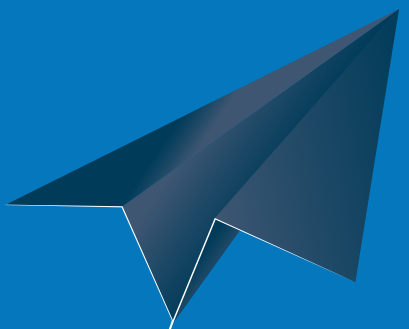
adamjeelife

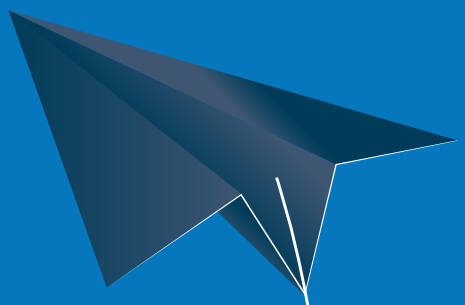
Interim Financial Information for the
Third Quarter
Ended September 30, 2024



Your Trusted Partner

Scan Here

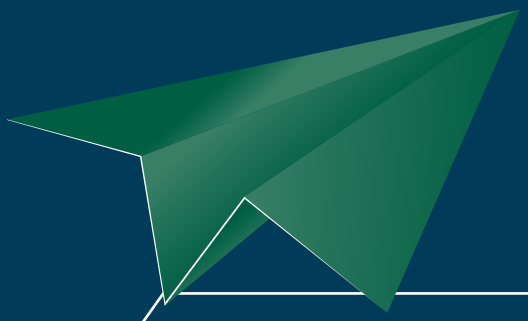
www.adamjeelife.com



Your Trusted Partner

Adamjee Life, backed by the corporate powerhouse Nishat Group, stands out as the epitome of customer-centricity in the insurance industry. With a strong commitment to understanding and meeting the needs of our customers, Adamjee Life has established itself as a trusted partner for individuals and families alike.

By leveraging the expertise of the Nishat Group, Adamjee Life is able to offer innovative insurance solutions that provide peace of mind and financial security to its policyholders. With a focus on building long-term relationships and delivering exceptional service, Adamjee Life continues to set the standard for excellence in the insurance sector, making it the perfect choice for those seeking a reliable and trusted partner for their insurance needs.



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Vision

To be the most trusted insurance partner

Mission

Adhere to exemplary sales practices, best in class product packaging and customer engagement



Core Values



Value Creation

Create value in everything we do



Customer Focus

Always keep the customer's interest in mind



Openness

Foster a culture of trust and transparency



Respect

Promote mutual respect
and inclusiveness

Strategic Objectives





Attain profitability in direct distribution model



Capitalize strategic partnerships to capture digital space



Create product awareness and its value proposition thus promoting need-based sales



Provide excellence in quality of sales and after sale services



Bring product innovation to strengthen long term value for our customers



Prepare for new lines and territories of business

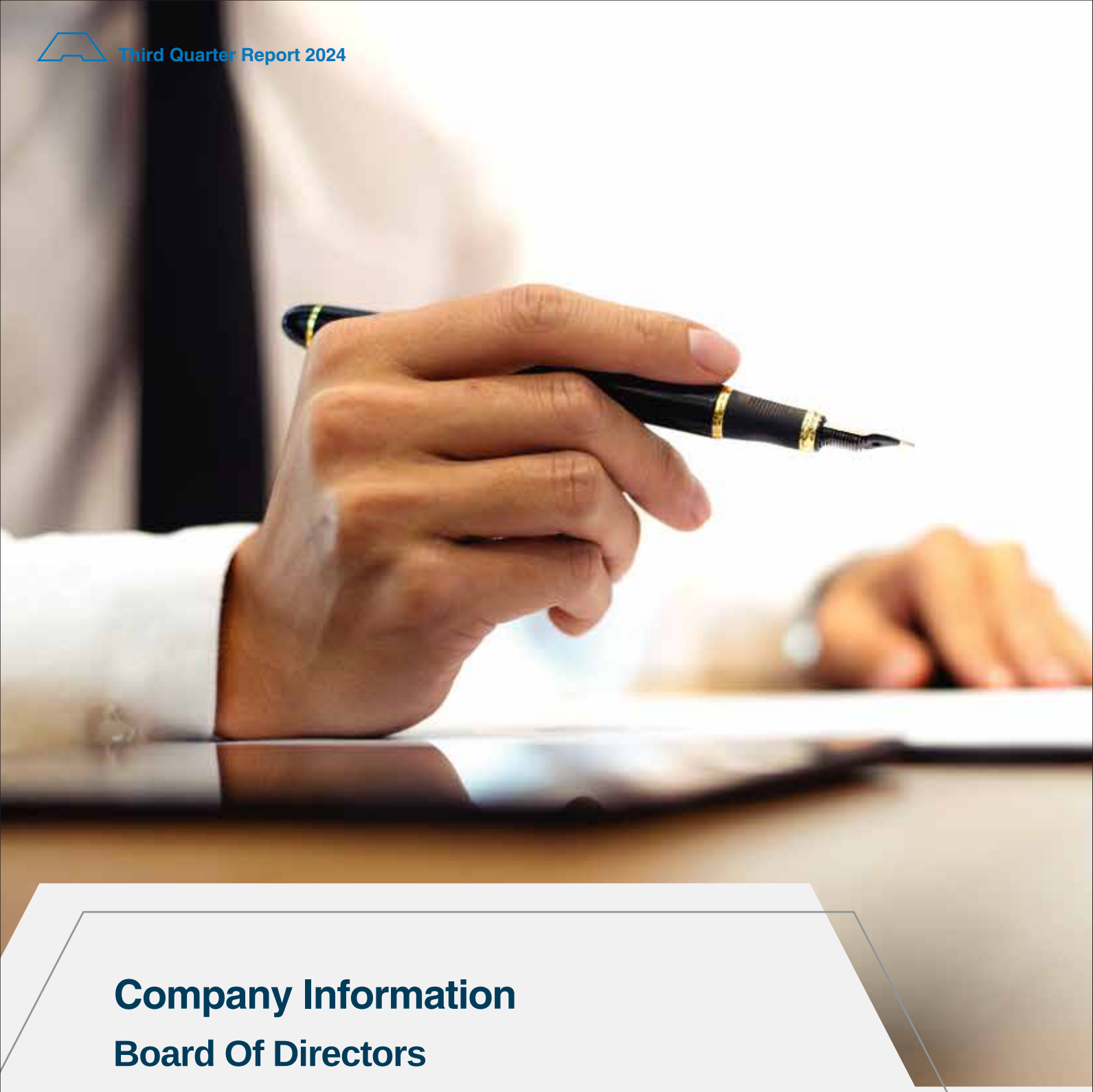


Rating of the Company

Outlook: Stable
Rating Agency: PACRA
Rating Date: June 14, 2024

Insurer Financial Strength (IFS) Rating

A++



Company Information

Board Of Directors

S. M. Jawed
Chairman

Imran Maqbool
Director

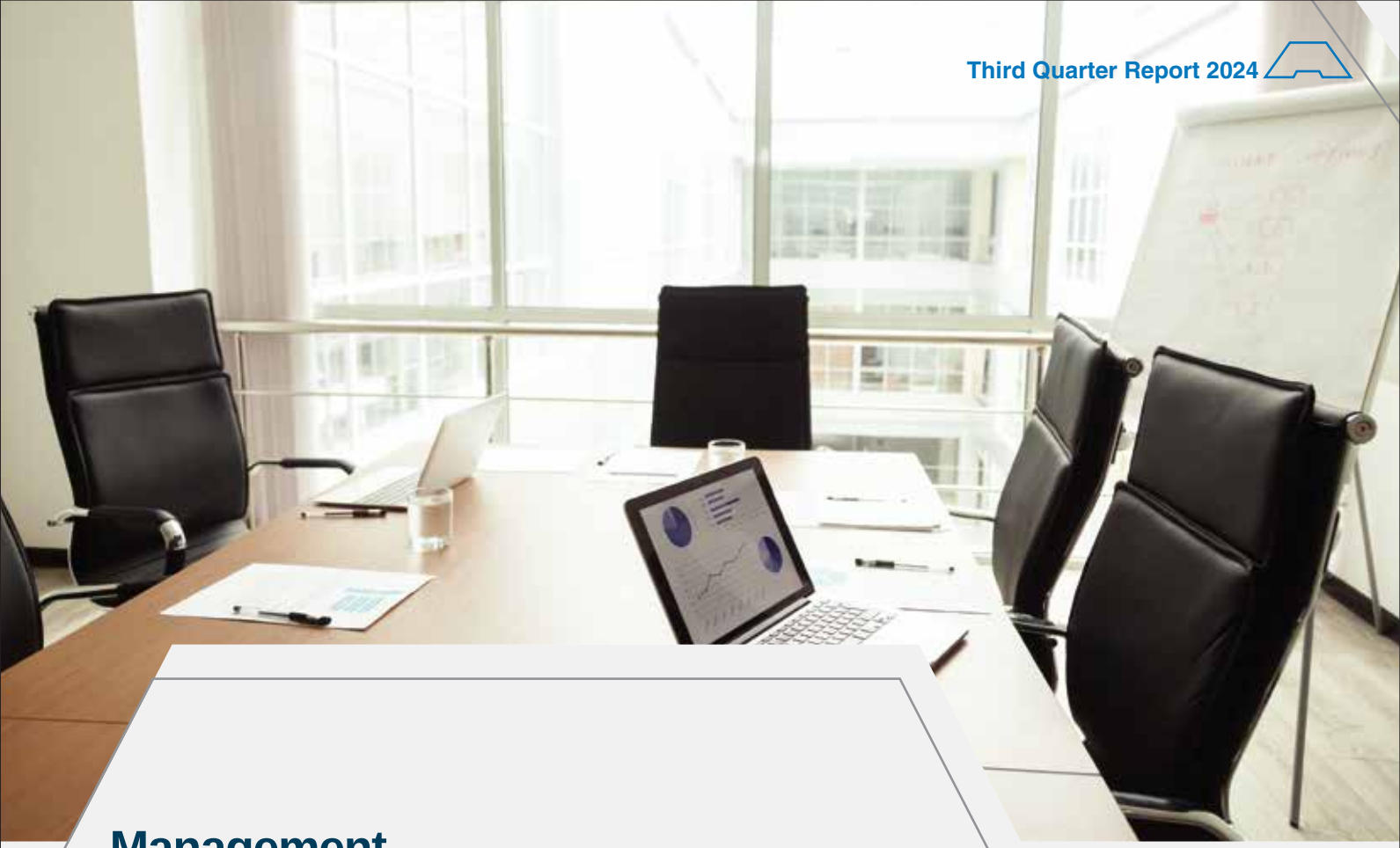
Mian Umer Mansha
Director

Shahmeer Khalid Butt
Director

Muhammad Ali Zeb
Director

Naz Mansha
Director

Ahmad Alman Aslam
Director



Management

Manzar Mushtaq
Chief Executive Officer

Jalal Meghani
Chief Financial Officer & Deputy Managing Director

Ali Haider
Director Bancassurance,
Corporate Sales and Marketing

Absar Azim Burney
Head of Direct Distribution

Zehra Faiz
Head of Human Resources

Amin Nizar
Director Actuarial Services and Risk Management

Sheraz Bukhari
Head of Window Takaful Operations

Athar Chaudhry
Director Information Solutions & Technologies

Dr. Bakht Jamal
Director Business Operations and Legal Affairs

Statutory Positions

Arsalan Ahmed Khan
Company Secretary

Asif Mirza
Head of Compliance

Samad Ali Naqvi
Head of Internal Audit

Bankers

- Al Baraka Bank (Pakistan) Limited
- Askari Bank Limited
- Bank Alfalah Limited
- BankIslami Pakistan Limited
- Dubai Islamic Bank Limited
- Faysal Bank Limited
- Finca Microfinance Bank Limited
- Silk Bank Limited
- Telenor Microfinance Bank Limited
- U Microfinance Bank Limited
- Standard Chartered Bank (Pakistan) Limited
- MCB Bank Limited
- MCB Islamic Bank Limited
- Mobilink Microfinance Bank Limited
- National Bank Of Pakistan
- NRSP Microfinance Bank Limited
- Samba Bank Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- Khushhali Bank Limited
- United Bank Limited

Address

HEAD OFFICE

Adamjee Life Assurance Company Limited,
3rd & 4th Floor, Adamjee House,
I.I Chundrigar Road, Karachi, Pakistan.

REGISTERED OFFICE

Adamjee Life Assurance Company Limited, Office # 505, 5th Floor, Islamabad Stock Exchange Building, Blue Area, Islamabad, Pakistan.

Directors' Review



Directors' Review

The Board of Directors of Adamjee Life Assurance Company Limited are pleased to present to the members, the condensed interim financial statements of the Company, for the nine months period ended on 30th September 2024.

Financial Highlights:

The Highlights for the period

	Note	September 30, 2024	September 30, 2023
		(Rupees in '000)	
Gross Premium		19,643,002	17,445,466
Net Premium		19,002,452	16,852,059
Investment income		17,265,322	9,686,207
Net Benefits paid to and reserved for policyholders		31,168,620	22,297,574
Acquisition & other operating expenses		3,257,772	3,199,568
Profit before tax		1,841,382	1,041,124
Profit after tax		1,139,426	696,265
		(Rupees)	
Earnings Per Share		4.56	2.79

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		(Rupees in '000)	
Size of Statutory Fund		93,683,058	78,264,502
Shareholders' Equity		5,044,726	4,417,568

Performance Review:

The Company has delivered outstanding results despite a challenging economic environment, thanks to a strategic portfolio buildup over the years, lower acquisition costs, and significant returns on investments in non-policyholder reserves. Both gross and net premiums have grown by around 13%. Investment income has also surged by 78% during the period, fueled by a strong stock market and earnings from high-interest securities. Consequently, benefits paid and reserves set aside for policyholders have increased by 40% compared to the prior year. As a result, the Company's underwriting surplus has reached 11.14%. Additionally, profit before tax for the nine-month period has grown by 77%, while profit after tax has risen by nearly 64% compared to the same period last year.

Window Takaful Operations:

The gross contribution generated from Window Takaful operations was Rs. 2.662 billion (September 30, 2023: Rs. 2.796 billion). The profit before tax that has been reported for September 2024 is amounting to Rs. 181.00 million which has increased by 16% from the corresponding period i.e. Rs. 155.89 million as reported in September 2023.

Future Outlook:

After the approval of 7 Billion USD loan from IMF macro-economic indicators have begun to show signs of stability, with inflation and the current account deficit on the decline, leading to a gradual reduction in interest rates. However, pressures on disposable income and the public's savings capacity persist, driven by increased taxes in the 2024-25 fiscal budget and rising energy costs.

Our Company has delivered commendable financial results, exceeding profit targets despite the challenging economic conditions. We remain vigilant and prepared to adjust our cost structure if necessary. Looking ahead, we maintain a cautiously optimistic outlook for economic recovery. Our focus will remain on innovating products that meet evolving needs and promoting financial protection through widespread awareness campaigns. Additionally, we anticipate stable returns from investment-linked insurance products.

Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Life emerge as one of the Pakistan's fastest growing life insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan (SECP) for its continued guidance and assistance.

