



Habib Insurance
Est.1942

Habib Insurance Company Limited
Accounts for the Quarter ended
March 31, 2026
(Unaudited)

Habib Insurance Company Limited

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Habib Insurance Company Limited

Company Information

Board of Directors

| | | |
|--|---|--|
| Chairman | : | Mansoor G. Habib |
| Directors | : | Muhammad Hyder Habib Qumail R. Habib Aun Mohammad A. Habib Zahida Habib Ujala Mir Masood Shahid Ghaffar Ali Fadoo Shabbir Gulamali |
| Chief Executive | : | Murtaza Hussain |
| Chief Financial Officer & Company Secretary | : | Muhammad Asif |
| Auditors | : | M/s. Grant Thornton Anjum Rahman Chartered Accountants |
| Share Registrar | : | M/s. CDC Share Registrar Services Limited CDC House, 99-B, Block-B SMCHS, Main Shahrah-e-Faisal Karachi-74400 |
| Shariah Advisory Board | : | Mufti Imtiaz Alam Mufti Muhammad Ashraf Alam Taj Muhammad |
| Registered Office | : | 1st Floor, State Life Bldg. No. 6 Habib Square, M. A. Jinnah Road P.O. Box 5217, Karachi-74000 Pakistan Tel : (92-21) 32424030/38/39 Fax : (92-21) 32421600 UAN : (92-21) 111 03 03 03 Website : www.habibinsurance.net |

Habib Insurance Company Limited

DIRECTORS' REVIEW

The Directors are pleased to present the unaudited accounts of the Company for the period ended March 31, 2026.

The underwriting performance of your Company for the first three months of 2026 has been by the Grace of Allah very encouraging with a profit of Rs. 23.9 million from underwriting activities as against loss of Rs. 22.6 million for the same period last year. The gross written premium for the quarter also grew substantially from Rs. 0.67 billion to Rs. 1.02 billion, an increase of 55%.

The Investment and other income for the period under review has reduced from Rs.154.2 million to Rs. 101.7 million. This was largely due to the reason that capital gains of Rs. 55.0 million were realised in the same period last year, however during the quarter under review there were no capital gains realised.

Consequently the net profit after tax was Rs. 88.5 million from Rs. 93.5 million of last year resulting in an earnings per share of Rs. 0.71 as compared to Rs. 0.75 of the corresponding period.

This is early part of the year and we are hopeful that the period to follow Inshallah will be successful with rising underwriting profits. We pray to Allah for continued progress for remaining part of the year, stability and the economic progress of our Country and particularly for the safety and welfare of the people.

On behalf of the Board of Directors

AUN MOHAMMAD A. HABIB
Director

MURTAZA HUSSAIN
Chief Executive

Karachi: April 28, 2026

حبیب انشورنس کمپنی لمیٹڈ ڈائریکٹرز کا جائزہ

ڈائریکٹرز ۳۱ مارچ ۲۰۲۶ء کو ختم ہونے والی مدت کے لئے کمپنی کے غیر آڈٹ شدہ حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

سال ۲۰۲۶ء کے ابتدائی ۳ ماہ کے دوران کمپنی کی زیر تحریر کارکردگی، اللہ تعالیٰ کے فضل و کرم سے نہایت حوصلہ افزاء رہی۔ اس عرصے میں زیر تحریر سرگرمیوں سے 23.9 ملین روپے منافع حاصل ہوا، جبکہ گزشتہ سال اسی مدت میں 22.6 ملین روپے کا خسارہ ہوا تھا۔ مزید برآں، سہ ماہی کے دوران مجموعی تحریر شدہ پریمیئم میں نمایاں اضافہ ہوا، جو 0.67 بلین روپے سے بڑھ کر 1.02 بلین روپے تک پہنچ گیا، یعنی 55 فیصد اضافہ ریکارڈ کیا گیا۔

زیر جائزہ مدت کے دوران سرمایہ کاری اور دیگر آمدنی 154.2 ملین روپے سے کم ہو کر 101.7 ملین روپے رہ گئی۔ اس کمی کی بڑی وجہ یہ ہے کہ گزشتہ سال اسی مدت میں 55.0 ملین روپے کے کپٹل گینز حاصل ہوئے تھے، جبکہ موجودہ سہ ماہی میں کوئی کپٹل گینز حاصل نہیں ہوئے۔

نتیجتاً، بعد از ٹیکس خالص منافع 88.5 ملین روپے رہا، جو گزشتہ سال کے 93.5 ملین روپے کے مقابلے میں کم ہے، اور فی شیئر آمدنی 0.71 روپے رہی، جبکہ گزشتہ سال اسی مدت میں یہ 0.75 روپے تھی۔

یہ سال کا ابتدائی مرحلہ ہے اور ہمیں امید ہے کہ آئندہ مدت میں، انشاء اللہ بڑھتے ہوئے زیر تحریر منافع کے ساتھ مثبت نتائج حاصل ہوں گے۔ ہم اللہ تعالیٰ سے دعا گو ہیں کہ سال کے باقی ماندہ حصے میں مسلسل ترقی، ملکی استحکام اور معاشی بہتری جاری رہے اور بالخصوص عوام کی سلامتی اور فلاح و بہبود کو یقینی بنایا جائے۔

بورڈ آف ڈائریکٹرز کی جانب سے

مرتنضی حسین
چیف ایگزیکٹو

عمون محمد اے۔ حبیب
ڈائریکٹر

کراچی:
۲۸ اپریل ۲۰۲۶ء

Habib Insurance Company Limited

Condensed Interim Statement of Financial Position as at March 31, 2026 (Unaudited)

| | Note | (Unaudited) March 31, 2026 (Rupees in '000) | (Audited) December 31, 2025 |
|---|------|--|-----------------------------------|
| Assets | | | |
| Property and equipment | 5 | 149,138 | 105,228 |
| Intangible assets | | 17,854 | 10,460 |
| Investments | | | |
| Equity securities | 6 | 2,280,524 | 2,660,531 |
| Debt securities | 7 | 671,999 | 686,143 |
| Loans, deposits and other receivables | 8 | 200,903 | 98,983 |
| Insurance/ reinsurance receivables | 9 | 1,376,381 | 1,565,466 |
| Reinsurance recoveries against outstanding claims | 16 | 1,715,413 | 1,211,344 |
| Salvage recoveries accrued | | 252,427 | 185,379 |
| Deferred commission expense | 17 | 212,118 | 236,264 |
| Prepayments | 10 | 399,629 | 541,515 |
| Taxation - provision less payment | | 84,491 | 86,706 |
| Cash and bank | 11 | 13,576 | 42,138 |
| | | <u>7,374,453</u> | <u>7,430,157</u> |
| Total Assets of Window Takaful Operations - Operator's Fund | | <u>331,996</u> | <u>339,399</u> |
| Total Assets | | <u>7,706,449</u> | <u>7,769,556</u> |
| Equities and Liabilities | | | |
| Capital and reserves attributable to Company's equity holders | | | |
| Ordinary share capital | | 619,374 | 619,374 |
| Reserves | | 1,314,620 | 1,587,084 |
| Unappropriated profit | | 250,016 | 161,538 |
| Total Equity | | <u>2,184,010</u> | <u>2,367,996</u> |
| Liabilities | | | |
| Underwriting provisions | | | |
| Outstanding claims including IBNR | 16 | 2,439,672 | 1,883,852 |
| Unearned premium reserves | 15 | 1,380,396 | 1,563,020 |
| Premium deficiency reserves | | 1,944 | 1,944 |
| Unearned reinsurance commission | 17 | 117,605 | 151,683 |
| Retirement benefit obligations | | 95,071 | 104,774 |
| Deferred taxation | | 318,485 | 445,644 |
| Lease liability against right of use assets | | 59,222 | 14,355 |
| Premium received in advance | | 45,745 | 154,286 |
| Insurance/ reinsurance payables | 12 | 522,860 | 409,697 |
| Other creditors and accruals | 13 | 333,098 | 461,490 |
| | | <u>5,314,098</u> | <u>5,190,745</u> |
| Total Liabilities of Window Takaful Operations - Operator's Fund | | <u>208,341</u> | <u>210,815</u> |
| Total Liabilities | | <u>5,522,439</u> | <u>5,401,560</u> |
| Total Equity and Liabilities | | <u>7,706,449</u> | <u>7,769,556</u> |
| Contingencies and commitments | 14 | | |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman *Director* *Director* *Chief Executive* *Chief Financial Officer*

Habib Insurance Company Limited

Condensed Interim Statement of Comprehensive Income for the quarter ended March 31, 2026 (Unaudited)

| | Note | (Unaudited) March 31, 2026 (Rupees in '000) | (Unaudited) March 31, 2025 (Rupees in '000) |
|--|------|--|--|
| Net insurance premium | 15 | 536,604 | 422,457 |
| Net Insurance claims | 16 | (243,367) | (216,753) |
| Net commission and other acquisition cost | 17 | (52,682) | (10,571) |
| Insurance claims and acquisition expense | | (296,049) | (227,324) |
| Management expenses | | (209,815) | (189,606) |
| Underwriting results | | 30,740 | 5,527 |
| Investment income | 18 | 100,076 | 151,073 |
| Other income | | 1,652 | 3,147 |
| Other expenses | | (5,391) | (3,116) |
| Results of operating activities | | 96,337 | 151,104 |
| Finance cost | | (3,477) | (1,136) |
| Profit/ (loss) before tax from Window Takaful | | | |
| Operations - Operator's Fund | | 2,043 | (23,891) |
| Profit for the period before tax | | 125,643 | 131,604 |
| Income tax expense | | (37,165) | (38,131) |
| Profit for the period | | 88,478 | 93,473 |
| Other comprehensive income: | | | |
| <i>Items that may be classified subsequently to profit and loss account</i> | | | |
| Unrealised (loss) / gain on available-for-sale investments during the period | | (395,501) | (23,163) |
| Less: Net gain transferred to profit and loss on disposal/ redemption/ impairment of investments | | - | (54,944) |
| | | (395,501) | (78,107) |
| Related tax impact | | 130,009 | 22,651 |
| Other comprehensive (loss) / income for the period | | (265,492) | (55,456) |
| Other comprehensive income from Window Takaful Operations- Operator's Fund | | (6,972) | 1,313 |
| Other comprehensive (loss) / income | | (272,464) | (54,143) |
| Total comprehensive income for the period | | (183,986) | 39,330 |
| Earning per share - rupees | 19 | 0.71 | 0.75 |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman *Director* *Director* *Chief Executive* *Chief Financial Officer*

