our Vision

To be an organization known for integrity and ethical behavior and fully dedicated to its Clients, Business Partners, Shareholders and Employees, providing exceptional quality service and committed to achieving excellence in all areas of its operations.

## Our Mission

- To become a company of choice for its valued Clients, Stockholders and Employees.
- To ensure continued growth of the financial strength and resilience of the company so that it may be able to withstand any unexpected shocks or cyclical economic downturns.
- The Company culture to be known for Integrity and Ethical behavior.
- The Company to be known as one of the best insurance companies of the country.



# CORPORATE INFORMATION

## Board of Directors

Mr. Iqbal Ali Lakhani - Chairman  
 Mr. Amin Mohammed Lakhani  
 Ms. Anushka Lakhani  
 Mr. Aftab Ahmad  
 Mr. Atiq Anwar Mahmudi  
 Mr. Jawed Akhlaq  
 Mr. Muhammad Hussain Hirji - Chief Executive

## Advisor

Mr. Sultan Ali Lakhani

## Chief Financial Officer

Mr. Nawaid Jamal

## Company Secretary

Mr. Mansoor Ahmed

## Audit Committee

Mr. Atiq Anwar Mahmudi - Chairman  
 Mr. Amin Mohammed Lakhani  
 Mr. Aftab Ahmad

## Investment Committee

Mr. Iqbal Ali Lakhani - Chairman  
 Mr. Aftab Ahmad  
 Mr. Muhammad Hussain Hirji  
 Mr. Nawaid Jamal

## Ethics, Human Resource & Remuneration Committee

Mr. Jawed Akhlaq - Chairman  
 Mr. Amin Mohammed Lakhani  
 Mr. Muhammad Hussain Hirji

## Sustainability Committee

Mr. Jawed Akhlaq - Chairman  
 Ms. Anushka Lakhani  
 Mr. Muhammad Hussain Hirji

## External Auditors

M/s. BDO Ebrahim & Co.  
 Chartered Accountants

## Shares Registrar

M/s. FAMCO Share Registration Services (Pvt.) Ltd.  
 8-F, Near Hotel Faran, Nursery,  
 Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi.  
 Tel: (021) 3438 0101-5  
 Fax: (021) 3438 0106  
 Email: info.shares@famcosrs.com  
 Website: www.famcosrs.com

## Bankers

Al Baraka Bank (Pakistan) Limited  
 Askari Bank Limited  
 Bank Alfalah Limited  
 Bank Islami Pakistan Limited  
 Dubai Islamic Bank Pakistan Limited  
 Habib Bank Limited  
 Habib Metropolitan Bank Limited  
 JS Bank Limited  
 MCB Islamic Bank Limited  
 Meezan Bank Limited  
 NRSP Microfinance Bank Limited  
 Samba Bank Limited  
 Soneri Bank Limited  
 Standard Chartered Bank (Pakistan) Limited  
 Telenor Microfinance Bank Limited  
 U Microfinance Bank Limited  
 United Bank Limited

## Registered & Corporate Office

Lakson Square, Building No. 2,  
 Sarwar Shaheed Road, Karachi-74200.

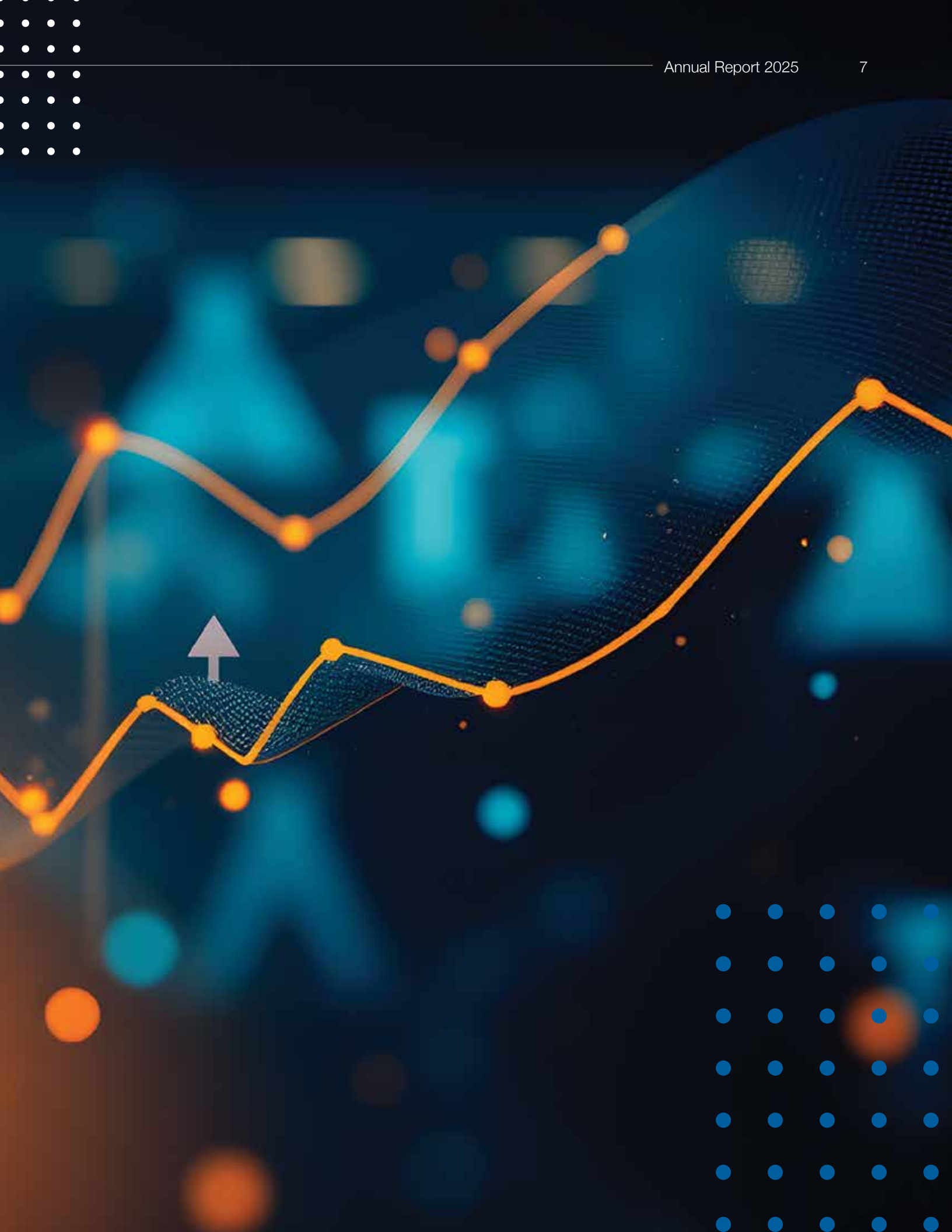
## Head Office

11<sup>th</sup> Floor Lakson Square, Building No. 3,  
 Sarwar Shaheed Road, Karachi-74200.

Website: www.cicl.com.pk

UAN: 111-111-717

NTN: 0710008-6

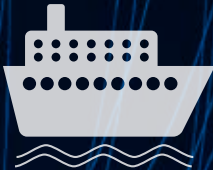


# Products & Services





**FIRE INSURANCE**



**MARINE INSURANCE**



**MOTOR INSURANCE**



**ENGINEERING INSURANCE**



**ACCIDENT & HEALTH INSURANCE**



**TRAVEL INSURANCE**



**MISCELLANEOUS INSURANCE**



**CLAIM SERVICE**



**RISK MANAGEMENT**

## FIRE INSURANCE

Your corporate offices, factories and facilities are the primary sources of your income and revenue. Century Insurance understands the importance and value of your business property and operations. So we will work with you to help you prevent losses, protect what matters and help you stay in business. Property insurance solutions include:

- Fire and Allied Perils
- Consequential Loss
- Property All Risk
- Comprehensive Machinery Insurance
- Terrorism Insurance (Property insurance policies in Pakistan now exclude Terrorism including any Riot & Strikes resulting from a terrorist act. These are now covered under a separate Terrorism policy).



## MARINE INSURANCE

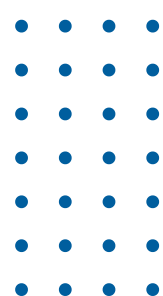
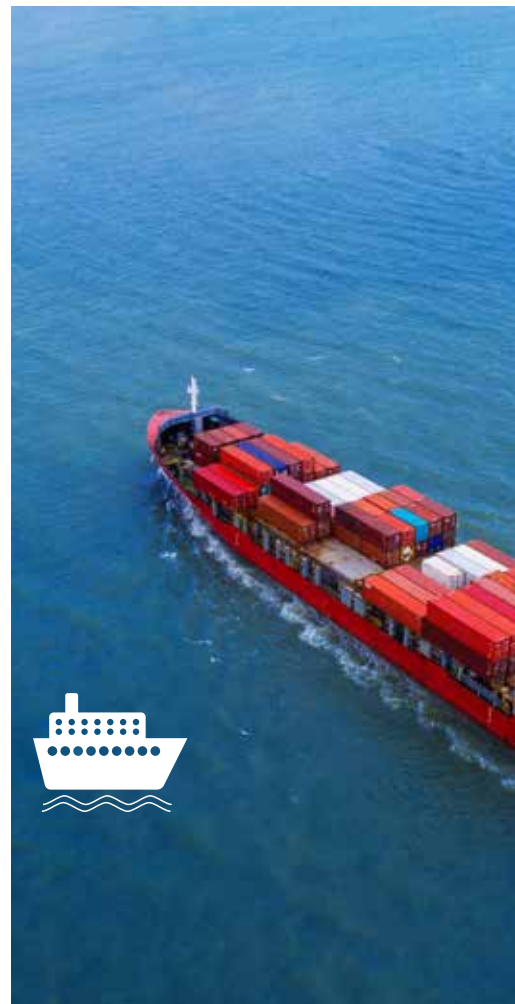
We offer our clients tailored solutions for their international and domestic marine exposures. The two standard product lines are:

- Marine Cargo including Inland Transit
- Marine Hull

Marine cargo insurance covers the risks of physical loss or damage to goods and merchandise while in transit by any method of conveyance anywhere in the world. Inland Transit policies cover transit by road and/or rail within the country.

Marine hull provides coverage for all types of vessels and their machinery while navigating anywhere in the world. In addition we can cover ship beaching risks for the ship breaking industry as well as Fire and Allied Perils for the beached vessel.

Losses occurring anywhere in the world are promptly investigated and equitably settled through our international claims settling agents.



# MOTOR INSURANCE

## Private Car Insurance

People love their cars, but insuring them can be a chore. At Century Insurance, with fast, fair and convenient services and cover you can depend on, we'll be there for you when it matters. We settle bills with a very wide network of repairers directly – so no waiting for that check in the mail. And because we don't force you to use any particular repairer you are free to take your car to the workshop of your choice. You may opt for comprehensive coverage including own damage, theft and third party legal liability or just third party legal liability coverage to meet the requirements of law.

If you would like to have the added assurance of a good vehicle tracking service, substantial discounts are available on the premium you pay. Or if you would like us to arrange the tracking service for you we can do that too as a complimentary service at economical rates.

## Commercial Vehicle Insurance

Whatever your business, if you have your own commercial vehicles we know how important these vehicles are to your business. No matter how many commercial vehicles you have, we've got a plan to suit you. From fleets of trucks to just one or two pickups, we can tailor the right insurance package for you. If you are insuring many vehicles, our fleet policy can cover them all in a single policy.



# ENGINEERING INSURANCE

Our qualified engineers can cater to all of your engineering insurance needs. At Century Insurance, we can help by sharing insights, insurance solutions and risk engineering services. From construction related insurances to erection of machinery to electronic equipment, we have the right solution for you. With us, you'll work with specialized underwriting, risk engineering and claims professionals who understand the challenges you face and can deliver quality service when you need it.

## Engineering insurance solutions include:

- Contractor's All Risk (CAR) insurance offers comprehensive protection for contract works, construction plant and equipment as well as for Third Party claims.
- Contractor's Plant & Equipment (CP&E).
- Erection All Risk (EAR) for plant and machinery in the course of erection.
- Machinery Breakdown covers sudden and unforeseen loss or damage to machinery.
- Advance Loss of Profits (ALOP) also known as Delayed Startup to cover loss of gross profits arising from a CAR or EAR loss.
- Electronic Equipment Insurance for computers and other electronic equipments.
- Deterioration of stock.
- Boiler and Pressure Vessels.



## TRAVEL INSURANCE

Whether you are travelling for business or pleasure, unfortunate surprises can occur either before or during your trip. Medical emergencies or accidents can result in costly trip cancellations or medical bills leaving the traveler stranded in an unfamiliar country. Children may be left unattended with perhaps no one to accompany them on their return back home. Loss of baggage or mere flight delay may also result in unexpected and unbudgeted expenses. Our 24 hour, 7days of the week hotline will be available to assist you no matter where you are or what language you are comfortable communicating in.

Century Insurance provides the best available travel insurance plans for you and your family, to suit every budget and need. We also have special plans available for senior citizens no matter where in the world they may be planning to travel to. Claims can be paid directly to hospitals in most instances, anywhere in the world. So the next time you travel, give up your worries and get the best travel insurance solution from Century Insurance.



## ACCIDENT & HEALTH INSURANCE

In today's competitive marketplace, employers know that their true competitive advantage frequently lies in their human capital. A good employer will therefore always try to take care of its employees. One of the key variables in an employee's benefit structure is the health insurance provided by the employer.

Century Insurance provides the best possible corporate health insurance packages available in the market. We care for your employees and make every effort to ensure that they receive the best possible care based on the benefits chosen for them by their employer. Whether they need expert advice and guidance related to medical admissions and treatment or whether they just want a better understanding of the benefits available under their policy, we provide service with a smile and a caring attitude. We liaise closely with the hospitals to ensure that your employees receive the care and treatment that they need in the most timely and efficient manner possible.

We also work closely with the Human Resource department of our clients to make sure that they are fully informed of developments involving major hospitalizations of their employees or of the dependents of their employees. We also pay extra attention to ensure that all paperwork, health cards, payments, etc are made correctly and on time. With all of the topmost hospitals on our panel we ensure a smooth and cashless service for your employees so that they are not made to fret and worry about these matters during the difficult time they may be facing on account of either their own hospitalization or that of a loved one.

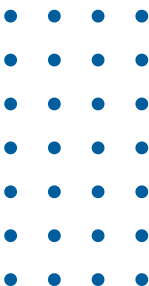
Personal Accident provides 24/7 worldwide cover for accidental bodily injury to the insured person resulting in death or permanent disablement.



# MISCELLANEOUS INSURANCE

This is a broad category and includes any insurance product or service that does not fall into any of the above categories. The most important of these include the following:

- General or Public Liability to protect you and or your business against liability to third parties for accidental bodily injury or property damage, such as when they come upon your business premises.
- Professional Indemnity to protect you and/or your business against liability that may be incurred in the course of discharging your professional duties, whether you are a doctor, lawyer or architect or in any other profession.
- Product Liability to protect you and/or your business against any liability for injury or damage that may arise from the use of a defective product that your company may have provided.
- Employer's Liability provides protection to you and/or your business against liability to your employees for bodily injury or property damage occurring in the course of their employment.
- Workmen's Compensation provides protection for accidents to workmen in your employ resulting in death or disablement that may occur in the course of their employment.
- Cash on Premises indemnifies you and/or your business for cash belonging to the business that may be stolen from the business premises consequent upon forcible entry or under the threat of force.
- Cash in Transit indemnifies you and/or your business for loss of cash stolen forcibly during transit between specific points during normal business hours.
- Fidelity Guarantee indemnifies you and/or your business for loss sustained on account of fraud or theft conducted by your employees.



## CLAIM SERVICE

For us, every customer claim is an opportunity to deliver when it matters and to differentiate the Century Insurance customer experience. As soon as you report a claim, our team will come into action, delivering swift and transparent claims assistance wherever you need it. Our team consists of experienced claims professionals dedicated to fairness and transparency in the handling of all claims.

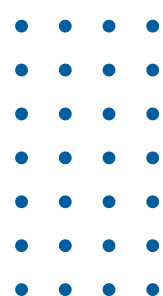
Combining international experience and local knowledge, we will partner with you to give you the assistance you need while helping you to reduce your overall claim costs over time.



## RISK MANAGEMENT

Working closely with you, our underwriters and risk engineers can identify and control risk in a broad range of environments, both in the manufacturing and service sectors. With Century Insurance's specialized underwriting knowledge, experienced risk assessments and excellent claims handling, we'll be there to support you should a claim occur.

Our Risk Engineers identify, assess and guide you to improve risks helping you reduce losses and the overall risk to your business.



# CORE VALUES



# CODE OF CONDUCT

## 1. RELATIONSHIP WITH EMPLOYEES

- Century Insurance Company Limited (CICL) takes pride in the strong personal commitment of its people towards the progress and success of the Company. CICL's policy is to treat individuals in all aspects of employment solely on the basis of merit irrespective of race, religion, color, age, gender, and marital status. CICL believes in individual's respect and their rights.

The Company is committed to the growth of its employees. This is achieved through building a culture of mutual trust, learning and motivation.

- CICL's vision is based on inspiring and developing individuals as their success depends on their ability to make meaningful contributions to the progress of the Company.

## 2. RELATIONSHIP WITH COMPANY

- The employees of the Company strive to adhere to its guidelines and objectives and to give their best efforts to improve its performance. They recognize the trust placed by the Company in them and act with integrity and honesty in all situations - to preserve that trust and confidence. They avoid conflicts of interest and other situations that are potentially harmful to the progress of the Company.
- The employees of the Company use its assets, facilities and services only for lawful, proper and authorized purposes. They intend to make best use of the Company's equipment, systems and technology in order to have fast and reliable communication and a strong MIS system to further the aims and objectives of the Company.

## 3. RELATIONSHIP WITH BUSINESS COMMUNITY

- Each employee is responsible for how he or she is perceived by clients and other business partners; it is essential that they maintain the Company's reputation for honesty and fair dealing with these people and organizations.
- It is CICL's policy to respect the trade secrets and proprietary information of others. This is particularly pertinent if one has knowledge of trade secrets and proprietary information of a former employer.

## 4. RELATIONSHIP WITH CLIENTS

- CICL's reputation has been built upon the trust and quality service it is providing. Our commitment to excellence in quality of service and building strong client relationships is essential to the continued growth and success of the Company. Also, vital for success is to meet the challenges of the highly competitive market with our expertise, innovative and creative marketing.

CICL's motto: "Customer satisfaction is our top priority"

## 5. RELATIONSHIP WITH GOVERNMENT AND THE LAW

- CICL supports free enterprise and a competitive market system. The Company's policy is to comply fully with all applicable laws irrespective to the extent to which they are enforced. The Company cooperates fully with all government and regulatory bodies and is committed to high standards of corporate governance. Penalties for non-compliance can be severe and can involve criminal proceedings.

- CICL's financial policies for conducting business are based on trust, transparency, integrity, and following the principles of accounting and finance as approved by regulations and applicable accounting codes. Any unsupportive or false entry, infringement of accounts for individual or Company gain is contrary to our business codes and ethics.

## 6. RELATIONSHIP WITH SOCIETY

- CICL strives to operate as a responsible corporate citizen within both the local and global communities.
- CICL is an equal opportunity employer for all levels of employees irrespective of color, race, gender, age, ethnicity or religious beliefs.
- CICL provides a safe and healthy workplace, protecting human health and the environment.
- CICL pays its employees a remuneration that enables them to meet at least their basic needs, and provides employees the opportunity to improve their skills and capabilities.
- CICL respects employees' freedom of association.
- CICL works with governments and the communities in which we do business to improve the educational, cultural, economic and social wellbeing of those communities.

## 7. RELATIONSHIP WITH THE ENVIRONMENT

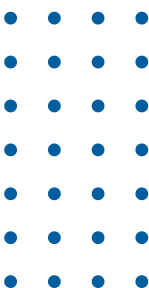
- Protecting the world in which we live is a vital concern and a continuing commitment. CICL is dedicated to contributing to the overall quality of life. We recognize and constantly reaffirm the value of a healthy and clean environment.

## 8. RELATIONSHIP WITH THE SHAREHOLDERS

- CICL strives to serve the best interests of its shareholders to provide consistent growth and a fair rate of return on their investment and to maintain its position and reputation as one of the leading insurance companies, dedicated to protecting shareholders' investments and providing full and timely information. By conducting our business in accordance with the principles of fairness, decency and integrity set forth here we help to build shareholders' value.

## 9. RESPONSIBILITY FOR COMPLIANCE

- In accepting employment with the Company, each of us becomes accountable for compliance with these standards of conduct and with all laws and regulations. Managers are responsible for communicating these standards to employees to ensure that they understand and abide by them, and for creating a climate where employees can discuss ethical and legal issues freely.

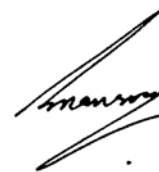




**“FURTHER RESOLVED** that the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending December 31, 2026 and in this connection the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/executive any and all such documents/indentures as may be required in this regard on behalf of the Company.”

Statement under Section 134 of the Companies Act, 2017 in the above matters pertaining to item Nos. 4 & 5 is annexed.

By Order of the Board



**(MANSOOR AHMED)**  
Company Secretary

Karachi: April 02, 2026

**Notes:**

1. The share transfer books of the Company will remain closed from April 22, 2026 to April 29, 2026 (both days inclusive). Transfers received in order by the Shares Registrar of the Company, M/s. FAMCO Share Registration Services (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi up to the close of business on April 21, 2026 will be treated in time for entitlement of the dividend.

2. Participation in the AGM proceedings via physical presence or through video link facility:

A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited, must bring his/her participant's ID number and CDC account/subaccount number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.

The arrangement for attending the AGM through electronic means will be as under:

1. To facilitate our members who want to attend AGM through Zoom application - a video link facility will be provided.
2. Shareholders interested in attending the AGM through Zoom application are hereby requested to get themselves registered with the Company Secretary office by providing the following details at the earliest but not later than 24 hours before the time of AGM (i.e. before 03:00 p.m. on April 28, 2026) through following means:
  - a) Mobile/WhatsApp: 0315 5008228
  - b) E-mail: mansoor@lakson.com.pk

Shareholders are advised to mention their Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification.

Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone/computer devices.

Shareholders can also provide their comments/suggestions for the proposed agenda items of the AGM by using the aforesaid means.

3. In compliance with Section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2025 through email to Shareholders whose email addresses are available with the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Ltd. In those cases, where email address are not available with the Company's Share Registrar, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched. However, the company will provide hard copies of the Annual Report to any Member on their demand, at their registered address, free of cost, within one week of receiving such request.

Further, Shareholders are requested to kindly provide their valid email address and cell number, quoting their folio / CDC accounts number, as the case may be, (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Ltd, if the Member holds shares in physical form or to the Member's respective Participant/Investor Account Services, if shares are held in book-entry form.

4. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company.
  - a. A corporate entity, being a member, may appoint any person, regardless of whether they are a member or not, as its proxy. In case of corporate entities, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form. The proxy holders are requested to produce their CNICs or original passports at the time of the meeting.
  - b. Forms of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting (i.e., Monday, April 27, 2026 at 03:00 p.m.) excluding holidays.
  - c. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.
5. Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses or any other particulars. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.

Further, to comply with requirements of Section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, all CDC and physical shareholders are requested to ensure that their email address and cell phone numbers are incorporated / updated in their physical folio or CDC account.

6. Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the registrar of the Company M/s. FAMCO Share Registration Services (Pvt.) Ltd, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi in case of physical shares.

In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/participant/CDC account services. No further action is required if IBAN has already been incorporated/updated in the CDC account or physical folio of the shareholder.

In case of non-receipt of IBAN information, the Company will be constrained to withhold payment of dividend to shareholders.

7. The rates of deduction of income tax from dividend payments under section 150 of the Income Tax Ordinance, 2001 shall be as follows:

1. Shareholders appearing in Active Taxpayers List (ATL): 15%

2. Shareholders not appearing in Active Taxpayers List (ATL): 30%

(i) To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

(ii) Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate or stay order from a competent court of law is made available to FAMCO Share Registration Services (Pvt.) Ltd, by the first day of Book Closure.

(iii) Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard all shareholders who holds shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach our Shares Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

(iv) For any query/problem/information, the investors may contact the Company Secretary at phone: 38400000 and email address [mansoor@lakson.com.pk](mailto:mansoor@lakson.com.pk) and/or FAMCO Share Registration Services (Pvt.) Ltd at phone: 34380101-5 and email address: [info.shares@famcosrs.com](mailto:info.shares@famcosrs.com)

(v) Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or FAMCO Share Registration Services (Pvt.) Ltd. Shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers. Without the NTN company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.

8. Zakat will be deducted from the dividends at source at the rate of 2.5% of the paid-up value of the share (Rs. 10/- each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981. Shareholders



who holds Company's Share in physical form, please deposit their Zakat Declaration on Form CZ-50 with Company's Share Registration with mentioning Folio No. and Name. Shareholder who holds shares in book entry shall deposit their zakat declaration on Form CZ-50 with CDC Investor Account Services/CDC Participant/Stockbrokers with mentioning CDS Account No. and name of shareholder.

#### 9. Procedure for Voting Through Postal Ballot:

- a Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on April 21, 2026.
- b The web address, and login details and password, will be communicated to members via email. The security codes (OTP) will be communicated to members through SMS and email from the web portal of M/s FAMCO Share Registration Services (Private) Limited (being the e-voting service provider).
- c Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- d E-Voting lines will start from April 22, 2026, at 5:00 p.m. and shall close on April 28, 2026, at 5:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a shareholder, he/she shall not be allowed to change it subsequently.

The shareholders shall ensure that duly filled and signed ballot paper along with a copy of the Computerized National Identity Card (CNIC) should reach the Company Secretary through post on the Company's registered address i.e Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan or via email at [mansoor@lakson.com.pk](mailto:mansoor@lakson.com.pk) at the latest by 5:00 p.m. on April 28, 2026, one day before the AGM. The signature on the ballot paper shall match with the signature on CNIC. For the convenience of shareholders, the ballot is being published with this notice and would also be made available on the Company's website at: [www.cicl.com.pk](http://www.cicl.com.pk).

A postal ballot received after this time/date shall not be considered for voting. Once the vote is cast by a member/proxy holder, he/she shall not be allowed to change it subsequently.

Members who have not exercised their right to vote earlier may cast their vote in person at the venue on the day of the Meeting through a ballot provided at the venue.

Please note that in case of any dispute in voting including the casting of more than one vote, the decision of the Chairman of the meeting shall be final.

#### 10. Appointment of Scrutinizer

In accordance with the regulation 11 of the Companies (Postal Ballot) Regulation, 2018 (the Regulation), the Board of the Company has appointed M/s. BDO Ebrahim & Co., a QCR rated audit firm, to act as scrutinizer of the Company for the special business and election of Directors in the meeting and to undertake other responsibilities as defined in regulation 11A of the Regulations.

11. An updated list for unclaimed dividend/shares of the Company is available on the Company's website [www.cicl.com.pk](http://www.cicl.com.pk) These are unclaimed dividend/shares which have remained unclaimed or unpaid for a period of three years from the date these have become due and payable.

Claims can be lodged by shareholders on Claim Forms as are available on the Company's website. Claim Forms must be submitted to the Company's Shares Registrar for receipt of dividend/shares.

12. The Securities and Exchange Commission of Pakistan has issued a letter No. CSD/ED/Misc./2016639-640 dated March 26, 2021 addressed to all listed companies drawing attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires all companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act, in 2017.

In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form.

13. The SECP, vide Circular No. 2 of 2018 dated February 09, 2018, and S.R.O. 452(I)/2025 dated March 17, 2025, has strictly prohibited companies from offering or distributing gifts, incentives, or any similar benefits (including but not limited to tokens, coupons, meals, or takeaway packages) to Members at or in connection with general meetings. In accordance with Section 185 of the Companies Act, 2017, any non-compliance with these directives constitutes a punishable offence, and companies found in violation may be subject to enforcement actions and penalties.

14. Any person who seeks to contest the election, whether he/she is a retiring director or otherwise, shall file the following documents with the Company Secretary, at the Registered Office of the Company, situated at Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi not later than 14 days before the date of the Annual General Meeting:

- a) Notice of his/her intention to contest for the election to the office of Director in terms of Section 159(3) of the Companies Act, 2017.
- b) Consent to Act as Director (Appendix to Form-9), as prescribed under the Companies Regulations, 2024 and Section 167(1) of the Companies Act, 2017;
- c) A detailed profile along with his/her office address.
- d) Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria, as set out in Section 153 of the Companies Act, 2017 to act as director or an independent director of a listed company.
- e) Attested copy of valid CNIC and NTN.
- f) Independent Director(s) will be elected through the process of election of directors in terms of Section 159 of the Act and they shall meet the criteria laid down in Section 166 of the Act, and the Companies (Manner and Selection of Independent Directors) Regulations, 2018, accordingly the following additional documents are to be submitted by the candidates intending to contest election of directors as an independent director:
  - Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
  - Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

The final list of contesting directors will be circulated not later than seven days before the date of said meeting, in terms of section 159(4). Further, the website of the Company will also be updated with the required information.

15. Form of Proxy is enclosed and also appears on the website of the Company.

## **STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2017**

This statement sets out the material facts concerning the election of Directors to be carried out at the AGM and Special Business, given in agenda item Nos.4 & 5 of the Notice which will be considered to be passed by the members. The purpose of the Statement is to set forth the material facts concerning such Business.

### **Agenda Item No.4 of the Notice - Election of Directors**

The term of office of the current directors of the Company will expire on May 29, 2026. In accordance with Section 159(1) of the Act, the Board of Directors has fixed the number of directors to be elected at the AGM at Seven (07) to hold the office of director for a period of three (3) years commencing from May 29, 2026.

The Company is required to have independent directors on its Board in accordance with the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018. The Company shall ensure that its election of independent directors comply with the requirements of Sections 159 and 166(2) of the Companies Act, 2017.

Core competencies; diversity, skill set, knowledge and experience of the election contestants shall also be considered during the finalization of independent Directors.

The present Directors of the Company have no interest in the above business except being eligible for re-election as director of the Company.

### **Agenda Item No.5 of the Notice - Transactions carried out with associated companies/related parties during the year ended December 31, 2025 and Authorization to the Chief Executive Officer for the transactions carried out and to be carried out with associated companies/related parties during the ensuing year ending December 31, 2026 to be passed as Special Resolutions.**

The transactions carried out in normal course of business with associated companies/related parties were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the Board meeting it was pointed out by the Directors that as the majority of Company Directors were interested in these transactions due to their common directorship and holding of shares in the associated companies/related parties, the quorum of directors seemingly could not be formed for approval of some of these transactions specifically, therefore, these transactions have to be approved by the shareholders in the General Meeting.

In view of the above, the transactions conducted during the financial year ended December 31, 2025 with associated companies/related parties shown in Note Nos. 33 & 29 of the audited financial statements (Conventional and Window Takaful Operations respectively) are being placed before the shareholders for their consideration and approval/ratification.

The Company would be conducting transactions with associated companies/related parties in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the associated companies/related parties. Therefore, such transactions with associated companies/related parties have to be approved by the shareholders.

The shareholders may authorize the Chief Executive Officer to approve transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending December 31, 2026.

The Directors are interested in the above items to the extent of their common directorships and shareholding in the associated companies/related parties and the privileges attached thereto only.

# CORPORATE CALENDAR

**February  
13, 2025**

Audit Committee meeting to consider accounts of the Company for the year ended December 31, 2024

**February  
14, 2025**

Board of Directors' meeting to consider accounts of the Company for the year ended December 31, 2024

**April  
23, 2025**

Audit Committee meeting to consider accounts of the Company for the quarter ended March 31, 2025

**April  
24, 2025**

Board of Directors' meeting to consider accounts of the Company for the quarter ended March 31, 2025

**April  
29, 2025**

Annual General Meeting of shareholders to consider accounts of the Company for the year ended December 31, 2024

**May 21,  
2025**

Presentation of Corporate Briefing on annual financial results for the year ended December 31, 2024

**August  
20, 2025**

Audit Committee meeting to consider accounts of the Company for the half year ended June 30, 2025

**August  
20, 2025**

Board of Directors' meeting to consider accounts of the Company for the half year ended June 30, 2025

**October  
27, 2025**

Audit Committee meeting to consider accounts of the Company for the quarter ended September 30, 2025

**October  
29, 2025**

Board of Directors' meeting to consider accounts of the Company for the quarter ended September 30, 2025

# ACCESS TO REPORTS AND ENQUIRIES

## Annual Report

Annual Report 2025 has been uploaded on the website of the Company, which can be downloaded from the following link and/or QR enable code or printed copies obtained by writing to:



<https://cicl.com.pk/financial-reports/>

The Company Secretary  
Century Insurance Company Limited  
Registered & Corporate Office  
Lakson Square Building No. 2,  
Sarwar Shaheed Road, Karachi-74200,  
Pakistan.

## Quarterly Reports

The Company publishes interim reports at the end of first, second and third quarters of the financial year. The interim reports for the year 2025 can be accessed from Century Insurance website: [www.cicl.com.pk](http://www.cicl.com.pk) or printed copies can be obtained by writing to the Company Secretary.

## Shareholders' Enquiries

Shareholders' enquiries about their holding, dividends or share certificates should be directed either to Company's registered office or shares registrar at the following address:

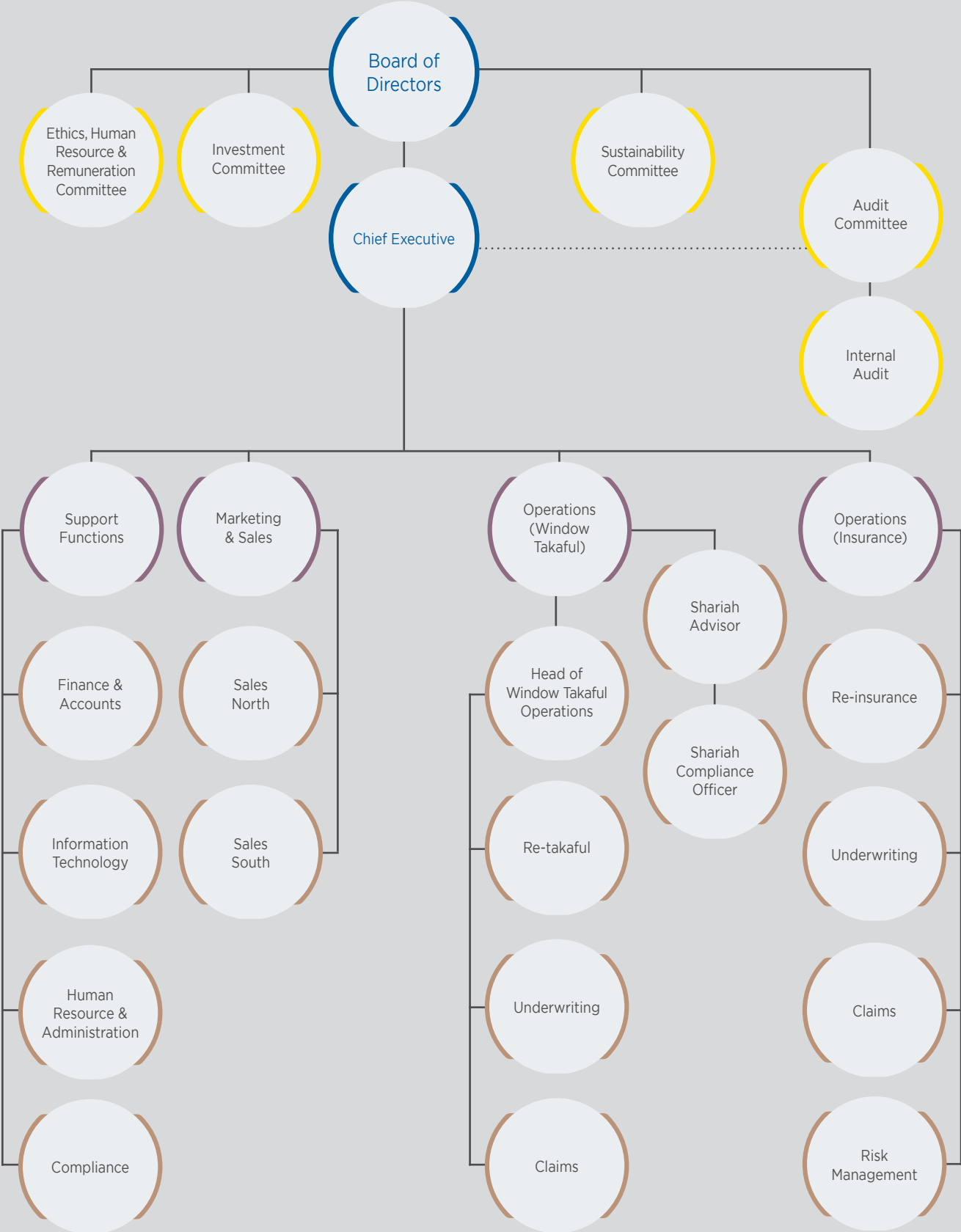
M/s. FAMCO Share Registration Services (Pvt.) Ltd.  
8-F, Near Hotel Faran, Nursery, Block-6,  
P.E.C.H.S., Shakra-e-Faisal, Karachi.

## Stock Exchange Listing

Shares of Century Insurance Company Limited are listed on Pakistan Stock Exchange Limited. The symbol code for dealing in shares of the Company is **CENI**.

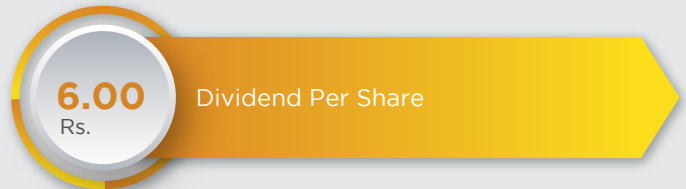
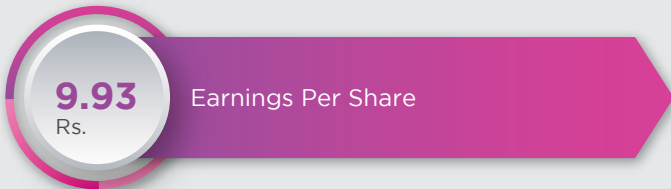
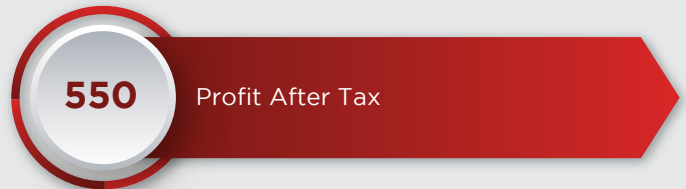
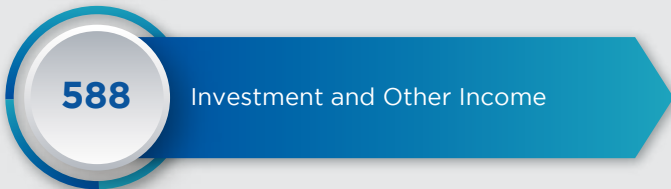
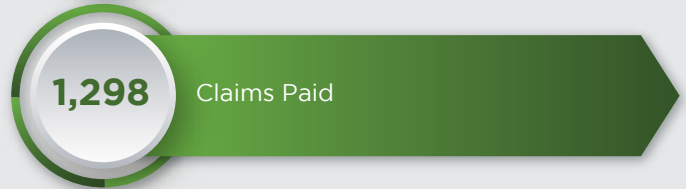
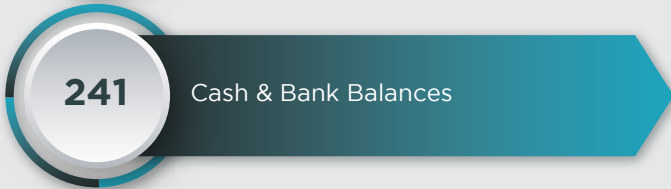
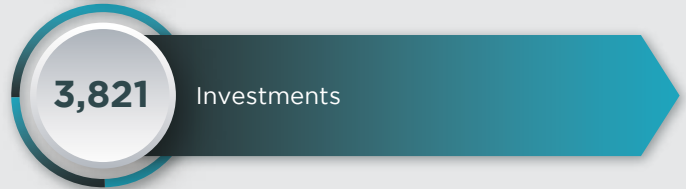
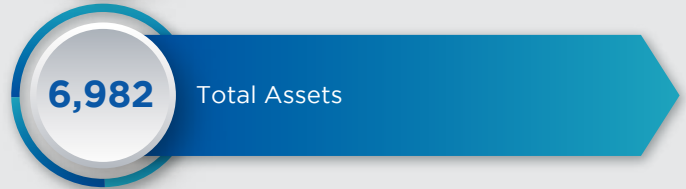
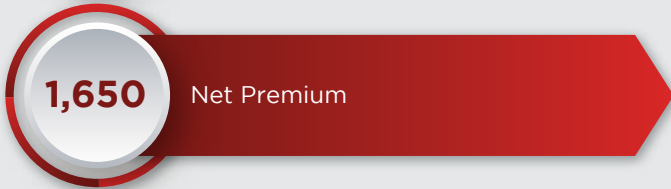
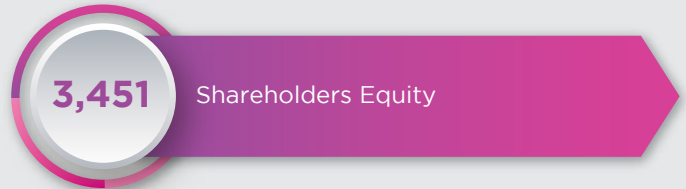


# ORGANISATION CHART

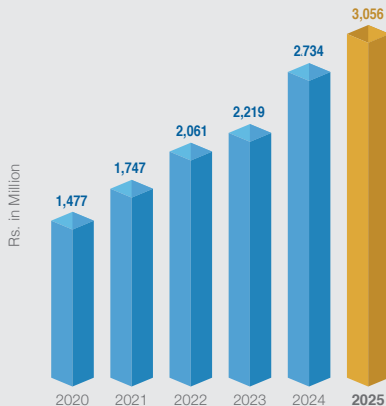


# PERFORMANCE HIGHLIGHTS

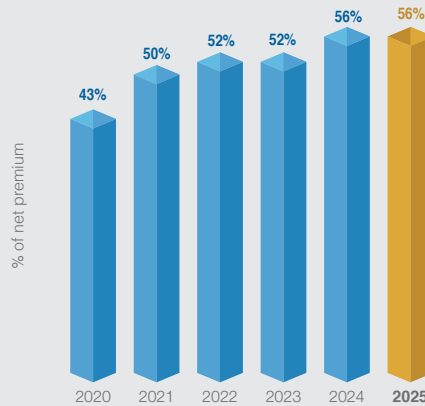
Rs. In Millions (except otherwise stated)



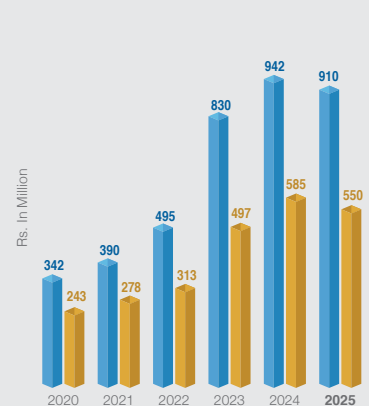
Gross Premium  
(including Takaful Contribution)