October 18, 2024

S. Muhammad Jawed
Chairman

Manzar Mushtaq
Chief Executive Officer

ڈائریکٹرز کا ئزہ

آدمجی لائف انشورنس کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز کے لئے یہ امر انتہائی مسرت کا باعث ہے کہ ۳۰ ستمبر ۲۰۲۴ کو ختم ہونے والے نو ماہ کے لئے کمپنی کی کنڈنسڈ عبوری فنانشل اسٹیٹمنٹ ارکان کے روبرو پیش کی جارہی ہے۔

مالیاتی امور کے نمایاں پہلو:

زیر جائزہ مدت کے مالیاتی امور کے نمایاں پہلو درج ذیل ہیں:

	30 ستمبر 2024 غیر آڈٹ شدہ	30 ستمبر 2023 غیر آڈٹ شدہ
	---------ہزار روپے میں---------	
گراس پریمیم	19,643,002	17,445,466
نیٹ پریمیم	19,002,452	16,852,059
سرمایہ کاری سے ہونے والی آمدنی	17,265,322	9,686,207
پالیسی ہولڈرز کو ادا شدہ نقد مراعات اور مختص مراعات	31,168,620	22,297,574
ایکوئزیشن اور دیگر آپریٹنگ اخراجات	3,257,772	3,199,568
منافع قبل از ٹیکس	1,841,382	1,041,124
منافع بعد از ٹیکس	1,139,426	696,265
	---------روپے میں---------	
فی حصص آمدنی	4.56	2.79

	30 ستمبر 2024 غیر آڈٹ شدہ	31 دسمبر 2023 آڈٹ شدہ
سٹیچوٹری فنڈ کا سائز	93,683,058	78,264,502
حصص داران کی ایکوئٹی	5,044,726	4,417,568

کارکردگی کا جائزہ:

کمپنی نے کٹھن اقتصادی حالات کے باوجود سالہا سال سے اپنے بڑھتے ہوئے سٹریٹجک پورٹ فولیو، ایکوئزیشن کے کم اخراجات اور نان پالیسی ہولڈر ریزروز میں سرمایہ کاری پر قابل قدر منافع کی بدولت شاندار نتائج دکھائے ہیں۔ گراس پریمیم اور نیٹ پریمیم دونوں کی شرح نمو ۱۳ فیصد کے لگ بھگ رہی ہے۔ اس مدت کے دوران سرمایہ کاری سے ہونے والی آمدنی میں بھی ۷۸ فیصد اضافہ ہوا ہے جس کا محرک مستحکم سٹاک مارکیٹ اور منافع بخش سکیورٹیز سے ہونے والی آمدنی ہیں۔ نتیجتاً پالیسی ہولڈرز کے ادا شدہ مراعات اور پالیسی ہولڈر ریزروز میں گزشتہ سال کی نسبت ۴۰ فیصد تک اضافہ ہوا ہے۔ نتیجتاً کمپنی کا انڈر رائٹنگ سرپلس ۱۴ء۱۱ فیصد تک پہنچ گیا ہے۔ علاوہ ازیں، نو ماہ کی مدت کے لئے قبل از ٹیکس منافع میں ۷۷ فیصد تک اضافہ ہوا ہے، جبکہ بعد از ٹیکس منافع میں گزشتہ سال کی اسی مدت کی نسبت تقریباً ۶۴ فیصد تک اضافہ ہوا ہے۔

ونڈو تکافل آپریشنز:

ونڈو تکافل آپریشنز سے ہونے والی گراس آمدنی ۲ء۶۶۲ ارب روپے (۳۰ ستمبر ۲۰۲۳: ۲ء۷۰۴ ارب روپے) رہی۔ ستمبر ۲۰۲۴ کے لئے قبل از ٹیکس منافع کی مالیت ۱ء۱۸۱ ملین روپے رہی ہے جو گزشتہ سال کی اسی مدت یعنی ستمبر ۲۰۲۳ میں بتائی گئی ۸ء۱۵۵ ملین روپے کی مالیت کے مقابلے میں ۱۶ فیصد اضافہ کو ظاہر کرتی ہے۔

مستقبل کا منظر نامہ:

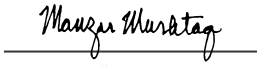
آئی ایم ایف کی جانب سے ۷ ارب امریکی ڈالر کے قرض کی منظوری کے بعد میکرو اکنامک سطح پر استحکام کی علامات ظاہر ہونا شروع ہو گئی ہیں، اور مہنگائی اور کرنٹ اکاؤنٹ خسارے میں کمی کا رجحان دکھائی دے رہا ہے جس کی بدولت شرح سود میں آہستہ آہستہ کمی آ رہی ہے۔ تاہم ۲۰۲۴-۲۵ کے مالیاتی بجٹ میں ٹیکسوں میں اضافہ اور توانائی کے بڑھتے اخراجات کے پیش نظر ڈسپوزیبل آمدنی اور عوام کی بچت کی صلاحیت پر دباؤ اپنی جگہ برقرار ہیں۔

کٹھن اقتصادی حالات کے باوجود ہماری کمپنی نے قابل تحسین مالی نتائج دکھائے ہیں اور منافع ہدف سے تجاوز کر چکا ہے۔ ہم نے حالات پر نظر رکھی ہوئی ہے اور ضرورت پڑنے پر اپنے اخراجات میں ردوبدل کے لئے تیار ہیں۔ آنے والے دنوں کے لئے ہم محتاط سوچ پر عمل پیرا ہیں اور اقتصادی بحالی کے لئے پر امید ہیں۔ ہماری کوششوں کا محور اپنی پراڈکٹ میں جدت پیدا کرنا ہے تاکہ ہم کسٹمرز کی بدلتی ہوئی ضروریات کو پورا کر سکیں اور بھرپور آگاہی مہم کے ذریعے مالی تحفظ کو فروغ دے سکیں۔ علاوہ ازیں، ہم سرمایہ کاری پر مبنی بیمہ پراڈکٹ سے مستحکم ثمرات کے لئے پر امید ہیں۔

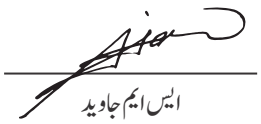
اظہارِ تشکر:

ہم دل کی گہرائیوں سے اپنے حصص داران، معزز کسٹمرز، ملازمین اور ڈویلپمنٹ سٹاف کے شکر گزار ہیں جن کی انتھک محنت اور معاونت کی بدولت آدمجی لائف کا شمار آج پاکستان کی سب سے تیزی سے ترقی کرتی ہوئی انشورنس کمپنیوں میں ہوتا ہے۔ ہم مسلسل رہنمائی اور معاونت پر سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کے بھی شکر گزار ہیں۔

۱۸ اکتوبر ۲۰۲۴



منظر مشتاق
چیف ایگزیکٹو آفیسر



ایس ایم جاوید
چیئرمین

Financial Statements

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Financial Position

As at September 30, 2024

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		(Rupees in '000)	
Assets			
Property and equipment	6	**216,109**	220,156
Intangible assets		**36,637**	25,906
Right of use assets		**31,627**	72,502
Investment property	7	**1,154,794**	1,065,394
Investments			
Equity securities	8	**10,238,975**	8,556,762
Government securities	9	**71,439,885**	61,365,683
Debt securities	10	**3,604,565**	3,629,033
Term deposits	11	**-**	75,000
Mutual funds	12	**8,130,737**	4,981,341
Loan secured against life insurance policies		**7,927**	35,975
(Insurance / takaful) / (reinsurance / retakaful) receivables	13	**66,737**	94,143
Other loans and receivables	14	**2,850,675**	1,379,058
Taxation - payments less provision		**587,319**	606,950
Prepayments	15	**82,037**	55,169
Cash and bank	16	**3,533,033**	3,926,596
Total Assets		**101,981,057**	86,089,668
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		**2,500,000**	2,500,000
Money ceded to Waqf fund		**500**	500
Deficit on revaluation of available for sale investments		**(12,268)**	-
Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)		**1,861,654**	1,047,316
Unappropriated profit		**694,840**	869,752
Total Equity		**5,044,726**	4,417,568
Liabilities			
Insurance / takaful liabilities	17	**94,460,961**	79,559,988
Retirement benefit obligations		**20,031**	-
Deferred taxation		**1,182,750**	657,296
Lease liabilities	18	**41,897**	103,455
Premium / contribution received in advance		**218,240**	246,282
(Insurance / takaful) / (reinsurance / retakaful) payables	19	**239,608**	102,148
Unclaimed dividends		**44**	39
Other creditors and accruals	20	**772,800**	1,002,892
Total Liabilities		**96,936,331**	81,672,100
Total Equity and Liabilities		**101,981,057**	86,089,668
Contingencies and commitments	21		

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Profit or Loss (Un-audited)

For the nine months period ended September 30, 2024

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Rupees in '000)			
Premium / contribution revenue		**19,643,002**	17,445,466	**7,583,161**	6,198,339
Premium / contribution ceded to reinsurers / (retakaful operators)		**(640,550)**	(593,407)	**(334,176)**	(294,740)
Net premium / contribution revenue	22	**19,002,452**	16,852,059	**7,248,985**	5,903,599
Investment income	23	**11,546,230**	8,291,140	**3,678,472**	3,301,373
Net realised fair value gains on financial assets	24	**1,589,844**	402,202	**911,791**	162,714
Net fair value gains on financial assets at fair value through profit or loss - unrealised	25	**3,474,748**	253,542	**1,745,504**	597,978
Net rental income		**2,062**	2,238	**712**	750
Net unrealised gain on investment property	7	**89,400**	79,725	**-**	-
Other income		**563,038**	657,360	**199,316**	199,897
		17,265,322	9,686,207	**6,535,795**	4,262,712
Net income		**36,267,774**	26,538,266	**13,784,780**	10,166,311
Insurance / takaful benefits	27	**(17,388,246)**	(13,953,694)	**(5,915,081)**	(5,091,395)
Recoveries from reinsurers / retakaful operators	27	**303,203**	344,721	**40,384**	43,323
Claims related expenses		**(3,763)**	(5,660)	**(773)**	(1,838)
Net insurance / takaful benefits		**(17,088,806)**	(13,614,633)	**(5,875,470)**	(5,049,910)
Net change in insurance / takaful liabilities (other than outstanding claims)		**(14,083,577)**	(8,688,601)	**(6,005,814)**	(3,547,507)
Acquisition expenses	28	**(2,339,232)**	(2,337,758)	**(803,345)**	(851,466)
Marketing and administration expenses	29	**(891,560)**	(829,290)	**(290,237)**	(300,579)
Other expenses	30	**(20,673)**	(16,794)	**(13,559)**	(9,773)
		(17,335,042)	(11,872,443)	**(7,112,955)**	(4,709,325)
Total expenses		**(34,423,848)**	(25,487,076)	**(35,471,419)**	(9,759,235)
Finance costs	31	**(2,544)**	(10,066)	**(346)**	(2,912)
Profit before tax		**1,841,382**	1,041,124	**796,009**	404,164
Income tax expense	32	**(701,956)**	(344,859)	**(305,257)**	(129,741)
Profit after tax for the period		**1,139,426**	696,265	**490,752**	274,423
Earnings (after tax) per share - Rupees	33	**4.56**	2.79	**1.96**	1.10

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the nine months period ended September 30, 2024

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Rupees in '000)			
Profit after tax for the period - as per statement of profit or loss		**1,139,426**	696,265	**490,752**	274,423
Other comprehensive income:					
Item that will be reclassified subsequently to statement of profit or loss					
Change in unrealised losses on revaluation of available for sale investments	26	**(20,112)**	-	**(18,296)**	(1,097)
Gain on disposal transferred to statement of profit or loss		**-**	7,965	**-**	7,965
		(20,112)	7,965	**(18,296)**	6,868
Related deferred tax		**7,844**	(2,469)	**7,135**	(2,129)
Total other comprehensive (loss) / income		**(12,268)**	5,496	**(11,161)**	4,739
Total comprehensive income for the period		**1,127,158**	701,761	**478,484**	279,162

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	**Muhammad Ali Zeb**	**Shahmeer Khalid Butt**	**Manzar Mushtaq**	**Jalal Meghani**
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Changes in Equity

For the nine months period ended September 30, 2024

	Attributable to equity holders' of the Company					
	Share capital	Money ceded to Waqf fund	Deficit on revaluation of available for sale investments	Retained earnings arising from business other than participating business attributable to shareholders (Ledger account D)*	Unappropriated profit	Total
	(Rupees in '000)					
Balance as at January 01, 2023 (Audited)	2,500,000	500	(5,496)	776,870	476,416	3,748,290
Total comprehensive income for the period ended September 30, 2023						
- Profit for the period after tax	-	-	-	-	696,265	696,265
- Other comprehensive income	-	-	5,496	-	-	5,496
	-	-	5,496	-	696,265	701,761
Transaction with owners recorded directly in the equity						
Interim dividend @ Rs. 1 per share i.e 10%	-	-	-	-	(250,000)	(250,000)
Surplus for the period retained in statutory funds	-	-	-	485,458	(485,458)	-
Balance as at September 30, 2023 (Un-audited)	2,500,000	500	-	1,262,328	437,223	4,200,051
Balance as at January 01, 2024 (Audited)	**2,500,000**	**500**	**-**	**1,047,316**	**869,752**	**4,417,568**
Total comprehensive income for the period ended September 30, 2024						
- Profit for the period after tax	-	-	-	-	**1,139,426**	**1,139,426**
- Other comprehensive loss	-	-	**(12,268)**	-	-	**(12,268)**
	-	-	**(12,268)**	-	**1,139,426**	**1,127,158**
Transaction with owners recorded directly in the equity						
Final dividend @ Rs. 1 per share i.e 10%	-	-	-	-	**(250,000)**	**(250,000)**
Interim dividend @ Rs. 1 per share i.e 10%	-	-	-	-	**(250,000)**	**(250,000)**
Surplus for the period retained in statutory funds	-	-	-	**814,338**	**(814,338)**	-
Balance as at September 30, 2024 (Un-audited)	**2,500,000**	**500**	**(12,268)**	**1,861,654**	**694,840**	**5,044,726**

* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended September 30, 2024

	Note	September 30, 2024	September 30, 2023
		(Rupees in '000)	
Operating Cash Flows			
(a) Underwriting activities			
Insurance premium / contribution received		**19,604,972**	17,362,873
Reinsurance premium / retakaful contribution paid		**(162,493)**	(236,317)
Claims paid		**(16,574,613)**	(13,711,551)
Commission paid		**(1,363,874)**	(1,531,778)
Marketing and administrative expenses paid		**(1,797,626)**	(1,634,350)
Net cash flow (used in) / generated from underwriting activities		**(293,634)**	248,877
(b) Other operating activities			
Income tax paid		**(149,026)**	(102,290)
Total cash flow (used in) / generated from operating activities		**(442,660)**	146,587
Investment activities			
Profit / return received		**9,623,535**	7,617,737
Dividend received		**962,858**	723,553
Rental received		**2,062**	2,238
Payment for investments		**(276,865,891)**	(206,123,033)
Proceeds from investments		**266,865,280**	199,621,416
Fixed capital expenditure		**(77,835)**	(58,935)
Loan to policyholders		**28,953**	6,514
Proceeds from sale of property and equipment		**3,814**	8,069
Total cash flow generated from investing activities		**542,776**	1,797,559
Financing activities			
Finance cost paid		**(7,126)**	-
Payments against lease liabilities		**(61,558)**	-
Interim dividend paid		**(499,995)**	(250,000)
Total cash flow used in financing activities		**(568,679)**	(250,000)
Net cash (outflows) / inflows from all activities		**(468,563)**	1,694,146
Cash and cash equivalent at the beginning of the period		**4,001,596**	6,591,997
Cash and cash equivalent at the end of the period	16.2	**3,533,033**	8,286,143
Reconciliation to statement of profit or loss			
Cash flow from all operating activities		**(442,661)**	146,587
Depreciation and amortisation expense		**(103,500)**	(99,558)
Financial charge expense		**(7,126)**	(13,949)
Write offs		**-**	(5,292)
Profit on disposal of investment		**1,589,844**	402,202
Rental income		**2,062**	2,238
Dividend income		**971,297**	707,565
Other investment income		**11,229,476**	8,320,113
Increase in assets other than cash		**(8,245)**	482
Increase in liabilities other than borrowings		**(15,566,470)**	(9,017,665)
Surplus on revaluation of investment		**3,474,748**	253,542
Profit after taxation		**1,139,426**	696,265

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Adamjee Life Assurance Company Limited ("the Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance,1984). The Company was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Company started its operations from April 24, 2009. Registered office of the Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi. The Company is a subsidiary of Adamjee Insurance Company Limited.

The Company is engaged in life insurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Company has established a shareholders' fund and the following statutory funds in respect of each class of its life insurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitised Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business (refer note 1.2)
- Group Family Takaful Business (refer note 1.2)

1.2 The Company was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations from July 14, 2016. The Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF) on December 22, 2015 under a Waqf deed executed by the Company with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

The Company issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Company commenced its Group Family Takaful Business in the second quarter of 2020.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Accounting Standards IAS 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

In case the requirements differ, provisions or directives of the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed.

