# HALF YEARLY REPORT

Half Year Ended June 30, 2026 (Un-audited)

Sign of Protection

**SHAHEEN INSURANCE COMPANY LIMITED**

# CONTENTS

# COMPANY INFORMATION

RATED A++
(Outlook Positive)
By PACRA

### BOARD OF DIRECTORS

**CHAIRMAN**
Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)

**DIRECTORS**
Air Vice Marshal Muhammad Qaiser Janjua (Retd.)
Air Commodore Amer Altaf (Retd.)
Air Commodore Wasim Ahmed Khan (Retd.)
Mr. Adeel Ali Bokhari
Ms. Farrah Azeem Khan
Mr. Jehangir Shah

### CHIEF EXECUTIVE OFFICER
Mr. Rizwan Akhtar

### CHIEF FINANCIAL OFFICER
Syed Kamran Ali

### COMPANY SECRETARY
Aqeel Anwar Kamal

### AUDIT COMMITTEE

| | |
|---|---|
| Ms. Farrah Azeem Khan Chairperson | Independent Director |
| Air Commodore Wasim Ahmed Khan (Retd.) | Member |
| Mr. Adeel Ali | Member |
| Syed Bilal Ali Shah | Secretary |

### INVESTMENT COMMITTEE

| | |
|---|---|
| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) | Chairman |
| Air Vice Marshal Muhammad Qaiser Janjua (Retd.) | Member |
| Mr. Adeel Ali | Member |
| Mr. Rizwan Akhtar | Chief Executive Officer |
| Syed Kamran Ali | Chief Financial Officer - Secretary |

### ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

| | |
|---|---|
| Ms. Farrah Azeem Khan | Chairperson - Independent Director |
| Mr. Adeel Ali | Member |
| Mr. Rizwan Akhtar | Member |
| Mr. Aqeel Anwar Kamal | Secretary |

### LEGAL ADVISOR
Allied Law Group

### AUDITORS
BDO Ebrahim & Co. - Chartered Accountants

### SHARIAH ADVISOR
Mufti Muhammad Hanif

### SHARIAH BOARD MEMBER
Mufti Muhammad Zahid

### HEAD OF WINDOW TAKAFUL OPERATIONS
Mr. Abdul Hamid

### SHARIAH COMPLIANCE OFFICER
Mr. Zia Ur Rahim

### COMPLIANCE OFFICER
Syed Bilal Ali Shah

### HEAD OF INTERNAL AUDIT (COORDINATOR)
Syed Bilal Ali Shah

### INTERNAL AUDITOR
Muniff Ziauddin & Co.
Chartered Accountants

### REGISTERED OFFICE
10th Floor, Shaheen Complex, M.R Kayani Road, Karachi.

### HEAD OFFICE
10th Floor, Shaheen Complex, M.R Kayani Road, Karachi.

### SHARE REGISTRAR
M/s. Corplink (Pvt.) Ltd.
Wings Arcade, 1-K, Commercial, Model Town, Lahore.

### BANKS CONVENTIONAL
Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank of Punjab
Bank Makramah Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited

### BANKS TAKAFUL
Bank Islami Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
Soneri Bank Limited
Al-Baraka Bank
Soneri Bank Limited

# COMPANY OVERVIEW PROFILE

Shaheen Insurance Company Limited (SHNI) is a leading general insurance company incorporated in 1995 as a public limited company and listed on the Pakistan Stock Exchange. The Company operates under the umbrella of Shaheen Foundation, which holds a majority shareholding of approximately 73%, providing strong institutional support and governance oversight.

Since its inception, SHNI has consistently focused on delivering reliable and innovative insurance solutions to individuals and corporate clients across Pakistan. The Company offers a broad spectrum of insurance products including Fire, Marine, Motor, Aviation, Engineering, Health, Travel, Bonds and other specialized insurance covers.

In order to cater to the growing demand for Shariah-compliant financial services, the Company initiated Takaful operations in 2018, operating under the supervision of an experienced Shariah Board to ensure compliance with Islamic principles.

The Company's Head Office is located at Shaheen Complex, Karachi, supported by a nationwide branch network covering major commercial centres including Lahore, Islamabad, Faisalabad, Hyderabad, Peshawar, Sialkot, Multan, Sargodha and Rahim Yar Khan.

The Company benefits from strong reinsurance and re-takaful arrangements with internationally reputable reinsurers, enabling it to underwrite large and complex risks while maintaining prudent risk management practices.

Reflecting its sound financial standing and operational stability, SHNI holds an A++ Insurer Financial Strength Rating with Stable Outlook assigned by Pakistan Credit Rating Agency.

With an experienced management team, expanding distribution network and diversified product portfolio, Shaheen Insurance continues to focus on sustainable growth, enhanced operational efficiency and delivering long-term value to its policyholders and stakeholders.

# INSURANCE/TAKAFUL PRODUCTS

Shaheen Insurance underwrites all classes of General Insurance and enjoys excellent reputation. Apart from Conventional Insurance Shaheen Insurance has also commenced its Takaful operations in 2018

## General Insurance (Conventional)

Shaheen Insurance commenced its general insurance business in 1995 and it underwrites all classes of traditional and non-traditional lines.

Shaheen Insurance offering a wide range of covers such as Fire & Property, Marine Cargo, Motor Vehicles (Commercial & Private), Personal Accident, Money Insurance, Burglary & Liability (Public & Product) and Workmen Compensation while non-traditional covers such as Engineering Risks (MBD, CAR, EAR), Aviation Insurance, Terrorism, Bonds, Health and Travel Insurance are also being offered.

## General Takaful (Islamic)

Takaful is an Islamic form of Insurance based on principle of cooperation mutual assistance shared responsibility and is growing steadily. Shaheen Insurance commenced its Window Takaful Operations in April 2018 under the guidance of renowned, qualified and certified Sharia Board.

Shaheen Takaful is offering a wide range of Sharia Compliant Takaful Products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Takaful (Private / Commercial Vehicles), Engineering Takaful, Terrorism & Political Violence Takaful, Miscellaneous Accident Takaful, Health Takaful and Travel Takaful.

# DIRECTORS' REVIEW

The Directors are pleased to present the Company's Half Yearly (Un-Audited) Financial Statements for the six months' period ended June 30, 2026, duly reviewed by the auditors.

### Economic Overview – Pakistan

Pakistan's economy exhibited continued signs of stabilization during FY2025–26, with GDP growth recorded at 3.70%, underpinned by improved macroeconomic management, fiscal consolidation, exchange rate stability, and a gradual recovery across key economic sectors. Nonetheless, elevated public debt, sustained debt-servicing obligations, structural challenges within the energy sector, and prevailing geopolitical uncertainties continue to present downside risks to the broader economic outlook.

### Insurance Industry Overview

The insurance sector demonstrated continued resilience during the period, benefiting from improving economic conditions and rising demand for risk protection solutions. The non-life insurance segment sustained positive momentum, driven by growth in motor, health, property, and other general insurance lines. Industry participants remained committed to prudent underwriting practices, effective claims management, sound risk governance, and operational efficiency. Regulatory developments — including the implementation of **IFRS 17 and enhanced capital adequacy requirements** — remained key priorities across the industry.

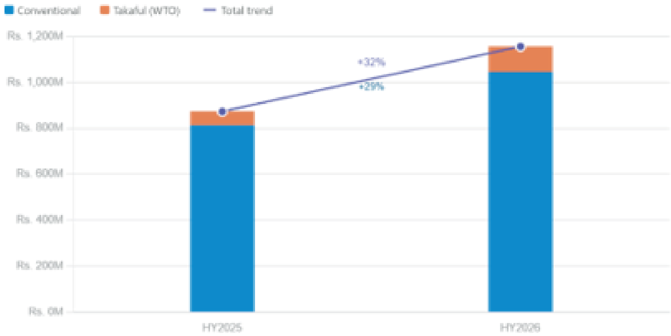
Within this environment, the Company continued to focus on reinforcing underwriting performance, enhancing operational efficiency, exercising prudent risk management, and ensuring compliance with evolving regulatory and accounting standards.

### Business Performance

The Company delivered strong and consistent growth during the period, with overall business volume increasing by 32% over the corresponding half year, as summarized below:

| Business Segment | Gross Premium HY2026 Rs. in (000) | Gross Premium HY2025 Rs. in (000) | Growth % |
|---|---|---|---|
| **Conventional Business** | **1,046.26** | 812.71 | 29% |
| **Takaful (WTO) Business** | **110.26** | 60.67 | 82% |
| **Total Business** | **1,156.51** | 873.38 | 32% |

The above comparison chart of Gross Premium by segment, HY2025 vs HY2026 reveals that the Takaful segment's sharper growth rate (82%) even though Conventional business remains the larger contributor.




This shows Conventional and Takaful stacked into total premium for both years, with the purple trend line tracking overall growth (+32%) and the Conventional segment's own growth (+29%) labeled between the bars.

## Operating Performance

The Gross Premium increased to Rs.1,046 million (HY2025: Rs. 813 million), while Gross Takaful Contributions rose to Rs. 110 million (HY2025: Rs. 61 million). Net claims slightly increased to Rs. 475 million (HY2025: Rs. 442 million), and business acquisition and management expenses rose to Rs. 324 million (HY2025: Rs. 250 million), reflecting the Company's expanding scale of operations.

Investment and other income contributed Rs.69 million during HY2026 (HY2025: Rs.72 million), the modest decline attributable to the continued easing of markup rates by the State Bank of Pakistan. Profit from Window Takaful Operations rose to Rs.13.89 million (HY2025: Rs.9.4 million), representing an increase of 42%. The accumulated surplus within the Participants' Takaful Fund stood at Rs.18.76 million (HY2025: Rs.29.57 million).

Profit before tax for the period rose to Rs. 148.10 million, compared to Rs.92.17 million in the corresponding period, while net profit after tax increased to Rs.106.29 million (HY2025: Rs. 65.44 million) — a significant year-on-year improvement of 62.42%, driven primarily by stronger underwriting profitability and more effective management of investment income despite a declining interest rate environment. Earnings Per Share (EPS) for the half year ended June 30, 2026 stood at Rs. 1.01, compared to Rs. 0.62 for the corresponding period last year.

The Directors are pleased to note the Company's strong performance across all business segments and remain confident that both the conventional and Takaful business lines will continue to grow, in line with government-supported initiatives promoting Islamic banking and Takaful.

## Acknowledgments

The Board of Directors extends its sincere gratitude to our valued customers and also acknowledge the guidance of the SECP, the SBP, PACRA, and our reinsurance and re-takaful partners.

The Board also recognizes the dedication and hard work of Team Shaheen — our field force and office staff — whose continued efforts remain central to the Company's ongoing progress and future growth.

**Dated: August 25, 2026**

**For and on behalf of the Board**

**Rizwan Akhtar**
Chief Executive Officer

**Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)**
Chairman

August 25, 2026

ششماہی 2026 کے دوران سرمایہ کاری اور دیگر آمدنی سے 69 ملین روپے حاصل ہوئے، جبکہ ششماہی 2025 میں یہ آمدنی 72 ملین روپے تھی۔ اس معمولی کمی کی بنیادی وجہ اسٹیٹ بینک آف پاکستان کی جانب سے مارک اپ ریٹس میں جاری نرمی رہی۔ تکافل ونڈو آپریشن سے حاصل ہونے والا منافع بڑھ کر 13.89 ملین روپے ہو گیا، جو ششماہی 2025 کے 9.4 ملین روپے کے مقابلے میں 42 فیصد اضافہ ہے۔ شرکاء تکافل فنڈ میں جمع شدہ اضافی رقم 18.76 ملین روپے رہی، جبکہ گزشتہ سال یہ 29.57 ملین روپے تھی۔

زیرِ جائزہ مدت کے دوران قبل از ٹیکس منافع بڑھ کر 148.10 ملین روپے ہو گیا، جبکہ گزشتہ سال کی اسی مدت میں یہ 92.17 ملین روپے تھا۔ اسی طرح بعد از ٹیکس خالص منافع بڑھ کر 106.29 ملین روپے ہو گیا، جو ششماہی 2025 میں 65.44 ملین روپے تھا۔ اس طرح سال بہ سال بنیاد پر خالص منافع میں 62.42 فیصد کا نمایاں اضافہ ہوا، جس کی بنیادی وجوہات انڈر رائٹنگ کی بہتر منافع بخش کارکردگی اور شرح سود میں کمی کے ماحول کے باوجود سرمایہ کاری سے حاصل ہونے والی آمدنی کا زیادہ مؤثر انتظام ہیں۔ 30 جون 2026 کو اختتام پذیر ہونے والی ششماہی کے لیے فی حصص آمدنی 1.01 روپے رہی، جبکہ گزشتہ سال کی اسی مدت میں یہ 0.62 روپے تھی۔

ڈائریکٹرز کمپنی کے تمام کاروباری شعبوں میں مضبوط کارکردگی کو اطمینان بخش قرار دیتے ہیں اور انہیں یقین ہے کہ حکومت کی حمایت یافتہ اقدامات کے تسلسل کے پیشِ نظر روایتی اور تکافل، دونوں کاروباری شعبے خصوصاً اسلامی بینکاری اور تکافل کے فروغ کے لیے مسلسل ترقی کرتے رہیں گے۔

**اظہارِ تشکر:**

ہم اپنے صارفین کا ان کے مسلسل اعتماد اور تعاون پر شکریہ ادا کرتے ہیں۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، پاکستان کریڈٹ ریٹنگ ایجنسی اور اپنے ری انشورنس پارٹنرز کے تعاون، رہنمائی اور مدد کے بھی شکر گزار ہیں۔

اسی طرح ہم ''ٹیم شاہین'' کی خدمات، محنت، لگن اور کمپنی کے ساتھ وابستگی کو سراہتے ہیں اور امید رکھتے ہیں کہ ان کا جوش و جذبہ آئندہ بھی اسی طرح برقرار رہے گا۔

**بورڈ کی جانب سے**

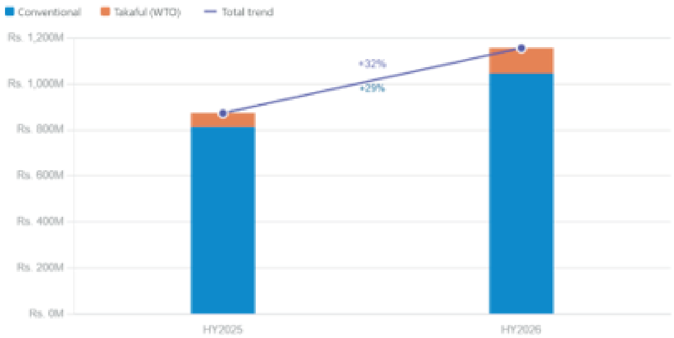
**25 اگست 2026**

رضوان اختر
چیف ایگزیکٹو آفیسر

ایئر وائس مارشل جنید احمد صدیقی (ریٹائرڈ)

| کاروباری شعبہ | مجموعی پریمیئم ششماہی 2026 روپے(000)میں | مجموعی پریمیئم ششماہی 2025 روپے(000)میں | شرح نمو فیصد |
|---|---|---|---|
| کنونشنل کاروبار | 1,046.26 | 812.71 | 29% |
| تکافل (WTO) کاروبار | 110.26 | 60.67 | 82% |
| مجموعی کاروبار | 1,156.51 | 873.38 | 32% |

پر دیئے گئے مجموعی پریمیم کا سیگمنٹ ششماہی 2025 بمقابلہ ششماہی 2026 تقابلی جائزہ ظاہر کرتا ہے کہ اگرچہ مجموعی کاروبار میں کنونشنل کاروبار اب بھی سب سے بڑا حصہ رکھتا ہے تاہم تکافل کے شعبہ نے زیادہ تیز رفتار شرح نمو کا مظاہرہ کرتے ہوئے 82 فیصد کی اویاں شرح نمو حاصل کی۔




نما

یہ چارٹ دونوں سالوں کے لیے کنونشنل اور تکافل کو ملا کر مجموعی پریمیم میں ان کے حصے کو ظاہر کرتا ہے، جبکہ جامنی رنگ کی ٹرینڈ لائن مجموعی شرح نمو (+32%) کی عکاسی کرتی ہے۔ بارز کے درمیان درج (+29%) کا لیبل کنونشنل سیگمنٹ کی اپنی شرح نمو کو ظاہر کرتا ہے۔

