



ANNUAL REPORT

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CONTENT

About us.....	03
Company Information.....	05
Vision & Mission.....	08
Board of Director's.....	09
Director's Report to the shareholders.....	12
Historical Financial Information.....	20
Code of Conduct & Professional Standards.....	38
Statement of Compliance with the Code of Corporate Governance.....	39
Review Report to the Members on Statement of Compliance.....	46
Independent Auditor's Report.....	47
Statement of Financial Position.....	51
Profit and Loss Account.....	52
Statement of Comprehensive Income.....	53
Statement of Changes in Equity.....	54
Cash Flow Statement Notes to the Financial Statements.....	55
Notes to the Financial Statements.....	57
Independent Reasonable Assurance Report to the Board of Directors.....	108
Shariah Advisory Report to the Board of Directors.....	111
Independent Auditor's Report.....	115
Statement of Financial Position.....	119
Profit and Loss Account.....	120
Statement of Comprehensive Income.....	121
Statement of Changes in Operator's Fund.....	122
Statement of Changes in Participant's Takaful Fund.....	123
Cash Flow Statement.....	124
Notes to the Financial Statements.....	126
Notice of 19th Annual General Meeting.....	156
Form of Proxy.....	160

ABOUT US

Alfalah Insurance Company Limited is one of the leading general insurance providers in Pakistan, backed by the Abu Dhabi Group and supported by strong institutional partners including Bank Alfalah. The Company continues to play a pivotal role in strengthening trust, transparency, and confidence in Pakistan's insurance sector while supporting sustainable economic growth.

Commencing operations since 2006, the company has established a nationwide footprint with branches across all major cities



and offers a comprehensive suite of general insurance products including motor, fire, travel, health, and commercial risk coverage tailored to meet the evolving needs of both individual and corporate clients. Alfalah Insurance is committed to delivering world-class risk management solutions, exceptional customer service, and innovative insurance offerings that align with international standards, while enhancing public confidence in the insurance sector.

We are pleased to advise that we have secured the support from some of the most renowned reinsurers and are in a position to offer tailor made insurance coverage for the most complex industrial, commercial or financial risks.

We are member of Insurance Association of Pakistan (IAP) & Lahore Chamber of Commerce and Industry (LCCI). We have been awarded First FPCCI Achievement Award by The Federation of Pakistan Chamber of Commerce & Industry (FPCCI) for outstanding performance in year 2012.

THE ABU DHABI GROUP

Abu Dhabi Group is one of the largest foreign investors in Pakistan. Bank Alfalah Limited was the first investment of The Abu Dhabi Group in Pakistan in 1997 and after the spectacular success of Bank Alfalah Limited, the Group has invested in different sectors of the Pakistani economy. Following are the Group's other ventures, presently operating successfully in the country:



COMPANY INFORMATION

Chairman

H.H. Sheikh Nahayan Mubarak Al Nahayan

Board of Directors

Non-Executive Director

H.H Sheikh Nahayan Mubarak Al Nahayan
HE Sheikh Saif Bin Mohammed Bin Butti Al Hamid
Mr. Khalid Mana Saeed Al Otaiba
Mr. Atif Aslam Bajwa

Independent Directors

Mr. Amine Mikati
Kanwal Kashif Rahman
Syed Irfan Ali
Asif Salim Khan

Female Director

Ms. Anjum Hai

Chief Executive & Managing Director

Mr. Khurram Hussain

Chief Financial Officer & Company Secretary

Mr. Adnan Waheed

Board Committees:

Board Strategy Committee:

Mr. Atif Aslam Bajwa

Chairman

Mr. Amine Mikati

Member

Syed Irfan Ali

Member

Mr. Asif Slaim Khan

Member

Ms. Kanwal Kashif Rahman

Member

Ms. Anjum Hai

Member

Mr. Khurram Hussain

Member

Audit Committee:

Syed Irfan Ali

Chairman

Mr. Atif Aslam Bajwa

Member

Mr. Amine Mikati

Member

Ms. Anjum Hai

Member

Ms. Kanwal Kashif

Member

Mr. Faisal Shahzad

Secretary

Ethics, Human Resource and Remuneration Committee:

Mr. Atif Aslam Bajwa	Chairman
Mr. Amine Mikati	Member
Ms. Kanwal Kashif	Member
Mr. Khurram Hussain	Member
Mr. Adnan Waheed	Secretary

Investment Committee:

Mr. Asif S. Khan	Chairman
Mr. Atif Aslam Bajwa	Member
Mr. Amine Mikati	Member
Syed Irfan Ali	Member
Ms. Anjum Hai	Member
Mr. Khurram Hussain	Member
Mr. Adnan Waheed	Member & Secretary

Management Committees:
Underwriting Committee:

Mr. Khurram Hussain	Chairman
Mr. Raza Javaid	Member
Mr. Shahzad Aamir	Member
Mr. Faisal Arshad	Member & Secretary

Claims Settlement Committee:

Mr. Khurram Hussain	Member
Mr. Adnan Waheed	Member
Mr. Faisal Shahzad	Member
Ch. Manzoor Hussain	Member & Secretary

Reinsurance, Re-takaful and Coinsurance Committee:

Mr. Khurram Hussain	Chairman
Mr. Faisal Arshad	Member
Mr. Shahzad Aamir	Member & Secretary

Risk Management & Compliance Committee:

Mr. Khurram Hussain	Chairman
Mr. Adnan Waheed	Member
Mr. Faisal Shahzad	Member
Mr. Imran Mughal	Member
Mr. Naveed Akbar	Member & Secretary

Conventional Banks

Bank Alfalah Limited
Khushhali Bank Limited
The Bank of Punjab
Zarai Taraqati Bank Limited
Mobilink Microfinance Bank Limited
United Bank Limited
NRSP Micro Finance Bank Limited
Habib Bank Limited
Bank Makramah Limited
Finca Micro Finance Bank
Soneri Bank Limited
The Punjab Provincial Cooperative Bank Ltd
Faysal Bank Limited

Auditors

M/s A. F. Fergusson & Co,
Chartered Accountants

Legal Advisors

Mahmood & Partners

Window Takaful Operations Banks

Bank Alfalah Limited
Askari Bank Limited
Meezan Bank Limited
Dubai Islamic Bank

Head Office

5-Saint Mary Park,
Gulberg III, Lahore
UAN:111-786-234
Fax:92-42-35774329
Email:afi@alfalahinsurance.com
Web:www.alfalahinsurance.com



Vision

To be a leading insurer by providing the most comprehensive yet flexible cost effective risk management solutions to our clients backed with friendly and efficient claims service and enhance the Alfalah brand value for the benefit of all stakeholders.

Mission

We undertake to provide world class service with unmatched security to our clients and help in increasing awareness about insurance in the country as well as enhancing public confidence in the insurance industry in Pakistan.

We will introduce new modern insurance products comparable with international standards and will emerge as an innovative insurer providing complete risk management solutions to the insuring public in Pakistan.

Board of Directors



H.H. Sheikh Nahayan Mubarak Al Nahayan
Chairman



His Excellency Sheikh Saif
Bin Mohammed Bin Butti
Director



Mr. Khalid Mana Saeed
Al Otaiba
Director



Mr. Atif Bajwa
Director



Mr. Amine Mikati
Director



Syed Irfan Ali
Independent Director



Mr. Asif Khan
Independent Director



Ms. Anjum Hai
Director



Ms. Kanwal Kashif Rahman
Independent Director



Mr. Khurram Hussain
CEO

“A” is in our DNA

Upgraded to ‘AA+’ by PACRA



Alfalah Insurance takes pride in upholding Abu Dhabi Group’s legacy of performance excellence by achieving an **upgrade** to “AA+” by PACRA.

We generously thank our esteemed customers, shareholders, employees, and the stakeholders for motivating us to achieve this milestone.



MOTOR



INDUSTRIAL



PROPERTY



CARGO



TEXTILE



TRAVEL



ENERGY



HEALTH



AGRICULTURE

DIRECTOR'S REPORT TO THE SHARE HOLDERS

The Directors of Alfalah Insurance Company Limited are pleased to submit 20th Annual Report of your Company, together with audited financial statements for the year ended December 31, 2025.

Economic Overview

During 2025, Pakistan's economy continued to stabilize, building on the recovery achieved in the previous year. The ongoing IMF-supported reform agenda remained critical to economic management and helped maintain fiscal discipline and external stability. Real GDP growth is projected to be modest but improved compared with prior years, with estimates ranging around 2.7% to 3.0%. Inflation remained at manageable levels throughout the year, easing price pressures across many segments of the economy, enabling the State Bank of Pakistan to further ease monetary conditions. A relatively stable exchange rate and gradual improvement in foreign exchange reserves supported overall market confidence. However, adverse weather conditions, including monsoon-related flooding, affected agriculture output and food prices.

The external account remained largely stable, supported by steady remittance inflows and controlled import growth. Financial markets responded positively to improving macroeconomic conditions, with equities benefiting from lower interest rates and an improved earnings outlook. During the year, Pakistan also successfully navigated heightened regional tensions, including brief hostilities with India. The situation was handled without significant economic or financial disruption which reinforced confidence in the country's institutional strength, defense preparedness and crisis-handling capability. Despite short-term volatility, investor sentiment remained resilient. Overall, the year concluded on a positive note, with Pakistan's economic fundamentals further strengthened and investor confidence broadly sustained.



The economic outlook for 2026 is cautiously positive and depends largely on the continuation of reforms and policy consistency. Sustained political stability and disciplined economic management will be critical to preserving macroeconomic gains and translating stabilization into higher, more inclusive growth. The continuation of structural reforms aimed at broadening the tax base, improving export competitiveness, and enhancing the investment climate is expected to support economic momentum.

Insurance Sector

During 2025, Pakistan's insurance sector continued to operate in a challenging but gradually improving environment. The insurance industry managed to grow by 4% in terms of topline based on the nine months ended September 30, 2025, compared to the same period last period. While stable financial markets helped strengthen insurers' balance sheets, however, at the same time, higher claims experience in certain segments, driven by inflation, climate-related events, and rising repair and healthcare costs, adversely impacted profitability.

The SECP continued to play an important role in overseeing and developing the insurance sector. It published the Insurance Industry Statistics 2024, providing useful insights into premiums, assets, and market trends. The SECP also engaged with industry participants on the future of the Takaful sector and continued work on key regulatory initiatives, including IFRS-17, minimum paid-up capital requirements, and the introduction of a Risk Based Capital regime. These efforts are aimed at strengthening the regulatory framework and supporting the long-term stability of the sector.

Alfalah Insurance Performance

The year 2025 proved to be a strong growth year in the Company's history. On consolidated basis, the Company underwritten Gross Premium of Rs7 billion, registering an increase of Rs1.8 billion (34%) compared to last year. Growth was recorded across all lines of business, with the health segment being the main contributor. This resulted in a significant increase in Net Premium Revenue, which rose by Rs984 million (52%). During the year, the Company experienced a higher loss ratio mainly due to fire and climate related incidents. In addition, the portfolio mix shifted towards the health class, which generally carries higher loss ratios. As a result, the overall loss ratio increased to 79%, compared to 65% last year. The Company also went through a transformation phase during the year, which led to an increase in expenses of Rs218 million (28%), putting additional pressure on the bottom line. However, the Company's investment and other income increased by Rs244 million (26%) compared to the previous year, mainly due to the strong performance of the equity market. Further, as part of its growth funding strategy, the Company recognized unrealized gains from its equity portfolio. These gains helped support profitability and enabled the Company to record a profit before tax of Rs1,033 million, which was Rs76 million (7%) lower than last year.

Segment wise profitability at glance

	Net Premium Revenue	Net Claim	Net Commission	Segment Profitability 2025	Segment Profitability 2024	Variance	%
Fire	77,849	106,882	(22,575)	(6,458)	58,675	(65,133)	-111%
Marine	43,749	36,329	(12,992)	20,412	31,892	(11,480)	-36%
Motor	967,013	482,014	18,153	466,846	400,106	66,740	17%
Misc.	65,019	26,919	(92,470)	130,570	101,121	29,449	29%
Health	1,745,207	1,635,117	7,597	102,493	127,290	(24,797)	-19%
Total	2,898,837	2,287,261	(102,287)	713,863	719,084	(5,221)	-1%

Fire segment contributed negatively to the profitability mainly due to higher loss ratio caused by a Fire incident at Lahore Airport.

Marine Segment contributed Rs20m against Rs32m of last year, primarily caused by flood losses.

Motor Segment contribution was increased by Rs67m i.e. 17%. This growth was primarily driven by a significant improvement in the net premium revenue by 29%.

Miscellaneous segment contribution increased by Rs29m, representing a 29% growth compared to the previous year. This growth was driven by higher premium revenue and enhanced commission income.

Health segment contribution decreased by Rs25m or 19%. Although, the net premium revenue was increased by Rs750m, however, increase in loss ratio, diluted its impact and decreased its contribution to the profitability.

Reinsurance plays a vital role in the operations of any insurance company, and we are proud to have the support of leading reinsurers. Over the years, we have strengthened and enhanced these partnerships, creating mutually beneficial relationships for both the reinsurers and the Company.

Window Takaful Operations (WTO) was able to underwrite contribution of Rs1,132m i.e. 47% higher than last year. However, the Shareholder Fund (SHF) of the WTO reported a decline in profit by Rs79m (38%), primarily driven by reduced investment income. Similarly, the surplus in the Participants Takaful Fund (PTF) was also reduced by Rs52m or 65% due to declining investment income and higher loss ratio in motor & health class.

Earning per share

During the year after tax earnings per share was Rs.12.76 (2024: Rs.13.62). Detailed working has been reported in Note 34 to the financial statements.

Auditors

M/s A. F. Ferguson & Co, Chartered Accountants, being eligible for appointment, have shown their willingness to act as external and Shariah Compliance auditors of the Company for the year ending December 31, 2026. The Audit Committee and Board of directors in their respective meetings have recommended M/s A. F. Ferguson & Co, Chartered Accountants as external and Shariah Compliance Auditors of the Company for the year ending December 31, 2026.

INSURERS FINANCIAL RATING STRENGTH

PACRA, during its recent review conducted on 12th May 2025, has maintained the IFS rating of your Company at “AA+” (Double A Plus) with stable outlook. This rating denotes Very strong capacity to meet policy holders and contract obligations. Risk factors are very low, and the impact of any adverse business and economic factors is expected to be very small.

Board of directors meetings

During the year 2025, four (4) meetings of the Board were held, with attendance as follows;

Name of Directors	No. of Meetings Attended
- HH Sheikh Nahayan Mabarak Al Nahayan	3
- HE Sheikh Saif Bin Mohammad Bin Butti	-
- Mr. Khalid Mana Saeed Al Otaiba	4
- Mr. Atif Bajwa	4
- Mr. Khaled Jamal Abdul Rahman Khanfar	1
- Ms. Anjum Hai	4
- Mr. Khurram Hussain	4

Leave of absence was granted to those Directors who could not attend the Board Meetings.

Board of directors

The Composition of the Board of Directors is as follows:

Non-Executive Director	H.H Sheikh Nahayan Mabarak Al Nahayan HE Sheikh Saif Bin Mohammed Bin Butti Al Hamid Mr. Khalid Mana Saeed Al Otaiba Mr. Atif Aslam Bajwa Mr. Amine Mikati
Independent Directors	Ms. Kanwal Kashif Rahman Syed Irfan Ali Mr. Asif Salim Khan
Female Director	Ms. Anjum Hai
Executive Director & Chief Director	Mr. Khurram Hussain

Director's Remuneration Policy

The Board of Directors has approved a remuneration policy for Directors during the year. Under the approved policy, Directors are entitled to receive remuneration by way of meeting fees for attending meetings of the Board and its committees, in compliance with the provisions of the Companies Act, 2017 and applicable corporate governance requirements.

Audit Committee

As required under the Code of Corporate Governance, the Board of Directors has established an Audit Committee comprising of five members, of whom two are independent directors and three are non executive directors. The Chairman of the Committee is an independent director. The composition of the audit committee is as follows:

- Syed Irfan Ali - Chairman (Independent Director)
- Mr. Atif Aslam Bajwa — Member (Non-Executive Director)
- Mr. Amine Mikati — Member (Non-Executive Director)
- Ms. Anjum Hai — Member (Non-Executive Director)
- Ms. Kanwal Kashif — Member (Independent Director)

Related Party Transactions

At each board meeting, the Board of Directors approved company's transactions made with related parties. All the transactions executed with related parties were on commercial terms and conditions.

Statement of ethics and business practices/code of conduct

The Board has adopted the statement of ethics and business practices. All employees were informed of this statement and were required to observe these rules of conduct in relation to business and regulations. Statement of Ethics and business practices were based on integrity, dignity, culture of excellence and ethical dealing with clients, peers and the public.

Compliance with code of corporate governance

The provisions of the Code of Corporate Governance for insurance companies have been complied with during the year under review which was as follows:

- The financial statements, together with the notes thereon have been drawn up in conformity with the Insurance Ordinance 2000 and rules thereunder and Companies Act, 2017.
- These statements present fairly the company's state of affairs, results of its operations, cash flow and changes in equity.
- Proper books of accounts have been maintained by the company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The International Accounting Standards, International Financial Reporting Standards or any other regulation or law as applicable in Pakistan have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been continuously monitored by the internal audits. This is a continuous process and any weakness will be removed and its effective implementation shall be ensured.
- There is no significant doubt upon the company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance.
- Key operating and financial data is separately annexed with the report.
- Outstanding taxes and duties are given in the financial statements.
- The value of investments of provident and gratuity fund on the basis of un-audited accounts as on December 31, 2025 is as follows:

	Rs in '000'
■ Provident Fund	135,731
■ Gratuity Fund	154,346

- The statement of pattern of shareholding in the Company as on December 31, 2025 is separately annexed with the report.

Statement of compliance under section 46(6) of insurance ordinance 2000

The directors of Alfalah Insurance Company Limited hereby certify that in their opinion:

- a) the annual statutory accounts of the Company annexed hereto have been drawn up in accordance with the Ordinance and any rules made thereunder;
- b) the Company has at all times in the period complied with the provisions of the Ordinance and the rules made thereunder relating to paid up capital, solvency and reinsurance arrangements; and
- c) as at the date of the statement, the Company continues to be in compliance with the provisions of the ordinance and the rules made thereunder relating to paid up capital, solvency and reinsurance arrangements.

Future Outlook

With shareholders' equity of Rs. 3.642 billion and an AA+ IFS rating, Alfalah Insurance is well positioned to further strengthen its market presence while continuing to uphold its prudent underwriting discipline, an approach that has remained the cornerstone of the Company's resilience, even though challenging phases in its early years. We view 2026 as a transformational year for the company marked by continued investment in digital initiatives, product innovation, and distribution efficiency to enhance customer experience and expand reach, positioning it for sustainable growth in the industry.

Our commitment to transparency and regulatory compliance remains unwavering. We will continue to engage proactively with regulators to ensure that our operations consistently align with evolving regulatory and industry standards. As a responsible corporate entity, our objective is not only to meet but to exceed the expectations of our shareholders, both in 2026 and in the years ahead.

Acknowledgement

We extend our heartfelt gratitude to our Chairman, H. H. Sheikh Nahayan Mubarak Al Nahayan, and the Board of Directors for their wise guidance and unwavering support throughout the year. We are equally thankful to our sponsor shareholders, valued clients, and reinsurers for their collective contributions to the Company's success. We would like to place on record our special thanks to the Securities & Exchange Commission of Pakistan (SECP) for their invaluable guidance during the year, and to Pakistan Reinsurance Company Limited (PRCL) for their continued support.

Lastly, we express our deepest appreciation to our executives, officers, and staff for their hard work, dedication, and commitment to growth. Their relentless efforts have been instrumental in establishing the Company as a leading insurer in Pakistan.



Director

On behalf of the Board,



Chief Executive Officer

HISTORICAL FINANCIAL INFORMATION OF LAST TEN (10) YEARS

Description	For the Year Ended on December 31									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross Premium Written	5,870,343	4,458,154	4,166,123	4,374,858	3,499,285	2,810,203	2,666,478	2,338,699	2,082,006	1,924,316
Net Premium Revenue	2,898,837	1,896,689	1,685,318	2,218,696	1,934,765	1,726,381	1,583,734	1,302,298	1,043,222	916,586
Net Claim Expense	(2,287,261)	(1,239,324)	(1,152,221)	(1,198,482)	(988,076)	(742,441)	(658,573)	(617,966)	(470,630)	(493,076)
Management Expenses	(912,182)	(701,975)	(543,586)	(489,130)	(416,161)	(408,871)	(405,266)	(397,735)	(383,559)	(370,370)
Net Commission	102,287	61,719	66,094	(496,905)	(422,776)	(487,481)	(446,852)	(262,400)	(88,341)	33,028
Underwriting Profit	(20,569)	27,946	50,978	37,094	117,661	94,404	81,791	24,197	100,692	86,168
Investment/Other Income	1,194,646	950,443	670,851	318,771	212,727	261,240	165,694	72,675	78,888	119,407
Admin Expenses	(65,592)	(66,323)	(52,405)	(33,597)	(30,418)	(28,390)	(24,238)	(16,091)	(11,095)	(12,489)
Profit before tax	1,033,244	1,109,611	863,650	457,099	365,422	381,903	253,053	80,782	168,485	193,086
Profit from Window Takaful	129,972	209,026	112,967	142,528	75,361	61,467	38,554	14,407	8,410	1,890
Income tax	(395,400)	(428,797)	(331,966)	(153,747)	(99,582)	(108,175)	(93,709)	(29,421)	(53,855)	(65,602)
Profit after tax	637,843	680,814	531,684	303,352	265,840	273,730	159,344	65,768	123,040	129,374
Paid up Capital	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Share deposit money	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381
General Reserve	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Fair value reserve	181,810	316,228	61,815	(34,945)	9,210	72,902	33,015	(50,777)	951	52,160
Un-appropriated Profit	2,809,298	2,327,781	1,800,129	1,377,462	1,172,911	907,299	627,989	466,262	402,085	281,644
	3,642,489	3,295,390	2,513,325	1,993,898	1,833,502	1,631,582	1,312,385	1,066,866	1,054,417	985,185
Earnings per Share	12.76	13.62	10.63	6.07	5.32	5.47	3.19	1.32	2.46	2.59
Breakup Value per Share-with fair value adjustment	72.83	65.90	50.27	39.88	36.67	32.54	26.25	21.34	21.09	19.70
Breakup Value per Share-without fair value adjustment	69.21	59.58	49.03	40.58	36.48	31.17	25.59	22.38	21.07	18.66
Net Loss Ratio	-79%	-65%	-68%	-54%	-51%	-43%	-42%	-47%	-45%	-54%
Expense Ratio	-17%	-17%	-14%	-12%	-13%	-16%	-16%	-18%	-19%	-20%
Underwriting Profit to Net Premium	-1%	1%	3%	2%	6%	5%	5%	2%	10%	9%
Return on Average Equity	18%	23%	24%	16%	15%	19%	13%	6%	12%	14%
WINDOWS TAKAFUL OPERATIONS										
Gross contribution revenue	1,131,865	770,379	676,408	589,457	504,771	373,370	338,869	263,203	175,491	98,065
Net contribution revenue net of Wakala	421,791	369,983	349,730	277,613	225,562	186,648	176,244	131,516	93,134	20,997
Retakaful rebate earned	39,875	25,350	20,076	18,696	15,443	13,261	7,513	5,430	3,177	1,060
Net claims expense	465,022	371,433	336,891	(282,062)	(200,802)	(164,628)	(147,832)	(105,898)	(78,271)	(17,913)
Direct expenses	(2,404)	(1,950)	(2,977)	(5,929)	(11,875)	(18,565)	(24,656)	(27,663)	(21,203)	(18,595)
Investment/other income	59,290	96,474	69,470	39,278	13,869	16,391	16,392	6,572	3,958	744
(Provision)/Reversal of doubtful	(2,072)	-	-	(8,373)	(1,185)	(723)	-	-	-	-
Surplus/ (deficit)-before taxation	51,438	118,424	99,408	39,223	41,012	32,384	28,088	9,957	795	(13,707)
Surplus/ (deficit)- PTF	29,123	80,799	69,958	25,754	24,638	32,384	28,088	9,957	795	(13,707)

PATTERN OF SHARE HOLDING AS AT DECEMBER 31, 2025

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
-	1	100	-
5	101	500	2,500
-	501	1,000	-
4	1001	5,000	4,530
-	5,001	10,000	-
1	10,001	2,500,000	2,500,000
3	2,500,001	5,000,000	14,997,822
1	5,000,001	15,000,000	14,997,825
1	15,000,001	20,000,000	17,497,323
Total 15			50,000,000

Classification of Shares Categories As at December 31, 2025

Categories of Members	Number of Shareholders	Number of Shares Held	%age
Individuals having shareholding five percent or more	3	12,497,822	25.00%
H.H. Sheikh Hamdan Bin Mubarak Al Nahayan		2,500,000	5.00%
H.E. Sheikh Mohammed Bin Butti Hamid Al Hamid		4,998,911	10.00%
H.E. Dr. Mana Saeed Al Otaiba		4,998,911	10.00%
Associated Companies	1	14,997,825	30.00%
M/s Bank Alfalah Limited		14,997,825	30%
Directors and CEO	10	17,504,353	35.01%
H.H. Sheikh Nahayan Mabarak Al Nahayan		17,497,323	34.99%
H.E Sheikh Saif Bin Mohammed Bin Butti		1,085	0.002%
Mr. Khalid Mana Saeed Al Otaiba		1,085	0.002%
Mr. Atif Aslam Bajwa		500	0.001%
Mr. Amine Mikati		500	0.001%
Syed Irfan Ali		500	0.001%
Mr. Asif S. Khan		500	0.001%
Ms. Anjum Hai		1,085	0.002%
Ms. Kanwal Kashif Rehman		500	0.001%
Mr. Khurram Hussain		1,275	0.003%
Companies having shareholding five percent or more	1	5,000,000	10.00%
M/s Electromechanical Co. LLC		5,000,000	10.00%
Total	15	50,000,000	100%

حصص داروں کے نام ڈائریکٹرز کی رپورٹ

الفلاح انشورنس کمپنی لمیٹڈ کے ڈائریکٹرز آپ کی کمپنی کی میسویں سالانہ رپورٹ بخوشی پیش کر رہے ہیں۔ جس میں ۳۱ دسمبر ۲۰۲۵ء کو اختتام پذیر سال کے پڑتال شدہ مالیاتی گوشوارے بھی شامل کئے گئے ہیں۔

معاشی جائزہ

۲۰۲۵ء کے دوران پاکستان کی معیشت میں، گزشتہ برس ہونے والی بحالی کی بنیاد پر، استحکام کا سلسلہ جاری رہا۔ آئی۔ ایم۔ ایف کی معاونت سے جاری اصلاحاتی لائحہ عمل^۱ اقتصادی انتظام کے لیے انتہائی اہم رہا اور اس نے مالی نظم و ضبط اور خارجی استحکام کو برقرار رکھنے میں مدد دی۔ حقیقی مجموعی داخلی پیداوار^۲ کی نمو معتدل مگر پچھلے برسوں کے مقابلے میں بہتر رہنے کی توقع ہے، جس کے تخمینے تقریباً ۲ فیصد سے ۳ فیصد کے درمیان ہیں۔ سال بھر مہنگائی قابل برداشت سطح پر رہی، جس سے معیشت کے کئی شعبوں میں قیمتوں کے دباؤ پر کمی آئی اور بینک دولت پاکستان^۴ کو زری پالیسی^۵ میں مزید نرمی لانے کا موقع ملا۔ ایک نسبتاً مستحکم شرح مبادلہ^۶ اور زر مبادلہ^۷ کے ذخائر میں بتدریج بہتری نے مجموعی طور پر منڈی کے اعتماد کو تقویت دی۔ تاہم، ناموافق موسمی حالات، بشمول مون سون سے متعلق سیلابی صورتحال نے زرعی پیداوار اور خوراک کی قیمتوں کو متاثر کیا۔

بیرونی کھاتہ^۸ بڑی حد تک مستحکم رہا جسے ترسیلات زر^۹ کی مسلسل آمد اور درآمدات میں محدود اضافے نے سہارا دیا۔ مالیاتی منڈیوں نے معاشیات کلاں^{۱۰} کے بہتر حالات پر مثبت رد عمل ظاہر کیا، جس سے مالکایہ^{۱۱} کو کم شرح سود اور بہتر کمائی کے امکانات سے فائدہ ہوا۔ دوران سال، پاکستان نے خطے میں بڑھتی ہوئی کشیدگی کا بھی کامیابی سے مقابلہ کیا، جس میں بھارت کے ساتھ مختصر جھڑپیں بھی شامل تھیں۔ اس صورتحال کو بغیر کسی بڑی معاشی یا مالیاتی خلل کے سنبھال لیا گیا، جس سے ملک کے ادارہ

¹ IMF-supported reform agenda

² External stability

³ GDP

⁴ State Bank of Pakistan

⁵ Monetary conditions

⁶ Exchange rate

⁷ Foreign exchange

⁸ External account

⁹ Remittance

¹⁰ Macroeconomic

¹¹ Equity

جاتی استحکام، دفاعی تیاری اور بحران سے نمٹنے کی صلاحیت پر اعتماد مزید مستحکم ہوا۔ قلیل مدتی اتار چڑھاؤ کے باوجود سرمایہ کاروں کا اعتماد برقرار رہا۔ مجموعی طور پر سال کا اختتام مثبت انداز میں ہوا، جس کے نتیجے میں پاکستان کی معاشی بنیادیں مزید مضبوط ہوئیں اور سرمایہ کاروں کا اعتماد عمومی طور پر برقرار رہا۔

سال ۲۰۲۶ء کے لیے معاشی منظر نامہ محتاط طور پر مثبت ہے اور اس کا انحصار بڑی حد تک اصلاحات کے تسلسل اور پالیسیوں میں مستقل مزاجی پر ہے۔ پائیدار سیاسی استحکام اور منظم معاشی نظم و نسق، معاشیات کلاں کے فوائد کو برقرار رکھنے اور استحکام کو بلند تر اور زیادہ جامع ترقی میں تبدیل کرنے کے لیے انتہائی اہم ہوں گے۔ ٹیکس کے دائرہ کار کو وسیع کرنے، برآمدات کی مسابقت کو بہتر بنانے اور سرمایہ کاری کے ماحول کو فروغ دینے کے لیے ڈھانچہ جاتی اصلاحات کے تسلسل سے توقع ہے کہ معاشی رفتار کو تقویت ملے گی۔

بیمہ کاری کا شعبہ

۲۰۲۵ء کے دوران، پاکستان کا بیمہ کاری کا شعبہ ایک مشکل لیکن بتدریج بہتر ہوتے ہوئے ماحول میں کام کرتا رہا۔ بیمہ کاری کی صنعت نے ۳ ستمبر ۲۰۲۵ء کو ختم ہونے والے نو ماہ کی بنیاد پر، گزشتہ برس کی اسی مدت کے مقابلے میں، خالص نیٹے کی آمدن میں ۴ فیصد کی نمو پائی۔ اگرچہ مستحکم مالیاتی منڈیوں نے بیمہ کنندگان کی فرد توازن^{۱۲} کو مضبوط کرنے میں مدد دی، تاہم، اسی دوران بعض شعبوں میں مہنگائی، موسمیاتی تبدیلی سے متعلق واقعات اور مرمت و صحت کی بڑھتی ہوئی لاگت کے باعث دعووں کی بڑھتی ہوئی شرح نے منافع پر منفی اثر ڈالا۔

پاکستان کے زر ضمانت و مبادلہ کا کمیشن^{۱۳} بیمہ کاری کے شعبے کی نگرانی اور ترقی میں اپنا اہم کردار ادا کرتا رہا۔ اس نے بیمہ کاری کے شعبے کے اعداد و شمار ۲۰۲۴ء^{۱۴} "شائع کیے، جو بیمے، اثاثوں اور منڈی کے رجحانات کے باری میں مفید معلومات فراہم کرتے ہیں۔ پاکستان کے زر ضمانت و مبادلہ کے کمیشن نے کافل کے شعبے کے مستقبل کے حوالے سے اس صنعت کے دیگر شرکاء کے ساتھ مشاورت بھی جاری رکھی اور بین الاقوامی مالیاتی رپورٹنگ کے معیار-۱۷^{۱۵}، ادا شدہ سرمائے^{۱۵} کے کم از کم تقاضے اور

¹² Balance sheet

¹³ SECP

¹⁴ IFRS-17

¹⁵ Paid-up capital

رہسک پر مبنی طرزِ نظام کے تعارف سمیت اہم انضباطی اقدامات پر کام جاری رکھا۔ ان کوششوں کا مقصد انضباطی ڈھانچے کو مضبوط کرنا اس شعبے کے طویل مدتی استحکام میں معاونت کرنا ہے۔

الفلاح انشورنس کمپنی کی کارکردگی

سال ۲۰۲۵ء کمپنی کی تاریخ میں نمایاں ترقی کا سال ثابت ہوا۔ مجموعی طور پر، کمپنی نے گزشتہ برس کے مقابلے میں ۸۷ ارب روپے (۳۴ فیصد) کے اضافے کے ساتھ ۷ ارب روپے کے خام بیمے کی ذمہ داری^{۱۶} تحریر کی۔ کاروبار کے تمام شعبوں میں ترقی ریکارڈ کی گئی، جس میں صحت کے شعبے کا حصہ سب سے زیادہ ہے۔ جس کے نتیجے میں خالص بیمہ کی آمدن میں ۵۲ فیصد کے حساب سے ۹۸۴ ملین روپے کا خاطر خواہ اضافہ ہوا۔ دورانِ سال، کمپنی کو نقصان کے تناسب میں اضافہ درپیش رہا، جس کی بنیادی وجہ آگ اور موسمیاتی تبدیلی سے متعلق حادثات تھے۔ علاوہ ازیں، خریداہ مخلوط^{۱۷} صحت کے شعبے کی جانب منتقل ہوا، جہاں عموماً نقصان کی شرح زیادہ ہوتی ہے۔ نتیجتاً، مجموعی نقصان کی شرح گزشتہ برس کے ۶۵ فیصد کے مقابلے میں بڑھ کر ۷۹ فیصد ہو گئی۔ دورانِ سال کمپنی ایک تبدیلی کے مرحلے سے بھی گزری، جو خالص منافع پر مزید دباؤ بڑھاتے ہوئے اخراجات کو ۲۸ فیصد کے حساب سے ۲۱۸ ملین روپے تک لے گئی۔ تاہم، کمپنی کی سرمایہ کاری و دیگر آمدنی میں گزشتہ برس کے مقابلے میں ۲۶ فیصد کے حساب سے ۲۴۴ ملین روپے کا اضافہ ہوا، جو بنیادی طور پر حصص کی منڈی^{۱۸} کی مضبوط کارکردگی کی وجہ سے تھا۔ مزید برآں، اپنی ترقیاتی فنڈنگ کی حکمتِ عملی کے تحت کمپنی نے خریداہ مالکایہ^{۱۹} سے غیر وصول شدہ منافعوں کو تسلیم کیا۔ ان منافعوں نے کمپنی کی مجموعی منافع بخش کارکردگی کو سہارا دینے میں مدد دی اور کمپنی کو ٹیکس سے پہلے ۱۰۳۳ ملین کاریکارڈ منافع دینے کے قابل ہوئی، جو ۷ فیصد کے حساب سے گزشتہ برس کی نسبت ۷۶ ملین روپے کم تھی۔