These condensed interim financial statements do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has consistently applied the accounting policies to all periods presented in these financial statements adopted in the preparation of these condensed interim financial statements. These are consistent with those applied in preparation of the published annual audited financial statements of the Company for the year ended 31 December 2023.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Company has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS / FINANCIAL RISK MANAGEMENT

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements for the year ended 31 December 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 31 December 2023.

5. APPLICATION OF IFRS 9 AND IFRS 17

	Effective Date
IFRS 9 - Financial Instruments	January 01, 2026*
IFRS 17 - Insurance contracts	January 01, 2026**

* The management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 is given in annual financial statements of the Company for the year ended December 31, 2023.

** IFRS 17 - 'Insurance contracts' has been issued by the IASB to be effective for annual periods beginning on or after January 01, 2023 but is yet to be notified by the Securities and Exchange Commission of Pakistan.

The SECP vide SRO 1715 (I) / 2023 dated November 21, 2023 has directed the companies engaged in insurance/ takaful and re-insurance/re-takaful to follow IFRS 17 from January 01, 2026. The Company is in the process of determination of impact assessement of IFRS - 17 on the Company's financial statments. Accordingly, IFRS 9 would be adopted from January 01, 2026.

	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees in '000)	
6. PROPERTY AND EQUIPMENT		
Operating assets	**216,109**	217,585
Capital work in progress	**-**	2,571
	216,109	220,156
6.1 Additions - operating assets (at cost)		
Leasehold improvements	**6,582**	6,989
Furniture and fixtures	**666**	2,731
Office equipment	**11,634**	4,289
Computer and related equipment	**9,420**	21,592
Motor vehicles	**33,776**	45,671
	62,078	81,272

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
6.2	**Disposals - operating asset (at net book value)**			
	Furniture & fixtures		**745**	4,043
	Leasehold improvement		**3,454**	3,242
	Motor vehicles		**-**	8,315
	Computer and related equipment		**708**	923
	Office equipment		**1**	18
			4,908	16,541
7.	**INVESTMENT PROPERTY**			
	Opening net book value		**1,065,394**	943,669
	Unrealised fair value gain		**89,400**	121,725
	Closing net book value	7.1	**1,154,794**	1,065,394

7.1 This represents piece and parcel of plot no. 1-A, Main Gulberg, Jail Road, Lahore, measuring 8 Kanal 8 Marla 203 Sq. ft. of a land bought by the Company for the Unit Linked Investment Business.

Market value of this investment property is estimated around Rs. 1,154.79 million with the forced sale value (FSV) of Rs. 810.72 million as at September 30, 2024. Total unrealised gain till September, 2024 is Rs. 382.867 million (December 31, 2023: Rs. 293.467 million). The fair value of investment property is determined by K.G Traders (Private) Limited, an external, independent property valuer having appropriate recognised professional qualifications.

Valuation technique

The valuer has arranged inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilisation, and current trends in prices of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the best estimates of the fair value.

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
8.	**INVESTMENT IN EQUITY SECURITIES**			
	Available for sale	8.1	**214,935**	-
	Fair value through profit or loss (held for trading)	8.2	**10,024,040**	8,556,762
			10,238,975	8,556,762

		As at September 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
		Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
		(Rupees in '000)					
8.1	**Available for sale**						
	Related parties	**235,047**	**-**	**214,935**	-	-	-

8.2 Fair value through profit or loss (held for trading)

	As at September 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
	Carrying value	Impairment / provision	Market value	Carrying value	Impairment / provision	Market value
	(Rupees in '000)					
Related parties	2,290,575	-	2,908,285	1,535,048	-	2,202,866
Others	6,758,077	-	7,115,755	5,377,513	-	6,353,896
	9,048,652	-	10,024,040	6,912,561	-	8,556,762

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		(Rupees in '000)	
9. INVESTMENT IN GOVERNMENT SECURITIES			
Fair value through profit or loss (held for trading)	9.1	**71,439,885**	61,365,683

9.1 Fair value through profit or loss (held for trading)

	Term (year / months)	Maturity year	Effective yield (%)	Carrying amount	Principal repayment	Market value
				(Rupees in '000)		
Fixed rate instruments						
GOP Ijara Sukuk	5 years	2029	13.65% - 13.86%	374,080	372,500	380,062
GOP Ijara Sukuk	5 years	2028	13.60%	702,968	700,000	746,340
GOP Ijara Sukuk	5 years	2027	13.02%	25,290	25,000	25,678
GOP Ijara Sukuk	5 years	2026	12.52%	476,654	527,500	516,159
GOP Ijara Sukuk	5 years	2025	14.92%	91,501	100,000	95,030
GOP Ijara Sukuk	3 years	2027	12.48% - 13.29%	173,413	172,500	175,414
GOP Ijara Sukuk	3 years	2026	13.16% - 13.45%	717,312	713,000	752,351
GOP Ijara Sukuk	2 years	2026	13.16%	1,082,786	1,060,000	1,144,588
GOP Ijara Sukuk	1 year	2025	14.37% - 15%	1,454,200	1,641,965	1,474,936
GOP Ijara Sukuk	1 year	2024	13.68%	50,026	50,000	50,090
Pakistan Investment Bond	10 years	2030	12.17%	1,065,810	1,470,000	1,208,419
Pakistan Investment Bond	5 years	2029	12.19% - 12.25%	2,337,159	2,390,000	2,532,533
Pakistan Investment Bond	5 years	2027	12.30% - 12.46%	242,541	275,000	258,081
Pakistan Investment Bond	5 years	2025	13.45%	452	500	472
Pakistan Investment Bond	3 years	2027	12.31%	793,333	775,000	806,688
Pakistan Investment Bond	3 years	2026	12.87%	6,958,805	7,450,000	7,346,673
Pakistan Investment Bond	3 years	2025	13.88%	9,343	10,000	9,697
Pakistan Investment Bond	2 years	2026	12.70%	766,805	1,000,000	792,836
Treasury Bills	1 year	2025	13.65% - 15.41%	28,245,844	31,764,615	28,852,424
Treasury Bills	1 year	2024	15.54% - 17.17%	1,368,033	1,421,000	1,375,778
Treasury Bills	6 months	2025	14.99% - 15.26%	375,972	400,000	380,200
Floating rate instruments						
GOP Ijara Sukuk	5 years	2029	19.25%	25,544	25,000	25,750
GOP Ijara Sukuk	5 years	2028	19.13%	659,776	660,000	689,370
GOP Ijara Sukuk	5 years	2027	19.89% - 20.29%	242,887	239,900	246,019
GOP Ijara Sukuk	5 years	2026	20.15%	479,727	475,000	483,096
GOP Ijara Sukuk	5 years	2025	17.02% - 19.68%	632,179	630,000	636,835
GOP Ijara Sukuk	3 years	2027	20.17%	25,421	25,000	25,688
GOP Ijara Sukuk	3 years	2026	19.70%	535,478	535,000	543,025
GOP Ijara Sukuk	1 year	2025	19.68%	439,265	475,000	443,698
GOP Ijara Sukuk	1 year	2024	12.74% - 14.76%	294,443	295,625	295,841
Pakistan Investment Bond	10 years	2030	20.72%	492,840	500,000	497,954
Pakistan Investment Bond	10 years	2028	22.08%	49,787	50,000	49,031
Pakistan Investment Bond	5 years	2029	20.68% - 22.27%	6,743,216	6,970,000	6,783,785
Pakistan Investment Bond	5 years	2028	17.55% - 22.32%	11,675,714	12,040,000	11,758,070
Pakistan Investment Bond	5 years	2027	21.45%	37,099	38,000	37,274
	As at September 30, 2024 (Un-audited)			**69,645,703**	**75,277,105**	**71,439,885**
	As at December 31, 2023 (Audited)			61,492,790	69,140,600	61,365,683

9.1.1 These include PIBs of Rs. 75 million, Rs. 100 million & Rs. 300 million (December 31, 2023: Rs. 75 million, Rs. 100 million & Rs. 300 million) placed with State Bank of Pakistan as per the requirement of section 29 of Insurance Ordinance, 2000 carrying coupon rate of 7.5%, 8% & 12% having yield 16.57%, 14.96% and 16.92% per annum having maturity period of 5, 10 & 3 years and will mature on April 29, 2027, December 10, 2030 & July 4, 2026 respectively.

10. INVESTMENT IN DEBT SECURITIES

At fair value through profit or loss (held for trading)

		As at September 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
		Carrying value	**Impairment / provision**	**Market value**	Carrying value	Impairment / provision	Market value
	Note	(Rupees in '000)					
Advance against the purchase of term finance certificates / corporate sukuks		**51,750**	-	**51,750**	-	-	-
Term finance certificates / corporate sukuks	10.1	**3,526,519**	-	**3,552,815**	3,673,144	-	3,629,033
		3,578,269	**-**	**3,604,565**	3,673,144	-	3,629,033

10.1 Term finance certificates / corporate sukuks

Details of the term finance certificates and corporate sukuks are as follows:

					Market value	
	Maturity date	**As at September 30, 2024 (Un-audited)**	As at December 31, 2023 (Audited)	**Face value per certificate**	**As at September 30, 2024 (Un-audited)**	As at December 31, 2023 (Audited)
	(Number of certificates)				------- (Rupees in '000) --------	
Askari Bank Limited VII - TFC	17-Mar-30	**100**	100	**1,000**	**99,500**	99,500
Askari Bank Limited VI - TFC	Perpetual	**100**	100	**1,000**	**100,000**	100,000
Bank Al Habib Limited - TFC	30-Sep-31	**194,766**	195,000	**5**	**959,223**	952,300
Bank Alfalah Limited - TFC	15-Jan-24	**-**	20,000	**5**	**-**	99,433
Dubai Islamic Bank - Sukuk	2-Dec-32	**22**	22	**1,000**	**22,132**	22,132
Ghani Chemical Industries Limited - TFC	3-Feb-24	**-**	600	**12**	**-**	2,455
Habib Bank Limited II - TFC	26-Sep-34	**500**	500	**100**	**50,000**	50,000
Meezan Bank Limited - Sukuk	16-Dec-31	**450**	450	**1,000**	**435,236**	442,917
Meezan Bank Limited - Sukuk	9-Jan-30	**500**	500	**1,000**	**523,836**	501,250
Pakistan Energy - Sukuk II	21-May-30	**115,000**	115,000	**5**	**579,025**	575,173
Samba Bank Limited - TFC	1-Mar-31	**4,250**	4,250	**100**	**424,405**	423,953
The Bank of Punjab I - TFC	17-Apr-28	**1,000**	1,000	**100**	**98,211**	100,334
The Bank of Punjab II - TFC	23-Apr-28	**2,580**	2,580	**100**	**261,247**	259,586
		319,268	340,102		**3,552,815**	3,629,033

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
11.	**INVESTMENT IN TERM DEPOSITS**			
	Deposits maturing within 12 months (held to maturity)		-	75,000
12.	**INVESTMENT IN MUTUAL FUNDS**			
	Fair value through profit or loss (held for trading)	12.1	**8,130,737**	4,981,341

12.1 Fair value through profit or loss (held for trading)

	As at September 30, 2024 (Un-audited)			As at December 31, 2023 (Audited)		
	Carrying value	**Impairment / provision**	**Market value**	Carrying value	Impairment / provision	Market value
	(Rupees in '000)					
Related parties	**5,690,551**	**-**	**6,397,019**	3,129,148	-	4,981,341
Others	**1,665,668**		**1,733,718**	-	-	-
	7,356,219	**-**	**8,130,737**	3,129,148	-	4,981,341

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
13.	**(INSURANCE / TAKAFUL) / (REINSURANCE / RETAKAFUL) RECEIVABLES**			
	Due from insurance contract holders - group life business		**51,770**	41,782
	Due from reinsurers / retakaful operators		**14,967**	52,361
	Net (insurance / takaful) / (reinsurance / retakaful) receivable		**66,737**	94,143
14.	**OTHER LOANS AND RECEIVABLES**			
	Accrued income on investments		**2,597,420**	1,177,420
	Security deposits		**49,703**	48,141
	Receivable from gratuity fund		**-**	11,791
	Loan to employees - secured	14.1	**22,568**	23,551
	Advance to supplier		**12,927**	5,547
	Dividend receivable		**17,907**	9,468
	Receivable against the sale of investment		**129,397**	98,143
	Other receivables		**20,753**	4,997
			2,850,675	1,379,058

14.1 This represents interest free loans secured against the gratuity entitlement and are repayable within one year of the disbursement.

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		---------- (Rupees in '000) ----------	
15. PREPAYMENTS			
Prepaid rent- Ijarah term		**19,870**	17,410
Prepaid miscellaneous expenses	15.1	**62,167**	37,759
		82,037	55,169

15.1 These include prepayments related to insurance and software subscriptions.

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
		---------- (Rupees in '000) ----------	
16. CASH AND BANK			
- Cash in hand		**404**	617
- Policy stamps		**12,013**	9,186
		12,417	9,803
Cash at bank			
- Current accounts		**109,778**	227,763
- Saving accounts	16.1	**3,410,838**	3,689,030
		3,520,616	3,916,793
		3,533,033	3,926,596

16.1 This carries profit rate ranging from 6.40% to 16.00% (December 31, 2023: 12.00% to 21.00%) per annum.

	September 30, 2024 (Un-audited)	September 30, 2023 (Audited)
	---------- (Rupees in '000) ----------	
16.2 Cash and cash equivalents		
Cash and cash equivalents includes the following for the purpose of cash flow statement:		
- Cash in hand and policy stamps	**12,417**	8,958
- Cash at bank	**3,520,616**	5,327,185
- Term deposits maturing within three months	**-**	2,950,000
	3,533,033	8,286,143

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
17.	**INSURANCE / TAKAFUL LIABILITIES**			
	Reported outstanding claims (including claims in payment)	17.1	**4,194,450**	3,377,054
	Incurred but not reported claims	17.2	**202,615**	229,319
	Investment component of unit-linked and account value policies	17.3	**88,561,963**	74,570,484
	Liabilities under individual conventional insurance / takaful contracts	17.4	**31,384**	27,503
	Liabilities under group insurance contracts (other than investment linked)	17.5	**259,715**	199,093
	Other insurance / takaful liabilities	17.6	**884,131**	902,282
	Gross insurance / takaful liabilities		**94,134,258**	79,305,735
	Surplus of Participant Takaful Fund		**326,703**	254,253
	Total Insurance / takaful liabilities		**94,460,961**	79,559,988
17.1	**Reported outstanding claims**			
	Gross of reinsurance / retakaful			
	Payable within one year		**4,245,656**	3,471,607
	Recoverable from reinsurers / retakaful operators		**(51,206)**	(94,553)
	Net reported outstanding claims		**4,194,450**	3,377,054
17.2	**Incurred but not reported claims**			
	Individual life			
	Gross of reinsurance / retakaful		**204,366**	280,053
	Reinsurance / retakaful recoveries		**(63,091)**	(105,827)
	Net of reinsurance / retakaful		**141,275**	174,226
	Group life			
	Gross of reinsurance / retakaful		**150,796**	133,185
	Reinsurance / retakaful recoveries		**(89,456)**	(78,092)
	Net of reinsurance / retakaful		**61,340**	55,093
	Net incurred but not reported claims		**202,615**	229,319

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
17.3	**Investment component of unit linked and account value policies**			
	Investment component of unit linked policies		**87,699,722**	73,346,877
	Investment component of account value policies		**862,241**	1,223,607
			88,561,963	74,570,484
17.4	**Liabilities under individual conventional insurance / takaful contracts**			
	Gross of reinsurance / retakaful		**32,983**	29,348
	Reinsurance / retakaful credit		**(1,599)**	(1,845)
	Net of reinsurance / retakaful		**31,384**	27,503
17.5	**Liabilities under group insurance / takaful contracts (other than investment linked)**			
	Gross of reinsurance / retakaful		**582,325**	377,626
	Reinsurance / retakaful credit		**(322,610)**	(178,533)
	Net of reinsurance / retakaful		**259,715**	199,093
17.6	**Other insurance / takaful liabilities**			
	Gross of reinsurance / retakaful		**979,043**	1,027,288
	Reinsurance / retakaful credit		**(94,912)**	(125,006)
	Net of reinsurance / retakaful		**884,131**	902,282
18.	**LEASE LIABILITIES**	18.1	**41,897**	103,455
18.1	**Lease liabilities - movement**			
	Opening balances		**103,455**	159,592
	Addition during the period / year		**-**	8,936
	Derecognition during the period / year		**-**	(3,494)
			103,455	165,034
	Interest accretion during the period / year		**7,126**	17,931
			110,581	182,965
	Repaid during the period / year		**(68,684)**	(79,510)
	Closing balances		**41,897**	103,455
	Current portion		**24,023**	71,514
	Non-current portion		**17,874**	31,941
			41,897	103,455

		Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees in '000)	
19.	**(INSURANCE / TAKAFUL) / (REINSURANCE / RETAKAFUL) PAYABLES**			
	Due to reinsurers / retakaful operators		**239,608**	102,148
20.	**OTHER CREDITORS AND ACCRUALS**			
	Agents commission payable		**414,266**	349,031
	Payable to related parties		**6,883**	9,530
	Payable against the purchase of investments		**-**	232,841
	Accrued expenses	20.1	**333,534**	394,034
	Other tax payable		**18,117**	17,456
			772,800	1,002,892

20.1 This includes provision for compensated absences amounting in aggregated to Rs. 89.83 million (December 31, 2023: Rs. 68.42 million).

