Pakistan Reinsurance Company Limited

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PRC/BS/BOD/208/2026 **FORM – 7** August 29, 2026

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

SUBJECT: FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2026

Dear Sir,

We are pleased to inform you that the Board of Directors of Pakistan Reinsurance Company Limited (the 'Company') in its meeting held on Saturday, 29 August 2026 at 11:00 a.m. at the Company's registered head office has recommended the following:

i. CASH DIVIDEND: **NIL**
ii. BONUS SHARES: **NIL**
iii. RIGHT SHARES: **NIL**
iv. ANY OTHER ENTITLEMENT / CORPORATE ACTION: **NIL**
v. ANY OTHER PRICE SENSITIVE INFORMATION: **The External Auditor has issued qualified audit reports in respect of both the Conventional and Window Retakaful Accounts. Both reports are enclosed.**

The financial results of the Company for the captioned period are enclosed as ***Annexure 'A'*** (Conventional) and ***Annexure 'B'*** (WRTO).

The half yearly report of the Company for the period ended June 30, 2026 will be transmitted through PUCARS separately, within the specified time and shall also be made available on Company's website www.pakre.org.pk.

Yours sincerely,
For PAKISTAN REINSURANCE COMPANY LIMITED

Sumeet Kumar
Company Secretary

Annexure-A

Pakistan Reinsurance Company Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the six months and three months period ended June 30, 2026

	Note	Six months period ended		Three months period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		(Rupees)			
Net insurance premium	26	4,541,835,735	4,827,730,837	2,274,828,783	2,656,728,748
Net insurance claims	27	(2,844,174,183)	(3,513,510,725)	(1,291,329,840)	(1,880,340,728)
Net commission and other acquisition costs	28	(377,115,115)	(592,334,945)	(187,420,398)	(325,042,881)
Insurance claims and acquisition expenses		(3,221,289,298)	(4,105,845,670)	(1,478,750,238)	(2,205,383,609)
Management expenses	29	(1,027,762,153)	(968,052,586)	(685,783,951)	(528,286,056)
Underwriting results		292,784,284	(246,167,419)	110,294,594	(76,940,917)
Investment income	30	1,585,797,995	1,757,952,279	804,702,022	844,085,315
Rental income - net	31	94,613,232	76,819,764	40,216,653	37,943,444
Other income	32	138,582,034	176,224,179	110,304,521	94,419,773
Other expenses	33	(11,766,872)	(31,170,255)	(6,673,932)	(28,529,843)
		1,807,226,389	1,979,825,967	948,549,264	947,918,689
Results of operating activities		2,100,010,673	1,733,658,548	1,058,843,858	870,977,772
Finance cost		(1,334,374)	(4,819,472)	(1,272,869)	(4,683,356)
Conventional profit before tax		2,098,676,299	1,728,839,076	1,057,570,989	866,294,416
Profit from Window Retakaful Operations - Operator's Fund		79,504,165	68,978,098	82,169,993	35,644,955
Profit before levies and income tax		2,178,180,464	1,797,817,174	1,139,740,982	901,939,371
Levies	34	(9,900,000)	(13,870,175)	-	(13,870,175)
Profit before income tax		2,168,280,464	1,783,946,999	1,139,740,982	888,069,196
Income tax	34	(766,832,659)	(653,302,021)	(317,864,183)	(316,504,368)
Profit for the period		1,401,447,805	1,130,644,978	821,876,799	571,564,828
Earnings (after tax) per share - Rupees	35	1.56	1.26	0.91	0.64

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

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

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Financial Position
As at June 30, 2026

	Note	June 30, 2026 Un-audited	December 31, 2025 Audited
		------------- (Rupees)	-------------
Assets			
Property and equipment	7	969,496,999	1,003,329,632
Intangible assets	8	15,230,766	15,295,201
Right-of-use-asset	9	2,207,586,316	2,375,400,000
Assets in Bangladesh - net	10	-	-
Investment property	11	897,198,665	897,198,665
Investments			-
Equity securities	12	8,940,073,660	10,022,646,256
Debt securities	13	17,466,262,533	16,813,072,488
		26,406,336,193	26,835,718,744
Loans and other receivables	14	855,978,016	1,022,015,515
Receivable from Sindh Revenue Board	15	2,573,888,727	2,573,888,727
Insurance / reinsurance receivables	16	18,007,991,870	13,555,378,242
Reinsurance recoveries against outstanding claims including IBNR	17	10,694,550,023	10,282,198,129
Deferred commission expense / acquisition cost	18	1,148,419,171	1,031,300,986
Taxation - payments less provision		518,186,200	-
Prepayments	19	12,442,702,852	8,859,777,808
Cash and bank	20	2,612,590,072	2,117,696,503
		79,350,155,870	70,569,198,152
Total assets of Window Re-Takaful Operations		6,207,850,907	5,785,803,270
Total assets		85,558,006,777	76,355,001,422