Habib Insurance Company Limited

Condensed Interim Statement of Changes in Equity for the quarter ended March 31, 2026 (Unaudited)

| | Attributable to equity holders of the Company | | | | | Total |
|--|---|--------------------------------|------------------|---|-----------------------|-----------|
| | Capital Reserves | | Revenue Reserves | | | |
| | Share capital | Reserve for exceptional losses | General reserve | Available-for-sale reserves (Rupees in '000) | Unappropriated profit | |
| Balance as at January 01, 2025 | 619,374 | 9,122 | 390,000 | 751,697 | 285,227 | 2,055,420 |
| Comprehensive income for the period | | | | | | |
| Net profit after tax for the period | - | - | - | - | 93,473 | 93,473 |
| Other comprehensive income for the period - net of tax | - | - | - | (54,143) | - | (54,143) |
| Total comprehensive income for the period | - | - | - | (54,143) | 93,473 | 39,330 |
| Balance as at March 31, 2025 | 619,374 | 9,122 | 390,000 | 697,554 | 378,700 | 2,094,750 |
| Balance as at January 01, 2026 | 619,374 | 9,122 | 505,000 | 1,072,962 | 161,538 | 2,367,996 |
| Comprehensive income for the period | | | | | | |
| Net profit after tax for the period | - | - | - | - | 88,478 | 88,478 |
| Other comprehensive income for the period - net of tax | - | - | - | (272,464) | - | (272,464) |
| Total comprehensive income for the period | - | - | - | (272,464) | 88,478 | (183,986) |
| Balance as at March 31, 2026 | 619,374 | 9,122 | 505,000 | 800,498 | 250,016 | 2,184,010 |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB
Chairman

AUN MOHAMMAD A. HABIB
Director

SHABBIR GULAMALI
Director

MURTAZA HUSSAIN
Chief Executive

MUHAMMAD ASIF
Chief Financial Officer

Habib Insurance Company Limited

Condensed Interim Statement of Cash Flow for the quarter ended March 31, 2026 (Unaudited)

| | (Unaudited) March 31 2026 | (Unaudited) March 31 2025 |
|---|---------------------------------|---------------------------------|
| | (Rupees in '000) | |
| Operating cash flow | | |
| (a) Underwriting activities | | |
| Insurance premium received | 881,438 | 665,051 |
| Reinsurance premium paid | (193,565) | (216,843) |
| Claims paid | (836,687) | (372,934) |
| Reinsurance and other recoveries received | 452,261 | 165,628 |
| Commission paid | (149,376) | (125,301) |
| Commission received | 60,991 | 35,764 |
| Net cash flows from underwriting activities | 215,062 | 151,365 |
| (b) Other operating activities | | |
| Income tax paid | (31,876) | (80,002) |
| Other operating payments | (225,512) | (233,567) |
| Other operating receipts | 43,021 | 53,696 |
| Loans advanced | (2,350) | (3,050) |
| Loan repayment received | 1,986 | 4,911 |
| Net cash flows from other operating activities | (214,731) | (258,012) |
| Total cash flows from all operating activities | 331 | (106,647) |
| Investment activities | | |
| Profit/ return received | 24,404 | 11,175 |
| Dividend received | 44,794 | 51,504 |
| Payment for investments | - | (422,219) |
| Proceeds from investments | - | 99,343 |
| Fixed capital expenditure | (31,560) | (8,492) |
| Proceeds from sale of property, plant and equipment | 327 | 101 |
| Total cash flows from investing activities | 37,965 | (268,588) |
| Financing activities | | |
| Payment against leased liabilities | (8,862) | (8,056) |
| Dividends paid | - | - |
| Total cash flows from financing activities | (8,862) | (8,056) |
| Net cash flows from all activities | 29,434 | (383,291) |
| Cash and cash equivalents at beginning of year | (15,858) | 250,601 |
| Cash and cash equivalents at end of the period | 13,576 | (132,690) |
| Reconciliation to profit and loss account | | |
| Operating cash flows | 331 | (106,647) |
| Depreciation and amortisation expense | (10,206) | (8,507) |
| Income tax paid | 31,876 | 80,002 |
| Provision for gratuity | (2,455) | (4,605) |
| Gratuity paid | 12,157 | 1,108 |
| Profit/ return received | 24,404 | 11,175 |
| Dividends income | 44,794 | 51,504 |
| Capital gain | - | 54,944 |
| Financial charges expense | (3,477) | (1,136) |
| (Loss) / profit on disposal of property and equipment | 35 | (17) |
| Provision of taxation | (37,165) | (38,131) |
| Decrease in assets other than cash | (413,011) | 309,522 |
| Decrease in liabilities other than borrowings | 439,152 | (231,848) |
| Profit after tax from conventional insurance operations | 86,435 | 117,364 |
| Profit/ (Loss) from window Takaful Operations - Operator's Fund | 2,043 | (23,891) |
| Profit after taxation | 88,478 | 93,473 |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman *Director* *Director* *Chief Executive* *Chief Financial Officer*

Habib Insurance Company Limited

Notes to the Condensed Interim Financial Statements for the quarter ended March 31, 2026 (Unaudited)

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Habib Insurance Company Limited (the Company) was incorporated as a Public Limited Company in the year 1942 under the Companies Act, 1913 (now the Companies Act, 2017). The registered office of the Company is situated at Habib Square, MA, Jinnah Road, Karachi and the shares of the Company are quoted on the Pakistan Stock Exchange Limited. The Company is engaged in general insurance business comprising of Fire and property, Marine and transport, Motor, Group hospitalization and other classes.

"The Company as an Operator, was allowed to work as Window Takaful Operator on July 18, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations (WTO) in Pakistan. The registered office of the Operator is situated at Habib Square, M.A. Jinnab Road, Karachi.

- 1.2 The Company operates through the following locations in Pakistan;

| Locations | Address |
|------------------------|--|
| Head Office | State Life Building No. 6, Habib Square, M.A. Jinnah Road, Karachi. |
| Karachi Region | P&O Plaza, Survey No. 3/2, Sheet No. R.4.5, Railway Quarter, I.I. Chundrigar Road Karachi. |
| Rawalpindi Branch | 1st Floor, Majeed Plaza, Bank Road, Rawalpindi Cantt. |
| Dera Ghazi Khan Branch | Block No. 17, Jampur Road, Dera Ghazi Khan. |
| Faisalabad Branch | Fatima Tower, 2nd Floor, Kohinoor Plaza, Faisalabad. P-6161, West Canal Road, adjacent to Toyota Faisalabad Motors & behind HBL Canal Road Branch, Faisalabad. |
| Multan Branch | Room No. 401, 403, Plot No. 74, United Mall, Abdali Road, Multan. |
| Lahore Branches | Plot No. 320, Block No. G/3, M.A. Johar Town, Lahore. |

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial information has been prepared in accordance with the format prescribed by Securities and Exchange Commission of Pakistan (SECP) through Insurance Rules, 2017, vide SRO 89 (I) / 2017 dated February 09, 2017.

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

In terms of the requirements of the Takaful Rules, 2012, read with SECP circular 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively.

The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan vide SRO 89(I)/2017 and International Accounting Standard (IAS) 34, "Interim Financial Reporting" and do not include all the information and disclosures required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2025.

Habib Insurance Company Limited

2.1 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain investments which are carried at fair value and obligations under certain employment benefits which are measured at present value.

2.2 Functional and presentation currency

These financial statements are presented in Pak Rupees which is also the Company's functional currency. All financial information presented in Pak Rupees has been rounded to nearest Thousand Rupees, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

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

4. ESTIMATES AND JUDGEMENTS

The preparation of the financial statements for the quarter requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key source of estimation uncertainty were the same as those that were applied to the annual financial statements for the year ended December 31, 2025.

| | Note | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|---|-------|----------------------------------|-----------------------------------|
| (Rupees in '000) | | | |
| 5. Property and equipment | | | |
| Property and equipment | 5.1 | 88,864 | 91,799 |
| Right-of-use assets | 5.2 | 60,274 | 13,429 |
| | | <u>149,138</u> | <u>105,228</u> |
| 5.1 Property and Equipment | | | |
| Opening written down value | | 91,799 | 79,206 |
| Additions during the period / year | 5.1.1 | 1,781 | 29,332 |
| Disposals during period / year | 5.1.2 | (373) | (600) |
| Depreciation for the period / year | | (4,343) | (16,139) |
| Closing written down value | | <u>88,864</u> | <u>91,799</u> |
| 5.1.1 The following additions were made to tangible-property and equipment during the period/ year | | | |
| Furniture and fixtures | | – | 2,626 |
| Computer equipment | | 699 | 6,378 |
| Office equipment | | 1,082 | 3,608 |
| Motor Vehicles - owned | | – | 16,720 |
| | | <u>1,781</u> | <u>29,332</u> |
| 5.1.2 The following disposals of tangible - operating assets were made during the period / year | | | |
| Furniture and fixtures | | 22 | 2 |
| Computer equipment | | 6 | 46 |
| Office equipment | | 345 | 538 |
| Motor Vehicles - owned | | – | 14 |
| | | <u>373</u> | <u>600</u> |

Habib Insurance Company Limited

| | Note | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|---|------|----------------------------------|-----------------------------------|
| | | (Rupees in '000) | |
| 5.2 Right-of-use assets | | | |
| Opening written down value | | 13,429 | 20,208 |
| Additions during the period / year | | 51,763 | 7,028 |
| Depreciation charge for the period / year | | (4,918) | (13,807) |
| Closing written down value | | <u>60,274</u> | <u>13,429</u> |