21. CONTINGENCIES AND COMMITMENTS

21.1 CONTINGENCIES

21.1.1 Sales tax on life insurance premium

Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. Subsequently, life insurance was made taxable from July 1, 2019 at the rate of 3% and group life insurance at the rate of 13%. With effect from November 1, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Company collectively through the forum of Insurance Association of Pakistan ("IAP") filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on September 28, 2019 and November 28, 2019 against PRA and SRB respectively on the following main contentions:

- Subtantiating the Company's view that insurance is not a service but in fact, in sum and substance, a contingent contract under which payment is made on the occurance of the event, specified in the term of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service;

- A question of constitutionality arose on the levy of provincial sales tax on life insurance, which in their view, was a Federal subject, since the Federation has retained a legislative mandate over all laws relating to insurance under Entry 29 of the said List, therefore, only the Federation is entitled to levy and any tax in relation to insurance business; and

- A vast majority of premium received from a policyholder, during the life of the policy, is in fact channeled to the policyholders' investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules. Thus, the legal advisors had expressed the view that if the entire Gross Written Premium (GWP) was subjected to the provincial sales tax, the this was akin to a direct tax on the policyholders, in the nature of income tax, wealth tax or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

In Sindh, on June 22, 2020, the SRB through Notification No. SRB-3-4/13/2020, has made taxable, life insurance w.e.f. July 1. 2020 at the full rate, and issued a conditional exemption for the financial year 2019-20, from the levy of SST, subject to the person providing or rendering life insurance services commencing e-depositing with SRB, the amount of SST due on such services from the tax period from July 1, 2020 onward. On June 29, 2020 SRB through another notification No.SRB-3-4/18/2020 has amended the responsibility of withholding agent requiring clients to also withheld SST on services of life and health insurance. The Company with other life insurance companies, have filed another

petition at the Hon'ble SHC. The Hon'ble SHC has directed that no coercive measure will be taken until the next date of hearing. Further, the Hon'ble SHC through its interim order dated December 8, 2020 impleaded that the Federal Government be also added as one of the Respondents.

The life insurance industry has been granted interim relieves by the Honorable High Courts of Sindh and Lahore whereby the provincial tax authorities of Sindh and Punjab have been restrained and no sales tax on services has so far been paid on life and health insurance in either province.

In view of the opinion of the legal advisors, and pending the adjudication of petitions filed, the Company has neither billed its customers, nor recognised the contingent liability for SST, PST & KPST, which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of legal advisors, aggregated to Rs.1,285.82 million (2023: Rs. 1,052.46 million). In Balochistan province, given that the Company has limited operations in that province, the amount of contingent sales tax liability for BSTS, calculated on the similar basis as SST, PST & KPST, is immaterial. The Company, along with the IAP and other insurance companies, will continue its administrative efforts to convince the provincial revenue authorities about the merit of the case.

21.1.2 Income tax

Additional Commissioner Inland Revenue (ACIR), Range B, Zone VI, Large Taxpayers Office, Karachi issued an order dated December 29, 2023 u/s 122(5A) of the Income Tax Ordinance, 2001 to the Company for tax year 2018. In the aforementioned order, ACIR levied a minimum tax of Rs. 197.361 million under section 113 of the Ordinance @ 1.25% on the gross turnover of the Company which also includes the income generated on policyholders' fund.

The Company, through its tax consultant has filed an appeal on the grounds that owing to the special nature of insurance business, ACIR, while levying the minimum tax on the "gross turnover" has ignored the well-settled principles that used to calculate the income tax liability of life assurance business. Rules 1, 2 and 3 of the Fourth Schedule to the Ordinance overrides the provisions of the Ordinance by virtue of section 99 of the Ordinance. Rule 2 of the Fourth Schedule provides that profit and gains of a life insurance business shall be the current year's surplus appropriated to P&L Account as per advice of the appointed Actuary. Further, as per Rule 3 of the Fourth Schedule, amount paid to, reserved for or expanded on behalf of the policyholders shall be allowed as deduction. It is evident that tax can only be levied on shareholder's surplus appropriated to P&L account whereas policyholder's surplus is exempt from tax.

The gross turnover as calculated by ACIR does not represent the income of the Company and hence levying minimum tax on gross turnover is tantamount to tax on policyholders which is against the intent of the legislature.

The company has reasonable grounds to believe that the likely outcome of the aforesaid appeal will be in its favor and hence no provision has been made in these condensed interim financial statements.

	Note	**September 30, 2024 (Un-audited)**	December 31, 2023 (Audited)
		---------- (Rupees in '000) ----------	
21.2 COMMITMENTS			
21.2.1 Commitments in respect of Ijarah rentals			
Not later than one year		**55,382**	67,254
Later than one year and not later than five years		**47,635**	94,587
		103,017	161,841

Commitments represent Ijarah rentals for vehicles payable in future period.

	For the nine months ended		For the quarter ended	
	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	**September 30, 2024 (Un-audited)**	September 30, 2023 (Un-audited)
	(Rupees in '000)			
22. NET PREMIUM / CONTRIBUTION REVENUE				
Gross premiums / contributions				
Regular premium / contributions individual policies*				
- first year	**1,679,884**	2,094,305	**655,897**	750,846
- second year renewal	**1,618,122**	1,787,979	**566,114**	541,255
- subsequent years renewal	**5,711,068**	5,485,562	**2,049,344**	1,996,308
Single premium / contributions individual policies*	**9,821,020**	7,377,430	**3,894,299**	2,499,070
Group policies/ contracts without cash values	**923,231**	740,288	**504,353**	412,709
Less: experience refund	**(110,323)**	(40,098)	**(86,846)**	(1,849)
Total gross premiums / contributions	**19,643,002**	17,445,466	**7,583,161**	6,198,339
Less: reinsurance premiums / retakaful contributions ceded				
On individual life first year business	**(31,710)**	(35,423)	**(10,167)**	(11,938)
On individual life second year business	**(24,570)**	(27,018)	**(8,408)**	(8,678)
On individual life subsequent renewal / contributions business	**(96,608)**	(119,238)	**(30,518)**	(39,152)
On individual life single premium / contributions business	**(4,443)**	(5,074)	**(1,413)**	(1,491)
On group policies / contracts	**(500,566)**	(409,924)	**(283,670)**	(233,481)
Less: experience refund from reinsurers	**17,347**	3,270	**-**	-
	(640,550)	(593,407)	**(334,176)**	(294,740)
Net premiums / contributions	**19,002,452**	16,852,059	**7,248,985**	5,903,599

* Individual policies/ contracts are those underwritten on an individual basis.

23. INVESTMENT INCOME				
Income from equity and mutual funds				
Dividend income				
Available for sale	**-**	801	**-**	-
Fair value through profit or loss	**971,297**	706,764	**139,178**	194,388
	971,297	707,565	**139,178**	194,388
Income from government securities				
Available for sale	**-**	15,837	**-**	9,099
Fair value through profit or loss	**9,968,809**	6,583,721	**3,343,492**	2,718,030
	9,968,809	6,599,558	**3,343,492**	2,727,129
Income from debt securities - fair value through profit or loss				
Return on TFCs and corporate sukuks	**598,095**	578,857	**195,802**	209,590
Income from term deposit receipts - held to maturity				
Return on term deposit receipts	**8,029**	405,160	**-**	170,266
	11,546,230	8,291,140	**3,678,472**	3,301,373

		For the nine months ended		For the quarter ended	
		September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	**September 30, 2024 (Un-audited)**	September 30, 2023 (Un-audited)
		(Rupees in '000)			
24.	**NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS**				
	Available for sale				
	Realised losses on:				
	- Equity securities	**-**	7,965	**-**	7,965
		-	7,965	**-**	7,965
	Fair value through profit or loss				
	Realised gains / (losses) on:				
	- Equity securities	**1,450,763**	551,640	**658,675**	276,141
	- Government securities	**31,224**	(148,964)	**216,366**	(59,838)
	- Debt securities	**-**	(15,272)	**-**	(330)
	- Mutual funds	**107,857**	6,833	**36,750**	(61,224)
		1,589,844	402,202	**911,791**	162,714
25.	**NET FAIR VALUE GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED**				
	Net unrealised gains / (losses) on:				
	- Equity securities	**975,388**	193,055	**(300,746)**	276,558
	- Government securities	**1,794,182**	(278,301)	**1,771,607**	6,865
	- Debt securities	**26,296**	(46,620)	**5,902**	(12,027)
	- Mutual funds	**774,518**	458,604	**303,803**	343,887
	Total gain	**3,570,384**	326,738	**1,780,566**	615,283
	Investment related expenses	**(95,636)**	(73,196)	**(35,062)**	(17,305)
		3,474,748	253,542	**1,745,504**	597,978
26.	**CHANGE IN UNREALISED LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS**				
	- Equity securities	**(20,112)**	-	**(18,296)**	(1,097)
27.	**NET INSURANCE / TAKAFUL BENEFITS**				
	Gross claims				
	Claims under individual policies / contracts				
	- by death	**(531,970)**	(590,973)	**(195,734)**	(228,512)
	- by insured event other than death	**(3,696)**	(3,216)	**4,940**	(1,087)
	- by maturity	**(6,121,966)**	(5,328,435)	**(2,052,081)**	(1,976,647)
	- by surrender	**(10,290,671)**	(7,660,914)	**(3,586,830)**	(2,830,846)
	Total gross individual policy claims	**(16,948,303)**	(13,583,538)	**(5,829,705)**	(5,037,092)
	Claims under group policies / contracts				
	- by death	**(423,248)**	(362,632)	**(90,320)**	(51,828)
	- by insured event other than death	**(16,695)**	(7,524)	**4,944**	(2,475)
	Total gross group policy claims	**(439,943)**	(370,156)	**(85,376)**	(54,303)
	Total gross claims	**(17,388,246)**	(13,953,694)	**(5,915,081)**	(5,091,395)
	Less: reinsurance / retakaful recoveries				
	- on individual life claims	**56,742**	123,581	**8,961**	35,039
	- on group life claims	**246,461**	221,140	**31,423**	8,284
		303,203	344,721	**40,384**	43,323
	Net insurance / takaful benefit expense (excluding claims related expenses)	**(17,085,043)**	(13,608,973)	**(5,874,697)**	(5,048,072)

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Un-audited)	(Un-audited)	**(Un-audited)**	(Un-audited)
		---------- (Rupees in '000) ----------			
28. ACQUISITION EXPENSES					
Remuneration to insurance / takaful intermediaries on individual policies / contracts:					
- Commission on first year premiums / contributions		**(541,035)**	(720,655)	**(200,937)**	(244,665)
- Commission on second year premiums / contributions		**(92,835)**	(105,426)	**(32,414)**	(30,972)
- Commission on subsequent years renewal premiums / contributions		**(134,618)**	(119,736)	**(51,351)**	(43,071)
- Commission on single premiums / contributions		**(281,111)**	(221,925)	**(110,602)**	(83,085)
- Other benefits to insurance / takaful intermediaries		**(359,305)**	(241,597)	**(104,159)**	(97,304)
		(1,408,904)	(1,409,339)	**(499,463)**	(499,097)
Remuneration to insurance / takaful intermediaries on group policies:					
- Commission		**(19,275)**	(14,855)	**(6,647)**	(6,177)
- Other benefits to insurance / takaful intermediaries		**(930)**	(2,330)	**(500)**	(264)
		(20,205)	(17,185)	**(7,147)**	(6,441)
Other acquisition costs					
- Employee benefit cost	28.1	**(505,612)**	(501,317)	**(163,084)**	(186,740)
- Traveling expenses		**(12,025)**	(8,731)	**(3,585)**	(4,565)
- Information technology expenses		**(6,826)**	(6,613)	**(2,219)**	(3,010)
- Printing and stationery		**(3,790)**	(3,052)	**(657)**	(1,322)
- Depreciation		**(33,394)**	(28,085)	**(11,394)**	(9,422)
- Depreciation - Right of use asset		**(17,389)**	(14,371)	**(5,797)**	(4,791)
- Rent, rates and taxes		**(45,451)**	(43,189)	**(16,080)**	(15,514)
- Insurance expenses		**(3,186)**	(2,548)	**(1,484)**	(1,047)
- Vehicle running expenses		**(65,905)**	(76,434)	**(20,804)**	(26,173)
- Postages, telegrams and telephone		**(7,591)**	(8,363)	**(1,983)**	(2,727)
- Electricity, gas and water		**(31,062)**	(22,922)	**(13,952)**	(11,232)
- Office repairs and maintenance		**(60,968)**	(50,784)	**(19,229)**	(20,159)
- Entertainment		**(11,451)**	(13,996)	**(3,686)**	(6,302)
- Training and development		**(7,162)**	(5,612)	**(2,657)**	(2,812)
- Advertisements and sales promotion		**(37,816)**	(64,250)	**(5,303)**	(34,027)
- Bank charges		**(4,582)**	(6,087)	**(1,291)**	(1,878)
- Write off against property and equipment		**-**	(4,517)	**-**	-
- Legal and professional charges		**(17,139)**	(6,846)	**(6,903)**	(1,739)
- Stamp duty		**(37,172)**	(42,026)	**(16,158)**	(12,046)
- Medical examination fee		**(1,602)**	(1,491)	**(469)**	(423)
		(910,123)	(911,234)	**(296,735)**	(345,928)
		(2,339,232)	(2,337,758)	**(803,345)**	(851,466)

28.1 Employee benefit cost includes charges for post employment benefit of Rs. 19.033 million (September 30, 2023 : Rs. 21.350 million).

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	**September 30, 2024 (Un-audited)**	September 30, 2023 (Un-audited)
		(Rupees in '000)			
29. MARKETING AND ADMINISTRATION EXPENSES					
Employee benefit cost	29.1 & 29.2	**(457,082)**	(434,293)	**(157,399)**	(156,386)
Travelling expenses		**(7,099)**	(4,579)	**(2,403)**	(1,860)
Advertisements and sales promotion		**(23,923)**	(14,957)	**(3,478)**	(7,260)
Printing and stationery		**(11,179)**	(12,687)	**(3,918)**	(5,804)
Depreciation		**(24,208)**	(20,301)	**(8,357)**	(7,080)
Depreciation Right of use asset		**(23,486)**	(26,421)	**(5,870)**	(8,807)
Amortisation		**(5,023)**	(10,380)	**(1,674)**	(3,451)
Rent, rates and taxes		**(1,619)**	(3,669)	**(502)**	(1,211)
Legal and professional charges		**(47,942)**	(48,462)	**(6,444)**	(19,991)
Electricity, gas and water		**(17,357)**	(13,887)	**(7,903)**	(5,079)
Entertainment		**(5,077)**	(5,694)	**(2,301)**	(2,575)
Vehicle running expenses		**(38,318)**	(23,528)	**(6,011)**	(10,714)
Office repairs and maintenance		**(40,107)**	(27,613)	**(20,999)**	(8,630)
Appointed actuary fees		**(14,567)**	(13,649)	**(4,003)**	(5,181)
Postages, telegrams and telephone		**(57,857)**	(36,308)	**(16,910)**	(5,977)
Bank charges		**(6,411)**	(5,955)	**(1,879)**	(1,997)
Directors' Fee		**(475)**	(761)	**(150)**	-
Insurance expenses		**(3,364)**	(2,097)	**(1,320)**	(700)
Annual supervision fee		**(16,776)**	(16,586)	**-**	-
Information technology expenses		**(86,565)**	(93,175)	**(36,603)**	(40,760)
Training and development		**(2,619)**	(7,068)	**(2,101)**	(434)
Write off against property and equipment		**-**	(775)	**-**	(285)
Miscellaneous		**(506)**	(6,445)	**(12)**	(6,396)
		(891,560)	(829,290)	**(290,237)**	(300,579)
29.1 Employee benefit cost					
Salaries, allowances and other benefits		**(444,293)**	(421,370)	**(153,136)**	(152,679)
Charges for post employment benefit		**(12,789)**	(12,924)	**(4,263)**	(3,707)
		(457,082)	(434,293)	**(157,399)**	(156,386)

29.2 Total number of employees as at September 30, 2024 are 1,798 (September 30, 2023: 1,680) which includes permanent and contractual employees. Average number of employees during period ended September 30, 2024 were 1,738 (September 30, 2023: 1,677).

