

Director's Report
For First Quarter Ended March 31, 2026.

The Valued Shareholders,
Pakistan Reinsurance Company Limited.

On behalf of the Board of Directors of PRCL, I am pleased to present the condensed interim financial statements of Company for the first quarter ended March 31, 2026.

Review of Business Activities

The gross written premium is Rs. 9,514 million against an amount of Rs. 8,760 million for the corresponding period of last year, showing an increase of Rs. 754 million (9%). The net premium is Rs. 2,267 million against Rs. 2,171 million in previous year's first quarter, showing an increase of Rs. 96 million (4%). The net commission (expense) for the period is Rs. 190 million as compared to Rs. 267 million, showing a decrease of Rs. 77 million (-29%). The net claims and acquisition expenses are Rs. 1,743 million against Rs. 1,900 million in previous year's corresponding quarter, showing a decrease of Rs. 158 million (-8%).

The underwriting profit after management expenses for the quarter under review are Rs. 182 million as compared to loss of Rs. 171 million for the corresponding period last year showing an increase of Rs. 353 million.

The income from investment including rentals and other items for the period under review is recorded as Rs. 864 million, as compared to Rs. 1,034 million in the corresponding period of last year, showing a decrease of Rs. 170 million (-17%).

The profit before income tax for the quarter under review, is Rs. 1,029 million, as compared to Rs. 888 million recorded in the corresponding period last year, showing an increase of Rs. 140 million (16%).

The profit after tax for the quarter under review is Rs. 580 million, as compared to Rs. 544 million in the corresponding period of last year showing an increase of Rs. 36 million (7%) resulting in earnings per share of Rs. 0.64 as compared to Rs. 0.60 the corresponding period of last year.

Review of Window Re-Takaful Business Activities.

Participants Retakaful Fund

The gross written contribution is Rs. 478 million against an amount of Rs. 484 million for the corresponding period of last year, showing a decrease of Rs. 6 million (-1%). The contribution earned is Rs. 466 million against Rs. 693 million, showing a decrease of Rs. 227 million (-33%). The wakala expense for the period is Rs. 93 million as compared to Rs. 139 million, showing a decrease of Rs. 46 million (-33%). The net claim expense for the period is Rs. 235 million as compared to Rs. 253 million, showing a decrease of Rs. 18

million (-7%). Surplus for the period is Rs. 58 million compared Rs. 275 million in previous year's corresponding quarter, reflecting a decrease of Rs. 217 million (-79%).

Operator's Retakaful Fund

The wakala income for the period is Rs. 93 million as compared to Rs. 139 million, showing a decrease of Rs. 46 million (-33%). The commission expense for the period is Rs. 98 million as compared to Rs. 96 million, showing an increase of Rs. 2 million (2%). The general administrative & management expense for the period is Rs. 4.2 million as compared to Rs. 4.6 million, showing a decrease of Rs. 0.4 million (-9%).

The loss after tax for the period under review is Rs. 1.6 million, as compared to profit of Rs. 33 million in the corresponding period of last year showing a decrease of Rs. 35 million (-105%).

Future Outlook

Pakistan's economic outlook indicates cautious stabilization after recent macroeconomic stress, with growth supported by manufacturing and services. The International Monetary Fund projects GDP growth at around 3.6%, likely moderating to 3–3.5% in the near term, reflecting steady but limited expansion. Inflation has eased from previous highs but remains persistent due to elevated energy and food costs, prompting the State Bank of Pakistan to take a hawkish monetary stance in last Monetary Policy Statement and increase policy rate by 100 bps to 11.5%. While IMF support has helped stabilize reserves, structural weaknesses in the external sector, particularly high import dependence and weak export diversification, continue to pose risks. Although the PKR has shown short-term stability, it remains vulnerable to external pressures and debt obligations. Moreover, ongoing tensions in the Middle East add further downside risk, as potential volatility in global oil prices could strain the energy import bill, fuel inflation, widen the current account deficit, and undermine macroeconomic stability. Overall, although the economy is showing signs of stabilization, it remains vulnerable to prevailing risks, and its outlook is contingent upon sustained structural reforms, adequate external financing, exchange rate stability, and a more favorable global economic environment.

Acknowledgment

The directors of your Company would like to take this opportunity to thank the Company's valued clients, cedants, retrocessionaries, business partners, Security and Exchange Company of Pakistan and Pakistan Stock Exchange for their professional assistance and guidance.

We also thank our shareholders, who continue to place their trust and confidence in the Company and we assure them of our best efforts in the future. Finally, the directors also wish to place on record their appreciation for the hard work, loyalty and devotion of the CEO, Officers and staff of the Company.



Chairman Board



Chief Executive Officer

ڈائریکٹرز کی رپورٹ
پہلی سہ ماہی جو 31 مارچ 2026 کو ختم ہوئی

معزز شیئر ہولڈرز،
پاکستان ری انشورنس کمپنی لمیٹڈ

بورڈ آف ڈائریکٹرز (PRCL) کی جانب سے، مجھے یہ پیش کرتے ہوئے خوشی ہو رہی ہے کہ کمپنی کے 31 مارچ 2026 کو ختم ہونے والی پہلی سہ ماہی کے مختصر عبوری مالیاتی بیانات پیش کیے جا رہے ہیں۔

کاروباری سرگرمیوں کا جائزہ

مجموعی تحریری پرمیٹیم 9,514 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں یہ 8,760 ملین روپے تھا، جو کہ 754 ملین روپے (9%) کا اضافہ ظاہر کرتا ہے۔ نیٹ پرمیٹیم 2,267 ملین روپے رہا، جبکہ گزشتہ سال کی پہلی سہ ماہی میں یہ 2,171 ملین روپے تھا، جو کہ 96 ملین روپے (4%) کا اضافہ ظاہر کرتا ہے۔ اس مدت کے دوران نیٹ کمیشن (اخراجات) 190 ملین روپے رہا، جبکہ گزشتہ سال یہ 267 ملین روپے تھا، جو کہ 77 ملین روپے (-29%) کی کمی ظاہر کرتا ہے۔ نیٹ کلیمز اور حصولی اخراجات 1,743 ملین روپے رہے، جبکہ گزشتہ سال اسی سہ ماہی میں یہ 1,900 ملین روپے تھے، جو کہ 158 ملین روپے (-8%) کی کمی ظاہر کرتے ہیں۔

زیر جائزہ سہ ماہی کے دوران انتظامی اخراجات کے بعد انڈر رائٹنگ منافع 182 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں 171 ملین روپے کا نقصان ہوا تھا، جو کہ 353 ملین روپے (206%) کا اضافہ ظاہر کرتا ہے۔

سرمایہ کاری سے آمدنی، جس میں کرایہ جات اور دیگر مددات شامل ہیں، زیر جائزہ مدت میں 864 ملین روپے ریکارڈ کی گئی، جبکہ گزشتہ سال اسی مدت میں یہ 1,034 ملین روپے تھی، جو کہ 170 ملین روپے (-17%) کی کمی ظاہر کرتی ہے۔

زیر جائزہ سہ ماہی کے لیے ٹیکس سے قبل منافع 1,029 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں یہ 888 ملین روپے تھا، جو کہ 140 ملین روپے (16%) کا اضافہ ظاہر کرتا ہے۔

زیر جائزہ سہ ماہی کے لیے ٹیکس کے بعد منافع 580 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں یہ 544 ملین روپے تھا، جو کہ 36 ملین روپے (7%) کا اضافہ ظاہر کرتا ہے، جس کے نتیجے میں فی حصص آمدنی 0.64 روپے رہی، جبکہ گزشتہ سال اسی مدت میں یہ 0.60 روپے تھی۔

ونڈوری تکافل کاروباری سرگرمیوں کا جائزہ

شرکاء ری تکافل فنڈ

مجموعی تحریری کنٹریبیوشن 478 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں یہ 484 ملین روپے تھا، جو کہ 6 ملین روپے (-1%) کی کمی ظاہر کرتا ہے۔ نیٹ کنٹریبیوشن 466 ملین روپے رہا، جبکہ گزشتہ سال یہ 693 ملین روپے تھا، جو کہ 227 ملین روپے (-33%) کی کمی ظاہر کرتا ہے۔ اس مدت کے دوران وکالہ اخراجات 93 ملین روپے رہے، جبکہ گزشتہ سال یہ 139 ملین روپے تھے، جو کہ 46 ملین روپے (-33%) کی کمی ظاہر کرتے ہیں۔ نیٹ کلیم اخراجات 235 ملین روپے رہے، جبکہ گزشتہ سال اسی مدت میں یہ 253 ملین روپے تھے، جو کہ 18 ملین روپے (-7%) کی کمی ظاہر کرتے ہیں۔ اس مدت کے لیے سرپلس 58 ملین روپے رہا، جبکہ گزشتہ سال اسی سہ ماہی میں یہ 275 ملین روپے تھا، جو کہ 217 ملین روپے (-79%) کی کمی کو ظاہر کرتا ہے۔

آپریٹنگ ری تکافل فنڈ

اس مدت کے لیے وکالہ آمدنی 93 ملین روپے رہی، جبکہ گزشتہ سال یہ 139 ملین روپے تھی، جو کہ 46 ملین روپے (-33%) کی کمی ظاہر کرتی ہے۔ کمیشن اخراجات 98 ملین روپے رہے، جبکہ گزشتہ سال یہ 96 ملین روپے تھے، جو کہ 2 ملین روپے (2%) کا اضافہ

ظاہر کرتے ہیں۔ عمومی انتظامی و انتظامی اخراجات 4.2 ملین روپے رہے، جبکہ گزشتہ سال یہ 4.6 ملین روپے تھے، جو کہ 0.4 ملین روپے (-9%) کی کمی ظاہر کرتے ہیں۔

زیر جائزہ مدت کے لیے ٹیکس کے بعد نقصان 1.6 ملین روپے رہا، جبکہ گزشتہ سال اسی مدت میں 33 ملین روپے کا منافع تھا، جو کہ 35 ملین روپے (-105%) کی کمی کو ظاہر کرتا ہے۔

مستقبل کا لائحہ عمل (Future Outlook)

پاکستان کی معیشت حالیہ میکرو اکنامک دباؤ کے بعد محتاط استحکام کی طرف بڑھ رہی ہے، جہاں ترقی کو مینوفیکچرنگ اور سروسز کے شعبوں سے سہارا مل رہا ہے۔ انٹرنیشنل مانیٹری فنڈ کے مطابق جی ڈی پی کی شرح نمو تقریباً 3.6% رہنے کا امکان ہے، جو قریبی مدت میں 3-3.5% تک معتدل ہو سکتی ہے، جو محدود مگر مستحکم ترقی کی عکاسی کرتی ہے۔ مہنگائی میں گزشتہ بلند سطحوں کے مقابلے میں کمی آئی ہے، تاہم توانائی اور خوراک کی بلند قیمتوں کے باعث یہ اب بھی برقرار ہے، جس کے نتیجے میں اسٹیٹ بینک آف پاکستان نے گزشتہ مانیٹری پالیسی اسٹیٹمنٹ میں سخت (Hawkish) مالیاتی پالیسی اختیار کرتے ہوئے پالیسی ریٹ میں 100 بیسس پوائنٹس اضافہ کر کے اسے 11.5% تک بڑھا دیا۔


اگرچہ آئی ایم ایف کی معاونت سے زر مبادلہ کے ذخائر میں استحکام آیا ہے، تاہم بیرونی شعبے کی ساختی کمزوریاں، خصوصاً درآمدات پر زیادہ انحصار اور برآمدات میں تنوع کی کمی، بدستور خطرات پیدا کر رہی ہیں۔ اگرچہ پاکستانی روپے نے قلیل مدتی استحکام دکھایا ہے، لیکن یہ اب بھی بیرونی دباؤ اور قرضوں کی ادائیگیوں کے باعث غیر یقینی صورتحال کا شکار ہے۔ مزید برآں، مشرق وسطیٰ میں جاری کشیدگی بھی منفی خطرات میں اضافہ کر رہی ہے، کیونکہ عالمی تیل کی قیمتوں میں اتار چڑھاؤ توانائی کے درآمدی بل میں اضافہ، مہنگائی میں اضافہ، کرنٹ اکاؤنٹ خسارے میں وسعت اور معاشی استحکام کو متاثر کر سکتا ہے۔


مجموعی طور پر، اگرچہ معیشت میں استحکام کے آثار نظر آ رہے ہیں، تاہم یہ اب بھی مختلف خطرات سے دوچار ہے، اور اس کا مستقبل مستقل ساختی اصلاحات، مناسب بیرونی مالی معاونت، شرح مبادلہ کے استحکام اور عالمی معاشی حالات میں بہتری پر منحصر ہے۔