¹⁶ Gross premium underwritten

¹⁷ Portfolio mix

¹⁸ Equity market

¹⁹ Equity portfolio

شعبہ جات کے لحاظ سے منافع پر ایک نظر

شعبہ جات	خالص بیمہ کی آمدن	کل دعوے	خالص کمیشن	شعبہ جات کا منافع	شعبہ جات کا منافع	مقدار تغیر	%
	۲۰۲۵ء			۲۰۲۵ء	۲۰۲۴ء		
آتشزدگی	77,849	106,882	(22,575)	(6,458)	58,675	(65,133)	-111%
بحری	43,749	36,329	(12,992)	20,412	31,892	(11,480)	-36%
موٹر	967,013	482,014	18,153	466,846	400,106	66,740	17%
متفرق	65,019	26,919	(92,470)	130,570	101,121	29,449	29%
صحت	1,745,207	1,635,117	7,597	102,493	127,290	(24,797)	-19%
گل	2,898,837	2,287,261	(102,287)	713,863	719,084	(5,221)	-1%

آتشزدگی کے شعبے نے منافع کے حصول پر منفی اثرات مرتب کیے جس کی بنیادی وجہ لاہور کے ہوائی اڈے پر پیش آنے والے آتشزدگی کے واقعے کے باعث نقصان کی شرح میں اضافہ تھا۔

بحری شعبے نے گزشتہ برس کے ۳۲ ملین روپے کے مقابلے میں ۲۰ ملین روپے کا حصہ ڈالا، جس کی بنیادی وجہ سیلاب سے ہونے والے نقصانات تھے۔

موٹر کے شعبے کا حصہ ۶۷ ملین روپے یعنی ۷۱ فیصد بڑھ گیا۔ اس نمو کی بنیادی وجہ خالص بیمے کی آمدن ۲۰ میں ۲۹ فیصد کا خاطر خواہ اضافہ تھا۔

متفرق شعبے کے حصے میں ۲۹ ملین روپے کا اضافہ ہوا، جو گزشتہ برس کے مقابلے میں ۲۹ فیصد کی نمو کو ظاہر کرتا ہے۔ اس نمو کی بنیادی وجہ بیمے کی آمدن میں اضافہ اور کمیشن کی آمدن میں بہتری ہے۔

²⁰ Net premium revenue

صحت کے شعبے کے حصے میں ۲۵ ملین روپے یا ۱۹ فیصد کی کمی آئی۔ اگرچہ خالص بیمے کی آمدن میں ۵۰ ملین روپے کا اضافہ ہوا، تاہم نقصان کی شرح میں اضافے نے اس کے اثر کو کم کر دیا اور منافع میں اس کے حصے کو گھٹا دیا۔

مکرر بیمہ کسی بھی بیمہ کمپنی کو چلانے میں اہم کردار ادا کرتا ہے اور ہمیں نمایاں مکرر بیمہ کاروں کی معاونت پر فخر ہے۔ سال ہا سال، ہم نے دونوں، مکرر بیمہ کاروں اور کمپنی کے منفعت بخش باہمی مفاد کے پیش نظر ان شراکت داریوں کو تقویت اور وسعت دی ہے۔

ونڈو تکافل آپریشنز ۱۱۳۲ ملین روپے کی اعانت تحریر^{۲۱} کرنے کے قابل ہوا جو کہ گزشتہ برس کے مقابلے میں ۴۷ فیصد زیادہ ہے۔ تاہم ونڈو تکافل آپریشنز کے شراکت داروں کے تکافل فنڈ^{۲۲} نے منافع میں ۳۸ فیصد کے حساب سے ۷۹ ملین روپے کی کمی رپورٹ کی، جس کی بنیادی وجہ سرمایہ کاری کی آمدن کا کم ہونا تھا۔ اسی طرح حصص داروں کے فنڈ^{۲۳} میں بیشی بھی ۵۲ ملین روپے یا ۶۵ فیصد کم ہوئی، جس کی وجہ گھٹتی ہوئی سرمایہ کاری کی آمدن اور موثر اور صحت کے شعبوں میں بلند نقصان کی شرح تھی۔

فی حصص آمدنی

دوران سال ٹیکس کی ادائیگی کے بعد فی حصص آمدن ۷۶۱۲ روپے رہی جو ۲۰۲۲ء میں ۶۲۱۳ روپے تھی۔ اس کی تفصیلی رپورٹ مالی گوشوارے کے نوٹ نمبر ۳۴ میں موجود ہے۔

پڑتال کنندگان

میسرز اے۔ ایف۔ فرگوسن اور کمپنی، جو کہ سند یافتہ محاسب اور تقرری کے اہل ہیں، نے ۳۱ دسمبر ۲۰۲۶ء کو اختتام پذیر سال کے لئے خارجی اور شریعہ تعمیلی پڑتال کنندگان کی ذمہ داری لینے کے لئے رضامندی کا اظہار کیا ہے۔ پڑتال کمیٹی اور ڈائریکٹرز کے بورڈ نے اپنے متعلقہ اجلاسوں میں ۳۱ دسمبر ۲۰۲۶ء کو اختتام پذیر سال کے لیے میسرز اے۔ ایف۔ فرگوسن اور کمپنی، سند یافتہ محاسب کی خارجی اور شریعہ تعمیلی پڑتال کنندہ گان کے طور پر سفارش کی ہے۔

²¹ Underwrite contribution

²² PTF

²³ SHF

کمپنی کی مالیاتی طاقت کی درجہ بندی

پی۔ اے۔ سی۔ آر۔ اے^{۲۴} نے ۱۲ مئی ۲۰۲۵ء کے حالیہ جائزے میں آپ کی کمپنی کی مالیاتی طاقت کے اعتبار سے درجہ بندی کو مستحکم تناظر میں دیکھتے ہوئے "ڈبل اے پلس"^{۲۵} کے درجے پر برقرار رکھا ہے۔ یہ درجہ بندی، بیمہ پالیسی کے حامل افراد اور معاہدوں کی ذمہ داریوں کو پورا کرنے کی بھرپور صلاحیت کو ظاہر کرتی ہے۔ خطرے کی علامات کم ترین ہیں اور ناموافق اقتصادی و کاروباری اثرات سے متعلق خدشات ناہونے کے برابر ہیں۔

ڈائریکٹرز کے بورڈ کے اجلاس

سال ۲۰۲۵ء کے دوران بورڈ کے چار (۴) اجلاس ہوئے، جن میں شرکت کی تفصیل مندرجہ ذیل ہے:-

ڈائریکٹرز کے نام	اجلاس میں شرکت کی تعداد
- جناب عالی شیخ نہیان مبارک ال نہیان	۳
- فضیلت مآب شیخ سیف بن محمد بن بٹلی	-
- جناب خالد مانع سعید العتیبہ	۴
- جناب عاطف باجوہ	۴
- جناب خالد جمال عبدالرحمن خنفر	۱
- محترمہ انجم حنی	۴
- جناب خرم حسین	۴

غیر حاضری کی رخصت ان ڈائریکٹرز کو دی گئی جو بورڈ کے اجلاسوں میں شرکت نہ کر پائے۔

²⁴ Pakistan Credit Rating Agency (PACRA)

²⁵ AA+

ڈائریکٹرز کا بورڈ

ڈائریکٹرز کے بورڈ کی تشکیل درج ذیل ہے:

غیر ایگزیکٹو ڈائریکٹرز

جناب عالی شیخ نہیان مبارک ال نہیان

فضیلت مآب شیخ سیف بن محمد بن نطی الحامد

جناب خالد مانع سعید العتیبہ

جناب عاطف اسلم باجوه

جناب امین میکاتی

آزاد ڈائریکٹرز

کنول کاشف رحمن

سید عرفان علی

آصف سلیم خان

خواتین ڈائریکٹر

محترمہ انجم حنی

ایگزیکٹو ڈائریکٹر اور چیف ایگزیکٹو

جناب خرم حسین

ڈائریکٹرز کی معاوضے کی پالیسی

ڈائریکٹرز کے بورڈ نے سال کے دوران ڈائریکٹرز کے لیے معاوضے کی پالیسی کی منظوری دی ہے۔ منظور شدہ پالیسی کے تحت ڈائریکٹرز، بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے عوض اجلاس فیس کی صورت میں معاوضہ حاصل کرنے کے حقدار ہیں، جو کہ کمپنیز ایکٹ، ۲۰۱۷ اور قابل اطلاق کاروباری ضابطہء عمل کے تقاضوں کے مطابق ہے۔

پڑتال کمیٹی

ڈائریکٹرز کے بورڈ نے پڑتال کمیٹی تشکیل دی ہے جو کہ کارپوریٹ نظم و نسق کی شرائط کے مطابق پانچ اراکین پر مشتمل ہے جن میں سے دو آزاد ڈائریکٹرز ہیں اور تین غیر ایگزیکٹو ڈائریکٹرز ہیں۔ پڑتال کمیٹی کی تشکیل درج ذیل ہے:

- سید عرفان علی - چیئر مین (آزاد ڈائریکٹر)
- جناب عاطف اسلم باجوہ - رکن (غیر ایگزیکٹو ڈائریکٹر)
- جناب امین میقاتی - رکن (غیر ایگزیکٹو ڈائریکٹر)
- محترمہ انجم حنی - رکن (غیر ایگزیکٹو ڈائریکٹر)
- محترمہ کنول کاشف - رکن (آزاد ڈائریکٹر)

متعلقہ گروہ سے لین دین

ڈائریکٹرز کے بورڈ نے بورڈ کے ہر اجلاس میں متعلقہ گروہوں کے ساتھ لین دین کی منظوری دی۔ متعلقہ گروہوں کے ساتھ تمام تر لین دین کاروباری قواعد و ضوابط کے تحت طے پایا۔

اخلاقی و کاروباری ضابطہ عمل کا گوشوارہ / ضابطہ اخلاق

بورڈ اخلاقی و کاروباری ضابطہ عمل کے گوشوارے پر عمل پیرا ہے۔ تمام ملازمین کو اس سے متعلق آگاہ کیا گیا ہے اور توقع رکھی گئی ہے کہ وہ ان رہنما قواعد کے مطابق، کاروباری اصولوں کو مد نظر رکھتے ہوئے اپنا طرز عمل اختیار کریں گے۔ اخلاقی و کاروباری ضابطہ عمل کا گوشوارہ دیانتداری، وقار، مسابقت کے ماحول اور موکلوں، ساتھیوں اور عام آدمیوں کے ساتھ اخلاقیات کے دائرے میں رہتے ہوئے معاملات طے کرنے کے بارے میں ہے۔

کارپوریٹ نظم و نسق کے ضابطہ کی پابندی

- سال کے دوران بیمہ کمپنیوں کے لیے کارپوریٹ نظم و نسق کے ضابطہ کی دفعات پر عمل کیا گیا۔ جس کا جائزہ مندرجہ ذیل ہے:-
- مالیاتی گوشوارے اور ان کے ضمیمے انشورنس آرڈیننس ۲۰۰۰ء کے عین مطابق ہیں اور قواعد کمپنیز ایکٹ ۲۰۱۷ء کی شرائط کو ملحوظ رکھ کر بنائے گئے ہیں۔
- ان گوشواروں میں کمپنی کے معاملات کی صورت حال، سرگرمیوں کے نتائج، پیسے کے بہاؤ اور اصل کاروباری حصے میں تبدیلی کو واضح طور پر بیان کیا گیا ہے۔
- کمپنی نے گوشواروں کے کتابچوں کی خاص طور پر دیکھ بھال کی ہے۔
- مالیاتی گوشواروں اور حساب داری کے تخمینے تیار کرنے کے لیے موزوں حساب داری سے متعلق حکمت عملی کا اطلاق تسلسل سے کیا گیا ہے اور یہ حکمت عملی مناسب اور معقول تفہیم کے بعد اختیار کی گئی ہے۔
- مالیاتی گوشوارے تیار کرتے وقت حساب داری کے بین الاقوامی معیار، بین الاقوامی مالیاتی خبر گیری کے معیار یا کوئی اور ضابطہ یا قانون جو پاکستان میں بھی قابل عمل ہے، اختیار کیا گیا ہے۔ مزید برآں معیار میں کسی بھی قسم کی ترمیم کو مناسب انداز میں ظاہر کیا گیا ہے۔
- اندرونی انضباطی نظام، ڈیزائن کے اعتبار سے مستحکم ہے اور مسلسل داخلی پڑتال کنندگان کے زیر نگرانی ہے۔ یہ نگرانی مسلسل جاری رہتی ہے اور کسی بھی کمی کو فوراً دور کیے جانے کے ساتھ ساتھ اس عمل کو یقینی بنایا جاتا ہے۔

- کاروبار کو جاری رکھنے کے حوالے سے کمپنی کی صلاحیت شکوک و شبہات سے بالاتر ہے۔
- کارپوریٹ نظم و نسق^{۲۶} کے بہترین طرز عمل کے حوالے سے کوئی میٹیریل ڈیپارچر^{۲۷} نہیں ہوا۔
- اہم اثاثوں اور مالیات سے متعلق اعداد و شمار، رپورٹ کے ساتھ ضمیمے میں شامل کر دیا گیا ہے۔
- واجب الادا ٹیکس اور محصولات^{۲۸} مالیاتی گوشواروں میں موجود ہیں۔
- ۳۱ دسمبر ۲۰۲۵ء تک غیر پڑتال شدہ کھاتوں کی بنیاد پر پراویڈنٹ اور گریجویٹ فنڈ سے ہونے والی سرمایہ کاری کی قیمت درج ذیل ہے:

روپے '۰۰۰'

■ پراویڈنٹ فنڈ ۱۳۵،۷۳۱

■ گریجویٹ فنڈ ۱۵۴،۳۴۶

- ۳۱ دسمبر ۲۰۲۵ء تک، کمپنی کے حصص داری کے طریقہ کار کا گوشوارہ رپورٹ کے ساتھ ضمیمے میں الگ سے شامل کر دیا گیا ہے۔

انشورنس آرڈیننس ۲۰۰۰ کے سیکشن (۶) ۴۶ کے تحت تعمیلی گوشوارہ

الفلاح انشورنس کمپنی لمیٹڈ کے ڈائریکٹرز تصدیق کرتے ہیں کہ ان کی رائے میں:-

الف) یہاں ظاہر کئے گئے کمپنی کے سالانہ قانونی گوشوارے^{۲۹}، آرڈیننس کے عین مطابق ہیں اور اس کے مطابق وضع کئے گئے قوانین کے موافق ہیں؛

²⁶ Corporate Governance

²⁷ Material Departure

²⁸ Outstanding Taxes and Duties

²⁹ Statutory Accounts

ب) کمپنی نے اس تمام عرصہ کے دوران آرڈیننس کی شرائط کی تعمیل کی ہے اور اس کے مطابق وضع کئے گئے قوانین کی، جو کہ حصص کی مد میں حاصل کئے گئے سرمائے، ادائے قرض کی صلاحیت، اور مکرر بیمے کے انتظامات کے بارے میں ہیں؛ اور

ج) اس گوشوارے کی تاریخ تک کمپنی نے تسلسل کے ساتھ آرڈیننس کی شرائط کی تعمیل کی ہے اور اس کے مطابق وضع کیے گئے قوانین کی، جو کہ حصص کی مد میں حاصل کئے گئے سرمائے، ادائے قرض کی صلاحیت³⁰، اور مکرر بیمے کے انتظامات کے بارے میں ہیں۔

مستقبل کے مواقع

حصص کی مد میں حاصل کئے گئے ۶۴۲ ارب روپے کے سرمائے کے ساتھ "ڈبل اے پلس" درجہ پانے کے بعد الفلاح انشورنس، مارکیٹ میں اپنا کاروباری مقام بڑھانے کے حوالے سے پُر اعتماد ہے اور اس کے ساتھ ساتھ اپنی محتاط ذمہ نویسی کے نظم و ضبط کو اپنائے ہوئے ہے، یہ وہ حکمت عملی ہے جو کمپنی کے ابتدائی سالوں میں پیش آنے والے مشکل مراحل کے باوجود اس کی مضبوطی اور استحکام کی بنیاد رہی ہے۔ ہم ۲۰۲۶ء کو کمپنی کے لیے ایک تبدیلی کا سال سمجھتے ہیں، جس میں ڈیجیٹل اقدامات، مصنوعات میں جدت اور تقسیم کے نظام کی بہتر کارکردگی میں مسلسل سرمایہ کاری شامل ہوگی، تاکہ صارفین کے تجربے کو بہتر بنایا جاسکے، رسائی کو وسیع کیا جاسکے اور اس طرح کمپنی کو صنعت میں پائیدار ترقی کے لیے مؤثر مقام دیا جاسکے۔

شفافیت اور انضباطی تعمیل کا ہمارا عزم غیر متزلزل رہا، کیونکہ ہم اپنی عمل کاری کو مسلسل بدلتے ہوئے انضباطی و صنعتی معیارات کے ساتھ ہم آہنگ کرنے کے لیے انضباطی اداروں کے ساتھ مسلسل اور متحرک انداز میں قریبی رابطے میں رہیں گے۔ ایک ذمہ دار کارپوریٹ حیثیت رکھتے ہوئے، ہمارا مقصد ۲۰۲۶ء اور اس کے بعد آنے والے برسوں میں، نا صرف اپنے حصص داروں کی توقعات پر پورا اترنا ہے، بلکہ اس سے بڑھ کر دکھانا ہے۔

اعتراف

ہم اپنے چیئرمین جناب عالی شیخ نہیان مبارک ال نہیان اور اپنے بورڈ کے ڈائریکٹرز کے ممنون ہیں کہ انہوں نے دوران سال کمپنی کی رہنمائی اور مدد کی۔ ہم اپنے تعاون کرنے والے حصص داروں، اپنے موکلوں اور اپنے مکرر بیمہ کاروں کی طرف سے اس

³⁰ Paid up capital, Solvency

اجتماعی شراکت داری کے لئے شکر گزار ہیں۔ ہم ریکارڈ پر، پاکستان کے زیرِ ضمانت و مبادلہ کے کمیشن کا ان کی بیش بہار ہمنمائی پر اور پاکستان مکرر بیمہ کمپنی کا اس عرصہ کے دوران مدد کرنے پر خصوصی شکریہ ادا کرتے ہیں۔ ہم اپنے ایگزیکٹوز، افسروں اور سٹاف کو ان کی محنت، لگن، آگے بڑھنے کے مضبوط ارادے اور اس کمپنی کو پاکستان کی ایک نمایاں بیمہ کار کمپنی بنانے کی کوششوں پر خوب سراہتے ہیں۔

بورڈ کی جانب سے،



چیف ایگزیکٹو آفیسر



ڈائریکٹر

پچھلے دس (۱۰) سال کا تاربخ مالیاتی اعداد و شمار

۳۱ دسمبر کو ختم ہونے والے سال کے لیے										تفصیلات
۲۰۱۶ء	۲۰۱۷ء	۲۰۱۸ء	۲۰۱۹ء	۲۰۲۰ء	۲۰۲۱ء	۲۰۲۲ء	۲۰۲۳ء	۲۰۲۴ء	۲۰۲۵ء	
1,924,316	2,082,006	2,338,699	2,666,478	2,810,203	3,499,285	4,374,858	4,166,123	4,458,154	5,870,343	مجموعی خام بیمہ
916,586	1,043,222	1,302,298	1,583,734	1,726,381	1,934,765	2,218,696	1,685,318	1,896,689	2,898,837	خالص بیمہ آمدنی
(493,076)	(470,630)	(617,966)	(658,573)	(742,441)	(988,076)	(1,198,482)	(1,152,221)	(1,239,324)	(2,287,261)	خالص دعوؤں کے اخراجات
(370,370)	(383,559)	(397,735)	(405,266)	(408,871)	(416,161)	(496,827)	(543,586)	(701,975)	(912,182)	انتظامی اخراجات
33,028	(88,341)	(262,400)	(446,852)	(487,481)	(422,776)	(496,905)	66,094	61,719	102,287	خالص کمیشن کی رقم
86,168	100,692	24,197	81,791	94,404	117,661	37,094	50,978	27,946	(20,569)	ذمہ نویسی کا منافع
119,407	78,888	72,675	165,694	261,240	212,727	318,771	670,851	950,443	1,194,646	سرمایہ کاری / دیگر آمدنی
(12,489)	(11,095)	(16,091)	(24,238)	(28,390)	(30,418)	(33,597)	(52,405)	(66,323)	(65,592)	نظم و نسق کے اخراجات
193,086	168,485	80,782	253,053	381,903	365,422	457,099	863,650	1,109,611	1,033,244	قبل از ٹیکس منافع
1,890	8,410	14,407	38,554	61,467	75,361	142,528	112,967	127,506	129,972	ونڈ و ٹکٹائل سے منافع
(65,602)	(53,855)	(29,421)	(93,709)	(108,175)	(99,582)	(153,747)	(331,966)	(428,797)	(395,400)	آمدنی پر ٹیکس
129,374	123,040	65,768	159,344	273,730	265,840	303,352	531,684	680,814	637,843	بعد از ٹیکس منافع
500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	حصص کی مد میں حاصل کیا گیا سرمایہ
1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381	1,381	حصص کی مد میں جمع کرائی گئی رقم
150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	عام محفوظ فنڈ
52,160	951	(50,777)	33,015	72,902	9,210	(34,945)	61,815	316,228	181,810	مناسب قدر و قیمت کا فنڈ
281,644	402,085	466,262	627,989	907,299	1,172,911	1,377,462	1,800,129	2,327,781	2,809,298	غیر مختص منافع
985,185	1,054,417	1,066,866	1,312,385	1,631,582	1,833,502	1,993,898	2,513,325	3,295,390	3,642,489	فی حصص آمدنی
2.59	2.46	1.32	3.19	5.47	5.32	6.07	10.63	13.62	12.76	فی حصص الگ الگ قدر و قیمت -
19.70	21.09	21.3۴	26.25	32.54	36.67	39.88	50.27	60.90	72.83	قدر و قیمت کے مناسب تطابق کے ساتھ
18.66	21.07	22.38	25.59	31.17	36.48	40.58	49.03	59.58	69.21	فی حصص الگ الگ قدر و قیمت -
-54%	-45%	-47%	-42%	-43%	-51%	-54	-68%	-65%	-79%	قدر و قیمت کے مناسب تطابق کے بغیر
-20%	-19%	-18%	-16%	-16%	-13%	-12%	-14%	-17%	-17%	کل خسارے کا تناسب
9%	10%	2%	5%	5%	6%	2%	3%	1%	-1%	اخراجات کا تناسب
14%	12%	6%	13%	19%	15%	16%	24%	23%	18%	کل بیمہ کا ذمہ نویسی منافع
										کمپنی کے حصص پر اوسط منافع

حصص داری کا طریقہ و کار

۳۱ دسمبر ۲۰۲۵ء تک

مجموعی لیے گئے حصص	حصص داری		حصص داروں کی تعداد
	تک	سے	
-	100	1	-
2,500	500	101	5
-	1,000	501	-
4,530	5,000	1,001	4
-	10,000	5,001	-
2,500,000	2,500,000	10,001	1
14,997,822	50,00,000	2,500,001	3
14,997,825	15,000,000	5,000,001	1
17,497,323	20,000,000	15,000,001	1
50,000,000			کل 15

حصص کے ذمروں کی درجہ بندی

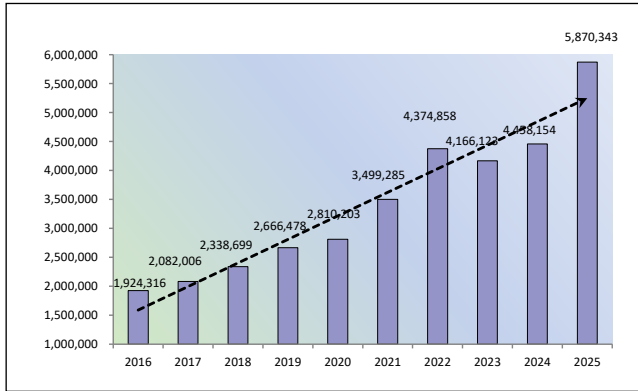
۳۱ دسمبر ۲۰۲۵ء تک

فیصد	لے گئے حصص کی تعداد	حصص داروں کی تعداد	ارکان کے ذمروں
25.00%	12,497,822	3	افراد جن کے حصص ۵ فیصد یا اس سے زیادہ ہیں
5.00%	2,500,000		جناب عالی شیخ محمد ان بن مبارک بن محمد ال نہیان
10.00%	4,998,911		فضیلت آف شیخ محمد بن نعلی حامد الخالد
10.00%	4,998,911		فضیلت آف ڈاکٹر مانع سعید العتیب
30.00%	14,997,825	1	متعلقہ کمپنیاں
30%	14,997,825		میرزا بنک الفلاح لمیٹڈ
35.01%	17,504,353	10	ڈائریکٹر ز اور چیف ایگزیکٹو آفیسرز
34.99%	17,497,323		جناب عالی شیخ نہیان مبارک ال نہیان
0.002%	1,085		فضیلت آف شیخ سیف بن محمد بن نعلی
0.002%	1,085		جناب خالد مانع سعید العتیب
0.001%	500		جناب عاطف اسلم باجوہ
0.001%	500		جناب امین یحیٰی
0.001%	500		سید عرفان علی
0.001%	500		جناب آصف ایس۔ خان
0.002%	1,085		محترمہ انجم حنی
0.001%	500		محترمہ کنول کاشف رحمن
0.003%	1,275		جناب خرم حسین
10.00%	5,000,000	1	کمپنیاں جن کے حصص ۵ فیصد یا اس سے زیادہ ہیں
10.00%	5,000,000		میرزا الیکٹرو کمینیکل کمپنی ایل ایل سی
100.00%	50,000,000	15	کل

FINANCIAL SUMMARY

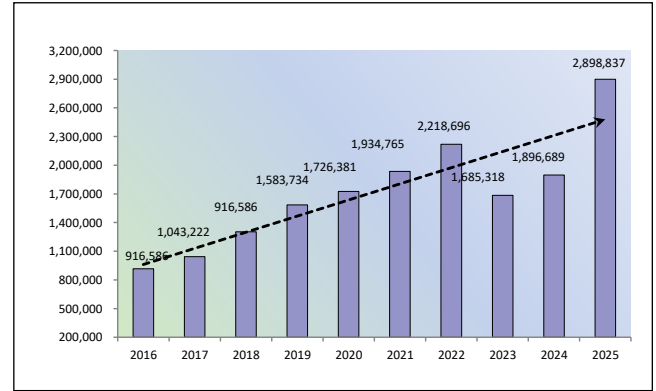
GROSS PREMIUM WRITTEN

(Rupees in Thousand)

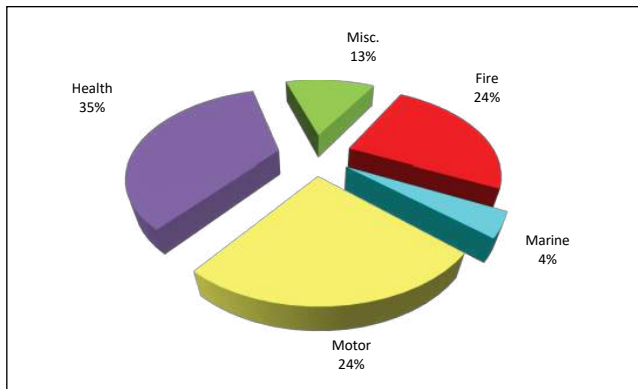


PREMIUM REVENUE

(Rupees in Thousand)

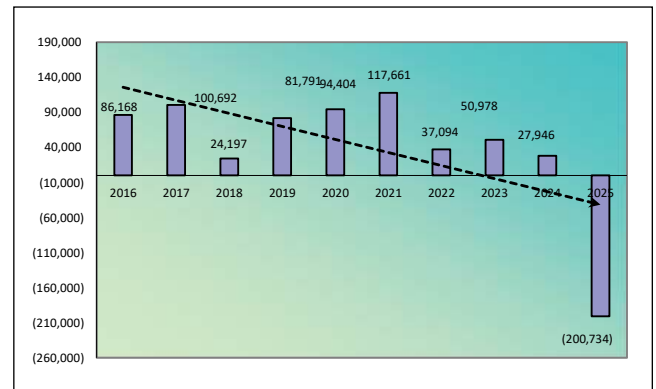


PRODUCT MIX ANALYSIS

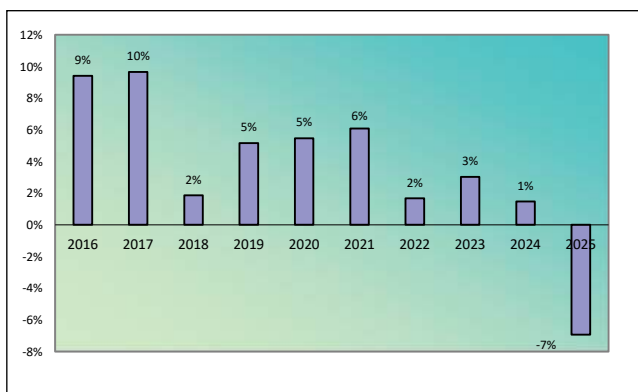


UNDERWRITING RESULTS

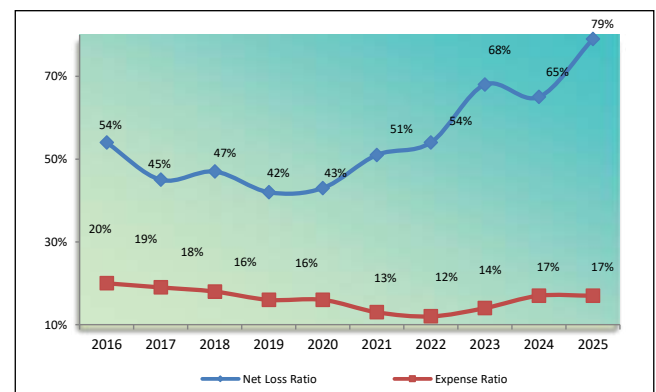
(Rupees in Thousand)



UNDERWRITING PROFIT MARGIN



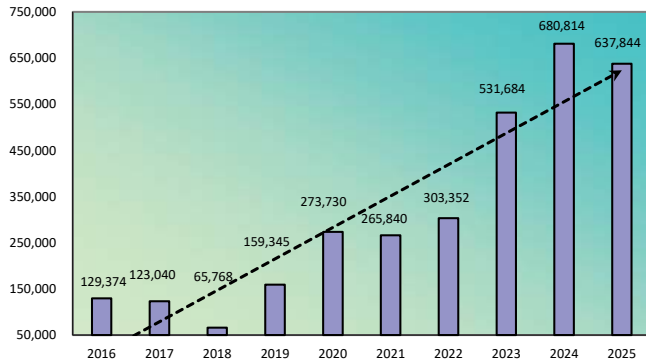
LOSS RATIO AND EXPENSE RATIO



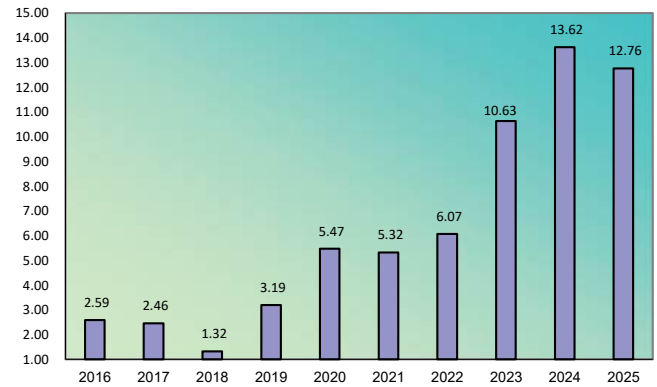
FINANCIAL SUMMARY

PROFIT AFTER TAX

(Rupees in Thousand)

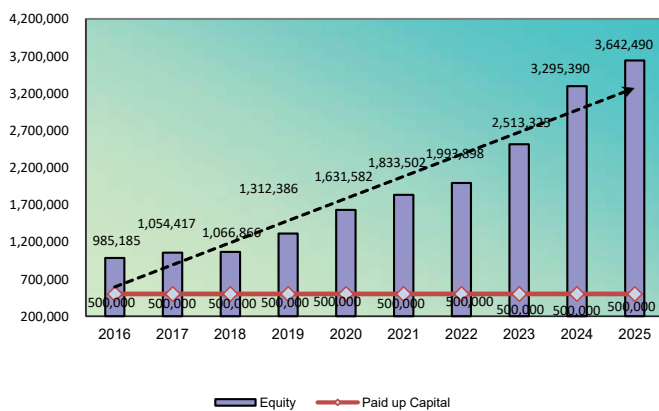


EARNING PER SHARE



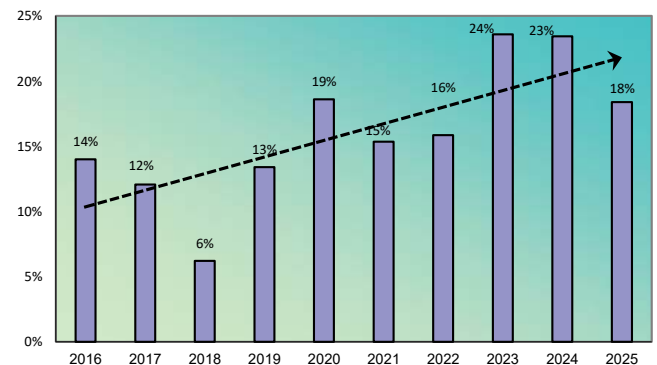
SHAREHOLDER EQUITY

(Rupees in Thousand)



RETURN ON EQUITY

(Rupees in Thousand)



ALFALAH INSURANCE COMPANY LIMITED

CODE OF CONDUCT & PROFESSION STANDARDS

1. Client Service

The interest of the policyholders is absolute. We shall provide the best possible services equivalent to international standard to our clients and shall make arrangements to serve them without any cause of complaint relating to claim settlement and otherwise. Our endeavor is to introduce new and innovative schemes of arrangements for the benefit of clients so that they will be able to get better services at very economical premium.

2. Compliance with the applicable laws

It is the basic principle of Alfalah Insurance Company Limited to obey the law of the land and comply with its legal system. Accordingly, every employee of the company shall obey the law. Any employee guilty of violation will be liable to disciplinary consequences because of the violation of his/her duties. Every manager and supervisor shall be responsible to see that there is no violation of laws within his/her area of responsibility which proper supervision could have prevented. The manager and supervisor shall still be responsible if he/she delegated particular tasks.

