



QUARTERLY REPORT

Quarter Ended March 31, 2023

SIGN OF PROTECTION

SHAHEEN INSURANCE COMPANY LIMITED



Company Information	02
Company Profile	03
Services	04
Directors' Review	05
Directors' Review in Urdu	ڈائریکٹرز کا جائزہ 09
CONVENTIONAL FINANCIAL STATEMENTS	
Condensed Interim Statement of Financial Position	10
Condensed Interim Statement of Profit & Loss Account	11
Condensed Interim Statement of Comprehensive Income	12
Condensed Interim Statement of Changes in Equity	13
Condensed Interim Statement of Cash Flow	14
Notes to the Condensed Interim Financial Statements	16
WINDOW TAKAFUL OPERATIONS FINANCIAL STATEMENTS	
Condensed Interim Statement of Financial Position	29
Condensed Interim Profit & Loss Account	30
Condensed Interim Statement of Changes in Fund	31
Condensed Interim Statement of Cash Flow	32
Notes to the Condensed Interim Financial Statements	34
Head Offices & Branch Network	47

COMPANY INFORMATION



BOARD OF DIRECTORS

CHAIRMAN

Air Marshal Muhammad Arif Pervaiz (Retd.)

DIRECTORS

Air Vice Marshal Salman Ahsan Bokhari (Retd.)

Air Commodore Tausif Sadiq (Retd.)

Air Commodore Wasim Ahmed Khan (Retd.)

Mr. Adeel Ali

Ms. Farrah Azeem Khan

Mr. Jehangir Shah

CHIEF EXECUTIVE OFFICER

Mr. Rizwan Akhtar

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Nisar Ahmed Almani

AUDIT COMMITTEE

Ms. Farrah Azeem Khan

Air Commodore Wasim Ahmed Khan (Retd.)

Mr. Adeel Ali

Mr. Sayyam Maqsood

Chairperson

Member

Member

Secretary

INVESTMENT COMMITTEE

Air Marshal Muhammad Arif Perviaz (Retd.)

Air Vice Marshal Salman Ahsan Bokhari (Retd.)

Mr. Adeel Ali

Mr. Rizwan Akhtar

Mr. Nisar Ahmed Almani

Mr. Muhammad Nasir Jamal

Chairman

Member

Member

Chief Executive Officer

Chief Financial Officer

Secretary

ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Farrah Azeem Khan

Mr. Adeel Ali

Mr. Rizwan Akhtar

Mr. Nisar Ahmed Almani

Chairperson

Member

Member

Secretary

LEGAL ADVISOR

Iftikhar Hussain Law Associates

AUDITORS

BDO Ebrahim & Co.

Chartered Accountants

SHARIAH ADVISOR

Mufti Bilal Ahmed Qazi

COMPLIANCE OFFICER

Mr. Danish Khalid

SHARIAH COMPLIANCE OFFICER

Mr. Zafar Husnain

HEAD OF INTERNAL AUDIT (COORDINATOR)

Mr. Sayyam Maqsood

INTERNAL AUDITOR

Shaheen Foundation

REGISTERED OFFICE

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

HEAD OFFICE

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

SHARE REGISTRAR

M/s. Corplink (Pvt.) Ltd.

Wings Arcade, 1-K, Commercial, Model Town, Lahore.

BANKS CONVENTIONAL

Allied Bank Limited

Askari Bank Limited

Bank Alfalah Limited

Bank Al Habib Limited

Bank of Punjab

Faysal Bank Limited

JS Bank Limited

MCB Bank Limited

Soneri Bank Limited

Summit Bank Limited

National Bank of Pakistan

Dubai Islamic Bank Pakistan Ltd.

BANKS TAKAFUL

Bank Islami Limited

Meezan Bank Limited

Dubai Islamic Bank Pakistan Ltd.



COMPANY PROFILE

Shaheen Insurance Company Ltd. (SICL) is a group company of **Shaheen Foundation, PAF** which owns major shareholding of the Company. **Shaheen Insurance** was incorporated as a Public Limited Company in 1995. The company is listed with Pakistan Stock Exchange (PSX) and also registered with the Central Depository Company of Pakistan (CDC).

Shaheen Insurance is one of the most reputable and brightest names in the insurance sector. Its sustained growth over the years has secured it a prominent place among the reputed insurers of Pakistan. **SICL** is catering the insurance needs of business fraternity through its branch network spread across all major cities of Pakistan.

Shaheen Insurance is also providing Shariah Compliant Islamic covers through its **Window Takaful Operations (WTO)** under the license and guidelines of Securities and Exchange Commission of Pakistan. In order to give more strength to its WTO, Company has formed Shariah Board comprising of qualified scholars, having vast experience and knowledge about Islamic Banking & Takaful. A wide range of Shariah compliant Takaful Products are offered through WTO, serving customers from all walks of life, on a much larger scale.

The Company's financial results are consistently improving; Authorized Capital of the Company is Rs.1 billion, while Paid-up Capital is Rs.600 million. Shareholder's Equity as at March 31, 2023 rose to Rs.753.70 million.

In view of strong backing of sponsors, capital base, prudent underwriting, efficient claims management and consistently sound financial position of the Company, PACRA has reiterated IFS Rating of the Company to **"A+"** with **'Positive'** Outlook which denotes "Strong capacity to meet policy holders and contractual obligations. Risk factors are low, and the impact of any adverse business and economic factors is expected to be small."

SICL has excellent reinsurance & retakaful treaty arrangements with financially sound foreign reinsurers of outstanding repute. Besides treaty arrangements, the Company also has back to back arrangements with foreign and domestic "A" rated insurers, reinsurers and world renowned brokers for placements of large and specialized risks abroad and locally on facultative basis.

SICL underwrites all classes of general insurance & general takaful. Company is fully equipped with technical and managerial skills supported by strong reinsurance treaty arrangements for smooth operations for both traditional and specialized insurance & takaful covers.

SICL is fully geared up to take on challenges with a vision to play its role in the development of insurance industry, country's economic development and to be recognized as one of the most professional and respected insurance company of Pakistan.



Our Services

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



General Insurance (Conventional)

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

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



General Takaful (Islamic)

Takaful is an Islamic substitute of Insurance and is growing steadily. Shaheen Insurance commenced its Window Takaful Operations in April 2018 under the guidance of renowned, qualified and certified Sharia Board.

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



DIRECTORS' REVIEW

The Shareholders
Shaheen Insurance Company Limited,

The Directors of the Company are pleased to present the 1st Quarter Report together with the financial statements (unaudited) for the period ended March 31, 2023.

GENERAL ECONOMIC REVIEW

Pakistan is suffering severely from the prolonged weakening economic conditions, lowering GDP, weak law & order situation, political instability and continued high inflation. Pakistan, with all its resources and opportunities, cannot afford to continue to muddle through economically any longer, but needs a better, functioning, and a prosperous economy. And our country needs this without any further delay and in our view, Pakistan requires an independent economic policy with loyalty which should be free from politics and party affiliation, if we want to see Pakistan flourish.

Conditions for the insurance industry also continues to be challenging viz-a-viz our economy but industry is growing steadily. We are fully aware of the challenges & changes taking place in the insurance industry, and are fully equipped to benefit from all such environment.

COMPANY'S PERFORMANCE – OPERATIONAL RESULTS FOR THE YEAR 2021

Despite poor economic & political conditions and long prevailing uncertainty during the 1st quarter ended March 31, 2023 your Company's business has demonstrated a robust growth of over 140% compared with the previous corresponding period as described below

Business Segment	Gross Premium 1Q 2023 Rs. in (000)	Gross Premium 1Q 2022 Rs. in (000)	%age Growth
Conventional Business	160,904	64,597	149%
Takaful (WTO) Business	11,466	4,696	144%
Total Business	172,370	69,293	149%

Your Company underwrote gross premium of Rs.172.37 Million inclusive of Takaful Contribution of Rs.11.47 million during the 1st quarter ended March 31, 2023 as against Rs.69.29 million including Takaful Contribution of Rs.4.70 million of 1Q 2022 showing an overall increase of 149%.

The net premium revenue from conventional business increased to Rs.89.10 million during the 1st quarter period under review against Rs.43.89 million during the corresponding period of 2022. Net claims incurred during the 1Q period of 2023 were Rs.26.97 million against Rs.11.93 million in 1Q 2022 and expenses rose from Rs.31.28 million to Rs.40.16 million in the 1Q 2023 mainly due to inflation and expenses with respect to increase in business volume.

Your Company has earned profits from its core lines of business showing an underwriting profit of Rs.2.24 million during the 1st quarter period ended 31st March 2023 in comparison of underwriting loss of (Rs.7.72) million during corresponding period of 2022.

Investment Income of the company registered an increase of more than 70% mainly due to rise in interest rates by the SBP. Profit from Window Takaful Operations contributed profit before tax of Rs.1.84 million during the 1st quarter 2023 (1Q 2022: Rs.0.55 million).



During the 1st quarter ended 31st March 2022 the profit before tax rose to Rs.29.13 million against Rs.9.17 million of corresponding period of last year. The net profit after tax also grown to Rs.21.22 million in the 1Q 2023 from Rs.6.87 million of 1Q 2022 showing an increase of more than 300% if compared with the preceding period. Earnings per share (EPS) stood at Rs.0.35 per share as at 31st March 2023 (1Q 2022: Rs.0.11 per share).