اظہارِ تشکر (Acknowledgment)

آپ کی کمپنی کے ڈائریکٹرز اس موقع پر کمپنی کے معزز کلائنٹس، سیڈنٹس، ریٹرو سیشنریز، کاروباری شراکت داروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کا پیشہ ورانہ معاونت اور رہنمائی فراہم کرنے پر شکریہ ادا کرتے ہیں۔

ہم اپنے سینئر ہولڈرز کے بھی شکر گزار ہیں، جو مسلسل کمپنی پر اپنا اعتماد برقرار رکھے ہوئے ہیں، اور ہم انہیں یقین دلاتے ہیں کہ مستقبل میں بھی اپنی بہترین کاوشیں جاری رکھیں گے۔ آخر میں، ڈائریکٹرز کمپنی کے چیف ایگزیکٹو آفیسر، افسران اور عملے کی محنت، وفاداری اور لگن کو بھی خراج تحسین پیش کرتے ہیں۔


چیف ایگزیکٹو آفیسر


چیرمین بورڈ

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Financial Position (Unaudited)
As at March 31, 2026

		March 31, 2026 Unaudited	December 31, 2025 Audited
	Note	Rupees	Rupees
ASSETS			
Property and equipment	7	984,049,837	1,003,329,632
Intangible Assets	8	15,235,548	15,295,201
Right of use asset	9	2,310,400,000	2,375,400,000
Assest relating to Bangladesh	10	-	-
Investment property	11	897,198,662	897,198,665
Investments			
Equity securities	12	7,306,520,217	10,022,646,256
Debt securities	13	17,533,943,867	16,813,072,488
		24,840,464,084	26,835,718,744
Loans and other receivables	14	1,116,781,372	1,022,015,515
Receivable from Sindh Revenue Board	15	2,573,888,727	2,573,888,727
Insurance / Reinsurance receivables	16	18,541,533,785	13,555,378,242
Reinsurance recoveries against outstanding claims	17	9,948,347,077	10,282,198,129
Deferred Commission Expense / Acquisition cost	18	1,029,984,161	1,031,300,986
Taxation - payments less provision		42,102,184	-
Prepayments	19	10,013,694,199	8,859,777,808
Cash & Bank	20	2,572,007,757	2,117,696,503
		74,885,687,392	70,569,198,152
Total Assets of Window Re-Takaful Operations		5,811,958,675	5,785,803,270
Total Assets		80,697,646,067	76,355,001,422
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		9,000,000,000	9,000,000,000
Reserves		3,585,809,184	5,491,642,748
Unappropriated profit		10,119,050,622	9,539,479,616
Total Equity		22,704,859,806	24,031,122,364
Revaluation surplus - net of tax		1,830,895,412	1,830,895,412
Liabilities			
Underwriting Provisions			
- Outstanding claims including IBNR	21	19,285,840,806	18,765,129,085
- Unearned premium reserves		14,082,929,606	12,361,671,413
- Unearned Reinsurance Commission		659,047,972	691,189,321
- Premium deficiency reserve		24,549,000	24,549,000
		34,052,367,384	31,842,538,819
Retirement benefit obligations		3,613,892,403	3,618,507,534
Taxation liabilities- provision less payments		-	17,491,358
Deferred taxation	22	3,913,006,542	3,913,006,542
Insurance / Reinsurance Payables	23	9,560,380,238	5,994,559,524
Lease liabilities		20,600,758	20,600,758
Other Creditors and Accruals	24	117,538,463	220,190,657
		17,225,418,404	13,784,356,373
Total Liabilities		51,277,785,788	45,626,895,192
		75,813,541,006	71,488,912,968
Total liabilities and fund of Window Re-Takaful Operations		4,884,105,061	4,866,088,454
Total Equity and Liabilities		80,697,646,067	76,355,001,422
Contingency(ies) and commitment(s)			

The annexed notes 1 to 41 form an integral part of this condensed interim financial information.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Profit and Loss Account (Unaudited)
For the period ended March 31, 2026

		March 31, 2026	March 31, 2025	
	Note	Unaudited	Unaudited	
Net insurance premium	26	2,267,006,952	2,171,002,089	
Net Insurance claims	27	(1,552,844,343)	(1,633,169,997)	68%
Net Commission and other acquisition costs	28	(189,694,717)	(267,292,064)	8%
Insurance claims and acquisition expenses		(1,742,539,060)	(1,900,462,061)	
Management Expenses	29	(341,978,202)	(441,619,218)	15%
Underwriting results		182,489,690	(171,079,190)	
Investment income	30	781,095,973	913,866,964	
Rental income - net	31	54,396,579	38,876,320	
Other income	32	28,277,513	81,804,406	
Other expenses	33	(5,092,940)	(29,815,836)	
Profit before tax from general operations		1,041,166,815	833,652,664	
Finance cost		(61,505)	(136,116)	
Profit from Window Retakaful Operations		(2,665,828)	54,644,497	
Profit before levies and income tax		1,038,439,482	888,161,045	
Levies		(9,900,000)	-	
Profit before income tax		1,028,539,482	888,161,045	
Income tax expense	34	(448,968,476)	(344,238,832)	-44%
Profit after tax		579,571,006	543,922,213	
Earnings (after tax) per share - Rupees	38	0.64	0.60	

The annexed notes 1 to 41 form an integral part of this condensed interim financial information.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Total Comprehensive Income (Unaudited)
For the period ended March 31, 2026

	March 31, 2026 Unaudited	March 31, 2025 Unaudited
	----- Rupees -----	
Profit for the Period	579,571,006	543,922,213
Other comprehensive income / (loss)		
Items that may not be reclassified subsequently to profit and loss account		
Unrealized gain on available for sale investments - net	(1,915,598,516)	(305,349,116)
Other Comprehensive Income Window Retakaful Operations	9,764,952	2,669,564
Total other comprehensive income / (loss) for the period	(1,905,833,564)	(302,679,552)
Total comprehensive income / (loss) for the period	<u>(1,326,262,558)</u>	<u>241,242,661</u>

The annexed notes 1 to 41 form an integral part of this condensed interim financial information.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Changes in Equity (Unaudited)
For the period ended March 31, 2026

	Share capital		Reserves			Total reserves	Total equity	
	Issued subscribed and paid-up	Capital		Other	Revenue reserves			
		Reserve for exceptional losses	Unrealized gain on available for sale	Revaluation surplus	General reserve			Retained earnings
	----- Rupees -----							
Balance as at January 01, 2025	9,000,000,000	281,000,000	2,708,215,564	1,695,820,477	1,135,296,316	8,077,645,381	13,897,977,738	
Total Comprehensive income for the period ended March 31, 2025	-	-	-	-	-	543,922,212	543,922,212	
Unrealized loss on available for sale investments - net of tax			(305,349,116)				(305,349,116)	
Window Retakaful Operations- net of tax			2,669,564				2,669,564	
	-	-	(302,679,552)	-	-	543,922,212	241,242,660	
Balance as at March 31, 2025	9,000,000,000	281,000,000	2,405,536,012	1,695,820,477	1,135,296,316	8,621,567,593	14,139,220,398	
Balance as at January 01, 2026	9,000,000,000	281,000,000	4,075,346,432	1,830,895,412	1,135,296,316	9,539,479,616	16,862,017,776	
Total Comprehensive income for the period ended March 31, 2026	-	-	-	-	-	579,571,006	579,571,006	
Unrealized loss on available for sale investments - net of tax			(1,915,598,516)				(1,915,598,516)	
Window Retakaful Operations- net of tax			9,764,952				9,764,952	
	-	-	(1,905,833,564)	-	-	579,571,006	(1,326,262,558)	
Balance as at March 31, 2026	9,000,000,000	281,000,000	2,169,512,868	1,830,895,412	1,135,296,316	10,119,050,622	15,535,755,218	

The annexed notes 1 to 41 form an integral part of these financial statements.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Cash Flows (Unaudited)
For the period ended March 31, 2026

	March 31, 2026 Unaudited (Rupees)	March 31, 2025 Unaudited (Rupees)
Operating Cash Flows:		
Underwriting activities:-		
Premium received	4,528,181,526	8,655,604,327
Reinsurance premium paid	(3,118,261,026)	(3,026,671,121)
Claims paid	(703,641,216)	(6,066,231,316)
Reinsurance and other recoveries received	5,359,646	4,629,716,140
Commission paid	(603,492,722)	(506,291,842)
Commission received	382,973,481	787,361,287
retrocessionaires/withheld by ceding companies	-	-
Other underwriting payments (management expenses)	(342,039,707)	(441,755,334)
Net cash flows generated from underwriting activities	149,079,982	4,031,732,141
Other Operating Activities		
Income tax paid	(519,501,691)	(870,448,529)
General management expenses paid	(5,092,940)	(29,815,836)
Other operating (payments) / receipts	(23,962,647)	119,270,009
Advances to employees	4,859,239	(905,688)
Net cash used in other operating activities	(543,698,039)	(781,900,044)
Total cash flow generated from all operating activities	(394,618,057)	3,249,832,097
Investment activities		
Fixed Capital expenditure	(660,549)	(30,231,541)
Sale proceeds of Fixed Assets	-	-
Acquisition of investments	(3,493,862,018)	(3,019,334,040)
Rental income received - net of expenses	148,126,833	6,716,369
Dividend income received	72,634,086	69,208,274
Interest income on bank deposits	40,870,876	103,536,710
Investment income received - net of expenses	613,412,702	635,553,087
Proceeds on sale/ maturity of investments	3,469,631,382	2,677,984,158
Total cash used in investing activities	850,153,311	443,433,017
Financing activities		
Dividend paid	(1,224,000)	-
Payments of finance leases	-	-
Total cash generated used in financing activities	(1,224,000)	-
Net cash generated from all activities	454,311,254	3,693,265,114
Cash at beginning of the period	2,117,696,503	3,235,526,667
Cash at end of the period	2,572,007,757	6,928,791,781

The annexed notes 1 to 41 form an integral part of these financial statements.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

	March 31, 2026 Unaudited (Rupees)	March 31, 2025 Unaudited (Rupees)
Reconciliation to profit and loss account		
Operating cash flows	(394,618,057)	3,249,832,097
Depreciation expense		
-Fixed assets	(84,940,347)	(65,944,457)
Amortization expense	(59,653)	(55,543)
Exchange gain	(4,093,425)	11,873,017
Rental income	54,396,579	38,876,320
Reinsurance recoveries against outstanding claims	(333,851,052)	(3,964,083,470)
Provision for outstanding claims	(520,711,721)	3,767,428,649
Provision for unearned premium	(1,721,258,193)	(1,817,648,676)
Prepaid reinsurance	1,153,916,391	1,756,137,167
Premium deficiency reserve	-	-
Provision for employee benefits	4,615,131	(83,429,141)
Dividend income	304,205,468	131,299,317
Investment income	(109,142,803)	4,377,405
Interest income	528,747,895	571,052,640
Amortization of premium	38,767,833	45,347,552
Gain on sale of investment	50,888,518	161,790,050
Increase/ (Decrease) in operating assets other than cash	4,984,215,627	54,112,572
(Increase)/Decrease in operating liabilities	(3,429,474,572)	(3,897,897,480)
	521,603,619	(36,931,981)
<u>Other adjustments:</u>		
Income tax paid	519,501,691	870,448,529
	519,501,691	870,448,529
Profit/ (Loss) before levies and income tax	1,041,105,310	833,516,548
Provision for levies and income tax	(458,868,476)	(344,238,832)
Profit/(Loss) after income tax	582,236,834	489,277,716
Profit from Window Retakaful Operations - Operator's Fund	(2,665,828)	54,644,497
Profit after income tax for the period	579,571,006	543,922,213

Definition of cash

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

Cash for the purpose of the statement of cash flow consist of:

Cash and cash equivalents:

Cash and other equivalent	756,385	866,385
Current and other accounts	2,571,251,372	6,927,925,395
	<i>Rupees</i> 2,572,007,757	6,928,791,780

The annexed notes 1 to 41 form an integral part of these financial statements.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

1 STATUS AND NATURE OF BUSINESS

Pakistan Reinsurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on March 30, 2000 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is engaged in providing reinsurance and other insurance business. The shares of the Company are quoted on Pakistan Stock Exchange Limited.