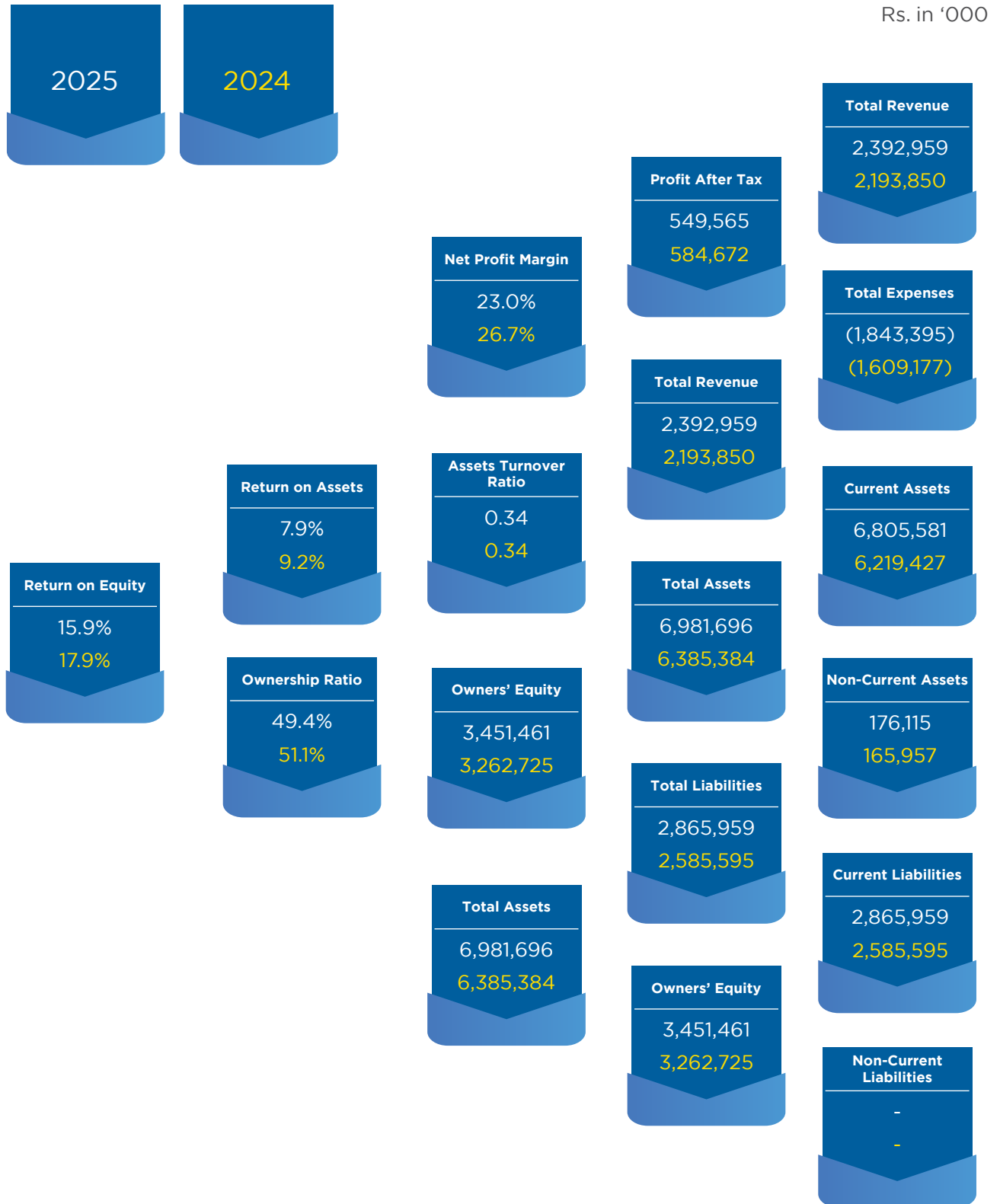
Net Claims Ratio



Profits  
■ PBT ■ PAT



# DUPONT ANALYSIS



# HORIZONTAL ANALYSIS

	2025		2024		2023		2022		2021		2020	
	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%
<b>STATEMENT OF FINANCIAL POSITION</b>												
<b>Assets</b>												
Property & equipment	174,929,718	5.4%	165,902,592	64.4%	100,890,307	-17.2%	121,843,946	-3.0%	125,567,780	3.6%	121,150,269	-6.8%
Intangible assets	1,185,434	2085.1%	54,250	-92.7%	747,250	-11.1%	840,250	100.0%	-	-	-	-100.0%
Investment in associates	75,635,878	-2.6%	77,630,779	5.0%	73,966,924	9.8%	67,361,755	11.0%	60,681,713	21.5%	49,959,574	26.8%
Investments	3,745,454,536	12.7%	3,322,300,954	19.0%	2,792,995,375	28.4%	2,175,900,143	20.4%	1,807,801,451	7.7%	1,678,815,338	1.3%
Loan and other receivable	151,189,944	43.7%	105,215,771	9.6%	95,975,373	105.8%	46,624,061	10.3%	42,277,283	0.0%	42,262,996	13.0%
Insurance / reinsurance receivable	1,091,840,344	8.5%	1,006,520,483	22.4%	822,041,695	7.2%	766,758,124	41.7%	541,142,145	-2.4%	554,679,355	10.9%
Reinsurance recoveries against outstanding claims	99,189,167	-47.0%	187,320,804	-3.4%	193,897,623	0.2%	193,417,129	56.9%	123,311,654	-1.6%	125,342,540	28.4%
Salvage recoveries accrued	1,285,000	-77.4%	5,675,536	103.8%	2,785,000	-66.1%	8,213,493	2.9%	7,985,000	187.7%	2,775,000	-30.7%
Deferred commission expense	45,858,436	3.7%	44,220,466	35.0%	32,747,815	4.2%	31,438,864	8.7%	28,909,708	12.7%	25,643,610	-27.3%
Deferred taxation	-	0.0%	-	-100.0%	1,941,781	-90.8%	21,041,768	3.7%	20,282,884	-42.0%	34,941,495	-17.7%
Defined benefit obligations	10,372,504	-44.7%	18,755,863	33.4%	14,059,440	100.0%	-	-	-	-	-	
Prepayments	398,925,864	15.6%	345,209,637	23.2%	280,250,689	11.9%	250,467,869	5.9%	236,618,982	13.0%	209,416,425	12.9%
Cash and bank deposits	240,708,037	-9.3%	265,532,244	-39.1%	436,347,757	2.3%	426,475,752	-41.2%	725,474,690	59.7%	454,365,700	70.2%
Total assets of Window Takaful Operation's - Operator's Fund	280,845,552	-7.6%	303,980,652	36.0%	223,551,545	30.0%	171,977,536	31.9%	130,422,076	26.0%	103,495,918	15.2%
Total assets of Window Takaful Operation's - Participants' Takaful Fund	664,276,045	23.7%	537,064,080	61.6%	332,386,650	19.9%	277,292,994	60.6%	172,710,711	26.0%	137,077,472	35.5%
<b>Total assets</b>	<b>6,981,696,459</b>	<b>9.3%</b>	<b>6,385,384,111</b>	<b>18.1%</b>	<b>5,404,585,224</b>	<b>18.5%</b>	<b>4,559,653,684</b>	<b>13.3%</b>	<b>4,023,186,077</b>	<b>13.7%</b>	<b>3,539,925,692</b>	<b>11.1%</b>
<b>Equity and Liabilities</b>												
Ordinary share capital	553,264,840	0.0%	553,264,840	0.0%	553,264,840	0.0%	553,264,840	10.0%	502,968,030	0.0%	502,968,030	0.0%
Share premium	254,024,260	0.0%	254,024,260	0.0%	254,024,260	0.0%	254,024,260	0.0%	254,024,260	0.0%	254,024,260	0.0%
Reserves	285,684,997	-8.3%	311,395,677	43.9%	216,463,724	7.2%	202,008,210	-10.3%	225,233,575	23.9%	181,840,187	46.0%
Unappropriated profit	2,358,487,185	10.0%	2,144,039,986	19.2%	1,799,315,078	26.7%	1,419,710,349	10.7%	1,282,749,800	15.5%	1,110,233,075	16.2%
Outstanding claims including IBNR	414,096,398	-5.3%	437,137,544	9.9%	397,707,648	1.7%	391,209,002	32.7%	294,800,833	13.3%	260,105,733	26.1%
Unearned premium reserve	1,146,986,647	11.1%	1,032,531,259	26.4%	816,790,202	10.7%	737,791,111	15.0%	641,585,269	23.1%	521,370,886	5.5%
Unearned reinsurance commission	76,781,897	11.8%	68,651,541	29.5%	53,028,033	-6.2%	56,532,968	4.2%	54,234,596	16.1%	46,716,196	16.4%
Deferred taxation	114,475,977	88.0%	60,901,840	0.0%	-	-	-	-	-	-	-	
Retirement benefit obligations	-	0.0%	-	0.0%	-	-100.0%	18,659,835	92.9%	9,672,912	114.0%	4,519,519	-12.1%
Premiums received in advance	40,289,833	705.6%	5,000,978	-31.1%	7,260,474	67.2%	4,343,566	45.6%	2,982,677	57.7%	1,891,673	84.8%
Insurance / reinsurance payables	658,377,238	17.3%	561,065,557	-5.5%	593,491,964	86.9%	317,525,344	3.9%	305,654,671	30.2%	234,715,482	-3.5%
Other creditors and accruals	252,876,479	11.5%	226,859,797	38.0%	164,448,644	-6.4%	175,701,035	12.5%	156,238,398	2.3%	152,676,442	-19.0%
Taxation - provision less payments	47,445,958	-47.1%	89,764,370	-34.1%	136,226,166	60.1%	85,084,215	18.7%	71,686,314	-26.0%	96,880,283	130.4%
Total liabilities of Window Takaful Operation's - Operator's Fund	114,628,705	10.6%	103,682,382	29.3%	80,177,541	20.6%	66,505,955	36.7%	48,644,031	39.4%	34,906,454	21.3%
Total liabilities of Window Takaful Operation's - Participants' Takaful Fund	664,276,045	23.7%	537,064,080	61.6%	332,386,650	19.9%	277,292,994	60.6%	172,710,711	26.0%	137,077,472	35.5%
<b>Total Equity and Liabilities</b>	<b>6,981,696,459</b>	<b>9.3%</b>	<b>6,385,384,111</b>	<b>18.1%</b>	<b>5,404,585,224</b>	<b>18.5%</b>	<b>4,559,653,684</b>	<b>13.3%</b>	<b>4,023,186,077</b>	<b>13.7%</b>	<b>3,539,925,692</b>	<b>11.1%</b>
<b>PROFIT AND LOSS ACCOUNT</b>												
Net insurance premium	1,650,495,936	21.4%	1,359,542,674	13.6%	1,197,153,489	11.6%	1,072,368,413	19.5%	897,582,289	6.1%	846,099,290	8.5%
Net insurance claims	(926,006,047)	21.7%	(760,639,116)	23.0%	(618,517,621)	10.1%	(561,534,977)	24.9%	(449,747,549)	24.9%	(360,165,103)	-0.7%
Net commission and other acquisition costs	82,438,157	0.1%	82,365,067	-5.4%	87,072,346	-13.0%	100,119,141	23.6%	81,025,464	100.2%	40,466,589	213.1%
Management expenses	(528,521,440)	12.4%	(470,138,608)	13.6%	(413,795,674)	6.1%	(389,981,028)	21.3%	(321,553,976)	-3.3%	(332,547,935)	12.8%
Investment income / (loss)	552,812,271	-3.4%	572,377,344	27.2%	449,940,380	147.0%	182,150,156	57.0%	116,008,967	45.9%	79,513,925	184.0%
Other income	31,769,969	-60.7%	80,882,967	5.1%	76,941,573	17.9%	65,274,944	23.6%	52,809,245	-16.9%	63,515,340	35.0%
Other expenses	(22,178,127)	58.8%	(13,967,516)	-7.1%	(15,032,603)	27.3%	(11,809,889)	-5.2%	(12,463,122)	12.3%	(11,102,156)	13.5%
Finance costs - Lease liabilities	(6,326,235)	-12.1%	(7,196,979)	91.0%	(3,767,436)	-20.4%	(4,730,239)	-16.0%	(5,634,194)	-9.7%	(6,240,748)	2.4%
Share of profit / (loss) of associates	3,131,335	-63.5%	8,572,093	-10.4%	9,563,620	15.5%	8,280,916	-36.2%	12,986,965	4.7%	12,408,460	79.4%
(Impairment) / reversal in value of investment in associates	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-100.0%	
Profit / (loss) from Window Takaful Operations	72,311,743	-19.8%	90,109,476	48.9%	60,516,986	72.7%	35,043,112	88.3%	18,614,324	77.8%	10,469,119	10.7%
Income tax expense	(360,362,652)	0.9%	(357,235,095)	7.2%	(333,206,395)	83.3%	(181,826,566)	62.2%	(112,102,655)	12.3%	(99,814,471)	83.3%
<b>Profit after tax</b>	<b>549,564,910</b>	<b>-6.0%</b>	<b>584,672,307</b>	<b>17.7%</b>	<b>496,868,665</b>	<b>58.6%</b>	<b>313,353,983</b>	<b>12.9%</b>	<b>277,525,758</b>	<b>14.4%</b>	<b>242,602,310</b>	<b>67.1%</b>

# VERTICAL ANALYSIS

	2025		2024		2023		2022		2021		2020	
	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%	(Rupees)	%
<b>STATEMENT OF FINANCIAL POSITION</b>												
<b>Assets</b>												
Property & equipment	174,929,718	2.5%	165,902,592	2.6%	100,890,307	1.9%	121,843,946	2.7%	125,567,780	3.1%	121,150,269	3.4%
Intangible assets	1,185,434	0.0%	54,250	0.0%	747,250	0.0%	840,250	0.0%	-	0.0%	-	0.0%
Investment in associates	75,635,878	1.1%	77,630,779	1.2%	73,966,924	1.4%	67,361,755	1.5%	60,681,713	1.5%	49,959,574	1.4%
Investments	3,745,454,536	53.6%	3,322,300,954	52.0%	2,792,995,375	51.7%	2,175,900,143	47.7%	1,807,801,451	44.9%	1,678,815,338	47.4%
Loan and other receivable	151,189,944	2.2%	105,215,771	1.6%	95,975,373	1.8%	46,624,061	1.0%	42,277,283	1.1%	42,262,996	1.2%
Insurance / reinsurance receivable	1,091,840,344	15.6%	1,006,520,483	15.8%	822,041,695	15.2%	766,758,124	16.8%	541,142,145	13.5%	554,679,355	15.7%
Reinsurance recoveries against outstanding claims	99,189,167	1.4%	187,320,804	2.9%	193,897,623	3.6%	193,417,129	4.2%	123,311,654	3.1%	125,342,540	3.5%
Salvage recoveries accrued	1,285,000	0.0%	5,675,536	0.1%	2,785,000	0.1%	8,213,493	0.2%	7,985,000	0.2%	2,775,000	0.1%
Deferred commission expense	45,858,436	0.7%	44,220,466	0.7%	32,747,815	0.6%	31,438,864	0.7%	28,909,708	0.7%	25,643,610	0.7%
Deferred taxation	-	0.0%	-	0.0%	1,941,781	0.0%	21,041,768	0.5%	20,282,884	0.5%	34,941,495	1.0%
Defined benefit obligations	10,372,504	0.1%	18,755,863	0.3%	14,059,440	0.3%	-	0.0%	-	0.0%	-	0.0%
Prepayments	398,925,864	5.7%	345,209,637	5.4%	280,250,689	5.2%	250,467,869	5.5%	236,618,982	5.9%	209,416,425	5.9%
Cash and bank deposits	240,708,037	3.4%	265,532,244	4.2%	436,347,757	8.1%	426,475,752	9.4%	725,474,690	18.0%	454,365,700	12.8%
Total assets of Window Takaful Operation's - Operator's Fund	280,845,552	4.0%	303,980,652	4.8%	223,551,545	4.1%	171,977,536	3.8%	130,422,076	3.2%	103,495,918	2.9%
Total assets of Window Takaful Operation's - Participants' Takaful Fund	664,276,045	9.5%	537,064,080	8.4%	332,386,650	6.2%	277,292,994	6.1%	172,710,711	4.3%	137,077,472	3.9%
<b>Total assets</b>	<b>6,981,696,459</b>	<b>100.0%</b>	<b>6,385,384,111</b>	<b>100.0%</b>	<b>5,404,585,224</b>	<b>100.0%</b>	<b>4,559,653,684</b>	<b>100.0%</b>	<b>4,023,186,077</b>	<b>100.0%</b>	<b>3,539,925,692</b>	<b>100.0%</b>
<b>Equity and Liabilities</b>												
Ordinary share capital	553,264,840	7.9%	553,264,840	8.7%	553,264,840	10.2%	553,264,840	12.1%	502,968,030	12.5%	502,968,030	14.2%
Share premium	254,024,260	3.6%	254,024,260	4.0%	254,024,260	4.7%	254,024,260	5.6%	254,024,260	6.3%	254,024,260	7.2%
Reserves	285,684,997	4.1%	311,395,677	4.9%	216,463,724	4.0%	202,008,210	4.4%	225,233,575	5.6%	181,840,187	5.1%
Unappropriated profit	2,358,487,185	33.8%	2,144,039,986	33.6%	1,799,315,078	33.3%	1,419,710,349	31.1%	1,282,749,800	31.9%	1,110,233,075	31.4%
Outstanding claims including IBNR	414,096,398	5.9%	437,137,544	6.8%	397,707,648	7.4%	391,209,002	8.6%	294,800,833	7.3%	260,105,733	7.3%
Unearned premium reserve	1,146,986,647	16.4%	1,032,531,259	16.2%	816,790,202	15.1%	737,791,111	16.2%	641,585,269	15.9%	521,370,886	14.7%
Unearned reinsurance commission	76,781,897	1.1%	68,651,541	1.1%	53,028,033	1.0%	56,532,968	1.2%	54,234,596	1.3%	46,716,196	1.3%
Deferred taxation	114,475,977	1.6%	60,901,840	1.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Retirement benefit obligations	-	0.0%	-	0.0%	-	0.0%	18,659,835	0.4%	9,672,912	0.2%	4,519,519	0.1%
Premiums received in advance	40,289,833	0.6%	5,000,978	0.1%	7,260,474	0.1%	4,343,566	0.1%	2,982,677	0.1%	1,891,673	0.1%
Insurance / reinsurance payables	658,377,238	9.4%	561,065,557	8.8%	593,491,964	11.0%	317,525,344	7.0%	305,654,671	7.6%	234,715,482	6.6%
Other creditors and accruals	252,876,479	3.6%	226,859,797	3.6%	164,448,644	3.0%	175,701,035	3.9%	156,238,398	3.9%	152,676,442	4.3%
Taxation - provision less payments	47,445,958	0.7%	89,764,370	1.4%	136,226,166	2.5%	85,084,215	1.9%	71,686,314	1.8%	96,880,283	2.7%
Total liabilities of Window Takaful Operation's - Operator's Fund	114,628,705	1.6%	103,682,382	1.6%	80,177,541	1.5%	66,505,955	1.5%	48,644,031	1.2%	34,906,454	1.0%
Total liabilities of Window Takaful Operation's - Participants' Takaful Fund	664,276,045	9.5%	537,064,080	8.4%	332,386,650	6.2%	277,292,994	6.1%	172,710,711	4.3%	137,077,472	3.9%
<b>Total Equity and Liabilities</b>	<b>6,981,696,459</b>	<b>100.0%</b>	<b>6,385,384,111</b>	<b>100.0%</b>	<b>5,404,585,224</b>	<b>100.0%</b>	<b>4,559,653,684</b>	<b>100.0%</b>	<b>4,023,186,077</b>	<b>100.0%</b>	<b>3,539,925,692</b>	<b>100.0%</b>
<b>PROFIT AND LOSS ACCOUNT</b>												
Net insurance premium	1,650,495,936	100.0%	1,359,542,674	100.0%	1,197,153,489	100.0%	1,072,368,413	100.0%	897,582,289	100.0%	846,099,290	100.0%
Net insurance claims	(926,006,047)	-56.1%	(760,639,116)	-55.9%	(618,517,621)	-51.7%	(561,534,977)	-52.4%	(449,747,549)	-50.1%	(360,165,103)	-42.6%
Net commission and other acquisition costs	82,438,157	5.0%	82,365,067	6.1%	87,072,346	7.3%	100,119,141	9.3%	81,025,464	9.0%	40,466,589	4.8%
Management expenses	(528,521,440)	-32.0%	(470,138,608)	-34.6%	(413,795,674)	-34.6%	(389,981,028)	-36.4%	(321,553,976)	-35.8%	(332,547,935)	-39.3%
Investment (loss) / income	552,812,271	33.5%	572,377,344	42.1%	449,940,380	37.6%	182,150,156	17.0%	116,008,967	12.9%	79,513,925	9.4%
Other income	31,769,969	1.9%	80,882,967	5.9%	76,941,573	6.4%	65,274,944	6.1%	52,809,245	5.9%	63,515,340	7.5%
Other expenses	(22,178,127)	-1.3%	(13,967,516)	-1.0%	(15,032,603)	-1.3%	(11,809,889)	-1.1%	(12,463,122)	-1.4%	(11,102,156)	-1.3%
Finance costs - Lease liabilities	(6,326,235)	-0.4%	(7,196,979)	-0.5%	(3,767,436)	-0.3%	(4,730,239)	-0.4%	(5,634,194)	-0.6%	(6,240,748)	-0.7%
Share of profit / (loss) of associates	3,131,335	0.2%	8,572,093	0.6%	9,563,620	0.8%	8,280,916	0.8%	12,986,965	1.4%	12,408,460	1.5%
(Impairment) / reversal in value of investment in associates	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Profit / (loss) from Window Takaful Operations	72,311,743	4.4%	90,109,476	6.6%	60,516,986	5.1%	35,043,112	3.3%	18,614,324	2.1%	10,469,119	1.2%
Income tax expense	(360,362,652)	-21.8%	(357,235,095)	-26.3%	(333,206,395)	-27.8%	(181,826,566)	-17.0%	(112,102,655)	-12.5%	(99,814,471)	-11.8%
<b>Profit after tax</b>	<b>549,564,910</b>	<b>33.3%</b>	<b>584,672,307</b>	<b>43.0%</b>	<b>496,868,665</b>	<b>41.5%</b>	<b>313,353,983</b>	<b>29.2%</b>	<b>277,525,758</b>	<b>30.9%</b>	<b>242,602,310</b>	<b>28.7%</b>

# SHARE PRICE & VOLUME ANALYSIS

The Company's Share Prices & Volume on the PSX in the year 2025

Month	Highest	Lowest	Average of Volume
	--- (Rupees per Share) ---		-- No of Shares --
January	39.20	38.00	3,035
February	45.79	38.50	20,583
March	48.49	44.79	12,664
April	49.98	38.22	16,934
May	40.48	33.81	7,377
June	43.70	40.00	3,643
July	50.37	41.64	10,503
August	48.56	45.18	3,951
September	49.78	45.47	3,069
October	52.70	49.11	4,032
November	60.77	53.00	2,664
December	58.29	54.00	4,948

## Share Price Sensitivity Analysis

The Company's share price is sensitive to the following factors:

- Country's economic conditions.
- Political scenario.
- Stock market sentiments.
- Company's performance.
- Dividend announcements.
- Change in government policies and regulations relating to insurance business.
- Company's Financial Strength Rating.

## Market Capitalization

Particulars	Years					
	2025	2024	2023	2022	2021	2020
Number of Shares outstanding (in millions)	<b>55</b>	55	55	55	50	50
Market closing price of share as on December 31 (PSX) (Rs.)	<b>55.50</b>	38.00	21.01	16.01	19.00	22.75
Market Share Capitalisation (Rs. in millions)	<b>3,053</b>	2,090	1,156	881	950	1,138

# CHAIRMAN'S REVIEW

On behalf of the Board of Directors, it is my pleasure to present to you, the Annual Report and performance review of the Company for the year ended December 31, 2025.

## Review of the Economy

Pakistan's economy is transitioning from a stabilization phase to one of moderate growth. Inflation has eased while the policy rate has begun to decline, encouraging private sector credit.

However, recent developments in the Gulf region have resulted in a materially heightened level of geopolitical and operational uncertainty. These developments pose risks in the form of a possibly significant decline in workers' remittances as well as a spike in the cost of fuel imports. We hope and pray for a quick resolution of the conflict and the safety of the inhabitants of the region.

Inflation, previously projected to remain in the range of 5% to 7% for most of FY26 and FY27 will now likely be much higher due to the recent spike in oil prices. If the conflict in the Gulf region is resolved quickly and oil shipments return to pre-conflict levels, then hopefully the rise in inflation will be somewhat dampened.

The current account deficit, previously projected to be in the range of 0 to 1 percent of GDP, may be higher, depending on the impact of remittances from the Gulf region. If Pakistani workers are repatriated in large numbers and do not return soon, this will reduce remittances and negatively

impact the overall trade deficit.

Economic growth has picked up noticeably and GDP growth in FY26 is now projected to be in the range of 3.75% to 4.75%, with key drivers being agricultural and industrial production. Growth in these sectors is expected to have a positive spillover on service sector activity. According to State Bank of Pakistan (SBP) reports, the economy is showing signs of pivoting towards higher growth amidst the ongoing macroeconomic stability and is expected to rise further in FY27. The cumulative 1,150 bps reduction in the policy rate from June 2024 onwards has led to an ease in financial conditions and an uptick in credit to the private sector. SBP's decision to reduce the average Cash Reserve Requirement (CRR) from 6 to 5 percent will further facilitate banks to extend higher credit to the private sector.

## Company Performance Highlights

The year 2025 has proved to be another good year for Century Insurance Company Limited. All insurance classes of business witnessed growth and there was an increase in the underwriting income of the Company. Despite significant decline in policy rates the investment and other income continued to generate satisfactory returns and contribute substantially in the overall profitability of the Company.

The comparative financial highlights for the years 2025 and 2024 are presented as follows:



Rs. In Millions (except where otherwise stated)

Description	2025	2024	Increase / (Decrease)	
			Amount	%
Gross Written Premium (including Takaful Contribution)	<b>3,056</b>	2,734	322	12
Net Premium	<b>1,650</b>	1,360	290	21
Underwriting results	<b>278</b>	211	67	32
Investment & other income	<b>588</b>	662	(74)	(11)
Profit from Window Takaful Operations	<b>72</b>	90	(18)	(20)
Profit before tax	<b>910</b>	942	(32)	(3)
Profit after tax	<b>550</b>	585	(35)	(6)
Earnings per share (Rs.)	<b>10</b>	11	(0.63)	(6)
Total assets	<b>6,983</b>	6,385	598	9
Paid-up capital	<b>553</b>	553	-	-
Total equity	<b>3,451</b>	3,263	188	6

During the year under review, gross premium (including Takaful Contribution) increased by 12 percent from Rs. 2,734 million in 2024 to Rs. 3,056 million in 2025.

Net insurance premium increased by 21 percent from Rs. 1,360 million last year to Rs. 1,650 million in 2025 whereas net claims increased by 22 percent from Rs. 761 million last year to Rs. 926 million in 2025. The Underwriting result increased by 32 percent from Rs. 211 million in 2024 to Rs. 278 million in 2025.

### Window Takaful Operations

The overall Takaful performance was satisfactory.

#### Participant Takaful Fund (PTF)

The Gross Written Contribution for year 2025 was Rs. 422 million as compared to Rs. 371 million last year reflecting a growth of 14%. Net contribution revenue (before adjustment for wakala fee) was Rs. 186 million as compared to Rs. 159 million last year and surplus for the year was Rs. 36 million as compared to Rs. 25 million in the previous year.

#### Operator's Fund (OPF)

Gross Wakala Fee for year 2025 was Rs. 144 million (2024: Rs.128 million) whereas Net Wakala Fee was Rs. 138 million (2024: Rs. 116 million). Profit before tax from the takaful operations was Rs. 72 million (2024: Rs 90 million). The decline in Profit before tax is due to decrease in investment

income in lieu of significant reduction of profit rates on bank deposits.

### Segments at a Glance

All classes of business produced satisfactory results as given below:

#### Fire & Property Damage

Fire & Property Damage class of business accounted for 24 percent of the total premium (including takaful contribution). Gross premium / contribution underwritten during the year was Rs. 737 million as compared to Rs. 710 million in 2024, an increase of 4 percent.

Net premium stood at Rs. 78 million as against Rs. 66 million in 2024, an increase of 18 percent. Net claims to net premium ratio for the year under review was 8 percent (2024: 17 percent).

#### Marine, Aviation and Transport

Marine, Aviation & Transport class of business accounted for 21 percent of the total premium (including takaful contribution). Gross premium / contribution underwritten during the year was Rs. 633 million as compared to Rs. 603 million in 2024, an increase of 5 percent.

Net premium stood at Rs. 271 million as against Rs. 249 million in 2024, an increase of 9 percent. The net claims to net premium ratio for the year under review was 6 percent (2024: 20 percent).

## Motor

Motor class of business accounted for 26 percent of the total premium (including takaful contribution). Gross premium / contribution underwritten during the year was Rs. 796 million as compared to Rs. 651 million in 2024, an increase of 22 percent.

Net premium stood at Rs. 556 million as against Rs. 439 million in 2024, an increase of 26 percent. The net claims to net premium ratio for the year under review was 60 percent (2024: 45 percent). The increase in the ratio is due to reporting of higher number of theft claims during year 2025.

## Accident and Health

Accident and Health class of business accounted for 25 percent of the total premium (including takaful contribution). Gross premium / contribution underwritten during the year was Rs. 751 million as compared to Rs. 647 million in 2024, an increase of 16 percent.

Net premium stood at Rs. 717 million as against Rs. 560 million in 2024, an increase of 28 percent. The net claims to net premium ratio for the year under review was 79 percent (2024: 88 percent).

## Miscellaneous

Miscellaneous class of business accounted for 5 percent of the total premium (including takaful contribution). Gross premium / contribution underwritten during the year was Rs. 139 million as compared to Rs. 123 million in 2024.

Net premium stood at Rs. 28 million as against Rs. 44 million in 2024, an decrease of 36 percent. The net claims to net premium ratio for the year under review was 29 percent (2024: 11 percent). The increase in the ratio is due to reporting of higher number of claims during the year.

## Investment & Other Income

The overall Investment and Other Income for the year under review was Rs. 588 million as against Rs. 662 million in 2024, a decrease of 11 percent mainly due to significant decline in policy rates from last year.

The realized gain from sale of shares, mutual funds and debt securities was Rs. 121 million (2024: Rs. 75 million), dividend income from shares was Rs. 28 million (2024: Rs 18 million)

and returns earned on government & fixed income securities was Rs. 280 million (2024: Rs 399 million). Other income, including interest on bank deposits was Rs. 26 million (2024: Rs. 77 million).

Management's policy is to make diversified and secure investments while ensuring safety and a sound balance between risk and return.

## Claims Settlement

Prompt settlement of claims and customer satisfaction is the company's highest priority as it helps build the trust of its valued clients and earns their goodwill.

## Board Performance Evaluation

For the Financial year ended December 31, 2025, the Board's overall performance and effectiveness has been assessed as satisfactory. Improvements are an ongoing process leading to action plans. The overall assessment is based on an evaluation of integral components, including vision, mission and values; engagement in strategic planning; formulation of policies; monitoring the organization's business activities; monitoring financial resource management; effective fiscal oversight; equitable treatment of all employees and efficiency in carrying out the Board's responsibility.

## Reinsurance

The company has strong reinsurance arrangements with some of the best and most highly rated reinsurers in the international market who have full faith and confidence in its underwriting practices. We are thankful to all our reinsurers for their unwavering support and continued cooperation.

## Insurer Financial Strength Rating (IFSR)

VIS Credit Rating Company Limited has reaffirmed the Insurer Financial Strength rating of the company at 'AA' with Stable outlook. The IFS rating denotes very strong capacity to meet policyholders and contract obligations.

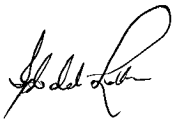
## Human Resource Initiatives

The management is of the firm belief that complete alignment of the human resource strategy with overall corporate goals is vital for the success and growth of any organization.

In today's competitive environment, we realize that it is important to place emphasis on recruiting new talent while retaining and developing existing staff and implementing effective performance reviews. During the year under review, your company has been successful in hiring quality professionals particularly in the area of business development. Our continued focus on creating a meritocratic work environment with equal opportunity for all and a clear career path help in maintaining a pool of knowledgeable, experienced and motivated employees who remain our most valuable asset.

### **Acknowledgments**

On behalf of the directors of the company, we wish to place on record our appreciation of the efforts of all the employees of the company in enabling its growth and success. We are also grateful to our clients for their patronage, to the Securities & Exchange Commission of Pakistan (SECP) for its guidance as regulator of the insurance industry and to our reinsurers and shareholders for their trust and confidence in the company.



**Iqbal Ali Lakhani**

Chairman

Karachi: March 11, 2026

## افرادى وسائل كے منصوبے

## اعتراف

میں ادارے کی ترقی اور کامیابی کو ممکن بنانے کے لیے تمام ملازمین کی کوششوں پر انہیں کمپنی ڈائریکٹرز کی جانب سے سراہنا چاہتا ہوں۔ ہم اپنے شانہ بشانہ رہنے پر تمام کلائنٹس، انشورنس انڈسٹری میں ریگولیٹر کی حیثیت سے رہنمائی کرنے پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور کمپنی پر بھروسہ و اعتماد کرنے پر اپنے شیئر ہولڈرز کے بھی شکر گزار ہیں۔

ادارے کی انتظامیہ یقیناً کامل رکھتی ہے کہ کسی بھی ادارے کے مجموعی اہداف کے کامیابی سے حصول کے لیے افرادی وسائل کی حکمت عملی سے مکمل ہم آہنگی ضروری ہے۔ آج کے مسابقتی ماحول میں ہم سمجھتے ہیں کہ موجودہ عملے کو برقرار رکھنا اور ترقی و کارکردگی کے موثر جائزے پیش کرتے ہوئے نئے ٹیلنٹ کا اضافہ کرنا ہم ہے۔ مذکورہ سال میں آپ کے ادارے نے بالخصوص بزنس ڈیولپمنٹ کے شعبے میں معیاری ماہرین کو کامیابی سے حاصل کیا۔ ہماری مسلسل توجہ اہلیت پر مبنی کام کا ماحول تخلیق کرنے پر مرکوز ہے کہ جہاں سب کے لیے یکساں مواقع ہوں اور زیرک، تجربہ کار اور ماہر ملازمین کے مجموعے کو برقرار رکھنے کے لیے کیریئر کا واضح راستہ ہو کیونکہ وہ ہمارا سب سے قابل قدر اثاثہ ہیں۔



اقبال علی لاکھانی  
چیئر مین

کراچی: 11 مارچ 2026ء



سال کے لیے خالص پریمیئم پر خاص کلیم تناسب 29 فیصد تھا، (2024): 11 فیصد۔ اس تناسب میں اضافہ کی وجہ سال 2025ء میں بڑی تعداد میں کلیم رپورٹ ہوئے۔

## سرمایہ کاری و دیگر آمدنی

زیر جائزہ سال کے لئے مجموعی طور پر سرمایہ کاری اور دیگر آمدنی میں 588 ملین روپے کا منافع ہوا، جو کہ 2024ء میں 662 ملین روپے کے مقابلے میں 11 فیصد کمی ہے۔

حصص، میچو سٹاک فونڈز اور ڈیٹ سیکورٹیز کی فروخت سے نفع 121 ملین روپے تھا، (2024: 75 ملین روپے)۔ حصص سے ڈیویڈنڈ آمدنی 28 ملین روپے تھی (2024: 18 ملین روپے)، اور سرکاری و طے شدہ انکم سیکورٹیز پر حاصل کردہ آمدنی 280 ملین روپے تھی، (2024: 399 ملین روپے)۔ دیگر آمدنیاں، بشمول بینک ڈپازٹس پر سود 26 ملین روپے رہیں، (2024: 77 ملین روپے)۔

انتظامیہ کی پالیسی ہے کہ خطرات اور منافع جات میں محفوظ اور مستحکم توازن یقینی بناتے ہوئے متنوع اور محفوظ انویسٹمنٹس کی جائیں۔

## کلیم ادائیگی

کلیمز کی فوری ادائیگی اور صارف کا اطمینان ادارے کی اولین ترجیح ہے کیونکہ یہ صارفین کا اعتماد اور ان کی خوشنودی حاصل کرنے میں مدد دیتا ہے۔

## بورڈ کارکردگی کا جائزہ

مالی سال برائے 31 دسمبر 2025ء کے لیے بورڈ کی مجموعی کارکردگی اور افادیت اطمینان بخش قرار پائی ہے۔ بہتری ایک مستقل جاری رہنے والا عمل ہے جس کی مدد سے عملی منصوبہ بندیوں کو ممکن بنایا جاتا ہے۔ مجموعی جائزہ ضروری اجراء کے انفرادی جائزے پر منحصر ہے جن میں دور اندیشی، نصب العین اور اقدار، حکمت عملی کے بنانے میں کردار، پالیسیز کی تشکیل، کمپنی میں جاری کاروباری سرگرمیوں کی نگرانی، مالیاتی وسائل کے انتظام کی، موثر ملی نگرانی، بورڈ کے کاروبار کو پورا کرنے میں ملازمین کے ساتھ منصفانہ سلوک اور بورڈ کی ذمہ داریوں کو کرنا شامل ہے۔

## ری انشورنس

کمپنی چند بہترین اور بین الاقوامی مارکیٹ میں عمدہ ساکھ رکھنے والے ری انشوررز کے ساتھ مضبوط ری انشورنس انتظامات رکھتی ہے۔ چنکا بیمہ کاری کے عمل پر مکمل یقین اور اعتماد ہے۔ ہم مستقل مدد اور مسلسل تعاون پر تمام ری انشوررز کے شکر گزار ہیں۔

## انشورر فائنانشل اسٹریٹجی ریٹنگ (IFSR)

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے مستحکم آؤٹ لک کے ساتھ کمپنی کی درجہ بندی کو مالیاتی بنیاد پر 'AA' پر دوبارہ تصدیق کی ہے۔ IFS کی درجہ بندی پالیسی ہولڈرز اور معاہدہ کی ذمہ داریوں کو پورا کرنے کی بہت مضبوط صلاحیتوں کی نشاندہی کرتی ہے۔

## شعبہ جات پر ایک نظر

کاروبار کے تمام شعبوں نے بہترین کارکردگی پیش کی جو کہ مندرجہ ذیل ہے۔

## آتش زنی اور املاک کو نقصان / فائر اور پراپرٹی

آتش زنی اور املاک کے نقصان کا شعبہ کل پریمیئم پورٹ فولیو (بشمول تکافل حصہ) کا 24 فیصد رہا۔ سال بھر میں کل بیمہ پریمیئم 2024ء کے 710 ملین روپے کے مقابلے میں 737 ملین روپے رہا، جو کہ 4 فیصد اضافہ ہے۔

خالص پریمیئم 2024ء کے 66 ملین روپے کے مقابلے میں 18 فیصد اضافہ کے ساتھ 78 ملین روپے رہا۔ جائزے کے سال کے لیے خالص پریمیئم پر خالص کلیم کا تناسب 8 فیصد تھا، (2024: 17 فیصد)۔

## بحری، ہوا بازی اور نقل و حمل

بحری، ہوا بازی اور نقل و حمل کاروباری شعبے کے کل پریمیئم پورٹ فولیو 21 فیصد حصہ رہا۔ کل بیمہ پریمیئم (بشمول تکافل حصہ) 2024ء کے 603 ملین روپے کے مقابلے میں سال بھر میں 633 ملین روپے رہا، جو کہ 5 فیصد اضافہ ہے۔

خالص پریمیئم 2024ء کے 249 ملین روپے کے مقابلے میں 271 ملین روپے رہا جو 9 فیصد اضافہ ہے۔ جائزے کے سال کے لیے خالص پریمیئم پر خالص کلیم کا تناسب 6 فیصد تھا، (2024: 20 فیصد)۔

## موٹر

موٹر کاروبار کا شعبہ کل پریمیئم پورٹ فولیو کا 26 فیصد ہے۔ کل بیمہ پریمیئم (بشمول تکافل حصہ) 2024ء کے 651 ملین روپے کے مقابلے میں سال بھر میں 796 ملین روپے رہا، جو 22 فیصد اضافہ ہے۔ خالص پریمیئم 26 فیصد اضافہ کے ساتھ 2024ء کے 439 ملین روپے کے مقابلے میں 556 ملین روپے رہا۔ جائزے کے سال میں خالص پریمیئم پر خالص کلیم کا تناسب 60 فیصد تھا، (2024: 45 فیصد)۔ اس تناسب میں اضافہ کی وجہ سال 2025ء میں بڑی تعداد میں چوری کے کلیم رپورٹ ہوئے۔

## حادثات اور صحت

کاروبار کا حادثات و صحت شعبہ کل پریمیئم پورٹ فولیو کے 25 فیصد پر مشتمل ہے۔ کل بیمہ پریمیئم (بشمول تکافل حصہ) سال بھر میں 751 ملین روپے رہا جو 2024ء میں 647 ملین روپے تھا یعنی 16 فیصد اضافہ ہوا۔ خالص پریمیئم 2024ء کے 560 ملین روپے کے مقابلے میں 717 ملین روپے رہا یعنی 28 فیصد اضافہ ہے۔ جائزے کے سال میں خالص پریمیئم پر خالص کلیم کا تناسب 79 فیصد تھا، (2024: 88 فیصد)۔

## متفرق

کاروبار کا متفرق حصہ کل پریمیئم پورٹ فولیو کے 5 فیصد پر مشتمل ہے۔ سال بھر میں کل بیمہ پریمیئم (بشمول تکافل حصہ) 139 ملین روپے کے مقابلے میں 2024ء میں 123 ملین روپے تھا۔ خالص پریمیئم 36 فیصد کمی کے ساتھ 2024ء کے 44 ملین روپے کے مقابلے میں 28 ملین روپے رہا۔ جائزے کے

2025ء اور 2024ء کے سالوں کے لیے مسابقتی مالیاتی جھلکیاں مندرجہ ذیل ہیں۔

(روپے ملین میں علاوہ دیگر بیانیہ)

بیان	2025ء	2024ء	رقم اضافہ/(کمی) فیصد
تحریر شدہ مجموعی پرمیم (بشمول تکافل حصہ)	<b>3,056</b>	2,734	322 (12)
خالص پرمیم	<b>1,650</b>	1,360	290 (21)
انڈر رائٹنگ نتائج	<b>278</b>	211	67 (32)
سرمایہ کاری و دیگر آمدنی	<b>588</b>	662	(74) (11)
ونڈو تکافل آپریشن سے منافع	<b>72</b>	90	(18) (20)
منافع قبل از ٹیکس	<b>910</b>	942	(32) (3)
منافع بعد از ٹیکس	<b>550</b>	585	(35) (6)
آمدنی فی حصص (روپے)	<b>10</b>	11	(0.63) (6)
کل اثاثہ جات	<b>6,983</b>	6,385	598 (9)
ادا شدہ سرمایہ	<b>553</b>	553	-
کل لیکویٹی	<b>3,451</b>	3,263	188 (6)

زیر جائزہ سال کے دوران مجموعی پرمیم (تکافل شراکت سمیت) میں 12 فیصد اضافہ ہوا، جو کہ 2024 میں 2,734 ملین روپے سے بڑھ کر 2025 میں 3,056 ملین روپے ہو گیا۔ خالص انشورنس پرمیم میں 21 فیصد اضافہ ہوا، جو پچھلے سال کے 1,360 ملین روپے سے بڑھ کر 2025 میں 1,650 ملین روپے ہو گیا، جبکہ خالص گلیمز میں 22 فیصد اضافہ ریکارڈ ہوا، جو پچھلے سال کے 761 ملین روپے سے بڑھ کر 2025 میں 926 ملین روپے ہو گیا۔ انڈر رائٹنگ کا نتیجہ 32 فیصد بڑھ کر 2024 کے 211 ملین روپے سے 2025 میں 278 ملین روپے ہو گیا۔

## ونڈو تکافل آپریشن

مجموعی تکافل کارکردگی کافی اطمینان بخش تھی۔

## پارٹیسپنٹ تکافل فنڈ (PTF)

مالی سال 2025 کے لیے مجموعی تحریری شدہ حصہ داری 422 ملین روپے رہی جو کہ گزشتہ سال کے 371 ملین روپے کے مقابلے میں 14 فیصد اضافہ ظاہر کرتی ہے۔ خالص حصہ داری (ایڈجسٹمنٹ قبل از وکالہ فیس) گزشتہ سال 159 ملین روپے کے مقابلے میں 186 ملین روپے رہی ہے، اور سال کا سرپلس 36 ملین روپے رہا جو گزشتہ سال 25 ملین روپے تھا۔

## آپریٹرز فنڈ (OPF)

سال 2025 کے لیے مجموعی وکالہ فیس 144 ملین روپے رہی (2024: 128 ملین روپے) جبکہ خالص وکالہ فیس 138 ملین روپے رہی (2024: 116 ملین روپے)۔ تکافل آپریشنز قبل از ٹیکس منافع 72 ملین روپے رہا (2024: 90 ملین روپے)۔ ٹیکس سے قبل منافع میں کمی کی وجہ بینک ڈپازٹس پر منافع کی شرح میں نمایاں کمی ہے جسکے باعث سرمایہ کاری کی آمدنی میں کمی ہے۔

## چیسر مین کا جائزہ

کے اہم محرک زرعی اور صنعتی پیداوار ہیں۔ توقع ہے کہ ان شعبوں میں ترقی سے سروس سیکٹر کی سرگرمیوں پر مثبت اثر پڑے گا۔ اسٹیٹ بینک آف پاکستان (SBP) کی رپورٹوں کے مطابق، جاری میکرو اکنامک استحکام کے درمیان معیشت بلند ترقی کی جانب گامزن ہونے کے آثار دکھا رہی ہے اور مالی سال 2027ء میں اس میں مزید اضافہ متوقع ہے۔ جون 2024 کے بعد سے پالیسی ریٹ میں مجموعی طور پر 1,150 bps کی کمی مالی حالات میں آسانی اور نجی شعبے کو قرضے میں اضافے کا باعث بنی ہے۔ اسٹیٹ بینک کا اوسط کیش ریزرو ریکوائرنٹ (CRR) کو 6 سے کم کر کے 5 فیصد کرنے کا فیصلہ بینکوں کو نجی شعبے کو زیادہ قرض دینے میں مزید سہولت فراہم کرے گا۔

### ادارے کی کارکردگی کی جھلکیاں

سال 2025ء سینچری انشورنس کمپنی لمیٹڈ کے لیے ایک اور کامیاب اور مستحکم سال ثابت ہوا۔ کمپنی نے تمام شعبہ جات انشورنس میں ترقی حاصل کی، جس کے نتیجے میں انڈر رائٹنگ آمدنی میں نمایاں اضافہ ہوا۔ اگرچہ پالیسی ریٹس میں خاطر خواہ کمی واقع ہوئی، تاہم سرمایہ کاری اور دیگر ذرائع آمدنی نے بہتر نتائج فراہم کیے اور مجموعی منافع کے اضافہ میں اہم کردار ادا کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے 31 دسمبر 2025ء کو ختم ہونے والے سال کے لیے کمپنی کی سالانہ رپورٹ اور کارکردگی کا جائزہ آپ کے سامنے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

### معاشی جائزہ

پاکستان کی معیشت اس وقت استحکام کے مرحلے سے نکل کر معتدل اقتصادی ترقی کے مرحلے میں داخل ہو رہی ہے۔ مہنگائی میں کمی آئی ہے جبکہ پالیسی ریٹ میں بتدریج کمی کا آغاز ہو چکا ہے، جس کے نتیجے میں نجی شعبے کو قرضوں کے ملنے کی حوصلہ افزائی ہو رہی ہے۔

تاہم خلیجی خطے میں حالیہ پیش رفت کی وجہ سے جغرافیائی سیاسی اور آپریشنل غیر یقینی صورتحال میں نمایاں اضافہ ہوا ہے۔ اس صورتحال کے نتیجے میں ترسیلات زر میں ممکنہ طور پر نمایاں کمی اور لیندھن کی درآمدی لاگت میں اضافہ ہو سکتا ہے۔ ہم امید اور دعا کرتے ہیں کہ خطے میں جاری تنازعہ جلد از جلد ختم ہو اور وہاں کے باشندے محفوظ رہیں۔

مہنگائی کی شرح، جس کے بارے میں پہلے توقع کی جا رہی تھی کہ مالی سال 2026 اور 2027 کے بیشتر حصے میں 5 سے 7 فیصد کے درمیان رہے گی، اب تیل کی قیمتوں میں حالیہ اضافے کے باعث اس سے زیادہ رہنے کا امکان ہے۔ اگر خلیجی خطے میں جاری تنازعہ جلد حل ہو جاتا ہے اور تیل کی ترسیل پہلے کی سطح پر بحال ہو جاتی ہے تو امید ہے کہ مہنگائی میں اضافے کے اثرات کسی حد تک محدود رہیں گے۔

کرنٹ اکاؤنٹ خسارہ، جس کے بارے میں پہلے اندازہ لگایا گیا تھا کہ یہ مجموعی قومی پیداوار (GDP) کے 0 سے 1 فیصد کے درمیان رہے گا، اب زیادہ ہو سکتا ہے۔ جو خلیجی خطے سے آنے والی ترسیلات زر کے اثر پر منحصر ہے۔ اگر پاکستانی مزدور بڑی تعداد میں وطن واپس آ جائیں اور جلد واپس نہ جائیں تو ترسیلات زر کم ہوں گی اور مجموعی تجارتی خسارے پر منفی اثر پڑے گا۔

اقتصادی ترقی میں نمایاں اضافہ ہوا ہے اور مالی سال 2026ء میں جی ڈی پی کی نمو اب 3.75 فیصد سے 4.75 فیصد کی حد میں رہنے کا امکان ہے، جس

# DIRECTORS' REPORT

The directors of Century Insurance Company Limited (the Company) take pleasure in presenting their report together with the annual audited financial statements and auditors' report thereon for the year ended December 31, 2025.

## Appropriation of Profit

Profits for the year ended December 31, 2025 has been appropriated as follows:

	(Rupees)
Balance brought forward from previous years	<b>1,812,081,066</b>
Total comprehensive income for the year	<b>546,406,119</b>
Amount available for appropriations	<b>2,358,487,185</b>
Appropriations:	
Proposed final cash dividend @ 60% i.e. Rs. 6.00 per share (2023: @ 45% i.e. Rs. 4.50 per share)	<b>(331,958,904)</b>
Un-appropriated amount carried forward	<b>2,026,528,281</b>

## Earnings per Share

Your Company has earned a profit after tax of Rs. 550 million which translates into earnings per share of Rs. 9.93 as compared to Rs. 10.57 for the previous year.

## Paid-up Capital

Your Company has a strong financial base with a paid-up capital of Rs. 553.3 million. Factoring in retained earnings and reserves, the total equity as at December 31, 2025 stood at Rs. 3,452

million. The larger equity base will enhance the financial strength and underwriting capabilities of the Company.

## Auditors

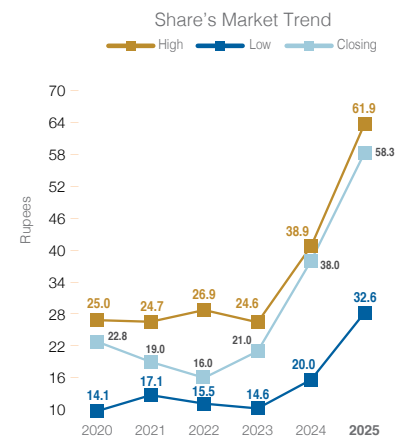
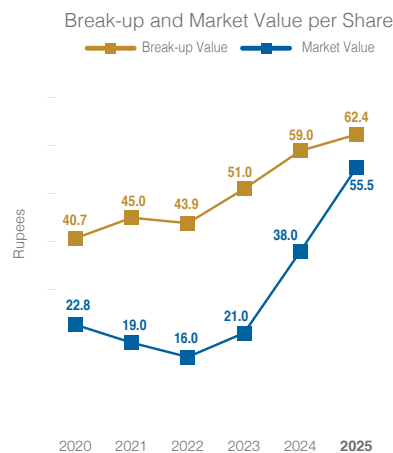
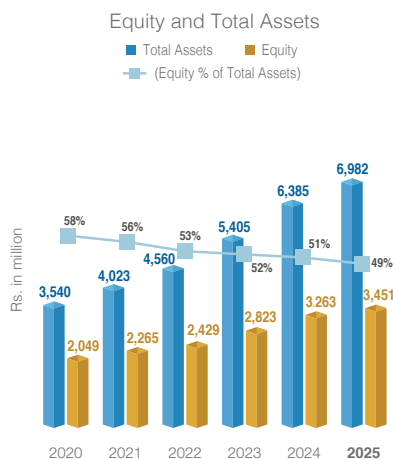
M/s. BDO Ebrahim & Co., Chartered Accountants retire at the conclusion of the Annual General Meeting. Being eligible they have offered themselves for re-appointment. The Audit Committee has recommended their re-appointment.