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	**September 30, 2024 (Un-audited)**	September 30, 2023 (Un-audited)
		(Rupees in '000)			
30. OTHER EXPENSES					
Auditor's remuneration		**(6,924)**	(5,354)	**(2,332)**	(1,389)
Fee and subscription		**(12,710)**	(11,031)	**(10,707)**	(8,294)
Charity and donations	30.1	**(1,039)**	(409)	**(520)**	(90)
		(20,673)	(16,794)	**(13,559)**	(9,773)

30.1 Charity and donations

This represents the charity payable against purification of income of shariah compliant securities.

	Note	For the nine months ended		For the quarter ended	
		September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)	**September 30, 2024** (Un-audited)	September 30, 2023 (Un-audited)
		(Rupees in '000)			
31. FINANCE COSTS					
Interest expense on lease liabilities		**(2,544)**	(10,066)	(346)	(2,912)
32. INCOME TAX EXPENSE					
For the period					
- Current		**(168,658)**	(113,238)	**(53,662)**	(44,555)
- Deferred		**(533,298)**	(231,621)	**(251,595)**	(85,186)
		(701,956)	(344,859)	**(305,257)**	(129,741)
33. EARNINGS PER SHARE					
Profit after tax for the period		**1,139,426**	696,265	**490,752**	274,423
		(Number of shares in '000)			
Weighted average number of ordinary share outstanding as at period end		**250,000**	250,000	**250,000**	250,000
		(Rupees)			
Basic earnings per share	33.1	**4.56**	2.79	**1.96**	1.10

33.1 There are no dilutive affect on basic earnings per share of the Company.

34. RELATED PARTY TRANSACTIONS

The related parties comprise of the parent company, directors, key management personnel, associated undertakings, group companies, entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed interim financial statements are given below:

	For the nine months ended	
	September 30, 2024 (Un-audited)	September 30, 2023 (Un-audited)
Transactions during the period	(Rupees in '000)	
Holding company		
Premium written	**6,062**	5,570
Insurance expense	**29,482**	23,591
Premises rental	**49,957**	44,523
Rental income	**2,062**	2,238
Dividend paid	**449,997**	224,998
Associated undertakings		
Premium / contribution written	**494,354**	64,768
Claims expense	**189,338**	50,176
Other expense	**6,651**	8,157
Commission and other incentives in respect of bancassurance	**927,736**	965,976
Profit on bank deposits	**432,401**	342,536
Bank charges	**5,987**	7,983
Investments purchased	**2,767,975**	4,160,148
Investments sold	**1,683,921**	5,764,972
Dividend income	**574,736**	207,844
Dividend paid	**3,825**	1,912

	For the nine months ended	
	September 30, 2024 (Un-audited)	September 30, 2023 (Un-Audited)
	---------- (Rupees in '000) ----------	
Other related parties		
Premium / contribution written	**25,722**	304,443
Claims expense	**20,856**	119,365
Investments purchased	**220,358**	291,149
Investments sold	**364,401**	50,923
Investment advisor fee	**23,897**	28,403
Dividend paid	**7,228**	3,614
Directors		
Fee	**475**	761
Dividend paid	**4**	2
Key management personnel		
Remuneration	**210,382**	151,073
Short term loans given to key management personnels	**3,178**	7,750
Recoveries against short term loans to key management personnels	**6,272**	3,420
Staff retirement benefit plan (gratuity fund)		
Charge for the period	**28,287**	34,274

	For the nine months ended	
	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
	---------- (Rupees in '000) ----------	
Balances outstanding as at the end of the period		
Holding company		
Insurance premium receivable	**61**	-
Other receivable	**-**	4
Associated undertakings		
Premium / contribution due but unpaid	**14,419**	5,618
Bank deposits	**2,617,161**	2,596,696
Investments held	**9,520,239**	7,184,206
Dividend receivables	**-**	6,092
Commission payable	**372,174**	296,091
Claims payable	**-**	1,000
Premium received in advance	**11,222**	165
Other related parties		
Premium / contribution due but unpaid	**1,958**	5,792
Premium received in advance	**206**	-
Key management personnel		
Short term loans (as per policy)	**2,340**	8,050
Staff retirement benefit plan (gratuity fund)		
(Payable) / receivable to gratuity fund	**(16,496)**	11,791

35. SEGMENTAL INFORMATION

35.1 Revenue account by statutory fund
For the nine months period ended Septmeber 30, 2024 (Un-audited)

	Statutory Funds						
	Conventional Business	Accident and Health Business	Non-unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	Total
	(Rupees in '000)						
Income							
Premiums / contributions less reinsurances / re-takaful	262,457	3,131	19,999	16,140,032	2,511,742	65,091	19,002,452
Rental income from investment property	-	-	-	2,062	-	-	2,062
Net investment income	113,100	122	294,060	13,949,991	2,306,712	31,437	16,695,422
Total net income	375,557	3,253	314,059	30,092,085	4,818,454	96,528	35,699,936
Insurance / takaful benefits and expenditures							
Insurance benefits including bonus net of reinsurance / retakaful	(158,626)	-	(535,547)	(14,584,593)	(1,773,821)	(36,219)	(17,088,806)
Management expenses less recoveries	(64,588)	(1,232)	(1,217)	(2,452,362)	(662,599)	(10,575)	(3,192,573)
Total insurance / takaful benefits and expenditures	(223,214)	(1,232)	(536,764)	(17,036,955)	(2,436,420)	(46,794)	(20,281,379)
Excess / (deficit) of income over insurance / takaful benefits and expenditures	152,343	2,021	(222,705)	13,055,130	2,382,034	49,734	15,418,557
Add: policyholders' liabilities at beginning of the period	261,143	1,324	1,315,617	62,792,011	11,702,085	110,754	76,182,934
Less: policyholders' liabilities at end of the period	330,103	2,181	952,993	74,917,657	13,912,792	150,785	90,266,511
Net change in insurance / takaful liabilities (other than outstanding claims)	(68,960)	(857)	362,624	(12,125,646)	(2,210,707)	(40,031)	(14,083,577)
Surplus before tax	83,383	1,164	139,919	929,484	171,327	9,703	1,334,980
Movement in policyholders' liabilities	68,960	857	(362,624)	12,125,646	2,210,707	40,031	14,083,577
Balance of statutory funds at beginning of the period	552,046	2,872	1,377,738	64,058,048	12,112,926	160,871	78,264,501
Balance of statutory funds at end of the period	704,389	4,893	1,155,033	77,113,178	14,494,960	210,605	93,683,058
Represented by:							
Capital contribution by shareholders fund	327,515	1,511	-	-	-	35,630	364,656
Receipt of Qard-e-Hasna to OSF from PTF	-	-	-	-	22,500	-	22,500
Refund of Qard-e-Hasna by PTF	-	-	-	-	(22,500)	-	(22,500)
Policyholders' liabilities	330,103	2,181	952,993	74,917,657	13,912,792	150,785	90,266,511
Retained earning on other than participating business	46,771	1,201	202,040	2,195,521	582,168	24,190	3,051,891
Balance of statutory funds	704,389	4,893	1,155,033	77,113,178	14,494,960	210,605	93,683,058

35.2 Revenue account by statutory fund
For the nine months period ended Septmeber 30, 2023 (Un-audited)

	Statutory Funds						
	Conventional Business	Accident and Health Business	Non-unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	Total
	(Rupees in '000)						
Income							
Premiums / contribution less reinsurances / re-takaful	213,215	2,402	43,760	13,888,180	2,622,594	81,908	16,852,059
Rental income from investment property	-	-	-	2,238	-	-	2,238
Net investment income	73,735	-	276,607	7,722,772	1,216,932	19,622	9,309,668
Total net income	286,950	2,402	320,367	21,613,190	3,839,526	101,530	26,163,965
Insurance benefits and expenditures							
Insurance benefits including bonus net of reinsurance / retakaful	(103,238)	-	(452,920)	(11,925,275)	(1,086,005)	(47,195)	(13,614,633)
Management expenses less recoveries	(72,883)	(961)	(7,412)	(2,340,562)	(698,712)	(15,536)	(3,136,066)
Total insurance / takaful benefits and expenditures	(176,121)	(961)	(460,332)	(14,265,837)	(1,784,717)	(62,731)	(16,750,699)
Excess / (deficit) of income over insurance / takaful benefits and expenditures	110,829	1,441	(139,965)	7,347,353	2,054,809	38,799	9,413,266
Net change in insurance / takaful liabilities (other than outstanding claims)	(97,149)	(1,213)	207,316	(6,859,934)	(1,898,264)	(39,357)	(8,688,601)
Surplus / (deficit) before tax	13,680	228	67,351	487,419	156,545	(558)	724,665
Movement in policyholders' liabilities	97,149	1,213	(207,316)	6,859,934	1,898,264	39,357	8,688,601
Balance of statutory funds at beginning of the period	363,539	1,322	1,713,066	50,969,588	8,652,137	110,574	61,810,226
Balance of statutory funds at end of the period	474,368	2,763	1,573,101	58,316,941	10,706,946	149,373	71,223,492
Represented by:							
Capital contribution by shareholders fund	327,515	1,510	-	-	-	35,630	364,655
Qard-e-Hasna from Window Takaful Operator to PTF	-	-	-	-	(22,500)	-	(22,500)
Qard-e-Hasna received by PTF	-	-	-	-	22,500	-	22,500
Policyholders' liabilities	281,693	1,576	1,417,169	56,883,015	10,283,955	107,357	68,736,859
Retained (losses) / earnings on other than participating business	(134,840)	(323)	155,932	1,433,926	422,991	6,386	2,121,978
Balance of statutory funds	474,368	2,763	1,573,101	58,316,941	10,706,946	149,373	71,223,492

36. Segmental statement of financial position

	As at Septmeber 30, 2024 (Un-audited)		
	Statutory Funds	Shareholders' Fund	Total
	(Rupees in '000)		
Property and equipment	-	216,109	216,109
Intangible assets	-	36,637	36,637
Right of use assets	-	31,627	31,627
Investment property	1,154,794	-	1,154,794
Investments			
Equity securities	10,024,040	214,935	10,238,975
Government securities	68,783,871	2,656,014	71,439,885
Debt securities	3,604,565	-	3,604,565
Mutual funds	8,005,547	125,190	8,130,737
Loan secured against life insurance policies	7,927	-	7,927
(Insurance / takaful) / (reinsurance / retakaful) receivables	66,737	-	66,737
Deferred tax asset	-	8,375	8,375
Other loans and receivables	2,655,754	194,921	2,850,675
Taxation - payment less provision	1,085,217	-	1,085,217
Prepayments	8,380	73,657	82,037
Cash and bank	3,432,306	100,727	3,533,033
Total assets	98,829,138	3,658,192	102,487,330
Insurance / takaful liabilities	94,460,961	-	94,460,961
Retirement benefit obligations	1,011	19,020	20,031
Taxation - payment less provision	-	497,898	497,898
Deferred tax liability	1,191,125	-	1,191,125
Lease liabilities	-	41,897	41,897
Premium / contribution received in advance	218,240	-	218,240
(Insurance / takaful) / (reinsurance / retakaful) payables	239,608	-	239,608
Unclaimed dividends	-	44	44
Other creditors and accruals	492,258	280,542	772,800
Total liabilities	96,603,203	839,401	97,442,604

	As at December 31, 2023 (Audited)		
	Statutory Funds	Shareholders Fund	Total
	(Rupees in '000)		
Property and equipment	-	220,156	220,156
Intangible assets	-	25,906	25,906
Right of use asset	-	72,504	72,502
Investment property	1,065,394	-	1,065,394
Investments			
Equity securities	8,556,762	-	8,556,762
Government securities	58,521,485	2,844,198	61,365,683
Debt securities	3,629,033	-	3,629,033
Term deposits	75,000	-	75,000
Mutual funds	4,981,341	-	4,981,341
Loan secured against life insurance policies	35,975	-	35,975
(Insurance / takaful) / (reinsurance / retakaful) receivables	94,143	-	94,143
Deferred tax asset	-	13,177	13,177
Other loans and receivables	1,242,250	136,808	1,379,058
Taxation - payment less provision	992,572	-	992,572
Prepayments	7,642	47,527	55,169
Cash and bank	3,452,046	474,550	3,926,596
Total assets	82,653,643	3,834,826	86,488,467
Insurance / takaful liabilities	79,559,988	-	79,559,988
Taxation - payment less provision	-	385,622	385,622
Deferred tax liability	670,473	-	670,473
Lease liabilities	-	103,455	103,455
Premium / contribution received in advance	246,282	-	246,282
(Insurance / takaful) / (reinsurance / retakaful) payables	102,148	-	102,148
Unclaimed dividends	-	39	39
Other creditors and accruals	663,157	339,735	1,002,892
Total liabilities	81,242,048	828,851	82,070,899

37. FAIR VALUE MEASUREMENT

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

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.

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

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

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

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

	As at September 30, 2024 (Un-audited)								
	Carrying value					Fair value			
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
- Investments									
Government securities									
(T-bills + PIBs + Sukuks)	-	71,439,885	-	-	71,439,885	-	71,439,885	-	71,439,885
Equity securities	214,935	10,024,040	-	-	10,238,975	10,238,975	-	-	10,238,975
Mutual funds	-	8,130,737	-	-	8,130,737	-	8,130,737	-	8,130,737
Debt securities (listed TFCs / corporate sukuks)	-	3,552,815	-	-	3,552,815	-	3,552,815	-	3,552,815
Non-financial assets measured at fair value									
- Investment property	-	1,154,794	-	-	1,154,794	-	-	1,154,794	1,154,794
Financial assets not measured at fair value									
- Balances with banks	-	-	3,521,020	-	3,521,020				
- Investment in debt securities	-	51,750	-	-	51,750				
- Other financial assets	-	-	2,192,412	-	2,192,412				
	214,935	94,354,021	64,333,432	-	101,002,388				
Financial liabilities not measured at fair value									
- Lease liabilities	-	-	-	41,897	41,897				
- (Insurance / takaful) / (reinsurance / retakaful) payables	-	-	-	239,608	239,608				
- Unclaimed dividends	-	-	-	44	44				
- Other creditors and accruals	-	-	-	754,683	754,683				
	-	-	-	1,036,232	1,036,232				

	As at December 31, 2023 (Audited)								
	Carrying value					Fair value			
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
- Investments									
Government securities									
(T-bills + PIBs + Sukuks)	-	61,365,683	-	-	61,365,683	-	61,365,683	-	61,365,683
Equity securities	-	8,556,762	-	-	8,556,762	8,556,762	-	-	8,556,762
Mutual funds	-	4,981,341	-	-	4,981,341	-	4,981,341	-	4,981,341
Debt securities (listed TFCs / corporate sukuks)	-	3,629,033	-	-	3,629,033	-	3,629,033	-	3,629,033
Non-financial assets measured at fair value									
- Investment property	-	1,065,394	-	-	1,065,394	-	-	1,065,394	1,065,394
Financial assets not measured at fair value									
- Balances with banks	-	-	3,917,410	-	3,917,410				
- Term deposit receipts	-	-	75,000	-	75,000				
- Investment in debt securities	-	-	-	-	-				
- Other financial assets	-	-	1,491,838	-	1,491,838				
	-	79,598,213	5,484,248	-	85,082,461				
Financial liabilities not measured at fair value									
- Lease liabilities	-	-	-	103,455	103,455				
- (Insurance / takaful) / (reinsurance / retakaful) payables	-	-	-	102,148	102,148				
- Unclaimed dividends	-	-	-	39	39				
- Other creditors and accruals	-	-	-	1,002,892	1,002,892				
	-	-	-	1,208,534	1,208,534				