3. Act with Honesty and Openness

The image and reputation of Alfalah Insurance Company Limited is determined by the way each and every one of us acts and conducts himself/herself at all times. Board members and staff of Alfalah Insurance Company Limited shall act with honesty and openness as representatives of the organization and in their interactions with one another. Alfalah Insurance Company Limited promotes a working environment that values respect, candor, and fairness.

4. Conflict of Interest

Employees must avoid conflicts of interest between their private financial activities and conduct of company business.

5. Integrity of financial information

All business transactions on behalf of Alfalah Insurance Company Limited must be reflected accordingly in the financial statements of the company.

6. Equal opportunity employer

We are an equal opportunity employer. Our employees are entitled to a safe and healthy workplace.

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED DECEMBER 31, 2025

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The company ensures representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Name
Non-Executer Director	H.H Sheikh Nahayan Mabarak Al Nahayan HE Sheikh Saif Bin Mohammed Bin Butti Al Hamid Mr. Khalid Mana Saeed Al Otaiba Mr. Atif Aslam Bajwa Mr. Amine Mikati
Independent Director	Syed Irfan Ali Mr. Asif Salim Khan Ms. Kanwal Kashif Rahman
Female Director	Ms. Anjum Hai
Executive Director / Chief Executive Officer	Mr. Khurram Hussain

All independent directors meet the criteria of independence as laid down under the Code of Corporate Governance for Insurers, 2016.

The independent directors are appointed in terms of Section 166 (3) of the Companies Act, 2017 (the “Act”) through the process of election prescribed under Section 159 of the Act.

The Board has fixed the number of directors to be elected as ten (10) which included three (3) as independent directors which were duly elected by the shareholders in their extraordinary general meeting held on 15 August 2025.

The fraction has not been rounded up to one as the Board believes and understands that three (3) independent directors are sufficient and have requisite competencies, skills, knowledge, and experience to fulfil their obligations as per requirements of the applicable law and regulations.

2. The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this insurer.

3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company. A DFI or an NBFIs or, being a member of stock exchange, has been declared as a defaulter by a stock exchange.
4. A casual vacancy occurring on the Board on April 17, 2025 due to the resignation of Mr. Khalid Jamal Abdul Rahman Khanfar was filled up by Mr. Amine Mikati within 90 days thereof.
5. The Company has prepared a 'Statement of Ethics and Business Practices/Code of Conduct, which has been disseminated among all the directors and employees of the Company.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and the key officers, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven (7) days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board has established a system of sound internal control, which is effectively implemented at all levels within the company. The Company has adopted and complied with all the necessary aspects of internal control given in the Code.
10. The Board arranged Orientation course for its directors during the current tenure to apprise them of their duties and responsibilities.
11. The Board has approved remuneration and terms and conditions of employment of Chief Financial Officer, Company Secretary and Head of Internal Audit.
12. The Directors' Report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance for Insurers, 2016 and fully describes the salient matters required to be disclosed.
13. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
14. The directors, Chief Executive Officer and other executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
15. The Company has complied with all the applicable corporate and financial reporting requirements of the Code of Corporate Governance for Insurers, 2016.

16. The Board has formed the following Management Committees:

Underwriting Committee:

Name	Category
Mr. Khurram Hussain	Chairman
Mr. Raza Javaid	Member
Mr. Shahzad Aamir	Member
Mr. Faisal Arshad	Member & Secretary

Claims Settlement Committee:

Name	Category
Mr. Khurram Hussain	Chairman
Mr. Adnan Waheed	Member
Mr. Faisal Shahzad	Member
Ch. Manzoor Hussain	Member & Secretary

Reinsurance, Re-takaful and Coinsurance Committee:

Name	Category
Mr. Khurram Hussain	Chairman
Mr. Faisal Arshad	Member
Mr. Shahzad Aamir	Member & Secretary

Risk Management & Compliance Committee:

Name	Category
Mr. Khurram Hussain	Chairman
Mr. Adnan Waheed	Member
Mr. Faisal Shahzad	Member
Mr. Imran Mughal	Member
Mr. Naveed Akbar	Member & Secretary

17. The Board has formed the following Board Committees on 10th December 2025:

Ethics, Human Resource and Remuneration Committee:

Name	Category
Mr. Atif Aslam Bajwa	Chairman
Mr. Amine Mikati	Member
Ms. Kanwal Kashif	Member
Mr. Khurram Hussain	Member
Mr. Adnan Waheed	Secretary

Terms of Reference of Nomination Committee as defined in the Code of Corporate Governance for Insurers, 2016 were discharged by the Ethics, Human Resource and Remuneration Committee.

Investment Committee:

Name	Category
Mr. Asif S. Khan	Chairman
Mr. Atif Aslam Bajwa	Member
Mr. Amine Mikati	Member
Syed Irfan Ali	Member
Ms. Anjum Hai	Member
Mr. Khurram Hussain	Member
Mr. Adnan Waheed	Member & Secretary

18. The Board has formed an Audit Committee. It comprises of five members, of whom two are independent directors and three are non-executive Directors. The Chairman of the Committee is an independent director. The composition of the Audit Committee is as follows:

Name of the Member	Category
Syed Irfan Ali	Chairman
Mr. Atif Aslam Bajwa	Member
Mr. Amine Mikati	Member
Ms. Anjum Hai	Member
Ms. Kanwal Kashif	Member

19. The terms of references of the Committees have been formed and advised to the Committees for compliance. The frequency of meetings of the Committees were as follows:

Name of the Committee	Frequency of meeting
Ethics, Human Resource & Remuneration Committee	Half yearly
Investment Committee	Quarterly
Audit Committee	Quarterly
Underwriting Committee	Quarterly
Claims Settlement Committee	Quarterly
Reinsurance, Re-takaful and Coinsurance Committee	Quarterly
Risk Management & Compliance Committee	Quarterly

20. The Board has set-up an effective Internal Audit function which comprises of suitably qualified and experienced staff for the purpose and is conversant with the policies and procedures of the Company and are involved in the internal audit function on a regular basis.

21. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code of Corporate Governance for Insurers, 2016. Moreover, the persons heading the underwriting, claim, reinsurance, risk management and grievance functions / departments possess qualification and experience of direct relevance to their respective functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000).

Name of the Person	Designation
Mr. Khurram Hussain	Chief Executive Officer
Mr. Adnan Waheed	Chief Financial Officer & Company Secretary
Mr. Faisal Shahzad	Head of Internal Audit
Mr. Naveed Akbar	Compliance Officer
Mr. Faisal Arshad	Head of Underwriting
Mr. Manzoor Hussain	Head of Claims
Mr. Shahzad Aamir	Head of Reinsurance
Mr. Imran Mughal	Head of Risk Management
Mr. Asad Rizwan	Head of Grievance Department

There was no new appointment of Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit or Compliance Officer during the reporting year.

22. The statutory auditors of the Company have been appointed from the panel of auditors approved by the commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors have confirmed that they have been given a satisfactory rating under the Quality Control Review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
23. The statutory auditors or the persons associated with them have not been appointed to provide other services and the auditors have confirmed that they have observed IFAC guidelines in this regard.
24. The Board ensures that investment policy of the Company has drawn up in accordance with the provisions of the Code of Corporate Governance for Insurers, 2016.
25. The Board ensures that the risk management system of the Company is in place as per requirement of the Code of Corporate Governance for Insurers, 2016.
26. The Company has set up a risk management function, which carries out its tasks as covered under the Code of Corporate Governance for Insurers, 2016.
27. The Board ensures that as part of the risk management system, the Company gets itself rated from PACRA which is being used by its risk management function / department and the respective committee as a risk monitoring tool. The rating assigned by the said rating agency on May 19, 2025 is AA+ (ifs) with stable outlook.
28. The Company has set up a grievance function, which fully complies with the requirements of the Code of Corporate Governance for Insurers, 2016.
29. The Company has not obtained any exemption from the Securities and Exchange of Commission of Pakistan in respect of the requirement of the Code of Corporate Governance for Insurers, 2016.
30. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 as applicable up to the reporting date have been complied by the Company.



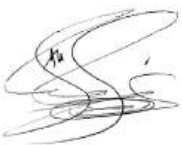
Chief Executive Officer

STATEMENT OF COMPLIANCE UNDER SECTION 46(6) OF THE INSURANCE ORDINANCE 2000 FOR THE YEAR ENDED DECEMBER 31, 2025

In compliance with section 46(6) of the Insurance Ordinance 2000, the Directors of Alfalah Insurance Company Limited hereby certify that:

- a) In their opinion the annual statutory accounts of the Company set out in the forms attached to the statement have been drawn up in accordance with the Ordinance and any rules made thereunder;
- b) the Company has at all times in the year complied with the provisions of the Ordinance and the rules made thereunder relating to paid-up capital, solvency, and reinsurance arrangements; and
- c) as at the date of the statement, the Company continues to be in compliance with the provisions of the Ordinance and the rules made thereunder relating to paid-up capital, solvency, and reinsurance arrangements.

On behalf of the Board,



Chairman



Chief Executive Officer



Director



Director



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF ALFALAH INSURANCE COMPANY LIMITED REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016

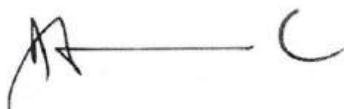
We have reviewed the enclosed Statement of Compliance contained in the Code of Corporate Governance for Insurers, 2016 (the Code) prepared by the Board of Directors of the Alfalah Insurance company limited (the company) for the year ended December 31, 2025, to comply with the code issued by the Securities and Exchange Commission of Pakistan.

The responsibility for compliance with the Code is that of the Board of Directors of the company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the company to comply with the code.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to this extent of the approval of the related party transactions by the board of directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the code as applicable to the Company for the year ended December 31, 2025.



A.F. Ferguson & Co.
Chartered Accountants
Lahore

Date: April 6, 2026

UDIN: CR202510071txwLAIKXj

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. BOX 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALFALAH INSURANCE COMPANY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the annexed financial statements of Alfalah Insurance Company Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the profit and loss account, the statement of comprehensive income, the statement of changes in equity, the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit, and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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A.F.FERGUSON & Co.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and, Companies Act, 2017 (XIX Of 2017), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.





Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the profit and loss account, the statement of comprehensive income, the statement of changes in equity and the cash flow statement together with the notes thereon have been drawn up in the conformity with the Insurance Ordinance, 2000, the Companies Act, 2017 (XIX of 2017), and are in agreement with the books of account;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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



A.F. Ferguson & Co.

Chartered Accountants

Lahore

Date: April 6, 2026

UDIN: AR202510071rzY2fe8s7

ALFALAH INSURANCE COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	2025	(Restated) 2024	(Restated) 2023
(Rupees in thousand)				
ASSETS				
Property and equipment	5	353,244	253,745	203,932
Right-of-use assets	6	165,801	174,627	77,779
Intangible assets	7	12,427	4,331	7,663
Investment property	8	1,588	1,588	1,588
Investments				
Equity securities	9	958,754	1,398,747	518,245
Debt securities	10	3,185,739	2,491,583	2,176,947
Loans and other receivables	11	198,280	150,369	280,237
Insurance / Reinsurance receivables	12	1,744,521	635,448	916,826
Reinsurance recoveries against outstanding claims	25	722,555	640,251	906,887
Salvage recoveries accrued		96,347	10,475	21,699
Deferred commission expense / acquisition cost	26	158,157	161,456	153,382
Deferred taxation	13	-	-	9,306
Prepayments	14	874,710	960,734	965,117
Cash and bank	15	668,839	422,823	474,829
		9,140,962	7,306,177	6,714,437
Total assets of Window Takaful Operations	16	1,670,215	1,270,750	1,514,002
TOTAL ASSETS		10,811,177	8,576,927	8,228,439
EQUITY AND LIABILITIES				
Capital and reserves attributable to Company's equity holders				
Authorized capital				
50,000,000 (2024: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000	500,000
Ordinary share capital	17	500,000	500,000	500,000
Reserves	18	333,191	467,609	213,196
Unappropriated profits		2,809,299	2,327,781	1,800,129
TOTAL EQUITY		3,642,490	3,295,390	2,513,325
LIABILITIES				
Underwriting provisions:				
Outstanding claims including IBNR	25	1,532,147	1,015,932	1,314,412
Unearned premium reserve	24	2,029,002	1,481,912	1,445,436
Premium deficiency reserve		7,300	-	10,837
Unearned reinsurance commission	26	162,896	167,863	177,838
Retirement benefits obligations	19	7,101	1,105	7,643
Deferred taxation	13	74,773	167,034	-
Premium received in advance		21,699	28,058	33,197
Insurance / Reinsurance payables	20	384,878	384,116	848,487
Lease liabilities	21	174,762	174,571	93,893
Unpaid dividend		-	-	59,497
Other creditors and accruals	22	1,123,231	771,990	601,789
Taxation - payment less provisions		47,607	18,715	5,814
		5,565,396	4,211,296	4,598,843
Total liabilities and fund of Window Takaful Operations	16	1,603,291	1,070,241	1,116,271
		7,168,687	5,281,537	5,715,114
TOTAL EQUITY AND LIABILITIES		10,811,177	8,576,927	8,228,439
CONTINGENCIES AND COMMITMENTS				
	23			

The annexed notes 1 to 45 form an integral part of these financial statements.



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025 (Rupees in thousand)	2024
Net insurance premium	24	2,898,837	1,896,689
Net insurance claims	25	(2,287,261)	(1,239,324)
Premium deficiency (expense) / income		(7,300)	10,837
Net commission and other acquisition income	26	102,287	61,719
Insurance claims and acquisition expenses		(2,192,274)	(1,166,768)
Management expenses	27	(907,297)	(701,975)
Underwriting results		(200,734)	27,946
Investment income	28	1,098,411	807,083
Other income	29	96,235	143,360
Other expenses	30	(70,476)	(66,323)
Results of operating activities		923,436	912,066
Finance cost	31	(20,163)	(11,481)
Profit from Window Takaful Operations - Operator's fund	16	129,971	209,026
Profit before tax		1,033,244	1,109,611
Income tax expense	32	(395,400)	(428,797)
Profit after tax		637,844	680,814
Earnings (after tax) per share - Rupees	33	12.76	13.62

The annexed notes 1 to 45 form an integral part of these financial statements.




Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	(Rupees in thousand)	
Profit after tax	637,844	680,814
Items that may be reclassified to profit and loss account in subsequent periods (net of tax):		
Unrealized (loss) / gain on available-for-sale investments	(134,418)	254,413
Items that will not be reclassified to profit and loss account in subsequent periods (net of tax):		
Remeasurement loss on retirement benefit obligations	(6,326)	(3,162)
Other comprehensive (loss) / gain for the year	(140,744)	251,251
Total comprehensive income for the year	497,100	932,065

The annexed notes 1 to 45 form an integral part of these financial statements.




Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

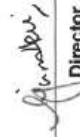
FOR THE YEAR ENDED DECEMBER 31, 2025

Attributable to equity holders of the Company					
Share capital	Capital reserve	Revenue reserve		Unappropriated profits	Total
Issued, subscribed and paid-up	Share deposit money	Fair value reserves	General reserve		
(Rupees in thousand)					
500,000	1,381	61,815	150,000	1,800,129	2,513,325
-	-	-	-	680,814	680,814
-	-	254,413	-	(3,162)	251,251
-	-	254,413	-	677,652	932,065
Transactions with owners of the Company					
Final dividend for the year ended December 31, 2023 @ 30% (Rupee 3/- per share)					
-	-	-	-	(150,000)	(150,000)
500,000	1,381	316,228	150,000	2,327,761	3,295,390
Transactions with owners of the Company					
Final dividend for the year ended December 31, 2024 @ 30% (Rupee 3/- per share)					
-	-	-	-	637,844	637,844
-	-	(134,418)	-	(6,326)	(140,744)
-	-	(134,418)	-	631,518	497,100
Transactions with owners of the Company					
Final dividend for the year ended December 31, 2025 @ 30% (Rupee 3/- per share)					
-	-	-	-	(150,000)	(150,000)
500,000	1,381	181,810	150,000	2,809,299	3,642,490

The annexed notes 1 to 45 form an integral part of these financial statements.



Chairman



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

2025 2024
(Rupees in thousand)

Operating cash flows

a) Underwriting activities

Insurance premium received
Reinsurance premium paid
Claims paid
Reinsurance and other recoveries received
Commission paid
Commission received
Management expenses paid
Net cash flow from underwriting activities

4,800,134	4,718,331
(2,185,390)	(3,461,267)
(3,161,428)	(1,919,910)
1,144,656	915,370
(352,525)	(457,383)
463,336	691,656
(604,601)	(40,524)
104,182	446,273

b) Other operating activities

Income tax paid
Other received
Loans disbursed
Loans repayments received
Net cash flow from other operating activities

(372,829)	(402,214)
158,349	153,067
(36,213)	(27,004)
24,994	23,531
(225,699)	(252,620)

Total cash (used in) / generated from all operating activities

(121,517) 193,653

Investment activities

Profit / return received on bank deposits
Dividends received
Payments for investments
Proceeds from disposal of investments
Fixed capital expenditure
Proceeds from disposal of operating fixed assets
Total cash generated from investing activities

356,132	224,120
71,697	58,254
(6,598,633)	(4,841,096)
6,896,033	4,660,541
(172,431)	(80,044)
25,124	217
577,922	21,992

Financing activities

Payment of lease liability in respect of right-of-use assets
Dividend paid

(60,389)	(58,165)
(150,000)	(209,486)

Total cash used in financing activities

(210,389) (267,651)

Net cash flow from all activities

246,016 (52,006)

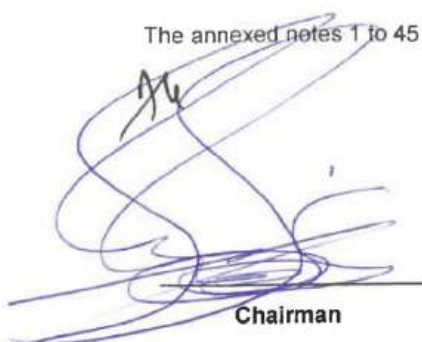
Cash and cash equivalents at beginning of the year

422,823 474,829

Cash and cash equivalents at end of the year

668,839 422,823

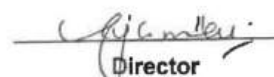
The annexed notes 1 to 45 form an integral part of these financial statements.



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

2025 2024
(Rupees in thousand)

Reconciliation to profit and loss account

Operating cash flows	(121,517)	193,653
Depreciation expense	(87,101)	(58,894)
Finance cost	(24,051)	(13,465)
Amortization of intangibles	(3,058)	(3,332)
Gain on disposal of operating fixed assets	5,093	217
Gain on derecognition of lease	-	134
Profit on sale of investments	668,196	492,683
Impairment in value of available-for-sale investments	11,726	37,292
Dividend and other income	508,235	390,474
Decrease / (Increase) in assets other than cash	1,253,742	(748,666)
(Decrease) / increase in liabilities other than borrowings	(1,703,392)	165,161
Un-realized gain in value of held for trading investments	-	16,531
Profit from Window Takaful Operations	129,971	209,026
Profit after taxation	637,844	680,814

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	6,421	5,346
Current and other accounts	662,418	417,477
Total cash and cash equivalents	668,839	422,823

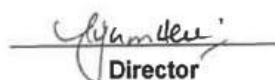
The annexed notes 1 to 45 form an integral part of these financial statements.



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Alfalah Insurance Company Limited ('the Company') is a public limited company incorporated in Pakistan on December 21, 2005 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is engaged in general non-life insurance business. The registered office of the Company is situated at 5 & 6 - Saint Mary Park, Gulberg-III, Lahore.

The Company was granted authorization on 30 September 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on January 13, 2016.

1.1 The Company operates through the following locations in Pakistan;

Locations	Address
Head Office - Lahore	5 & 6 - Saint Mary Park, Gulberg-III, Lahore
South Zone Karachi Office	1st Floor, Finlay House, I.I. Chundrigar Road, Karachi
Peshawar Office	Ays Centre, 2nd Floor, Arbab Road, Peshawar Cantt, Peshawar
Islamabad Office	2nd Floor, Bank Alfalah Building, Markaz I-8, Islamabad
Faisalabad Office	2nd Floor, Meezan Executive Tower, Liaquat Road, Faisalabad
Gujranwala Office	1st Floor, Al-Hameed Centre, Opp Govt. Iqbal High School, G.T. Road, Gujranwala
Rahim Yar Khan Office	Al-Moiz Square, 2nd Floor, Near Habib Bank Limited, Zimindaran Colony, Club Road, Rahim Yar Khan.
Sialkot Office	1st Floor, City Tower, Shahab Pura Road, Sialkot
Multan Office	10-A, 2nd Floor, Tehsil Chowk, Bosan Road, Multan
Hyderabad Branch	House No.49, 2nd Floor, Dr. Line Saddar Cantt, Hyderabad

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

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

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



- 2.1.2** As per the requirements of the SECP Takaful Rules, 2012 and S. R. O. 311 (I) / 2025 dated 3rd March, 2025, the assets and liabilities of the Window Takaful Operations and profit and loss of the Operator's Fund of the Window Takaful Operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. 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 financial statements have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under retirement benefit obligations and lease liabilities carried at present value. All transactions reflected in these financial statements are on accrual basis except for those reflected in the cash flow statement.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All the financial information presented in Rupees has been rounded off to the nearest thousand in rupees, unless otherwise stated.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been detailed in these financial statements.

2.5 Standards and amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company

		Note	Effective date (annual reporting periods beginning on or after)
IFRS 9	Financial Instruments	2.5.1	January 1, 2027
IFRS 7	Financial Instruments Disclosures	2.5.2	January 1, 2027
IFRS 17	Insurance Contracts	2.5.3	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	2.5.4	January 1, 2027

- 2.5.1** IFRS 9 - 'Financial Instruments' when applicable shall replace International Accounting Standard 39: 'Financial Instruments: Recognition and Measurement' requirements related to classification, measurement, impairment, and derecognition of financial assets and financial liabilities.

- 2.5.2** IFRS 7 - 'Financial Instruments Disclosures' when applicable shall cover all types of financial instruments, except those that are specifically covered by another standards.

- 2.5.3** IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However, the Securities and Exchange Commission of Pakistan through S.R.O. 1336 (1)/2025 has directed companies engaged in insurance and reinsurance business for application of IFRS 17 for periods beginning on or after January 1, 2027.

IFRS 17, replaces IFRS 4 Insurance Contracts. The new standard will apply to all entities that issue insurance and reinsurance contracts, and to all entities that hold reinsurance contracts. This standards requires entities to identify contracts and its terms and to assess whether they meet the definition of an insurance contract or includes components of an insurance contract. Insurance contracts are required to account for under the recognition/derecognition of IFRS 17. Companies subject to the requirement of the above SRO will also be required to adopt requirements of IFRS 9 from the date of transition if the Insurance company opted for temporary exemption from the application of IFRS 9 as allowed by IASB. On initial application of IFRS 17, the comparative information for insurance contracts will be restated in accordance with IFRS 17, whereas comparative information for related financial assets might also be restated in accordance with IFRS 9 (under modified retrospective approach).

- 2.5.4** IFRS 18 'Presentation and Disclosure in Financial Statements', when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.

2.5.5 The management is currently in the process of assessing the impact of these standards and amendments on the financial statements of the Company.

2.5.6 Amendments to IFRS 4 applying IFRS 9 Financial Instruments with IFRS 4 Insurance contracts

The Company meets the eligibility criteria of the temporary exemption from IFRS 9 and intends to defer the application of IFRS 9 until the effective date of the new insurance contracts standard (IFRS 17) for annual reporting periods beginning on or after January 1, 2027, as allowed by the Securities and Exchange Commission of Pakistan (SECP) through S. R. O. 1715 (i) / 2023 dated November 21, 2023, and S. R. O. 1336 (i) / 2025 dated July 23rd, 2025.

The temporary exemption enables eligible entities to defer the implementation date of IFRS 9 for annual periods beginning on 1 January 2027 and continue to apply IAS 39 to financial assets and liabilities. An entity may apply the temporary exemption from IFRS 9 if:

- (i) it has not previously applied any version of IFRS 9, other than only the requirements for the presentation of gains and losses on financial liabilities designated as FVPL; and
- (ii) its activities are predominantly connected with insurance on its annual reporting date.

2.6 Change in presentation – Window Takaful Operations (OPF and PTF)

During the year, the Company has revised the presentation of total assets and total liabilities related to its Window Takaful Operations in the statement of financial position, in accordance with the General Takaful Accounting Regulations, as amended by SRO 311(I)/2025 dated March 3, 2025. The amendment requires that, in addition to the OPF, the total assets and total liabilities of the PTF also be reported within the financial statements of the insurer.

Insurers whose Window Takaful Operations (WTO) constitute twenty-five percent (25%) or more of overall gross premium may, as an alternative to single line presentation, consolidate the assets, liabilities, income, and expenses of conventional operations with those of Window Takaful Operations. Pursuant to SECP S.R.O. 311(I)/2025, the Company's WTO falls below the 25% threshold; therefore, consolidation under the S.R.O is not applicable.

Accordingly, the aggregate amounts of assets and liabilities related to Window Takaful Operations (both OPF and PTF) have been presented in the Company's statement of financial position as at December 31, 2025 and December 31, 2024 to comply with the revised regulatory requirements. This change in presentation has been treated as a change in accounting policy in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'. Resultantly, the Company has restated the comparative figures on the statement of financial position for the year ended December 31, 2024 as follows:

Statement of Financial Position	As at December 31, 2024		
	As previously reported	Adjustments	As restated
	Rupees in Thousands		
Assets			
Total assets of Window Takaful Operations -			
Operator's Fund	316,314	-	316,314
Participants' Takaful Fund	-	954,436	954,436
Other assets	7,306,177	-	7,306,177
Total assets of the Company	7,622,491	954,436	8,576,927
Liabilities			
Total liabilities and funds of Window Takaful Operations -			
Operator's Fund	115,805	-	115,805
Participants' Takaful Fund	-	954,436	954,436
Other liabilities	4,211,296	-	4,211,296
Total liabilities of the Company	4,327,101	954,436	5,281,537

Statement of Financial Position

As at January 1, 2024		
As previously reported	Adjustments	As restated
Rupees In Thousands		

Assets
Total assets of Window Takaful Operations -

Operator's Fund	690,482	-	690,482
Participants' Takaful Fund	-	823,520	823,520
Other assets	6,714,437	-	6,714,437
Total assets of the Company	7,404,919	823,520	8,228,439

Liabilities
Total liabilities and funds of Window Takaful Operations -

Operator's Fund	292,751	-	292,751
Participants' Takaful Fund	-	823,520	823,520
Other liabilities	4,598,843	-	4,598,843
Total liabilities of the Company	4,891,594	823,520	5,715,114

There is no impact on the profit and loss account, statement of comprehensive income, the statement of changes in equity and the cash flow statement as a result of the change in accounting policy.

3 USE OF JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to these financial statements or judgment was exercised in application of accounting policies, are as follows:

	Note
- Provision for doubtful receivables	4.1.16
- Provision for outstanding claims including claims incurred but not reported (IBNR)	4.1.12
- Premium deficiency reserve	4.1.13
- Defined benefit plans	4.2.3
- Provision for taxation including the amount relating to tax contingency	4.1.19
- Useful lives, pattern of economic benefits and impairments - Fixed assets	4.1.1 & 4.2.2
- Useful lives, pattern of economic benefits and impairments - Investment property	4.2.1
- Segment reporting	4.1.20

4 ACCOUNTING POLICY INFORMATION

4.1 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1.1 Property and equipment

Operating fixed assets

Items of operating fixed assets, except freehold land, are stated at cost less accumulated depreciation and impairment loss if any. Freehold land is stated at cost less identified impairment loss, if any.

Cost comprises of purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and includes other costs directly attributable to the acquisition or construction including expenditures on the material, labour and overheads directly relating to construction, erection and installation of operating fixed assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the year in which they are incurred.

Depreciation on operating fixed assets is charged to profit and loss account using straight line method so as to write off the historical cost of an asset over its estimated useful life at the rates mentioned in note 5.1 after taking their residual value into account.

Depreciation methods, residual values and the useful life of the assets are reviewed at least at each financial year end and adjusted if appropriate.

An item of operating fixed assets is derecognized upon disposal when no future economic benefits are expected from its use or disposal. Gain or loss on disposal of an asset is determined by comparing the proceeds from sale with the carrying amount and is recognized in profit and loss account.

Capital work-in-progress

Capital work in progress is stated at cost less identified impairment loss, if any and represents expenditure incurred on assets during the construction and installation. Cost also includes applicable borrowing costs, if any. Transfers are made to relevant categories as and when assets are available for use.

4.1.2 Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to contractual provisions of the instrument and de-recognized when the Company loses control of contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and liabilities is included in profit and loss account.

4.1.2.1 Non-derivative financial assets

The Company initially recognizes loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit and loss) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies non-derivative financial assets into the following categories namely: financial assets at fair value through profit and loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit and loss account

A financial asset is classified as at fair value through profit and loss account if it is classified as held-for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit and loss account if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit and loss account as incurred. Financial assets at fair value through profit and loss account are measured at fair value and changes therein, which takes into account any dividend income, are recognized in profit and loss account.

Held to maturity financial assets

If the Company has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held to maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available for sale financial assets are recognized initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit and loss account.

4.1.2.2 Non-derivative financial liabilities

The Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Company classifies financial liabilities recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities mainly includes other creditors and accruals.

4.1.2.3 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.1.3 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Impairment losses on available for sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit and loss account. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognized in profit and loss account. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit and loss account, otherwise it is reversed through other comprehensive income.

Non-financial assets

The carrying amounts of non-financial assets other than deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account.

4.1.4 Insurance Contracts

Insurance contracts are those contracts under which the Company, as insurer, has accepted insurance risk from the insurance contract holder (insured) by agreeing to compensate the insured if a specified uncertain future event (the insured event) adversely affects the insured. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its tenure, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

Insurance contracts are classified into following main categories, depending on the nature and duration of risk and whether or not the terms and conditions are fixed.

- Fire and property damage
- Marine, aviation and transport
- Motor
- Accident and health
- Others including miscellaneous

These contracts are normally one year insurance contracts except marine and some contracts of others including miscellaneous class. Normally all marine insurance contracts are of three months period. In others including miscellaneous class, some engineering insurance contracts are of more than one year period.

These contracts are provided to all types of customers based on assessment of insurance risk by the Company. Normally personal insurance contracts e.g. vehicle, personal accident, etc. are provided to individual customers, whereas, insurance contracts of fire and property damage, marine, aviation and transport, health and other commercial line products are provided to commercial organizations.

Fire and property damage insurance contracts mainly compensate the Company's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities.

Marine insurance covers the loss or damage of vessels, cargo, terminals, and any transport or property by which cargo is transferred, acquired, or held between the points of origin and final destination.

Motor insurance provides protection against losses incurred as a result of theft, traffic accidents and against third party liability that could be incurred in an accident.

Accident and health insurance provides protection against losses incurred as a result of medical illnesses, surgical operations, accidental injuries and accidental death.

Other various types of insurance are classified in others including miscellaneous category which includes, terrorism, worker compensation, products of financial institutions, crop etc.

The Company also accepts insurance risk pertaining to insurance contracts of other insurer as co-insurance contracts and reinsurance inward. The insurance risk involved in these contracts is similar to the contracts undertaken by the Company as insurer. All reinsurance inward contracts are facultative (specific risk) acceptance contracts.

Premiums and administrative surcharge

Premium is recognised on the basis of the Rule of 24.

Premiums and administrative surcharge received / receivable under a policy or cover note is recognized over the period of insurance from the date of attachment of risk to the policy on the following basis:

- a) For business other than marine cargo business, evenly over the period of the policy; and
- b) For marine cargo business, immediately after the commencement of voyage;

However, where the pattern of incidence of risk varies over the period of the policy, premium is recognized as revenue in accordance with the pattern of the incidence of risk.

Administrative surcharge represents documentation and other charges recovered by the Company from policy holders in respect of policies issued and is recognized in accordance with pattern. Administrative surcharge is recognized, at a rate of 5% of the premium restricted to a maximum of following limits:

Class	Rupees
Fire	3,000
Marine	3,000
Motor	3,000
Engineering	5,000
Health	5,000
Others including Miscellaneous	5,000

4.1.5 Provision for unearned premium

Provision for unearned premium represents the portion of premium written relating to the unexpired period of coverage and is recognized as a liability by the Company on the following basis:

- for marine cargo business, premium written is recognized as provision for unearned premium until the commencement of voyage.
- for Fire, Motor, Miscellaneous and Health business, premium written is recognized as provision for unearned premium by applying the 1/24th method.

4.1.6 Receivables and Payables related to insurance contracts

Insurance / reinsurance receivable and payable including premium due but unpaid, relating to insurance contracts are recognized when due and carried at cost less provision for impairment (if any). The cost is the fair value of the consideration to be received / paid in the future for services rendered / received. These amounts also include due to and from other insurance companies and brokers.

Premium received in advance is recognized as liability till the time of issuance of insurance contract there against.

An assessment is made at each reporting date to determine whether there is an objective evidence from external as well as internal sources of information that a financial asset or group of assets may be impaired i.e. recoverable amount at the reporting date is less than the carrying amount of the asset. If such evidence exists, the estimated recoverable amount of that asset is determined and any impairment loss is recognized, in the profit and loss account, for the difference between the recoverable amount and the carrying amount. Provisions for impairment are reviewed at each reporting date and adjusted to reflect the current best estimates. Changes in the provisions are recognized as income or expense, in the profit and loss account.

4.1.7 Reinsurance contracts held

The Company enters into reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Reinsurance contracts includes treaty reinsurance, whereby certain agreed proportion of risks are shared with the participating companies, hence higher underwriting capacity with larger spread becomes available. Depending upon the nature and / or size of the risk at times reinsurance of excess of capacity is also placed on case to case basis under facultative reinsurance arrangement. The Company also accepts facultative reinsurance from other local insurance companies provided the risk meets the underwriting requirements of the Company.

Outward reinsurance premiums are accounted for in the same period as the related premiums for the direct or accepted reinsurance business being reinsured. The risks undertaken by the Company under these contracts for each class of business are stated in the financial statements.

Reinsurance liabilities represents the balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the provision for outstanding claims or settled claims associated with the reinsurance policies and are in accordance with the related reinsurance contract.

Reinsurance assets or liabilities are derecognized when the contractual rights or obligations are extinguished or expired. Furthermore, reinsurance assets are not offset against related insurance liabilities. Income or expenses from reinsurance contract are not off set against income or expenses from related insurance assets.

The Company assesses its reinsurance assets for impairment on reporting date. If there is an objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes the impairment loss in the profit and loss account.