With effect from February 15, 2001, the Company took over all the assets and liabilities of former Pakistan Insurance Corporation (PIC) vide SRO No.98(1)/2000 dated February 14, 2001 of the Ministry of Commerce issued in terms of Pakistan Insurance Corporation (Re-organization) Ordinance, 2000 to provide for conversion of Pakistan Insurance Corporation into Pakistan Reinsurance Company Limited which was established in 1952 as Pakistan Insurance Corporation (PIC) under PIC Act 1952. Accordingly, PIC has been dissolved and ceased to exist and the operations and undertakings of PIC are being carried out by the Company.

The Company was granted authorisation on September 26, 2018 under Rule 6 of the Takaful Rules, 2012 to undertake Window Retakaful Operations in respect of general retakaful products by the Securities and Exchange Commission of Pakistan (SECP).

The Company is under administrative control of Ministry of Commerce (Government of Pakistan). The Ministry of Commerce holds 51% shares of the Company. The Cabinet Committee on Privatisation (CCoP) on August 21, 2020 approved divestment of 20% of government stakes in the Company through public offerings.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at PRC Towers, 32-A, Lalazar Drive, Maulvi Tamizuddin Khan Road, Karachi.

3 BASIS OF PREPARATION

3.1 Basis of measurement

These condensed interim financial statements have been prepared under the historical convention, except that 'held to maturity' investments are stated at amortised cost and investment 'at fair value through profit or loss - held for trading' are stated at fair value and investment at available for sale are stated at market value.

These condensed interim financial statements have been prepared following accrual basis of accounting except for condensed interim cash flow information.

3.2 Functional and presentation currency

These condensed interim financial statements have been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

3.3 Statement of compliance

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

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2025 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

These condensed interim financial statements of the Company for the Three months period ended December 31, 2025 have been prepared in accordance with the requirements of the International Accounting Standard 34 – (IAS 34) Interim Financial Reporting, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the insurance Accounting Regulation, 2017 . In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2017 have been followed.

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

The comparative statement of financial position presented in this condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended December 31, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the year ended December 31, 2025.

Total assets, total liabilities and profit of the Window Retakaful Operations of the Company referred to as the Operator's retakaful fund have been presented in these financial statement in accordance with the requirements of Circular 25 of 2015 dated July 09, 2015. A separate set of financial statements of the Window Retakaful Operations has been reported which is annexed to these financial statements as per the requirements of the SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and method of computation adopted by the Company in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the preceding annual audited financial statements of the Company as at and for the year ended December 31, 2025.

Amendments to certain existing standards and new standards and interpretations on approved accounting standards became effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4.1 STANDARDS, AMENDMENTS AND INTERPRETATIONS TO APPROVED ACCOUNTING STANDARDS

There are certain adoptions, amendments and interpretations with respect to the approved accounting standards that are not yet effective and are not expected to have any material impact on the Company's condensed interim financial statements in the period of initial application.

4.2 Standards, amendments and interpretations to the published standards that are relevant but not yet effective and not early adopted by the Company

The following amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 1, 2027

5 USE OF ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements are in conformity with the requirements of approved accounting standards as applicable in Pakistan and requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate 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 on-going 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.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the financial statements of the Company for the year ended December 31, 2025.

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2025.

		(Unaudited) March 31, 2026	(Audited) December 31, 2025
	Note	----- Rupees -----	
7 PROPERTY AND EQUIPMENT			
Operating Fixed Assets	7.1	923,207,645	942,487,440
Capital work in progress PRC Tower	7.2	60,842,192	60,842,192
		<u>984,049,837</u>	<u>1,003,329,632</u>
7.1 PROPERTY AND EQUIPMENT			
Operating fixed assets - WDV			
Opening balance		942,487,440	827,634,889
Addition during the period:		660,550	149,753,857
-Disposal		-	(13,268,181)
Revaluation Surplus		-	51,030,697
-Depreciation charge for the period/year		(19,940,345)	(72,663,822)
Closing balance		<u>923,207,645</u>	<u>942,487,440</u>
7.2 Capital Work-In-Progress			
Civil works		55,840,915	55,840,915
Advances to contractors / suppliers		5,001,277	5,001,277
		<u>60,842,192</u>	<u>60,842,192</u>
7.2.1 The movement in capital work in progress :			
Balance at beginning of the year		55,840,915	88,641,424
Additions durring the year		-	91,471,323
Less : Transferred to operating fixed assets		-	(124,271,832)
Closing balance		<u>55,840,915</u>	<u>55,840,915</u>
8 INTANGIBLE ASSETS			
Computer Software	8.1	894,786	954,439
Capital work in progress- Computer Softwarc	8.2	14,340,762	14,340,762
		<u>15,235,548</u>	<u>15,295,201</u>
8.1 INTANGIBLE ASSETS-COMPUTER SOFTWARE			
Opening Balance		954,439	1,279,976
Additions durring the year		-	-
Ammortization		(59,653)	(325,537)
Closing balance		<u>894,786</u>	<u>954,439</u>
8.2 The movement in capital work in progress Computer Software is as follows:			
Balance at beginning of the year		14,340,762	18,481,131
Additions durring the year		-	3,000,000
Transfer to operating fixed assest		-	(7,140,369)
Closing balance		<u>14,340,762</u>	<u>14,340,762</u>
8.3			
This relates to implementation of ERP (Enterprise resources planning) and development of customized system solution which includes Reinsurance, Administration, Human Resource, Audit, Accounting and Finance, Investment, Corporate Affairs and Retakaful modules			

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

9 RIGHT OF USE ASSETS

Assets - Leasehold land

Net carrying value basis		
Opening net book value	2,375,400,000	2,177,450,000
Modification made during the year	-	(1,800,032)
Revaluation gain during the year	-	455,708,852
Depreciation	(65,000,000)	(255,958,820)
Closing net book value	<u>2,310,400,000</u>	<u>2,375,400,000</u>

- 9.1** The Company has entered into lease arrangement with Karachi Port Trust (KPT) for lease of land. The remaining lease term (useful life) of the right of use asset is 7 years.

10 ASSETS RELATING TO BANGLADESH

Total assets		15,974,000	15,974,000
Total liabilities	9.1	<u>(5,761,000)</u>	<u>(5,761,000)</u>
		10,213,000	10,213,000
Provision for loss on assets in Bangladesh		<u>(10,213,000)</u>	<u>(10,213,000)</u>
		<u>-</u>	<u>-</u>

- 10.1** These include claims related to Bangladesh amounting to Rs.4,952,000 (December 31, 2025 : Rs.4,952,000).

11 INVESTMENT PROPERTIES

Opening balance	897,198,665	864,476,353
Revaluation Surplus	-	32,722,312
	<u>897,198,665</u>	<u>897,198,665</u>

12 INVESTMENT IN EQUITY SECURITIES

	March 31, 2026				December 31, 2025			
	Cost	Impairment / Provision	Unrealized Gain / Loss	Carrying Value	Cost	Impairment / Provision	Unrealized Gain / Loss	Carrying Value
	Rupees				Rupees			
Available for sale								
-Listed shares	533,723,436	-	3,636,247,739	4,169,971,175	533,708,127	-	4,947,553,732	5,481,261,859
-Unlisted Shares	2,608,106	(1,990,491)	-	617,615	2,608,106	(1,990,491)	-	617,615
-Mutual Funds	1,510,072,328	-	1,119,381,037	2,629,453,365	2,209,183,810	-	1,721,218,121	3,930,401,931
Sub Total	2,046,403,870	(1,990,491)	4,755,628,776	6,800,042,155	2,745,500,043	(1,990,491)	6,668,771,853	9,412,281,405
Held For Trading								
-Listed Share	610,364,840	-	(103,886,778)	506,478,062	205,015,043	-	405,349,814	610,364,857
Sub Total	610,364,840		(103,886,778)	506,478,062	205,015,043		405,349,814	610,364,857
Grand Total	2,656,768,710	(1,990,491)	4,651,741,998	7,306,520,217	2,950,515,086	(1,990,491)	7,074,121,667	10,022,646,262

13 Investments in Debt Securities - Held To Maturity

	March 31, 2026		December 31, 2025		
	Amortized cost	Market value	Amortized cost	Market value	
	Rupees		Rupees		
1	Pakistan Investment Bonds - Fixed	10,888,701,820	10,888,701,820	10,849,933,987	10,849,933,987
2	Pakistan Investment Bonds - Floater	-	-	-	-
3	Treasury Bills	6,598,626,350	6,598,626,350	5,914,219,650	5,914,219,650
	Total Debt Securities	17,487,328,170	17,487,328,170	16,764,153,637	16,764,153,637

Investments in Debt Securities - Available for Sale

	March 31, 2026		December 31, 2025		
	Amortized cost	Market value	Amortized cost	Market value	
	Rupees		Rupees		
1	Pakistan Investment Bonds (AFS)	43,876,950	46,615,697	43,876,950	48,918,851
2	Treasury Bills (AFS)	-	-	-	-
	Total	17,531,205,120	17,533,943,867	16,808,030,587	16,813,072,488

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

	(Unaudited) March 31, 2026	(Audited) December 31, 2025
Note	----- Rupees -----	
14 LOANS AND OTHER RECEIVABLES - Considered good		
Loans to employees	58,052,103	62,911,342
Advances to employees	11,582,721	5,760,842
Accrued investment income	594,031,495	395,095,532
Sundry receivables - Net	31,060,726	26,475,920
Receivable from Window Re-takaful Operation	119,089,396	119,089,396
Receivable from tenants	269,750,242	363,480,495
Other receivables	33,214,690	49,201,989
	<u>1,116,781,372</u>	<u>1,022,015,516</u>
15 RECEIVABLE FROM SINDH REVENUE BOARD		
Receivable from Sindh Revenue Board	<u>2,573,888,727</u>	<u>2,573,888,727</u>
The aggregate of Rs.2,573.889 million (December 31, 2025: Rs.2,573.889 million) paid has been recorded as "receivable from SRB" in the financial statements. Moreover, the Company has not recorded provision against the orders passed by SRB in pursuance of Appellate Order dated February 01, 2016 in Appeal No. AT-02/2013 and order dated February 03, 2016 in Appeal No. AT-109/2015.		
16 INSURANCE / REINSURANCE RECEIVABLES		
Amount due from other reinsurers	1,013,691,022	2,108,018,523
Amount due from other insurers	18,229,291,396	12,148,808,352
16.1 Less: Provision for impairment in due from other insurers/reinsurers	19,242,982,418	14,256,826,875
16.2	<u>(701,448,633)</u>	<u>(701,448,633)</u>
	<u>18,541,533,785</u>	<u>13,555,378,242</u>
Premium and claim reserves retained by cedants	24,831,633	24,831,633
Less: Provision for impairment in premium and claim	<u>(24,831,633)</u>	<u>(24,831,633)</u>
	<u>-</u>	<u>-</u>
	<u>18,541,533,785</u>	<u>13,555,378,242</u>
16.1 This includes an amount of Rs. 9,174,929,673 (December 31, 2025: Rs. 4,224,152,028) due from related party National Insurance Company Limited. The age analysis of amount due from related party is as follows:		
Up to 3 months	5,949,398,958	1,985,517,766
Over 3 months and above	3,225,530,715	2,238,634,262
	<u>9,174,929,673</u>	<u>4,224,152,028</u>
16.2 Movement of provision for impairment		
Balance at the beginning of the period/year	701,448,633	609,541,746
Provisions made during the period/year	-	91,906,887
Balance at the end of the period/year	<u>701,448,633</u>	<u>701,448,633</u>
17 REINSURANCE RECOVERIES AGAINST OUTSTANDING CLAIMS		
Facultative business	9,489,814,103	9,774,047,861
Treaty	458,532,974	508,150,268
	<u>9,948,347,077</u>	<u>10,282,198,129</u>
17.1 Facultative business		
Fire	734,998,748	957,788,748
Marine cargo	8,098,000	8,098,000
Marine hull	196,576,869	195,846,738
Accident	569,439,000	569,439,000
Aviation	2,273,554,829	2,273,554,829
Engineering	5,707,146,657	5,769,320,546
	<u>9,489,814,103</u>	<u>9,774,047,861</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