The audit firm has confirmed that it has been awarded a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the guidelines of the International Federation of Accountants (IFAC) on the code of ethics, as adopted by the ICAP.

## Corporate Social Responsibility

Your Company believes in regulating its own behavior to ensure that it stays at all times within both the letter and spirit of the law and adheres to the highest ethical standards and norms within the insurance industry. Moreover, your company strives to make an actual social contribution whenever possible by supporting institutions working for the betterment of underprivileged sections of society in the areas of health, education and culture.

Your Company is also active in promoting insurance awareness and understanding in the country by participating in activities and projects undertaken by the Insurance Association of Pakistan.



## Internal Financial Controls

The directors are aware of their responsibility with respect to internal financial controls. Through discussions with the management and auditors (both internal and external), they confirm that adequate controls have been implemented by the Company.

## Contribution to National Exchequer

Your Company has contributed an amount of Rs. 839.696 million to the Government Treasury on account of taxes, levies and federal excise duty.

## Principle Risks and Uncertainties

The Company is exposed to certain risks and uncertainties. However, we consider the following as key areas of consideration:

- Political and economic uncertainties
- New channels of distribution
- Not keeping pace with advancement in information technology
- Underwriting and credit risk
- Equity market and interest rate risk
- Cybersecurity risk
- Liquidity and cash flow risk

The Company works with internal and external entities to address the above.

## Compliance with the Code of Corporate Governance

The Statement of Compliance with the Code of Corporate Governance is annexed with the report.

## Composition of the Board

The board consists of 6 male directors and 1 female director with following composition:

Independent Directors	2
Non-executive Directors	4
Executive Director	1
<b>Total number of Directors</b>	<b>7</b>

## Remuneration Policy of Directors

In order to comply with companies Act, 2017, Listed Companies (Code of Corporate Governance, Regulation 2019 and Articles of Association of the Company, the company has

a policy with respect to the remuneration of Chief Executive, Non-executive, Executive and Independent Directors.

The fees payable to the non-executive and independent directors for attending the Board and Committee meetings of the Company are determined by the Board from time to time.

The detail of the remuneration paid to the directors and Chief Executive of the company is as follows:

Rs. in Million

Directors	Meeting Fees	Managerial Remuneration	Bonus	Medical Expense	Total
Mr. Muhammad Hussain Hirji (Chief Executive Officer)	-	33.34	4.98	2.38	40.70
Mr. Atiq Anwar Mahmudi	0.54	-	-	-	0.54
Mr. Jawed Akhlaq	0.48	-	-	-	0.48

## Board of Directors' Meetings

Four board meetings were held during the year. The number of meetings attended by each director is given hereunder:

Name of Directors	No. of Meetings Attended
Mr. Iqbal Ali Lakhani (Chairman)	4
Mr. Amin Mohammed Lakhani	4
Ms. Anushka Lakhani	2
Mr. Atiq Anwar Mahmudi	4
Mr. Jawed Akhlaq	4
Mr. Aftab Ahmad	4
Mr. Muhammad Hussain Hirji (Chief Executive)	4

## Chief Executive Officer (CEO) Performance Review

The Ethics, Human Resource & Remuneration Committee of the Board sets operational, financial and strategic objectives to evaluate the performance of the Chief Executive Officer of the Company and to review and monitor it on an annual basis.

## Board Committees

During the year, four (04) meetings each of the Board and the Audit Committee were held. Two

(02) meetings of the Investment Committee, two (02) meetings of the Ethics, Human Resource & Remuneration Committee, and two (02) meetings of the Sustainability Committee were also held. The names of the members of the board committees and their terms of reference are given in the annexure to this report. The Chairman of the board Audit Committee and Ethics, Human Resource & Remuneration and Sustainability Committee is an independent director.

### Management Committees

The Company has three management committees, which cover the core areas of business. The Committees' names, number of meetings, names of members and terms of references are given in the annexure to this report.

### Code of Conduct

The Board has adopted a code of conduct for all employees, who have in turn been informed of this code. All employees understand that they are required to observe these rules of conduct at all times.

### Gender Pay Gap

Century Insurance Company Limited, is an equal opportunity employer and strongly believes that the Company's ongoing progress and success are largely driven by its people, without any discrimination based on gender, caste, creed, or origin. We are committed to provide fair and equitable compensation to all employees within the same cadre. The Company fosters a positive and collaborative environment for Employee-Employer relationship, we proudly affirm that there is no gender-based pay gap within our organization. The details of Gender Pay Gap for the year 2025 is given in the annexure to this report.

### Statement of Directors' Responsibilities

The Directors are pleased to state that the Company is compliant with the financial reporting framework of the Code of Corporate Governance as required by the Securities & Exchange Commission of Pakistan (SECP):

Following are the statements on Corporate and Financial Reporting Framework

- The financial statements together with the notes thereon have been drawn up by the management in conformity with the Insurance Ordinance, 2000 and Companies Act, 2017. These Statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

- Proper books of accounts have been maintained by the Company.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements except those as disclosed in the financial statements, if applicable. Accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards, International Financial Reporting Standards and any other regulation or law as applicable in Pakistan, have been followed in the preparation of these financial statements.
- The system of internal control is sound in design. The system is being continuously monitored by an internal audit function and through other such monitoring procedures. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring in improvements in the system.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no departure from the best practices of corporate governance.
- The key operating and financial data for the last six years is annexed.
- Information about taxes and levies is given in the notes to and forming part of financial statements.
- The majority of Directors has either completed the Director's Certification from authorized institutions or has the prescribed qualification and experience pursuant to Regulation 19 of the CCG.
- The value of investments in respect of retirement benefit funds based on their respective accounts as on December 31, 2025 is as follows:

Provident Fund: Rs. 132.665 million

Gratuity Fund: Rs. 122.355 million

### Pattern of Shareholding

A statement showing pattern of shareholding of the Company and additional information as at December 31, 2025 is annexed with the report.

The Board has determined the threshold under clause xvi (I) of CCG-2012 in respect of trading of Company's shares by executives and employees at an annual basic salary of Rs. 2.5 million or above.

### Subsequent Events


No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

### Future Outlook

We are optimistic about the future outlook of Century Insurance Company Limited, though the country is going through challenging times. We aim to grow in terms of premium/contribution and also in terms of market share. We will look to develop a full range of insurance products

to cater to the commercial and retail segments and also develop micro-insurance and digital/internet-based products.

Your company will continue to grow and train its field force, especially with respect to serving the corporate sector. Moreover, it will focus on developing new channels of digital distribution so as to effectively penetrate the retail and micro-insurance markets. It will also explore coordinating with banks and other entities to develop new and cost-effective distribution channels



**Mr. Iqbal Ali Lakhani**  
Chairman



**Mr. Muhammad Hussain Hirji**  
Director & Chief Executive

Karachi: March 11, 2026

## مستقبل کا منظر نامہ

آپ کا ادارہ سچری انشورنس کمپنی لمیٹڈ کے مستقبل کے منظر نامے کے بارے میں پُر امید ہے۔ ہمارا ہدف پُر یکم آمدنی کے علاوہ پارکیٹ شیئر کے اعتبار سے بھی آگے بڑھنا ہے۔ ہماری نظریں کمرشل اور ریٹیل شعبوں کی ضروریات پوری کرنے کے لیے انشورنس مصنوعات کی مکمل رینج تیار کرنے پر ہوں گی اور معاشرے کے کم آمدنی والے طبقات کے لیے مائیکرو-انشورنس اور ڈیجیٹل / انٹرنیٹ مصنوعات بھی تیار کریں گے۔

آپ کا ادارہ اپنی فیلڈ فورس کی تربیت اور صلاحیتوں میں اضافہ جاری رکھے گا، بالخصوص کارپوریٹ شعبے کی خدمات کے حوالے سے۔ مزید برآں، ہماری توجہ ڈیجیٹل تقسیم کے نئے چینل تیار کرنے پر ہوگی تاکہ ریٹیل اور مائیکرو انشورنس مارکیٹوں میں موثر انداز میں داخل ہو سکیں۔ ہم نئے اور موثر تقسیم کاری چینلوں کی تیاری کے لیے بینکوں اور دیگر اداروں کے ساتھ مل کر بھی امکانات تلاش کریں گے۔

• اپنے کھاتوں کے حساب سے ریٹائرمنٹ سینفٹ فنڈز میں ان کی سرمایہ کاری کی قدر 31 دسمبر 2025ء کو کچھ یوں ہے:

پروویڈنٹ فنڈ: 132.665 ملین روپے  
گریجویٹی فنڈ: 122.355 ملین روپے

## شیئر ہولڈنگ کا نمونہ

31 دسمبر 2025ء کے مطابق شیئر ہولڈنگ کے نمونے اور اضافی معلومات کی نشاندہی کرنے والا ایک گوشوارہ رپورٹ کے ساتھ منسلک ہے۔

بورڈ نے 2012-CCG کی شق (D) xvi کے تحت ایسے ایگزیکٹو اور ملازمین پر جو سالانہ (2.5) دو اشاریہ پانچ ملین روپے یا اس سے زیادہ بنیادی تنخواہ وصول کر رہے ہیں، ادارے کے شیئرز کی خرید و فروخت کی حد مقرر کر رکھی ہے۔

## بعد ازاں رونما ہوئے واقعات

مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے دوران کوئی ایسی اہم تبدیلیاں اور معاہدات نہیں ہوئے جو ادارے کی مالیاتی حالت پر اثر انداز ہو سکیں۔

Mohammad Hussain Iqbal

جناب محمد حسین ہیرجی  
ڈائریکٹر و چیف ایگزیکٹو

Shahid Ali

جناب اقبال علی لاکھانی  
چیئر مین

کراچی: 11 مارچ 2026ء

پر عزم ہیں۔ کمپنی ملازم اور آجر کے تعلقات کے لیے ایک مثبت اور تعاون پر مبنی ماحول کو فروغ دیتی ہے، ہم فخر سے یہ کہتے ہیں کہ ہماری کمپنی میں کوئی جنس کی بنیاد پر تنخواہ کا فرق نہیں ہے۔ سال 2025 کے لیے صنفی اجرت کے فرق سے متعلق تفصیلی معلومات اس رپورٹ کے ضمیمہ میں فراہم کی گئی ہیں۔

## ڈائریکٹرز کی ذمہ داریوں کا بیان

ڈائریکٹرز بخوشی بیان کرتے ہیں کہ ادارہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے تقاضوں کے مطابق کارپوریٹ گورننس کے ضابطے کے مالیاتی رپورٹنگ ڈھانچے کی پیروی کرتا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ ڈھانچے پر بیانات مندرجہ ذیل ہیں:

- مالیاتی گوشوارے اور ان پر موجود انتظامیہ کے حاشیے انشورنس آرڈیننس 2000ء اور کمپنیز ایکٹ 2017ء کے مطابق ہیں۔ یہ گوشوارے ادارے کے امور کی کیفیت، سرگرمیوں کے نتائج، کیش فلو اور لیکوئٹی میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔

- ادارہ اپنے اکاؤنٹس کھاتے مناسب انداز میں برقرار رکھتا ہے۔

- ادارے نے مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی موزوں پالیسیوں کی پیروی کی سوائے ان کے جن کا مالیاتی گوشواروں میں اظہار ہے اگر قابل اطلاق ہو۔ اور اس کے اکاؤنٹنگ اندازے معقول اور محتاط اندازوں پر مبنی ہیں۔

- ان مالیاتی گوشواروں کی تیاری میں پاکستان میں لاگو بین الاقوامی اکاؤنٹنگ ، بین الاقوامی رپورٹنگ کے معیارات اور دیگر ریگولیشن / قانون کی پیروی کی گئی ہے۔

- انٹرنل کنٹرول کا نظام اپنی ساخت میں مستحکم ہے۔ انٹرنل آڈٹ عمل اور نگرانی کے دیگر طریق ہائے کار کے ذریعے اس نظام کی مستقل نگرانی کی جاتی ہے۔ انٹرنل کنٹرولز کی نگرانی کا عمل ایک مسلسل عمل کے طور پر جاری رہے گا کہ جس کا مقصد کنٹرولز کو مزید مستحکم کرنا اور نظام میں بہتریاں لانا ہے۔

- ادارے کو رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔

- لسٹنگ کے ضوابط میں تفصیل سے موجود کارپوریٹ گورننس کی بہترین روایات سے کوئی پہلو تہی نہیں کی گئی۔

- گزشتہ چھ سال کا اہم کاروباری و مالیاتی ڈیٹامنٹک ہے۔

- ٹیکس اور محصولات کی معلومات حاشیوں میں دی گئی ہے اور مالیاتی گوشواروں کا بھی حصہ ہے۔

- لسٹڈ کمپنیز (CCG) ریگولیشن، 19 میں طے شدہ معیارات کے مطابق ادارے کے ڈائریکٹرز کی اکثریت نے مجاز اداروں سے ڈائریکٹرز ٹریننگ پروگرام مکمل کر لیا ہے اور ادارے کے باقی ڈائریکٹرز اسکے مطابق مقررہ اہلیت اور تجربہ رکھتے ہیں۔

شرکت کردہ اجلاسوں کی تعداد	ڈائریکٹرز کے نام
4	جناب اقبال علی لاکھانی (چیئرمین)
4	جناب امین محمد لاکھانی
2	محترمہ انوشکا لاکھانی
4	جناب عتیق انوار محمودی
4	جناب جاوید اخلاق
4	جناب آفتاب احمد
4	جناب محمد حسین ہیرجی (چیف ایگزیکٹو)

## چیف ایگزیکٹو آفیسر کی کارکردگی کا جائزہ

بورڈ کی ایتھکس، ہیومن ریسورس اینڈ ریویویشن کمیٹی نے چیف ایگزیکٹو آفیسر کی کارکردگی کو جانچنے کے لیے عملی، مالیاتی اور حکمت عملی پر مبنی مقاصد کا تعین کیا ہے تاکہ سالانہ بنیاد پر اس کا جائزہ لیا جاسکے اور اسے مانیٹر کیا جاسکے۔

## بورڈ کمیٹیاں

سال کے دوران بورڈ اور آڈٹ کمیٹی کے چار (04)، انوشٹمنٹ کمیٹی کے دو (02)، دی ایتھکس، ہیومن ریسورس اینڈ ریویویشن کمیٹی کے دو (02)، سٹیک ہولڈرز کمیٹی کی ایک (02) اجلاس منعقد ہوئے۔ بورڈ کمیٹی کے اراکین کے نام اور ان کے ٹرمز آف ریفرنس رپورٹ کے ضمیمے میں دیے گئے ہیں۔ بورڈ آڈٹ اور ہیومن ریسورس اینڈ ریویویشن کمیٹیوں کے چیئرمین ایک انڈیپنڈنٹ ڈائریکٹر ہیں۔

## مینیجمنٹ کمیٹیاں

ادارہ تین انتظامی کمیٹیاں رکھتا ہے جو کاروبار کے مرکزی شعبوں کا احاطہ کرتی ہیں۔ ان کمیٹیوں کے نام، اجلاسوں کی تعداد، اراکین کے نام اور ٹرمز آف ریفرنس اس رپورٹ کے ضمیمے میں دیے گئے ہیں۔

## ضابطہ اخلاق

بورڈ نے تمام ملازمین کے لیے ایک ضابطہ اخلاق اختیار کر رکھا ہے کہ جن کو اس ضابطے سے مطلع رکھا جاتا ہے۔ تمام ملازمین کا سمجھنا ہے کہ انہیں ہمہ وقت اس ضابطہ اخلاق کی پیروی کرنے کی ضرورت ہے۔

## صنفی تنخواہ کا فرق

سینیئر انشورنس کمپنی لمیٹڈ ایک برابر کے مواقع فراہم کرنے والا آجر ہے اور پختہ یقین رکھتا ہے کہ کمپنی کی جاری ترقی اور کامیابی بڑی حد تک اس کے لوگوں کی وجہ سے ہے، بغیر کسی جنس، ذات، عقیدہ، یا نسلی امتیاز کی بنیاد پر۔ ہم ایک ہی کیڈر میں تمام ملازمین کو منصفانہ اور مساوی معاوضہ فراہم کرنے کے لیے

## بورڈ کی تشکیل

بورڈ درج ذیل تشکیل کے ساتھ 6 حضرات اور 1 خاتون پر مشتمل ہے:

2	خود مختار ڈائریکٹر
4	نان ایگزیکٹو ڈائریکٹرز
1	ایگزیکٹو ڈائریکٹر
7	ڈائریکٹرز کی مجموعی تعداد

## ڈائریکٹرز کے معاوضہ کی پالیسی

کمپنی ایکٹ 2017 پر عملدرآمد کے تحت اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور کمپنی کے آرٹیکلز آف ایسوسی ایشن کے مطابق کمپنی نے چیمبر مین، چیف ایگزیکٹو، نان ایگزیکٹو، ایگزیکٹو اور انڈیپنڈنٹ ڈائریکٹرز کے سلسلے میں پالیسی وضع کر رکھی ہے۔

بورڈ آف ڈائریکٹرز نے بورڈ اور آڈٹ کمیٹی کے اجلاسوں میں نان-ایگزیکٹو ڈائریکٹرز کی شرکت کیلئے فیس کی منظوری دے دی ہے۔

کمپنی کے ڈائریکٹرز اور چیف ایگزیکٹو کو ادا کیے جانے والے معاوضہ کی تفصیلات مجموعی مالیاتی حسابات میں درج ذیل ہیں۔

ڈائریکٹرز کے نام	اجلاس کا معاوضہ	نیچرل معاوضہ	بونس	میڈیکل اخراجات	کل رقم
جناب محمد حسین ہیرجی	-	33.34	4.98	2.38	40.70
جناب عتیق انوار محمودی	0.54	-	-	-	0.54
جناب جاوید اخلاق	0.48	-	-	-	0.48

## بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ کے چار (04) اجلاس ہوئے۔ ہر ڈائریکٹر کی اجلاسوں میں حاضری کچھ یوں رہی:

## کارپوریٹ سماجی ذمہ داری

آپ کا ادارہ اپنے رویے کو خود درست رکھنے پر یقین رکھتا ہے تاکہ قانون کی لفظی و معنوی تعمیل اور اعلیٰ ترین اخلاقی معیارات اور انشورنس صنعت کے قواعد دونوں کو یقینی بنایا جائے۔ مزید برآں، آپ کا ادارہ صحت، تعلیم اور ثقافت کے شعبوں میں پسماندہ معاشرے کی بہتری کے لئے کام کرنے والے اداروں کی مدد کر کے جب بھی ممکن ہو حقیقی سماجی حصہ داری کی جدوجہد کرتا ہے۔

آپ کا ادارہ انشورنس ایسوسی ایشن آف پاکستان کی سرگرمیوں اور منصوبوں میں حصہ لے کر انشورنس کے حوالے سے شعور اور فہم اجاگر کرتا ہے۔

## اندرونی مالیاتی کنٹرول

ڈائریکٹرز اندرونی مالیاتی کنٹرول سلسلے میں اپنی ذمہ داری سے بخوبی واقف ہیں۔ انتظامیہ اور آڈیٹرز (انٹرنل اور ایکٹرنل دونوں) کے ساتھ بات چیت کے ذریعے، وہ اس بات کی تصدیق کرتے ہیں کہ کمپنی کی طرف سے مناسب کنٹرول نافذ کیے گئے ہیں۔

## قومی خزانے میں حصہ داری

آپ کا ادارہ ٹیکس، لیویز اور فیڈرل ایکسائز ڈیوٹی کی مدد میں سرکاری خزانے میں 839.696 ملین روپے ادا کر چکا ہے۔

## بنیادی خطرات اور غیر یقینی صورتحال

کمپنی کو کچھ انہیرنٹ رسک اور غیر یقینی صورتحال کا سامنا ہے۔ تاہم، ہم مندرجہ ذیل کو غیر یقینی صورتحال کے طور پر غور کرتے ہیں:

- سیاسی اور معاشی غیر یقینی صورتحال
- تقسیم کے نئے چینلز
- انفارمیشن ٹیکنالوجی میں ترقی
- انڈورمانٹنگ اور کریڈٹ رسک
- لیکویٹی مارکیٹ اور انٹرنسٹ ریٹ کا خطرہ
- سائبر سیکیورٹی رسک
- لیکویڈیٹی اور کیش فلو رسک

مذکورہ بالا کو حل کرنے کے لئے کمپنی اندرونی اور بیرونی اداروں کے ساتھ ملکر کام کرتی ہے۔

## کارپوریٹ گورننس کے ضابطے کی تعمیل

کارپوریٹ گورننس کے ضابطے کی تعمیل کا گوشوارہ رپورٹ کے ساتھ منسلک ہے۔

# ڈائریکٹرز کی رپورٹ

## آمدنی فی حصص

آپ کے ادارے نے 550 ملین روپے کا بعد از ٹیکس منافع حاصل کیا جو گزشتہ سال کے 10.57 روپے کے مقابلے میں اس سال 9.93 روپے فی حصص آمدنی بنتی ہے۔

## ادا شدہ سرمایہ

آپ کا ادارہ 553.3 ملین روپے کے ادا شدہ سرمائے کے ساتھ مضبوط مالی بنیاد رکھتا ہے۔ برقرار رکھی گئی اور محفوظ آمدنی کو ملا کر 31 دسمبر 2025ء کو کل ایکویٹی 3,452 ملین روپے تھی۔ ایکویٹی کی وسیع تر بنیاد مالیاتی استحکام اور ادارے کی بیہم کاری کی صلاحیتوں کو بڑھائے گی۔

## آڈیٹرز

میسرز BDO ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے۔ اہلیت کی بنیاد پر انہوں نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی نے ان کی دوبارہ تقرری کی سفارش کی ہے۔

آڈٹ فرم نے تصدیق کی ہے کہ اسے انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام کے تحت ایک تسلی بخش درجہ بندی دے چکا ہے اور ادارہ ICAP کے قبول کردہ ضابطہ اخلاق پر انٹرنیشنل فیڈریشن آف اکاؤنٹنٹس (IFAC) کے رہنما ہدایت کو پوری طرح قبول کرنے والا ہے۔

سنچری انشورنس کمپنی لمیٹڈ (ادارے) کے ڈائریکٹرز 31 دسمبر 2025ء کو مکمل ہونے والے سال کے لیے سالانہ آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز کی رپورٹ پیش کرتے ہوئے مسرت کا اظہار کرتے ہیں۔

## منافع کی تخصیص

31 دسمبر 2025ء کو ختم ہونے والے سال کے لیے منافع کی تخصیص کچھ یوں ہے:

روپے
1,812,081,066
546,406,119
2,358,487,185
(331,958,904)
2,026,528,281

گزشتہ سالوں سے آگے منتقل ہونے والی رقم

کل مجموعی آمدنی برائے سال

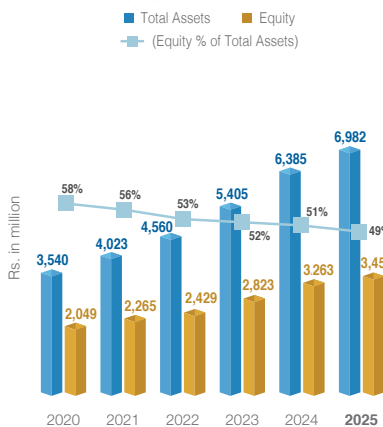
تخصیص کے لیے دستیاب رقم

تخصیص:

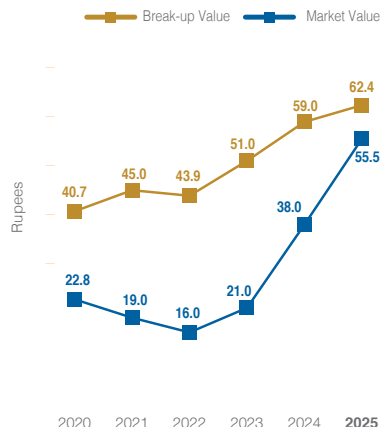
مجوزہ حتمی کیش ڈیویڈنڈ @ 60% جو کہ فی حصص 6 روپے (2024): 60% جو کہ 6 روپے فی حصص

آگے منتقل کی گئی غیر تخصیص شدہ رقم

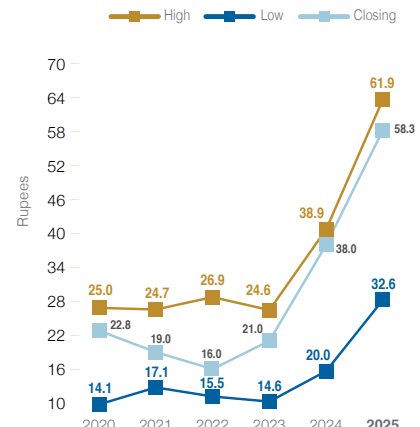
Equity and Total Assets



Break-up and Market Value per Share



Share's Market Trend



# BOARD COMMITTEES

## AUDIT COMMITTEE

### Terms of Reference:

1. Determination of appropriate measures to safeguard the company's assets;
2. Review of preliminary announcements of results prior to external communication and publication;
3. Review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
  - a. Major judgmental areas;
  - b. Areas of major concerns;
  - c. Significant adjustments resulting from the audit;
  - d. Going-concern assumption;
  - e. Any changes in accounting policies and practices;
  - f. Compliance with listing regulations, other statutory and regulatory requirements;
  - g. Compliance with applicable accounting standards;
  - h. Compliance with these Regulations and other statutory and regulatory requirements; and
  - i. All related party transactions.
4. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audit and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
5. Review of management letter issued by external auditor and management's response thereto;
6. Ensuring coordination between the internal and external auditor of the Company;
7. Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
8. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
9. Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
10. Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
11. Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider remittance of any matter to the external auditors or to any other external body;
12. Determination of compliance with relevant statutory requirements;
13. Monitoring compliance with the best practices of corporate governance, listing regulations and identification of significant violations thereof;
14. Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
15. Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof;
16. Consideration of any other issue or matter as may be assigned by the Board.

The Committee comprises of three members, including chairman of committee, two of them are non-executive directors and one is an independent director. Chairman of the committee is an independent director. During the year four meeting of this committee were held and the attendance of meeting is as follows:

Name of Members	Meeting attended
Mr. Atiq Anwar Mahumdi - Chairman	4
Mr. Amin Mohammed Lakhani	2
Mr. Aftab Ahmad	4



## ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

### Terms of Reference:

1. Recommend to the board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the board which shall normally include the first layer of management below the Chief Executive Officer level;
2. Undertaking annually a formal process of evaluation of performance of the board as a whole and its committees either directly or by engaging an external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing the consultant's name, qualifications and major terms of appointment;
3. Recommending Human Resource Management policies to the board.
4. Recommending to the Board the selection evaluation and development, compensation (including retirement benefits) of Chief Operating Officer, Chief Financial Officer, Company Secretary, Compliance Officer and Head of Internal Audit;
5. Consideration and approval on recommendations of the Chief Executive Officer related to key management positions who report directly to Chief Executive Officer or Chief Operating Officer;
6. Proposing a remuneration framework that takes into account performance evaluations, market considerations and compensation structure.
7. This framework will be reviewed and approved on an annual basis prior to the convening of the annual general meeting for the immediate preceding year.
8. Reviewing and making recommendations to the Board of Directors regarding the specific remuneration of the Board members, the Chief Executive Officer, Chief Financial Officer, Company Secretary, Compliance Officer and Head of Internal Audit.
9. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company; and
10. Any additional responsibility may be assigned to the Committee by the Board.

The Committee comprises of three members, including chairman of committee one member is non-executive director and one is an independent director. Chairman of Committee is an independent director. During the year two meeting of this committee was held and the attendance of meeting is as follows:

Name of Members	Meeting attended
Mr. Jawed Akhlaq - Chairman	2
Mr. Amin Mohammed Lakhani	2
Mr. Muhammad Hussain Hirji	2

## INVESTMENT COMMITTEE

### Terms of Reference:

1. Review the investment policies and strategies of the Company to ensure they are consistent with the goals and objectives of the Company.
2. Determine that investment constraints are consistently followed and that procedures are in place to ensure that the investment portfolio is managed in compliance with the investment policy.
3. Review the performance of the investment portfolios of the Company and make periodic reports to the Board.
4. Review and approve the annual investment plan and budget.
5. Annually review and reassess the overall investment policy and recommend any proposed changes to the Board for approval.

The Committee comprises of four members, including chairman of committee. Two members including chairman are non-executive directors. During the year two meetings of this committee was held and the attendance of meeting is as follows:

Name of Members	Meeting attended
Mr. Iqbal Ali Lakhani - Chairman	2
Mr. Muhammad Hussain Hirji	2
Mr. Aftab Ahmad	2
Mr. Nawaid Jamal (from February 14, 2025)	1
Mr. Sabza Ali Pirani (up to February 14, 2025)	1

## SUSTAINABILITY COMMITTEE

### Terms of Reference

1. The Committee is responsible for governance and oversight of sustainability risks and opportunities.
2. Set the Company's sustainability strategies, targets, and priorities to create long-term corporate value.
3. The Committee encourage the Company to adopt the Securities and Exchange Commission of Pakistan (SECP)'s ESG Disclosure Guidelines.
4. Establish policies to promote Diversity, Equity, and Inclusion (DE&I), and to encourage gender mainstreaming and gender equality.
5. Ensure the participation of women at the board, management, and workforce levels.
6. Take appropriate measures to proactively understand and address the principal and emerging sustainability risk and opportunities relevant to the Company, its business and climate.
7. Assess potential financial and operational impacts and implement strategies to manage or mitigate sustainable risks.

8. Periodically review the Company's sustainability and DE&I related strategies, priorities and targets and monitor the performance against these targets.
9. Oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosure.

The Committee comprises of three members, including chairman of committee, two of them are non-executive director, including one female director. Chairman of the committee is an independent director. During the year one meeting of this committee were held and the attendance of meeting is as follows:

Name of Members	Meeting attended
Mr. Jawed Akhlaq - Chairman	2
Ms. Anuska Lakhani	2
Mr. Muhammad Hussain Hirji	2

# MANAGEMENT COMMITTEES

## UNDERWRITING, REINSURANCE & COINSURANCE COMMITTEE

### Terms of Reference:

1. To review the rates and profitability of the various business sectors for each class of underwriting;
2. To review the reinsurance structure and arrangements for each class of business to ensure that the company's net exposure is within agreed limits for individual risks and also on a cumulative basis in the event of a catastrophic occurrence;
3. To review and approve underwriting proposals for high risk and complex covers;
4. To review policy terms and rating for new insurance products.

The Committee comprises of four members, including the Chairman of this committee who is an executive director.

### Name of Members

Mr. Muhammad Hussain Hirji - Chairman
Mr. Nawaid Jamal (from February 14, 2025)
Mr. Zeeshan Haider
Mr. Muhammad Rehan (from February 14, 2025)
Mr. Sabza Ali Pirani (up to February 14, 2025)

## CLAIM SETTLEMENT COMMITTEE

### Terms of Reference:

1. To review and approve claim settling policy of the company;
2. To review and approve the adequacy of claim reserves;
3. To assist in resolution of disputed claims of material amount and recommend settlement strategy;
4. To oversee the implementation of the measures for combating fraudulent claims.

The Committee comprises of three members, including the Chairman of this committee who is an executive director.

### Name of Members

Mr. Muhammad Hussain Hirji - Chairman
Mr. Aseem Ahmed
Mr. Adeel Suleman
Mr. Mushtaq Ali Lalani

## RISK MANAGEMENT & COMPLIANCE COMMITTEE

### Terms of Reference:

1. The Committee shall review and identify all possible risks faced by the Company under various categories such as; operational, financial, IT systems, physical or catastrophic, etc. and make appropriate recommendations for the mitigation of these risks to the Board;
2. To identify the risks faced by the company in respect of compliance with the laws applicable to it and to setup adequate controls to mitigate the identified risks;
3. To supervise and monitor matters reported using Company's whistle-blowing or other confidential mechanisms for employees and others to report compliance concerns, potential breaches, violations or fraud; and
4. Appropriate extent of disclosure of company's risk framework and internal control system in Directors report.

The Committee comprises of five members, including the Chairman of this committee who is an executive director

### Name of Members

Mr. Muhammad Hussain Hirji - Chairman
Mr. Nawaid Jamal (from February 14, 2025)
Mr. Asif Mehmood
Mr. Muhammad Rehan (from February 14, 2025)
Mr. Abdul Rasheed
Mr. Sabza Ali Pirani (up to February 14, 2025)

# PATTERN OF SHAREHOLDING

Incorporation No.K-192/8927 1985-86  
CUIN Registration No.0013587

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
462	1	100	7,710
167	101	500	46,693
128	501	1,000	90,987
219	1,001	5,000	546,863
77	5,001	10,000	550,093
25	10,001	15,000	300,735
13	15,001	20,000	224,815
12	20,001	25,000	270,465
6	25,001	30,000	167,364
8	30,001	35,000	260,432
5	35,001	40,000	182,494
5	40,001	45,000	213,141
2	45,001	50,000	99,451
2	50,001	55,000	105,570
2	55,001	60,000	113,642
4	60,001	65,000	249,377
1	65,001	70,000	66,550
2	70,001	75,000	143,000
3	75,001	80,000	228,126
2	85,001	90,000	171,908
1	90,001	95,000	93,513
2	95,001	100,000	195,603
1	145,001	150,000	148,550
1	175,001	180,000	180,000
1	190,001	195,000	191,876
1	215,001	220,000	217,500
1	265,001	270,000	269,000
1	295,001	300,000	300,000
1	410,001	415,000	415,000
2	465,001	470,000	935,914
1	530,001	535,000	532,764
1	805,001	810,000	805,698
1	1,385,001	1,390,000	1,388,475
1	3,185,001	3,190,000	3,188,950
1	5,490,001	5,495,000	5,492,413
1	7,870,001	7,875,000	7,873,097
1	13,035,001	13,040,000	13,037,355
1	16,020,001	16,025,000	16,021,360
<b>1,165</b>	<b>Total</b>		<b>55,326,484</b>

Categories of Shareholders	Shares Held	Percentage
Directors, Chief Executive, their spouse and minor children	289,155	0.52
Associated Companies, undertakings and related parties	42,430,360	76.69
NIT and ICP	NIL	-
Banks, Development Financial Institutions, Non-Banking Financial Institutions	1,388,475	2.51
Insurance Companies	NIL	-
Modaraba & Mutual Funds	465,914	0.84
Shareholders holding 10% or more	36,931,812	66.75
General Public	6,612,617	11.95
Others	4,139,963	7.48

NOTE: Some of the shareholders are reflected in more than one category.

# DETAILS OF PATTERN OF SHAREHOLDING

Categories of Shareholders	No. of Shares held	
<b>i) ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES</b>		
1. M/s. SIZA (Pvt.) Limited	7,873,097	
2. M/s. SIZA Services (Pvt.) Limited	13,037,355	
3. M/s. SIZA Commodities (Pvt.) Limited	5,492,413	
4. M/s. Premier Fashions (Pvt.) Limited	16,021,360	
5. Mr. Sultan Ali Lakhani	653	
6. Mrs. Shaista Sultan Ali Lakhani	435	
7. Mrs. Fatima Lakhani	217	
8. Mr. Babar Ali Lakhani	1,887	
9. Mr. Bilal Ali Lakhani	617	
10. Mr. Danish Ali Lakhani	1,598	
11. Ms. Anika Amin Lakhani	728	
<b>ii) MUTUAL FUND</b>		
1. CDC - Trustee Golden Arrow Selected Stock Fund	465,914	
<b>iii) DIRECTORS, CHIEF EXECUTIVE, THEIR SPOUSE AND MINOR CHILDREN</b>		
1. Mr. Iqbal Ali Lakhani	Chairman/Director	282,520
2. Mr. Amin Mohammed Lakhani	Director	1,941
3. Ms. Anushka Lakhani	Director	1,773
4. Mr. Aftab Ahmad	Director	550
5. Mr. Muhammad Hussain Hirji	Director/Chief Executive Officer	605
6. Mr. Jawed Akhlaq	Director	500
7. Mr. Atiq Anwar Mahmudi	Director	500
8. Mrs. Ronak Iqbal Lakhani		
W/o. Mr. Iqbal Ali Lakhani		435
9. Mrs. Saira Amin Lakhani		
W/o. Mr. Amin Mohammed Lakhani		331
<b>iv) EXECUTIVES</b>		605
<b>v) PUBLIC SECTOR COMPANIES AND CORPORATIONS</b>		6,612,617
<b>vi) BANKS, DEVELOPMENT FINANCIAL INSTITUTIONS, NON-BANKING FINANCIAL INSTITUTIONS, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS</b>		1,388,475
<b>vii) SHAREHOLDERS HOLDING 5% OR MORE</b>		
M/s. Khadija & Kassamali Resources (Pvt) Limited (Other than those reported at (i) (1, 2, 3 & 4)		3,188,950
<b>viii) INDIVIDUAL AND OTHER THAN THOSE MENTIONED ABOVE</b>		4,139,358
		<b>55,326,484</b>

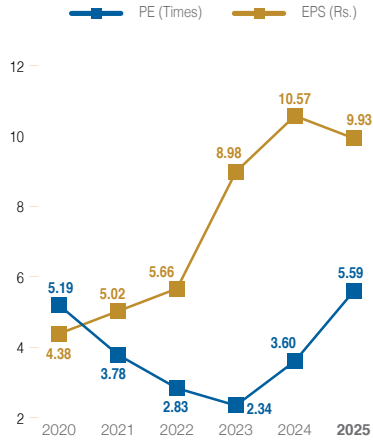


# KEY OPERATING AND FINANCIAL DATA

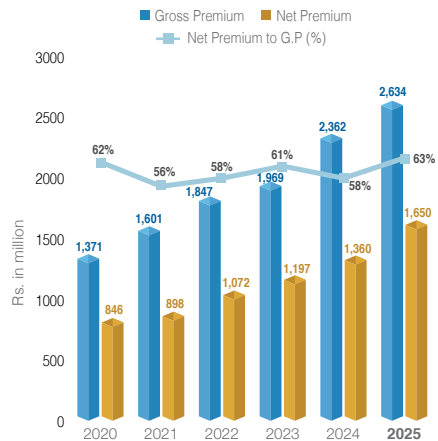
	2025	2024	2023	2022	2021	2020	2019
<b>FINANCIAL DATA</b>							
Ordinary share capital	553.3	553.3	553.3	553.3	503.0	503.0	503.0
Share premium	254.0	254.0	254.0	254.0	254.0	254.0	254.0
Reserves & Unappropriated profit	2,644.2	2,455.4	2,015.8	1,621.7	1,508.0	1,292.1	1,079.7
Equity	3,451.5	3,262.7	2,823.1	2,429.0	2,265.0	2,049.1	1,836.7
Property & equipment	174.9	165.9	100.9	121.8	125.6	121.2	130.0
Intangible assets	1.2	0.1	0.7	0.8	-	-	0.01
Underwriting Provisions	1,637.9	1,538.3	1,267.5	1,185.5	990.6	828.2	740.8
Investments	3,821.1	3,399.9	2,867.0	2,243.3	1,868.5	1,728.8	1,696.8
Cash and bank deposits	240.7	265.5	436.3	426.5	725.5	454.4	267.0
Total Assets	6,981.7	5,848.3	5,072.2	4,282.4	3,850.5	3,402.8	3,187.4
<b>OPERATING DATA</b>							
Gross Premium	2,633.8	2,362.2	1,969.1	1,847.2	1,601.3	1,371.2	1,314.6
Net insurance premium	1,650.5	1,359.5	1,197.2	1,072.4	897.6	846.1	779.7
Net insurance claims	926.0	760.6	618.5	561.5	449.7	360.2	362.7
Underwriting Profit	278.4	211.1	251.9	221.0	207.3	193.9	135.2
Profit from Takaful Operations - Operator's Fund	72.3	90.1	60.5	35.0	18.6	10.5	9.5
Investment & Other Income / (loss)	587.7	661.8	536.4	255.7	181.8	155.4	70.9
Profit Before Tax (PBT)	909.9	941.9	830.1	495.2	389.6	342.4	199.7
Income tax expense	360.4	357.2	333.2	181.8	112.1	99.8	54.5
Profit After Tax (PAT)	549.6	584.7	496.9	313.4	277.5	242.6	145.2
<b>CASH FLOW SUMMARY</b>							
Operating Activities	115.5	(127.6)	269.7	1.8	300.8	139.9	88.0
Investing Activities	128.8	223.1	(99.6)	(169.8)	89.0	151.0	(198.3)
Financing Activities	(269.2)	(266.3)	(159.4)	(130.9)	(118.7)	(103.8)	(63.0)
Cash & Cash Equivalents at the year end	240.5	265.3	436.1	425.5	724.5	453.4	266.2
<b>FINANCIAL RATIOS</b>							
<b>Profitability</b>							
Profit Before Tax / Net Insurance Premium	(%)	55.1	69.3	69.3	46.2	43.4	25.6
Profit After Tax / Net Insurance Premium	(%)	33.3	43.0	41.5	29.2	30.9	18.6
Underwriting Results / Net Insurance Premium	(%)	16.9	15.5	21.0	20.6	23.1	17.3
Total Expenses / Gross Premium	(%)	21.1	20.8	22.0	22.0	21.2	23.6
Total Expenses / Net Insurance Premium	(%)	33.7	36.1	36.1	37.9	37.8	39.8
Net Claims / Net Insurance Premium	(%)	56.1	55.9	51.7	52.4	50.1	46.5
Combined Ratio	(%)	82.0	82.4	77.8	79.1	77.6	84.3
<b>Return to Shareholders</b>							
Return on Equity	(%)	15.9	17.9	17.6	12.9	12.3	7.9
Return on Assets	(%)	7.9	9.2	9.2	6.9	6.9	4.6
Return on Investment	(%)	15.2	19.0	18.0	9.7	7.6	3.7
Earnings per Share - restated	(Rs.)	9.93	10.57	8.98	5.66	5.02	2.62
Dividend	(%)	60.0	60.0	45.0	25.0	22.5	17.5
Dividend Yield	(%)	10.8	15.8	21.3	15.6	11.8	8.8
Dividend Payout	(%)	60.4	56.8	50.1	44.2	44.8	66.8
Bonus Share	(%)	-	-	-	-	10.0	-
Price Earning Ratio	(Times)	5.6	3.6	2.3	2.8	3.8	7.6
Market Price per Share (at Dec 31)	(Rs.)	55.50	38.00	21.09	16.01	19.00	20.00
<b>Liquidity / Leverage</b>							
Break-up Value per Share	(Rs.)	62.4	59.0	51.0	43.9	45.0	36.5
Current Ratio	(Times)	2.6	2.5	2.5	3.1	3.4	3.7
Total Assets Turnover Ratio	(Times)	0.38	0.37	0.36	0.41	0.40	0.41
Total Liabilities / Equity	(Times)	1.02	0.96	0.91	0.88	0.78	0.74
Paid-up Capital / Total Assets	(%)	7.9	8.7	10.2	12.1	12.5	15.8
Equity / Total Assets	(%)	49.4	51.1	52.2	53.3	56.3	57.6

# GRAPHICAL PRESENTATION

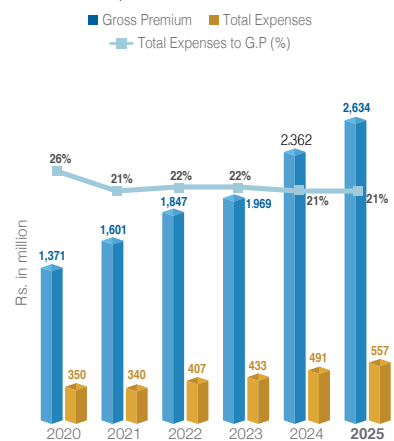
Earnings per Share (EPS) and Price Earning (PE) Ratio



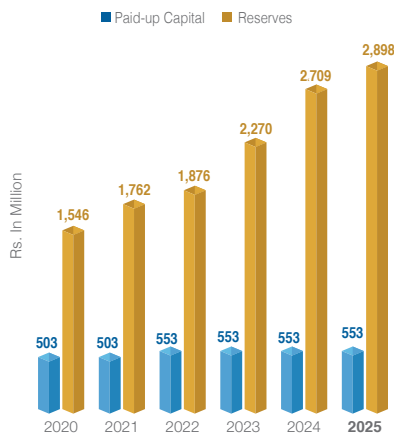
Gross Premium and Net Premium



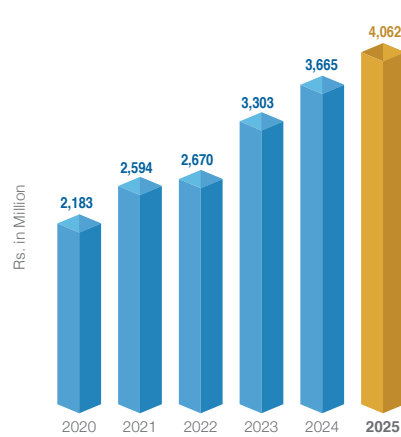
Total Expenses to Gross Premium



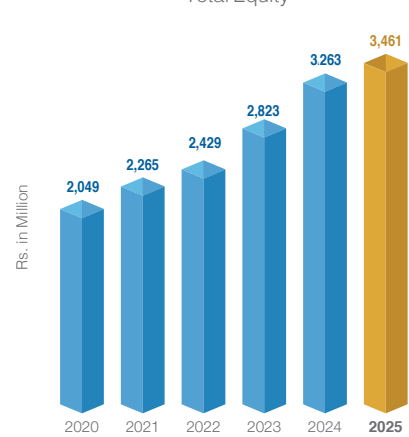
Paid-up Capital & Reserves



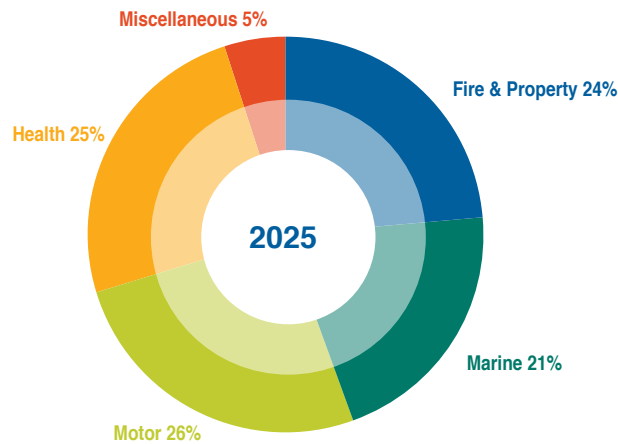
Investments (Including cash and bank)



Total Equity



Gross Premium (Class wise)



# STATEMENT OF VALUE ADDITION

(Rupees in '000)

## WEALTH GENERATED

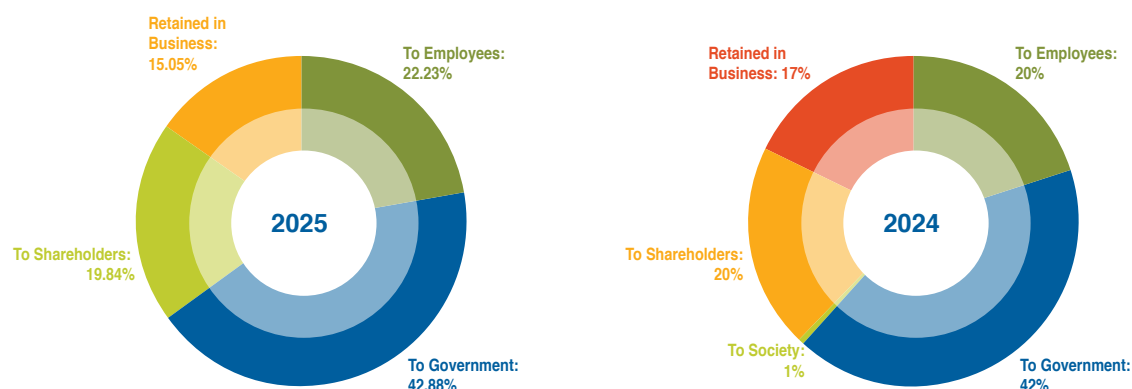
	2025	2024
Net premium (including Sales tax & FIF)	2,007,606	1,674,123
Commission income	82,438	82,365
Investment income	552,812	572,377
Other income	34,901	89,455
	<b>2,677,757</b>	2,418,321
Less: Claims and expenses (excluding employee remuneration, depreciation and donation)	<b>(1,076,939)</b>	(897,567)
Profit from Window Takaful Operations (Operator's fund)	<b>72,312</b>	90,109
	<b>1,673,131</b>	1,610,863

## WEALTH DISTRIBUTED

<b>To Employees</b>	<b>371,906</b>	322,138
<b>To Government:</b>		
Company taxation	360,363	357,235
Levies (including Sales tax & FIF)	357,110	314,580
	<b>717,472</b>	671,815
<b>To Society:</b>		
Donation	-	150
	-	150
<b>To Shareholders:</b>		
Cash dividend *	331,959	331,959
	<b>331,959</b>	331,959
<b>Retained in Business:</b>		
Depreciation and amortisation	34,187	32,088
Net earnings	217,606	252,713
	<b>251,793</b>	284,801
	<b>1,673,131</b>	1,610,863

\*Cash dividend proposed by the Board of Directors subsequent to the year end.