## عملی کارکردگی:

مجموعی پریمیم بڑھ کر 1,046 ملین روپے ہو گیا، جو گزشتہ سال کی اسی ششماہی میں 813 ملین روپے تھا، جبکہ مجموعی تکافل کنٹری بیوشن بھی بڑھ کر 110 ملین روپے ہو گئیں، جو ششماہی 2025 میں 61 ملین روپے تھیں۔ خالص کلیمز معمولی اضافے کے ساتھ 475 ملین روپے ہو گئے، جبکہ کاروبار کے حصول اور انتظامی اخراجات بڑھ کر 324 ملین روپے ہو گئے، جو گزشتہ سال کی اسی مدت میں 250 ملین روپے تھے۔ یہ اضافہ کمپنی کی عملی کارکردگی کے بڑھتے ہوئے حجم کی عکاسی کرتا ہے۔

# ڈائریکٹرز کا تبصرہ

کمپنی کے ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی ششماہی (غیر آڈٹ شدہ) مالیاتی گوشوارے، جن کا آڈیٹرز نے باقاعدہ جائزہ لیا ہے، پیش کرتے ہوئے پُرمسرت ہیں۔

**پاکستان کا معاشی جائزہ:**

مالی سال 26-2025 کے دوران پاکستان کی معیشت میں استحکام کے مسلسل آثار نمایاں ہوئے، جبکہ مجموعی ملکی پیداوار (GDP) کی شرح نمو 3.70 فیصد ریکارڈ کی گئی۔ اس بہتری کی بنیاد بہتر معاشی نظم و نسق، مالیاتی استحکام، شرح مبادلہ میں استحکام اور معیشت کے اہم شعبوں میں بتدریج بحالی پر رہی۔ تاہم، بلند عوامی قرضہ، قرضوں کی ادائیگی کی مسلسل ذمہ داریاں، توانائی کے شعبے میں موجود ساختی مسائل اور جاری جغرافیائی سیاسی غیر یقینی صورتحال مجموعی معاشی منظرنامے کے لیے بدستور منفی خطرات کا باعث ہیں۔

**انشورنس انڈسٹری کا جائزہ:**

زیرِ جائزہ مدت کے دوران انشورنس کے شعبے نے مسلسل مضبوطی کا مظاہرہ کیا اور بہتر ہوتے ہوئے معاشی حالات اور خطرات سے تحفظ فراہم کرنے والی مصنوعات کی بڑھتی ہوئی طلب سے فائدہ اٹھایا۔ نان لائف انشورنس کے شعبے میں بھی مثبت رجحان برقرار رہا، جسے موٹر، ہیلتھ، پراپرٹی اور دیگر عمومی انشورنس شعبوں میں ہونے والی نمو سے تقویت ملی۔ صنعت سے وابستہ اداروں نے محتاط انڈر رائٹنگ کے طریقہ کار، مؤثر کلیمز مینجمنٹ، مضبوط رسک گورننس اور آپریشنل کارکردگی کو برقرار رکھنے پر اپنی توجہ مرکوز رکھی۔ ریگولیٹری پیش رفت، بالخصوص IFRS17 کا نفاذ اور سرمایہ کی کفایت سے متعلق بہتر تقاضے بھی صنعت کی اہم ترجیحات میں شامل رہے۔ اس ماحول میں کمپنی نے انڈر رائٹنگ کی کارکردگی کو مزید مضبوط بنانے، آپریشنل کارکردگی میں بہتری محتاط رسک مینجمنٹ اور بدلتے ہوئے ریگولیٹری واکاؤنٹنگ معیارات کی تعمیل کو یقینی بنانے پر مسلسل توجہ مرکوز رکھی۔

**کاروباری کارکردگی:**

کمپنی نے زیرِ جائزہ مدت کے دوران مضبوط اور مسلسل نمو کا مظاہرہ کیا، جبکہ مجموعی کاروباری حجم گزشتہ سال کی اسی ششماہی کے مقابلے میں 32 فیصد بڑھا، جس کی تفصیل درج ذیل ہے:

Tel: +92 21 3568 3030
Fax: +92 21 2568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

# INDEPENDENT AUDITOR'S REPORT
## ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENT TO THE MEMBERS OF SHAHEEN INSURANCE COMPANY LIMITED

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **SHAHEEN INSURANCE COMPANY LIMITED** ("the Company") as at June 30, 2026 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of these 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 this condensed interim financial statement based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial statement Performed by the Independent Auditor of the Entity." A review of interim financial statement 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.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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

We draw attention to Note 15.5 to the condensed interim financial statements, which describes the Company's non-compliance with the statutory deposit requirement prescribed under Section 29(2) of the Insurance Ordinance, 2000 as at June 30, 2026. In accordance with Section 29(2) of the Insurance Ordinance, 2000 ('the Ordinance'), every insurer is required, in respect of the insurance business carried on by it in Pakistan, to deposit and maintain with the State Bank of Pakistan an amount equivalent to the higher of Rs. 10 million or 10% of its paid-up capital. As at June 30, 2026, the Company's required statutory deposit amounted to Rs. 104.8 million, whereas the Company has maintained a statutory deposit of Rs. 98.1 million, resulting in a shortfall of Rs. 6.7 million against the statutory deposit requirement However, compliance has been made subsequent to the period end. Our conclusion is not modified in respect of this matter.

### Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months ended, 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 condensed interim statement of comprehensive income and related notes thereof for the three months period ended June 30, 2026 have not been reviewed by us.

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

BDO Ebrahim & Co.

DATED: 31 August, 2026
PLACE: Karachi
UDIN: RR2026101105kAl8wXZG

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)
## AS AT JUNE 30, 2026

| | Note | June 30, 2026 (Un-audited) | December 31, 2026 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **ASSETS** | | | |
| Property and equipment | 7 | 126,242,519 | 142,268,465 |
| Intangible assets | | 549,218 | 610,242 |
| Investment properties | | 177,296,197 | 177,296,197 |
| Investments | | | |
| Equity securities | 8 | 78,867,079 | 143,198,161 |
| Debt securities | 9 | 269,433,364 | 320,531,242 |
| Term deposits | 10 | 479,301,419 | 80,000,000 |
| Advances, deposits and other receivables | | 37,759,438 | 38,317,263 |
| Insurance / re-insurance receivables | 11 | 586,192,965 | 449,418,969 |
| Re-insurance recoveries against outstanding claims | 20 | 30,625,099 | 50,795,345 |
| Salvage recoveries accrued | | 932,145 | 404,063 |
| Deferred commission expense | 21 | 49,780,148 | 54,220,150 |
| Prepayments | 19 | 44,206,888 | 131,441,616 |
| Deferred taxation - net | 12 | 11,008,809 | 9,203,408 |
| Bank deposits subject to margin and encumbrances | 13 | 335,461,345 | 756,299,543 |
| Cash and bank | 14 | 161,782,390 | 123,667,196 |
| | | 2,389,439,023 | 2,477,671,860 |
| Total assets of window takaful operations - Operator's Fund | | 179,421,649 | 170,424,428 |
| Total assets of window takaful operations - Participants' Takaful Fund | | 280,940,358 | 268,245,892 |
| **Total Assets** | | 2,849,801,030 | 2,916,342,180 |
| **EQUITY AND LIABILITIES** | | | |
| **Capital and reserves attributable to Company`s equity holders** | | | |
| Share capital | 5 | 1,048,125,000 | 806,250,000 |
| Reserves | | 20,000,000 | 20,150,794 |
| Unappropriated profit | | 185,142,644 | 320,723,478 |
| **Total Equity** | | 1,253,267,644 | 1,147,124,272 |
| **Liabilities** | | | |
| Underwriting provisions | | | |
| Outstanding claims including IBNR | 20 | 236,585,083 | 253,243,101 |
| Unearned premium reserves | 19 | 304,591,926 | 406,464,566 |
| Premium deficiency reserves | 22 | 337,245 | 337,245 |
| Unearned reinsurance commission | 21 | 7,022,335 | 11,203,180 |
| Lease liabilities | 16 | 38,363,772 | 46,564,270 |
| Premium received in advance | | 12,596,101 | 22,645,356 |
| Insurance / re-insurance payables | | 108,181,350 | 102,706,148 |
| Other creditors and accruals | 17 | 491,876,069 | 553,426,188 |
| Unclaimed dividend | | 3,178,301 | 3,178,301 |
| Taxation - provision less payments | | 23,167,601 | 11,373,351 |
| | | 1,225,899,783 | 1,411,141,706 |
| Total liabilities of window takaful operations - Operator's Fund | | 89,693,245 | 89,830,310 |
| Total liabilities and fund of window takaful operations - Participants' Takaful Fund | | 280,940,358 | 268,245,892 |
| **Total Liabilities** | | 1,596,533,386 | 1,769,217,908 |
| **Total Equity and Liabilities** | | 2,849,801,030 | 2,916,342,180 |
| **Contingencies and commitments** | 18 | | |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman | Air Vice Marshal Muhammad Qaiser Janjua (Retd.) - Director | Adeel Ali<br>Director | Rizwan Akhtar<br>Chief Executive Officer | Syed Kamran Ali<br>Chief Financial Officer |
|---|---|---|---|---|

# CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

## FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Note | Three months period ended | | Six months period ended | |
|---|---|---|---|---|---|
| | | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | | (Rupees) | | | |
| Net insurance premium | 19 | **609,496,544** | 364,733,011 | **879,680,841** | 721,801,336 |
| Net insurance claims | 20 | **(340,495,230)** | (247,498,985) | **(475,133,921)** | (441,613,875) |
| Net commission expense / acquisition cost | 21 | **(133,052,756)** | (46,246,101) | **(182,735,040)** | (124,278,851) |
| Insurance claims and acquisition expenses | | **(473,547,986)** | (293,745,086) | **(657,868,961)** | (565,892,726) |
| Management expenses | | **(71,902,183)** | (60,878,476) | **(141,214,330)** | (125,281,228) |
| Underwriting results | | **64,046,375** | 10,109,449 | **80,597,550** | 30,627,382 |
| Investment income | 22 | **8,239,285** | 45,288,604 | **34,363,768** | 56,970,121 |
| Rental income | | **671,591** | 625,786 | **1,343,190** | 1,251,573 |
| Other income | 23 | **32,403,219** | 5,547,171 | **33,211,315** | 13,854,524 |
| Other expenses | 24 | **(7,765,356)** | (14,106,407) | **(12,351,332)** | (18,111,878) |
| Results of operating activities | | **97,595,114** | 47,464,603 | **137,164,491** | 84,591,722 |
| Finance charges against lease liabilities | | **(1,501,908)** | (979,028) | **(2,947,863)** | (1,819,587) |
| Profit before tax from window takaful operations - OPF | | **7,181,003** | 5,855,531 | **13,888,755** | 9,400,415 |
| **Profit before tax** | | **103,274,209** | 52,341,106 | **148,105,383** | 92,172,550 |
| Taxation | 25 | **(28,810,177)** | (15,341,544) | **(41,811,217)** | (26,730,039) |
| **Profit after tax for the period** | | **74,464,033** | 36,999,562 | **106,294,166** | 65,442,510 |
| Earnings per share - basic and diluted - (restated) | 26 | **0.71** | 0.35 | **1.01** | 0.62 |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

| | | | | |
|---|---|---|---|---|
| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
## FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Three months period ended | | Six months period ended | |
|---|---|---|---|---|
| | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | ---------- (Rupees) ---------- | | | |
| **Profit after tax for the period** | **74,464,033** | 36,999,562 | **106,294,166** | 65,442,510 |
| **Other comprehensive income** | | | | |
| **Items that may be reclassified subsequently to profit and loss account** | | | | |
| Unrealised gain / (loss) on available for sale investments - net of tax | **(1,779,046)** | (17,750,891) | **-** | (10,166,076) |
| **Reclassification adjustments relating to available-for-sale investments disposed of during the period** | **-** | - | **(150,794)** | - |
| **Other comprehensive loss** | **(1,779,046)** | (17,750,891) | **(150,794)** | (10,166,076) |
| **Total comprehensive income for the period** | **72,684,987** | 19,248,671 | **106,143,372** | 55,276,434 |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman | Air Vice Marshal Muhammad Qaiser Janjua (Retd.) - Director | Adeel Ali<br>Director | Rizwan Akhtar<br>Chief Executive Officer | Syed Kamran Ali<br>Chief Financial Officer |
|---|---|---|---|---|

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Attributable to equity holders of the Company | | | | |
|---|---|---|---|---|---|
| | Share capital | Revenue reserves | Unrealised (loss) / gain on available-for-sale investments | Unappropriated (loss) / profit | Total Equity |
| | (Rupees) | | | | |
| **Balance as at December 31, 2024 (Audited)** | 645,000,000 | 20,000,000 | 13,059,831 | 329,637,419 | 1,007,697,250 |
| Total comprehensive income for the period | | | | | |
| Profit for the period | - | - | - | 65,442,510 | 65,442,510 |
| Other comprehensive income for the period | - | - | (10,166,076) | - | (10,166,076) |
| | - | - | (10,166,076) | 65,442,510 | 55,276,434 |
| Transactions with owners: | | | | | |
| Bonus shares issued for the year ended December 31, 2024 @ 25% | 161,250,000 | - | - | (161,250,000) | - |
| **Balance as at June 30, 2025 (Un-audited)** | 806,250,000 | 20,000,000 | 2,893,755 | 233,829,929 | 1,062,973,684 |
| **Balance as at December 31, 2025 (Audited)** | 806,250,000 | 20,000,000 | 150,794 | 320,723,478 | 1,147,124,272 |
| Total comprehensive income for the period | | | | | |
| Profit for the period | - | - | - | 106,294,166 | 106,294,166 |
| Other comprehensive income for the period | - | - | (150,794) | - | (150,794) |
| | - | - | (150,794) | 106,294,166 | 106,143,372 |
| Transactions with owners: | | | | | |
| Bonus shares issued for the year ended December 31, 2025 @ 30% | 241,875,000 | - | - | (241,875,000) | - |
| **Balance as at June 30, 2026 (Un-audited)** | 1,048,125,000 | 20,000,000 | - | 185,142,644 | 1,253,267,644 |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |
|---|---|---|---|---|

# CONDENSED INTERIM STATEMENT OF CASH FLOWS ( UN-AUDITED)
## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Note | June 30, 2026 (Un-audited) | June 30, 2025 (Un-audited) |
|---|---|---|---|
| | | ---------------- (Rupees) | ---------------- |
| **OPERATING CASHFLOW** | | | |
| **a) Underwriting activities** | | | |
| Insurance premium received | | **1,007,113,216** | 769,828,214 |
| Reinsurance premium paid | | **(175,739,244)** | (194,030,143) |
| Claims paid | 20 | **(539,146,393)** | (404,386,537) |
| Reinsurance and other recoveries received | 20 | **67,524,700** | 27,624,192 |
| Commission paid | | **(197,277,175)** | (96,150,717) |
| Commission received | | **18,864,733** | 30,585,741 |
| Management and other expenses paid | | **(112,502,165)** | (135,283,918) |
| Net cash generated from / (used in) underwriting activities | | **68,837,672** | (1,813,168) |
| **b) Other operating activities** | | | |
| Income tax paid | | **(29,955,838)** | (13,848,571) |
| **Total cash generated from / (used in) operating activities** | | **38,881,834** | (15,661,739) |
| **INVESTMENT ACTIVITIES** | | | |
| Investment income received | | **29,647,732** | 56,501,652 |
| Bank deposits subject to encumbrances | | **344,876,117** | (23,559,272) |
| Security deposits against suretyship polcies - net | | **(75,962,081)** | - |
| Payments for investments - net | | **115,769,952** | (71,225,649) |
| Fixed capital expenditure | | **(3,887,169)** | (15,912,238) |
| Proceeds from disposal of property and equipment | | **25,000** | 253,007 |
| Total cash (used in) investing activities | | **410,469,551** | (53,942,500) |
| **FINANCING ACTIVITIES** | | | |
| Financial charges paid | | **(2,947,863)** | (1,819,587) |
| Principal repayment of lease liabilities against right-of-use assets | | **(8,986,909)** | (8,900,881) |
| **Total cash (used in) financing activities** | | **(11,934,772)** | (10,720,468) |
| **Net cash flow from all activities** | | **437,416,613** | (80,324,707) |
| **Cash and cash equivalents at the beginning of the period** | | **203,667,196** | 236,937,570 |
| **Cash and cash equivalents at the end of the period** | | **641,083,809** | 156,612,863 |

