



Reliance Insurance
Company Limited



Window Takaful

ANNUAL REPORT 2025

SERVING RELIABLY

Reliance Insurance Company Limited

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COMPANY INFORMATION

Board Of Directors

Chairman
Irfan Zakaria Bawany

Directors

Muhammad Omar Bawany
Ahmed Ali Bawany
Noor M. Zakaria
Zia Zakaria
Muhammad Patel
Naeem Ahmed Shafi
Tasneem Yusuf
Jahangir Adam

Chief Executive & Managing Director

A. Razak Ahmed

Chief Financial Officer

Ghulam Haider

Company Secretary & Compliance Officer

Faraz Abdul Razak

Audit Committee

Tasneem Yusuf Chairperson
Irfan Zakaria Bawany Member
Muhammad Omar Bawany Member

Investment Committee

Irfan Zakaria Bawany Chairman
Ahmed Ali Bawany Member
Tasneem Yusuf Member
Muhammad Patel Member
A. Razak Ahmed Member
Muhammad Salim Memon Secretary

Ethics, Human Resource & Remuneration Committee

Naeem Ahmed Shafi Chairman
Irfan Zakaria Bawany Member
Noor M. Zakaria Member
A. Razak Ahmed Member

Credit Rating

A++ By VIS & Pacra
Outlook "Stable"

Auditors

BDO Ebrahim & Co.
Chartered Accountants

Legal Advisor

Irfan Advocate

Shari'ah Advisor

Mufti Muhammad Farhan Farooq

Bankers

Habib Bank Limited
Mcb Bank Limited
Allied Bank Limited
Soneri Bank Limited
Bank Alfalah Limited
National Bank Of Pakistan
Meezan Bank Limited
Dubai Islamic Bank
Mcb Islamic Bank Limited
United Bank Limited
The Bank Of Punjab
Faysal Bank Limited
Habib Metropolitan Bank Limited
Js Bank Limited
The Bank Of Khyber
Bank Islami Pakistan Limited

Registered Office

96-a, Sindhi Muslim Co-operative
Housing Society, Karachi.

Head Office

Reliance Insurance House, 181-A,
Sindhi Muslim Co-operative Housing
Society, P.O. Box No. 13356,
Karachi-74400.
Phone : 92-21-34539415-17
Fax : 92-21-34539412
E-mail : info@relianceins.com
Website: www.relianceins.com



Shares Registrar

M/s. C&k Management
Associates (Pvt.) Ltd.
M-13, Progressive Plaza
Civil Lines Quarter,
Beaumont Road, Karachi-75530.
Tel: (021) 35687839 & 35685930



VISION

To be recognized as a professional and dependable business entity committed to play a meaningful role in the development of insurance industry in Pakistan and to safeguard the legitimate interests of all stakeholders, namely policy-holders, share-holders, reinsurers, employees and all other business associates / partners.

MISSION

To provide quality service and protection to its clients aiming at achieving a respectable volume of business and become a prominent player through good governance and sound professionalism focusing to become a well-known and respected Corporate entity in the eyes of Society and Government.



CODE OF CONDUCT

Reliance Insurance Company Limited (RICL) is engaged in general insurance business with the objective to achieve sustainable productivity, profitability and high standards of service. The Company solemnly believes in the application of business ethics as have been embodied in this document.

- The credibility, goodwill and repute earned over the years can be maintained through continued conviction in our corporate values of honesty, justice, integrity and respect for people. The Company strongly promotes trust, openness, teamwork and professionalism in its entire business activities.
- The Company conducts its business in accordance with all applicable laws and Regulations.
- RICL recognizes following obligations, which need to be discharged with best efforts, commitment and efficiency:
 - Safeguarding of shareholders' interest and a suitable return on equity.
 - Service to customers / policyholders by providing products, which offer value in terms of price, quality, safety and honest and fair dealing with people and organization.
 - Respect human right, provide congenial working environment, offer competitive terms of employment, develop human resource and be an equal opportunity employer.
 - Seek mutually beneficial business relationship with policyholders, business development staff / officers, investment partners and Banks.
 - The Company believes that profit is essential for business survival. It is a measure of efficiency and the value that the customer place on services provided by the Company.
 - The Company requires honesty and fairness in all aspect of its business and in its relationships with all those with whom it does business. The direct or indirect offer, payment, soliciting and accepting of bribe in any form are undesirable.
- The Company requires all its employees to essentially avoid conflict of interest between private financial activities and their professional role in the conduct of Company business.
- The Company does not support any political party or contributes funds to group having political interests. The Company will however, promote its legitimate business interests through trade associations.
- The Company, consistent with its priority, has the approach for protecting the health and safety of employees at the work-place.
- All employees are duty-bound to make business decisions in the best interest of the Company and not based on their personal interest and are obliged to protect all the assets including software and use all such properties for the exclusive benefit of the Company only.
- The Company is committed to observe laws of Pakistan and is fully aware of its social responsibility. It would assist the community in activities such as training programs, skills development and employment within the parameters of its commercial objectives.
- The Company supports free market system. It seeks to compete fairly and ethically within the framework of applicable competition laws in the country. The Company will not stop others from competing freely with it.
- In view of the critical importance of its business and impact on national economy, the Company provides all relevant information about its activities to legitimate interested parties, subject to any overriding constraints of confidentiality and cost. The members of RICL are forbidden to pass on inside information at any time or to any other person inside or outside the Company.

COMPANY PROFILE



Reliance Insurance Company Limited (RICL) was incorporated in 1981 with a Share Capital of Rs.2.5 Million by two prominent industrialist groups in Pakistan. Al-Noor Group and Amin Bawany Group. Al-Noor Group, was led by (Late) Mr. Ismail H. Zakaria and Amin Bawany Group, founded by (Late) Mr. Mohammed Amin Ahmed Bawany, were known for their successful implementation of numerous industrial and commercial projects.

RICL has earned a strong reputation and is recognized as one of the most reputable and distinguished names in the sector. Its Head Office is in Karachi, Pakistan, and boasts an extensive and dynamic branch network covering major cities and towns throughout the country. This widespread presence ensures that the company can provide prompt service to its customers, no matter where they are located.

Reliance Insurance underwrites all classes of General Insurance / Takaful and enjoys reputation second to none. Apart from the traditional covers such as Fire, Marine (Import & Exports), Motor Vehicles, Personal & Group Accident, Workmen's Compensation, Burglary, Cash-in-Safe or in Transit etc., it also transacts non-traditional covers such as Machinery Breakdown, Terrorism &

Sabotage, Contractors All Risks, Erection All Risks, Bonds, Products liability, Director's & Officer's Liability, Aviation and the like.

The Company's results are consistently improving and yielding profits. The Present Authorised Capital of the Company is Rs.1,500 Million while Paid-up Capital increased to Rs.1,004.723 million. General Reserve to Rs.400 million & the Shareholders' equity to Rs.2,083.233 million.

Since its establishment Reliance has progressed smoothly and steadily. Its Gross Premium Income has increased from Rs. One Million in 1983 to Rs.1,482.761 million (inclusive of Takaful Contribution) at the end of the year 2025 and the Technical Reserves increased to Rs.895.693 million.

RICL has an excellent Treaty Reinsurance arrangement under the lead of world's renowned reinsurer namely Swiss Re.

VIS Credit Rating Company Ltd & Pakistan Credit Rating Agency Ltd - both the rating agencies have assigned Financial Strength Rating (IFSR) of the Company at "A++" and outlook on the assigned Rating is "Stable".

PROFILE OF THE BOARD OF DIRECTORS



Irfan Zakaria Bawany
Chairman

Mr. Irfan Zakaria Bawany was unanimously elected Chairman of Reliance Insurance Co. Ltd. In the Board of Directors meeting held on 28th August 2025. Mr. Bawany is associated with Reliance Insurance since 1991. He is CEO of Anam Fabrics (Pvt.) Ltd and Director of Faran Sugar Mills Ltd. Since August-2023, he is also serving as an independent Director on the Board of Pakistan Aluminium Beverage Cans Limited. He has been on the Board of Pioneer Cables Ltd. from 1983 to 1991. Mr. Bawany has diversified experience in Electrical Cable Manufacturing and Textile made ups business. After receiving a B.B.A. (accounting) from The University of Houston, USA, he was certified as a Fellow Member of the Texas Society of Certified Public Accountants. He is also a certified Director from Pakistan Institute of Corporate Governance (P.I.C.G.).



Muhammad Omar Bawany
Director

Mr. Muhammad Omar Bawany is a Non-Executive Director of Reliance Insurance Company Limited since 1995. He acquired his early education from Karachi American School and then went to American College of Switzerland and obtained Associate Degree in Business Studies. He has extensive experience in Woolen, Textile and Sugar Industry and under his wise management Annoor Textile Introduced Fancy yarn in Pakistan for gents suiting (Kamiz Shalwar). He is on the Board of Directors of Faran Sugar Mills Limited since 1984 become Vice Chairman in 2000 and is Chairman of the Company from 2016. He is also Director of B.F. Modaraba and Unicol Limited. He is Managing Trustee of Aisha Bawany Talimul Quran Trust and Trustee in Aisha Bawany School and Memon Hospital. He is also Chairman of the World Memon Foundation Trust.



Ahmed Ali Bawany
Director

Mr. Ahmed Ali Bawany is a Non-Executive Director of Reliance Insurance Company Limited since 2001. He got his schooling from CAS, Karachi. He pursued his higher education from USC (University of Southern California) USA and got his Bachelor of Science degree in the field of business entrepreneurship. He is serving as CEO of Faran Sugar Mills since 2007. He has also served as Chairman of Pakistan Sugar Mills Association, Sindh Zone in the year 2014 and again elected as Chairman, PSMA-SZ for the term of 2020-21. He is also the Chairman of B.F. Modaraba. He is actively involved in Unicol Ltd in the capacity of director, which is a Joint Venture company between Faran, Mehran and MirpurKhas Sugar Mills engaged in the production and marketing of Sugar, Ethanol, Anhydrous Ethanol and food grade Co2. He also serves as Director on the board of UniEnergy. He is a Certified Director from Pakistan Institute of Corporate Governance (P.I.C.G.).

PROFILE OF THE BOARD OF DIRECTORS



Noor Mohammad Zakaria
Director

Mr. Noor Mohammad Zakaria is a Non-Executive Director of Reliance Insurance Co. Ltd since 2003. He has over 45 Years of diversified industrial and commercial experience. He is B.A.(Hons) from University of Karachi. He is Chairman of the Board of Directors of Shahmurad Sugar Mills Limited and Managing Director / CEO of Al Noor Sugar Mills Limited.



Zia Zakaria
Director

Mr. Zia Zakaria is Chairman of Alnoor Sugar Mills Ltd. and First Alnoor Modaraba and Managing Director / CEO of Shahmurad Sugar Mills Ltd. He has over 31 years of diversified experience including operations and projects. He joined the group after completing his Bachelors in Science with Major in Finance & Marketing from Syracuse University, N.Y, and since then has been actively involved in the affairs of the Alnoor group with complete commitment & dedication. Mr. Zia Zakaria was Director of Reliance Insurance previously from 1986 to 1998.



Muhammad Patel
Director

Mr. Muhammad Patel is the Managing Director of Patel Group Holding, a prominent real estate development group with a legacy spanning over four decades. The group has developed a diverse portfolio across residential, commercial, and industrial projects, with a strong emphasis on legal transparency and timely project delivery-key factors in building long-term credibility in Pakistan's real estate sector. Mr. Patel is closely involved in the group's strategic planning, development initiatives, and expansion into new projects and markets.

In addition to his role in real estate, Mr. Patel serves as a Trestee of Patel Hospital, a 300-bed fully charitable tertiary care institution in Gulshan-e-Iqbal, Karachi, where he contributes to governance and strategic oversight.

Mr. Patel is a member of the Executive Committee of the Association of Builders & Developers of Pakistan (ABAD) and also serves on the Board of the Entrepreneurs' Organisation (EO), Karachi Chapter, as well as the Old Grammarians Society. Through these roles, he remains actively engaged in industry development, policy dialogue, and entrepreneurial leadership.

He holds a Bachelor's degree in Business Administration from the Schulich School of Business, Toronto Canada and is a Certified Director from the Institute of Chartered Accountants of Pakistan (ICAP).



Naeem Ahmed Shafi
Director

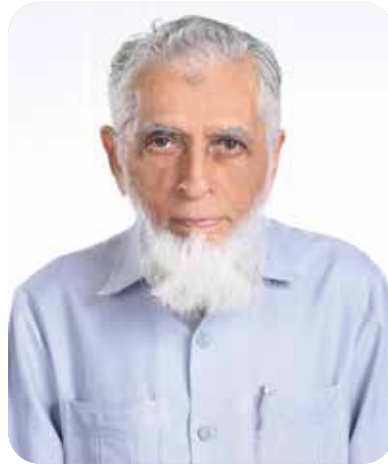
Mr. Naeem Ahmed Shafi has more than 25 years of rich experience in textiles industry. He is a Bachelor of Commerce from University of Karachi. He is Managing Director and CEO of International Knitwear Limited.

PROFILE OF THE BOARD OF DIRECTORS



Tasneem Yusuf
Director

Ms. Tasneem Yusuf is a chartered accountant from ICAP and a fellow member of ACCA and a CPA. She has worked for Unilever Pakistan, Deloitte M.E and Nasdaq Dubai. Since 2009, she has been associated with her family practice where she now heads the audit and assurance services department. She sits on the board of Ismail Industries (Pvt.) Limited, B.F. Modaraba, Faran Sugar Mills Limited, Trading Corporation of Pakistan (Private) Limited and Pakistan Industrial Development Corporation. She is also a member of the Auditing Standards & Ethics Board of ICAP. She is a certified director from the Pakistan Institute of Corporate Governance (PICG).



Jahangir Adam
Director

Mr. Jahangir Adam is M.Com & LLB. He has professional qualification of FITM Chartered Secretary. Presently he is serving as the Chief Financial Officer and Company Secretary at Sind Particle Board Mills Limited. He has diversified experience of portfolio of CFO/Company Secretary in Annoor Textile Mill Ltd and B.F. Modaraba.



A. Razak Ahmed
Chief Executive & M.D.

Mr. A. Razak Ahmed is the Chief Executive Officer/Managing Director of the Company since 1st November 1995. He has over 46 years of extensive and varied experience-both in public & private sectors. Prior to joining Reliance he had worked with Adamjee Insurance, Pakistan Insurance Corporation (now PRCL) National Insurance Corporation & Premier Insurance Company. He has been on the Executive Committee of the Insurance Association of Pakistan (IAP) several times and had also been the Chairman of Accident & Fire Committees for several terms, beside being Council Member of the Karachi Insurance Institute and member standing committee on Banking and Insurance of the Federation of Pakistan Chamber of Commerce & Industry. He is a Commerce Graduate and a fellow of the Chartered Insurance Institute (FCII) London. He is a Chartered Insurer



OUR SERVICES

Reliance Insurance underwrites all classes of General Insurance and enjoys reputation second to none. Apart from Conventional General Insurance RIC has also commenced its General Takaful operations in the year 2016.



**General Insurance
(Conventional)**

Reliance Insurance commenced its general insurance business in 1981 and it underwrites all classes of traditional and non-traditional lines.

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



**General Takaful
(Islamic)**

Takaful is an Islamic alternate of Insurance and is growing steadily. Reliance Insurance commenced its Window Takaful Operations in June 2016 under the guidance of renowned, qualified and certified Sharia Scholars.

Reliance Takaful is offering a wide range of Sharia Compliant General Takaful Products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Takaful (Private / Commercial Vehicles), Engineering Takaful, (MBD, CAR, EAR), Money Takaful, Liability (Public & Private) Takaful and Personal & Group Accident Takaful, etc.

FIRE & PROPERTY INSURANCE

Fire and Allied Perils Insurance

Reliance Insurance provides comprehensive Fire and allied perils insurance at most competitive rates. The standard Fire policy covers loss and/or damage to the property caused by Fire &/or Lightning. The basic Fire policy can be extended to cover a number of additional risks commonly known as 'allied perils' like Riot and Strike Damage, Malicious Damage, Explosion, Atmospheric Disturbances, Earthquake Fire and Shock, Impact Damage, Aircraft Damage, and Burglary.

The property insured under fire policy normally includes Buildings (Industrial, Commercial, Residential, Offices, Factories & Warehouses), Plant & Machinery of all kind, Stocks of all kind (stocks-under-process, raw materials, and finished goods).

Consequential Loss Due to Fire and Allied Perils

Reliance Insurance also provides this coverage in conjunction with Fire Policy. It provides protection against Loss of Profit incurred as a result of business interruption or interference in business caused by an event indemnifiable under Fire policy.



MARINE CARGO INSURANCE

Reliance Insurance provides most comprehensive Marine Cargo insurance at most competitive rates.

Marine insurance provides coverage for losses to cargo during transit as per Institute Cargo Clauses 'A', 'B' or 'C'. Marine Cargo insurance provides protection to Imports & Exports of goods by any mode of transport i.e. by Sea, by Air or by Road/Rail.

Marine Inland Transit insurance policy provides comprehensive coverage to protect goods in transit within the territory of Pakistan by any mode of transport i.e., by Air or by Road/Rail.



MOTOR INSURANCE

Reliance Insurance provides most comprehensive coverage against accidental damage to the motor cars, motorcycles, commercial vehicles and other special purpose vehicles. Following are major types of Motor insurance:

Comprehensive Motor Policy (Private Vehicles)

Our Motor insurance provides protection against losses incurred as a result of theft, accidents, riots, malicious damage and against liability that could be incurred in an accident. This policy can be extended to include accidental personal injuries and death of Driver and Passengers.

Commercial Vehicles

We also insure Motor vehicles used for trade / commercial purposes and classified as Commercial Vehicles such as Trucks, Trailers, Buses, and Wagons / Vans and providing protection against losses incurred as a result of theft, accidents, riots, malicious damage and against liability that could be incurred in an accident.

Third Party Liabilities Insurance

To meet requirement by law under Motor Vehicle Act 1939 in respect of legal liability to pay damages to any third party(ies) arising out of accidents, the following policies are also available under this category:

Act Liability Only: it provides coverage in respect of liability incurred through death or injury to a third party. This is minimum legal cover available under the law.

Third Party Liability Only: it provides coverage as above plus damage to third party property.



AVIATION INSURANCE

Reliance Insurance is amongst the few Pakistani insurance companies who offer aviation insurance to the commercial airlines as well as private jets. Our aviation insurance plan provides comprehensive cover to insured against accidental damage to Aircraft Hull & Spares, Hull War & Allied Perils, Aviation Legal Liabilities, Loss of License to pilots, Aircraft's Ferry Flight insurance, Crew Legal Liabilities, Airport Operators Legal Liability insurance.

Reliance Insurance is privileged to have excellent relations with globally renowned and reputed professional aviation reinsurers and brokers who extend most comprehensive and competitive terms and best services.



ENGINEERING INSURANCE

Engineering risk usually provides coverage for Machinery Break-Down insurance, Contractor's All Risks insurance, Contractor's Plant & Machinery insurance, Erection All Risks insurance, and Comprehensive Machinery insurance.

Engineering policies mainly cover operational losses of plant & machinery and projects of various kinds. It covers damage or breakdown of plant & machinery or its specific items. Engineering policies also cover the contractor against the risks of the projects own damages and legal third party(ies) liabilities.

Extended cover for loss of profits and standing charges following machinery breakdown is also available.



BONDS & SURETY INSURANCE

Contractor undertaking the construction of public works like buildings, roads, bridges, dams, civil works etc. usually require to furnish guarantees / bonds for the fulfillment of their contractual obligations to the principals.

Traditionally Bid Bonds, Advance Payment / Mobilization Bonds, Performance Bonds, Maintenance Bonds and Customs & Excise Bonds are available.



MISCELLANEOUS & OTHERS

A wide range of products are available under Miscellaneous & Others insurance which includes, but not limited to, Products Liability Insurance, Professional Indemnity Insurance, Group / Personal Accident Insurance, Employer's Legal Liability Insurance, Workmen Compensation Insurance, Fidelity Guarantee Insurance, Public Liability Insurance, Third Party Liability Insurance, Directors & Officers Liability Insurance, Travel Insurance, All Risks Insurance, House-breaking & Burglary Insurance, Money Insurance (Cash in Safe & Cash in transit), Plate Glass Insurance and Baggage Insurance etc. are available.



WINDOW TAKAFUL OPERATIONS

The Company commenced its Window Takaful Operations in June 2016 which has been widely appreciated by the business fraternity, Islamic banks and financial institutions. Its operations are being managed by a team of well experienced, dedicated & competent professionals.

“**Reliance Takaful**” is operating under the guidance of renowned, qualified and certified Sharia Scholars. Our Takaful model is WAQF based; the concept of brotherhood and mutual solidarity in Islam.

Reliance Takaful is offering a wide range of Shariah Compliant General Takaful products such as Fire & Property Takaful, Marine Cargo Takaful, Motor Vehicles Takaful, Engineering Takaful and Miscellaneous Accident Takaful. A brief of major takaful products is as under:-

- **Fire Takaful** provides loss or damage to the property caused by Fire &/or allied perils. The basic Fire takaful is extendable to cover allied perils such as Riots & Strikes Damage, Malicious Damage, Atmospheric Disturbances, Earthquake Fire & Shock, Explosions, Aircraft Damages, Impact Damages and Burglary.
- **Marine Takaful** covers losses to cargo during transit as per Institute Caro Clauses ‘A’, ‘B’ or ‘C’ by all means of transport like by Sea, by Air or by Road/Rail.
- **Motor Takaful** provides coverage against any loss / damage to motor vehicles (private & commercial) due to road accidents, theft & burglary, snatching by violent means, riot & strike damage and third party liability (Bodily Injury and property damage). This cover can be extended to include accidental injuries and death of Driver and Passenger(s).
- **Engineering Takaful** mainly covers plant & machinery and projects and provides coverage for Contractor’s All Risks, Contractor’s Plant & Machinery, Erection All Risks, Machinery Breakdown Insurance and Comprehensive Machinery Insurance etc.
- **Miscellaneous & Others:** A wide range of products available under Miscellaneous Takaful which includes, but not limited to, Money takaful (Cash in Safe & Cash in transit), Plate Glass takaful, Group / Personal Accident takaful, Workmen Compensation, Public Liability, Third Party Liability, House-breaking & Burglary and All Risks Takaful.