Distribution of Wealth



# GENDER PAY GAP

Century Insurance Company Limited, is an equal opportunity employer and strongly believes that the Company's ongoing progress and success are largely driven by its people, without any discrimination based on gender, caste, creed, or origin. We are committed to provide fair and equitable compensation to all employees within the same cadre. The Company fosters a positive and collaborative environment for Employee-Employer relationship, we proudly affirm that there is no gender-based pay gap within our organization.

As required by the Securities and Exchange Commission of Pakistan (SECP), through its circular no 10 of 2024 dated April 17, 2024, all the listed companies, to include a statement on gender pay gap as per the calculation prescribed in the circular. In line with this circular following information for 2025 has been prepared.

## 24%

Mean Gender Pay Gap

## 10%

Median Gender Pay Gap



# STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

## for Insurers, 2016 & Listed Companies (Code Of Corporate Governance) Regulations, 2019

**Name of Insurer:** Century Insurance Company Limited  
("the Company")

**Year Ended:** December 31, 2025

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 (the Code) and the 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 the principles contained in the Code and the Regulations in the following manner:

- The total number of directors are seven (7), as per the following:

- Male: 6
- Female: 1

- The Company ensures representation of independent non-executive directors and facilitates directors representing minority interests on its Board of Directors (the Board). At present the Board includes:

Category	Names
Independent Directors	Mr. Atiq Anwar Mahumdi Mr. Jawed Akhlaq
Executive Director	Mr. Muhammad Hussain Hirji
Non-Executive Directors	Mr. Iqbal Ali Lakhani Mr. Amin Mohammed Lakhani Ms. Anushka Lakhani Mr. Aftab Ahmad
Female Director	Ms. Anushka Lakhani

The independent director meets the criteria of independence as laid down under the Code, the Regulations and Companies Act, 2017.

Regulation 6: The Board of the Company comprises of seven elected Directors' and one-third works out to be 2.33. Presently, two (2) independent Directors were elected by the shareholders in terms of Section 166 of the Companies Act, 2017, which have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently as per laws and regulations to fulfill the requirements. Therefore, the Company

does not consider it necessary to appoint third independent director.

- The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company.
- 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.
- No casual vacancy occurred on the Board during the year.
- The Company has prepared a "Code of Conduct" which has been disseminated among all directors and employees of Company along with its supporting policies and procedures.
- The Board has developed a vision / mission statement, overall corporate strategy, and significant policies of the Company. A complete record of significant policies along with the dates on which they were approved or amended has been maintained.
- All powers of the Board have been duly exercised and decisions 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. Decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in absence, by a Director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven (7) days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

10. The Board have a formal policy and transparent procedure for remuneration of directors in accordance with the Act and the Regulations.
11. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company includes all the necessary aspects of internal control given in the Code.
12. While almost all the directors are professionals and senior executives who possess wide experience of duties of directors, the Company apprises its directors of new laws and regulations and amendments in the existing ones. The Board has not arranged any Directors' training program during the year ended December 31, 2025 as Five directors have already attended the Directors' training course in previous years. Two directors possess the minimum qualification and experience criteria for exemption of DTP as stipulated in the Regulations.
13. Mr. Nawaid Jamal was appointed by the Board as Chief Financial Officer of the Company on February 14, 2025 due to resignation of Mr. Sabza Ali Pirani. The Board has approved the remuneration of CFO and the Head of Internal Audit on the recommendation of Ethics, Human Resource & Remuneration Committee as determined by Chief Executive Officer. Mr. Mansoor Ahmed was assigned the responsibilities of the Company Secretary of Century Insurance Company Limited in addition to his responsibilities in other Group Companies.
14. The Directors' report for this year has been prepared in compliance with the requirements of the Code and the 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 that disclosed in the pattern of shareholding.
17. The Company has complied with all the corporate and financial reporting requirements of the Code and the Regulations.
18. The Board has formed the following Management Committees:
- a) Underwriting, Reinsurance and Co insurance Committee

Name of Member	Category
Mr. Muhammad Hussain Hirji	Chairman - Executive Director
Mr. Nawaid Jamal (from February 14, 2025)	Member
Mr. Zeeshan Haider	Member
Mr. Muhammad Rehan (From February 14, 2025)	Member
Mr. Sabza Ali Pirani (up to February 14, 2025)	Ex. Member

b) Claim Settlement Committee

Name of Member	Category
Mr. Muhammad Hussain Hirji	Chairman - Executive Director
Mr. Aseem Ahmed	Member
Mr. Adeel Suleman	Member
Mr. Mushtaq Ali Lalani	Member

c) Risk Management & Compliance Committee

Name of Member	Category
Mr. Muhammad Hussain Hirji	Chairman - Executive Director
Mr. Nawaid Jamal (from February 14, 2025)	Member
Mr. Asif Mehmood	Member
Mr. Muhammad Rehan (from February 14, 2025)	Member
Mr. Abdul Rasheed	Member
Mr. Sabza Ali Pirani	Ex. member

19. The Board has formed the following Board Committees comprising of members given below;

a) Ethics, Human Resource & Remuneration Committee

Name of Member	Category
Mr. Jawed Akhlaq	Chairman- Independent Director
Mr. Amin Mohammed Lakhani	Member - Non-Executive Director
Mr. Muhammad Hussain Hirji	Member - Executive Director

b) Investment Committee

Name of Member	Category
Mr. Iqbal Ali Lakhani	Chairman - Non-Executive Director
Mr. Muhammad Hussain Hirji	Member - Executive Director
Mr. Aftab Ahmad	Member - Non-Executive Director
Mr. Nawaid Jamal (from February 14, 2025)	Member
Mr. Sabza Ali Pirani (up to February 14, 2025)	Member

## c) Sustainability Committee

Name of Member	Category
Mr. Jawed Akhlaq	Chairman - Independent Director
Ms. Anuska Lakhani	Member - Non-Executive Director
Mr. Muhammad Hussain Hirji	Member - Executive Director

As provided in Clause (xl) of the Code and Regulation 29(1) of the Regulations, it is at the discretion of the Board of Directors to form a Nomination Committee, however, in case no Nomination Committee is formed, the Board shall discharge all the responsibilities of the Nomination Committee as laid down under Clause (xliv) of the Code, or such responsibilities may additionally be assigned to the Ethics, Human Resource & Remuneration Committee, and as such the Board of Directors has not formed any Nomination Committee and is discharging all the responsibilities of this committee.

20. The Board has formed an Audit Committee. It comprises of three members, of whom one is independent Director and two are non-executive Directors. The Chairman of the Committee is an independent Director. The Composition of the Audit Committee is as follows:

Name of Member	Category
Mr. Atiq Anwar Mahumdi Mohamed	Chairman - Independent Director
Mr. Amin Mohammed Lakhani	Member - Non-Executive Director
Mr. Aftab Ahmad	Member - Non-Executive Director

21. The terms of references of the Committees have been formed and advice to the Committees for compliance. The frequency of meetings of the Committees as follows:

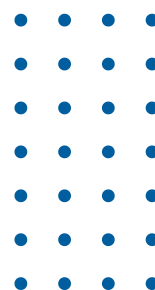
Name of Committees	Frequency of Meeting
Ethics, Human Resource & Remuneration Committee	Twice a year
Investment Committee	Twice a year
Audit Committee	Quarterly
Sustainability Committee	Twice a year
Underwriting, Reinsurance and Co-insurance Committee	Quarterly
Claim Settlement Committee	Quarterly
Risk Management & Compliance Committee	Quarterly

22. The Board has set up an effective internal audit function comprising of personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

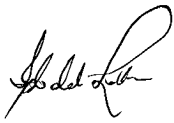
23. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under this Code. Moreover, the persons heading the underwriting, claims, reinsurance, risk management, and grievance functions possess qualification and experience of direct relevance to their functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000):

Name of person	Designation
Mr. Muhammad Hussain Hirji	Chief Executive Officer
Mr. Nawaid Jamal (from February 14, 2025)	Chief Financial Officer
Mr. Asif Mehmood	Compliance Officer (Incl. Grievance)
Mr. Mansoor Ahmed	Company Secretary
Mr. Muhammad Rao Shahid Mobeen	Head of Internal Audit
Mr. Aseem Ahmed	Head of Marketing & Sales
Mr. Abdul Rehman	Head of Window Takaful Operations
Mr. Syed Haider Ali Rizvi	Head of Marine Underwriting
Mr. Muhammad Rehan	Head of Fire Underwriting (Incl. Risk Management)
Mr. Abid Raza Isphani	Head of Accident and Health Underwriting
Mr. Syed Muhammad Nasim Ahmed	Head of Motor Underwriting
Mr. Adeel Suleman	Head of Claims
Mr. Zeeshan Haider	Head of Reinsurance

24. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000).
25. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan 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 International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan 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 Regulation, or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
27. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provision of the Code.
28. The Board ensure that the risk management system of the Company is in place as per the requirements of the Code.
29. The Company has set up a risk management function, which carries out its tasks as covered under the Code.
30. The Board ensures that as part of the risk management system, the Company gets itself rated from VIS Credit Rating Company Limited which is being used by its risk management function and the respective Committee as a risk monitoring tool. The rating assigned by the said rating agency on January 09, 2026 is AA with stable outlook.
31. The Board has set up a grievance department/function, which fully complies with the requirements of the Code.
32. The Company has not obtained any exemption(s) from the Securities and Exchange Commission of Pakistan (SECP) in respect of the requirements of the Code.
33. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulation and all material requirement of the Code have been complied with.



**Iqbal Ali Lakhani**  
Chairman

Karachi: March 11, 2026



**Mohammad Hussain Hirji**  
Director & Chief Executive



# SHARIAH REVIEW REPORT TO THE BOARD OF DIRECTORS

for the year ended December 31, 2025

الحمد لله رب العالمين والصلاة والسلام على سيد الانبياء والمرسلين محمد النبي الامي  
وعلى آله وصحبه اجمعين، وبعد

This report assesses the Shariah compliance of **Century Insurance Company Limited's Window Takaful Operations** (the "Window Takaful Operator") for the financial year ending December 31, 2025. It evaluates whether the company has adhered to Shariah principles and the rulings, guidelines, and directives issued by the undersigned during the review period.

The Window Takaful Operator is responsible for ensuring that all operations, policies, and services comply with the Shariah guidelines established by the Shariah Advisor. My role, as Shariah Advisor, is to verify that the company's financial transactions, contracts, and dealings with participants and stakeholders conform to Shariah principles.

Throughout the year, I conducted regular visits to the Window Takaful Operator's premises to provide guidance on Shariah matters and ensure compliance in daily operations. Various issues requiring clarification were raised and appropriately resolved. Based on these observations, the overall Shariah compliance of the Window Takaful Operator is considered satisfactory.

To form my opinion, I reviewed all aspects of the Window Takaful Operations. Based on the information provided and to the best of my knowledge, I conclude that:

1. All financial transactions, documentation, and procedures conducted during the year complied with Shariah guidelines and the Takaful Rules 2012.
2. The Shariah Screening Criteria were effectively applied to all investment and financial transactions.
3. No income in violation of Shariah principles was earned; accordingly, no amounts were allocated to the charity account.
4. All transactions undertaken by the Window Takaful Operator were in accordance with Shariah principles.
5. The company has diligently adhered to Shariah guidelines and addressed all matters requiring consultation in line with Shariah rules and market practices.

## Recommendations

The following recommendations are made to further enhance the company's Shariah compliance:

### 1. Internal Audit and Shariah Oversight

- Strengthen the Internal Audit Department by incorporating a dedicated resource for conducting Internal Shariah Audits. This resource should work closely with the Shariah Advisor to ensure dual oversight on operations and improve compliance further.

## 2. Staff Training and Development

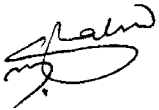
- It is recommended to arrange regular refresher courses on Takaful principles and practices.
- HR should introduce introductory courses on Islamic financial systems, Takaful models, and contract types for current employees. Additionally, knowledge of Islamic finance and Takaful should be included as an evaluation criterion during the hiring process for new employees.

### Commitment to Takaful and Future Prospects

The management of Century Insurance has demonstrated commendable commitment in transitioning from conventional insurance to the Takaful business model. This transformation, in line with the Supreme Court ruling and relevant constitutional amendments, underscores the company's dedication to supporting a Riba-free economy.

The company's proactive adoption of Shariah principles is anticipated to bring substantial improvements to its operations, strengthen stakeholder confidence, and contribute to national efforts toward establishing a fully Shariah-compliant financial system.

“And Allah Knows Best”



**Mufti Muhammad Shakir Siddiqui**

Shariah Advisor

Dated: March 04, 2026



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 Pakistan

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Century Insurance Company Limited on the Statement of Compliance contained in the Code of Corporate Governance for Insurers, 2016 and 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 (both hereinafter referred to as 'the Code' and 'the Regulations' respectively) prepared by the Board of Directors of Century 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 (Ixxvi) of the Code of Corporate Governance for Insurers, 2016.

The responsibility for compliance with the Code and 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 Code and the Regulations, and report if it does not and to highlight any non-compliance with the requirements of the Code and 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 Code and the Regulations.

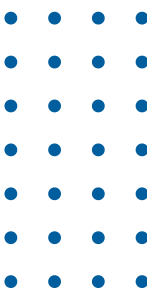
As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control 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 Code and 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 Code and Regulations as applicable to the Company for the year ended December 31, 2025.

**KARACHI**  
**DATED: April 07, 2026**  
**UDIN: CR202510166EpVKdk3iN**

**BDO EBRAHIM & CO.**  
 CHARTERED ACCOUNTANTS



# STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

The financial arrangements, contracts and transactions, entered into by **Century Insurance Limited - Window Takaful Operations** (the Operator) for the year ended December 31, 2025 are in compliance with the Takaful Rules, 2012 and the Shariah Rules and Principles as determined by the Shariah Advisor of the Operator, (Shariah Rules and Principles).

Further, we confirm that:

- The Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such rulings 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 implemented;
- The Operator has imparted trainings / orientations and ensured availability of all manuals / agreements 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 policies have been approved by Shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window Takaful Operations are in accordance with the polices approved by Shariah Advisor;

The assets and liabilities of Window Takaful Operations (Participant Takaful Fund and Operator's Sub 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 Operator.



**Mohammad Hussain Hirji**  
(Director & Chief Executive)

Dated: March 11, 2026





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Pakistan

## INDEPENDENT REASONABLE ASSURANCE REPORT

### to the Board of Directors on the Statement of Management Assessment of Compliance with the Takaful Rules, 2012

#### Scope

We have been engaged by **Century Insurance Company Limited** (the Operator) to perform a 'reasonable assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the Engagement, to report on the management's assessment of compliance of the Window Takaful Operations (Takaful Operations) of the Operator, as set out in the annexed Statement of Compliance (the Statement) prepared by the management for the year ended December 31, 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

#### Criteria applied by the management

In preparing the subject matter, the management applied the criteria in accordance with the Takaful Rules, 2012 (Criteria).

#### The Management's responsibilities

The management is responsible for selecting the Criteria, and for presenting the subject matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

#### BDO's responsibilities

Our responsibility is to express an opinion on the presentation of the subject matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with the Operator on July 23, 2025. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the subject matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.



We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

### **Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Management 1 “Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements” and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### **Description of procedures performed**

- We checked that all the products and policies have been approved by Shariah Advisor and observed that the Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and Shariah Rules and Principles as determined by Shariah Advisor.
- We checked that 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.
- We reviewed training certificates and attendance sheets to evaluate that the Operator has imparted necessary trainings and orientations to maintain the adequate level of awareness, capacity, and sensitization of the staff and management.
- We have designed and performed following verification procedures (including but not limited to) on various financial arrangements, based on judgmental and systematic samples with regard to the compliance with Takaful Rules, 2012 and Shariah Rules and Principles:
  - We obtained details of investments made and checked that all investments are made in Shariah Compliant stocks as determined by Shariah Advisor;
  - We inquired regarding other investments like fixed deposits to confirm that all such contracts are executed with Islamic Financial Institutions;
  - We reviewed re-takaful and co-takaful parties along with arrangements / contracts entered into by Window Takaful Operations to assess compliance with Shariah Advisor guidelines and Takaful Rules, 2012; and
  - We re-calculated Operator’s profit share and Wakala fee income to confirm that approved percentage are applied on income from investments and contribution respectively

The procedures selected by us for the engagement depended on our judgment, including the assessment of the, risks of the Operator’s material non-compliance with the Takaful Rules 2012, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Operator’s compliance with the Takaful Rules, 2012, in order to design assurance



procedures that are appropriate in the circumstances but not for the purpose of expressing a conclusion as to the effectiveness of the Operator's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with the Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with the Takaful Rules, 2012 will be met. Further, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

In performing our audit procedures necessary guidance on Shariah matters was provided by the independent Shariah expert.

### Opinion

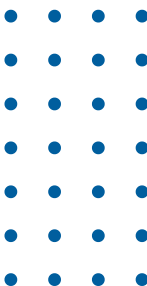
In our opinion, the Statement of Compliance of the Takaful Operations of the Operator as of December 31, 2025 is presented, in all material respects, in accordance with Takaful Rules, 2012.

**KARACHI**

**DATED: April 07, 2026**

**BDO EBRAHIM & CO.**

**CHARTERED ACCOUNTANTS**







# financial statements





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# Independent Auditor's Report

To the members of Century Insurance Company Limited

Report on the Audit of the Financial Statements

## Opinion

We have audited the annexed financial statements of **CENTURY INSURANCE COMPANY LIMITED**, (the Company), which comprise the statement of financial position as at December 31, 2025, and the 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 policies 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 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, total 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.



Following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	<p><b>Revenue Recognition - Premium Earned</b></p> <p>Refer the financial statements relating to revenue recognition policy and net insurance premium, respectively.</p> <p>The Company earns revenue primarily from Premium income, which amounts to Rs. 1,650.496 million (2024: 1,359.543 million) representing 21.40% increase. This income stream comprises of five segments: (i) Fire and property damage, (ii) Marine, aviation, and transport, (iii) Motor, (iv) Miscellaneous, (v) Health.</p> <p>We have identified revenue recognition from premium income as a key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not be recognized in the appropriate period.</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, evaluated the design, and tested the controls over the process of policy-writing, processing, and recording of premium;</li> <li>• Assessed the appropriateness of the Company's accounting policy for recording of premium and in line with the requirements of applicable law, accounting and reporting standards;</li> <li>• Traced the premium recorded on sample basis from the underlying policies issued to insurance contract holders and applying substantive analytical procedures to corroborate with economic environment and usual policy-writing patterns;</li> <li>• Tested the policies on sample basis where policies were written close to year end and subsequent to year end, and evaluated that these were recorded in the appropriate accounting period; and</li> <li>• Recalculated the unearned portion of premium income and checked that appropriate amount has been recorded as provision for unearned premium in liabilities.</li> </ul>



S. No	Key audit matters	How the matter was addressed in our audit
<b>2.</b>	<b>Valuation of outstanding claims including claims incurred but not reported (IBNR)</b>	
	<p>As disclosed in note 24 to these financial statements, outstanding claims including IBNR amounting to Rs. 414.096 million as at December 31, 2025.</p> <p>The outstanding claims including IBNR represented 15.05% 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.</p> <p>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>• We 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 claim's 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>• We used an external actuarial specialist to assist us in evaluation of general principles, actuarial assumptions and methods adopted for actuarial valuations by the actuary of the Company for identification of IBNR;</li> <li>• Assessed of competence, capability, and objectivity of management expert;</li> <li>• Assessed the adequacy and completeness of data provided by the Company to its actuary and checked the input used.</li> <li>• Considered the adequacy of the Company's disclosures about the estimates used.</li> </ul>



S. No	Key audit matters	How the matter was addressed in our audit
<b>3.</b>	<b>Existence and Valuation of Investments</b>	
	<p>As disclosed in note 8, 9 and 10 to these financial statements, the company has investments in associates, investments in equity securities and investments in debt securities amounting to Rs. 75.636 million, Rs. 1,512.444 million, and Rs. 2,233.011 million respectively, which comprise of 54.72% of total assets of the company.</p> <p>In view of significance of the investments and its valuation method used to determine the carrying amounts, we have identified the existence and valuation of company's investments as a key audit matter.</p>	<p>Our audit procedures in respect of this area includes the following:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of the process relating to valuation of investment.</li> <li>• Checked that the investment were 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>• Evaluated the management's assessment of available-for-sale investments for any impairment in accordance with the accounting and reporting standards as applicable in Pakistan.</li> <li>• Compared the external statements for security custodian with the books and records of the Company to assess whether the number of scripts have been accurately recorded by the Company.</li> <li>• Performed recalculation by using the data and inputs used in the valuation to assess the accuracy of carrying value of investments at the reporting date.</li> <li>• Assessed the appropriateness of disclosures made in the financial statements to ascertain whether these are complied with the accounting and reporting standards as applicable in Pakistan.</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:

- 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.

### 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 profit and loss account, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity 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 and returns;
- c. investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d. Zakat deductible at source under the Zakat and Ushr Ordinance 1980, (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

**KARACHI**

**DATED: April 07, 2026**

**UDIN: AR202510166R3ANw4Sfe**

**BDO EBRAHIM & CO.**


**CHARTERED ACCOUNTANTS**

# Statement of Financial Position

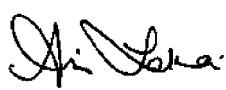
As at December 31, 2025

	Note	December 31, 2025	December 31, 2024 Restated (Rupees)	December 31, 2023 Restated
<b>Assets</b>				
Property and equipment	6	174,929,718	165,902,592	100,890,307
Intangible assets	7	1,185,434	54,250	747,250
Investment in associates	8	75,635,878	77,630,779	73,966,924
Investments				
Equity securities	9	1,512,443,880	1,210,857,038	941,604,326
Debt securities	10	2,233,010,656	2,111,443,916	1,851,391,049
Loan and other receivable	11	151,189,944	105,215,771	95,975,373
Insurance / reinsurance receivable	12	1,091,840,344	1,006,520,483	822,041,695
Reinsurance recoveries against outstanding claims	24	99,189,167	187,320,804	193,897,623
Salvage recoveries accrued		1,285,000	5,675,536	2,785,000
Deferred commission expense	25	45,858,436	44,220,466	32,747,815
Deferred taxation		-	-	1,941,781
Retirement benefit obligations	13	10,372,504	18,755,863	14,059,440
Prepayments	14	398,925,864	345,209,637	280,250,689
Cash and bank	15	240,708,037	265,532,244	436,347,757
		<b>6,036,574,862</b>	<b>5,544,339,379</b>	<b>4,848,647,029</b>
Total assets of Window Takaful Operations - Operator's fund	16.1	<b>280,845,552</b>	303,980,652	223,551,545
Total assets of Window Takaful Operations - Participants' Takaful Fund	16.2	<b>664,276,045</b>	537,064,080	332,386,650
<b>Total Assets</b>		<b>6,981,696,459</b>	<b>6,385,384,111</b>	<b>5,404,585,224</b>
<b>Equity and Liabilities</b>				
Authorized share capital				
120,000,000 (2024: 70,000,000 Ordinary shares of Rs. 10 each)	17.1	<b>1,200,000,000</b>	700,000,000	700,000,000
<b>Capital and reserves attributable to Company's equity holders</b>				
Ordinary share capital	17.2	<b>553,264,840</b>	553,264,840	553,264,840
Share premium		<b>254,024,260</b>	254,024,260	254,024,260
Reserves	18	<b>285,684,997</b>	311,395,677	216,463,724
Unappropriated profits		<b>2,358,487,185</b>	2,144,039,986	1,799,315,078
<b>Total Equity</b>		<b>3,451,461,282</b>	<b>3,262,724,763</b>	<b>2,823,067,902</b>
<b>Liabilities</b>				
<b>Underwriting Provisions</b>				
Outstanding claims including IBNR	24	<b>414,096,398</b>	437,137,544	397,707,648
Unearned premium reserve	23	<b>1,146,986,647</b>	1,032,531,259	816,790,202
Unearned reinsurance commission	25	<b>76,781,897</b>	68,651,541	53,028,033
		<b>1,637,864,942</b>	<b>1,538,320,344</b>	<b>1,267,525,883</b>
Deferred taxation	19	<b>114,475,977</b>	60,901,840	-
Premiums received in advance		<b>40,289,833</b>	5,000,978	7,260,474
Insurance / reinsurance payables	20	<b>658,377,238</b>	561,065,557	593,491,964
Other creditors and accruals	21	<b>252,876,479</b>	226,859,797	164,448,644
Taxation - provision less payments		<b>47,445,958</b>	89,764,370	136,226,166
<b>Total Liabilities</b>		<b>2,751,330,427</b>	<b>2,481,912,886</b>	<b>2,168,953,131</b>
Total liabilities of Window Takaful Operations - Operator's fund	16.1	<b>114,628,705</b>	103,682,382	80,177,541
Total liabilities and fund of Window Takaful Operations - Participants' Takaful Fund	16.2	<b>664,276,045</b>	537,064,080	332,386,650
<b>Total Equity and Liabilities</b>		<b>6,981,696,459</b>	<b>6,385,384,111</b>	<b>5,404,585,224</b>
<b>Contingencies</b>				
	22			

The annexed notes from 1 to 44 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive




Nawaid Jamal  
Chief Financial Officer

# Profit and Loss Account


For the year ended December 31, 2025

		<b>December 31, 2025</b>	December 31, 2024
Note		----- (Rupees) -----	
	Net insurance premium	23 <b>1,650,495,936</b>	1,359,542,674
	Net insurance claims	24 <b>(926,006,047)</b>	(760,639,116)
	Net commission and other acquisition costs	25 <b>82,438,157</b>	82,365,067
	Insurance claims and acquisition expenses	<b>(843,567,890)</b>	(678,274,049)
	Management expenses	26 <b>(528,521,440)</b>	(470,138,608)
	<b>Underwriting results</b>	<b>278,406,606</b>	211,130,017
	Investment income	27 <b>552,812,271</b>	572,377,344
	Other income	28 <b>31,769,969</b>	80,882,967
	Other expenses	29 <b>(22,178,127)</b>	(13,967,516)
	<b>Results of operating activities</b>	<b>840,810,719</b>	850,422,812
	Finance costs - lease liabilities	21.6 <b>(6,326,235)</b>	(7,196,979)
	Share of profit of associates	8.1 <b>3,131,335</b>	8,572,093
	Profit from Window Takaful Operations - Operator's fund	16.1 <b>72,311,743</b>	90,109,476
	<b>Profit before tax</b>	<b>909,927,562</b>	941,907,402
	Income tax expense	30 <b>(360,362,652)</b>	(357,235,095)
	<b>Profit after tax</b>	<b>549,564,910</b>	584,672,307
	Earnings (after tax) per share of Rs. 10 each - basic	31 <b>9.93</b>	10.57

The annexed notes from 1 to 44 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive




Nawaid Jamal  
Chief Financial Officer

# Statement of Comprehensive Income

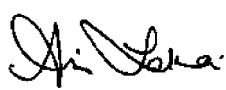
For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
Profit after tax	<b>549,564,910</b>	584,672,307
<b>Other comprehensive (loss) / income</b>		
<b>Items that will never be reclassified to profit and loss account in subsequent year - net of tax</b>		
Remeasurement (loss) / gain of post retirement benefits obligation	<b>(3,523,890)</b>	8,840,729
<b>Items that will be reclassified to profit and loss account in subsequent year:</b>		
Unrealised (diminution) / appreciation on 'available for sale' investments - net of tax	<b>(19,355,402)</b>	105,741,371
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	<b>(6,784,587)</b>	(12,766,901)
	<b>(26,139,989)</b>	92,974,470
- Share in other comprehensive income of associates - net of tax	<b>365,099</b>	181,292
Unrealised appreciation on 'available for sale' investments of Window Takaful Operations - net of tax	<b>5,741,261</b>	5,311,949
Reclassification adjustment for net gain on available for sale investments included in profit and loss account of Window Takaful Operations - net of tax	<b>(5,311,952)</b>	(3,354,466)
	<b>429,309</b>	1,957,483
<b>Other comprehensive (loss) / income for the year</b>	<b>(28,869,471)</b>	103,953,974
<b>Total comprehensive income for the year</b>	<b>520,695,439</b>	688,626,281

The annexed notes from 1 to 44 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer

# Cash Flow Statement

For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
Operating cash flows	Note	(Rupees)
<b>(a) Underwriting activities</b>		
Insurance premium received	2,662,699,853	2,003,877,925
Reinsurance premium paid	(650,690,506)	(1,090,188,841)
Claims paid	(1,297,748,774)	(1,090,507,634)
Reinsurance and other recoveries received	303,542,656	552,452,514
Commission paid	(117,515,686)	(108,711,400)
Commission received	113,778,774	388,888,472
Management expenses paid	(557,110,328)	(462,866,740)
Net cash generated from underwriting activities	<b>456,955,989</b>	192,944,296
<b>(b) Other operating activities</b>		
Income tax paid	(347,389,322)	(343,686,063)
Other operating receipt	5,933,693	23,178,557
Net cash used in other operating activities	<b>(341,455,629)</b>	(320,507,506)
<b>Total cash generated from / (used in) operating activities</b>	<b>115,500,360</b>	(127,563,210)
<b>Investment activities</b>		
Profit / return received	266,592,959	375,728,335
Dividends received	27,836,459	22,896,318
Payments for investments	(2,626,781,014)	(3,953,245,663)
Proceeds from disposal of investments	2,504,174,780	3,835,629,481
Fixed capital expenditure	(48,019,695)	(69,446,967)
Proceeds from sale of property and equipment	5,040,350	11,514,812
<b>Total cash generated from investing activities</b>	<b>128,843,839</b>	223,076,316
<b>Financing activities</b>		
Dividends paid	(330,533,664)	(248,019,864)
Dividends share received from operator funds	78,620,895	-
Lease rentals paid	(17,255,637)	(18,308,755)
<b>Total cash used in financing activities</b>	<b>(269,168,406)</b>	(266,328,619)
<b>Net cash used in all activities</b>	<b>(24,824,207)</b>	(170,815,513)
<b>Cash and cash equivalents at beginning of the year</b>	<b>265,332,244</b>	436,147,757
<b>Cash and cash equivalents at end of the year</b>	<b>240,508,037</b>	265,332,244
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	115,500,360	(127,563,210)
Depreciation / amortization expense	(34,186,821)	(32,087,789)
Profit on disposal of property and equipment	5,252,686	3,398,857
Profit on disposal of investments	121,207,915	74,663,986
Dividend income	27,836,459	17,806,788
Other investment income	469,714,232	568,468,402
Share of profit of associates	3,131,335	8,572,093
Increase in assets other than cash	12,439,830	238,905,804
Increase in liabilities other than running finance	(215,441,249)	(222,459,404)
Profit from Window Takaful Operations	44,110,163	54,966,780
<b>Profit after tax</b>	<b>549,564,910</b>	584,672,307

The annexed notes from 1 to 44 form an integral part of these financial statements.

Iqbal Ali Lakhani  
Chairman

Amin Mohammed Lakhani  
Director

Aftab Ahmad  
Director

Muhammad Hussain Hirji  
Director & Chief Executive

Nawaid Jamal  
Chief Financial Officer

# Statement of Comprehensive Income

For the year ended December 31, 2025

	Attributable to equity holders of the Company					Total
	Share capital	Capital reserves	Revenue reserves			
	Issued, subscribed and paid-up	Share premium	General reserve	Unrealised appreciation / (diminution) 'available for sale' investments	Retained earnings	
----- (Rupees) -----						
<b>Balance as at January 01, 2024</b>	553,264,840	254,024,260	119,000,000	97,463,724	1,799,315,078	2,823,067,902
<b>Total comprehensive income for the year</b>						
Profit after tax for the year	-	-	-	-	584,672,307	584,672,307
<b>Other comprehensive income</b>						
Share in other comprehensive loss of associates	-	-	-	-	181,292	181,292
Remeasurement of post retirement benefits obligation	-	-	-	-	8,840,729	8,840,729
Net unrealised gain arising during the year on revaluation of available for sale investments (including WTO) net of tax	-	-	-	111,053,320	-	111,053,320
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (including WTO) net of tax	-	-	-	(16,121,367)	-	(16,121,367)
<b>Total comprehensive income for the year</b>	-	-	-	94,931,953	593,694,328	688,626,281
<b>Transactions with owners recorded directly in equity</b>						
Final cash dividend of Rs. 4.50 (45.00%) per share for the year ended December 31, 2023	-	-	-	-	(248,969,420)	(248,969,420)
<b>Balance as at December 31, 2024</b>	553,264,840	254,024,260	119,000,000	192,395,677	2,144,039,986	3,262,724,763
<b>Total comprehensive income for the year</b>						
Profit after tax for the year	-	-	-	-	549,564,910	549,564,910
<b>Other comprehensive income</b>						
Share in other comprehensive loss of associates	-	-	-	-	365,099	365,099
Remeasurement of post retirement benefits obligation	-	-	-	-	(3,523,890)	(3,523,890)
Net unrealised loss arising during the year on revaluation of available for sale investments (including WTO) net of tax	-	-	-	(13,614,141)	-	(13,614,141)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) net of tax	-	-	-	(12,096,539)	-	(12,096,539)
<b>Total comprehensive income for the year</b>	-	-	-	(25,710,680)	546,406,119	520,695,439
<b>Transactions with owners recorded directly in equity</b>						
Final cash dividend of Rs. 6.00 (60.00%) per share for the year ended December 31, 2024	-	-	-	-	(331,958,920)	(331,958,920)
<b>Balance as at December 31, 2025</b>	553,264,840	254,024,260	119,000,000	166,684,997	2,358,487,185	3,451,461,282

The annexed notes from 1 to 44 form an integral part of these financial statements.

Iqbal Ali Lakhani  
Chairman

Amin Mohammed Lakhani  
Director

Aftab Ahmad  
Director

Muhammad Hussain Hirji  
Director & Chief Executive

Nawaid Jamal  
Chief Financial Officer

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 1. LEGAL STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on October 10, 1985 under the repealed Companies Ordinance (now Companies Act 2017). The Company is listed on the Pakistan Stock Exchange Limited and is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Company was granted authorization on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations by the Securities and Exchange Commission of Pakistan ("SECP") and under Takaful Rules, 2012 to carry on general takaful operations in Pakistan. The Company has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017. The Company commenced its activities of Window Takaful Operations on August 18, 2017.

1.1 The Company operates through the following locations in Pakistan;

Locations	Address
Head Office	11th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi.
Clifton Office	Office # 504-505, 5th Floor, Marine Point, DC 1, Block-9, Clifton, Karachi.
Shahrah-e-Faisal Office	Ebrahim Estates, 2nd Floor, D/1 Union Commercial Area, Block 7 & 8, Shahrah-e-Faisal, Karachi.
Khalid Bin Waleed Road Office	Office # 901 - 902, 9th Floor, Dulara Business Centre, Plot # 19, Maniya Co-operative Housing Society, Khalid Bin Waleed Road, Karachi.
Karachi City Office	Falak Corporate City, Office # 901, 9th Floor, Opposite Chamber of Commerce, Talpur Road, Karachi.
Lahore Regional Office	1st Floor, 14 Ali Block, New Garden Town, Lahore.
Islamabad Office	Office # 6, Kashmir Plaza, Jinnah Avenue, Blue Area, Islamabad.
Sialkot Office	Al Khalil Centre, 1st Floor, Office # 215 - 216 Kashmir Road, Near China Chowk, Sialkot.
Gujranwala Office	2nd Floor, Gujranwala Business Centre, Opp. Gujranwala Chamber of Commercial & Industry Trust Plaza, Gujranwala.
Faisalabad Office	2nd Floor, Legacy Tower, Kohinoor City, Faisalabad.
Multan Office	Office # 708, United Mall, 7th Floor, Abdali Road, Multan.

## 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:

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

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

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 2.2 Basis of preparation

These financial statements have been presented on the format of financial statements issued by the SECP through the Insurance Rules, 2017 vide S.R.O. 89(I)/2017 dated February 09, 2017.

In terms of the requirements of The General Accounting Regulation, 2019, read with SECP SRO 1416(I)/2019 dated November 20, 2019 and SRO 311(I)/2025 dated March 03, 2025, the assets, liabilities of Operator's Fund and Participants' Takaful Fund of the Window Takaful Operations (WTO) and profit and loss of the Operator's Fund of the Window Takaful Operations (WTO) of the Company have been presented as a single line item in the statement of financial position, profit and loss account of the Company and statement of comprehensive income respectively. A separate set of financial statements of the Window Takaful Operations has been annexed to these financial statements as per the requirements of the Takaful Rules, 2012.

## 2.3 Basis of measurement

These financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value as described in respective notes.

## 2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is also the Company's functional and presentation currency.

## 2.5 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

### 2.5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2025

The following standards, amendments and interpretations are effective for the year ended December 31, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

Standard or Interpretation	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchange ability	January 01, 2025
The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.	

### 2.5.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

<b>Standard or Interpretation</b>	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 'Presentation and Disclosures in Financial Statements'	January 01, 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	January 01, 2027

## **Certain annual improvements have also been made to a number of IFRSs and IASs.**

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 01, 2023. However SECP has notified the revised timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from July 01, 2018 onwards to remove from profit and loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. Fair value measurement of Financial Instruments as at December 31, 2025 is presented in note 39 of these financial statements.

## **Temporary exemption from application of IFRS 9**

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

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 3. USE OF JUDGMENT AND ESTIMATES

The preparation of financial statement in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments 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 period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to these financial statements or judgment was exercised in application of accounting policies, are as follows:

	Note
a) Residual values and useful lives of fixed assets;	5.1
b) Provision for unearned premium;	5.6
c) Premium deficiency reserve;	5.7
d) Provision for premium due but unpaid and amount due from other insurers / reinsurers;	5.9
e) Segment reporting;	5.10
f) Valuation of investments;	5.13.2
g) Provision for outstanding claims (including IBNR) and reinsurance recoveries there against;	5.16
h) Taxation;	5.17
i) Staff retirement benefits;	5.18
j) Impairment;	5.19
k) Allocation of management expenses; and	5.21
l) Leases.	5.3

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

During the year, the Securities and Exchange Commission of Pakistan (SECP) issued S.R.O. 311(I)/2025, introducing amendments to the General Takaful Regulations, 2019. Pursuant to these amendments, the following disclosure requirements have been introduced for insurers in their financial statements:

The Insurers whose Window Takaful Operations constitute 25% or more of their total gross premium and contribution may consolidate their conventional and takaful operations in the published financial statements. This includes comprehensive disclosures and segment reporting in accordance with IFRS 8. Insurers whose Window Takaful Operations is less than 25% of their total premium and contribution should disclose total assets and liabilities of the Window Takaful Operations (OPF and PTF) as a single line item in the statement of financial position.

The Company assessed its operations and concluded that its Window Takaful Operations are below the 25% threshold; therefore, these requirements are not applicable.

In line with the revised Regulation 6, all insurance companies are now required to present both the Operator's Fund (OPF) and the Participants' Takaful Fund (PTF) in their statement of financial position. Previously, only the OPF was included as part of takaful operations. Under the revised requirement, the total assets and total liabilities of the Window Takaful Operations (OPF and PTF) are presented as a single line item in the statement of financial position. As the Company has no residual interest in the PTF, any surplus in the fund remains attributable solely to the participants.

The Company has adopted the above-mentioned amendments by presenting the total assets, liabilities, and funds balance of the Window Takaful Operations as a single line item in the statement of financial position. The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these financial statements.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

The effects of restatements are as follows:

	Had there been no adoption	Impact of Adoption	After incorporating effect of adoption
	----- (Rupees) -----		
<b>As at December 31, 2024</b>			
<b>Effect on statement of financial position(Conventional):</b>			
Total assets	5,848,320,031	537,064,080	6,385,384,111
Total funds and liabilities	5,848,320,031	537,064,080	6,385,384,111
<b>As at December 31, 2023</b>			
<b>Effect on statement of financial position(Conventional):</b>			
Total assets	5,072,198,574	332,386,650	5,404,585,224
Total funds and liabilities	5,072,198,574	332,386,650	5,404,585,224

There is no impact of this change on profit and loss account, statement of comprehensive income, statement of cash flows and statement of changes in equity.

## 5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements have been consistently applied to all periods presented.

### 5.1 Property and Equipment

#### 5.1.1 Tangibles

These are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is charged over the estimated useful life of the asset on a systematic basis to income applying the straight line method at the rates specified in note 6.1 to the financial statements, after taking into account residual value.

Depreciation on additions is charged from the month in which the asset is put to use whereas no depreciation is charged from the month the asset is disposed off.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is possible that the future economic benefits associated with the items will flow to the company and the cost of the item can be measured reliably. Maintenance and normal repairs are charged to profit and loss account currently.

An item of tangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss in the year the asset is derecognised.

Depreciation methods, useful lives and residual values that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

#### 5.1.2 Capital work-in-progress

Capital work-in-progress including advances made for capital expenditure is stated at cost less impairment, if any.

### 5.2 Intangibles

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

Costs directly associated with identifiable software that will have probable economic benefits exceeding costs beyond one year, are recognised as an intangible asset.

## Indefinite Intangible

These are stated at cost less impairment, if any.

## Definite Intangible

- a) These are stated at cost less accumulated amortisation and impairment, if any.
- b) Intangible assets are amortised on straight line basis over its estimated useful life(s).
- c) Amortisation on additions is charged from month in which the asset is put to use, whereas no amortisation is charged from the month the assets is disposed off.

The carrying amounts are reviewed at each reporting date to assess whether these are recorded in excess of their recoverable amounts, and where carrying values exceed estimated recoverable amount, assets' are written down to their estimated recoverable amounts.

## 5.3 Leases

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly leases properties for its operations. The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight line method from the commencement date to the earlier of end of the useful life of right-of-use asset or end of the lease term. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term and low value assets. The lease payments associated with these leases are recognized as an expenses on a straight line basis over the lease term. The right-of-use assets are presented in the same line items as it presents underlying assets of the same nature that it owns.

## 5.4 Insurance contracts

Insurance contracts represent contracts with policy holders and reinsurers.

Those contracts where the Company (the insurer) has accepted significant insurance risk from another party (the policy holders) by agreeing to compensate the policy holders if a specified uncertain future event (the insured event) adversely affects the policy holders are insurance policy contracts. The Company enters into fire and property damage, marine, motor, health, burglary, loss of cash in transit, travel, personal accident, money, engineering losses and other insurance contracts with group companies, corporate clients and individuals residing or located in Pakistan.

Those insurance contracts that are issued by one insurer (the reinsurer) to compensate another insurer (the cedant) for losses on one or more contracts issued by the cedant are reinsurance contracts. The Company enters in to reinsurance contracts with both foreign and local reinsurers.

These reinsurance contracts includes both treaty and facultative arrangements and are classified in same categories of insurance contracts for the purpose of these financial statements. The Company enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Outward reinsurance premiums are accounted for in the same period as the related premiums for the direct or accepted reinsurance business being reinsured.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

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

## 5.5 Deferred Commission expense / Acquisition cost

Commission expense incurred in obtaining and recording policies is deferred and recognised as an expense in accordance with pattern of recognition of premium revenue by applying the twenty-fourths method.

## 5.6 Unearned premium

The portion of premium written relating to the unexpired period of coverage is recognised as unearned premium by the Company. The unearned premium is calculated by applying the twenty-fourths method as specified in the Insurance Accounting Regulations, 2017.

## 5.7 Premium deficiency

The Company is required as per Insurance Rules, 2017 to maintain a provision in respect of premium deficiency for the class of business where the unearned premium reserve is not adequate to meet the expected future liability, after reinsurance, from claims and other expenses, including reinsurance expense, commissions and other underwriting expenses, expected to be incurred after the reporting date in respect of policies in that class of business at the reporting date. The movement in the premium deficiency reserve is recorded as an expense and the same shall be recognised as a liability.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgement 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, premium deficiency is estimated.

Class	2025 ----- % -----	2024 -----
Fire and property damage	<b>10</b>	20
Marine, aviation and transport	<b>12</b>	15
Motor	<b>51</b>	45
Accident and health	<b>83</b>	86
Miscellaneous	<b>17</b>	18

Based on an analysis of combined operating ratio for the expired period of each reportable segment, the management considers that the unearned premium reserve for all classes of business as at the year end is adequate to meet the expected future liability after reinsurance, from claims and other expenses, expected to be incurred after the reporting date in respect of policies in those classes of business in force at the reporting date. The liability of premium deficiency in relation to all classes of business is calculated in accordance with the advice of the actuary. Hence, no provision for the same has been made in these financial statements.

## 5.8 Reinsurance contracts held

Reinsurance liabilities represent balances due to reinsurance companies. Balances payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contract are not offset against expenses or income from related insurance assets as required by Insurance Ordinance, 2000. Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expired.

The Company assesses its reinsurance assets for impairment on reporting date. If there is an objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises it as impairment loss.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 5.9 Receivables and payables related to insurance contracts

Receivables including premium due but unpaid, relating to insurance contracts are recognised when due. The claim payable is recorded when intimation is received. These are recognized at cost, which is the fair value of the consideration given less provision for impairment, if any. Premium received in advance is recognised as liability till the time of issuance of insurance contract there against.

If there is an objective evidence that any premium due but unpaid is impaired, the Company reduces the carrying amount of that insurance receivable and recognizes the loss in profit and loss account.

## 5.10 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Company presents segments reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000 and the Insurance Rule, 2017. The reported operating segments are also consistent with the internal reporting provided to Board of Directors which are responsible for allocating resources and assessing performance of the operating segments. The performance of segments is evaluated on the basis of underwriting results of each segment.

The Company has five primary business segments for reporting purposes namely fire, marine, motor, accident & health and miscellaneous.

The perils covered under fire insurance include damages caused by fire, riot and strike, explosion, earthquake, atmospheric damage, flood, electric fluctuation and terrorism.

Marine insurance provides coverage against cargo risk, war risk and damages occurring in inland transit.

Motor insurance provides comprehensive car coverage and indemnity against third party loss.

Accident and health insurance provides cover to compensate personal accident, hospitalisation and outpatient medical coverage to the insured.

Miscellaneous insurance provides cover against burglary, loss of cash in safe and cash in transit, travel, money, engineering losses and other covers.

Financing, investment and income taxes are managed on an overall basis and are therefore, not allocated to any segment.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them. Those assets and liabilities which can not be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities. Management expenses are allocated to a particular segment on the basis of premium written.

## 5.11 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, policy stamps, bank balances and the term deposit receipts having a maturity of not more than three months and are subject to insignificant risk of change in value.

## 5.12 Revenue Recognition

### a) Premiums

Premiums under a policy are recognised as revenue at the time of issuance of insurance policy / cover note. Where the pattern of incidence of risk varies over the period of the policy, premium is recognised as revenue in accordance with the pattern of the incidence of risk. Administrative surcharge is recognised as revenue at the time of issuance of insurance policy.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

Revenue from premium is determined after taking into account the unearned portion of premium by applying 1/24th method as prescribed by the Insurance Rules, 2017. The unearned portion of premium income is recognised as liability.

## b) Commission Income

Commission income from reinsurers is recognised at the time of issuance of the underlying insurance policy by the Company. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the reinsurance premium to which it relates. Profit / commission, if any, under the terms of reinsurance arrangements, is recognised when the Company's right to receive the same is established.