# CONDENSED INTERIM STATEMENT OF CASH FLOWS ( UN-AUDITED)
## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | June 30, 2026 (Un-audited) | June 30, 2025 (Un-audited) |
|---|---|---|
| | ----------------- (Rupees) | ----------------- |
| **Reconciliation to condensed interim profit and loss account** | | |
| Operating cash flows | 38,881,834 | (15,661,739) |
| Depreciation | (20,649,523) | (10,829,210) |
| Finance charges against lease liabilities | (2,947,863) | (1,819,587) |
| Gain on disposal of property and equipment | 10,474 | 223,108 |
| Rental income | 1,343,190 | 1,251,573 |
| (Increase) / decrease in assets - PTF | (30,560,019) | (23,933,027) |
| Increase / (decrease) in liabilities and fund - PTF | 30,560,019 | 23,933,027 |
| (Increase) / decrease in assets other than cash | 28,785,623 | 144,448,033 |
| Increase / (decrease) in liabilities | 12,617,909 | (118,540,205) |
| Investment and other income | 34,363,768 | 56,970,121 |
| Profit from window takaful operations - OPF | 13,888,755 | 9,400,415 |
| **Profit after tax** | 106,294,166 | 65,442,510 |

**Definition of cash**

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

Cash and cash equivalents for the purpose of the condensed interim cash flow statement include the following:

| | June 30, 2026 (Un-audited) | December 31, 2026 (Audited) |
|---|---|---|
| | ----------------- (Rupees) | ----------------- |
| **Cash and other equivalents** | | |
| Cash in hand | 223,898 | 212,465 |
| Policy stamps in hand | 1,000,000 | 237,414 |
| | 1,223,898 | 449,879 |
| **Cash at bank** | | |
| Current accounts | 8,809,458 | 10,595,178 |
| Savings accounts | 151,749,034 | 145,567,806 |
| | 160,558,492 | 156,162,984 |
| **Deposits maturing within 3 month** | | |
| Term deposits - local currency | 479,301,419 | - |
| | 641,083,809 | 156,612,863 |

The annexed notes from 1 to 32 form an integral part of these condensed interim financial statements.

| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman | Air Vice Marshal Muhammad Qaiser Janjua (Retd.) - Director | Adeel Ali Director | Rizwan Akhtar Chief Executive Officer | Syed Kamran Ali Chief Financial Officer |
|---|---|---|---|---|

## 1 STATUS AND NATURE OF BUSINESS

Shaheen Insurance Company Limited (the Company) was incorporated in March 1995 in Pakistan. The Company is a public limited company listed on Pakistan Stock Exchange and obtained the certificate for commencement of business in July 1995. It was registered with the Controller of Insurance in November 1995 to carry out non-life insurance business comprising fire, marine, motor, aviation, engineering, transportation, health, etc. On March 14, 2018 the Company was awarded license to commence Window Takaful Operations. Its registered office is located at 10th Floor, Shaheen Complex, Karachi. The Company operates only in Pakistan through 13 Branches. Shaheen Foundation (the parent) holds approximately 69.28% (December 2024: 69.28%) shares in the Company.

Following are the geographical location and address of all the business units of the Company:

**Head office - registered office**
10th Floor, Shaheen Complex, M.R. Kiyani Road, Karachi, Province of Sindh, Pakistan.

**Branches**

- Office 1001 & 1014, Block B 10th Floor Saima Tower ,I.I Chundrigar Road, Karachi.
- Upper 2nd floor, House # 75, Soldier Bazar, Hyderabad, Sindh, Pakistan.
- Office 4-B, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore, Punjab, Pakistan.
- Office No. 6, 6th Floor, Shaheen Complex, Opp. PTV Station 38, Abbott Road, Lahore, Punjab, Pakistan.
- Office No. 4,Mezzanine Floor Black Horse Plaza, Fazal-e-Haq Road Blue Area, Islamabad.
- Office 2, 4th Floor, Ahmed Plaza, Bilal Road, Civil Lines, Faisalabad, Punjab, Pakistan.
- Office 21 , 1st Floor Anali Arcade Near Chowk Kachary LMQ Road, Multan , Pakistan.
- Office C3, Jasmine Arcade Fakhr-e-Alam Road Peshawar Cantt, Khyber Pakhtunkhwa, Pakistan.
- Office 210, Karim Plaza, Defence Road, Near Allama Iqbal Town, Sialkot, Punjab, Pakistan.
- Office 63, 1st Floor, Advance Book Shop, Rehman Complex, Ibne Seena Hospital Market, Kanchi More, Sarghoda Punjab, Pakistan.
- Ghousia Sultania Town, Sakhi Sarwar Colony, Rahim Yar Khan, Punjab, Pakistan.
- Banglow no# 498. Block.a revenue employees co-operatives housing society, Lahore.
- Office no # 110, 1st floor, falak corporate opp. Chamber of commerce, talpur road, Karachi.

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

### 2.1 Statement of compliance

**2.1.1** 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

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

When, the provision of, directives and notifications issued under the Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019 differ with the requirements of IAS 34, the provision of directives and notifications issued under the Companies Act, 2017, the insurance ordinance, 2000 insurancae rules 2017, the insurance accounting regulation 2017, the takaful rules 2012 and general takaful accounting regulations, 2019 have been followed.

The Securities and Exchange Commission of Pakistan (SECP) wide the Insurance Rules, 2017 dated February 9, 2017 has prescribed the format of presentation of annual financial statements for general insurance companies. These financial statements have been prepared in accordance with the format prescribed by the SECP.

As required by Circular 15 of 2019 dated November 18, 2019 issued by the Securities & Exchange Commission of Pakistan (the Commission), the Company has prepared and annexed to these condensed interim financial statements, a separate set of condensed interim financial statements for Window Takaful Operations of the Company.

2.1.2 The condensed interim financial statements does not include all the information required in the annual financial statements. Accordingly, the condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2025. Comparative figures for the condensed interim statement of financial position are stated from annual financial statements of the Company for the year ended December 31, 2025. Whereas comparatives for condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and related notes are extracted from condensed interim financial statements of the Company for the six months period ended June 30, 2025.

### 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for the held for trading investments, available for sale investments and investment properties that have been messured at fair value and right-of-use assets and their related lease liability which are measured at their present values at intial recognization.

### 2.3 Functional and presentation currency

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

## 3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

### 3.1 Amendments to existing accounting and reporting standards that have become effective during the period

There are certain amendments to existing accounting and reporting standards that have become applicable for accounting periods beginning on or after January 01, 2026. These are considered either to not be relevant or to not have any significant impact on these condensed interim financial statements.

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

| Standards, amendments or interpretations | Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 9 - Financial Instruments | January 1, 2027 |
| IFRS 17 - Insurance contracts | January 1, 2027 |
| IFRS 18 Presentation and Disclosures in Financial Statements | January 1, 2027 |

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 17 provides comprehensive principles for the recognition, measurement, presentation and disclosure of insurance contracts issued and reinsurance contracts held.

The adoption of IFRS 17 has resulted in significant changes to the presentation of the financial statements. Previous line items such as gross and net written premiums, changes in unearned premium reserves and insurance claims have been replaced by insurance revenue, insurance service expenses, income or expenses from reinsurance contracts held and insurance finance income or expenses. The Company provides qualitative and quantitative disclosures regarding significant judgements and amounts recognised from insurance contracts issued and reinsurance contracts held, with detailed changes in accounting policies and their impact disclosed in the relevant notes to the financial statements.

IFRS 09 - 'Financial Instruments' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2018. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027. IFRS 09 establishes requirements for classification and measurement of financial assets and liabilities, impairment and hedge accounting, and replaces the incurred loss model under IAS 39 with a forward-looking Expected Credit Loss (ECL) model. The determination of ECL involves significant judgement and estimation uncertainty, particularly in relation to;

- Selection of appropriate ECL modelling methodology and assumptions;
- Determination and weighting of forward-looking scenarios;
- Assessment of credit losses under identified scenarios; and
- Criteria for determining a significant increase in credit risk.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

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

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

There are various other standards and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on these condensed interim financial statements.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

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

## 5 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The accounting estimates and judgements made by the management in the preparation of these condensed interim financial statements are same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2025.

## 6 FINANCIAL AND INSURANCE RISK MANAGEMENT

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

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **7 PROPERTY AND EQUIPMENT** | | | |
| Operating fixed assets | 7.1 | **92,874,785** | 99,235,355 |
| Right-of-use assets | 7.2 | **32,087,247** | 41,486,716 |
| Capital work in progress | 7.3 | **1,280,487** | 1,546,394 |
| | | **126,242,519** | 142,268,465 |
| **7.1 The break-up of operating assets as at the period / year end is given below:** | | | |
| Leasehold improvements | | **1,616,004** | 1,795,560 |
| Furniture and fixtures | | **4,938,442** | 5,172,263 |
| Office and electrical equipment | | **5,813,044** | 4,903,099 |
| Computer equipment | | **6,338,652** | 4,650,214 |
| Motor vehicles | | **74,168,643** | 82,714,219 |
| | 7.1.1 | **92,874,785** | 99,235,355 |

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **7.1.1 Movement of operating fixed assets during the period / year as as follows:** | | | |
| Opening book value | | **99,235,355** | 99,235,355 |
| Add: addition during the period/year | | **4,054,494** | 30,735,820 |
| Less: net book vaue of assets disposed of during the period/year | | **(12,445)** | (7,663,229) |
| Less: depreciation for the period/year | | **(10,402,619)** | (23,072,591) |
| | | **92,874,785** | 99,235,355 |
| **7.2 Movement of right-of-use assets during the period / year is as follows:** | | | |
| Premises | | **41,486,716** | 15,684,942 |
| Opening balance | | **786,411** | 31,189,561 |
| Addition during the period/year | | **-** | 14,573,248 |
| Adjustment | | **(10,185,880)** | (19,961,035) |
| Depreciation expense during the period/year | | **32,087,247** | 41,486,716 |
| Closing balance | | | |
| **7.3 Capital work in progress** | | | |
| Advances to suppliers against fixed assets | | **1,280,487** | 1,546,394 |

## 8 INVESTMENT IN EQUITY SECURITIES

| | June 30, 2026 (Un-audited) | | | December 31, 2025 (Audited) | | |
|---|---|---|---|---|---|---|
| | Cost | Impairment | Carrying Value | Cost | Impairment | Carrying Value |
| | (Rupees) | | | | | |
| **Available for sale** | | | | | | |
| Listed shares | | | | | | |
| - First Capital Equities Limited | **188,000,000** | **(188,000,000)** | **-** | 188,000,000 | (188,000,000) | - |
| Mutual funds | **-** | **-** | **-** | 142,274,731 | - | 142,491,701 |
| | **188,000,000** | **(188,000,000)** | **-** | 330,274,731 | (188,000,000) | 142,491,701 |
| **Fair value through profit or loss** | | | | | | |
| Listed shares | | | | | | |
| - Bank Makramah Limited | **321,671** | **-** | **361,020** | 321,671 | - | 706,460 |
| Mutual funds | **78,501,609** | **-** | **78,506,059** | - | - | - |
| | **266,823,280** | **(188,000,000)** | **78,867,079** | 330,596,402 | (188,000,000) | 143,198,161 |

**8.1** On November 29, 2012, the Company through an agreement settled balance of 'reverse repo' and premium due but unpaid' amounting to Rs. 99.89 million (reverse repo and associated mark-up) and Rs. 88.859 million of FCSC Group and Pace (Pakistan) Limited respectively, against 4.7 million shares of First Capital Equities Limited (FCEL) calculated at Rs. 40 per share against the market value of Rs. 69 per share as at that date. The agreement was subsequently amended on March 07, 2013 to make the clause of restriction on holding period and swap against property null and void.

The Company has filed a civil suit in Civil Court Lahore in April 2015 against First Capital Equities Limited and five others for recovery of Rs.188 million and cancellation of documents. Company is aggressively following up the case, and regular hearings are taking place. Further, management strongly believe that the Company has irrefutable evidences / arguments to win this litigation, and is deploying every possible resource for expeditious disposal of the case. However, being prudent an impairment provision equal to the carrying value is included in these condensed interim financial statements.

## 9 INVESTMENTS IN DEBT SECURITIES

| | June 30, 2026 (Un-audited) | | | December 31, 2025 (Audited) | | |
|---|---|---|---|---|---|---|
| | Cost | Impairment | Carrying Value | Cost | Impairment | Carrying Value |
| | ---- (Rupees) ---- | | | | | |
| **Held to maturity** | | | | | | |
| Pakistan Investment Bonds / Treasury Bills | | | | | | |
| - Pledged | 93,757,407 | - | 97,035,274 | 93,757,407 | - | 96,193,723 |
| - Non Pledged | 177,650,898 | - | 172,398,090 | 224,996,779 | - | 224,337,519 |
| | 271,408,305 | - | 269,433,364 | 318,754,186 | - | 320,531,242 |

## 9.1 INVESTMENT IN DEBT SECURITIES

| Name of investment | Face value | Number of certificates | Profit rate | Profit payment | Maturity date | June 30, 2026 (Un-audited) Cost | June 30, 2026 (Un-audited) Carrying Value | December 31, 2025 (Audited) Cost | December 31, 2025 (Audited) Carrying Value |
|---|---|---|---|---|---|---|---|---|---|
| | (Rupees) | | (%) | | | ---- (Rupees) ---- | | | |
| **Held to maturity** | | | | | | | | | |
| 3 Years Pakistan Investment Bonds | 98,100,000 | 981,000 | 14.00 | Semi annually | 15-Feb-27 | 93,757,407 | 97,035,274 | 93,757,407 | 96,193,723 |
| 3 Years Pakistan Investment Bonds | 168,500,000 | 168,500 | 14.00 | Semi annually | 20-Sep-27 | 177,650,898 | 172,398,090 | 177,650,898 | 173,980,051 |
| Treasury Bills | 52,450,000 | 524,500 | 10.90 | Annually | 29-May-26 | - | - | 47,345,881 | 50,357,468 |
| | 319,050,000 | | | | | 271,408,305 | 269,433,364 | 318,754,186 | 320,531,242 |

**9.2** Pakistan Investment Bond with face value of Rs. 98.10 million (December 31, 2025: Rs. 98.10 million) is placed with the State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

| | | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| | | | (Rupees) | |
| **10** | **INVESTMENT IN TERM DEPOSITS** | | | |
| | Held to maturity | | | |
| | Deposits maturing within three months | 10.1 & 10.2 | 479,301,419 | 80,000,000 |

**10.1** The balance represents term deposit with Bank Makramah Limited having maturity within 03 months (i.e. upto October 13, 2026). The rate of return on this term deposit ranging from 10.50% to 11.25% (December 31, 2025: 9%) per annum.