NOTICE OF THE FORTY-FORTH ANNUAL GENERAL MEETING

Notice is hereby given that the **44th Annual General Meeting** of the Shareholders of **RELIANCE INSURANCE COMPANY LIMITED** will be held on Thursday the 30th April, 2026 at 12.30 p.m. at the Head Office of the Company at **RELIANCE INSURANCE HOUSE 181-A Sindhi Muslim Cooperative Housing Society near Mehdi Tower, off: Sharah-e-Faisal, Karachi**, through in-person and video link facility to transact the following business:

ORDINARY BUSINESS:

1. To confirm the Minutes of the 43rd Annual General Meeting of the Company held on 30th April, 2025.
2. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st December, 2025 together with Chairman's Review, Directors' and Auditors' Reports thereon.
3. To appoint Auditors of the Company and fix their remuneration for the year ending December 31, 2026. The Board of Directors and Audit Committee have recommended the appointment of M/s. BDO Ebrahim & Co., Chartered Accountants for re-appointment as Auditors.

SPECIAL BUSINESS:

4. To consider and, if thought fit, pass with or without modification, the following resolutions as special resolutions:

Resolved:

4.1. "that the authorized capital of the Company be and is hereby increased from Rs.1,500,000,000/- (Rupees One Billion and Five Hundred Million only) to Rs.2,000,000,000 (Rupees Two Billion only) by creation of 50,000,000 (Fifty million) new ordinary shares of Rs.10/- each."

Further Resolved:

4.2. "that the Memorandum and Articles of Association of the Company be and are hereby altered by substituting the figures and words of Rs.1,500,000,000 (Rupees One Billion and Five Hundred Million only) divided into 150,000,000 (One Hundred and Fifty million) ordinary shares of Rs.10/- each appearing in Clause V of the Memorandum of Association and Article 4 of the Articles of Association with the words and figures of Rs.2,000,000,000 (Rupees two billion only) divided into 200,000,000 (Two hundred million) ordinary shares of Rs.10/- each."

Further Resolved:

4.3. "that the ordinary shares when issued shall carry equal voting rights and rank pari passu with the existing ordinary shares of the Company in all respect / matters in conformity with the provisions of the Companies Act, 2017."

Further Resolved:

4.4. "that the Chief Executive Officer, Chief Financial Officer and Company Secretary be and are hereby authorized singly to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities and to file requisite documents with the Registrar to effectuate and implement the aforesaid resolutions."

5. To consider and approve the issuance of bonus shares @ 30% i.e. 30 ordinary shares for every 100 ordinary shares held, out of Company's profit for the year ended December 31, 2025 as recommended by the Board of Directors by passing the following Ordinary Resolutions:

To consider and if thought fit to pass with or without modification the following resolutions:

Resolved

"that a sum of Rs.301,416,910/- out of Company's profit be capitalized and applied for issue of 30,141,691 ordinary shares of Rs.10 each and allotted as fully paid up shares to those members whose name appear in the members register of the Company at the close of business on 07th April, 2026 in the ratio of 30 shares for every hundred shares held."

Further Resolved

"that Bonus shares forming part of such fraction holding which is not in exact multiple of 30:100 shares will be sold in the Stock Market and to pay the proceeds of sale thereof, when realized, to a Charitable Institution.

Further Resolved

"that for the purpose of giving effect to the foregoing, the Chief Executive, Chief Financial Officer and Company Secretary be and is hereby authorized to give such directions as may be necessary and as they deem fit to settle any questions or any difficulties that may arise in the distribution of the said new shares or in the payment of sale proceeds of the fractional shares".

6. To transact any other business with the permission of the Chair.

The Share Transfer Books of the Company for the entitlement of Bonus Shares, will remain Closed on 08th April 2026. Those members whose name appear in the members register of the Company at the close of business on 07th April 2026 will be entitled of bonus shares.

The Share Transfer Books of the Company to attend, speak and vote at the annual general meeting will remain Closed from 22nd April, 2026 to 30th April, 2026 (both days inclusive). Those members whose name appear in the members register of the Company at the close of business on 21st April 2026 will be entitled to attend the meeting.

By order of the Board



FARAZ ABDUL RAZZAK
Company Secretary

Karachi: 01st April, 2026

NOTES:

1. Participating in the AGM proceedings via physical presence or through video link facility:

- AGM will be held through Zoom application – a video link facility.
- The notice will also be uploaded on the website of the Company.
- Shareholders interested in attending the AGM through Video Link (Zoom) will be requested to get themselves registered with the Company Secretary office at least two working days before the AGM at faraz.ahmed@relianceins.com by providing the following details:

Name of Shareholder:	CNIC No. :	Folio No. /CDS folio No:	Cell No:	Email address:

Login facility will be opened thirty minutes before the meeting time to enable the participants to join the meeting after identification process. Shareholders will be able to login and participate in the AGM proceedings through their devices after completing all the formalities required for the identification and verification of the shareholders.

- Shareholders may send their comments and suggestions relating to the agenda items of the AGM to the Company Secretary office at least two working days before the AGM, at above given email address, WhatsApp or SMS on 0333-2661981. Shareholders are required to mention their full name, CNIC No and Folio/CDS No. for this purpose.
 - Shareholders will be encouraged to participate in the AGM to consolidate their attendance and participate through proxies.
- A member of the Company entitled to attend and vote may appoint any other member as his/her proxy to attend and vote on his/her behalf. PROXIES MUST BE RECEIVED AT THE HEAD OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
 - CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting:

- In case of individuals, the account holder or sub-account holder and/or person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall authenticate his identity by showing his Original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- In 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.

B. For appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii) Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The proxy shall produce his original CNIC or Original Passport at the time of the meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.
4. The shareholders of the Company have approved in the 41st Annual General Meeting of the Company held on April 27, 2023 to circulate the Annual Report of the Company to the members through QR enabled code and weblink. The Annual Report – 2025 can be accessed through the following weblink or QR Code.

Weblink : <https://relianceins.com/public/assets/downloads/financial-reports/2025/RIC-BS-2025-04.pdf>



5. ELECTRONIC TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS AND NOTICES

Pursuant to Notification vide SRO. 787(1)/2014 of September 8, 2014, the SECP has directed to facilitate the members of the Company receiving annual financial statements and notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive annual financial statements and notices of the Company through email in future. In this respect members are hereby requested to convey their consent via email on a standard request form which is available at the Company website www.relianceins.com. Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the share registrar of any change in their registered email address.

Financial Statements and relevant reports have been placed on the website of the company which can be seen on www.relianceins.com.

6. DETAIL OF BENEFICIAL OWNERSHIP

Attention of corporate entities/legal persons is also invited towards SECP Circular No. 16 and 20 of 2018. Respective shareholders (corporate Entities/legal persons) are advised to provide the information pertaining to ultimate beneficial owners and/or other information as prescribed in the subject SECP Circulars to the Share Registrar of the Company.

7. VOTING PROCEDURE FOR SPECIAL BUSINESS

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification vide SRO 2192(I)/2022 dated December 05, 2022, the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

I. E – VOTING PROCEDURE

- a. Detail of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course.
- b. The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited, (being the e-voting service provider).
- c. Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- d. E-Voting lines will start from April 26, 2026, 09:00 a.m. and shall close on April 29, 2026, 05:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently

II. PROCEDURE FOR VOTING THROUGH POSTAL BALLOT

The members shall ensure that duly filled and signed ballot paper along with copy of Computerised National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, 181-A, S.M.C.H.S, Karachi or email at faraz.ahmed@relianceins.com one day before the Annual General Meeting i.e. on April 29, 2026, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

8. APPOINTMENT OF SCRUTINISER

Securities and Exchange Commission of Pakistan (SECP) to the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Companies (Postal Ballot) Regulations, 2018 through S.R.O. 454(I)/2025 and S.R.O. 453(I)/2025. In accordance with the Regulation 11 of the Regulations, the Board of the Company has appointed M/s Kreston Hyder Bhimji & Co. Chartered Accountants, a QCR rated audit firm, to act as the Scrutinizer of the Company for the Special Businesses to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

9. RESTRICTION ON DISTRIBUTION OF GIFTS

In accordance with the directive issued by the SECP vide its SRO 452(I)/2025 dated March 17, 2025 the company would like to inform all the shareholders that no gifts will be distributed at the AGM.

10. UNCLAIMED DIVIDEND

As per the provision of section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable are required to be deposited with the Commission for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years was sent to shareholders. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged timely. In case, no claim is lodged with the Company in the given time, the Company shall after giving notice in newspaper proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

11. CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

The shareholders having physical shares may open CDC Sub-account with any of the broker or Investor Account directly by with the Central Depository Company (CDC) of Pakistan Limited to have their physical shares converted into electronic form. This will facilitate then in many way including safe custody. Further with the requirement of Section 72 of Companies Act, 2017, every existing company having share capital required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commence of the Act.

The Securities and Exchange Commission of Pakistan through its circular # CSD/ED/Misce/2016-639-640 dated March 26, 2021 has advised the listed companies to pursue their such members who still hold shares in physical form, to convert their shares into book entry form.

12. CHANGE OF ADDRESS

Shareholders are requested to inform the Company's Share Registrar of any change in their address, if any immediately.

13. SUBMISSION OF COPIES CNIC (MANDATORY)


The shareholders having physical shareholding are, therefore, advised to submit a photo copy of their valid CNICs and Corporate entities are requested to provide NTN immediately, if already not provided, to the Company's Share Registrar at the address, C & K Management Associates (Pvt) Limited, M-13, Progressive Plaza, Civil Lines Quarter, Beaumont Road, Karachi – 75530 without any further delay.

14. TAX ON ISSUANCE OF BONUS SHARES UNDER FINANCE ACT, 2023

Effectively July 01, 2023, companies are required to collect 10% tax from the shareholders at the time of issuance of bonus shares, which shall be final tax on such income of the shareholders. The rate of tax for inactive taxpayer is 20%.

The value of bonus shares shall be taken as equivalent to day-end price on the first day of book closure.

In case of non-payment of tax by the shareholders, the company is required to dispose of shares to the extent of the tax liability, to recover and deposit the tax.



**STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017
PERTAINING TO THE SPECIAL BUSINESS**

The statement set out the material facts pertaining to the “Special Business” to be transacted at the 44th Annual General Meeting of the Company to be held on April 30, 2026.

Capitalization out of company’s appropriated Profit/Reserve

That a sum of Rs. 301,416,910/- out of the Company’s profit be capitalized for issuing of 30,141,691 fully paid ordinary shares of Rs.10 each and allotted as fully paid up Bonus Shares to the Members who are registered in the Book of the Company at the close of business on 07th April, 2026 in the proportion of 30 new shares for every 100 existing ordinary shares held and that such new shares shall rank pari passu with existing ordinary shares of the Company as regards future dividends, and in all other respects.

That Bonus Shares forming part of such fraction holding which is not in exact multiple of 30:100 shares will be sold in the Stock Market and to pay the proceeds of sale thereof, when realized, to a Charitable Institution.

That for the purpose of giving effect to the foregoing, the Chief Executive, Chief Financial Officer and Company Secretary be and is hereby authorized to give such directions as may be necessary and as they deem fit to settle any questions or any difficulties that may arise in the distribution of the said new shares or in the payment of sale proceeds of the fractional shares.

None of the Directors of the Company are interested in this business except to the extent of their entitlement to bonus shares as shareholder.

Increase of Authorized Share Capital

The current authorized share capital of the Company is Rs.1,500,000,000/- (Rupees One Billion and Five Hundred Million) divided into 150,000,000 (One Hundred and Fifty million) ordinary shares of Rs.10/- each. In order to facilitate increase in the paid-up share capital as and when required to do so, the Board of Directors has recommended that the authorized capital be increased from Rs.1,500,000,000/- to Rs.2,000,000,000/- by creation of additional 50,000,000 ordinary shares of Rs.10/- each. The proposed increase in the authorized share capital of the Company will also necessitate amendments in Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company to reflect the increase in authorized share capital of the Company. For this purpose, a special resolution is required to be considered and approved in this meeting.

The Directors are not interested in this business except as shareholders of the Company.

RELIANCE INSURANCE COMPANY LIMITED

Ballot Paper For Voting Through Post

For poll at the 44th Annual General Meeting to be held on Thursday the 30th April, 2026 at 12.30 p.m. at the Head Office of the Company at RELIANCE INSURANCE HOUSE 181-A Sindhi Muslim Cooperative Housing Society near Mehdi Tower, off: Sharah-e-Faisal, Karachi

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: faraz.ahmed@relianceins.com

Folio / CDC Account #
Name of Shareholders / Joint Shareholders / Proxy Holder
Registered Address
Number of shares held
CNIC / NICOP/ Passport No. (copy to be attached)
Additional Information and enclosures <i>(In case of Body Corporate, Corporation and Federal Government)</i>
Name of Authorized Signatory:
CNIC / NICOP/ Passport No. (copy to be attached)

I/we hereby exercise my/our vote in respect of the following ordinary resolution(s) through postal ballot by giving my/our assent or dissent to the following ordinary resolution(s) by placing tick (✓) mark in the appropriate box below:

Special Business(s)

SPECIAL BUSINESS:

4. To consider and, if thought fit, pass with or without modification, the following resolutions as special resolutions:

Resolved:

4.1 "that the authorized capital of the Company be and is hereby increased from Rs.1,500,000,000/- (Rupees One Billion and Five Hundred Million only) to Rs.2,000,000,000 (Rupees Two billion only) by creation of 50,000,000 (Fifty million) new ordinary shares of Rs.10/- each."

Further Resolved:

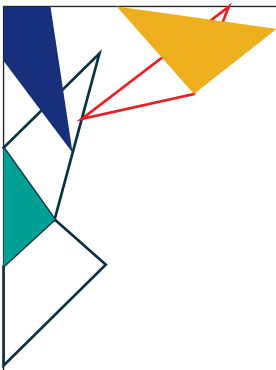
4.2 "that the Memorandum and Articles of Association of the Company be and are hereby altered by substituting the figures and words of Rs.1,500,000,000 (Rupees One Billion and five hundred million only) divided into 150,000,000 (One Hundred and fifty million) ordinary shares of Rs.10/- each appearing in Clause V of the Memorandum of Association and Article 4 of the Articles of Association with the words and figures of Rs.2,000,000,000 (Rupees Two billion only) divided into 200,000,000 (Two hundred million) ordinary shares of Rs.10/- each."

Further Resolved:

4.3 "that the ordinary shares when issued shall carry equal voting rights and rank pari passu with the existing ordinary shares of the Company in all respect / matters in conformity with the provisions of the Companies Act, 2017."

Further Resolved:

4.4 "that the Chief Executive Officer, Chief Financial Officer and Company Secretary be and are hereby authorized singly to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities and to file requisite documents with the Registrar to effectuate and implement the aforesaid resolutions."



Instructions For Poll

1. Please indicate your vote by ticking (✓) the relevant box.
2. In case if both the boxes are marked as (✓), your poll shall be treated as “Rejected”.

I/we hereby exercise my/our votes in respect of the above ordinary resolutions through ballot by conveying my/our favour or against to the resolution by placing tick (✓) mark in the appropriate box below:

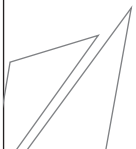
Resolutions	In favor of the Resolution	Against the Resolution
Agenda Item 4		

Notes:

1. Duly filled and signed ballot paper, along with a copy of the CNIC/ NICOP/ Passport**, should reach the Chairman of the meeting through the post at the Head Office of the Company at RELIANCE INSURANCE HOUSE 181-A Sindhi Muslim Cooperative Housing Society near Mehdi Tower, off: Sharah-e-Faisal, Karachi or email at faraz.ahmed@relianceins.com.
2. Postal Ballot Form should reach Chairman of the meeting on or before Wednesday, 29 April, 2026 during working hours. Any Postal Ballot received after this date, will not be considered for voting.
3. Signature on postal ballot paper should match with signature registered on CNIC/ Passport**.
4. In case of Body Corporate, Corporation and Federal Government, certified copy of Board resolution/ Power of attorney along with valid copies of CNIC/ NICOP/ Passport of authorised signatory(ies) will be required**.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written Ballot Paper will be rejected.
6. The shareholders may download the Postal Ballot Form from the Company's website www.relianceins.com or use the original / photocopy as published in newspaper/ annual report.

Shareholder / Proxy Holder Signature/ Authorized Signatory
(in case of corporate entity, please affix company stamp)

Date



HORIZONTAL ANALYSIS

Statement of Financial Position & Profit & Loss Account

STATEMENT OF FINANCIAL POSITION	Rupees in million				% Increase / (Decrease) over preceeding year			
	2025	2024	2023	2022	2025	2024	2023	2022
Property and equipment	145.206	104.760	87.159	72.739	38.61	20.19	19.82	(0.90)
Investments								-
Equity securities	1,551.174	1,200.098	839.874	681.276	29.25	42.89	23.28	(6.58)
Debt securities	103.746	70.081	70.093	70.104	48.04	(0.02)	(0.02)	(0.01)
Term deposits	44.689	43.508	42.629	42.591	2.71	2.06	0.09	10.43
Loan and others receivables	3.533	4.576	5.135	4.163	(22.79)	(10.89)	23.35	(71.77)
Insurance / Reinsurance receivables	731.428	642.362	537.187	386.729	13.87	19.58	38.91	27.10
Reinsurance recoveries against outstanding claims	201.551	271.630	176.420	152.488	(25.80)	53.97	15.69	(14.66)
Deferred Commission Expenses	119.469	94.843	95.313	74.412	25.97	(0.49)	28.09	15.26
Deferred Taxation	-	-	-	20.409	-	-	(100.00)	193.19
Prepayment	254.115	228.208	194.269	155.143	11.35	17.47	25.22	(6.09)
Taxation-Provision less payment	-	-	-	-	-	-	-	-
Cash & Bank	138.408	102.206	108.555	101.815	35.42	(5.85)	6.62	8.65
Total Assets from General Takaful operation OPF&PTF	520.734	182.748	155.882	126.995	184.95	17.23	22.75	17.38
Total Assets	3,814.053	2,945.020	2,312.516	1888.864	29.51	27.35	22.43	2.23
Ordinary share capital	1,004.723	665.379	665.379	633.695	51.00	-	5.00	5.00
Reserves	400.000	400.000	310.000	290.000	-	29.03	6.90	7.41
Unappropriated profit /(loss)	495.942	370.364	225.050	136.521	33.91	64.57	64.85	(20.98)
Surplus/(deficit)on revaluation of available for sale	182.568	136.688	21.992	0.049	33.57	521.54	44,781.63	(97.24)
Total Equity	2,083.233	1,572.431	1,222.421	1060.265	118.472	28.63	15.29	1.16
Outstanding claims including IBNR	267.586	343.523	230.153	188.533	220.508	49.26	22.08	(11.48)
Unearned premium reserves	583.284	489.493	440.171	339.217	527.368	11.21	29.76	10.67
Unearned Reinsurance Commission	44.826	33.683	39.285	31.621	34.712	(14.26)	24.24	3.21
Deferred taxation	157.616	126.464	30.144	-	3.466	-	-	-
Insurance/ Reinsurance Payable	80.098	192.165	216.604	186.785	71.402	(11.28)	15.96	(4.45)
Other Creditors and Accruals	107.279	86.709	76.108	48.268	81.493	13.93	57.68	48.89
Taxation-Provision less payment	123.448	59.124	22.637	7.317	7.592	100.00	100.00	100.00
Total Assets from General Takaful operation OPF&PTF	366.683	41.428	34.993	26.858	4.877	18.39	30.29	26.25
Total Equity and Liabilities	3,814.053	2,945.020	2,312.516	1888.864	29.51	27.35	22.43	2.23
PROFIT AND LOSS ACCOUNT								
Net insurance premium	596.596	546.495	460.686	360.467	359.414	18.63	27.80	18.91
Net insurance claims	(139.524)	(152.815)	(139.119)	(93.638)	(101.720)	9.84	48.57	45.93
Net Commission and acquisition expenses	(130.142)	(111.170)	(96.383)	(77.236)	(60.919)	15.34	24.79	40.48
Management Expenses	(232.998)	(198.462)	(176.318)	(150.167)	(132.486)	12.56	17.41	(1.28)
Underwriting Results	93.932	84.048	48.866	39.426	64.289	72.00	23.94	23.71
Investment Income/(loss)	554.993	408.883	246.032	67.385	104.363	(66.19)	(265.11)	(9.85)
Other Income	6.630	4.501	5.564	0.549	0.952	(19.10)	913.48	(83.14)
Financial Charges	-	-	-	-	(0.047)	-	-	-
Others expenses	(116.304)	(91.334)	(72.645)	(59.084)	(47.128)	25.73	22.95	18.05
Profit before tax from takaful operations-Operators fund	18.308	30.071	29.171	19.324	(1.535)	3.09	50.96	(80.90)
Profit / (Loss) before Tax	557.559	436.169	256.988	67.600	120.894	(69.72)	(280.16)	(4.12)
Income tax expenses	(92.638)	(134.316)	(85.091)	(23.491)	(14.850)	57.85	262.23	34.26
Profit / (Loss) after Tax	464.921	301.853	171.897	44.109	106.044	(75.60)	(289.71)	(16.79)