## c) Investment income

- Income from held to maturity investments is recognised on a time proportion basis taking into account the effective yield on the investments. The difference between the redemption value and the purchase price of the held to maturity investments is amortised and taken to the profit and loss account over the term of the investment.
- Dividend income from investments, other than those which are accounted for under the equity method is recognised when the Company's right to receive the payment is established.
- Gain or loss on sale of investment is included in income currently.
- Return on bank deposits is recognised on a time proportionate basis taking into account the effective yield.
- Return on fixed income securities is recognised on a time proportion basis taking into account the effective yield on the investments.

## 5.13 Investments

### 5.13.1 Classification and Recognition

All investments are initially recognised 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 the profit and loss account. These are recognized and classified as follows:

- Investment at fair value through profit or loss
- Held to maturity
- Available-for-sale

The classification depends on the purpose for which the financial assets were acquired.

### 5.13.2 Measurement

#### 5.13.2.1 Investment at fair value through profit or loss

Investments which are acquired principally for the purposes of generating profit from short-term fluctuation in market price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified as held for trading.

Investments which are designated at fair value through profit or loss upon initial recognition.

Subsequent to initial recognition, these investments are remeasured at fair market value. Gains or losses on investments on remeasurement of these investments are recognised in profit and loss account.

#### 5.13.2.2 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.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

Subsequently, these are measured at amortised cost less provision for impairment, if any. Any premium paid or discount availed on acquisition of held to maturity investment is deferred and amortised over the term of investment using the effective yield.

## 5.13.2.3 Available-for-sale

Investments which are not eligible to be classified as "fair value through profit or loss" or "held to maturity" are classified as 'available-for-sale'. These investments are intended to be held for an indefinite period of time which may be sold in response to the need for liquidity, changes in interest rates, equity prices or exchange rates are classified as available-for-sale.

### Quoted

Subsequent to initial recognition, these investments are remeasured at fair value. Gains or losses on investments on remeasurement of these investments are recognised in statement of comprehensive income.

### Unquoted

Unquoted investments are recorded at cost less accumulated impairment losses except for Investment in Private Equity fund which is valued at Net assets value of the Fund.

## 5.13.2.4 Fair / market value measurements

For investments in Government securities, fair / market value is determined by reference to quotations obtained from MUFAP page (PKRV) where applicable. For investments in quoted marketable securities, other than Term Finance Certificates, fair / market value is determined by reference to Stock Exchange quoted market price at the close of business on reporting date. The fair market value of Term Finance Certificates is as per the rates issued by the Mutual Funds Association of Pakistan (MUFAP).

## 5.13.2.5 Investment in associates - equity method

Investments in associates, where the Company has significant influence but not control, are accounted for by using the equity method of accounting. These investments are initially recognised at cost, thereafter the Company's share of the changes in the net assets of the associates are accounted for at the end of each reporting period less impairment loss, if any. Share of profit and loss of associate is accounted for in the Company's profit and loss account, whereas changes in the associate's equity which has not been recognised in the associates profit and loss account, are recognised directly in equity of the Company.

After the application of equity method including recognising the associates losses, the Company determines whether it is necessary to recognise any additional impairment loss with respect to its net investment in associate by comparing the entire carrying amount with its recoverable amount i.e. the higher of value in use or fair market price less cost to sell. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of carrying amount that would have been determined if no impairment loss had been recognized. A reversal of impairment loss is recognized in the profit and loss account.

## 5.13.2.6 Date of recognition

Regular way purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sell the investment.

## 5.14 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 5.15 Creditors, accruals and provisions

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

Provisions are recognised 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 adjusted to reflect the current best estimate.

## 5.16 Claims expense and Provision for outstanding claims including Incurred But Not Reported (IBNR)

Insurance claims include all claims occurred, whether reported or not. 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.

Provision for outstanding claims include amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

### Outstanding claims

The amount of claims that have been reported and are yet unpaid or partially unpaid at the end of reporting year for a given accident year.

A liability for outstanding claims (claim incurred) is recognized for all claims incurred which represents the estimates of the claims intimated or assessed before the end of the reporting period and measured at the undiscounted value of 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. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates while taking into consideration the past claims settlement experience including handling costs and the Company's reserving policy. Where applicable, deductions are made for salvage and their recoveries.

Reinsurance recoveries against outstanding claims and salvage recoveries are recognized as an asset and measured at the amount expected to be received.

### Incurred But Not Reported (IBNR) Claims

The losses that have incurred or are in the occurrence period at the end of reporting year and have not been intimated to the Company by that end of reporting year, or if reported, complete details are not available to the Company, so as to ascertain the amount of loss for that claim as claims outstanding.

The Company is required, as per SECP circular no. 9 of 2016 dated March 09, 2016 "Guidelines for Estimation of Incurred but not reported claims reserve, 2016" to estimate and maintain the provision for claims incurred but not reported for each class of business by using prescribed Method "Chain Ladder Method" and other alternate method as allowed under the provisions of the Guidelines. The actuarial valuation as at December 31, 2025 has been carried out by independent firm of actuaries for determination of IBNR for each class of business.

## 5.17 Taxation

Income tax expense comprises current and deferred tax including Window Takaful Operations. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Company, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

### Current

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax liability, as applicable, after taking into account tax credits and tax rebates available, if any.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## Levy

During the year, the Institute of Chartered Accountants of Pakistan issued guidance namely "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 7/2024 dated May 15, 2024, and defined the following two approaches for bifurcation of tax between current and minimum taxes. Given that the Company is subject to income tax at the normal corporate tax rate of 29% under the prevailing tax laws of Pakistan and does not fall under the minimum tax or final tax regime, this guidance does not impact its financial statements. The Company recognizes its income tax expense strictly in accordance with IAS 12 – Income Taxes, based on taxable income. Therefore, the requirement to classify any portion of the tax as a levy under IFRIC 21 or IAS 37 is not applicable.

## Deferred

Deferred tax is recognised using balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Company recognises a deferred tax asset to the extent of taxable timing differences or it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 5.18 Staff Retirement benefits

### 5.18.1 Defined benefit plan

The Company operates an approved and funded gratuity scheme for all permanent employees who attain the minimum qualification period for entitlement to gratuity. The liability / asset recognized in the balance sheet is the present value of defined benefit obligation at the reporting date less fair value of plan assets. The defined benefit obligation is calculated annually using Projected Unit Credit Method. Remeasurements which comprise actuarial gains and losses and the return on plan assets (excluding interest) are recognized immediately in other comprehensive income.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments. Net interest expense and current service cost are recognized in profit and loss account and actuarial gains / loss are recognised in other comprehensive income as they occur and are not reclassified to profit or loss in subsequent periods.

The last actuarial valuation of the Company's defined benefit plan was carried on as of December 31, 2025.

### 5.18.2 Defined contribution plan

The Company contributes to a provident fund scheme which covers all permanent employees. Equal contributions are made both by the Company and the employees to the fund at the rate of 10 percent of basic salary plus cost of living allowance.

### 5.18.3 Employees' compensated absences

The Company accounts for the liability in respect of eligible employees' compensated absences in the period in which they are earned.

## 5.19 Impairment of assets

The carrying amount of assets other than deferred tax asset are reviewed at each reporting 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 recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss account. An impairment loss is reversed if the reversal can be objectively related to an event occurring after the impairment loss was recognised. Impairment is recognised based on management's assessment of objective evidence of impairment as a result of one or more events that may have an impact on the estimated future cash flows of the investments. A significant or prolonged decline in fair value of an equity investments classified as available-for-sale below its cost is also considered an objective evidence of impairment. Impairment losses are reversed when there is an indication that impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. However, in case of equity securities classified as available for sale the decrease in impairment loss is not reversed.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 5.20 Dividend distribution and reserve appropriation

Dividend distribution and reserve appropriations are recognized when approved.

## 5.21 Management expenses

These are allocated to various classes of business in proportion to the respective gross premium written during the year. Expenses not allocable to the underwriting business are charged as other expenses.

## 5.22 Foreign currency translation

Foreign currency transactions during the period are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the reporting date. Gains and losses on translation are taken to income currently. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

## 5.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data 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.

## 5.24 Financial instruments

Financial instruments carried on the reporting date include cash and bank, premiums due but unpaid, amount due from other insurers / reinsurers, accrued investment income, reinsurance recoveries against outstanding claims, sundry receivables, amount due to other insurers / reinsurers, accrued expenses, other creditors and accruals, deposits and other payables and unclaimed dividends.

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of contractual rights that comprises the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. At the time of initial recognition all financial assets and financial liabilities are measured at cost, which is the fair value of the consideration given or received for it. Any gain or loss on derecognition of financial assets and financial liabilities is taken to income currently.

## 5.25 Transaction with related parties

All the transaction involving related parties arising in the normal course of business are conducted at agreed / commercial terms and condition.

## 5.26 Window Takaful Operations

The accounting policies followed by Window Takaful Operations are stated in the annexed financial statements of Window Takaful Operations for the year ended December 31, 2025.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 6. PROPERTY AND EQUIPMENT

	Note	December 31, 2025	December 31, 2024
		(Rupees)	
Operating assets	6.1	<b>129,868,404</b>	126,641,587
Right to use assets	6.2	<b>26,556,334</b>	39,261,005
Capital work in progress	6.3	<b>18,504,980</b>	-
		<b>174,929,718</b>	165,902,592

### 6.1 Operating assets

	December 31, 2025									
	Cost			Depreciation				Written down value as at	Depreciation rate	
	As at January 01, 2025	Additions / Transfers*	(Disposals / written off)	As at December 31, 2025	As at January 01, 2025	For the year (Note 6.1.1)	(Disposals / written off)	As at December 31, 2025	December 31, 2025	%
	(Rupees)									
Office improvement	23,106,380	-	-	23,106,380	15,415,664	1,117,523	-	16,533,187	6,573,193	10
Furniture and fixtures	20,832,266	27,700	180,000	20,679,966	14,067,340	1,121,448	73,499	15,115,289	5,564,677	10
Office equipment	20,914,590	2,036,478	2,329,342	20,621,726	15,337,005	2,094,924	2,252,628	15,179,301	5,442,425	10 - 33
Computer and related accessories	16,786,417	2,649,537	1,401,390	18,034,564	10,513,397	3,341,477	1,398,586	12,456,288	5,578,276	33
Motor vehicles	151,819,288	24,801,000	7,611,727	169,008,561	51,483,948	15,349,219	4,534,439	62,298,728	106,709,833	20 - 33
	<b>233,458,941</b>	<b>29,514,715</b>	<b>11,522,459</b>	<b>251,451,197</b>	<b>106,817,354</b>	<b>23,024,591</b>	<b>8,259,152</b>	<b>121,582,793</b>	<b>129,868,404</b>	

	December 31, 2024									
	Cost			Depreciation				Written down value as at	Depreciation rate	
	As at January 01, 2024	Additions / Transfers*	Disposals	As at December 31, 2024	As at January 01, 2024	For the year	Disposals	As at December 31, 2024	December 31, 2024	%
	(Rupees)									
Office improvement	18,541,456	4,564,924	-	23,106,380	14,591,459	824,205	-	15,415,664	7,690,716	10
Furniture and fixtures	17,392,636	3,494,630	55,000	20,832,266	13,100,094	1,022,236	54,990	14,067,340	6,764,926	10
Office equipment	18,273,310	3,730,991	1,089,711	20,914,590	14,684,842	1,662,267	1,010,104	15,337,005	5,577,585	10 - 33
Computer and related accessories	11,825,076	6,139,832	1,178,491	16,786,417	8,929,967	2,704,291	1,120,861	10,513,397	6,273,020	33
Motor vehicles	120,924,742	57,473,590	26,579,044	151,819,288	57,211,114	12,873,170	18,600,336	51,483,948	100,335,340	20 - 33
	<b>186,957,220</b>	<b>75,403,967</b>	<b>28,902,246</b>	<b>233,458,941</b>	<b>108,517,476</b>	<b>19,086,169</b>	<b>20,786,291</b>	<b>106,817,354</b>	<b>126,641,587</b>	

6.1.1 During the year ended December 31, 2025, an aggregate amount of Rs. 1.842 million out of depreciation of Rs. 23.025 million has been allocated to window takaful operations.

### 6.2 Right to use assets

	Cost			Depreciation			Written down value as at		
	As at January 01, 2025	Additions	(Disposals / written off)	As at December 31, 2025	As at January 01, 2025	For the year (Note 6.1.1)	(Disposals / written off)	As at December 31, 2025	December 31, 2025
	(Rupees)								
Property lease	<b>63,966,709</b>	-	-	<b>63,966,709</b>	<b>24,705,704</b>	<b>12,704,671</b>	-	<b>37,410,375</b>	<b>26,556,334</b>
2024	27,139,897	36,826,812	-	63,966,709	10,646,334	14,059,370	-	24,705,704	39,261,005

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 6.3 Capital work-in-progress

**December 31, 2025**      December 31, 2024  
----- (Rupees) -----

Advance against purchase of vehicles

**18,504,980**      -  
**18,504,980**      -

	Cost			Amortisation			Written down		Amortisation rate %	
	As at January 01,	Additions	(Disposals / written off)	As at December 31,	As at January 01,	For the year (Disposals / written off)	As at December 31,	value as at December 31,		
<b>7. Intangible assets</b>	----- (Rupees) -----									
Computer software										
<b>2025</b>	<b>7,285,837</b>	<b>1,456,761</b>	<b>1,967,500</b>	<b>6,775,098</b>	<b>7,231,587</b>	<b>325,572</b>	<b>1,967,495</b>	<b>5,589,664</b>	<b>1,185,434</b>	<b>33</b>
2024	7,285,837	-	-	7,285,837	7,138,587	93,000	-	7,231,587	54,250	33

## 8. INVESTMENT IN ASSOCIATES

The Company has 0.037% and 0.428% interest in Colgate Palmolive (Pakistan) Limited (CPPL) and Century Paper & Board Mills Limited (CPBML). The Company's interest in CPPL and CPBML is accounted for using the equity method in these financial statements on the basis of significant influence which is demonstrated by common representation of directors of the Company on Board of Director's of CPPL and CPBML.

<b>2025</b>	2024	<b>Face value per share</b>		Note	<b>December 31, 2025</b>	December 31, 2024
--- (Number of shares)		--- (Rupees)	- Quoted		----- (Rupees)	-----
<b>89,290</b>	89,290	10	Colgate Palmolive (Pakistan) Limited (CPPL) (Incorporated in Pakistan)	8.1	<b>19,356,477</b>	18,418,158
<b>1,720,031</b>	1,720,031	10	Century Paper & Board Mills Limited (CPBML) (Incorporated in Pakistan)	8.1	<b>56,279,401</b>	59,212,621
					<b>75,635,878</b>	77,630,779

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 8.1 Movement of investment in equity accounted investees is as follows:

	December 31, 2025		
	Colgate Palmolive (Pakistan) Limited	Century Paper & Board Mills Limited	Total
	----- (Rupees) -----		
Opening balance as at January 01, 2025	18,418,158	59,212,621	77,630,779
Share of profit	6,402,526	(3,271,191)	3,131,335
Share of other comprehensive (loss) / income	27,128	337,971	365,099
Dividend received	(5,491,335)	-	(5,491,335)
Closing balance as at December 31, 2025	19,356,477	56,279,401	75,635,878
	----- (Rupees) -----		
	December 31, 2024		
	Colgate Palmolive (Pakistan) Limited	Century Paper & Board Mills Limited	Total
	----- (Rupees) -----		
Opening balance as at January 01, 2024	16,308,404	57,658,520	73,966,924
Share of profit	7,215,063	1,357,030	8,572,093
Share of other comprehensive (loss) / income	(15,779)	197,071	181,292
Dividend received	(5,089,530)	-	(5,089,530)
Closing balance as at December 31, 2024	18,418,158	59,212,621	77,630,779

## 8.2 Market value of investments in associates is as follows:

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
Quoted		
Colgate Palmolive (Pakistan) Limited	113,300,974	134,229,657
Century Paper & Board Mills Limited	61,714,712	56,692,222
	175,015,686	190,921,879

## 8.3 Percentage of holding of equity in associates is as follows:

	December 31, 2025	December 31, 2024
	--- (Percentage of holding) ---	
Colgate Palmolive (Pakistan) Limited	0.037%	0.037%
Century Paper & Board Mills Limited	0.428%	0.428%

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

8.4 The following is summarized financial information of CPPL as at and for the twelve month period ended December 31, 2025 and CPBML as at and for the fifteen month period ended December 31, 2025. Based on their respective unaudited condensed interim financial information and quarterly financial information prepared in modified for fair value and other adjustments and differences in the Company's accounting policies:

	Colgate Palmolive (Pakistan) Limited		Century Paper & Board Mills Limited	
	December 31, 2025 (Un-audited)	December 31, 2024 (Un-audited)	December 31, 2025 (Un-audited)	September 30, 2024 (Un-audited)
----- (Rupees) -----				
<b>For the period ended</b>				
Revenues	118,088,937,000	116,078,350,000	46,807,861,000	40,750,142,000
Profit / (loss) after tax	17,408,022,000	19,617,252,000	(763,986,000)	316,934,000
Other comprehensive income / (loss)	73,758,000	(42,903,000)	78,933,000	46,026,000
Total comprehensive income / (loss)	17,481,780,000	19,574,349,000	(685,053,000)	362,960,000
<b>At period end</b>				
Non current assets	10,097,210,000	9,980,473,000	10,843,786,000	11,278,144,000
Current assets	46,363,211,000	47,410,781,000	19,777,533,000	19,795,590,000
Non current liabilities	(1,728,989,000)	(2,106,837,000)	(2,191,762,000)	(4,377,817,000)
Current liabilities	(15,969,510,000)	(19,073,718,000)	(15,285,455,000)	(12,866,762,000)
Net assets	38,761,922,000	36,210,699,000	13,144,102,000	13,829,155,000
<b>Carrying amount of interest in equity accounted investees at end of the year</b>				
Interest in net assets of investee at end of the year	14,256,986	13,318,681	56,279,401	59,212,621
Fair value and other adjustments at acquisition	5,099,491	5,099,535	-	-
	19,356,477	18,418,216	56,279,401	59,212,621

	Note	December 31, 2025			December 31, 2024				
		Cost	Unrealised gain on revaluation	Carrying value	Cost	Unrealised gain / (loss) on revaluation	"Carrying value"		
----- (Rupees) -----									
<b>9 INVESTMENTS IN EQUITY SECURITIES</b>									
Available for sale	9.1	702,922,231	219,176,610	922,098,841	658,021,561	217,708,935	875,730,496		
Held for trading	9.2	447,619,000	142,726,039	590,345,039	245,477,320	89,649,222	335,126,542		
		1,150,541,231	361,902,649	1,512,443,880	903,498,881	307,358,157	1,210,857,038		
<b>9.1 Available for sale</b>									
<b>Related parties</b>									
Mutual funds	9.1.1	537,428,517	210,438,212	747,866,729	522,649,799	205,373,631	728,023,430		
<b>Others</b>									
Unlisted shares		75,283	-	75,283	75,283	-	75,283		
Mutual funds		165,418,431	8,738,398	174,156,829	135,296,479	12,335,304	147,631,783		
		165,493,714	8,738,398	174,232,112	135,371,762	12,335,304	147,707,066		
		702,922,231	219,176,610	922,098,841	658,021,561	217,708,935	875,730,496		
<b>9.1.1 Related parties</b>									
		December 31, 2025			December 31, 2024				
December 31, 2025	December 31, 2024	Face value per unit	Name of entity	Cost	Unrealised gain on revaluation	Carrying value	Cost	Unrealised gain on revaluation	Carrying value
----- (Number of units) -----		-- (Rupees) --		----- (Rupees) -----					
			<b>Open-end mutual funds</b>						
2,152,558	3,008,367	100	Lakson Money Market Fund	222,428,517	10,064,071	232,492,588	322,649,799	14,837,231	337,487,030
356,816	-	100	Lakson Equity Fund	115,000,000	6,114,228	121,114,228	-	-	-
			<b>Closed-end fund</b>						
200	200	1,000,000	Lakson Private Equity Fund	200,000,000	194,259,913	394,259,913	200,000,000	190,536,400	390,536,400
				537,428,517	210,438,212	747,866,729	522,649,799	205,373,631	728,023,430
<b>9.2 Investment at fair value through profit and Loss</b>									
Listed shares				447,619,000	142,726,039	590,345,039	245,477,320	89,649,222	335,126,542

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

		December 31, 2025			December 31, 2024		
		Cost	Unrealised gain / (loss) on revaluation	Carrying value	Cost	Unrealised gain on revaluation	Carrying value
<b>10. INVESTMENTS IN DEBT SECURITIES</b>	Note	----- (Rupees) -----					
<b>Held for trading</b>							
Government securities	10.1.1	831,190,543	20,239,197	851,429,740	732,245,396	2,289,144	734,534,540
<b>Held to maturity</b>							
Government securities	10.1.2 & 10.1.3	29,905,760	-	29,905,760	29,866,776	-	29,866,776
<b>Available for sale</b>							
Sukuk	10.1.4	25,000,000	-	25,000,000	25,000,000	-	25,000,000
Term finance certificate	10.1.5	237,645,200	-	237,645,200	237,726,400	-	237,726,400
Government securities	10.1.6	1,044,364,371	44,665,585	1,089,029,956	1,038,527,010	45,789,190	1,084,316,200
		<b>1,307,009,571</b>	<b>44,665,585</b>	<b>1,351,675,156</b>	1,301,253,410	45,789,190	1,347,042,600
		<b>2,168,105,874</b>	<b>64,904,782</b>	<b>2,233,010,656</b>	2,063,365,582	48,078,334	2,111,443,916

**10.1 Particulars of debt securities are as follow****10.1.1 Pakistan Investment Bonds**

Type of security	Maturity date	Profit rate ----- (%) -----	Profit payment	Face value ---- (Rupees) ----	Carrying Value	
					December 31, 2025	December 31, 2024
Pakistan Investment Bond - 10 years	August 22, 2029	11.58	Semi Annually	35,000,000	35,301,000	34,496,000
Pakistan Investment Bond - 10 years	July 25, 2029	11.43	Semi Annually	6,000,000	6,066,600	5,900,400
Pakistan Investment Bond - 5 years	May 06, 2026	10.94	Semi Annually	198,500,000	198,758,050	197,864,800
Pakistan Investment Bond - 10 years	November 04, 2031	10.94	Semi Annually	22,500,000	22,133,250	21,489,750
Pakistan Investment Bond - 5 years	November 17, 2027	11.02	Semi Annually	1,000,000	1,000,800	121,007,040
Pakistan Investment Bond - 5 years	April 06, 2028	10.82	Semi Annually	341,000,000	339,636,000	333,873,100
Pakistan Investment Bond - 10 years	January 16, 2035	12.00	Semi Annually	120,000,000	123,894,240	-
Pakistan Investment Bond - 5 years	January 16, 2030	12.00	Semi Annually	120,000,000	124,639,800	-
Pakistan Investment Bond - 5 years	December 14, 2028	11.93	Semi Annually	20,500,000	-	19,903,450
					<b>851,429,740</b>	734,534,540

**10.1.2 Pakistan Investment Bonds**

Type of security	Maturity date	Profit rate ----- (%) -----	Profit payment	Face value ---- (Rupees) ----	Carrying Value	
					December 31, 2025	December 31, 2024
Pakistan Investment Bond - 10 years	May 31, 2028	11.61	Semi Annually	30,000,000	29,905,760	29,866,776

The market value of held to maturity debt securities is Rs. 30.099 million (2024: Rs. 29.435 million).

**10.1.3** These securities are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 10.1.4 Sukuk

No. of certificates		Company's name	Maturity date	Effective Rate rate	Face value	Carrying Value	
December 31, 2025	December 31, 2024					December 31, 2025	December 31, 2024
5,000	5,000	Dubai Islamic Bank Pakistan Ltd	Perpetual	Kibor plus 1.75 %	5,000,000	25,000,000	25,000,000

## 10.1.5 Term finance certificate

No. of certificates		Company's name	Maturity date	Effective Rate rate	Face value	Carrying Value	
December 31, 2025	December 31, 2024					December 31, 2025	December 31, 2024
4,000	4,000	Soneri Bank Limited	December 06, 2028	6 months Kibor plus 2%	5,000	20,000,000	20,000,000
530	530	JS Bank Limited	December 28, 2028	6 months Kibor plus 2%	99,840	52,915,200	52,936,400
150	150	NSRP Microfinance Bank Limited	July 09, 2028	3 months Kibor plus 3%	100,000	15,000,000	15,000,000
1,500	1,500	Samba Bank Limited	March 01, 2031	6 months Kibor plus 1.35%	99,820	149,730,000	149,790,000
						<b>237,645,200</b>	<b>237,726,400</b>

## 10.1.6 Pakistan Investment Bonds / Treasury Bills

Type of security	Maturity date	Profit / yield rate	Profit payment	Face value	Carrying Value	
					December 31, 2025	December 31, 2024
Pakistan Investment Bond - 10 years	September 19, 2029	10.00	Semi Annually	50,000,000	48,920,400	45,860,550
Pakistan Investment Bond - 3 years	July 04, 2026	12.00	Semi Annually	70,000,000	70,538,090	69,812,540
Pakistan Investment Bond - 5 years	September 20, 2029	14.00	Semi Annually	50,000,000	54,916,550	52,844,100
Pakistan Investment Bond - 5 years	September 17, 2029	14.00	Semi Annually	175,000,000	190,529,325	229,582,683
Pakistan Investment Bond - 3 years	February 15, 2027	14.00	Semi Annually	316,500,000	328,212,399	326,094,698
Pakistan Investment Bond - 10 years	January 16, 2035	12.00	Semi Annually	50,000,000	51,622,600	-
Treasury bill 1 year	January 8, 2026	11.42	on maturity	40,000,000	39,909,520	-
Treasury bill 1 year	January 22, 2026	11.35	on maturity	25,000,000	24,846,275	-
Treasury bill 1 year	February 06, 2026	11.79	on maturity	34,000,000	33,649,596	-
Treasury bill 1 year	July 23, 2026	10.67	on maturity	165,000,000	155,847,285	-
Treasury bill 3 month	March 17, 2026	10.38	on maturity	92,000,000	90,037,916	-
Treasury bill 1 year	February 06, 2025	20.00	on maturity	15,000,000	-	14,819,325
Treasury bill 1 year	May 02, 2025	20.75	on maturity	76,000,000	-	73,067,236
Treasury bill 1 year	March 20, 2025	20.20	on maturity	14,000,000	-	13,645,142
Treasury bill 1 year	June 12, 2025	18.85	on maturity	136,000,000	-	129,117,856
Treasury bill 3 month	January 23, 2025	14.20	on maturity	25,000,000	-	24,810,200
Treasury bill 1 year	November 27, 2025	12.08	on maturity	24,000,000	-	21,578,904
Treasury bill 1 year	December 11, 2025	11.98	on maturity	26,000,000	-	23,271,066
Treasury bill 1 year	January 09, 2025	12.05	on maturity	60,000,000	-	59,811,900
					<b>1,089,029,956</b>	<b>1,084,316,200</b>

\* These securities are placed with State Bank of Pakistan as statutory deposit in accordance with the requirement of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

11. LOAN AND OTHER RECEIVABLE	Note	December 31,	December 31,
		2025	2024
		----- (Rupees) -----	
Accrued investment income		<b>76,244,907</b>	79,915,908
Security deposits		<b>8,974,358</b>	8,971,358
Advance to employees		<b>4,984,193</b>	6,774,268
Advance against expenses		<b>1,723,109</b>	1,495,864
Receivable against sales of shares	11.1	<b>26,593,922</b>	-
Window Takaful Operations	11.2	<b>32,186,503</b>	7,401,634
Others		<b>482,952</b>	656,739
		<b>151,189,944</b>	105,215,771

**11.1** This represents receivable against sale of shares which is to be settle after the reporting date as per NCCPL regulations.

**11.2** The maximum aggregate amount during the year was in month of December 2025 amounting to Rs. 32.187 million (December 2024: 7.402 million).

12. INSURANCE / RE-INSURANCE RECEIVABLE	Note	December 31,	December 31,
		2025	2024
		----- (Rupees) -----	
Due from insurance contract holders	12.1	<b>920,224,607</b>	904,832,614
Amounts due from other insurers / reinsurers	12.2	<b>53,252,518</b>	44,993,449
Reinsurance recoveries due but unpaid		<b>118,363,219</b>	56,694,420
		<b>1,091,840,344</b>	1,006,520,483

## 12.1 Due from insurance contract holders

### Unsecured

Considered good		<b>920,224,607</b>	904,832,614
Considered doubtful		<b>24,072,139</b>	24,072,139
	12.1.1	<b>944,296,746</b>	928,904,753
Provision for doubtful balances	12.1.3	<b>(24,072,139)</b>	(24,072,139)
		<b>920,224,607</b>	904,832,614

**12.1.1** This includes a sum of Rs. 634.758 million (December 31, 2024: Rs. 652.054 million) due from related parties.

**12.1.2** The maximum aggregate amount due from related parties during the year was in month of June 2025 amounting Rs. 651.234 million (December 2024: 652.054 million.)

## 12.1.3 Provision for doubtful balances

	December 31,	December 31,
	2025	2024
	----- (Rupees) -----	
Opening balance	<b>24,072,139</b>	22,992,958
Provision made during the year	-	1,414,920
Recoveries during the year	-	(335,739)
	-	1,079,181
Closing balance	<b>24,072,139</b>	24,072,139

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

		<b>December 31, 2025</b>	December 31, 2024
		----- (Rupees) -----	
<b>12.2</b>	<b>Amounts due from other insurers / reinsurers</b>		
	<b>Unsecured - Considered good</b>		
	Local reinsurers	<b>49,028,893</b>	47,120,669
	Foreign reinsurers	<b>19,827,292</b>	11,271,188
	Co-insurers	<b>30,408,815</b>	32,614,074
		<b>99,265,000</b>	91,005,931
	Provision for doubtful balances	<b>(46,012,482)</b>	(46,012,482)
		<b>53,252,518</b>	44,993,449
<b>13.</b>	<b>STAFF RETIREMENT BENEFITS</b>		
	<b>Defined benefit plan - gratuity scheme</b>		
	The actuarial valuations are carried out annually and contributions are made accordingly. Following were the significant assumptions used for valuation of the scheme:		
	- Discount rate: 11.00% (December 31, 2024: 12.25%) per annum.		
	- Expected rate of increase in the salaries of the employees: 11.00% (December 31, 2024: 12.25%) per annum.		
	- Expected interest rate on plan assets of the scheme: 11.00% (December 31, 2024: 12.25%) per annum.		
	- Average length of service of the employees: 10.96 years (December 31, 2024: 10.08 years).		
		<b>December 31, 2025</b>	December 31, 2024
		----- (Rupees) -----	
<b>13.1</b>	<b>Assets in statement of financial position</b>	Note	
	Present value of defined benefit obligations	13.3	<b>119,439,777</b>
	Fair value of plan assets	13.4	<b>(129,812,281)</b>
		13.2	<b>(10,372,504)</b>
<b>13.2</b>	<b>Movement in asset during the year</b>		
	Balance as at January 01		<b>(18,755,863)</b>
	Charge to profit and loss account	13.5	<b>4,859,469</b>
	Charged to other comprehensive loss / (income)		<b>3,523,890</b>
	Balance as at December 31		<b>(10,372,504)</b>
<b>13.3</b>	<b>Reconciliation of the present value of defined benefit obligations</b>		
	Present value of obligations as at January 01		<b>100,651,360</b>
	Current service cost		<b>7,157,063</b>
	Interest cost		<b>12,329,791</b>
	Benefits paid		<b>(8,958,568)</b>
	Actuarial loss / (gain)		<b>8,260,131</b>
	Present value of obligations as at December 31		<b>119,439,777</b>
<b>13.4</b>	<b>Reconciliation of the fair value of plan assets</b>		
	Fair value of plan assets as at January 01		<b>119,407,223</b>
	Expected return on plan assets	13.7	<b>14,627,385</b>
	Benefits paid		<b>(8,958,568)</b>
	Actuarial gain		<b>4,736,241</b>
	Fair value of plan assets as at December 31	13.8	<b>129,812,281</b>

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
<b>13.5 Charge to profit and loss account</b>		
Current service cost	<b>7,157,063</b>	6,323,520
Interest cost	<b>12,329,791</b>	13,459,447
Expected return on plan assets	<b>(14,627,385)</b>	(15,638,661)
	<b>4,859,469</b>	4,144,306

## 13.6 Remeasurements recognized in other comprehensive income, (expense) / income during the year

Actuarial (loss) / gain on obligations	<b>(8,260,131)</b>	3,462,870
Actuarial gain on assets	<b>4,736,241</b>	5,377,859
	<b>(3,523,890)</b>	8,840,729

## 13.7 Expected return on plan assets

Expected return on assets	<b>14,627,385</b>	15,638,661
---------------------------	-------------------	------------

	2025		2024	
	Fair value ---- (Rupees) ----	Percentage ----- (%) -----	Fair value ---- (Rupees) ----	Percentage ----- (%) -----
<b>13.8 Composition of fair value of plan assets</b>				
Funds - related party	<b>94,425,316</b>	<b>73</b>	82,601,098	69
Government securities	<b>32,617,936</b>	<b>25</b>	32,875,295	28
Cash and bank balances	<b>2,769,029</b>	<b>2</b>	3,930,829	3
Fair value of plan assets	<b>129,812,281</b>	<b>100</b>	119,407,222	100

	2025	2024	2023	2022	2021
	----- (Rupees) -----				
<b>13.9 Historical data of the fund</b>					
Present value of defined benefit obligations	<b>119,439,777</b>	100,651,360	89,339,028	77,786,995	64,845,800
Fair value of plan assets	<b>(129,812,281)</b>	(119,407,223)	(119,407,223)	(59,124,160)	(55,172,888)
(Surplus) / deficit	<b>(10,372,504)</b>	(18,755,863)	(30,068,195)	18,662,835	9,672,912
Experience adjustments					
Actuarial loss / (gain) on obligation	<b>8,260,131</b>	(3,462,870)	256,919	(662,043)	643,704
Actuarial gain / (loss) on assets	<b>4,736,241</b>	5,377,859	(12,476,546)	(5,086,493)	1,069,628

**13.10** The estimated contribution to the fund for the year ended December 31, 2026 is Rs. 6.187 million.

	Change in assumption	Impact on Defined Benefit Obligation 2025	2024
		----- (000) -----	
<b>13.11 Sensitivity analysis</b>			
Discount rate	+1	<b>111,825</b>	92,966
Discount rate	-1	<b>127,853</b>	108,376
Long term salary increase	+1	<b>127,755</b>	108,299
Long term salary increase	-1	<b>111,775</b>	92,905

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

		<b>December 31, 2025</b>	December 31, 2024
		----- (Rupees) -----	
<b>14. PREPAYMENTS</b>	Note		
Prepaid reinsurance premium ceded	23	<b>392,249,187</b>	341,869,238
Others		<b>6,676,677</b>	3,340,399
		<b>398,925,864</b>	345,209,637
<b>15. CASH AND BANK</b>			
<b>Cash and cash equivalents</b>			
Cash in hand		<b>655,000</b>	592,920
Policy stamps and bond papers in hand		<b>3,462,490</b>	5,047,756
		<b>4,117,490</b>	5,640,676
<b>Current and other accounts</b>			
Current accounts	15.1	<b>23,479,117</b>	10,100,470
Saving accounts	15.3	<b>213,111,430</b>	249,791,098
		<b>236,590,547</b>	259,891,568
		<b>240,708,037</b>	265,532,244
<b>15.1</b>	This includes lien on a local currency account, amounting to Rs. 0.200 million (December 31, 2024: Rs. 0.200 million) in respect of letters of credit arranged through a bank claims arising outside Pakistan.		
<b>15.2</b>	<b>Cash includes the following for the purpose of the Statement of Cash Flows:</b>	<b>December 31, 2025</b>	December 31, 2024
		----- (Rupees) -----	
	Cash and balance	<b>240,708,037</b>	265,532,244
	Less: Local currency account with a lien	<b>200,000</b>	200,000
		<b>240,508,037</b>	265,332,244
<b>15.3</b>	Savings accounts carry expected profit rates ranging from 6.00% to 9% (2024: 6% to 12.5%) per annum.		
<b>16. WINDOW TAKAFUL OPERATIONS</b>		<b>December 31, 2025</b>	December 31, 2024
		----- (Rupees) -----	
<b>16.1 Operator's Fund</b>			
Assets			
Investments		<b>206,957,272</b>	212,285,577
Cash and bank deposits		<b>15,906,979</b>	12,085,345
Current assets - others		<b>57,981,301</b>	79,609,730
Total assets		<b>280,845,552</b>	303,980,652
Total liabilities - current		<b>114,628,705</b>	103,682,382
Profit before tax for the year		<b>72,311,743</b>	90,109,476

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

December 31, December 31,  
2025 2024  
----- (Rupees) -----

## 16.2 Participants' Takaful Fund

### Assets

Investments	<b>246,460,693</b>	180,902,176
Cash and bank deposits	<b>96,299,209</b>	60,329,523
Current assets - others	<b>321,516,143</b>	295,832,381
<b>Total Assets</b>	<b>664,276,045</b>	537,064,080

**Total Fund balance**

**136,328,785** 98,249,510

**Total Liabilities**

**527,947,260** 438,814,570

**16.3** Details of assets and liabilities and segment disclosures of Window Takaful Operations are stated in annexed financial statements for the year ended December 31, 2025.

## 17. SHARE CAPITAL

### 17.1 Authorized capital

December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
----- (Number of shares) -----		----- (Rupees) -----	
<b>120,000,000</b>	70,000,000	<b>1,200,000,000</b>	700,000,000
Ordinary shares of Rs. 10 each			

### 17.2 Issued, subscribed and paid-up

December 31, 2025	December 31, 2024		December 31, 2025	December 31, 2024
----- (Number of shares) -----			----- (Rupees) -----	
<b>13,981,213</b>	13,981,213	Ordinary shares of Rs. 10 each issued as fully paid in cash	<b>139,812,130</b>	139,812,130
<b>41,345,271</b>	41,345,271	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	<b>413,452,710</b>	413,452,710
<b>55,326,484</b>	55,326,484		<b>553,264,840</b>	553,264,840

### 17.3 Ordinary shares of the Company held by associated companies / persons are as follows:

	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	----- (Number of Shares) -----		----- (Number of Shares) -----	
Siza (Private) Limited	<b>7,873,097</b>	7,873,097		
Siza Services (Private) Limited	<b>13,037,355</b>	13,037,355		
Siza Commodities (Private) Limited	<b>5,492,413</b>	5,492,413		
Premier Fashions (Private) Limited	<b>16,021,360</b>	16,021,360		
Directors and their spouses	<b>289,155</b>	289,155		
Related parties - individuals	<b>6,135</b>	6,135		
17.4	<b>42,719,515</b>	42,719,515		

**17.4** These includes 6.78 million shares that have been pledged.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	<b>December 31, 2025</b>	December 31, 2024
	----- (Rupees) -----	
<b>18. RESERVES</b>		
<b>Revenue reserves</b>		
General reserve	<b>119,000,000</b>	119,000,000
Unrealised appreciation on 'available for sale' investments - net of tax	<b>166,684,997</b>	192,395,677
	<b>285,684,997</b>	311,395,677
<b>19. DEFERRED TAXATION - NET</b>		
Deferred credit arising in respect of:		
Net liability of Leases	<b>(2,672,730)</b>	(1,472,586)
Provision for claims incurred but not reported (IBNR)	<b>(17,683,759)</b>	(12,469,316)
Provision for compensated absences	<b>(4,976,879)</b>	(3,417,452)
Provision against receivables	<b>(20,324,540)</b>	(20,324,540)
Provision for impairment on available for sale investments	<b>(22,951,438)</b>	(22,951,438)
Accelerated depreciation on operating fixed assets	<b>(2,733,673)</b>	-
Share in associates' reserves	<b>(105,312)</b>	(105,312)
	<b>(71,448,331)</b>	(60,740,644)
Deferred debit arising in respect of:		
Accelerated depreciation on operating fixed assets	<b>-</b>	689,432
Share of profit from associates	<b>14,836,068</b>	11,610,469
Unrealised gain on remeasurement of securities at held for trading - net	<b>68,189,784</b>	32,928,103
Unrealised appreciation 'available for sale' investments	<b>102,898,456</b>	76,414,480
	<b>185,924,308</b>	121,642,484
	<b>114,475,977</b>	60,901,840
<b>20. INSURANCE / REINSURANCE PAYABLES</b>		
<b>20.1</b> Due to other insurers / reinsurers	<b>658,377,238</b>	561,065,557

The Company has co-insurance and re-insurance arrangements with various insurance and a domestic re-insurance company. Under the above arrangements, the receivable and payable balance is due when premium collected or claims settled by the lead insurer on behalf of other co-insurers, and in case of re-insurance, the premium ceded to and claims recoverable from the re-insurer under the respective contracts. As per the prevailing industry practices, settlements of balances under co-insurance arrangements are done between the respective insurance companies in normal course of business.

The Company believes that the current balances of co-insurers and re-insurer reflected in the records of the Company are based on the underlying contracts and transactions supported by appropriate evidence.

In this regard, the Company exchanged balance information with various co-insurers based on significance of the balances and the re-insurers. This information corroborates the balance position of the Company in all material respects.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	Note	December 31, 2025	December 31, 2024
		----- (Rupees) -----	
<b>21. OTHER CREDITORS AND ACCRUALS</b>			
Agent commission payable	21.1	<b>61,388,410</b>	57,006,856
Federal excise duty		<b>53,703,982</b>	42,731,431
Federal insurance fees		<b>4,201,072</b>	3,498,836
Creditors	21.2	<b>11,743,811</b>	7,470,344
Retention money		<b>148,185</b>	148,185
Margin deposits	21.3	<b>16,840,516</b>	15,207,867
Withholding tax payable		<b>1,324,735</b>	46,050
Accrued expenses	21.4	<b>20,629,455</b>	18,475,126
Deposits from employees against car scheme	21.5	<b>38,627,896</b>	28,502,536
Unclaimed dividend		<b>8,677,930</b>	7,252,674
Lease liability	21.6	<b>33,409,487</b>	44,338,889
Others		<b>2,181,000</b>	2,181,003
		<b>252,876,479</b>	226,859,797

**21.1** This includes a sum of Rs. 25.294 million (December 31, 2024: Rs. 25.294 million) due to related parties.

**21.2** This includes outstanding claims in respect of which cheques aggregating to Rs. 9.662 million (2024: Rs. 5.401 million) have been issued by the Company for claim settlement but the same have not been encashed by the claimant. The following is the aging as required by SECP's circular 11 of 2014 dated May 19, 2014:

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
1 to 6 months	<b>2,083,042</b>	728,903
More than 6 months	<b>7,579,219</b>	4,672,457
	<b>9,662,261</b>	5,401,360

Claims not encashed	1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	Beyond 36 months	Total
	----- (Rupees) -----					
<b>2025</b>	<b>2,083,042</b>	<b>2,298,233</b>	<b>715,446</b>	<b>780,420</b>	<b>3,785,120</b>	<b>9,662,261</b>
2024	728,903	85,115	802,222	680,731	3,104,389	5,401,360

**21.3** This represents margin deposit on account of performance bond policies issued by the Company.

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
<b>21.4 Accrued expenses</b>		
Auditor's remuneration	<b>1,301,685</b>	1,301,685
Professional services fee	<b>560,000</b>	440,000
Provision for compensated absences	<b>12,761,228</b>	11,784,318
Utilities	<b>376,087</b>	253,326
Others	<b>5,630,455</b>	4,695,797
	<b>20,629,455</b>	18,475,126

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

**21.5** This represents amount withheld from employees' salary against motor vehicle installments.

	<b>December 31, 2025</b>	December 31, 2024
	----- (Rupees) -----	
<b>21.6 Lease liability</b>		
Opening balance	<b>44,338,889</b>	18,623,853
Additions	-	36,826,812
Finance cost	<b>6,326,235</b>	7,196,979
Payment made	<b>(17,255,637)</b>	(18,308,755)
Closing balance	<b>33,409,487</b>	44,338,889

## 21.6.1 Maturity Analysis

	December 31, 2025			December 31, 2024		
	Minimum Lease Payments	Financial Charges for future periods	Principal outstanding	Minimum Lease Payments	Financial Charges for future periods	Principal outstanding
	----- (Rupees) -----					
Not later than one year	<b>16,761,380</b>	<b>4,646,404</b>	<b>12,114,977</b>	17,255,637	6,326,235	10,929,402
Later than one year and not later than five years	<b>24,961,551</b>	<b>3,667,040</b>	<b>21,294,511</b>	41,722,930	8,313,443	33,409,487
	<b>41,722,931</b>	<b>8,313,444</b>	<b>33,409,487</b>	58,978,567	14,639,678	44,338,889

## 22. CONTINGENCIES

**22.1** During the preceding years, the Company received orders under section 122(5A) passed by the Additional Commissioner Inland Revenue(ACIR) for the Tax Years 2016 on issue of treating dividend income as single basket income and to be taxed @ 35% instead of fixed rate of 10% and issue of super tax resulting aggregate demand of Rs. 20.889 million. The Company has filed an appeal against the said orders to CIT (Appeals) where the issue of treating dividend income have been decided in company's favor and issue of super tax against the company. Further, the demand after taking appeal effect has been paid by the company amounting to Rs. 17.265 million. The company has filed appeal with Appellate Tribunal Inland Revenue on the issue of charging super tax.

**22.2** In year 2016, the Company received orders under section 122(5A) passed by the Additional Commissioner Inland Revenue(ACIR) for the Tax Years 2015 on issue of treating dividend income as single basket income and to be taxed @ 35% instead of fixed rate of 10% resulting aggregate demand of Rs. 0.936 million which has been paid by the company under protest. The Company has filed an appeal against the said orders to CIT (Appeals) which is pending adjudication. It is further submitted that Appeal on similar issue in respect of Tax Year 2014 have been decided in company's favor by the CIT (Appeals).

**22.3** In year 2022, the Company received order under section 122(5A) passed by the Additional Commissioner Inland Revenue(ACIR) for the Tax Years 2020 and disallowed the unrealized loss on impairment in value of available for sale securities and certain expenses resulting aggregate demand of Rs. 7.709 million. The Company has filed an appeal against the said order to CIT (Appeals) on which Commissioner Inland Revenue passed the remand back order on the issue of allowance of Taxable Capital Loss. The remand back proceedings has been initiated and reply for the same have been submitted and appeal effect order is pending from FBR.

The Company, based on the opinion of its tax advisor, is confident that the ultimate outcome of the appeals will be in its favor. Hence, no provision for the said demands has been made in these financial statements.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	Note	December 31, ----- (Rupees) -----	December 31, ----- (Rupees) -----
<b>23. NET INSURANCE PREMIUM</b>			
Written Gross premium		<b>2,633,789,279</b>	2,362,180,841
Add : Unearned premium reserve opening		<b>1,032,531,259</b>	816,790,202
Less: Unearned premium reserve closing		<b>1,146,986,647</b>	1,032,531,259
Premium earned		<b>2,519,333,891</b>	2,146,439,784
Less: Reinsurance premium ceded		<b>919,217,904</b>	852,207,179
Add: Prepaid reinsurance premium opening		<b>341,869,238</b>	276,559,169
Less: Prepaid reinsurance premium closing		<b>392,249,187</b>	341,869,238
Reinsurance expense		<b>868,837,955</b>	786,897,110
		<b>1,650,495,936</b>	1,359,542,674
<b>24. NET INSURANCE CLAIMS EXPENSE</b>			
Claim paid		<b>1,297,748,774</b>	1,090,507,634
Add : Outstanding claims including IBNR closing	24.1	<b>414,096,398</b>	437,137,544
Less: Outstanding claims including IBNR opening		<b>437,137,544</b>	397,707,648
Claims expense		<b>1,274,707,628</b>	1,129,937,530
Less: Reinsurance and others recoveries received		<b>436,833,218</b>	375,875,233
Add: Reinsurance and others recoveries in respect of outstanding claims closing		<b>99,189,167</b>	187,320,804
Less: Reinsurance and others recoveries in respect of outstanding claims opening		<b>187,320,804</b>	193,897,623
Reinsurance and other recoveries revenue		<b>348,701,581</b>	369,298,414
		<b>926,006,047</b>	760,639,116

## 24.1 Claim development table

The Company maintains adequate reserves in respect of its insurance business in order to protect against adverse future claims experience and developments. The uncertainties about the amount and timing of claim payments are normally resolved within one year. The following table shows the development of the claims over a period of time. All amounts are presented in gross numbers before reinsurance.