**10.2** These include term deposit amounting to Rs. 80 million (December 31, 2025: Rs. 80 million) maintained with commercial banks against guarantees issued by the banks on behalf of the Company. These guarantees are provided to facilitate the issuance of insurance guarantee policies to travel agents.

| | | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| | | | (Rupees) | |
| **11** | **INSURANCE / RE-INSURANCE RECEIVABLES** | | | |
| | Unsecured, considered good | | | |
| | Due from insurance contract holders | 11.1 | 23,955,274 | 41,053,115 |
| | Less: Provision for impairment | 11.2 | (96,219) | (96,219) |
| | | | 23,859,055 | 40,956,896 |
| | Due from other insurers / re-insurers | | 588,947,784 | 435,075,947 |
| | Less: Provision for impairment | 11.3 | (26,613,874) | (26,613,874) |
| | | | 562,333,910 | 408,462,073 |
| | | | 586,192,965 | 449,418,969 |

**11.1** This includes premium due but unpaid from Shaheen Foundation (parent undertaking) amounting to 12.25 million (December 31, 2025: Rs. 38.17 million).

| | | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| | | | (Rupees) | |
| **12** | **DEFERRED TAXATION - NET** | | | |
| | Deferred taxation - net | | 11,008,809 | 9,203,408 |

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **12.1** The net balance for the deferred taxation in respect of following temporary differences: | | | |
| **Deferred tax liabilities** | | | |
| Right of use assets | | 9,305,302 | 7,249,037 |
| Mutual funds | | 1,290 | 30,760 |
| | | 9,306,592 | 7,279,797 |
| **Deferred tax assets** | | | |
| Operating fixed assets | | (1,471,884) | (2,079,582) |
| Provision for impairment on receivables | | (7,718,023) | (8,117,232) |
| Lease liability | | (11,125,494) | (6,286,391) |
| | | (20,315,401) | (16,483,205) |
| Deferred tax asset - net | | (11,008,809) | (9,203,408) |

## 13 BANK DEPOSITS SUBJECT TO MARGIN AND ENCUMBRANCES

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| Saving accounts under lien | 13.1 | 26,652,136 | 371,528,253 |
| Margin against credit and suretyship policies | 13.2 | 308,809,209 | 384,771,290 |
| | | 335,461,345 | 756,299,543 |

**13.1** This represents lien marked on savings accounts maintained with commercial banks against guarantees issued by the banks on behalf of the Company. These guarantees are provided to facilitate the issuance of insurance guarantee policies to travel agents.

**13.2** This represents bank deposits held as margin in respect of credit and suretyship policies issued by the Company, which are maintained in a separate bank account on behalf of policy holders. However, bank deposits amounting to Rs. 247.555 million have been placed under lien-mark for obtaining bank guarantees.

## 14 CASH AND BANK

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| Cash and cash equivalents | | | |
| - Cash in hand | | 223,898 | 122,387 |
| - Policy stamps and bond papers in hand | | 1,000,000 | 265,753 |
| | | 1,223,898 | 388,140 |
| Cash at bank | | | |
| - Current accounts | | 8,809,458 | 21,281,402 |
| - Saving accounts | 14.1 | 151,749,034 | 101,997,654 |
| | | 160,558,492 | 123,279,056 |
| | | 161,782,390 | 123,667,196 |

14.1 These carry interest rates ranging from 5.00% to 9.50% (December 31, 2025: 5.00% to 9.85%) per annum.

## 15 SHARE CAPITAL

### 15.1 Authorised share capital

| June 30, 2026 (Un-audited) | December 31, 2025 (Audited) | | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| ----------(Number of shares)--------- | | | ----------------- (Rupees) ----------------- | |
| **250,000,000** | 250,000,000 | | **2,500,000,000** | 2,500,000,000 |

### 15.2 Issued, subscribed and paid - up share capital

| June 30, 2026 (Un-audited) | December 3, 2025 (Audited) | | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| ----------(Number of shares)--------- | | | ----------------- (Rupees) ----------------- | |
| **8,000,000** | 8,000,000 | Ordinary shares of Rs. 10 each, fully paid in cash | **80,000,000** | 80,000,000 |
| **56,812,500** | 32,625,000 | Ordinary shares of Rs. 10 each, issued as bonus shares | **568,125,000** | 326,250,000 |
| **25,000,000** | 25,000,000 | Ordinary shares of Rs. 10 each, issued as right shares fully paid in cash | **250,000,000** | 250,000,000 |
| **15,000,000** | 15,000,000 | Ordinary shares of Rs. 10 each, issued | **150,000,000** | 150,000,000 |
| **104,812,500** | 80,625,000 | | **1,048,125,000** | 806,250,000 |

15.3 As at June 30, 2026, details of shares held by the related parties undertaking are as follows:

| Related party name | Basis of relationship | Percentage (%) | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| | | | --------------- (Rupees) --------------- | |
| Shaheen foundation | Parent undertaking | 69.28% | **72,611,979** | 55,854,875 |
| Central non public fund | Associate | 3.79% | **3,971,100** | 3,202,500 |
| | | | **76,583,079** | 59,057,375 |
| | | | ------------------- (%) ------------------- | |
| Percentage of shareholding held by related parties. | | | **73.07%** | 73.25% |

**15.4** The Company has only one class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

**15.5** In accordance with Section 29(2) of the Insurance Ordinance, 2000 ('the Ordinance'), every insurer is required, in respect of the insurance business carried on by it in Pakistan, to deposit and maintain with the State Bank of Pakistan an amount equivalent to the higher of Rs. 10 million or 10% of its paid-up capital.

As at June 30, 2026, the Company's paid-up capital amounted to Rs. 1,048 million and, accordingly, the required statutory deposit amounted to Rs. 104.8 million. However, the Company has maintained a statutory deposit of Rs. 98.1 million in the form of government securities (refer note 9.2), resulting in a shortfall of Rs. 6.7 million against the statutory deposit requirement.

The Company is therefore not in compliance with the statutory deposit requirement prescribed under Section 29(2) of the Insurance Ordinance, 2000 as at June 30, 2026.

However, subsequent to June 30, 2026, the Company has fully complied with the statutory deposit requirement prescribed under Section 9(2) of the Insurance Ordinance, 2000 by pledging additional PIBs with the State Bank of Pakistan, thereby fulfilling the shortfall of Rs. 6.7 million and meeting the statutory deposit requirement completely.

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **16 LEASE LIABILITIES** | | | |
| Opening balance | | 46,564,270 | 16,389,527 |
| Increase / (decrease) in lease liability | 7.2 | 786,411 | 31,189,561 |
| Repayments | | (11,934,772) | (21,981,600) |
| Adjustment | | - | 13,784,039 |
| Interest expense for the period/year | | 2,947,863 | 7,182,743 |
| Closing balance | | 38,363,772 | 46,564,270 |

**16.1** The future minimum lease payments to which the Company is committed under the lease agreements and the periods in which they will become due are as follows:

| | June 30, 2026 (Un-audited) | | | December 31, 2025 (Audited) | | |
|---|---|---|---|---|---|---|
| | Minimum lease payments | Financial charges for future periods | Principal outstanding | Minimum lease payments | Financial charges for future periods | Principal outstanding |
| | (Rupees) | | | | | |
| Not later than one year | 21,348,854 | 5,980,533 | 15,368,321 | 23,422,801 | 4,752,984 | 18,669,817 |
| Later tha none year and not later than five years | 29,363,647 | 6,368,196 | 22,995,451 | 32,280,882 | 4,386,429 | 27,894,453 |
| Later than five years | - | - | - | - | - | - |
| Total lease liability | 50,712,501 | 12,348,729 | 38,363,772 | 55,703,683 | 9,139,413 | 46,564,270 |

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **17 OTHER CREDITORS AND ACCRUALS** | | | |
| Agent commission payable | | **86,868,996** | 82,805,555 |
| Provincial service taxes | | **28,802,653** | 29,829,004 |
| Federal insurance fee payable | | **11,295,422** | 11,307,525 |
| Workers' welfare fund payable | | **23,945,946** | 21,048,913 |
| Accrued expenses | | **18,224,428** | 13,540,385 |
| Withholding tax payable | | **6,179,536** | 5,351,460 |
| Unearned rental income | | **-** | 1,343,189 |
| Payable to provident fund | | **3,477,461** | 1,673,183 |
| Security deposits against credit and suretyship policies | 17.1 | **308,809,209** | 384,771,290 |
| Others | | **4,272,418** | 1,755,684 |
| | | **491,876,069** | 553,426,188 |

**17.1** As required by the Companies Act, 2017 these are held by the Company in a separately maintained bank account on account of performance / bond policies issued by the Company.

## 18 CONTINGENCIES AND COMMITMENTS

### 18.1 Contingencies

Except for the matter described below, there were no material changes in the status of contingencies as reported in the annual financial statements as at and for the year ended December 31, 2025.

**18.1.1** The matter regarding exemption was taken up collectively by the Insurance Association of Pakistan (IAP) with the SRB through tax consultants. Accordingly, the SRB, vide Notification No. SRB-3-4/3/2017 dated January 12, 2017, exempted health insurance business from the scope of Sindh Sales Tax. The exemption was subsequently extended through various notifications, with the latest exemption being provided vide Notification No. SRB 3-4/19/2022 dated June 28, 2022, which remained effective up to June 30, 2023.

Subsequently, the SRB withdrew the exemption in respect of corporate health insurance business with effect from July 1, 2023. The Company, along with other industry participants, has challenged the applicability of Sindh Sales Tax on corporate health insurance business, and the matter is currently pending adjudication before the High Court of Sindh.

During the year 2026, the Sindh Revenue Board (SRB) issued Notification No. SRB-3-4/21/2026 dated June 29, 2026, has granted an exemption from the principal amount of Sindh sales tax, together with the related surcharge and penalty, in respect of Group Health Insurance services for the tax period July 2023 to June 2026, subject to the following conditions:

The amount payable under the revised computation is truly declared and deposited into the Sindh Government Treasury on or before December 31, 2026;

No adjustment or carry forward of input tax shall be admissible against the tax payable under the said notification;

No refund shall be admissible in respect of any tax already paid in excess of the amount determined under the said notification; and

The benefit of the notification shall be contingent upon the withdrawal of all litigation relating to insurance and reinsurance services, including Group Health Insurance services, pending before various courts of law.

In accordance with the notification of SRB, the Company's Sindh sales tax liability for the period from July 1, 2023 to June 30, 2026 has been determined at Rs. 1.363 million, as against the gross amount of Rs. 29.050 million that would otherwise have been payable.

### 18.2 Commitments

There are no commitments as at the reporting date. (December 31, 2025: Nil).

| | Note | Three months period ended | | Six months period ended | |
|---|---|---|---|---|---|
| | | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | | **(Rupees)** | | | |
| **19 NET INSURANCE PREMIUM** | | | | | |
| Written gross premium | | **689,710,990** | 376,619,732 | **1,046,257,374** | 812,710,139 |
| Add: Unearned premium reserve opening | | **374,045,625** | 482,406,188 | **406,464,566** | 473,265,299 |
| Less :Unearned premium reserve closing | | **304,591,926** | 450,853,908 | **304,591,926** | 450,853,908 |
| **Premium earned** | | **759,164,689** | 408,172,012 | **1,148,130,014** | 835,121,530 |
| Re-insurance premium ceded | | **118,033,593** | 133,602,114 | **181,214,445** | 167,140,133 |
| Add: Prepaid reinsurance premium opening | | **75,841,440** | 15,439,001 | **131,441,616** | 51,782,175 |
| Less: Prepaid reinsurance premium closing | | **44,206,888** | 105,602,114 | **44,206,888** | 105,602,114 |
| **Reinsurance expense** | | **149,668,145** | 43,439,001 | **268,449,173** | 113,320,194 |
| | | **609,496,544** | 364,733,011 | **879,680,841** | 721,801,336 |

| | Note | Three months period ended June 30, 2026 (Un-audited) | Three months period ended June 30, 2025 (Un-audited) | Six months period ended June 30, 2026 (Un-audited) | Six months period ended June 30, 2025 (Un-audited) |
|---|---|---|---|---|---|
| | | (Rupees) | | | |
| **20 NET INSURANCE CLAIMS** | | | | | |
| Claims paid | | 451,559,130 | 240,169,313 | 539,146,393 | 404,386,537 |
| Less: Outstanding claims including IBNR opening | | 309,145,785 | 235,873,333 | 253,243,101 | 196,681,260 |
| Add: Outstanding claims including IBNR closing | 20.1 | 236,585,083 | 265,657,955 | 236,585,083 | 265,657,955 |
| **Claims expense** | | 378,998,428 | 269,953,935 | 522,488,375 | 473,363,232 |
| Re-insurance and other recoveries received | | 54,746,191 | 25,547,594 | 67,524,700 | 27,624,192 |
| Less: Re-insurance and other recoveries receivable in respect of outstanding claims opening | | 46,868,092 | 19,027,158 | 50,795,345 | 11,809,349 |
| Add: Re-insurance and other recoveries receivable in respect of outstanding claims closing | | 30,625,099 | 15,934,514 | 30,625,099 | 15,934,514 |
| Re-insurance and other recoveries revenue | | 38,503,198 | 22,454,950 | 47,354,454 | 31,749,357 |
| **Net claims expense** | | 340,495,230 | 247,498,985 | 475,133,921 | 441,613,875 |

**20.1** This includes outstanding claims to Shaheen Foundation (parent undertaking) amounting to 0..447 million (December 31, 2025: Rs. 0.121 million).

| | Note | Three months period ended June 30, 2026 (Un-audited) | Three months period ended June 30, 2025 (Un-audited) | Six months period ended June 30, 2026 (Un-audited) | Six months period ended June 30, 2025 (Un-audited) |
|---|---|---|---|---|---|
| | | (Rupees) | | | |
| **21 NET COMMISSION EXPENSE / ACQUISITION COST** | | | | | |
| Commission paid or payable | | 138,064,459 | 48,181,089 | 201,340,616 | 118,883,298 |
| Add: Deferred commission expense opening | | 58,248,287 | 64,612,480 | 54,220,150 | 85,065,955 |
| Less: Deferred commission expense closing | | 49,780,148 | 57,922,682 | 49,780,148 | 57,922,682 |
| Net Commission | | 146,532,598 | 54,870,887 | 205,780,618 | 146,026,571 |
| Less: Commission received or recoverable | | 12,054,823 | 17,626,656 | 18,864,733 | 30,585,741 |
| Add: Unearned reinsurance commission opening | | 8,447,354 | 2,827,710 | 11,203,180 | 2,991,559 |
| Less: Unearned reinsurance commission closing | | 7,022,335 | 11,829,580 | 7,022,335 | 11,829,580 |
| Commission from reinsurers | | 13,479,842 | 8,624,786 | 23,045,578 | 21,747,720 |
| | | 133,052,756 | 46,246,101 | 182,735,040 | 124,278,851 |

| | Note | Three months period ended June 30, 2026 (Un-audited) | Three months period ended June 30, 2025 (Un-audited) | Six months period ended June 30, 2026 (Un-audited) | Six months period ended June 30, 2025 (Un-audited) |
|---|---|---|---|---|---|
| | | (Rupees) | | | |
| **22 INVESTMENT INCOME** | | | | | |
| **Income from equity securities** | | | | | |
| Available for sale investments | | | | | |
| Dividend income | | 402 | 29,731,995 | 605 | 29,731,995 |
| Realized gain on sale of investments | | 6,473,615 | - | 6,473,615 | - |
| | | 6,474,017 | 29,731,995 | 6,474,220 | 29,731,995 |
| **Income from debt securities** | | | | | |
| Held to maturity | | | | | |
| Income from term deposits | | 6,935,599 | - | 8,367,708 | 112,114 |
| Return on government securities | | 8,933,185 | 11,584,130 | 17,768,205 | 23,035,791 |
| Return on treasury bills | | 822,126 | 3,769,766 | 2,094,627 | 3,769,766 |
| | | 16,690,910 | 15,353,896 | 28,230,540 | 26,917,671 |
| Unrealised gain on revaluation of held for trading investments | | (340,992) | 202,713 | (340,992) | 320,455 |
| | | 8,239,285 | 45,288,604 | 34,363,768 | 56,970,121 |
| **23 OTHER INCOME** | | | | | |
| Return on bank balances | | 17,388,801 | 3,541,560 | 33,086,299 | 11,422,665 |
| Gain / (loss) on sale of operating fixed assets | | 10,474 | (126,892) | 10,474 | 223,108 |
| Miscellaneous | | 88,417 | 2,132,503 | 114,542 | 2,208,751 |
| | | 17,487,692 | 5,547,171 | 33,211,315 | 13,854,524 |
| **24 OTHER EXPENSES** | | | | | |
| Fee and subscription | | 4,886,538 | 13,161,121 | 7,980,383 | 16,084,761 |
| Auditor's remuneration | | 872,363 | - | 1,473,916 | 277,200 |
| Workers' welfare fund | | 2,006,455 | 945,286 | 2,897,033 | 1,749,917 |
| | | 7,765,356 | 14,106,407 | 12,351,332 | 18,111,878 |
| **25 TAXATION** | | | | | |
| Current | | 16,886,579 | 15,341,544 | 43,616,618 | 26,730,039 |
| Deferred | | - | - | (1,805,401) | - |
| | | 16,886,579 | 15,341,544 | 41,811,217 | 26,730,039 |

| | Three months period ended | | Six months period ended | |
|---|---|---|---|---|
| | June 30, 2026 (Un-audited) | June 30, 2025 (Un-audited) | June 30, 2026 (Un-audited) | June 30, 2025 (Un-audited) |
| | (Rupees) | | | |
| **26 EARNINGS PER SHARE - BASIC AND DILUTED** | | Restated | | Restated |
| Profit after tax (Rupees) | 74,464,033 | 36,999,562 | 106,294,166 | 65,442,510 |
| Weighted average number of ordinary shares of Rs. 10 each | 104,812,500 | 104,812,500 | 104,812,500 | 104,812,500 |
| Basic earnings per share (Rupees) | 0.71 | 0.35 | 1.01 | 0.62 |

26.1 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.