The comparative financial highlights of your Company for the period ended March 31, 2023 are as under:-

Profit & Loss Account	1Q 2023 Rs. in (000)	Year 2022 Rs. in (000)	%age Inc/(Ded)
Gross Premium (including window takaful operations)	172.37	69.29	149%
Net Premium	89.10	43.89	103%
Net Incurred Claims (including IBNR)	26.97	11.93	126%
Management Expenses	40.16	31.28	28%
Underwriting Profit	2.25	(7.72)	-
Profit from WTO	1.84	0.55	233%
Investment Income	22.30	13.09	70%
Profit before tax	29.13	9.17	218%
Profit after tax	21.22	6.88	209%
Earnings per share (EPS)	0.35	0.11	218%

Your Company is taking all possible measures for business expansion including but not limited to joining hands with other players by providing our capacities on consortium basis. We look forward with confidence in meeting the challenges and opportunities in the coming periods.

Future Outlook & Challenges

Although, overall economic conditions are adverse especially in wake of worsening economic & political situation but we are hopeful that this difficult times will end soon and our country will be back on the development track. General elections are expected to be held soon and till the time new government gets in power, uncertainty will prevail and economic conditions continues to remain challenging.

Besides the competition among insurance companies, the biased bank limit policies of the banks fixing of so called 'Bank Limits' and Delisting & Non-Listings is not providing level playing field to all the players and Shaheen Insurance is also being deprived from this inequitable policy of the banks & FIs/DFIs. Your management is working hard to improve performance of the Company in challenging times with the hope that the new Government would formulate long term & consistent policies to gain the confidence of business community and to boost economic activities.

Despite all the challenges your company is steadily growing and taking all possible measures for its business expansion. We look forward with confidence in meeting the challenges and new opportunities. We are confident that your company will perform well and will capitalize the opportunities to excel its performance during the upcoming periods.

We thank our valued customers for their patronage & unflinching support and are also thankful to the SECP, SBP, PACRA, Reinsurers for their continued cooperation, guidance & assistance. We also appreciate "Team Shaheen" for their personalized services, hard-work, dedication & commitment for the best of your Company.

Rizwan Akhtar
Chief Executive Officer

03rd May, 2023

Air Marshal Muhammad Arif Pervaiz (Retd.)
Chairman



آپ کی کمپنی کاروبار کی توسیع کے لیے تمام ممکنہ اقدامات کر رہی ہے جس میں کنسورشیم کی بنیاد پر ہماری صلاحیتیں فراہم کر کے دوسرے تجارتی اداروں کے ساتھ ہاتھ ملانے تک محدود نہیں ہے۔ ہم آنے والے ادوار میں چیلنجوں اور مواقع کا مقابلہ کرنے کے لیے اعتماد کے ساتھ منتظر ہیں۔

مستقبل کا آؤٹ لک اور چیلنجز:

اگرچہ مجموعی بگڑتے ہوئے معاشی اور سیاسی حالات کے پیش نظر اثرات منفی ہیں لیکن ہمیں امید ہے کہ یہ مشکل وقت جلد ختم ہو جائے گا اور ہمارا ملک دوبارہ ترقی کی راہ پر گامزن ہو جائے گا۔ عام انتخابات جلد ہونے کی توقع ہے اور نئی حکومت کے اقتدار میں آنے تک غیر یقینی صورتحال برقرار رہے گی اور معاشی حالات بدستور چیلنجنگ رہیں گے۔

انشورنس کمپنیوں کے درمیان مسابقت کے علاوہ، بینکوں کی جانب سے متعصبانہ بینک لمیٹ پالیسیاں نام نہاد بینک لمٹس اور ڈی لسٹنگ اور نان لسٹنگ کی پالیسیاں تمام کمپنیوں کو برابری کا میدان فراہم نہیں کر رہیں اور شاہین انشورنس کو بھی اس غیر مساوی پالیسی سے محروم رکھا جا رہا ہے۔ بینکوں اور مالیاتی اور غیر مالیاتی اداروں کی طرف سے مگر آپ کی انتظامیہ مشکل وقت میں کمپنی کی کارکردگی کو بہتر بنانے کے لیے سخت محنت کر رہی ہے اس امید کے ساتھ کہ نئی حکومت کاروباری برادری کا اعتماد حاصل کرنے اور معاشی سرگرمیوں کو فروغ دینے کے لیے طویل مدتی اور مستقل پالیسیاں بنائے گی۔

تمام چیلنجوں کے باوجود آپ کی کمپنی مسلسل ترقی کر رہی ہے اور اپنے کاروبار کی توسیع کے لیے تمام ممکنہ اقدامات کر رہی ہے۔ ہم چیلنجوں اور نئے مواقع کا مقابلہ کرنے کے لیے اعتماد کے ساتھ منتظر ہیں۔ ہمیں یقین ہے کہ آپ کی کمپنی اچھی کارکردگی کا مظاہرہ کرے گی اور آنے والے ادوار میں اپنی کارکردگی کو بہتر بنانے کے مواقع سے فائدہ اٹھائے گی۔

ہم اپنے قابل قدر کسٹمرز کی سرپرستی اور غیر متنزل حمایت کے لیے ان کا شکریہ ادا کرتے ہیں اور ایس ای سی پی، ایس بی پی، پیکرا، ری انشوررز کے مسلسل تعاون، رہنمائی اور مدد کے لیے ان کے شکرگزار ہیں۔ ہم ٹیم شاہین گوان کی ذاتی خدمات، محنت، لگن اور کمپنی کے لیے بہترین عزم کے لیے بھی سراہتے ہیں۔

رضوان اختر
چیف ایگزیکٹو آفیسر

ایمر مارشل محمد عارف پرویز (ریٹائرڈ)
چیئر مین

03 مئی 2023

قلمزد پر بیمہ کی آمدنی پہلی سہ ماہی 2022 کی اسی مدت کے دوران 43.89 ملین روپے کے مقابلے میں بڑھ کر 89.10 ملین روپے تک پہنچ گئی۔ 2023 کی پہلی سہ ماہی کی مدت کے دوران ہونے والے صافی دعوے 11.93 روپے کے مقابلے میں 26.97 ملین روپے تھے۔ 2022 کی پہلی سہ ماہی کے مقابلے میں اخراجات 2023 کی اسی مدت میں 31.28 ملین سے بڑھ کر 40.16 ملین روپے تک پہنچ گئے جس کی بنیادی وجہ افراط زرا اور اور کاروباری حجم میں اضافہ ہے۔

آپ کی کمپنی نے 31 مارچ 2023 کو ختم ہونے والی پہلی سہ ماہی کی مدت کے دوران 2.24 ملین روپے کا انڈر رائٹنگ منافع اپنے بنیادی کاروبار سے کمایا ہے جو کہ 2022 کی اسی مدت کے دوران (7.72) ملین کے انڈر رائٹنگ نقصان تھا۔

کمپنی کی سرمایہ کاری کی آمدنی میں 70 فیصد سے زیادہ کا اضافہ ہوا جس کی بنیادی وجہ اسٹیٹ بینک کی جانب سے شرح سود میں اضافہ ہے۔ ونڈو نکافل آپریشنز کے منافع نے پہلی سہ ماہی 2023 کے دوران 1.84 ملین روپے کے ٹیکس سے پہلے منافع کمایا۔ (2022 پہلی سہ ماہی 0.55 ملین روپے)۔

31 مارچ 2022 کو ختم ہونے والی پہلی سہ ماہی کے دوران ٹیکس سے پہلے کا منافع گزشتہ سال کی اسی مدت کے 9.17 ملین روپے کے مقابلے میں بڑھ کر 29.13 ملین روپے ہو گیا۔ ٹیکس کے بعد کا خالص منافع بھی پہلی سہ ماہی 2023 میں 21.22 ملین روپے تک بڑھ گیا جو کہ 2022 کی پہلی سہ ماہی 6.87 ملین روپے تھا جو کہ گزشتہ مدت کے مقابلے میں 300 فیصد کی بڑھوتری ظاہر کرتا ہے۔ 31 مارچ 2023 تک فی حصص آمدنی (ای پی ایس) 0.35 روپے فی شیئر رہی (2022 فی حصص آمدنی 0.11 فی شیئر)۔

31 مارچ 2023 کو ختم ہونے والی پہلی سہ ماہی کے لیے آپ کی کمپنی کے انشورنس کے نتائج کا خلاصہ درج ذیل ہے۔

منافع اور نقصان کا حساب	پہلی سہ ماہی 2023 (ملین)	پہلی سہ ماہی 2022 (ملین)	مجموعی اضافہ/کمی
قلمزد مجموعی پر بیمہ	172.37	69.29	149%
پر بیمہ کی صافی آمدنی	89.10	43.89	103%
صافی دعوے (بشمول آئی بی این آر)	26.97	43.89	126%
انتظامی اخراجات	40.16	31.28	28%
انڈر رائٹنگ سے نفع	2.25	(7.72)	-
ونڈو نکافل آپریشنز سے نفع	1.84	0.55	233%
سرمایہ کاری کی آمدنی	22.30	13.09	70%
نفع قبل از ٹیکس	29.13	9.17	218%
نفع بعد از ٹیکس	21.22	6.88	209%
آمدنی فی شیئر (روپے)	0.35	0.11	218%



ڈائریکٹرز کا تبصرہ

شیر ہولڈرز

شاہین انشورنس کمپنی لمیٹڈ،

ڈائریکٹرز مسرت کے ساتھ 31 مارچ 2023ء اختتام پذیر تین ماہ کے غیر آڈٹ شدہ اکاؤنٹس پیش کر رہے ہیں۔

عمومی اقتصادی جائزہ:

پاکستان طویل عرصے سے کمزور معاشی حالات، جی ڈی پی میں کمی، امن و امان کی کمزور صورتحال، سیاسی عدم استحکام اور مسلسل بلند افراط زر سے شدید متاثر ہے۔ پاکستان اپنے تمام وسائل اور مواقع کے ساتھ معاشی طور پر مزید الجھنے کا تحمل نہیں ہو سکتا لیکن اسے ایک بہتر، فعال اور خوشحال معیشت کی ضرورت ہے۔ اور ہمارے ملک کو بغیر کسی تاخیر کے اس کی ضرورت ہے اور ہماری نظر میں پاکستان کو وفاداری کے ساتھ ایک آزاد معاشی پالیسی کی ضرورت ہے جو سیاست اور جماعتی وابستگی سے پاک ہو، اگر ہم پاکستان کو پھلتا پھولتا دیکھنا چاہتے ہیں۔

انشورنس انڈسٹری کے حالات بھی ہماری معیشت کے لیے بدستور چیلنجنگ ہیں لیکن صنعت مسلسل ترقی کر رہی ہے۔ ہم انشورنس انڈسٹری میں ہونے والے چیلنجوں اور تبدیلیوں سے پوری طرح واقف ہیں، اور ایسے تمام ماحول سے فائدہ اٹھانے کے لیے پوری طرح لیس ہیں۔

کمپنی کی کارکردگی - سال 2023 کے آپریشنل نتائج:

31 مارچ 2023 کو ختم ہونے والی پہلی سہ ماہی کے دوران خراب معاشی اور سیاسی حالات اور طویل غیر یقینی صورتحال کے باوجود آپ کی کمپنی کے کاروبار نے گزشتہ اسی مدت کے مقابلے میں 140 فیصد سے زیادہ کی مضبوط ترقی کا مظاہرہ کیا ہے جیسا کہ ذیل میں بیان کیا گیا ہے۔

کاروبار	مجموعی پرییم پہلی سہ ماہی 2023 (ملین)	مجموعی پرییم پہلی سہ ماہی 2022 (ملین)	مجموعی اضافہ
کنوینشنل کاروبار	160,904	64,597	149%
ونڈ ونگ فل کاروبار	11,466	4,696	145%
کل کاروبار	172,370	69,293	149%

آپ کی کمپنی نے 31 مارچ 2023 کو ختم ہونے والی پہلی سہ ماہی کے دوران 11.47 ملین روپے کے کفیل کنٹریبیوشن سمیت 172.37 ملین روپے کا مجموعی پرییم لکھا جبکہ 69.29 ملین روپے کا کفیل کنٹریبیوشن بھی شامل ہے جس میں 2022 کی پہلی سہ ماہی میں 4.70 ملین روپے کا ہے جو کہ مجموعی طور پر 149 فیصد اضافہ دکھارہا ہے۔



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT MARCH 31, 2023

	Note	March 31, 2023	December 31, 2022
(Rupees)			
ASSETS			
Property and equipment	7	62,911,214	55,078,741
Intangible assets		-	-
Investment properties	8	167,050,569	167,050,569
Investments			
Equity securities	9	207,871,357	164,245,041
Debt securities	10	83,468,249	83,071,470
Term deposits	11	372,779,290	364,779,290
Loans and other receivables	12	24,860,188	17,596,161
Insurance / re-insurance receivables	13	176,150,460	122,577,054
Re-insurance recoveries against outstanding claims		53,821,195	46,299,007
Salvage recoveries accrued		-	-
Deferred commission expense		31,960,395	26,062,948
Taxation-payment less provision		1,040,799	4,089,774
Prepayments	14	8,836,564	14,560,355
Cash and bank	15	62,096,257	105,704,583
Total assets of Window Takaful Operations - Operator's Fund		69,744,560	66,323,667
Total Assets		1,322,591,097	1,237,438,660
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Share capital		600,000,000	600,000,000
Reserves		24,418,299	23,863,126
Unappropriated profit		129,280,500	108,063,726
Total Equity		753,698,799	731,926,852
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		148,171,993	128,962,567
Unearned premium reserves		176,967,304	156,749,372
Premium deficiency reserves		337,245	337,245
Unearned reinsurance commission		1,746,242	2,323,817
Lease liabilities		16,295,129	19,315,492
Premium received in advance		8,949,873	1,095,173
Insurance / re-insurance payables	16	53,222,946	54,770,246
Other creditors and accruals	17	147,201,605	128,053,459
Unclaimed dividend		1,823,901	1,840,186
Taxation - provision less payments		-	-
Total liabilities of window takaful operations - Operator's Fund		14,176,059	12,064,251
Total Liabilities		568,892,298	505,511,808
Total Equity and Liabilities		1,322,591,097	1,237,438,660
Contingencies and commitments			

The annexed notes from 1 to 25 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT & LOSS ACCOUNT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Three months period ended	
		March 31, 2023	March 31, 2022
		(Rupees)	
Net insurance premium	18	89,097,055	43,885,856
Net insurance claims	19	(26,966,854)	(11,933,679)
Net commission expense / acquisition cost	20	(19,727,584)	(8,396,362)
Insurance claims and acquisition expenses		(46,694,438)	(20,330,041)
Management expenses		(40,155,752)	(31,276,445)
Underwriting results		2,246,865	(7,720,630)
Investment income	21	22,302,947	13,084,793
Rental income		517,182	855,168
Other income	22	3,676,421	2,938,232
Other expenses		(981,048)	-
Profit before tax from window takaful operations - OPF		1,843,782	554,468
Results of operating activities		29,606,149	9,712,031
Finance charges against lease liabilities		(473,036)	(540,652)
Profit before tax		29,133,113	9,171,379
Provision for taxation - net		(7,916,339)	(2,296,583)
Profit after tax		21,216,774	6,874,796
Earnings per share - basic and diluted	23	0.35	0.11

The annexed notes from 1 to 25 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
Profit after tax	21,216,774	6,874,796
Other comprehensive income :		
Items that may be subsequently classified to profit and loss account		
Unrealised gain / (loss) on available for sale investments	555,173	1,375,641
Total comprehensive income for the period	<u>21,771,947</u>	<u>8,250,437</u>

The annexed notes from 1 to 25 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Attributable to equity holders of the Company				
	Share capital	Revenue reserves	Unrealised (loss) / gain on available-for-sale investments	Unappropriated (loss) / profit	Total Equity
	----- (Rupees) -----				
Balance as at January 1, 2022	600,000,000	20,000,000	12,604,759	54,622,464	687,227,223
Profit for the period ended March 31, 2022	-	-	-	6,874,796	6,874,796
Other comprehensive Income	-	-	1,375,641	-	1,375,641
Total comprehensive income for the period	-	-	1,375,641	6,874,796	8,250,437
Balance as at March 31, 2022	600,000,000	20,000,000	13,980,400	61,497,260	695,477,660
Balance as at January 1, 2023	600,000,000	20,000,000	3,863,126	108,063,726	687,227,223
Profit for the period ended March 31, 2023	-	-	-	21,216,774	21,216,774
Other comprehensive income	-	-	555,173	-	555,173
Total comprehensive income for the period	-	-	555,173	21,216,774	21,771,947
Balance as at March 31, 2023	600,000,000	20,000,000	4,418,299	129,280,500	708,999,170

The annexed notes from 1 to 25 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
OPERATING CASHFLOW		
a) Underwriting activities		
Insurance premiums received	169,418,541	83,355,371
Reinsurance premiums paid	(101,645,769)	(29,423,467)
Claims paid	(189,694,245)	(20,540,179)
Reinsurance and other recoveries received	174,414,629	7,805,629
Commission paid	(24,956,785)	(5,610,493)
Commission received	1,879,767	866,558
Net cash flows generated from underwriting activities	<u>29,416,138</u>	<u>36,453,420</u>
b) Other operating activities		
Income tax paid	(2,919,624)	(4,083,443)
Finance cost paid		
Management and administration expenses paid	(28,081,942)	(34,433,143)
Loans advanced - net		
Net cash flow from other operating activities	<u>(31,001,566)</u>	<u>(38,516,585)</u>
Total cash used in from operating activities	<u>(1,585,428)</u>	<u>(2,063,165)</u>
INVESTMENT ACTIVITIES		
Investment income received	17,314,758	16,543,632
Rentals received	-	385,000
Payments for investments - net	(36,992,094)	(334,577)
Fixed capital expenditure	(11,355,208)	(2,882,037)
Proceeds from disposal of property and equipment	39,000	2,875,465
Total cash generated from / (used in) investing activities	<u>(30,993,544)</u>	<u>16,587,483</u>
FINANCING ACTIVITIES		
Principal repayment of lease liabilities against right-of-use-assets	(3,013,069)	(3,401,917)
Total cash used in financing activities	<u>(3,029,354)</u>	<u>(3,401,917)</u>
Net cash generated from / (used in) all activities	<u>(35,608,326)</u>	<u>11,122,401</u>
Exchange gain on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of year	470,483,873	396,627,934
Cash and cash equivalents at end of the period	<u>434,875,547</u>	<u>407,750,335</u>



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	(1,585,428)	(2,063,165)
Depreciation	(3,688,520)	(922,977)
Finance charges against lease liabilities	(473,036)	(540,652)
Gain on disposal of property and equipment	14,500	2,875,465
Unrealised gain on investment properties	-	-
Rental income	517,182	855,168
Increase / (decrease) in assets other than cash	69,967,069	2,133,935
(Increase) / decrease in liabilities	(67,681,722)	(9,165,006)
Investment and other income	22,302,947	13,147,560
Profit from window takaful operations - OPF	1,843,782	554,468
Profit after tax	21,216,774	6,874,796