The portion of reinsurance premium not recognized as an expense is shown as a prepayment. Prepayment (i.e. premium ceded to reinsurers) is recognized as follows:

- for reinsurance contracts operating on a proportional basis, a liability to the reinsurer is recognized on attachment of the underlying policies reinsured, while an asset is recognized for the unexpired period of reinsurance coverage at the reporting date as prepaid reinsurance premium ceded and the same is expensed over the period of underlying policies.

Commission income from reinsurers is recognized at the time of issuance of the underlying insurance policy by the Company. This income is deferred and brought to profit and loss account as commission income in accordance with the pattern of recognition of the reinsurance premium to which it relates. Profit commission and no claim bonus (if any), which the Company may be entitled to under the terms of reinsurance, is recognized on accrual basis.

4.1.8 Reinsurance expense

Premium Ceded to reinsurers is recognized as an expense. For reinsurance contracts operating on a proportional basis, on attachment of the underlying policies reinsured; and for reinsurance contracts operating on a non-proportional basis, on inception of the reinsurance contracts.

Reinsurance premium shall be recognized as an expense. For proportional reinsurance business, evenly over the period of the underlying policies, for non-proportional reinsurance business, evenly over the period of indemnity.

The portion of reinsurance premium ceded not yet recognized as an expense is recognized as a prepayment. The prepaid portion of premium ceded is recognized as an asset. Such asset is calculated by applying the 1/24th method, whereby the liability shall equal 1/24 of the premium ceded relating to reinsurance contract commencing in the first month of the insurer's financial year, 3/24 of the premiums ceded relating to policies commencing in the second month of the insurer's financial years, and so on.

4.1.9 Commission expense / acquisition cost

Commission expense incurred in obtaining and recording insurance policies is charged to the profit and loss account based on the pattern of recognition of related premium revenue.

4.1.10 Deferred commission expense / acquisition cost

Deferred commission expense represents the portion of commission expense relating to the unexpired period of insurance contract and is recognized as an asset. It is calculated in accordance with the pattern of its related unearned premium income.

4.1.11 Claims Expense

General insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

4.1.12 Provision for outstanding claims incurred but not reported (IBNR)

The Company recognizes liability in respect of all claims incurred up to the statement of financial position date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in an insurance contract. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates. The liability for claims includes amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

Reinsurance recoveries against outstanding claims are recognized on occurrence of the related claim liability. These are recorded as an asset and measured at the amount expected to be received.

Claims Incurred but not reported

Securities and Exchange Commission of Pakistan ("SECP"), through its circular 9 of 2016 dated 09 March 2016, issued "Guidelines for estimation of incurred but not reported (IBNR) claims reserve 2016" ("Guidelines") for non-life insurance Companies and required to comply with all provisions of these guidelines with effect from 1 July 2016.

These Guidelines require the Company to develop an estimation of provision against claims incurred but not reported for each class of business, by either using "Chain Ladder Method" ("CLM") or other alternate method as allowed under the provisions of the Guidelines. The Chain Ladder Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine "Cumulative Development Factor" ("CDF") which represents the extent of future development of claims to reach their ultimate level to derive an IBNR estimate.

As required under the Guidelines, the Company uses CLM by involving an actuary for determination of provision against IBNR. Accordingly, the actuarial valuation as at 31 December 2025 has been carried out by independent firm of actuaries for determination of IBNR for each class of business. The actuarial valuation is based on a range of standard actuarial claim projection techniques, based on empirical data and current assumptions (as explained in preceding paragraph) that may include a margin for adverse deviation as required / allowed under the Guidelines. The method used, and the estimates made, are reviewed annually.

4.1.13 Premium deficiency reserve

The Company maintains a provision in respect of premium deficiency (also called unexpired risk reserve) on aggregation basis (except for health class) where the unearned premium liability is not adequate to meet the expected future liability, after reinsurance, from claims and other claim handling expenses expected to be incurred after the statement of financial position date in respect of the unexpired policies as at the statement of financial position date. The movement in the premium deficiency reserve is recorded as an expense / income in the profit and loss account for the year.

For this purpose, premium deficiency reserve on aggregation basis and for health class is determined by independent actuary. The actuary determines the prospective loss ratio on aggregation basis and applies factors of unearned and earned premiums and uses assumptions appropriate to arrive at the expected claims settlement cost which when compared with unearned premium reserve (UPR) shows whether UPR is adequate to cover the unexpired risks. If these ratios are adverse, premium deficiency reserve is determined.

Based on recommendation of actuary, the unearned premium reserve, on aggregation basis, at the year end is not adequate to meet the expected future liability after reinsurance claims and claim handling expenses, expected to be incurred after the statement of financial position date in respect of policies in force at the statement of financial position date. Therefore, no premium deficiency reserve has been accounted for in these financial statements, however for health class premium deficiency reserve has been accounted for separately.

4.1.14 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of cash flow statement, cash and cash equivalents comprise cash in hand, deposits with banks and stamps in hand.

4.1.15 Creditors and accruals

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Company.

4.1.16 Provisions and contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.

Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the note 4.1.3

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

4.1.17 Revenue recognition

Premium income and administrative surcharge

Premium Income and administrative surcharge is recognised in line with note 4.1.4.

Commission Income

Commission income from other reinsurers is recognized at the time of issuance of the underlying insurance policy by the Company. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the reinsurance premium to which it relates. Profit / commission, if any, under the terms of reinsurance agreements is recognized when Company's right to same are established.

The unearned portion of commission income is recognized as a liability. Such liability is calculated by applying the twenty-four method, whereby the liability shall equal 1/24 of the commission relating to policies commencing in the first month of the insurer's financial year, 3/24 of the commission relating to policies commencing in the second month of the insurer's financial years, and so on.

For facultative acceptance the basis of recognizing commission and determining the unearned commission reserve is the same as for the direct policies.

Dividend Income

Dividend income including bonus shares are recognized when right to receive such dividend or bonus shares is established.

Interest Income and other returns

Interest / mark-up is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

Return on investments and interest on loans is accounted for on a time proportionate basis using the applicable rate of return/ interest.

Miscellaneous Income

Return on bank deposits is recognized on a time proportion basis taking into account the effective yield.

Other revenues are recognized on accrual basis.

4.1.18 Management expenses

Management expenses are recognized in profit and loss account on accrual basis. Management expenses that are directly attributable to the distinguished operation of business (i.e. Conventional insurance business and Window Takaful Operations) are directly charged to the relevant business, whereas, common management expenses incurred for both conventional insurance business and Window Takaful Operations are proportionately charged on the basis of volume of respective business.

4.1.19 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted.

The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the statement of financial position liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to other comprehensive income in which case it is included in other comprehensive income.

4.1.20 Segment reporting

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000, the Insurance Rules, 2017 and Insurance Accounting Regulations, 2017. The reported operating segments are also consistent with the internal reporting framework provided to Board of Directors who are responsible for allocating resources and assessing performance of the operating segments. The performance of segments is evaluated on the basis of underwriting results of each segment.

Based on its classification of insurance contracts issued, the Company has five primary business segments for reporting purposes namely fire, marine, motor, health and others including miscellaneous. The nature and business activities of these segments are disclosed in note 4.1.4. Since the operation of the Company are predominantly carried out in Pakistan, information relating to geographical segment is not considered relevant.

The accounting policies of operating segment are the same as those described in the summary of the material accounting policy information.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them. Those assets and liabilities which can not be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

4.1.21 Dividend distribution

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability in the Company's financial statements in the year in which it is approved.

4.1.22 Salvage recoveries

Salvage recoveries are recognized on estimated basis based on past experience and market patterns and are in line with the recognition of related claim expenses.

4.1.23 Window Takaful Operations

The accounting policies followed by Window Takaful Operations are stated in the annexed financial statements of Window Takaful Operations for the year ended 31 December 2025.

4.2 SUMMARY OF OTHER ACCOUNTING POLICIES

Other than material accounting policies applied in the preparation of these financial statements are set out below for ease of user's understanding of these financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

4.2.1 Investment property

Property held for capital appreciation purpose is classified as investment property. The investment property of the Company comprises of land and is valued using the cost method less any identified impairment loss.

Fair value is disclosed and is determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee. Any gain or loss on disposal or retirement of investment property represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as income or expense in the profit and loss account.

The useful lives, residual values, depreciation method and impairment losses are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, fair value determination for the purpose of impairment loss requires adjustments for any differences in nature, location and condition of the investment property, if any, which involves significant judgment.



Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated above property and equipment up to the date of change in use.

4.2.2 Intangible assets

Intangible asset is stated at cost less accumulated amortization for finite intangible asset and identified impairment loss, if any. Finite intangible assets are amortized using straight line method over its estimated useful life at the rates mentioned in the note 7.

Amortization on additions to intangible assets is charged from the month in which an asset is put to use and on disposal up to the month of disposal. The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

The Company assesses at each statement of financial position date whether there is any indication that intangible asset may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in profit and loss account currently. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

4.2.3 Employees benefit plans

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company and measured on an undiscounted basis. The accounting policy for employee retirement benefits is described below:

Post employment benefits - Defined contribution plan

The Company operates an approved contributory provident fund for all permanent employees by establishing a separate Trust. Equal monthly contributions are made by the Company and employees to the fund at the rate of 8.33% (2024: 8.33%) of basic salary.

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Post employment benefits - Defined benefit plan

The Company has established an approved gratuity fund for all permanent employees including Window Takaful Operations. Monthly contributions are made to the fund on the basis of actuarial recommendations and in line with the provisions of the Income Tax Ordinance, 2001. The Company's net obligation in respect of defined benefit plans is calculated separately for plan by estimating the amount of future benefits that employees have earned in current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the 'Projected Unit Credit Method' and latest actuarial valuation has been carried out at 31 December 2025. When calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Actual gains and losses arising from experience adjustments and changes in actuarial assumptions are charged to equity through other comprehensive income in the year in which they arise. Past service costs are recognized immediately in the profit and loss account. The main features of defined benefit schemes are mentioned in note 20.

5 PROPERTY AND EQUIPMENT

Operating assets
Capital Work in Progress

5.1 Operating assets

	2025		Cost		Depreciation			Written down value		Depreciation rates %
	As at 01 January 2025		Additions	Disposals	As at 31 December 2025	As at 01 January 2025	Charge for the year	On disposals	As at 31 December 2025	
	(Rupees in thousand)									
Land - freehold	121,671	-	-	-	121,671	-	-	-	121,671	-
Building on leasehold land	49,300	37,730	-	-	87,030	49,254	2,252	-	51,506	10
Furniture and fixtures	21,195	15,713	(50)	(50)	36,858	18,219	1,364	(48)	19,535	10
Office equipment	31,445	46,093	(4,817)	(4,817)	72,721	21,987	7,164	(4,816)	24,335	20
Computer equipment	80,654	30,672	(8,208)	(8,208)	103,118	53,830	14,279	(7,849)	60,260	25
Vehicles	136,563	41,123	(38,362)	(38,362)	139,324	58,790	16,688	(18,693)	56,785	25
	440,828	171,331	(51,437)	(51,437)	560,722	202,080	41,747	(31,406)	212,421	
									348,301	

2024	Depreciation						Depreciation rates %	
	Cost		Depreciation		Written down value			
	As at 01 January 2024	Additions	Disposals	As at 31 December 2024	As at 01 January 2024	Charge for the year		On disposals
(Rupees in thousand)								
Land - freehold	121,671	-	-	121,671	-	-	-	121,671
Building on leasehold land	49,300	-	-	49,300	49,095	159	-	49,254
Furniture and fixtures	19,351	1,844	-	21,195	17,807	412	-	18,219
Office equipment	22,703	9,069	(327)	31,445	20,278	2,036	(327)	21,987
Computer equipment	70,199	10,525	(70)	80,654	44,758	9,142	(70)	53,830
Vehicles	92,954	43,609	-	136,563	40,308	18,482	-	58,790
	376,178	65,047	(397)	440,828	172,246	30,231	(397)	202,080
								238,748

5.1.1 Immovable freehold land in the name of the Company comprise of land having an area of 2 Kanal situated at Tariq Block, Garden Town, Lahore.

5.1.2 These include operating assets amounting to Rs. 144.39 million (2024: Rs. 157.05 million) having nil book value as at year end.

5.1.3 Depreciation has been allocated as follows:

Management expenses
Window Takaful Operations - Operator's Fund

10

5.1.4 Disposal of property and equipment

2025							
Particulars	Particulars of buyer	Relationship with the Company	Cost	Net book value	Sale proceeds	Gain on disposal	Mode of disposal
(Rupees in thousand)							
Office Equipment							
Solar System and Air conditioners	Mr. Abdul Haye	Employee	3,213	-	-	-	Company Policy
Various assets	Noman Mukhtar	Third Party	1,604	-	288	288	Advertisement
Computer Equipment							
Laptops and iPad	Mr. Abdul Haye	Employee	763	153	161	8	Company Policy
Scanner	IGI General Insurance Ltd	Third Party	85	-	38	38	Claim recovered against insurance
Various assets	Noman Mukhtar	Third Party	7,360	206	437	231	Advertisement
Vehicles							
Mercedes Benz	Mr. Abdul Haye	Employee	33,960	18,569	19,099	530	Company Policy
Cultus and Alto	Asad Malik	Third Party	1,743	436	2,055	1,619	Advertisement
CD 70	Noman Mukhtar	Third Party	80	20	66	46	Advertisement
United Bike	Syed Masroor Ali	Third Party	60	15	31	16	Advertisement
Honda Civic	Ali Murtaza Tariq	Third Party	2,519	630	2,946	2,316	Advertisement
Furniture Fixture							
Various assets	Noman Mukhtar	Third Party	50	2	3	1	Advertisement
2025			51,437	20,031	25,124	5,093	
2024			397	-	217	217	

5.2 Capital Work in Progress

Note	2025	2024
Rupees in thousand		
	4,943	14,997

Advances to suppliers

6 RIGHT-OF-USE ASSETS

As at 01 January		174,627	77,779
Additions during the year		36,528	128,354
Derecognition during the year		-	(2,843)
Less: Depreciation	6.1	(45,354)	(28,663)
As at 31 December		165,801	174,627

6.1 Depreciation has been allocated as follows:

Management expenses	27	38,023	24,440
Window Takaful Operations - Operator's Fund		7,331	4,223
		45,354	28,663

7 INTANGIBLE ASSETS

Intangible assets	7.1	12,427	4,331
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7.1 Intangible assets
Cost

Cost as at 01 January		33,189	33,189
Additions during the year		11,154	-
Cost as at 31 December	7.1.1	44,343	33,189

Amortization

As at 01 January		28,858	25,526
Charged during the year	7.1.2	3,058	3,332
As at 31 December		31,916	28,858
Net book value as at 31 December		12,427	4,331
Rate of amortization		25%	25%

7.1.1 These include intangible assets amounting to Rs. 27.13 million (2024: Rs. 21.88 million) having nil book value as at year end.

7.1.2 Amortization has been allocated as follows:

	Note	2025	2024
		Rupees in thousand	
Management expenses	27	2,564	2,842
Window Takaful Operations - Operator's Fund		494	490
		3,058	3,332

8 INVESTMENT PROPERTY

This represents land situated at 64 B Block, Eden Valley Faisalabad having a fair value of Rs. 14.82 million (2024: Rs. 13.76 million) measuring 7 Marla 15 square feet kept for long term capital appreciation purpose and measured at cost model.

As at 31 December 2025 and 2024, the fair values of the land are based on valuations performed by ARCH-e-decon, an accredited independent valuer on panel of Pakistan Banks' Association. ARCH-e-decon is a specialist in valuing these types of investment properties. A valuation model recommended by the International Valuation Standards Committee has been applied to determine the value of property. Investment properties of the Company are valued every year. There is no income or expense related to these investment properties.

The valuation has been carried out considering the segment and location of the property, size, utilization and current trends in price of real estate in close proximity and current market rents for similar properties including assumptions that ready buyers are available in the current market and analyzed through detailed market surveys and, the properties that have recently been sold or purchased or offered/quoted for sale into the same vicinity to determine the better estimates of the fair value.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

9 INVESTMENTS IN EQUITY SECURITIES

		2025			2024		
	Note	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
		(Rupees in thousand)					
9.1 Available for sale - Quoted							
<u>Others</u>							
Listed shares	9.1.1	746,099	(1,229)	744,870	993,138	(12,955)	980,183
		746,099	(1,229)	744,870	993,138	(12,955)	980,183
Unrealized gain on revaluation		-	-	213,884	-	-	418,564
		746,099	(1,229)	958,754	993,138	(12,955)	1,398,747
					Note	2025	2024
9.2 Movement of provision						Rupees in thousand	
As at 01 January						12,955	50,247
Charged during the year						-	788
Transferred to profit and loss account on sale of investment	28					(11,726)	(38,080)
As at 31 December						1,229	12,955



9.1.1 Others - listed shares

Shares		Company	Face value per share	Cost		Market Value		
2025	2024			2025	2024	2025	2024	
-----Number-----		----- (Rupees in thousand) -----						
Commercial Banks								
-	950,000	The Bank of Punjab	10	-	7,028	-	10,270	
57,143	136,929	Habib Bank Limited	10	9,541	13,756	18,480	23,889	
205,855	495,195	Bank AL Habib Limited	10	29,498	42,929	38,420	65,083	
161,172	257,237	United Bank Limited	10	43,675	73,987	68,432	98,324	
104,002	234,678	MCB Bank Limited*	10	30,059	51,460	39,456	66,015	
-	684,360	Askari Bank Limited	10	-	16,558	-	26,190	
202,249	249,819	National Bank of Pakistan	10	33,034	12,842	48,980	16,718	
61,378	110,101	Meezan Bank Limited	10	19,064	18,934	27,275	26,641	
Cement								
-	786,215	Fauji Cement Company Limited	10	-	15,604	-	28,760	
96,324	533,998	Maple Leaf Cement Factory Limited	10	8,495	20,596	11,311	24,532	
-	128,034	D.G Khan Cement Limited	10	-	9,392	-	13,433	
100,000	-	Pioneer Cement Limited	10	41,158	-	38,744	-	
91,619	15,176	Kohat Cement Company Limited	10	9,153	3,406	10,371	5,878	
97,911	48,579	Lucky Cement Limited	10	32,674	48,135	46,503	53,461	
49,627	53,721	Cherat Cement Limited	10	15,740	9,672	16,551	14,703	
-	-	Descon Oxychem Limited	10	-	-	-	-	
4,425	-	Wah Noble Chemicals Limited	10	1,509	-	1,467	-	
Fertilizers								
-	51,717	Engro Corporation Limited	10	-	15,719	-	23,029	
-	249,763	Fauji Fertilizer Bin Qasim Limited	10	-	10,422	-	22,214	
162,937	336,492	Fauji Fertilizer Company**	10	58,726	72,050	96,248	123,263	
75,359	392,971	Engro Fertilizer Limited	10	14,324	61,424	17,057	80,241	
165,806	-	Engro Holdings Limited	10	37,283	-	39,340	-	
151,350	-	Fatima Fertilizer Company Limited	10	20,856	-	22,946	-	
Pharmaceuticals								
-	21,201	Abbott Laboratories (Pakistan)	10	-	20,003	-	26,244	
-	77,000	Bf Biosciences Limited	10	-	8,943	-	18,083	
Automobile Assembler								
-	24,081	Millat Tractors Limited	10	-	13,601	-	14,961	
1,200	-	Indus Motor Company Limited	10	2,421	-	2,404	-	
				C/F	407,210	546,461	543,985	781,932

Shares	
2025	2024
-----Number-----	

Face value per share	Cost		Market Value	
	2025	2024	2025	2024
----- (Rupees in thousand) -----				

B/F	407,210	546,461	543,985	781,932
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Power Generation and Distribution

236,001	394,901	Hub Power Company Limited	10	40,405	45,925	52,245	51,689
240,000	-	Kot Addu Power Company Limited	10	9,511	-	9,004	-
157,121	-	Nishat Power Limited	10	6,141	-	10,473	-

Oil and Gas Exploration Companies

160,453	320,710	Oil And Gas Development Company Limited	10	34,291	53,926	45,101	72,885
39,564	79,275	Pakistan Oil Fields Limited	10	22,332	40,385	24,075	50,072
19,878	71,476	Mari Petroleum Company Limited	10	12,221	39,749	14,230	51,435
175,831	310,670	Pakistan Petroleum Limited	10	30,903	44,526	41,415	63,237
77,571	90,036	Sui Northern Gas Pipeline	10	8,150	5,910	9,270	10,079

Textile Composite

9,840	-	Gadoon Textile Mills Limited	10	3,685	-	3,400	-
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Automobile Parts and Accessories

11,422	29,172	Sazgar Engineering Works Limited	10	14,492	22,032	19,438	32,625
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Tobacco

7,500	-	Pakistan Tobacco Company Limited	10	9,936	-	11,561	-
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C/F	599,277	798,914	784,197	1,113,954
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Shares			Face value per share	Cost		Market Value	
2025	2024			2025	2024	2025	2024
-----Number-----				----- (Rupees in thousand) -----			
			B/F	599,277	798,914	784,197	1,113,954
Refinery							
17,573	39,660	Attock Refinery Limited	10	10,400	16,001	12,010	28,209
Technology							
163,940	43,351	Systems Limited	10	19,863	18,722	28,013	26,940
Oil and Gas Marketing Companies							
69,749	111,887	Pakistan State Oil Company Limited	10	26,865	30,647	33,071	49,307
Transport							
-	51,164	Pakistan National Shipping Corporation	10	-	9,012	-	24,021
Insurance							
177,584	-	Adamjee Insurance Company Limited	10	12,227	-	14,406	-
Miscellaneous							
95,163	-	Dynea Pakistan Limited	10	28,657	-	27,822	-
-	258,138	Pakistan Aluminium Beverage Cans Limited	10	-	20,908	-	32,290
11,135	49,742	Haleon Pakistan Limited	10	7,284	27,126	9,278	40,175
-	83,870	Shifa International Hospitals	10	-	33,603	-	33,247
-	20,185	Thall Limited	10	-	8,636	-	8,306
92,127	171,409	AGP Limited	10	15,610	18,797	18,714	29,157
282,515	-	International Packaging Films Limited	10	8,202	-	8,350	-
-	1,149,697	HBL Investment Fund - Class	10	-	10,772	-	13,141
200,000	-	Pakistan Telecommunication Company Limited	10	7,173	-	11,893	-
10,275	-	Murree Brewery Company Limited	10	10,541	-	11,000	-
Value as at 31 December				746,099	993,138	958,754	1,398,747
Grand Total				746,099	993,138	958,754	1,398,747

* 2025 Nil (2024: 136,000) shares are pledged with National Clearing Company of Pakistan Limited (NCCPL) as exposure margin.

** 2025 120,035 (2024: 120,035) shares are pledged with National Clearing Company of Pakistan Limited (NCCPL) as exposure margin.

10 INVESTMENTS IN DEBT SECURITIES

	Note	2025	2024
		(Rupees in thousand)	
INVESTMENTS IN DEBT SECURITIES			
Available for sale - Unquoted			
Term finance certificates	10.1	145,000	95,000
Pakistan Investment Bonds	10.2	2,045,871	2,160,403
Treasury Bills	10.3	910,711	-
		3,101,582	2,255,403
Unrealized gain on debt securities		84,157	99,836
		3,185,739	2,355,239
Held for trading			
Treasury Bills	10.3	-	119,813
Unrealized gain on debt securities		-	16,531
Total Investment in debt securities		3,185,739	2,491,583

Description	Maturity	Profit Payment	Yield	2025	2024
				(Rupees in thousand)	

10.1 Term finance certificates

Habib Bank Limited	Perpetual	Quarterly	3M KIBOR + 1.60%	20,000	20,000
Parwaz Financial Services	16-May-28	Quarterly	3M KIBOR + 1%	50,000	-
Habib Bank Limited	Perpetual	Quarterly	3M KIBOR + 2%	75,000	75,000
				145,000	95,000

10.2 Pakistan Investment Bonds

Pakistan Investment Bond-Floater	9-Aug-28	Semi Annually	11.48%	110,000	110,000
Pakistan Investment Bond-Floater	18-Apr-29	Semi Annually	11.87%	243,541	242,156
Pakistan Investment Bond-Floater	14-Nov-29	Semi Annually	11.96%	97,239	96,743
Pakistan Investment Bond	4-Jul-26	Semi Annually	16.97%	439,444	421,199
Pakistan Investment Bond	25-Feb-27	Semi Annually	15.17%	98,745	97,855
Pakistan Investment Bond	15-Feb-27	Semi Annually	15.05%	148,352	147,151
Pakistan Investment Bond	17-Jan-29	Semi Annually	14.68%	147,533	146,937
Pakistan Investment Bond	17-Jan-29	Semi Annually	14.69%	98,332	97,929
Pakistan Investment Bond	20-Sep-26	Semi Annually	12.95%	45,733	40,549
Pakistan Investment Bond	20-Sep-26	Semi Annually	12.99%	45,721	40,524
Pakistan Investment Bond	20-Sep-26	Semi Annually	13.05%	45,703	40,487
Pakistan Investment Bond	20-Sep-26	Semi Annually	12.47%	137,637	122,549
Pakistan Investment Bond	4-Jul-26	Semi Annually	17.38%	48,734	46,552
Pakistan Investment Bond	4-Jul-26	Semi Annually	19.35%	289,721	272,234
Pakistan Investment Bond	17-Jul-30	Semi Annually	11.32%	49,436	-
Pakistan Investment Bond	4-Aug-25	Semi Annually	19.57%	-	47,411
Pakistan Investment Bond	4-Aug-25	Semi Annually	19.10%	-	190,127

Average yield / total	14.71%	2,045,871	2,160,403
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10.2.1 Pakistan Investment Bonds having face value of Rs. 60 million (2024: Rs. 60 million) and market value of Rs. 60 million (2024: Rs. 59 million) respectively are held with State Bank of Pakistan as security deposit.

Description	Maturity	Profit Payment	Yield	2025	2024
				(Rupees in thousand)	

10.3 Treasury Bills - Available for sale

Treasury Bills	10-Dec-26	On Maturity	10.42%	140,288	-
Treasury Bills	26-Nov-26	On Maturity	11.10%	363,519	-
Treasury Bills	10-Dec-26	On Maturity	11.24%	406,904	-
			10.92%	910,711	-

Treasury Bills - Held for Trading

Treasury Bills	29-May-25	On Maturity	19.98%	-	25,016
Treasury Bills	15-May-25	On Maturity	19.85%	-	94,797
Average yield / total			19.92%	-	119,813

	Note	2025	2024
		(Rupees in thousand)	

11 LOANS AND OTHER RECEIVABLES

Considered good

Accrued investment income		93,066	104,659
Security deposits		10,186	10,186
Loan to employees	11.1	23,553	12,334
Insurance claim receivable		-	146
Receivable from Shareholders' fund	11.2	29,352	6,377
Other advances	11.3	42,123	16,667
		198,280	150,369

11.1 This represents short term advance obtained by employees who have completed one year of service with the company. The advance is markup-free and minimum per-month repayment installment shall not be less than 16.67% of the gross salary. As per policy, the maximum finance limit per employee is lower of three (For HODs) and four gross salaries (other than HODs) or 80% of the respective employees' provident fund balance.

11.2 This represents receivable in respect of common expenses incurred by the Company on behalf of the Window Takaful Operations.

11.3 This includes advance amounting to Rs.12.73 million (2024: 13.92 million) paid to Axa Life and Health Reinsurance Solutions (Private) Limited on account of advance reinsurance float and security amount of tender money amounting to Rs. 22.01 million (2024:Nil) against group health policy.

	Note	2025	2024
		(Rupees in thousand)	

12 INSURANCE / REINSURANCE RECEIVABLES

Unsecured and considered good

Due from insurance contract holders	12.1	1,659,327	651,880
Less: provision for impairment of receivables from insurance contract holders	12.2	(44,341)	(38,880)
		1,614,986	613,000
Due from other insurers / reinsurers	12.4	140,601	42,473
Less: provision for impairment of due from other insurers / reinsurers	12.3	(11,066)	(20,025)
		129,535	22,448
		1,744,521	635,448

12.1 This includes an amount of Rs. 205.29 million (2024: 155.00 million) receivable from related parties.

12.2 Provision for impairment for receivables
from insurance contract holders

	2025	2024
	(Rupees in thousand)	
Balance as at 01 January	38,880	27,108
Addition made during the year	8,959	11,772
Write off	(3,498)	-
Balance as at 31 December	44,341	38,880

12.3 Provision for impairment of due from other
insurers / reinsurers

Balance as at 01 January	20,025	39,794
(Reversal) made during the year	(8,959)	(19,769)
Balance as at 31 December	11,066	20,025

- 12.4** The Company has co-insurance and reinsurance arrangements with various insurance and reinsurance companies. Under the above arrangements, the receivable and payable balances originate mainly due to premiums underwritten or claims settled by the lead insurer on behalf of other co-insurers, and in case of reinsurance, the premium ceded to and claims recoverable from the reinsurer under the respective contracts. As per the prevailing industry practices, settlements of balances under co-insurance and reinsurance arrangements are done between respective insurance companies in normal course of business.

The current balances of co-insurance and reinsurance reflected in the records of the Company are based on underlying contracts and transactions supported by appropriate evidence.

In this regard, the Company exchanged balance information with various co-insurers and reinsurers based on significance of the balances. This information corroborates the balance position of the Company in all material respects.

13 DEFERRED TAXATION

Credit / (debit) balances arising in respect of timing differences relating to:

Deferred credits arising in respect of

Leases - net	3,495	-
Worker's welfare fund	45,210	36,986

Deferred debits arising due to

Accelerated tax depreciation allowance	(7,721)	(428)
Investments - Held for trading	-	(6,447)
Leases - net	-	(22)
Investments - Available for sale	(115,757)	(197,123)
	(74,773)	(167,034)

		Note	2025	2024
			(Rupees in thousand)	
13.1	Reconciliation of deferred tax liabilities - net			
	As at 01 January		(167,034)	9,306
	Tax income / (loss) recognized in profit and loss account	32	6,321	(13,683)
	Tax income / (expense) recognized in OCI	13.2	85,940	(162,657)
	As at 31 December		<u>(74,773)</u>	<u>(167,034)</u>
13.2	This represents deferred tax income recognized on unrealized gain on available-for-sale investments in other comprehensive income.			
		Note	2025	2024
			(Rupees in thousand)	
14	PREPAYMENTS			
	Prepaid reinsurance premium ceded	24	865,145	953,967
	Prepaid miscellaneous expenses		9,565	6,767
			<u>874,710</u>	<u>960,734</u>
15	CASH AND BANK			
	<u>Cash and cash equivalents</u>			
	Cash in hand		1,064	2,816
	Revenue stamps		5,357	2,530
			<u>6,421</u>	<u>5,346</u>
	<u>Cash at bank</u>			
	Current accounts			
	- Local currency		97,404	81,776
	- Foreign currency (USD 3,294.98) (2024: USD 3,294.98)		923	917
			<u>98,327</u>	<u>82,693</u>
	Savings account	15.1	564,091	334,784
			<u>662,418</u>	<u>417,477</u>
			<u>668,839</u>	<u>422,823</u>
15.1	The balance in savings account carry mark-up at the rate of 8.5% to 10% per annum (2024: 13.50% to 20.50% per annum).			
15.2	Cash at bank deposits includes an amount of Rs. 618.57 million (2024: Rs. 392.01 million) held with Bank Alfalah Limited, an associated undertaking.			
			2025	2024
			(Rupees in thousand)	
16	WINDOW TAKAFUL OPERATIONS			
	Assets			
	Operator's Fund		263,843	316,314
	Participants' Fund		1,406,372	954,436
	Total assets		<u>1,670,215</u>	<u>1,270,750</u>
	Liabilities and Fund			
	Liabilities of Operator's Fund		196,919	115,805
	Liabilities and Fund of Participants' Fund		1,406,372	954,436
	Total Liabilities and Fund		<u>1,603,291</u>	<u>1,070,241</u>
16.1	The Securities and Exchange Commission of Pakistan (SECP) has amended regulation 6 of the General Takaful Accounting Regulations, 2019 vide S.R.O. 311(I)/2025 dated March 3, 2025. Accordingly, the insurance companies in Pakistan are required to present total assets and total liabilities of Participants' Fund and Operator's Fund in the financial statements effective from the aforementioned date. As a result, the assets and liabilities of Window Takaful Operations contains both Participants' Fund and Operator's Fund balances in these financial statements as more fully explained in note 2.6 to these financial statements.			



16.2 Window Takaful Operations
Profit and loss account

	2025	2024
	(Rupees in thousand)	
Wakala fee	273,985	209,080
Commission expense	(45,918)	(28,519)
Management expense	(122,175)	(83,334)
Investment income - net	16,351	82,318
Mudarib's share of PTF investment income	17,485	31,811
Other Income	3,658	7,409
Finance cost	(3,888)	(1,984)
Direct expenses	(9,627)	(7,755)
Profit before tax from Window Takaful Operations	129,971	209,026
Taxation	(60,689)	(81,520)
Profit after tax from Window Takaful Operations	79,282	127,506

Details of assets, liabilities and segment disclosures of Window Takaful Operations are stated in the annexed financial statements of Window Takaful Operations.

17 SHARE CAPITAL
17.1 Authorized Capital

2025	2024		2025	2024
(Number of shares)			(Rupees in thousand)	
50,000,000	50,000,000	Ordinary share of Rs. 10 each	500,000	500,000

17.2 Issued, subscribed and paid-up share capital

2025	2024		2025	2024
(Number of shares)			(Rupees in thousand)	
30,000,000	30,000,000	Ordinary shares of Rs. 10 each, fully paid in cash	300,000	300,000
20,000,000	20,000,000	Ordinary shares of Rs. 10 each, issued as fully paid bonus shares	200,000	200,000
50,000,000	50,000,000		500,000	500,000

17.3 As at 31 December 2025, Bank Alfalah Limited and Sheikh Nahayan Mubarak Al Nahayan held 14,997,825 (2024: 14,997,825) and 17,497,323 (2024: 17,497,323) ordinary shares of Rs. 10 each fully paid, respectively.

17.4 The Securities and Exchange Commission of Pakistan (SECP) has amended Rule 11 of the Insurance Rules, 2017 vide S.R.O. 310(I)/2025 dated March 3, 2025, pursuant to which the minimum paid-up capital requirement for non-life insurers has been increased to Rs. 1,000 million to be complied with by December 31, 2026, Rs. 1,500 million by December 31, 2028, and Rs. 2,000 million by December 31, 2030. Accordingly, the Board of Directors of the Company has proposed the issuance of 300% bonus shares, i.e., three (3) bonus shares for each existing share held, subject to the approval of the members at the Annual General Meeting, as disclosed in Note 42 to these financial statements. These financial statements do not reflect this issuance.