## 27 RELATED PARTY TRANSACTIONS

Related parties comprise of directors, parent undertaking, key management personnel, employees' provident fund and companies with common directors. The transactions and balances with related parties, other than those disclosed elsewhere, are summarised as follows:

### 27.1 TRANSACTIONS DURING THE PERIOD

| Name and relationship | Nature of transaction | Three months period ended June 30, 2026 (Un-audited) | Three months period ended June 30, 2025 (Un-audited) | Six months period ended June 30, 2026 (Un-audited) | Six months period ended June 30, 2025 (Un-audited) |
|---|---|---|---|---|---|
| | | (Rupees) | | | |
| | | | Restated | | Restated |
| **Parent understaking** | | | | | |
| Shaheen Foundation | Premium written | 24,295,057 | 17,264,078 | 24,643,617 | 34,216,427 |
| Shaheen Foundation | Claim expense | 8,603,435 | 5,980,415 | 14,962,928 | 6,622,575 |
| Shaheen Foundation | Lease rentals | 4,320,237 | 3,923,856 | 8,491,748 | 7,719,783 |
| Shaheen Foundation | Advertisement expense | 155,522 | 289,163 | 442,640 | 289,163 |
| **Associated companies / undertakings** | | | | | |
| Air Eagle (Private) Limited | Premium written | 35,636,187 | 37,677,920 | 35,636,187 | 76,632,490 |
| Air Eagle Aviation Academy (Private) Limited | Premium written | 1,110,834 | 2,278,590 | 1,956,157 | 2,294,974 |
| Shaheen Security Services (Pvt) Ltd | Claim expense | - | 9,300 | - | 9,300 |
| **Others** | | | | | |
| Remuneration of key management personnel | | 6,615,000 | 5,281,395 | 12,530,000 | 10,422,027 |
| Contribution to provident fund | | 1,613,776 | 121,837 | 2,249,301 | 968,671 |

### 27.2 Balances as at period end

| Name and relationship | | Nature of balance | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|---|
| | | | (Rupees) | |
| **Parent undertaking** | | | | |
| Shaheen Foundation | Parent undertaking | Rental secirity deposits | 1,395,000 | 1,395,000 |

**27.3** Insurance and claim related transactions with related parties have been carried in normal course of business.

**27.4** Other transaction are executed at agreed terms.

**27.5** Contribution to the provident fund is in accordance with the Company's staff service rules.

## 28 SEGMENT INFORMATION

Following segment information prepared in accordance with the requirements of Insurance Ordinance, 2000 and the Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

| | For the six months ended June 30, 2026 (Un-audited) | | | | | |
|---|---|---|---|---|---|---|
| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
| | (Rupees) | | | | | |
| **Premium receivable / received ( inclusive of Federal excise duty, Federal insurance fee and administrative surcharge)** | 187,529,752 | 112,061,951 | 432,505,687 | 106,137,298 | 262,253,959 | 1,100,488,647 |
| **Less: Federal excise duty** | (7,269,695) | (10,177,473) | (21,776,143) | - | (7,768,665) | (46,991,976) |
| **Less: Federal insurance fee** | (468,797) | (670,423) | (1,397,188) | (248,339) | (517,858) | (3,302,605) |
| **Less: Other** | (437,602) | (3,194,230) | (230,060) | (500) | (74,300) | (3,936,692) |
| **Gross written premium ( inclusive of administrative Surcharge)** | 179,353,658 | 98,019,825 | 409,102,296 | 105,888,459 | 253,893,136 | 1,046,257,374 |
| | | | | | | |
| **Gross direct premium** | 45,973,407 | 66,851,046 | 135,015,267 | 24,262,690 | 48,648,704 | 320,751,114 |
| **Facultative inward premium** | 132,480,067 | 30,571,703 | 271,500,799 | 81,623,769 | 204,983,753 | 721,160,091 |
| **Administrative surcharge** | 900,184 | 597,076 | 2,586,230 | 2,000 | 260,679 | 4,346,169 |
| | 179,353,658 | 98,019,825 | 409,102,296 | 105,888,459 | 253,893,136 | 1,046,257,374 |
| | | | | | | |
| **Insurance premium earned** | 209,055,105 | 205,690,169 | 397,562,172 | 97,415,597 | 238,406,971 | 1,148,130,014 |
| **Less: Insurance premium ceded to reinsurers** | (49,382,008) | (165,004,320) | (39,664,595) | - | (14,398,249) | (268,449,173) |
| **Net insurance premium** | 159,673,097 | 40,685,849 | 357,897,576 | 97,415,597 | 224,008,722 | 879,680,841 |
| | | | | | | |
| **Add: Commission income** | 4,434,869 | 12,004,048 | 5,391,558 | - | 1,215,103 | 23,045,578 |
| | | | | | | |
| **Net underwriting income (A)** | 164,107,966 | 52,689,897 | 363,289,134 | 97,415,597 | 225,223,825 | 902,726,419 |
| | | | | | | |
| **Insurance claims** | 103,288,871 | (9,368,812) | 233,382,561 | 134,982,874 | 60,202,881 | 522,488,375 |
| **Less: Insurance claims recovered from reinsurance** | (36,889,611) | (1,804,444) | (8,593,899) | - | (66,500) | (47,354,454) |
| **Net claim** | 66,399,260 | (11,173,256) | 224,788,662 | 134,982,874 | 60,136,381 | 475,133,921 |
| **Commission expense** | 48,311,581 | 13,141,150 | 73,247,859 | 19,234,384 | 51,845,644 | 205,780,618 |
| **Management expenses** | 25,933,141 | 25,507,767 | 49,314,711 | 12,082,993 | 28,375,718 | 141,214,330 |
| | | | | | | - |
| **Net insurance claims and expenses (B)** | 140,643,982 | 27,475,660 | 347,351,232 | 166,300,251 | 140,357,743 | 822,128,869 |
| **Underwriting result C=A-B** | 23,463,984 | 25,214,236 | 15,937,902 | (68,884,654) | 84,866,083 | 80,597,551 |
| | | | | | | |
| Net investment income | | | | | | 34,363,768 |
| Rental income | | | | | | 1,343,190 |
| Other income | | | | | | 33,211,315 |
| Other expenses | | | | | | (12,351,332) |
| Unrealised gain on investment properties | | | | | | - |
| Finance charges on right-of-use assets | | | | | | (2,947,863) |
| Profit before tax from window takaful operations - OPF | | | | | | 13,888,755 |
| | | | | | | |
| Profit before tax | | | | | | 148,105,383 |

| | For the six months ended June 30, 2025 (Un-audited) | | | | | |
|---|---|---|---|---|---|---|
| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Total |
| | (Rupees) | | | | | |
| Premium receivable / received (inclusive of Federal excise duty, Federal insurance fee and administrative surcharge)" | 122,685,421 | 155,244,925 | 204,595,036 | 169,957,212 | 211,106,731 | 863,589,325 |
| Less: Federal excise duty | (6,502,886) | (17,099,432) | (16,068,241) | - | (6,660,984) | (46,331,543) |
| Less: Federal insurance fee | (422,164) | (1,132,228) | (1,018,377) | (167,657) | (428,786) | (3,169,212) |
| Less: Other | (232,748) | (699,746) | (163,187) | (500) | (283,911) | (1,380,092) |
| Gross written premium ( inclusive of administrative Surcharge) | 115,527,623 | 136,313,519 | 187,345,231 | 169,789,055 | 203,741,011 | 812,710,139 |
| Gross direct premium | 41,391,406 | 113,422,178 | 97,952,301 | 16,763,175 | 42,003,040 | 311,532,100 |
| Facultative inward premium | 73,427,031 | 22,485,304 | 87,299,128 | 153,023,885 | 160,860,881 | 497,096,229 |
| Administrative surcharge | 702,886 | 406,037 | 2,093,802 | 1,995 | 877,090 | 4,081,810 |
| | 115,521,323 | 136,313,519 | 187,345,231 | 169,789,055 | 203,741,011 | 812,710,139 |
| Insurance premium earned | 203,635,697 | 97,381,146 | 189,378,405 | 156,146,763 | 188,579,519 | 835,121,530 |
| Less: Insurance premium ceded to reinsurers | (39,079,277) | (39,912,531) | (26,459,119) | - | (7,869,267) | (113,320,194) |
| Net insurance premium | 164,556,421 | 57,468,614 | 162,919,286 | 156,146,763 | 180,710,252 | 721,801,336 |
| Add: Commission income | 312,137 | 18,531,508 | 2,894,777 | - | 9,297 | 21,747,720 |
| Net underwriting income (A) | 164,868,558 | 76,000,123 | 165,814,063 | 156,146,763 | 180,719,550 | 743,549,056 |
| Insurance claims | 128,087,040 | 55,883,519 | 100,708,886 | 106,591,132 | 82,092,655 | 473,363,232 |
| Less: Insurance claims recovered from reinsurance | 23,425,117 | - | 7,726,048 | - | 598,193 | 31,749,358 |
| Net claim | 104,661,923 | 55,883,519 | 92,982,838 | 106,591,132 | 81,494,462 | 441,613,874 |
| Commission expense | 47,397,683 | 25,684,845 | 27,371,668 | 21,361,414 | 24,211,293 | 146,026,903 |
| Management expenses | 30,548,585 | 14,608,716 | 28,409,765 | 23,424,492 | 28,289,670 | 125,281,228 |
| Net insurance claims and expenses (B) | 182,608,191 | 96,177,080 | 148,764,271 | 151,377,037 | 133,995,415 | 712,922,005 |
| Underwriting result C=A-B | (17,739,633) | (20,176,958) | 17,049,791 | 4,769,725 | 46,724,134 | 30,627,382 |
| Net investment income | | | | | | 56,970,121 |
| Rental income | | | | | | 1,251,573 |
| Other income | | | | | | 13,854,524 |
| Other expenses | | | | | | (18,111,878) |
| Finance charges on right-of-use assets | | | | | | (1,819,587) |
| Profit before tax from window takaful operations - OPF | | | | | | 9,400,415 |
| Profit before tax | | | | | | 92,172,550 |

The class wise assets and liabilities are as follows:

| | As at June 30, 2026 (Un-audited) | | | | | |
|---|---|---|---|---|---|---|
| | Fire & Property Damage | Marine, Aviation & Transport | Motor | Accident and Health | Miscellaneous | Total |
| | (Rupees) | | | | | |
| **SEGMENT ASSETS** | | | | | | |
| Segment assets | 280,263,492 | 185,893,778 | 805,197,439 | 622,680 | 81,159,859 | 1,353,137,249 |
| Segment assets - Takaful OPF | 21,608,635 | 5,308,341 | 24,137,565 | 15,478,408 | 4,970,529 | 71,503,478 |
| Unallocated assets - Takaful OPF | | | | | | 107,918,171 |
| Unallocated corporate assets | | | | | | 1,317,242,132 |
| Total assets | | | | | | 2,849,801,030 |
| **SEGMENT LIABILITIES** | | | | | | |
| Segment liabilities | 118,891,429 | 147,342,297 | 159,662,863 | 94,285,246 | 136,198,859 | 656,380,694 |
| Segment liabilities - Takaful OPF | 11,495,166 | 835,317 | 13,025,280 | 3,572,693 | 1,847,939 | 30,776,395 |
| Unallocated liabilities - Takaful OPF | | | | | | 58,916,850 |
| Unallocated corporate liabilities | | | | | | 850,459,447 |
| Total liabilities | | | | | | 1,596,533,386 |

| | As at December 31, 2025 (Audited) | | | | | |
|---|---|---|---|---|---|---|
| | Fire & Property Damage | Marine, Aviation & Transport | Motor | Accident and Health | Miscellaneous | Total |
| | (Rupees) | | | | | |
| **SEGMENT ASSETS** | | | | | | |
| Segment assets | 124,307,170 | 154,054,033 | 166,935,824 | 98,580,127 | 142,402,989 | 686,280,143 |
| Segment assets - Takaful OPF | 21,608,635 | 5,308,341 | 24,137,565 | 15,478,408 | 4,970,529 | 71,503,478 |
| Unallocated assets - Takaful OPF | | | | | | 98,920,950 |
| Unallocated corporate assets | | | | | | 2,059,637,609 |
| Total assets | | | | | | 2,916,342,180 |
| **SEGMENT LIABILITIES** | | | | | | |
| Segment liabilities | 140,126,653 | 173,659,137 | 188,180,282 | 111,125,555 | 160,525,368 | 773,616,995 |
| Segment liabilities - Takaful OPF | 11,495,166 | 835,317 | 13,025,280 | 3,572,693 | 1,847,939 | 30,776,395 |
| Unallocated liabilities - Takaful OPF | | | | | | 59,053,915 |
| Unallocated corporate liabilities | | | | | | 905,770,603 |
| Total liabilities | | | | | | 1,769,217,908 |

## 29 FAIR VALUE OF FINANCIAL AND NON-FINANCIAL ASSETS

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Following are the assets which are either measured at fair value or where fair value is only disclosed and is different from their carrying value:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | | (Rupees) | | |
| **June 30, 2026** | | | | |
| Listed securities | 361,020 | - | - | 361,020 |
| Mutual funds | - | 78,506,059 | - | 78,506,059 |
| Government securities | - | 272,300,493 | - | 272,300,493 |
| | 361,020 | 350,806,552 | - | 351,167,572 |
| **December 31, 2025** | | | | |
| Listed securities | 706,460 | - | - | 706,460 |
| Mutual funds | - | 142,491,701 | - | 142,491,701 |
| Government securities | - | 331,819,941 | - | 331,819,941 |
| | 706,460 | 474,311,642 | - | 475,018,102 |

**The following table summarises the quantitative information about the significant unobservable inputs used in recurring Level 3 fair value measurements:**

| Description | Fair value | Relationship of unobservable inputs to fair value |
|---|---|---|
| | (Rupees) | |
| Investment properties | 177,296,197 | The higher the terminal yield, the higher the fair value.<br>The higher the rental growth rate, the higher the fair value.<br>The higher the occupancy rate, the higher the fair value.<br>The higher the rent free period, the lower the fair value. |

The Company engages external, independent and qualified valuers to determine the fair value of the investment properties at the end of every financial year. The latest independent valuation exercise of these land and buildings has been undertaken by Sadruddin Associates (Pvt.) Ltd as at December 31, 2025.

## 30 CORRESPONDING FIGURES

Corresponding figures and balances have been reclassified, wherever considered necessary, for the purpose of comparison. However, no significant reclassification has been made during the period.

## 31 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **August 25, 2026** by the Board of Directors of the Company.

## 32 GENERAL

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

| | | | | |
|---|---|---|---|---|
| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali**<br>Director | **Rizwan Akhtar**<br>Chief Executive Officer | **Syed Kamran Ali**<br>Chief Financial Officer |


SHAHEEN
INSURANCE COMPANY LTD
GROUP COMPANY OF
SHAHEEN FOUNDATION, PAF
SHAHEEN
WINDOW TAKAFUL OPERATIONS
Window Takaful Operations
Financial Statements

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# INDEPENDENT AUDITOR,S REPORT
## ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE MEMBERS SHAHEEN INSURANCE COMPANY LIMITED (WINDOW TAKAFUL OPERATIONS)

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **SHAHEEN INSURANCE COMPANY LIMITED** (WINDOW TAKAFUL OPERATION) ("the Operator") as at June 30, 2026 and condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flow and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these 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 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 statement Performed by the Independent Auditor of the Entity". A review of interim financial statement 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.

### Conclusion

Based on our review, 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 approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months period ended, 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 condensed interim statement of comprehensive income for the three months period ended June 30, 2026 have not been reviewed by us.