Definition of cash

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

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

	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
Cash and other equivalents		
- Cash in hand	136,857	72,073
- Policy stamps in hand	-	656,952
	136,857	729,025
Current and saving accounts		
- Current accounts	23,472,544	330,839,070
- Savings accounts	38,486,855	73,402,950
	61,959,399	404,242,020
Deposits maturing within 1 month		
Term Deposit- local currency	372,779,290	2,779,290
	434,875,547	407,750,335

The annexed notes from 1 to 25 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

1. STATUS AND NATURE OF BUSINESS

Shaheen Insurance Company Limited (the Company) was incorporated in March 1995 in Pakistan. The Company is a public limited company listed on Pakistan Stock Exchange and obtained the certificate for commencement of business in July 1995. It was registered with the Controller of Insurance in November 1995 to carry out non-life insurance business comprising fire, marine, motor, aviation, engineering, transportation, health, etc. On March 14, 2018 the Company was awarded license to commence Window Takaful Operations. Its registered office is located at 10th Floor, Shaheen Complex, Karachi. The company operates only in Pakistan through 12 Branches. Shaheen Foundation (the parent) holds approximately 69.28% (Dec 2022: 69.28%) shares in the company.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the format prescribed under Insurance Rules, 2017 and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2022. Further, these condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, interim financial reporting, issued by the international accounting standards board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017, the Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

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

Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company (referred to as the Operator's Fund) have been presented in these financial statements in accordance with the requirements of the General Takaful Accounting Regulations, 2019.

A separate set of financial statements of the Window Takaful Operations has been annexed to these condensed interim financial statements as per the requirements of the Takaful Rules, 2012.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for certain investments and investment properties which are carried at fair values, held to maturity investments are stated at amortised cost and right of use of assets and related liabilities which are measured at their present values. Investment classified as held for trading, available for sale and investment properties are stated at fair value.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

2.3 Functional and presentation currency

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

2.4 Temporary exemption from application of IFRS 9

As an insurance company, the management has opted for 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. This deferment is in line with the transition of IFRS 17.

Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 given below:

		March 31, 2023				
		Fail the SPPI test		Pass the SPPI test		
		Fair value	Change in unrealised gain / (loss)	Carrying value	Fair value	Change in unrealised gain / (loss)
	Note	----- (Rupees) -----				
Cash and bank balances	15	-	-	-	62,096,257	-
Equity securities	9	231,845	-	-	-	-
Debt securities	10	-	-	-	83,468,249	-
Term deposits	11	-	-	-	372,779,290	-
Mutual funds	9.2	164,038,682	555,173	-	-	-
Loan and other receivable	12	-	-	24,860,188	-	-
		164,270,527	555,173	24,860,188	518,343,796	-

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation followed in these condensed interim financial statements are same as compared to the annual audited financial statements of the Company as at and for the year ended December 31, 2022.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions 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. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2022.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

5. INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2022.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made in the condensed interim financial statements as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the reporting date in respect of policies in force at the reporting date.

	March 31, 2023	December 31, 2022
	—————(Rupees)—————	
7. PROPERTY AND EQUIPMENT		
7.1 Property and equipment includes:		
Furniture and fixtures	3,682,534	3,771,402
Office and electrical equipment	1,486,459	1,105,801
Computer equipment	1,357,766	1,226,255
Motor vehicles	41,458,872	25,825,574
Right-of-use assets	14,925,583	16,621,709
Capital work-in-progress	-	6,528,000
	<u>62,911,214</u>	<u>55,078,741</u>
7.2 Movement of property and equipment during the period / year is as follows:		
Opening book value	31,929,032	13,076,112
Add: Additions during the period / year in owned assets	17,416,873	23,145,738
Less: Net book value of assets disposed off during the period / year	49,345,905	36,221,850
Less: Depreciation for the period / year	-	154,992
	<u>1,360,274</u>	<u>4,137,826</u>
	<u>47,985,631</u>	<u>31,929,032</u>

8. INVESTMENT PROPERTIES

Fair value of the investment properties as per the valuations carried out by professional valuers in 2022 and as ascertained by the management is Rs 167,050,569.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

9. INVESTMENT IN EQUITY SECURITIES

	March 31, 2023			December 31, 2022		
	Cost	Impairment	Carrying value	Cost	Impairment	Carrying value
	(Rupees)			(Rupees)		
Available for sale						
Listed shares						
- First Capital Equities Limited	188,000,000	-	-	188,000,000	188,000,000	-
Mutual funds	160,175,558	-	207,639,512	160,175,558	-	164,038,686
	<u>348,175,558</u>	<u>-</u>	<u>207,639,512</u>	<u>348,175,558</u>	<u>188,000,000</u>	<u>164,038,686</u>
Investment at fair value through profit or loss						
Listed shares						
- Summit Bank Limited	206,355	-	231,845	299,821	-	206,355
	<u>348,381,913</u>	<u>-</u>	<u>207,871,357</u>	<u>348,475,379</u>	<u>188,000,000</u>	<u>164,245,041</u>

10. INVESTMENTS IN DEBT SECURITIES

	March 31, 2023			December 31, 2022		
	Cost	Impairment	Carrying value	Cost	Impairment	Carrying value
	(Rupees)			(Rupees)		
Held to maturity						
Government Securities						
Pakistan Investment Bonds						
- Pledged	60,587,150	-	63,664,205	60,587,150	-	60,587,150
	<u>16,868,540</u>	<u>-</u>	<u>19,804,044</u>	<u>16,868,540</u>	<u>-</u>	<u>16,868,540</u>
- Non Pledged	<u>77,455,690</u>	<u>-</u>	<u>83,468,249</u>	<u>77,455,690</u>	<u>-</u>	<u>77,455,690</u>

March 31, 2023
(Un-audited)
 Note

December 31, 2022
 (Audited)
 (Rupees)

11. INVESTMENTS IN TERM DEPOSITS

Held to maturity

Deposits maturing within one months	11.1	<u>372,779,290</u>	<u>364,779,290</u>
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11.1 The balance includes term deposits with various commercial banks having maturities within 1 months (i.e. upto April 30, 2023). The rate of return on these term deposits range between 10% to 19.50% (December 31, 2022: 10% to 16%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
Note	(Rupees)	
12. LOANS AND OTHER RECEIVABLES unsecured, considered good		
Accrued investment income	4,121,246	5,608,885
Other receivables	12,077,150	3,530,941
Security deposits	7,676,114	7,579,357
Advances	985,678	876,978
	<u>24,860,188</u>	<u>17,596,161</u>
13. INSURANCE / REINSURANCE RECEIVABLES unsecured, considered good		
Due from insurance contract holders	26,732,104	27,392,481
Less: Provision for impairment	(5,500,000)	(5,500,000)
	21,232,104	21,892,481
Due from other insurers / reinsurers	181,532,230	127,298,447
Less: Provision for impairment	(26,613,874)	(26,613,874)
	154,918,356	100,684,573
	<u>176,150,460</u>	<u>122,577,054</u>
14. PREPAYMENTS		
Prepaid reinsurance premium ceded	8,836,564	14,560,355
15. CASH AND BANK		
Cash and cash equivalents		
- Cash in hand	136,857	23,508
- Policy stamps and bond papers in hand	-	86,455
	136,857	109,963
Cash at bank		
- Current accounts	23,472,544	78,659,401
- Saving accounts	38,486,855	26,935,219
	61,959,399	105,594,620
	<u>62,096,257</u>	<u>105,704,583</u>

15.1 These carry mark-up at rates ranging between 5% to 17.50% (December 31, 2022: 5% to 15%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	(Rupees)	
16. INSURANCE / RE-INSURANCE PAYABLES		
Due to other insurers / re-insurers	<u>53,222,946</u>	<u>54,770,246</u>
	<u>53,222,946</u>	<u>54,770,246</u>
17. OTHER CREDITORS AND ACCRUALS		
Agent commission payable	11,607,997	8,482,410
Provincial service taxes	79,916,701	66,819,133
Federal insurance fee payable	8,381,595	7,279,640
Workers' welfare fund payable	8,515,857	8,515,857
Accrued expenses	13,565,042	13,204,100
Withholding tax payable	5,907,857	5,062,071
Unearned rental income	517,183	1,034,365
Payable to provident fund	494,993	523,397
Security deposit against bond issuance	16,548,833	15,504,200
Others	1,745,548	1,628,285
	<u>147,201,605</u>	<u>128,053,458</u>
18. NET INSURANCE PREMIUM		
Written gross premium	160,903,464	64,597,288
Add: Unearned premium reserve opening	156,749,372	98,158,900
Less :Unearned premium reserve closing	176,967,304	106,896,661
Premium earned	<u>140,685,532</u>	<u>55,859,527</u>
Re-insurance premium ceded	45,864,686	10,836,181
Add: Prepaid reinsurance premium opening	14,560,355	6,316,945
Less: Prepaid reinsurance premium closing	8,836,564	5,179,455
Reinsurance expense	<u>51,588,477</u>	<u>11,973,671</u>
	<u>89,097,055</u>	<u>43,885,856</u>
19. NET INSURANCE CLAIMS		
Claims paid	189,694,245	20,959,484
Less: Outstanding claims including IBNR opening	128,962,567	86,060,561
Add: Outstanding claims including IBNR closing	148,171,993	85,851,150
Claims expense	<u>208,903,671</u>	<u>20,750,073</u>
Re-insurance and other recoveries received	174,414,629	7,805,629
Less: Re-insurance and other recoveries receivable in respect of outstanding claims opening	46,299,007	15,536,448
Add: Re-insurance and other recoveries receivable in respect of outstanding claims closing	53,821,195	16,547,213
Re-insurance and other recoveries revenue	<u>181,936,817</u>	<u>8,816,394</u>
Net claims expense	<u>26,966,854</u>	<u>11,933,679</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	(Rupees)	
20. NET COMMISSION EXPENSE / ACQUISITION COST		
Commission paid or payable	28,082,373	12,615,335
Add: Deferred commission expense opening	26,062,948	15,505,769
Less: Deferred commission expense closing	31,960,395	18,992,465
Net Commission	22,184,926	9,128,639
Less: Commission received or recoverable	1,879,767	191,976
Add: Unearned reinsurance commission opening	2,323,817	547,994
Less: Unearned reinsurance commission closing	1,746,242	7,692
Commission from reinsurers	2,457,342	732,277
	19,727,584	8,396,362
21. INVESTMENT INCOME		
Income from equity securities - Held for trading		
Dividend income on securities	6,450,338	147,233
Income from debt securities securities - Held to maturity		
Income from term deposits	13,505,849	8,225,296
Return on Pakistan Investment Bonds	2,321,270	4,681,918
	15,827,119	12,907,214
Investment related expenses	-	-
Unrealised gain on revaluation of FVTPL	25,490	30,346
Realized gain on sale of investment	-	-
	22,302,947	13,084,793
22. OTHER INCOME		
Return on bank balances	3,495,226	295,613
Gain on sale of operating fixed assets	14,500	2,875,465
Exchange gain	143,879	-
Miscellaneous	22,816	(232,846)
	3,676,421	2,938,232