6. INVESTMENT IN EQUITY SECURITIES

| | March 31, 2026 (Unaudited) | | | | December 31, 2025 (Audited) | | | |
|---------------------------|----------------------------|---------------------------|------------------------|-------------------|-----------------------------|---------------------------|------------------------|-------------------|
| | Cost | Impairment / provision | Revaluation surplus | Carrying value | Cost | Impairment / provision | Revaluation surplus | Carrying value |
| | (Rupees in '000) | | | | (Rupees in '000) | | | |
| Available-for-sale | | | | | | | | |
| Related Parties | | | | | | | | |
| Listed shares | 385,934 | – | 435,952 | 821,886 | 385,974 | – | 512,401 | 898,375 |
| Others | | | | | | | | |
| Listed shares | 727,097 | (4,598) | 675,366 | 1,397,865 | 727,120 | (4,004) | 974,377 | 1,697,493 |
| Listed preference shares | 19,331 | – | 3,623 | 22,954 | 19,331 | – | 3,063 | 22,394 |
| Mutual funds | 805 | – | 4,622 | 5,427 | 805 | – | 4,611 | 5,416 |
| Modaraba certificate | 15,014 | – | 17,378 | 32,392 | 15,014 | – | 21,839 | 36,853 |
| | 762,247 | (4,598) | 700,989 | 1,458,638 | 762,270 | (4,004) | 1,003,890 | 1,762,156 |
| | <u>1,148,181</u> | <u>(4,598)</u> | <u>1,136,941</u> | <u>2,280,524</u> | <u>1,148,244</u> | <u>(4,004)</u> | <u>1,516,291</u> | <u>2,660,531</u> |

7. INVESTMENT IN GOVERNMENT SECURITIES

| | Note | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|--|------|----------------------------------|-----------------------------------|
| | | (Rupees in '000) | |
| Available-for-sale | | | |
| Government Securities - Available for sale | 7.1 | 421,999 | 436,143 |
| Term Finance Certificates - Unsecured (Available for sale) | | 250,000 | 250,000 |
| | | <u>671,999</u> | <u>686,143</u> |

- 7.1 This represents Pakistan Investment Bonds having face value of Rs. 420.0 million (market value of Rs. 421.999 million) [December 31, 2025: face value Rs.420.0 million (market value of Rs.436.143 million)]. These carry mark-up ranging from 11.81% to 13.75% (December 31, 2025: 11.81% to 13.75%) per annum and will mature between July 04, 2026 to November 10, 2033. PIBs having face value of Rs. 70.0 million have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of Section 29 of the Insurance Ordinance, 2000 and circular no. 15 of 2008 dated July 07, 2008 issued by the SECP.

Habib Insurance Company Limited

| 7.2 INVESTMENT IN TERM FINANCE CERTIFICATES | | | | | (Unaudited) | (Audited) |
|---|-------------------------|---|---------------------|----------------|------------------|------------------|
| - Unsecured (available for sale) | | | | | March 31, | December 31, |
| | | | | | 2026 | 2025 |
| | | | | | (Rupees in '000) | |
| Name of Company | Name of Chief Executive | Term/ Profit Payment | No. of Certificates | Cost | | |
| Bank Alfalah | Mr. Atif Bajwa | Perpetual and 6 monthly Non-cumulative KIBOR + 2% | <u>20,000</u> | <u>100,000</u> | <u>100,000</u> | <u>100,000</u> |
| Bank AL Habib Limited | Mr. Mansoor Ali Khan | Perpetual and 6 monthly KIBOR + 1.65% | <u>30,000</u> | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> |
| | | | | | (Unaudited) | (Audited) |
| | | | | | March 31, | December 31, |
| | | | | | 2026 | 2025 |
| | | | | | (Rupees in '000) | |
| 8. LOANS AND OTHER RECEIVABLES - Considered good | | | | | | |
| Accrued investment income | | | | | 59,558 | 27,107 |
| Security Deposits | | | | | 15,475 | 15,475 |
| FED Receivable | | | | | 43 | - |
| Advances | | | | | 87,980 | 14,564 |
| Loan to employees | | | | | 20,481 | 21,245 |
| Receivable from Window Takaful Operations | | | | | 4,306 | 2,202 |
| Receivable from employees - parents insurance policy | | | | | 1,118 | 2,140 |
| Input sales tax | | | | | 10,459 | 16,250 |
| Others | | | | | 1,483 | - |
| | | | | | <u>200,903</u> | <u>98,983</u> |
| 9. INSURANCE / REINSURANCE RECEIVABLES | | | | | | |
| - Unsecured and considered good | | | | | | |
| Due from insurance contract holders | | | | | | |
| Considered good | | | | | 532,859 | 522,451 |
| Considered doubtful | | | | | 20,488 | 20,488 |
| Less: Provision for impairment of receivables from insurance contract holders | | | | | (20,488) | (20,488) |
| | | | | | 532,859 | 522,451 |
| Due from other insurers / reinsurers | | | | | | |
| Considered good | | | | | 843,522 | 1,043,015 |
| Considered doubtful | | | | | 30,165 | 30,165 |
| Less: provision for impairment of due from other insurers / reinsurers | | | | | (30,165) | (30,165) |
| | | | | | 843,522 | 1,043,015 |
| | | | | | <u>1,376,381</u> | <u>1,565,466</u> |

Habib Insurance Company Limited

| | Note | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|---|--------|----------------------------------|-----------------------------------|
| (Rupees in '000) | | | |
| 10. PREPAYMENTS | | | |
| Prepaid reinsurance premium ceded | | 388,862 | 529,048 |
| Prepaid insurance on leased vehicles | | 94 | - |
| Prepaid employees group / health insurance | | 4,965 | 5,225 |
| Others | | 5,708 | 7,242 |
| | | 399,629 | 541,515 |
| 11. CASH AND BANK | | | |
| Cash and cash equivalents | | | |
| Cash in hand | | 267 | 227 |
| Policy Stamps | | 229 | 275 |
| | | 496 | 502 |
| Cash at bank | | | |
| Current accounts | | 10,012 | 23,491 |
| Savings accounts | | 3,068 | 18,145 |
| | | 13,080 | 41,636 |
| | | 13,576 | 42,138 |
| 11.1 Cash and short term borrowing include the following for the purposes of the cash flow statement | | | |
| Cash and cash equivalents | | 13,576 | 42,138 |
| Over draw | 11.1.1 | - | (57,996) |
| | | 13,576 | (15,858) |
| 12. INSURANCE / REINSURANCE PAYABLES | | | |
| Due to other insurers / reinsurers | 12.1 | 522,860 | 409,697 |
| 12.1 Due to other insurers / reinsurers | | | |
| Foreign reinsurers | | 56,196 | 38,858 |
| Local reinsurers | | 185,411 | 162,297 |
| Co insurers | | 281,253 | 208,542 |
| | | 522,860 | 409,697 |
| 13. OTHER CREDITORS AND ACCRUALS | | | |
| Agents commission payable | | 180,505 | 206,276 |
| Federal excise duty | | 27,817 | 56,281 |
| Federal insurance fee | | 2,193 | 4,215 |
| Accrued expenses | | 20,484 | 21,849 |
| Withholding tax payable | | 2,742 | 1,297 |
| Unclaimed dividend | | 71,685 | 71,685 |
| Sundry creditors | | 926 | 13,461 |
| Worker's welfare fund | | 15,475 | 15,475 |
| Tracker Payable | | 9,958 | 9,299 |
| Others | | 1,313 | 3,656 |
| Overdraw | | - | 57,996 |
| | | 333,098 | 461,490 |

Habib Insurance Company Limited

14. CONTINGENCIES & COMMITMENTS

14.1 Contingencies

There is no contingency as at March 31, 2026 other than those disclosed in the financial statement as at December 31, 2025.

14.2 Commitments

There is no commitment as at March 31, 2026 (December 31, 2025: Nil).

| | (Unaudited) March 31, 2026 | (Unaudited) March 31, 2025 |
|---|----------------------------------|----------------------------------|
| | (Rupees in '000) | |
| 15. NET INSURANCE PREMIUM | | |
| Written gross premium | 800,894 | 542,428 |
| Add: Unearned premium reserve opening | 1,563,020 | 1,517,647 |
| Less: Unearned premium reserve closing | <u>(1,380,396)</u> | <u>(1,240,929)</u> |
| Premium earned | 983,518 | 819,146 |
| Less: Reinsurance premium ceded | <u>306,728</u> | <u>178,099</u> |
| Add: Prepaid reinsurance premium opening | 529,048 | 676,990 |
| Less: Prepaid reinsurance premium closing | <u>(388,862)</u> | <u>(458,400)</u> |
| Reinsurance expense | 446,914 | 396,689 |
| Net insurance premium | <u>536,604</u> | <u>422,457</u> |
| 16. NET INSURANCE CLAIMS | | |
| Claims paid | <u>836,687</u> | <u>372,934</u> |
| Add: Outstanding claims including IBNR closing | 2,439,672 | 1,109,408 |
| Less: Outstanding claims including IBNR opening | <u>(1,883,852)</u> | <u>(1,044,318)</u> |
| Claims expense | 1,392,507 | 438,024 |
| Reinsurance and other recoveries received | <u>578,023</u> | <u>165,628</u> |
| Add: Reinsurance and other recoveries in respect of outstanding claims net of impairment - closing | 1,967,840 | 746,225 |
| Less: Reinsurance and other recoveries in respect of outstanding claims net of impairment - opening | <u>(1,396,723)</u> | <u>(690,582)</u> |
| Reinsurance and other recoveries revenue | 1,149,140 | 221,271 |
| Net insurance claims | <u>243,367</u> | <u>216,753</u> |
| 17. NET COMMISSION INCOME | | |
| Commissions paid or payable | 123,605 | 74,082 |
| Add: Deferred commission - opening | 236,264 | 212,519 |
| Less: Deferred commission - closing | <u>(212,118)</u> | <u>(175,388)</u> |
| Commission expense | 147,751 | 111,213 |
| Less: Commission from reinsurers | | |
| Commission received or receivable | <u>60,991</u> | <u>42,554</u> |
| Add: Unearned reinsurance commission - opening | 151,683 | 191,175 |
| Less: Unearned reinsurance commission - closing | <u>(117,605)</u> | <u>(133,087)</u> |
| Commission from reinsurers | 95,069 | 100,642 |
| Net commission income | <u>(52,682)</u> | <u>(10,571)</u> |

Habib Insurance Company Limited

| | (Unaudited) March 31, 2026 (Rupees in '000) | (Unaudited) March 31, 2025 |
|--|--|----------------------------------|
| 18. INVESTMENT INCOME | | |
| Income from equity securities - 'available-for-sale' | | |
| - Dividend income | 80,506 | 79,619 |
| Income from debt securities - 'available-for-sale' | | |
| - Pakistan Investment Bonds | 12,320 | 8,897 |
| - Term Finance Certificates | 7,915 | 9,283 |
| | 20,235 | 18,180 |
| Net realised gain on investments - 'available-for-sale' | | |
| - Equity securities | - | 54,944 |
| Total investment income | <u>100,741</u> | <u>152,743</u> |
| Less: Impairment in value of available-for-sale investments | (625) | (1,508) |
| Less: Investment related expenses | (40) | (162) |
| | <u><u>100,076</u></u> | <u><u>151,073</u></u> |

19. EARNINGS PER SHARE - BASIC AND DILUTED

| | | |
|---|--------------------|--------------------|
| Profit after tax for the period | <u>88,478</u> | <u>93,473</u> |
| | (Number of Shares) | |
| Weighted average number of ordinary shares of Rs.5 each | <u>123,874,755</u> | <u>123,874,755</u> |
| | (Rupees) | |
| Basic earnings per share | <u>0.71</u> | <u>0.75</u> |

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

20. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, companies with common directors, major shareholders, staff retirement funds, directors and key management personnel. The Company in the normal course of business carries out transactions with related parties at commercial terms and conditions except for compensation to key management personnel which are on employment terms.

