

QUARTELY REPORT

Quarter Ended March 31, 2024



SHAHEEN INSURANCE COMPANY LIMITED



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COMPANY INFORMATION



BOARD OF DIRECTORS

CHAIRMAN

Air Marshal Muhammad Arif Pervaiz (Retd.)

DIRECTORS

Air Vice Marshal Muhammad Qaiser Janjua (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

Chairperson

Air Commodore Wasim Ahmed Khan (Retd.)

Member

Mr. Adeel Ali

Member

Mr. Muhammad Junaid

Secretary (Acting)

INVESTMENT COMMITTEE

Air Marshal Muhammad Arif Perviaz (Retd.)

Chairman

Air Vice Marshal Muhammad Qaiser Janjua (Retd.)

Member

Mr. Adeel Ali

Member

Mr. Rizwan Akhtar

Chief Executive Officer

Mr. Nisar Ahmed Almani

Chief Financial Officer

Mr. Muhammad Nasir Jamal

Secretary

ETHICS, HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Farrah Azeem Khan

Chairperson

Mr. Adeel Ali

Member

Mr. Rizwan Akhtar

Member

Mr. Nisar Ahmed Almani

Secretary



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 in 1995 as a public limited company, listed with Pakistan Stock Exchange (PSX) and also registered with the Central Depository Company of Pakistan (CDC). The shares of the Company are quoted and traded on PSX.

Shaheen Insurance is one of the most reputable and brightest names in the insurance sector. Its sustained growth over the years has secured it prominent place among the reputed insurers of Pakistan. SICL also commenced Takaful operations in 2018 through its Window Takaful Operations (WTO) under the guidelines of Shariah Board having vast experience and knowledge about Islamic Banking, Finance & Takaful.

Shaheen Insurance underwrites all classes of general insurance & general takaful. The Company provides a full range of insurance services through its branch network spread across all Pakistan to meet the needs of business fraternity, banks, financial institutions, corporate, commercial and individual clients. Our product portfolio includes:

- Fire and Property Damage
- Marine, Aviation and Transport
- Motor Vehicles (Personal & Commercial)
- Health
- Miscellaneous Classes
- Window Takaful Operations (full range of takaful products)

The Company's financial results are consistently improving; Authorized Capital of the Company is Rs.1 billion, while Paid-Up Capital will grow to Rs.645 million after issuance of Bonus Share @7.50%. Shareholder's Equity has also grown to Rs. 889.31 million as at March 31, 2024. Strong backing of sponsors, capital base, prudent underwriting, efficient claims management, strong reinsurance & retakaful arrangements and sound financial position place Shaheen Insurance at par with any quality insurer in Pakistan.

In addition, rating of the Company was reaffirmed to "A+" with 'Stable' outlook by PACRA 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."

Shaheen Insurance has excellent reinsurance & retakaful treaty arrangements with sound & well reputed international reinsurer. Besides treaty backup, the Company 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 also locally on facultative basis.

The Company is managed by a team of professionals who are fully equipped with technical and managerial skills for smooth operations for both traditional and specialized insurance & takaful covers.

Shaheen Insurance is fully geared up to take on challenges with a vision to play its role in the development of insurance industry, country's economy and to be recognized as one of the most professional, preferred and reputed 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 all classes of traditional and non-traditional lines.

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



General Takaful (Islamic)

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

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



DIRECTORS' REVIEW

The Shareholders
Shaheen Insurance Company Limited,

The Directors of the Company are pleased to present the 1st Quarter's Report 2024 along with the financial statements (unaudited) for the period ended March 31, 2024.

GENERAL ECONOMIC REVIEW

The overall economic position of the country remain challenging as Pakistan is suffering from the weak economic conditions, low GDP, weak law & order situation, political instability and continued high inflation. The new government is taking all necessary measures on immediate basis to improve the economic outlook, which is being shaped largely by the restoration of political stability and the continued implementation of reforms under the IMF program to stabilize the economy and restore fiscal and external buffers.

Business development in this scenario is challenging. Nonetheless, as the economy is reviving we are looking forward with confidence for taking advantage from the new opportunities, and the SICL expects to get its due share.

COMPANY'S PERFORMANCE – OPERATIONAL RESULTS 1Q2024

Shaheen Insurance business including takaful has grown to Rs 312.75 million during the 1st quarter 2024 from Rs 172.37 million during corresponding period of last year showing an overall growth of more than 80% as tabulated hereunder:

Business Segment	Gross Premium 1Q 2024 Rs. in (000)	Gross Premium 1Q 2023 Rs. in (000)	%age Growth
Conventional Business	290,670	160,904	80.6%
Takaful (WTO) Business	22,081	11,466	92.6%
Total Business	312,751	172,370	81.4%

The Net Premium Revenue from conventional business increased to Rs 153.79 million in the 1Q2024 (1Q2023: Rs 89.10 million) during the period under review. The net claims incurred during the 1Q2024 were Rs 56.28 million (1Q2023: Rs 26.97 million) while management expenses rose from Rs 40.16 million to Rs 49.94 million in the 1Q2024 mainly due to inflation and expenses with respect to increase in business volumes.

Comparative financial highlights for the 1st quarter ended March 31, 2024 are as under;

Profit & Loss Account	1Q 2024 Rs. in (000)	1Q 2023 Rs. in (000)	%age Inc/(Dec)
Gross Premium (including window takaful operations)	312,751	172,370	81.4%
Net Premium	153,794	89,097	72.6%
Net Incurred Claims (including IBNR)	56,283	26,967	108.7%
Management Expenses	49,941	40,156	24.4%
Underwriting Profit	15,840	2,247	604.9%
Profit from WTO	3,650	1,844	97.9%
Investment Income	30,492	22,303	36.7%
Profit before tax	62,582	29,133	114.8%
Profit after tax	44,433	21,217	109.4%
Earning per share (EPS) Rs.	0.74	0.35	111.4%



Company's operating profits also showing an increase from Rs 2.25 million during of 1Q2023 to Rs 15.84 million during the 1st quarter ended 31st March 2024.

Investment income of the Company grew to Rs 30.49 million in 1Q2024 (1Q2023: Rs 22.30 million) registering a growth of 36% mainly due to rise in the interest rate by the State Bank of Pakistan. Profit from Window Takaful Operations also contributed Rs 3.65 million during the 1Q2024 (1Q2023: Rs1.84 million).

During 1st quarter of 2024, profit before tax rose to Rs 62.58 million against Rs 29.13 million during corresponding period of last year. Net profit after tax also grew to Rs 44.43 million in 1Q 2024 from Rs 21.22 million of 1Q 2023 showing an increase of more than 100%. Similarly, EPS of the Company rose from Rs 0.35 per share to Rs 0.74 per share during first quarter 2024.

Overall performance of the Company is satisfactory, while significant improvement in all important segments has been witnessed. We are confident that operations of the Company will grow further in quarters to come.

Future Outlook & Challenges

We are optimistic about the future business prospects, and strongly believe that Shaheen Insurance will continue to grow in coming days. We are taking all necessary steps for its business expansion including development of new business, development of new lines of business and participation in mega projects on consortium basis with well reputed insurers.

Our emphasis will remain for improving overall risk architecture, balancing the portfolios and focus on safe and sustainable growth. Healthy contributions from investment activities are also expected in the wake of maintained policy rate by the SBP. Shaheen Insurance is taking all necessary steps for increasing its market share with the care that not only it's top line grow, but also the bottom line to remain positive & healthy. We look forward with confidence in meeting the challenges and opportunities will arise in the market.

We would like to thank our customers for their continued patronage & support. We are also thankful to the SECP, SBP, PACRA, PRCL and our Reinsurance partners for their cooperation, guidance & assistance. We also appreciate "Team Shaheen" for their services, hard-work, dedication & commitment for the best of the Company.