	(Unaudited) March 31, 2026	(Audited) December 31, 2025
Note	-----	Rupees -----
18 DEFERRED COMMISSION EXPENSE		
Facultative business	18.1 434,542,143	423,505,281
Treaty	595,442,018	607,795,705
	<u>1,029,984,161</u>	<u>1,031,300,986</u>
18.1 Facultative business		
Fire	139,248,594	120,120,449
Marine cargo	936,342	1,050,829
Marine hull	370,188	3,783,868
Accidents and others	36,520,634	30,413,803
Aviation	83,624,910	30,127,697
Engineering	173,841,475	238,008,635
	<u>434,542,143</u>	<u>423,505,281</u>
19 PREPAYMENTS		
Prepaid reinsurance ceded - facultative business	19.1 9,387,588,741	7,803,865,560
Prepaid reinsurance ceded - treaty business	626,105,458	1,055,912,248
	<u>10,013,694,199</u>	<u>8,859,777,808</u>
19.1 Prepayment reinsurance ceded - facultative business		
Fire	2,327,361,353	814,310,363
Marine Cargo	-	-
Marine hull	-	56,222,180
Accidents and others	438,973,723	411,345,462
Aviation	3,322,600,578	1,257,047,420
Engineering	3,298,653,087	5,264,940,135
	<u>9,387,588,741</u>	<u>7,803,865,560</u>
20 CASH AND BANK		
Cash in hand	756,385	755,000
Policy & Revenue stamps, Bond papers	-	1,385
	756,385	756,385
Saving accounts		
- Local currency	753,647,525	87,533,821
- Foreign currency	1,464,730,447	1,186,653,812
	2,218,377,972	1,274,187,633
Current accounts		
- Local currency	268,178,791	757,800,140
Dividend accounts		
- Saving accounts	59,261,154.42	58,294,891
- Current accounts	25,433,454.45	26,657,454
	<u>84,694,608.87</u>	<u>84,952,345</u>
	<u>2,572,007,757</u>	<u>2,117,696,503</u>
21 OUTSTANDING CLAIMS INCLUDING IBNR		
Facultative business	21.1 14,972,672,777	14,964,627,264
Treaty	4,318,120,029	3,805,453,821
	<u>19,290,792,806</u>	<u>18,770,081,085</u>
Claims related to Bangladesh, adjusted in Note 9	(4,952,000)	(4,952,000)
	<u>19,285,840,806</u>	<u>18,765,129,085</u>
21.1 Facultative business		
Fire	3,212,319,025	3,194,979,411
Marine cargo	131,141,749	131,044,584
Marine hull	252,929,621	252,482,648
Accident and others	1,053,788,908	1,027,126,676
Aviation	2,497,311,577	2,497,353,261
Engineering	7,825,181,897	7,861,640,684
	<u>14,972,672,777</u>	<u>14,964,627,264</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

	(Unaudited) March 31, 2026	(Audited) December 31, 2025
	----- Rupees -----	
22 DEFERRED TAXATION		
Deferred tax liabilities on taxable temporary differences:		
Accelerated tax depreciation		
Property and equipment	19,552,179	19,552,179
Investment Property	339,963,778	339,963,778
Right-of-use assets	4,439,752	4,439,752
Revaluation surplus on property and equipment	248,606,229	248,606,229
Revaluation surplus on Right of use asset	921,966,248	921,966,248
Unrealized gain on investments	2,602,787,366	2,602,787,366
Notional interest on interest free loans	3,577,903	3,577,903
Held for trading investment	97,644,986	97,644,986
	<u>4,238,538,441</u>	<u>4,238,538,441</u>
Deferred tax assets on deductible temporary differences:		
Provision for doubtful debts	(33,472,008)	(33,472,008)
Provision for impairment of insurers / reinsurers receivable	(273,564,967)	(273,564,967)
Provision for impairment of receivables from other insurers / reinsurers	(9,684,337)	(9,684,337)
Lease liabilities	(8,034,296)	(8,034,296)
Provision for impairment in available for sale investments	(776,291)	(776,291)
	<u>(325,531,899)</u>	<u>(325,531,899)</u>
	<u>3,913,006,542</u>	<u>3,913,006,542</u>
23 INSURANCE / REINSURANCE PAYABLES		
Due to other insurers	550,483,428	768,703,612
Due to other reinsurers	9,009,896,810	5,225,855,912
	<u>9,560,380,238</u>	<u>5,994,559,524</u>
24 OTHERS CREDITORS AND ACCRUALS		
Other creditors and accruals	4,889,536	11,694,287
Tax payable	3,382,174	4,090,707
Security deposits	46,156,114	45,625,389
Accrued expenses	8,984,110	43,769,904
Payable to Window Re-Takaful Operations	-	59,659,841
Unclaimed Dividend	52,913,926	54,137,926
Surplus profit payable	1,212,602	1,212,602
	<u>117,538,463</u>	<u>220,190,656</u>
25 CONTINGENCIES AND COMMITMENTS		
25.1 Contingencies		
The Company is contingently liable for:		
Sindh Sales Tax	30,055,226,930	30,055,226,930
Federal Excise Duty	4,073,379,063	4,073,379,063
Income Tax	12,289,886,208	12,289,886,208
Insurance payables	61,568,840	61,568,840
	<u>46,480,061,041</u>	<u>46,480,061,041</u>
25.2 Commitments		
Commitments in respect of:		
- Short term lease rentals (0 to 1 year)	3,563,685	3,563,685
- Capital expenditure (intangible assets)	25,422,503	25,422,503
	<u>28,986,188</u>	<u>28,986,188</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

	March 31, 2026 Unaudited	March 31, 2025 Unaudited
----- Rupees -----		
26 NET INSURANCE PREMIUM		
Written gross premium	9,514,337,069	8,760,530,228
Add: Unearned premium reserve opening	12,361,671,413	10,621,849,438
Less: Unearned premium reserve closing	(14,082,929,606)	(12,439,498,114)
Premium earned	7,793,078,876	6,942,881,552
Less: Reinsurance premium ceded	6,679,988,315	6,528,016,630
Add: Prepaid reinsurance premium opening	8,859,777,808	6,953,612,983
Less: Prepaid reinsurance premium closing	(10,013,694,199)	(8,709,750,150)
Reinsurance expense	(5,526,071,924)	(4,771,879,463)
	2,267,006,952	2,171,002,089
27 NET INSURANCE CLAIMS		
Claims paid	703,641,216	6,066,231,316
Add: Outstanding claims including IBNR closing	19,290,792,806	20,571,172,426
Less: Outstanding claims including IBNR opening	(18,770,081,085)	(24,338,601,075)
Claims expense	1,224,352,937	2,298,802,667
Less: Reinsurance and other recoveries received	5,359,646	4,629,716,140
Add: Reinsurance and other recoveries in respect of outstanding claims closing	9,948,347,077	11,803,043,390
Less: Reinsurance and other recoveries in respect of outstanding claims opening	(10,282,198,129)	(15,767,126,860)
Reinsurance and other recoveries revenue	328,491,406	(665,632,670)
	1,552,844,343	1,633,169,997
28 NET COMMISSION AND OTHER ACQUISITION COSTS		
Commission paid or payable	603,492,722	506,291,842
Add: Deferred commission expense opening	1,031,300,986	1,047,205,897
Less: Deferred commission expense closing	(1,029,984,161)	(951,116,251)
Net commission	604,809,547	602,381,488
Less: Commission received or recoverable	382,973,481	787,361,287
Add: Unearned reinsurance commission opening	691,189,321	505,496,153
Less: Unearned reinsurance commission closing	(659,047,972)	(957,768,016)
Commission from reinsurers	(415,114,830)	(335,089,424)
	189,694,717	267,292,064
29 Management Expenses		
Salaries, Wages and Benefits	130,402,793	187,713,838
Employees Benefits	100,000,000	150,000,000
Travelling & Conveyance	5,902,341	7,408,858
Entertainment Expenses	797,841	1,053,538
Communication	868,517	827,922
Insurance	3,110,761	25,000
Utilities	3,048,787	3,546,034
Printing and Stationery	931,369	892,901
Repairs and Renewal	1,108,744	1,493,262
Medical Expenses	1,333,255	3,253,840
Rent, Rates and Taxes	1,833,356	4,405,212
Computer related Expenses	3,056,620	3,469,579
Consultancy and professional charges	1,757,430	3,638,450
Newspaper & Periodicals	1,760	22,155
Ammortization	59,653	55,543
Depreciation	84,940,347	65,944,457
Directors' Meeting Expenses	5,173,033	4,901,507
Advertisement and Business Promotion	596,986	722,878
Training and Research	6,200	739,193
Security services expense	3,861,908	5,900,136
Janitorial Expense	981,556	3,312,487
Repairs and Maintenance	603,223	2,549,941
Shares Transaction Costs	-	19,332
Legal Fee	314,500	140,000
Others	947,397	611,135
	351,638,377	452,647,198
Exp. allocated to Rental Income	(4,404,150)	(6,230,363)
Exp. allocated to Investment Income	(5,256,025)	(4,797,617)
	341,978,202	441,619,218

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

	March 31, 2026 Unaudited	March 31, 2025 Unaudited
----- Rupees -----		
30 INVESTMENT INCOME		
Income from equity securities		
Available for sale		
Dividend income	281,733,658	120,177,689
Held for trading		
Dividend income	22,471,810	11,121,628
	<u>304,205,468</u>	<u>131,299,317</u>
Income from debt securities		
Return on debt securities		
Held to maturity		
Pakistan Investment Bonds	329,874,189	333,879,663
Pakistan Investment Bonds - Floating	-	5,374,601
Treasury Bills	165,094,800	230,409,050
Profit / (loss) on Term Finance Certificates	-	-
Premium / (amortization) of discount on PIBs	38,767,833	45,347,552
	<u>533,736,822</u>	<u>615,010,866</u>
Available for sale		
Pakistan Investment Bonds	1,407,968	1,389,326
Treasury Bills	-	-
Net realized gains on investments		
Available for sale financial assets		
Realized gain on Equity securities	50,888,518	161,790,050
Held for trading financial assets		
Realized gain on Equity securities	-	-
Net unrealized losses on investments		
Net unrealized losses / (gain) on held for trading investment	(103,886,778)	9,175,022
Total investment income	<u>786,351,998</u>	<u>918,664,581</u>
Add: Impairment in value of available for sale investment	-	-
Less: Investment related expenses	(5,256,025)	(4,797,617)
Net Investment income	<u>781,095,973</u>	<u>913,866,964</u>
31 RENTAL INCOME		
Rental income	58,800,729	45,106,683
Less:		
Expenses related rental income	(4,404,150)	(6,230,363)
	<u>54,396,579</u>	<u>38,876,320</u>
32 OTHER INCOME		
Return on bank deposits	32,370,938	69,931,389
Exchange gain/(loss)	(4,093,425)	11,873,017
Liabilities written back	-	-
Miscellaneous Income	-	-
	<u>28,277,513</u>	<u>81,804,406</u>
33 OTHER EXPENSES		
Fee and subscription	4,940,429	27,175,424
Subscription and membership fee	152,511	2,640,412
	<u>5,092,940</u>	<u>29,815,836</u>
34 LEVIES AND INCOME TAX		
Levies - final tax	9,900,000	-
Income Tax	448,968,476	344,238,832
	<u>458,868,476</u>	<u>344,238,832</u>
34.1 INCOME TAX		
For the year		
Current	450,008,149	322,927,478
Current - Window Retakaful Operations	(1,039,673)	21,311,354
	<u>448,968,476</u>	<u>344,238,832</u>

34.1

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

35 FAIR VALUE HIERARCHY

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement.

Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - 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 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Total	Level 1	Level 2	Level 3
	----- Rupees -----			
March 31, 2026 (Un-audited)				
Financial assets measured at fair value				
Held-for-trading investment				
Ordinary shares - listed	506,478,062	506,478,062	-	-
Available-for-sale investment				
Ordinary shares - listed	4,169,971,175	4,169,971,175	-	-
Mutual fund units	2,629,453,365	2,629,453,365	-	-
Ordinary shares - unlisted	617,615	-	-	617,615
	<u>7,306,520,217</u>	<u>7,305,902,602</u>	<u>-</u>	<u>617,615</u>
December 31, 2025 (Audited)				
Financial assets measured at fair value				
Held-for-trading investment				
Ordinary shares - listed	610,364,857	610,364,857	-	-
Available-for-sale investment				
Ordinary shares - listed	5,481,261,859	5,481,261,859	-	-
Mutual fund units	3,930,401,931	3,930,401,931	-	-
Ordinary shares - unlisted	617,615	-	-	617,613
	<u>10,022,646,262</u>	<u>10,022,028,647</u>	<u>-</u>	<u>617,613</u>

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

36 SEGMENT INFORMATION

March 31, 2026	Fire	Marine cargo	Marine hull	Accident	Aviation	Engineering	Treaty	Total
	Rupees							
Gross written premium	2,803,890,937	10,443,621	4,199,552	400,222,143	3,345,369,766	996,552,707	1,953,658,343	9,514,337,069
Unearned-Opening	1,639,040,869	14,477,755	64,408,256	496,605,239	1,348,729,960	5,774,870,215	3,023,539,119	12,361,671,413
Unearned-Closing	3,081,524,846	10,395,442	4,238,609	535,987,212	3,521,092,619	3,739,021,472	3,190,669,406	14,082,929,606
Premium earned	1,361,406,960	14,525,934	64,369,199	360,840,170	1,173,007,107	3,032,401,450	1,786,528,056	7,793,078,876
Reinsurance-Ceded	2,392,441,087	-	-	314,012,184	3,168,372,210	805,162,834	-	6,679,988,315
Prepaid reinsurance-Opening	814,310,363	-	56,222,180	411,345,462	1,257,047,420	5,264,940,135	1,055,912,248	8,859,777,808
Prepaid reinsurance-Closing	2,327,361,353	-	-	438,973,723	3,322,600,578	3,298,653,087	626,105,458	10,013,694,199
Reinsurance expenses	879,390,097	-	56,222,180	286,383,923	1,102,819,052	2,771,449,882	429,806,790	5,526,071,924
Net insurance premium	482,016,863	14,525,934	8,147,019	74,456,247	70,188,055	260,951,568	1,356,721,266	2,267,006,952
Commission income	50,382,150	-	5,491,286	24,422,379	52,635,441	275,374,292	6,809,282	415,114,830
Net underwriting income (A)	532,399,013	14,525,934	13,638,305	98,878,626	122,823,496	536,325,860	1,363,530,548	2,682,121,782
Insurance claims paid	30,437,145	3,837	(460,587)	45,161	-	180,196,953	493,418,707	703,641,216
Outstanding-Opening	3,194,979,411	131,044,584	252,482,648	1,027,126,676	2,497,353,261	7,861,640,684	3,805,453,821	18,770,081,085
Outstanding-Closing	3,212,319,025	131,141,749	252,929,621	1,053,788,908	2,497,311,577	7,825,181,897	4,318,120,029	19,290,792,806
Insurance claims expenses	47,776,759	101,002	(13,614)	26,707,393	(41,684)	143,738,166	1,006,084,915	1,224,352,937
Reinsurance recoveries received	-	-	5,359,646	-	-	-	-	5,359,646
Recovery-Opening	957,788,748	8,098,000	195,846,738	569,439,000	2,273,554,829	5,769,320,546	508,150,268	10,282,198,129
Recovery-Closing	734,998,748	8,098,000	196,576,869	569,439,000	2,273,554,829	5,707,146,657	458,532,974	9,948,347,077
Insurance claims recovered from reinsurers	(222,790,000)	-	6,089,777	-	-	(62,173,889)	(49,617,294)	(328,491,406)
Net claims	270,566,759	101,002	(6,103,391)	26,707,393	(41,684)	205,912,055	1,055,702,209	1,552,844,343
Commission expense	74,671,175	1,104,265	3,833,635	21,975,035	26,775,726	137,752,359	338,697,352	604,809,547
Management expense	72,712,287	2,191,238	1,228,979	11,231,732	10,587,874	39,364,567	204,661,525	341,978,202
Premium deficiency expense	-	-	-	-	-	-	-	-
Net insurance claims and expenses (B)	417,950,221	3,396,505	(1,040,777)	59,914,160	37,321,916	383,028,981	1,599,061,086	2,499,632,092
Provisional for Doubtful Debts	-	-	-	-	-	-	-	-
Underwriting results (C=A-B)	114,448,792	11,129,429	14,679,082	38,964,466	85,501,580	153,296,879	(235,530,538)	182,489,690
Net investment income	-	-	-	-	-	-	-	781,095,973
Rental income	-	-	-	-	-	-	-	54,396,579
Other income	-	-	-	-	-	-	-	28,277,513
Finance Cost	-	-	-	-	-	-	-	(61,505)
Fair value gain on investment property	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	(5,092,940)
Profit from Window Re-takaful Operations	-	-	-	-	-	-	-	(2,665,828)
Profit before tax								1,038,439,482
Segment assets	3,201,608,695	9,034,342	196,947,057	1,044,933,357	5,679,780,317	9,179,641,219	1,680,080,450	20,992,025,437
Unallocated assets	-	-	-	-	-	-	-	53,893,661,955
								74,885,687,392
Segment liabilities	6,422,246,682	141,537,191	257,168,230	1,628,528,448	6,184,578,893	11,880,165,996	7,513,592,944	34,027,818,384
Unallocated liabilities	-	-	-	-	-	-	-	17,225,418,404
								51,253,236,788

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

37 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of holding Company, associated companies, staff retirement fund, Directors and key management personnel. The transactions with related parties are in normal course of business. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

	March 31, 2026	March 31, 2025
	Unaudited	Unaudited
	----- Rupees -----	
Related parties by virtue of GoP's holdings		
Purchase of investment	3,220,097,700	2,817,936,550
National Investment Trust Limited		
Dividend received during the year	39,600,000	39,600,000
National Insurance Company Limited		
Premium due but unpaid	4,224,152,027	2,781,498,914
Insurance premium written during the period	6,288,769,634	5,946,382,964
Insurance commission paid	(190,068,992)	(167,090,787)
Insurance claims paid	(149,301,684)	(4,855,619,780)
Premium received	(998,621,312)	(2,960,579,261)
Balance at the end of period	9,174,929,673	744,592,050

The transactions with related parties are in the normal course of business at contracted rates and terms and conditions determined on commercial terms.

PAKISTAN REINSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the period ended March 31, 2026

38 EARNINGS PER SHARE - BASIC AND DILUTED

Basic earning per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding as at the period end as follows:

	March 31, 2026 Unaudited	March 31, 2025 Unaudited
Profit/(loss) after tax for the period	<u>579,571,006</u>	<u>543,922,213</u>
Weighted average number of ordinary shares (Number of shares)	<u>900,000,000</u>	<u>900,000,000</u>
Earning/(loss) per share - basic	<u>0.64</u>	<u>0.60</u>

39 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison. Significant reclassifications for purposes of correct presentation, are as under:

40 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on _____ by the Board of Directors of the Company.

41 GENERAL

All figures have been rounded off to the nearest rupee unless otherwise stated.

CFO

CEO

DIRECTOR

DIRECTOR

CHAIRMAN

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2026

	Note	Operator's Retakaful Fund		Participant's Retakaful fund	
		March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
-----Rupees-----					
ASSETS					
Investments	6	550,625,592	539,241,324	3,096,209,555	3,030,637,769
Other receivable	7	847,000	919,990	2,178,613	61,058,531
Takaful/retakaful receivables	8	-	-	695,761,476	573,316,942
Receivables from Participant's/Operator's Retakaful fund - net	9	192,564,492	196,127,095	-	-
Qard-e-hasna to Participant's Retakaful Fund		300,000,000	300,000,000	-	-
Retakaful recoveries against outstanding claims		-	-	197,855,335	204,388,782
Deferred wakala fee	10	-	-	155,675,482	153,137,884
Deferred commission expense	11	158,125,472	152,970,534	-	-
Deferred tax asset	12	-	-	-	-
Prepayments	13	-	-	162,149,441	249,781,036
Bank balances	14	15,300,348	19,296,109	284,665,869	304,927,274
TOTAL ASSETS		<u>1,217,462,904</u>	<u>1,208,555,052</u>	<u>4,594,495,771</u>	<u>4,577,248,218</u>
FUND AND LIABILITIES					
FUNDS ATTRIBUTABLE TO:					
Operator's Retakaful Fund					
Statutory fund		600,000,000	600,000,000	-	-
Reserves	15	327,853,614	319,714,817	-	-
Total Operator's Funds		927,853,614	919,714,817	-	-
Participant's Retakaful Fund					
Seed money		-	-	1,000,000	1,000,000
Reserves	15	-	-	2,303,497,296	2,186,168,886
Balance of Participant's Takaful Fund		-	-	2,304,497,296	2,187,168,886
Qard-e-Hasna		-	-	300,000,000	300,000,000
		-	-	2,604,497,296	2,487,168,886
LIABILITIES					
Underwriting provisions					
Outstanding claims including IBNR	16	-	-	834,239,616	782,550,990
Unearned contribution reserves	17	-	-	778,377,408	765,689,419
Contribution deficiency reserve		-	-	13,947,000	13,947,000
		-	-	1,626,564,024	1,562,187,409
Unearned wakala fee	10	155,675,482	153,137,884	-	-
Takaful/retakaful payables	18	-	-	170,838,269	331,733,139
Payable to Participant/Operator's Retakaful Fund - net		-	-	192,564,492	196,127,095
Taxation - provision less payment	19	7,513,881	9,288,151	-	-
Deferred tax liability	12	5,954,747	5,954,747	-	-
Other creditors and accruals	20	1,375,784	1,370,057	31,690	31,690
Payable to related party	21	119,089,396	119,089,396	-	-
TOTAL LIABILITIES		<u>289,609,290</u>	<u>288,840,235</u>	<u>1,989,998,475</u>	<u>2,090,079,332</u>
TOTAL EQUITY AND LIABILITIES		<u>1,217,462,904</u>	<u>1,208,555,052</u>	<u>4,594,495,771</u>	<u>4,577,248,218</u>
CONTINGENCIES AND COMMITMENTS	22				

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

		March 31, 2026	March 31, 2025
	Note		
Participant's Retakaful Fund			
Contributions earned	23	465,653,209	693,525,798
Less: contributions ceded to retotakaful		(87,631,595)	(48,363,907)
Net contribution revenue		<u>378,021,614</u>	<u>645,161,891</u>
Wakala expense	24	(93,130,642)	(138,705,160)
Net underwriting income		<u>284,890,972</u>	<u>506,456,731</u>
Net claims - reported/ settled - IBNR	25	(234,643,400)	(253,232,607)
Surplus / (Deficit) before investment income		<u>50,247,572</u>	<u>253,224,124</u>
Profit on bank deposit		6,417,655	28,226,427
Dividend income		8,702,549	8,781,612
Less: Modarib's share of dividend income and profit on bank deposit		(3,780,051)	(9,252,010)
Reversal / (Provision) for doubtful contributions		-	-
		<u>11,340,154</u>	<u>27,756,029</u>
Surplus / (deficit) before taxation		<u>61,587,726</u>	<u>280,980,153</u>
Taxation	26	(3,652,287)	(6,429,367)
Surplus / (deficit) transferred to accumulated		<u><u>57,935,439</u></u>	<u><u>274,550,786</u></u>
Operator's Retakaful Fund			
Wakala fee income	24	93,130,642	138,705,160
Commission expense	27	(97,855,956)	(96,137,267)
General, administrative and management expenses	28	(4,224,220)	(4,635,027)
Cede money paid to participants' retakaful fund		<u>(8,949,534)</u>	<u>37,932,866</u>
Modarib's share of participant's investment income and profit on bank deposit		3,780,051	9,252,010
Dividend income		2,280,729	2,303,276
Profit on bank deposit		222,926	5,156,345
		<u>6,283,706</u>	<u>16,711,631</u>
Profit before taxation		<u>(2,665,828)</u>	<u>54,644,497</u>
Taxation		1,039,673	(21,311,354)
Profit after taxation		<u><u>(1,626,155)</u></u>	<u><u>33,333,143</u></u>

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2026

	<u>March 31,</u> <u>2026</u>	<u>March 31,</u> <u>2025</u>
	-----Rupees-----	
Participant's Retakaful Fund		
Surplus for the period	57,935,439	274,550,786
Other comprehensive loss for the period		
Item that may be subsequently reclassified to profit or		
Unrealised gain on 'available for sale' investments - net of tax	59,392,971	10,614,006
Total comprehensive income for the period	<u>117,328,410</u>	<u>285,164,792</u>
Operator's Retakaful Fund		
Profit after taxation	(1,626,155)	33,333,143
Other comprehensive loss for the period		
Item that may be subsequently reclassified to profit or		
Unrealised gain on 'available for sale investments' - net of tax	9,764,952	2,669,564
Deferred tax impact	-	-
Impact of change in tax rate	-	-
Total comprehensive income for the period	<u>9,764,952</u>	<u>2,669,564</u>
	<u>8,138,797</u>	<u>36,002,707</u>