The balances with / due from and transactions with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

Habib Insurance Company Limited

| | (Unaudited) March 31, 2026 | (Unaudited) March 31, 2025 |
|---|----------------------------------|-----------------------------------|
| | (Rupees in '000) | |
| Transactions and balances with associated companies | | |
| Transactions during the year with associated companies | | |
| Premium written | 67,795 | 33,321 |
| Claims paid | 249,584 | 60,679 |
| Dividend received | 29,438 | 28,822 |
| Investment made | – | 72,219 |
| Interest received on bank accounts | 907 | 2,199 |
| Bank charges | 45 | 144 |
| Donations | 800 | 800 |
| Premium ceded to reinsurer | 80,537 | 50,145 |
| Commission income | 16,169 | 13,172 |
| Reinsurance recoveries received | 208,742 | 23,801 |
| Remuneration of key management personnel | 69,849 | 86,081 |
| | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
| | (Rupees in '000) | |
| Balances with associated companies | | |
| Premium due but unpaid | 34,339 | 69,513 |
| Claims outstanding | 57,245 | 114,866 |
| Bank balances | 10,839 | 15,900 |
| Investment held | 821,886 | 624,058 |
| Reinsurance Receivable/ (payable) | – | 33,436 |
| | (Unaudited) March 31, 2026 | (Unaudited) March 31, 2025 |
| | (Rupees in '000) | |
| Transactions during the year with other related parties including key management personnel | | |
| Principal repayment of loans by key management personnel (secured) | 850 | 962 |
| Interest income received | 219 | 484 |
| Brokerage expenses paid | – | 119 |
| Contribution to the provident fund | 2,328 | 2,004 |
| | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
| | (Rupees in '000) | |
| Balance with other related parties including key management personnel | | |
| Loans to employees (secured) | 6,521 | 7,371 |

Habib Insurance Company Limited

21. SEGMENT REPORTING

| | March 31, 2026 (Unaudited) | | | | | |
|---|----------------------------|----------------------|-----------|-----------------------|---------------|-------------|
| | Fire and property | Marine and transport | Motor | Group hospitalisation | Other Classes | Aggregate |
| | (Rupees in '000) | | | | | |
| Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge) | 248,681 | 120,424 | 472,228 | 67 | 91,614 | 933,014 |
| Less: Federal Excise Duty | 33,841 | 14,716 | 63,925 | 9 | 11,606 | 124,097 |
| Federal Insurance Fee | 2,129 | 1,047 | 4,054 | 1 | 792 | 8,023 |
| Gross written premium (inclusive of Administrative surcharge) | 212,711 | 104,661 | 404,249 | 57 | 79,216 | 800,894 |
| Gross direct premium | 211,500 | 101,239 | 390,316 | 57 | 78,598 | 781,710 |
| Facultative inward premium | – | – | – | – | – | – |
| Administrative surcharge | 1,209 | 3,423 | 13,934 | – | 618 | 19,184 |
| | 212,709 | 104,662 | 404,250 | 57 | 79,216 | 800,894 |
| Insurance premium earned | 350,281 | 110,592 | 401,797 | 2,368 | 118,480 | 983,518 |
| Insurance premium ceded to reinsurers | (294,822) | (60,691) | (43,657) | – | (47,744) | (446,914) |
| Net insurance premium | 55,459 | 49,901 | 358,140 | 2,368 | 70,736 | 536,604 |
| Commission income | 60,137 | 13,518 | 7,602 | – | 13,812 | 95,069 |
| Net underwriting income | 115,596 | 63,419 | 365,742 | 2,368 | 84,548 | 631,673 |
| Insurance claims | 835,870 | 193,882 | 315,582 | 3,658 | 43,515 | 1,392,507 |
| Insurance claims recovered from reinsurers | (837,276) | (188,093) | (99,385) | – | (24,386) | (1,149,140) |
| Net Claims | (1,406) | 5,789 | 216,197 | 3,658 | 19,129 | 243,367 |
| Commission expense | (55,158) | (16,318) | (55,447) | (36) | (20,792) | (147,751) |
| Management expenses | (55,724) | (27,419) | (105,904) | (15) | (20,753) | (209,815) |
| Net insurance claims and expenses | (110,882) | (43,737) | (161,351) | (51) | (41,545) | (357,566) |
| Underwriting result | 6,120 | 13,893 | (11,806) | (1,341) | 23,874 | 30,740 |
| Investment income | | | | | | 100,076 |
| Other income | | | | | | 1,652 |
| Other expenses | | | | | | (5,391) |
| Results of operating activities | | | | | | 127,077 |
| Finance cost | | | | | | (3,477) |
| Profit from Window Takaful Operations - Operator's Fund | | | | | | 2,043 |
| Profit before tax | | | | | | 125,643 |

Habib Insurance Company Limited

March 31, 2026 (Unaudited)

| Segment assets | | | | | | |
|---|------------------|----------------|------------------|---------------|----------------|------------------|
| Allocated Assets | | | | | | |
| Premium due but unpaid | 172,699 | 108,902 | 167,887 | 5,214 | 78,157 | 532,859 |
| Prepaid reinsurance premium ceded | 263,710 | 12,462 | 42,167 | – | 70,523 | 388,862 |
| Reinsurance recoveries against outstanding claims | 1,535,386 | 50,590 | 20,591 | – | 108,846 | 1,715,413 |
| Salvage recoveries accrued | 16,395 | 133,089 | 102,514 | – | 429 | 252,427 |
| Deferred commission expense | 58,430 | 3,653 | 124,115 | – | 25,920 | 212,118 |
| | <u>2,046,620</u> | <u>308,696</u> | <u>457,274</u> | <u>5,214</u> | <u>283,875</u> | <u>3,101,679</u> |
| Unallocated Assets | | | | | | |
| Fixed assets at cost less depreciation | | | | | | 166,992 |
| Amounts due from others insurers/ reinsurers | | | | | | 843,522 |
| Cash and cash equivalents | | | | | | 13,576 |
| Loans-secured, considered good | | | | | | 20,481 |
| Investments | | | | | | 2,952,523 |
| Accrued investment income | | | | | | 59,558 |
| Advances, deposits and prepayments | | | | | | 120,864 |
| Taxation - provisions and prepayments | | | | | | 84,491 |
| Prepayments | | | | | | 10,767 |
| | | | | | | <u>4,272,774</u> |
| Total Assets | | | | | | |
| Unallocated assets of General Takaful Operations - Operator's Fund | | | | | | 7,374,453 |
| | | | | | | 331,996 |
| | | | | | | <u>7,706,449</u> |
| Allocated Liabilities | | | | | | |
| Outstanding Claims | 1,603,985 | 225,220 | 403,125 | 13,965 | 193,377 | 2,439,672 |
| Unearned Premium | 380,838 | 29,649 | 838,741 | 2,939 | 128,229 | 1,380,396 |
| Unearned Reinsurance Commission | 75,363 | 4,391 | 14,322 | – | 23,529 | 117,605 |
| Premium Deficiency Reserve | – | – | – | 1,944 | – | 1,944 |
| | <u>2,060,186</u> | <u>259,260</u> | <u>1,256,188</u> | <u>18,848</u> | <u>345,135</u> | <u>3,939,617</u> |
| Unallocated Liabilities | | | | | | |
| Premiums received in advance | | | | | | 45,745 |
| Amounts due to other insurers/ reinsurers | | | | | | 522,860 |
| Staff retirements benefits | | | | | | 95,071 |
| Deferred tax | | | | | | 318,485 |
| Finance lease liability | | | | | | 59,222 |
| Borrowings | | | | | | – |
| Other creditors and accruals | | | | | | 333,098 |
| | | | | | | <u>1,374,481</u> |
| Total Liabilities | | | | | | |
| Unallocated liabilities of General Takaful Operations - Operator's Fund | | | | | | 5,314,098 |
| | | | | | | 208,341 |
| | | | | | | <u>5,522,439</u> |

Habib Insurance Company Limited

SEGMENT REPORTING

| | March 31, 2025 (Unaudited) | | | | | |
|---|----------------------------|----------------------|-----------|-----------------------|---------------|-----------|
| | Fire and property | Marine and transport | Motor | Group hospitalisation | Other Classes | Aggregate |
| | (Rupees in '000) | | | | | |
| Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative surcharge) | 173,978 | 92,427 | 317,205 | 14,434 | 33,918 | 631,962 |
| Less: Federal Excise Duty | 23,691 | 10,932 | 43,034 | 1,866 | 4,571 | 84,094 |
| Federal Insurance Fee | 1,493 | 806 | 2,723 | 124 | 294 | 5,440 |
| Gross written premium (inclusive of Administrative surcharge) | 148,794 | 80,689 | 271,448 | 12,444 | 29,053 | 542,428 |
| Gross direct premium | 147,599 | 77,995 | 262,602 | 12,437 | 28,674 | 529,307 |
| Facultative inward premium | – | – | – | – | – | – |
| Administrative surcharge | 1,195 | 2,695 | 8,847 | 5 | 379 | 13,121 |
| | 148,794 | 80,690 | 271,449 | 12,442 | 29,053 | 542,428 |
| Insurance premium earned | 341,424 | 88,489 | 281,605 | 4,235 | 103,393 | 819,146 |
| Insurance premium ceded to reinsurers | (279,499) | (33,970) | (23,319) | – | (59,901) | (396,689) |
| Net insurance premium | 61,925 | 54,519 | 258,286 | 4,235 | 43,492 | 422,457 |
| Commission income | 70,715 | 9,818 | 5,607 | – | 14,502 | 100,642 |
| Net underwriting income | 132,640 | 64,337 | 263,893 | 4,235 | 57,994 | 523,099 |
| Insurance claims | 106,164 | 47,594 | 195,852 | 2,661 | 85,753 | 438,024 |
| Insurance claims recovered from reinsurers | (92,253) | (30,025) | (51,088) | – | (47,905) | (221,271) |
| Net Claims | 13,911 | 17,569 | 144,764 | 2,661 | 37,848 | 216,753 |
| Commission expense | (49,485) | (10,197) | (33,769) | (129) | (17,633) | (111,213) |
| Management expenses | (52,012) | (28,205) | (94,885) | (4,349) | (10,155) | (189,606) |
| Net insurance claims and expenses | (101,497) | (38,402) | (128,654) | (4,478) | (27,788) | (300,819) |
| Underwriting result | 17,232 | 8,366 | (9,525) | (2,904) | (7,642) | 5,527 |
| Investment income | | | | | | 151,073 |
| Other income | | | | | | 3,147 |
| Other expenses | | | | | | (3,116) |
| Results of operating activities | | | | | | 156,631 |
| Finance cost | | | | | | (1,136) |
| Profit from Window Takaful Operations - Operator's Fund | | | | | | (23,891) |
| Profit before tax | | | | | | 131,604 |