For and on behalf of Board

Rizwan Akhtar
Chief Executive Officer

April 26, 2024

Air Marshal Muhammad Arif Pervaiz (Retd.)
Chairman



مستقبل کا آؤٹ لک اور چیلنج۔

ہم مستقبل کے کاروباری امکانات کے بارے میں پر امید ہیں، اور پختہ یقین رکھتے ہیں کہ شاہین انشورنس آنے والے دنوں میں ترقی کرتی رہے گی۔ ہم اس کے کاروباری توسیع کے لیے تمام ضروری اقدامات کر رہے ہیں جن میں نئے کاروباری ترقی، کاروباری نئی لائنوں کی ترقی اور معروف بیمہ کنندگان کے ساتھ کنسورشیم کی بنیاد پر میگا پروڈیکٹس میں شرکت شامل ہے۔

ہمارا زور مجموعی خطرے کے ڈھانچے کو بہتر بنانے، بحالوں کو متوازن بنانے اور محفوظ اور پائیدار ترقی پر مرکوز رہے گا۔ اسٹیٹ بینک کی جانب سے پالیسی ریٹ برقرار رکھنے کے تناظر میں سرمایہ کاری کی سرگرمیوں سے تعاون بھی متوقع ہے۔ شاہین انشورنس اس خیال کے ساتھ اپنے مارکیٹ شیئر کو بڑھانے کے لیے تمام ضروری اقدامات کر رہی ہے کہ نہ صرف ٹاپ لائن بڑھے بلکہ نیچے کی لائن بھی مثبت رہے۔ ہم اعتماد کے ساتھ چیلنجوں کا مقابلہ کرنے کے منتظر ہیں اور مارکیٹ میں مواقع پیدا ہوں گے۔

ہم اپنے صارفین کی مسلسل سرپرستی اور حمایت کے لیے ان کا شکریہ ادا کرنا چاہیں گے۔ ہم PRCL، PACRA، SBP، SECP اور اپنے ری انشورنس پارٹنرز کے تعاون، رہنمائی اور مدد کے لیے ان کے بھی شکر گزار ہیں۔ ہم "ٹیم شاہین" کو ان کی خدمات، محنت، لگن اور کمپنی کے لیے بہترین عزم کے لیے بھی سراہتے ہیں۔

بورڈ کے لیے اور اس کی جانب سے

رضوان اختر
چیف ایگزیکٹو آفیسر

ایمر مارشل محمد عارف پرویز (ریٹائرڈ)

چیئر مین

26 اپریل 2024



ملین) تھے جبکہ انتظامی اخراجات 40.16 ملین سے بڑھ کر 49.94 ملین روپے تک پہنچ گئے بنیادی طور پر افراط زر اور کاروباری حجم میں اضافے کے حوالے سے اخراجات۔

31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کے لیے تقابلی مالی جھلکیاں حسب ذیل ہیں۔

منافع اور نقصان کا حساب	پہلی سہ ماہی 2023 (ملین)	پہلی سہ ماہی 2022 (ملین)	مجموعی اضافہ/کمی
قلمزد مجموعی پرییمیم	312,751	172,370	81.4%
پرییمیم کی صافی آمدنی	153,794	89,097	72.6%
صافی دعوے (بشمول آئی بی این آر)	56,283	26,967	108.7%
انتظامی اخراجات	49,941	40,156	24.4%
انڈر رائٹنگ سے نفع	15,840	2,247	604.9%
ونڈ وٹکافل آپریشنز سے نفع	3,650	1,844	97.9%
سرمایہ کاری کی آمدنی	30,492	22,303	36.7%
نفع قبل از ٹیکس	62,582	29,133	114.8%
نفع بعد از ٹیکس	44,433	21,217	109.4%
آمدنی فی شیئر (روپے)	0.74	0.35	111.4%

کمپنی کا آپریٹنگ منافع بھی 31 مارچ 2024 کو ختم ہونے والی پہلی سہ ماہی کے دوران 1Q2023 کے 2.25 ملین روپے سے بڑھ کر 15.84 ملین روپے تک جا رہا ہے۔

کمپنی کی سرمایہ کاری کی آمدنی 1Q2024 (Rs.22.30:1Q2023) میں بڑھ کر 30.49 ملین روپے ہو گئی جس میں 36% کا اضافہ ہوا جس کی بنیادی وجہ SBP کی شرح سود میں اضافہ ہے۔ ونڈ وٹکافل آپریشنز کے منافع نے بھی 1Q2024 (1Q2023): 1.84 (Rs ملین) کے دوران 3.65 ملین روپے کا حصہ ڈالا۔

2024 کی پہلی سہ ماہی کے دوران، ٹیکس سے پہلے کا منافع بڑھ کر 62.58 ملین روپے ہو گیا جو گزشتہ سال کی اسی مدت کے دوران 29.13 ملین روپے تھا۔ ٹیکس کے بعد کا خالص منافع بھی 1Q2024 میں 44.43 ملین روپے ہو گیا جو 1Q2023 کے 21.22 ملین روپے سے 100% سے زیادہ کا اضافہ ظاہر کرتا ہے۔ اسی طرح، کمپنی کا EPS پہلی سہ ماہی 2024 کے دوران 0.35 روپے فی حصص سے بڑھ کر 0.74 روپے فی حصص ہو گیا۔

کمپنی کی مجموعی کارکردگی تسلی بخش ہے، جبکہ تمام اہم شعبوں میں نمایاں بہتری دیکھی گئی ہے۔ ہمیں یقین ہے کہ آنے والی سہ ماہیوں میں کمپنی کے آپریشنز مزید بڑھیں گے۔



ڈائریکٹرز کا تبصرہ

شیر ہولڈرز

شاہین انشورنس کمپنی لمیٹڈ، کمپنی کے ڈائریکٹرز 31 مارچ 2024 کو ختم ہونے والی مدت کے مالیاتی گوشواروں (غیر آڈیٹ شدہ) کے ساتھ پہلی سہ ماہی کی رپورٹ 2024 پیش کرتے ہوئے خوش ہیں۔

عمومی اقتصادی جائزہ

ملک کی مجموعی اقتصادی پوزیشن اب بھی چیلنجنگ ہے کیونکہ پاکستان کمزور معاشی حالات، کم جی ڈی پی، کمزور امن وامان کی صورتحال، سیاسی عدم استحکام اور مسلسل بلند ہنگامی سے دوچار ہے۔ نئی حکومت اقتصادی نقطہ نظر کو بہتر بنانے کے لیے فوری بنیادوں پر تمام ضروری اقدامات کر رہی ہے، جس کی تشکیل بڑی حد تک سیاسی استحکام کی بحالی اور معیشت کے استحکام اور مالیاتی اور بیرونی بفرز کو بحال کرنے کے لیے آئی ایم ایف پروگرام کے تحت اصلاحات کے مسلسل نفاذ سے ہو رہی ہے۔

اس منظر نامے میں کاروبار کی ترقی مشکل ہے۔ بہر حال، جیسا کہ معیشت بحال ہو رہی ہے، ہم نئے مواقع سے فائدہ اٹھانے کے لیے اعتماد کے ساتھ منتظر ہیں، اور SICL کو اپنا مناسب حصہ ملنے کی توقع ہے۔

کاروبار	مجموعی پرییمیم پہلی سہ ماہی 2023 (ملین)	مجموعی پرییمیم پہلی سہ ماہی 2022 (ملین)	مجموعی اضافہ
کنوشنل کاروبار	290,670	160,904	80.6%
ونڈ وکافل کاروبار	22,081	11,466	92.6%
کل کاروبار	312,751	172,370	81.4%

کمپنی کی کارکردگی - آپریشنل نتائج 1Q2024

ہٹاؤں سمیت شاہین انشورنس کا کاروبار پہلی سہ ماہی 2024 کے دوران بڑھ کر 312.75 ملین روپے ہو گیا ہے جو گزشتہ سال کی اسی مدت کے دوران 172.37 ملین روپے سے بڑھ کر 80 فیصد سے زیادہ کی مجموعی نمو کو ظاہر کرتا ہے جیسا کہ ذیل میں دیا گیا ہے:

زیر نظر مدت کے دوران روایتی کاروبار سے خالص پرییمیم 1Q2024 (Rs.89.10:1Q2023) میں بڑھ کر 153.79 ملین روپے