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

Chartered Accountants

Date: 31 August, 2026
Place: Karachi
UDIN: RR202610110J0byeo4tK

BDO Ebrahim.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
## AS AT JUNE 30, 2026

| | Note | Operator's Fund (OPF) | | Participants' Takaful Fund (PTF) | |
|---|---|---|---|---|---|
| | | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
| | | ---------------------------------- | (Rupees) | ---------------------------------- | |
| **ASSETS** | | | | | |
| Property and equipment | 7 | 5,293,790 | 6,318,591 | - | - |
| Investments | 8 | 59,101,698 | 59,328,546 | 25,765,700 | 24,691,602 |
| Advances and other receivables | | 1,309,508 | 9,892,158 | 30,722,809 | 11,439,723 |
| Takaful / retakaful receivables | 9 | - | - | 174,020,830 | 142,054,490 |
| Retakaful recoveries against outstanding claims / benefits | 17 | - | - | 7,695 | 2,205,559 |
| Salvage recoveries accrued | | - | - | 2,005,920 | 2,004,920 |
| Deferred commission expense | 21 | 13,215,721 | 15,118,365 | - | - |
| Receivable from PTF | | 47,117,258 | 55,756,056 | - | - |
| Deferred wakala fee | 16 | - | - | 25,073,850 | 30,776,394 |
| Deferred taxation - net | 12 | 90,816 | - | - | - |
| Taxation less provision | | - | - | 3,041,921 | 2,780,982 |
| Prepaid retakaful contribution ceded | 15 | - | - | 717,490 | 698,300 |
| Cash and bank | 10 | 53,292,859 | 24,010,714 | 19,584,143 | 52,596,235 |
| | | 179,421,651 | 170,424,430 | 280,940,358 | 269,248,205 |
| **TOTAL ASSETS** | | | | | |
| **FUNDS AND LIABILITIES** | | | | | |
| Operator's Fund | | 50,000,000 | 50,000,000 | - | - |
| Statutory fund | | 39,728,405 | 29,424,435 | - | - |
| Accumulated profit | | - | 1,169,684 | - | - |
| Unrealized gain on available-for-sale investments | | 89,728,405 | 80,594,119 | - | - |
| **Participants' Takaful Fund** | | - | - | 500,000 | 500,000 |
| Ceded money | | - | - | 85,034,590 | 66,276,787 |
| Accumulated surplus | | - | - | - | 629,057 |
| Unrealized gain / (loss) available-for-sale investments | | - | - | 85,534,590 | 67,405,844 |
| **LIABILITIES** | | | | | |
| PTF underwriting provisions | | | | | |
| Outstanding claims including IBNR | 17 | - | - | 32,303,727 | 29,865,867 |
| Unearned contribution reserve | 15 | - | - | 69,095,312 | 88,124,946 |
| Reserve for unearned retakaful rebate | 17 | - | - | 112,205 | 239,787 |
| Lease liabilities | 11 | 2,556,646 | 3,008,679 | - | - |
| Contribution received in advance | | - | - | 10,401,893 | 2,800,089 |
| Takaful / retakaful payables | | - | - | 19,280,755 | 9,518,230 |
| Unearned wakala fee | | 25,073,850 | 30,776,394 | - | - |
| Payable to OPF | 10 | - | - | 47,117,258 | 55,756,056 |
| Deferred taxation - net | 12 | - | 388,529 | - | - |
| Other creditors and accruals | 13 | 59,506,972 | 53,846,167 | 17,094,618 | 15,537,386 |
| Taxation less provision | | 2,555,778 | 1,810,542 | - | - |
| **TOTAL LIABILITIES** | | 89,693,246 | 89,830,311 | 195,405,768 | 201,842,361 |
| **TOTAL FUNDS AND LIABILITIES** | | 179,421,651 | 170,424,430 | 280,940,358 | 269,248,205 |
| **CONTINGENCIES AND COMMITMENTS** | 14 | | | | |

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

| | | | | |
|---|---|---|---|---|
| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |

# CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

## FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Note | Three months period ended | | Six months period ended | |
|---|---|---|---|---|---|
| | | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | | (Rupees) | | | |
| **PARTICIPANT'S TAKAFUL FUND (PTF)** | | | | | |
| Contributions earned | | **37,804,159** | 28,192,625 | **83,464,763** | 47,815,303 |
| Less: Re-takaful contribution ceded | | **(7,004,432)** | (4,334,552) | **(12,467,344)** | (7,360,102) |
| Net contributions revenue | 15 | **30,799,727** | 23,858,073 | **70,997,419** | 40,455,201 |
| Retakaful rebate earned | 17 | **98,018** | 27,787 | **339,055** | 39,168 |
| Net underwriting income | | **30,897,745** | 23,885,860 | **71,336,474** | 40,494,369 |
| Net claims expense | 17 | **(35,622,972)** | (9,177,696) | **(52,402,886)** | (12,038,668) |
| Other direct expenses | 18 | **(762,630)** | (513,907) | **(2,648,292)** | (627,213) |
| Surplus before investment income | | **(5,487,857)** | 14,194,257 | **16,285,296** | 27,828,488 |
| Investment income | 19 | **1,677,070** | 68,472 | **1,726,109** | 126,329 |
| Other income | 20 | **747,127** | 929,730 | **1,294,923** | 1,631,857 |
| Less: Modarib's share of PTF's investment income | | **(492,652)** | (6,849) | **(548,526)** | (12,635) |
| Surplus / (deficit) for the period | | **(3,556,312)** | 15,185,610 | **18,757,802** | 29,574,039 |
| **OPERATOR'S FUND (OPF)** | | | | | |
| Wakala fee | 16 | **23,725,092** | 13,051,299 | **45,821,153** | 22,481,199 |
| Commission expense | 21 | **(11,958,475)** | (5,842,936) | **(23,012,608)** | (10,756,748) |
| Management expense | 22 | **(7,965,003)** | (3,808,725) | **(12,306,193)** | (5,447,364) |
| | | **3,801,614** | 3,399,638 | **10,502,352** | 6,277,087 |
| Modarib's share of PTF's investment income | | | | | |
| Investment income | 19 | **492,652** | 6,849 | **548,526** | 12,635 |
| Direct expenses | 23 | **3,310,553** | 401,237 | **3,340,336** | 732,806 |
| Other income | 20 | **(786,183)** | (142,409) | **(1,278,149)** | (143,719) |
| Profit before interest and taxation | | **431,997** | 2,067,306 | **920,921** | 2,521,606 |
| Finance charges | | **7,250,633** | 5,732,621 | **14,033,986** | 9,400,415 |
| Profit before taxation | | **(69,629)** | - | **(145,231)** | - |
| Taxation | | **7,181,004** | 5,732,621 | **13,888,755** | 9,400,415 |
| Profit for the period | 24 | **(1,639,537)** | (1,662,461) | **(3,584,785)** | (2,726,120) |
| | | **5,541,467** | 4,070,160 | **10,303,970** | 6,674,295 |

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

| | | | | |
|---|---|---|---|---|
| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |

# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

## FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Three months period ended | | Six months period ended | |
|---|---|---|---|---|
| | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | ---------- (Rupees) ---------- | | | |
| **PARTICIPANTS' TAKAFUL FUND** | | | | |
| Surplus/deficit for the period | **(3,556,312)** | 15,185,610 | **18,757,802** | 29,574,039 |
| Reclassification Adjustments relating to available-for-sale investments disposed of during the period. | **(448,511)** | - | **(629,057)** | - |
| Total comprehensive income / (loss) for the period | **(4,004,823)** | 15,185,610 | **18,128,745** | 29,574,039 |
| **OPERATORS' FUND** | | | | |
| Profit for the period | **5,541,466** | 4,070,160 | **10,303,970** | 6,674,295 |
| Reclassification adjustments relating to available-for-sale investments disposed of during the period. | **(681,121)** | - | **(1,169,684)** | (751,149) |
| Total comprehensive income for the period | **4,860,345** | 4,070,160 | **9,134,286** | 5,923,146 |

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

| | | | | |
|---|---|---|---|---|
| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |

# CONDENSED INTERIM STATEMENT OF CHANGES IN FUND (UN-AUDITED)

## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Operator's Fund | | | |
|---|---|---|---|---|
| | Statutory fund | Unrealized gain available-for-sale investments | Accumulated profit | Total |
| | (Rupees) | | | |
| **Balance as at December 31, 2024 (Audited)** | 50,000,000 | - | 21,227,310 | 71,227,310 |
| Total comprehensive income for the period | | | | |
| Profit for the period | - | - | 6,674,295 | 6,674,295 |
| Other comprehensive income for the period | - | (751,149) | - | (751,149) |
| **Balance as at June 30, 2025 (Un-audited)** | 50,000,000 | (751,149) | 27,901,605 | 77,150,456 |
| **Balance as at December 31, 2025 (Audited)** | 50,000,000 | 1,169,684 | 29,424,435 | 80,594,119 |
| Total comprehensive income for the period | | | | |
| Profit for the period | - | - | 10,303,970 | 10,303,970 |
| Other comprehensive income for the period | - | (1,169,684) | - | (1,169,684) |
| **Balance as at June 30, 2026 (Un-audited)** | **50,000,000** | - | **39,728,405** | **89,728,405** |

| | Participants' Takaful Fund | | | |
|---|---|---|---|---|
| | Ceded money | Unrealized gain available-for-sale investments | Accumulated surplus | Total |
| | (Rupees) | | | |
| **Balance as at December 31, 2024 (Audited)** | 500,000 | - | 27,844,426 | 28,344,426 |
| Surplus for the period | - | - | 29,574,039 | 29,574,039 |
| Other comprehensive income for the period | - | - | - | - |
| **Balance as at June 30, 2025 (Un-audited)** | 500,000 | - | 57,418,465 | 57,918,465 |
| | | | | - |
| **Balance as at December 31, 2025 (Audited)** | 500,000 | 629,057 | 66,276,787 | 67,405,844 |
| Surplus for the period | - | - | 18,757,803 | 18,757,803 |
| Other comprehensive income for the period | - | (629,057) | - | (629,057) |
| **Balance as at June 30, 2026 (Un-audited)** | **500,000** | **-** | **85,034,590** | **85,534,589** |

The annexed notes from 1 to 30 form an integral part of these condensed interim financial statements.

| **Air Vice Marshal Junaid Ahmed Siddiqui (Retd.)** - Chairman | **Air Vice Marshal Muhammad Qaiser Janjua (Retd.)** - Director | **Adeel Ali** Director | **Rizwan Akhtar** Chief Executive Officer | **Syed Kamran Ali** Chief Financial Officer |
|---|---|---|---|---|

# CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
## FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2026

| | Operator's Fund (OPF) | | Participants' Takaful Fund (PTF) | |
|---|---|---|---|---|
| | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) | **June 30, 2026 (Un-audited)** | June 30, 2025 (Un-audited) |
| | ---------- (Rupees) ---------- | | | |
| **OPERATING ACTIVITIES** | | | | |
| **a) Takaful activities** | | | | |
| Contribution received | **-** | - | **81,185,942** | 54,465,370 |
| Re-takaful contributions paid | **-** | - | **(2,724,009)** | (8,584,833) |
| Claims paid / benefits paid | **-** | - | **(51,377,228)** | (13,613,832) |
| Commissions paid | **(13,535,542)** | (5,350,501) | **-** | - |
| Re-takaful rebate / commissions received | **-** | - | **211,473** | 107,449 |
| Re-takaful and other recoveries received | **-** | - | **3,610,066** | 248,419 |
| Wakala fees received | **49,935,987** | 14,611,555 | **-** | - |
| Wakala fees paid | **-** | - | **(49,935,987)** | (14,611,555) |
| Modarib share received | **-** | 203,070 | **-** | - |
| Modarib share paid | **-** | - | **-** | (203,070) |
| Net cash generated from underwriting activities | **36,400,445** | 9,464,124 | **(19,029,743)** | 17,807,948 |
| **b) Other operating activities** | | | | |
| Management and other expenses paid | **(15,549,595)** | (3,793,739) | **(1,600,897)** | (2,251,373) |
| Taxes paid | **(2,820,576)** | (5,471,700) | **(103,097)** | (386,163) |
| Other operating advances recovered / (paid) | **8,650,989** | - | **(14,205,956)** | - |
| Net cash used in other operating activities | **(9,719,182)** | (9,265,439) | **(15,909,950)** | (2,637,536) |
| **Total cash generated from / (used in) operating activities** | **26,681,263** | 198,685 | **(34,939,693)** | 15,170,412 |
| **INVESTING ACTIVITIES** | | | | |
| Investment and other income received | **4,044,516** | 3,379,838 | **3,001,699** | 1,779,537 |
| Payments for investments - net | **(463,648)** | (410,559) | **(1,008,507)** | - |
| **Total cash flow from investing activities** | **3,580,868** | 2,969,279 | **1,993,192** | 1,779,537 |
| **FINANCING ACTIVITIES** | | | | |
| Financial charges paid | **(145,231)** | - | **-** | - |
| Principal repayment of lease liabilities against right-of-use assets | **(452,033)** | - | **-** | - |
| Total cash flow from financing activities | **(597,264)** | - | **-** | - |
| Net cash flow from / (used in) all activities | **29,664,867** | 3,167,964 | **(32,946,501)** | 16,949,949 |
| Cash and cash equivalents at the beginning of the period | **47,792,691** | 44,554,595 | **56,658,780** | 37,770,369 |
| Cash and cash equivalents at end of the period | **77,457,558** | 47,722,559 | **23,712,279** | 54,720,318 |
| Reconciliation to profit and loss account | | | | |
| Operating cash flows | **26,681,263** | 198,685 | **(34,939,693)** | 15,170,412 |
| (Increase) / decrease in assets other than cash | **(19,153,549)** | 3,761,218 | **44,239,870** | 7,004,428 |
| Increase / (decrease) in liabilities | **(314,967)** | (1,250,078) | **6,436,593** | 5,641,011 |
| Depreciation / amortisation expense | **(1,024,803)** | (41,090) | **-** | - |
| Finance charges | **(145,231)** | - | **-** | - |
| Investment and other income - net | **4,261,257** | 4,005,560 | **3,021,032** | 1,758,188 |
| Profit / surplus for the period | **10,303,970** | 6,674,295 | **18,757,802** | 29,574,039 |

| | Operator's Fund (OPF) | | Participants' Takaful Fund (PTF) | |
|---|---|---|---|---|
| | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| | ---------- (Rupees) ---------- | | | |
| Cash for the purpose of the cash flow statement consists of: | | | | |
| **Cash and other equivalents** | | | | |
| Savings accounts | **53,292,859** | 24,595,559 | **19,584,143** | 50,774,318 |
| **Deposits maturing within 1 month** | | | | |
| Term deposits - local currency | **24,164,699** | 23,127,000 | **4,128,136** | 3,946,000 |
| | **77,457,558** | 47,722,559 | **23,712,279** | 54,720,318 |

| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman | Air Vice Marshal Muhammad Qaiser Janjua (Retd.) - Director | Adeel Ali<br>Director | Rizwan Akhtar<br>Chief Executive Officer | Syed Kamran Ali<br>Chief Financial Officer |
|---|---|---|---|---|

## 1 LEGAL STATUS AND NATURE OF BUSINESS

Shaheen Insurance Operator Limited (the Operator) has been authorised to undertake Window Takaful Operations (WTO) on March 14, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on March 20, 2018 under the Waqf Deed with a Cede money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator.

## 2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

### 2.1 Statement of Compliance

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

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

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

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

The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual financial statements of the Operator as at and for the year ended December 31, 2025.

The condensed interim financial statements reflect the financial position and result of operations of both OPF and PTF in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable. Comparative figures of statement of financial position are taken from annual financial statements as at and for the year ended December 31, 2025 and comparatives of statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity are taken from unaudited condensed interim financial statement for the period ended June 30, 2025. 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.

### 2.2 Basis of measurement

These condensed interim financial statements have been prepared on the basis of historical cost basis, except available-for-sale investments that have been stated at fair value and right-of-use assets and their related lease liabilities, which are measured at their present values at initial recognition..

### 2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees ('Rupees' or 'Rs.') which is also the Operator's functional and presentation currency.