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

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

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Financial Position
As at June 30, 2026

	Note	June 30, 2026 Un-audited	December 31, 2025 Audited
		------------- (Rupees)	-------------
Equity and liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		9,000,000,000	9,000,000,000
Reserves		5,238,838,033	5,491,642,748
Unappropriated profit		10,154,251,628	9,539,479,616
Total equity		24,393,089,661	24,031,122,364
Revaluation surplus - net of tax		1,717,571,205	1,830,895,412
Liabilities			
Underwriting provisions			
- Outstanding claims including IBNR	21	20,345,483,792	18,765,129,085
- Unearned premium reserves	26	16,145,147,457	12,361,671,413
- Unearned reinsurance commission	28	883,707,751	691,189,321
- Premium deficiency reserve		24,549,000	24,549,000
		37,398,888,000	31,842,538,819
Retirement benefit obligations		3,630,286,779	3,618,507,534
Taxation liabilities- provision less payments		-	17,491,358
Deferred taxation liability	22	3,684,565,559	3,913,006,542
Insurance / reinsurance payables	23	9,063,318,592	5,994,559,524
Lease liabilities		19,689,129	20,600,758
Other creditors and accruals	24	402,863,417	220,190,657
		16,800,723,476	13,784,356,373
Total liabilities		54,199,611,476	45,626,895,192
		80,310,272,342	71,488,912,968
Total liabilities and fund of Window Re-Takaful Operations		5,247,734,435	4,866,088,454
Total equity and liabilities		85,558,006,777	76,355,001,422
Contingencies and commitments	25		

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

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

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Changes in Equity
For the six months period ended June 30, 2026

	Issued subscribed and paid-up Share capital	Reserves				Total equity disposal	Revaluation surplus
		Capital		Revenue reserves			
		Reserve for exceptional losses	Unrealized gain on available for sale investment	General reserve	Unappropriated profit		
	Rupees						
Balance as at December 31, 2024 (audited)	9,000,000,000	281,000,000	2,708,215,564	1,135,296,316	8,077,645,381	21,202,157,261	1,695,820,477
Total comprehensive income for the period ended June 30, 2025	-	-	-	-	1,130,644,978	1,130,644,978	-
unrealised gain / (loss) on available for sale		-	91,408,647	-	-	91,408,647	-
	-	-	91,408,647	-	1,130,644,978	1,222,053,625	-
Incremental depreciation - net of tax							
- Right of use assets	-	-	-	-	77,604,419	77,604,419	(77,604,419)
- Property and equipment	-	-	-	-	9,413,603	9,413,603	(9,413,603)
					87,018,022	87,018,022	(87,018,022)
Final cash dividend 2024: Rs.2.00 @ 20% (2023 : Rs..1.00 @ 10%) per share	-	-		-	(1,800,000,000)	(1,800,000,000)	
Balance as at June 30, 2025 (un-audited)	9,000,000,000	281,000,000	2,799,624,211	1,135,296,316	7,495,308,381	20,711,228,908	1,608,802,455
Balance as at December 31, 2025 (audited)	9,000,000,000	281,000,000	4,075,346,432	1,135,296,316	9,539,479,616	24,031,122,364	1,830,895,412
Total Comprehensive income for the period ended June 30, 2026	-	-	-	-	1,401,447,805	1,401,447,805	-
unrealised gain / (loss) on available for sale		-	(252,804,715)	-	-	(252,804,715)	-
	-	-	(252,804,715)	-	1,401,447,805	1,148,643,090	-
Incremental depreciation - net of tax							
- Right of use assets	-	-	-	-	101,800,790	101,800,790	(101,800,790)
- Property and equipment	-	-	-	-	11,523,417	11,523,417	(11,523,417)
	-	-	-	-	113,324,207	113,324,207	(113,324,207)
Final cash dividend 2025: Rs.1.00 @ 10% (2024: Rs.2.00 @ 20%) per share	-	-		-	(900,000,000)	(900,000,000)	
Balance as at June 30, 2026 (un-audited)	9,000,000,000	281,000,000	3,822,541,717	1,135,296,316	10,154,251,628	24,393,089,661	1,717,571,205