ہو گیا۔ 1Q2024 کے دوران خرچ کیے گئے خالص دعوے 56.28 ملین روپے (Rs.26.97:1Q2023) تھے جبکہ انتظامی

اخراجات 40.16 ملین سے بڑھ کر 1Q2024 میں 49.94 ملین روپے تک پہنچ گئے بنیادی طور پر افراط زر اور کاروباری حجم میں اضافے کے

حوالے سے اخراجات۔ روایتی کاروبار سے خالص پرییمیم 1Q2024 (Rs.89.10:1Q2023) میں زیر جائزہ مدت کے دوران

بڑھ کر 153.79 ملین روپے ہو گیا۔ 1Q2024 کے دوران خرچ کیے گئے خالص دعوے 56.28 ملین روپے (Rs.26.97:1Q2023)



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT MARCH 31, 2024

	Note	March 31, 2024	December 31, 2023
(Rupees)			
ASSETS			
Property and equipment	7	93,642,169	75,697,353
Intangible assets		-	-
Investment properties	8	167,050,569	167,050,569
Investments			
Equity securities	9	119,743,424	115,018,363
Debt securities	10	120,623,606	119,292,049
Term deposits	11	430,779,291	448,879,290
Advances, deposits and other receivables	12	17,056,533	22,617,001
Insurance / re-insurance receivables	13	289,147,002	241,444,093
Re-insurance recoveries against outstanding claims		5,808,578	8,006,239
Salvage recoveries accrued		-	28,200
Deferred commission expense	19	50,872,357	38,205,966
Taxation-payment less provision		-	-
Prepayments		17,826,943	48,477,102
Cash and bank	15	323,568,960	252,188,790
Total assets of Window Takaful Operations - Operator's Fund		89,092,395	83,724,066
Total Assets		1,725,211,826	1,620,629,081
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Share capital	16	600,000,000	600,000,000
Reserves	17	20,507,896	20,237,792
Unappropriated profit		268,801,154	224,368,048
Total Equity		889,309,050	844,605,840
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	19	166,908,543	207,559,987
Unearned premium reserves	18	274,642,372	249,264,266
Premium deficiency reserves		337,245	337,245
Unearned reinsurance commission	20	2,457,314	2,880,777
Lease liabilities	18	14,985,670	19,415,330
Premium received in advance		5,373,982	11,144,220
Insurance / re-insurance payables	16	86,557,421	32,297,866
Other creditors and accruals	17	225,844,614	206,837,955
Unclaimed dividend		1,823,901	1,823,901
Taxation - provision less payments		31,736,730	22,003,846
Total liabilities of window takaful operations - Operator's Fund		25,234,985	22,457,848
Total Liabilities		835,902,777	776,023,241
Total Equity and Liabilities		1,725,211,826	1,620,629,081

The annexed notes from 1 to 26 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	Note	Three months period ended	
		March 31, 2024	March 31, 2023
		(Rupees)	
Net insurance premium	18	153,794,146	89,097,055
Net insurance claims	19	(56,283,136)	(26,966,854)
Premium deficiency - net		-	-
Net commission expense / acquisition cost	20	(31,730,265)	(19,727,584)
Insurance claims and acquisition expenses		(88,013,401)	(46,694,438)
Management expenses		(49,941,193)	(40,155,752)
Underwriting results		15,839,553	2,246,865
Investment income	21	30,492,327	22,302,947
Unrealised gain on investment properties		-	-
Rental income		568,898	517,182
Other income		16,034,059	3,676,421
Other expenses	22	(3,476,406)	(981,048)
Results of operating activities		59,458,430	27,762,367
Finance charges against lease liabilities		(526,159)	(473,036)
Profit before tax from window takaful operations - OPF		3,649,568	1,843,782
Profit before tax		62,581,839	29,133,113
Provision for taxation - net		(18,148,733)	(7,916,339)
Profit after tax		44,433,106	21,216,774
Earnings per share - basic and diluted	23	0.74	0.35

The annexed notes from 1 to 26 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	March 31, 2024	March 31, 2023
	----- (Rupees) -----	
Profit after tax	44,433,106	21,216,774
Other comprehensive income :		
Items that may be subsequently classified to profit and loss account		
Unrealised gain / (loss) on available for sale investments	270,104	555,173
Total comprehensive income for the period	<u>44,703,210</u>	<u>21,771,947</u>

The annexed notes from 1 to 26 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	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, 2023	600,000,000	20,000,000	3,863,126	108,063,726	731,926,852
Profit for the year 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 December 31, 2023	600,000,000	20,000,000	4,418,299	129,280,500	753,698,799
Balance as at January 1, 2024	600,000,000	20,000,000	237,792	224,368,048	844,605,840
Profit for the period ended March 31, 2024	-	-	-	44,433,106	44,433,106
Other comprehensive income	-	-	270,104	-	270,104
Total comprehensive income for the period	-	-	270,104	44,433,106	44,703,210
Balance as at March 31, 2024	600,000,000	20,000,000	507,896	268,801,154	889,309,050

The annexed notes from 1 to 26 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	March 31, 2024	March 31, 2023
	----- (Rupees) -----	
OPERATING CASHFLOW		
a) Underwriting activities		
Insurance premiums received	308,126,897	169,418,541
Reinsurance premiums paid	(85,368,027)	(101,645,769)
Claims paid	(95,737,386)	(189,694,245)
Reinsurance and other recoveries received	1,000,467	174,414,629
Commission paid	(44,174,867)	(24,956,785)
Commission received	4,568,340	1,879,767
Management expenses paid	(29,598,018)	(28,081,942)
Net cash flows generated from underwriting activities	<u>58,817,406</u>	<u>1,334,196</u>
b) Other operating activities		
Income tax paid	(6,277,370)	(2,919,624)
Finance cost paid	-	-
Management and administration expenses paid	-	-
Loans advanced - net	-	-
Net cash flow from other operating activities	<u>(6,277,370)</u>	<u>(2,919,624)</u>
Total cash used in from operating activities	A <u>52,540,036</u>	<u>(1,585,428)</u>
INVESTMENT ACTIVITIES		
Investment income received	53,283,406	17,314,758
Rentals received	-	-
Payments for investments - net	(6,056,618)	(36,992,094)
Fixed capital expenditure	(37,068,143)	(11,355,208)
Proceeds from disposal of property and equipment	5,428,184	39,000
Total cash generated from / (used in) investing activities	B <u>15,586,829</u>	<u>(30,993,544)</u>
FINANCING ACTIVITIES		
Financial charges paid	-	-
Dividend Paid	-	-
Principal repayment of lease liabilities against right-of-use-assets	(14,846,695)	(3,013,069)
Total cash used in financing activities	C <u>(14,846,695)</u>	<u>(3,013,069)</u>
Net cash generated from / (used in) all activities	A+B+C <u>53,280,170</u>	<u>(35,608,326)</u>
Exchange gain on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of year	701,068,080	470,483,873
Cash and cash equivalents at end of the period	<u>754,348,250</u>	<u>434,875,547</u>



CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	----- (Rupees) -----	
Reconciliation to profit and loss account		
Operating cash flows	52,540,036	(1,585,428)
Depreciation	(3,834,569)	(3,688,520)
Finance charges against lease liabilities	(526,159)	(473,036)
Gain on disposal of property and equipment	3,241,411	14,500
Unrealised gain on investment properties	-	-
Rental income	568,898	517,182
Increase / (decrease) in assets other than cash	28,635,984	69,967,069
(Increase) / decrease in liabilities	(70,334,390)	(67,681,722)
Investment and other income	30,492,327	22,302,947
Profit from window takaful operations - OPF	3,649,568	1,843,782
Profit after tax	44,433,106	21,216,774

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, 2024	March 31, 2023
	----- (Rupees) -----	
Cash and other equivalents		
- Cash in hand	228,233	136,857
- Policy stamps in hand	-	-
	228,233	136,857
Current and saving accounts		
- Current accounts	3,779,305	23,472,544
- Savings accounts	319,561,422	38,486,855
	323,340,726	61,959,399
Deposits maturing within 1 month		
Term Deposit- local currency	430,779,291	372,779,290
	754,348,250	434,875,547

The annexed notes from 1 to 26 form an integral part of these financial statements

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

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 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. The Company is listed on Pakistan Stock Exchange Limited. Its registered office is located at 10th Floor, shaheen commercial complex, Karachi. The company operates only in Pakistan through 13 Branches. Shaheen Foundation (the parent) holds approximately 69.28% (December 31, 2023: 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 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 and Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations, 2017.