18 RESERVES

	Note	2025	2024
		(Rupees in thousand)	
Capital reserves			
Share deposit money		1,381	1,381
Revenue reserves			
Fair value reserves	18.1	181,810	316,228
General reserves		150,000	150,000
		333,191	467,609

18.1 This reserve comprises the cumulative net change in the fair value of financial assets designated as available-for-use.

19 RETIREMENT BENEFITS OBLIGATIONS

	Note	2025	2024
		(Rupees in thousand)	
Staff gratuity liability	19.1	7,101	1,105

Gratuity plan entitles an eligible employee to receive a lump sum amount equal to last drawn eligible salary multiplied by number of eligible years of service with the Company at the time of cessation of employment. An eligible employee means a permanent employee who has successfully completed minimum five years of service with the Company. Eligible salary means monthly basic salary of the eligible employee at the time of cessation of employment.

Gratuity plan is administered through separate fund that is legally separated from the Company. The Trust of the fund comprises of four employees, out of which one employee is the Chair. The Trustees of the funds are required by law to act in the best interests of the plan participants and are responsible for making all the investments and disbursements out of the funds.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

This defined benefit plan is fully funded by the Company. The funding requirements are evaluated by the management using the funds' actuarial measurement framework set out in the funding policies of the plan. An actuarial valuation is performed every year in accordance with the requirements of the revised International Accounting Standards 19 (IAS 19). Employees are not required to contribute to gratuity plan.

The Company is responsible to manage the deficit in the defined benefit obligation towards fair value of the plan assets. The Company performs regular maturity analysis of the defined benefit obligation and manages its contributions accordingly.

	2025	2024
19.1 Statement of financial position reconciliation	(Rupees in thousand)	
The amounts recognized in the statement of financial position are as follows:		
Present value of defined benefit obligations	161,447	154,041
Fair value of plan assets	(154,346)	(152,936)
Recognized liability	7,101	1,105
19.1.1 Movement in the defined benefit obligations		
Obligation as at 01 January	154,041	121,553
Current service cost	14,227	11,523
Interest cost	15,529	16,442
Actuarial loss	4,786	12,494
Benefits paid	(27,136)	(7,971)
Obligation as at 31 December	161,447	154,041
19.1.2 Movement in the fair value of plan assets		
Fair value as at 01 January	152,936	113,910
Expected return on plan assets	17,481	18,522
Actuarial (loss) / gain	(1,540)	9,332
Employer contributions	12,605	19,143
Benefits paid	(27,136)	(7,971)
Fair value as at 31 December	154,346	152,936
19.1.3 Cost		
Current service cost	14,227	11,523
Interest cost	15,529	16,442
Expected return on plan assets	(17,481)	(18,522)
Expense	12,275	9,443
Actual return on plan assets	15,941	27,854
19.1.4 Principal actuarial assumptions used are as follows:		
Discount rate per annum - %	11.00%	12.00%
Expected return on plan assets per annum - %	11.00%	12.00%
Future salary increases - %	14.25%	17.00%
Net retirement age	60	60
Mortality rates	SLIC 2001-05	SLIC 2001-05
Withdrawal rate	Moderate	Moderate
Effective salary increase timing	1st January 2026	1st January 2025

	2025	2024	2023	2022	2021
19.1.5 Comparison for five years	(Rupees in thousand)				
As at 31 December					
Present value of defined benefit obligation	161,447	154,041	121,553	91,310	76,493
Fair value of plan assets	(154,346)	(152,936)	(113,910)	(91,608)	(77,320)
Deficit	7,101	1,105	7,643	(298)	(827)

19.1.6 Experience adjustments

Gain / (loss) on plan assets - (as % age of plan assets)	1.00%	6.10%	4.34%	-0.26%	-0.45%
Gain / (loss) on plan assets - (as % age of obligations)	-0.95%	6.06%	4.07%	-1.05%	0.74%

19.1.7 Plan assets comprise of the following:

	2025		2024	
	Rupees in Thousand	%	Rupees in Thousand	%
Mutual funds	10	0%	9	0%
Treasury bills	125,215	81%	117,984	77%
Others including (cash and bank balances)	29,121	19%	34,943	23%
	154,346	100%	152,936	100%

19.1.8 Sensitivity analysis

	2025		2024	
	Rupees in Thousand	%	Rupees in Thousand	%
+1% Discount Rate	149,326	-7.51%	144,164	-6.41%
-1% Discount Rate	175,205	8.52%	165,247	7.27%
+1% Salary Increase Rate	175,755	8.86%	165,724	7.58%
-1% Salary Increase Rate	148,636	-7.94%	143,581	-6.79%
+10% Withdrawal Rates	161,087	-0.22%	153,975	-0.04%
-10% Withdrawal Rates	161,826	0.23%	154,110	0.04%
1 Year Mortality age set back	161,471	0.01%	154,042	0.00%
1 Year Mortality age set forward	161,425	-0.01%	154,041	0.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant assumptions, same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability.

	2025	2024
	(Rupees in thousand)	
20 INSURANCE / REINSURANCE PAYABLE		
Due to other insurers / reinsurers	384,878	384,116

21 LEASE LIABILITIES

The effective interest rate used as the discounting factor (i.e. implicit in the lease) ranges from 8.10% to 21.71%. The amount of future payments and the period during which they will become due are:

	Note	2025	2024
		(Rupees in thousand)	
Year ending 31 December			
2025		-	54,313
2026		56,104	54,627
2027		30,490	24,287
2028		31,439	24,077
2029		31,879	24,077
2030 onwards		103,988	85,235
		253,900	266,616
Less: Future finance charges		(79,138)	(92,045)
	21.1	174,762	174,571

21.1 Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2025	2024
	(Rupees in thousand)	
As at 01 January		93,893
	174,571	
Additions during the year	36,529	128,354
Deletions during the year	-	(2,977)
Markup on lease liabilities	24,051	13,466
	235,151	232,736
Lease rentals paid	(60,389)	(58,165)
	174,762	174,571
As at 31 December		



22 OTHER CREDITORS AND ACCRUALS

	Note	2025 (Rupees in thousand)	2024
Agent commission payable		128,948	91,010
Cash margin against performance bonds		449,962	260,632
Federal excise duty and sales tax		137,287	60,033
Federal insurance fee		5,348	2,401
Workers' welfare fund	22.1	115,922	94,836
Accrued expenses		235,709	221,554
Tax deducted at source		20,537	6,828
Others	22.2	29,518	34,696
		1,123,231	771,990

22.1 Workers' welfare fund

As at 01 January		94,836	72,191
Provision for the year	30	21,086	22,645
As at 31 December	22.1.1	115,922	94,836

22.1.1 The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by Federal Government through the Finance Act, 2008 for the levy of Workers' Welfare Fund (WWF) on insurance companies was not lawful. The Federal Board of Revenue has filed review petitions against this order, which are currently pending. A legal advice was obtained by the company, which highlights that consequent to filing of these review petitions, a risk has arisen and the judgment is not conclusive until the review petitions are decided. Accordingly, the amount charged for Workers' Welfare Fund since 2008 has not been reversed.

22.2 Unclaimed insurance benefits

Others include unclaimed insurance benefits of Rs. 5.68 million (2024: Rs. 7.41 million), aging of which is given below:

	Age-wise breakup of unclaimed insurance benefits					Total
	1 to 6 months	7 to 12 months	13 to 24 months	25 to 36 months	beyond 36 months	
	(Rupees in thousand)					
Claims not encashed - 2025	16	185	770	501	4,206	5,678
Claims not encashed - 2024	-	903	1,944	925	3,636	7,408

23 CONTINGENCIES AND COMMITMENTS
23.1 Tax Contingencies
a) Income tax - Tax Year 2017

For tax year 2017, the tax department disputed Company's treatment on certain issues and raised the aggregate liability of Rs. 93.9 million, however, upon assailing the assessment order before the first appellate authority, additions only to the extent of Rs 5.9 million were confirmed in respect of unpaid liabilities (Rs 0.4 million) and unverified expenses (Rs 5.5 million). While the former will be claimed on payment basis, the Company has preferred an appeal before the Appellate Tribunal Inland Revenue. On 1 March 2023 Appellate Tribunal Inland revenue has passed an order and give relief by accepting all Company's point and no demand has been raised. The department has filed an appeal in Lahore High Court against ATIR's order. As per Company's Tax advisor, the Company has strong case, accordingly, the appeal is likely to be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

b) Income tax - Tax Year 2019

The deemed assessment for the tax year 2019 was amended through order dated 07 July 2021 issued under section 122 (5A) of the Ordinance, whereby deduction amounting to Rs. 16.22 million, claimed on account of 'provision for bad and doubtful debts', was disallowed by the assessing officer. As per Company's Tax advisor, the Company has strong case and appeal against such amendment order is pending before the first appellate authority, accordingly, the appeal is likely to be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

c) Income tax - Tax Year 2021

The Company's appeal against order passed, raising a tax demand of Rs. 239.65 million under section 122(5A) of the Ordinance, was disposed of by Commissioner Inland Revenue (Appeals - I) [CIR(A)] through order dated 17 June 2022 for tax year 2021. While, a substantial amount of relief was allowed on issues decided in Company's favor by CIR(A) reducing the demand to Rs. 43.19 million, the Company, has preferred an appeal against CIR(A) order before the Appellate Tribunal Inland Revenue (the 'Tribunal'). As per Company's Tax advisor, the Company has strong case and expects a favorable outcome in this regard, therefore, no provision has been made in these financial statements.

d) Punjab Sales Tax- Tax Years 2022 and 2023

For the tax years 2022 and 2023, the Punjab Revenue Authority disputed the Company's tax treatment of commission income and raised a sales tax demand amounting to Rs. 82 million. The Company has filed an appeal against this order before the Commissioner (Appeals).

As per Company's Tax advisor, the Company has strong case, accordingly, the appeal is likely to be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

There are no commitments as at 31 December 2025 (31 December 2024: Nil).

24 NET INSURANCE PREMIUM

	Note	2025	2024
		(Rupees in thousand)	
Written gross premium		5,870,343	4,458,154
Unearned premium reserve as at 01 January		1,481,912	1,445,436
Unearned premium reserve as at 31 December		(2,029,002)	(1,481,912)
Premium earned		5,323,253	4,421,678
Reinsurance premium ceded		(2,335,594)	(2,516,282)
Prepaid reinsurance premium ceded as at 01 January		(953,967)	(962,674)
Prepaid reinsurance premium ceded as at 31 December	14	865,145	953,967
Reinsurance expense		(2,424,416)	(2,524,989)
		2,898,837	1,896,689

25 NET INSURANCE CLAIMS

	Note	2025 (Rupees in thousand)	2024
Claims paid		3,126,776	1,857,049
Outstanding claims including IBNR as at 31 December		1,532,147	1,015,932
Outstanding claims including IBNR as at 01 January		(1,015,932)	(1,314,412)
Claims expense		3,642,991	1,558,569
Reinsurance and other recoveries received		(1,273,426)	(585,881)
Reinsurance and other recoveries in respect of outstanding claims net of impairment as at 31 December		(722,555)	(640,251)
Reinsurance and other recoveries in respect of outstanding claims net of impairment as at 01 January		640,251	906,887
Reinsurance and other recoveries revenue		(1,355,730)	(319,245)
		2,287,261	1,239,324

25.1 Claim Development

The following table shows the development of fire, marine and others including miscellaneous claims over a period of time. The disclosure goes back to the period when the earliest material claim arose for which there is still uncertainty about the amount and timing of the claims payments. For other classes of business the uncertainty about the amount and timings of claims payment is usually resolved within a year. Further, claims with significant uncertainties are not outstanding as at 31 December 2025.

	Accident year					
	2021 and earlier	2022	2023	2024	2025	Total
Estimate of ultimate claims cost						
At the end of accident year with IBNR	502,418	1,028,515	800,768	538,695	1,442,554	4,312,950
One year later	456,131	970,328	735,846	466,568	-	2,628,873
Two years later	443,340	891,292	666,899	-	-	2,001,531
Three years later	426,145	1,073,872	-	-	-	1,500,017
Four years later	479,627	-	-	-	-	479,627
Five years and beyond	4,438,044	-	-	-	-	4,438,044
Current estimate of cumulative claims	4,917,671	1,073,872	666,899	466,568	1,442,554	8,567,564
Cumulative payments to date	(4,911,171)	(996,100)	(657,705)	(405,316)	(765,579)	(7,735,871)
Liability recognized in the statement of financial position	6,500	77,772	9,194	61,252	676,975	831,693

2025
(Rupees in thousand)

26 NET COMMISSION AND OTHER ACQUISITION INCOME

Commission paid or payable	394,590	405,277
Deferred commission expense as at 01 January	161,456	153,382
Deferred commission expense as at 31 December	(158,157)	(161,456)
Net commission	397,889	397,203
Commission received or recoverable	(495,209)	(448,947)
Unearned reinsurance commission as at 01 January	(167,863)	(177,838)
Unearned reinsurance commission as at 31 December	162,896	167,863
Commission from reinsurance	(500,176)	(458,922)
	(102,287)	(61,719)

	Note	2025	2024
		(Rupees in thousand)	
27 MANAGEMENT EXPENSES			
Employee benefit cost	27.1	586,597	446,658
Travelling expenses		24,875	28,120
Advertisement and sales promotion		13,946	4,117
Printing and stationery		11,402	13,558
Depreciation of operating assets	5.1.3	35,000	25,777
Depreciation of right-of-use asset	6.1	38,023	24,440
Amortization of intangibles	7.1.2	2,564	2,842
Rent, rates and taxes		4,122	1,373
Electricity, gas and water		18,008	12,428
Vehicle running expenses		42,380	36,142
Office repairs and maintenance		43,079	36,627
Bank charges		1,980	3,436
Postages, telegrams and telephone		16,618	12,749
Annual supervision fee to the SECP		9,512	7,055
Fee and subscription		5,960	3,821
Tracker expense		4,971	3,214
Training and development		7,894	3,200
Inspection fee		2,838	2,419
Miscellaneous expenses		37,528	33,999
		907,297	701,975
27.1 Employee benefit cost			
Salaries, allowances and other benefits		553,712	419,959
Charges for post employment benefits		32,885	26,699
		586,597	446,658

27.2 Management expenses amounting to Rs. 105.10 million (2024: Rs. 73.03 million) have been allocated to Window Takaful Operations Operators fund.

	Note	2025	2024
		(Rupees in thousand)	
28 INVESTMENT INCOME			
Dividend income	28.1	71,697	58,254
Income from debt securities	28.2	350,012	222,896
Net realized gains on investments	28.3	668,196	492,683
Net unrealized gains on investments	28.4	-	16,531
Impairment on available-for-sale securities		-	(788)
Transferred to profit or loss on sale of investment	9.2	11,726	38,080
Investment related expenses		(3,220)	(20,573)
		1,098,411	807,083

	Note	2025	2024
(Rupees in thousand)			
28.1 Dividend Income			
- Available for sale			
Dividend Income		71,697	58,254
28.2 Income from debt securities			
- Available for sale			
Return on Pakistan Investment Bonds		327,025	198,667
Return on Market Treasury Bill		5,929	-
Return on Term Finance Certificate		17,058	20,731
- Held for trading			
Return on GIS-VRR		-	3,498
		350,012	222,896
28.3 Net realized gains on Investments			
- Available for sale			
Realized gain on equity securities		591,618	225,507
Realized loss on debt securities		-	(216)
- Held for trading			
Realized gain on debt securities		76,578	267,392
		668,196	492,683
28.4 Net unrealized gains on investments			
- Held for trading			
Net un-realized gains on investments at fair value through profit and loss account		-	16,531
		1,089,905	790,364
- Impairment of available for sale securities			
Equity securities		-	(788)
- Gain on sale of Investment		11,726	38,080
- Investment related expenses		(3,220)	(20,573)
Total investment income		1,098,411	807,083
29 OTHER INCOME			
Return on bank balances		86,526	109,324
Gain on disposal of property and equipment		5,093	217
Gain on derecognition of lease		-	134
Liabilities written back		2,894	33,452
Others		1,722	233
		96,235	143,360
30 OTHER EXPENSES			
Legal and professional fee		13,780	13,158
Auditor's remuneration	30.2	23,171	17,409
Insurance expenses		9,360	9,631
Donations		50	-
Workers' welfare fund	22.1	21,086	22,645
Exchange loss		369	17
Miscellaneous expenses		2,660	3,463
		70,476	66,323
30.1	Other expenses amounting to Rs. 8.35 million (2024: Rs. 6.75 million) have been allocated to Window Takaful Operations Operators fund.		

30.2 Auditor's remuneration

	2025	2024
	(Rupees in thousand)	
Statutory audit fee	2,043	1,902
Dividend Certification	550	500
Half yearly review	1,346	753
Statutory returns	1,214	951
Certification and sundry services	13,110	10,360
Taxation services	4,367	767
Out of pocket expenses	274	361
Sales tax	267	1,815
	23,171	17,409

31 FINANCE COST

Mark-up on lease liabilities	20,163	11,481
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31.1 Finance cost amounting to Rs. 3.89 million (2024: Rs. 1.98) has been allocated to Window Takaful Operations Operators fund.

32 TAXATION

	2025	2024
	(Rupees in thousand)	
Current Tax:		
Current year	401,463	415,114
Prior years	258	-
	401,721	415,114
Deferred Tax	(6,321)	13,683
	395,400	428,797

32.1 Relationship between tax expense and accounting profit

A numerical reconciliation between tax expense and the product of accounting profit multiplied by applicable tax rate.

	2025	2024
	(Rupees in thousand)	
Accounting profit	1,033,244	1,109,611
Tax at the applicable rate of 39% (2024: 39%)	402,965	432,748
Tax effect of amounts that are:		
- Related to temporary differences		
- Current year	(7,823)	(3,951)
- Prior year adjustment - Current tax	258	-
	(7,565)	(3,951)
Tax expense	395,400	428,797

33 EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share are calculated by dividing the net profit for the year by the weighted average number of shares as at the year end as follows:

	2025	2024
	(Rupees in thousand)	
Net profit after tax for the year	637,844	680,814
	Number of shares	
Weighted average number of shares of Rs. 10 each	50,000,000	50,000,000
	(Rupees)	
Basic earnings per share	12.76	13.62

33.1 There is no dilution in basic earnings per share as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

34 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE OFFICER AND KEY MANAGEMENT PERSONNEL

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Directors, Chief Executive Officer and Key Management Personnel of the Company is as follows:

	Chief Executive Officer		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(Rupees in thousand)					
Managerial remuneration	28,980	25,920	-	-	254,423	196,618
Leave fare assistance	725	648	-	-	2,734	5,063
Bonus	15,186	11,500	-	-	54,059	31,540
Charge for defined benefit plan	1,118	916	-	-	11,110	5,910
Contribution to defined contribution plan	1,449	1,296	-	-	12,721	9,831
Rent and house maintenance	3,407	3,407	-	-	-	3,407
Vehicle allowance	-	-	-	-	31,644	23,693
Other perquisites and allowances	2,132	447	-	-	22,614	2,287
	52,997	44,134	-	-	389,305	278,349
Number	1	2*	9	6	140	97

* During last year, the chief executive of the Company was changed.

In addition, the Chief Executive Officer and certain other executives of the Company were also provided with Company maintained cars. Chief Executive Officer was also provided with certain household equipment and club membership. No fee was paid to directors for attending

35 PROVIDENT FUND TRUST

The Company operates funded contributory provident fund scheme for all its eligible employees. The following information is based on the unaudited financial statements of the provident fund for the year ended 31 December 2025:

	(Un-audited)	
	2025	2024
	(Rupees in thousand)	
Size of the fund	132,411	121,839
Cost of investments made	127,585	117,665
Percentage of investments made (based on fair value)	96.36%	96.57%
Fair value of investments	135,731	132,142

Break up of Investments

Investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose. The break-up of investments is as follows:

	Percentage of Investments as a % size of fund (Un-audited)		Fair Value (Un-audited)	
	2025	2024	2025	2024
	(Rupees in thousand)			
Government Securities	89%	92%	121,368	120,919
Profit bearing bank accounts	11%	8%	14,363	11,223
			135,731	132,142

36 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of directors, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The Company, in the normal course of business, carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of directors, chief executive and key management personnel is disclosed in note 34. Contributions and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan as disclosed in note 19 and 35 of these financial statements, respectively.

	2025 (Rupees in thousand)	2024
i) <u>Associated undertakings and other related parties</u>		
Premium written	1,425,485	1,141,230
Premium received	1,640,619	1,263,660
Claims paid	1,463,887	861,459
Interest income	84,152	101,337
Dividend paid	44,993	132,506
License fees and connection charges	6,954	4,524
Rent paid	4,467	7,864
Commission paid	1,603	2,490
Expense charged in respect of retirement benefit plans	25,894	20,472
Investment advisory fee paid	10,665	1,619
Investments purchased	297,705	2,563,832
Investments sold	482,151	2,291,763
<u>Key management personnel</u>		
Premium written	143	350
Claims paid	39	848
Dividend paid	52,513	-
Loans paid	8,279	12,099
Loans recovered	6,319	9,133
ii) <u>Period end balances</u>		
<u>Associated undertakings and other related parties</u>		
Premium receivable from related parties	205,287	155,001
Provision for outstanding claims	400,999	325,885
Internet Charges Payable	2,120	9,587
<u>Key Management Personnel</u>		
Premium receivable	56	184
Provision for outstanding claims	40	40
Loan outstanding	5,671	6,530

36.1 Following are the particulars of the related parties of the Company at the reporting date:

Name of related party	Basis of relationship	Aggregate % of shareholding
Bank Alfalah Limited	Shareholding & Common Directorship	30%
Taavun (Private) Limited	Common Directorship	Nil
Alfalsh Investments	Common Directorship	Nil
Alfalsh Currency Exchange (Pvt.) Limited	Group Company	Nil
Wateen Telecom Limited	Common Directorship	Nil
Wateen WiMAX (Pvt.) Ltd	Common Directorship	Nil
Wateen Solutions (Pvt.) Ltd	Group Company	Nil
Sapphire Wind Power Company Limited	Group Company	Nil
Alfalsh Insurance Company Limited Employees Gratuity Fund	Retirement Benefits Plans	Nil
Alfalsh Insurance Company Limited Employees Provident Fund	Retirement Benefits Plans	Nil

37 SEGMENT REPORTING

Each class of business has been identified as reportable segment. The following is a schedule of class of business wise assets, liabilities, revenue and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and Insurance Accounting Regulations, 2017:

	31 December 2025					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	(Rupees in thousand)					
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,652,558	288,884	1,626,272	2,353,122	888,458	6,809,294
Federal Excise Duty	(223,376)	(35,289)	(219,591)	(283,941)	(117,941)	(880,138)
Federal Insurance Fee	(14,173)	(2,514)	(13,930)	(20,495)	(7,701)	(58,813)
Gross Written Premium (inclusive of Administrative Surcharge)	1,415,009	251,081	1,392,751	2,048,686	762,816	5,870,343
Gross direct premium	1,411,509	245,572	1,346,991	2,048,141	760,767	5,812,980
Facultative inward premium	178	-	-	-	-	178
Administrative surcharge	3,322	5,509	45,760	545	2,049	57,185
	1,415,009	251,081	1,392,751	2,048,686	762,816	5,870,343
Insurance premium earned	1,353,228	251,322	1,035,666	1,803,702	879,335	5,323,253
Insurance premium ceded to reinsurers	(1,275,379)	(207,573)	(68,653)	(58,495)	(814,316)	(2,424,416)
Net insurance premium	77,849	43,749	967,013	1,745,207	65,019	2,898,837
Commission income	194,913	49,104	2,572	17,548	236,039	500,176
Net underwriting income	272,762	92,853	969,585	1,762,755	301,058	3,399,013
Insurance claims	(677,930)	(393,900)	(496,220)	(1,640,222)	(434,719)	(3,642,991)
Insurance claims recovered from reinsurers	571,048	357,571	14,206	5,105	407,800	1,355,730
Net claims	(106,882)	(36,329)	(482,014)	(1,635,117)	(26,919)	(2,287,261)
Commission expense	(172,338)	(36,112)	(20,725)	(25,145)	(143,569)	(397,889)
Management expense	(217,499)	(38,596)	(219,048)	(314,902)	(117,252)	(907,297)
Premium deficiency reserve	-	-	-	(7,300)	-	(7,300)
Net insurance claims and expenses	(496,719)	(111,037)	(721,787)	(1,982,464)	(287,740)	(3,599,747)
Underwriting results	(223,957)	(18,184)	247,798	(219,709)	13,318	(200,734)
Net investment income						1,098,411
Other income						96,235
Other expenses						(70,476)
Profit from Window Takaful Operations - Operator's Fund						129,971
Finance Cost						(20,163)
Profit before tax						1,033,244
Segment assets	1,607,940	219,540	313,085	655,022	696,820	3,492,407
Unallocated assets						7,318,770
						10,811,177
Segment liabilities	1,483,113	43,420	1,081,638	672,457	725,938	4,006,566
Unallocated liabilities						3,162,121
						7,168,687



31 December 2024

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
(Rupees in thousand)						
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,554,287	190,334	1,026,892	1,120,565	1,246,732	5,138,810
Federal Excise Duty	(204,807)	(21,810)	(140,131)	(117,208)	(152,114)	(636,070)
Federal Insurance Fee	(13,367)	(1,669)	(8,782)	(9,927)	(10,841)	(44,586)
Gross Written Premium (inclusive of Administrative Surcharge)	1,336,113	166,855	877,979	993,430	1,083,777	4,458,154
Gross direct premium	1,334,118	162,237	844,525	991,828	1,083,469	4,416,177
Facultative inward premium	-	-	-	-	-	-
Administrative surcharge	1,995	4,618	33,454	1,602	308	41,977
	1,336,113	166,855	877,979	993,430	1,083,777	4,458,154
Insurance premium earned	1,274,031	166,682	812,316	1,023,873	1,144,776	4,421,678
Insurance premium ceded to reinsurers	(1,199,265)	(139,371)	(65,302)	(46,449)	(1,074,602)	(2,524,989)
Net insurance premium	74,766	27,311	747,014	977,424	70,174	1,896,689
Commission income	163,983	30,962	1,959	13,935	248,083	458,922
Net underwriting income	238,749	58,273	748,973	991,359	318,257	2,355,611
Insurance claims	(255,264)	1,396	(340,048)	(851,415)	(113,238)	(1,558,569)
Insurance claims recovered from reinsurers	231,192	(2,238)	7,111	-	83,180	319,245
Net claims	(24,072)	(842)	(332,937)	(851,415)	(30,058)	(1,239,324)
Commission expense	(156,002)	(25,539)	(15,930)	(12,654)	(187,078)	(397,203)
Management expense	(209,419)	(26,153)	(140,826)	(155,708)	(169,869)	(701,975)
Premium deficiency reserve	-	-	-	10,837	-	10,837
Net insurance claims and expenses	(389,493)	(52,534)	(489,693)	(1,008,940)	(387,005)	(2,327,665)
Underwriting results	(150,744)	5,739	259,280	(17,581)	(68,748)	27,946
Net investment income						807,083
Other income						143,360
Other expenses						(66,323)
Finance costs						(11,481)
Profit from Window Takaful Operations - Operator's Fund						209,026
Profit before tax						1,109,611
Segment assets	1,429,986	82,351	71,777	155,344	652,023	2,391,481
Unallocated assets						5,231,010
						7,622,491
Segment liabilities	1,380,888	100,737	649,540	242,043	666,139	3,039,347
Unallocated liabilities						1,287,754
						4,327,101

38 MOVEMENT IN INVESTMENTS

	Available for sale	Fair value through profit and loss account	Total
	(Rupees in thousand)		
As at beginning of previous year	1,438,477	1,256,715	2,695,192
Additions	2,616,013	2,225,083	4,841,096
Disposals (sales and redemptions)	(800,144)	(3,361,987)	(4,162,131)
Fair value net gains (excluding net realized gains)	417,040	16,533	433,573
Premium on investment bonds	45,308	-	45,308
Impairment losses	37,292	-	37,292
At the beginning of the year	3,753,986	136,344	3,890,330
Additions	2,459,828	4,122,240	6,582,068
Disposals (sales and redemptions)	(1,942,189)	(4,362,151)	(6,304,340)
Fair value net gains (excluding net realized gains)	91,998	-	91,998
(Discount) / Premium on investment bonds	(220,359)	103,567	(116,792)
Impairment losses	1,229	-	1,229
At the end of current year	4,144,493	-	4,144,493

39 RISK MANAGEMENT

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from the events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognizes the critical importance of having efficient and effective risk management system in place.

The Company's risk management function is carried out by the Board of Directors (the Board), with its associated committees. This is supplemented with a clear organizational structure with documented delegated authorities and responsibilities from the Board of Directors to the Chief Executive Officer and senior managers.

The Board of Directors meets regularly to approve any commercial, regulatory and organizational decisions. The Chief Executive Officer under the authority delegated from the Board of Directors defines the Company's risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the corporate goals, and specify reporting requirement.

The risk faced by the Company and the way these risks are mitigated by management are summarized below :

- a) Financial risk, categorized into;
 - Credit risk - note 39.1.1
 - Liquidity risk - note 39.1.2
 - Market risk - note 39.1.3
- b) Capital adequacy risk - note 39.2
- c) Insurance risk - note 39.3

39.1 Financial risk

The Company's activities exposes it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest / mark-up rate risk and price risk).

The Company's principal financial risk instruments are financial investments, receivables arising from insurance and reinsurance contracts, statutory deposits and cash and cash equivalents. The Company does not enter into any derivative transactions.

The Company's financial risk focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Financial risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

39.1.1 Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring the following:

- a) Credit worthiness of counter party;
- b) Sector wise concentration of counter party; and
- c) Aging analysis of counter party.

The carrying amount of financial assets which represents the maximum credit exposure, as specified below:

Financial assets		2025	2024
		(Rupees in thousand)	
Bank balances	- note 39.1.1.1	662,418	417,477
Investments		4,144,493	3,890,330
Due from insurance contract holders	- note 39.1.1.2	1,614,986	613,000
Amount due from other insurers / reinsurers	- note 39.1.1.3	129,535	22,448
Accrued investment income		93,066	104,659
Reinsurance recoveries against outstanding claims	- note 39.1.1.3	722,555	640,251
Loans and other receivables		81,661	33,376
		7,448,714	5,721,541

39.1.1.1 The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating	2025	2024
	Short-term	Long-term	Agency		
(Rupees in thousand)					
Bank Alfalah Limited	A1+	AAA	PACRA	618,573	392,005
Habib Bank Limited	A1+	AAA	VIS	2	2
The Bank of Punjab	A1+	AA+	PACRA	10,548	110
United Bank Limited (formerly: Silk Bank Limited)	A1+	AAA	VIS	8	8
Bank Makramah Limited (Formerly: Summit Bank Limited)	N/A	N/A	N/A	2,177	2,007
Mobilink Microfinance Bank Limited	A1	A	PACRA	1,683	224
Zarai Tarakiati Bank Limited	A1+	AAA	VIS	612	612
NRSP Microfinance Bank Limited	A2	A-	PACRA	119	112
Khushhali Microfinance Bank Limited	A2	A-	VIS	5,890	2,908
Abhi Microfinance Bank Limited (formerly: Finca Microfinance Bank	A2	A-	PACRA	16,660	15,249
Faysal Bank Limited	A1+	AA	PACRA	449	429
Soneri Bank Limited	A1+	AA-	PACRA	5,593	3,708
The Punjab Provincial Cooperative Bank Limited	A2	BBB+	PACRA	104	103

39.1.1.2 The management monitors exposure to credit risk in premium receivable arising from insurance and reinsurance contracts, through regular review of credit exposure and prudent estimates of provision for doubtful receivables. The provision for doubtful receivables amounting to Rs. 44.34 million (2024: Rs. 38.88 million) is shown in note 12.2. The figures shown below are exclusive of any provisions made during the year. The management is of the view that it is not exposed to significant concentration of credit risk as its financial assets are adequately diversified in entities of sound financial standing, covering various industrial sector segments.

	2025	2024
(Rupees in thousand)		
Sector wise analysis of due from insurance contract holders but unpaid is as follows:		
Financial institutions	177,920	128,547
Telecom sector	55,747	48,247
Construction	6,096	753
Manufacturing	261,690	252,866
Personal goods	2,415	5,208
Health & pharmaceutical	8,080	4,350
Textile & composite	191,150	137,787
Power distributor	469,694	-
Miscellaneous & others	486,535	74,122
	1,659,327	651,880
Provision for impairment of receivables from insurance contract holders	(44,341)	(38,880)
	1,614,986	613,000



The aging analysis of premium due but unpaid can be assessed with the following:

	2025			2024		
	Related parties	Others	Total	Related parties	Others	Total
	----- (Rupees in thousand) -----					
Up to 1 year	176,693	1,457,344	1,634,037	155,001	467,675	622,676
1-2 years	-	20,726	20,726	-	23,295	23,295
2-3 years	-	4,564	4,564	-	4,531	4,531
Over 3 years	-	-	-	-	1,378	1,378
	176,693	1,482,634	1,659,327	155,001	496,879	651,880

39.1.1.3 The credit quality of amount due from other insurers / reinsurers and reinsurance recoveries against outstanding claims can be assessed with reference to external ratings as follows:

	Amount due from other insurers / reinsurers	Reinsurance recoveries against outstanding claims	Total
	----- (Rupees in thousand) -----		
As at 31 December 2025			
BB+ or above (including PRCL)	140,601	722,555	863,156
As at 31 December 2024			
BB+ or above (including PRCL)	42,473	640,251	682,724

The credit risk of reinsurance recoveries against outstanding claims can be assessed with the following aging analysis, estimated in a manner consistent with the provision for outstanding claims, in accordance with the reinsurance contracts:

	2025		2024	
	Reinsurance recoveries against outstanding claims	Provision for outstanding claims	Reinsurance recoveries against outstanding claims	Provision for outstanding claims
	----- (Rupees in thousand) -----			
Up to 1 year	605,925	1,322,495	267,981	545,619
1-2 years	53,795	98,904	104,812	161,027
2-3 years	7,389	43,348	120,329	144,735
Over 3 years	55,446	67,400	147,129	164,551
	722,555	1,532,147	640,251	1,015,932

39.1.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of adequate funds through committed credit facilities. The Company finances its operations through equity and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

On the statement of financial position date, the Company has cash and bank deposits and readily marketable securities with insignificant change in value of Rs. 668.84 million (2024: Rs. 422.82 million) and Rs. 4,144.49 million (2024: Rs. 3,890.33 million) respectively.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2025			
	Total	On demand	Maturity up to one year	Maturity after one year
	------(Rupees in thousand)-----			
Provision for outstanding claims	1,532,147	1,532,147	-	-
Amounts due to other insurers / reinsurers	384,878	384,878	-	-
Other creditors and accruals	1,123,231	1,123,231	-	-
	3,040,256	3,040,256	-	-

	2024			
	Total	On demand	Maturity up to one year	Maturity after one year
	------(Rupees in thousand)-----			
Provision for outstanding claims	1,015,932	1,015,932	-	-
Amounts due to other insurers / reinsurers	384,116	384,116	-	-
Other creditors and accruals	771,990	771,990	-	-
	2,172,038	2,172,038	-	-

		01 January	Cashflows	Other	31 December
		------(Rupees in thousand)-----			
39.1.2.1 Changes in liabilities arising from financing activities					
Lease liabilities	2025	174,571	(60,389)	60,580	174,762
Lease liabilities	2024	93,893	(58,165)	138,843	174,571

39.1.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of change in market prices such as interest rates, foreign exchange rates and equity prices.