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

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

Pakistan Reinsurance Company Limited
Condensed Interim Statement Of Cash Flows (Unaudited)
For The Six Months Period Ended June 30, 2026

	June 30 2026	June 30 2025
	---------- (Rupees) ----------	
Operating cash flows:		
Underwriting activities:-		
Premium received	15,489,407,069	12,701,347,741
Reinsurance premium paid	(12,139,988,751)	(7,003,741,725)
Claims paid	(1,681,531,016)	(9,596,360,042)
Reinsurance and other recoveries received	5,359,646	6,281,189,344
Commission paid	(1,381,206,435)	(1,251,617,457)
Commission received	1,079,491,565	889,806,804
Other underwriting payments (management expenses)	(1,029,096,527)	(984,923,634)
Net cash generated from underwriting activities	342,435,551	1,035,701,031
Other operating activities		
Levies and income tax paid	(1,349,897,920)	(1,751,950,505)
Other operating payments	(11,766,872)	(30,964,889)
Other operating receipts	414,339,494	367,030,621
Advances to employees	8,625,673	(8,265,625)
Net cash used in other operating activities	(938,699,625)	(1,424,150,398)
Total cash generated / (used in) from all operating activities	(596,264,074)	(388,449,367)
Investment activities		
Addition to property and equipments	(611,650)	(60,921,121)
Sale proceeds of operating fixed assets	-	13,268,181
Payments for investments	(8,476,888,465)	(6,999,222,753)
Rental income received - net of expenses	291,635,110	21,357,630
Dividend income received	394,323,592	250,447,959
Interest income on bank deposits	151,771,591	185,614,391
Investment income received - net of expenses	1,107,013,885	1,299,794,787
Proceeds on sale/ maturity of investments	8,521,170,282	5,459,353,202
Total cash (used in) / generated from investing activities	1,988,414,345	169,692,275
Financing activities		
Dividend paid	(897,256,704)	(1,838,149,230)
Payments of finance leases	-	(1,833,356)
Total cash (used in) financing activities	(897,256,704)	(1,839,982,586)
Net cash generated / (used in) from all activities	494,893,567	(2,058,739,678)
Cash and cash equivalent at the beginning of the period	2,117,696,503	3,235,526,667
Cash and cash equivalent at the end of the period	2,612,590,072	1,176,786,991

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

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

Pakistan Reinsurance Company Limited
Condensed Interim Statement Of Cash Flows (Un-audited)
For The Six Months Period Ended June 30, 2026

	June 30 2026	June 30 2025
	---------- (Rupees) ----------	
Reconciliation to profit and loss account		
Operating cash flows	(596,264,074)	(388,449,367)
Depreciation expense	(202,157,967)	(163,530,766)
Amortization expense	(164,435)	(127,998)
Exchange gain	(9,113,857)	42,852,252
Rental income	94,613,232	76,819,764
Reinsurance recoveries against outstanding claims	412,351,894	(6,467,386,257)
Provision for outstanding claims	(1,580,354,707)	6,269,046,230
Provision for unearned premium	(3,783,476,044)	(3,232,671,433)
Prepaid reinsurance	3,582,925,044	3,328,890,460
Provision for employee benefits	(11,779,245)	(172,163,282)
Dividend income	435,356,805	357,090,462
Investment income	7,775,301	35,874,147
Interest income	1,159,856,169	1,203,197,620
Amortization of premium	79,617,093	93,361,794
Gain on sale of investment	50,888,518	161,790,050
Change in operating assets other than cash	4,422,767,943	4,171,081,256
Change in operating liabilities	(3,314,063,291)	(5,338,786,361)
	748,778,379	(23,111,429)
Other adjustments:		
Levies and income tax paid	1,349,897,920	1,751,950,505
Conventional profit before tax	2,098,676,299	1,728,839,076
Levies and income tax	(776,732,659)	(667,172,196)
Profit after levies and taxes	1,321,943,640	1,061,666,880
Profit from Window Retakaful Operations - Operator's Fund	79,504,165	68,978,098
Profit after taxation for the period	1,401,447,805	1,130,644,978
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	2,611,833,687	1,175,920,606
	2,612,590,072	1,176,786,991