Accident year	2020 and prior	2021	2022	2023	2024	2025 (including IBNR)	Total
----- (Rupees) -----							
Gross estimate of ultimate claims cost:							
- At end of accident	659,828,651	566,282,671	1,154,072,533	791,256,788	1,129,073,734	<b>1,222,230,329</b>	5,522,744,706
- One year later	714,770,480	594,761,490	1,189,702,262	819,340,738	1,239,464,528	-	4,558,039,498
- Two year later	709,588,824	590,764,741	1,157,842,019	808,289,041	-	-	3,266,484,625
- Three year later	702,281,756	590,674,971	1,152,545,668	-	-	-	2,445,502,395
- Four year later	704,944,102	591,543,567	-	-	-	-	1,296,487,669
- Five year later	705,507,702	-	-	-	-	-	705,507,702
Current estimate of cumulative claims	705,507,702	591,543,567	1,152,545,668	808,289,041	1,239,464,528	<b>1,222,230,329</b>	5,719,580,834
Cumulative payment to date	(663,382,310)	(584,889,981)	(1,143,267,152)	(794,610,723)	(1,206,101,265)	<b>(913,233,005)</b>	(5,305,484,436)
Liability recognised in statement of financial position	42,125,392	6,653,586	9,278,516	13,678,318	33,363,263	<b>308,997,324</b>	414,096,398

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

The net provision for IBNR on the basis of the actuarial valuation carried out as at December 31, 2025 amounted to Rs. 45.343 million (December 31, 2024: Rs. 40.930 million).

## 25. NET COMMISSION EXPENSE AND ACQUISITION COST

	December 31, 2025	December 31, 2024
Note	----- (Rupees) -----	-----
Commission paid or payable	<b>119,228,823</b>	106,540,248
Add : Deferred commission expense opening	<b>44,220,466</b>	32,747,815
Less: Deferred commission expense closing	<b>45,858,436</b>	44,220,466
Net commission	<b>117,590,853</b>	95,067,597
Less: Commission received or recoverable	<b>208,159,366</b>	193,056,172
Add: Unearned Reinsurance commission opening	<b>68,651,541</b>	53,028,033
Less: Unearned Reinsurance commission closing	<b>76,781,897</b>	68,651,541
Commission from reinsurers	<b>200,029,010</b>	177,432,664
	<b>(82,438,157)</b>	(82,365,067)

## 26. MANAGEMENT EXPENSES

Employee benefit cost	26.1 <b>371,906,491</b>	322,137,661
Communications	<b>20,968,961</b>	17,454,357
Printing and stationery	<b>4,494,771</b>	5,455,661
Travelling and entertainment	<b>10,985,176</b>	12,518,569
Office rent	<b>7,952,991</b>	4,667,448
Repairs and maintenance	<b>10,001,373</b>	10,082,088
Advertisement and sales promotion	<b>4,591,802</b>	4,053,659
Rental for tracking devices	<b>27,050,783</b>	21,466,552
Depreciation	<b>33,887,295</b>	32,000,369
Amortisation	<b>299,526</b>	87,420
Legal and professional charges	<b>2,503,504</b>	2,720,937
Electricity, gas and water	<b>11,223,376</b>	14,264,885
Insurance	<b>4,463,635</b>	3,651,685
Bank charges	<b>1,609,819</b>	1,286,416
Annual supervision fee SECP	<b>3,115,547</b>	2,955,598
Vehicle running expense	<b>6,646,758</b>	7,838,675
Provision against premium due but unpaid - net	<b>-</b>	1,079,181
Service charges	<b>1,923,056</b>	351,346
Other expenses	<b>4,896,576</b>	6,066,101
	<b>528,521,440</b>	470,138,608

### 26.1 Employee benefit cost

Salaries, wages and benefits	26.1.1 <b>355,138,628</b>	307,694,524
Post employment benefits	<b>16,767,863</b>	14,443,137
	<b>371,906,491</b>	322,137,661

**26.1.1** These include Rs. 12.297 million (2024: Rs. 10.547 million) being contribution for employees' provident fund and Rs. 4.470 million (2024: Rs. 3.896 million) in respect of defined benefit plan.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

27. INVESTMENT INCOME	December 31, 2025	December 31, 2024
	----- (Rupees) -----	
<b>Income from equity securities</b>		
<b>Available-for-sale</b>		
- Dividend income	961,979	2,670,166
<b>Fair value through profit or loss</b>		
- Dividend income	26,874,480	15,136,622
<b>Income from debt securities</b>		
<b>Held to maturity</b>		
- Return on government securities	3,660,846	6,374,207
<b>Available-for-sale</b>		
- Return on government securities	139,362,000	155,701,049
- Return on other fixed income securities and deposits	36,478,192	68,828,721
	175,840,192	224,529,770
<b>Fair value through profit or loss</b>		
- Return on government securities	100,730,675	168,141,949
	308,068,172	416,852,714
<b>Net realised gains / (loss) on investments</b>		
<b>Available for sale</b>		
- Gain on sale of equity securities	57,694,826	60,941,929
- Gain / (loss) on sale of debt securities	5,340,673	(1,444,080)
	63,035,499	59,497,849
<b>Fair value through profit or loss</b>		
- Gain on sale of equity securities	57,507,672	14,873,298
- Gain on sale of debt securities	664,744	292,839
	58,172,416	15,166,137
<b>Net unrealised gain on investments</b>		
<b>at fair value through profit and loss</b>		
- Equity securities	142,726,039	89,649,222
- Debt securities	20,239,197	2,289,144
	162,965,236	91,938,366
<b>Total investment income</b>	592,241,323	583,455,066
Add : Reversal of impairment in debt securities-Held to Maturity	62,256	62,256
Less: Investment related expenses	(39,491,308)	(11,139,978)
Investment income	552,812,271	572,377,344
<b>28. OTHER INCOME</b>		
Return on bank balances	26,437,300	77,280,601
Gain on sale of fixed assets	5,252,686	3,398,857
Others	79,983	203,509
	31,769,969	80,882,967

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	-----
<b>29. OTHER EXPENSES</b>		
	Note	
Rate and taxes	552,129	1,514,063
Fees and subscription	13,394,046	6,312,537
Legal and professional charges	3,095,837	1,206,652
Auditor's remuneration	1,989,670	2,201,893
Donation	-	150,000
Security charges	3,015,639	2,461,239
Other expenses	130,806	121,132
	<b>22,178,127</b>	<b>13,967,516</b>
<b>29.1 Auditor's remuneration</b>		
Statutory audit fee	600,875	600,875
Half year review	366,850	366,850
Review of code of corporate governance	164,450	164,450
Special reports and other certifications	430,100	536,360
	<b>1,562,275</b>	<b>1,668,535</b>
Sindh sales tax	147,381	150,676
Out of pocket expenses	280,014	382,682
	<b>1,989,670</b>	<b>2,201,893</b>
<b>30. TAXATION - NET</b>		
<b>For current year</b>		
Current	246,333,795	246,038,479
Deferred	27,090,162	24,868,132
Super tax	85,032,049	84,840,855
	<b>358,456,006</b>	<b>355,747,466</b>
<b>For prior year(s)</b>		
Prior years tax	1,906,646	1,487,629
	<b>360,362,652</b>	<b>357,235,095</b>
<b>30.1</b>	The Company has filed returns upto tax year 2025. The returns filed for the income year ended December 31, 2024 has been finalized.	
<b>30.2 Relationship between tax expense and accounting profit</b>	December 31, 2025	December 31, 2024
	----- (Rupees) -----	-----
Profit for the year before taxation	909,927,562	941,907,402
Tax at the applicable rate of 29% (December 31, 2024: 29%)	263,878,993	273,153,147
Super tax 10%	90,992,756	94,190,740
Prior years	1,906,646	1,487,629
Others	3,584,257	(11,596,421)
	<b>360,362,652</b>	<b>357,235,095</b>

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	<b>December 31, 2025</b>	December 31, 2024
	----- (Rupees) -----	
<b>31. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
Profit after tax for the year	<b>549,564,910</b>	584,672,307
	----- (Numbers) -----	
Weighted average number of ordinary shares	<b>55,326,484</b>	55,326,484
	----- (Rupees) -----	
Earnings per share - basic and diluted	<b>9.93</b>	10.57

**31.1** No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

## 32. REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

	<b>Chief Executive</b>		<b>Executives</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
	----- (Rupees) -----			
Managerial remuneration	<b>21,001,812</b>	17,797,236	<b>79,755,699</b>	62,413,119
Bonus	<b>4,983,880</b>	4,223,471	<b>17,702,488</b>	14,195,850
Retirement benefits	<b>2,100,751</b>	1,780,296	<b>5,884,074</b>	4,568,689
House rent	<b>9,450,816</b>	8,008,752	<b>35,932,229</b>	28,112,233
Vehicle fuel, repair and maintenance	<b>787,870</b>	755,926	<b>18,820,335</b>	16,239,307
Others	<b>2,379,480</b>	1,924,020	<b>17,522,680</b>	13,719,849
	<b>40,704,609</b>	34,489,701	<b>175,617,505</b>	139,249,047
Number of persons	<b>1</b>	1	<b>34</b>	32

**32.1** Aggregate amount charged in these financial statements in respect of Director's fee for attending Board, Audit Committee, Ethics, Human Resource and Remuneration Committee and Sustainability Committee meetings amounted to Rs. 480,000 (December 31, 2024: Rs. 480,000), Rs. 300,000 (December 31, 2024: Rs. 300,000), Rs. 120,000 (December 31, 2024: Rs. 120,000), Rs. 120,000 (December 2024: nil) respectively.

**32.2** The Chief Executive and certain executives are also provided with cars for business and personal use in accordance with the Company car scheme.

**32.3** Executives mean employees, other than the chief executive and directors, whose basic salary exceed one million two hundred thousand rupees in a financial year.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

33. **RELATED PARTY TRANSACTIONS**  
 Related parties comprise of group companies, window takatful operations, directors and their close family members, staff retirement funds, key management personnel and major shareholders of the Company. The associated companies are associated either based on equity or due to the same management and / or common directors. All transactions involving related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes.

Balances and transactions with related parties during the year, other than those which have been discussed elsewhere in these financial statements, are as follows:

Name of related party	Basis of Relationship	Insurance Premium receivable	Premiums written	Claims paid	Investment in mutual funds	Sales of shares / units of mutual funds (Rupees)	Dividend received	Bonus share received	Dividend paid	Expenses	Retirement Fund
Associated companies / undertaking											
Accuracy Surgical Limited	Common Director	570,926	1,522,619	14,571,215	-	-	-	-	-	-	-
Anchor Commodities (Private) Limited	Common Director	775,678	3,061,488	2,024,051	-	-	-	-	-	-	-
Caraway (Private) Limited	Common Director	65,238	218,536	-	-	-	-	-	-	-	-
Century Paper & Board Mills Limited	Common Director	61,803,896	224,092,246	52,551,911	-	-	-	-	2,137,094	-	-
Colgate Palmolive (Pakistan) Limited	Common Director	292,252,527	481,402,331	107,918,148	-	-	5,491,335	-	-	1,248,000	-
Concave Ventures (Private) Limited	Common Director	-	-	-	-	-	-	-	-	-	-
Concave Digital Solutions (Private) Limited	Common Director	-	-	-	-	-	-	-	-	-	-
Concave Agri Services (Private) Limited	Common Director	185,000	274,254	114,110	-	-	-	-	-	-	-
Concave Technology Solutions (Private) Limited	Common Director	-	-	-	-	-	-	-	-	-	-
Cyber Internet Services (Private) Limited	Common Director	64,486,024	156,512,327	78,931,731	-	-	-	-	-	-	-
Fly Jinnah Services (Pvt) Ltd.	Common Director	2,676,895	81,490,348	20,000	-	-	-	-	-	7,983,739	-
GAMI Corporation (Private) Limited	Common Director	-	-	-	-	-	-	-	-	-	-
Hasnani and Gulbanoo Lakhani Foundation	Trustee	379,811	1,988,683	1,314,411	-	-	-	-	-	1,336,678	-
ICE Animations (Private) Limited	Common Director	3,602,683	3,469,741	1,659,785	-	-	-	-	-	-	-
Lakson Business Solution Limited	Common Director	779,528	1,288,345	782,838	-	-	-	-	-	-	-
Lakson Investments Limited	Common Director	2,616,952	6,703,028	8,605,603	-	-	-	-	-	38,321,939	-
Lakson Islamic Money Market Fund	Common Director	-	-	-	334,179,903	334,455,557	-	-	-	-	-
Lakson Money Market Fund	Common Director	-	-	-	656,064,988	793,704,903	-	-	-	-	-
Lakson Equity Fund	Common Director	-	-	-	115,000,000	-	-	-	-	-	-
Lakson Medical Trust	Trustee	-	76,614	-	-	-	-	-	-	-	-
Merit Packaging Limited	Common Director	10,076,208	25,263,538	3,836,821	-	-	-	-	-	-	-
Naya Pay (Pvt) Ltd.	Common Director	3,849,125	9,114,266	7,132,498	-	-	-	-	-	-	-
Orthopedic And Medical Institute (Pvt) Ltd.	Common Director	604,020	5,402,608	183,880	-	-	-	-	-	-	-
Premier Fashions (Private) Limited	Common Director	-	25,108	-	-	-	-	-	96,128,160	-	-
Princeton Travels (Private) Limited	Common Director and 28.96% shares held	554,528	357,329	575,110	-	-	-	-	-	1,006,268	-
Siza (Private) Limited	Common Director and 14.23% shares held	217,874	1,330,396	838,523	-	-	-	-	47,238,582	4,063,409	-
Siza Commodities (Private) Limited	Common Director and 9.93% shares held	129,040	387,855	641,530	-	-	-	-	32,954,478	-	-
Siza Foods (Private) Limited	Common Director	100,588,270	102,664,100	35,071,895	-	-	-	-	-	-	-
Siza Services (Private) Limited	Common Director and 23.56% shares held	1,264,988	7,550,090	4,123,050	-	-	-	-	78,224,130	11,587,559	-
Sybird (Private) Limited	Common Director	14,447,748	32,615,639	25,971,614	-	-	-	-	40,152,795	791,312	-
<b>Others</b>											
Express Publication (Private) Limited	Common Management	25,152,659	44,744,319	16,634,573	-	-	-	-	-	957,728	-
Express Digital (Private) Limited	Common Management	3,266,401	3,821,295	2,294,566	-	-	-	-	-	-	-
Matrix Press (Private) Limited	Common Management	130,373	149,310	-	-	-	-	-	-	-	-
Misha Fashion (Private) Limited	Common Management	735,238	1,586,776	-	-	-	-	-	-	-	-
Printek (Private) Limited	Common Management	349,652	385,200	-	-	-	-	-	-	-	-
Reliance Chemicals (Pvt) Limited	Common Management	82,500	128,171	-	-	-	-	-	-	-	-
Television Media Network (Private) Limited	Common Management	37,390,325	49,741,381	37,808,881	-	-	-	-	-	36,042,743	-
Century Insurance Window Takatful Operations	Common Management	-	-	-	-	-	-	-	1,762,440	-	-
<b>Director, Chief Executive, their spouses and relatives</b>											
<b>Key management personnel</b>											
		-	3,952,364	1,345,199	-	-	-	-	3,048	-	-
		-	317,743	20,350	-	-	-	-	-	-	-
<b>Retirement benefit plans</b>											
Contribution to staff provident fund		-	-	-	-	-	-	-	-	-	13,366,468
Contribution to staff gratuity fund		-	-	-	-	-	-	-	-	-	4,859,470
<b>December 31, 2025</b>		<b>629,044,107</b>	<b>1,251,618,048</b>	<b>404,972,293</b>	<b>1,105,244,891</b>	<b>1,128,160,460</b>	<b>5,491,335</b>	<b>256,310,838</b>	<b>105,476,469</b>	<b>18,225,938</b>	<b>18,225,938</b>
		652,054,979	1,191,437,268	451,629,623	1,636,842,255	1,498,402,254	5,089,530	192,349,448	71,586,034	15,365,039	17,421,906

December 31, 2024

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 34. SEGMENT INFORMATION

Segment information is prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the Insurance Rules, 2017 for class wise revenues, results, assets and liabilities.

	December 31, 2025					Total
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	
	(Rupees)					
Premium received / receivable (inclusive of Sales tax / Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	726,265,984	654,230,033	761,972,355	766,912,440	141,231,210	3,050,612,022
Less: - Federal Excise Duty / Sales Tax	98,015,633	74,712,605	102,638,084	36,294,357	18,597,107	330,257,786
- Federal Insurance Fee	6,302,329	5,219,178	6,564,243	7,552,559	1,213,736	26,852,045
- Others	261,700	53,393,468	5,969,500	44,200	210,500	59,879,368
Facultative inward premium	-	-	166,456	-	-	166,456
Gross written premium (inclusive of Administrative surcharge)	621,686,322	520,904,782	646,966,984	723,021,324	121,209,867	2,633,789,279
- Gross direct premium	620,073,276	512,738,185	632,507,131	722,757,528	120,504,356	2,608,580,476
- Facultative inward premium	-	-	166,456	-	-	166,456
- Administrative surcharge	1,613,046	8,166,597	14,293,397	263,796	705,511	25,042,347
	621,686,322	520,904,782	646,966,984	723,021,324	121,209,867	2,633,789,279
Insurance premium earned	578,499,236	523,587,102	580,402,110	718,879,513	117,965,930	2,519,333,891
Insurance premium ceded to reinsurers	(500,240,140)	(252,510,554)	(24,778,185)	(1,806,300)	(89,502,776)	(868,837,955)
Net Insurance premium	78,259,096	271,076,548	555,623,925	717,073,213	28,463,154	1,650,495,936
Commission income	104,121,591	71,414,195	877,754	523,827	23,091,643	200,029,010
Net underwriting income	182,380,687	342,490,743	556,501,679	717,597,040	51,554,797	1,850,524,946
Insurance claims	(176,544,965)	(111,527,099)	(396,263,856)	(563,471,220)	(26,900,488)	(1,274,707,628)
Insurance claims recovered from reinsurers	170,014,614	94,011,410	65,490,601	420,000	18,764,956	348,701,581
Net claims	(6,530,351)	(17,515,689)	(330,773,255)	(563,051,220)	(8,135,532)	(926,006,047)
Commission expense	(28,272,686)	(33,585,190)	(32,644,723)	(12,481,835)	(10,606,419)	(117,590,853)
Management expense	(124,753,545)	(104,529,754)	(129,826,606)	(145,088,400)	(24,323,135)	(528,521,440)
Net insurance claims and expenses	(159,556,582)	(155,630,633)	(493,244,584)	(720,621,455)	(43,065,086)	(1,572,118,340)
<b>Underwriting results</b>	<b>22,824,105</b>	<b>186,860,110</b>	<b>63,257,095</b>	<b>(3,024,415)</b>	<b>8,489,711</b>	<b>278,406,606</b>
Investment income						552,812,271
Other income						31,769,969
Other expense						(22,178,127)
Finance costs - lease liabilities						(6,326,235)
Share of profit of associates						3,131,335
Profit from Window Takaful Operations - Operator's Fund						72,311,743
Profit before tax for the year						909,927,562
<b>Segment assets</b>	<b>654,261,579</b>	<b>250,016,191</b>	<b>290,858,453</b>	<b>305,204,620</b>	<b>130,081,291</b>	<b>1,630,422,134</b>
Unallocated corporate assets						4,406,152,728
Unallocated assets of Window Takaful Operation - Operator's Fund						280,845,552
Unallocated assets of Window Takaful Participants' Takaful Fund						664,276,045
Total assets						6,981,696,459
<b>Segment liabilities</b>	<b>667,161,786</b>	<b>251,941,137</b>	<b>640,018,154</b>	<b>644,107,433</b>	<b>133,303,503</b>	<b>2,336,532,013</b>
Unallocated corporate liabilities						414,798,414
Unallocated liabilities of Window Takaful Operation - Operator's Fund						114,628,705
Unallocated liabilities and fund of Window Takaful Participants' Takaful Fund						664,276,045
<b>Total liabilities</b>						<b>3,530,235,177</b>

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2024					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
Premium received / receivable (inclusive of Sales tax / Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	713,972,872	611,326,992	599,100,093	672,690,040	121,571,143	2,718,661,140
Less: - Federal Excise Duty / Sales Tax	94,751,346	66,434,896	78,417,684	35,217,406	15,465,406	290,286,738
- Federal insurance fee	6,222,913	5,004,094	5,143,243	6,873,678	1,049,694	24,293,622
- Others	168,350	40,397,743	2,746,300	33,200	110,100	43,455,693
Facultative inward premium	14,990	188,065	1,194,807	-	157,892	1,555,754
Gross written premium (inclusive of Administrative surcharge)	<u>612,845,253</u>	<u>499,678,324</u>	<u>513,987,673</u>	<u>630,565,756</u>	<u>105,103,835</u>	<u>2,362,180,841</u>
- Gross direct premium	611,110,369	490,968,782	501,093,726	630,250,696	104,194,753	2,337,618,326
- Facultative inward premium	14,990	188,065	1,194,807	-	157,892	1,555,754
- Administrative surcharge	1,719,894	8,521,477	11,699,140	315,060	751,190	23,006,761
	<u>612,845,253</u>	<u>499,678,324</u>	<u>513,987,673</u>	<u>630,565,756</u>	<u>105,103,835</u>	<u>2,362,180,841</u>
Insurance premium earned	527,476,971	497,284,810	461,957,051	561,704,348	98,016,604	2,146,439,784
Insurance premium ceded to reinsurers	<u>(461,248,837)</u>	<u>(247,962,643)</u>	<u>(22,519,887)</u>	<u>(1,593,531)</u>	<u>(53,572,212)</u>	<u>(786,897,110)</u>
Net Insurance premium	66,228,134	249,322,167	439,437,164	560,110,817	44,444,392	1,359,542,674
Commission income	86,336,439	75,469,213	748,698	462,109	14,416,205	177,432,664
Net underwriting income	<u>152,564,573</u>	<u>324,791,380</u>	<u>440,185,862</u>	<u>560,572,926</u>	<u>58,860,597</u>	<u>1,536,975,338</u>
Insurance claims	<u>(265,257,408)</u>	<u>(119,968,051)</u>	<u>(232,376,273)</u>	<u>(494,215,150)</u>	<u>(18,520,648)</u>	<u>(1,130,337,530)</u>
Insurance claims recovered from reinsurers	253,958,637	69,683,108	32,846,233	-	13,210,436	369,698,414
Net claims	(11,298,771)	(50,284,943)	(199,530,040)	(494,215,150)	(5,310,212)	(760,639,116)
Commission expense	(24,346,969)	(31,432,763)	(27,289,386)	(7,579,830)	(4,418,649)	(95,067,597)
Management expense	(121,972,970)	(99,449,656)	(102,297,608)	(125,499,836)	(20,918,538)	(470,138,608)
Net insurance claims and expenses	<u>(157,618,710)</u>	<u>(181,167,362)</u>	<u>(329,117,034)</u>	<u>(627,294,816)</u>	<u>(30,647,399)</u>	<u>(1,325,845,321)</u>
Underwriting results	<u>(5,054,137)</u>	<u>143,624,018</u>	<u>111,068,828</u>	<u>(66,721,890)</u>	<u>28,213,198</u>	<u>211,130,017</u>
<b>Investment income</b>						572,377,344
Other income						80,882,967
Other expense						(13,967,516)
Finance costs - lease liabilities						(7,196,979)
Share of profit of associates						8,572,093
Profit from Window Takaful Operations - Operator's Fund						90,109,476
Profit before tax for the year						<u>941,907,402</u>
<b>Segment assets</b>	<u>705,525,371</u>	<u>249,490,470</u>	<u>240,240,634</u>	<u>276,025,078</u>	<u>114,324,974</u>	1,585,606,527
Unallocated corporate assets						3,958,732,852
Unallocated assets of Window Takaful Operation - Operator's Fund						303,980,652
Unallocated assets of Window Takaful Participants' Takaful Fund						<u>537,064,080</u>
Total assets						<u>6,385,384,111</u>
<b>Segment liabilities</b>	<u>698,095,169</u>	<u>216,600,016</u>	<u>487,626,182</u>	<u>579,541,502</u>	<u>122,524,011</u>	2,104,386,880
Unallocated corporate liabilities						377,526,006
Unallocated liabilities of Window Takaful Operation - Operator's Fund						103,682,382
Unallocated liabilities and fund of Window Takaful Participants' Takaful Fund						<u>537,064,080</u>
<b>Total liabilities</b>						<u>3,122,659,348</u>

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	Held to maturity	Available for sale	Fair value through profit and loss	Total
<b>35. MOVEMENT IN INVESTMENTS</b>	----- (Rupees) -----			
<b>At beginning of previous year</b>	29,827,578	1,655,833,281	1,107,334,516	2,792,995,375
Additions	-	3,474,582,493	478,663,170	3,953,245,663
Disposals (sales and redemptions)	-	(3,203,781,755)	(631,847,726)	(3,835,629,481)
Fair value net gain (excluding net realised gains / losses)	-	190,387,413	107,104,497	297,491,910
Amortisation of discount	39,198	105,751,664	8,406,625	114,197,487
<b>At beginning of current year</b>	<u>29,866,776</u>	<u>2,222,773,096</u>	<u>1,069,661,082</u>	<u>3,322,300,954</u>
Additions	-	1,825,973,221	800,807,793	2,626,781,014
Disposals (sales and redemptions)	-	(1,877,385,390)	(653,383,312)	(2,530,768,702)
Fair value net gain (excluding net realised gains / losses)	-	57,612,232	221,137,650	278,749,882
Amortisation of discount	38,984	44,800,838	3,551,566	48,391,388
	<u>29,905,760</u>	<u>2,273,773,997</u>	<u>1,441,774,779</u>	<u>3,745,454,536</u>

## 36. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

### 36.1 Insurance Risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable. The principal risk that the Company faces under its insurance contracts is that the actual claims exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims is greater than estimated. Insurance events are random, and the actual number and amount of claims will vary from year to year from the level established.

The Company generally deals in short tail insurance contracts (maximum for one year). Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The Company accepts insurance through issuance of general insurance contracts. For these general insurance contracts the most significant risks arise from fire, atmospheric disturbance, earthquake, terrorist activities and other catastrophes. For health insurance contracts, significant risks arise from epidemics.

The Company's risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage and monitor risk. This framework includes implementation of underwriting strategies which aim to ensure that the underwritten risks are well diversified in terms of type and amount of the risk. Adequate reinsurance is arranged to mitigate the effect of the potential loss to the Company from individual to large or catastrophic insured events.

Further, the Company adopts strict claim review policies including active management and prompt pursuing of the claims, regular detailed review of claim handling procedures and frequent investigation of possible false claims to reduce the insurance risk.

#### (a) Frequency and severity of claims

Political, environmental, economical and climatic changes give rise to more frequent and severe extreme events (for example, fire, theft, steal, riot and strike, explosion, earthquake, atmospheric damage, hurricanes, typhoons, river flooding, electric fluctuation, terrorism, war risk, damages occurring in inland transit, burglary, loss of cash in safe and cash in transit, travel and personal accident, money losses, engineering losses and other events) and their consequences (for example, subsidence claims). For certain contracts, the Company has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

Insurance contracts which is divided into direct and facultative arrangements are further subdivided into five segments: fire, marine, motor, accident and health and miscellaneous. The insurance risk arising from these contracts is concentrated in the territories in which the Company operates, and there is a balance between commercial and personal properties / assets in the overall portfolio of insured properties / assets. The Company underwrites insurance contract in Pakistan. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. The Company has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. Insurance contracts also entitle the Company to pursue third parties for payment of some or all costs (for example, subrogation). The claims payments are limited to the extent of sum insured on occurrence of the insured event.

The Company has entered into reinsurance cover / arrangements, with local and foreign reinsurers having good credit rating by reputable rating agencies, to reduce its exposure to risks end resulting claims. Keeping in view the maximum exposure in respect of key zone aggregates, a number of proportional and non-proportional facultative reinsurance arrangements are in place to protect the net account in case of a major catastrophe. The effect of such reinsurance arrangements is that the Company recovers the share of claims from reinsurers thereby reducing its exposure to risk. Apart from the adequate event limit which is a multiple of the treaty capacity or the primary recovery from the proportional reinsurance arrangements, any loss over and above the said limit would be recovered under non-proportional treaty which is very much in line with the risk management philosophy of the Company.

In compliance of the regulatory requirement, the reinsurance agreements are duly approved by Securities and Exchange Commission of Pakistan (SECP) on an annual basis.

The Company has claims department dealing with the mitigation of risks surrounding claims incurred whether reported or not. This department investigates and settles all claims based on surveyor's report / assessment. The unsettled claims are reviewed individually at least semi-annually and adjusted to reflect the latest information on the underlying facts, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

## (b) Sources of uncertainty in the estimation of future claims payments

Claims reported and otherwise are analysed separately. The development of large losses / catastrophes is analysed separately. The shorter settlement period for claims allows the Company to achieve a higher degree of certainty about the estimated cost of claims including IBNR. However, the longer time needed to assess the emergence of a subsidence claim makes the estimation process more uncertain for these claims.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value, reinsurance and other recoveries. The Company takes all reasonable steps uncertainty in establishing claims provisions, it is likely that the final outcome may be different from the original liability established. The liability comprises amount in relations to unpaid reported claims, claims incurred but not reported (IBNR), expected claims settlement costs and a provision for unexpired risks at the end of the reporting period.

Liability in respect of outstanding claims is based on the best estimate of the claims intimated or assessed. In calculating the estimated costs of unpaid claims (both reported and non reported), the Company estimation technique is based upon actual claims experience using predetermined basis where greater weight is given to actual claims experience as time passes.

In estimating the liability for the costs of reported claims not yet paid, the Company considers any information available from surveyor's assessment and information on the cost of settling claims with similar characteristics in previous periods. Claims are assessed on a case-by-case basis separately.

# Notes to and Forming part of the Financial Statements

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## (c) Process used to decide on 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.

During the year actuarial valuation is carried out for the determination of IBNR which is based on a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation as required / allowed by the circular 9 of 2016. IBNR is determined by using Chain Ladder Method for all class of business. The claims outstanding and claims paid till date are deducted from the ultimate claim payments for that particular year to derive an IBNR estimate for that year. IBNR triangles are made on a yearly basis for each class of business. The methods used, and the estimates made, are reviewed regularly.

The claims outstanding and claims paid till date are deducted from the ultimate claim payments for that particular year to derive an IBNR estimate for that year. IBNR triangles are made on a yearly basis for each class of business. The methods used, and the estimates made, are reviewed regularly.

The actuary determines adequacy of liability of premium deficiency by carrying out analysis of its loss ratio of expired periods of the contracts. For this purpose average loss ratio of last three years inclusive of claim settlement cost are taken into consideration to determine ultimate loss ratio to be applied on unearned premium.

The assumed net of reinsurance loss for each class of business estimation of premium deficiency reserve is as follows:

<b>Class</b>	<b>2025</b>	%	2024
	-----	-----	-----
Fire and property damage	<b>10</b>		20
Marine, aviation and transport	<b>12</b>		15
Motor	<b>51</b>		45
Accident and health	<b>83</b>		86
Miscellaneous	<b>17</b>		18

## (d) Changes in assumptions

The Company did not change its assumptions as disclosed in (b) and (c) above .

## (e) Sensitivity Analysis

The analysis of exposure described in paragraph (c) above is also used to test the sensitivity of the selected assumptions to changes in the key underlying factors. Assumptions of different levels have been used to assess the relative severity of subsidence claims given past experience. The key material factor in the Company's exposure to subsidence claims is the risk of more permanent changes in geographical location in which Company is exposed.

The risks associated with the insurance contracts are complex and subject to a number of variables 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 recognised in the balance sheet is adequate as the Company generally deals in short tail insurance contracts. 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, results of sensitivity testing assuming 10% change in the claim incidence net of recoveries showing effect on underwriting results and shareholders' equity is set out below.

# Notes to and Forming part of the Financial Statements

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	Underwriting results		Shareholders' equity	
	2025	2024	2025	2024
	----- (Rupees) -----			
<b>Impact of change in claim liabilities by +10%</b>				
Fire and property damage	<b>(653,035)</b>	(1,129,877)	<b>(398,351)</b>	(689,225)
Marine, aviation and transport	<b>(1,751,569)</b>	(5,028,494)	<b>(1,068,457)</b>	(3,067,382)
Motor	<b>(33,077,326)</b>	(19,953,004)	<b>(20,177,169)</b>	(12,171,332)
Accident and health	<b>(56,305,122)</b>	(49,421,515)	<b>(34,346,124)</b>	(30,147,124)
Miscellaneous	<b>(813,553)</b>	(531,021)	<b>(496,267)</b>	(323,923)
	<b>(92,600,605)</b>	(76,063,912)	<b>(56,486,368)</b>	(46,398,986)
<b>Impact of change in claim liabilities by -10%</b>				
Fire and property damage	<b>653,035</b>	1,129,877	<b>398,351</b>	689,225
Marine, aviation and transport	<b>1,751,569</b>	5,028,494	<b>1,068,457</b>	3,067,382
Motor	<b>33,077,326</b>	19,953,004	<b>20,177,169</b>	12,171,332
Accident and health	<b>56,305,122</b>	49,421,515	<b>34,346,124</b>	30,147,124
Miscellaneous	<b>813,553</b>	531,021	<b>496,267</b>	323,923
	<b>92,600,605</b>	76,063,912	<b>56,486,368</b>	46,398,986

The insurance claim liabilities are sensitive to the incidence of insured events and severity / size of claims. The impact of variation in incidence of insured events on gross claim liabilities, net claim liabilities, profit before tax and equity is as follows:

	Change in assumption	Impact on gross liabilities	Impact on net liabilities	Impact on profit before tax	Impact on equity
		----- (Rupees) -----			
<b>Average claim costs</b>					
2025	± 10%	127,470,763	92,600,605	92,600,605	56,486,369
2024	± 10%	113,033,753	76,063,912	76,063,912	46,398,986

## (f) Concentration of insurance risk

A concentration of risk may also arise from a single insurance contract issued to a particular type of policyholder, within a geographical location or to types of commercial business. The Company minimizes its exposure to significant losses by obtaining reinsurance from a number of reinsurers who are dispersed over several geographical regions.

To optimise benefits from the principle of average and the 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.

The Company's class wise major risk exposure is as follows:

Class	Maximum Gross Risk Exposure	
	2025	2024
	----- (Rupees in 000) -----	
Fire and property damage	<b>16,732,573</b>	12,779,911
Marine, aviation and transport	<b>498,058,450</b>	496,286,000
Motor	<b>45,000</b>	42,000
Accident and health	<b>6,000</b>	1,000
Miscellaneous	<b>6,446,308</b>	5,914,997

The reinsurance arrangements against major risk exposure include excess of loss, surplus arrangements, stop loss and catastrophic coverage.

The objective of having such arrangements is to mitigate adverse impacts of severe losses on Company's net retentions. As the major reinsurance arrangements are on excess of loss basis, therefore the reinsurance coverage against Company's risk exposures is not quantifiable.

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## (g) Reinsurance Risk

Reinsurance ceded does not relieve the Company from its obligation towards policy holders and, as a result, the Company remains liable for the portion of outstanding claims reinsured to the extent that reinsurer fails to meet the obligation under the reinsurance agreements.

To minimise its exposure to significant losses from reinsurer insolvencies, the Company obtains reinsurance rating from a number of reinsurers, who are dispersed over several geographical regions.

An analysis of all reinsurance assets recognised by the rating of the entity from which it is due is as follows:

	<b>Reinsurance recoveries against outstanding claims</b>	<b>2025</b>	<b>2024</b>
	----- (Rupees) -----		
<b>Rating</b>			
A or above including Pakistan Reinsurance Company Limited	<b>80,005,369</b>	<b>80,005,369</b>	116,745,591
BBB	<b>30,000</b>	<b>30,000</b>	30,000
	<b>80,035,369</b>	<b>80,035,369</b>	116,775,591

## 36.2 Financial risk management objectives and policies

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Liquidity risk
- Credit risk

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance 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. The Company's Audit Committee is assisted in its oversight role by in-house Internal Audit function. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

### 36.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial Instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, equity prices and units prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. All transactions are carried In Pak Rupees therefore, the Company is not exposed to currency risk. However, the Company is exposed to interest rate risk and equity / units price risk. The Company manages the market risk exposure by following internal risk management policies.

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## 37.21.1 Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company invests in securities and has deposits that are subject to interest / mark-up rate risk. The Company limits interest / mark-up rate risk by monitoring changes on interest / mark-up rates in the currencies in which its cash and investments are denominated.

The information about Company's exposure to interest rate risk based on contractual repricing or maturity dates whichever is earlier is as follows:

	2025					Non-interest / mark-up bearing financial instruments	Total
	Interest / mark-up bearing financial instruments				Sub total		
	Effective rate % per annum	Maturity upto one year	Maturity over one year to five years	Maturity more than five years			
----- (Rupees) -----							
<b>Financial assets</b>							
Investments in associates		-	-	-	-	75,635,878	<b>75,635,878</b>
Investments							
Equity securities / Mutual funds		-	-	-	-	1,512,443,880	<b>1,512,443,880</b>
Debt securities	10.00 - 14.16	614,587,532	1,246,043,034	372,380,090	2,233,010,656	-	<b>2,233,010,656</b>
Loans and other receivables		-	-	-	-	144,482,642	<b>144,482,642</b>
Insurance / reinsurance receivables		-	-	-	-	1,091,840,344	<b>1,091,840,344</b>
Reinsurance recoveries against outstanding claims		-	-	-	-	99,189,167	<b>99,189,167</b>
Cash and bank	6.00 - 9.5	213,111,430	-	-	213,111,430	27,596,607	<b>240,708,037</b>
Total assets of Window Takaful							
Operations - Operator's & Participants' Takaful Fund		112,206,188	-	-	112,206,188	691,034,915	<b>803,241,103</b>
		939,905,150	1,246,043,034	372,380,090	2,558,328,274	3,642,223,433	<b>6,200,551,707</b>
<b>Financial liabilities</b>							
Outstanding claims including IBNR		-	-	-	-	414,096,398	<b>414,096,398</b>
Insurance / reinsurance payables		-	-	-	-	658,377,238	<b>658,377,238</b>
Other creditors and accruals		-	-	-	-	155,018,794	<b>155,018,794</b>
Total liabilities of Window Takaful							
Operations - Operator's & Participants' Takaful Fund		-	-	-	-	367,701,781	<b>367,701,781</b>
		-	-	-	-	1,595,194,211	<b>1,595,194,211</b>
<b>Interest risk sensitivity gap</b>		939,905,150	1,246,043,034	372,380,090	2,558,328,274	2,047,029,222	<b>4,605,357,496</b>
<b>Cumulative interest risk sensitivity gap</b>		939,905,150	2,185,948,184	2,558,328,274			

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	2024						Total
	Effective rate % per annum	Interest / mark-up bearing financial instruments				Non-interest / mark-up bearing financial instruments	
		Maturity upto one year	Maturity over one year to five years	Maturity more than five years	Sub total		
----- (Rupees) -----							
<b>Financial assets</b>							
Investments in associates		-	-	-	-	77,630,779	77,630,779
Investments							
Equity securities		-	-	-	-	1,210,857,038	1,210,857,038
Debt securities	9.50 - 20.23	360,121,629	1,580,042,537	171,279,750	2,111,443,916	-	2,111,443,916
Loans and other receivables		-	-	-	-	96,945,639	96,945,639
Insurance / reinsurance receivables		-	-	-	-	1,006,520,483	1,006,520,483
Reinsurance recoveries against outstanding claims		-	-	-	-	187,320,804	187,320,804
Cash and bank	6.00 - 12.50	249,791,098	-	-	249,791,098	15,741,146	265,532,244
Total assets of Window Takaful							
Operations - Operator's & Participants' Takaful Fund		72,414,868	-	-	72,414,868	634,359,301	706,774,169
		682,327,595	1,580,042,537	171,279,750	2,433,649,882	3,229,375,190	5,663,025,072
<b>Financial liabilities</b>							
Outstanding claims including IBNR		-	-	-	-	437,137,544	437,137,544
Insurance / reinsurance payables		-	-	-	-	561,065,557	561,065,557
Other creditors and accruals		-	-	-	-	152,080,944	152,080,944
Total liabilities of Window Takaful							
Operations - Operator's & Participants' Takaful Fund		-	-	-	-	301,046,303	301,046,303
		-	-	-	-	1,451,330,348	1,451,330,348
<b>Interest risk sensitivity gap</b>		682,327,595	1,580,042,537	171,279,750	2,433,649,882	1,778,044,842	4,211,694,724
<b>Cumulative interest risk sensitivity gap</b>		682,327,595	2,262,370,132	2,433,649,882			

## Cash flow sensitivity analysis of variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's profit before tax and equity based upon average balances and rates:

	Increase / (decrease) in basis points	Effect on profit before tax ----- (Rupees) -----	Effect on equity
<b>December 31, 2025</b>	<b>100 (100)</b>	<b>24,029,924 (24,029,924)</b>	<b>14,658,254 (14,658,254)</b>
December 31, 2024	100 (100)	23,107,316 (23,107,316)	11,463,153 (11,463,153)

## Fair value sensitivity analysis for fixed rate instruments

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

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## Price risk

Price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest 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 similar financial instruments traded in the market. The price risk exposure arises from the Company's investments in equity securities and units of mutual funds. This arises from investments held by the Company for which prices in the future are uncertain. The Company policy is to manage price risk through diversification and selection of securities and investment in different categories of mutual funds within specified limits set by internal risk management guidelines. A summary analysis of investments is disclosed in note 8, 9 and 10 to these financial statements.

The management monitors the fluctuations of prices on regular basis. The Company also has necessary skills for monitoring and managing the equity portfolio in line with fluctuations of the market and also monitor fluctuation in unit prices through a related party as disclosed in note 33. 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 / units may be affected by the relative quantity of the security / units being sold.

The following table summarizes the Company's price risk as at December 31, 2025 and as at December 31, 2024. It shows the effects of an estimated increase of 10% in the market prices as on those dates. A decrease of 10% in the fair values of the quoted securities would affect it in a similar and opposite manner:

	<b>Fair value</b>	<b>Price change</b>	<b>Effect on fair value</b>
	--- (Rupees) ---		--- (Rupees) ---
<b>December 31, 2025</b>	<b>1,512,443,880</b>	<b>+10%</b>	<b>151,244,388</b>
	<b>(1,512,443,880)</b>	<b>-10%</b>	<b>(151,244,388)</b>
December 31, 2024	1,210,857,038	+10%	121,085,704
	(1,210,857,038)	-10%	(121,085,704)

### 38.2.1.2 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. At present, the Company, is not exposed to foreign currency risk.

### 38.2.2 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 stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash on demand to meet expected operational requirements. The Company also manages this risk by investing in deposit accounts that can be readily encashed.

The table below summarises the maturity profile of the Company's financial liabilities. The contractual maturities of these liabilities at the year end have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. Financial liabilities not having a contractual maturity are assumed to mature on the expected date on which these liabilities will be settled.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	2025			
	Within one year	Over one year to five years	Over five years	Total
	(Rupees)			
<b>Financial liabilities</b>				
Outstanding claims including IBNR	414,096,398	-	-	414,096,398
Insurance / reinsurance payables	658,377,238	-	-	658,377,238
Other creditors and accruals	155,018,794	-	-	155,018,794
Total liabilities of Window Takaful				
Operations - Operator's and participant's Fund	367,701,781	-	-	367,701,781
	<b>1,595,194,211</b>	<b>-</b>	<b>-</b>	<b>1,595,194,211</b>
	2024			
	Within one year	Over one year to five years	Over five years	Total
	(Rupees)			
<b>Financial liabilities</b>				
Outstanding claims including IBNR	437,137,544	-	-	437,137,544
Insurance / reinsurance payables	561,065,557	-	-	561,065,557
Other creditors and accruals	152,080,944	-	-	152,080,944
Total liabilities of Window Takaful				
Operations - Operator's and participant's Fund	301,046,303	-	-	301,046,303
	<b>1,451,330,348</b>	<b>-</b>	<b>-</b>	<b>1,451,330,348</b>

## 38.2.3 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 the 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 counter parties in various industries and by continually assessing the credit worthiness of counter parties.

### 38.2.3.1 Concentration of credit risk and credit exposure of the financial instruments

Credit risk of the Company arises principally from the bank balances, investments (except for investment in associates and government securities), premium due but unpaid, amount due from other insurers / reinsurers, reinsurance recoveries. To reduce the credit risk the Company has developed a formal approval process whereby credit limits are applied to its policyholders and other insurers / reinsurers. The management continuously monitors the credit exposure towards the policyholders and other insurers / reinsurers and makes provision against those balances considered doubtful of recovery. The balance is written off when the Company expects it cannot recover the balance due. The movement in the provision for doubtful debt is shown in notes 12.1.3 and 12.2 to these financial statements.

The carrying amount of financial assets represent the maximum credit exposure, as specified below:

	December 31, 2025	December 31, 2024
	(Rupees)	
Cash and bank	236,590,547	259,891,568
Investments	1,184,744,041	1,138,456,896
Insurance / reinsurance receivable	1,091,840,344	1,006,520,483
Reinsurance recoveries against outstanding claims	99,189,167	187,320,804
Loans and receivables	144,482,642	96,945,639
Total assets of Window Takaful Operations - Operator's & Participants' Takaful Fund	<b>803,241,103</b>	706,774,169
	<b>3,560,087,844</b>	<b>3,395,909,559</b>

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

The credit quality of Company's bank balances and deposits can be assessed with reference to external credit ratings as follows:

Bank	Long term rating	Rating agency	December 31,	December 31,
			2025	2024
			----- (Rupees) -----	
Standard Chartered Bank (Pakistan) Limited	AAA	PACRA	<b>5,899,431</b>	8,444,665
Habib Bank Limited	AAA	VIS	<b>19,733,859</b>	5,243,090
United Bank Limited	AAA	VIS	<b>41,383,215</b>	35,524,479
Askari Bank Limited	AA+	PACRA	<b>6,379,000</b>	434,768
Bank Alfalah Limited	AAA	PACRA	<b>330,316</b>	2,525,112
Habib Metropolitan Bank Limited	AA+	PACRA	<b>72,700,220</b>	143,778,404
Soneri Bank Limited	AA-	PACRA	<b>84,685,671</b>	62,376,016
Telenor Microfinance Bank	A+	PACRA	<b>128,227</b>	127,761
NRSP Microfinance Bank Limited	A-	PACRA	<b>44,786</b>	42,952
U Microfinance Bank Limited	A+	VIS	<b>24,872</b>	21,983
Samba Bank Limited	AA	PACRA	<b>5,280,950</b>	1,372,338
			<b>236,590,547</b>	259,891,568

The credit quality of Company's investment in term finance certificates can be assessed with reference to external credit ratings as follows:

Sukuk / Term Finance Certificate	Long term rating	Rating agency	December 31,	December 31,
			2025	2024
			----- (Rupees) -----	
Dubai Islamic Bank Pakistan Limited	A+	VIS	<b>25,000,000</b>	25,000,000
Soneri Bank Limited	A	PACRA	<b>20,000,000</b>	20,000,000
JS Bank Limited	A+	PACRA	<b>52,915,200</b>	52,957,600
NSRP Microfinance Bank Limited	A-	VIS	<b>15,000,000</b>	15,000,000
Samba Bank Limited	AA-	PACRA	<b>149,730,000</b>	149,790,000
			<b>262,645,200</b>	262,747,600

The credit quality of amount due from other insurer's (gross of provisions) and reinsurer's can be assessed with reference to external rating as disclosed in note 36.1 (g).

## 37. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions.

The Company's current paid-up capital is in accordance with the limit prescribed by the SECP vide SRO 310 (1)/2025 dated March 03, 2025.