38. CORRESPONDING FIGURES

Acquisition expenses represents costs / expenses incurred to acquire insurance business. Previously, only agency costs were classified as acquisition expenses. During the last quarter of 2023, the management re-evaluated these costs and accordingly reclassifed the directly attributable expenses of group life and bancassurance business as acquisition expenses which were previously classified as marketing and administration expenses. The corresponding figures of statement of profit or loss account for the period ended 30 September 2023 have also been reclassified for the aforementioned matter. The details of reclassifications for the comparitive periods are as follows:

	For the nine months ended September 30, 2023		For the quarter ended September 30, 2023	
	MARKETING AND ADMINISTRATION EXPENSES Note 29	ACQUISITION EXPENSES Note 28	MARKETING AND ADMINISTRATION EXPENSES Note 29	ACQUISITION EXPENSES Note 28
	(Rupees in '000)			
- Employee benefit cost	(177,984)	177,984	(71,011)	71,011
- Traveling expenses	(4,057)	4,057	(1,922)	1,922
- Information technology expense	(3,173)	3,173	(1,893)	1,893
- Printing and stationery	(1,235)	1,235	(423)	423
- Depreciation	(7,418)	7,418	(2,422)	2,422
- Depreciation - Right of use asset	(4,285)	4,285	(1,428)	1,428
- Rent, rates and taxes	(6,574)	6,574	(2,311)	2,311
- Insurance cost	(259)	259	(101)	101
- Car fuel and maintenance	(43,568)	43,568	(13,914)	13,914
- Postages, telegrams and telephone	(2,887)	2,887	(932)	932
- Electricity, gas and water	(4,976)	4,976	(1,880)	1,880
- Office repairs and maintenance	(8,809)	8,809	(3,516)	3,516
- Entertainment	(1,701)	1,701	(733)	733
- Training and development	(3,453)	3,453	(1,708)	1,708
- Marketing cost	(57,742)	57,742	(28,472)	28,472
- Financial charges	(2,204)	2,204	(672)	672
- Legal and professional charges	(5,376)	5,376	(1,552)	1,552
	(335,701)	**335,701**	**(134,889)**	**134,889**

39. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on October 18, 2024.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Window Takaful Operations

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Financial Position

Window Takaful Operations (Un-audited)

As at September 30, 2024

	Note	Operator's Sub Fund	Statutory Fund	Aggregate September 30, 2024 (Un-audited)	Aggregate December 31, 2023 (Un-audited)
		(Rupees in '000)			
Assets					
Investments					
Equity securities	6	-	1,329,656	1,329,656	1,194,109
Government securities	7	452,495	7,796,102	8,248,597	7,544,254
Debt securities	8	-	270,875	270,875	261,272
Term deposits	9	-	-	-	75,000
Mutual funds	10	36,193	2,915,217	2,951,410	717,730
Takaful / retakaful receivables		-	23,539	23,539	30,138
Other loans and receivables		31,956	400,961	432,917	342,056
Interfund receivable		55,755	-	55,755	93,554
Taxation - payments less provision		10,575	178,823	189,398	185,070
Prepayments		8,380	-	8,380	7,642
Cash and bank	11	229,628	1,450,971	1,680,599	2,337,413
Total assets		824,982	14,366,144	15,191,126	12,788,238
Equity and Liabilities					
Capital contributed from shareholders' fund		35,630	-	35,630	35,630
Money ceded to waqf fund		-	500	500	500
Ledger account D		368,927	-	368,927	258,498
Total equity		404,557	500	405,057	294,628
Liabilities					
Takaful liabilities	12	82,727	14,228,788	14,311,515	12,006,884
Deferred taxation		236,931	-	236,931	166,330
Contribution received in advance		-	63,821	63,821	80,134
Interfund payable		-	55,755	55,755	93,554
Other creditors and accruals		100,767	17,280	118,047	146,708
Total liabilities		420,425	14,365,644	14,786,069	12,493,610
Total equity and liabilities		825,982	14,366,144	15,191,126	12,788,238
Contingencies and commitments	13				

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Profit or Loss

Window Takaful Operations (Un-audited)

For the nine months period ended September 30, 2024

	Note	Operator's Sub Fund	Statutory Fund	For the nine months ended September 30, 2024	September 30, 2023	For the quarter ended September 30, 2024	September 30, 2023
		(Rupees in '000)					
Contribution revenue		542,261	2,120,061	2,662,322	2,795,506	937,331	965,569
Contribution ceded to retakaful		-	(85,489)	(85,489)	(91,004)	(21,417)	(33,083)
Net contribution revenue	14	542,261	2,034,572	2,576,833	2,704,502	915,914	932,486
Takaful operator's fee		254,954	(254,954)	-	-	-	-
Investment income	15	57,000	1,292,634	1,349,634	824,781	414,395	361,081
Net realised fair value (losses) / gains on financial assets	16	(491)	283,205	282,714	65,433	119,346	21,650
Net fair value gains on financial assets at fair value through profit or loss - unrealised	17	14,794	440,724	455,518	54,588	258,750	94,874
Other income	18	24,624	252,689	277,313	314,598	96,107	18,847
		350,881	2,014,298	2,365,179	1,259,400	888,598	496,452
Net income		893,142	4,048,870	4,942,012	3,963,902	1,804,512	1,428,938
Takaful benefits	19	(874)	(1,861,173)	(1,862,047)	(1,191,384)	(652,467)	(422,461)
Recoveries from retakaful	19	-	53,417	53,417	60,409	3,158	12,494
Claims related expenses		-	(1,410)	(1,410)	(2,225)	(84)	(820)
Net takaful benefits		(874)	(1,809,166)	(1,810,040)	(1,133,200)	(649,393)	(410,787)
Net change in takaful liabilities (other than outstanding claims)		(12,941)	(2,237,797)	(2,250,738)	(1,937,521)	(829,415)	(777,839)
Acquisition expenses	20	(563,838)	-	(563,838)	(587,985)	(182,141)	(227,366)
Marketing and administration expenses	21	(105,678)	-	(105,678)	(124,166)	(26,921)	(6,771)
Other expenses		(27,199)	(1,907)	(29,106)	(25,145)	(12,214)	(1,978)
		(709,656)	(2,239,704)	(2,949,360)	(2,674,817)	(1,050,691)	(1,013,954)
Total expenses		(710,530)	(4,048,870)	(4,759,400)	(3,808,017)	(1,700,084)	(1,424,741)
Finance cost		(1,582)	-	(1,582)	-	(450)	
Profit before tax		181,030	-	181,030	155,885	103,978	4,197
Income tax expense		(70,601)	-	(70,601)	(52,175)	(34,955)	(23,392)
Profit after tax for the period		110,429	-	110,429	103,710	69,023	(19,195)

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Comprehensive Income

Window Takaful Operations (Un-audited)

For the nine months period ended September 30, 2024

	Operator's Sub Fund	Statutory Fund	For the nine months ended		For the quarter ended	
			September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in '000)					
Profit after tax for the period - as per statement of profit or loss	**110,429**	-	**110,429**	103,710	**69,023**	(19,195)
Other comprehensive income	**-**	-	**-**	-	**-**	-
Total comprehensive income for the period	**110,429**	-	**110,429**	103,710	**69,023**	(19,195)

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Changes in Equity

Window Takaful Operations (Un-audited)

For the nine months period ended September 30, 2024

	Capital contributed from shareholders' fund	Money ceded to waqf fund	Ledger account D *	Total
	(Rupees in '000)			
Balance as at January 01, 2023	35,630	500	182,337	218,467
Total comprehensive income for the period ended June 30, 2023				
- Profit for the period after tax	-	-	103,710	103,710
- Other comprehensive income	-	-	-	-
	-	-	103,710	103,710
Balance as at September 30, 2023	35,630	500	286,047	322,177
Balance as at January 01, 2024	**35,630**	**500**	**258,498**	**294,628**
Total comprehensive income for the period ended September 30, 2024				
- Profit for the period after tax	-	-	**110,429**	**110,429**
- Other comprehensive income	-	-	-	-
	-	-	**110,429**	**110,429**
Balance as at September 30, 2024	**35,630**	**500**	**368,927**	**405,057**

* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Adamjee Life Assurance Company Limited

Condensed Interim Statement of Cash Flows

Window Takaful Operations (Un-audited)

For the nine months period ended September 30, 2024

		Note	September 30, 2024	September 30, 2023
	Operating Cash Flows		(Rupees in '000)	
(a)	**Takaful activities**			
	Takaful contribution received		**2,646,009**	2,767,102
	Retakaful contribution paid		**(25,473)**	(58,379)
	Claims paid		**(1,809,564)**	(1,163,646)
	Hadia paid		**(306,716)**	(344,852)
	Marketing and administrative expenses paid		**(397,334)**	(268,412)
	Net cash flow generated from takaful activities		**106,922**	931,813
(b)	**Other operating activities**			
	Income tax paid		**(4,192)**	(53,589)
	Total cash flow generated from all operating activities		**102,730**	878,224
	Investment activities			
	Profit / return received		**1,352,558**	848,762
	Dividend received		**166,492**	84,247
	Payment for investments		**(8,484,123)**	(6,255,283)
	Proceeds from disposal of investments		**6,130,529**	4,529,520
	Total cash flow used in generated from investing activities		**(834,544)**	(792,754)
	Net cash (outflow) / inflows from all activities		**(731,814)**	85,470
	Cash and cash equivalent at the beginning of the period		**2,412,413**	3,978,762
	Cash and cash equivalent at the end of the period	11.2	**1,680,599**	4,064,232
	Reconciliation to statement of profit or loss			
	Cash flow from all operating activities		**102,730**	878,224
	Depreciation and amortisation expense		**(17,784)**	(14,685)
	Financial charge expense		**(2,039)**	(2,500)
	Write-offs		**-**	(4,517)
	Profit on disposal of investment		**282,714**	65,433
	Dividend income		**164,266**	94,968
	Other investment income		**1,449,572**	1,044,411
	Increase / (decrease) in assets other than cash		**11,874**	(57,014)
	Increase in liabilities other than borrowings		**(2,349,531)**	(1,955,198)
	Surplus on revaluation of investment		**468,627**	54,588
	Profit after taxation for the period		**110,429**	103,710

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Adamjee Life Assurance Company Limited ("the Operator") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance,1984). The Operator was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Operator started its operations from April 24, 2009. Registered office of the Operator is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi. The Operator is a subsidiary of Adamjee Insurance Company Limited.

The Operator is engaged in Takaful business carrying on non-participating business only. Following are the statutory funds in respect of each class of its Takaful business:

- Individual Family Takaful Business (refer note 1.2)
- Group Family Takaful Business (refer note 1.2)

1.2 The Operator was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations from July 14, 2016. The Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF) on December 22, 2015 under a Waqf deed executed by the Operator with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Operator.

The Operator issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Operator commenced its Group Family Takaful Business in the second Quarter of 2020.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards 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;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

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

These condensed interim financial statements do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

These condensed interim financial statements for Window Takaful Operations of the Company have been prepared to comply with the requirements of Securities and Exchange Commission of Pakistan (SECP) vide its circular No. 15 of 2019 dated November 2019 in which life insurers carrying out Window Takaful Operations are required to prepare separately the financial statements for Family Takaful Operations as if these are carried out by a standalone Takaful Operator.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS / FINANCIAL RISK MANAGEMENT

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual audited financial statements of the Window Takaful Operations of the Company for the year ended 31 December 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Window Takaful Operations of the Company for the year ended 31 December 2023.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The Operator has consistently applied the accounting policies to all periods presented in these financial statements adopted in the preparation of these condensed interim financial statements. These are consistent with those applied in preparation of the published annual audited financial statements of the Window Takaful Operations of the Operator for the year ended 31 December 2023.

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Operator has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed interim financial statements.

5. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING STANDARDS THAT BECAME EFFECTIVE FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Effective Date
IFRS 9 - Financial Instruments	January 01, 2026*
IFRS 17 - Insurance contracts	January 01, 2026**

* The management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details relating to temporary exemption from the application of IFRS 9 is given in annual financial statements of the Operator for the year ended December 31, 2023.

** IFRS 17 - 'Insurance contracts' has been issued by the IASB to be effective for annual periods beginning on or after January 01, 2023 but is yet to be notified by the Securities and Exchange Commission of Pakistan.

The SECP vide SRO 1715 (I) / 2023 dated November 21, 2023 has directed the companies engaged in insurance/ takaful and re-insurance/re-takaful to follow IFRS 17 from January 01, 2026. The Operator is in the process of determination of impact assessement of IFRS - 17 on the Operator's financial statments. Accordingly, IFRS 9 would be adopted from January 01, 2026.

	Note	September 30, 2024	December 31, 2023
		(Rupees in '000)	
6. INVESTMENTS IN EQUITY SECURITIES			
Fair value through profit or loss (held for trading)	6.1	**1,329,656**	1,194,109

6.1 At fair value through profit or loss (held for trading)

	As at September 30, 2024			As at December 31, 2023		
	Carrying amount	**Provision / impairment**	**Market value**	Carrying amount	Provision / impairment	Market value
	(Rupees in '000)					
Related parties	**52,556**	**-**	**46,585**	18,821	-	27,518
Others	**1,221,646**	**-**	**1,283,071**	952,243	-	1,166,591
	1,274,202	**-**	**1,329,656**	971,064	-	1,194,109

	Note	September 30, 2024	December 31, 2023
		(Rupees in '000)	
7. INVESTMENT IN GOVERNMENT SECURITIES			
Fair value through profit or loss (held for trading)	7.1	**8,248,597**	7,544,254

7.1 Fair value through profit or loss (held for trading)

	As at September 30, 2024					
	Term	**Maturity year**	**Effective yield (%)**	**Carrying amount**	**Principal repayment**	**Market value**
				(Rupees in '000)		
Fixed rate instruments						
GOP Ijara Sukuk	5 years	2029	13.65% - 13.86%	374,080	372,500	380,062
GOP Ijara Sukuk	5 years	2028	13.60%	602,544	600,000	639,720
GOP Ijara Sukuk	5 years	2026	12.52%	384,034	425,000	415,863
GOP Ijara Sukuk	5 years	2025	14.92%	91,501	100,000	95,030
GOP Ijara Sukuk	3 years	2027	12.48% - 13.29%	173,413	172,500	175,414
GOP Ijara Sukuk	3 years	2026	13.16% - 13.45%	585,462	583,000	613,482
GOP Ijara Sukuk	2 years	2026	13.16%	1,082,786	1,060,000	1,144,588
GOP Ijara Sukuk	1 year	2025	14.37% - 15%	1,454,200	1,641,965	1,474,936
GOP Ijara Sukuk	1 year	2024	13.68%	50,026	50,000	50,090
Floating rate instruments						
GOP Ijara Sukuk	5 years	2029	19.25%	25,544	25,000	25,750
GOP Ijara Sukuk	5 years	2028	19.13%	559,810	560,000	584,920
GOP Ijara Sukuk	5 years	2027	19.89% - 20.29%	242,887	239,900	246,019
GOP Ijara Sukuk	5 years	2026	20.06% - 20.15%	454,545	450,000	457,646
GOP Ijara Sukuk	5 years	2025	17.02% - 19.68%	632,179	630,000	636,835
GOP Ijara Sukuk	3 years	2027	20.17%	25,421	25,000	25,688
GOP Ijara Sukuk	3 years	2026	19.70%	535,478	535,000	543,025
GOP Ijara Sukuk	1 year	2025	19.68%	440,637	475,000	443,688
GOP Ijara Sukuk	1 year	2024	12.74% - 14.76%	294,443	295,625	295,841
	As at September 30, 2024			**8,008,990**	**8,240,490**	**8,248,597**
	As at December 31, 2023			7,498,709	7,557,525	7,544,254

	Note	September 30, 2024	December 31, 2023
		(Rupees in '000)	
8. INVESTMENT IN DEBT SECURITIES			
At fair value through profit or loss (held for trading)	8.1	**270,875**	261,272