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

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

Pakistan Reinsurance Company Limited - Window Retakaful Operation
Condensed Interim Statement of Profit or Loss (Un-audited)
For the six months and three months period ended June 30, 2026

		Six months period ended		Three months period ended	
		Jun 30, 2026	Jun 30, 2025	Jun 30, 2026	Jun 30, 2025
		----------Rupees----------			
	Note				
Participant's retakaful fund					
Contributions earned	23	764,685,258	811,927,951	392,162,691	257,107,313
Less: contributions ceded to retakaful	23	(157,135,474)	(104,020,677)	(69,503,879)	(55,656,770)
Net contribution revenue		607,549,784	707,907,274	322,658,812	201,450,543
Net claims - reported/ settled - IBNR	24	(504,804,141)	(360,749,216)	(270,160,741)	(31,223,623)
Surplus before investment and other income		102,745,643	347,158,058	52,498,071	170,226,920
Investment income		234,538,377	99,892,995	228,120,722	91,111,383
Other income		11,769,934	70,704,237	3,067,385	42,477,810
Less: modarib's fee		(61,577,078)	(42,649,308)	(57,797,027)	(33,397,298)
		184,731,233	127,947,925	173,391,080	100,191,895
Surplus before taxation		287,476,876	475,105,983	225,889,151	270,418,815
Taxation	25	(69,043,106)	(34,889,126)	(65,390,819)	(28,459,758)
Surplus transferred to accumulated surplus		218,433,770	440,216,857	160,498,332	241,959,057
Operator's retakaful fund					
Wakala fee income	23.1	191,171,315	202,981,988	98,040,673	64,276,828
Commission expense	26	(201,078,429)	(202,578,531)	(103,222,473)	(106,441,264)
General, administrative and management expenses	27	(10,302,966)	(10,334,837)	(6,078,746)	(5,699,810)
		(20,210,080)	(9,931,380)	(11,260,546)	(47,864,246)
Investment income		37,537,790	24,254,019	35,257,061	21,950,743
Other income		599,376	12,006,151	376,450	6,849,806
Modarib's fee		61,577,078	42,649,308	57,797,027	33,397,298
		99,714,244	78,909,478	93,430,538	62,197,847
Profit before taxation		79,504,164	68,978,098	82,169,992	14,333,601
Taxation	18	(31,006,624)	(26,901,458)	(32,046,297)	(5,590,104)
Profit after taxation		48,497,540	42,076,640	50,123,695	8,743,497

The annexed notes 1 to 34 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
Condensed Interim Statement of Financial Position
As at June 30, 2026

	Note	Operator's retakaful fund		Participant's retakaful fund	
		Jun 30, 2026 (Un-audited)	December 31, 2025 (Audited)	Jun 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		--Rupees--			
Assets					
Investments	6	552,253,029	539,241,324	3,101,814,686	3,030,637,769
Other receivables	7	1,014,436	919,990	1,949,294	61,058,531
Takaful/retakaful receivables	8	-	-	855,783,188	573,316,942
Receivables from participant's retakaful fund - net	9	243,416,012	196,127,095	-	-
Qard-e-hasna to participant's retakaful Fund		300,000,000	300,000,000	-	-
Retakaful recoveries against outstanding claims	24	-	-	407,994,940	204,388,782
Deferred wakala fee	10	-	-	149,733,833	153,137,884
Deferred commission expense	11	153,947,530	152,970,534	-	-
Prepayments	12	-	-	101,970,190	249,781,036
Bank balances	13	11,318,252	19,296,109	326,655,520	304,927,274
Total assets		1,261,949,259	1,208,555,052	4,945,901,651	4,577,248,218
Fund and liabilities					
Funds attributable to:					
Operator's retakaful fund					
Statutory fund		600,000,000	600,000,000	-	-
Reserves	14	360,116,471	319,714,817	-	-
Total operator's funds		960,116,471	919,714,817	-	-
Participant's retakaful fund					
Seed money		-	-	1,000,000	1,000,000
Reserves	14	-	-	2,308,038,868	2,186,168,886
Balance of participant's retakaful fund				2,309,038,868	2,187,168,886
Qard-e-hasna		-	-	300,000,000	300,000,000
Total participant's retakaful fund		-	-	2,609,038,868	2,487,168,886
Liabilities					
Underwriting provisions					
Outstanding claims including IBNR	15	-	-	1,159,560,636	782,550,990
Unearned contribution reserves	16	-	-	748,669,164	765,689,419
Contribution deficiency reserve		-	-	13,947,000	13,947,000
		-	-	1,922,176,800	1,562,187,409
Unearned wakala fee	10	149,733,833	153,137,884	-	-
Takaful/retakaful payables	17	-	-	171,238,281	331,733,138
Payable to participant retakaful fund - net	9	-	-	243,416,012	196,127,095
Taxation - provision less payment	18	28,907,647	9,288,151	-	-
Deferred taxation	19	778,689	5,954,747	-	-
Other creditors and accruals	20	3,323,223	1,370,057	31,690	31,690
Payable to related party	21	119,089,396	119,089,396	-	-
Total liabilities		301,832,788	288,840,235	2,336,862,783	2,090,079,332
Total equity and liabilities		1,261,949,259	1,208,555,052	4,945,901,651	4,577,248,218
Contingencies and commitments	22				