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 and Takaful Rules, 2012 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.

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

A separate set of financial statements of the Window Takaful Operations has been annexed to these 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 that 'held to maturity' investments are stated at amortised cost. 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, 2024

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, 2024				
		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	4,007,538	-	-	319,561,422	-
Equity securities	9	253,695	(23,063)	-	-	-
Debt securities	10	-	-	-	120,623,606	-
Term deposits	11	-	-	-	430,779,291	-
Mutual funds	9	119,489,729	270,104	-	-	-
Loan and other receivable	12	-	-	17,056,533	-	-
		<u>123,750,962</u>	<u>247,040</u>	<u>17,056,533</u>	<u>870,964,319</u>	<u>-</u>

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 financial statements of the Company as at and for the year ended December 31, 2023.

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, 2023.



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, 2023.

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, 2024 (Un-audited)	December 31, 2023 (Audited)
(Rupees)	

7. PROPERTY AND EQUIPMENT

7.1 Property and equipment includes:

Furniture and fixtures	3,736,378	3,679,819
Office and electrical equipment	2,401,916	2,470,927
Computer equipment	1,965,702	1,764,554
Motor vehicles	71,628,328	51,111,392
Right-of-use assets	13,201,345	16,515,656
Capital work-in-progress	708,501	155,005
	<u>93,642,169</u>	<u>75,697,353</u>

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

Opening book value	59,026,692	31,929,032
Add: Additions during the period / year in owned assets	28,179,525	37,621,639
	87,206,217	69,550,671
Less: Net book value of assets disposed off during the period / year	2,159,411	71,636
Less: Depreciation for the period / year	5,939,111	10,452,343
	<u>79,107,695</u>	<u>59,026,692</u>

8. INVESTMENT PROPERTIES

Fair value of the investment properties as per the valuations carried out by professional valuers in 2023 and 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, 2024

9. INVESTMENT IN EQUITY SECURITIES

	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	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	(188,000,000)	-
Unlisted shares						
Mutual funds	118,965,241	-	119,489,729	114,503,813	-	114,741,605
	<u>306,965,241</u>	<u>(188,000,000)</u>	<u>119,489,729</u>	<u>302,503,813</u>	<u>(188,000,000)</u>	<u>114,741,605</u>
Investment at fair value through profit or loss						
Listed shares						
- Summit Bank Limited	276,758	-	253,695	299,821	-	276,758
	<u>307,241,999</u>	<u>(188,000,000)</u>	<u>119,743,424</u>	<u>302,803,634</u>	<u>(188,000,000)</u>	<u>115,018,363</u>

10. INVESTMENTS IN DEBT SECURITIES

	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	Cost	Impairment	Carrying value	Cost	Impairment	Carrying value
	(Rupees)			(Rupees)		
Held to maturity						
Government Securities						
Pakistan Investment Bonds						
- Pledged	60,587,150	-	64,574,636	60,587,150	-	64,348,271
- Non Pledged	52,587,656	-	56,048,970	52,587,656	-	54,943,778
	<u>113,174,806</u>	<u>-</u>	<u>120,623,606</u>	<u>113,174,806</u>	<u>-</u>	<u>119,292,049</u>
				March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	
				(Rupees)		

11. INVESTMENTS IN TERM DEPOSITS

Held to maturity

Deposits maturing within one month	<u>430,779,291</u>	448,879,290
------------------------------------	--------------------	-------------

- 11.1 The balance includes term deposits with various commercial banks having maturities within 01 month (i.e. upto April 13, 2024). The rate of return on these term deposits range between 15% to 20.25% (December 31, 2023: 15% to 20.25%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)	
12. LOANS AND OTHER RECEIVABLES		
unsecured, considered good		
Accrued investment income	5,718,386	12,475,406
Other receivables	1,601,221	1,427,719
Security deposits	8,285,694	8,096,898
Advances	1,451,232	616,978
	<u>17,056,533</u>	<u>22,617,001</u>
13. INSURANCE / REINSURANCE RECEIVABLES		
unsecured, considered good		
Due from insurance contract holders	9,739,555	20,816,504
Less: Provision for impairment	(96,219)	(96,219)
	9,643,335	20,720,285
Due from other insurers / reinsurers	306,117,541	247,337,682
Less: Provision for impairment	(26,613,874)	(26,613,874)
	279,503,667	220,723,808
	<u>289,147,002</u>	<u>241,444,093</u>
14. PREPAYMENTS		
Prepaid reinsurance premium ceded	17,826,943	48,477,102
15. CASH AND BANK		
Cash and cash equivalents		
- Cash in hand	228,233	34,757
- Policy stamps and bond papers in hand	-	133,956
	228,233	168,713
Cash at bank		
- Current accounts	3,779,305	753,944
- Saving accounts	319,561,422	34,555,153
	323,340,726	35,309,098
	<u>323,568,960</u>	<u>35,477,811</u>

15.1 These carry mark-up at rates ranging between 7% to 19.5% (December 31, 2022: 7% to 19.50%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)	
16. INSURANCE / RE-INSURANCE PAYABLES		
Due to other insurers / re-insurers	<u>86,557,421</u>	<u>32,297,866</u>
	<u>86,557,421</u>	<u>32,297,866</u>
17. OTHER CREDITORS AND ACCRUALS		
Agent commission payable	16,825,792	11,612,199
Provincial service taxes	115,104,071	100,675,604
Federal insurance fee payable	11,071,864	10,086,351
Workers' welfare fund payable	13,045,815	11,794,513
Accrued expenses	12,451,492	12,227,821
Withholding tax payable	4,759,863	3,606,896
Unearned rental income	568,895	1,137,793
Payable to provident fund	687,046	517,275
Security deposit against bond issuance	48,155,506	51,993,778
Others	3,174,271	3,185,725
	<u>225,844,614</u>	<u>206,837,955</u>
	March 31, 2024	March 31, 2023
	(Rupees)	
18. NET INSURANCE PREMIUM		
Written gross premium	290,670,135	160,903,464
Add: Unearned premium reserve opening	249,264,266	156,749,372
Less :Unearned premium reserve closing	274,642,372	176,967,304
Premium earned	<u>265,292,028</u>	<u>140,685,532</u>
Re-insurance premium ceded	80,847,723	45,864,686
Add: Prepaid reinsurance premium opening	48,477,102	14,560,355
Less: Prepaid reinsurance premium closing	17,826,943	8,836,564
Reinsurance expense	<u>111,497,882</u>	<u>51,588,477</u>
	<u>153,794,146</u>	<u>89,097,055</u>
19. NET INSURANCE CLAIMS		
Claims paid	95,737,386	189,694,245
Less: Outstanding claims including IBNR opening	207,559,987	128,962,567
Add: Outstanding claims including IBNR closing	166,908,543	148,171,993
Claims expense	<u>55,085,942</u>	<u>208,903,671</u>
Re-insurance and other recoveries received	1,000,467	174,414,629
Less: Re-insurance and other recoveries receivable in respect of outstanding claims opening	8,006,239	46,299,007
Add: Re-insurance and other recoveries receivable in respect of outstanding claims closing	5,808,578	53,821,195
Re-insurance and other recoveries revenue	<u>(1,197,194)</u>	<u>181,936,817</u>
Net claims expense	<u>56,283,136</u>	<u>26,966,854</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
20. NET COMMISSION EXPENSE / ACQUISITION COST		
Commission paid or payable	49,388,459	28,082,373
Add: Deferred commission expense opening	38,205,966	26,062,948
Less: Deferred commission expense closing	50,872,357	31,960,395
Net Commission	36,722,068	22,184,926
Less: Commission received or recoverable	4,568,340	1,879,767
Add: Unearned reinsurance commission opening	2,880,777	2,323,817
Less: Unearned reinsurance commission closing	2,457,314	1,746,242
Commission from reinsurers	4,991,803	2,457,342
	31,730,265	19,727,584
21. INVESTMENT INCOME		
Income from equity securities Available for sale investments		
Dividend income	5,248,738	6,450,338
Income from debt securities securities - Held to maturity		
Income from term deposits	20,884,740	13,505,849
Return on Pakistan Investment Bonds	4,381,912	2,321,270
	25,266,652	15,827,119
Investment related expenses	-	-
Unrealised gain on revaluation of FVTPL	(23,063)	25,490
Realized gain on sale of investment	-	-
	30,492,327	22,302,947
22. OTHER INCOME		
Return on bank balances	12,786,559	3,495,226
Gain on sale of operating fixed assets	3,241,411	14,500
Exchange gain	(9,816)	143,879
Miscellaneous	15,905	22,816
	16,034,059	3,676,421