The Company is exposed to market risk with respect to its bank balances deposits and investments.

The Company limits market risk by maintaining a diversified portfolio of money market and equity market and by continuous monitoring of developments in respective markets. The company has formulated a liquidity-risk based investment policy approved by the Board of Directors which contains various guidelines for investment of surplus funds in money market and equity market.

39.1.3.1 Interest rate risk

Interest rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instrument exposes the Company to fair value interest risk.

Sensitivity to interest rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period. The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.

At the statement of financial position date, the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2025	Carrying amounts		Carrying amounts	
	Effective Interest rate	Maturity up to one year		Maturity after one year	
		2025	2024	2024	2024
		(Rupees in thousand)			
Financial assets					
Bank balances	8.50% to 10%	564,091	334,784	-	-
		Carrying amounts		Carrying amounts	
	2025	Maturity up to one year		Maturity after one year	
	Effective Interest rate	2025	2024	2025	2024
		(Rupees in thousand)			
Investments					
TFCs and Sukkuk	12.07% to 14.18%	-	-	145,000	95,000
PIB's	11.48% to 19.35%	1,052,693	237,538	993,178	1,922,865
Treasury Bills	10.42% to 19.98%	910,711	119,813	-	-
		1,963,404	357,351	1,138,178	2,017,865

Sensitivity analysis

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss account. Therefore, a change in interest rate will not affect fair value of any financial instrument. For cash flow sensitivity analysis of variable rate instruments a hypothetical change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below.

It is assumed that the changes occur immediately and uniformly to each category of instrument containing interest rate risk. Variations in market interest rates could produce significant changes at the time of early repayments. For these reasons, actual results might differ from those reflected in the details specified below. The analysis assumes that all other variables remain constant.

Impact on profit and loss account	Increase by 100 bps	Decrease by 100 bps
	(Rupees in thousand)	
As at 31 December 2025		
Cash flow sensitivity-variable rate financial assets	62,550	(62,550)
As at 31 December 2024		
Cash flow sensitivity-variable rate financial assets	62,373	(62,373)

39.1.3.2 Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark-up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Company is exposed to price risk since it has investments amounting to Rs. 4,144.49 million (2024: Rs. 3,890.33 million) at the statement of financial position date. However, the Company has no significant concentration of price risk.

The Company's strategy is to hold its strategic equity investments for long period of time. Thus, Company's management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee remain favorable.

Sensitivity analysis

The table below summarizes Company's equity price risk as of 31 December 2025 and 31 December 2024 and shows the effects of a hypothetical 10% increase and a 10% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios.

The impact of hypothetical change would be as follows:

		Fair value	Hypothetical	Estimated fair	Hypothetical increase/ (decrease) in	
			price	value after	Asset	Profit after tax
			change	hypothetical		
			changes in price			
(Rupees in thousand)						
31 December 2025	Available for sale	958,754	10% increase	1,054,629	95,875	58,484
			10% decrease	862,879	(95,875)	(58,484)
31 December 2024	Available for sale	1,398,747	10% increase	1,538,622	139,875	85,324
			10% decrease	1,258,872	(139,875)	(85,324)

39.1.3.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company's exposure to exchange rate fluctuation risk is insignificant as it hold liabilities of US \$ Nil as at 31 December 2025 (2024: US \$ Nil).

39.1.3.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The carrying values of all financial assets and financial liabilities approximate their fair values except for certain debt instruments held. The fair values of financial instruments are disclosed in note 40 to these financial statements.

39.2 Capital adequacy risk

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development in its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

The Company's current paid-up capital is in accordance with the limit prescribed by the Insurance Rules, 2017.

In addition, the Company is also required to maintain minimum solvency in accordance with the rules and regulations set by the SECP which are fully met by the Company.

39.3 Insurance risk

The Company's insurance activities are primarily concerned with the pricing, acceptance and management of risks from its customers. In accepting risks the Company is committing to the payment of claims and therefore these risks must be understood and controlled. Disciplined underwriting, encompassing risk assessment, risk management, pricing and exposure control is critical to the Company's success. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The company is facing three kinds of risk in its insurance activities, namely;

- Premium Risk - note 39.3.1
- Claim Risk - note 39.3.2
- Reinsurance Risk - note 39.3.3

39.3.1 Premium Risk

The underwriting strategy aims to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. Pricing is generally based upon risk quality, historical claims frequencies, claims averages, adjusted for inflation and imposition of deductibles. Risk inspections surveys are also conducted before acceptance of larger risks. Underwriting limits and guidelines are in place to enforce appropriate risk selection criteria. For example, the Company does not offer health insurance to walk-in individual customers. Health insurance is generally offered to corporate customers with a large population to be covered under the policy.

The Company manages the insurance risk arising from the geographical concentration of risk with the help of various MIS reports generated from the IT system. For this purpose all critical underwriting information including address lookups and geocoding is punched into the IT system. For example, for catastrophic aggregates, the IT system assigns precise geographic CRESTA (Catastrophe Risk Evaluating and Standardizing Target Accumulations) codes with reference to the accumulation of sum insured in force at any particular location against natural perils. For Marine risks, complete underwriting details, besides sums insured and premiums, like vessel identification, voyage input (sea/air/inland transit), sailing dates, origin and destination of the shipments, per carry limits, etc. are fed into the IT system.

The Company also monitors concentration of risk by evaluating multiple risks covered in the same geographical location. For fire and property risk a particular building and neighboring buildings, which could be affected by a single claim incident, are considered as a single location. For earthquake risk, a complete city is classified as a single location. Similarly, for marine risk, multiple risks covered in a single vessel voyage are considered as a single risk while assessing concentration of risk.

The following table demonstrates the class wise concentration of risk on the basis of sum insured:

	Gross sum insured		Net sum insured	
	2025	2024	2025	2024
Fire	57%	66%	30%	42%
Marine	25%	14%	24%	18%
Motor	5%	3%	25%	21%
Accident and Health	5%	3%	19%	17%
Others including miscellaneous	8%	14%	2%	2%
	100%	100%	100%	100%

The following table demonstrates the class wise concentration of risk on the basis of premium :

	Gross premium written		Net premium written	
	2025	2024	2025	2024
Fire	24%	30%	4%	4%
Marine	4%	4%	1%	1%
Motor	24%	20%	37%	42%
Accident and Health	35%	22%	56%	49%
Others including miscellaneous	13%	24%	2%	4%
	100%	100%	100%	100%

39.3.2 Claim Risk

One of the purposes of insurance is to enable policyholders to protect themselves against uncertain future events. Insurance companies accept the transfer of uncertainty from policyholders and seek to add value through the aggregation and management of these risks. The uncertainty inherent in insurance is inevitably reflected in the financial statements of insurance companies and can be characterized under a number of specific headings, such as;

- Uncertainty as to whether an event has occurred which would give rise to an insured loss.
- Uncertainty as to the extent of policy coverage and limits applicable.
- Uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occurring.
- Uncertainty over the timing of a settlement to a policyholder for a loss suffered.

Therefore the objective of the Company is to ensure that sufficient reserves are available to cover these uncertainties and in case of any change in estimation due to further development on uncertainty or change on assumptions, the Company account for that change immediately.

Claims provisions are determined based upon previous claims experience, the knowledge of events and the terms and conditions of the relevant policies and on interpretation of circumstances. Particularly relevant is experience with similar cases and historical claims payment trends. It should be emphasized that corroborative evidence obtained from as wide a range of sources as possible also contribute to form the overall estimate. Large claims impacting each relevant business class are generally assessed separately, being measured at the face value of the surveyor's estimates.

Company has reasonably accounted for claims that have occurred by the end of the reporting period but remain unsettled and for those that may have occurred but have not yet been notified to the company and those that are not yet apparent to the insured. The Company's policy for accounting of its claims has been disclosed in note 4.1.12 to the financial statements.

Sensitivity analysis

The risks associated with the insurance contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Company makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Company considers that the liability for insurance claims recognized in the statement of financial position is adequate. However, actual experience will differ from the expected outcome.

As the Company enters into short term insurance contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on equity (net of reinsurance) due to 10% change in claim expense.

	Underwriting result		Shareholders' Equity	
	2025	2024	2025	2024
----- (Rupees in thousand) -----				
Fire	10,688	2,407	6,520	1,468
Marine	3,633	84	2,216	51
Motor	48,201	33,294	29,403	20,309
Accident and Health	163,512	85,142	99,742	51,937
Others including Miscellaneous	2,692	3,006	1,642	1,834
	228,726	123,933	139,523	75,599

39.3.3 Reinsurance risk

The Company purchases reinsurance as part of its risks mitigation program. Reinsurance ceded is placed on both proportional and non-proportional basis. The majority of proportional reinsurance is quota share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Non-proportional reinsurance is primarily excess of loss reinsurance designed to mitigate the Company's net exposure to catastrophe losses. Retention limits for the excess of loss reinsurance vary by product line. The Company also arranges the local and foreign facultative reinsurance as part of its risk management strategy.

40 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy and has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred. There have been no transfers between levels during the year.

Note	Carrying amount							Fair value			
	Available for sale	Fair value through profit and loss account	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in thousand)											
Financial assets - measured at fair value											
9	958,754	-	-	-	-	-	958,754	958,754	-	-	958,754
10	3,185,739	-	-	-	-	-	3,185,739	-	3,185,739	-	3,185,739
	4,144,493	-	-	-	-	-	4,144,493	958,754	3,185,739	-	4,144,493
Financial assets - not measured at fair value											
10	-	910,711	-	-	-	-	-	-	910,711	-	910,711
11	-	-	-	198,280	-	-	198,280	-	-	-	-
12	-	-	-	1,744,521	-	-	1,744,521	-	-	-	-
25	-	-	-	722,555	-	-	722,555	-	-	-	-
15	-	-	-	-	668,839	-	668,839	-	-	-	-
16	-	-	-	-	1,670,215	-	1,670,215	-	-	-	-
	-	910,711	-	2,665,356	2,339,054	-	5,915,121	-	910,711	-	910,711
Financial liabilities - measured at fair value											
Financial liabilities - not measured at fair value											
25	-	-	-	-	-	1,532,147	1,532,147	-	-	-	-
20	-	-	-	-	-	384,878	384,878	-	-	-	-
22	-	-	-	-	-	1,123,231	1,123,231	-	-	-	-
16	-	-	-	-	-	1,603,291	1,603,291	-	-	-	-
	-	-	-	-	-	4,643,547	4,643,547	-	-	-	-
Financial liabilities - measured at fair value											
Financial liabilities - not measured at fair value											
25	-	-	-	-	-	1,532,147	1,532,147	-	-	-	-
20	-	-	-	-	-	384,878	384,878	-	-	-	-
22	-	-	-	-	-	1,123,231	1,123,231	-	-	-	-
16	-	-	-	-	-	1,603,291	1,603,291	-	-	-	-
	-	-	-	-	-	4,643,547	4,643,547	-	-	-	-

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

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Note	Carrying amount				Fair value			
	Available for sale	Fair value through profit and loss account	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Total
(Rupees in thousand)								
31 December 2024								
Financial assets - measured at fair value								
Investment - Equity securities	1,398,747	-	-	-	-	-	1,398,747	1,398,747
Investment - Debt Securities	2,355,239	-	-	-	-	-	2,355,239	2,355,239
	3,753,986	-	-	-	-	-	3,753,986	3,753,986
Financial assets - not measured at fair value								
Investment - Debt securities	-	136,344	-	-	-	-	136,344	136,344
Loans and other receivables*	-	-	-	150,369	-	-	150,369	-
Insurance / reinsurance receivables	-	-	-	-	-	-	-	-
- unsecured and considered good*	-	-	-	635,448	-	-	635,448	-
Reinsurance recoveries against	-	-	-	-	-	-	-	-
- outstanding claims*	-	-	-	640,251	-	-	640,251	-
Cash and bank*	-	-	-	-	422,823	-	422,823	-
Total assets of Window Takatuf Operations- Operator's Fund*	-	136,344	-	1,426,068	739,137	-	2,301,549	136,344
Financial liabilities - measured at fair value								
Financial liabilities - not measured at fair value								
Underwriting provision against	-	-	-	-	-	-	-	-
outstanding claims including IBNR*	-	-	-	-	-	1,015,932	1,015,932	-
Insurance / reinsurance payables*	-	-	-	-	-	384,116	384,116	-
Other creditors and accruals*	-	-	-	-	-	771,990	771,990	-
Total liabilities of Window Takatuf Operations- Operator's Fund*	-	-	-	-	-	115,805	115,805	-
	-	-	-	-	-	2,287,843	2,287,843	-

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

The valuation techniques used for valuation of assets held at fair value are as follows:

Item	Approach Used
Investments in Equity Securities:	The valuation has been determined through closing rates listed at Pakistan Stock Exchange (PSX).
Term finance certificates:	The fair value of term finance certificates is derived from using daily rates published on Mutual Funds Association of Pakistan.
Pakistan Investment Bonds & Treasury Bills:	The fair value of Treasury bills and Pakistan Investment Bonds is derived using PKRV and PKFRV rates. PKRV and PKFRV rates are average of the yield-to-maturity on government securities traded in the secondary market and determined at the end of day.



41 NUMBER OF EMPLOYEES

The number of employees of the Company are as follows:

	2025	2024
Average number of employees during the year	263	233
As at 31 December	288	237

42 SUBSEQUENT EVENTS

The Board of Directors at its meeting held on Feb 13th,26 has proposed a final dividend @ Rs.3.00 per share for the year ended 31 December 2025 (2024: Rs 3.00 per share) amounting to Rs150.00 million (2024: 150.00 million) for approval of the members at the Annual General Meeting to be held on April 30th,2026. These financial statements do not reflect this dividend. Further, an issuance of 300% bonus shares is also proposed as fully explained in note 17.4.

43 GENERAL

Figures in these financial statements have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

44 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on Feb 13th,26.

45 CORRESPONDING FIGURES

Corresponding figures have been re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-arrangements have been made.

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Chairman



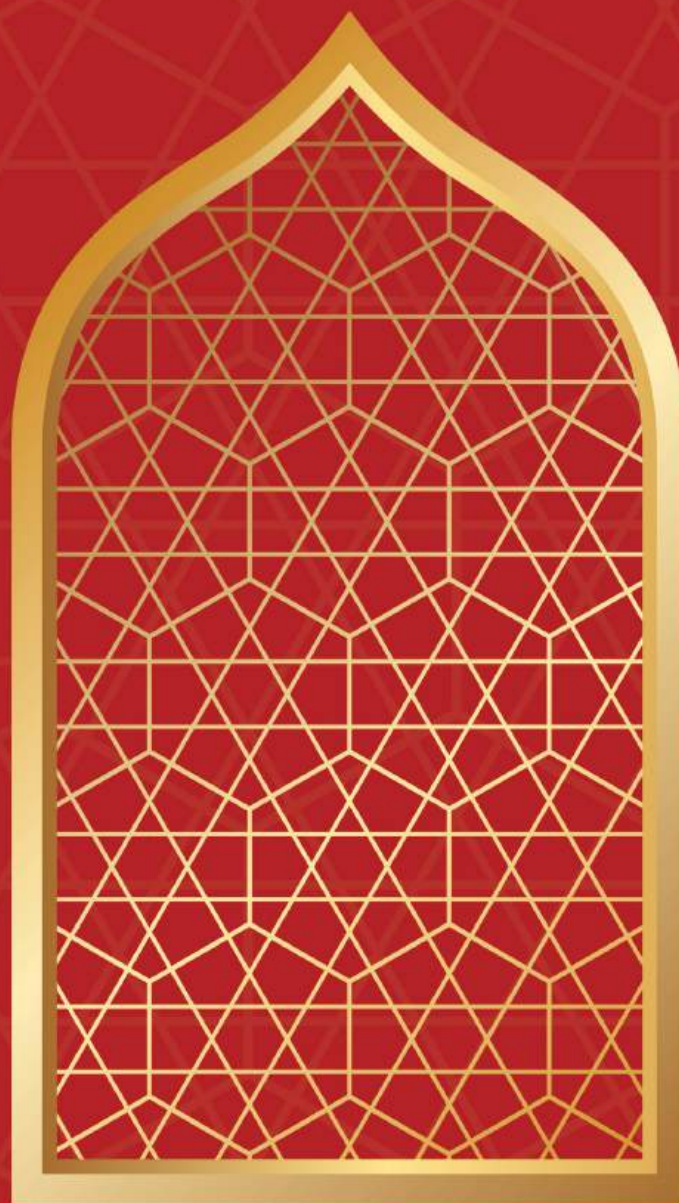
Director



Director



Chief Executive Officer



Alfalah Insurance Company Limited
Window Takaful Operations

**A.F. FERGUSON & CO.**

INDEPENDENT ASSURANCE REPORT ON THE STATEMENT OF MANAGEMENT'S ASSESSMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

TO THE BOARD OF DIRECTORS OF ALFALAH INSURANCE COMPANY LIMITED

We were engaged by the Board of Directors of Alfalah Insurance Company Limited (the Company) to report on the management's assessment of compliance of the Window Takaful Operations (Takaful Operations) of the Company, as set out in the annexed statement prepared by the management for the year ended December 31, 2025, with the Takaful Rules, 2012, in the form of an independent limited assurance conclusion about whether the annexed statement reflects the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholars.

APPLICABLE CRITERIA

The criteria for the assurance engagement against which the annexed statement has been assessed comprises of the Takaful Rules, 2012, issued by the Securities and Exchange Commission of Pakistan (SECP).

MANAGEMENT'S RESPONSIBILITY FOR SHARIAH COMPLIANCE

The management of the Company is responsible for preparation of the annexed statement that is free from material misstatement.

This responsibility includes designing, implementing, and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

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**A.F. FERGUSON & CO.**

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standards on Quality Management 1” Quality Management for Firms that Perform Audits or Reviews of Financial Information, or Other Assurance or Related Services Engagements” and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements

OUR RESPONSIBILITY AND SUMMARY OF THE WORK PERFORMED

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements 3000. “Assurance Engagement other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedures to obtain limited assurance about whether the annexed statement reflects the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The procedures selected depend on our judgment, including the assessment of the risks of material non-compliance with the Takaful Rules, 2012, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Takaful Operations’ compliance with the Takaful Rules, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company’s internal control over the Takaful Operations’ compliance with the Takaful Rules, 2012.

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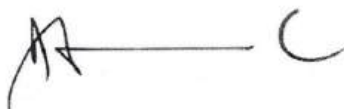
A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with the Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with the Takaful Rules, 2012, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

In this connection, we have also reviewed the work carried out by the Internal Shariah Compliance Department and the Shariah reviews carried out by the Internal Shariah Compliance Department. We have designed and performed necessary verification procedures on various financial arrangements, contracts, classes of transactions and related policies and procedures based on judgmental and systematic samples with regard to the compliance with the Takaful Rules, 2012 and Shariah guidelines issued by the Shariah Advisor of the Company. In performing our audit procedures necessary guidance on Shariah matters was provided by independent Shariah scholars referred above.

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the annexed statement does not reflect the Company's status of compliance, in all material respects, with the Takaful Rules, 2012 for the year ended December 31, 2025.



A.F. Ferguson & Co.
Chartered Accountants

Lahore

Date: April 6, 2026

SHARIAH ADVISORY REPORT TO THE BOARD OF DIRECTORS

For the Period: 1st January 2025 to 31st December 2025

By the grace of Allah Almighty, the year 2025 marked the tenth year of operations for Alfalah Insurance Company Limited- Window Takaful Operations (WTO). The establishment of Window Takaful Operations by Alfalah Insurance Company Ltd (AICL) represents a significant contribution toward the development of a comprehensive Islamic financial system in Pakistan. This initiative has successfully provided Shariah compliant Takaful facilities to numerous individuals and corporate entities seeking alternatives to conventional insurance products.

Progress during the year

During the period under review, AICL (WTO) achieved notable milestones, as detailed below:

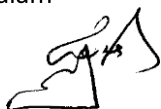
- 1. Product Development and Diversification:** Under the guidance of the Shariah Advisor, AICL (WTO) introduced new Takaful products while continuing to offer an extensive range of coverage including Motor, Marine, Property, Health, and Miscellaneous Takaful for its participants.
- 2. Strategic Partnerships:** AICL (WTO) achieved significant success in executing Takaful agreements with various Islamic banks. This accomplishment reflects the confidence placed by the Islamic finance industry and our partner institutions in the Shariah compliance standards maintained by AICL (WTO).
- 3. Investment Management:** All investments of the Takaful Funds were undertaken in relatively secure, low-risk, Shariah-compliant avenues in accordance with the investment policy approved by the Shariah Advisor.
- 4. Strategic Roadmap for Full Conversion:** In alignment with SECP's vision to Islamize the entire financial system by 2028, AICL (WTO) has developed a comprehensive roadmap for the conversion of its conventional insurance operations to full-fledged Takaful operations. This roadmap envisions a gradual and systematic transition from the conventional insurance framework to the Takaful system.
- 5. Financial Stability of the Participants' Takaful Fund (PTF):** Alhamdulillah, due to the diligent efforts of the management and adoption of prudent practices, the PTF has further strengthened its financial stability during the year. Insha'Allah, this enhanced stability will prove extremely beneficial during the transition phase.

Shariah Certification

As the Shariah Advisor of AICL (WTO), I hereby confirm the following:

- I have carefully reviewed all products and documentation of AICL (WTO), including the Waqf Deed, PTF Policies, Takaful Policies, and Re-Takaful Agreements. Alhamdulillah, I have found them to be in accordance with Shariah principles. Furthermore, I confirm that all Takaful Policies issued during the year under review comply with Shariah guidelines, the Takaful Rules 2012, and the Shariah Governance Framework 2023.
- The management of AICL (WTO) maintains a consistent practice of seeking advice and guidance on Shariah matters prior to launching new Takaful products. All Takaful products are developed through consultation with the Shariah Compliance Officer and in accordance with the guidelines provided by the Shariah Advisor.
- The segregation of Window Takaful Operations from conventional insurance business constitutes an essential requirement for valid Takaful contracts. I am pleased to confirm that AICL (WTO) has prioritized the complete separation of all Takaful Funds, investments, bank accounts, systems, and other related matters from its conventional insurance business. in full compliance with Shariah requirements.
- All financial arrangements for the Window Takaful Operations, including seed capital for the Waqf and operational expenses, have been sourced from Shariah-compliant funds.
- Training and development are imperative for understanding Takaful principles and their practical implementation. AICL (WTO) has fulfilled its responsibility by arranging comprehensive Takaful training sessions for head office and branch staff. I trust that AICL (WTO) will continue to invest in human capital development to ensure complete compliance with Shariah principles at both business and operational levels.
- In conclusion, I pray that may Allah Almighty accept our efforts and enable us to discharge our duties in the best possible manner. May Allah Almighty grant us success and provide His assistance at every step, protect us from every obstacle and difficulty, and bless AICL Insurance Company Ltd (Window Takaful Operations) with sustained financial success.

Wassalam



Dr. Khalil Ahmed Aazami

Shariah Advisor

Alfalah Insurance Company Ltd.

(Window Takaful Operations)

بورڈ آف ڈائریکٹرز کو پیش کردہ 31 دسمبر 2025 کو اختتام پذیر سال کی

شریعیہ ایڈوائزری رپورٹ

اللہ تعالیٰ کے فضل سے 2025ء کا سال الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) کا دسواں سال تھا۔ ونڈو تکافل آپریشنز کا افتتاح کرتے ہوئے الفلاح انشورنس کمپنی لمیٹڈ نے پاکستان میں ایک مکمل اسلامی معاشی نظام کی ترقی میں اپنا مثبت کردار ادا کیا ہے۔ یہ قدم پاکستان کے ان لوگوں اور کمپنیوں کو شریعیہ کمپلائنس تکافل کی سہولیات پہنچانے کے لئے اٹھایا گیا ہے جو انشورنس کے متبادل شرعی نظام کی متلاشی ہیں۔

سال کی پیشرفت:

اس عرصے کے دوران الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) نے قابل ذکر کامیابیاں حاصل کی ہیں، جن کی تفصیلات درج ذیل ہیں۔

۱۔ مصنوعات کی ترقی اور تنوع:

شریعیہ ایڈوائزری رجنہائی میں الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) نے تکافل کی نئی مصنوعات متعارف کروانے کے ساتھ ساتھ اپنے شرکاء کے لیے موٹر، میرین، پراپرٹی، جلیتھ، اور دیگر تکافل مصنوعات کی وسیع رینج میں خدمات کی فراہمی کو جاری رکھا۔

2۔ اسٹریٹجک پارٹنرشپس:

الفلاح انشورنس (ونڈو تکافل آپریشنز) نے مختلف اسلامی بینکوں کے ساتھ تکافل معاہدے کرنے میں قابل قدر کامیابی حاصل کی۔ یہ کامیابی اس بات کی عکاسی کرتی ہے کہ اسلامی مالیاتی صنعت اور ہمارے شراکت دار ادارے الفلاح انشورنس (ونڈو تکافل آپریشنز) کے شریعیہ کمپلائنس سٹینڈرڈز پر اعتماد کرتے ہیں۔

3۔ انویسٹمنٹ مینجمنٹ:

تمام تکافل فنڈز کو شریعیہ ایڈوائزری کی منظور کردہ انویسٹمنٹ پالیسی کے مطابق محفوظ اور کم خطرات کے حامل شریعیہ کمپلائنس ایوینیوز میں انویسٹ کیا گیا ہے۔

4۔ مکمل تبدیلی کے لیے اسٹریٹجک روڈ میپ:

2028 تک پورے مالیاتی نظام کو اسلامی بنانے کیلئے ایس ای سی پی کے وزن کے مطابق، الفلاح انشورنس (ونڈو تکافل آپریشنز) نے اپنے روائتی انشورنس کے آپریشنز کو تکافل آپریشنز میں تبدیل کرنے کے لیے ایک جامع روڈ میپ تیار کیا ہے۔ یہ روڈ میپ روائتی انشورنس کے فریم ورک سے تکافل سسٹم میں بتدریج اور منظم منتقلی کی مکمل خواہش رکھتا ہے۔

5۔ تکافل فنڈ کا مالی استحکام:

الحمد للہ انتظامیہ کی محنت اور محتاط عملی اقدامات کو اپنانے کی وجہ سے PTF نے اس سال کے دوران اپنے مالی استحکام کو مزید مضبوط کر لیا ہے، تکافل فنڈ کا یہ مالی استحکام مستقبل میں ایک مضبوط سرپلس ڈسٹری بیوشن کی بنیاد بنے گا۔

شریعیہ سرٹیفیکیشن:

الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) کے شریعیہ ایڈوائزری ہونے کی حیثیت سے میں تصدیق کرتا ہوں کہ

- میں نے الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) کی تمام دستاویزات بشمول وقف ڈیڈ، پی۔ ٹی۔ ایف پالیسیوں، تکافل پالیسیوں اور ری تکافل معاہدات وغیرہ کا احتیاط سے جائزہ لیا ہے اور الحمد للہ میں نے ان کو شریعیہ اصولوں سے ہم آہنگ پایا ہے۔ مزید یہ کہ میں تصدیق کرتا ہوں کہ دوران سال جاری کی جانے والی تکافل پالیسیاں شریعیہ گائیڈ لائنز، تکافل رولز ۲۰۱۲ اور شریعیہ گورننس ریگولیشن ۲۰۲۳ کے مطابق جاری کی گئی ہیں۔

- الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) کی انتظامیہ، تمام تر تکافل خدمات کے آغاز سے پہلے، شرعی مشیر سے شرعی تناظر میں مسلسل مشورہ اور رہنمائی لیتی رہتی ہے۔ مزید یہ کہ تمام تکافل پروڈکٹس شریعہ کمپلائنس آفیسر کے مشورے اور شریعہ ایڈوائزر کے ذریعہ فراہم کردہ ہدایات کے مطابق تیار کی گئیں ہیں۔
- ونڈو تکافل آپریشنز کی کنونشنل انشورنس سے علیحدگی درست تکافل معاہدوں کا جزو لازم ہے۔ میں یہ بیان کرتے ہوئے خوشی محسوس کر رہا ہوں کہ الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) نے اس بات کو ترجیحی بنیادوں پر ممکن بنایا ہے کہ اس کے تمام تکافل فنڈز، سرمایہ کاری، بینک اکاؤنٹس، سسٹمز اور دوسرے متعلقہ معاملات کو روایتی انشورنس کے کاروبار سے الگ رکھا جائے جیسا کہ شریعت کا تقاضہ ہے۔
- ونڈو تکافل آپریشنز کی مالی ضروریات کو پورا کرنے کیلئے شریعت کے تقاضوں کے مطابق فنڈز فراہم کئے گئے ہیں۔ اور تکافل کے تمام اخراجات بشمول وقف کی گئی اصل رقم، اسی فنڈ سے پورے کئے گئے ہیں۔
- تکافل نظام کے اصولوں اور اس کی عملی صورت کو سمجھنے کے لئے علمی و نظریاتی ترقی کی کوشش اور تربیت از حد ضروری ہے۔ الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) نے اس معاملے میں بھی اپنی ذمہ داری کو پورا کیا ہے اور ہیڈ آفس اور براچز کے عمل کے لئے تکافل کے تربیتی پروگرام کا انتظام کیا ہے، مجھے یقین ہے کہ الفلاح انشورنس کمپنی (ونڈو تکافل آپریشن) کاروباری و انتظامی سطح پر شریعہ اصولوں کی مکمل پاسداری یقینی بنانے کے لئے اپنی افرادی قوت پر خرچ کرتا رہے گا۔
- اختتام پر میں اللہ تعالیٰ سے دعا گو ہوں، کہ اللہ تعالیٰ ہماری کوششوں کو قبول کرے اور ہمیں اس قابل بنائے کہ ہم اپنی ذمہ داریاں بہترین طریقے سے پوری کر سکیں۔ اللہ تعالیٰ ہمیں کامیابی عطا کرے اور ہر قدم پر ہماری مدد کرے، ہمیں ہر مشکل اور رکاوٹ سے دور رکھے اور الفلاح انشورنس کمپنی لمیٹڈ (ونڈو تکافل آپریشن) کو مالی کامیابی سے ہمکنار کرے۔ آمین

والسلام
محمد

ڈاکٹر خلیل احمد اعظمی

شریعہ مشیر

الفلاح انشورنس کمپنی لمیٹڈ

(ونڈو تکافل آپریشن)

INDEPENDENT AUDITOR'S REPORT

To the members of Alfalah Insurance Company Limited - Window Takaful Operations

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Alfalah Insurance Company Limited - Window Takaful Operations (the Operator), which comprise the statement of financial position of OPF and PTF as at December 31, 2025, and the profit and loss account, the statement of comprehensive income, the statement of changes in operator's fund, the statement of changes in participants' takaful fund, the cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position of OPF and PTF, the profit and loss account, the statement of comprehensive income, the statement of changes in operator's fund, the statement of changes in participants' takaful fund and the cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Operator's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in operator's fund and participants' takaful fund and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Operator in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Insurance Ordinance, 2000 and, Companies Act, 2017 (XIX of 2017), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operator's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Operator or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Operator's financial reporting process.





Auditor's Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Operator's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Operator's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Operator to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation



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We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

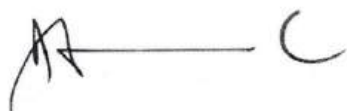
We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Operator as required by the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position of OPF and PTF, the profit and loss account, the statement of comprehensive income, the statement of changes in operator's fund and participants' takaful fund and the cash flow statement together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000, the Companies Act, 2017 (XIX of 2017), and are in agreement with the books of account;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Operator's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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



A.F. Ferguson & Co.