The annexed notes 1 to 34 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
Condensed Interim Statement of Changes in Funds
For the six months period ended June 30, 2026

	Attributable to Operator's retakaful fund				
	Statutory fund	Reserves			Total
		Capital	Revenue		
		Unrealized gain / (loss) on available for sale investment	Unappropriated profit	Total reserves	
	---	-Rupees-	---		
Balance as at December 31, 2024 (Audited)	600,000,000	4,993,783	279,998,833	284,992,616	884,992,616
Total comprehensive income for the period					
Profit for the period	-	-	42,076,640	42,076,640	42,076,640
Unrealized (loss) on available for sale investments - net of tax	-	(7,020,198)	-	(7,020,198)	(7,020,198)
	-	(7,020,198)	42,076,640	35,056,442	35,056,442
Balance as at June 30, 2025 (Un-audited)	600,000,000	(2,026,415)	322,075,473	320,049,058	920,049,058
Balance as at December 31, 2025 (Audited)	600,000,000	9,313,820	310,400,997	319,714,817	919,714,817
Total comprehensive income for the period					
Profit for the period	-	-	48,497,540	48,497,540	48,497,540
Unrealized (loss) on available for sale investments - net of tax	-	(8,095,886)	-	(8,095,886)	(8,095,886)
		(8,095,886)	48,497,540	40,401,654	40,401,654
Balance as at June 30, 2026 (Un-audited)	600,000,000	1,217,934	358,898,537	360,116,471	960,116,471

The annexed notes 1 to 34 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
Condensed Interim Statement of Changes in Funds
For the six months period ended June 30, 2026

	Attributable to Participant's retakaful fund				
		Reserves			
		Capital	Revenue		
	Seed money	Unrealized (loss) / gain on available for sale investment	Accumulated surplus	Total reserves	Total
	-----	-----	Rupees	-----	-----
Balance as at December 31, 2024 (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	-	-	440,216,857	440,216,857	440,216,857
Unrealized (loss) on available for sale investments	-	(46,581,962)	-	(46,581,962)	(46,581,962)
	-	(46,581,962)	440,216,857	393,634,895	393,634,895
Balance as at June 30, 2025 (Un-audited)	1,000,000	(12,217,534)	2,086,158,700	2,073,941,166	2,074,941,166
Balance as at December 31, 2025 (Audited)	1,000,000	107,591,895	2,078,576,991	2,186,168,886	2,187,168,886
Total comprehensive income for the period					
Surplus for the period	-	-	218,433,770	218,433,770	218,433,770
Unrealized (loss) on available for sale investments	-	(96,563,788)	-	(96,563,788)	(96,563,788)
	-	(96,563,788)	218,433,770	121,869,982	121,869,982
Balance as at June 30, 2026 (Un-audited)	1,000,000	11,028,107	2,297,010,761	2,308,038,868	2,309,038,868

The annexed notes 1 to 34 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
Condensed Interim Statement of Cash flows (Un-audited)
For the six months period ended June 30, 2026