VERTICAL ANALYSIS

Statement of Financial Position & Profit & Loss Account

Rupees in million

STATEMENT OF FINANCIAL POSITION	2025		2024		2023		2022	
	Rupees	%	Rupees	%	Rupees	%	Rupees	%
Property and equipment	145.206	3.81	104.760	3.56	87.159	3.77	72.739	3.85
Investments	-	-	-	-	-	-	-	-
Equity securities	1,551.174	40.67	1,200.098	40.75	839.874	36.32	681.276	36.07
Debt securities	103.746	2.72	70.081	2.38	70.093	3.03	70.104	3.71
Term deposits	44.689	1.17	43.508	1.48	42.629	1.84	42.591	2.25
Loan and others receivables	3.533	0.09	4.576	0.16	5.135	0.22	4.163	0.22
Insurance / Reinsurance receivables	731.428	19.18	642.362	21.81	537.187	23.23	386.729	20.47
Reinsurance recoveries against outstanding claims	201.551	5.28	271.630	9.22	176.420	7.63	152.488	8.07
Deferred Commission Expenses	119.469	3.13	94.843	3.22	95.313	4.12	74.412	3.94
Deferred Taxation	-	-	-	-	-	-	20.409	1.08
Prepayment	254.115	6.66	228.208	7.75	194.269	8.40	155.143	8.21
Taxation-Provision less payment	-	-	-	-	-	-	-	-
Cash & Bank	138.408	3.63	102.206	3.47	108.555	4.69	101.815	5.39
Total Assets from General Takaful operation OPF&PTF	520.734	13.65	182.748	6.21	155.882	6.74	126.995	6.72
	-	-	-	-	-	-	-	-
Total Assets	3,814.053	100.00	2,945.020	100.00	2,312.516	100.00	1888.864	100.00
Ordinary share capital	1,004.723	26.34	665.379	22.59	665.379	28.77	633.695	33.55
Reserves	400.000	10.49	400.000	13.58	310.000	13.41	290.000	15.35
Unappropriated profit /(loss)	495.942	13.00	370.364	12.58	225.050	9.73	136.521	7.23
Surplus/(deficit)on revaluation of available for sale	182.568	4.79	136.688	4.64	21.992	0.95	0.049	0.00
Total Equity	2,083.233	54.62	1,572.431	53.39	1,222.421	52.86	1060.265	56.13
Outstanding claims including IBNR	267.586	7.02	343.523	11.66	230.153	9.95	188.533	9.98
Unearned premium reserves	583.284	15.29	489.493	16.62	440.171	19.03	339.217	17.96
Unearned Reinsurance Commission	44.826	1.18	33.683	1.14	39.285	1.70	31.621	1.67
Deferred taxation	157.616	4.13	126.464	4.29	30.144	-	-	-
Insurance/ Reinsurance Payable	80.098	2.10	192.165	6.53	216.604	9.37	186.785	9.89
Other Creditors and Accruals	107.279	2.81	86.709	2.94	76.108	3.29	48.268	2.56
Taxation-Provision less payment	123.448	3.24	59.124	2.01	22.637	0.98	7.317	0.39
Total Assets from General Takaful operation OPF&PTF	366.683	9.61	41.428	1.41	34.993	1.51	26.858	1.42
	-	-	-	-	-	-	-	-
Total Equity and Liabilities	3,814.053	100.00	2,945.020	100.00	2,312.516	100.00	1888.864	100.00
PROFIT AND LOSS ACCOUNT								
Net insurance premium	596.596	100.00	546.495	100.00	460.686	100.00	360.467	100.00
Net insurance claims	(139.524)	(23.39)	(152.815)	(27.96)	(139.119)	(30.20)	(93.638)	(25.98)
Net Commission and acquisition expenses	(130.142)	(21.81)	(111.170)	(20.34)	(96.383)	(20.92)	(77.236)	(21.43)
Management Expenses	(232.998)	(39.05)	(198.462)	(36.32)	(176.318)	(38.27)	(150.167)	(41.66)
Underwriting Results	93.932	15.74	84.048	15.38	48.866	10.61	39.426	10.94
Investment Income	554.993	93.03	408.883	74.82	246.032	53.41	67.385	18.69
Other Income	6.630	1.11	4.501	0.82	5.564	1.21	0.549	0.15
Financial Charges	-	0.00	-	0.00	-	0.00	-	0.00
Others expenses	(116.304)	(19.49)	(91.334)	(16.71)	(72.645)	(15.77)	(59.084)	(16.39)
Profit before tax from takaful operations-Operators fund	18.308	3.07	30.071	5.50	29.171	6.33	19.324	5.36
Profit before Tax	557.559	93.46	436.169	79.81	256.988	55.78	67.600	18.75
Income tax expenses	(92.638)	(15.53)	(134.316)	(24.58)	(85.091)	(18.47)	(23.491)	(6.52)
Profit after Tax	464.921	77.93	301.853	55.23	171.897	37.31	44.109	12.24

KEY FINANCIAL DATA

10 Years Growth At A Glance

Rupees in million

	2025	2024	2023	2022	2021	2020	2019	2018	2017 Restated	2016 Restated
Ordinary Share Capital	1004.72	665.38	665.38	633.69	603.52	561.41	561.41	561.41	561.41	510.37
Share Holder's Equity	2083.23	1572.43	1222.42	1060.26	1048.06	997.63	933.53	855.92	798.93	876.96
Reserves	400.00	400.00	310.00	290.00	270.00	250.00	250.00	250.00	250.00	220.00
Cash & Bank	138.41	102.20	108.56	101.81	93.71	111.31	131.22	144.37	160.18	120.24
Investment	1699.61	1313.68	952.60	793.97	837.94	813.51	777.31	711.11	704.22	795.29
Underwriting Provisions	895.69	866.70	709.61	559.371	550.13	523.73	480.11	588.06	739.39	782.59
Total Assets	3814.05	2945.02	2312.52	1888.864	1847.695	1713.973	1595.486	1658.65	1791.12	1828.38
Return on Assets %	12.19%	10.25%	7.43%	2.34%	2.87%	4.00%	4.46%	2.95%	(2.16)	5.80%
Return on Equity %	22.32	19.20%	14.06%	4.16%	5.06%	6.86%	7.63%	5.72%	(4.85)	12.09%
Ordinary Share Capital to Assets %	26.34%	22.59%	28.77%	33.55%	32.66%	32.76%	35.19%	33.85%	31.35%	27.91%
Total Equity / Total Assets %	53.39%	53.39%	52.86%	56.13%	56.72%	58.20%	58.51%	51.60%	44.60%	47.96%
Written Gross Premium	1223.94	1060.07	980.28	761.88	651.20	569.07	622.40	878.68	1155.40	1201.84
Net Insurance Premium	596.59	546.495	460.69	360.46	303.13	319.48	347.80	348.24	357.65	359.41
Ratio to written Gross Premium %	48.74	51.55%	47.00%	47.31%	46.55%	56.14%	55.88%	39.63%	30.95%	29.90%
Net Insurance Claims	139.52	152.81	139.12	93.63	64.16	76.42	87.21	87.17	88.16	101.72
Ratio to Net Insurance Premium %	23.39	27.34%	30.30%	25.97%	21.17%	23.92%	25.07%	25.03%	24.65%	28.30%
Management Expenses	349.30	289.79	248.96	209.25	202.16	199.80	205.06	197.66	188.99	179.66
Ratio to Written Gross Premium %	28.54	27.33%	25.40%	27.46%	31.04%	35.11%	32.94%	22.49%	16.36%	14.95%
Ratio to Net Insurance Premium %	58.55	53.02%	54.04%	58.05%	66.69%	62.54%	58.96%	56.76%	52.84%	49.98%
Investment Income/(Loss)	554.99	408.88	246.03	67.38	74.75	83.54	92.72	46.67	(40.07)	104.36
Return of Investment %	32.65	31.12%	25.83%	8.49%	8.92%	10.27%	11.93%	6.56%	(5.69)	13.12%
Underwriting Results	93.93	84.05	48.87	39.75	31.87	29.01	40.82	48.62	67.08	64.29
Profit/(loss) Before Tax	557.56	436.17	225.82	67.60	70.51	83.57	96.40	60.12	(17.59)	120.89
Percentage to Written Gross Premium %	45.55	41.14%	23.04%	8.87%	10.83%	14.69%	15.49%	6.84%	(1.52)	10.06%
Profit/(loss) After Tax	464.92	301.85	171.90	44.11	53.01	68.49	71.21	48.99	(38.79)	106.04
Percentage to Net Insurance Premium	77.93%	55.23%	37.31%	12.23%	17.49%	21.43	20.47	14.07%	(10.85)	29.50%
Earnings/(loss) After Tax Per Share-Rupees	4.63	4.54	2.58	0.70	0.88	1.22	1.27	0.87	(0.69)	2.08
Dividend /Bonus %	30%	51%(B)	10%(C)	5%(B)5%(C)	5%(B)5%(C)	7.5%(B)	-	-	-	10%(B) 5%(C)
Break up Value Per Share	20.73	23.63	18.37	16.73	17.36	17.77	16.63	15.24	14.23	17.18
Summary of Cashflow										
Total Cash Flow from all Operating Activities	(162.49)	(123.51)	(66.34)	(55.52)	(54.277)	(62.242)	(44.956)	(44.425)	38.113	102.288
Total Cash Flow from Investment Activities	199.49	181.22	99.65	92.557	36.675	42.325	31.811	28.663	26.796	(66.426)
Total Cash Flow from Financing Activities	(0.79)	(64.22)	(30.57)	(28.93)	-	-	-	(0.050)	(24.963)	(22.831)
Net Cash Flow From all Activities	36.20	(6.34)	6.74	8.106	(17.601)	(19.917)	(13.145)	(15.812)	39.975	13.031
Cash and Cash Equivalent at the end of the year	138.41	102.20	108.56	101.815	93.709	111.310	131.227	144.372	160.185	120.239



SHAREHOLDERS' INFORMATION

Registered Office

96-A, Sindhi Muslim Co-operative Housing Society
Karachi.

Head Office

Reliance Insurance House, 181-A, Sindhi Muslim
Co-operative Housing Society, Karachi

Share Registrar Office

C&K Management Associates (Pvt.) Ltd. M-13,
Progressive Plaza Civil Lines Quarter, Beaumont
Road, Karachi-75530. Phone 35687839,
35685930

Listing on Stock Exchanges

RICL equity shares are listed on Pakistan Stock
Exchange (PSX).

Listing Fees

The annual listing fee for the financial year
2025-2026 was paid to the Pakistan Stock Exchange
and Central Depository Company (CDC) within the
prescribed time.

Stock Symbol

The stock symbol for Reliance Insurance Company
Limited at the PSX is RICL.

Statutory Compliance

During the year, the Company complied with all
applicable provisions of the Companies Act, 2017,
the Insurance Ordinance 2000, Insurance Rules
2017, Listed Companies (Code of Corporate
Governance) Regulations, 2019, the Code of
Corporate Governance, for insurers 2016 and others
regulations prescribed by SECP.

Book Closure Dates

The Share Transfer Books of the Company for the
entitlement of Bonus Shares, will remain Closed on
08th April 2026. Those members whose name
appear in the members register of the Company at the
close of business on 07th April 2026 will be entitled
of bonus shares.

The Share Transfer Books of the Company to attend,
speak and vote at the annual general meeting will
remain Closed from 22nd April, 2026 to 30th April,
2026 (both days inclusive). Those members whose
name appear in the members register of the Company
at the close of business on 21st April 2026 will be
entitled to attend the meeting.

44th Annual General Meeting

Date: 30th April, 2026

Time: 12:30 pm

Venue: Reliance Insurance House, 181-A,
SMCHS, Karachi Physical & (Via Vedio Link)

Website of the Company

A comprehensive and user-friendly website has been
developed for Reliance Insurance Limited, providing
seamless access to vital corporate information. The
platform serves as a central repository for details
regarding the Company's financial standing, historical
background and available insurance products.

To enhance operational efficiency and ensure prompt
resolution of concerns, an online complaint
management system has been integrated, enabling
investors and policyholders to register and track their
grievances with ease.

The Company's annual, half-yearly, and quarterly
financial statements are readily accessible at:
www.relianceins.com, ensuring transparency and
compliance with regulatory requirements.

Furthermore, disclosures concerning strategic
corporate events are communicated to the Pakistan
Stock Exchange as and when required, reinforcing the
Company's commitment to timely and accurate
information dissemination.

For further details, please visit our official website:
www.relianceins.com.

Change of Address

Members are requested to immediately notify the
change of address, if any, to the Company's Registrar.

Investor Relations & Grievance Redressal Policy

Reliance Insurance Limited acknowledges the
paramount significance of maintaining robust
relations with its investors, recognizing such
engagement as a fundamental pillar for the financial
sustainability and progressive growth of the
organization. Furthermore, the strength of investor
relations directly contributes to the goodwill and
corporate standing of the Company. In light of this, it
is imperative to establish a structured, efficient, and
legally compliant mechanism within the organization
to facilitate investor services and address grievances
in a systematic and transparent manner.

SHAREHOLDERS' INFORMATION

Accordingly, the Company has ensured the availability of all pertinent information on its official website, including details of the Board of Directors, auditors, share registrars, financial statements for the current period as well as for the preceding six years, and daily stock market updates reflecting the Company's share prices as quoted on the Pakistan Stock Exchange. The Company Secretary serves as the designated point of contact for investors, entrusted with the responsibility of addressing their concerns and facilitating appropriate resolutions.

The management remains steadfast in its commitment to investigating and resolving all investor complaints and queries in a manner that ensures their utmost satisfaction. In the event that an investor remains dissatisfied with the resolution provided, they may escalate their concerns to the Securities & Exchange Commission of Pakistan (SECP) through the dedicated interactive link available on the Company's website.

The Company's investor grievance redressal policy is predicated upon the following fundamental principles:

- All investor communications—whether made in person, via telephone, fax, or email—are received with due diligence and addressed in a timely and systematic manner.
- Every investor is accorded equitable and respectful treatment at all times.
- Complaints and queries are handled with promptness, efficiency, and fairness, ensuring a professional and impartial resolution process.

Reliance Insurance Limited remains unwavering in its dedication to fostering a transparent and investor-friendly environment, upholding the highest standards of corporate governance and regulatory compliance.

M/s. C&K Management Associates (Pvt.) Ltd., being the Registrars is primarily responsible to resolve the investor's grievance. Shareholders' enquiries about their holding, dividend or share certificate etc. can be directed to the Share Registrar at the following address:

M/s. C&K Management Associates (Pvt.) Limited, M-13, Progressive Plaza Civil Lines Quarter, Beaumont Road, Karachi-75530. Phone 35687839, 35685930

In case investor's grievance is not addressed up to his/her satisfaction or within reasonable time. Investors may also directly write to the Company their query/complaint at,

Company Secretary

Reliance Insurance Company Limited
181-A, SMCHS Karachi.

Company has designated email id faraz.ahmed@relianceins.com for handling investor grievance on which investor can make a complaint.

SUBMISSION OF CNIC COPIES (MANDATORY)

As per SECP directives, the dividend warrants of the shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders having physical shareholding are, therefore, advised to submit a photo copy of their valid CNICs and Corporate entities are requested to provide NTN immediately, if already not provided, to the Company's Share Registrar at the following address, M/s. C & K Management Associates (Pvt.) Ltd., M-13, Progressive Plaza Civil Lines Quarter, Beaumont Road, Karachi-75530. Phone 35687839, 35685930 without any further delay.

ELECTRONIC DIVIDEND MANDATE

Under section 242 of Companies Act, 2017 it is mandatory for all listed Companies to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested (if not already provided) to fill in Bank Mandate Form for Electronic Credit of Cash Dividend available on the Company's website www.relianceins.com and send it duly signed along with a copy of CNIC to the Share Registrar of the Company, M/s. C & K Management Associates (Pvt.) Ltd., M-13, Progressive Plaza Civil Lines Quarter, Beaumont Road, Karachi-75530. Phone 35687839, 35685930 in case of physical shares.

In case shares are held in CDC, electronic dividend mandate form must be directly submitted to shareholder's brokers/ participant / CDC account services.

In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to shareholders.

ELECTRONIC TRANSMISSION OF ANNUAL FINANCIAL STATEMENTS AND NOTICES

Pursuant to the Securities and Exchange Commission of Pakistan (SECP) Notification S.R.O. 787(I)/2014 dated September 8, 2014, the Company is pleased to extend to its members the facility of receiving the Annual Financial Statements and other statutory notices through electronic mail (email).



SHAREHOLDERS' INFORMATION

Members who wish to avail themselves of this facility are requested to provide their consent by submitting a duly completed Consent Form available on the Company's website at www.relianceins.com. The completed form should be sent to the Company via email at the address specified therein.

Members availing this facility are advised to ensure that their designated email address is active, has adequate rights and sufficient storage capacity to receive email communications from the Company, which may include attachments exceeding 1 MB in size. It shall be the sole responsibility of the member to promptly notify the Share Registrar of any change in their registered email address to ensure uninterrupted receipt of communications.

The Company's Annual Financial Statements along with other relevant reports and notices are also available on the Company's website and may be accessed at www.relianceins.com.

Should you require any further information or assistance, please contact the Share Registrar or the Company Secretary's Office.

CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

The shareholders heaving physical shares may open CDC sub-account with any of the brokers or Investor Account directly by with the Central Depository Company (CDC) of Pakistan Limited to have their physical shares converted into electronic form. This will facilitate then in many ways including safe custody. Further with the requirement of Section 72 of Companies Act, 2017, every existing company having share capital required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commence of the Act.

UNCLAIMED DIVIDEND

As per the provision of section 244 of the Companies Act 2017, any shares issued or dividend declared by the Company which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with the Commission for the credit of Federal Government after issuance of notices to the shareholders to file their claim. The details of the shares issued and dividend declared by the Company which have remained due for more than three years was sent to shareholders. Shareholders are requested to ensure that their claims for unclaimed dividend and

shares are lodged timely. In case, no claim is lodged with the Company in the given time, the Company shall after give notice in newspaper proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244 (2) of Companies Act, 2017.

CONSENT FOR VIDEO CONFERENCE FACILITY

Pursuant to the provision to the Companies Act, 2017 the members can also avail the video Conferencing facility. In this regard, please fill the following and submit to Head Office of the Company at least 7 days before the holding of annual general meeting. If the Company receives consent from members holding aggregate 10% or more shareholding residing at the geographical location to participate in the meeting, the Company will arrange video conference facility in the city subject to availability of such facility in that city.

I / We, _____ of _____, being a member of Reliance Insurance Co., Ltd. holder of _____ ordinary share(s) as per registered folio no. _____ hereby opt for video conferencing facility at _____.

DECISIONS TAKEN AT THE LAST ANNUAL GENERAL MEETING

In accordance with the agenda of last Annual General Meeting, the following matters were duly approved by the members at the Annual General Meeting, and the respective decisions have been implemented accordingly:

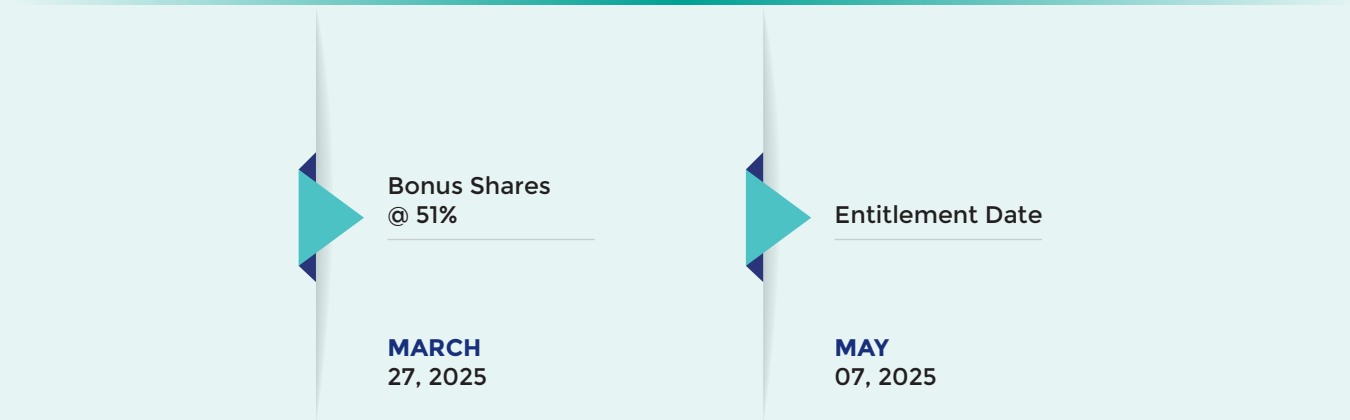
- Confirmation of the minutes of the Annual General Meeting held on April 29, 2024.
- Approval of the audited financial statements for the year ended December 31, 2024, together with the Directors' and Auditors' Reports.
- Appointment of M/s. BDO Ebrahim & Co., Chartered Accountants, as the auditors of the Company for the year 2025, along with the approval of their remuneration.
- Approval for election of retiring directors.
- Approval for increased in authorised Capital from Rs.1,000,000,000 to Rs.1,500,000,000.
- Approval of the declaration of Bonus Share at the rate of 51%.