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
STATEMENT OF CHANGES IN FUNDS
FOR THE PERIOD ENDED MARCH 31, 2026

	Attributable to Operator's Retakaful Fund				Total
	Reserves			Total Reserves	
	Capital	Revenue			
Statutory Fund	Unrealized gain / (loss) on available for sale investment	Unappropriated Profit			
-----Rupees-----					
Balance as at January 01, 2025 (Audited)	600,000,000	4,993,783	279,998,833	284,992,616	884,992,616
Increase in Statutory Fund	-				-
Total comprehensive income for the period					
Profit for the year	-	-	33,333,143	33,333,143	33,333,143
Unrealized gain on available for sale investments-net of tax	-	2,669,564	-	2,669,564	2,669,564
	-	-	-	-	-
	-	2,669,564	33,333,143	36,002,707	36,002,707
Balance as at March 31, 2025 (Unaudited)	<u>600,000,000</u>	<u>7,663,347</u>	<u>313,331,976</u>	<u>320,995,323</u>	<u>920,995,323</u>
Balance as at January 01, 2026 (Audited)	600,000,000	9,313,820	310,400,997	319,714,817	919,714,817
Profit for the period	-	-	(1,626,155)	(1,626,155)	(1,626,155)
Unrealized loss on available for sale investments-net of tax	-	9,764,952	-	9,764,952	9,764,952
	-	9,764,952	-	9,764,952	9,764,952
		19,529,904	(1,626,155)	8,138,797	8,138,797
Balance as at March 31, 2026 (Unaudited)	<u>600,000,000</u>	<u>28,843,724</u>	<u>308,774,842</u>	<u>327,853,614</u>	<u>927,853,614</u>
-----Rupees-----					
	Attributable to Participant's Retakaful Fund				Total
	Reserves			Total Reserves	
	Capital	Revenue			
Seed money	Unrealized (loss) on available for sale investment	Accumulated surplus			
-----Rupees-----					
Balance as at January 01, 2025 (Audited)	1,000,000	34,364,428	1,645,941,843	1,680,306,271	1,681,306,271
Total comprehensive income for the period					
Surplus for the period	-	-	274,550,786	274,550,786	274,550,786
Unrealized gain on available for sale investments	-	10,614,006	-	10,614,006	10,614,006
	-	10,614,006	274,550,786	285,164,792	285,164,792
Balance as at March 31, 2025 (Unaudited)	<u>1,000,000</u>	<u>44,978,434</u>	<u>1,920,492,629</u>	<u>1,965,471,063</u>	<u>1,966,471,063</u>
Balance as at January 01, 2026 (Audited)	1,000,000	107,591,895	2,078,576,991	2,186,168,886	2,187,168,886
Surplus for the period	-	-	57,935,439	57,935,439	57,935,439
Unrealized loss on available for sale investments	-	59,392,971	-	59,392,971	59,392,971
	-	59,392,971	57,935,439	117,328,410	117,328,410
Balance as at March 31, 2026 (Unaudited)	<u>1,000,000</u>	<u>166,984,866</u>	<u>2,136,512,430</u>	<u>2,303,497,296</u>	<u>2,304,497,296</u>

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chairman **Director** **Director** **Chief Executive Officer** **Chief Financial Officer**

PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATION
STATEMENT OF CASHFLOWS (UNAUDITED)
FOR THE PREIOD ENDED MARCH 31, 2026

	Operator's Retakaful Fund		Participant's Retakaful Fund	
	Mar 31, 2026	Mar 31, 2025	Mar 31, 2026	Mar 31, 2025
-----Rupees-----				
Operating cash flow				
Retakaful activities				
Contribution received	-	-	355,896,664	461,477,592
Retro takaful contribution paid	-	-	(160,894,870)	(156,156,061)
Benefits paid	-	-	(176,421,327)	(253,255,612)
Benefits recoveries from retro takaful	-	-	-	-
Commission paid	(103,010,894)	(108,634,995)	-	-
Net cash (used in) / from retakaful activities	(103,010,894)	(108,634,995)	18,580,467	52,065,919
Other operating activities				
Income tax paid	(734,597)	(1,285,072)	-	-
Management expenses paid	(4,224,220)	(4,635,027)	-	-
Other operating receipts/(payments)	103,089,611	101,366,853	(47,782,261)	(102,397,551)
Net cash from/(used in) other operating activities	98,130,793	95,446,754	(47,782,261)	(102,397,551)
Total cash from/(used in) all operating activities	(4,880,100)	(13,188,241)	(29,201,794)	(50,331,632)
Investing activities				
Payment for investments made	(1,619,316)	(1,727,461)	(6,179,816)	(6,586,209)
Receipt of profit on bank deposits	222,926	5,156,345	6,417,655	28,226,427
Receipt of investment income	2,280,729	2,303,276	8,702,549	8,781,612
Total cashflow from investing activities	884,339	5,732,160	8,940,389	30,421,830
Financing activities				
Statutory fund	-	-	-	-
Total cash from financing activities	-	-	-	-
Net cash flow from/(used-in) all activities	(3,995,761)	(7,456,081)	(20,261,406)	(19,909,802)
Cash and cash equivalents at beginning of the period	19,296,109	402,529,946	304,927,274	1,914,448,854
Cash and cash equivalents at end of the period	15,300,348	395,073,865	284,665,869	1,894,539,052
Reconciliation to profit and loss				
Operating cash flows	(4,880,100)	(13,188,241)	(29,201,794)	(50,331,632)
Receipt of Profit on bank deposits	222,926	5,156,345	6,417,655	28,226,427
Receipt of Investment income	2,280,729	2,303,276	8,702,549	8,781,612
(Decrease)/increase in operating assets other than cash	1,519,345	8,119,977	(28,063,829)	(80,495,023)
(Increase)/decrease in operating liabilities	(2,543,325)	50,968,068	103,733,144	374,798,769
Change in tax rate				
Other adjustments:				
Income tax paid	734,597	1,285,072	-	-
Profit/(deficit) before taxation	(2,665,828)	54,644,497	61,587,726	280,980,153
Provision for taxation	1,039,673	(21,311,354)	(3,652,287)	(6,429,367)
Profit after taxation	(1,626,155)	33,333,143	57,935,439	274,550,786

The annexed notes 1 to 35 form an integral part of these condensed interim financial statements.

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer

**PAKISTAN REINSURANCE COMPANY LIMITED - WINDOW RETAKAFUL OPERATIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2026**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Reinsurance Company Limited (the Company) is a public listed company incorporated in Pakistan on March 30, 2000 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Pakistan Reinsurance Company Limited - Window Retakaful Operations (the Operator) is listed on Pakistan Stock Exchange and is engaged in general retakaful business which comprise of fire, marine, aviation, engineering and accident. The registered office of the Operator is situated at PRC Tower. 32-A. Lalazar Drive. Maulvi Tamizuddin Khan Road, Karachi. Pakistan.
- 1.2 The Operator has been authorized to undertake Window Retakaful Operations on September 26, 2018 by Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on General Window Retakaful Operations in Pakistan. For the purpose of carrying on the Retakaful business, the Operator has formed a Waqf (Participants' Retakaful Fund) on September 26, 2018 under the Waqf Deed with a Cede money of Rs. 1,000,000.
- 1.3 The Waqf Deed and Participant Retakaful Fund Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Retakaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of Waqf remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of Waqf and the Operator are shown separately.
- 1.4 During the period, Participant's Retakaful fund of Window Retakaful Operations incurred a surplus of Rs. 324,296,305 (Dec 2024: 466,237,319 surplus), resulting in accumulated surplus of Rs. 1,970,238,148 (Dec 2024: Rs.1,549,997,516) as of the date of statement of financial position. Further, as of that date total assets Participant's Retakaful fund exceed its total liabilities by Rs. 2,024,083,790 (Dec 2024: Rs. 1,549,787,747).

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International accounting standard (IAS 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017, Insurance Ordinance, 2000, Insurance Rules 2017, General Takaful Accounting Regulations, 2019, Insurance Accounting regulations 2017 and Takaful Rules, 2012.

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

2.2 These condensed interim financial statements do not include all the information and disclosures required for audited annual financial statements and should be read in conjunction with the annual financial statements of the Operator as at and for the year ended December 31, 2025 which have been prepared in accordance with accounting and reporting standards as applicable to insurance companies in Pakistan.

2.3 The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Operator for the year ended December 31, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in funds are extracted from the unaudited condensed interim financial statements for period ended Dec 31, 2024.

2.4 Basis of measurement

These condensed interim financial statements have been prepared on the historical cost basis except for certain investments that are stated at their fair value.

2.5 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees, which is also the functional currency.

3 USE OF JUDGEMENTS AND ESTIMATES

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operators' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements of the company as at and for the year ended December 31, 2025.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same and are consistent with those followed in the preparation of the annual audited financial statements of the Operator for the year ended December 31, 2025.

Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

These are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the company's accounting period beginning on or after January 01, 2024. These standards, interpretations and amendments are either not relevant to the company's operations or are not expected to have a significant effect on this condensed interim financial information except as disclosed in note 5.1 below.

Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

The above amendments are not likely to have an impact on Company's condensed interim financial statements. In addition to above standards, there are certain new and amended standards, interpretations and amendments that are mandatory for accounting periods beginning on after 01 January 2024 but are considered not to be relevant to the Company's operations and therefore, are not detailed in these condensed interim financial statements.

5 INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in annual audited financial statements of the Operator for the year ended December 31, 2025.

6 INVESTMENTS

Available for sale - Mutual Funds

March 31, 2026						
Operator's Fund			Participant Retakaful Fund			
Total cost of Investment	Market value	Unrealized gain(loss)	Total cost of Investment	Market value	Unrealized gain/(loss)	
-----Rupees-----						
AL HAMRA ISLAMIC INCOME FUND	5,676,787	6,009,485	332,698	27,877,857	29,449,748	1,571,891
AL HAMRA ISLAMIC MONEY MARKET FUND	54,681,678	48,781,597	(5,900,081)	205,056,262	182,930,989	(22,125,273)
AL-AMEEN ISLAMIC SOVEREIGN FUND -Class-C	2,980,480	3,147,797	167,317	5,259,670	5,554,935	295,265
AL-AMEEN ISLAMIC CASH PLANE - 1 (AICP-1)	46,385,182	50,162,134	3,776,952	173,944,472	188,108,004	14,163,532
AL-AMEEN ISLAMIC Cash Fund (AICF)	52,735,361	56,578,276	3,842,915	348,384,607	373,695,664	25,311,057
NBP ISLAMIC MAHANA AMDANI FUND (FORMERLY:NBP AITEMAAD MAHANA AMDANI FUND)	5,666,421	5,992,278	325,857	27,827,116	29,365,489	1,538,373
ABL ISLAMIC INCOME FUND	5,508,141	5,782,243	274,102	27,051,673	28,331,040	1,279,367
ABL ISLAMIC Cash FUND	48,667,253	49,041,054	373,801	182,502,200	183,903,952	1,401,752
MEEZAN ROZANA AMDANI FUND - GROWTH-B	6,555,804	5,972,297	(583,507)	32,132,891	29,272,900	(2,859,991)
HBL ISLAMIC MOENY MARKET FUND	96,454,680	103,703,718	7,249,038	499,975,342	537,436,042	37,460,700
ALHAMRA CASH MANAGEMENT OPTIMIZER (ALHCMOP)	50,047,569	53,906,026	3,858,457	325,375,752	350,460,856	25,085,104
NBP ISLAMIC MONEY MARKET FUND (NICMM)	50,086,685	53,898,834	3,812,149	375,528,566	404,110,457	28,581,891
ABL ISLAMIC MONEY MARKET PLANE I (ABL-IMMP-I)	50,125,877	53,946,613	3,820,736	375,868,646	404,518,419	28,649,773
MEEZAN CASH FUND (MCF)	50,020,138	53,703,240	3,683,102	325,130,900	349,071,060	23,940,160
	<u>525,592,056</u>	<u>550,625,592</u>	<u>25,033,536</u>	<u>2,931,915,954</u>	<u>3,096,209,555</u>	<u>164,293,601</u>