	Operator's retakaful fund		Participant's retakaful fund	
	Jun 30, 2026	Jun 30, 2025	Jun 30, 2026	Jun 30, 2025
	------Rupees------			
Operating cash flow				
Retakaful activities				
Contribution received	-	-	656,370,072	792,977,808
Retakaful contribution paid	-	-	(169,819,485)	(246,320,304)
Benefits paid	-	-	(355,467,301)	(351,576,871)
Benefits recoveries from retakaful	-	-	24,066,648	90,164,244
Commission paid	(202,055,425)	(163,130,467)	-	-
Net cash (used in) / generated from retakaful activities	(202,055,425)	(163,130,467)	155,149,934	285,244,877
Other operating activities				
Income tax paid	(11,387,128)	(61,922,628)	-	-
Other operating payments	(10,302,966)	(10,334,837)	-	-
Other operating receipts/(payments)	203,914,145	139,970,715	(211,989,296)	(188,204,212)
Net cash generated from/(used in) other	182,224,051	67,713,250	(211,989,296)	(188,204,212)
operating activities	182,224,051	67,713,250	(211,989,296)	(188,204,212)
Total cash (used in)/generated from all operating activities	(19,831,374)	(95,417,217)	(56,839,362)	97,040,665
Investing activities				
Payment for investments made	(26,283,649)	(318,190,520)	(167,740,703)	(2,122,868,376)
Receipt of profit on bank deposits	599,376	12,006,151	11,769,934	70,704,237
Receipt of investment income	37,537,790	24,254,019	234,538,377	99,892,995
Total cashflow generated from / (used in) investing activities	11,853,517	(281,930,350)	78,567,608	(1,952,271,144)
Financing activities				
Statutory fund	-	-	-	-
Total cash from financing activities	-	-	-	-
Net cash flow (used in) / from all activities	(7,977,857)	(377,347,567)	21,728,246	(1,855,230,479)
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	11,318,252	25,182,379	326,655,520	59,218,375
Reconciliation to profit and loss				
Operating cash flows	(19,831,374)	(95,417,217)	(56,839,362)	99,764,858
Receipt of profit on bank deposits	599,376	12,006,151	11,769,934	70,704,237
Receipt of investment income	37,537,790	24,254,019	234,538,377	99,892,995
Increase / (decrease) in operating assets other than cash	48,360,359	(6,375,390)	275,748,270	(222,635,161)
(Increase)/decrease in operating liabilities	6,626,943	77,076,221	(177,740,343)	427,379,054
Change in tax rate		-		
Other adjustments:				
Income tax paid	6,211,070	57,434,314	-	-
Profit before taxation	79,504,164	68,978,098	287,476,876	475,105,983
Provision for taxation	(31,006,624)	(26,901,458)	(69,043,106)	(34,889,126)
Profit after taxation	48,497,540	42,076,640	218,433,770	440,216,857

The annexed notes 1 to 34 form an integral part of these condensed interim financial statements.

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

Parker Russell-A. J. S.
CHARTERED ACCOUNTANTS

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Independent Auditor's Review Report to the Members of Pakistan Reinsurance Company Limited
Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pakistan Reinsurance Company Limited (the "Company") as of June 30, 2026, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity, and notes to the condensed interim financial statements for the six month ended June 30, 2026 (hereinafter referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Qualified Conclusion

Based on our review, except for the matters as described in the "Basis for Qualified Conclusion" section of our report, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Basis for Qualified Conclusion

1. **Receivable from Sindh Revenue Board (SRB) and the Related Litigation**

   As disclosed in note 15 to the condensed interim financial statements, an amount of Rs. 2.57 billion has been carried from the year 2017 as receivable from Sindh Revenue Board (SRB), which was paid to the SRB in respect of sales tax on reinsurance services. The Company has recorded this amount as an asset; however, the Company could not substantiate any control over the underlying asset and the flow of economic benefits is remote due to an ongoing court case. Had the Company not recorded this asset, total assets, accumulated profit, and shareholders' equity would have been reduced by the same amount accordingly.

2. **Unreconciled balances**

   The Company's amount due from other insurance and reinsurance companies on account of treaty and facultative business as appearing in note 16 in the annexed condensed interim financial statement includes unreconciled gross amount of Rs 4.28 billion (including a balance from related party). Similarly, the Company's amount due to other insurance/reinsurance companies on account of treaty and facultative business as appearing in note 23 in the annexed condensed interim financial statement includes unreconciled balance of Rs 1.55 billion. Management asserted that the reason for such differences is due to time lag in reconciliation as the intimations and communications of the transactions with insurance/reinsurance companies normally take place after three to four months of the transaction. However, the Company is in the process of reconciling these balances. Due to pending reconciliations relating to the above balances, the resulting adjustment and consequential impact thereon, if any, on these condensed interim financial statements remain unascertained.