FINANCIAL CALENDAR

RESULTS



BONUS SHARES



OTHERS



CATEGORIES OF SHAREHOLDING

AS AT DECEMBER 31, 2025

Categories of share holders	Number of share holders	Number of shares held	Percentage of shares held %
ASSOCIATE COMPANIES UNDERTAKINGS AND RELATED PARTIES			
Anam Fabrics	1	130,457	0.13
NIT / ICP/ IDBP			
Investment Corporation of Pakistan,	5	763	0.00
DIRECTORS, CEO & OTHER SPOUSES AND MINOR CHILDREN			
The detail are as under:			
MR. IRFAN ZAKARIA BAWANY	1	6,212,525	
MR. MUHAMMAD OMER BAWANY	1	2,333,594	
MR. ZIA ZAKARIA	1	632,501	
MR. AHMED ALI BAWANY	1	5,711,174	
MR. NOOR M. ZAKARIA	1	3,013,834	
MR. MUHAMMAD PATEL	1	8,644	
MR. NAEEM AHMED SHAFI	1	8,644	
MS. TASNEEM YUSUF	1	8,644	
MR. JAHANGIR ADAM	1	8,946	
MRS. SHEHLA IRFAN	1	6,010,388	
MRS. RUKHSANA BAI OMER	1	2,138,676	
MRS. SHAHNAZ SATTAR ZAKARIA	1	2,656,938	
EXECUTIVE			
	-	-	-
PUBLIC SECTOR COMPANIES AND CORP.			
	-	-	-
BANK, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE INSTITUTION, INSURANCE COMPANIES, MODARABAS AND MUTUAL FUNDS			
JOINT STOCK COMPANIES	16	13,683,697	13.62
GOVERNMENT DEPARTMENT			
Federal Board of Revenue	2	1,407,757	1.40
INDIVIDUALS			
ISE Tower REIT Management Co. Ltd.	1	3,374	0.00
WELFARE SOCIETY	1	368,437	0.37
Pakistan Memon Educational & Welfare Society			
CHARITABLE TRUSTS			
Trustee Begum Aisha Bawany Taleemul Quran	3	809,784	0.81
All Bawany Foundation			
Trustee Aloo & Minocher Dinshaw			
TRADE			
Rafum Corporation (pvt.) Ltd.	1	1,154	0.00
Employees Provident Fund	1	250	0.00
Trustee Avari Hotels Ltd. Employees Providend Fund			
PRIVAE LTD. COMPANY	1	11,916,195	11.86
Sharmeen Foods (Pvt.) Limited			
TOTAL :-	1,325	100,472,303	100.00
SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST.			
M/s.Sharmeen Food (Pvt.) Ltd.	1	11,926,195	11.87
M/s.Irfan Ashfaq & Company (Pvt.) Ltd.,	1	10,663,632	10.61
Mr. Irfan Zakaria Bawany	1	6,212,525	6.18
Mrs.Shehla Irfan	1	6,010,388	5.98
Mr. Ahmed Ali Bawany	1	5,711,174	5.68

PATTERN OF SHAREHOLDING

AS AT DECEMBER 31, 2025

Number of Shareholders	Shareholdings		Total shares held
	From	To	
448	1	100	7,742
182	101	500	50,198
121	501	1000	94,761
282	1001	5000	703,404
78	5001	10000	590,886
46	10001	15000	563,410
25	15001	20000	435,751
12	20001	25000	275,496
14	25001	30000	402,916
7	30001	35000	229,486
12	35001	40000	450,570
5	40001	45000	217,200
5	45001	50000	237,441
4	50001	55000	215,030
2	55001	60000	116,556
4	60001	65000	250,809
2	65001	70000	135,689
3	70001	75000	213,423
2	75001	80000	153,435
1	80001	85000	82,901
1	90001	95000	91,872
1	120001	125000	123,699
2	125001	130000	258,175
1	130001	135000	130,457
1	135001	140000	136,957
1	140001	145000	141,908
2	145001	150000	296,898
1	160001	165000	164,629
1	180001	185000	181,547
2	185001	190000	375,322
1	195001	200000	200,000
2	205001	210000	417,328
1	215001	220000	216,048
2	225001	230000	454,401
1	235001	240000	236,876
1	255001	260000	255,229
2	265001	270000	533,030
1	275001	280000	275,664
1	290001	295000	291,703
1	330001	335000	334,276
1	355001	360000	356,897
1	365001	370000	368,437
1	375001	380000	375,763
1	390001	395000	391,928
1	415001	420000	415,775
1	420001	425000	423,938
1	440001	445000	443,629
1	445001	450000	445,548
1	450001	455000	451,695
1	465001	470000	469,921
1	530001	535000	531,384
1	630001	635000	632,501
1	740001	745000	742,752
2	765001	770000	1,535,995
1	810001	815000	813,237
1	855001	860000	856,683
1	1065001	1070000	1,068,870
1	1090001	1095000	1,092,004
1	1095001	1100000	1,096,189
1	1150001	1155000	1,152,528
1	1220001	1225000	1,221,423
1	1290001	1295000	1,290,153
1	1330001	1335000	1,331,463
1	1410001	1415000	1,412,004
1	1420001	1425000	1,421,624
1	1510001	1515000	1,510,169
1	1620001	1625000	1,621,190
1	1815001	1820000	1,817,196
1	1925001	1930000	1,925,693
1	2110001	2115000	2,112,835
1	2135001	2140000	2,138,676
1	2330001	2335000	2,333,594
1	2655001	2660000	2,656,938
3	2855001	2860000	8,566,764
1	3010001	3015000	3,013,834
1	3810001	3815000	3,810,463
1	4385001	4390000	4,389,198
1	5395001	5400000	5,399,288
1	5710001	5715000	5,711,174
1	10660001	10665000	10,663,632
1	11915001	11920000	11,916,195
<u>1325</u>			<u>100,472,303</u>

Sr. No.	Categories of share holders	Number of share holders	Total shares hold	Percentage %
1	INDIVIDUALS	1289	71,984,715	71.65
2	INVESTMENT COMPANIES	5	763	0
3	INSURANCE COMPANIES	2	165,707	0.16
4	JOINT STOCK COMPANIES	17	13,814,154	13.75
5	FINANCIAL INSTITUTIONS	1	12	0
6	WELFARE SOCIETY	1	368,437	0.37
7	CHARITABLE TRUSTS	3	809,784	0.81
8	MODARABA MANAGEMENT COMPANIES	1	1	0
9	TRADE	1	1,154	0
10	GOVERNMENT DEPARTMENT	2	1,407,757	1.4
11	REIT MANAGEMENT	1	3,374	0
12	PRIVATE LTD COMPANY	1	11,916,195	11.86
13	EMPLOYEES PROVIDENT FUND	1	250	0
		<u>1325</u>	<u>100,472,303</u>	<u>100</u>

CHAIRMAN'S REVIEW

I am pleased to present the Forty-Fourth Annual Report and Performance Review of your Company on behalf of the Board of Directors for the year ended 31st December 2025.

In 2025, Pakistan's economy continued along a gradual path toward stabilization and recovery. The **State Bank of Pakistan (SBP)**, in its Monetary Policy statement of March 9, 2026, projected growth of **3.75%–4.75%** and continued its monetary easing cycle, implementing cumulative policy rate cuts of **250 basis points**, bringing the policy rate down to **10.5% by December 2025** while the **World Bank** estimated a more conservative 3% growth. This follows a **real GDP growth of 2.68% achieved in 2024–25**, indicating a slight moderation as the economy adjusts to post flood reconstruction and external pressures.

Agriculture remains the cornerstone of economic resilience, with exceptional harvests in wheat, rice, and cotton strengthening rural incomes and supporting national food security. Meanwhile, large-scale manufacturing is showing early signs of revival, particularly in the automobile, textile, food and beverage, and petroleum sectors.

Pakistan's external sector has also demonstrated resilience. For the full fiscal year FY25, the country recorded a current account surplus of US \$2.11 billion, reversing the previous years' deficits. Exports rose to approximately US \$32.1 billion, while remittances surged to US \$38.3 billion, boosting foreign exchange reserves and reinforcing macroeconomic stability.

The Pakistan Stock Exchange (PSX) demonstrated measured growth during the year, reflecting improved investor sentiment driven by stronger corporate earnings, particularly in banking, energy, fertilizer and export-oriented sectors. Nevertheless, volatility persisted due to domestic uncertainties and external geopolitical risks.

The global economic environment in 2026 remained highly uncertain and volatile. Escalating geopolitical tensions involving Iran, Israel, and the strategic involvement of the United States significantly disrupted global energy markets and trade flows. These developments resulted in intermittent spikes in oil prices, contributing to imported inflation across emerging markets. For Pakistan, the impact was particularly pronounced through higher fuel costs, increased transportation expenses, and broader inflationary pressures affecting both consumers and businesses.

The insurance sector in Pakistan maintained its resilience and adaptability throughout 2025, demonstrating steady growth despite broader economic challenges. This expansion was largely driven by increased overall demand for insurance, reflecting heightened risk awareness among individuals and businesses amid economic and geopolitical uncertainties.

The Securities and Exchange Commission of Pakistan (SECP) continued to play a pivotal role in fortifying the sector through strategic reforms. Key initiatives included the enhancement of risk-based capital frameworks, strengthening of corporate governance standards, promotion of digital enablement, and a gradual increase in paid-up capital requirements for insurers, scheduled for 2026, 2028, and 2030, aimed at strengthening the financial base and long-term stability of the industry.

Aligned with our strategic objective to boost the company's revenue, your Company underwrote a gross premium of Rs.1,482.761 million, (including Rs.258.821 million in Takaful contributions), reflecting a 22% year-on-year growth compared to Rs.1,217.148 million in the previous year (inclusive of Rs.157.073 million in Takaful contributions).

Your Company achieved a profit after tax of Rs.464.921 million, a significant improvement from Rs.301.852 million reported in the

previous year. The Operator's Fund recorded a profit after tax of Rs.12.541 million, compared to Rs.20.448 million in 2024.

The Pakistan Stock Exchange (PSX) delivered a stellar performance in 2025, marked by improved macroeconomic stability, policy clarity, and rising investor confidence.

The benchmark KSE 100 Index surged from 115,127 points at the end of 2024 to around 174,000 points by December 2025, registering a remarkable 51% annual gain. The index briefly touched 175,000 points, reflecting strong bullish sentiment. Broad-based gains were led by banking, oil & gas, fertilizer and financial sectors, supported by robust earnings expectations. The KSE-100 Index is currently declining due to war-driven uncertainty and rising oil prices coupled with a heavy dent in stock markets globally.

Overall, 2025 stands out as a landmark year for the PSX, reinforcing equities as an attractive asset class amid Pakistan's improving economic outlook.

Amid this favourable market environment, your company's strategic investment approach yielded outstanding results. Investment income surged by 36% to Rs.554.993 million, up from Rs.408.883 million in the previous year. This robust growth underscores the efficacy of our investment strategies.

As we conclude, I wish to extend my heartfelt thanks and appreciation to the esteemed members of the Board of Directors for their unwavering commitment and guidance in supporting the management. I am also deeply grateful to our shareholders for their trust and steadfast support in our Company.

Furthermore, I would like to express my sincere gratitude for the invaluable support provided by the Securities and Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited, State Bank of Pakistan, and all our valued reinsurers. Their continued backing and support has been instrumental in our successful journey.

Lastly, but certainly not least, I would like to commend the Chief Executive and his dedicated team for their tireless efforts, unwavering commitment, and sincere dedication. Their contributions have been indispensable to the success of the Company.



Irfan Zakaria Bawany
Chairman
Karachi. 1st April 2026.

چیرمین کی جائزہ رپورٹ:

اداشدہ سرمائے کی ضروریات میں بتدریج اضافہ، 2026، 2028، اور 2030 کے لیے مقرر کیا گیا ہے، جس کا مقصد مالیاتی بنیاد اور صنعت کی طویل مدتی صلاحیت کو مضبوط کرنا ہے۔

31 دسمبر 2025 کو ختم ہونے والے سال کے لئے بورڈ آف ڈائریکٹرز کے چیرمین کی حیثیت سے آج کی کہنی کی 44 ویں سالانہ رپورٹ اور کارکردگی کا جائزہ پیش کرتے ہوئے مسرت محسوس کر رہا ہوں۔

کہنی کے ریونیو کو بڑھانے کے لیے ہمارے اسٹریٹجک مقصد سے ہم آہنگ، آپ کی کہنی نے 1,482,761 ملین روپے (بشمول ٹیکس میں 258.821 ملین روپے) کا مجموعی پربہم لکھا، جو کہ پچھلے سال کے 1,217.148 ملین روپے (بشمول ٹیکس میں 157.073 ملین روپے) کے مقابلے میں 22% سال بہ سال نمو کی عکاسی کرتا ہے۔

2025 میں پاکستان کی معیشت بتدریج استحکام اور بحالی کی جانب گامزن رہی۔ 2025-26 مالی سال کے لیے حقیقی جی ڈی پی کی نمو کا تخمینہ 3% اور 4.75% کے درمیان ہے، جو کہ دانشمندانہ مالیاتی انتظام اور جاری دھانچہ جاتی اصلاحات کے ذریعے تعاون یافتہ میکرو اکنامک حالات میں بہتری کی عکاسی کرتا ہے۔ اسٹیٹ بینک آف پاکستان (SBR) نے 9 مارچ 2026 کے اپنے مانیٹری پالیسی کے بیان میں 3.75% - 4.75% کی شرح نمو کا تخمینہ لگایا ہے، جب کہ عالمی بینک نے زیادہ قدامت پسند 3% نمو کا تخمینہ لگایا ہے۔ یہ 2024-25 میں حاصل کی گئی 2.68% فیصد کی حقیقی جی ڈی پی نمو کے بعد ہے، جو کہ معمولی اعتدال کی نشاندہی کرتا ہے کیونکہ سیلاب کے بعد معیشت کی تعمیر نو پر وئی دباؤ کے مطابق ہوتی ہے۔

آپ کی کہنی نے 464.921 ملین روپے کا بعد از ٹیکس منافع حاصل کیا، جو پچھلے سال کی رپورٹ کردہ 301.852 ملین روپے سے نمایاں بہتر ہے۔ آپریٹنگ فنڈ نے 2024 کے 20.448 ملین روپے کے مقابلے میں 12.541 ملین روپے کا بعد از ٹیکس منافع ریکارڈ کیا۔

2025 کے اوائل میں نمایاں زمی کے بعد، مہنگائی کو سال کے آخری ششماہی میں نئے سرے سے دباؤ کا سامنا کرنا پڑا، جس کی بڑی وجہ عالمی اجناس کی قیمتوں، خاص طور پر توانائی کی منڈیوں میں میں اتار چڑھاؤ ہے۔ اس کے جواب میں SBR نے اپنا مانیٹری ایگزٹ سائیکل جاری رکھا 250 بیسیس پوائنٹس کی مجموعی پالیسی ریٹ میں کٹوتیوں کو نافذ کرتے ہوئے، دسمبر 2025 تک پالیسی کی شرح 10.5% فیصد تک کم کر دیا۔

پاکستان اسٹاک ایکسچینج (PSX) نے 2025 میں شاندار کارکردگی کا مظاہرہ کیا، جس کی نشاندہی میکرو اکنامک استحکام، پالیسی کی وضاحت اور سرمایہ کاروں کے بڑھتے ہوئے اعتماد سے ہوتی ہے۔

گندم، چاول، اور کپاس کی غیر معمولی فصلوں کے ساتھ، زراعت اقتصادی چلک کی بنیاد بنی ہوئی ہے، جس سے دیہی آمدنی کو تقویت ملتی ہے اور قومی غذائی تحفظ میں مدد ملتی ہے۔ دریں اثنا، بڑے پیمانے پر مینوفیکچرنگ، خاص طور پر آٹوموبائل، ٹیکسٹائل، خوراک اور مشروبات، اور پیٹرولیم کے شعبوں میں بحالی کے ابتدائی آثار دکھائی دیے۔

کے ایس ای 100 انڈیکس بیچ مارک 2024 کے آخر میں 115,127 پوائنٹس سے بڑھ کر دسمبر 2025 تک تقریباً 174,000 پوائنٹس تک پہنچ گیا، جس میں 51 فیصد سالانہ اضافہ ہوا۔ انڈیکس مختصر طور پر 175,000 پوائنٹس کو چھو گیا، جو مضبوط تیزی کے جذبات کی عکاسی کرتا ہے۔ بینکاری، ٹیل اور گیس، کھاد اور مالیاتی شعبوں کے ذریعے وسیع البیاد فوئڈ حاصل کیے گئے، جن کی مضبوط آمدنی کی توقعات کی حمایت کی گئی۔ KSE-100 انڈیکس جنگ کی وجہ سے غیر یقینی صورتحال، تیل کی بڑھتی ہوئی قیمتوں اور کمزور سرمایہ کاروں کے جذبات کی وجہ سے گر رہا ہے۔ پاکستان کی مارکیٹ تیل کی بھاری درآمدات اور کرنسی کے دباؤ کی وجہ سے زیادہ کمزور ہے۔ عالمی سطح پر، سٹاک مارکیٹیں انتہائی غیر مستحکم ہیں کیونکہ سرمایہ کار محفوظ اثاثوں کی طرف مائل ہوتے ہیں۔

پاکستان کے بیرونی شعبے نے بھی چلک کا مظاہرہ کیا ہے۔ پورے مالی سال FY25 کے لیے، ملک نے پچھلے سالوں کے خسارے کو پلٹتے ہوئے US\$2.14 بلین کا کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا۔ برآمدات تقریباً 32.3 بلین امریکی ڈالر تک بڑھ گئیں، جب کہ ترسیلات زر 38.3 بلین امریکی ڈالر تک بڑھ گئیں، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور معاشی استحکام کو تقویت ملی۔

2025 مجموعی طور پر، PSX کے لیے ایک تاریخی سال کے طور پر نمایاں ہے، جس نے پاکستان کے بہتر ہوتے معاشی نقطہ نظر کے درمیان ایک پرکشش اثاثہ کلاس کے طور پر ایلیٹیو کو تقویت دی۔

پاکستان سٹاک ایکسچینج (PSX) نے سال کے دوران نمو کا مظاہرہ کیا، جس سے کارپوریٹ کی مضبوط آمدنی، خاص طور پر بینکنگ، توانائی، کھاد اور برآمدات پر مبنی شعبوں میں سرمایہ کاروں کے بہتر جذبات کی عکاسی ہوتی ہے۔ اس کے باوجود، مقامی غیر یقینی صورتحال اور بیرونی جغرافیائی سیاسی خطرات کی وجہ سے اتار چڑھاؤ برقرار رہا۔

مارکیٹ کے اس سازگار ماحول کے درمیان، آپ کی کہنی کے اسٹریٹجک سرمایہ کاری کے نقطہ نظر نے شاندار نتائج حاصل کیے ہیں۔ سرمایہ کاری کی آمدنی 36 فیصد اضافے کے ساتھ 554.993 ملین روپے تک پہنچ گئی، جو پچھلے سال کے 408.883 ملین سے زیادہ ہے۔ یہ مضبوط ترقی ہماری سرمایہ کاری کی حکمت عملیوں کی افادیت کو واضح کرتی ہے۔

2026 میں عالمی اقتصادی ماحول انتہائی غیر یقینی اور غیر مستحکم رہا۔ بڑھتی ہوئی جغرافیائی سیاسی کشیدگی جس میں ایران، اسرائیل شامل ہیں، اور امریکہ کی جنگ میں ان پیش رفتوں کے نتیجے میں تیل کی قیمتوں میں وقفے وقفے سے اضافہ ہوا، جس سے ابھرتی ہوئی منڈیوں میں درآمدی افراط زر میں اضافہ ہوا۔ شمولیت نے عالمی توانائی کی منڈیوں اور تجارتی بہاؤ کو نمایاں طور پر متاثر کیا۔ پاکستان کے لیے اس کا اثر خاص طور پر ایندھن کی زیادہ قیمتوں سے ظاہر ہوا، نفل و حمل کے بڑھتے ہوئے اخراجات، اور مہنگائی کا وسیع دباؤ صارفین اور کاروبار دونوں کو متاثر کرتا ہے۔

اختتام پر میں انتظامیہ کی حمایت میں ان کی غیر متزلزل عزم اور رہنمائی کے لیے بورڈ آف ڈائریکٹرز کے معزز ممبران کا تہدول سے شکر یہ ادا کرنا چاہتا ہوں۔ میں اپنے شیئر ہولڈرز کے اعتماد اور ہماری کہنی میں ثابت قدم تعاون کے لیے بھی ان کا تہدول سے مشکور ہوں۔

مزید برآں، میں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ، اسٹیٹ بینک آف پاکستان، اور ہمارے تمام قابل قدر رہبر، بیرونی کنڈکٹان کی جانب سے فراہم کردہ انمول تعاون کے لیے تہدول سے شکر یہ ادا کرنا چاہتا ہوں۔ ان کی مسلسل تائید اور حمایت ہمارے کامیاب سفر میں اہم کردار ادا کرتی ہے

پاکستان میں انشورنس سیکٹر نے 2025 کے دوران اپنی چلک اور موافقت کو برقرار رکھا، وسیع تر اقتصادی چیلنجوں کے باوجود مستحکم ترقی کا مظاہرہ کیا۔ یہ توسیع بڑی حد تک بیرونی مجموعی مانگ میں اضافے کی وجہ سے ہوئی، جو اقتصادی اور جغرافیائی سیاسی غیر یقینی صورتحال کے درمیان افراد اور کاروباری اداروں میں خطرے سے متعلق آگاہی کی عکاسی کرتی ہے۔

آخر میں، لیکن یقینی طور پر کم از کم، میں چیف ایگزیکٹو اور ان کی مخلص ٹیم کو ان کی انتھک کوششوں، غیر متزلزل عزم اور مخلصانہ لگن کے لیے سراہنا چاہتا ہوں۔ ان کی شراکت کہنی کی کامیابی کے لیے ناگزیر رہی ہے۔

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اسٹریٹجک اصلاحات کے ذریعے اس شعبے کو مضبوط بنانے میں اہم کردار ادا کرنا جاری رکھا۔ کلیدی اقدامات میں خطرے پر مبنی سرمائے کے فریم ورک کو بڑھانا، کارپوریٹ گورننس کے معیارات کو مضبوط کرنا، ڈیجیٹل اہلیت کو فروغ دینا، اور بیرونی کنڈکٹان کے لیے


عرفان ذکر یابوانی
چیرمین

کراچی 01 اپریل 2026

DIRECTORS' REPORT

The Directors of the Company are pleased to present their report, along with the audited financial statements and Auditor's report for the year ended December 31, 2025.