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024	March 31, 2023
	(Rupees)	
23. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit after tax (Rupees)	44,433,106	21,216,774
Weighted average number of ordinary shares (Numbers)	60,000,000	60,000,000
Basic earnings per share (Rupees)	<u>0.74</u>	<u>0.35</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:

			March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
			(Rupees)	
Name	Relationship	Nature of transactions		
Shaheen Foundation	Parent Undertaking	Premium written	269,759	28,642
Shaheen Foundation	Parent Undertaking	Claims expense	172,484	145,905
Shaheen Foundation	Parent Undertaking	Lease rentals	2,781,444	2,230,397
Air Eagle (Private) Limited	Associated company	Premium written	35,768,813	-
			March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
			(Rupees)	
Shaheen Foundation	Parent Undertaking	Due from Insurance contact holder	9,520,381	18,779,284
Shaheen Foundation	Parent Undertaking	Outstanding claims	121,600	91,250
Shaheen Foundation	Parent Undertaking	Security deposits	3,317,246	3,317,246
			March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
			(Rupees)	
other transactions during the period with related parties				
Remuneration of Key management personnel			6,180,000	11,727,875
Contribution to provident fund			504,441	551,081



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

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:

	March 31, 2024					
	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)	60,994,652	79,691,222	76,781,022	76,729,892	34,164,198	328,360,986
Less: Federal excise duty	(5,172,944)	(9,654,606)	(8,258,137)	-	(11,223,000)	(34,308,687)
Less: Federal insurance fee	(360,984)	(769,346)	(582,081)	-	(1,669,753)	(3,382,164)
Gross written premium (inclusive of administrative Surcharge)	55,460,724	69,267,270	67,940,804	76,729,892	21,271,445	290,670,135
Gross direct premium	55,070,709	69,180,305	66,525,510	76,729,892	20,768,161	288,274,577
Administrative surcharge	390,015	86,965	1,415,294	-	503,284	2,395,558
Insurance premium earned	70,782,742	103,046,342	49,406,967	19,237,650	22,818,328	265,292,028
Less: Insurance premium ceded to reinsurers	13,302,666	87,447,144	7,715,702	-	3,032,370	111,497,881
Net insurance premium	57,480,076	15,599,198	41,691,265	19,237,650	19,785,958	153,794,146
Add: Commission income	270,709	3,571,255	1,109,569	-	40,270	4,991,802
Net underwriting income (A)	57,750,785	19,170,453	42,800,833	19,237,650	19,826,228	158,785,949
Insurance claims	11,087,316	6,242,252	17,712,155	19,676,585	367,634	55,085,942
Less: Insurance claims recovered from reinsurance	4,456	-	(1,201,650)	-	-	(1,197,194)
Net claim	11,082,860	6,242,252	18,913,805	19,676,585	367,634	56,283,136
Commission expense	15,774,796	5,313,328	6,499,359	-	9,134,586	36,722,070
Management expenses	13,324,843	19,398,462	9,300,856	36,621,485	4,295,548	49,941,193
Premium deficiency expense	-	-	-	-	-	-
Net insurance claims and expenses (B)	40,182,499	30,954,042	34,714,019	23,298,070	13,797,768	142,946,399
Underwriting result C=A-B	17,568,286	(11,783,589)	8,086,814	(4,060,420)	6,028,461	15,839,551
Net investment income						30,492,327
Rental income						568,898
Other income						16,034,059
Other expenses						(3,476,406)
Unrealised gain on investment properties						-
Finance charges on right-of-use assets						(526,159)
Loss after tax from window takaful operations - OPF						3,649,568
Profit before tax						62,581,839



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

March 31, 2023

	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)
Profit after tax from window takaful operations - OPF						1,843,782
Profit after tax						29,133,113



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

25.1 Segment Assets & Liabilities

	March 31, 2024 (Un-audited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident and Health	Miscellaneous	Total
SEGMENT ASSETS						
Segment assets	69,386,430	86,659,680	85,000,149	95,996,101	26,612,520	363,654,881
Segment assets - Takaful OPF	4,662,974	2,068,909	10,159,330	-	1,206,807	18,098,020
Unallocated assets - Takaful OPF						70,994,375
Unallocated corporate assets						1,277,185,198
Total assets						<u>1,729,932,474</u>
SEGMENT LIABILITIES						
Segment liabilities	101,233,500	126,434,848	124,013,623	140,056,511	38,827,168	530,565,650
Segment liabilities - Takaful OPF	2,245,393	996,256	4,892,091	-	581,122	8,714,862
Unallocated liabilities - Takaful OPF						16,520,121
Unallocated corporate liabilities						280,102,144
Total liabilities						<u>835,902,777</u>

	March 31, 2023 (Un-audited)					
	Fire & Property Damage	Marine, Aviation & Transport	Motor	Accident and Health	Miscellaneous	Total
SEGMENT ASSETS						
Segment assets	108,258,721	66,840,457	77,206,374	-	18,463,062	270,768,614
Segment assets - Takaful OPF	3,353,283	935,477	8,248,023	-	80,470	12,617,253
Unallocated assets - Takaful OPF						57,127,307
Unallocated corporate assets						982,077,923
Total assets						<u>1,322,591,097</u>
SEGMENT LIABILITIES						
Segment liabilities	151,974,994	93,831,499	108,383,307	-	25,918,685	380,108,485
Segment liabilities - Takaful OPF	1,816,622	506,790	4,468,319	-	43,594	6,835,325
Unallocated liabilities - Takaful OPF						7,340,734
Unallocated corporate liabilities						174,607,754
Total liabilities						<u>568,892,298</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

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 April 26, 2024.