Habib Insurance Company Limited

December 31, 2025 (Unaudited)

Segment assets

Allocated Assets

| | | | | | | |
|---|------------------|----------------|----------------|--------------|----------------|------------------|
| Premium due but unpaid | 203,981 | 93,751 | 134,804 | 2,511 | 87,404 | 522,451 |
| Prepaid reinsurance premium ceded | 380,941 | 10,767 | 42,825 | – | 94,515 | 529,048 |
| Reinsurance recoveries against outstanding claims | 923,184 | 160,230 | 27,874 | – | 100,056 | 1,211,344 |
| Salvage recoveries accrued | 18,549 | 97,711 | 68,743 | – | 376 | 185,379 |
| Deferred commission expense | 78,977 | 3,670 | 119,880 | 34 | 33,703 | 236,264 |
| | <u>1,605,632</u> | <u>366,129</u> | <u>394,126</u> | <u>2,545</u> | <u>316,054</u> | <u>2,684,486</u> |

Unallocated Assets

| | | | | | | |
|--|--|--|--|--|--|------------------|
| Fixed assets at cost less depreciation | | | | | | 115,688 |
| Amounts due from others insurers/ reinsurers | | | | | | 1,043,015 |
| Cash and cash equivalents | | | | | | 42,138 |
| Loans-secured, considered good | | | | | | 21,245 |
| Investments | | | | | | 3,346,674 |
| Accrued investment income | | | | | | 27,107 |
| Advances, deposits and prepayments | | | | | | 50,631 |
| Taxation - provisions and prepayments | | | | | | 86,706 |
| Prepayments | | | | | | 12,467 |
| | | | | | | <u>4,745,671</u> |

Total Assets

| | | | | | | |
|--|--|--|--|--|--|------------------|
| Unallocated assets of General Takaful Operations - Operator's Fund | | | | | | 7,430,157 |
| | | | | | | <u>339,399</u> |
| | | | | | | <u>7,769,556</u> |

Allocated Liabilities

| | | | | | | |
|---------------------------------|------------------|----------------|------------------|---------------|----------------|------------------|
| Outstanding Claims | 1,007,853 | 330,703 | 352,248 | 13,895 | 179,153 | 1,883,852 |
| Unearned Premium | 518,409 | 35,580 | 836,288 | 5,251 | 167,492 | 1,563,020 |
| Unearned Reinsurance Commission | 103,124 | 3,718 | 13,639 | – | 31,202 | 151,683 |
| Premium Deficiency Reserve | – | – | – | 1,944 | – | 1,944 |
| | <u>1,629,386</u> | <u>370,001</u> | <u>1,202,175</u> | <u>21,090</u> | <u>377,847</u> | <u>3,600,499</u> |

Unallocated Liabilities

| | | | | | | |
|---|--|--|--|--|--|------------------|
| Premiums received in advance | | | | | | 154,286 |
| Amounts due to other insurers/ reinsurers | | | | | | 409,697 |
| Staff retirements benefits | | | | | | 104,774 |
| Deferred tax | | | | | | 445,644 |
| Finance lease liability | | | | | | 14,355 |
| Other creditors and accruals | | | | | | 461,490 |
| | | | | | | <u>1,590,246</u> |

Total Liabilities

| | | | | | | |
|---|--|--|--|--|--|------------------|
| Unallocated liabilities of General Takaful Operations - Operator's Fund | | | | | | 5,190,745 |
| | | | | | | <u>210,815</u> |
| | | | | | | <u>5,401,560</u> |

Habib Insurance Company Limited

22. GENERAL

Figures have been rounded off to the nearest Thousand Rupee.

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on April 28, 2026 by the Board of Directors of the Company.

| | | | | |
|------------------|-----------------------|------------------|------------------------|--------------------------------|
| MANSOOR G. HABIB | AUN MOHAMMAD A. HABIB | SHABBIR GULAMALI | MURTAZA HUSSAIN | MUHAMMAD ASIF |
| <i>Chairman</i> | <i>Director</i> | <i>Director</i> | <i>Chief Executive</i> | <i>Chief Financial Officer</i> |

Habib Insurance Company Limited

Financial Statements

Window Takaful Operations

Habib Insurance Company Limited

Condensed Interim Statement of Financial Position as at March 31, 2026 (Unaudited)

| | Note | Operator's Fund | | Participant's Fund | |
|--|------|--|-----------------------------------|--|-----------------------------------|
| | | (Unaudited) March 31, 2026 (Rupees in '000) | (Audited) December 31, 2025 | (Unaudited) March 31, 2026 (Rupees in '000) | (Audited) December 31, 2025 |
| ASSETS | | | | | |
| Investment | | | | | |
| Sukuk Bonds | 5 | 153,510 | 159,045 | – | – |
| Loans and other receivables | 6 | 3,380 | 6,630 | 80 | 2,369 |
| Takaful / retakaful receivable | 7 | – | – | 303,629 | 253,785 |
| Retakaful recoveries against outstanding claims | 14 | – | – | 119,737 | 163,190 |
| Salvage recoveries accrued | | – | – | 26,015 | 9,765 |
| Deferred Wakala expense | 17 | – | – | 106,750 | 104,771 |
| Deferred commission expense | 15 | 35,924 | 40,472 | – | – |
| Receivable from PTF | 12 | 79,365 | 69,743 | – | – |
| Taxation - payments less provision | | – | – | 6,211 | 6,680 |
| Deferred taxation | | 2,848 | – | – | – |
| Prepayments | 8 | 1,749 | 608 | 102,524 | 122,510 |
| Cash and bank | 9 | 55,220 | 62,901 | 266,821 | 257,303 |
| Total assets | | 331,996 | 339,399 | 931,767 | 920,373 |
| EQUITIES AND LIABILITIES | | | | | |
| Capital Reserves Attributable to Company's Shareholders | | | | | |
| Share capital | | 50,000 | 50,000 | – | – |
| Accumulated surplus | | 72,091 | 77,020 | – | – |
| Reserves | | 1,564 | 1,564 | – | – |
| Total Shareholders Equity | | 123,655 | 128,584 | – | – |
| Participant's Takaful Fund (PTF) | | | | | |
| Ceded money | | – | – | 500 | 500 |
| Accumulated surplus | | – | – | 35,798 | 40,719 |
| Balance of Participants' Takaful Fund | | – | – | 36,298 | 41,219 |
| Liabilities | | | | | |
| PTF underwriting provisions | | | | | |
| Outstanding claims including IBNR | 14 | – | – | 293,288 | 328,617 |
| Unearned contribution reserve | 13 | – | – | 305,731 | 303,667 |
| Reserve for unearned retakaful rebate | 16 | – | – | 23,776 | 29,612 |
| | | – | – | 622,795 | 661,896 |
| Unearned Wakala Fee | 17 | 106,750 | 104,771 | – | – |
| Contribution received in advance | | – | – | 8,970 | 11,493 |
| Takaful / retakaful payable | 11 | – | – | 168,320 | 117,352 |
| Payable to OTF | 12 | – | – | 79,365 | 69,743 |
| Retirement benefit obligation | | 11,422 | 11,139 | – | – |
| Taxation - payments less provision | | 31,849 | 31,983 | – | – |
| Other creditors and accrual | 10 | 58,320 | 62,922 | 16,019 | 18,670 |
| Total liabilities | | 208,341 | 210,815 | 272,674 | 217,258 |
| Total Equity and Liabilities | | 331,996 | 339,399 | 931,767 | 920,373 |
| Contingencies and commitments | 19 | | | | |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman *Director* *Director* *Chief Executive* *Chief Financial Officer*

Habib Insurance Company Limited

Condensed Interim Statement of Comprehensive Income for the quarter ended March 31, 2026 (Unaudited)

| | Note | (Unaudited) Quarter ended March 31, 2026 (Rupees in '000) | (Unaudited) Quarter ended March 31, 2025 |
|--|------|---|---|
| Participants' Takaful Fund | | | |
| Contribution earned | 13 | 145,229 | 98,194 |
| Less: Contribution ceded to retakaful | 13 | (101,827) | (87,212) |
| Net contribution revenue | | 43,402 | 10,982 |
| Retakaful rebate | 16 | 20,361 | 17,862 |
| Net underwriting income | | 63,763 | 28,844 |
| Net claims - reported/ settled -IBNR | 14 | (49,678) (21,686) | (3,210) (40,053) |
| | | (71,364) | (43,263) |
| Surplus before investment income | | (7,601) | (14,419) |
| Investment income | 18 | 3,461 | 3,092 |
| Other expenses | | (781) | (776) |
| Deficit transferred to accumulated surplus | | (4,921) | (12,103) |
| Other Comprehensive income | | | |
| Unrealised gain on available for sale investments during the period | | – | 3,716 |
| Net gain transferred to profit and loss on disposal/redemption/ impairment of investments | | – | – |
| | | – | 3,716 |
| Related Tax impact | | – | – |
| Other comprehensive income for the period | | – | 3,716 |
| Total comprehensive loss for the period | | (4,921) | (8,387) |
| Operator's Fund | | | |
| Wakala fee | 17 | 75,079 | 58,410 |
| Commission expense | 15 | (29,837) | (22,898) |
| General administrative and management expenses | | (48,538) | (63,157) |
| | | (3,296) | (27,645) |
| Investment income | 18 | 7,405 | 4,336 |
| Other expense | | (2,066) | (582) |
| Profit before taxation | | 2,043 | (23,891) |
| Income tax expense | | – | – |
| Profit after taxation for the period | | 2,043 | (23,891) |
| Other comprehensive income | | | |
| Unrealised (Loss) / gain on available for sale investments during the period | | (9,820) | 1,313 |
| Net gain transferred to profit and loss on disposal/redemption/ impairment of investments | | – | – |
| | | (9,820) | 1,313 |
| Related Tax impact | | 2,848 | – |
| Other comprehensive income for the period | | (6,972) | 1,313 |
| Total comprehensive income for the period | | (4,929) | (22,578) |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman Director Director Chief Executive Chief Financial Officer