Despite the challenges encountered throughout the year 2025, we are pleased to announce the following results achieved by your Company:

OPERATIONAL RESULTS FOR THE YEAR 2025

The comparative financial highlights of your Company for the years ended December 31, 2025, are as follows:

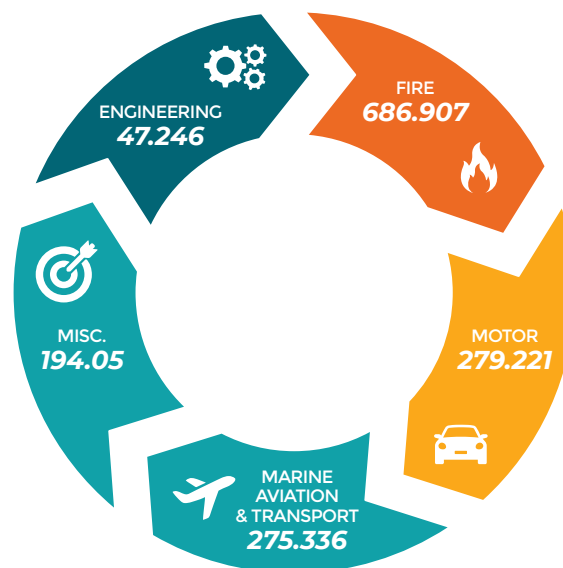
	2025	2024
	Rs. in Million	
Gross Premium (Including Takaful Contribution)	1,482.761	1,217.148
Net Premium	596.595	546.496
Net Incurred Claims (Including IBNR)	139.524	152.815
Management Expenses	232.998	198.462
Underwriting Profit	93.931	84.048
Investment Income	554.993	408.883
Profit Before Taxation	557.559	436.169
Profit After Taxation	464.921	301.852
Earnings Per Share (EPS) – Rupees	4.63	3.00 (Restated)

Your Company continues to achieve a remarkable milestone by surpassing the gross premium threshold of one billion rupees. During the year under review, the Company recorded a gross premium of Rs.1,482.761 million, including Rs.258.821 million in Takaful contributions, reflecting a 22% year-on-year growth compared to Rs.1,217.148 million in the previous year (inclusive of Rs.157.073 million in Takaful contributions).

Net premium income rose to Rs.596.595 million in 2025 from Rs.546.496 million in 2024, reflecting a Rs.50.099 million growth that highlights the Company's expanding market presence and disciplined approach to underwriting.

During the year, the Company incurred net claims of Rs.139.524 million, a decrease of Rs.13.291 million from Rs.152.815 million in 2024. Supported by this reduction in claims, the Company's underwriting performance remained strong, with underwriting profit rising 12% to Rs.93.931 million, compared to Rs.84.048 million in the previous year. This growth underscores the effectiveness of the Company's risk management framework and the prudence of its underwriting practices.

Investment income remained a key contributor to overall profitability during the period under review, increasing significantly from Rs. 408.883 million in 2024 to Rs.



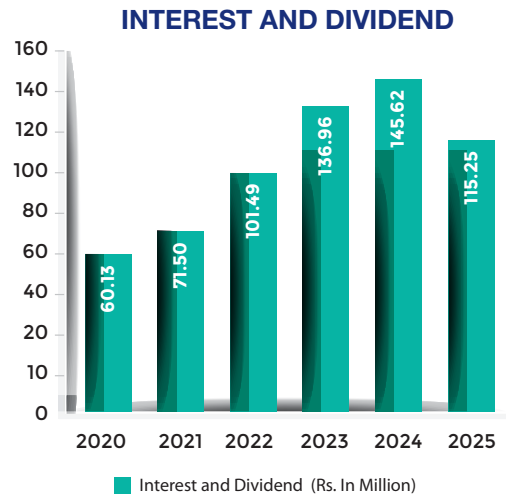
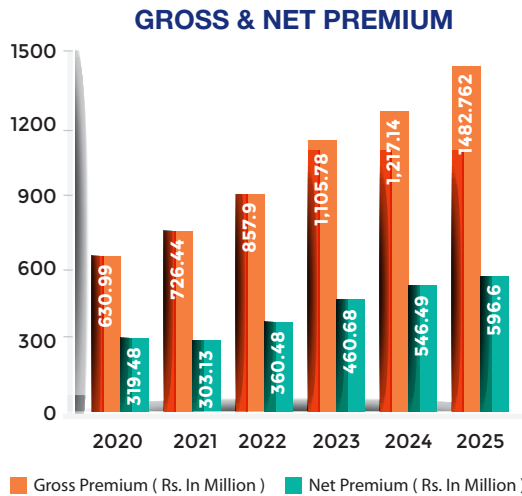
554.993 million in 2025. This substantial growth in investment returns provided strong support to the Company's earnings performance and enhanced its financial stability.

Consequently, profit before tax recorded a notable increase of 28%, reaching Rs. 557.559 million. Profit after tax also demonstrated strong growth, rising from Rs. 301.852 million in the previous year to Rs. 464.921 million in 2025. This improvement reflects the combined impact of higher investment income, disciplined cost management, and stable operational performance.

The Company continued to demonstrate operational resilience and prudent financial stewardship despite prevailing macroeconomic uncertainties. The positive financial outcomes achieved during the year reflect the strength of the Company's financial strategy, supported by robust investment income, effective underwriting performance, efficient claims management, and disciplined cost control. These results reaffirm the Company's commitment to sustainable, long-term growth and sound business practices.

The earnings per share (EPS) also reflected the Company's strong financial performance, increasing from Rs. 3.00 (restated) in 2024 to Rs. 4.63 in 2025, thereby further enhancing shareholder value.

Appropriation would increase Paid up Capital to Rs. 1,306.134 million and General Reserve for Rs. 400 million with the total Assets Surge to Rs. 3,814.054 million



Over the years, we have consistently raised concerns regarding the unilateral and arbitrary fixation of so-called 'Bank Limits' and the delisting / non-listing / prequalifying practices adopted by some Banks, DFIs (Development Financial Institutions), Financial Institutions, and various Authorities / Organizations. These practices have led to an unequal playing field for market participants within the insurance industry.

It is imperative that these discriminatory practices be addressed by the relevant authorities for the larger and best interests of the insurance industry. Fair and transparent regulations are essential to foster healthy competition and ensure equal opportunities for all stakeholders. We urge for concerted efforts to rectify these issues and establish a level playing field conducive to the growth and sustainability of the insurance sector.

INVESTMENT

Your Company's investment policy remains steadfast in its dedication to Shariah-compliant Islamic funds, aiming to secure returns while seizing market opportunities. The investment portfolio is judiciously structured, balancing fixed-income securities with equity investments, with a focus on blue-chip stocks that offer high dividend yields, consistent bonus payouts, and long-term capital appreciation. This prudent diversification is actively overseen by the Investment Committee to optimize returns while mitigating risks.

In 2025, the Pakistan Stock Exchange (PSX) sustained and amplified the extraordinary momentum established in the year, delivering another exceptional performance that underscored deepening investor confidence and strengthening macroeconomic fundamentals. The benchmark **KSE 100 Index registered an impressive annual return of approximately **51%, climbing from

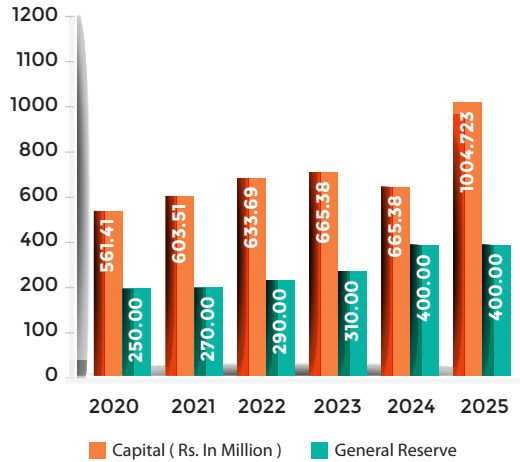
115,127 points at year end 2024 to 174,054 points by December 31, 2025, and surpassed 175,000 points during year end trading to achieve new all time highs, reflecting robust breadth and depth in market participation.

The market's sustained upward trajectory was supported by continued policy clarity, monetary easing, and structural reforms, including the forward looking federal budget for FY2025–26, which helped maintain investor optimism by avoiding onerous new taxation and reinforcing growth friendly fiscal measures. Throughout the year, broad based buying activity was evident across key sectors such as financial services, energy, automotive, and industrials, with strong domestic participation offsetting intermittent foreign outflows.

Despite episodes of volatility influenced by geopolitical and external economic pressures, market liquidity and capitalization expanded markedly, with total market cap approaching record levels and trading volumes sustaining elevated levels as confidence in corporate earnings and valuation re rating matured. Analysts noted that the cumulative returns over the two year period through 2025 positioned PSX among the most attractive emerging markets globally, as favorable interest rate dynamics, a relatively stable currency environment and sustained policy engagement with multilateral partners continued to attract both institutional and retail investor interest.

During 2025, the State Bank of Pakistan (SBP) maintained a carefully balanced monetary policy to support sustainable economic growth while keeping inflation under control. After a series of significant rate cuts in 2024, the policy rate remained at 11% for most of 2025 before a modest reduction to 10.5% in December. This move reflected the SBP's view that inflation was easing and overall economic conditions were improving.

CAPITAL & RESERVES



In the first monetary policy review of 2026, the SBP kept the policy rate unchanged at 10.5%, noting that while inflation pressures were generally under control, core inflation showed some persistence, and external risks, such as fluctuations in global commodity and energy prices, remained a concern.

In fixed income markets, relatively higher interest rates continued to provide attractive returns, while in equities, lower discount rates, strong corporate earnings growth, adequate liquidity, and a gradually improving economic outlook supported market performance.

Amid this dynamic economic landscape, your Company's well-calibrated investment strategy delivered exceptional results. Investment income recorded an impressive growth of 36%, reaching Rs. 554.993 million in 2025, compared to Rs. 408.883 million in 2024. This performance underscores the effectiveness of our structured approach in capitalizing on market fluctuations and emerging opportunities.

Dividend income for the year amounted to Rs. 96.101 million, reflecting a 17% decline from Rs. 115.447 million of the previous year. This decrease was primarily driven by a significant reduction in dividend income from mutual funds, which fell from Rs. 47.131 million to Rs. 9.329 million following the curtailment of the discount rate. In contrast, corporate dividend income demonstrated robust growth, rising from Rs. 68.315 million to Rs. 86.772 million, underscoring the strength of the company's direct equity investments.

The company also delivered remarkable capital gains of Rs. 149.009 million, nearly doubling the previous year's Rs. 73.695 million, reflecting a strategic and opportunistic approach to equity trading. Unrealized gains further strengthened the balance sheet, increasing to Rs. 291.046 million from Rs. 193.332 million in the prior year, highlighting substantial valuation appreciation across key holdings.

The Company continues to uphold a well-diversified, robust, and highly liquid investment portfolio designed to support consistent income generation while strengthening overall financial resilience. As of December 31, 2025, the total investment portfolio reached Rs. 1,699.608 million, marking a notable

increase from Rs. 1,313.687 million recorded in the preceding year. This significant growth reflects the Company's proactive investment strategy and disciplined approach toward optimizing asset allocation.

The portfolio composition remains strategically balanced across multiple asset classes to ensure both growth potential and income stability. Equity investments represent the dominant component, amounting to Rs. 1,551.173 million, underscoring the Company's confidence in long-term market opportunities and capital appreciation. Complementing this, Sukuk investments totaling Rs. 103.746 million and Term Deposits of Rs. 44.688 million add to a stable and predictable yield profile, thereby enhancing the portfolio's income-generating capacity while maintaining prudent risk management.

In addition, Cash and Bank Deposit Accounts stood at Rs. 138.408 million as of year-end, compared to Rs. 102.206 million in the previous year. This increase further strengthens the Company's liquidity position, ensuring adequate financial flexibility to meet operational requirements and capitalize on emerging investment opportunities.

Overall, the continued expansion and prudent structuring of the investment portfolio underscore the Company's commitment to maintaining financial strength, preserving liquidity, and ensuring sustainable financial stability to support its strategic and operational objectives.

CLAIMS

The Company acknowledges its liability for all claims incurred up to the Statement of Financial Position date, recognizing them at the undiscounted value of expected future payments.

To account for claims that have been incurred but not yet reported (IBNR), a provision is established as of the balance sheet date. In compliance with SECP Circular No. 9 of 2016, the Company engages actuarial professionals to determine the IBNR claims. The estimation process follows the Chain Ladder (CL) methodology, which involves identifying development factors or link ratios for each period. These factors are then aggregated to derive the Cumulative Development Factor (CDF), which represents the projected progression of claims towards their ultimate settlement.

REINSURANCE

Your Company has successfully concluded the reinsurance program for the year 2026. Swiss Re, a globally renowned and prestigious reinsurer, continues to lead RIC's reinsurance program for 2026. Additionally, underwriting capacity for Fire and Marine lines of business have been further strengthened in 2026. This enhancement allows the Company to underwrite larger risks with greater efficiency. We extend our sincere appreciation to all our reinsurers for their unwavering trust, collaboration, and continued support. Their partnership remains a cornerstone of our operational success and financial stability.

WINDOW TAKAFUL OPERATIONS

The Securities and Exchange Commission of Pakistan (SECP), Insurance Division, granted license to the Company to undertake Window Takaful Operations on May 25, 2016. Reliance Takaful operates under the guidance of a renowned, qualified, and certified Shariah Scholar.

Reliance Takaful offers a comprehensive range of Shariah-compliant General Takaful products, including Fire and Property Takaful, Marine Cargo Takaful, Private/Commercial Vehicles Takaful, Engineering Takaful, and Miscellaneous and Accident Takaful.

We are committed to providing ethical and transparent Takaful solutions that align with Islamic principles and cater to the diverse needs of our customers.

The summarized comparative financial results of Window Takaful operations for the years 2025 and 2024 are as follows:

	2025	2024
	Rs. in Million	
Gross Contribution	258.821	157.074
Net Contribution (net of wakala expense)	43.653	34.264
Wakala Expense	61.666	49.981
Surplus for the year – PTF	5.614	2.189
Operator's Fund		
Revenue Account	8.676	11.432
Operator's before tax Profit	18.308	30.072

APPROPRIATION OF PROFIT

	2025
	Rs. in Million
Amount brought forward from previous years	31.021
Profit after tax for the year ended 31st December, 2025	464.921
Amount available for appropriation	495.942

Your Directors recommend appropriation in the following manner: -

APPROPRIATION OF PROFIT

	2025
	Rs. in Million
Proposed issue of Bonus Shares 30% (2024: 51%)	301.417
Un-appropriated balance carried forward	194.525

ENHANCED AUTHORISED CAPITAL

The Board of Directors remains steadfast in their commitment to strengthening the Company's financial position by augmenting enhanced capital in alignment with its long-term strategic vision as well as to comply with regulatory requirements. Given the promising growth trajectory and future expansion prospects, the Board has approved and proposed to an increase in the Authorised Capital from Rs.1,500 million to Rs.2,000 million.

ENHANCED PAID UP CAPITAL

In line with the Company's growth trajectory and long-term strategic objectives, your Directors remain firmly committed to strengthening the capital base. As part of this proactive approach, the Board has approved appropriations, resulting in an increase in the Company's Paid-up Capital from Rs.1,004.723 million to Rs.1,306.140 million. This prudent financial management strategy ensures sustainable growth and fortifies the Company's ability to meet the evolving needs of its stakeholders

INFORMATION TECHNOLOGY

In today's rapidly evolving digital landscape, the significance of Information Technology (IT) cannot be overstated. Uninterrupted IT services are fundamental to seamless business operations, ensuring efficiency, security, and innovation. Your Company remains committed to continuous investment in the expansion and enhancement of its technological infrastructure to drive operational excellence and sustain competitive advantage.

A cornerstone of our IT ecosystem is the advanced General Insurance Software, 'iGIAS,' which has been successfully deployed across branch operations. This robust platform is distinguished by its fully integrated architecture, seamlessly interconnecting core business functions such as Underwriting, Claims, Accounts, and Reinsurance. Developed with cutting-edge Java scripting and powered by a secure Oracle database, 'iGIAS' ensures streamlined data management while prioritizing security, scalability, and compliance.

Recognizing the evolving needs of the industry, 'iGIAS' has also been strategically adapted to facilitate General Takaful services. This adaptation has been successfully implemented at the branch level, significantly enhancing operational efficiencies, strengthening internal controls, and optimizing the Management Information System (MIS) for more informed decision-making capabilities.

In adherence to international best practices, the Securities and Exchange Commission of Pakistan (SECP) introduced Cyber Security Framework guidelines for the Insurance Sector in 2020. This initiative aligns cybersecurity measures with enterprise risk management strategies, paving the way for ISO 27001 certification. By implementing these stringent security protocols, our Company proactively mitigates risks associated with internal vulnerabilities and external threats, fortifying our digital ecosystem against potential breaches.

Our IT strategy is meticulously aligned with the Company's operational imperatives, ensuring agility, resilience and an enhanced customer experience. By leveraging state-of-the-art technologies and industry-leading security frameworks, we remain steadfast in our commitment to delivering superior services, fostering trust and achieving the highest levels of customer satisfaction.



CREDIT RATING

Both the credit rating agencies, namely Pakistan Credit Rating Agency (PACRA) and VIS Credit Rating Company Limited have upgraded the Insurer Financial Strength (IFS) rating of Reliance Insurance Company Limited to 'A++' with Stable outlook. The upgrade reflects the Company's strong capitalization, sound liquidity position, and robust reinsurance arrangements, with Swiss Re as the lead reinsurer. It also takes into account improved underwriting performance, growth in business volumes, and enhanced profitability supported by higher investment income. Overall, the rating signifies a strong capacity to meet policyholder obligations, with low exposure to adverse business and economic risks.

RELATED PARTY TRANSACTIONS

All related party transactions have been reviewed \ recommended by the Audit Committee and approved by the Board of Directors in their respective Board meetings. All transactions executed with related parties are on arm's length basis.

LIQUIDITY MANAGEMENT

The company maintains a prudent and strategic approach to liquidity management ensuring seamless fulfillment of financial obligations through strong cash flows from core operations, strategic investments and other income sources. This disciplined approach enhances financial stability, strengthens resilience and enables the company to effectively navigate market dynamics while capitalizing on growth opportunities.

As of December 31, 2025, the company's solvency stood at Rs. 819.971 million, substantially exceeding the statutory requirement of Rs. 150 million by Rs. 669.971 million. This strong surplus underscores the company's solid financial foundation, reinforcing its ability to meet obligations with confidence and efficiency.

DEFERRED TAXATION

Deferred tax, if any, is provided using the liability method on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax assets and liabilities, if any, are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted, or substantially enacted at the statement of financial position date.

Deferred tax assets, if any, are recognized only to the extent that it is probable that future taxable profit will be available against which the assets can be utilized.

ANTI-MONEY LAUNDERING AND COUNTERING FINANCING TERRORISM

SECP has issued guidelines/regulations on anti-money laundering policies and procedures and also various circulars for the implementation of Know Your Customer (KYC) Guidelines applicable on insurance companies.

SECP has also issued Anti Money Laundering, (Combating the Financing of Terrorism and Countering Proliferation Financing) Regulations, 2020 which are very comprehensive guidelines for AML and KYC. RICL has implemented these guidelines to cater the relevant risk and exposure.

ROLE OF COMPLIANCE

Role of Compliance Function is imperative to evaluate the efficiency and effectiveness of internal control against risks and threats, particularly with respect to regulatory compliance. The Compliance Officer is responsible to improve the control environment and ensure compliance of various applicable laws, regulatory requirements, internal policies and procedures with specific emphasis on compliance with SECP's Regulations.

CORPORATE GOVERNANCE LEADERSHIP SKILL PROGRAM

Following directors have successfully completed Corporate Governance Leadership skills (CGLS) program of Pakistan Institute of Corporate Governance (PICG)/The Institute of Chartered Accountants of Pakistan.

1. Mr. Irfan Zakaria Bawany
2. Mr. Ahmed Ali Bawany
3. Ms. Tasneem Yusuf
4. Mr. Muhammad Patel

Five Directors meet the criteria of eligibility as directors having 15 years' experience on the Board of listed companies and 14 years of Education as stipulated under Listed Companies (Code of Corporate Governance) Regulations, 2019.

CORPORATE BRIEFING

A Corporate Briefing session was conducted for Shareholders and Analysts on December 27, 2025, in compliance with the regulations of the Pakistan Stock Exchange. The session was conducted via video link and/or physical attendance, facilitating participation from both remote and in-person attendees. Senior Management and Shareholders were present during the briefing, providing valuable insights and updates on the company's performance, strategic initiatives, and future outlook. This session served as an important platform for transparent communication, fostering engagement and collaboration between the company's management and its stakeholders.

STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

The requirements of the Code of Corporate Governance set out by the regulatory authority have been duly complied with. A statement to this effect is annexed with the report.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company has been in compliance with the provisions set out by the Securities and Exchange Commission of Pakistan. There has been no material departure from best practices of the Corporate Governance, as detailed therein.