Parker Russell-A. J. S.
CHARTERED ACCOUNTANTS

Emphasis of Matter

We draw attention to the following matters:

i) In Notes 16, 17, 18, 19, 21, 23, 26, 27 and 28 of these condensed interim financial statements, which reflect the transactions and balances relating to the Company's treaty proportional reinsurance business. Previously, no supporting documentation of the premiums and claims of the ceding insurance companies was made available to the auditors. However, effective in the preceding year, management has developed some control mechanism over treaty proportional business premiums and claims, which includes obtaining relevant information from ceding companies in support of periodic returns on a random basis and performing ceding company-wise analysis of treaty proportional business, as well as checking compliance with the treaty terms. However, this needs consistency and continuity of the internal control system over the years.

ii) In Note 25.1 of these condensed interim financial statements, which provide details regarding contingencies in respect of which decisions are pending against which no provision has been made.

Our conclusion is not modified with respect of these matters.

Other Matters

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts, are subject to a limited-scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended June 30, 2026, and June 30, 2025, have not been reviewed by us.

The financial statements of the Company for the year ended December 31, 2025 and half year ended June 30, 2025, were audited and reviewed by another firm of Chartered Accountants who expressed a qualified opinion and qualified conclusion on those statements vide their reports dated April 07, 2026 and August 29, 2025 respectively.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Shabbir Kasbati.

Parker Russell -AJS

(Chartered Accountants)
Date: August 29, 2026
Karachi.

UDIN: RR202610192IKXAtLDGV

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Independent Auditor's Review Report to the Members of Pakistan Reinsurance Company Limited - Window Retakaful Operations

Report on Review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pakistan Reinsurance Company Limited - Window Retakaful Operation (the "Operator") as of June 30, 2026, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in funds, and notes to the condensed interim financial statements for the six month period then ended (hereinafter referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

Unreconciled Balances

The Participant's amount due from other takaful entities on account of treaty and facultative business as appearing in note 8 of the annexed condensed interim financial statements includes unreconciled gross amount of Rs. 155.61 million (including a related party) and net amount of Rs 118.07 million. Similarly, the Participant's amount due to other takaful entities on account of treaty and facultative as appearing in note 17 in the annexed condensed interim financial statements, which includes an unreconciled balance of Rs. 0.52 million. Management asserted that the reason for such differences is due to the time lag in reconciliation as the intimations and communications of the transactions with takaful / retakaful companies normally take place after 3 to 4 months of the transaction. However, the Operator is in the process of reconciling these balances. Due to pending reconciliations relating to the above balances, the resulting adjustment and consequential impact thereon, if any, on these condensed interim financial statements remain unascertained.

Qualified Conclusion

Based on our review, except for the matters as described in the "Basis for Qualified Conclusion" section of our report, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

i) We draw attention to notes 10, 11, 12, 15, 16, 17, 23, 24 and 26 to the annexed condensed interim financial statements, which reflect the transactions and balances relating to the Operator's treaty retakaful business. Previously, no supporting documentation of the contribution and claims of the ceding takaful companies was made available to the auditors. However, the management in past few years has developed some control mechanism over treaty business contributions and claims, which includes obtaining relevant information from ceding companies in support of periodic returns on random basis and performing ceding entity-wise analysis of treaty business carried out with ceding companies as well as checking compliance with the treaty terms. However, this needs consistency and continuity of the internal control system over the years.

ii) We draw attention to note 22.1 to the annexed condensed interim financial statements, which explains that notice was served 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 service provider by the Operator.

Our conclusion is not modified with respect of these matters.

Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts, are subject to a limited-scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended June 30, 2026, and June 30, 2025, have not been reviewed by us.

The financial statements of the Company for the year ended December 31, 2025 and six month ended June 30, 2025, were audited and reviewed by another firm of Chartered Accountants who expressed a qualified opinion and qualified conclusion on those statements vide their reports dated April 07, 2026 and August 29, 2025 respectively.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Shabbir Kasbati.

Parker Russell AJS

(Chartered Accountants)

Date: August 29, 2026
Karachi.

UDIN: RR202610192gP8E5iJsy