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	March 31, 2023	March 31, 2022
	(Rupees)	
23. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax (Rupees)	21,216,774	6,874,796
Weighted average number of ordinary shares (Numbers)	60,000,000	60,000,000
Basic earnings per share (Rupees)	<u>0.35</u>	<u>0.11</u>

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

24. RELATED PARTY TRANSACTIONS

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

Name	Relationship	Nature of transactions	March 31, 2023	March 31, 2022
			(Un-audited)	(Un-audited)
			(Rupees)	
Shaheen Foundation	Parent Undertaking	Premium written	28,642	-
Shaheen Foundation	Parent Undertaking	Premium due but unpaid	7,433,323	6,859,740
Shaheen Foundation	Parent Undertaking	Outstanding claims	80,000	2,728,283
Shaheen Foundation	Parent Undertaking	Security deposits	3,317,246	3,317,246
Shaheen Foundation	Parent Undertaking	Rent payable	-	-
Air Eagle (Private) Limited	Associate company	Premium written	-	-
Air Eagle (Private) Limited	Associate company	Premium due but unpaid	-	-
other transactions during the period with associated undertakings				
Claims expense			145,905	1,184,598
Lease rentals			2,230,397	2,657,514
Remuneration of Key management personnel			11,727,875	5,242,224
Contribution to provident fund			551,081	179,805
Advertisement expense			-	-



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

25. SEGMENT INFORMATION

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

The class wise revenues and results are as follows:

	For the three months period ended March 31, 2023 (Un-audited)					
	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees)					
Premium receivable / received (inclusive of Federal excise duty, Federal insurance fee and administrative surcharge)	69,753,153	53,078,101	52,043,011	-	12,301,167	187,175,432
Less: Federal excise duty	(5,043,786)	(12,226,440)	(5,761,898)	-	(1,236,510)	(24,268,634)
Less: Federal insurance fee	(376,936)	(1,131,913)	(401,449)	-	(93,036)	(2,003,334)
Gross written premium (inclusive of administrative Surcharge)	64,332,431	39,719,748	45,879,664	-	10,971,621	160,903,464
Gross direct premium	64,087,331	39,312,547	44,764,818	-	10,882,002	159,046,698
Administrative surcharge	245,100	407,201	1,114,846	-	89,619	1,856,766
Insurance premium earned	46,643,791	43,497,663	45,019,339	-	5,524,739	140,685,532
Less: Insurance premium ceded to reinsurers	8,724,669	33,493,901	8,310,950	-	1,058,957	51,588,477
Net insurance premium	37,919,122	10,003,762	36,708,389	-	4,465,782	89,097,055
Add: Commission income	242,052	835,185	1,380,105	-	-	2,457,342
Net underwriting income (A)	38,161,174	10,838,947	38,088,494	-	4,465,782	91,554,397
Insurance claims	19,986,044	172,901,618	15,099,559	(187,947)	1,104,397	208,903,671
Less: Insurance claims recovered from reinsurance	6,007,122	172,075,847	4,452,041	-	(598,193)	181,936,817
Net claim	13,978,922	825,771	10,647,518	(187,947)	1,702,590	26,966,854
Commission expense	10,749,328	4,634,473	5,808,018	-	993,107	22,184,926
Management expenses	13,313,498	12,415,501	12,849,832	-	1,576,922	40,155,752
Premium deficiency expense	-	-	-	-	-	-
Net insurance claims and expenses (B)	38,041,748	17,875,745	29,305,368	(187,947)	4,272,619	89,307,532
Underwriting result C=A-B	119,426	(7,036,798)	8,783,126	187,947	193,163	2,246,865
Net investment income						22,302,947
Rental income						517,182
Other income						3,676,421
Other expenses						(981,048)
Unrealised gain on investment properties						-
Finance charges on right-of-use assets						(473,036)
Loss after tax from window takaful operations - OPF						1,843,782
Profit before tax						29,133,113



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

For the three months period ended March 31, 2022 (Un-audited)

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Premium receivable / received (inclusive of Federal excise duty, Federal insurance fee and administrative surcharge)	28,803,509	3,340,077	33,571,823	1,942,969	6,113,581	73,771,959
Less: Federal excise duty	(3,058,384)	(260,151)	(4,407,649)	-	(775,269)	(8,501,453)
Less: Federal insurance fee	(221,289)	(67,932)	(308,024)	(19,488)	(56,485)	(673,218)
Gross written premium (inclusive of administrative Surcharge)	25,523,836	3,011,994	28,856,150	1,923,481	5,281,827	64,597,288
Gross direct premium	25,412,885	2,923,732	27,874,967	1,918,481	5,238,259	63,368,324
Administrative surcharge	110,951	88,262	981,183	5,000	43,568	1,228,964
Insurance premium earned	13,555,413	4,973,189	32,355,911	1,461,626	3,513,388	55,859,527
Less: Insurance premium ceded to reinsurers	5,289,707	1,350,765	3,325,194	-	2,008,005	11,973,671
Net insurance premium	8,265,706	3,622,424	29,030,717	1,461,626	1,505,383	43,885,857
Add: Commission income	191,976	-	547,994	-	(7,692)	732,277
Net underwriting income (A)	8,457,682	3,622,424	29,578,711	1,461,626	1,497,691	44,618,134
Insurance claims	245,013	264,637	18,189,614	1,774,808	276,001	20,750,073
Less: Insurance claims recovered from reinsurance	(203,616)	(78,064)	9,114,129	-	(16,055)	8,816,394
Net claim	448,629	342,701	9,075,485	1,774,808	292,056	11,933,679
Commission expense	2,816,385	1,378,278	4,132,974	229,347	571,655	9,128,639
Management expenses	7,589,845	2,784,550	18,116,477	818,383	1,967,190	31,276,445
Premium deficiency expense	-	-	-	-	-	-
Net insurance claims and expenses (B)	10,854,859	4,505,530	31,324,936	2,822,538	2,830,900	52,338,763
Underwriting result C=A-B	(2,397,177)	(883,106)	(1,746,225)	(1,360,911)	(1,333,210)	(7,720,630)
Net investment income						13,084,793
Rental income						855,168
Other income						2,938,232
Other expenses						-
Unrealised gain on investment properties						-
Finance charges on right-of-use assets						(540,652)
Profit after tax from window takaful operations - OPF						554,468
Profit after tax						9,171,379



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

26. GENERAL

26.1 The figures have been rounded off to the nearest rupee.

26.2 These financial statements have been approved and authorised for issue in the Board of Directors meeting held on May 03, 2023.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



Window Takaful Operations Financial Statements



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2023

Note	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	March 31, 2023 Un-Audited	December 31, 2022 Audited	March 31, 2023 Un-Audited	December 31, 2022 Audited
	(Rupees)			
Assets				
Qard-e-Hasna to Participants' Takaful Fund	7	20,000,000	20,000,000	-
Property and equipment	8	665,375	700,395	-
Intangible assets		-	-	-
Investments in TDRs	9	27,500,000	27,188,360	20,000,000
Takaful / retakaful receivables	10	-	-	20,482,381
Retakaful recoveries against outstanding benefits		-	-	230,717
Receivable from PTF	11	9,394,195	6,389,333	-
Deferred wakala fee		-	-	6,044,200
Deferred commission expense		3,223,059	3,084,232	-
Taxation less provision		712,326	1,021,712	675,633
Prepayments	12	-	-	10,846
Other receivable	13	458,680	605,520	698,641
Cash and bank	14	7,790,925	7,334,115	2,882,621
		49,744,560	46,323,667	51,943,599
Total assets		69,744,560	66,323,667	51,943,599
Funds and Liabilities				
Operator's Fund (OPF)				
Statutory fund		50,000,000	50,000,000	-
Accumulated profit / deficit		5,568,501	4,259,416	-
Balance of Operator's Fund		55,568,501	54,259,416	-
Participants' Takaful Fund (PTF)				
Ceded money		-	-	500,000
Accumulated profit / deficit		-	-	(13,332,393)
Balance of Participants' Takaful Fund		-	-	(12,832,393)
Qard-e-Hasna from Operator's Fund	7	-	-	20,000,000
Liabilities				
PTF Underwriting provisions		-	-	11,587,681
Outstanding claims including IBNR		-	-	16,681,636
Unearned contribution reserve		-	-	1,624
Unearned commission		-	-	10,600
Unearned wakala fees		6,835,325	6,044,200	-
Contribution received in advance		-	-	32,006
Takaful / Retakaful payables	15	-	-	4,115,271
Payable to OPF / PTF	16	-	-	9,394,195
Other creditors and accruals	17	7,340,734	6,020,051	2,038,722
Total Liabilities		14,176,059	12,064,251	44,775,992
Total Funds and Liabilities		69,744,560	66,323,667	51,943,599
Contingencies and commitments				