8.1 At fair value through profit or loss (held for trading)

	As at September 30, 2024			As at December 31, 2023		
	Carrying amount	**Provision / impairment**	**Market value**	Carrying amount	Provision / impairment	Market value
	(Rupees)					
Advance against purchase of corporate sukuks	**7,000**	-	**7,000**	-	-	-
Corporate sukuks	**259,896**	-	**263,875**	259,731	-	261,272
	266,896	-	**270,875**	259,731	-	261,272

	Note	September 30, 2024	December 31, 2023
		(Rupees in '000)	
9. INVESTMENT IN TERM DEPOSITS			
Deposits maturing within 12 months (held to maturity)		-	75,000
10. INVESTMENT IN MUTUAL FUNDS			
Fair value through profit or loss (held for trading)	10.1	**2,951,410**	717,730

10.1 Fair value through profit or loss (held for trading)

	As at September 30, 2024			As at December 31, 2023		
	Carrying amount	Provision / Impairment	Market value	Carrying amount	Provision / Impairment	Carrying value
	(Rupees in '000)					
Related parties	**1,213,932**	**-**	**1,319,083**	-	-	-
Others	**1,567,891**	**-**	**1,632,327**	488,169	-	717,730
	2,781,823	**-**	**2,951,410**	488,169	-	717,730

	Note	September 30, 2024	December 31, 2023
		(Rupees in '000)	
11. CASH AND BANK			
- Policy stamps		**5,536**	3,753
Cash at bank			
- Current accounts		**81,453**	90,391
- Islamic saving accounts	11.1	**1,593,610**	2,243,269
		1,675,063	2,333,660
		1,680,599	2,337,413

11.1 This carries profit rate ranging from 6.40% to 15.50% (December 31, 2023: 12.50% to 20.50%) per annum.

	September 30, 2024	September 30, 2023
	(Rupees in '000)	
11.2 Cash and cash equivalents		
Cash and cash equivalents includes the following for the purpose of cash flow statement:		
- Policy stamps	**5,536**	6,179
- Cash at bank	**1,675,063**	2,858,053
- Term deposits maturing within three months	**-**	1,200,000
	1,680,599	4,064,232

		Note	September 30, 2024	December 31, 2023
			(Rupees in '000)	
12	**TAKAFUL LIABILITIES**			
	Reported outstanding claims (including claims in payment)	12.1	**247,938**	194,045
	Incurred but not reported claims	12.2	**52,489**	61,967
	Investment component of unit-linked and account value policies	12.3	**13,541,142**	11,354,261
	Liabilities under group takaful contracts (other than investment linked)	12.4	**13,084**	7,290
	Other takaful liabilities	12.5	**130,159**	135,068
			13,984,812	11,752,631
	Surplus retained in Participants' Takaful Fund (PTF)		**326,703**	254,253
			14,311,515	12,006,884
12.1	**Reported outstanding claims (including claims in payment)**			
	Gross of retakaful		**261,194**	220,517
	Retakaful recoveries		**(13,256)**	(26,472)
	Net reported outstanding claims		**247,938**	194,045
12.2	**Incurred but not reported claims**			
	Individual life			
	Gross of retakaful		**67,527**	98,725
	Retakaful recoveries		**(24,289)**	(50,015)
	Net of retakaful		**43,238**	48,710
	Group life			
	Gross of retakaful		**21,110**	25,588
	Retakaful recoveries		**(11,859)**	(12,331)
	Net of retakaful		**9,251**	13,257
			52,489	61,967
12.3	**Investment component of unit linked policies**		**13,541,142**	11,354,261
12.4	**Liabilities under group takaful contracts (other than investment linked)**			
	Gross of retakaful		**23,361**	13,267
	Retakaful recoveries		**(10,277)**	(5,977)
	Net of retakaful		**13,084**	7,290
12.5	**Other takaful liabilities**			
	Gross of retakaful		**155,766**	166,865
	Retakaful recoveries		**(25,607)**	(31,797)
	Net of retakaful		**130,159**	135,068

12.6 This comprises of surplus of Participant Takaful Fund, which relates exclusively to participants of the Individual Family Takaful Unit Linked Fund and Group Family Takaful Business and is not available for distribution to shareholders. Under the Waqf Deed of Individual Family Takaful Fund read with Rule 21 of Takaful Rules, 2012, the surplus arising in the Participants Sub Fund can only be distributed to the Participants of that Fund based on approval of the Appointed Actuary. The surplus has been classified under insurance liabilities as clarified by SECP.

13. CONTINGENCIES AND COMMITMENTS

13.1 Sindh Revenue Board (SRB) vide notification no. SRB 3-4/5/2019 dated May 8, 2019 extended the exemption on life insurance till June 30, 2019. Subsequently, life insurance was made taxable from July 1, 2019 at the rate of 3% and group life insurance at the rate of 13%. With effect from November 1, 2018, the Punjab Revenue Authority (PRA) withdrew its exemption on life and health insurance and made the same subject to Punjab Sales Tax (PST). The Operator collectively through the forum of Insurance Association of Pakistan ("IAP") filed a constitutive petition in the Lahore High Court (LHC) and in the High Court of Sindh at Karachi on September 28, 2019 and November 28, 2019 against PRA and SRB respectively on the following main contentions:

- Subtantiating the Operator's view that insurance is not a service but in fact, in sum and substance, a contingent contract under which payment is made on the occurance of the event, specified in the term of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service;

- A question of constitutionality arose on the levy of provincial sales tax on life insurance, which in their view, was a Federal subject, since the Federation has retained a legislative mandate over all laws relating to insurance under Entry 29 of the said List, therefore, only the Federation is entitled to levy and any tax in relation to insurance business; and

- A vast majority of premium received from a policyholder, during the life of the policy, is in fact channeled to the policyholders' investment account and as such this is critically important in exposing the legal fallacies embodied in the Rules. Thus, the legal advisors had expressed the view that if the entire Gross Written Premium (GWP) was subjected to the provincial sales tax, the this was akin to a direct tax on the policyholders, in the nature of income tax, wealth tax or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

In Sindh, on June 22, 2020, the SRB through Notification No. SRB-3-4/13/2020, has made taxable, life insurance w.e.f. July 1. 2020 at the full rate, and issued a conditional exemption for the financial year 2019-20, from the levy of SST, subject to the person providing or rendering life insurance services commencing e-depositing with SRB, the amount of SST due on such services from the tax period from July 1, 2020 onward. On June 29, 2020 SRB through another notification No.SRB-3-4/18/2020 has amended the responsibility of withholding agent requiring clients to also withheld SST on services of life and health insurance. The Operator with other life insurance companies, have filed another petition at the Hon'ble SHC. The Hon'ble SHC has directed that no coercive measure will be taken until the next date of hearing. Further, the Hon'ble SHC through its interim order dated December 8, 2020 impleaded that the Federal Government be also added as one of the Respondents.

The life insurance industry has been granted interim relieves by the Honorable High Courts of Sindh and Lahore whereby the provincial tax authorities of Sindh and Punjab have been restrained and no sales tax on services has so far been paid on life and health insurance in either province.

In view of the opinion of the legal advisors, and pending the adjudication of petitions filed, the Operator has neither billed its customers, nor recognised the contingent liability for SST, PST & KPST, which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of legal advisors, aggregated to Rs. 210.14 million (2023: Rs. 177.02 million). In Balochistan province, given that the Operator has limited operations in that provice, the amount of contingent sales tax liability for BSTS, calculated on the similar basis as SST, PST & KPST, is immaterial. The Operator, along with the IAP and other insurance companies, will continue its administrative efforts to

		For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Rupees in '000)			
14.	**CONTRIBUTION REVENUE**				
	Gross Contribution				
	Regular contribution individual contracts*				
	First year	**565,529**	569,276	**209,272**	205,441
	Second year renewal	**356,200**	624,104	**126,517**	133,960
	Subsequent year renewal	**1,530,005**	1,411,258	**515,912**	551,646
	Total regular contribution individual policies	**2,451,734**	2,604,638	**851,701**	891,047
	Single contribution individual contracts*	**96,448**	58,031	**61,322**	11,062
	Group policies without cash values	**114,140**	132,837	**24,308**	63,460
		210,588	190,868	**85,630**	74,522
	Total gross contribution	**2,662,322**	2,795,506	**937,331**	965,569
	Less: retakaful contributions ceded				
	On individual life first year business	**(9,455)**	(9,880)	**(3,105)**	(3,300)
	On individual life second year business	**(5,555)**	(10,447)	**(1,815)**	(2,934)
	On individual life subsequent renewal business	**(21,410)**	(19,707)	**(7,490)**	(7,012)
	On individual life single premium business	**(20)**	(41)	**(5)**	(12)
	On group policies	**(49,049)**	(50,929)	**(9,002)**	(19,825)
		(85,489)	(91,004)	**(21,417)**	(33,083)
	Net contribution	**2,576,833**	2,704,502	**915,914**	932,486
	* Individual policies are those underwritten on an individual basis.				
15.	**INVESTMENT INCOME**				
	At fair value through profit or loss				
	Income from equity and mutual funds	**164,266**	94,968	**13,028**	37,098
	At fair value through profit or loss				
	Income from government securities	**1,142,826**	343,311	**394,962**	183,604
	Income from debt securities - fair value through profit or loss				
	- Return on corporate sukuks	**42,542**	39,528	**6,405**	14,892
	Income from term deposit receipts - held to maturity				
	- Return on term deposit receipts	**-**	346,974	**-**	125,487
		1,349,634	824,781	**414,395**	361,081
16.	**NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS**				
	Fair value through profit or loss				
	Realised gains / (losses) on:				
	- Equity securities	**251,269**	67,217	**102,765**	32,511
	- Government securities	**260**	-	**246**	-
	- Debt securities	**-**	(6,378)	**-**	-
	- Mutual funds	**31,185**	4,594	**16,335**	(10,861)
		282,714	65,433	**119,346**	21,650

		For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		---------- (Rupees in '000) ----------			
17.	**NET FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED**				
	Net unrealised gains /(losses) on:				
	- Equity securities	**55,454**	41,150	**(74,359)**	52,092
	- Government securities	**239,607**	(26,951)	**235,026**	(1,583)
	- Debt securities	**3,979**	(2,580)	**3,812**	(784)
	- Mutual funds	**169,587**	50,702	**99,229**	47,918
	Total gains	**468,627**	62,321	**263,708**	97,643
	Less: Investment related expenses	**(13,109)**	(7,733)	**(4,958)**	(2,769)
		455,518	54,588	**258,750**	94,874
18.	**OTHER INCOME**				
	Return on bank balances	**250,283**	291,752	**84,772**	3,356
	Bonus allocation from operator's sub fund	**27,030**	22,846	**11,335**	15,491
		277,313	314,598	**96,107**	18,847
19.	**NET TAKAFUL BENEFITS**				
	Gross Claims				
	Claims under individual policies				
	- by death	**(96,170)**	(104,795)	**(27,722)**	(24,468)
	- by insured event other than death	**(1,775)**	(681)	**(60)**	423
	- by maturity	**(199,114)**	(169,347)	**(71,018)**	(46,629)
	- by surrender	**(1,490,440)**	(841,344)	**(544,614)**	(323,922)
	Total gross individual policy claims	**(1,787,499)**	(1,116,167)	**(643,414)**	(394,596)
	Claims under group policies				
	- by death	**(70,463)**	(73,722)	**(8,186)**	(27,308)
	- by insured event other than death	**(4,085)**	(1,495)	**(867)**	(557)
	Total gross claims	**(1,862,047)**	(1,191,384)	**(652,467)**	(422,461)
	Less: Retakaful recoveries				
	- on individual life claims	**15,088**	32,387	**840**	2,575
	- on group life claims	**38,329**	28,022	**2,318**	9,919
		53,417	60,409	**3,158**	12,494
	Net takaful benefit expense	**(1,808,630)**	(1,130,975)	**(649,309)**	(409,967)

		For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Rupees in '000)			
20.	**ACQUISITION EXPENSES**				
	Remuneration to takaful intermediaries on individual policies:				
	- Hadia to agent on first year contributions	**(196,310)**	(215,024)	**(68,112)**	(77,784)
	- Hadia to agent on second year contributions	**(25,848)**	(41,500)	**(9,044)**	(9,603)
	- Hadia to agent on subsequent year renewal contributions	**(34,746)**	(29,327)	**(11,840)**	(11,544)
	- Hadia to agent on single contributions	**(3,062)**	(2,588)	**(1,470)**	(604)
	- Other benefits to takaful intermediaries	**(28,799)**	(18,639)	**(5,406)**	(5,816)
	Total hadia cost	**(288,765)**	(307,078)	**(95,872)**	(105,351)
	Remuneration to takaful intermediaries on group contracts:				
	- Hadia	**(4,271)**	(6,904)	**(563)**	(4,322)
	- Other benefits to takaful intermediaries	**(345)**	(640)	**(111)**	(183)
		(4,616)	(7,544)	**(674)**	(4,505)
	Other acquisition costs				
	- Employee benefit costs	**(152,538)**	(165,832)	**(45,958)**	(70,971)
	- Travelling expenses	**(2,540)**	(1,789)	**(880)**	(998)
	- Information technology expense	**(1,607)**	(793)	**(471)**	(333)
	- Printing and stationery	**(1,635)**	(951)	**(598)**	(469)
	- Depreciation	**(3,314)**	(2,067)	**(1,114)**	(700)
	- Depreciation - right of use asset	**(1,739)**	(1,009)	**(580)**	(337)
	- Rent, rates and taxes	**(23,915)**	(22,368)	**(8,213)**	(8,578)
	- Insurance expense	**(315)**	(346)	**(145)**	(202)
	- Car fuel and maintenance	**(21,192)**	(22,602)	**(6,650)**	(12,251)
	- Postages, telegrams and telephone	**(3,241)**	(2,777)	**(819)**	(913)
	- Electricity, gas and water	**(10,981)**	(7,644)	**(4,792)**	(3,807)
	- Office repairs and maintenance	**(21,415)**	(16,782)	**(6,536)**	(6,004)
	- Entertainment	**(3,706)**	(4,859)	**(1,220)**	(1,965)
	- Training and development	**(2,056)**	(1,518)	**(955)**	(756)
	- Marketing cost	**(9,386)**	(9,549)	**(2,328)**	(6,448)
	- Financial charges	**(457)**	(388)	**(128)**	(120)
	- Legal and professional charges	**(1,714)**	(147)	**(690)**	(19)
	- Miscellaneous	**-**	(452)	**-**	-
	- Policy stamps	**(8,217)**	(11,136)	**(3,320)**	(2,519)
	- Medical examination fee	**(489)**	(355)	**(198)**	(120)
		(270,457)	(273,363)	**(85,595)**	(117,510)
		(563,838)	(587,985)	**(182,141)**	(227,366)

		For the nine months ended		For the quarter ended	
		September 30, 2024	September 30, 2023	**September 30, 2024**	September 30, 2023
		(Rupees in '000)			
21.	**MAKETING AND ADMINISTRATION EXPENSES**				
	Employee benefit cost	**(44,197)**	(51,553)	**(8,705)**	9,741
	Travelling expenses	**(1,497)**	(1,096)	**(728)**	(456)
	Appointed actuary's fee	**(1,457)**	(1,363)	**(668)**	(518)
	Auditor's remuneration	**(879)**	(535)	**(255)**	(138)
	Legal and professional charges	**(11,381)**	(9,488)	**(3,011)**	(2,987)
	Information technology expenses	**(9,208)**	(9,950)	**(2,751)**	(4,369)
	Printing and stationery	**(2,853)**	(3,719)	**(761)**	(1,317)
	Depreciation	**(6,129)**	(4,967)	**(2,104)**	(1,821)
	Depreciation-right of use assets	**(6,209)**	(5,744)	**(2,169)**	(2,310)
	Amortisation	**(393)**	(898)	**(120)**	(265)
	Rent expense	**(720)**	(1,398)	**(257)**	(445)
	Insurance expense	**(616)**	(281)	**(227)**	(109)
	Vehicle running	**(5,206)**	(6,975)	**(2,471)**	1,401
	Postages, telegrams and telephone	**(9,071)**	(8,401)	**(1,150)**	(2,128)
	Electricity, gas and water	**(1,235)**	(2,235)	**(281)**	(828)
	Office repairs and maintenance	**(3,032)**	(4,325)	**(71)**	(1,672)
	Entertainment	**(438)**	(924)	**(85)**	(368)
	Bank charges	**(179)**	(134)	**(70)**	(92)
	Training and development	**(279)**	(294)	**(103)**	226
	Fees and subscription	**(2,762)**	(2,738)	**(934)**	(829)
	Marketing cost	**2,055**	(4,926)	**-**	3,429
	Other expense	**8**	(109)	**-**	(104)
	Finance charges against lease liabilities	**-**	(2,112)	-	(812)
		(105,678)	(124,166)	**(26,921)**	(6,771)

convince the provincial revenue authorities about the merit of the case.