In addition, the Company is also required to maintain minimum solvency in accordance with the rules and regulations set by the SECP which are fully met by the Company.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

<b>38. STATEMENT OF SOLVENCY</b>	<b>December 31, 2025</b>	December 31, 2024
	----- (Rupees) -----	
<b>Assets</b>		
Property and equipment	<b>174,929,718</b>	165,902,592
Intangible assets	<b>1,185,434</b>	54,250
Investment in associates	<b>75,635,878</b>	77,630,779
Investments		
Equity securities	<b>1,758,904,573</b>	1,391,759,214
Debt securities	<b>2,233,010,656</b>	2,111,443,916
Loan and other receivable	<b>152,849,107</b>	111,511,093
Insurance / reinsurance receivable	<b>1,273,236,851</b>	1,157,558,975
Reinsurance recoveries against outstanding claims	<b>110,837,249</b>	209,519,118
Salvage recoveries accrued	<b>1,285,000</b>	5,675,536
Deferred commission expense	<b>102,006,814</b>	94,051,058
Retirement benefit obligations	<b>10,372,504</b>	18,755,863
Prepayments	<b>469,589,877</b>	411,679,298
Cash and bank	<b>337,007,246</b>	325,861,767
Total assets of Window Takaful Operations - Operator's fund	<b>280,845,552</b>	303,980,652
<b>Total assets (A)</b>	<b>6,981,696,459</b>	6,385,384,111
In-admissible assets as per following clauses section 32(2) of Insurance Ordinance, 2000.		
Property and equipment	<b>174,929,718</b>	165,902,592
Intangible assets	<b>1,185,434</b>	54,250
Investments	<b>856,457,372</b>	820,763,146
Loan and other receivable	<b>7,831,751</b>	15,407,867
Insurance / reinsurance receivable	<b>828,831,336</b>	808,386,324
Security deposits against bond insurance	<b>17,040,516</b>	18,755,863
Retirement benefit obligations	<b>10,372,504</b>	18,755,863
Total assets of Window Takaful Operations - Operator's fund	<b>70,761,146</b>	49,263,933
Total of In-admissible assets	<b>1,967,409,777</b>	1,897,289,838
<b>Liabilities</b>		
Underwriting Provisions		
Outstanding claims including IBNR	<b>474,717,682</b>	508,431,092
Unearned premium reserve	<b>1,306,442,082</b>	1,172,093,240
Unearned reinsurance commission	<b>94,493,959</b>	82,538,006
Deferred taxation	<b>114,475,977</b>	60,901,840
Premiums received in advance	<b>44,905,392</b>	8,168,098
Insurance / reinsurance payables	<b>869,390,109</b>	700,354,410
Other creditors and accruals	<b>327,406,529</b>	298,476,400
Taxation - provision less payments	<b>47,445,958</b>	89,764,370
Total liabilities of Window Takaful Operations - Operator's fund	<b>114,628,705</b>	103,682,382
Total liabilities	<b>3,393,906,393</b>	3,024,409,838
<b>Total Net Admissible Assets</b>	<b>1,620,380,289</b>	1,463,684,435
<b>Minimum solvency requirement (higher of following)</b>	<b>370,329,444</b>	305,131,343
- Method A - U/s 36(3)(a)	150,000,000	
- Method B - U/s 36(3)(b)	370,329,444	
- Method C - U/s 36(3)(c)	241,558,069	
Excess in Net Admissible Assets over minimum requirement	<b>1,250,050,845</b>	1,158,553,092

**38.1** The law is silent with regard to the inadmissibility of the "Prepaid reinsurance premium ceded" and "Deferred commission expense" in Section 32(2) of the Insurance Ordinance, 2000 and, hence, these have been treated as admissible assets for the purpose of this statement.

**38.2** Regulation 6(2) of General Takaful Accounting Regulations, 2019 ("Takaful Regulations 2019") assets and liabilities of window takaful operation included in computation of solvency requirements.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

## 39 FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	December 31, 2025										
	Carrying Amount					Fair Value					
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	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	590,345,039	922,023,558	-	-	-	-	1,512,368,597	590,345,039	527,763,645	394,259,913	1,512,368,597
- Debt securities	851,429,740	1,351,675,156	-	-	-	-	2,203,104,896	-	2,203,104,896	-	2,203,104,896
Assets of Window Takatful											
Operations - Operator's & Participants' Takatful Fund	-	453,417,965	-	-	-	-	453,417,965	-	453,417,965	-	453,417,965
<b>Financial assets not measured at fair value</b>											
Cash and bank*	-	-	-	240,708,037	-	-	240,708,037	-	-	-	-
Investments											
- In associates	-	-	-	-	75,635,878	-	75,635,878	-	-	-	-
- Debt securities	-	-	29,905,760	-	-	-	29,905,760	-	-	-	-
- Unquoted equity shares*	-	75,283	-	-	-	-	75,283	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	1,091,840,344	-	-	1,091,840,344	-	-	-	-
Loan and other receivable*	-	-	-	144,482,642	-	-	144,482,642	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	99,189,167	-	-	99,189,167	-	-	-	-
Assets of Window Takatful											
Operations - Operator's & participant's Fund	-	-	-	349,823,138	-	-	349,823,138	-	-	-	-
<b>Financial liabilities not measured at fair value</b>											
Outstanding claims including IBNR*	-	-	-	-	-	(414,096,398)	(414,096,398)	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(658,377,238)	(658,377,238)	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	(155,018,794)	(155,018,794)	-	-	-	-
Total liabilities of Window Takatful	-	-	-	-	-	(367,701,781)	(367,701,781)	-	-	-	-
Operations - Operator's & participant's Fund	1,441,774,779	2,727,191,962	29,905,760	1,926,043,328	75,635,878	(1,595,194,211)	4,605,357,496	590,345,039	3,184,286,506	394,259,913	4,168,891,458

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2024							Total	Level 1	Level 2	Level 3	Total
	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associate	Other financial liabilities	Total					
<b>Financial assets measured at fair value</b>												
<b>Investments</b>												
- Equity securities	335,126,542	875,655,213	-	-	-	-	1,210,781,755	335,126,542	485,118,813	390,536,400	-	1,210,781,755
- Debt securities	734,534,540	1,347,042,600	-	-	-	-	2,081,577,140	-	2,081,577,140	-	-	2,081,577,140
Assets of Window Takaful	-	-	-	-	-	-	-	-	-	-	-	-
Operations - Operator's & Participants' TakatufFund *	-	393,187,753	-	-	-	-	393,187,753	-	393,187,753	-	-	393,187,753
<b>Financial assets not measured at fair value</b>												
Cash and bank* Investments	-	-	-	265,532,244	-	-	265,532,244	-	-	-	-	-
- In associates	-	-	-	-	77,630,779	-	77,630,779	-	-	-	-	-
- Debt securities	-	-	29,866,776	-	-	-	29,866,776	-	-	-	-	-
- Unquoted equity shares*	-	75,283	-	-	-	-	75,283	-	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	1,006,520,483	-	-	1,006,520,483	-	-	-	-	-
Loan and other receivables	-	-	-	96,945,639	-	-	96,945,639	-	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	-	-	-	-	-	-	-	-	-
Total assets of Window Takaful	-	-	-	187,320,804	-	-	187,320,804	-	-	-	-	-
Operations - Operator's & Participants' Takatuf Fund	-	-	-	313,586,416	-	-	313,586,416	-	-	-	-	-
<b>Financial liabilities not measured at fair value</b>												
Outstanding claims including IBNR	-	-	-	-	-	(437,137,544)	(437,137,544)	-	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	(561,065,557)	(561,065,557)	-	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	(152,080,944)	(152,080,944)	-	-	-	-	-
Total liabilities of Window Takaful	-	-	-	-	-	(301,046,303)	(301,046,303)	-	-	-	-	-
Operations - Operator's & Participants' Takatuf Fund	1,069,661,082	2,615,960,849	29,866,776	1,869,905,586	77,630,779	(1,451,330,348)	4,211,694,724	335,126,542	2,959,883,706	390,536,400	-	3,685,546,648

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

### 39.1

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

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

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

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

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

During the year ended December 31, 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

### Valuation techniques used in determination of fair values within level 1, 2 and level 3:

Level 1: Fair values of Listed Shares and Mutual Funds are derived using closing market rates and NAV rates as announced by Pakistan Stock Exchange (PSX) and Mutual Funds Association of Pakistan (MUFAP) respectively.

Level 2: Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV and PKFRV rates as announced by Mutual Funds Association of Pakistan (MUFAP).

Level 3: Fair value of Private equity fund is based on the net assets value of the fund.

# Notes to and Forming part of the Financial Statements

For the year ended December 31, 2025

	<b>December 31, 2025</b>	December 31, 2024
	----- (Number) -----	
<b>40. NUMBER OF EMPLOYEES</b>		
As at December 31	<u>150</u>	<u>153</u>
Average number of employees during the year	<u>153</u>	<u>150</u>

## 41. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made.

## 42. SUBSEQUENT EVENT - NON ADJUSTING

The Board of Directors in its meeting held on March 11, 2026 has recommended cash dividend of 60% i.e. Rs. 6 per share in respect of the year ended December 31, 2024 (December 31, 2024: 60% (Rs. 6 per share)). These financial statements for the year ended December 31, 2024 do not include the effect of this appropriation which will be accounted for when approved.

## 43. DATE OF AUTHORISATION FOR ISSUE

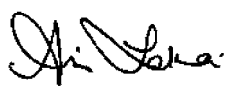
These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on March 11, 2026.

## 44. GENERAL

Figures in these financial statements have been rounded off to the nearest rupees, unless otherwise stated.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer





Window Takaful  
**Operations**  
Financial Statements



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# Independent Auditor's Report

TO THE MEMBERS OF CENTURY INSURANCE COMPANY LIMITED - (WINDOW TAKAFUL OPERATIONS)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of **CENTURY INSURANCE COMPANY LIMITED** (the Operator) - **WINDOW TAKAFUL OPERATIONS** (the Operations), which comprise the statement of financial position as at December 31, 2025, and the profit and loss account, the statement of comprehensive income, the statement of changes in funds 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 profit and loss account, the statement of comprehensive income, the statement of changes in fund 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 Operator's affairs as at December 31, 2025 and of the profit and total comprehensive income, the changes in funds 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 for 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.

### 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, the profit and loss account, the statement of comprehensive income, the statement of changes in funds and the statement of cash flows 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 and returns;
- 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 Tariq Feroz Khan.

**KARACHI**

**DATED: April 07, 2026**

**UDIN: AR202510166uasSLADGW**

A handwritten signature in black ink, appearing to read 'BDO Ebrahim &amp; Co.', is written over a faint, larger version of the same signature.

**BDO EBRAHIM & CO.**

**CHARTERED ACCOUNTANTS**

# Statement of Financial Position


As at December 31, 2025

	Note	Operator's Fund		Participants' Takaful Fund	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Rupees)					
<b>Assets</b>					
Investments					
Equity securities / mutual funds	5	206,957,272	212,285,577	246,460,693	180,902,176
Loans and other receivables	6	150,189	416,632	1,659,163	6,295,322
Takaful / retakaful receivables	7	-	-	181,396,507	151,038,492
Retakaful recoveries against outstanding claims	17	-	-	11,648,082	22,198,314
Deferred commission expense / acquisition cost	20	13,943,654	12,575,073	-	-
Receivable from Participant Takaful Fund	10	43,887,458	66,618,025	-	-
Deferred wakala fee	19	-	-	56,148,378	49,830,592
Prepayments	8	-	-	70,664,013	66,469,661
Cash and bank	9	15,906,979	12,085,345	96,299,209	60,329,523
<b>Total Assets</b>		<b>280,845,552</b>	<b>303,980,652</b>	<b>664,276,045</b>	<b>537,064,080</b>
<b>Funds and Liabilities</b>					
<b>Funds attributable to:</b>					
<b>Operator's Fund</b>					
Statutory fund		50,000,000	50,000,000	-	-
Reserves		5,741,261	5,311,952	-	-
Accumulated profit		110,475,586	144,986,318	-	-
<b>Total Operator's Fund</b>		<b>166,216,847</b>	<b>200,298,270</b>	<b>-</b>	<b>-</b>
<b>Participants' Takaful Fund</b>					
Ceded money		-	-	500,000	500,000
Accumulated surplus		-	-	135,828,785	97,749,510
<b>Balance of Participants' Takaful Fund</b>		<b>-</b>	<b>-</b>	<b>136,328,785</b>	<b>98,249,510</b>
<b>Liabilities</b>					
<b>PTF underwriting provisions</b>					
Outstanding claims including IBNR	17	-	-	60,621,284	71,293,548
Unearned contribution reserves	16	-	-	159,455,435	139,561,981
Unearned re-takaful rebate	18	-	-	17,712,061	13,886,465
		-	-	237,788,780	224,741,994
Unearned wakala fee	19	56,148,378	49,830,592	-	-
Payable to Operator's Fund	10	-	-	43,887,458	66,618,025
Deferred taxation	11	3,670,643	2,169,670	-	-
Contribution received in advance		-	-	4,615,559	3,167,120
Takaful / Re-takaful payables	12	-	-	211,012,871	139,288,853
Other creditors and accruals	13	27,285,408	23,193,713	30,642,592	4,998,578
Taxation - provision less payment	14	27,524,276	28,488,407	-	-
		114,628,705	103,682,382	290,158,480	214,072,576
<b>Total Liabilities</b>		<b>114,628,705</b>	<b>103,682,382</b>	<b>527,947,260</b>	<b>438,814,570</b>
<b>Total Funds and Liabilities</b>		<b>280,845,552</b>	<b>303,980,652</b>	<b>664,276,045</b>	<b>537,064,080</b>
<b>Contingency and Commitment</b>					
	15				

The annexed notes 1 to 38 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive




Nawaid Jamal  
Chief Financial Officer

# Profit and Loss Account

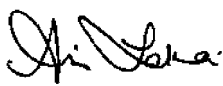
For the year ended December 31, 2025

		<b>December 31, 2025</b>	December 31, 2024
	Note	----- (Rupees) -----	
<b>Participants' Takaful Fund - (PTF) Revenue account</b>			
Contribution earned	16	<b>264,506,269</b>	216,385,582
Less: Contribution ceded to retakaful		<b>(215,892,789)</b>	(172,967,492)
Net contribution revenue		<b>48,613,480</b>	43,418,090
Retakaful rebate earned	18	<b>51,795,286</b>	37,372,723
Net underwriting income		<b>100,408,766</b>	80,790,813
Net claims - reported / settled	17	<b>(79,565,151)</b>	(77,265,030)
Direct expenses	22	<b>(3,965,812)</b>	(2,409,740)
Surplus before investment income		<b>16,877,803</b>	1,116,043
Investment income	23	<b>19,080,753</b>	19,432,104
Other income	24	<b>5,427,567</b>	9,878,570
Less: Mudarib's share of investment income	25	<b>(4,901,664)</b>	(5,862,135)
<b>Surplus for the year</b>		<b>36,484,459</b>	24,564,582
<b>Operator's Fund - (OPF) Revenue account</b>			
Wakala fee	19	<b>137,796,303</b>	115,842,498
Commission expense	20	<b>(40,244,371)</b>	(31,152,770)
General, administration and management expenses	21	<b>(48,967,971)</b>	(34,877,562)
		<b>48,583,961</b>	49,812,166
Mudarib's share of PTF investment income	25	<b>4,901,664</b>	5,862,135
Investment income	23	<b>17,993,043</b>	32,400,906
Other income	24	<b>1,765,153</b>	3,045,899
Other expenses	26	<b>(932,078)</b>	(1,011,630)
<b>Profit before tax</b>		<b>72,311,743</b>	90,109,476
Income tax expense	27	<b>(28,201,580)</b>	(35,142,696)
<b>Profit after tax</b>		<b>44,110,163</b>	54,966,780

The annexed notes 1 to 38 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer

# Statement of Comprehensive Income

For the year ended December 31, 2025

**December 31**    December 31,  
**2025**                    2024  
----- (Rupees) -----

## Participants' Takaful Fund - (PTF) Revenue account

Surplus for the year **36,484,459**    24,564,582

## Other Comprehensive Income

### Items that will be reclassified to profit and loss account

- Unrealized gain on available for sale investments	<b>10,952,121</b>	9,357,305
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account	<b>(9,357,305)</b>	(2,945,614)

**Other comprehensive income for the year**

**1,594,816**    6,411,691

**Total comprehensive income for the year**

**38,079,275**    30,976,273

## Operator's Fund - (OPF) Revenue account

**Profit after tax** **44,110,163**    54,966,780

## Other comprehensive income

### Items that will be reclassified to profit and loss account

- Unrealized gain on available for sale investments - net of tax	<b>5,741,261</b>	5,311,952
- Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net of tax	<b>(5,311,952)</b>	(3,354,466)

**Other comprehensive income for the year**

**429,309**    1,957,486

**Total comprehensive income for the year**

**44,539,472**    56,924,266

The annexed notes 1 to 38 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer

# Statement of Changes in Fund

For the year ended December 31, 2025

	Operator's Fund			Total
	Statutory fund	Revenue reserve Available for sale Investment revaluation reserve	Unappropriated Profit	
	----- (Rupees) -----			
<b>Balance as at January 01, 2024</b>	50,000,000	3,354,466	90,019,538	143,374,004
<b>Total comprehensive income</b>				
<b>Profit after tax for the year</b>	-	-	54,966,780	54,966,780
Other comprehensive income				
Unrealised gain on available for sale investments - net of tax	-	5,311,952	-	5,311,952
Realised gain on available for sale investments - net of tax	-	(3,354,466)	-	(3,354,466)
	-	1,957,486	54,966,780	56,924,266
<b>Balance as at December 31, 2024</b>	50,000,000	5,311,952	144,986,318	200,298,270
<b>Total comprehensive income</b>				
Profit after tax for the year	-	-	44,110,163	44,110,163
<b>Other comprehensive income / (loss)</b>				
Unrealised gain on available for sale investments - net of tax	-	5,741,261	-	5,741,261
Realised gain on available for sale investments - net of tax	-	(5,311,952)	-	(5,311,952)
	-	429,309	(44,110,163)	(44,539,472)
Transfer of profit to the Company	-	-	(78,620,895)	(78,620,895)
<b>Balance as at December 31, 2025</b>	<b>50,000,000</b>	<b>5,741,261</b>	<b>110,475,586</b>	<b>166,216,847</b>
	<b>Participants' Takaful Fund</b>			
	<b>Ceded money</b>	<b>Accumulated surplus</b>	<b>Total</b>	
	----- (Rupees) -----			
<b>Balance as at January 01, 2024</b>	500,000	66,773,237	67,273,237	
Surplus for the year ended	-	24,564,582	24,564,582	
<b>Other comprehensive income</b>				
Unrealised gain on available for sale investments	-	9,357,305	9,357,305	
Realised gain on available for sale investments	-	(2,945,614)	(2,945,614)	
	-	30,976,273	30,976,273	
<b>Balance as at December 31, 2024</b>	500,000	97,749,510	98,249,510	
Surplus for the year ended	-	36,484,459	36,484,459	
<b>Other comprehensive income</b>				
Unrealised gain on available for sale investments	-	10,952,121	10,952,121	
Realised gain on available for sale investments	-	(9,357,305)	(9,357,305)	
	-	38,079,275	38,079,275	
<b>Balance as at December 31, 2025</b>	<b>500,000</b>	<b>135,828,785</b>	<b>136,328,785</b>	

The annexed notes 1 to 38 form an integral part of these financial statements.

Iqbal Ali Lakhani  
Chairman

Amin Mohammed Lakhani  
Director

Aftab Ahmad  
Director

Muhammad Hussain Hirji  
Director & Chief Executive

Nawaid Jamal  
Chief Financial Officer

# Cash Flow Statement

For the year ended December 31, 2025

	Operator's Fund		Participants' Takaful Fund	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>Operating Cashflows</b>	Note ----- (Rupees) -----			
<b>(a) Takaful activities</b>				
Contribution received	-	-	435,223,160	329,598,125
Retakaful contributions paid	-	-	(94,336,034)	(103,933,667)
Claims paid	-	-	(190,216,151)	(127,912,937)
Retakaful and other recoveries received	-	-	53,031,716	40,364,469
Commission paid	(40,732,431)	(33,571,022)	-	-
Retakaful rebate received	-	-	17,535,365	19,020,533
Wakala fee received / (paid)	171,746,320	117,565,801	(171,746,320)	(117,565,801)
Direct expenses paid	-	-	(3,965,812)	(2,409,740)
Net cash generated from takaful activities	131,013,889	83,994,779	45,525,924	37,160,982
<b>(b) Other operating activities</b>				
Income tax paid	(29,165,711)	(28,039,769)	4,270,788	(1,749,635)
General, administration and management expenses paid	(46,765,335)	(35,241,391)	-	-
Other operating (payments) / receipts - net	76,460	-	25,262,988	3,099,837
Net cash (used in) / generated from takaful activities	(75,854,586)	(63,281,160)	29,533,776	1,350,202
<b>Total cash generated from all operating activities</b>	55,159,303	20,713,619	75,059,700	38,511,184
<b>Investment activities</b>				
Profit / return received	2,031,596	13,485,344	5,792,938	15,865,582
Dividend received	1,006,533	9,540,879	468,271	9,574,260
Payment for investments	(366,033,007)	(788,319,053)	(442,706,670)	(159,342,964)
Proceeds from investments	390,278,104	741,933,544	397,355,447	93,710,153
<b>Total cash generated from / (used in) investing activities</b>	27,283,226	(23,359,286)	(39,090,014)	(40,192,969)
<b>Financing activities</b>				
Pay-out in respect of Dividend	(78,620,895)	-	-	-
<b>Total cash outflow from investing activities</b>	(78,620,895)	-	-	-
<b>Net cash generated from / (used in) all activities</b>	3,821,634	(2,645,667)	35,969,686	(1,681,785)
<b>Cash and cash equivalents at beginning of the year</b>	12,085,345	14,731,012	60,329,523	62,011,308
<b>Cash and cash equivalents at end of the year</b>	15,906,979	12,085,345	96,299,209	60,329,523
<b>Reconciliation to profit and loss account</b>				
Operating cash flows	55,159,303	20,713,619	75,059,700	38,511,184
Profit on disposal of investments	16,986,510	12,085,867	18,612,482	4,470,764
Profit / returns received	2,031,596	13,485,344	5,792,938	15,865,582
Dividend income	1,006,533	9,540,879	468,271	9,574,260
(Decrease) / increase in assets other than cash	(21,628,429)	21,846,376	25,683,762	129,843,949
Increase in liabilities other than borrowings	(9,445,350)	(22,705,305)	(89,132,694)	(173,701,157)
<b>Profit after tax / Surplus for the year</b>	44,110,163	54,966,780	36,484,459	24,564,582

The annexed notes 1 to 38 form an integral part of these financial statements.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 1. LEGAL STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act 2017) on October 10, 1985. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

The Operator was granted authorisation on August 07, 2017 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("the Operations") by Securities and Exchange Commission of Pakistan ("SECP") under Takaful Rules, 2012 to carry on general takaful operations in Pakistan.

The Operator transferred statutory fund of Rs. 50 million in a separate bank account for the Operations as per the requirement of circular 8 of 2014 issued by the SECP. Thereafter, the Operator has formed a Waqf for Participants' Fund ("PTF") by executing the Waqf deed dated August 17, 2017 by investing a ceded money of Rs. 0.5 million. The ceded money is required to be invested in shariah compliant investments and any profit thereon can be utilized only to pay benefits to Participants' or defray PTF expenses. Waqf Deed governs the relationship of Operator and participants for management of takaful operations, investments of participants' funds and investments of the Operator's funds approved by the shariah advisor of the Operator. The Operator commenced activities of the Operations on August 18, 2017.

## 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:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under Companies Act, 2017;
- Provision of, directive and notifications issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Takaful Rules, 2012, and General Takaful Accounting Regulation 2019.

Where provisions of, directive and notifications issued under Companies Act, 2017 differs, the Insurance Ordinance, 2000, the Takaful Rules, 2012 and General Takaful Accounting Regulation 2019 shall prevail.

### 2.2 Basis of preparation

These financial statements have been presented on the format of financial statements issued by the SECP through General Takaful Accounting Regulations, 2019 vide S.R.O. 1416(I)/2019 dated November 20, 2019.

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

### 2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain investments which are stated at their fair values.

### 2.4 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the Operator's functional and presentation currency.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 2.5 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

### 2.5.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2025

The following standards, amendments and interpretations are effective for the year ended December 31, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

#### Effective date (annual periods beginning on or after)

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'

- Lack of Exchange ability

January 01, 2025

'The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

### 2.5.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Operator's operations or are not expected to have significant impact on the Operator's financial statements other than certain additional disclosures.

#### Effective date (annual periods beginning on or after)

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments

January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments

January 01, 2026

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)

January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)

January 01, 2026

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation

January 01, 2027

IFRS 17 Insurance Contracts

January 01, 2027

IFRS 18 'Presentation and Disclosures in Financial Statements'

January 01, 2027

IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

January 01, 2027

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 01, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

'Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from July 01, 2018 onwards to remove from profit or loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. Fair value measurement of Financial Instruments as at December 31, 2025 is presented in note 35 of these financial statements.

## Temporary exemption from application of IFRS 9

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

### 3. USE OF JUDGMENT AND ESTIMATES

The preparation of financial statement in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments 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 period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to these financial statements or judgment was exercised in application of accounting policies, are as follows:

	Note
a) Provision for unearned contribution reserve;	4.3
b) Contribution deficiency reserve;	4.4
c) Provision for contribution due but unpaid and amount due from other takaful / re-takaful operators;	4.6
d) Segment reporting;	4.7
e) Classification of investments;	4.10
f) Provision for outstanding claims including IBNR and re-takaful recoveries there against;	4.13
g) Taxation;	4.14
h) Impairment;	4.15
i) Allocation of management expenses; and	4.16
j) Provision for unearned wakala fee.	4.19

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements have been consistently applied to all periods presented.

### 4.1 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 participant) by agreeing to compensate the participant if a specified uncertain future event (the takaful event) adversely affects the participant 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 Operations underwrites non-life takaful contracts that can be categorised into following main categories:

#### a) Fire and property

Fire and property takaful contracts mainly compensate the Participants' for damage suffered to their properties or for the value of property lost. Participants' who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities. These contracts are generally one year contracts except some contracts that are of three months period.

#### b) Marine, aviation and transport

Marine takaful covers the loss or damage of vessels, cargo, terminals, and any transport or property by which cargo is transferred, acquired, or held between the points of origin and final destination. These contracts are generally for three months period.

#### c) Motor

Motor takaful provides protection against losses incurred as a result of theft, traffic accidents and against third party liability that could be incurred in an accident. These contracts are generally one year contracts.

#### d) Accident and health

Accident and health takaful contract mainly compensate hospitalisation and outpatient medical coverage to the participant. These contracts are generally one year contracts.

#### e) Miscellaneous

All other various types of takaful contracts are classified in miscellaneous category which includes mainly engineering, terrorism, personal accident, workmen compensation, travel and products of financial institutions etc. These contracts are normally one year takaful contracts except some engineering takaful contracts that are of more than one year period, whereas, normally travel takaful contracts expire within one month time.

These takaful contracts are provided to all types of customers based on assessment of takaful risk by the Operator. Normally personal takaful contracts e.g. vehicle, travel, personal accident, etc. are provided to individual customers, whereas, takaful contracts of fire and property, marine, aviation and transport, accident and health and other commercial line products are provided to commercial organizations.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 4.2 Deferred Commission expense / Acquisition cost

Commission expense incurred in obtaining and recording policies is deferred and recognised in Operator's Fund as an expense in accordance with pattern of recognition of contribution revenue.

## 4.3 Unearned contribution

The unearned portion of contribution is calculated by applying twenty-fourths method, as prescribed by General Takaful Accounting Regulation 2019.

## 4.4 Contribution deficiency

The Operations is required as per General Takaful Accounting Regulation 2019 to maintain a provision in respect of contribution deficiency for the class of business where the unearned contribution reserve is not adequate to meet the expected future liability, after re-takaful, from claims and other expenses, including re-takaful expense, commissions and other underwriting expenses, expected to be incurred after the reporting date in respect of policies in that class of business at the reporting date. The movement in the contribution deficiency reserve is recorded as an expense and the same shall be recognised as a liability.

For this purpose, loss ratios for each class are estimated based on historical claim development. Judgement 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 estimated.

Based on an analysis of combined operating ratio for the expired period of each reportable segment, the management considers that the unearned contribution reserve for all classes of business as at the year end is adequate to meet the expected future liability after re-takaful, from claims and other expenses, expected to be incurred after the reporting date in respect of policies in those classes of business in force at the reporting date and therefore no provision for the same has been made in these financial statements.

## 4.5 Re-takaful contracts held

These are contracts entered into by the Operation with re-takaful operators for compensation of losses suffered on takaful contracts issued. These re-takaful contracts include both facultative and treaty arrangement contracts and are classified in same categories of takaful contracts for the purpose of these financial statements. The PTF recognise the entitled benefits under the contracts as various retakaful assets. Re-takaful contribution is recognised as an expense when retakaful is ceded. Re-takaful assets and liabilities are derecognised when contractual right are extinguished or expired.

The deferred portion of re-takaful contribution is recognized as a prepayment in PTF. The deferred portion of re-takaful contribution ceded is calculated by using twenty-fourths method.

## 4.6 Receivables and payables related to takaful contracts

Receivables including contribution due but unpaid relating to takaful contracts are recognized when due. The claim payable is recorded when intimation is received. These are recognized at cost, which is the fair value of the consideration given less provision for impairment, if any. Contribution received in advance is recognised as liability till the time of issuance of takaful contract there against.

If there is an objective evidence that any contribution due but unpaid is impaired, the Operations reduces the carrying amount of that contribution receivable and recognizes the loss in profit and loss account.

## 4.7 Segment reporting

An operating segment is a component of the Operations that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Operator's other components. All operating segments' results are reviewed regularly by the Operator's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

The Operator presents segments reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000 and General Takaful Accounting Regulation 2019. The reported operating segments are also consistent with the internal reporting process of the Operator for allocating resources and assessing performance of the operating segments. The performance of segments is evaluated on the basis of underwriting results of each segment. All the Operator's business segments operate in Pakistan only.

Based on its classification of takaful contracts issued, the Operations has five primary business segments for reporting purposes namely fire, marine, motor, accident & health and miscellaneous. The nature and business activities of these segments are disclosed in note 4.1.

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

## 4.8 Cash and cash equivalents

Cash and cash equivalents for cash flow purposes include cash in hand, policy stamps, bank balances and the term deposit receipts having maturity of not more than three months and are subject to insignificant risk of change in value.

## 4.9 Revenue recognition

### a) Contribution

Contribution under a policy are recognised as revenue at the time of issuance of takaful policy / cover note. Where the pattern of incidence of risk varies over the period of the policy / cover note, contribution is recognised as revenue in accordance with the pattern of the incidence of risk. The portion of contribution written relating to the unexpired period of coverage is recognised as unearned contribution by the Operator. The unearned contribution is calculated by applying twenty-fourths method as specified in the General Takaful Accounting Regulation 2019. Administrative surcharge are recognised as revenue at the time of issuance of takaful policy / cover note.

Re-takaful ceded is recognised as expense after taking into account the proportion of deferred re-takaful contribution expense which is calculated using twenty-fourths method. The deferred portion of re-takaful contribution expense is recognised as a prepayment.

### b) Re-takaful rebate

Rebate and other forms of revenue (apart from recoveries) from re-takaful operators are deferred and recognised as liability and recognised in the profit and loss account as revenue of PTF in accordance with the pattern of recognition of the re-takaful contributions.

### c) Investment income

- Profit on bank deposits is recognised on a time proportion basis taking into account the effective yield.
- Income from held to maturity investments is recognised on a time proportion basis taking into account the effective yield on the investments. The difference between the redemption value and the purchase price of the held to maturity investments is amortised and taken to the profit and loss account over the term of the investment.
- Dividend income is recognised when the Operations' right to receive the payment is established.
- Return on fixed income securities classified as available for sale is recognised on a time proportion basis taking into account the effective yield on the investments.
- Gain / loss on sale of investments is accounted for in the profit and loss account.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 4.10 Investments

### 4.10.1 Classification and recognition

All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs, except for investment held for trading in which case transaction costs are charged to the profit and loss account. These are recognized and classified as follows:

- Held for trading
- Held to maturity
- Available-for-sale

The classification depends on the purpose for which the financial assets were acquired.

### 4.10.2 Measurement

#### 4.10.2.1 Held for trading

- Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified as held for trading.
- Investments which are designated as held for trading upon initial recognition.

Subsequent to initial recognition, these investments are premeasured at fair value. Gains or losses on remeasurement of these investments are recognised in profit and loss account.

#### 4.10.2.2 Held to maturity

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

Subsequently, these are measured at amortised cost less provision for impairment, if any.

Any premium paid or discount availed on government securities and term finance certificates is deferred and amortised over the period to maturity of investment using the effective yield.

#### 4.10.2.3 Available-for-sale

Investments which are not eligible to be classified as "held for trading" or "held to maturity" are classified as 'available-for-sale'. These investments are intended to be held for an indefinite period of time which may be sold in response to the need for liquidity, changes in interest rates, equity prices or exchange rates are classified as available-for-sale.

Subsequent to initial recognition, these investments are remeasured at fair value. Gains or losses on remeasurement of these investments are recognised in other comprehensive income.

#### 4.10.2.4 Fair / market value measurements

For investments in quoted mutual funds, fair / market value is determined by reference to rates quoted by Mutual Fund Association of Pakistan (MUFAP).

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 4.10.25 Date of recognition

Regular way purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. Trade date is the date on which the Operator commits to purchase or sell the investment.

## 4.11 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Operator intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 4.12 Provisions

Provisions are recognized when the Operations 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 adjusted to reflect the current best estimate.

## 4.13 Provision for outstanding claims including Incurred But Not Reported (IBNR)

Provision for outstanding claims include amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

### Outstanding claims

The amount of claims that have been reported and are yet unpaid or partially unpaid at the end of reporting year for a given accident year.

A liability for outstanding claims (claim incurred) is recognized for all claims incurred which represents the estimates of the claims intimated or assessed before the end of the reporting period and measured at the undiscounted value of expected future payments. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates while taking into consideration the past claims settlement experience including handling costs and the Operation's reserving policy. Where applicable, deductions are made for salvage and their recoveries.

Retakaful recoveries against outstanding claims and salvage recoveries are recognized as an asset and measured at the amount expected to be received.

### Incurred But Not Reported (IBNR) Claims

The losses that have incurred or are in the occurrence period at the end of reporting year and have not been intimated to the Operator by that end of reporting year, or if reported, complete details are not available to the Operator, so as to ascertain the amount of loss for that claim as claims outstanding.

The Operations is required, as per SECP circular no. 9 of 2016 dated March 09, 2016 "Guidelines for Estimation of Incurred but not reported claims reserve, 2016" to estimate and maintain the provision for claims incurred but not reported for each class of business by using prescribed Method "Chain Ladder Method" and other alternate method as allowed under the provisions of the Guidelines. The actuarial valuation as at December 31, 2025 has been carried out by independent firm of actuaries for determination of IBNR for each class of business.

## 4.14 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Operator's profit and loss account in accordance with Rule 12 of Takaful Rule 2012, except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. In making the estimates for income taxes currently payable by the Operator, the management considers the current income tax law and the decisions of appellate authorities on certain issues in the past.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## Levy

During the year, the Institute of Chartered Accountants of Pakistan issued guidance namely "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 7/2024 dated May 15, 2024, and defined the following two approaches for bifurcation of tax between current and minimum taxes. Given that the Company is subject to income tax at the normal corporate tax rate of 29% under the prevailing tax laws of Pakistan and does not fall under the minimum tax or final tax regime, this guidance does not impact its financial statements. The Company recognizes its income tax expense strictly in accordance with IAS 12 – Income Taxes, based on taxable income. Therefore, the requirement to classify any portion of the tax as a levy under IFRIC 21 or IAS 37 is not applicable.

## Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year of the Operator's Fund, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable if any in respect of previous years.

Provisions for current taxation is based on taxability of certain income streams of the Operator's Fund under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax liability, as applicable, after taking into account tax credits and tax rebates available, if any.

## Deferred tax

Deferred tax is recognised using balance sheet liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Operator recognises a deferred tax asset to the extent of taxable timing differences or it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The taxation of the Operator's Fund is calculated by including in the Operation's results as a whole and accordingly taxation has been recorded.

### 4.15 Impairment of assets

The carrying amount of assets are reviewed at each reporting 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 recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less cost to sell and value in use. Impairment losses are recognised in profit and loss account.

Impairment is recognised based on management's assessment of objective evidence of impairment as a result of one or more events that may have an impact on the estimated future cash flows of the investments. A significant or prolonged decline in fair value of an equity investments classified as available-for-sale below its cost is also considered an objective evidence of impairment. Impairment losses are reversed when there is an indication that impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. However, in case of equity securities classified as available for sale the decrease in impairment loss is not reversed.

### 4.16 Management expenses

Expenses of management have been allocated to various classes of business as deemed equitable by the Operator. Expenses not allocable to the underwriting business are charged under other expenses.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 4.17 Financial instruments

Financial instruments carried on the reporting date include cash and bank, contribution due but unpaid, amount due from other takaful / re-takaful operators, accrued investment income, retakaful recoveries against outstanding claims, amount due to other takaful / re-takaful operators, other creditors and accruals.

All the financial assets and financial liabilities are recognised at the time when the Operations becomes a party to the contractual provisions of the instrument and derecognized when the Operations loses control of contractual rights that comprises the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. At the time of initial recognition all financial assets and financial liabilities are measured at cost, which is the fair value of the consideration given or received for it. Any gain or loss on derecognition of financial assets and financial liabilities is taken to profit and loss account of the period in which financial instrument is derecognised.

## 4.18 Takaful surplus

Takaful surplus attributable to the Participants' is calculated after charging all direct cost and setting aside various reserves. Allocation to Participants', if applicable, is made after adjustment of claims paid to them during the period.

## 4.19 Wakala fee

The Operator manages the general takaful operations for the Participants' and charges wakala fee to PTF on gross contributions recognized for each class of business to meet the general and administrative expenses of the Operator including commissions to agents at following rates:

Class	Percentage (%)
Fire and property damage	30
Marine, aviation and transport	30
Motor	43
Health	20
Miscellaneous	35

Wakala fee is recognised as income in Operator's Fund on the same basis on which the related contribution revenue is recognized. Unearned portion of wakala fee is recognised as a liability of Operator's Fund and an asset of Participants' Fund.

## 4.20 Mudarib's fee

The Operator also manages the participants' investment as Mudarib and charges 20 percent of the investment income and profits on bank deposits earned by the PTF as Mudarib's fee. It is recognized on the same basis on which related revenue is recognised.

## 4.21 Qard-e-Hasna

Qard-e-Hasna is provided by Operator's Fund to PTF in case of deficit or to fulfil cash flow requirements.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 5. INVESTMENTS IN EQUITY SECURITIES - Available for sale

Note	December 31, 2025		December 31, 2024		
	Cost	Carrying value	Cost	Carrying value	
----- (Rupees) -----					
<b>Operator's Fund</b>					
Mutual funds	5.1	<b>197,545,368</b>	<b>206,957,272</b>	204,803,955	212,285,577
<b>Participants' Fund</b>					
Mutual funds	5.2	<b>235,508,572</b>	<b>246,460,693</b>	171,544,871	180,902,176

5.1	Mutual Funds - OPF	Number of units		December 31, 2025		December 31, 2024	
		2025	2024	Cost	Carrying value	Cost	Carrying value
----- (Rupees) -----							
<b>Open - end mutual funds</b>							
<b>Related parties</b>							
Lakson Islamic Money Market Fund							
		<b>666,203</b>	453,113	<b>67,274,240</b>	70,761,146	47,617,110	49,263,933
		<b>666,203</b>	453,113	<b>67,274,240</b>	70,761,146	47,617,110	49,263,933
<b>Other than related parties</b>							
	ABL Islamic Cash Fund	<b>27,254</b>	2,338,128	<b>273,829</b>	274,862	23,359,933	23,388,291
	ABL Islamic Fixed Term Plan IV	<b>1,000,000</b>	-	<b>10,000,000</b>	10,025,900	-	-
	ABL Islamic Income Fund	<b>2,459,208</b>	2,231,226	<b>25,296,148</b>	26,449,271	25,000,000	25,230,932
	Al Habib Islamic Income Fund	<b>202,021</b>	182,713	<b>20,511,115</b>	21,592,822	20,000,000	20,171,970
	Al Habib Islamic Savings Fund	-	84,247	-	-	8,424,724	9,185,611
	Faysal Islamic Cash Fund	<b>424,965</b>	373,484	<b>42,496,461</b>	44,523,372	37,339,827	40,586,201
	NBP Islamic Income Fund	-	1,172	-	-	12,908	12,911
	NBP Islamic Money Market Fund	<b>2,099,768</b>	4,031,651	<b>21,333,851</b>	22,422,371	43,049,453	44,445,728
	Pak Qatar Income Plan	<b>88,884</b>	-	<b>10,359,724</b>	10,907,528	-	-
		<b>6,302,099</b>	9,242,621	<b>130,271,128</b>	136,196,126	157,186,845	163,021,644
		<b>6,968,303</b>	9,695,734	<b>197,545,368</b>	206,957,272	204,803,955	212,285,577

5.2	Mutual Funds - PTF	Number of units		December 31, 2025		December 31, 2024	
		2025	2024	Cost	Carrying value	Cost	Carrying value
----- (Rupees) -----							
<b>Open - end mutual funds</b>							
<b>Related parties</b>							
Lakson Islamic Money Market Fund							
		<b>310,263</b>	138,967	<b>31,330,848</b>	32,954,765	15,000,000	15,108,937
		<b>310,263</b>	138,967	<b>31,330,848</b>	32,954,765	15,000,000	15,108,937
<b>Other than related parties</b>							
	ABL Islamic Cash Fund	<b>27,254</b>	903,097	<b>273,829</b>	274,862	9,023,502	9,033,677
	ABL Islamic Fixed Term Plan IV	<b>1,000,000</b>	-	<b>10,000,000</b>	10,025,900	-	-
	ABL Islamic Income Fund	<b>2,451,526</b>	1,338,736	<b>25,217,128</b>	26,366,648	15,000,000	15,138,559
	Al Ameen Islamic Cash Fund	<b>315,204</b>	192,772	<b>32,178,926</b>	33,504,690	19,471,897	21,143,810
	Al Ameen Islamic Income Fund	<b>52,841</b>	45,437	<b>5,283,779</b>	5,520,429	5,000,000	5,042,888
	Al Habib Islamic Income Fund	<b>274,524</b>	45,678	<b>27,859,585</b>	29,342,254	5,000,000	5,042,993
	Al Habib Islamic Savings Fund	-	198,298	-	-	19,829,757	21,620,699
	Faysal Halal Amdani Fund	<b>105,180</b>	93,112	<b>10,721,505</b>	11,215,629	9,402,289	10,242,913
	Faysal Islamic Cash Fund	<b>154,809</b>	136,056	<b>15,480,914</b>	16,219,292	13,602,005	14,785,031
	HBL Islamic Income fund	<b>73,159</b>	64,925	<b>7,600,000</b>	7,991,194	6,677,507	7,283,848
	HBL Islamic Money Market Fund	<b>169,607</b>	149,952	<b>17,200,000</b>	18,074,883	15,171,296	16,428,434
	HBL Islamic Savings Fund Plan I	<b>558</b>	-	<b>55,944</b>	58,901	-	-
	Meezan Cash Fund	<b>205,492</b>	181,807	<b>10,548,998</b>	11,066,386	10,000,000	10,070,668
	Meezan Daily Income Fund (I)	<b>8</b>	50	<b>33</b>	440	127	2,491
	Meezan Islamic Income Fund	-	7	-	-	-	418
	Meezan Rozana Amdani Fund	-	49	-	-	119	2,437
	NBP Islamic Daily Dividend Fund	-	267	-	-	2,674	2,674
	NBP Islamic Income Fund	<b>992,957</b>	873,536	<b>10,051,603</b>	10,502,009	8,819,404	9,626,021
	NBP Islamic Money Market Fund	<b>2,100,940</b>	1,843,733	<b>21,345,756</b>	22,434,883	19,544,294	20,325,678
	Pak Qatar Income Plan	<b>88,884</b>	-	<b>10,359,724</b>	10,907,528	-	-
		<b>8,012,942</b>	6,067,512	<b>204,177,724</b>	213,505,928	156,544,871	165,793,239
		<b>8,323,206</b>	6,206,479	<b>235,508,572</b>	246,460,693	171,544,871	180,902,176

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	Operator's Fund		Participants' Takaful Fund	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>6. LOANS AND OTHER RECEIVABLES - Considered good</b>	----- (Rupees) -----			
Accrued investment income	<b>150,189</b>	416,632	<b>534,714</b>	900,085
Advance tax	-	-	<b>1,124,449</b>	5,395,237
	<b>150,189</b>	416,632	<b>1,659,163</b>	6,295,322

	Note	December 31, 2025	December 31, 2024
		----- (Rupees) -----	
<b>7. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF - Unsecured and considered good</b>			
Due from Takaful contract holders	7.1	<b>55,417,847</b>	54,736,184
Due from other Takaful / Re-takaful operators	7.2 & 7.3	<b>70,992,196</b>	68,428,074
Re-takaful recoveries due but unpaid		<b>54,986,464</b>	27,874,234
		<b>181,396,507</b>	151,038,492

**7.1** The maximum aggregate amount due from related party at end of any month during the year was Rs. 20.6 million (2024: Rs. 15.8 million).

**7.2** The maximum aggregate amount due from operator at end of any month during the year was Rs. 46.7 million (2024: Rs. 35.7 million).

**7.3** This includes Rs. 26.9 million (2024: Rs. 35.7 million) receivable from operator. The amount is not over due/impaired as at December 31, 2025.

	Note	December 31, 2025	December 31, 2024
		----- (Rupees) -----	
<b>8. PREPAYMENTS</b>			
Prepaid retakaful contribution ceded	16	<b>70,282,981</b>	66,469,661
Others		<b>381,032</b>	-
		<b>70,664,013</b>	66,469,661

	Note	Operator's Fund		Participants' Takaful Fund	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>9. CASH AND BANK</b>		----- (Rupees) -----			
<b>Cash and cash equivalent</b>					
Cash in hand		<b>10,000</b>	10,000	-	-
<b>Cash at bank</b>					
Savings accounts	9.1	<b>15,896,979</b>	12,075,345	<b>96,299,209</b>	60,329,523
		<b>15,906,979</b>	12,085,345	<b>96,299,209</b>	60,329,523

**9.1** This carries profit rates ranging from 2.56% to 8.76% (2024: 5.02% to 18.50%) per annum.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	Operator's Fund		Participants' Takaful Fund	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>10. RECEIVABLE / PAYABLE (Between OPF and PTF)</b>	----- (Rupees) -----			
Wakala fee	<b>43,245,009</b>	65,704,368	<b>43,245,009</b>	65,704,368
Mudarib fee	<b>642,449</b>	913,657	<b>642,449</b>	913,657
	<b>43,887,458</b>	66,618,025	<b>43,887,458</b>	66,618,025
			<b>December 31, 2025</b>	December 31, 2024
			----- (Rupees) -----	
<b>11. DEFERRED TAXATION - Operator's Fund</b>				
Deferred credit arising in respect of Unrealized gain on available for sale investments			<b>3,670,643</b>	2,169,670

## 12. TAKAFUL / RE-TAKAFUL PAYABLES - Participants' Takaful Fund

Due to other takaful / re-takaful operators	12.1	<b>211,012,871</b>	139,288,853
<b>12.1</b>	This includes Rs. 1.5 million (2024: Rs. Nil) payable to operator. The amount is not over due / impaired as at December 31, 2025.		

**12.2** The Company has co-takaful and re-takaful arrangements with various takaful and a domestic retakaful Company. Under the above arrangements, the receivable and payable balance is due when contribution collected or claims settled by the leader takaful on behalf of other co-takaful, and in case of re-takaful, the contribution ceded to and claims recoverable from the re-takaful under the respective contracts. As per the prevailing industry practices, settlement balances under the co-takaful arrangements are done between the respective takaful companies in normal course of business.

The Operator believes that the current balances of co-takaful and re-takaful reflected in the records of the Operator are based on the underlying contracts and transactions supported by appropriate evidence.

In this regard, the Company exchanged balance information with various co-takaful based on significance of the balances and the re-takaful. This information corroborates the balance position of the Operator in all material respects.