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

Note	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)		
	March 31, 2024 Un-Audited	December 31, 2023 Audited	March 31, 2024 Un-Audited	December 31, 2023 Audited	
	(Rupees)				
Assets					
Qard-e-Hasna to Participants' Takaful Fund	7	12,500,000	12,500,000	-	-
Property and equipment	8	532,300	560,316	-	-
Intangible assets		-	-	-	-
Investments in TDRs	9	39,400,000	30,100,000	15,000,000	21,700,000
Takaful / retakaful receivables	10	-	-	44,866,838	33,256,315
Loans and other receivables	11	630,253	1,289,213	2,553,360	2,953,130
Retakaful recoveries against outstanding / benefits	21	-	-	2,762,347	172,841
Salvage recoveries accrued		-	-	-	-
Deferred commission expense	25	4,744,321	4,365,155	-	-
Receivable from PTF	11	17,145,345	13,217,812	-	-
Deferred wakala fee	19	-	-	10,540,678	10,357,962
Taxation less provision		-	-	1,522,100	1,282,446
Prepaid retakaful contribution ceded	12	-	-	229,117	285,951
Cash and bank	13	14,140,176	21,691,571	20,945,965	10,664,610
		76,592,395	71,224,066	98,420,405	80,673,254
Total assets		89,092,395	83,724,066	98,420,405	80,673,254
Funds and Liabilities					
Operator's Fund (OPF)					
Statutory fund		50,000,000	50,000,000	-	-
Accumulated profit / deficit		13,857,411	11,266,218	-	-
Balance of Operator's Fund		63,857,411	61,266,218	-	-
Participants' Takaful Fund (PTF)					
Ceded money		-	-	500,000	500,000
Accumulated profit / deficit		-	-	15,891,840	2,881,618
Balance of Participants' Takaful Fund		-	-	16,391,840	3,381,618
Qard-e-Hasna from Operator's Fund	7	-	-	12,500,000	12,500,000
Liabilities					
PTF Underwriting provisions		-	-	13,416,981	12,792,820
Outstanding claims including IBNR	21	-	-	29,842,366	29,302,317
Unearned contribution reserve	18	-	-	13,232	68,558
Reserve for unearned retakaful rebate	20	-	-	611,055	509,149
Contribution received in advance		-	-	5,332,820	5,242,858
Takaful / retakaful payables	14	-	-	-	-
Unearned wakala fee		10,540,678	10,357,962	-	-
Payable to OPF	15	-	-	17,145,345	13,217,811
Taxation - provision less payments		1,420,822	935,436	-	-
Other creditors and accruals	16	13,273,482	11,164,449	3,166,768	3,658,123
Total Liabilities		25,234,983	22,457,847	69,528,566	64,791,635
Total Funds and Liabilities		89,092,395	83,724,066	98,420,405	80,673,254
Contingencies and commitments					

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	Three Months period ended	
	March 31, 2024	March 31, 2023
Note	(Rupees)	
Participants' Takaful Fund (PTF)		
Net Takaful contribution	14,800,977	8,562,868
Less: Contributions ceded to retakaful	(2,230,256)	(3,699,280)
Net contributions revenue	18 12,570,721	4,863,588
Retakaful rebate earned	20 58,847	8,976
Net underwriting income	12,629,568	4,872,564
Net claims reported / settled - IBNR	21 (681,317)	(3,866,300)
Other direct expenses	22 (73,271)	(151,554)
Surplus/(Deficit) before investment income	11,874,981	854,710
Investment Income	23 551,830	644,571
Other income	24 638,595	77,855
Less: Modarib's share of investment income	(55,183)	(64,457)
(Deficit) / surplus transferred to accumulated surplus	13,010,222	1,512,678
Operator's Fund (OPF)		
Wakala fee	19 6,739,634	3,699,280
Commission expense	25 (3,206,179)	(2,065,989)
General, administrative and management expense	26 (2,091,821)	(985,047)
	1,441,634	648,244
Modarib's share of PTF investment income	55,183	64,457
Investment Income	23 1,515,411	884,975
Direct Expenses	27 (300,810)	(850)
Other Income	24 938,150	246,956
Profit / (Loss) before taxation	3,649,568	1,843,782
Taxation	29 (1,058,375)	(534,697)
Profit / (Loss) after taxation	2,591,193	1,309,085

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	Three Months period ended	
	March 31, 2024	March 31, 2023
	----- (Rupees) -----	
PARTICIPANTS' TAKAFUL FUND		
Surplus / (deficit) during the period	13,010,222	1,512,678
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	<u>13,010,222</u>	<u>1,512,678</u>
OPERATORS' FUND		
Profit / (loss) after tax for the period	2,591,193	1,309,085
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>2,591,193</u>	<u>1,309,085</u>

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	Operator's Fund		
	Statutory fund	Accumulated profit / (loss)	Total
	----- (Rupees) -----		
Balance as at January 01, 2023	50,000,000	4,259,416	54,259,416
Profit / (Loss) after tax for the period	-	7,006,802	7,006,802
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2023	<u>50,000,000</u>	<u>11,266,218</u>	<u>61,266,218</u>
Balance as at January 01, 2024	50,000,000	11,266,218	61,266,218
Profit / (Loss) after tax for the period	-	2,591,193	2,591,193
Other comprehensive profit / (loss) for the period			
Balance as at March 31, 2024	<u>50,000,000</u>	<u>13,857,411</u>	<u>63,857,411</u>

	Participants' Takaful Fund		
	Statutory fund	Accumulated Deficit	Total
	----- (Rupees) -----		
Balance as at January 01, 2023	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 December 31, 2023	<u>500,000</u>	<u>(13,332,393)</u>	<u>(12,832,393)</u>
Balance as at January 01, 2024	500,000	2,881,618	3,381,618
Surplus for the period	-	13,010,222	13,010,222
Other comprehensive profit / (loss) for the period	-	-	-
Balance as at March 31, 2024	<u>500,000</u>	<u>15,891,840</u>	<u>16,391,840</u>

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

	Operator's Fund (OPF)		Participants' Takaful Fund (PTF)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	(Rupees)			
OPERATING ACTIVITIES				
a) Takaful activities				
Contribution received	-	-	10,572,043	5,226,856
Re-takaful contributions paid	-	-	(2,083,460)	(3,079,940)
Claims paid / benefits paid	-	-	(2,670,754)	(3,022,360)
Commissions paid	(1,070,360)	(961,087)	-	-
Re-takaful rebate / commissions received	-	-	3,521	-
Re-takaful and other recoveries received	-	-	24,092	343,359
Wakala fees received	3,050,000	1,550,000	-	-
Wakala fees paid	-	-	(3,050,000)	(1,550,000)
Modarib share received	-	-	-	-
Modarib share paid	-	-	-	-
Net cash generated from underwriting activities	1,979,640	588,913	2,795,442	(2,082,085)
b) Other operating activities				
Management and other expenses paid	(2,770,567)	(873,923)	(64,710)	(107,734)
Taxes Paid	(1,099,101)	(250,662)	(290,375)	540,344
Net cash used in other operating activities	(3,869,668)	(1,124,585)	(355,084)	432,610
Total cash (used in) / generated from operating activities	A		2,440,358	(1,649,475)
INVESTING ACTIVITIES				
Profit / return received	3,153,247	1,304,121	1,597,694	849,549
Addition to equipment	-	-	-	-
Total cash generated from investing activities	B		1,597,694	849,549
FINANCING ACTIVITIES				
Grad-e-hasna received / (repaid)	-	-	-	-
Total cash generated from financing activities	C		-	-
Net increase in cash and cash equivalents	A+B+C		4,038,052	(799,926)
Cash and cash equivalents at the beginning of period	51,791,571	34,522,475	32,364,610	23,682,548
Cash and cash equivalents at end of the period	53,054,790	35,290,924	36,402,662	22,882,621
Reconciliation to profit and loss account				
Operating cash flows	(1,890,028)	(535,672)	2,440,358	(1,649,475)
Increase / (decrease) in assets other than cash	4,347,425	2,859,654	14,573,064	6,973,864
Increase / (decrease) in liabilities	(2,777,136)	(2,111,808)	(4,736,930)	(4,534,136)
Depreciation / amortisation expense	(28,016)	(35,020)	-	-
Investment and other income - net	2,453,561	1,131,931	1,190,425	722,426
Mudarib fee	-	-	-	-
(Deficit) / profit for the period	2,105,807	1,309,085	13,466,917	1,512,678

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

Air Marshal Muhammad Arif
Pervaiz (Retd.) - Chairman

Air Commodore Tausif Sadiq
(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, 2024

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

The condensed interim financial statements of WTO have been prepared in accordance with the requirements of the International Accounting standard (IAS) 34 - Interim Financial Reporting as applicable in Pakistan, provisions and directives issued under Companies Act 2017, the Insurance Ordinance 2000, Insurance Rules 2017, the Insurance Accounting Regulations 2017 and Takaful Rules 2012. In case where requirements differ the provisions of or directives issued under Companies Act 2017, the Insurance Ordinance 2000, Insurance Rules 2017 the Insurance Accounting Regulations 2017, General takaful accounting regulation, 2019 and Takaful Rules 2012 shall prevail.