Chartered Accountants

Lahore

Date: April 6, 2026

UDIN: AR202510071rNDJpyGLu

ALFALAH INSURANCE COMPANY LIMITED

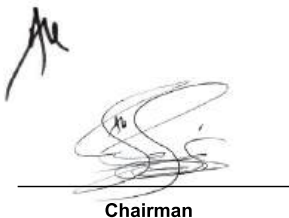
WINDOW TAKAFUL OPERATIONS

STATEMENT OF FINANCIAL POSITION OF OPF AND PTF

AS AT DECEMBER 31, 2025

Note	OPF		PTF	
	2025	2024	2025	2024
(Rupees in thousand)				
ASSETS				
Property and equipment	5	5,919	-	-
Investments	6	-	-	-
Equity securities		-	189,352	173,054
Debt securities		50,093	165,847	236,925
Takaful / retakaful receivables	7	162	181	149,189
Salvage recoveries accrued		-	7,086	1,935
Deferred wakala fee	19	-	142,030	81,528
Receivable from PTF	8	151,303	-	-
Accrued investment income		991	-	-
Retakaful recoveries against outstanding claims		-	73,760	48,964
Deferred commission expense / acquisition cost	20	26,608	-	-
Prepayments	13	-	87,057	60,031
Cash and bank	9	28,767	237,485	206,801
TOTAL ASSETS		263,843	316,314	1,406,372
RESERVES AND LIABILITIES				
RESERVES ATTRIBUTABLE TO OPERATOR AND PARTICIPANTS				
Operator's Reserves:				
Statutory reserves	10	50,000	50,000	-
Fair value reserves		103	-	-
Unappropriated profits		16,821	150,509	-
Total operator's reserve		66,924	200,509	-
Participants' Takaful Fund (PTF)				
Seed money		-	-	500
Fair value reserves		-	1,066	-
Accumulated surplus		-	287,789	258,666
Balance of Participants' Takaful Fund		-	289,355	259,166
LIABILITIES				
PTF Underwriting Provisions:				
Outstanding claims including IBNR	15	-	-	330,269
Unearned contribution reserve	13	-	-	243,803
Unearned retakaful rebate	14	-	-	16,401
		-	-	775,005
Unearned wakala fee	19	142,030	81,528	-
Contribution received in advance		-	9,970	2,962
Takaful / retakaful payables		2,827	7,809	155,357
Other creditors and accruals	11	52,062	26,468	17,392
Taxation - provision less payments		-	7,990	778
Payable to OPF		-	151,303	127,586
TOTAL LIABILITIES		196,919	115,805	1,117,017
TOTAL FUND AND LIABILITIES		263,843	316,314	1,406,372
CONTINGENCIES AND COMMITMENTS				
	12			

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



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

WINDOW TAKAFUL OPERATIONS

PROFIT AND LOSS ACCOUNT

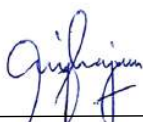
FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025 (Rupees in thousand)	2024
Participants' Takaful Fund			
Contributions earned		673,348	527,319
Less: Contributions ceded to retakaful		(251,557)	(157,336)
Net contributions revenue	13	421,791	369,983
Retakaful rebate earned	14	39,875	25,350
Net underwriting income		461,666	395,333
Net claims - reported / settled		(465,871)	(368,391)
- IBNR		829	(3,042)
	15	(465,042)	(371,433)
Other direct expenses	16	(2,404)	(1,950)
(Deficit) / Surplus before investment income		(5,780)	21,950
Investment income	17	63,022	111,994
Other income	18	13,753	16,291
Less: Modarib's share of investment income		(17,485)	(31,811)
Reversal of doubtful contributions (net of wakala fee)		(2,072)	-
Surplus before taxation		51,438	118,424
Taxation	25	(22,315)	(37,625)
Surplus transferred to accumulated surplus		29,123	80,799
Operator's Fund			
Wakala fee	19	273,985	209,080
Commission expense	20	(45,918)	(28,519)
General administrative and management expenses	21	(122,175)	(83,334)
		105,892	97,227
Investment income	17	16,351	82,318
Modarib's share of PTF investment income		17,485	31,811
Direct expenses	22	(9,527)	(7,755)
Finance cost		(3,888)	(1,984)
Other income	18	3,658	7,409
Profit before taxation		129,971	209,026
Taxation	25	(50,689)	(81,520)
Profit after taxation attributable to shareholders		79,282	127,506

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



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED WINDOW TAKAFUL OPERATIONS STATEMENT OF COMPHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	(Rupees in thousand)	
Participants' Takaful Fund		
Surplus for the year	29,123	80,799
Other comprehensive income for the year	1,066	-
Total comprehensive income for the year	<u>30,189</u>	<u>80,799</u>
Operator's Fund		
Profit after tax	79,282	127,506
Other comprehensive income for the year	103	-
Total comprehensive income for the year	<u>79,385</u>	<u>127,506</u>

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




Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

WINDOW TAKAFUL OPERATIONS

STATEMENT OF CHANGES IN OPERATOR'S FUND

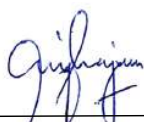
FOR THE YEAR ENDED DECEMBER 31, 2025

	Statutory reserves	Fair Value Reserves	Unappropriated profits	Total
	----- (Rupees in thousand) -----			
Balance as at January 1, 2024	50,000	-	347,731	397,731
Profit for the year	-	-	127,506	127,506
Total comprehensive income for the year	-	-	127,506	127,506
Transfer of profit to the Operator	-	-	(324,728)	(324,728)
Balance as at December 31, 2024	50,000	-	150,509	200,509
Profit for the year	-	-	79,282	79,282
Other comprehensive income for the year	-	103	-	103
Total comprehensive income for the year	-	103	79,282	79,385
Transfer of profit to the Operator	-	-	(212,970)	(212,970)
Balance as at December 31, 2025	50,000	103	16,821	66,924

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




Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED WINDOW TAKAFUL OPERATIONS STATEMENT OF CHANGES IN PARTICIPANT'S TAKAFUL FUND FOR THE YEAR ENDED DECEMBER 31, 2025

	Seed money	Fair value reserves	Accumulated surplus	Total
	------(Rupees in thousand)-----			
Balance as at January 1, 2024	500	-	177,867	178,367
Surplus for the year	-	-	80,799	80,799
Total comprehensive income for the year	-	-	80,799	80,799
Balance as at December 31, 2024	500	-	258,666	259,166
Surplus for the year	-	-	29,123	29,123
Other comprehensive income for the year	-	1,066	-	1,066
Total comprehensive income for the year	-	1,066	29,123	30,189
Balance as at December 31, 2025	500	1,066	287,789	289,355

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



Chairman



Director



Director



Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED

WINDOW TAKAFUL OPERATIONS

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024	2025	2024
	OPF		PTF	
	(Rupees in thousand)			
Operating cash flows				
(a) Takaful activities				
Contributions received	-	-	1,124,746	655,988
Retakaful contribution paid	-	-	(185,856)	(176,327)
Retakaful rebate received	-	-	36,489	29,990
Claims paid	-	-	(427,088)	(386,976)
Commissions paid	(62,423)	(25,378)	-	-
Retakaful recoveries received	-	-	47,988	50,460
Wakala fees received	310,738	203,946	-	-
Wakala fees paid	-	-	(310,738)	(203,946)
Modarib share received	17,517	36,528	-	-
Modarib share paid	-	-	(17,517)	(36,528)
Net cash inflow / (outflow) from takaful activities	265,832	215,096	268,024	(67,339)
(b) Other operating activities				
Income tax paid	-	-	(15,103)	(40,261)
General and other expenses paid	(133,524)	(96,888)	(3,791)	(1,950)
Other operating (payments) / receipts	(27,996)	(273,715)	3,499	9,122
Loans disbursed	-	-	-	-
Loans repaid	-	-	-	-
Net cash outflows from other operating activities	(161,520)	(370,603)	(15,395)	(33,089)
Total cash inflow / (outflow) from operating activities	104,312	(155,507)	252,629	(100,428)
Investment activities				
Profit / return received	3,277	43,910	14,055	107,049
Payments for investments	(224,411)	(148,221)	(1,980,551)	(567,265)
Proceeds from disposal of investments	357,000	453,013	1,744,551	730,813
Fixed capital expenditure	(6,210)	-	-	-
Total cash inflow / (outflow) from investing activities	129,656	348,702	(221,945)	270,597
Financing activities				
Profit paid to operator	(212,970)	(324,728)	-	-
Total cash outflow from financing activities	(212,970)	(324,728)	-	-
Net cash inflow / (outflow) during the year	20,998	(131,533)	30,684	170,169
Cash at the beginning of the year	7,769	139,302	206,801	36,632
Cash at the end of the year	28,767	7,769	237,485	206,801

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



ALFALAH INSURANCE COMPANY LIMITED

WINDOW TAKAFUL OPERATIONS

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024	2025	2024
	OPF		PTF	
	----- (Rupees in thousand) -----			
<u>Reconciliation to profit and loss account</u>				
Operating cash flows	104,312	(155,507)	252,629	(100,428)
Depreciation	(291)	-	-	-
Increase / (decrease) in assets other than cash	36,366	16,341	121,466	103,059
Decrease / (increase) in liabilities	(81,114)	176,945	(421,747)	(50,117)
Investment and other income	20,009	89,727	76,775	128,285
Net profit / surplus for the year	79,282	127,506	29,123	80,799
Operator's Takaful Fund	79,282	127,506	-	-
Participants' Takaful Fund	-	-	29,123	80,799
	79,282	127,506	29,123	80,799

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




 Chairman



 Director



 Director



 Chief Executive Officer

ALFALAH INSURANCE COMPANY LIMITED WINDOW TAKAFUL OPERATIONS NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Alfaluh Insurance Company Limited ('the Operator') is a public limited company incorporated in Pakistan on December 21, 2005 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The Operator is engaged in general non-life insurance business. The registered office of the Operator is situated at 5 & 6 - Saint Mary Park, Gulberg-III, Lahore.

The Operator was granted authorization on September 30, 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan ('SECP').

For the purpose of carrying on the takaful business, the Operator formed a Waqf / Participant Takaful Fund (PTF) on January 13, 2016 under the Waqf deed. The Waqf deed governs the relationship of Operator and Participants for management of Takaful operations.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and
- Provisions of, directives and 8 notifications issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017, Takaful Rules 2012 and General Takaful Accounting Regulations, 2019.

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

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

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for certain financial instruments carried at fair value. All transactions reflected in these financial statements are on accrual basis except for those reflected in the cash flow statement.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Operator operates ('the functional currency'). The financial statements are presented in Pak Rupees, which is the Operator's functional and presentation currency. All the financial information presented in Rupees has been rounded off to the nearest thousand in rupee, unless otherwise stated.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2025 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore, have not been detailed in these financial statements.

2.5 Standards and amendments to accounting and reporting standards that are not yet effective and have not been early adopted by the Company

		Effective date (annual reporting periods beginning on or after)
IFRS 9 & 7	Classification and Measurement of Financial Instruments (Amendments)	January 1, 2026
IFRS 18	Insurance Contracts	January 1, 2027
IFRS 19	Presentation and Disclosure in Financial Statements	January 1, 2027

Other than the aforementioned standards, interpretations and amendments, IASB has also issued the following standards and interpretation, which have not been notified locally or declared exempt, in relation to the Company, by Securities and Exchange Commission of Pakistan (SECP) as at December 31, 2025:

IFRS 1	First Time Adoption of International Financial Reporting Standards
--------	--

2.6 Amendments to IFRS 4 applying IFRS 9 Financial Instruments with IFRS 4 Insurance contracts

The Company meets the eligibility criteria of the temporary exemption from IFRS 9 and intends to defer the application of IFRS 9 until the effective date of the new insurance contracts standard (IFRS 17) for annual reporting periods beginning on or after January 1, 2027, as allowed by the Securities and Exchange Commission of Pakistan (SECP) through S. R. O. 1715 (i) / 2023 dated November 21, 2023, and S. R. O. 1336 (i) / 2025 dated July 23rd, 2025.

The temporary exemption enables eligible entities to defer the implementation date of IFRS 9 for annual periods beginning on 1 January 2027 and continue to apply IAS 39 to financial assets and liabilities. An entity may apply the temporary exemption from IFRS 9 if:

- (i) it has not previously applied any version of IFRS 9, other than only the requirements for the presentation of gains and losses on financial liabilities designated as FVPL; and
- (ii) its activities are predominantly connected with insurance on its annual reporting date.

3 USE OF JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to these financial statements or judgment was exercised in application of accounting policies, are as follows:

	Note
- Residual values and useful lives of property and equipment	4.2.1
- Provision for doubtful receivables	4.1.2
- Provision for outstanding claims including claims incurred but not reported (IBNR)	4.1.11
- Contribution deficiency reserve	4.1.12
- Segment reporting	4.1.21

4 ACCOUNTING POLICY INFORMATION

4.1 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1.1 Financial instruments

Financial assets and liabilities are recognized when the Operator becomes a party to contractual provisions of the instrument and de-recognized when the Operator loses control of contractual rights that comprise the financial asset and in case of financial liability when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de recognition of financial assets and liabilities are included in profit and loss account for the year.

4.1.1.1 Non-derivative financial assets

The Operator initially recognizes loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit and loss account) are recognized initially on the trade date, which is the date that the Operator becomes a party to the contractual provisions of the instrument.

The Operator derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Operator is recognized as a separate asset or liability.

The Operator classifies non-derivative financial assets into the following categories namely: financial assets at fair value through profit and loss account, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit and loss account

A financial asset is classified as at fair value through profit and loss account if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit and loss account if the Operator manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Operator's documented risk management or investment strategy. Attributable transaction costs are recognized in profit and loss account as incurred. Financial assets at fair value through profit and loss account are measured at fair value and changes therein, which takes into account any dividend income, are recognized in profit and loss account.

Held to maturity financial assets

If the Operator has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held to maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available for sale financial assets are recognized initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognized in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit and loss account.

4.1.1.2 Non-derivative financial liabilities

The Operator initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognized initially on the trade date, which is the date that the Operator becomes a party to the contractual provisions of the instrument.

The Operator derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

The Operator classifies financial liabilities recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities mainly includes other creditors and accruals.

4.1.1.3 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Operator has a legal enforceable right to set off the recognized amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.1.2 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment loss in respect of a financial asset measured at fair value is determined by reference to that fair value. All impairment losses are recognized in profit and loss account. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the financial asset's carrying amount after the reversal does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Impairment losses on available for sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit and loss account. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognized in profit and loss account. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit and loss account, otherwise it is reversed through other comprehensive income.

Non-financial assets

The carrying amounts of non-financial assets other than deferred tax asset, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit, or CGU").

The Operator's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit and loss account.

4.1.3 Takaful contracts

Takaful contracts are based on the principles of wakala. The takaful contracts are inspired by the concept of tabarru (to donate for benefits of others) and mutual sharing of losses with the overall objective of eliminating the interest, gambling and uncertainty.

Takaful contracts under which the Participant Takaful Fund (PTF) accepts significant takaful risk from the participant, if specified uncertain future event (the takaful event) adversely affects the participant, are classified as takaful contracts. Takaful risk is significant if a takaful event could cause the PTF to pay significant benefits, due to the happening of the takaful event as compared to its non-happening. Once a contract has been classified as a takaful contract, it remains a takaful contract for the remainder of its lifetime, even if the takaful risk reduces significantly during this period unless all rights and obligations are extinguished or expired.

Takaful contracts are classified into the following main categories, depending on the nature and duration of takaful risk and whether or not the terms and conditions are fixed.

- Fire and property damage
- Marine, aviation and transport
- Motor
- Accident and health
- Others including miscellaneous

These contracts are normally one year takaful contracts except marine and some other contracts including miscellaneous class. Normally all marine takaful contracts are of three months period. In others including miscellaneous class, some engineering takaful contracts are of more than one year period.

These contracts are provided to all types of customers based on assessment of takaful risk by the Operator. Normally personal takaful contracts e.g. vehicle, personal accident, etc. are provided to individual customers, whereas, takaful contracts of fire and property damage, marine, aviation and transport, health and other commercial line products are provided to commercial organizations.

Fire and property damage takaful contracts mainly compensate the Operator's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the takaful properties in their business activities.

Marine takaful covers the loss or damage of vessels, cargo, terminals, and any transport or property by which cargo is transferred, acquired, or held between the points of origin and final destination.

Motor takaful provides protection against losses incurred as a result of theft, traffic accidents and against third party liability that could be incurred in an accident.

Accident and health takaful contracts provide protection against losses incurred as a result of medical illness, surgical operations and accidental injuries.

Other various types of takaful contracts are classified in others including miscellaneous category which includes mainly engineering, terrorism, worker compensation, products of financial institutions, crop etc.

The Operator also accepts takaful risk pertaining to takaful contracts of other takaful Operators as co-takaful and re-takaful inward. The takaful risk involved in these contracts is similar to the contracts undertaken by the Operator as takaful contracts. All retakaful inward contracts are facultative (specific risk) acceptance contracts.

4.1.4 Provision for unearned contributions

Provision for unearned contribution represents the portion of contribution written relating to the unexpired period of coverage and is recognized as a liability by the Operator on the following basis:

- for other classes contribution written is recognized as provision for unearned contribution by applying the 1/24th method as specified in the General Takaful Accounting Regulations, 2019.
- for marine cargo business, contribution written is recognized as provision for unearned contribution until the commencement of voyage.

4.1.5 Receivables and Payables related to takaful contracts

Receivables related to takaful contracts are known as contribution due but unpaid. These are recognized at cost, which is the fair value of the consideration given less provision for impairment, if any. Contributions received in advance is recognized as liability till the time of issuance of takaful contract there against.

Provision for impairment and write-off is estimated on a systematic basis after analyzing the receivables as per their aging.

4.1.6 Retakaful contracts held

These are contracts entered into by the Operator with retakaful operators for compensation of losses suffered on takaful contracts issued. These retakaful contracts include both facultative and treaty arrangement contracts and are classified in same categories of takaful contracts for the purpose of these financial statements. The Operator recognizes the entitled benefits under contracts as various retakaful assets and liabilities.

Retakaful assets represent balances due from retakaful operators and retakaful recoveries against outstanding claims. Due from retakaful operators are carried at cost less any provision for impairment. Cost represents the fair value of the consideration to be received. Retakaful recoveries against outstanding claims are measured at the amount expected to be received.

Retakaful assets are not offset against related takaful liabilities. Income or expenses from retakaful contracts are not offset against expenses or income from related takaful assets.

Retakaful liabilities represent balances due to retakaful operators. Due to retakaful operators are carried at cost which is the fair value of the consideration to be paid.

Retakaful assets or liabilities are derecognized when the contractual rights are extinguished or expired.

4.1.7 Retakaful expense

Contribution ceded to retakaful operators is recognized as an expense. For retakaful contracts operating on a proportional basis, on attachment of the underlying policies; and for retakaful contracts operating on a non-proportional basis, on inception of the retakaful contracts.

Retakaful contribution ceded shall be recognized as an expense. For proportional retakaful business, after taking into account the prepaid portion of retakaful contribution ceded and for non-proportional retakaful business, evenly over the period of indemnity.

The portion of retakaful contribution ceded not yet recognized as an expense is recognized as a prepayment. The prepaid portion of contribution ceded is recognized as an asset. Such asset is calculated by applying the 1/24th method, whereby the liability shall equal 1/24 of the contribution ceded relating to retakaful contract commencing in the first month of the operator's financial year, 3/24 of the contributions ceded relating to policies commencing in the second month of the operator's financial years, and so on.



4.1.8 Commission expense/ acquisition cost

Commission expense incurred in obtaining and recording takaful policies is deferred and recognized as an asset on the attachment of the related risks. This expense is charged to the profit and loss account of the Operator's Fund based on the pattern of recognition of related contribution revenue.

4.1.9 Deferred commission expense/ acquisition cost

Deferred commission expense represents the portion of commission expense relating to the unexpired period of takaful contract and is recognized as an asset. It is calculated in accordance with the pattern of its related unearned contribution income.

4.1.10 Claims expense

General takaful claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years. Claims are charged to the PTF profit and loss account.

4.1.11 Outstanding claims including incurred but not reported (IBNR)

The Operator recognizes liability in respect of all claims incurred up to the statement of financial position date which is measured at the undiscounted value of the expected future payments. The claims are considered to be incurred at the time of the incident giving rise to the claim except as otherwise expressly indicated in any policy. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates. The liability for claims includes amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

Retakaful recoveries against outstanding claims are recognized on occurrence of the related claim liability. These are recorded as an asset and measured at the amount expected to be received.

Claims incurred but not reported

Securities and Exchange Commission of Pakistan ("SECP"), through its circular 9 of 2016 dated March 09, 2016, issued "Guidelines for estimation of incurred but not reported (IBNR) claims reserve, 2016" ("Guidelines") and required to comply with all provisions of these guidelines with effect from July 01, 2016.

These Guidelines require the Operator to develop an estimation of provision against claims incurred but not reported for each class of business, by either using "Chain Ladder Method" ("CLM") or other alternate method as allowed under the provisions of the Guidelines. The Chain Ladder Method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the extent of future development of claims to reach their ultimate level to derive an IBNR estimate.

As required under the Guidelines, the Operator uses CLM by involving an actuary for determination of provision against IBNR. Accordingly, the actuarial valuation as at December 31, 2025 has been carried out by independent firm of actuaries for determination of IBNR for each class of business. The actuarial valuation is based on a range of standard actuarial claim projection techniques, based on empirical data and current assumptions (as explained in preceding paragraph) that may include a margin for adverse deviation as required/ allowed under the Guidelines. The method used, and the estimates made, are reviewed annually.

4.1.12 Contribution deficiency reserve

The Operator maintains a provision in respect of contribution deficiency (also called unexpired risk reserve) on aggregation basis where the unearned contribution liability is not adequate to meet the expected future liability, after retakaful, from claims and other claim handling expenses expected to be incurred after the statement of financial position date in respect of the unexpired policies as at the statement of financial position date. The movement in the contribution deficiency reserve is recorded as an expense/ income in the profit and loss account for the year.

For this purpose, contribution deficiency reserve on aggregation basis is determined by independent actuary. The actuary determines the prospective loss ratio on aggregation basis and applies factors of unearned and earned contributions and uses assumptions appropriate to arrive at the expected claims settlement cost which when compared with unearned contribution reserve (UCR) shows whether UCR is adequate to cover the unexpired risks. If these ratios are adverse, contribution deficiency reserve is determined.

Based on recommendation of actuary, the unearned contribution reserve, on aggregation basis, at the year end is adequate to meet the expected future liability after retakaful claims and claim handling expenses, expected to be incurred after the statement of financial position date in respect of policies in force at the statement of financial position date. Therefore, no contribution deficiency reserve has been accounted for in these financial statements.

4.1.13 Wakala fee and Modarib share

The Operator manages the general takaful operations for the participants and charges the following percentages of gross contribution as Wakala Fee to meet the marketing and selling expenses (including commissions), administrative and management expenses:

- Fire and property damage	30%
- Marine	30%
- Motor	35%
- Accident and health	15%
- Others including miscellaneous	30%

The Takaful operator manages the investment of the Participant's Funds as Modarib and charge 25% of the investment income earned by the PTF as Modarib share.

Wakala fee and Modarib share shall be recognized on the same basis on which related revenue shall be recognized. Unexpired portion of Wakala fee shall be disclosed as a liability for the Operator's Fund and an asset for the Participant's Fund.

4.1.14 Cash and bank

Cash and bank are carried in the statement of financial position at cost. For the purposes of cash flow statement, cash and bank comprise cash in hand, deposits with banks and stamps in hand.

4.1.15 Employees benefit

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Operator and measured on an undiscounted basis.

Alfalsh Insurance Company Limited has undertaken for employee benefit cost of the Operator.

4.1.16 Creditors and accruals

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and / or services received, whether or not billed to the Operator.

4.1.17 Provisions and contingencies

Provisions are recognized when the Operator has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate of the amount can be made. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate.



Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

4.1.18 Revenue recognition

4.1.18.1 Participant's Takaful Fund

Contribution

Contribution income under a policy is recognized in line with note 4.1.4 of these financial statements.

Rebate from retakaful operators

Rebate income from other reinsurers is recognized at the time of issuance of the underlying takaful policy by the Operator. This income is deferred and brought to account as revenue in accordance with the pattern of recognition of the retakaful contribution to which it relates. Profit commission, if any, which the Operator may be entitled to under the terms of retakaful, is recognized on accrual basis.

The unearned portion of rebate income is recognized as a liability. Such liability is calculated by applying the 1/24th method, whereby the liability shall equal 1/24 of the rebate relating to policies commencing in the first month of the operator's financial year, 3/24 of the rebate relating to policies commencing in the second month of the operator's financial years, and so on.

For facultative acceptance the basis of recognizing commission and determining the unearned retakaful rebate is the same as for the direct policies.

Participants' Takaful Fund / Operator's Fund

Investment Income

Return on investments is accounted for on a time proportionate basis using the applicable rate of return/ interest.

Miscellaneous Income

Return on bank deposits is recognized on a time proportion basis taking into account the effective yield.

4.1.19 Management expenses

Expenses of management allocated to the underwriting business represent directly attributable expenses and indirect expenses allocated to the various classes of business on the basis of gross contribution written. Expenses not allocable to the underwriting business are charged as other expenses.

4.1.20 Taxation

Income tax expense comprises current tax. Income tax expense is recognized in profit and loss account, except to the extent that relates to items recognized in equity or in other comprehensive income, in which case it is recognized in equity or in other comprehensive income respectively.

4.1.21 Segment reporting

A business segment is a distinguishable component of the Operator that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Operator accounts for segment reporting of operating results using the classes of business as specified under the Insurance Ordinance, 2000, the Insurance Rules, 2017 and Insurance Accounting Regulations, 2017. The reported operating segments are also consistent with the internal reporting framework provided to Board of Directors who are responsible for allocating resources and assessing performance of the operating segments. The performance of segments is evaluated on the basis of underwriting results of each segment.



Based on its classification of insurance contracts issued, the Operator has five primary business segments for reporting purposes namely fire, marine, motor, health and others including miscellaneous. The nature and business activities of these segments are disclosed in note 4.1.3 of these financial statements. Since the operation of the Operator are predominantly carried out in Pakistan, information relating to geographical segment is not considered relevant.

The accounting policies of operating segment are the same as those described in the Material Accounting Policy Information.

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them. Those assets and liabilities which can not be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

4.1.22 Salvage recoveries

Salvage recoveries are recognized on estimated basis based on past experience and market patterns and are in line with the recognition of related claim expenses.

4.1.23 Takaful Surplus

Takaful surplus attributable to the participants is calculated after charging all direct cost and setting aside various reserves. Allocation to participants, if applicable, is made after adjustment of claims paid to them during the period.

4.1.24 Qard-e-Hasna

If there is a deficit of admissible assets over its liabilities in the PTF, the Operator from the Operators' fund may provide Qard-e-Hasna to the PTF so that the PTF may become solvent as per Takaful Rules, 2012.

4.2 SUMMARY OF OTHER ACCOUNTING POLICIES

Other than material accounting policies applied in the preparation of these financial statements are set out below for ease of user's understanding of these financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

4.2.1 Operating fixed assets

Items of operating fixed assets are stated at cost less accumulated depreciation and any impairment loss.

Cost comprises of purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and includes other costs directly attributable to the acquisition or construction including expenditures on the material, labour and overheads directly relating to construction, erection and installation of operating fixed assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Operator and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the year in which they are incurred.

Depreciation on operating fixed assets is charged to profit and loss account using straight line method so as to write off the historical cost of an asset over its estimated useful life at the rates mentioned in note 5 after taking their residual value into account.

Depreciation methods, residual values and the useful life of the assets are reviewed at least at each financial year end and adjusted if appropriate.

An item of operating fixed assets is derecognized upon disposal when no future economic benefits are expected from its use or disposal. Gain or loss on disposal of an asset is determined by comparing the proceeds from sale with the carrying amount and is recognized in profit and loss account.



5 PROPERTY AND EQUIPMENT

OPF		PTF	
2025	2024	2025	2024

------(Rupees in thousand)-----

Cost

As at 01 January
 Additions during the year
 As at 31 December

188	188	-	-
6,210	-	-	-
6,398	188	-	-

Less: Depreciation

As at 01 January
 Charged during the year
 As at 31 December

188	188	-	-
291	-	-	-
479	188	-	-

Net book value

5,919	-	-	-
-------	---	---	---

Rate of depreciation

25%	25%
-----	-----

6 INVESTMENTS

2025			2024		
Cost	Impairment provision	Carrying value	Cost	Impairment provision	Carrying value

------(Rupees in thousand)-----

Investment in equity securities

Mutual fund - PTF 189,352 - 189,352 173,054 - 173,054

Investment in term deposits

GIS FRR - PTF 519,347 1,066 520,413 236,925 - 236,925
 GIS FRR - OPF 49,990 103 50,093 165,847 - 165,847

Note	OPF		PTF	
	2025	2024	2025	2024

------(Rupees in thousand)-----

**7 TAKAFUL / RETAKAFUL RECEIVABLES
 - UNSECURED AND CONSIDERED GOOD**

Contribution due from contract holders
 Less: provision for impairment of receivables from
 takaful contract holders

7.1		-	157,533	143,406
7.2	-	-	(15,747)	(13,814)
	-	-	141,786	129,592

Amount due from other takaful/retakaful operator
 Less: provision for impairment of due from other
 takaful / re-takaful operator

7.4	162	181	8,947	18,398
7.3	-	-	(1,544)	(2,792)
	162	181	7,403	15,606

162	181	149,189	145,198
-----	-----	---------	---------



7.1 This includes an amount of Rs. 48.32 million (2024: 25.02 million) receivable from related parties.

OPF		PTF	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

7.2 Provision for impairment for receivables from takaful contract holders

Balance as at 01 January

Addition made during the year

Write off

Balance as at 31 December

-	-	13,814	5,099
-	-	3,320	8,715
-	-	(1,387)	-
-	-	15,747	13,814

7.3 Provision for impairment of due from other takaful / retakaful operator

Balance as at 01 January

Reversal made during the year

Balance as at 31 December

-	-	2,792	11,507
-	-	(1,248)	(8,715)
-	-	1,544	2,792

7.4 The Company has co-takaful and retakaful arrangements with various insurance and domestic retakaful operators. Under the above arrangements, the receivable and payable balances originate mainly due to contributions underwritten or claims settled by the lead insurer on behalf of other co-takaful, and in case of retakaful, the contribution ceded to and claims recoverable from the retakaful operator under the respective contracts. As per the prevailing industry practices, settlements of balances under co-takaful and retakaful arrangements are done between respective insurance companies in normal course of business.

The Company believes that the current balances of co-takaful and retakaful reflected in the records of the Company are based on underlying contracts and transactions supported by appropriate evidence.

In this regard, the Company exchanged balance information with various co-takaful based on significance of the balances and the reinsurers. This information corroborates the balance position of the Company in all material respects.

Note	OPF		PTF	
	2025	2024	2025	2024

8 RECEIVABLE FROM PTF

----- (Rupees in thousand) -----

Wakala fee

Modaraba fee

151,303	127,554	-	-
-	32	-	-
151,303	127,586	-	-

9 CASH AND BANK

Cash in hand

Cash at bank:

Savings account

9.1

289	300	-	-
28,478	7,469	237,485	206,801
28,767	7,769	237,485	206,801

9.1 The rate of profit on profit and loss sharing accounts from bank range from 7.05% to 9.00% (2024: 11.85% to 13.65%) per annum depending upon the size of average deposits.

- 9.2 Cash at bank deposits include Rs. 171.12 million (2024: Rs. 169.70 million) held with Bank Alfalah Limited (a related party).

10 STATUTORY RESERVES

Amount of Rs. 50 million is deposited as statutory reserves to comply with provisions of para 4 of Circular No. 8 of 2014 read with Rule 11(1)(c) of Takaful Rules, 2012 issued by SECP.

Note	OPF		PTF	
	2025	2024	2025	2024
------(Rupees in thousand)-----				
Federal excise duty	-	-	7,883	2,716
Federal insurance fee	-	-	793	264
Payable to Alfalah Insurance Company Limited	11.1	29,352	6,377	-
Taxes payable		1,110	173	6,370
Agency commission payable		19,348	18,223	-
Accrued expenses	11.2	2,045	1,498	556
Others	11.3	207	197	1,790
		<u>52,062</u>	<u>26,468</u>	<u>17,392</u>
				<u>8,742</u>

- 11.1 This represents payable in respect of common expenses incurred by Alfalah Insurance Company Limited on behalf of the Operator.

	OPF		PTF	
	2025	2024	2025	2024
------(Rupees in thousand)-----				
Tracker expense payable	-	-	556	796
Bonus payable	-	80	-	-
Audit fee payable	1,176	1,126	-	-
Sundry expenses payable	869	292	-	-
	<u>2,045</u>	<u>1,498</u>	<u>556</u>	<u>796</u>

11.3 Unclaimed insurance benefits

Others include unclaimed insurance benefits of Rs. 1.29 million (2024: Rs. 1.24 million), aging of which is given below:

	OPF		PTF	
	2025	2024	2025	2024
------(Rupees in thousand)-----				
Claims not encashed				
1 to 6 months	-	-	74	-
7 to 12 months	-	-	175	290
13 to 24 months	-	-	268	354
25 to 36 months	-	-	174	150
beyond 36 months	-	-	596	449
	<u>-</u>	<u>-</u>	<u>1,287</u>	<u>1,243</u>

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 December 2025 (2024: Nil).



	2025	2024
	(Rupees in thousand)	
13 NET CONTRIBUTIONS REVENUE		
Written Gross Contribution	1,131,865	770,379
Less: Wakala Fee	(273,985)	(209,080)
Contribution Net of Wakala Fee	857,880	561,299
Add: Unearned contribution reserve opening	243,803	209,823
Less: Unearned contribution reserve closing	(428,335)	(243,803)
Contribution earned	673,348	527,319
 Re-takaful ceded	278,583	183,302
Add: Prepaid retakaful contribution opening	60,031	34,065
Less: Prepaid retakaful contribution closing	(87,057)	(60,031)
Retakaful expense	251,557	157,336
 Net Contribution	421,791	369,983
14 RETAKAFUL REBATE EARNED		
Rebate on retakaful received	49,380	28,012
Add: Rebate on retakaful opening	6,896	4,234
Less: Rebate on retakaful closing	(16,401)	(6,896)
	39,875	25,350
15 NET CLAIMS - REPORTED / SETTLED		
Benefits / Claims paid	427,088	386,976
Add: Outstanding benefits / claims including IBNR closing	330,269	219,531
Less: Outstanding benefits / claims including IBNR opening	(219,531)	(184,664)
Claims expense	537,826	421,843
 Retakaful and other recoveries received	47,988	50,461
Add: Retakaful and other recoveries in respect of outstanding claims closing	73,760	48,964
Less: Retakaful and other recoveries in respect of outstanding claims opening	(48,964)	(49,015)
Re-takaful and other recoveries revenue	72,784	50,410
 Net Claims Expense	465,042	371,433

15.1 Claim development

The following table shows the development of fire, marine and others including miscellaneous claims over a period of time. The disclosure goes back to the period when the earliest material claim arose for which there is still uncertainty about the amount and timing of the claims payments. For other classes of business the uncertainty about the amount and timings of claims payment is usually resolved within a year. Further, claims with significant uncertainties are not outstanding as at December 31, 2025.

	Accident year					
	2021 and earlier	2022	2023	2024	2025	Total
	------(Rupees in thousand)-----					
Estimate of ultimate claims cost						
At the end of accident year						
with IBNR	16,096	90,424	52,847	50,918	100,143	310,428
One year later	11,844	63,201	57,839	41,597	-	174,481
Two years later	11,739	57,919	55,326	-	-	124,984
Three years later	11,697	55,032	-	-	-	66,729
Four years later	10,690	-	-	-	-	10,690
Five years and beyond	84,709	-	-	-	-	84,709
Current estimate of cumulative claims	95,399	55,032	55,326	41,597	100,143	347,497
Cumulative payments to date	(93,046)	(57,612)	(47,482)	(29,412)	(29,321)	(256,873)
Liability recognized in the statement of financial position	2,353	(2,580)	7,844	12,185	70,822	90,624

16 OTHER DIRECT EXPENSES	2025	2024
	(Rupees in thousand)	
Bank charges	256	100
Tracker expenses	2,148	1,850
	2,404	1,950

17 INVESTMENT INCOME	OPF		PTF	
	2025	2024	2025	2024
(Rupees in thousand)				
Profit on Musharakah Certificate	-	-	-	18,774
Income on Sukuk Bonds	16,731	47,021	26,422	64,419
Unrealised gain on Mutual Funds	-	-	9,143	3,173
Realised gain on Mutual Funds	-	5,144	26,246	4,219
Investment expense	(380)	-	-	-
Dividend income	-	30,153	1,211	21,409
	16,351	82,318	63,022	111,994

18 OTHER INCOME				
	2025	2024	2025	2024
Return on bank balances	3,658	5,949	13,470	15,251
Liabilities written back	-	1,460	283	1,040
	3,658	7,409	13,753	16,291

19 WAKALA FEE	2025	2024
	(Rupees in thousand)	
Gross wakala fee	334,487	220,023
Add : Deferred wakala fee opening	81,528	70,585
Less : Deferred wakala fee closing	(142,030)	(81,528)
Wakala expense	273,985	209,080



19.1 Wakala fee has been charged by OPF to PTF for managing the general takaful operations. Rates of Wakala fee for each class of business have been disclosed in note 4.1.13 to these financial statements.