## 3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

### 3.1 Amendments to existing accounting and reporting standards that have become effective during the period

There are certain amendments to existing accounting and reporting standards that have become applicable for accounting periods beginning on or after January 01, 2026. These are considered either to not be relevant or to not have any significant impact on these condensed interim financial statements.

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

| Standards, amendments or interpretations | Effective date (annual periods beginning on or after) |
|---|---|
| IFRS 9 - Financial Instruments | January 1, 2027 |
| IFRS 17 - Insurance contracts | January 1, 2027 |
| IFRS 18 Presentation and Disclosures in Financial Statements | January 1, 2027 |

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 17 provides comprehensive principles for the recognition, measurement, presentation and disclosure of insurance contracts issued and reinsurance contracts held.

The adoption of IFRS 17 has resulted in significant changes to the presentation of the financial statements. Previous line items such as gross and net written premiums, changes in unearned premium reserves and insurance claims have been replaced by insurance revenue, insurance service expenses, income or expenses from reinsurance contracts held and insurance finance income or expenses. The Company provides qualitative and quantitative disclosures regarding significant judgements and amounts recognised from insurance contracts issued and reinsurance contracts held, with detailed changes in accounting policies and their impact disclosed in the relevant notes to the financial statements.

IFRS 09 - 'Financial Instruments' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2018. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027. IFRS 09 establishes requirements for classification and measurement of financial assets and liabilities, impairment and hedge accounting, and replaces the incurred loss model under IAS 39 with a forward-looking Expected Credit Loss (ECL) model. The determination of ECL involves significant judgement and estimation uncertainty, particularly in relation to;

- Selection of appropriate ECL modelling methodology and assumptions;
- Determination and weighting of forward-looking scenarios;
- Assessment of credit losses under identified scenarios; and
- Criteria for determining a significant increase in credit risk.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

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

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

There are various other standards and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective. These are not likely to have a material effect on these condensed interim financial statements.

## 4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation applied in the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Operator as at and for the year ended December 31, 2025.

## 5 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The accounting estimates and judgements made by the management in the preparation of these condensed interim financial statements are same as those applied in the Operator's annual financial statements as at and for the year ended December 31, 2025.

## 6 FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies and consistent with these disclosed in the financial statements of the Operator as at and for the year ended December 31, 2025.

| | Note | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees) | |
| **7 PROPERTY AND EQUIPMENT - OPF** | | | |
| Operating fixed assets | 7.1 | 3,112,442 | 3,567,951 |
| Right-of-use assets | 7.2 | 2,181,348 | 2,750,640 |
| | | 5,293,790 | 6,318,591 |

**7.1 The break-up of operating fixed assets as at June 30, 2026 is given below:**

| | Note | June 30, 2026 | December 31, 2025 |
|---|---|---|---|
| Lease hold improvements | | 41,644 | 49,873 |
| Furniture and fixture | | 215,928 | 227,922 |
| Office Equipments | | 423,927 | 476,667 |
| Motor Vehicle | | 2,296,995 | 2,646,319 |
| Computer hardware | | 133,948 | 167,170 |
| | 7.1.1 | 3,112,442 | 3,567,951 |

**7.1.1 Movement of operating fixed assets during the period / year as as follows:**

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Opening book value | 3,567,951 | 410,899 |
| Add: addition during the period/year | - | 3,705,714 |
| Less: depreciation for the period/year | 455,509 | 548,662 |
| | 3,112,442 | 3,567,951 |

**7.2 Right-of-use assets**

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| Premises | | |
| Opening balance | 2,750,640 | - |
| Addition during the period/year | - | 3,297,222 |
| Depreciation expense during the period/year | (569,292) | (546,582) |
| Closing balance | 2,181,348 | 2,750,640 |

| | Note | OPF | | | | PTF | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | June 30, 2026 (Un-audited) | | December 31, 2025 (Audited) | | June 30, 2026 (Un-audited) | | December 31, 2025 (Audited) | |
| | | Cost | Carrying Value | Cost | Carrying Value | Cost | Carrying Value | Cost | Carrying Value |
| | | (Rupees) | | | | | | | |
| **8 INVESTMENTS** | | | | | | | | | |
| **Held to maturity** | | | | | | | | | |
| Deposits maturing within 3 months | 8.1 | 24,164,699 | 24,164,699 | 23,781,977 | 23,781,977 | 4,128,136 | 4,128,136 | 4,062,545 | 4,062,545 |
| **Available for sale** | | | | | | | | | |
| Mutual funds | | - | - | 34,376,835 | 35,546,569 | - | - | 20,000,000 | 20,629,057 |
| **Fair value through profit or loss** | | | | | | | | | |
| Mutual funds | | 34,840,533 | 34,936,999 | - | - | 21,576,176 | 21,637,564 | - | - |
| | | 59,005,232 | 59,101,698 | 58,158,862 | 59,328,546 | 25,704,312 | 25,765,700 | 24,062,545 | 24,691,602 |

8.1 This includes term deposits with Habib Metropolitan Limited having maturities within 3 months. The rate of return on these term deposits is 10.75% (December 31, 2025: 9.5%) per annum.

| | Note | OPF | | PTF | |
|---|---|---|---|---|---|
| | | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
| | | (Rupees) | | | |
| **9 TAKAFUL / RETAKAFUL RECEIVABLES** | | | | | |
| Unsecured, Considered good | | | | | |
| Due from takaful participant holders | | - | - | - | - |
| Due from other takaful / retakaful | | - | - | 175,496,006 | 143,529,666 |
| Less: Provision for impairment | 9.1 | - | - | (1,475,176) | (1,475,176) |
| | | - | - | 174,020,830 | 142,054,490 |
| | | - | - | 174,020,830 | 142,054,490 |
| **10 CASH AND BANK** | | | | | |
| Savings accounts | 10.1 | 53,292,859 | 24,010,714 | 19,584,143 | 52,596,235 |

10.1 The rate of return on saving accounts from various banks ranging from 5% to 10.50% per annum (December 31, 2025: 5% to 8% per annum).

| | OPF | | PTF | |
|---|---|---|---|---|
| | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
| | (Rupees) | | | |
| **11 LEASE LIABILITIES** | | | | |
| Lease liabilities - premises | 2,556,646 | 3,008,679 | - | - |
| **11.1 Opening balance** | 3,008,679 | - | - | - |
| Increase / (decrease) in lease liability | - | 3,297,222 | - | - |
| Repayments | (597,264) | (430,989) | - | - |
| Interest expense during the period/year | 145,231 | 142,446 | - | - |
| Closing balance | 2,556,646 | 3,008,679 | - | - |
| **11.2 Tenure analysis** | | | | |
| Current | 1,094,488 | 971,383 | - | - |
| Non-current | 1,462,158 | 2,037,296 | - | - |
| | 2,556,646 | 3,008,679 | - | - |

**11.3** The future minimum lease payments to which the Company is committed under the lease agreements and the periods in which they will become due are as follows:

| | OPF | | | | | |
|---|---|---|---|---|---|---|
| | June 30, 2026 (Un-audited) | | | December 31, 2025 (Audited) | | |
| | Minimum lease payments | Financial charges for future periods | Principal outstanding | Minimum lease payments | Financial charge for future periods | Principal outstanding |
| | (Rupees) | | | | | |
| Not later than one year | 1,304,026 | 209,538 | 1,094,488 | 1,234,346 | 262,963 | 971,383 |
| Later tha none year and not later than five years | 1,529,881 | 67,723 | 1,462,158 | 2,310,416 | 725,153 | 1,585,263 |
| Later than five years | - | - | - | - | - | - |
| Total lease liability | 2,833,907 | 277,261 | 2,556,646 | 3,544,762 | 988,116 | 2,556,646 |

| | OPF | | PTF | |
|---|---|---|---|---|
| | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
| | (Rupees) | | | |
| **12 DEFERRED TAXATION - NET** | | | | |
| Deferred taxation - net | (90,816) | 388,529 | - | - |

| | OPF | | PTF | |
|---|---|---|---|---|
| | June 30, 2026 (Un-Audited) | December 31, 2025 (Audited) | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
| | (Rupees) | | | |
| **12.1 The net balance for the deferred taxation in respect of following temporary differences:** | | | | |
| **Deferred tax liabilities** | | | | |
| Operating fixed assets | - | 44,848 | - | - |
| Right of use assets | 632,591 | 838,945 | - | - |
| Mutual funds | 27,975 | 422,383 | - | - |
| | 660,566 | 1,306,176 | - | - |
| **Deferred tax assets** | | | | |
| Operating fixed assets | 9,955 | - | - | - |
| Lease liability | 741,427 | 917,647 | - | - |
| | 751,382 | 917,647 | - | - |
| Deferred tax (asset) / liability | (90,816) | 388,529 | - | - |

## 13 OTHER CREDITORS AND ACCRUALS

| | OPF June 30, 2026 | OPF December 31, 2025 | PTF June 30, 2026 | PTF December 31, 2025 |
|---|---|---|---|---|
| Federal insurance fee payable | - | - | 1,174,259 | 1,020,139 |
| FED payable | - | - | 11,570,529 | 11,214,812 |
| Sales tax on services | 616,181 | 614,050 | - | - |
| Commission payable | 37,450,088 | 29,875,666 | - | - |
| Auditors fee | 2,097,828 | 1,839,426 | - | - |
| Others creditors | 16,342,873 | 11,378,520 | 4,349,830 | 3,302,435 |
| Payable against common expenses - conventional | 3,000,002 | 10,138,505 | - | - |
| | 59,506,972 | 53,846,167 | 17,094,618 | 15,537,386 |

## 14 CONTINGENCIES AND COMMITMENTS

**14.1** There are no contingencies as at reporting date (December 31, 2025: Nil).

**14.2** There are no commitments as at reporting date (December 31, 2025: Nil).

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

## FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

SHAHEEN
WINDOW TAKAFUL OPERATIONS

| | | | PTF | | |
|---|---|---|---|---|---|
| | | Three months period ended | | Six months period ended | |
| | | **June 30, 2026 (Un-Audited)** | June 30, 2025 (Un-Audited) | **June 30, 2026 (Un-Audited)** | June 30, 2025 (Un-Audited) |
| | Note | (Rupees) | | | |
| **15 CONTRIBUTION EARNED** | | | | | |
| Written gross contribution | | **53,454,895** | 38,625,577 | **110,256,282** | 60,665,797 |
| Wakala fee | 16 | **(23,725,092)** | (13,051,299) | **(45,821,153)** | (22,481,199) |
| Contribution net of wakala fee | | **29,729,803** | 25,574,278 | **64,435,129** | 38,184,598 |
| Unearned contribution reserve opening | | **77,169,668** | 43,064,824 | **88,124,946** | 50,077,179 |
| Unearned contribution reserve closing | | **(69,095,312)** | (40,446,477) | **(69,095,312)** | (40,446,477) |
| Contribution earned | | **37,804,159** | 28,192,625 | **83,464,763** | 47,815,300 |
| Less: Re-takaful contribution ceded | | **6,933,126** | 5,018,050 | **12,486,534** | 7,893,081 |
| Prepaid re-takaful contribution opening | | **788,796** | - | **698,300** | 150,516 |
| Prepaid re-takaful contribution closing | | **(717,490)** | (683,498) | **(717,490)** | (683,498) |
| Re-takaful expense | | **7,004,432** | 4,334,552 | **12,467,344** | 7,360,099 |
| Net contribution revenue | | **30,799,727** | 23,858,073 | **70,997,419** | 40,455,201 |
| **16 WAKALA FEE** | | | | | |
| Gross wakala fee | | **19,356,092** | 11,639,793 | **40,118,607** | 18,621,688 |
| Add: Deferred wakala opening | 16 | **29,442,850** | 14,137,023 | **30,776,396** | 16,585,028 |
| Less: Deferred wakala closing | | **(25,073,850)** | (12,725,517) | **(25,073,850)** | (12,725,517) |
| Wakala expense | | **23,725,092** | 13,051,299 | **45,821,153** | 22,481,199 |
| **17 NET CLAIMS EXPENSE** | | | | | |
| Claims paid | | **39,118,180** | 10,211,550 | **51,377,228** | 13,613,832 |
| Less: Outstanding claims including IBNR | | | | | |
| opening balance | | **(35,621,198)** | (25,813,446) | **(29,865,867)** | (24,494,927) |
| Add: Outstanding claims including IBNR | | **32,303,727** | 24,975,595 | **32,303,727** | 24,975,595 |
| closing balance | | **35,800,709** | 9,373,699 | **53,815,088** | 14,094,500 |
| Claims expense | | | | | |
| Less: | | | | | |
| Re-takaful and other recoveries received | | **2,662,862** | - | **3,610,066** | 248,418 |
| Less: Re-takaful and other recoveries receivable in respect of outstanding claims opening balance | | **(2,492,820)** | (2,004,563) | **(2,205,559)** | (393,152) |
| Add: Re-takaful and other recoveries receivable in respect of outstanding claims closing balance | | **7,695** | 2,200,566 | **7,695** | 2,200,566 |
| Re-takaful and other recoveries revenue | | **177,737** | 196,003 | **1,412,202** | 2,055,832 |
| Net claims expense | | **35,622,972** | 9,177,696 | **52,402,886** | 12,038,668 |
| **18 OTHER DIRECT EXPENSES** | | | | | |
| Co-insurance surcharge | 18 | **149,741** | 83,321 | **422,772** | 173,877 |
| Others | | **612,889** | 430,586 | **2,225,520** | 453,336 |
| | | **762,630** | 513,907 | **2,648,292** | 627,213 |

18.1 This is the service charges deducted by coinsurers at 2.5% of gross premium revenue on policies in which the Operator is a coinsurer.

## 19 INVESTMENT INCOME

| | PTF | | | |
|---|---|---|---|---|
| | Three months period ended | | Six months period ended | |
| | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) |
| | (Rupees) | | | |
| **Held to maturity** | | | | |
| Return on term deposits | 39,506 | 68,472 | 88,545 | 126,329 |
| **Available for sale** | | | | |
| Realized gain on sale of investment | 1,576,176 | - | 1,576,176 | - |
| **Fair value through profit or loss** | | | | |
| Unrealized gain on revaluation | 61,388 | - | 61,388 | - |
| | 1,677,070 | 68,472 | 1,726,109 | 126,329 |

| | OPF | | | |
|---|---|---|---|---|
| | Three months period ended | | Six months period ended | |
| | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) |
| | (Rupees) | | | |
| **Held to maturity** | | | | |
| Return on term deposits | 491,030 | 401,237 | 520,813 | 732,806 |
| **Available for sale** | | | | |
| Realized gain on sale of investment | 2,723,057 | - | 2,723,057 | - |
| **Fair value through profit or loss** | | | | |
| Unrealized gain on revaluation | 96,466 | - | 96,466 | - |
| | 3,310,553 | 401,237 | 3,340,336 | 732,806 |

## 20 OTHER INCOME

| | PTF | | | |
|---|---|---|---|---|
| | Three months period ended | | Six months period ended | |
| | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) |
| | (Rupees) | | | |
| Return on bank balances | 746,243 | 711,250 | 1,282,842 | 1,334,446 |
| Others | 884 | 218,480 | 12,081 | 297,411 |
| | 747,127 | 929,730 | 1,294,923 | 1,631,857 |

| | OPF | | | |
|---|---|---|---|---|
| | Three months period ended | | Six months period ended | |
| | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) |
| | (Rupees) | | | |
| Return on bank balances | 431,347 | 512,447 | 920,271 | 961,287 |
| Dividend Income | - | 1,543,484 | - | 1,548,944 |
| Others | 650 | 11,375 | 650 | 11,375 |
| | 431,997 | 2,067,306 | 920,921 | 2,521,606 |

| | Note | OPF | | | |
|---|---|---|---|---|---|
| | | Three months period ended | | Six months period ended | |
| | | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) | June 30, 2026 (Un-Audited) | June 30, 2025 (Audited) |
| | | (Rupees) | | | |

## 21 COMMISSION EXPENSES

| | OPF | | | |
|---|---|---|---|---|
| Commission paid or payable | 10,342,094 | 6,709,031 | 21,109,964 | 10,289,310 |
| Add: Deferred commission opening | 14,832,102 | 7,042,181 | 15,118,365 | 8,375,714 |
| Less: Deferred commission closing | (13,215,721) | (7,908,276) | (13,215,721) | (7,908,276) |
| Commission expense | 11,958,475 | 5,842,936 | 23,012,608 | 10,756,748 |