The condensed interim statement of financial position, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in fund for the period does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the WTO for the year ended December 31, 2023.

The condensed interim financial statements reflect the financial position and result of operations of both OPF and PTF in a manner that the assets, liabilities, income and expenses of the OPF and PTF remain separately identifiable. Comparative figures of statement of financial position are taken from annual financial statements for the year ended December 31, 2023 and comparatives of statement of comprehensive income, statement of cash flows and statement of changes in equity are taken from unaudited condensed interim financial statement for the period ended March 31, 2023.

2.2 Basis of measurement

The condensed interim financial statements for the period ended March 31, 2024 have been prepared under historic cost basis.

2.3 Functional and presentation currency

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

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 2024 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.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2023

2.4.1 Temporary exemption from application of IFRS 9

As an insurance Operator, 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 the 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, 2024 and changes in the fair values during the three months ended March 31, 2024

March 31, 2024 Operator's Fund (OPF)

	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealised gain or (loss) during the period	Carrying value	Fair value	Change in unrealised gain / (loss)
	----- (Rupees) -----				
Investments in TDRs	-	-	39,400,000	-	-
Other Receivables	6,973	-	-	-	-
Receivable from PTF	17,145,345	-	-	-	-
Cash and bank	-	-	14,140,176	-	-
	<u>17,152,318</u>	<u>-</u>	<u>53,540,176</u>	<u>-</u>	<u>-</u>

March 31, 2024 Participants' Takaful Fund (PTF)

	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in unrealised gain or (loss) during the period	Carrying value	Fair value	Change in unrealised gain / (loss)
	----- (Rupees) -----				
Investments in TDRs	-	-	15,000,000	-	-
Other receivable	147,653	-	-	-	-
Cash and bank	-	-	20,945,965	-	-
	<u>147,653</u>	<u>-</u>	<u>35,945,965</u>	<u>-</u>	<u>-</u>

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 December 31, 2023.,

4. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make judgments,



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

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 December 31, 2023.

5. FINANCIAL AND TAKAFUL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2023.

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.

	March 31, 2024	December 31, 2023
	(Rupees)	
7. QARD-E-HASNA TO PARTICIPANTS' TAKAFUL FUND		
Opening balance of Qard-e-Hasna	12,500,000	20,000,000
Qard-e-Hasna transferred from OPF during the period	-	-
Qard-e-Hasna returned by PTF during the period	-	(7,500,000)
Closing balance of Qard-e-Hasna	<u>12,500,000</u>	<u>12,500,000</u>

	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)	
8. PROPERTY AND EQUIPMENT		
Motor Vehicle	532,300	560,316
Computer Equipment	-	-
	<u>532,300</u>	<u>560,316</u>
Movement of property and equipment during the period / year is as follows;		
Opening book value	560,316	700,395
Add: Additions during the period / year in owned assets	-	-
	<u>560,316</u>	<u>700,395</u>
Less: Net book value of assets disposed off during the period / year	-	-
Less: Depreciation for the period / year	<u>28,016</u>	<u>140,079</u>
	<u>532,300</u>	<u>560,316</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	OPF		PTF	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)

9. INVESTMENTS IN TDRS

Held to maturity				
Deposits maturing within 1 month	<u>39,400,000</u>	<u>30,100,000</u>	<u>15,000,000</u>	<u>21,700,000</u>

9.1 The rate of return on these term deposits is 20.25% (December 31, 2023: 20.25%).

	OPF		PTF	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)

10. TAKAFUL / RETAKAFUL RECEIVABLES

Due from takaful participant holders	-	-	<u>660,414</u>	57,715
Due from other takaful / retakaful	-	-	<u>44,206,424</u>	33,198,600
	<u>-</u>	<u>-</u>	<u>44,866,838</u>	<u>33,256,315</u>

11. RECEIVABLE / PAYABLES FROM / TO PTF/OPF

Wakala Fee	<u>16,757,067</u>	12,884,717	<u>16,757,067</u>	12,884,717
Modarib Fee	<u>388,277</u>	333,094	<u>388,277</u>	333,094
	<u>17,145,345</u>	<u>13,217,812</u>	<u>17,145,345</u>	<u>13,217,812</u>

12. PREPAID RETAKAFUL CONTRIBUTION CEDED

Prepaid Re-Takaful Contribution Ceded	-	-	<u>229,117</u>	285,951
	<u>-</u>	<u>-</u>	<u>229,117</u>	<u>285,951</u>

13. CASH AND BANK

Savings accounts	<u>14,140,176</u>	<u>21,691,571</u>	<u>20,945,965</u>	<u>10,664,610</u>
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13.1 These carry mark-up at rates ranging between 7% to 18.5% (December 31, 2023: 7% to 18.5%) per annum.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	PTF	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)	
14. TAKAFUL / RE-TAKAFUL PAYABLES		
Due to re-takaful operators	<u>5,332,820</u>	<u>5,242,858</u>
15. RECEIVABLE / PAYABLE FROM / TO PTF/OPF		
Wakala fee	<u>16,757,067</u>	12,884,717
Mudarib fee	<u>388,277</u>	333,094
	<u>17,145,345</u>	<u>13,217,812</u>

16. OTHER CREDITORS AND ACCRUALS

	OPF		PTF	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)			
Federal Takaful fee	-	-	<u>216,603</u>	233,998
FED payable	-	-	<u>2,483,249</u>	2,965,771
Sales tax on services	<u>554,379</u>	568,642	-	-
Commission payable	<u>9,759,701</u>	7,244,716	-	-
Auditors fee	<u>865,783</u>	565,783	-	-
Others creditors	<u>2,093,619</u>	2,785,308	<u>466,916</u>	458,354
Payable against common expenses - Conventional	-	-	-	-
	<u>13,273,482</u>	<u>11,164,449</u>	<u>3,166,768</u>	<u>3,658,123</u>

17. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as on March 31, 2024 and as at December 31, 2023.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Participant's Takaful Fund	
	March 31, 2024	March 31, 2023
	Un-audited	
	(Rupees)	
18. CONTRIBUTION EARNED		
Written gross contribution	22,080,660	11,466,326
Wakala fee	(6,739,634)	(3,699,280)
Contribution net of wakala fee	15,341,026	7,767,046
Unearned contribution reserve opening	29,302,317	15,120,790
Unearned contribution reserve closing	29,842,366	16,681,636
Contribution earned	14,800,977	6,206,200
Less: Re-takaful Contribution ceded	2,173,422	1,299,987
Prepaid re-takaful contribution opening	285,951	53,471
Prepaid re-takaful contribution closing	229,117	10,846
Re-takaful expense	2,230,256	1,342,612
Net contribution revenue	12,570,721	4,863,588

	Participant's Takaful Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
19. WAKALA EXPENSE		
Gross wakala fee	6,922,350	4,490,405
Add: Deferred wakala opening	10,357,962	6,044,200
Less: Deferred wakala closing	10,540,678	6,835,325
Wakala expense	6,739,634	3,699,280
20. REBATE ON RE-TAKAFUL - PTF		
Commission received or recoverable	3,521	-
Add: Unearned reinsurance commission opening	68,558	10,600
Less: Unearned reinsurance commission closing	13,232	1,624
Commission from reinsurance	58,847	8,976