22. RELATED PARTY TRANSACTIONS

The related parties comprise of the holding company, directors, key management personnel, associated undertakings,

	For the nine months ended	
	September 30, 2024	September 30, 2023
	(Rupees in '000)	
Transactions during the period		
Holding company		
Takaful expense	**-**	130
Associated undertakings		
Contribution written	**38,704**	30,324
Takaful expense	**15,740**	8,518
Hadia and other incentives in respect of bancatakaful	**56,066**	81,121
Profit on bank deposits	**143,004**	39,314
Bank charges	**1,016**	1,831
Investments purchased	**1,144,570**	608,907
Investments sold	**642,166**	1,952,786
Dividend income	**64,182**	107,989

	For the nine months ended	
	September 30, 2024	September 30, 2023
	----------(Rupees in '000)----------	
Other related parties		
Contribution written	**5,511**	3,347
Takaful expense	**-**	22
Investments purchased	**20,401**	33,403
Investments sold	**50,144**	1,215
Investment advisor fee	**3,539**	3,047
Key management personnel		
Remuneration	**25,333**	21,362
Short term loans given to key management personnels	**318**	1,096
Recoveries against advances to key management personnels	**627**	484
Staff retirement benefit plan (gratuity fund)		
Charge for the period	**3,338**	3,933

	For the nine months ended	
	September 30, 2024	December 31, 2023
	----------(Rupees in '000)----------	
Balances outstanding as at the end of the period / year		
Associated undertakings		
Contribution due but unpaid	**8,532**	4,621
Bank deposits	**964,052**	1,272,955
Investments held	**1,365,668**	745,248
Hadia payable	**30,071**	29,164
Dividend receivables	**-**	6,092
Key management personnel		
Short term loans (as per policy)	**234**	805
Other related parties		
Contribution due but unpaid	**853**	438

23. SEGMENTAL INFORMATION

23.1 Revenue Account by Statutory Fund

	For the nine months ended septmeber 30, 2024		
	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	Total
	(Rupees in '000)		
Income			
Contribution less re-takaful	**2,511,742**	**65,091**	**2,576,833**
Net investment income	**2,306,712**	**31,437**	**2,338,149**
Total net income	**4,818,454**	**96,528**	**4,914,982**
Takaful benefits and expenditures			
Takaful benefits including bonuses net of re-takaful	**(1,773,821)**	**(36,219)**	**(1,810,040)**
Management expenses less recoveries	**(662,599)**	**(10,575)**	**(673,174)**
Total takaful benefits and expenditures	**(2,436,420)**	**(46,794)**	**(2,483,214)**
Excess of income over takaful benefits and expenditures	**2,382,034**	**49,734**	**2,431,768**
Net change in takaful liabilities (other than outstanding claims)	**(2,210,707)**	**(40,031)**	**(2,250,738)**
Surplus before tax	**171,327**	**9,703**	**181,030**
Movement in takaful liabilities	**2,210,707**	**40,031**	**2,250,738**
Balance of statutory funds at beginning of the period	**12,112,926**	**160,871**	**12,273,797**
Balance of statutory funds at end of the period	**14,494,960**	**210,605**	**14,705,565**

	For the nine months ended septmeber 30, 2023		
	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	Total
	(Rupees in '000)		
Income			
Contribution less re-takaful	2,622,594	81,908	2,704,502
Net investment income	1,216,932	19,622	1,236,554
Total net income	3,839,526	101,530	3,941,056
Takaful benefits and expenditures			
Takaful benefits including bonus net of re-takaful	(1,086,005)	(47,195)	(1,133,200)
Management expenses less recoveries	(698,812)	(15,536)	(714,348)
Total takaful benefits and expenditures	(1,784,817)	(62,731)	(1,847,548)
Excess of income over takaful benefits and expenditures	2,054,709	38,799	2,093,508
Net change in takaful liabilities (other than outstanding claims)	(1,898,264)	(39,257)	(1,937,521)
Surplus / (deficit) before tax	156,445	(458)	155,987
Movement in Takaful' liabilities	1,898,264	39,257	1,937,521
Balance of statutory funds at beginning of the period	8,652,237	110,574	8,762,811
Balance of statutory funds at end of the period	10,706,946	149,373	10,856,319

23.2 Revenue Account by Sub Statutory Fund
For the nine months ended 30 September 2024 (Un-audited)

	Note	Statutory funds		Aggregated	
				For the nine months ended	
		Individual Family Takaful	Group Family Takaful	September 30, 2024	September 30, 2023
		---------- (Rupees in '000) ----------			
23.2.1 Operator's Sub Fund (OSF)					
Income					
Wakalah fee		**411,842**	**23,344**	**435,186**	505,179
Surrender charges		**-**	**-**	**-**	1,467
Tharawat fee - investment management	23.2.3	**161,198**	**-**	**161,198**	117,344
Bid offer spread		**107,075**	**-**	**107,075**	108,644
Participants' takaful fund management income	23.2.2	**63,764**	**-**	**63,764**	70,446
Income against admin cost charged to PIF	23.2.3	**29,992**	**-**	**29,992**	30,636
Investment income		**95,927**	**-**	**95,927**	66,388
Total income		**869,798**	**23,344**	**893,142**	900,104
Less: Expenditures					
Acquisition costs		**(559,222)**	**(4,616)**	**(563,838)**	(574,026)
Administration cost and others		**(101,399)**	**(5,861)**	**(107,260)**	(138,125)
Claim related expenses		**(274)**	**(600)**	**(874)**	(2,176)
Bonus allocation to PIF	23.2.3	**(27,030)**	**-**	**(27,030)**	(22,846)
Expenses on behalf of PTF - premium		**967**	**(1,000)**	**(33)**	(53)
Expenses on behalf of PTF - tabbarru		**(136)**	**-**	**(136)**	(190)
Total management cost		**(687,094)**	**(12,077)**	**(699,171)**	(737,416)
Excess of income over expenditure		**182,704**	**11,267**	**193,971**	162,688
Technical reserve at the beginning of the period		**66,715**	**3,071**	**69,786**	56,999
Less: Technical reserve at end of the period		**(77,239)**	**(5,488)**	**(82,727)**	(63,802)
Movement in technical reserves		**(10,524)**	**(2,417)**	**(12,941)**	(6,803)
Surplus for the period		**172,180**	**8,850**	**181,030**	155,885
Movement in technical reserves		**10,524**	**2,417**	**12,941**	6,803
Surplus transferred to Shareholders' Fund		**-**	**-**	**-**	-
Refund of Qard-e-Hasna to PTF		**22,500**	**-**	**22,500**	-
Balance of Operator's Sub Fund at the beginning of the period		**454,555**	**17,559**	**472,114**	307,390
Balance of Operator's Sub Fund at end of the period		**659,759**	**28,826**	**688,585**	470,078
Represented by:					
Capital contributed by shareholders' fund		**-**	**10,000**	**10,000**	10,000
Capital contributed to group family takaful		**-**	**(10,000)**	**(10,000)**	(10,000)
Qard-e-Hasna to PTF		**-**	**-**	**-**	(22,500)
Technical reserve at end of the period		**77,239**	**5,488**	**82,727**	63,802
Retained earnings on other than participating business		**582,520**	**23,338**	**605,858**	428,776
Balance of Operator's Sub Fund		**659,759**	**28,826**	**688,585**	470,078

	Note	Statutory funds		Aggregated	
				For the period ended	
		Individual Family Takaful	Group Family Takaful	September 30, 2024	September 30, 2023
		---------- (Rupees in '000) ----------			
23.2.2 Participants' Takaful Fund (PTF)					
Income					
Allocated contribution		**22,933**	**90,796**	**113,729**	137,380
Tabarru income		**159,236**	**-**	**159,236**	174,964
Re-takaful ceded		**(36,440)**	**(49,049)**	**(85,489)**	(91,004)
Total contribution income net of re-takaful		**145,729**	**41,747**	**187,476**	221,340
Add: Investment income		**43,126**	**31,486**	**74,612**	39,595
Total income		**188,855**	**73,233**	**262,088**	260,935
Less: Expenditure					
Participants' Takaful fund management charges	23.2.1	**(63,764)**	**-**	**(63,764)**	(70,446)
Surplus distribution to PIF		**(62,468)**	**-**	**(62,468)**	-
Death claim expense net of retakaful recoveries		**(49,744)**	**(35,619)**	**(85,363)**	(95,597)
		(175,976)	**(35,619)**	**(211,595)**	(166,043)
Excess of income over expenditure		**12,879**	**37,614**	**50,493**	94,892
Technical reserve at the beginning of the period		**281,533**	**107,683**	**389,216**	284,796
(Less): technical reserve at end of the period		**(96,158)**	**(16,848)**	**(113,006)**	(141,782)
(Less): surplus retained in technical reserves		**(198,254)**	**(128,449)**	**(326,703)**	(237,906)
Movement in technical reserve		**(12,879)**	**(37,614)**	**(50,493)**	(94,892)
Surplus for the period		**-**	**-**	**-**	-
Movement in technical reserve		**12,879**	**37,614**	**50,493**	94,892
Capital contribution by OSF		**-**	**-**	**-**	-
Qard-e-Hasna refund by PTF		**(22,500)**	**-**	**(22,500)**	-
Balance of Participants' Takaful Fund at beginning of the period		**304,533**	**143,313**	**447,846**	343,426
Balance of Participants' Takaful Fund at end of the period		**294,912**	**180,927**	**475,839**	438,318
Represented by:					
Money ceded to Waqf Funds		**500**	**-**	**500**	500
Capital contribution by OSF		**-**	**35,630**	**35,630**	35,630
Qard-e-Hasna received by PTF		**-**	**-**	**-**	22,500
Policyholders' liabilities		**294,412**	**145,297**	**439,709**	379,688
Balance of statutory fund		**294,912**	**180,927**	**475,839**	438,318

	Note	Statutory Funds		Aggregated	
				For the period ended	
		Individual Family Takaful	Group Family Takaful	September 30, 2024	September 30, 2023
		(Rupees in '000)			
23.2.3 Participants' Investment Fund (PIF)					
Income					
Allocated contribution		**2,006,332**	**-**	**2,006,332**	2,044,303
Bonus allocation from OSF	23.2.1	**27,030**	**-**	**27,030**	22,846
Surplus distribution from PTF		**62,468**	**-**	**62,468**	-
Investment income		**2,167,610**	**-**	**2,167,610**	1,130,571
Total net income		**4,263,440**	**-**	**4,263,440**	3,197,720
Less: claims expense					
Surrender - regular		**(1,330,270)**	**-**	**(1,330,270)**	(622,148)
Surrender - top up		**(162,017)**	**-**	**(162,017)**	(220,663)
Maturity		**(199,114)**	**-**	**(199,114)**	(169,347)
Death claim		**(32,402)**	**-**	**(32,402)**	(24,736)
		(1,723,803)	**-**	**(1,723,803)**	(1,036,894)
Less: Expenditures					
Tabarru charges		**(159,101)**	**-**	**(159,101)**	(174,878)
Tharawat fee - investment management	23.2.1	**(161,198)**	**-**	**(161,198)**	(117,344)
Administrative cost to OSF	23.2.1	**(29,992)**	**-**	**(29,992)**	(30,636)
Other expenses		**(982)**	**-**	**(982)**	(408)
Bank charges		**(1,060)**	**-**	**(1,060)**	(1,734)
		(352,333)	**-**	**(352,333)**	(325,000)
Excess of income over expenditures		**2,187,304**	**-**	**2,187,304**	1,835,826
Technical reserve at the beginning of the period		**11,353,837**	**-**	**11,353,837**	8,111,996
Less: technical reserve at the end of the period		**13,541,141**	**-**	**13,541,141**	9,947,822
Movement in technical reserve		**2,187,304**	**-**	**2,187,304**	1,835,826
Surplus for the period		**-**	**-**	**-**	-
Movement in technical reserve		**2,187,304**	**-**	**2,187,304**	1,835,826
Balance of statutory funds at beginning of the period		**11,353,837**	**-**	**11,353,837**	8,111,996
Balance of statutory funds at end of the period		**13,541,141**	**-**	**13,541,141**	9,947,822
Represented by:					
Technical reserve at the end of the period		**13,541,141**	**-**	**13,541,141**	9,947,822
Balance of statutory fund		**13,541,141**	**-**	**13,541,141**	9,947,822

group companies entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed interim financial statements are given below:

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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.

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

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

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

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

On balance sheet financial instruments

	As at September 30, 2024								
	Carrying value					Fair value			
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
- Investments									
Equity securities	-	1,329,656	-	-	1,329,656	1,329,656	-	-	1,329,656
Government securities	-	8,248,597	-	-	8,248,597	-	8,248,597	-	8,248,597
Debt securities	-	270,875	-	-	270,875	-	270,875	-	270,875
Mutual funds	-	2,951,410	-	-	2,951,410	-	2,951,410	-	2,951,410
Financial assets not measured at fair value									
- Takaful / retakaful receivables	-	-	23,539	-	23,539				
- Other loans and receivables	-	-	432,917	-	432,917				
- Balances with banks	-	-	1,675,063	-	1,675,063				
	-	12,800,538	2,131,519	-	14,932,057				
Financial liabilities not measured at fair value									
- Other creditors and accruals	-	-	-	108,571	108,571				
	-	-	-	108,571	108,571				

	As at December 31, 2023								
	Carrying value					Fair value			
	Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
- Investments									
Equity securities	-	1,194,109	-	-	1,194,109	1,194,109	-	-	1,194,109
Government securities	-	7,544,254	-	-	7,544,254	-	7,544,254	-	7,544,254
Debt securities	-	261,272	-	-	261,272	-	261,272	-	261,272
Mutual funds	-	717,730	-	-	717,730	-	717,730	-	717,730
Financial assets not measured at fair value									
- Takaful / retakaful receivables	-	-	30,138	-	30,138				
- Other loans and receivables	-	-	342,056	-	342,056				
- Balances with banks	-	-	2,333,660	-	2,333,660				
	-	9,717,365	2,705,854	-	12,423,219				
Financial liabilities not measured at fair value									
- Other creditors and accruals	-	-	-	146,708	146,708				
	-	-	-	146,708	146,708				

25. CORRESPONDING FIGURES

Acquisition expenses represents costs / expenses incurred to acquire insurance business. Previously, only agency costs were classified as acquisition expenses. During the last quarter of 2023, the management re-evaluated these costs and accordingly reclassifed the directly attributable expenses of group life and bancassurance business as acquisition expenses which were previously classified as marketing and administration expenses. The corresponding figures of statement of profit or loss account for the period ended 30 September 2023 have also been reclassified for the aforementioned matter. The details of reclassifications for the comparitive periods are as follows:

	For the nine months ended September 30, 2023		For the quarter ended September 30, 2023	
	Marketing and administration expenses	Acquisition expenses	Marketing and administration expenses	Acquisition expenses
	Note 21	Note 20	Note 21	Note 20
	(Rupees in '000)			
Advertisement & sales promotion	(8,894)	8,894	(5,891)	5,891
Information technology expenses	(123)	123	(39)	39
Printing and stationery	(264)	264	(169)	169
Rent, rates & taxes	(259)	259	(150)	150
Salaries and other benefits	(29,789)	29,789	(22,164)	22,164
Training and development	(541)	541	(433)	433
Travelling expenses	(7)	7	-	-
Vehicle running expenses	(9,772)	9,772	(6,843)	6,843
	(49,648)	**49,648**	**(35,689)**	**35,689**

26. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Operator in their meeting held on October 18, 2024.

S. Muhammad Jawed	Muhammad Ali Zeb	Shahmeer Khalid Butt	Manzar Mushtaq	Jalal Meghani
Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

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