December 31, 2025						
Operator's Fund			Participant Retakaful Fund			
Total cost of Investment	Market value	Unrealized gain/(loss)	Total cost of Investment	Market value	Unrealized gain/(loss)	
-----Rupees-----						
AL HAMRA ISLAMIC INCOME FUND	5,676,787	5,969,801	293,014	27,877,857	29,255,275	1,377,418
AL HAMRA ISLAMIC MONEY MARKET FUND	53,955,082	48,055,000	(5,900,082)	202,331,517	180,206,244	(22,125,273)
AL-AMEEN ISLAMIC SOVEREIGN FUND -Class-C	2,980,480	3,103,851	123,371	5,259,670	5,477,384	217,714
AL-AMEEN ISLAMIC CASH PLANE - 1 (AICP-1)	46,385,182	48,983,408	2,598,226	173,944,472	183,687,779	9,743,307
AL-AMEEN ISLAMIC Cash Fund (AICF)	52,735,361	55,375,232	2,639,871	348,384,607	365,749,634	17,365,027
NBP ISLAMIC MAHANA AMDANI FUND (FORMERLY:NBP AITEMAAD MAHANA AMDANI FUND)	5,666,421	5,871,575	205,154	27,827,116	28,773,981	946,865
ABL ISLAMIC INCOME FUND	5,508,141	5,671,194	163,053	27,051,673	27,786,937	735,264
ABL ISLAMIC Cash FUND	47,866,913	48,271,778	404,865	179,500,924	181,019,168	1,518,244
MEEZAN ROZANA AMDANI FUND - GROWTH-B	6,463,425	5,879,918	(583,507)	31,680,102	28,820,110	(2,859,992)
HBL ISLAMIC MOENY MARKET FUND	96,454,680	101,497,000	5,042,320	499,975,342	525,999,912	26,024,570
ALHAMRA CASH MANAGEMENT OPTIMIZER (ALHCMOP)	50,047,569	52,685,764	2,638,195	325,375,752	342,527,533	17,151,781
NBP ISLAMIC MONEY MARKET FUND (NICMM)	50,086,685	52,642,243	2,555,558	375,528,566	394,689,074	19,160,508
ABL ISLAMIC MONEY MARKET PLANE I (ABL-IMMP-I)	50,125,877	52,699,415	2,573,538	375,868,646	395,166,302	19,297,656
MEEZAN CASH FUND (MCF)	50,020,138	52,535,145	2,515,007	325,130,900	341,478,436	16,347,536
	<u>523,972,741</u>	<u>539,241,324</u>	<u>15,268,583</u>	<u>2,925,737,144</u>	<u>3,030,637,769</u>	<u>104,900,625</u>

Operator's Retakaful Fund		Participant's Retakaful Fund	
March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
-----Rupees-----			

7 OTHER RECEIVABLES

Loan to employee	847,000	777,000	-	-
Accrued markup on bank deposits	-	142,990	2,178,613	1,398,690
Receivable from Pakistan Reinsurance Company Limited	-	-	-	59,659,841
	<u>847,000</u>	<u>919,990</u>	<u>2,178,613</u>	<u>61,058,531</u>

Participant's Retakaful Fund	
March 31, 2026 (Unaudited)	December 31, 2025 (Audited)

Note

8 TAKAFUL/RETAKAFUL RECEIVABLES

Due from takaful participants holders		
Amount due from other takaful operators		733,310,538
Amount due from other retakaful operators		-
		<u>733,310,538</u>
Less: provision for impairment	8.1	<u>(37,549,062)</u>
		<u>695,761,476</u>
		<u>610,866,004</u>
		<u>573,316,942</u>

8.1 Movement of provision for impairment

Opening balance		37,549,062	27,141,101
Provisions made during the period		-	10,407,961
Closing balance		<u>37,549,062</u>	<u>37,549,062</u>

Operator's Retakaful Fund		Participant's Retakaful Fund	
March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)

Note

-----Rupees-----

**9 RECEIVABLE FROM PARTICIPANT'S
RETAKAFUL FUND / (PAYABLE TO**

Amount (payable) to / receivable from					
Participant's Retakaful Fund Opening balance	9.1	196,127,095	159,393,278	(196,127,095)	(159,393,278)
Wakala fee	9.2	95,668,240	370,317,873	(95,668,240)	(370,317,873)
Modarib's share of participant's retakaful fund investment income and bank profit	9.3	3,780,051	50,091,355	(3,780,051)	(50,091,355)
Bank charges payable		-	(14,331)	-	14,331
Commission payable		(103,010,894)	(383,661,080)	103,010,894	383,661,080
		192,564,492	196,127,095	(192,564,492)	(196,127,095)

- 9.1 The amount is payable by the Operator to Participant's Retakaful Fund related to contribution received by the Operator from takaful participants.
- 9.2 It represents the amount receivable from Participant's Retakaful Fund related to wakala fee charged at 20% (2025: 20%) of gross contribution written amounted to Rs. 421,944,770 (2025: Rs. 421,944,770).
- 9.3 It represents Mudarib fee receivable against managing the investments and funds of participants at the rate 25% of all investment income and profit on bank deposits.

10 UNEARNED WAKALA FEE / DEFERRED WAKALA FEE

Facultative business	10.1	12,822,163	15,214,637	12,822,163	15,214,637
Treaty		142,853,318	137,923,247	142,853,318	137,923,247
		155,675,482	153,137,884	155,675,482	153,137,884

10.1 Facultative business

Fire		8,079,055	8,880,734	8,079,055	8,880,734
Marine Cargo		61,694	91,788	61,694	91,788
Marine Hull		-	262,584	-	262,584
Accident		624,503	1,071,233	624,503	1,071,233
Aviation		62,910	116,200	62,910	116,200
Engineering		3,994,000	4,792,099	3,994,000	4,792,099
		12,822,163	15,214,637	12,822,163	15,214,637

11 DEFERRED COMMISSION EXPENSE

Facultative business	11.1	3,781,315	3,752,013	-	-
Treaty		154,342,563	149,218,521	-	-
		158,123,878	152,970,534	-	-

11.1 Facultative business

Fire		3,069,213	3,247,141	-	-
Marine Cargo		26,134	38,926	-	-
Marine Hull		-	-	-	-
Accident		52,073	55,012	-	-
Engineering		633,895	410,934	-	-
		3,781,315	3,752,013	-	-

Operator's Retakaful Fund		Participant's Retakaful Fund	
March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)

Note -----Rupees-----

12 DEFERRED TAX ASSET/(LIABILITY)

Opening balance	5,954,747	3,192,746	-	-
Deductible temporary differences on				
Unrealized gain on available for sale investments			-	-
Taxable temporary differences				
Unrealized loss on available for sale investments	-	2,762,001	-	-
	<u>5,954,747</u>	<u>5,954,747</u>	<u>-</u>	<u>-</u>

13 PREPAYMENTS

Treaty business				
Prepaid retakaful contribution ceded	-	-	162,149,441	249,781,036
	<u>-</u>	<u>-</u>	<u>162,149,441</u>	<u>249,781,036</u>

14 BANK BALANCES

Cash at bank in:				
Saving accounts	14.1	15,300,349	19,296,109	284,665,869
		<u>15,300,349</u>	<u>19,296,109</u>	<u>284,665,869</u>

14.1 Profit sharing rate on modaraba account ranging from 9% to 11% (December 31 2025: 9% to 11 %) per annum.

15 RESERVES

Revenue Reserves				
Unappropriated profit / (loss)	308,774,842	310,400,997	2,136,512,430	2,078,576,991
Capital Reserves				
Unrealized (loss) /gain on available for sale reserve	28,843,724	9,313,820	166,984,866	107,591,895
	<u>337,618,566</u>	<u>319,714,817</u>	<u>2,303,497,296</u>	<u>2,186,168,886</u>

16 OUTSTANDING CLAIMS INCLUDING IBNR

Note

Participant's Retakaful Fund	
March 31, 2026 (Unaudited)	December 31, 2025 (Audited)

-----Rupees-----

Facultative business	16.1	277,335,693	227,374,031
Treaty		556,903,923	555,176,959
	16.2	<u>834,239,616</u>	<u>782,550,990</u>

16.1 Facultative business

Fire	141,993,627	83,256,615
Marine cargo	725,606	725,606
Marine hull	-	-
Accident	22,513,884	16,763,884
Engineering	112,102,576	126,627,926
	<u>277,335,693</u>	<u>227,374,031</u>

16.2 The Securities and Exchange Commission of Pakistan (SECP) issued guidelines for estimation of Incurred but Not Reported (IBNR) claim reserves for non-life insurer companies through Circular No. 9 of 2016 dated March 09, 2016. The guidelines prescribe the standard method for estimation of IBNR claim reserves so as to bring industry wide-uniformity in respect of such estimation and to ensure adequacy of IBNR claims reserve. All non-life insurance companies are required to comply with these guidelines with effect from July 01, 2016.

However, on May 30, 2017, SECP issued separate guidelines for the Operator for estimation of Incurred but Not Reported (IBNR) claim through letter No. ID/PRDD/IBNR/2017/9695 which prescribe that, for the purposes of ascertaining IBNR claim reserves by the Operator, guidance is hereby extended, that the Company shall collect the data of IBNR claim reserves from the cedants (non-life insurers) and in accordance with its share in the reinsurance program (both on treaty and facultative basis) of the cedant(s) and it shall record its IBNR claim reserves.

On the basis of above SECP specified guidelines, the Company wrote letter to each ceding Company to share data of IBNR Claims Reserves in accordance with its share in the reinsurance program both for facultative and treaty business. However, none of the ceding companies shared their IBNR Claim Reserves. The Operator recorded Facultative and Treaty IBNR claim reserves on basis of actuarial valuation dated March 24, 2023 which amounts to Rs. 11.037 million.

		Participant's Retakaful Fund				
		March 31, 2026 (Unaudited)		December 31, 2025 (Audited)		
		-----Rupees-----				
17	UNEARNED CONTRIBUTION RESERVES	Note				
	Facultative business	17.1	64,110,816	76,073,186		
	Treaty		714,266,592	689,616,233		
			<u>778,377,408</u>	<u>765,689,419</u>		
17.1	Facultative business					
	Fire		40,395,277	44,403,669		
	Marine cargo		308,471	458,940		
	Marine hull		-	1,312,918		
	Accident		3,122,516	5,356,163		
	Aviation		314,552	580,999		
	Engineering		19,970,000	23,960,497		
			<u>64,110,816</u>	<u>76,073,186</u>		
18	TAKAFUL/RETAKAFUL PAYABLES					
	Amount due to other takaful operators			31,332,290		
	Amount due to other retakaful operators		170,838,269	300,400,849		
			<u>170,838,269</u>	<u>331,733,139</u>		
			-----Rupees-----			
			Operator's Retakaful Fund		Participant's Retakaful Fund	
			March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
19	TAXATION- PROVISION LESS PAYMENT	Note				
	Balance at beginning of the period/year		(9,288,151)	(54,123,862)	-	-
	Income tax deducted at source on dividend income		661,414	8,252,041	2,523,739	32,595,276
	Income tax deducted at source on bank profit		73,183	1,897,257	1,127,546	11,424,446
	Payment of income tax		-	-	-	-
	Provision for current tax		1,039,673	(19,437,450)	-	-
	Payable to Pakistan Reinsurance Company Limited		-	54,123,865	(3,652,287)	(44,019,721)
	Balance at end of the period/year		<u>(7,513,881)</u>	<u>(9,288,149)</u>	<u>(1,001)</u>	<u>-</u>
20	OTHER CREDITORS AND ACCRUALS					
	Employee professional tax payable		-	-	-	-
	Sindh sales tax payable		137,594	39,767	3,960	3,960
	General sales tax payable		162	162	-	-
	Income tax deducted at source		90,168	90,168	26,730	26,730
	Audit fee payable		1,147,860	1,147,860	-	-
	Accrued expenses		-	92,100	-	-
	Miscellaneous creditors		-	-	1,000	1,000
			<u>1,375,784</u>	<u>1,370,057</u>	<u>31,690</u>	<u>31,690</u>
21	PAYABLE TO RELATED PARTY					
	Pakistan Reinsurance Company Limited	21.1	119,089,396	119,089,396	-	-
21.1	Payable in respect of					
	Receipt from cedent		-	-	-	-
	Income tax		118,382,637	118,382,637	-	-
	Salaries		163,608	163,608	-	-
	Sindh sales tax payable		543,151	543,151	-	-
	Bonus		-	-	-	-
			<u>119,089,396</u>	<u>119,089,396</u>	<u>-</u>	<u>-</u>
22	CONTINGENCIES AND COMMITMENTS					
22.1	The Operator was served with a notice by Sindh Revenue Board (SRB) in 2016 for non filing of sales tax returns and raised sales tax liability via same notice on conventional reinsurance services provided by the Operator. Company has contested the notice and the case is pending with the Honorable High Court of Sindh. In case of unfavorable outcome of the said matter, the charge to profit or loss would be Rs. 118.7 million pertaining to three months 2026 (2025: Rs. 260.914 millions) on retakaful operations excluding any additional penalty or default surcharge.					
22.2	There are no commitments as at March 31, 2026 (December 31 2025: Nil).					