- a) The financial statements prepared by the management of the company fairly present its state of affairs, the results of the operations, cash flow and changes in equity.
- b) Proper books of accounts of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statement and accounting estimates are based on reasonable and prudent judgments.
- d) The International Accounting Standard, International Financial Reporting Standards (IFRS), or any other regulation or law as applicable in Pakistan have been followed in preparation of financial statements and any departure from there has been adequately disclosed.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) The pattern of shareholding in the Company as at 31st December, 2025 is annexed to the accounts.
- g) There are no significant doubts upon the Company's ability to continue as a going concern.
- h) There has been no material departure from the best practices of Corporate Governance.
- i) Key operating and financial data for the last Ten years in summarized form is annexed.
- j) The Value of investments based on the unaudited accounts as at 31st December 2025, in respect of the Provident Fund stood at Rs.125.094 million.

BOARD OF DIRECTORS

The total number of Directors are nine (9) as per following:-

(a) Male	08
(b) Female	01

The composition of board is as follows:-

• Independent Directors	(3)
• Non-Executive Directors	(6)
• Executive Director	(1)

Mr. A. Razak Ahmed is the Chief Executive and Managing Director of the company. Being the CEO & MD of the company he is deemed to be a director.

The Board was actively involved during the year in performing its duties including those to be performed under various relevant Laws and Memorandum and Articles of Association of the Company, with the ultimate objectives of self-guarding the interest of the Shareholders, increase in profitability of the Company and promoting market confidence.

All the directors possess rich exposure of diverse field of business and professions and also requisite skills and understanding to deal with various business and corporate issues and have ability to review, analyze and challenge the management performance. They have contributed immensely in terms of their experience and practical advice.

DIRECTOR'S REMUNERATION

In accordance with the provisions of Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and Articles of Association of the Company, the policy concerning remuneration for non-executive directors including Independent directors, is that no remuneration is paid except meeting fee for attending the Board meetings as per the requirements of Article 137 of the Company's Articles of Association.

ROLE OF CHAIRMAN & MANAGING DIRECTOR /CEO

Chairman of the Board is responsible to ensure that the Board is working properly and all the matters relevant to the governance of the company are considered in the Board Meetings. The Chairman presides and conducts the Board meetings and is responsible to lead the Board and ensure its effective functioning and continuous development. The Chairman has no involvement in day-to-day operations of the Company.

MANAGING DIRECTOR/CEO

The Board of Directors appoint The Managing Director / Chief Executive Officer of the Company for the tenure of three years. Chief Executive Officer is responsible for the operations of the Company and conduct of its business in accordance with all statutory obligations and subject to the direction of the Board and power vested in him by law. His responsibilities include implementation of strategies and policies of the Board. He is responsible for exercising the overall control, direction, administration and supervision for sound and efficient management and conduct of the business of the Company. The Chairman and Managing Director meet regularly to discuss / review issues, opportunities and challenges.



MD's PERFORMANCE REVIEW

The performance of the Managing Director is evaluated by the Board on annual basis based on the business activities performed during the year.

BOARD COMMITTEES

The Board has constituted Audit, Investment, Human Resource & Remuneration and Nomination Committees comprising of the following Non-Executive Directors:

AUDIT COMMITTEE

The following are the members of audit committee.

1. Ms. Tasneem Yusuf	Chairperson (Independent Director)
2. Mr. Irfan Zakaria Bawany	Member (Non-Executive Director)
3. Mr. Muhammad Omar Bawany	Member (Non-Executive Director)
4. Mr. Faraz Abdul Razzak	Secretary

The terms of reference of the Audit Committee include the following:

- i. Recommending to the Board of Directors the appointment of External Auditors and consider any questions of audit fee; taking into consideration a number of factors including satisfactory rating under ICAPS quality control review program;
- ii. Consideration of questions regarding resignation or removal of External Auditors;
- iii. Determination of appropriate measures to safeguard the company's assets;
- iv. Review of quarterly, half yearly and annual financial statements of the Company, prior to the approval by the Board of Directors;
- v. Major judgmental areas;
- vi. Review of adjustments resulting from audit;
- vii. Going concern assumption;
- viii. Any changes in auditing policies and practices;
- ix. Review of preliminary announcement of results prior to publication;
- x. Review and recommend all related party transactions;
- xi. Compliance with applicable accounting standards;
- xii. Determination of compliance with relevant statutory requirements;
- xiii. Monitoring compliance with the best practices of corporate governance and regulations and identification of any significant violations thereof;

- xiv. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- xv. Consideration of any other issue or matter as may be assigned by the board of directors;
- xvi. facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- xvii. review of arrangement for staff and management to report to audit committee in confidence, concerns, if any about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- xviii. review of management letter issued by external auditors and management's response thereto;
- xix. ensuring coordination between the internal and external auditors of the company;
- xx. review the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- xxi. ascertaining that the internal control systems including financial and operational controls, accounting systems and the reporting structure are adequate and effective;
- xxii. review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
- xxiii. instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;

INVESTMENT COMMITTEE

Investment Committee consists of six members:

1. Mr. Irfan Zakaria Bawany	Chairman (Non-Executive Director)
2. Mr. Ahmed Ali Bawany	Member (Non-Executive Director)
3. Ms. Tasneem Yusuf	Member (Independent Director)
4. Mr. Muhammad Patel	Member (Non-Executive Director)
5. Mr. A. Razak Ahmed	Member (Executive Director)
6. Mr. Ghulam Haider	Member (Chief Financial Officer)
7. Mr. Muhammad Salim Memon	Secretary

EATHICS, HUMAN RESOURCES & REMUNERATION COMMITTEE

The committee comprises of four members:

1.	Mr. Naeem Ahmed Shafi	Chairman (Independent Director)
2.	Mr. Irfan Zakaria Bawany	Member (Non-Executive Director)
3.	Mr. Noor Mohammad Zakaria	Member (Non-Executive Director)
4.	Mr. A. Razak Ahmed	Member (Executive Director)
5.	Mr. M. Naveed Jan	Secretary

MANAGEMENT COMMITTEES

The Board has also constituted three Management Committees – namely Underwriting, Reinsurance & Co-insurance, Claims Settlement and Takaful committees. These committees meet on regular basis and are headed by the Chief Executive Officer. The functions and composition of the committees are given below:-

UNDERWRITING, REINURANCE & CO-INSURANCE COMITTEE

The functions of the Underwriting Committee includes:-

- The Underwriting Committee formulates the underwriting policy of the Company.
- It sets out the criteria for assessing various types of insurance risks and determines the premium policy of different insurance covers.
- It regularly reviews the underwriting and premium policies of the Company with due regards to relevant factors such as the business portfolio and the market scenario.

The functions of the Reinsurance & Co-Insurance Committee includes:-

- This committee ensures that adequate reinsurance arrangements are made for company's business.
- The Committee pursues the proposed reinsurance arrangements prior to their execution, review the arrangements from time to time and subject to the consent of the participating reinsurers suggest appropriate adjustments from time to time.
- The Committee also assesses the effectiveness of the reinsurance programme for future reference.

The Committee consists of the following members:-

1.	Mr. A. Razak Ahmed	Chairman
2.	Mr. M. Hanan Shahdani	Member
3.	Mr. Abdul Rahim	Member
4.	Mr. Abbas Baghat	Secretary

CLAIMS SETTLEMENT COMMITTEE

The functions of the Committee includes:-

- The Committee reviews the class wise aging of outstanding claims.
- It determines the circumstances under which claims disputes shall be brought to its attention and decide how to deal with such claims disputes.
- The Committee shall review matters relating to management of claims. It oversees the claim position of the company and ensures that adequate claims reserves are made.
- The Committee pays attention to significant claims cases or event which give rise to a series of claims and oversees the implementation of measures for combating claims.

The Committee comprises of the following members:-

1.	Mr. A. Razak Ahmed	Chairman
2.	Mr. Ghulam Haider	Member
3.	Mr. Shaikh Muhammad Siddiq	Member
4.	Mr. Nadeem Ahmed	Secretary

RISK MANAGEMENT & COMPLIANCE COMMITTEE

The functions of the committee includes:

- Monitoring and review of all material controls (financial, operational, compliance).
- Risk mitigation measures are robust and integrity of financial information is ensured.
- Appropriate extent of disclosure of company's risk framework and internal control system in Director's Report.

The Committee consists of the following members:-

1.	Mr. A. Razak Ahmed	Chairman
2.	Mr. Ghulam Haider	Member
3.	Mr. Faraz Abdul Razzak	Member
4.	Mr. Najmullah Khan	Member
5.	Mr. M. Hanan Shahdani	Member
6.	Mr. Ghulam Mujaddid	Member
7.	Mr. Abdul Rahim	Member
8.	Mr. Mohammad Masood Ali	Member
9.	Mr. M. Naveed Jan	Secretary

NOMINATION COMMITTEE

The functions of the Committee includes:-

- (i) Considering and making recommendations to the board in respect of the members of Board committees.
- (ii) Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.

The Committee consists of the following members:-

1.	Mr. A. Razak Ahmed	Chairman
2.	Mr. Ghulam Haider	Member
3.	Mr. Faraz Abdul Razzak	Member
4.	Mr. M. Hanan Shahdani	Member
5.	Mr. Muhammad Salim Memon	Secretary

TAKAFUL COMMITTEE

The function of Takaful Committee is to review performance of the Takaful Operations and advise the Board on quarterly basis. The Committee endorse the policies and procedures to be implemented in the Takaful Operations. It recommends the appointment of key personnel related to Takaful Operations. The Committee also monitors the adherence to the Takaful Rules and Shariah principles.

The following are the members of Takaful committee:

1.	Mr. A. Razak Ahmed	Chairman
2.	Mr. Najmullah Khan	Member
3.	Mr. Kashif Wadiwala	Secretary

Board of Director's Meetings

During the year Four (4) meetings of the Board of Directors were held and the number of meetings attended by each Director is given hereunder:

S.No.	Name of Directors	Attendance
1	Mr. Irfan Zakaria Bawany	4
2	Mr. Muhammad Omer Bawany	4
3	Mr. Ahmed Ali Bawany	4
4	Mr. Noor M. Zakaria	1
5	Mr. Zia Zakaria	4
6	Mr. Muhammad Patel	3
7	Mr. Naeem Ahmed Shafi	3
8	Ms. Tasneem Yusuf	4
9	Mr. Jahangir Adam	4

TRADING OF COMPANY'S SHARES

No trading in the shares of the Company was carried-out by the Directors, CEO, CFO, Company Secretary and their spouses and minor children except the following:

Name	Designation	No. of Share	Status
Mr. Noor Muhammad Zakaria	Director	356,897	Gift In

PATTERN / CATEGORIES OF SHAREHOLDING

The pattern of shareholding of the company is annexed.

STATEMENT OF THE ETHICS AND BUSINESS PRACTICES

The Board has adopted the statement of Ethics and Business Practices. All employees are informed and are required to observe these rules of conduct.

TRAINING PROGRAM

Our commitment to staff development is upheld through continuous training initiatives conducted throughout the year. In line with this commitment, both staff members and senior officers were nominated to participate in various seminars and training courses. These training programs aim to enhance the knowledge, skills, and competencies of our workforce, ensuring they remain abreast of industry best practices and developments. By investing in ongoing training opportunities, we strive to empower our employees to perform at their best and contribute effectively to the company's success.

AUDITORS

M/s. BDO Ebrahim & Co. Chartered Accountants retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re-appointment for the financial year ending 31st December 2026 at a fee to be mutually agreed.

The Audit Committee has recommended and the Board has endorsed the appointment of M/s. BDO Ebrahim & Co., Chartered Accountants, as auditors for the year ending 31st December 2026.

FUTURE OUTLOOK

Pakistan's economic outlook for FY2026 and beyond shows a gradual shift from stabilization to moderate growth. After improvement in FY2025, GDP growth is expected to rise around 2.5 - 3.0 percent, supported by lower interest rates, improving business confidence, and recovery in key sectors of industry and services.

At the same time, global conditions have become more challenging and unpredictable due to ongoing geopolitical tensions particularly involving Iran, the United States, and Israel. This situation has affected international energy markets, with oil prices hovering around USD 100 per barrel and has created pressure on global supply chains.

For Pakistan, these developments are important due to its reliance on imported oil. Higher energy prices may increase inflation, widen the current account deficit, and place pressure on foreign exchange reserves. In addition, rising shipping and logistics costs would impact trade flows and increase the cost of doing business.

Despite these challenges, Pakistan is expected to continue its engagement with international financial institutions including IMF and maintain policy discipline, which should help support overall economic stability and investor confidence.

Within this environment, Pakistan's insurance industry continues to offer growth potential. With insurance penetration still below 1% of GDP, there is significant room for expansion. Ongoing efforts by the Securities and Exchange Commission of Pakistan (SECP) are expected to support industry development through improved regulations, better consumer awareness, and enhanced market access.

Technology will play a key role in this growth. With a large and growing base of mobile and internet users, digital platforms provide an effective way to reach customers. The use of Insurtech solutions is expected to improve efficiency, reduce costs, and enhance customer experience.

The Takaful segment is also expected to grow steadily, driven by increasing demand for Shariah-compliant financial products. This provides an opportunity to serve a wider customer base and support overall industry growth.

In this evolving environment, your Company remains focused on maintaining stability while adapting to changing conditions. By leveraging technology, strengthening its market position, and aligning with regulatory developments, the Company is well placed to navigate challenges and achieve sustainable growth in the coming years.

ACKNOWLEDGMENT

We express our heartfelt gratitude to our esteemed customers for their unwavering patronage and support. We also extend our sincere thanks to all our Reinsurers, including Pakistan Reinsurance Company Limited, and Brokers for their invaluable guidance and support.

We deeply appreciate the ongoing cooperation and assistance provided by the Securities & Exchange Commission of Pakistan (SECP) and the State Bank of Pakistan (SBP). Their professional guidance and support have been instrumental in our journey over the years.

Directors also acknowledge and commend the tireless efforts of our Officers, Field Force, and Staff. Their dedication, sincerity, and hard work have significantly contributed to the growth of the Company.

Last but not the least, we are grateful to our shareholders for their confidence, support, and understanding. Your unwavering belief in our vision and mission is highly appreciated.

By Order of the Board



Irfan Zakaria Bawany
Chairman

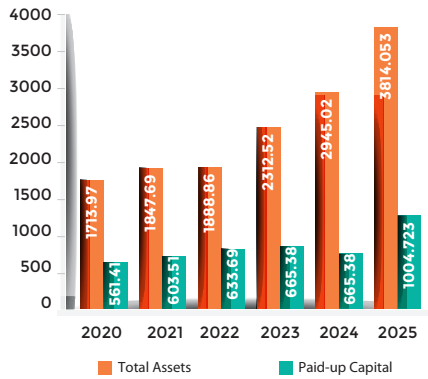


A. Razak Ahmed
Chief Executive &
Managing Director

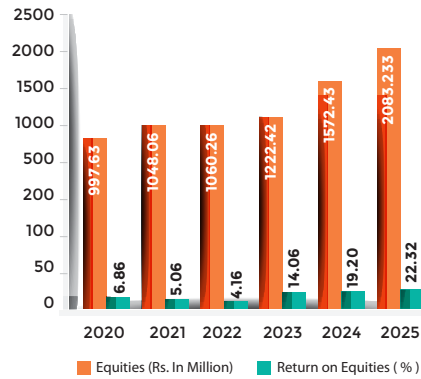
Karachi: 1st April, 2026

GRAPHICAL PRESENTATION

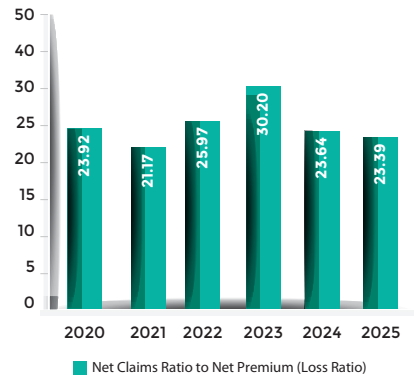
Total Assets & Paid-up Capital (Rs. In Million)



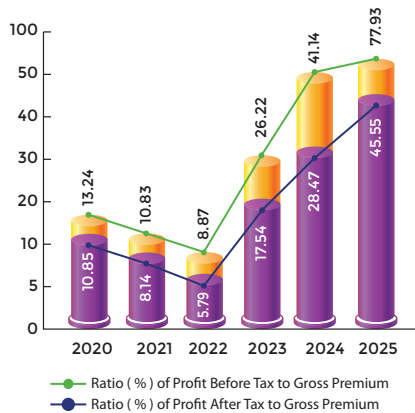
Equities & Return on Equities



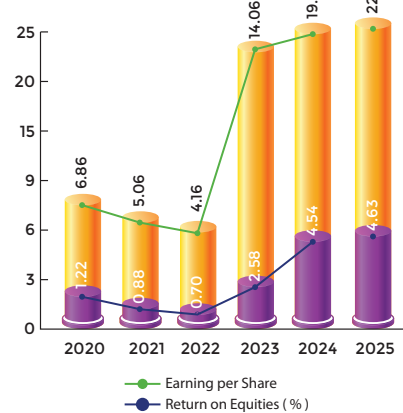
Net Claims Ratio to Net Premium (Loss Ratio)



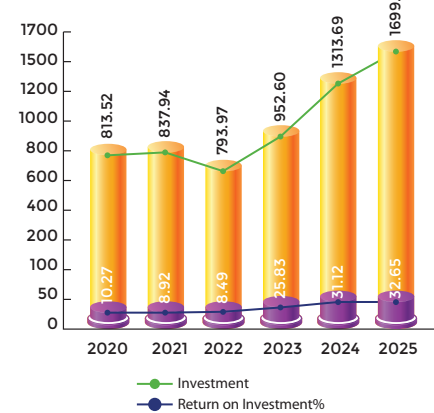
Ratio of Profit Before & After Tax to Gross Premium