	Note	2025	2024
20 COMMISSION EXPENSE		(Rupees in thousand)	
Commission paid or payable		58,586	33,318
Add : Deferred commission opening		13,940	9,141
Less : Deferred commission closing		(26,608)	(13,940)
		<u>45,918</u>	<u>28,519</u>

21 GENERAL ADMINISTRATIVE AND MANAGEMENT EXPENSES

Employee benefit cost	21.1	57,168	37,645
Travelling expenses		5,012	5,236
Advertisement and sales promotion		2,689	711
Printing and stationery		2,409	3,319
Depreciation of operating assets		7,040	4,454
Depreciation of right-of-use asset		7,331	4,223
Amortization of intangibles		494	490
Rent, rates and taxes		795	237
Electricity, gas and water		3,472	2,147
Vehicle running expenses		8,556	6,246
Office repairs and maintenance		11,429	9,143
Postages, telegrams and telephone		3,234	2,203
Annual supervision fee		1,811	273
Training and development		1,994	658
Shariah advisory fee		2,723	2,368
Miscellaneous		6,018	3,981
		<u>122,175</u>	<u>83,334</u>

21.1 Employee benefit cost

Salaries allowances and other benefits	54,214	35,462
Charges for post employment benefits	2,954	2,183
	<u>57,168</u>	<u>37,645</u>

21.2 General administrative and management expenses include reverse charge from conventional business to the Operator of Rs. 105.10 million (2024: Rs. 73.03 million) under various heads.

	Note	2025	2024
22 Direct Expenses		(Rupees in thousand)	
Legal and professional fee		2,657	2,275
Auditor's remuneration	22.1	4,507	3,218
Insurance expenses		1,805	1,664
Miscellaneous		558	598
		<u>9,527</u>	<u>7,755</u>

22.1 Auditor's remuneration

Statutory audit fee	344	354
Half yearly review	379	212
Statutory returns	147	115
Certification and sundry services	2,489	1,789
Shariah Compliance report	271	212
Taxation services	820	133
Out of pocket expenses	-	80
Sales tax	57	323
	<u>4,507</u>	<u>3,218</u>



- 22.2** Direct expenses include reverse charge from conventional business of the Operator of Rs. 8.35 million (2024: Rs 6.75 million) under various heads.

	2025	2024
	(Rupees in thousand)	
23 REMUNERATION OF HEAD OF WINDOW TAKAFUL OPERATIONS		
Managerial remuneration	1,875	-
Charge for defined benefit plan	173	-
Contribution to defined contribution plan	93	-
Vehicle allowance	625	-
	<u>2,766</u>	<u>-</u>
	----- (Number) -----	
	<u>1</u>	<u>-</u>

24 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of directors, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The Operator, in normal course of business, carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables and remuneration of head of Window Takaful Operations is disclosed in note 7 and note 23, respectively. Contributions and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan.

	OPF		PTF	
	2025	2024	2025	2024
	----- (Rupees in thousand) -----			

Other transactions with related parties are summarized as follows:

i) Associated undertakings and other related parties

Contribution written	-	-	294,702	222,843
Contribution received	-	-	332,899	254,633
Dividend received	-	5,161	980	6,387
Claims paid	-	-	196,058	150,974
Profit on bank deposits	3,476	5,531	10,826	12,385
Expense charged in respect of retirement benefit plans	-	1,674	-	-
Investment Purchased	-	-	128,394	-
Investment Sold	-	50,113	160,394	-

Key management personnel

Contribution written	-	-	-	17
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ii) Year end balances

Associated undertakings and other related parties

Contribution receivable from related parties	-	-	48,319	25,018
Provision for outstanding claims	-	-	79,789	46,582

25 TAXATION

Current Tax:

Current year	50,689	81,520	22,315	37,625
Prior years	-	-	-	-
	<u>50,689</u>	<u>81,520</u>	<u>22,315</u>	<u>37,625</u>

26 SEGMENT REPORTING - OPF

Each class of business has been identified as reportable segment. The following is a schedule of class of business wise assets, liabilities, revenue and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations 2019:

December 31, 2025						
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	(Rupees in thousand)					
Wakala fee	30,582	13,444	172,325	34,835	22,799	273,985
Commission expense	(13,697)	(8,088)	(23,551)	(739)	157	(45,918)
Management expenses	(15,961)	(4,837)	(66,771)	(25,910)	(8,696)	(122,175)
	924	519	82,003	8,186	14,260	105,892
Investment income - net						16,351
Modarib's share of PTF investment income						17,485
Other income						3,658
Direct expenses						(9,527)
Finance Cost						(3,888)
Profit before tax						129,971
Segment assets	39,770	4,592	116,291	12,292	5,297	178,242
Unallocated assets						85,601
						263,843
Segment liabilities	25,496	314	113,198	2,539	3,148	144,695
Unallocated liabilities						52,224
						196,919
December 31, 2024						
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
	(Rupees in thousand)					
Wakala fee	19,497	8,140	133,011	30,844	17,588	209,080
Commission expense	(8,833)	(4,871)	(14,807)	(84)	76	(28,519)
Management expenses	(8,350)	(2,934)	(43,274)	(22,423)	(6,353)	(83,334)
	2,314	335	74,930	8,337	11,311	97,227
Investment income - net						82,318
Modarib's share of PTF investment income						31,811
Other income						7,409
Direct expenses						(7,755)
Finance Cost						(1,984)
Profit before tax						209,026
Segment assets	23,244	4,459	110,588	1,537	1,784	141,612
Unallocated assets						174,702
						316,314
Segment liabilities	10,627	-	72,487	1,367	1,656	86,137
Unallocated liabilities						29,668
						115,805



27 SEGMENT REPORTING - PTF

Each class of business has been identified as reportable segment. The following is a schedule of class of business wise assets, liabilities, revenue and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, Insurance Accounting Regulations, 2017, Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019:

	December 31, 2025					
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	Total
	(Rupees in thousand)					
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	90,197	30,762	467,041	238,747	68,295	895,042
Federal Excise Duty	(23,621)	(6,246)	(98,306)	(34,373)	(12,663)	(175,209)
Federal Insurance Fee	(1,481)	(450)	(6,191)	(2,400)	(806)	(11,328)
Gross Written Contribution (inclusive of Administrative Surcharge)	147,865	44,813	618,591	240,044	80,552	1,131,865
Gross Direct Contribution	147,865	44,813	618,591	240,044	80,552	1,131,865
	147,865	44,813	618,591	240,044	80,552	1,131,865
Wakala fees	(30,582)	(13,444)	(172,325)	(34,835)	(22,799)	(273,985)
Contribution earned	101,939	44,813	492,348	232,234	75,999	947,333
Contribution ceded to retakaful	(96,855)	(34,865)	(63,182)	-	(56,655)	(251,557)
Net takaful contribution	(25,498)	(3,496)	256,841	197,399	(3,455)	421,791
Net rebate on re-takaful	17,779	7,927	1,389	-	12,780	39,875
Net underwriting income	(7,719)	4,431	258,230	197,399	9,325	461,666
Takaful claims	(31,828)	(19,272)	(246,352)	(207,124)	(33,250)	(537,826)
Takaful claims recovered from retakaful	28,711	14,489	4,697	-	24,887	72,784
Net claims	(3,117)	(4,783)	(241,655)	(207,124)	(8,363)	(465,042)
Other direct expenses	(33)	(10)	(2,288)	(18)	(55)	(2,404)
(Deficit)/Surplus before investment income	(10,869)	(362)	14,287	(9,743)	907	(5,780)
Investment income						63,022
Other income						13,753
Less: Modarib's share of investment income						(17,485)
(Provision) / Reversal for doubtful contributions (net of wakala fee)						(2,072)
Profit before tax						51,438
Segment assets	178,596	11,501	172,628	31,774	57,655	452,154
Unallocated assets						954,218
						1,406,372
Segment liabilities	220,388	32,296	680,830	76,306	65,090	1,074,910
Unallocated liabilities						42,107
						1,117,017



December 31, 2024

Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total
(Rupees in thousand)					

Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)

90,197	30,761	467,040	238,747	68,296	895,041
Federal Excise Duty	(12,225)	(3,361)	(63,004)	(29,385)	(116,965)
Federal Insurance Fee	(772)	(271)	(3,993)	(588)	(7,697)

Gross Written Contribution (inclusive of Administrative Surcharge)

77,200	27,129	400,043	207,289	58,718	770,379
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Gross Direct Contribution

77,200	27,068	399,914	207,289	58,718	770,189
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Facultative inward contribution

-	61	129	-	-	190
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77,200	27,129	400,043	207,289	58,718	770,379
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Wakala fees

(19,497)	(8,140)	(133,011)	(30,844)	(17,588)	(209,080)
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Contribution earned

64,987	27,131	380,032	205,626	58,623	736,399
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Contribution ceded to retakaful

(62,702)	(20,440)	(30,240)	-	(43,954)	(157,336)
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Net takaful contribution

(17,212)	(1,449)	216,781	174,782	(2,919)	369,983
----------	---------	---------	---------	---------	---------

Net rebate on re-takaful

10,260	4,690	463	-	9,937	25,350
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Net underwriting income

(6,952)	3,241	217,244	174,782	7,018	395,333
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Takaful claims

(25,185)	1,544	(195,742)	(173,401)	(29,059)	(421,843)
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Takaful claims recovered from retakaful

23,418	(1,836)	7,171	-	21,657	50,410
--------	---------	-------	---	--------	--------

Net claims

(1,767)	(292)	(188,571)	(173,401)	(7,402)	(371,433)
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Charge of contribution deficiency reserve

-	-	-	-	-	-
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Other direct expenses

(10)	(4)	(1,901)	(8)	(27)	(1,950)
------	-----	---------	-----	------	---------

(Deficit)/Surplus before investment income

(8,729)	2,945	26,772	1,373	(411)	21,950
---------	-------	--------	-------	-------	--------

Investment income

111,994

Other income

16,291

Less: Modarib's share of investment income

(31,811)

(Provision) / Reversal for doubtful contributions (net of wakala fee)

-

Profit before tax

118,424

Segment assets

83,969	10,089	188,472	21,332	34,392	338,254
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Unallocated assets

616,182

954,436

Segment liabilities

85,490	22,666	488,762	37,941	48,017	682,876
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Unallocated liabilities

12,394

695,270



28 RISK MANAGEMENT

The primary objective of the Operator's risk and financial management framework is to protect the Operator's shareholder from the events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognizes the critical importance of having efficient and effective risk management system in place.

The Board of Directors meets regularly to approve any commercial, regulatory and organizational decisions. The Chief Executive Officer under the authority delegated from the Board of Directors defines the Operator's risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets, aligns underwriting and retakaful strategy to the corporate goals, and specifies reporting requirements.

The risks faced by the Operator and the way these risks are mitigated by management are summarized below:

a) Financial risk, categorized into;

- | | |
|------------------|---------------|
| - Credit risk | - note 28.1.1 |
| - Liquidity risk | - note 28.1.2 |
| - Market risk | - note 28.1.3 |

b) Capital adequacy risk - note 28.2

c) Takaful risk - note 28.3

28.1 Financial risk

The Operator's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest / mark-up rate risk and price risk).

The Operator's principal financial risk instruments are financial investments, receivables arising from takaful and retakaful contracts, statutory deposits and cash and cash equivalents. The Operator does not enter into any derivative transactions.

The Operator's financial risk focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Financial risks arising from the Operator's financial assets and liabilities are limited. The Operator consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

28.1.1 Credit risk

Credit risk is the risk that arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Operator attempts to control credit risk by monitoring the following:

- Credit worthiness of counter party;
- Sector wise concentration of counter party; and
- Aging analysis of counter party.

The carrying amount of financial assets which represents the maximum credit exposure, as specified below:

		2025	2024
		(Rupees in thousand)	
Financial assets			
Bank balances	- note 28.1.1.1	265,963	214,270
Takaful / retakaful receivables	- note 28.1.1.3	149,351	145,379
Retakaful recoveries against outstanding claims	- note 28.1.1.3	73,760	48,964
		489,074	408,613

28.1.1.1 The credit quality of Operator's bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating Agency	2025	2024
	Short-term	Long-term		(Rupees in thousand)	
Bank Alfalah Limited	A1+	AAA	PACRA	171,118	169,704
Askari Bank Limited	A1+	AA+	PACRA	45,041	23,927
Meezan Bank Limited	A1+	AAA	VIS	46,148	17,174
Dubai Islamic Bank	A1+	AA	VIS	3,656	3,465
				265,963	214,270

28.1.1.2 The management monitors exposure to credit risk in contribution receivable arising from takaful and retakaful contracts, through regular review of credit exposure and prudent estimates of provision for doubtful receivables.

	2025	2024
	(Rupees in thousand)	
Sector wise analysis of contributions due from policy holders is as follows:		
Financial institutions	83,849	80,489
Manufacturing	14,356	10,639
Personal Goods	249	158
Health & Pharmaceutical	2,360	1,392
Textile & Composite	35,458	37,587
Others including miscellaneous	21,261	13,141
Provision for impairment of receivables from takaful contract holders	(15,747)	(13,814)
	141,786	129,592

The Operator monitors exposure to credit risk in contribution due from policy holders and amount due from co-takaful operators and re-takaful operators through regular review of credit exposure. The amount due from co-takaful operators/companies and re-takaful operators/companies represents low credit risk as they have strong credit ratings and have sound financial stability.

The aging analysis of contributions due from policy holders can be assessed with the following:

	2025			2024		
	Related parties	Others	Total	Related parties	Others	Total
	(Rupees in thousand)					
Up to 1 year	47,859	94,862	142,721	24,598	103,548	128,146
1-2 years	459	9,877	10,336	-	13,199	13,199
2-3 years	-	4,476	4,476	-	2,018	2,018
Over 3 years	-	-	-	-	43	43
	48,318	109,215	157,533	24,598	118,808	143,406

28.1.1.3 The credit quality of amount due from other takaful / retakaful and retakaful recoveries against outstanding claims can be assessed with reference to external ratings as follows:

	Amount due from Takaful / Other retakaful Operators	Retakaful recoveries against outstanding claims	Total
	(Rupees in thousand)		
As at December 31, 2025			
BB+ or above	149,351	73,760	223,111
BBB and BBB+	-	-	-
	149,351	73,760	223,111
As at December 31, 2024			
BB+ or above	145,379	48,964	194,343
BBB and BBB+	-	-	-
	145,379	48,964	194,343

The credit risk of retakaful recoveries against outstanding claims can be assessed with the following aging analysis, estimated in a manner consistent with the provision for outstanding claims, in accordance with the retakaful contracts:

	2025		2024	
	Retakaful recoveries against outstanding claims	Outstanding Claims including (IBNR)	Retakaful recoveries against outstanding claims	Outstanding Claims including (IBNR)
----- (Rupees in thousand) -----				
Up to 1 year	66,019	269,058	35,739	173,948
1-2 years	6,881	42,277	4,040	27,316
2 to 3 years	843	15,774	8,397	13,084
Over 3 years	17	3,160	788	5,183
	73,760	330,269	48,964	219,531

28.1.2 Liquidity risk

Liquidity risk is the risk that the Operator will not be able to meet its financial obligations as they fall due. The Operator's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Operator's reputation. The following are the contractual maturities of financial liabilities based on the remaining period at the reporting date to maturity date.

On the balance sheet date, Operator has cash and bank deposits insignificant change in value of Rs. 28.76 million and Rs. 238.06 million for Operator and Participants' Fund respectively.

The table below summarises the maturity profile of the financial liabilities. The contractual maturities of these liabilities at the year end have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. Financial liabilities not having a contractual maturity are assumed to mature on the expected date on which these liabilities will be settled:

2025 OPF			
Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year
----- (Rupees in thousand) -----			
Re takaful / Co-takaful payables	2,827	2,827	2,827
Other creditors and accruals	52,062	52,062	52,062
	54,889	54,889	54,889
2025 PTF			
Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year
----- (Rupees in thousand) -----			
Outstanding claims including IBNR	330,269	330,269	330,269
Re takaful / Co-takaful payables	155,357	155,357	155,357
Other creditors and accruals	17,392	17,392	17,392
	503,018	503,018	503,018

2024 OPF

	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year
----- (Rupees in thousand) -----				
Re takaful / Co-takaful payables	7,809	7,809	7,809	-
Other creditors and accruals	26,468	26,468	26,468	-
	34,277	34,277	34,277	-

2024 PTF

	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity after one year
----- (Rupees in thousand) -----				
Outstanding claims including IBNR	219,531	219,531	219,531	-
Re takaful / Co-takaful payables	84,972	84,972	84,972	-
Other creditors and accruals	8,742	8,742	8,742	-
	313,245	313,245	313,245	-

28.1.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of change in market prices such as interest rates, foreign exchange rates and equity prices.

The Operator is exposed to market risk with respect to its bank balance deposits.

The Operator limits market risk by maintaining a diversified portfolio of money market and equity market and by continuous monitoring of developments in respective markets. The Operator has formulated a liquidity-risk based investment policy approved by the Board of Directors which contains various guidelines for investment of surplus funds in money market and equity market.

28.1.3.1 Interest rate risk

Interest rate risk is the risk that value of a financial instrument or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. Floating rate instruments expose the Operator to cash flow interest risk, whereas fixed interest rate instrument exposes the Operator to fair value interest risk.

Sensitivity to interest rate risk arises from mismatching of financial assets and liabilities that mature or re-price in a given period. The Operator manages these mismatches through risk management strategies where significant changes in gap position can be adjusted.



At the date of statement of financial position, the interest rate profile of the Operator's significant interest bearing financial instruments was as follows:

		2025			
	Effective Interest rate	Carrying amounts		Carrying amounts	
		Maturity up to one year		Maturity after one year	
		OPF	PTF	OPF	PTF
Financial assets					
Bank balances	7.05% to 9.00%	28,478	237,485	-	-
		2024			
	Effective Interest rate	Carrying amounts		Carrying amounts	
		Maturity up to one year		Maturity after one year	
		OPF	PTF	OPF	PTF
	%	(Rupees in thousand)			
Bank balances	11.85% to 13.65%	7,469	206,801	-	-

As on 31 December 2025, Operator had no financial instrument valued at fair value through profit and loss account.

28.1.3.2 Price risk

Price risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

28.1.3.3 Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Operator, at present, is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

28.2 Capital adequacy risk

The Operator's objective when managing capital is to safeguard the Operator's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development in its businesses.

28.3 Takaful risk

The Operator's takaful activities are primarily concerned with the pricing, acceptance and management of risks from its customers. In accepting risks the Operator is committing to the payment of claims and therefore these risks must be understood and controlled. Disciplined underwriting, encompassing risk assessment, risk management, pricing and exposure control is critical to the Operator's success. The Operator manages these risks through its underwriting strategy, adequate retakaful arrangements and proactive claims handling.

The Operator is facing three kinds of risk in its takaful activities, namely;

- Contribution Risk
- Claim Risk
- Retakaful Risk

- note 28.3.1
- note 28.3.2
- note 28.3.3



28.3.1 Contribution Risk

The takaful strategy aims to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. Pricing is generally based upon risk quality, historical claims frequencies, claims averages, adjusted for inflation and imposition of deductibles. Risk inspection surveys are also conducted before acceptance of larger risks. Underwriting limits and guidelines are in place to enforce appropriate risk selection criteria. For example, the Operator does not offer health takaful to walk-in individual customers. Health takaful is generally offered to corporate customers with a large population to be covered under the policy.

The Operator manages the takaful risk arising from the geographical concentration of risk with the help of various MIS reports generated from the IT system. For this purpose all critical takaful information including address lookups and geocoding is punched into the IT system. For example, for catastrophic aggregates, the IT system assigns precise geographic CRESTA (Catastrophe Risk Evaluating and Standardizing Target Accumulations) codes with reference to the accumulation of sum insured in force at any particular location against natural perils. For Marine risks, complete takaful details, besides sums insured and contributions, like vessel identification, voyage input (sea/air/inland transit), sailing dates, origin and destination of the shipments, per carry limits, etc. are fed into the IT system.

The Operator also monitors concentration of risk by evaluating multiple risks covered in the same geographical location. For fire and property risk a particular building and neighboring buildings, which could be affected by a single claim incident, are considered as a single location. For earthquake risk, a complete city is classified as a single location. Similarly, for marine risk, multiple risks covered in a single vessel voyage are considered as a single risk while assessing concentration of risk.

The following table demonstrates the class wise concentration of risk on the basis of sum insured:

	PTF			
	Gross sum insured		Net sum insured	
	2025	2024	2025	2024
Fire	64%	40%	16%	9%
Marine	20%	33%	21%	23%
Motor	11%	16%	48%	45%
Accident and Health	3%	6%	12%	18%
Others including miscellaneous	2%	5%	3%	5%
	100%	100%	100%	100%

The following table demonstrates the class wise concentration of risk on the basis of contribution :

	Gross contribution written		Net contribution written	
	2025	2024	2025	2024
Fire	13%	10%	1%	1%
Marine	4%	4%	1%	1%
Motor	55%	52%	67%	60%
Accident and Health	21%	27%	28%	35%
Others including miscellaneous	7%	7%	4%	3%
	100%	100%	100%	100%

28.3.2 Claim risk

One of the purposes of takaful is to enable policyholders to protect themselves against uncertain future events. Takaful companies accept the transfer of uncertainty from policyholders and seek to add value through the aggregation and management of these risks. The uncertainty inherent in takaful is inevitably reflected in the financial statements of takaful companies and can be characterized under a number of specific headings, such as;

- Uncertainty as to whether an event has occurred which would give rise to an insured loss.
- Uncertainty as to the extent of policy coverage and limits applicable.
- Uncertainty as to the amount of insured loss suffered by a policyholder as a result of the event occurring.
- Uncertainty over the timing of a settlement to a policyholder for a loss suffered.

Therefore the objective of the Operator is to ensure that sufficient reserves are available to cover these uncertainties and in case of any change in estimation due to further development on uncertainty or change on assumptions, Operator accounts for that change immediately.

Claims provisions are determined based upon previous claims experience, the knowledge of events and the terms and conditions of the relevant policies and on interpretation of circumstances. Particularly relevant is experience with similar cases and historical claims payment trends. It should be emphasized that corroborative evidence obtained from as wide a range of sources as possible also contribute to form the overall estimate. Large claims impacting each relevant business class are generally assessed separately, being measured at the face value of the surveyor's estimates.

Operator has reasonably accounted for claims that have occurred by the end of the reporting period but remain unsettled and for those that may have occurred but have not yet been notified to the operator and those that are not yet apparent to the insured. The Operator's policy for accounting of its claims has been disclosed in note 4.1.11 of these financial statements.

Sensitivity analysis

The risks associated with the takaful contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Operator makes various assumptions and techniques based on past claims development experience. This includes indications such as average claims cost, ultimate claims numbers and expected loss ratios. The Operator considers that the liability for takaful claims recognized in the balance sheet is adequate. However, actual experience will differ from the expected outcome.

As the Operator enters into short term takaful contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. However, some results of sensitivity testing are set out below, showing the impact on profit before tax net of retakaful.

	PTF			
	Underwriting result		Participants' surplus	
	2025	2024	2025	2024
	(Rupees in thousand)			
Fire	3,117	1,767	31	18
Marine	4,783	292	48	3
Motor	241,655	188,571	2,417	1,886
Accident and Health	207,124	173,401	2,071	1,734
Others including Miscellaneous	8,363	7,402	84	74
	465,042	371,433	4,651	3,715

28.3.3 Retakaful risk

The Operator purchases retakaful as part of its risks mitigation program. Retakaful ceded is placed on both proportional and non-proportional basis. The majority of proportional retakaful is quota share reinsurance which is taken out to reduce the overall exposure of the Operator to certain classes of business. Non-proportional reinsurance is primarily excess of loss reinsurance designed to mitigate the Operator's net exposure to catastrophe losses. Retention limits for the excess of loss retakaful vary by product line. The Operator also arranges the local and foreign facultative retakaful as part of its risk management strategy.

Although the Operator has retakaful arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded takaful, to the extent that any retakaful is unable to meet its obligations assumed under such retakaful agreements. The Operator's placement of retakaful is diversified such that it is neither dependent on a single retakaful nor are the operations of the Operator substantially dependent upon any single retakaful contract. Operator's strategy is to seek retakaful with the best combination of financial strength, price and capacity. In compliance of the regulatory requirement, the retakaful agreements are duly submitted with SECP on an annual basis.

* The Operator has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

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29 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the operator is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the operator to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

		Carrying amount			Fair value				
	Note	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
December 31, 2025									
Financial assets - measured at fair value									
Financial assets - not measured at fair value									
	7	149,351	-	-	149,351	-	-	-	-
		73,760	-	-	73,760	-	-	-	-
	9	-	266,252	-	266,252	-	-	-	-
		223,111	266,252	-	489,363	-	-	-	-
Financial liabilities - measured at fair value									
Financial liabilities - not measured at fair value									
	15	-	-	330,269	330,269	-	-	-	-
		-	-	158,184	158,184	-	-	-	-
	11	-	-	69,454	69,454	-	-	-	-
		-	-	557,907	557,907	-	-	-	-

* The Operator has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.



30 NUMBER OF FULL TIME EMPLOYEES

The number of employees of the Operations are as follows:

	2025	2024
Average number of employees during the year	2	1
As at 31 December	2	1

31 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Operator on _____.

32 CORRESPONDING FIGURES

Corresponding figures have been re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-arrangements have been made.




Chairman



Director



Director



Chief Executive Officer

NOTICE OF 20TH ANNUAL GENERAL MEETING

Notice is hereby given that 20th Annual General Meeting of the Shareholders of Alfalah Insurance Company Limited (the “Company”) will be held on Thursday, April 30, 2026 at 11:00 a.m. at the registered office of the Company located at 5 — Saint Mary Park, Gulberg III, Lahore to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 9th Extra Ordinary General Meeting held on August 15, 2025.
2. To receive, consider and adopt the financial statements of Conventional business and Window Takaful Operations for the year ended December 31, 2025 along with the Director’s and Auditor’s report thereon, Shariah Advisor’s Report and Auditor’s assurance report on Compliance with Shariah rules and principles.
3. To declare and approve, as recommended by the Directors, the payment of the final cash dividend of Rs.3 per share i.e. 30% for the year ended December 31, 2025.
4. To consider and approve, as recommended by the Directors, the issuance of 300% bonus shares i.e. three (3) bonus shares for each existing share.
5. To appoint Statutory and Shariah Compliance Auditors of the Company for the year ending December 31, 2026 and to fix their remuneration.

M/s A. F. Ferguson & Company, Chartered Accountants, (a member firm of PwC), being eligible for appointment, have shown their willingness to act as statutory auditors of the Company for the year ending December 31, 2026. The Audit Committee and Board of directors in their respective meetings have suggested and recommended their appointment as external and Shariah Compliance Auditors of the Company for the year ending December 31, 2026.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass following Special Resolution as required under Article 23 of Articles of Association of the Company with or without modification(s):

“RESOLVED THAT the proposed increase in the Authorized Share Capital of the Company from Rs500m divided into 50m ordinary shares of Rs10 each to Rs2,000m divided into 200m ordinary shares of Rs10 each be and is hereby considered and approved.

“FURTHER RESOLVED that such new shares shall rank pari-passu in all respects with the existing ordinary shares.

“FURTHER RESOLVED that that the necessary alteration in the Memorandum of

Association of the Company be and is hereby considered and approved, whereby the existing Clause V shall be substituted with the following new Clause V:

“V. The Authorized Share capital of the Company is Rs. 2,000,000,000 divided into 200,000,000 shares of Rs. 10 each, with rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being with power to increase and reduce the Capital of the Company in such manner as may for the time being be provided by the regulations of the Company”

“FURTHER RESOLVED that the necessary alteration in the Articles of Association of the Company be and is hereby considered and approved whereby the existing Article IV shall be substituted with the following new Article IV:

“IV. The Authorized Share Capital of the Company is Rs. 2,000,000,000 divided into 200,000,000 shares of Rs. 10 each, The minimum subscribed capital of the company shall be Rs. 2,000 Million (Rupees Two Thousand Million). The Company may in its general meeting increase, reduce, consolidate, divide and sub divide, cancel, or otherwise vary the rights of its shares or reorganize its share capital under the law for the time being in force.”

“FURTHER RESOLVED that the Company Secretary be and is hereby authorized to do all acts, deeds and things, take any and all necessary steps to fulfill the legal, corporate and procedural formalities and file all necessary documents/returns as he deems necessary, expedient and desirable to give effect to the above resolution.”

7. To transact any other business with the permission of the Chair.

Attached to this notice of meeting being sent to members is a statement under section 134(3) of Companies Act, 2017 setting forth all material facts concerning the resolutions contained in item No.6 of the notice which will be considered for adoption at the Meeting.

Date: April 8, 2026
Lahore

By order of the Board
Adnan Waheed
Company Secretary

EXPLANATORY STATEMENT REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

1. This statement sets out the material facts pertaining to the Special business to be transacted at the Annual General Meeting of the Company to be held on April 30, 2026.
2. Item 6 regarding increase in authorized capital:

The Company presently has an Authorized Share Capital of Rs500m divided into 50m ordinary shares of Rs10 each, which are fully subscribed and paid up. To comply with SECP Circular No. 310(I)/2025 dated March 3, 2025, the Company must increase its Authorized Share Capital from Rs500m to Rs2,000m.

The Board of Directors, in their meeting held on February 13, 2026, have already considered and recommended increasing the Authorized Share Capital of the Company from Rs500m to Rs2,000m. The increased Authorized Share Capital will be divided into 200m Ordinary Shares of Rs10 each.

Accordingly, it is proposed to the Shareholders to approve an increase in the Authorized Share Capital in accordance with Article 23 of the Articles of Association of the Company and Section 85 of the Companies Act, 2017, from Rs500m to Rs2,000 million, divided into 200m Ordinary Shares of Rs. 10 each.

NOTES

- 1) The Share Transfer Books of the Company will be closed from April 24, 2026 to April 30, 2026 both days inclusive.
- 2) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as a proxy to attend and vote instead of him/her.
- 3) Every proxy shall be appointed in writing under the hand of the appointer or by an agent duly authorized under the Power of Attorney or if such an appointer is a company or corporation under the Common Seal of the company or corporation or the hand of its Attorney who may be the appointer.
- 4) The instrument of proxy to be effective must reach the Company's registered address at 5-Saint Mary Park, Gulberg III, Lahore not less than 48 hours before the time for holding of the Meeting.
- 5) In the case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
- 6) The signature on the instrument of proxy must conform to the specimen signature recorded with the Company.
- 7) The proxy shall produce his/her original CNIC or original passport at the time of the Meeting.
- 8) Shareholders are requested to notify the change in their address, if any, to the Company Secretary.
- 9) SECP vide SRO No. 787(I)2014 dated 8th September 2014 has allowed companies to circulate the audited financial statements and notice of Annual General Meeting to shareholders through their email address subject to their written consent. Desiring shareholders are requested to provide their complete email address through a duly signed letter along with a copy of valid CNIC or passport. Shareholders are also required to notify immediately of any change in email address in writing to the Company Secretary.

[illegible]

[illegible]

The Company Secretary
Alfalah Insurance Company Limited
5-Saint Mary Park, Gulberg III, Lahore

Signed this _____ day of _____

Signature:

Name:.....

Holder of Ordinary Shares

1. Signature :

Name :

Address :

CNIC/PP No :

2. Signature :

Name :

Address :

CNIC/PP No :

پراکسی فارم

کمپنی سیکرٹری
الفلاح انشورنس کمپنی لمیٹڈ
۵۔ سینٹ میری پارک، گلبرگ ۱۱۱ لاہور۔

”میں / ہم _____ ساکن _____ بحیثیت رکن الفلاح انشورنس کمپنی لمیٹڈ
بزرگ ہذا مسمیٰ _____ ساکن _____ کو یا ان کی عدم دستیابی
کی صورت میں مسمیٰ _____ ساکن _____ کو میری / ہماری جانب سے پراکسی
مقرر کر رہا ہوں تاکہ وہ الفلاح انشورنس کمپنی لمیٹڈ کے _____، ۲۰۲۶ء بوقت ۱۱:۰۰ بجے صبح کمپنی کے رجسٹرڈ آفس ۵۔ سینٹ میری پارک،
گلبرگ ۱۱۱ لاہور میں منعقد ہونے والے سالانہ اجلاس عام یا اس کے التوائی اجلاس میں میری / ہماری طرف سے شرکت کر سکے یا ووٹ دے سکے۔“

دستخط: _____

نام: _____

حامل _____ عام حصص

دستخط بروز _____ بتاریخ _____ ۲۰۲۶ء

گواہان:

۱. دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی / پاسپورٹ نمبر: _____

۲. دستخط: _____

نام: _____

پتہ: _____

سی این آئی سی / پاسپورٹ نمبر: _____

ALFALSH INSURANCE NETWORK

Head Office:

5-Saint Mary Park, Gulberg III, Lahore.
UAN: 111-786-234 Fax: +92-42-35774329
E-mail: afi@alfalahinsurance.com
Web: www.alfalahinsurance.com

Lahore Main Branch:

5-Saint Mary Park, Gulberg III, Lahore.
UAN: 111-786-234 Fax: +92-42-35774329
E-mail: afilul@alfalahinsurance.com
Web: www.alfalahinsurance.com

Lahore City Branch:

5-Saint Mary Park, Gulberg III, Lahore.
UAN: 111-786-234 Fax: +92-42-35774329
E-mail: afilul@alfalahinsurance.com
Web: afilcb@alfalahinsurance.com

Faisalabad Office:

P-72/2. Ching Plaza, 4th Floor
Liaqat Road. Faisalabad.
Tel: 092-41-111-786-234, +92-41-2606131-3
Fax: +92-41-2646969
E-mail: afi.fbd@alfalahinsurance.com

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Markaz 1-8. Islamabad.
Tel: +92-51-4864695-98 Fax: +92-51-4862596
E-mail: afi.isl@alfalahinsurance.com

Multan Office:

10-A, 2nd Floor, Tehsil Chowk, Bosan Road, Multan.
Phone # 061-6211446-8 Fax # 061-6211449
E-mail: afi.mul@alfalahinsurance.com

Peshawar Office:

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Peshawar Cantt, Peshawar,
Tel: +92-91-111-786-234, +92-91-5253901-3
Fax: +92-91-5253964
E-mail: afi.pwr@alfalahinsurance.com

Gujranwala Office:

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G.T. Road, Gujranwala.
Tel: +92-55-3820863-5 Fax: +92-55-3820867
E-mail: afi.guj@alfalahinsurance.com

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E-mail: afi.skt@alfalahinsurance.com

Raheem Yar Khan

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South Zone

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GLOBALCARE
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