		March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
	Note	-----Rupees-----	
23	NET CONTRIBUTION REVENUE		
	Written gross contribution	478,341,198	483,932,039
	Add: unearned contribution reserve opening	765,689,419	876,483,028
	Less: unearned contribution reserve closing	(778,377,408)	(666,889,269)
	Contribution earned	465,653,209	693,525,798
	Retakaful contribution ceded	-	-
	Add: prepaid retakaful contribution opening	249,781,036	148,038,177
	Less: prepaid retakaful contribution closing	(162,149,441)	(99,674,270)
	Retakaful expense	87,631,595	48,363,907
		<u>378,021,614</u>	<u>645,161,891</u>
24	WAKALA FEE/EXPENSE		
	Gross wakala fee	95,668,240	96,786,408
	Add: unearned Wakala fee opening	153,137,884	175,296,606
	Less: unearned Wakala fee closing	(155,675,482)	(133,377,854)
		<u>93,130,642</u>	<u>138,705,160</u>
25	NET CLAIMS - REPORTED / SETTLED - IBNR		
	Benefits/claims paid	176,421,327	253,255,612
	Less: outstanding benefits/claims including IBNR - opening	(782,550,990)	(597,880,348)
	Add: outstanding benefits / claims including IBNR - closing	834,239,616	597,857,343
	Claims expense	228,109,953	253,232,607
	Retakaful and other recoveries received	-	-
	Less: retakaful and other recoveries received- opening	(204,388,782)	207,495,090
	Add: retakaful and other recoveries received- closing	197,855,335	(207,495,090)
	Retakaful and other recoveries revenue	(6,533,447)	-
	Net claims expenses	<u>234,643,400</u>	<u>253,232,607</u>
26	TAXATION PARTICIPANT RETAKAFUL FUND		
	Current tax-deducted at source	(3,652,287)	(6,429,367)
		<u>(3,652,287)</u>	<u>(6,429,367)</u>
27	COMMISSION EXPENSE		
	Commission paid or payable	103,010,894	108,634,995
	Add: deferred commission expense opening	152,970,534	184,582,059
	Less: deferred commission expense closing	(158,125,472)	(197,079,787)
		<u>97,855,956</u>	<u>96,137,267</u>
28	GENERAL, ADMINISTRATIVE AND		
	Salaries, allowance and other benefits	2,907,678	2,671,107
	Shariah advisor fee	750,000	750,000
	Auditor's remuneration	-	-
	Others	566,542	1,213,920
		<u>4,224,220</u>	<u>4,635,027</u>

29 SEGMENT REPORTING

PARTICIPANT'S RETAKAFUL FUND

	Preiod ended March 31, 2026				TOTAL
	Fire and property damage	Marine	Miscellaneous	Treaty	
-----Rupees-----					
Gross written contribution	26,796,844	-	657,753	450,886,601	478,341,198
Unearned contribution-opening	68,364,166	1,771,858	5,937,162	689,616,233	765,689,419
Unearned contribution-closing	(60,365,277)	(308,471)	(3,437,068)	(714,266,592)	(778,377,408)
Contribution earned	34,795,733	1,463,387	3,157,847	426,236,242	465,653,209
Retakaful-Ceded	-	-	-	-	-
Prepaid retakaful-opening	-	-	-	249,781,036	249,781,036
Prepaid retakaful-closing	-	-	-	(162,149,441)	(162,149,441)
Retakaful expenses	-	-	-	87,631,595	87,631,595
Net contribution	34,795,733	1,463,387	3,157,847	338,604,647	378,021,614
Rebate	-	-	-	-	-
Net underwriting income (A)	34,795,733	1,463,387	3,157,847	338,604,647	378,021,614
Benefits paid	37,226,447	-	-	139,194,880	176,421,327
Outstanding benefits/claims-opening	(209,884,541)	(725,606)	(16,763,884)	(555,176,959)	(782,550,990)
Outstanding benefits/claims-closing	254,096,203	725,606	22,513,884	556,903,923	834,239,616
Claims expenses	81,438,109	-	5,750,000	140,921,844	228,109,953
Retakaful recoveries received	-	-	-	-	-
Retakaful recoveries against outstanding claims-opening	(63,414,500)	-	-	(140,974,282)	(204,388,782)
Retakaful recoveries against outstanding claims-closing	65,226,648	-	-	132,628,687	197,855,335
Retakaful recoveries revenue	1,812,148	-	-	(8,345,595)	(6,533,447)
Net benefit expenses	79,625,961	-	5,750,000	149,267,439	234,643,400
Wakala fee	6,959,147	292,677	631,569	85,247,248	93,130,642
Management expense	-	-	-	-	-
Contribution deficiency expense	-	-	-	-	-
Net benefits and expenses (B)	86,585,108	292,677	6,381,569	234,514,687	327,774,042
Underwriting results (C=A-B)	(51,789,375)	1,170,710	(3,223,722)	104,089,959	50,247,571
Profit on bank deposits					6,417,655
Investment income					8,702,549
Modarib share of PTF investment income and bank profit					(3,780,051)
Profit before tax					61,587,725
Segment Assets	77,299,703	61,694	687,414	437,631,446	515,680,258
Unallocated Assets					4,078,815,513
					<u>4,594,495,771</u>
Segment Liabilities	314,461,480	1,034,077	25,950,952	1,271,170,515	1,612,617,024
Unallocated Liabilities					377,381,451
					<u>1,989,998,475</u>
OPERATOR'S RETAKAFUL FUND					
Wakala fee	6,959,147	292,677	631,569	85,247,248	93,130,642
Commission	(1,909,958)	(12,792)	(31,491)	(95,898,960)	(97,853,201)
Management expenses	(315,653)	(13,275)	(28,647)	(3,866,645)	(4,224,220)
Segment Results	4,733,536	266,610	571,432	(14,518,356)	(8,946,779)
Profit on bank deposits					222,926
Investment income					2,280,729
Modarib share of PTF investment income and bank profit					3,780,051
Profit before tax					(2,663,073)
Segment Assets	3,703,108	26,134	52,073	154,342,563	158,123,878
Unallocated Assets					1,059,339,026
					<u>1,217,462,904</u>
Segment Liabilities	12,073,055	61,694	687,414	142,853,318	155,675,482
Unallocated Liabilities					133,933,808
					<u>289,609,290</u>

PARTICIPANT'S RETAKAFUL FUND

Preiod ended March 31, 2025					
Fire and property damage	Marine	Miscellaneous	Treaty	TOTAL	
-----Rupees-----					
Gross written contribution	14,199,751	136,679	1,133,250	468,462,359	483,932,039
Unearned contribution-opening	60,222,382	836,556	3,299,438	812,124,652	876,483,028
Unearned contribution-closing	(40,054,638)	(463,041)	(2,460,741)	(623,910,849)	(666,889,269)
Contribution Earned	34,367,495	510,194	1,971,947	656,676,162	693,525,798
Retakaful-ceded	-	-	-	-	-
Prepaid Retakaful-opening	-	-	-	148,038,177	148,038,177
Prepaid Retakaful-closing	-	-	-	(99,674,270)	(99,674,270)
Retakaful Expenses	-	-	-	48,363,907	48,363,907
Net contribution	34,367,495	510,194	1,971,947	608,312,255	645,161,891
Rebate	-	-	-	-	-
Net underwriting income (A)	34,367,495	510,194	1,971,947	608,312,255	645,161,891
Benefits/claims paid	25,760,724	-	-	227,494,888	253,255,612
Outstanding benefits/claims-opening	(207,946,612)	(231,606)	(11,832,974)	(377,869,156)	(597,880,348)
Outstanding benefits/claims-closing	223,378,843	231,606	12,013,560	362,233,334	597,857,343
Claims expenses	41,192,955	-	180,586	211,859,066	253,232,607
Retakaful recoveries received	-	-	-	-	-
Retakaful recoveries against outstanding claims-opening	(46,843,750)	-	-	(160,651,340)	(207,495,090)
Retakaful recoveries against outstanding claims-closing	46,843,750	-	-	160,651,340	207,495,090
Benefits recovered from retro takaful	-	-	-	-	-
Net benefit expenses	41,192,955	-	180,586	211,859,066	253,232,607
Wakala Fee	6,873,499	102,039	394,389	131,335,233	138,705,160
Contribution deficiency expense	-	-	-	-	-
Net benefits and expenses (B)	48,066,454	102,039	574,975	343,194,299	391,937,767
Underwriting results (C=A-B)	(13,698,959)	408,155	1,396,972	265,117,956	253,224,124
Profit on bank deposits					28,226,427
Investment income					(9,252,010)
Modarib share of PTF investment income and bank profit					8,781,612
Reversal / (Provision) for doubtful contributions					-
Profit before tax					280,980,153
Segment assets	54,854,678	92,608	492,148	385,107,780	440,547,214
Unallocated assets					3,343,815,380
					3,784,362,594
Segment liabilities	263,433,481	694,647	14,474,301	986,144,183	1,264,746,612
Unallocated liabilities					253,144,919
					1,517,891,531
OPERATOR'S RETAKAFUL FUND					
Wakala Fee	6,873,499	102,039	394,389	131,335,233	138,705,160
Commission	(1,370,524)	(26,405)	(67,075)	(94,673,263)	(96,137,267)
Management Expenses	(229,688)	(3,410)	(13,179)	(4,388,750)	(4,635,027)
Segment Results	5,273,287	72,224	314,135	32,273,220	37,932,866
Profit on bank deposits					5,156,345
Investment income					9,252,010
Modarib share of PTF investment income and bank profit					2,303,276
Deficit before tax					54,644,497
Segment Assets	1,721,917	24,953	64,486	195,268,431	197,079,787
Unallocated Assets					1,070,286,661
					1,267,366,448
Segment Liabilities	8,010,928	92,608	492,148	124,782,170	133,377,854
Unallocated Liabilities					212,993,271
					346,371,125

30 FAIR VALUE MEASUREMENT

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities,

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Fair value measurement using			Total
	Level 1	Level 2	Level 3	
----- Rupees -----				
PARTICIPANT'S RETAKAFUL FUND				
March 31, 2026 (Un-audited)				
Open end mutual funds	3,096,209,555	-	-	3,096,209,555
OPERATOR'S RETAKAFUL FUND				
March 31, 2026 (Un-audited)				
Open end mutual funds	550,625,592	-	-	550,625,592
PARTICIPANT'S RETAKAFUL FUND				
December 31, 2025 (Audited)				
Open end mutual funds	3,030,637,769	-	-	3,030,637,769
OPERATOR'S RETAKAFUL FUND				
December 31, 2025 (Audited)				
Open end mutual funds	539,241,324	-	-	539,241,324

31 STATEMENT OF SOLVENCY

	Note	Participant's Retakaful Fund	
		March 31, 2026 (UnAudited)	December 31, 2025 (Audited)
-----Rupees-----			
Assets			
Investments	6	3,096,209,555	3,030,637,769
Takaful/retakaful receivables	8	695,761,476	573,316,942
Other Receivable	7	2,178,613	61,058,531
Prepayment	13	162,149,441	249,781,036
Deferred wakala fee	10	155,675,482	153,137,884
Retakaful Recoveries against outstanding claims		197,855,335	204,388,782
Bank balances	14	284,665,869	304,927,274
Total Assets (A)		4,594,495,771	4,577,248,218
In-admissible assets as per section 32 (2) of Insurance Ordinance, 2000			
Contribution due since more than three months		(508,239,951)	(195,647,000)
Total In-admissible assets (B)		(508,239,951)	(195,647,000)
Total Admissible Assets (C=A-B)	(A)	4,086,255,820	4,381,601,218
Total Liabilities			
Outstanding benefits including IBNR	16	834,239,616	782,550,990
Unearned contribution reserves	17	778,377,408	765,689,419
Takaful/retakaful payable	19	170,838,269	331,733,139
Other creditors and accruals	21	31,690	31,690
Total Liabilities (D)	(B)	1,797,433,983	1,893,952,238
Minimum Solvency Requirement (higher of following amounts)			
Surplus in Net Admissible Assets over Minimum Requirements	(A-B)	2,288,821,837	2,487,648,980

31.1 The Participant's Retakaful Fund has not complied with the minimum solvency requirement as against the requirement of section 36 of the Insurance ordinance, 2000 and Takaful Rules, 2012 section 10 (k).

32 SUBSEQUENT NON ADJUSTING EVENTS

There are no significant subsequent events that need to be disclosed for the year ended March 31, 2026.

33 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary, for the purpose of comparison and better presentation. No significant rearrangement or reclassifications were made in these financial statement during the current year.

34 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on ____ by the Board of Directors of the Operator.

35 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.

Chairman

Director

Director

Chief Executive Officer

Chief Financial Officer