Habib Insurance Company Limited

Condensed Interim Statement of Changes in Funds (Unaudited) For the quarter ended March 31, 2026

| | Operator's Takaful Fund | | | |
|---|---------------------------|----------------------------|---------------------------------|----------|
| | Share Capital | Available for sale reserve | Accumulated Surplus / (Deficit) | Total |
| | (Rupees in '000) | | | |
| Balance as at January 01, 2025 | 50,000 | – | 76,644 | 126,644 |
| Comprehensive income for the period | | | | |
| Profit for the period | – | – | 737 | 737 |
| Other comprehensive income for the period | – | 1,564 | (361) | 1,203 |
| Total comprehensive income for the period | – | 1,564 | 376 | 1,940 |
| Balance as at March 31, 2025 | 50,000 | 1,564 | 77,020 | 128,584 |
| Balance as at January 01, 2026 | 50,000 | 1,564 | 77,020 | 128,584 |
| Comprehensive income for the period | | | | |
| Profit for the period | – | – | 2,043 | 2,043 |
| Other comprehensive income for the period | – | – | (6,972) | (6,972) |
| Total comprehensive income for the period | – | – | (4,929) | (4,929) |
| Balance as at March 31, 2026 | 50,000 | 1,564 | 72,091 | 123,655 |
| | Participants Takaful Fund | | | |
| | Ceded money | Available for sale reserve | Accumulated surplus | Total |
| | (Rupees in '000) | | | |
| Balance as at January 01, 2025 | 500 | – | 108,411 | 108,911 |
| Comprehensive income for the period | | | | |
| Surplus for the period | – | – | (67,692) | (67,692) |
| Other comprehensive income for the period | – | – | – | – |
| Total comprehensive income for the period | – | – | – | – |
| Balance as at March 31, 2025 | 500 | – | 40,719 | 41,219 |
| Balance as at January 01, 2026 | 500 | – | 40,719 | 41,219 |
| Comprehensive income for the period | | | | |
| Profit for the period | – | – | (4,921) | (4,921) |
| Other comprehensive income for the period | – | – | – | – |
| Total comprehensive income for the period | – | – | (4,921) | (4,921) |
| Balance as at March 31, 2026 | 500 | – | 35,798 | 36,298 |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB *Chairman* AUN MOHAMMAD A. HABIB *Director* SHABBIR GULAMALI *Director* MURTAZA HUSSAIN *Chief Executive* MUHAMMAD ASIF *Chief Financial Officer*

Habib Insurance Company Limited

Condensed Interim Statement of Cash flow for the Quarter ended March 31, 2026 (Unaudited)

| | OPF | | PTF | |
|--|-------------------|-------------------|-------------------|------------------|
| | (Unaudited) | | (Unaudited) | |
| | March 31, 2026 | March 31, 2025 | March 31, 2026 | March 31 2025 |
| | (Rupees in '000) | | | |
| Operating activities | | | | |
| (a) Takaful activities | | | | |
| Contribution received | – | – | 168,477 | 143,567 |
| Retakaful contribution paid | – | – | (30,947) | (110,799) |
| Claims paid | – | – | (107,205) | (87,426) |
| Retakaful and other recoveries received | – | – | 27,715 | 23,075 |
| Commission paid | (32,309) | (29,799) | – | – |
| Wakala/ Mudarib fee | 69,743 | 55,550 | (69,743) | (55,550) |
| Commission received | – | – | 14,525 | 12,409 |
| Net cash inflows from takaful activities | 37,434 | 25,751 | 2,822 | (74,724) |
| (b) Other operating activities | | | | |
| Other operating payments | (50,213) | (68,497) | 928 | (6,767) |
| Other operating receipts | – | – | – | – |
| Net cash flow from other operating activities | (50,213) | (68,497) | 928 | (6,767) |
| Total cash flow from operating activities | (12,779) | (42,746) | 3,750 | (81,491) |
| Investment activities | | | | |
| Profit / return received | 5,098 | 1,353 | 2,757 | 2,913 |
| Dividend received | – | 1,658 | – | 1,504 |
| Proceeds from investments | – | – | 153,011 | 80,000 |
| Payments for investments | – | (181,217) | (150,000) | (376,132) |
| Total cash flow from investing activities | 5,098 | (178,206) | 5,768 | (291,715) |
| Cash flows from financing activities | – | – | – | – |
| Net cash flow from all activities | (7,681) | (220,952) | 9,518 | (373,206) |
| Cash and cash equivalents at beginning of year | 62,901 | 224,438 | 257,303 | 424,859 |
| Cash and cash equivalents at end of period | <u>55,220</u> | <u>3,486</u> | <u>266,821</u> | <u>51,653</u> |
| Reconciliation to profit and loss account | | | | |
| Operating cash flows | (12,779) | (42,746) | 3,750 | (81,491) |
| Profit / return received | 5,098 | 1,353 | 2,757 | 2,913 |
| Dividends received | – | 1,658 | – | 1,504 |
| Capital gain | – | – | 3,011 | – |
| (Increase)/ decrease in assets other than cash | 7,101 | (11,565) | 27,100 | (40,660) |
| (Decrease)/ Increase in liabilities | 2,623 | 27,409 | (41,539) | 105,631 |
| Profit/ (Loss) after taxation | <u>2,043</u> | <u>(23,891)</u> | <u>(4,921)</u> | <u>(12,103)</u> |
| Attributed to: | | | | |
| Operator's Fund | 2,043 | (23,891) | – | – |
| Participants' Takaful Fund | – | – | (4,921) | (12,103) |
| | <u>2,043</u> | <u>(23,891)</u> | <u>(4,921)</u> | <u>(12,103)</u> |

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman Director Director Chief Executive Chief Financial Officer

Habib Insurance Company Limited

Notes to the Condensed Interim Financial Statements for the quarter ended March 31, 2026 (Unaudited)

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Habib Insurance Company Limited (the Operator) was incorporated in Pakistan in 1942 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Operator was allowed to work as Window Takaful Operator on July 18, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations (WTO) in Pakistan. The Operator is listed at Pakistan Stock Exchange Limited. The registered office of the Operator is situated at Habib Square, M.A. Jinnah Road, Karachi.
- 1.2 The Operator transferred statutory fund of Rs. 50 million in a separate bank account for the Window Takaful Operations as per the requirement of circular 8 of 2014. The Operator has formed a Waqf for Participants' Fund by executing the Waqf deed dated June 12, 2018 and deposited a cede money of Rs. 0.5 million. The cede money is required to be invested in Shari'ah compliant remunerative instrument which may be used to acquire immovable Waqf property if Shari'ah and law so warrants. Waqf Deed governs the relationship of Operator and participants for management of takaful operations, investments of participants' funds and investments of the Operator's funds approved by the shari'ah advisor of the Operator.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These financial statements have been prepared in line with the format issued by the SECP through Insurance Rules, 2017, and SECP Circular No. 25 of 2015 dated July 09, 2015.

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

2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements for the quarter ended March 31, 2026 are unaudited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and

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

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

- 2.1.2 This condensed interim financial statements reflect the financial statements reflect the financial position and results of operations of both the Operator's Fund and Participants' Takaful Fund in a manner that the assets, liabilities, income and expenses of the Operator and Participants' Takaful Fund remain separately identifiable.
- 2.1.3 In terms of the requirements of the Takaful Rules 2012, read with SECP Circular No. 25 of 2015 dated July 09, 2015, the assets, liabilities and profit and loss and other comprehensive income of the Operator's Fund have been presented as a single line item in the balance sheet and statement of comprehensive income of the Operator respectively.

Habib Insurance Company Limited

2.1.4 This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements. Accordingly these condensed interim financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2025.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for available for sale investments that have been measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is also the Operator's functional currency. All financial information presented in Pak Rupees has been rounded to nearest Thousand Rupees, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

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

4 ESTIMATE AND JUDGEMENTS

The preparation of the condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Operations' accounting policies and the key source of estimation uncertainty were the same as those that were applied to the annual financial statements as at and for the year ended December 31, 2025.