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Participant's Takaful Fund			
	March 31, 2024	March 31, 2023		
	(Rupees)			
21. NET CLAIMS REPORTED / SETTLED - IBNR				
Claims paid	2,670,753	3,022,360		
Less: Outstanding claims including IBNR opening	12,792,819	11,587,681		
Add: Outstanding claims including IBNR closing	13,416,981	12,512,538		
Claims expense	<u>3,294,915</u>	<u>3,947,217</u>		
Less:				
Re-Takaful and Other Recoveries received	24,092	343,359		
Less: Re-Takaful and other recoveries receivable in respect of outstanding claims opening	172,841	493,159		
Add: Re-Takaful and other recoveries receivable in respect of outstanding claims closing	2,762,347	230,717		
Re-Takaful and other recoveries revenue	<u>2,613,598</u>	<u>80,917</u>		
Net Claims Expense	<u>681,317</u>	<u>3,866,300</u>		
22. OTHER EXPENSES				
Coinsurance surcharge	62,290	91,611		
Others	10,981	59,943		
	<u>73,271</u>	<u>151,554</u>		
22.1	This is the service charges deducted by reinsurers at 2.5% of gross premium revenue on policies in which the Operator is a reinsurer.			
23. INVESTMENT INCOME	OPF	PTF		
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	(Rupees)			
Debt Instrument				
Return on term deposits	1,515,411	884,975	551,830	644,571
	<u>1,515,411</u>	<u>884,975</u>	<u>551,830</u>	<u>644,571</u>
24. OTHER INCOME			Participant's Takaful Fund	
			March 31, 2024	March 31, 2023
			(Rupees)	
Return on bank balances			638,595	77,855
Others			-	-
			<u>638,595</u>	<u>77,855</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

	Operator's Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
Return on bank deposits	938,150	246,956
Others	-	-
	<u>938,150</u>	<u>246,956</u>
25. COMMISSION EXPENSES	Operator's Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
Commission paid or payable	3,585,345	2,204,816
Add: Deferred commission opening	4,365,155	3,084,232
Less: Deferred commission closing	4,744,321	3,223,059
Commission expense	<u>3,206,179</u>	<u>2,065,989</u>
26. MANAGEMENT EXPENSES	Operator's Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
Salaries, wages and benefits	540,000	449,600
Depreciation / amortization	28,016	35,020
Shariah advisory fee	188,890	188,890
Software maintenance	330,000	195,000
Business acquisition cost	761,848	102,587
Others	243,067	13,950
	<u>2,091,821</u>	<u>985,047</u>
27. OTHER EXPENSES	Operator's Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
Auditor's remuneration	300,000	-
Sharia Audit Fee	-	-
Printing and stationery	-	850
Others	810	-
Common expenses - Conventional	-	-
	<u>300,810</u>	<u>850</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

28. 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.

29. PROVISION FOR TAXATION

	Operator's Fund	
	March 31, 2024	March 31, 2023
	(Rupees)	
Current tax for the period	<u>1,058,375</u>	<u>534,697</u>

30. 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	
	March 31, 2024 (Un audited)	March 31, 2023 (Un Audited)
	(Rupees)	
Contribution to provident fund	<u>8,464</u>	<u>9,240</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

31. 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, 2024 (Un-audited) - PTF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Aggregate
----- (Rupees) -----						
Participants' Takaful Fund						
Written gross contribution (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	5,029,080	2,185,799	11,205,891	4,161,041	1,395,679	23,977,490
Less : Federal excise duty	(304,267)	(80,360)	(898,930)	(297,716)	(163,287)	(1,744,560)
Less : Federal insurance fee	(21,153)	(18,478)	(58,987)	(38,597)	(15,055)	(152,270)
Gross written contribution (inclusive of Administrative Surcharges)	4,703,660	2,086,961	10,247,974	3,824,728	1,217,337	22,080,660
Gross contribution direct						
Admin surcharge	4,666,969	2,066,596	10,077,033	3,811,057	1,176,279	21,797,934
Written gross contribution	36,691	20,365	170,941	13,671	41,058	282,726
	4,703,660	2,086,961	10,247,974	3,824,728	1,217,337	22,080,660
Takaful contribution earned	6,441,694	1,109,191	9,592,270	2,781,520	1,615,936	21,540,611
Wakala expense	(2,053,534)	(627,194)	(3,153,003)	(321,497)	(584,407)	(6,739,635)
	4,388,161	481,996	6,439,267	2,460,023	1,031,529	14,800,976
Re-takaful contribution ceded	(876,395)	(443,435)	(799,567)	-	(110,859)	(2,230,256)
Net takaful contribution	3,511,766	38,561	5,639,700	2,460,023	920,670	12,570,720
Re-takaful rebate earned	13,156	-	45,691	-	-	58,847
Operation income	3,524,922	38,561	5,685,391	2,460,023	920,670	12,629,568
Claim expense	(294,119)	(319,500)	(1,967,374)	(713,922)	-	(3,294,915)
Re-takaful & other recoveries revenue	348	-	2,613,250	-	-	2,613,598
Net claims reported / settled - IBNR	(293,771)	(319,500)	645,876	(713,922)	-	(681,317)
Other Expenses	(21,911)	(3,773)	(32,628)	(9,461)	(5,497)	(73,271)
Surplus/(deficit) before investment income	3,209,240	(284,712)	6,298,639	1,736,640	915,174	11,874,980
Net investment income						
Other income						551,830
Less: Modarib's share of investment income						638,595
Surplus for the period						(55,183)
						13,010,222
The following presents segments assets and liabilities as at March 31, 2024						
Segment assets	11,803,004	5,236,861	25,715,481	7,771,663	3,054,692	53,581,701
Unallocated assets						44,838,704
						98,420,405
Segment liabilities	13,514,071	3,689,097	26,698,655	5,436,624	2,982,084	52,320,529
Unallocated liabilities						17,208,037
						69,528,566



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

Three months period ended March 31, 2024 (Un-audited) - OPF

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Aggregate
----- (Rupees) -----						
Operator's Fund						
Wakala fee income	2,053,534	627,194	3,153,003	321,497	584,407	6,739,635
Commission expense	(1,497,493)	(166,859)	(1,183,126)	(106,654)	(252,047)	(3,206,179)
Management expense	(625,557)	(107,714)	(931,511)	(270,115)	(156,924)	<u>(2,091,821)</u>
						1,441,636
Modarib's share of PTF investment income						
Investment income						55,183
Direct expenses						1,515,411
Other Income						(300,812)
Profit before taxation						<u>938,150</u>
Provision for taxation						3,649,568
Profit after tax						<u>(1,058,375)</u>
						<u>2,591,193</u>
The following presents segments assets and liabilities as at March 31, 2024						
Segment assets	4,662,974	2,068,909	10,159,330	-	1,206,807	18,098,020
Unallocated assets						<u>70,994,375</u>
						<u>89,092,395</u>
Segment liabilities	2,245,393	996,256	4,892,091	-	581,122	8,714,862
Unallocated liabilities						<u>16,520,121</u>
						<u>25,234,983</u>



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN AUDITED) FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

31.1 SEGMENT REPORTING

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

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Aggregate
----- (Rupees) -----						
Participants' Takaful Fund						
Contribution written (inclusive of federal excise duty, federal insurance fee, and administrative surcharge)	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
	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	9,905,481
Wakala expense	(1,117,718)	(374,533)	(2,034,470)	-	(172,559)	(3,699,280)
	1,890,539	583,586	3,485,265	-	246,811	6,206,201
Re-takaful contribution ceded	(560,869)	(362,613)	(328,476)	-	(90,654)	(1,342,612)
Net takaful contribution	1,329,670	220,973	3,156,789	-	156,157	4,863,589
Re-takaful rebate earned	1,985	-	6,991	-	-	8,976
Net underwriting income	1,331,655	220,973	3,163,780	-	156,157	4,872,565
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)
Direct expense	(128,912)	-	-	-	-	(151,554)
Net takaful claim & expense	(498,912)	(408)	(3,496,300)	-	-	(4,017,854)
Surplus/(deficit) before investment income	832,743	(106,185)	(332,520)	-	156,157	854,711
Net investment income						644,571
Other income						77,855
Less: Modarib's share of investment income						(64,457)
Deficit for the period						1,512,680
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, 2024

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

	Fire and property damages	Marine, aviation & transport	Motor	Accident and health	Miscellaneous	Aggregate
----- (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's investment income						64,457
Investment income						884,975
Direct expenses						(850)
Other income						246,956
Loss before taxation						1,843,782
Provision for taxation						(534,697)
Loss after taxation						<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>

32. DATE OF AUTHORISATION OF ISSUE

These financial statements have been authorised for issue on April 26, 2024 by the Board of Directors of the Operator.

33. CORRESPONDING FIGURES

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

34. GENERAL

All amount have been rounded off to the nearest rupees.



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