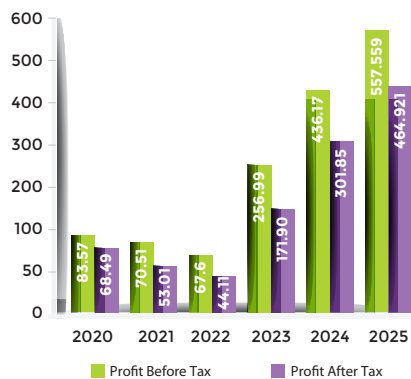
Return on Equity & Earning per Share



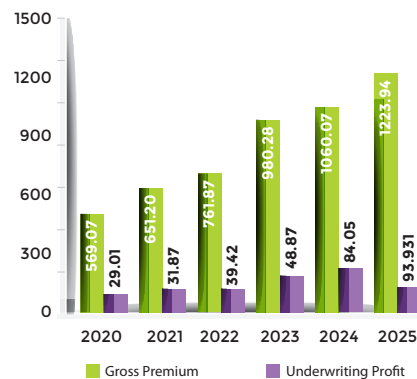
Return on Investment



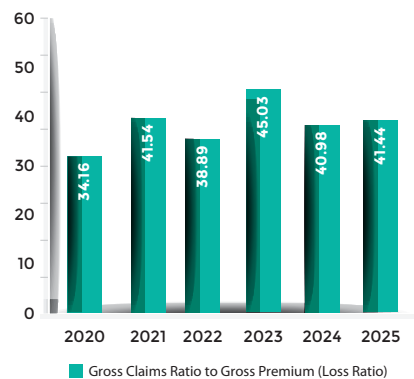
Profit Before Tax & After Tax



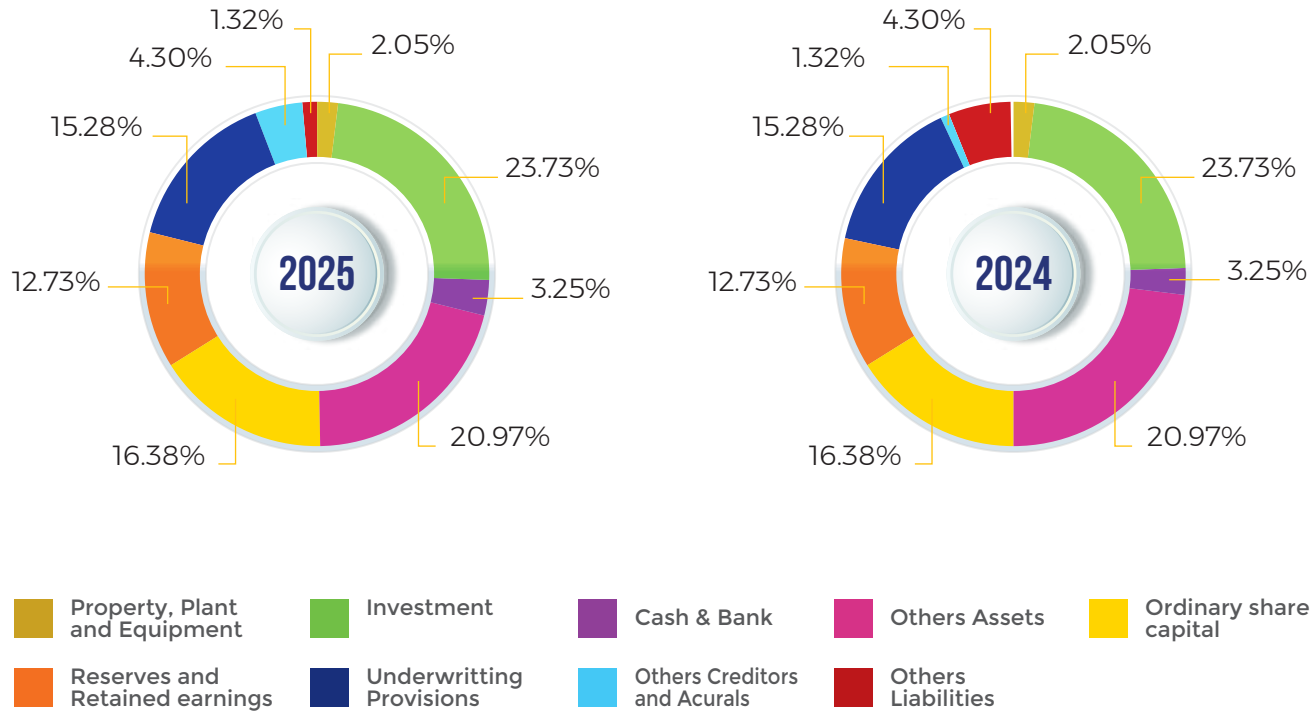
Gross Premium & Underwriting Profit



Gross Claims Ratio to Gross Premium



ASSETS, LIABILITIES & EQUITIES

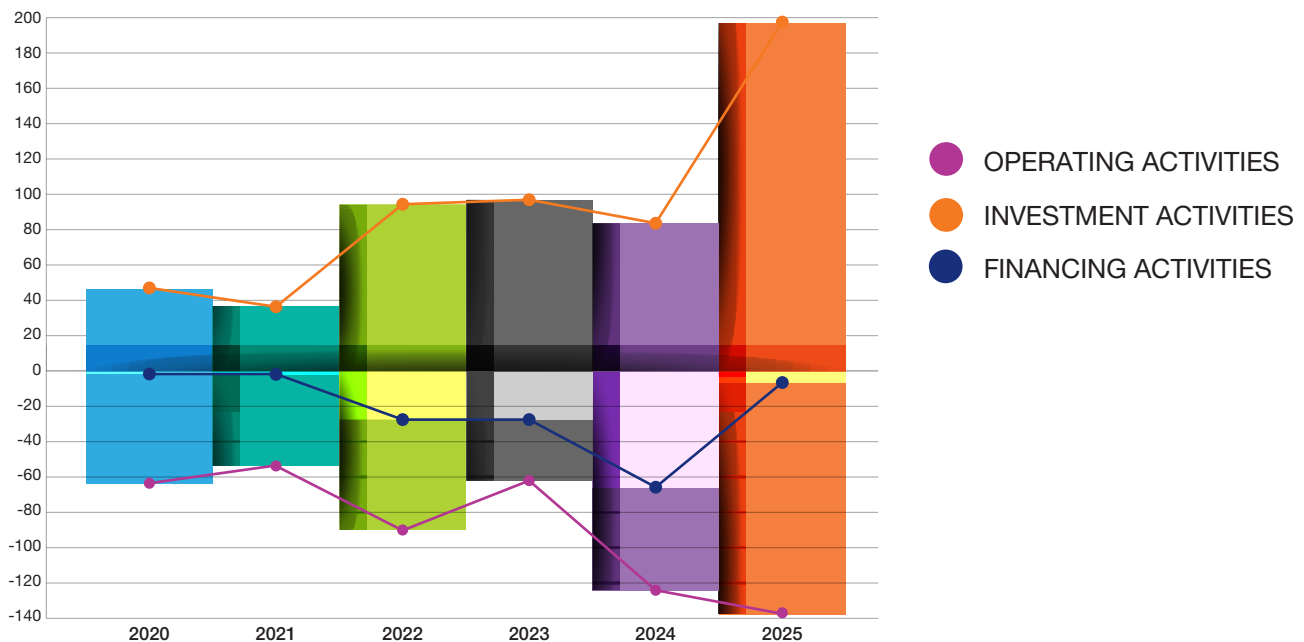


SUMMARY OF CASH FLOW

Cash Flow Statement

NET CASH FLOW FROM OPERATING ACTIVITIES
NET CASH FLOW FROM INVESTING ACTIVITIES
NET CASH FLOW FROM FINANCING ACTIVITIES

	2025	2024	2023	2022	2021	2020
NET CASH FLOW FROM OPERATING ACTIVITIES	(162.49)	(123.35)	(62.34)	(55.520)	(54.277)	(62.242)
NET CASH FLOW FROM INVESTING ACTIVITIES	199.487	181.22	99.65	92.55	36.67	42.325
NET CASH FLOW FROM FINANCING ACTIVITIES	(0.79)	(64.22)	(30.57)	(28.92)	-	-



پاکستان کے لیے درآمدی تیل پر انحصار کی وجہ سے یہ پیش رفت اہم ہے۔ توانائی کی بلند قیمت مہنگائی میں اضافہ کر سکتی ہے، کرنٹ اکاؤنٹ خسارہ بڑھا سکتی ہے اور زرمبادلہ کے ذخائر پر دباؤ ڈال سکتی ہے۔ اس کے علاوہ، شپنگ اور لاجسٹکس کے بڑھتے ہوئے اخراجات تجارتی بہاؤ کو متاثر کریں گے اور کاروبار کرنے کی لاگت میں اضافہ کریں گے۔

اس ماحول میں، پاکستان کی انشورنس انڈسٹری مسلسل ترقی کی صلاحیت فراہم کر رہی ہے۔ انشورنس کی رسائی ابھی بھی جی ڈی پی کے 1% سے نیچے ہے، اس میں توسیع کی کافی گنجائش ہے۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جاری کوششوں سے توقع کی جاتی ہے کہ وہ بہتر ضوابط، صارفین کی بہتر آگاہی، اور بہتر مارکیٹ تک رسائی کے ذریعے صنعت کی ترقی میں معاونت کریں گے۔

ٹیکنالوجی اس ترقی میں کلیدی کردار ادا کرے گی۔ موبائل اور انٹرنیٹ صارفین کے ایک بڑے اور بڑھتے ہوئے بنیاد کے ساتھ، ڈیجیٹل پلیٹ فارم صارفین تک پہنچنے کا ایک مؤثر طریقہ فراہم کرتے ہیں۔ انشورنس ٹیکنالوجی سلوشنز کے استعمال سے کارکردگی کو بہتر بنانے، لاگت کو کم کرنے اور کسٹمر کے تجربے کو بڑھانے کی توقع ہے۔

ہنگاموں کے طبقے میں بھی بتدریج ترقی کی توقع ہے، جو کہ شریعت کے مطابق مالیاتی مصنوعات کی بڑھتی ہوئی مانگ سے کارفرما ہے۔ یہ ایک وسیع تر کسٹمر بیس خدمت اور صنعت کی مجموعی ترقی کو سپورٹ کرنے کا موقع فراہم کرتا ہے۔

اس بدلتے ہوئے ماحول میں، آپ کی کمپنی بدلتے ہوئے حالات سے مطابقت رکھتے ہوئے استحکام کو برقرار رکھنے پر مرکوز رہتی ہے۔ ٹیکنالوجی کا فائدہ اٹھاتے ہوئے، اپنی مارکیٹ کی پوزیشن کو مضبوط بنا کر، اور ریگولیٹری پیش رفت کے ساتھ ہم آہنگ ہونے کے ذریعے، کمپنی آنے والے سالوں میں چیلنجوں کو نیوگیٹ کرنے اور پائیدار ترقی حاصل کرنے کے لیے اچھی طرح سے تیار ہے۔

اظہارِ تشکر:

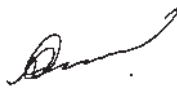
ہم اپنے معزز صارفین کا ان کی مستقل سرپرستی اور تعاون کے لئے شکر یہ ادا کرنا چاہتے ہیں۔ ہم اس موقع کا فائدہ اٹھاتے ہوئے اپنے تمام ری انشوررز بشمول پاکستان ری انشورنس کمپنی لمیٹڈ اور بروکرز کا بھی ان کی رہنمائی اور قابل قدر سپورٹ کے لئے شکر یہ ادا کرتے ہیں۔

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور اسٹیٹ بینک آف پاکستان (SBP) کے سالہا سال سے مستقل تعاون اور رہنمائی کے لئے ان کی پیشہ ورانہ رہنمائی، معاونت اور سپورٹ پر شکر گزار ہیں۔

ڈائریکٹرز افسران، فیلڈ فورس اور اسٹاف کی جانب سے کمپنی کی ترقی کے ضمن میں ان کی شراکت کے لئے ان کی انتھک محنت، عزم، دیانتداری کو بھی خراج تحسین پیش کرتے ہیں۔

آخر میں، ہم اپنے شیئر ہولڈرز کے اعتماد، تعاون اور سمجھ بوجھ کے لیے ان کے مشکور ہیں ہمارے وژن اور مشن پر آپ کا غیر متزلزل یقین انتہائی قابل تعریف ہے۔

حسب الحکم بورڈ



اے رزاق احمد

چیف ایگزیکٹو و نیجنگ ڈائریکٹر



عرفان ذکریا وانی

چیرمین

کراچی کیم اپریل 2026

کمپنی کے شیئرز کی ٹریڈنگ

درج ذیل کے علاوہ کمپنی کے شیئرز میں کسی ڈائریکٹر، سی ای او، سی ایف او/کمپنی سیکریٹری اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے کسی بھی قسم کی ٹریڈنگ نہیں کی گئی۔

نام	عہدہ	شیئرز کی تعداد	حیثیت
جناب نور محمد زکریا	ڈائریکٹر	356,897	تحفہ وصول

پیٹرن رکیڈنگ ریز آف شیئرز ہولڈنگ

کمپنی کے شیئرز ہولڈنگ منسلک ہے۔

ضابطہ اخلاق اور کاروباری طریقہ کار کا اسٹیٹمنٹ

بورڈ نے ضابطہ اخلاق اور کاروباری طریقہ کار کے لئے ایک اسٹیٹمنٹ راج کیا ہے۔ تمام ملازمین کو اس سے آگاہ کر دیا گیا ہے اور ضروری ہے کہ وہ ان ضابطہ اخلاق کی پابندی کریں۔

اسٹاف ٹریننگ پروگرام:

سال کے دوران نامزدگی کمیٹی کی طرف سے تجویز کیے گئے اسٹاف اور سینیئر آفیسرز کو مختلف سیمینار اور ٹریننگ کورس کے لیے نامزد کیا گیا۔

آڈیٹرز:

بی ڈی او ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی سالانہ جنرل اجلاس کے اختتام پر مدت ختم ہو رہی ہے اور 31 دسمبر 2026 کو ختم ہونے والے مالی سال کے لئے اپنے آپ کو متفقہ معاوضہ پر پیش کرتے ہیں۔ اس لیے بی ڈی او ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 31 دسمبر 2026 کو ختم ہونے والے سال کے لیے بطور آڈیٹر مقرر کرنے کے لیے آڈٹ کمیٹی نے سفارش کی ہے اور بورڈ نے اس کی تقرری کی توثیق کی ہے۔

مستقبل پر ایک نگاہ:

پاکستان کا مالی سال 2026 اور اس کے بعد کا معاشی نقطہ نظر استحکام سے معتدل ترقی کی طرف بتدریج تبدیلی کو ظاہر کرتا ہے۔ مالی سال 2025 میں بہتری کے بعد، جی ڈی پی کی نمو 2.5-3.0 فیصد کے لگ بھگ بڑھنے کی توقع ہے، جس میں سود کی کم شرح، کاروباری اعتماد میں بہتری، اور صنعت اور خدمات کے اہم شعبوں میں بحالی کی حمایت حاصل ہے۔

اسی دوران جاری جغرافیائی سیاسی کشیدگی خاص طور پر ایران، امریکہ اور اسرائیل کی وجہ سے عالمی حالات زیادہ چیلنجنگ اور غیر متوقع ہو گئے ہیں۔ اس صورتحال نے توانائی کی بین الاقوامی منڈیوں کو متاثر کیا ہے، تیل کی قیمتیں 100 امریکی ڈالر فی بیرل کے ارد گرد منڈلار رہی ہیں اور عالمی سپلائی چینز پر دباؤ پیدا ہوا ہے۔

کمیٹی درج ذیل ممبران پر مشتمل ہے:

1-	جناب اے رزاق احمد	چیئر مین
2-	جناب غلام حیدر	ممبر
3-	جناب فراز عبدالرزاق	ممبر
4-	جناب محمد حنان شادانی	ممبر
5-	جناب محمد سلیم مبین	ممبر اور سیکریٹری

تکافل کمیٹی

اس کمیٹی کا تکافل آپریشنز کی کارکردگی کا جائزہ لینا اور سہ ماہی بنیاد پر بورڈ کو مشورہ دینا ہے۔ کمیشن تکافل آپریشنز میں پالیسیوں کے نافذ کرنے اور طریقہ کار کی توثیق کرتی ہے۔ یہ تکافل آپریشنز سے متعلق اہم شخص کی تقرری کی سفارش کرتی ہے۔ یہ کمیٹی تکافل آپریشنز کی طرف سے تکافل قواعد و شرعی پرنسپل کی بھی نگرانی کرتا ہے

کمیٹی درج ذیل ممبران پر مشتمل ہے۔

1-	جناب اے رزاق احمد	چیئر مین
2-	جناب نجم اللہ خان	ممبر
3-	جناب کاشف واڈی والا	سیکرٹری

بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس منعقد ہوئے اور ہر ایک ڈائریکٹر کی جانب سے اجلاسوں میں شرکت کی تعداد ذیل میں درج ہے۔

ڈائریکٹرز کے نام	اجلاس میں حاضری
1- جناب عرفان ذکریا باوانی	4
2- جناب محمد عمر باوانی	4
3- جناب احمد علی باوانی	4
4- جناب نور ایم ذکریا	1
5- جناب ضیاء ذکریا	4
6- جناب محمد ٹیپیل	3
7- جناب نعیم احمد شفیع	3
8- محترمہ تسنیم یوسف	4
9- جناب جہانگیر آدم	4

کمیٹی درج ذیل ممبران پر مشتمل ہے:

چیئرمین	جناب اے رزاق احمد	-1
ممبر	جناب غلام حیدر	-2
ممبر	جناب شیخ محمد صدیق	-3
سیکرٹری	جناب ندیم احمد	-4

رسک مینجمنٹ و کمپلائنس کمیٹی

کمیٹی کے فرائض میں شامل ہے:

- تمام معاملات (فائنیشیل، آپریشنل، کمپلائنس) کے کنٹرول کی نگرانی اور جائزہ
 - خطرات کے خاتمے کے اقدامات مضبوط ہیں اور مالی معلومات کی سہولت کو یقینی بنایا گیا ہے
 - ڈائریکٹر کی رپورٹ میں کمپنی کے رسک فریم ورک اور اندرونی کنٹرول سسٹم کے مناسب حد کو ظاہر کرنا
- کمیٹی درج ذیل ممبران پر مشتمل ہے:

چیئرمین	جناب اے رزاق احمد	-1
ممبر	جناب غلام حیدر	-2
ممبر	جناب فراز عبدالرزاق	-3
ممبر	جناب نجم اللہ خان	-4
ممبر	جناب محمد حنان شادانی	-5
ممبر	جناب غلام مجدد	-6
ممبر	جناب عبدالرحیم	-7
ممبر	جناب محمد مسعود علی	-8
سیکرٹری	جناب محمد نوید جان	-9

نو مینیشن کمیٹی

نو مینیشن کمیٹی کے نکات کا تعین بورڈ کرے گا، اس بات کو یقینی بنانا کہ ہیومن ریسورس و ری میوزیشن کمیٹی (HR&R) کمیٹی کے شرائط کے تحت طے شدہ معاملات سے کوئی نقل یا تنازعہ نہ ہو۔

نو مینیشن کمیٹی کی ذمہ داریاں:

- بورڈ کمیٹیوں کی چیئرمین شپ میں، بورڈ کمیٹیوں کے سلسلے میں بورڈ پر سفارشات پر تیار کرنا اور غور کرنا
- بورڈ کے ڈھانچے، سائز اور تشکیل کو باقاعدہ جائزہ کے تحت رکھنا اور بورڈ کو ضروری تبدیلیوں کے سلسلے میں سفارشات کرنا

میجمنٹ کمیٹیاں

بورڈ نے تین انتظامی کمیٹیاں بنام انڈر رائٹنگ، ری انشورنس اور کو- انشورنس، کلیمز اور نکافل کمیٹیاں بھی تشکیل دی ہیں۔ یہ کمیٹیاں باقاعدگی کے ساتھ اجلاس منعقد کرتی ہیں اور چیف ایگزیکٹو آفیسر کی سربراہی میں کام کر رہی ہیں۔ کمیٹیوں کی تشکیل اور امور و فرائض ذیل میں درج کئے گئے ہیں۔

انڈر رائٹنگ، ری انشورنس اور کو انشورنس کمیٹی

انڈر رائٹنگ کمیٹی کے فرائض میں شامل ہے:

- انڈر رائٹنگ کمیٹی کمپنی کی انڈر رائٹنگ پالیسی تشکیل دیتی ہے۔
- یہ بیمہ خطرات کی مختلف اقسام کا تعین کرنے کے لئے معیار طے کرتی ہے اور مختلف انشورنس کورز کی پریمیم پالیسی کا تعین کرتی ہے۔
- یہ باقاعدگی کے ساتھ کمپنی کی انڈر رائٹنگ اور پریمیم پالیسیوں کا جائزہ لینے کے ساتھ متعلقہ عناصر مثلاً برنس پورٹ فولیو اور مارکیٹ کی صورتحال پر بھی نگاہ رکھتی ہے۔

ری انشورنس اور کو انشورنس کمیٹی کے فرائض میں شامل ہے:

- یہ کمیٹی کمپنی کے کاروبار کے لئے کئے جانے والے موزوں ری انشورنس انتظامات کو یقینی بناتی ہے۔
- کمیٹی مجوزہ ری انشورنس انتظامات کی ان کی تکمیل سے قبل نگرانی کرتی ہے، وقتاً فوقتاً انتظامات کا جائزہ لیتی ہے اور شرکت کرنے والے ری- انشوررز کی اجازت سے مشروط وقتاً فوقتاً مناسب و موزوں انتظامات تجویز کرتی ہے۔
- کمیٹی مستقبل کے حوالے کے لئے ری انشورنس پروگرام کے موثر ہونے کا جائزہ بھی لیتی ہے۔

کمیٹی درج ذیل ممبران پر مشتمل ہے۔

1-	جناب اے رزاق احمد	چیئر مین
2-	جناب محمد حنان شادانی	ممبر
3-	جناب عبدالرحیم	ممبر
4-	جناب عباس بھگت	سیکرٹری

کلیمز کمیٹی

کمیٹی کے فرائض میں شامل ہے:

- یہ واجب الادا کلیمز کی درجہ بندی کے ساتھ مدت کا جائزہ لیتی ہے۔
- یہ کمیٹی ان حالات کا تعین کرتی ہے جس کے تحت کلیمز کے تنازعات اس کی توجہ کے لئے سامنے لائے گئے اور یہ فیصلہ کرتی ہے کہ ایسے تنازعہ کلیمز کے ساتھ کیسے نمٹا جائے۔
- کمیٹی کلیمز کے انتظامات سے متعلق امور کا جائزہ لیتی ہے۔ یہ کمپنی کے کلیم پوزیشن کی نگرانی کے ساتھ مناسب کلیم اثاثہ جات کی موجودگی کو یقینی بناتی ہے۔
- کمیٹی کلیمز کے نمایاں کیسز یا واقعات پر توجہ دیتی ہے جو کلیمز کی سیریز کے لئے اٹھائے جاتے ہیں اور کلیمز سے نمٹنے کے لئے اقدامات پر عملدرآمد کی نگرانی کرتی ہے۔

- (xvii) عملے اور انتظامیہ کے اعتماد کا خدشہ، اعتماد میں آڈٹ کمیٹی کو رپورٹ کرنے کے انتظامات کا جائزہ، اگر مالی اور دیگر معاملات میں اصل یا ممکنہ غلطیوں کے بارے میں کوئی بھی ہے اور تدارک اور تخفیف اقدامات کو قائم کرنے کی سفارش کرتے ہیں
- (xviii) بیرونی آڈیٹرز کے جاری کردہ انتظامی خط اور انتظامیہ کے جوابات کا جائزہ
- (xix) کمپنی کے اندرونی اور بیرونی آڈیٹرز کے مابین ہم آہنگی کو یقینی بنانا
- (xx) داخلی آڈٹ کے دائرہ کار اور وسعت کا جائزہ، آڈٹ پلان، فریم ورک اور طریقہ کار کی رپورٹنگ اور اس بات کو یقینی بنانا کہ اندرونی آڈٹ فنکشن کے پاس مناسب وسائل موجود ہیں اور مناسب طریقے سے کمپنی میں رکھے گئے ہیں۔
- (xxi) داخلی کنٹرول سسٹم بشمول مالی اور آپریشنل کنٹرولز، خریداری اور فروخت کی بروقت اور مناسب ریکارڈنگ کے لئے اکاؤنٹنگ سسٹم، رسیدیں اور ادائیگیوں، اثاثے اور واجبات اور رپورٹنگ ڈھانچہ مناسب اور موثر ہونے کے بارے میں معلومات
- (xxii) بورڈ آف ڈائریکٹرز اور داخلی آڈٹ رپورٹس کی توثیق سے قبل داخلی کنٹرول سسٹم کے بارے میں کمپنی کے بیان کا جائزہ
- (xxiii) چیف ایگزیکٹو آفیسر کے مشورے سے، بورڈ آف ڈائریکٹرز کے ذریعہ متعین کسی بھی معاملے پر خصوصی منصوبوں، value of money studies یا دیگر کسی بھی معاملہ کی تفتیش کرنا اور بیرونی آڈیٹرز یا کسی بھی بیرونی ادارہ کو کسی بھی معاملے کی ترسیل پر غور کرنا۔

انویسٹمنٹ کمیٹی

انویسٹمنٹ کمیٹی چھ ممبران بشمول چیف ایگزیکٹو آفیسر پر مشتمل ہے۔

- | | | |
|----|-------------------------|----------------------------------|
| 1- | جناب عرفان ذکریا باوانی | چیئر مین (نان ایگزیکٹو ڈائریکٹر) |
| 2- | جناب احمد علی باوانی | ممبر (نان ایگزیکٹو ڈائریکٹر) |
| 3- | محترمہ تسنیم یوسف | ممبر (انڈپنڈنٹ ڈائریکٹر) |
| 4- | محمد پٹیل | ممبر (نان ایگزیکٹو ڈائریکٹر) |
| 5- | جناب اے رزاق احمد | ممبر (ایگزیکٹو ڈائریکٹر) |
| 6- | جناب غلام حیدر | ممبر (چیف فنانسنگ آفیسر) |
| 7- | جناب محمد سلیم مین | (سیکرٹری) |