## 22 MANAGEMENT EXPENSES

| | OPF | | | |
|---|---|---|---|---|
| Salaries, wages and benefits | 5,026,929 | 1,532,629 | 7,700,457 | 2,245,729 |
| Depreciation / amortization | 640,851 | 20,545 | 1,024,803 | 41,090 |
| Shariah advisory fee | 280,726 | 94,445 | 280,726 | 377,780 |
| Software maintenance | 540,000 | 531,500 | 590,000 | 722,250 |
| Business acquisition cost | 1,214,794 | 1,629,606 | 2,430,452 | 1,740,696 |
| Others | 261,703 | - | 279,755 | 319,819 |
| | 7,965,003 | 3,808,725 | 12,306,193 | 5,447,364 |

## 23 DIRECT EXPENSES

| | Note | OPF | | | |
|---|---|---|---|---|---|
| Auditor's remuneration | 23.1 | 449,052 | 141,134 | 639,750 | 141,134 |
| Printing and stationery | | 89,945 | - | 390,855 | - |
| Others | | 247,186 | 1,275 | 247,544 | 2,585 |
| | | 786,183 | 142,409 | 1,278,149 | 143,719 |

## 24 TAXATION

| | OPF | | | |
|---|---|---|---|---|
| Current | 2,118,882 | 1,662,461 | 4,064,130 | 2,726,120 |
| Deferred | (479,345) | - | (479,345) | - |
| | 1,639,537 | 1,662,461 | 3,584,785 | 2,726,120 |

## 25 TRANSACTIONS WITH RELATED PARTIES

Related parties include the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

| | Three months period ended | | Six months period ended | |
|---|---|---|---|---|
| | **June 30, 2026 (Un-Audited)** | June 30, 2025 (Audited) | **June 30, 2026 (Un-Audited)** | June 30, 2025 (Audited) |
| | (Rupees) | | | |
| **Others** | | | | |
| Remuneration of key management personnel | **427,500** | 317,000 | **855,000** | 650,000 |
| Contribution to provident fund | **11,246** | 10,563 | **22,253** | 21,660 |
| | **438,746** | 327,563 | **877,253** | 671,660 |

## 26 SEGMENT REPORTING

Segment information is prepared in accordance with the requirements of Insurance Ordinance, 2000 and General Takaful Accounting Regulations, 2019 for class wise revenues, results, assets and liabilities.

The class wise revenues and results are as follows:

For the six months ended June 30, 2026 (Un-audited) - PTF

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
|---|---|---|---|---|---|---|
| | (Rupees) | | | | | |
| **Participants' Takaful Fund** | | | | | | |
| Written gross contribution (inclusive of federal excise duty, federal insurance fee, and administrative surcharge) | 44,201,948 | 11,840,697 | 40,030,532 | 15,430,234 | 8,835,011 | 120,338,422 |
| Less : Federal excise duty | (3,317,174) | (650,752) | (3,415,891) | (508,244) | (1,028,637) | (8,920,698) |
| Less : Federal insurance fee | (213,776) | (47,867) | (246,457) | (136,378) | (66,135) | (710,613) |
| Less : Others | (18,330) | (284,339) | (108,590) | (6,000) | (33,570) | (450,829) |
| Gross written contribution (inclusive of Administrative Surcharges) | 40,652,668 | 10,857,739 | 36,259,594 | 14,779,612 | 7,706,669 | 110,256,282 |
| Gross contribution direct | 40,443,300 | 10,666,177 | 35,311,338 | 14,755,612 | 7,525,363 | 108,701,790 |
| Admin surcharge | 209,368 | 191,562 | 948,256 | 24,000 | 181,306 | 1,554,492 |
| Written gross contribution | 62,014,264 | 15,234,319 | 69,272,000 | 44,421,228 | 14,264,837 | 110,256,282 |
| Takaful contribution earned | 46,374,998 | 10,728,258 | 38,868,674 | 25,957,176 | 7,356,810 | 129,285,916 |
| Wakala expense | (18,588,841) | (4,140,648) | (15,522,536) | (5,187,059) | (2,382,068) | (45,821,153) |
| | 27,786,156 | 6,587,610 | 23,346,138 | 20,770,117 | 4,974,742 | 83,464,763 |
| Re-takaful contribution ceded | (5,938,330) | (1,755,752) | (4,135,383) | - | (637,879) | (12,467,344) |
| Net takaful contribution | 21,847,827 | 4,831,858 | 19,210,755 | 20,770,117 | 4,336,862 | 70,997,419 |
| Re-takaful rebate earned | (201,786) | - | (18,363) | - | (118,906) | (339,055) |
| Operation income | 22,049,613 | 4,831,858 | 19,229,118 | 20,770,117 | 4,455,768 | 71,336,474 |
| Claim expense | (14,149,819) | (2,992,981) | (8,206,892) | (28,413,196) | (52,200) | (53,815,088) |
| Re-takaful & other recoveries revenue | 658,422 | - | 753,780 | - | - | 1,412,202 |
| Net claims reported / settled - IBNR | (13,491,397) | (2,992,981) | (7,453,112) | (28,413,196) | (52,200) | (52,402,886) |
| Other expenses | (976,454) | (260,797) | (870,934) | (354,998) | (185,110) | (2,648,292) |
| Surplus/(deficit) before investment income | 7,581,761 | 1,578,080 | 10,905,071 | (7,998,078) | 4,218,457 | 16,285,296 |
| Net investment income | | | | | | 1,726,109 |
| Other income | | | | | | 1,294,923 |
| Less: Modarib's share of investment income | | | | | | (548,526) |
| Surplus/Deficit for the period | | | | | | 18,757,802 |

The following presents segments assets and liabilities as at June 30, 2026 (Un-audited):

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
|---|---|---|---|---|---|---|
| Segment assets | 72,936,573 | 18,015,325 | 68,580,020 | 24,551,015 | 14,169,857 | 198,252,790 |
| Unallocated assets | | | | | | 82,687,568 |
| | | | | | | 280,940,358 |
| Segment liabilities | 45,741,290 | 10,253,917 | 50,572,490 | 14,869,618 | 10,449,786 | 131,887,102 |
| Unallocated liabilities | | | | | | 63,518,666 |
| | | | | | | 195,405,768 |

| | For the six months ended June 30, 2026 (Un-audited) - OPF | | | | | |
|---|---|---|---|---|---|---|
| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
| | ---------- (Rupees) ---------- | | | | | |
| **Operator's Fund** | | | | | | |
| Wakala fee income | 16,758,914 | 4,476,063 | 14,947,886 | 6,092,841 | 3,545,448 | 45,821,153 |
| Commission expense | (11,565,101) | (2,201,272) | (5,685,026) | (2,487,353) | (1,073,856) | (23,012,608) |
| Management expense | (4,534,391) | (1,211,070) | (4,044,388) | (1,648,515) | (867,828) | (12,306,193) |
| | | | | | | 10,502,353 |
| Modarib's share of PTF investment income | | | | | | |
| Investment income | | | | | | 548,526 |
| Direct expenses | | | | | | 3,340,336 |
| Other income | | | | | | (1,278,149) |
| Profit before interest and taxation | | | | | | 920,921 |
| Finance charges | | | | | | 14,033,987 |
| Profit before taxation | | | | | | (145,231) |
| Provision for taxation | | | | | | 13,888,756 |
| Profit after tax | | | | | | (3,584,785) |
| | | | | | | 10,303,970 |

The following presents segments assets and liabilities as at June 30, 2026 (Un-audited):

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
|---|---|---|---|---|---|---|
| Segment assets | 20,561,015 | 5,491,549 | 18,339,118 | 7,475,126 | 3,897,824 | 55,764,632 |
| Unallocated assets | | | | | | 123,657,019 |
| | | | | | | 179,421,651 |
| Segment liabilities | 9,083,650 | 961,134 | 11,627,275 | 1,336,759 | 2,065,034 | 25,073,852 |
| Unallocated liabilities | | | | | | 64,619,394 |
| | | | | | | 89,693,246 |

For the six months ended June 30, 2025 (Un-audited) - PTF

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
|---|---|---|---|---|---|---|
| | ---------- | ---------- | ---------- | (Rupees) | ---------- | ---------- |
| **Participants' Takaful Fund** | | | | | | |
| Contribution written (inclusive of federal excise duty, federal insurance fee and administrative surcharge) | 16,462,543 | 5,291,813 | 25,581,823 | 14,216,760 | 4,758,160 | 66,311,099 |
| Less : Federal excise duty | (832,190) | (301,125) | (2,454,283) | (646,478) | (585,650) | (4,819,726) |
| Less : Federal insurance fee | (54,219) | (20,236) | (156,342) | (305,916) | (38,416) | (575,129) |
| Less : Others | (3,460) | (143,612) | (19,620) | (5,375) | (78,380) | (250,447) |
| Gross written contribution (inclusive of Administrative Surcharges) | 15,572,674 | 4,826,840 | 22,951,578 | 13,258,991 | 4,055,714 | 60,665,797 |
| Gross contribution direct | 5,292,004 | 1,942,330 | 15,272,110 | 13,237,491 | 3,703,626 | 39,447,561 |
| Facultative inward premium | 10,191,629 | 2,803,709 | 7,269,433 | - | 213,979 | 20,478,750 |
| Admin surcharge | 89,041 | 80,801 | 410,035 | 21,500 | 138,109 | 739,486 |
| Written gross contribution | 15,572,674 | 4,826,840 | 22,951,578 | 13,258,991 | 4,055,714 | 60,665,797 |
| Takaful contribution earned | 22,406,801 | 6,101,714 | 31,370,702 | 5,789,147 | 4,628,134 | 70,296,499 |
| Wakala expense | (7,801,495) | (1,692,415) | (10,780,606) | (1,155,216) | (1,051,465) | (22,481,196) |
| | 14,605,306 | 4,409,299 | 20,590,096 | 4,633,931 | 3,576,669 | 47,815,303 |
| Re-takaful contribution ceded | (3,595,038) | (1,012,722) | (2,315,196) | - | (437,148) | (7,360,102) |
| Net takaful contribution | 11,010,268 | 3,396,577 | 18,274,901 | 4,633,931 | 3,139,521 | 40,455,201 |
| Re-takaful rebate earned | 19,945 | - | 19,223 | - | - | 39,168 |
| Net underwriting income | 11,030,213 | 3,396,577 | 18,294,124 | 4,633,931 | 3,139,521 | 40,494,369 |
| Claim expense | (1,760,644) | (300,724) | (8,556,138) | (3,441,413) | (35,581) | (14,094,500) |
| Re-takaful & other recoveries revenue | 55,832 | - | 2,000,000 | - | - | 2,055,832 |
| Net claims reported / settled - IBNR | (1,704,812) | (300,724) | (6,556,138) | (3,441,413) | (35,581) | (12,038,668) |
| Direct expense | (199,922) | (54,442) | (279,902) | (51,653) | (41,294) | (627,213) |
| Surplus/(deficit) before investment income | 9,125,478 | 3,041,411 | 11,458,084 | 1,140,865 | 3,062,646 | 27,828,488 |
| Net investment income | | | | | | 126,329 |
| Other income | | | | | | 1,631,857 |
| Less: Modarib's share of investment income | | | | | | (12,635) |
| Surplus/Deficit for the period | | | | | | 29,574,039 |

The following presents segments assets and liabilities as at December 31, 2025 (Audited):

| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
|---|---|---|---|---|---|---|
| Segment assets | 54,753,980 | 11,462,205 | 61,346,817 | 34,559,268 | 11,798,552 | 173,920,822 |
| Unallocated assets | | | | | | 95,327,383 |
| | | | | | | 269,248,205 |
| Segment liabilities | 48,776,607 | 7,178,504 | 55,241,807 | 32,054,654 | 10,391,476 | 153,643,048 |
| Unallocated liabilities | | | | | | 48,199,313 |
| | | | | | | 201,842,361 |

| | For the six months ended June 30, 2025 (Un-audited) - OPF | | | | | |
|---|---|---|---|---|---|---|
| | Fire and property damages | Marine, aviation & transport | Motor | Accident and health | Miscellaneous | Aggregate |
| | (Rupees) | | | | | |
| **Operator's Fund** | | | | | | |
| Wakala fee income | 7,801,495 | 1,692,415 | 10,780,606 | 1,155,216 | 1,051,465 | 22,481,199 |
| Commission expense | (5,419,039) | (1,086,250) | (3,252,153) | (573,060) | (426,245) | (10,756,748) |
| Management expense | (1,736,331) | (472,829) | (2,430,955) | (448,608) | (358,640) | (5,447,364) |
| | | | | | | 6,277,087 |
| Modarib's share of PTF's investment income | | | | | | 12,635 |
| Investment income | | | | | | 732,806 |
| Direct expenses | | | | | | (143,719) |
| Other income | | | | | | 2,521,606 |
| Loss before taxation | | | | | | 9,400,415 |
| Provision for taxation | | | | | | (2,726,120) |
| Profit after taxation | | | | | | 6,674,295 |
| The following presents segments assets and liabilities as at December 31, 2025 (Audited): | | | | | | |
| Segment assets | 21,608,635 | 5,308,341 | 24,137,565 | 15,478,408 | 4,970,529 | 71,503,478 |
| Unallocated assets | | | | | | 98,920,952 |
| | | | | | | 170,424,430 |
| Segment liabilities | 11,495,166 | 835,317 | 13,025,280 | 3,572,693 | 1,847,939 | 30,776,395 |
| Unallocated liabilities | | | | | | 59,053,916 |
| | | | | | | 89,830,311 |

## 27 FAIR VALUE OF FINANCIAL AND NON-FINANCIAL ASSETS

### Fair value hierarchy

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

- **Level 1**: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- **Level 2**: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- **Level 3**: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Following are the assets which are either measured at fair value or where fair value is only disclosed and is different from their carrying value:

| | OPF | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | (Rupees) | | | |
| **June 30, 2026** | | | | |
| Mutual funds | - | 21,637,564 | - | 21,637,564 |
| | - | 21,637,564 | - | 21,637,564 |
| **December 31, 2025** | | | | |
| Mutual funds | - | 20,629,057 | - | 20,629,057 |
| | - | 20,629,057 | - | 20,629,057 |

| | PTF | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| | (Rupees) | | | |
| **June 30, 2026** | | | | |
| Mutual funds | - | 34,936,999 | - | 34,936,999 |
| | - | 34,936,999 | - | 34,936,999 |
| **December 31, 2025** | | | | |
| Mutual funds | - | 35,546,569 | - | 35,546,569 |
| | - | 35,546,569 | - | 35,546,569 |

**Valuation techniques used in determination of fair values**

(a) Financial instruments included in level 1 comprise of investments in units of mutual funds. For determination of fair value of such securities , the Company uses daily quotation rates which are taken from Mutual Funds Association of Pakistan (MUFAP).

(b) Currently, no financial instruments are classified in level 2.

(c) Currently, no financial instruments are classified in level 3.

## 28 CORRESPONDING FIGURES

Corresponding figures and balances have been reclassified, wherever considered necessary, for the purpose of comparison. However, no significant reclassification has been made during the period.

## 29 GENERAL

All amount have been rounded off to the nearest rupees.

## 30 DATE OF AUTHORISATION OF ISSUE

These condensed interim financial statements have been authorised for issue on **August 25, 2026** by the Board of Directors of the Operator.

| Air Vice Marshal Junaid Ahmed Siddiqui (Retd.) - Chairman | Air Vice Marshal Muhammad Qaiser Janjua (Retd.) - Director | Adeel Ali<br>Director | Rizwan Akhtar<br>Chief Executive Officer | Syed Kamran Ali<br>Chief Financial Officer |
|---|---|---|---|---|

# HEAD OFFICE & BRANCH NETWORK
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED JUNE 30, 2026

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Email: info@shaheeninsurance.com
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**Karachi Main Branch**
Branch Head - Mr. Sohel N. Kidwai,
Chief Marketing Officer/ Country Head
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**Lahore Branch**
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**Peshawar**
Branch Manager — Mr. Gauhar Aziz
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