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS (UNAUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Note	Three Months period ended	
		March 31, 2023	March 31, 2022
		(Rupees)	
Participants' Takaful Fund (PTF)			
Net Takaful contribution	19		
Wakala expense	20	8,562,868	1,711,576
Net contributions revenue		(3,699,280)	(1,211,641)
		<u>4,863,588</u>	<u>499,935</u>
Retakaful rebate earned	21	8,976	6,998
Net underwriting income		<u>4,872,564</u>	<u>506,933</u>
Net claims reported / settled - IBNR	22	(3,866,300)	1,390,568
Other direct expenses	23	(151,554)	(15,988)
Deficit before investment income		<u>854,710</u>	<u>1,881,513</u>
Investment Income	24		
Other income	25	644,571	527,467
Less: Modarib's share of investment income		77,855	54,739
Profit for the period		<u>(64,457)</u>	<u>(52,747)</u>
		<u>1,512,678</u>	<u>2,410,972</u>
Operator's Fund (OPF)			
Wakala fee		3,699,280	1,211,641
Commission expenses	26	(2,065,989)	(567,734)
Management expenses	27	(985,047)	(819,375)
		<u>648,244</u>	<u>(175,468)</u>
Modarib's share of PTF investment income		64,457	52,747
Other expenses	28	(850)	(91,502)
Investment Income	24	884,975	712,080
Other Income	25	246,956	56,611
Profit / (Loss) before taxation		<u>1,843,782</u>	<u>554,468</u>
Taxation	30	(534,697)	-
Profit / (Loss) after taxation		<u>1,309,085</u>	<u>554,468</u>

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Three Months period ended	
	March 31, 2023	March 31, 2022
	----- (Rupees) -----	
PARTICIPANTS' TAKAFUL FUND		
Surplus / (deficit) during the period	1,512,678	2,410,972
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	<u>1,512,678</u>	<u>2,410,972</u>
OPERATORS' FUND		
Profit / (loss) after tax for the period	1,309,085	554,468
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>1,309,085</u>	<u>554,468</u>

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer

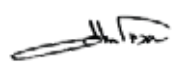


CONDENSED INTERIM STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Operator's Fund		
	Statutory fund	Accumulated profit / (loss)	Total
	----- (Rupees) -----		
Balance as at January 01, 2022 (audited)	50,000,000	1,757,456	51,757,456
Profit / (Loss) after tax for the period	-	554,468	554,468
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2022 (un-audited)	<u>50,000,000</u>	<u>2,311,924</u>	<u>52,311,924</u>
Balance as at January 01, 2023 (audited)	50,000,000	4,259,416	54,259,416
Profit / (Loss) after tax for the period	-	1,309,085	1,309,085
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2023 (un-audited)	<u>50,000,000</u>	<u>5,568,501</u>	<u>55,568,501</u>
	Participants' Takaful Fund		
	Statutory fund	Accumulated Deficit	Total
	----- (Rupees) -----		
Balance as at January 01, 2022 (audited)	500,000	(13,866,978)	(13,366,978)
Surplus for the period	-	2,410,972	2,410,972
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2022 (un-audited)	<u>500,000</u>	<u>(11,456,006)</u>	<u>(10,956,006)</u>
Balance as at January 01, 2023 (audited)	500,000	(14,845,071)	(14,345,071)
Surplus for the period	-	1,512,678	1,512,678
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2023 (un-audited)	<u>500,000</u>	<u>(13,332,393)</u>	<u>(12,832,393)</u>

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


Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman


Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director


Adeel Ali
Director


Rizwan Akhtar
Chief Executive Officer


Nisar Ahmed Almani
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(Rupees)				
OPERATING ACTIVITIES				
a) Takaful activities				
Contribution received	-	-	5,226,856	1,211,686
Re-takaful contributions paid	-	-	(3,079,940)	(957,423)
Claims paid / benefits paid	-	-	(3,022,360)	(714,061)
Commissions paid	(961,087)	(407,973)	-	-
Re-takaful rebate / commissions received	-	-	-	7,108
Re-takaful and other recoveries received	-	-	343,359	2,110,448
Wakala fees received	1,550,000	1,637,702	-	-
Wakala fees paid	-	-	(1,550,000)	(1,637,702)
Modarib share received	-	-	-	-
Modarib share paid	-	-	-	-
Net cash generated from underwriting activities	588,913	1,229,729	(2,082,085)	20,056
b) Other operating activities				
Management and other expenses paid	(873,923)	(1,413,214)	(107,734)	(36,105)
Taxes Paid	(250,662)	(246,040)	540,344	(120,690)
Net cash used in other operating activities	(1,124,585)	(1,659,254)	432,610	(156,795)
Total cash (used in) / generated from operating activities	A		(1,649,475)	(136,739)
INVESTING ACTIVITIES				
Profit / return received	1,304,121	768,691	849,549	582,206
Addition to equipment	-	-	-	-
Total cash generated from investing activities	B		849,549	582,206
FINANCING ACTIVITIES				
Grad-e-hasna received / (repaid)	-	-	-	-
Total cash generated from financing activities	C		-	-
Net increase in cash and cash equivalents	A+B+C		(799,926)	445,467
Cash and cash equivalents at the beginning of period	34,522,475	29,360,501	23,682,548	21,135,234
Cash and cash equivalents at end of the period	35,290,925	29,699,667	22,882,621	21,580,701
Reconciliation to profit and loss account				
Operating cash flows	(535,672)	(429,525)	(1,649,475)	(136,737)
Increase / (decrease) in assets other than cash	2,859,654	1,334,574	6,973,864	4,319,149
Increase / (decrease) in liabilities	(2,111,808)	(1,172,019)	(4,534,136)	(2,300,899)
Depreciation / amortisation expense	(35,020)	-	-	-
Investment and other income - net	1,131,931	821,438	722,426	529,459
(Deficit) / profit for the period	1,309,085	554,468	1,512,678	2,410,972

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Vice Marshal Salman
Ahsan Bokhari (Retd) - Director

Adeel Ali
Director

Rizwan Akhtar
Chief Executive Officer

Nisar Ahmed Almani
Chief Financial Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

1. STATUS AND NATURE OF BUSINESS

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

For the purpose of carrying on the takaful business, the Operator has formed a Waqf (Participants' Takaful Fund (PTF)) on March 20, 2018 under the Waqf Deed with a Cede money of Rs. 500,000. The Waqf Deed and PTF Policies (Waqf Rules) govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund as approved by the Shariah Advisor of the Operator. The accounts of the Waqf are maintained by the Operator in a manner that the assets and liabilities of PTF remain separately identifiable. The financial statements of the Operator are prepared in such a manner that the financial position and results from the operations of PTF and the Operator are shown separately.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Takaful Rules, 2012 and Insurance Accounting Regulations, 2017, General Takaful Accounting Regulations, 2019.

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

2.1.1 The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 1416(I)/2019 dated 20th November, 2019 has prescribed format of the presentation of published financial statements for general takaful operator for takaful business. These condensed interim financial statements have been prepared in accordance with the format as prescribed by the SECP. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements as prescribed by the SECP and should be read in conjunction with the annual audited financial statements of the Operator for the year ended December 31, 2022.

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

2.2 Basis of measurement

These condensed financial statements have been prepared under the historical cost convention except for certain investments which are carried at fair values.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Operator's functional and presentational currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupees, unless otherwise stated.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

2.4 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are effective in the current period

There are certain new and amended standards, interpretations and amendments that are mandatory for the Operator's accounting periods beginning on or after January, 01 2023 but are considered not to be relevant or do not have any significant effect on the Operator's operation and therefore not detailed in these financial statements.

2.4.1 Temporary exemption from application of IFRS 9

As an insurance company, 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. Additional disclosures, as required by IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 2.5.1.1 below.

2.4.1.1 Fair value of financial assets as at March 31, 2023 and changes in the fair values during the three months ended March 31, 2023

March 31, 2023
Operator's Fund (OPF)

	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealised gain / (loss)	Carrying value	Fair value	Change in unrealised gain / (loss)
	----- (Rupees) -----				
Investments in TDRs	-	-	27,500,000	-	-
Other receivable	55,000	-	-	-	-
Receivable from PTF	9,394,195	-	-	-	-
Cash and bank	-	-	7,790,925	-	-
	9,449,195	-	35,290,925	-	-

March 31, 2023
Participants' Takaful Fund (PTF)

	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealised gain / (loss)	Carrying value	Fair value	Change in unrealised gain / (loss)
	----- (Rupees) -----				
Investments in TDRs	-	-	20,000,000	-	-
Other receivable	40,000	-	-	-	-
Cash and bank	-	-	2,882,621	-	-
	40,000	-	22,882,621	-	-



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the audited financial statements for the year ended 31 December 2022.

4. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions 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. In preparing these condensed interim financial statements, the significant judgments made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2022.

5. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The takaful and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Operator's for the year ended 31 December 2022.

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after re-takaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at reporting date.

7. QARD-E-HASNA TO PARTICIPANTS' TAKAFUL FUND

	March 31, 2023	December 31, 2022
	(Rupees)	
Opening balance of Qard-e-Hasna	20,000,000	22,827,311
Qard-e-Hasna transferred from OPF during the period	-	(2,827,311)
Qard-e-Hasna returned by PTF during the period	-	-
Closing balance of Qard-e-Hasna	<u>20,000,000</u>	<u>20,000,000</u>

8. PROPERTY AND EQUIPMENT

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	(Rupees)	
Motor Vehicle	665,375	-
Computer Equipment	-	-
	<u>665,375</u>	<u>-</u>

Movement of property and equipment during the period / year is as follows;

Opening book value	700,395	-
Add: Additions during the period / year in owned assets	-	-
	<u>700,395</u>	<u>-</u>
Less: Net book value of assets disposed off during the period / year	-	-
Less: Depreciation for the period / year	35,020	-
	<u>665,375</u>	<u>-</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	OPF		PTF	
	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)

9 INVESTMENT IN TDRS

Held to maturity				
Deposits maturing within 1 months	27,500,000	27,188,360	20,000,000	20,000,000

9.1 This includes term deposits with an Islamic Bank having maturities within 1 months (i.e. upto April 30, 2023). The rate of return on these term deposits is 18.25% (December 31, 2022 range between 11% to 15.25% (December 31, 2021 : 5.55% to 11%) per annum.

	OPF		PTF	
	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)

10. TAKAFUL / RETAKAFUL RECEIVABLES

Due from takaful participant holders	-	-	73,984	148,989
Due from other takaful / retakaful	-	-	20,408,397	14,093,922
	-	-	20,482,381	14,242,911

11. RECEIVABLE FROM PTF

Wakala Fee	8,714,109	5,773,704	-	-
Modarib Fee	680,086	615,629	-	-
	9,394,195	6,389,333	-	-

12. PREPAYMENTS

Prepaid Re-Takaful Ceded	-	-	10,846	53,471
	-	-	10,846	53,471

	OPF		PTF	
	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)

13. OTHER RECEIVABLES

Sindh sales tax receivable	402,360	377,010	-	-
Accrued profit on bank deposits	55,000	227,190	40,000	167,123
GTS receivable claims	-	-	211,600	90,698
Others	1,320	1,320	447,041	447,041
	458,680	605,520	698,641	704,862



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	OPF		PTF	
	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)

(Rupees)

14. CASH AND BANK

Savings accounts	<u>7,790,925</u>	<u>7,334,115</u>	<u>2,882,621</u>	<u>3,682,548</u>
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14.1 These carry mark-up at rates ranging between 5% to 17.50% (December 31, 2022: 3% to 5%) per annum.

PTF

March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
-----------------------------------	-----------------------------------

(Rupees)

15. TAKAFUL / RE-TAKAFUL PAYABLES

Due to re-takaful operators	<u>4,115,271</u>	<u>5,895,216</u>
-----------------------------	------------------	------------------

16. PAYABLE TO OPF

Wakala fee	<u>8,714,109</u>	5,773,704
Mudarib fee	<u>680,086</u>	615,629
	<u>9,394,195</u>	<u>6,389,333</u>

17. OTHER CREDITORS AND ACCRUALS

	OPF		PTF	
	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)

(Rupees)

Federal Takaful fee	-	-	<u>131,368</u>	67,360
FED payable	-	-	<u>1,434,397</u>	709,725
Sales tax on services	<u>339,057</u>	285,778	-	-
Commission payable	<u>5,085,721</u>	3,841,992	-	-
Auditors fee	<u>414,856</u>	414,856	-	-
Others creditors	<u>773,313</u>	749,638	<u>472,957</u>	429,137
Payable against common expenses - Conventional	<u>727,787</u>	727,787	-	-
	<u>7,340,734</u>	<u>6,020,051</u>	<u>2,038,722</u>	<u>1,206,222</u>

18. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as on March 31, 2023 and as at December 31, 2022



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Participant's Takaful Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
22. NET CLAIMS REPORTED / SETTLED - IBNR		
Claims paid	3,022,360	714,061
Less: Outstanding claims including IBNR opening	11,587,681	2,736,126
Add: Outstanding claims including IBNR closing	12,512,538	2,750,039
Claims expense	<u>3,947,217</u>	<u>727,974</u>
Less:		
Re-Takaful and Other Recoveries received	343,359	-
Less: Re-Takaful and other recoveries receivable in respect of outstanding claims opening	493,159	-
Add: Re-Takaful and other recoveries receivable in respect of outstanding claims closing	230,717	2,118,542
Re-Takaful and other recoveries revenue	80,917	2,118,542
Net Claims Expense	<u>3,866,300</u>	<u>(1,390,568)</u>
23. OTHER EXPENSES		
Coinsurance surcharge	91,611	8,696
Others	59,943	7,292
	<u>151,554</u>	<u>15,988</u>
23.1	This is the service charges deducted by reinsurers at 2.5% of gross premium revenue on policies in which the Operator is a reinsurer.	
24. INVESTMENT INCOME		
	Operator's Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
Income from term deposits		
Return on term deposits	884,975	712,080
	<u>884,975</u>	<u>712,080</u>
	Participant's Takaful Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
Return on term deposits	644,571	527,467
	<u>644,571</u>	<u>527,467</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

25. OTHER INCOME

	Operator's Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
Return on bank balances	77,855	54,739
Others	-	-
	<u>77,855</u>	<u>54,739</u>

	Participant's Takaful Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
Return on bank deposits	246,956	56,611
Others	-	-
	<u>246,956</u>	<u>56,611</u>

26. COMMISSION EXPENSES

	Operator's Fund Three months period ended	
	March 31, 2023	March 31, 2022
	Un-audited	
	(Rupees)	
Commission paid or payable	2,204,816	837,661
Add: Deferred commission opening	3,084,232	1,031,083
Less: Deferred commission closing	3,223,059	1,301,010
Commission expense	<u>2,065,989</u>	<u>567,734</u>

27. MANAGEMENT EXPENSES

	Operator's Fund Three months period ended	
	March 31, 2023	March 31, 2022
	Un-audited	
	(Rupees)	
Salaries, wages and benefits	449,600	526,800
Depreciation / amortization	35,020	-
Shariah advisory fee	188,890	283,335
Software maintenance	195,000	-
Business acquisition cost	102,587	-
Others	13,950	9,240
Common expenses - Conventional	-	-
	<u>985,047</u>	<u>819,375</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Participant's Takaful Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
28. OTHER EXPENSES		
Auditor's remuneration	-	78,002
Sharia Audit Fee	-	-
Printing and stationery	850	13,500
Others	-	-
Common expenses - Conventional	-	-
	<u>850</u>	<u>91,502</u>

29. MODARIB'S FEE

The shareholders of the company manage the participants' investment as a Modarib and charge 10% Modarib's share of PTF investment income.

30. PROVISION FOR TAXATION

	Operator's Fund Three months period ended	
	March 31, 2023	March 31, 2022
	(Rupees)	
Current tax for the year	<u>534,697</u>	<u>-</u>

31. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit scheme.

	Participant's Takaful Fund Three months period ended	
	March 31, 2023 (Un audited)	March 31, 2022 (Audited)
	(Rupees)	
Contribution to provident fund	<u>9,240</u>	<u>11,634</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

32. SEGMENT REPORTING

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

The class wise revenues and results are as follows:

	Three months period ended March 31, 2023 (Un-audited) - PTF					
	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
	----- (Rupees) -----					
Participants' Takaful Fund						
Written gross contribution (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	3,500,979	991,078	8,569,212	-	84,097	13,145,366
Less : Federal excise duty	(424,255)	(115,570)	(1,002,515)	-	(10,216)	(1,552,556)
Less : Federal insurance fee	(29,323)	(25,363)	(71,047)	-	(751)	(126,484)
Gross written contribution (inclusive of Administrative Surcharges)	3,047,401	850,145	7,495,650	-	73,130	11,466,326
Gross contribution direct	3,023,773	823,316	7,309,152	-	69,793	11,226,034
Admin surcharge	23,628	26,829	186,498	-	3,337	240,292
Written gross contribution	3,047,401	850,145	7,495,650	-	73,130	11,466,326
Takaful contribution earned	3,008,257	958,119	5,519,735	-	419,370	9,905,480
Wakala expense	(1,117,718)	(374,533)	(2,034,470)	-	(172,559)	(3,699,280)
	1,890,538	583,586	3,485,265	-	246,811	6,206,200
Re-takaful contribution ceded	(560,869)	(362,613)	(328,476)	-	(90,654)	(1,342,612)
Net takaful contribution	1,329,669	220,973	3,156,789	-	156,157	4,863,588
Re-takaful rebate earned	1,985	-	6,991	-	-	8,976
Operation income	1,331,655	220,973	3,163,780	-	156,157	4,872,564
Claim expense	(370,000)	-	(3,577,217)	-	-	(3,947,217)
Re-takaful & other recoveries revenue	-	-	80,917	-	-	80,917
Net claims reported / settled - IBNR	(370,000)	-	(3,496,300)	-	-	(3,866,300)
Other Expenses	(46,027)	(14,659)	(84,452)	-	(6,416)	(151,554)
Surplus/(deficit) before investment income	915,628	206,313	(416,973)	-	149,740	854,709
Net investment income						644,571
Other income						77,855
Less: Modarib's share of investment income						(64,457)
Deficit for the period						1,512,678
The following presents segments assets and liabilities as at March 31, 2023						
Segment assets	7,260,217	2,025,411	17,857,853	-	174,227	27,317,708
Unallocated assets						24,625,891
						51,943,599
Segment liabilities	8,172,319	1,442,745	20,032,764	-	543,274	30,191,102
Unallocated liabilities						14,584,890
						44,775,992