	Operator's Fund		Participants' Takaful Fund	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b>13. OTHER CREDITORS AND ACCRUALS</b>	----- (Rupees) -----			
Agents' Commission payable	<b>16,052,750</b>	15,172,229	-	-
Federal excise duty / sales tax	-	-	<b>4,995,344</b>	4,018,346
Federal takaful fee	-	-	<b>491,805</b>	326,322
Accrued expenses	<b>10,536,348</b>	7,401,634	-	-
Audit fee payable	<b>619,850</b>	619,850	-	-
Creditors	-	-	<b>24,971,220</b>	652,164
Tax deducted at source	<b>76,460</b>	-	<b>184,223</b>	1,746
	<b>27,285,408</b>	23,193,713	<b>30,642,592</b>	4,998,578

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

		<b>December 31, 2025</b>	December 31, 2024
	Note	----- (Rupees) -----	-----
<b>14. TAXATION - PROVISION LESS PAYMENTS</b>			
Provision for taxation	27	<b>28,201,580</b>	35,142,696
Less: Taxes paid / deducted at source		<b>(677,304)</b>	(6,654,289)
		<b>27,524,276</b>	28,488,407
<b>15. CONTINGENCY AND COMMITMENT</b>			
There were no contingency and commitment as at reporting date (December 31, 2024: Nil).			
<b>16. NET TAKAFUL CONTRIBUTION - PTF</b>			
Written Gross contribution		<b>422,196,026</b>	371,330,091
Less: Wakala Fee	19	<b>(137,796,303)</b>	(115,842,498)
Contribution Net of Wakala Fee		<b>284,399,723</b>	255,487,593
Add: Unearned contribution reserve opening		<b>139,561,981</b>	100,459,970
Less: Unearned contribution reserve closing		<b>(159,455,435)</b>	(139,561,981)
Contribution earned		<b>264,506,269</b>	216,385,582
Less:			
Re-takaful Contribution ceded		<b>219,706,109</b>	199,814,752
Add: Prepaid re-takaful contribution ceded opening		<b>66,469,661</b>	39,622,401
Less: Prepaid re-takaful contribution ceded closing		<b>(70,282,981)</b>	(66,469,661)
Re-takaful expense		<b>215,892,789</b>	172,967,492
		<b>48,613,480</b>	43,418,090
<b>17. NET TAKAFUL CLAIMS EXPENSE - PTF</b>			
Claim paid		<b>190,216,151</b>	127,912,937
Add: Outstanding claims including IBNR closing		<b>60,621,284</b>	71,293,548
Less: Outstanding claims including IBNR opening		<b>(71,293,548)</b>	(58,028,817)
Claims expense		<b>179,543,887</b>	141,177,668
Less: Re-takaful and others recoveries received		<b>110,528,968</b>	58,752,645
Add: Re-takaful and others recoveries in respect of outstanding claims closing		<b>11,648,082</b>	22,198,314
Less: Re-takaful and others recoveries in respect of outstanding claims opening		<b>(22,198,314)</b>	(17,038,321)
Re-takaful and other recoveries revenue		<b>99,978,736</b>	63,912,638
		<b>79,565,151</b>	77,265,030

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 17.1 Claims development

The Company maintains adequate reserves in respect of its insurance business in order to protect against adverse future claims experience and developments. The uncertainties about the amount and timing of claim payments are normally resolved within one year. The following table shows the development of the claims over a period of time. All amounts are presented in gross numbers before re-takaful.

Accident year	2020 & prior	2021	2022	2023	2024	2025	Total
	----- (Rupees) -----						
Gross estimate of ultimate claims cost:							
- At end of accident	164,428,190	44,508,028	99,401,691	125,286,914	129,879,976	<b>192,628,952</b>	756,133,751
- One year later	164,430,936	55,650,621	89,134,895	136,691,171	131,611,550		577,519,173
- Two year later	164,396,941	64,939,321	88,103,538	135,364,128			452,803,928
- Three year later	152,754,338	54,346,470	88,223,118				295,323,926
- Four year later	162,228,500	54,276,117					216,504,617
- Five year later	160,973,737						160,973,737
Current estimate of cumulative claims	160,973,737	54,276,117	88,223,118	135,364,128	131,611,550	<b>192,628,952</b>	763,077,602
<b>Cumulative payment to date</b>	(160,509,704)	(52,797,057)	(85,982,264)	(132,755,913)	(121,249,539)	<b>(149,161,841)</b>	(702,456,318)
Liability recognised in statement of financial position	464,033	1,479,060	2,240,854	2,608,215	10,362,011	<b>43,467,111</b>	60,621,284

The net provision for IBNR on the basis of the actuarial valuation carried out as at December 31, 2025 amounted to Rs. 13.44 million (December 31, 2024: Rs. 12.28 million).

## 18. REBATE ON RE-TAKAFUL - PTF

December 31, December 31,  
2025 2024  
----- (Rupees) -----

Re-takaful rebate received or recoverable	<b>55,620,882</b>	43,564,512
Add: Unearned re-takaful rebate - opening	<b>13,886,465</b>	7,694,676
Less: Unearned re-takaful rebate - closing	<b>(17,712,061)</b>	(13,886,465)
	<b>51,795,286</b>	37,372,723

## 19. WAKALA FEE

Gross Wakala fee	<b>144,114,089</b>	128,473,417
Add: Unearned Wakala fee income - opening	<b>49,830,592</b>	37,199,673
Less: Unearned Wakala fee income - closing	<b>(56,148,378)</b>	(49,830,592)
	<b>137,796,303</b>	115,842,498

## 20. COMMISSION EXPENSE / ACQUISITION COST - OPF

Commission paid or payable	<b>41,612,952</b>	35,894,680
Add: Deferred commission expense - opening	<b>12,575,073</b>	7,833,163
Less: Deferred commission expense - closing	<b>(13,943,654)</b>	(12,575,073)
	<b>40,244,371</b>	31,152,770

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

		December 31, 2025	December 31, 2024
	Note	----- (Rupees) -----	-----
<b>21. GENERAL, ADMINISTRATION AND MANAGEMENT EXPENSES - OPF</b>			
Employee benefit cost	21.1	<b>39,700,910</b>	27,334,980
Shahriah advisor fees		<b>1,891,440</b>	1,850,400
Rent		<b>2,062,388</b>	1,387,358
Depreciation		<b>1,841,972</b>	1,145,170
Amortization		<b>26,046</b>	5,580
Printing and stationery		<b>459,000</b>	675,141
Communications		<b>1,214,898</b>	773,493
Postage, telegram and telephone		<b>366,081</b>	219,054
Electricity, gas and water		<b>975,946</b>	910,524
Legal and professional charges		<b>-</b>	226,000
Annual supervision fees SECP		<b>392,332</b>	341,582
Miscellaneous		<b>36,958</b>	8,280
		<b>48,967,971</b>	34,877,562
<b>21.1 Employee benefit cost</b>			
Salaries, allowance and other benefits		<b>38,242,835</b>	26,413,078
Charges for post employment benefits	21.1.1	<b>1,458,075</b>	921,902
		<b>39,700,910</b>	27,334,980
<b>21.1.1</b>	This represents contribution to employee's provident fund managed by the Operator.		
<b>22. DIRECT EXPENSES - PTF</b>			
Tracker Charges		<b>2,199,226</b>	1,452,423
Bank charges		<b>65,382</b>	54,032
Co-takaful service charges		<b>1,701,204</b>	685,391
Miscellaneous		<b>-</b>	217,894
		<b>3,965,812</b>	2,409,740
<b>23. INVESTMENT INCOME</b>			
<b>Participants' Takaful Fund</b>			
<b>Income from equity securities - Available for sale</b>			
Realised gain on sale of equity securities		<b>18,612,482</b>	4,470,764
Dividend income		<b>468,271</b>	9,574,260
<b>Income from debt securities - Held to maturity</b>			
Return on GOP Ijarah Sukuk		<b>-</b>	5,272,080
Amortisation of discount		<b>-</b>	115,000
		<b>19,080,753</b>	19,432,104
<b>Operator's Fund</b>			
<b>Income from equity securities - Available for sale</b>			
Dividend income		<b>1,006,533</b>	9,540,879
Realised gain on sale of equity securities		<b>16,986,510</b>	12,085,867
<b>Income from debt securities - Held to maturity</b>			
Return on GOP Ijarah Sukuk		<b>-</b>	10,544,160
Amortisation of discount		<b>-</b>	230,000
		<b>17,993,043</b>	32,400,906

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
	----- (Rupees) -----	-----
<b>24. OTHER INCOME</b>		
<b>Participants' Takaful Fund</b>		
Profit on bank balances	<u>5,427,567</u>	<u>9,878,570</u>
<b>Operator's Fund</b>		
Profit on bank balances	<u>1,765,153</u>	<u>3,045,899</u>
<b>25. MUDARIB'S FEE</b>		
Mudarib's share of PTF investment income	<u>4,901,664</u>	<u>5,862,135</u>
<b>26. OTHER EXPENSES - OPF</b>		
Auditors' remuneration	<u>932,078</u>	<u>1,011,630</u>
<b>26.1 Auditors' remuneration</b>		
Audit fee	<u>253,000</u>	253,000
Interim review fee	<u>126,500</u>	126,500
Shariah compliance audit	<u>126,500</u>	126,500
Special reports and other certifications	<u>240,350</u>	240,350
Out of pocket expenses including government levy	<u>185,728</u>	265,280
	<u>932,078</u>	<u>1,011,630</u>
<b>27. TAXATION</b>		
Current tax	<u>20,970,405</u>	26,131,748
Super tax	<u>7,231,175</u>	9,010,948
	<u>28,201,580</u>	<u>35,142,696</u>
<b>28. REMUNERATION OF HEAD OF WINDOW TAKAFUL OPERATIONS</b>		
Managerial remuneration	<u>2,664,972</u>	2,471,424
Bonus	<u>650,589</u>	605,427
Rent and house maintenance	<u>1,199,232</u>	1,112,136
Conveyance	<u>690,696</u>	703,910
Others	<u>564,636</u>	472,860
	<u>5,770,125</u>	<u>5,365,757</u>

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 29. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions and on an arm's length basis. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these financial information, are as follows:

Name of related party	Takaful Contribution Written	Contribution Outstanding	Claim Paid	Investment in mutual funds	Sale of units of mutual funds	Expenses	Reimbursement of Expenses	Retirement Fund
Note	----- (Rupees) -----							
<b>Participants' Takaful Fund</b>								
<b>Associated companies / undertaking</b>								
Cyber Internet Services (Pvt.) Ltd.	15,021,531	9,939,923	1,937,487	-	-	-	-	-
Merit Packaging Limited	1,499,546	-	-	-	-	-	-	-
Siza Foods (Private) Limited	-	-	11,583	-	-	-	-	-
Lakson Islamic Money Market Fund	-	-	-	77,594,155	62,555,458	-	-	-
<b>Others</b>								
Express Publication (Private) Limited	988,752	828,007	-	-	-	-	-	-
<b>Operator's Fund</b>								
<b>Associated companies / undertaking</b>								
Lakson Islamic Money Market Fund	-	-	-	149,403,456	134,320,364	-	-	-
<b>Others</b>								
Century Insurance Company Limited	29.1	-	-	-	-	7,361,214	-	-
Century Insurance Company Limited	29.2	-	-	-	-	-	37,759,802	-
<b>Retirement benefit plans</b>								
Contribution to staff provident fund	-	-	-	-	-	-	-	1,069,317
Contribution to staff gratuity fund	-	-	-	-	-	-	-	388,758
<b>December 31, 2025</b>	<b>17,509,829</b>	<b>10,767,930</b>	<b>1,949,070</b>	<b>226,997,611</b>	<b>196,875,822</b>	<b>7,361,214</b>	<b>37,759,802</b>	<b>1,458,075</b>
December 31, 2024	14,863,082	4,431,739	1,706,923	670,151,817	639,352,025	6,773,002	24,429,489	921,902

**29.1** This represents remuneration of Head of Window Takaful Operations and Shariah Compliance Officer paid to the Operator.

**29.2** These pertain to sharing of common expenses shared by the Operator.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 30. SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and General Takaful Accounting Regulation 2019 for class of business wise revenues, results, assets and liabilities.

	December 31, 2025					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
<b>Participant's Takaful Fund</b>						
Contribution received or receivable (inclusive of Federal Excise Duty / sales tax, Federal takaful fee and Administrative Surcharge)	124,600,823	162,496,884	173,624,246	28,392,707	19,664,044	508,778,704
Less: - Federal Excise Duty / Sales Tax	16,720,186	15,336,809	23,145,346	2,098	2,599,425	57,803,864
- Federal Takaful Fee	1,080,145	1,121,206	1,500,961	299,729	168,870	4,170,911
- Others	105,100	33,977,731	552,650	1,600	10,100	34,647,181
Facultative inward contribution	8,727,936	75,174	785,380	-	450,788	10,039,278
<b>Gross written Contribution (inclusive of Administrative Surcharge)</b>	<b>115,423,328</b>	<b>112,136,312</b>	<b>149,210,669</b>	<b>28,089,280</b>	<b>17,336,437</b>	<b>422,196,026</b>
- Gross direct Contribution	106,135,469	108,685,672	145,046,828	28,076,614	16,787,292	404,731,875
- Facultative inward contribution	8,727,936	75,174	785,380	-	450,788	10,039,278
- Administrative surcharge	559,923	3,375,466	3,378,461	12,666	98,357	7,424,873
	<b>115,423,328</b>	<b>112,136,312</b>	<b>149,210,669</b>	<b>28,089,280</b>	<b>17,336,437</b>	<b>422,196,026</b>
Wakala fee	(32,507,029)	(33,978,592)	(60,783,844)	(4,316,361)	(6,210,477)	(137,796,303)
Takaful contribution earned	108,356,785	113,261,936	141,357,814	21,581,808	17,744,229	402,302,572
Takaful contribution ceded to re-takaful operators	(102,765,818)	(92,258,350)	(5,344,552)	(7,334)	(15,516,735)	(215,892,789)
Net Takaful contribution	(26,916,062)	(12,975,006)	75,229,418	17,258,113	(3,982,983)	48,613,480
Re-takaful rebate	22,318,931	25,372,541	98,244	1,347	4,004,223	51,795,286
<b>Net revenue</b>	<b>(4,597,131)</b>	<b>12,397,535</b>	<b>75,327,662</b>	<b>17,259,460</b>	<b>21,240</b>	<b>100,408,766</b>
Takaful claims	(46,605,129)	(51,476,242)	(66,318,245)	(14,007,284)	(1,136,987)	(179,543,887)
Takaful claims recovered from re-takaful operators	46,123,719	46,970,091	5,540,604	407,200	937,122	99,978,736
Net claims	(481,410)	(4,506,151)	(60,777,641)	(13,600,084)	(199,865)	(79,565,151)
Direct expenses	(482,963)	(469,210)	(2,823,566)	(117,533)	(72,540)	(3,965,812)
<b>(Deficit) / surplus before investment income</b>	<b>(5,561,504)</b>	<b>7,422,174</b>	<b>11,726,455</b>	<b>3,541,843</b>	<b>(251,165)</b>	<b>16,877,803</b>
Investment income						19,080,753
Other income						5,427,567
Mudarib fee						(4,901,664)
<b>Surplus for the year</b>						<b>36,484,459</b>
<b>Operator's Fund</b>						
Wakala fee income	32,507,029	33,978,592	60,783,844	4,316,361	6,210,477	137,796,303
Commission expense	(11,227,890)	(15,608,041)	(12,208,385)	(634,100)	(565,955)	(40,244,371)
Management expense	(13,387,256)	(13,006,015)	(17,306,045)	(3,257,906)	(2,010,749)	(48,967,971)
	<b>7,891,883</b>	<b>5,364,536</b>	<b>31,269,414</b>	<b>424,355</b>	<b>3,633,773</b>	<b>48,583,961</b>
Mudarib share of PTF investment income						4,901,664
Investment income						17,993,043
Other income						1,765,153
Other expenses						(932,078)
<b>Profit before tax</b>						<b>72,311,743</b>

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	December 31, 2024					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Aggregate
	----- (Rupees) -----					
<b>Participant's Takaful Fund</b>						
Contribution received or receivable (inclusive of Federal Excise Duty / sales tax, Federal takaful fee and Administrative Surcharge)	101,404,098	136,421,672	155,233,197	16,458,069	20,303,764	429,820,800
Less: - Federal Excise Duty / Sales Tax	13,273,016	13,743,850	20,022,578	1,365	2,551,250	49,592,059
- Federal Takaful Fee	874,103	1,030,638	1,329,132	166,853	175,743	3,576,469
- Others	37,150	19,080,801	314,350	350	2,500	19,435,151
Facultative inward contribution	9,971,210	596,388	3,545,372	-	-	14,112,970
<b>Gross written Contribution (inclusive of Administrative Surcharge)</b>	<b>97,191,039</b>	<b>103,162,771</b>	<b>137,112,509</b>	<b>16,289,501</b>	<b>17,574,271</b>	<b>371,330,091</b>
- Gross direct Contribution	86,759,632	99,576,258	130,337,204	16,280,001	17,503,942	350,457,037
- Facultative inward contribution	9,971,210	596,388	3,545,372	-	-	14,112,970
- Administrative surcharge	460,197	2,990,125	3,229,933	9,500	70,329	6,760,084
	<b>97,191,039</b>	<b>103,162,771</b>	<b>137,112,509</b>	<b>16,289,501</b>	<b>17,574,271</b>	<b>371,330,091</b>
Wakala fee	(23,571,176)	(28,680,854)	(55,236,528)	(2,673,530)	(5,680,410)	(115,842,498)
Takaful contribution earned	78,570,597	95,603,018	128,457,072	13,367,657	16,229,736	332,228,080
Takaful contribution ceded to re-takaful operators	(75,125,307)	(79,616,321)	(4,701,984)	(8,000)	(13,515,880)	(172,967,492)
Net Takaful contribution	(20,125,886)	(12,694,157)	68,518,560	10,686,127	(2,966,554)	43,418,090
Re-takaful rebate	14,196,255	19,888,044	42,449	1,600	3,244,375	37,372,723
<b>Net revenue</b>	<b>(5,929,631)</b>	<b>7,193,887</b>	<b>68,561,009</b>	<b>10,687,727</b>	<b>277,821</b>	<b>80,790,813</b>
Takaful claims	(19,616,765)	(35,313,016)	(74,514,208)	(10,056,794)	(1,676,885)	(141,177,668)
Takaful claims recovered from re-takaful operators	18,976,295	29,556,227	13,975,244	-	1,404,872	63,912,638
Net claims	(640,470)	(5,756,789)	(60,538,964)	(10,056,794)	(272,013)	(77,265,030)
Direct expenses	(630,719)	(669,473)	(889,790)	(105,710)	(114,048)	(2,409,740)
<b>(Deficit) / surplus before investment income</b>	<b>(7,200,820)</b>	<b>767,625</b>	<b>7,132,255</b>	<b>525,223</b>	<b>(108,240)</b>	<b>1,116,043</b>
Investment income						19,432,104
Other income						9,878,570
Mudarib fee						(5,862,135)
<b>Surplus for the period</b>						<b>24,564,582</b>
<b>Operator's Fund</b>						
Wakala fee income	23,571,176	28,680,854	55,236,528	2,673,530	5,680,410	115,842,498
Commission expense	(7,430,581)	(11,879,032)	(10,840,936)	(609,037)	(393,184)	(31,152,770)
Management expense	(9,128,769)	(9,689,670)	(12,878,433)	(1,530,008)	(1,650,682)	(34,877,562)
	<b>7,011,826</b>	<b>7,112,152</b>	<b>31,517,159</b>	<b>534,485</b>	<b>3,636,544</b>	<b>49,812,166</b>
Mudarib share of PTF investment income						5,862,135
Investment income						32,400,906
Other income						3,045,899
Other expenses						(1,011,630)
<b>Profit before tax</b>						<b>90,109,476</b>

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

The class wise assets and liabilities are as follows:

	December 31, 2025					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	----- (Rupees) -----					
<b>Segment assets</b>	<b>125,588,684</b>	<b>70,012,860</b>	<b>98,337,623</b>	<b>6,237,074</b>	<b>19,299,707</b>	<b>319,475,948</b>
Unallocated assets						
Participants' Takaful Fund						<b>344,800,097</b>
Operator's Fund						<b>280,845,552</b>
<b>Total assets</b>						<b>945,121,597</b>
<b>Segment liabilities</b>	<b>146,766,604</b>	<b>92,651,542</b>	<b>214,961,538</b>	<b>20,181,889</b>	<b>22,100,646</b>	<b>496,662,219</b>
Unallocated liabilities - Operator's Fund						
Participants' Takaful Fund						<b>31,285,041</b>
Operator's Fund						<b>114,628,705</b>
<b>Total liabilities</b>						<b>642,575,965</b>
	----- (Rupees) -----					
	December 31, 2024					
	Fire and property damage	Marine, aviation and transport	Motor	Accident & Health	Miscellaneous	Total
	----- (Rupees) -----					
Segment assets	113,857,629	66,827,959	84,894,677	3,649,054	20,307,740	289,537,059
Unallocated assets						
Participants' Takaful Fund						247,527,021
Operator's Fund						303,980,652
<b>Total assets</b>						<b>841,044,732</b>
Segment liabilities	128,948,021	82,089,946	190,607,111	9,422,907	21,834,350	432,902,335
Unallocated liabilities - Operator's Fund						
Participants' Takaful Fund						5,912,235
Operator's Fund						103,682,382
<b>Total liabilities</b>						<b>542,496,952</b>

## 31. MOVEMENT IN INVESTMENTS - OPF

**Available for sale**

--- (Rupees) ---

<b>Balance as at January 01, 2024</b>	151,057,179
Additions	788,319,056
Disposals	(734,572,280)
Fair value net gains (excluding net realized gains / losses)	7,481,622
<b>Balance as at January 01, 2025</b>	<b>212,285,577</b>
Additions	366,033,004
Disposals	(380,773,213)
Fair value net gains (excluding net realized gains / losses)	9,411,904
<b>Balance as at December 31, 2025</b>	<b>206,957,272</b>

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	<b>Available for sale</b>
	--- (Rupees) ---
<b>32. MOVEMENT IN INVESTMENTS - PTF</b>	
<b>Balance as at January 01, 2024</b>	104,386,908
Additions	159,342,966
Disposals	(92,185,003)
Fair value net gains (excluding net realized gains / losses)	9,357,305
<b>Balance as at January 01, 2025</b>	<u>180,902,176</u>
Additions	442,706,670
Disposals	(388,100,274)
Fair value net gains (excluding net realized gains / losses)	10,952,121
<b>Balance as at December 31, 2025</b>	<u>246,460,693</u>

## 33. MANAGEMENT OF TAKAFUL RISK AND FINANCIAL RISK

### 33.1 TAKAFUL RISK

The risk under any takaful contract is the possibility that the covered event occurs and the uncertainty in the amount of compensation to the participant. Generally, most takaful contracts carry the takaful risk for a period of one year (refer note 4.1).

The Operations accepts takaful through issuance of general takaful contracts. For these general takaful contracts the most significant risks arise from fire, atmospheric disturbance, earthquake, terrorist activities and other catastrophes. For health takaful contracts, significant risks arise from epidemics.

#### a) Frequency and severity of claims

Risk associated with general takaful contracts includes the reasonable possibility of significant loss as well as the frequent occurrence of the takaful events. This has been managed by having in place underwriting strategy, re-takaful arrangements and proactive claim handling procedures. The re-takaful arrangements against major risk exposure include excess of loss, quota arrangements, facultative arrangements and catastrophic coverage. The objective of having such arrangements is to mitigate adverse impacts of severe losses on operation's net retentions.

The operation's class wise major risk exposure is as follows:

<b>Class</b>	<b>Maximum gross risk exposure</b>	
	<b>2025</b>	<b>2024</b>
	----- (Rupees) -----	
Fire and property	<b>1,820,010,000</b>	1,525,082,000
Marine, aviation and transport	<b>3,000,000,000</b>	615,846,000
Motor	<b>45,000,000</b>	25,000,000
Accident and Health	<b>500,000</b>	10,000,000
Miscellaneous	<b>196,650,000</b>	387,678,000

The re-takaful arrangements against major risk exposure include excess of loss, quota arrangements, facultative arrangements and catastrophic coverage. The objective of having such arrangements is to mitigate adverse impacts of severe losses on operation's net retentions. In compliance of regulatory, re-takaful agreement are duly approved by Securities and Exchange Commission of Pakistan (SECP) on an annual basis.

#### b) Sources of Uncertainty in the estimation of future claims payments

Claims on general takaful contracts are payable on a claim occurrence basis. The PTF is liable for all covered events that occur during the term of the takaful contract including the event reported after the expiry of the takaful contract term.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

An estimated amount of the claim is recorded immediately on the intimation to the operations. The estimation of the amount is based on operator's judgment or preliminary assessment by the independent surveyor appointed for this purpose. The initial estimates include expected settlement cost of the claims.

There are several variable factors which affect the amount and timing of recognized claim liabilities. The operations 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 significantly different from initial recognized amount.

## c) Process used to decide on assumptions

The principal assumption underlying the liability estimation of IBNR and Contribution Deficiency Reserves is that the Operation'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.

During the year actuarial valuation is carried out for the determination of IBNR which is based on a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation as required / allowed by the circular 9 of 2016. IBNR is determined by using Chain Ladder Method for all class of business. The claims outstanding and claims paid till date are deducted from the ultimate claim payments for that particular year to derive an IBNR estimate for that year. IBNR triangles are made on a yearly basis for each class of business. The methods used, and the estimates made, are reviewed regularly.

The actuary determines adequacy of liability of contribution deficiency by carrying out analysis of its loss ratio of expired periods of the contracts. For this purpose average loss ratio of last three years inclusive of claim settlement cost are taken into consideration to determine ultimate loss ratio to be applied on unearned contribution.

The loss ratios estimated on these basis for the unexpired portion are as follows:

<b>Class</b>	<b>2025</b>	2024
	----- (%) -----	
Fire and property damage	<b>1</b>	9
Marine, aviation and transport	<b>15</b>	14
Motor	<b>42</b>	45
Accident & Health	<b>69</b>	78
Miscellaneous	<b>6</b>	16

## d) Changes in assumptions

The Operator did not change its assumptions as disclosed in (b) and (c) above.

## e) Sensitivity Analysis

The takaful claim liabilities are sensitive to the incidence of insured events and severity / size of claims. The impact of variation in incidence of insured events on gross claim liabilities, net claim liabilities, profit before tax and equity is as follows:

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	Underwriting results		Accumulated Surplus	
	2025	2024	2025	2024
	----- (Rupees) -----			
<b>Impact of change in claim liabilities by +10%</b>				
Fire and property damage	(48,141)	(64,047)	(48,141)	(64,047)
Marine, aviation and transport	(450,615)	(575,679)	(450,615)	(575,679)
Motor	(6,077,764)	(6,053,896)	(6,077,764)	(6,053,896)
Accident & Health	(1,360,008)	(1,005,679)	(1,360,008)	(1,005,679)
Miscellaneous	(19,987)	(27,201)	(19,987)	(27,201)
	<b>(7,956,515)</b>	<b>(7,726,502)</b>	<b>(7,956,515)</b>	<b>(7,726,502)</b>

## Impact of change in claim liabilities by -10%

Fire and property damage	48,141	64,047	48,141	64,047
Marine, aviation and transport	450,615	575,679	450,615	575,679
Motor	6,077,764	6,053,896	6,077,764	6,053,896
Accident & Health	1,360,008	1,005,679	1,360,008	1,005,679
Miscellaneous	19,987	27,201	19,987	27,201
	<b>7,956,515</b>	<b>7,726,502</b>	<b>7,956,515</b>	<b>7,726,502</b>

Average claim costs	Change in assumption	Impact on gross liabilities	Impact on net liabilities	Impact on surplus / deficit	Impact on Fund
		----- (Rupees) -----			
<b>2025</b>	<b>± 10%</b>	<b>17,954,389</b>	<b>7,956,515</b>	<b>7,956,515</b>	<b>7,956,515</b>
2024	± 10%	14,117,767	7,726,503	7,726,503	7,726,503

## Statement of Age-wise Breakup of Unclaimed Takaful Benefits

Statement of age-wise breakup of unclaimed takaful benefits is not presented as there are no unclaimed takaful benefits.

## Re-takaful risk

Re-takaful ceded does not relieve the PTF from its obligation towards participants and, as a result, the PTF remains liable for the portion of outstanding claims covered through re-takaful to the extent that re-takaful operators fails to meet the obligation under the re-takaful agreements.

To minimise its exposure to significant losses from re-takaful operators' insolvencies, the operations obtain re-takaful rating from a number of re-takaful operators, who are dispersed over several geographical regions.

An analysis of all re-takaful assets recognised by the rating of the entity from which it is due is as follows:

	Amount due from other takaful / re-takaful holders	Re-takaful recoveries against outstanding claims	December 31,	
			2025	December 31, 2024
			----- (Rupees) -----	
<b>Rating</b>				
A or above including Pakistan Reinsurance Company Limited	<b>70,992,196</b>	<b>10,984,024</b>	<b>81,976,220</b>	88,989,924
B or above	-	<b>664,058</b>	<b>664,058</b>	1,636,464
	<b>70,992,196</b>	<b>11,648,082</b>	<b>82,640,278</b>	90,626,388

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 33.2 Financial risk management objectives and policies

The operations has exposure to the following risks from its use of financial instruments:

- Market risk
- Liquidity risk
- Credit risk

### 33.2.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of interest rate risk, foreign currency risk and other price risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

	Effective rate % per annum	2025		Total
		Profit bearing financial instruments	Non-profit bearing financial instruments	
		Maturity upto one year		
		----- (Rupees) -----		
<b>33.2.1.1 Interest Rate Risk</b>				
<b>Financial assets</b>				
Investments				
Equity securities / Mutual funds		-	453,417,965	453,417,965
Loans and other receivables		-	1,809,352	1,809,352
Takaful / retakaful receivables		-	181,396,507	181,396,507
Receivable from Participant Takaful Fund		-	43,887,458	43,887,458
Retakaful recoveries against outstanding claims		-	11,648,082	11,648,082
Cash and bank	2.56 - 8.76	<u>112,206,188</u>	-	<u>112,206,188</u>
		<u>112,206,188</u>	<u>692,159,364</u>	<u>804,365,552</u>
<b>Financial liabilities</b>				
Outstanding claims including IBNR		-	60,621,284	60,621,284
Payable to Operator's Fund		-	43,887,458	43,887,458
Takaful / Re-takaful payables		-	211,012,871	211,012,871
Other creditors and accruals		-	52,180,168	52,180,168
		-	<u>367,701,781</u>	<u>367,701,781</u>
<b>Interest risk sensitivity gap</b>		<u>112,206,188</u>	<u>324,457,583</u>	<u>436,663,771</u>
<b>Cumulative interest risk sensitivity gap</b>		<u>112,206,188</u>		

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	2024			
	Effective rate % per annum	Profit bearing financial instruments	Non-profit bearing financial instruments	Total
		Maturity upto one year		
		----- (Rupees) -----		
<b>Financial assets</b>				
Investments				
Equity securities / Mutual funds		-	393,187,753	393,187,753
Loans and other receivables		-	6,711,954	6,711,954
Takaful / retakaful receivables		-	151,038,492	151,038,492
Receivable from Participant Takaful Fund		-	66,618,025	66,618,025
Retakaful recoveries against outstanding claims		-	22,198,314	22,198,314
Cash and bank	5.02 - 18.50	72,414,868	-	72,414,868
		<u>72,414,868</u>	<u>639,754,538</u>	<u>712,169,406</u>
<b>Financial liabilities</b>				
Outstanding claims including IBNR		-	71,293,548	71,293,548
Payable to Operator's Fund		-	66,618,025	66,618,025
Takaful / Re-takaful payables		-	139,288,853	139,288,853
Other creditors and accruals		-	23,845,877	23,845,877
		-	<u>301,046,303</u>	<u>301,046,303</u>
<b>Interest risk sensitivity gap</b>		<u>72,414,868</u>	<u>338,708,235</u>	<u>411,123,103</u>
<b>Cumulative interest risk sensitivity gap</b>		<u>72,414,868</u>		

## 33.2.1.2 Profit rate risk

Profit rate risk is the risk that the value of a financial instrument will fluctuate due to change in the market profit rate.

The information about the Operation's exposure to profit rate risk based on contractual repricing or maturity dates whichever is earlier is as follows:

All financial assets of the operations are non profit bearing except for cash and bank deposits ranging profit from 2.56% to 8.76% (2024: 5.02% to 18.50%).

## 33.2.1.3 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 Operations, at present, is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

## 33.2.1.4 Other price risk

Other price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest 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 similar financial instruments traded in the market. The Operations at present, is not materially exposed to other price risk.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

Sensitivity analysis of investments as at the reporting date is as follows:

For available-for-sale investments in case of 10% increase / decrease in prices at the reporting date, the profit and loss account and Operator's Fund would have been higher / lower by Rs. 20.60 million.

For available-for-sale investments in case of 10% increase / decrease in prices at the reporting date, the surplus / (deficit) and Participant's Fund would have been higher / lower by Rs. 24.65 million.

## 33.2.2 Liquidity risk

Liquidity risk is the risk that the Operations will not be able to meet its financial obligations as they fall due. The Operations 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 stressed conditions, without incurring unacceptable losses or risking damage to the operation's reputation. The following are the contractual maturities of financial liabilities based on the remaining period at the reporting date to maturity date.

The table below summaries the maturity profile of the financial liabilities. The contractual maturities of these liabilities at the year end have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. Financial liabilities not having a contractual maturity are assumed to mature on the expected date on which these liabilities will be settled.

### Participants' Fund

	2025			Total
	With in one year	Over one year to five year	Over five year	
	----- (Rupees) -----			
<b>Financial liabilities</b>				
Provision for outstanding claims (including IBNR)	60,621,284	-	-	60,621,284
Takaful / re-takaful payables	211,012,871	-	-	211,012,871
Payable to Operator's Fund	43,887,458	-	-	43,887,458
Other creditors and accruals	24,971,220	-	-	24,971,220
	<b>340,492,833</b>	<b>-</b>	<b>-</b>	<b>340,492,833</b>
	----- (Rupees) -----			
	2024			
	With in one year	Over one year to five year	Over five year	Total
	----- (Rupees) -----			
<b>Financial liabilities</b>				
Provision for outstanding claims (including IBNR)	71,293,548	-	-	71,293,548
Takaful / re-takaful payables	139,288,853	-	-	139,288,853
Payable to Operator's Fund	66,618,025	-	-	66,618,025
Other creditors and accruals	652,164	-	-	652,164
	<b>277,852,590</b>	<b>-</b>	<b>-</b>	<b>277,852,590</b>

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

	2025			
	With in one year	Over one year to five year	Over five year	Total
<b>Operator's Fund</b>	(Rupees)			
Financial liabilities				
Other creditors and accruals	<b>27,208,948</b>	-	-	<b>27,208,948</b>
	2024			
	With in one year	Over one year to five year	Over five year	Total
	(Rupees)			
<b>Financial liabilities</b>				
Other creditors and accruals	23,193,713	-	-	23,193,713

### 33.2.3 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 the other party to incur a financial loss. The operations attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counter parties in various industries and by continually assessing the credit worthiness of counter parties.

#### 33.2.3.1 Concentration of credit risk and credit exposure of the financial instruments

Credit risk of the Operator arises principally from the bank balances, investments and due from takaful contract holders. To reduce the credit risk the Company has developed a formal approval process whereby credit limits are applied to its participants. The management continuously monitors the credit exposure towards the policyholders and other insurers / reinsurers and makes provision against those balances considered doubtful of recovery.

#### Bank Balances

The bank balances and deposits represents low credit risk as they are placed with reputed financial institutions with strong credit ratings. The credit quality of bank balances can be assessed with reference to external credit ratings as follows:

Bank	Long Term Rating	Rating Agency	December 31,	December 31,
			2025	2024
			(Rupees)	
<b>Operator's Fund</b>				
Meezan Bank Limited	AAA	VIS	<b>8,699,506</b>	216,661
Bank Islamic Pakistan Limited	AA-	PACRA	<b>7,197,473</b>	11,858,684
			<b>15,896,979</b>	12,075,345
<b>Participants' Fund</b>				
Meezan Bank Limited	AAA	VIS	<b>38,709,613</b>	20,498,189
Al Baraka Bank (Pakistan) Limited	AA-	VIS	<b>78,741</b>	4,078
Bank Islamic Pakistan Limited	AA-	PACRA	<b>51,012,963</b>	35,687,502
Dubai Islamic Bank (Pakistan) Limited	AA	VIS	<b>6,497,892</b>	4,139,754
			<b>96,299,209</b>	60,329,523

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## Investments

The Operator's investments are in open end mutual funds which can be liquidate by encashment of units at the counter of mutual funds.

The credit quality of all the mutual funds is A or above.

## Due from takaful contract holders

Concentration of credit risk arises when a number of counter parties 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 a similar manner. The Operator manages concentration of credit risk through diversification of activities among individuals, groups and industry segment.

The management monitors exposure to credit risk in contribution receivable from group companies and corporate clients through regular review of credit exposure and prudent estimates of provision for doubtful balances. The age analysis of due from takaful contract holders at the reporting date is as follows:

	2025		2024	
	Gross	Impairment	Gross	Impairment
	----- (Rupees) -----			
Upto 1 year	57,521,969	-	55,143,620	-
1-2 years	(1,398,714)	-	292,242	-
2-3 years	(218,698)	-	(418,997)	-
Over 3 years	(486,710)	-	(280,681)	-
	<u>55,417,847</u>	-	<u>54,736,184</u>	-

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 34. STATEMENT OF SOLVENCY - PTF

	December 31, 2025	December 31, 2024
Note	----- (Rupees) -----	
<b>Assets</b>		
Investments		
Equity securities / mutual funds	<b>246,460,693</b>	180,902,176
Loans and other receivables	<b>1,659,163</b>	6,295,322
Takaful / retakaful receivables	<b>181,396,507</b>	151,038,492
Retakaful recoveries against outstanding claims	<b>11,648,082</b>	22,198,314
Deferred wakala fee	34.1 <b>56,148,378</b>	49,830,592
Prepayments	34.1 <b>70,664,013</b>	66,469,661
Cash and bank	<b>96,299,209</b>	60,329,523
<b>Total assets</b>	<b>664,276,045</b>	537,064,080
In-admissible assets as per following clauses section 32(2) of Insurance Ordinance 2000.		
Investments	<b>32,954,765</b>	15,108,937
Takaful / re-takaful receivables	<b>31,610,478</b>	29,974,403
Loan and other receivables	<b>1,124,449</b>	5,395,237
<b>Total of In-admissible assets</b>	<b>65,689,692</b>	50,478,577
<b>Total of admissible assets</b>	<b>598,586,353</b>	486,585,503
<b>Liabilities</b>		
Underwriting provisions		
Outstanding claims including IBNR	<b>60,621,284</b>	71,293,548
Unearned contribution reserves	<b>159,455,435</b>	139,561,981
Unearned re-takaful rebate	<b>17,712,061</b>	13,886,465
Contribution received in advance	<b>4,615,559</b>	3,167,120
Payable to Operator's Fund	<b>43,887,458</b>	66,618,025
Takaful / Re-takaful payables	<b>211,012,871</b>	139,288,853
Other creditors and accruals	<b>30,642,592</b>	4,998,578
<b>Total liabilities</b>	<b>527,947,260</b>	438,814,570
<b>Total net admissible assets</b>	<b>70,639,093</b>	47,770,933

- 34.1** The law is silent with regard to the inadmissibility of the "Prepaid re-takaful contribution ceded" and "Deferred wakala fee" in Section 32(2) of the Insurance Ordinance, 2000 and, hence, these have been treated as admissible assets for the purpose of this statement.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

## 35. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

	December 31, 2025							
	Carrying amount			Total	Fair value			
	Available-for-sale	Loans and receivables	Other financial liabilities		Level 1	Level 2	Level 3	Total
----- (Rupees) -----								
<b>Financial assets measured at fair value</b>								
Investments in mutual funds	453,417,965	-	-	453,417,965	-	453,417,965	-	453,417,965
<b>Financial assets not measured at fair value</b>								
Loans and receivables*	-	684,903	-	684,903	-	-	-	-
Takaful / Re-takaful receivables*	-	181,396,507	-	181,396,507	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	11,648,082	-	11,648,082	-	-	-	-
Receivable from Participant Takaful Fund*	-	43,887,458	-	43,887,458	-	-	-	-
Cash and bank*	-	112,206,188	-	112,206,188	-	-	-	-
	<u>453,417,965</u>	<u>349,823,138</u>	<u>-</u>	<u>803,241,103</u>	<u>-</u>	<u>453,417,965</u>	<u>-</u>	<u>453,417,965</u>
<b>Financial liabilities not measured at fair value</b>								
Provision for outstanding claims (including IBNR)*	-	-	(60,621,284)	(60,621,284)	-	-	-	-
Payable to Operator's Fund*	-	-	(43,887,458)	(43,887,458)	-	-	-	-
Takaful / Retakaful payables*	-	-	(211,012,871)	(211,012,871)	-	-	-	-
Other creditors and accruals*	-	-	(52,180,168)	(52,180,168)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(367,701,781)</u>	<u>(367,701,781)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
----- (Rupees) -----								
	December 31, 2024							
	Carrying amount			Total	Fair value			
	Available-for-sale	Loans and receivables	Other financial liabilities		Level 1	Level 2	Level 3	Total
----- (Rupees) -----								
<b>Financial assets measured at fair value</b>								
Investments in mutual funds	393,187,753	-	-	393,187,753	-	393,187,753	-	393,187,753
<b>Financial assets not measured at fair value</b>								
Loans and receivables*	-	1,316,717	-	1,316,717	-	-	-	-
Takaful / Re-takaful receivables*	-	151,038,492	-	151,038,492	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	22,198,314	-	22,198,314	-	-	-	-
Receivable from Participant Takaful Fund*	-	66,618,025	-	66,618,025	-	-	-	-
Cash and bank*	-	72,414,868	-	72,414,868	-	-	-	-
	<u>393,187,753</u>	<u>313,586,416</u>	<u>-</u>	<u>706,774,169</u>	<u>-</u>	<u>393,187,753</u>	<u>-</u>	<u>393,187,753</u>
<b>Financial liabilities not measured at fair value</b>								
Provision for outstanding claims (including IBNR)*	-	-	(71,293,548)	(71,293,548)	-	-	-	-
Payable to Operator's Fund*	-	-	(66,618,025)	(66,618,025)	-	-	-	-
Takaful / Retakaful payables*	-	-	(139,288,853)	(139,288,853)	-	-	-	-
Other creditors and accruals*	-	-	(23,845,877)	(23,845,877)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(301,046,303)</u>	<u>(301,046,303)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

# Notes to and Forming Part of the Financial Statements

For the year ended December 31, 2025

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

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

During the year ended December 31, 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

## Valuation techniques used in determination of fair values within level 2:

Level 2: Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV and PKFRV rates as announced by Mutual Funds Association of Pakistan (MUFAP).

## 36. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made.

## 37. DATE OF AUTHORISATION FOR ISSUE

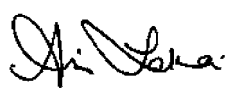
These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on March 11, 2026.

## 38. GENERAL

Figures in these financial statements have been rounded off to the nearest rupee, unless otherwise stated.



Iqbal Ali Lakhani  
Chairman



Amin Mohammed Lakhani  
Director



Aftab Ahmad  
Director



Muhammad Hussain Hirji  
Director & Chief Executive



Nawaid Jamal  
Chief Financial Officer





# Century Insurance Company Limited

## Form of Proxy

I/We \_\_\_\_\_

of \_\_\_\_\_

a member of CENTURY INSURANCE COMPANY LIMITED hereby

appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

who is/are also member/s of Century Insurance Company Limited to act as my/our proxy and to vote for me/us and on my/our behalf at the Annual General Meeting of the shareholders of the Company to be held on the 29th day of April 2026 or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2026.

Folio No.	CDC Participant ID No	CDC Account/ Sub-Account No	No. of shares held

Signature
-----------

Witness 1

Signature \_\_\_\_\_

Name \_\_\_\_\_

CNIC No. \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Witness 2

Signature \_\_\_\_\_

Name \_\_\_\_\_

CNIC No. \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

### Notes:

1. The proxy must be a member of the Company.
2. The signature must tally with the specimen signature/s registered with the Company.
3. If a proxy is granted by a member who has deposited his/her shares in Central Depository Company of Pakistan Limited, the proxy must be accompanied with participant's ID number and CDC account/sub-account number alongwith attested photocopies of Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representatives of corporate members should bring the usual documents required for such purpose.
4. The instrument of Proxy properly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting, excluding holidays.



## سینچری انشورنس کمپنی لمیٹڈ

### مختار نامہ (پراکسی فارم)

میں / ہم  
ساکن  
بحیثیت رکن (ممبر) سینچری انشورنس کمپنی لمیٹڈ مقرر کرتا / کرتی ہوں / کرتے ہیں مسمیٰ / مسماۃ  
ساکن  
کو یا ان کی غیر حاضری میں مسمیٰ / مسماۃ  
ساکن

کو جو خود بھی سینچری انشورنس کمپنی لمیٹڈ کا رکن ہے کہ وہ بطور میرا / ہمارا مختار (پراکسی) سینچری انشورنس کمپنی لمیٹڈ کے سالانہ اجلاس عام جو ۲۹ اپریل ۲۰۲۶ کو منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے اور وہ میری / ہماری جگہ میری / ہماری طرف سے حق رائے دہی استعمال کرے۔

مورخہ \_\_\_\_\_ ۲۰۲۶ کو میرے / ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر	سی ڈی سی پارٹنیشن ای ڈی	حصص کی تعداد
			دستخط

گواہ نمبر ۲

گواہ نمبر ۱

دستخط \_\_\_\_\_  
نام \_\_\_\_\_  
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر \_\_\_\_\_  
پتہ \_\_\_\_\_

دستخط \_\_\_\_\_  
نام \_\_\_\_\_  
کمپیوٹرائزڈ قومی شناختی کارڈ نمبر \_\_\_\_\_  
پتہ \_\_\_\_\_

ہدایات:

۱۔ مختار (پراکسی) کا کمپنی کا رکن (ممبر) ہونا ضروری ہے۔

۲۔ ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندراج شدہ دستخط سے مماثلت ہونا ضروری ہے۔

۳۔ سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔

۴۔ مختار نامہ (پراکسی فارم) مکمل پر شدہ کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل جمع کرانا ضروری ہے، چھٹیوں کے علاوہ۔

# Network

## Head Office

11<sup>th</sup> Floor, Lakson Square, Building # 3,  
Sarwar Shaheed Road, Karachi-74200.  
UAN: (021) 111-111-717 Fax: (021) 35671665  
Email: info@icil.com.pk

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DC 1, Block-9, Clifton, Karachi.  
Tel: (021) 35309234-36 Fax: (021) 35309237

## City Office

Falak Corporate City, Office # 901,  
9<sup>th</sup> Floor, Opposite Chamber of Commerce,  
Talpur Road, Karachi.  
Tel: (021) 32465607-10

## Islamabad Office

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## Faisalabad Office

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Faisalabad.  
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Kashmir Road, Near China Chowk, Sialkot.  
Tel: (052) 3241703-7

## Gujranwala Office

2<sup>nd</sup> Floor, Gujranwala Business Centre,  
Opp. Gujranwala Chamber of Commercial &  
Industry Trust Plaza, Gujranwala.  
Tel: (055) 3840034-35

## Registered and Corporate Office

Lakson Square, Building # 2, Sarwar Shaheed Road,  
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Tel: (021) 38400000 Fax: (021) 35683410

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Office # 901 - 902, 9<sup>th</sup> Floor,  
Dulara Business Centre, Plot # 19,  
Maniya Co-operative Housing Society,  
Khalid Bin Waleed Road, Karachi.  
Tel: (021) 34527751-53, 34533349, 34532283

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Ebrahim Estates, 2<sup>nd</sup> Floor,  
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Fax: (021) 34310725

## Lahore Regional Office

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Tel: (061) 4541063-66



**Century Insurance Company Limited**  
A Lakson Group Company

UAN: 111-111-717  
Website: [www.cicl.com.pk](http://www.cicl.com.pk)