Habib Insurance Company Limited

5. INVESTMENT - OPF

| Available-for-sale | March 31, 2026 (Unaudited) | | | | December 31, 2025 (Audited) | | | |
|--------------------|----------------------------|--------------------------|------------------------|---------------------------------------|-----------------------------|--------------------------|--|-------------------|
| | Cost | Impairment/ provision | Revaluation deficit | Carrying value (Rupees in '000) | Cost | Impairment/ provision | Revaluation surplus (Rupees in '000) | Carrying value |
| Sukuk Bonds | 161,127 | – | (7,617) | 153,510 | 157,481 | – | 1,564 | 159,045 |
| | <u>161,127</u> | <u>–</u> | <u>(7,617)</u> | <u>153,510</u> | <u>157,481</u> | <u>–</u> | <u>1,564</u> | <u>159,045</u> |

6. LOANS AND OTHER RECEIVABLES

| | March 31, 2026 (Unaudited) | | | December 31, 2025 (Audited) | | |
|------------------------------|----------------------------|--|--------------|-----------------------------|--|--------------|
| | Operator's Fund | Participant Takaful Fund (Rupees in '000) | Total | Operator's Fund | Participant Takaful Fund (Rupees in '000) | Total |
| FED Receivable | – | 6 | 6 | – | 1 | 1 |
| Advance to commission agents | – | – | – | 1,388 | – | 1,388 |
| Others | 3,380 | 74 | 3,454 | 149 | 129 | 278 |
| | <u>3,380</u> | <u>80</u> | <u>3,460</u> | <u>1,537</u> | <u>130</u> | <u>1,667</u> |

Habib Insurance Company Limited

| | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|---|----------------------------------|-----------------------------------|
| | (Rupees in '000) | |
| 7. TAKAFUL/ RETAKAFUL RECEIVABLE | | |
| Due from Takaful contract holders | 160,117 | 116,463 |
| Considered good | | |
| Considered doubtful | 3,298 | 3,298 |
| Less: Provision for impairment of receivables from takaful contract holders | (3,298) | (3,298) |
| | 160,117 | 116,463 |
| Due from other takaful/ retakaful operators - Considered good | 143,512 | 137,322 |
| Considered good | 21,911 | 21,911 |
| Considered doubtful | (21,911) | (21,911) |
| | 143,512 | 137,322 |
| | 303,629 | 253,785 |

8. PREPAYMENTS

| | March 31, 2026 (Unaudited) | | | December 31, 2025 (Audited) | | |
|------------------------------|----------------------------|--------------------------------|---------|-----------------------------|--------------------------------|---------|
| | Operator's Fund | Participant Takaful Fund | Total | Operator's Fund | Participant Takaful Fund | Total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Retakaful contribution ceded | – | 102,524 | 102,524 | – | 122,436 | 122,436 |
| Others | 1,749 | – | 1,749 | 608 | 74 | 682 |
| | 1,749 | 102,524 | 104,273 | 608 | 122,510 | 123,118 |

Habib Insurance Company Limited

9. CASH AND BANK

| | March 31, 2026 (Unaudited) | | | December 31, 2025 (Audited) | | |
|--|----------------------------|--------------------------|----------------|-----------------------------|--------------------------|----------------|
| | Operator's Fund | Participant Takaful Fund | Total | Operator's Fund | Participant Takaful Fund | Total |
| | (Rupees in '000) | | | (Rupees in '000) | | |
| Cash and cash equivalent | | | | | | |
| - Policy stamps | - | 256 | 256 | - | 360 | 360 |
| Cash at bank | | | | | | |
| Profit and loss sharing (PLS) accounts | 55,220 | 266,565 | 321,785 | 62,901 | 256,943 | 319,844 |
| | <u>55,220</u> | <u>266,821</u> | <u>322,041</u> | <u>62,901</u> | <u>257,303</u> | <u>320,204</u> |

10. OTHER CREDITORS AND ACCRUALS

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Federal insurance fee | - | 384 | 384 | - | 727 | 727 |
| Federal Excise Duty | - | 5,266 | 5,266 | - | 11,464 | 11,464 |
| Commission payable | 46,306 | - | 46,306 | 53,326 | - | 53,326 |
| Taxes and duties payable | 1,542 | 315 | 1,857 | - | - | - |
| Provision for compensated clearance | 1,235 | - | 1,235 | 1,235 | - | 1,235 |
| Payable to Habib Insurance Company Limited - Conventional Operations | 1,898 | - | 1,898 | 2,202 | - | 2,202 |
| Other creditors | 4,306 | 2,535 | 6,841 | 3,126 | 2,900 | 6,026 |
| Other accrued expenses | 3,033 | 7,519 | 10,552 | 3,033 | 3,579 | 6,612 |
| | <u>58,320</u> | <u>16,019</u> | <u>74,339</u> | <u>62,922</u> | <u>18,670</u> | <u>81,592</u> |

(Unaudited)
March 31,
2026
(Rupees in '000)

(Audited)
December 31,
2025

11. TAKAFUL/ RETAKAFUL PAYABLE

| | | |
|--|----------------|----------------|
| Due to other takaful/ retakaful | <u>168,320</u> | <u>117,352</u> |
| Due to other takaful/ retakaful | | |
| Foreign retakaful | 70,330 | 48,823 |
| Local retakaful | 67,937 | 63,732 |
| Co-takaful | 30,053 | 4,797 |
| | <u>168,320</u> | <u>117,352</u> |

12. RECEIVABLE FROM PTF / PAYABLE TO OTF

| | | |
|-------------------------------|---------------|---------------|
| Opening balance | 69,743 | 55,550 |
| Wakala / Mudarib fee income | 79,365 | 251,533 |
| Wakala / Mudarib fee received | (69,743) | (237,340) |
| Closing balance | <u>79,365</u> | <u>69,743</u> |

Habib Insurance Company Limited

| | (Unaudited) | |
|---|--------------------|-------------------|
| | Three months ended | |
| | March 31, 2026 | March 31, 2025 |
| | (Rupees in '000) | |
| 13. NET CONTRIBUTION | | |
| Written gross contribution | 222,372 | 119,057 |
| Less: Wakala Fee | (75,079) | (58,410) |
| Contribution Net of Wakala Fee | <u>147,293</u> | <u>60,647</u> |
| | | |
| Add: Unearned contribution reserve opening | 303,667 | 284,908 |
| Less: Unearned contribution reserve - closing | (305,731) | (247,361) |
| Contribution earned | <u>145,229</u> | <u>98,194</u> |
| | | |
| Reinsurance contribution ceded | 81,915 | 64,042 |
| Add: Prepaid retakaful contribution opening | 122,436 | 116,860 |
| Less: Prepaid retakaful contribution closing | (102,524) | (93,690) |
| Retakaful expense | <u>101,827</u> | <u>87,212</u> |
| Net contribution | <u>43,402</u> | <u>10,982</u> |
| | | |
| 14. TAKAFUL CLAIMS EXPENSE | | |
| Claims paid | 107,205 | 87,426 |
| Add: Outstanding claims including IBNR closing | 293,288 | 142,641 |
| Less: Outstanding claims including IBNR opening | (328,617) | (163,142) |
| Claims expense | 71,876 | 66,925 |
| | | |
| Retakaful and other recoveries received | 27,715 | 23,075 |
| Add: Retakaful and other recoveries in respect of outstanding claims net of impairment - closing | 145,752 | 46,369 |
| Less: Retakaful and other recoveries in respect of outstanding claims net of impairment - opening | (172,955) | (45,782) |
| Retakaful and other recoveries revenue | 512 | 23,662 |
| Net claim expense | <u>71,364</u> | <u>43,263</u> |
| | | |
| 15. COMMISSION EXPENSE | | |
| Commission paid or payable | 25,289 | 17,681 |
| Add: Deferred commission - opening | 40,472 | 38,404 |
| Less: Deferred commission - closing | (35,924) | (33,187) |
| Commission expense | <u>29,837</u> | <u>22,898</u> |
| | | |
| 16. RETAKAFUL REBATE | | |
| Retakaful rebate received | 14,525 | 12,409 |
| Add: Unearned retakaful rebate - opening | 29,612 | 28,364 |
| Less: Unearned retakaful rebate - closing | (23,776) | (22,911) |
| Retakaful rebate | <u>20,361</u> | <u>17,862</u> |

Habib Insurance Company Limited

| | (Unaudited) Three months ended | |
|-------------------------------------|-----------------------------------|-------------------|
| | March 31, 2026 | March 31, 2025 |
| | (Rupees in '000) | |
| 17. WAKALA FEE | | |
| Gross Wakala Fee | 77,058 | 47,146 |
| Add: Deferred wakala fee - opening | 104,771 | 85,473 |
| Less: Deferred wakala fee - closing | <u>(106,750)</u> | <u>(74,209)</u> |
| Net wakala fee | <u>75,079</u> | <u>58,410</u> |

| | (Unaudited) Three months period ended March 31, | | (Unaudited) Three months period ended March 31, | |
|--|---|--------------|---|----------------|
| | 2026 | 2025 | 2026 | 2025 |
| | Operator's Fund | | Participant Takaful Fund | |
| 18. INVESTMENT INCOME | | | | |
| Income from mutual fund units - available-for-sale' | | | | |
| Dividend income | - | 1,658 | - | 1,504 |
| Capital gain | - | - | 3,011 | - |
| Available-for-sale | | | | |
| Income from sukuk bonds | 4,285 | - | - | - |
| Return on bank balances | 813 | 1,353 | 2,757 | 2,913 |
| Mudarib fees | <u>2,307</u> | <u>1,325</u> | <u>(2,307)</u> | <u>(1,325)</u> |
| Total investment income | <u>7,405</u> | <u>4,336</u> | <u>3,461</u> | <u>3,092</u> |

19. CONTINGENCIES & COMMITMENTS

19.1 Contingencies

There are no contingencies outstanding as at March 31, 2026 (December 31, 2025: Nil).

19.2 Commitments

There are no commitments as at March 31, 2026 (December 31, 2025: Nil).

20. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of directors, major share holders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions. The transactions and balances with related parties are as follows:

| | (Unaudited) March 31, 2026 | (Unaudited) March 31, 2025 |
|---|----------------------------------|----------------------------------|
| | (Rupees in '000) | |
| 20.1 Operator's Fund | | |
| Transaction | | |
| Wakala fee charged during the period | <u>77,058</u> | <u>47,146</u> |
| Mudarib fees charged during the period | <u>2,307</u> | <u>1,325</u> |
| Transactions during the period with associated companies | | |
| Profit on bank accounts during the period | <u>813</u> | <u>1,353</u> |

Habib Insurance Company Limited

| | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
|---|----------------------------------|-----------------------------------|
| | (Rupees in '000) | |
| Balance with associated companies | | |
| Bank balance | 54,438 | 4,121 |
| <i>Transactions during the period with other related parties including key management personnel</i> | | |
| Contribution to the provident fund | 611 | 854 |
| | (Unaudited) March 31, 2026 | (Unaudited) March 31, 2025 |
| | (Rupees in '000) | |
| 20.2 Participants' Takaful Fund | | |
| Transactions | | |
| Associated companies | | |
| - Contribution written | 4,268 | 3,973 |
| - Claim paid | 4,768 | 5,771 |
| - Profit on bank accounts | 2,757 | 2,913 |
| Others | | |
| - Mudarib fee charged during the period | 2,307 | 1,325 |
| - Contribution ceded | 37,112 | 27,199 |
| - Commission income | 6,345 | 4,767 |
| - Retakaful recoveries received | 9,260 | 8,673 |
| | (Unaudited) March 31, 2026 | (Audited) December 31, 2025 |
| | (Rupees in '000) | |
| Balances | | |
| Associated companies | | |
| - Contribution due but unpaid | 1,279 | 823 |
| - Claim outstanding | 19,565 | 9,335 |
| - Bank balance | 236,198 | 31,056 |