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

Three months period ended March 31, 2023 (Un-audited) - OPF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Operator's Fund						
Wakala fee income	1,117,718	374,533	2,034,470	-	172,559	3,699,280
Commission expense	(987,330)	(243,073)	(730,182)	-	(105,404)	(2,065,989)
Management expense	(299,155)	(95,280)	(548,908)	-	(41,704)	<u>(985,047)</u>
						648,244
Modarib's share of PTF investment income						64,457
Investment income						884,975
Direct expenses						(850)
Other Income						<u>246,956</u>
Profit before taxation						1,843,782
Provision for taxation						<u>(534,697)</u>
Profit after tax						<u>1,309,085</u>
The following presents segments assets and liabilities as at March 31, 2023						
Segment assets	3,353,283	935,477	8,248,023	-	80,470	12,617,253
Unallocated assets						<u>57,127,307</u>
						<u>69,744,560</u>
Segment liabilities	1,816,622	506,790	4,468,319	-	43,594	6,835,325
Unallocated liabilities						<u>7,340,734</u>
						<u>14,176,059</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

32.1 SEGMENT REPORTING

Three months period ended March 31, 2022 (Un-audited) - PTF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Participants' Takaful Fund						
Contribution written (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	1,336,528	344,738	3,801,132	-	-	5,482,398
Less : Federal excise duty	(174,589)	(39,548)	(509,905)	-	-	(724,042)
Less : Federal insurance fee	(10,951)	(16,376)	(34,991)	-	-	(62,318)
Gross written contribution (inclusive of Administrative Surcharges)	1,150,988	288,814	3,256,236	-	-	4,696,038
Gross contribution direct	1,137,564	275,056	3,143,195	-	-	4,555,815
Admin surcharge	13,424	13,758	113,041	-	-	140,223
	1,150,988	288,814	3,256,236	-	-	4,696,038
Takaful contribution earned	467,952	311,295	2,471,686	-	15,068	3,266,001
Wakala expense	(146,940)	(94,179)	(965,499)	-	(5,023)	(1,211,641)
	321,012	217,116	1,506,187	-	10,045	2,054,360
Re-takaful contribution ceded	(725,522)	(290,859)	(363,528)	-	(174,516)	(1,554,425)
Net takaful contribution	(404,510)	(73,743)	1,142,659	-	(164,471)	499,935
Re-takaful rebate earned	3,433	-	3,565	-	-	6,998
Net underwriting income	(401,077)	(73,743)	1,146,224	-	(164,471)	506,933
Claim expense			(727,974)			(727,974)
Re-takaful & other recoveries revenue			2,118,542			2,118,542
Net claims reported / settled - IBNR	-	-	1,390,568	-	-	1,390,568
Direct expense	(2,290.76)	(1,523.88)	(12,099.60)	-	(73.76)	(15,988)
Net takaful claim & expense	(2,291)	(1,524)	1,378,468	-	(74)	1,374,580
Surplus/(deficit) before investment income	(403,368)	(75,267)	2,524,692	-	(164,545)	1,881,513
Net investment income						527,467
Other income						54,739
Less: Modarib's share of investment income						(52,747)
Deficit for the period						2,410,972
The following presents segments assets and liabilities as at March 31, 2022						
Segment assets	2,103,446	527,813	5,950,816	-	-	8,582,075
Unallocated assets						22,481,284
						31,063,359
Segment liabilities	3,361,705	589,100	11,440,306	-	42,692	15,433,804
Unallocated liabilities						26,585,562
						42,019,366



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

Three months period ended March 31, 2022 (Un-audited) - OPF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Total
----- (Rupees) -----						
Operator's Fund						
Wakala fee income	146,940	94,179	965,498	-	5,023	1,211,641
Commission expense	(143,872)	(69,580)	(351,412)	-	(2,870)	(567,734)
Management expense	(117,400)	(78,098)	(620,097)	-	(3,780)	<u>(819,375)</u>
						(175,468)
Modarib's share of PTF's investment income						52,747
Investment income						712,080
Direct expenses						(91,502)
Other income						56,611
Loss before taxation						<u>554,468</u>
Provision for taxation						-
Loss after taxation						<u>554,468</u>
The following presents segments assets and liabilities as at March 31, 2022						
Segment assets	953,572	239,277	2,697,729	-	-	3,890,578
Unallocated assets						<u>54,731,839</u>
						<u>58,622,417</u>
Segment liabilities	730,170	183,220	2,065,710	-	-	2,979,100
Unallocated liabilities						<u>3,331,393</u>
						<u>6,310,493</u>

33. DATE OF AUTHORISATION OF ISSUE

These financial statements have been authorised for issue on May 03, 2023 by the Board of Directors of the Operator.

34. CORRESPONDING FIGURES

34.1 Corresponding figures and balances have been reclassified, wherever considered necessary, for the purpose of comparison.

35. GENERAL

All amount have been rounded off to the nearest rupees.



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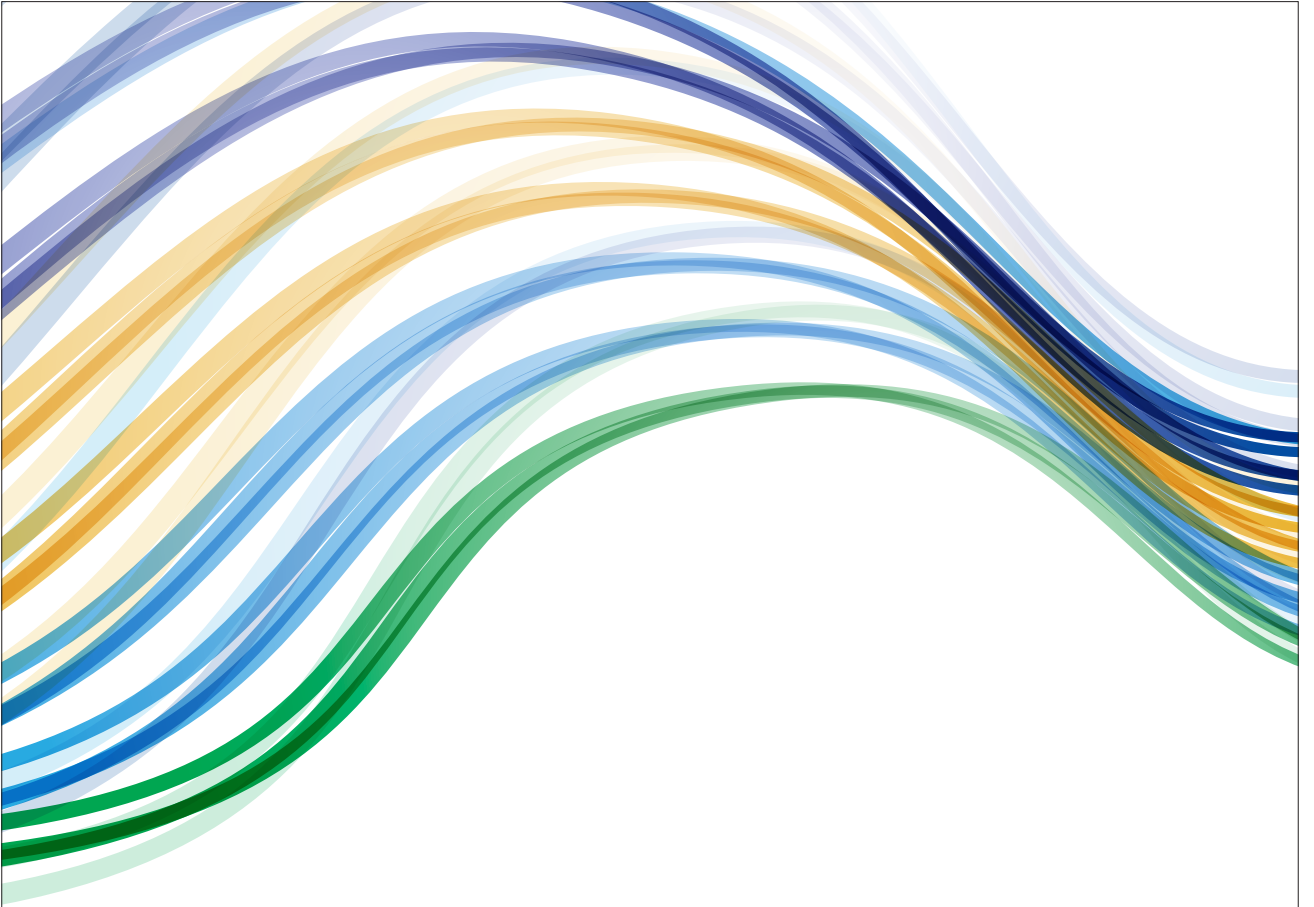
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