Habib Insurance Company Limited

21. SEGMENT INFORMATION

| | For the quarter ended March 31, 2026 (Unaudited) | | | | |
|---|--|----------------------|-----------------|----------------|-----------------|
| | Fire and property | Marine and transport | Motor | Other classes | Aggregate |
| | (Rupees in '000) | | | | |
| 21.1 Participants' Takaful Fund | | | | | |
| Contribution receivable (inclusive of federal excise duty and administrative surcharge) | 43,508 | 25,124 | 146,632 | 39,329 | 254,593 |
| Less: Federal Excise Duty | (5,769) | (3,124) | (19,618) | (1,507) | (30,018) |
| Federal Insurance Fee | (363) | (217) | (1,249) | (374) | (2,203) |
| Gross written contribution (inclusive of administrative surcharge) | <u>37,376</u> | <u>21,783</u> | <u>125,765</u> | <u>37,448</u> | <u>222,372</u> |
| Wakala fees | (21,328) | (8,871) | (33,602) | (11,278) | (75,079) |
| Takaful contribution earned | 62,579 | 25,564 | 99,388 | 32,777 | 220,308 |
| Takaful contribution ceded to retakaful operators | (59,813) | (19,750) | (16,973) | (5,291) | (101,827) |
| Net takaful contribution | (18,562) | (3,057) | 48,813 | 16,208 | 43,402 |
| Retakaful rebate | 13,034 | 4,936 | 1,262 | 1,129 | 20,361 |
| Net underwriting income | <u>(5,528)</u> | <u>1,879</u> | <u>50,075</u> | <u>17,337</u> | <u>63,763</u> |
| Takaful claims | 56,945 | (11,740) | (108,230) | (8,851) | (71,876) |
| Takaful claims recovered from retakaful | (50,365) | 9,357 | 34,611 | 6,909 | 512 |
| Net claims | <u>6,580</u> | <u>(2,383)</u> | <u>(73,619)</u> | <u>(1,942)</u> | <u>(71,364)</u> |
| Surplus before investment income | <u>1,052</u> | <u>(504)</u> | <u>(23,544)</u> | <u>15,395</u> | <u>(7,601)</u> |
| Investment income | | | | | 3,461 |
| Other expenses | | | | | (781) |
| Surplus transferred to balance of PTF | | | | | <u>(4,921)</u> |
| Allocated Assets | | | | | |
| Premium due but unpaid | 23,826 | 24,123 | 105,787 | 6,381 | 160,117 |
| Prepaid reinsurance premium ceded | 76,774 | 3,536 | 14,535 | 7,679 | 102,524 |
| Reinsurance recoveries against outstanding claims | 50,719 | 39,799 | 20,155 | 9,064 | 119,737 |
| Deferred Wakala expense | 32,915 | 1,694 | 67,592 | 4,549 | 106,750 |
| Salvage recoveries outstanding | 565 | 450 | 25,000 | - | 26,015 |
| | <u>184,799</u> | <u>69,602</u> | <u>233,069</u> | <u>27,673</u> | <u>515,143</u> |
| Unallocated Assets | | | | | |
| Amount due from other insurers/ reinsurers | | | | | 143,512 |
| Cash and cash equivalents | | | | | 266,821 |
| Loan - secured considered good | | | | | 80 |
| Taxation - provision less payment | | | | | 6,211 |
| | | | | | <u>416,624</u> |
| Total Assets | | | | | <u>931,767</u> |
| Allocated Liabilities | | | | | |
| Outstanding Claims | 65,562 | 50,758 | 165,076 | 11,892 | 293,288 |
| Unearned Premium | 94,361 | 4,840 | 193,470 | 13,060 | 305,731 |
| Reserve for unearned retakaful rebate | 19,104 | 875 | 2,057 | 1,740 | 23,776 |
| | <u>179,027</u> | <u>56,473</u> | <u>360,603</u> | <u>26,692</u> | <u>622,795</u> |
| Unallocated liabilities | | | | | |
| Contribution received in advance | | | | | 8,970 |
| Amount due to other insurers/ reinsurers | | | | | 168,320 |
| Other creditors and accruals | | | | | 16,019 |
| Payable to OPF | | | | | 79,365 |
| | | | | | <u>272,674</u> |
| Total Liabilities | | | | | <u>895,469</u> |

Habib Insurance Company Limited

For the quarter ended March 31, 2026 (Unaudited)

| | Fire and property | Marine and transport | Motor | Other classes | Aggregate |
|---------------------------------|-------------------------|----------------------------|-------|------------------|-----------|
| | (Rupees in '000) | | | | |
| 21.2 Operator's Fund | | | | | |
| Wakala fee | | | | | 75,079 |
| Commission expense | | | | | (29,837) |
| Management expenses | | | | | (48,538) |
| Underwriting result | | | | | (3,296) |
| Investment income | | | | | 7,405 |
| Other expenses | | | | | (2,066) |
| Profit before taxation | | | | | (2,043) |
| Taxation | | | | | - |
| Profit after tax for the period | | | | | 2,043 |
| Segment assets | | | | | 331,996 |
| Segment liabilities | | | | | 208,341 |

Habib Insurance Company Limited

SEGMENT INFORMATION

| | For the quarter ended March 31, 2025 (Unaudited) | | | | |
|---|--|----------------------|----------|---------------|-----------|
| | Fire and property | Marine and transport | Motor | Other classes | Aggregate |
| | (Rupees in '000) | | | | |
| Participants' Takaful Fund | | | | | |
| Contribution receivable (inclusive of federal excise duty and administrative surcharge) | 36,061 | 23,438 | 72,962 | 6,232 | 138,693 |
| Less: Federal Excise Duty | (4,906) | (2,795) | (10,395) | (348) | (18,444) |
| Federal Insurance Fee | (309) | (204) | (621) | (58) | (1,192) |
| Gross written contribution (inclusive of administrative surcharge) | 30,846 | 20,439 | 61,946 | 5,826 | 119,057 |
| Wakala fees | (20,037) | (8,582) | (25,534) | (4,257) | (58,410) |
| Takaful contribution earned | 56,921 | 22,064 | 65,293 | 12,326 | 156,604 |
| Takaful contribution ceded to retakaful operators | (52,272) | (16,433) | (10,696) | (7,811) | (87,212) |
| Net takaful contribution | (15,388) | (2,951) | 29,063 | 258 | 10,982 |
| Retakaful rebate | 11,149 | 4,038 | 695 | 1,980 | 17,862 |
| Net underwriting income | (4,239) | 1,087 | 29,758 | 2,238 | 28,844 |
| Takaful claims | (3,391) | (3,756) | (56,709) | (3,069) | (66,925) |
| Takaful claims recovered from retakaful | 2,824 | 2,849 | 15,337 | 2,652 | 23,662 |
| Net claims | (567) | (907) | (41,372) | (417) | (43,263) |
| Surplus before investment income | (4,806) | 180 | (11,614) | 1,821 | (14,419) |
| Investment income | | | | | 3,092 |
| Other expenses | | | | | (776) |
| Surplus transferred to balance of PTF | | | | | (12,103) |
| | December 31, 2025 (Audited) | | | | |
| Allocated Assets | | | | | |
| Premium due but unpaid | 23,197 | 23,355 | 58,351 | 11,560 | 116,463 |
| Prepaid reinsurance premium ceded | 99,629 | 7,086 | 9,545 | 6,176 | 122,436 |
| Reinsurance recoveries against outstanding claims | 107,464 | 34,419 | 9,605 | 11,702 | 163,190 |
| Deferred Wakala expense | 41,289 | 3,017 | 57,614 | 2,851 | 104,771 |
| Salvage recoveries outstanding | 565 | 300 | 8,900 | - | 9,765 |
| | 272,144 | 68,177 | 144,015 | 32,289 | 516,625 |
| Unallocated Assets | | | | | |
| Amount due from other insurers/ reinsurers | | | | | 137,322 |
| Cash and cash equivalents | | | | | 257,303 |
| Loan - secured considered good | | | | | 2,369 |
| Investments | | | | | 74 |
| Taxation - provision less payment | | | | | 6,680 |
| | | | | | 403,748 |
| Total Assets | | | | | 920,373 |
| Allocated Liabilities | | | | | |
| Outstanding Claims | 131,030 | 43,802 | 139,128 | 14,657 | 328,617 |
| Unearned Premium | 119,565 | 8,621 | 167,093 | 8,388 | 303,667 |
| Rserve for unearned retakaful rebate | 24,801 | 1,772 | 1,878 | 1,161 | 29,612 |
| | 275,396 | 54,195 | 308,099 | 24,206 | 661,896 |
| Unallocated liabilities | | | | | |
| Contribution received in advance | | | | | 11,493 |
| Amount due to other insurers/ reinsurers | | | | | 117,352 |
| Other creditors and accruals | | | | | 18,670 |
| Payable to OPF | | | | | 69,743 |
| | | | | | 217,258 |
| Total Liabilities | | | | | 879,154 |

Habib Insurance Company Limited

For the quarter ended March 31, 2025 (Unaudited)

| | Fire and property | Marine and transport | Motor | Other classes | Aggregate |
|---------------------------------|-------------------------|----------------------------|-------|------------------|-----------|
| | (Rupees in '000) | | | | |
| Operator's Fund | | | | | |
| Wakala fee | | | | | 58,410 |
| Commission expense | | | | | (22,898) |
| Management expenses | | | | | (63,157) |
| Underwriting result | | | | | (27,645) |
| Investment income | | | | | 4,336 |
| Loss before taxation | | | | | (23,891) |
| Taxation | | | | | - |
| Profit after tax for the period | | | | | (23,891) |
| Segment assets | | | | | 920,373 |
| Segment liabilities | | | | | 210,815 |

22. GENERAL

Figures have been rounded off to the nearest Thousand Rupee.

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements have been authorised for issue on April 28, 2026 by the Board of Directors of the Company.

MANSOOR G. HABIB AUN MOHAMMAD A. HABIB SHABBIR GULAMALI MURTAZA HUSSAIN MUHAMMAD ASIF
Chairman *Director* *Director* *Chief Executive* *Chief Financial Officer*