ہیومن ریسورس و ری میونریشن کمیٹی:

کمیٹی چار ممبران بشمول اس کمیٹی کے چیئر مین پر مشتمل ہے

- | | | |
|----|-------------------------|------------------------------|
| 1- | جناب نعیم احمد شفیع | چیئر مین (انڈپنڈنٹ ڈائریکٹر) |
| 2- | جناب عرفان ذکریا باوانی | ممبر (نان ایگزیکٹو ڈائریکٹر) |
| 3- | جناب نور محمد زکریا | ممبر (نان ایگزیکٹو ڈائریکٹر) |
| 4- | جناب اے رزاق احمد | ممبر (ایگزیکٹو ڈائریکٹر) |
| 5- | جناب محمد نوید جان | (سیکرٹری) |

ایم ڈی کی کارکردگی کا جائزہ:

ایم ڈی کی کارکردگی سال کے دوران کمپنی کی کاروباری سرگرمیوں کی بنیاد پر بورڈ کی طرف سالانہ بنیاد پر تعین کی جاتی ہے

بورڈ کمیٹی:

بورڈ نے درج ذیل نان ایگزیکٹو ڈائریکٹرز پر مشتمل آڈٹ، انویسٹمنٹ اور ہیومن ریسورس و ری میونزیشن کمیٹیاں تشکیل دی ہیں۔
آڈٹ کمیٹی کے ممبران درج ذیل ہیں:

آڈٹ کمیٹی

- | | | |
|----|-------------------------|--------------------------------|
| 1- | محترمہ تسنیم یوسف | چیئر پرسن (انڈیپنڈنٹ ڈائریکٹر) |
| 2- | جناب عرفان ذکریا باوانی | ممبر (نان-ایگزیکٹو ڈائریکٹر) |
| 3- | جناب عمر باوانی | ممبر (نان-ایگزیکٹو ڈائریکٹر) |
| 4- | جناب فراز عبدالرزاق | سیکرٹری |

آڈٹ کمیٹی کے ٹرمز آف ریفرنس میں مندرجہ ذیل نکات شامل ہیں۔

- (i) بورڈ آف ڈائریکٹرز کو بیرونی آڈیٹرز کے تفریحی سفارش کی جاتی ہے اور آڈٹ کے علاوہ بیرونی آڈیٹرز کی جانب سے کسی سروس کے حصول کے لئے آڈٹ فیس کے بارے میں غور و خوض۔ کوائٹی کنٹرول کا جائزہ لینے کے ICAPS پروگرام کے تحت تسلی بخش درجہ بندی سمیت عوامل پر غور۔
- (ii) بیرونی آڈیٹرز کے استعفیے یا برطرفی سے متعلق سوالات پر غور و خوض۔
- (iii) کمپنی کے اثاثہ جات کو محفوظ رکھنے کے لئے مناسب و موزوں اقدامات کا تعین۔
- (iv) بورڈ آف ڈائریکٹرز کی منظوری سے قبل کمپنی کے سہ ماہی، ششماہی اور سالانہ مالیاتی گوشواروں کا جائزہ۔
- (v) اہم فیصلہ کن معاملات
- (vi) آڈٹ سے حاصل نتائج پر ایڈجسٹمنٹس کا جائزہ۔
- (vii) کمپنی کی اس صلاحیت پر کسی قسم کے شکوک و شبہات نہیں کہ یہ چلتے رہنے والا ادارہ ہے
- (viii) آڈٹ کی پالیسیوں اور طریقوں میں کوئی تبدیلی۔
- (ix) اشاعت سے قبل نتائج کے ابتدائی اعلان کا جائزہ۔
- (x) اہم متعلقہ پارٹی ٹرانزیکشنز کا جائزہ اور سفارش۔
- (xi) نافذ العمل اکاؤنٹنگ اسٹینڈرڈز پر عمل درآمد۔
- (xii) لسٹنگ ریگولیشنز اور دیگر بنیادی اور ریگولیٹری شرائط پر عمل درآمد۔
- (xiii) کارپوریٹ گورننس کے بہترین طریقہ کار پر عمل درآمد کی نگرانی اور کسی نمایاں خلاف ورزی کی شناخت اور وضاحت۔
- (xiv) فراڈ، بدعنوانی اور اختیارات کے ناجائز استعمال کے ذریعے سامنے آنے والی سرگرمیوں کی بنیادی چھان بین اور اندرونی تحقیقات پر غور و خوض۔
- (xv) کسی دیگر مسئلے یا امور پر غور و خوض جو کہ بورڈ آف ڈائریکٹرز کی جانب سے پیش کیا جائے۔
- (xvi) بیرونی آڈیٹ کے ساتھ بیرونی آڈٹ اور گفتگو کو آسان بنانا، عبوری اور حتمی آڈٹ سے پیدا ہونے والے بڑے مشاہدات اور جو بھی معاملہ آڈیٹر جاگ کرنا چاہتے ہیں (مہینچسٹ کی غیر موجودگی میں، جہاں ضروری ہو)

بورڈ آف ڈائریکٹرز:

ڈائریکٹرز کی کل تعداد درج ذیل کے مطابق 9 ہے

8 اے۔ مرد

1 بی۔ خواتین

بورڈ کی تشکیل مندرجہ ذیل ہے:

3 - انڈپنڈنٹ ڈائریکٹر

6 - نان ایکریڈیٹڈ ڈائریکٹر

1 - ایکریڈیٹڈ ڈائریکٹر

جناب اے رزاق احمد کمپنی کے چیف ایکریڈیٹڈ اور مینیجنگ ڈائریکٹر ہیں۔ کمپنی کے چیف ایکریڈیٹڈ ہونے کی وجہ سے انہیں ڈائریکٹر تصور کیا جاتا ہے

بورڈ پورے سال کے دوران اپنے فرائض کو انجام دینے میں موثر طور پر مصروف عمل رہا بشمول ان امور کے جو متعلقہ قوانین اور کمپنی کے میمورنڈم اور آرٹیکل آف ایسوسی ایشن کے تحت انجام دیئے گئے اور ان سب کا بنیادی مقصد حصص یافتگان کے مفادات کا تحفظ کرنا، کمپنی کے منافع جات میں اضافہ کرنا تھا اور بنیادی ہدف شیئرز ہولڈرز کے اثاثہ جات میں اضافہ اور مارکیٹ میں اعتماد کو فروغ دینا تھا۔

تمام ڈائریکٹرز کاروبار اور اپنے پیشے کے مختلف شعبوں کی بھرپور مہارت کے حامل ہیں اور مختلف کاروباری اور کارپوریٹ امور کے ساتھ نمٹنے کے لئے ضروری مہارت اور اسے سمجھنے کی صلاحیت رکھنے کے ساتھ تمام معاملات پر عبور رکھنے، ان کا جواز لینے اور انتظامی کارکردگی کے چیلنج کو پورا کرنے کا اہل ہیں۔ وہ اپنے تجربے اور عملی مشاورت کے ضمن میں بھی بھرپور شراکت رکھتے ہیں۔

ڈائریکٹر کا مشاہرہ:

کمپنیز ایکٹ، 2017 کی ضرورت کے مطابق، لسٹڈ کمپنیز (کارپوریٹ گورننس) کے قوانین 2019 کے مطابق کمپنی غیر انتظامی ڈائریکٹروں بشمول آزاد ڈائریکٹرز کو آرٹیکل 137 کے مطابق بورڈ کے اجلاسوں میں شرکت کیلئے مینڈنگ فیس کے علاوہ کوئی مشاہرہ ادا نہیں کرتی

چیئرمین و ایم ڈی سی ای او کا کردار:

بورڈ کا چیئرمین اس امر کو یقینی بنانے کے ذمہ دار ہے کہ بورڈ مناسب اور صحیح طریقے سے کام کر رہا ہے اور کمپنی کے گورننس سے متعلقہ تمام معاملات بورڈ کے اجلاس میں زیر غور لانا ہے۔ چیئرمین بورڈ کے اجلاس کا انعقاد اور صدارت کرتا ہے اور بورڈ کی قیادت اور اس کی موثر کام کاج اور مسلسل ترقی کو یقینی بنانے کی ذمہ دار ہے کمپنی کے روزمرہ کی کارروائیوں میں چیئرمین کی کوئی شمولیت نہیں ہے

ایم ڈی سی ای او:

بورڈ آف ڈائریکٹرز کمپنی کے ایم ڈی / چیف ایکریڈیٹڈ آفیسر کو تین سال کے لیے مقرر کرتا ہے۔ چیف ایکریڈیٹڈ آفیسر بورڈ کی رہنمائی اور قانون میں دیئے گئے اختیار کے مطابق کمپنی کے آپریشنز اور اس کے کاروبار کے انعقاد کی کارروائیوں کے لئے ذمہ دار ہے۔ ان کی ذمہ داریوں میں بورڈ کی حکمت عملی اور پالیسیوں کا نفاذ شامل ہیں۔ یہ کمپنی کے کاروبار کی مضبوط اور موثر انتظام اور انعقاد کے لیے مجموعی طور پر کنٹرول، سمت، انتظامیہ اور نگرانی کے لئے ذمہ دار ہے۔ کمپنی کے جائزے اور مسائل پر بات چیت کے لئے چیئرمین اور ایم ڈی کے مابین باقاعدہ ملاقاتیں ہوتی رہتی ہیں۔

کارپوریٹ گورننس لیڈرشپ اسکول پروگرام

پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس سے درج ذیل ڈائریکٹرز نے کارپوریٹ گورننس لیڈرشپ اسکول پروگرام مکمل کر لیا ہے۔

۱۔ جناب عرفان ذکریا بادانی

۲۔ جناب احمد علی بادانی

۳۔ محترمہ تسنیم یوسف

۴۔ جناب محمد ثلیل

پانچ ڈائریکٹرز کارپوریٹ گورننس 2019 کے تحت اہلیت کے معیار کے مطابق، کمپنیوں کے بورڈ پر 15 سال ڈائریکٹر کے تجربے کے اور 14 سال کی تعلیم رکھتے ہیں۔

کارپوریٹ بریفنگ:

پاکستان اسٹاک ایکسچینج کی ضرورت کے مطابق شیئرز ہولڈرز اور تجزیہ کاروں کے لئے 27 دسمبر 2025 کو فزیکل اور ویڈیو لنک کے ذریعے کارپوریٹ بریفنگ سیشن کا انعقاد کیا گیا۔ سیشن ویڈیو لنک اور/یا ذاتی حاضری کے ذریعے منعقد کیا گیا، بریفنگ کے دوران سینئر مینجمنٹ اور شیئرز ہولڈرز موجود تھے، جنہوں نے کمپنی کی کارکردگی، اسٹریٹجک اقدامات اور مستقبل کے نقطہ نظر کے بارے میں قیمتی بصیرت اور اپ ڈیٹس فراہم کیں۔ اس سیشن نے کمپنی کی انتظامیہ اور اس کے اسٹیک ہولڈرز کے درمیان شفاف رابطے، مشغولیت کو فروغ دینے اور تعاون کے لیے ایک اہم پلیٹ فارم کے طور پر کام کیا۔

کوڈ آف کارپوریٹ گورننس پر عملدرآمد کا اسٹیٹمنٹ:

کوڈ آف کارپوریٹ گورننس کی شرائط جو کہ ریگولیشنری اتھارٹی کی جانب سے طے کردہ ہیں ان پر عملدرآمد کیا جا رہا ہے۔ اس سلسلے میں ایک اسٹیٹمنٹ رپورٹ ساتھ منسلک ہے۔

کارپوریٹ اور فنانشل رپورٹنگ کا فریم ورک:

کمپنی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے طے کردہ شیئرز اور پاکستان اسٹاک ایکسچینج کے لسٹنگ قواعد پر عمل درآمد کر رہی ہے۔ اس میں کارپوریٹ گورننس کے بہتر طریقہ کار سے انحراف ممکن نہیں جیسا کہ لسٹنگ ریگولیشنز میں تفصیلی طور پر درج ہے۔

اے۔ کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی حسابات شفاف انداز میں امور کار، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں میں واضح کردیے گئے ہیں

بی۔ کمپنی کے اکاؤنٹس کی کتابیں قواعد و ضوابط کے مطابق تیار کی گئی ہیں

سی۔ مالی تفصیلات اور ذمہ داری تخمینوں کو مرتب کرنے کے لئے مناسب حساب داری پالیسیوں کا تسلسل سے اطلاق کیا جاتا ہے جو کہ مناسب اور محتاط فیصلوں پر منحصر ہیں۔

ڈی۔ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS) جیسا کہ پاکستان میں نافذ العمل ہیں، مالیاتی گوشواروں کی تیاری میں لاگو کئے جاتے ہیں اور مستحکم فیصلوں پر منحصر ہوتی ہیں۔

ای۔ داخلی کنٹرول کا نظام مستحکم طور پر ڈیزائن کیا گیا ہے اور موثر طور پر نافذ العمل ہونے کے ساتھ اسکی باقاعدگی سے نگرانی کی جاتی ہے۔

ایف۔ 31 دسمبر 2025 کے مطابق کمپنی میں پیٹرن آف شیئرز ہولڈنگ کھاتوں کے ساتھ منسلک ہے۔

جی۔ اس امر میں کوئی شبہات نہیں کہ کمپنی میں آگے بڑھنے کی صلاحیت موجود ہے۔

ایچ۔ کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی قابل اثر انحراف نہیں کیا گیا ہے جیسا کہ لسٹنگ ریگولیشنز میں درج ہے۔

آئی۔ گزشتہ دس سالوں کے لئے اہم آپریشنز اور مالیاتی مواد مختصر شکل میں منسلک ہے۔

جے۔ 31 دسمبر 2025 کے مطابق پراویڈنٹ فنڈ کی قومات کے سلسلے میں غیر آڈٹ شدہ اکاؤنٹس پر منحصر سرمایہ کاریوں کی ویلیو 125.094 ملین روپے پر برقرار ہے۔

لیکوڈیٹی مینجمنٹ

کمپنی نہایت عاقبت اندیشی سے اپنے سرمائے کو مستحکم رکھتی ہے اور اپنے بنیادی کاروبار سے حاصل ہونے والے نقد بہاؤ کے ساتھ ساتھ سرمایہ کاری اور دیگر آمدنی کے ذریعوں کے معاہدہ کی ذمہ داریوں کو زیادہ موثر طریقے سے پورا کرنے کی صلاحیت کو یقینی بنانے کی حکمت عملی کا مظاہرہ کرتی ہے۔ آپ کی کمپنی سالوینسی کی ضروریات کو پورا کرتی ہے، کسی بھی غیر متوقع ضروریات کو پورا کرنے کے لئے مضبوط نقد بہاؤ کو برقرار رکھتی ہے

آپ کی کمپنی کی سالوینسی 31 دسمبر 2025 تک 819.971 ملین روپے تھی جبکہ قانونی طور پر درکار سالوینسی 150 ملین روپے ہے یعنی کم از کم مطلوبہ سالوینسی سے 669.971 ملین روپے زائد ہے۔ کم از کم سالوینسی کی ضرورت سے زیادہ یہ سرپلس مضبوط مالی پوزیشن اور اعتماد کے ساتھ ممکنہ چیلنجوں کا سامنا کرنے کی صلاحیت کو واضح کرتا ہے۔

ڈیفروڈ ٹیکسیشن

مالی پوزیشن کی تاریخ کے بیان میں تمام عارضی اختلافات پر واجبات کے طریقہ کار کا استعمال کرتے ہوئے، اثاثوں اور واجبات العمل ٹیکس اور مالی رپورٹنگ کے مقاصد کے لئے لی جانے والی رقم کے درمیان، موخر ٹیکس، اگر کوئی ہے تو فراہم کیا جاتا ہے

ڈیفروڈ ٹیکس اثاثے اور واجبات، اگر کوئی ہیں تو، اسے ٹیکس کی شرحوں پر مایا جاتا ہے، جب اثاثے کا ادراک ہو جاتا ہے یا ذمہ داری طے ہو جاتی ہے تو اس مدت پر لاگو ہونے کی توقع کی جاتی ہے، ٹیکس کی شرحوں (اور ٹیکس کے قوانین) کی بنیاد پر جو نافذ کیا گیا ہے یا مالی حیثیت کی تاریخ کے بیان کو کافی حد تک نافذ کیا ہے

ڈیفروڈ ٹیکس اثاثوں، اگر کوئی ہے تو، صرف اس حد تک تسلیم کیا جاتا ہے کہ اس بات کا امکان ہے کہ مستقبل میں قابل ٹیکس منافع دستیاب ہوگا جس کے خلاف اثاثوں کو استعمال کیا جاسکتا ہے۔

رقم کی غیر قانونی ترسیل اور دہشت گردی کی مالی معاونت کا مقابلہ:

ایس ای سی پی نے ایٹمی منی لائڈ رنگ کی پالیسیوں اور طریقہ کار سے متعلق قواعد و ضوابط جاری کر دیئے ہیں۔ ایس ای سی پی نے انٹرنیشنل کمپنیوں پر اپنے صارفین کہ جانے (کے) وائی سی) رہنما اصولوں کے نفاذ کے لئے مختلف سرکلر بھی جاری کیے ہیں۔ حال ہی میں ایس ای سی پی نے انسداد منی لائڈ رنگ اور انسداد دہشت گردی کے قواعد و ضوابط 2020 جاری کیے ہیں۔ جو کہ AML اور KYC کے لئے بہت جامع رہنمائی ہے۔ متعلقہ خطرہ اور تشہیر کو روکنے کے لئے آئی سی ایل نے ایک حد تک ان رہنما اصولوں پر عمل درآمد کیا ہے۔

کمپلائنس کا کردار:

اندرونی کنٹرول کی کارکردگی اور تائید کا اندازہ کرنے کے لئے تعمیری کام کا کردار لازمی ہے جس کے بغیر کمپنی خطرات اور خطرات کے خلاف مزاحمت حاصل نہیں کر سکتی ہے، خاص طور پر ریگولیٹری تعمیل کے سلسلے میں۔ کمپلائنس آفیسر ماحول کو بہتر بنانے اور کنٹرول کریز کا ذمہ دار ہے اور مختلف لاگو قوانین، انضباطی تقاضوں، داخلی پالیسیاں اور طریقہ کار کی تعمیل کو یقینی بناتا ہے اور ساتھ ہی ایس ای سی پی کے ضابطوں کی تعمیل پر خصوصی توجہ دیتا ہے۔

انفارمیشن ٹیکنالوجی:

آپ کی کمپنی انفارمیشن ٹیکنالوجی کی اہمیت سے آگاہ ہے اور مسلسل توسیع اور اس کی تکنیکی پلیٹ فارم کو اپ گریڈ کرنے کی سرمایہ کاری کر رہی ہے۔ جنرل انشورنس سافٹ ویئر 'iGIAS' گزشتہ کئی سالوں سے برانچ کی سطح پر کامیابی کے ساتھ نافذ العمل ہے 'iGIAS' کی خصوصیت اس کے تمام ماڈیولز یعنی، انڈر رائٹنگ، کلیئر، اکاؤنٹس اور ری۔ انشورنس ایک ساتھ مربوط ہے۔ یہ (JSP) جاوا اسکرپٹ اور ایکل ڈیٹا بیس کے ساتھ آن لائن ویب بیس سافٹ ویئر ہے اور اس کے ڈیٹا مینجمنٹ پریشانی سے آزاد اور بہت زیادہ محفوظ ہے

iGIAS میں جنرل نکافل کی سروسز کو شامل کیا گیا ہے اور مختصر اور طویل مدتی نکافل کارروائیوں کے لئے برانچ کی سطح پر نافذ العمل ہے۔ مذکورہ ماڈیول کے نفاذ کی وجہ سے کمپنی کے متعلقہ حکاموں کی آپریشنل صلاحیتوں، اندرونی کنٹرول کو مضبوط بنانے اور انتظامی معلومات کے موثر نظام میں بہتری آئی ہے

سیکیورٹی ریسٹریکشنز ایئر ایکسچینج کمیشن آف پاکستان نے انشورنس سیکٹر 2020 کے لئے سائبر سیکیورٹی فریم ورک سے متعلق ایس ای سی گائیڈ لائنز جاری کی ہیں، جس سے سائبر سیکیورٹی فریم ورک کو مجموعی طور پر رسک مینجمنٹ فریم ورک کے ساتھ موافق بنانے میں مدد ملے گی اور آئی ایس او 27001 کے حصول میں بیرونی اور داخلی انسانی غلطی یا جرم کے خلاف خطرے کو نمایاں طور پر کم کیا جاسکتا ہے۔

ہماری ٹی ٹی حکمت عملی کمپنی کی آپریشنل ضروریات کے ساتھ احتیاط سے ہم آہنگ ہے، جس سے چستی، چلک، اور بہتر کسٹمر کے تجربے کو یقینی بنایا گیا ہے۔ جدید ترین ٹکنالوجیوں اور صنعت کے معروف سیکورٹی فریم ورک سے فائدہ اٹھاتے ہوئے، ہم اعلیٰ خدمات کی فراہمی، اعتماد کو فروغ دینے، اور صارفین کی اطمینان کی اعلیٰ سطحوں کو حاصل کرنے کے اپنے عزم پر ثابت قدم رہتے ہیں۔

کریڈٹ ریٹنگ:

PACRA اور VIS کریڈٹ ریٹنگ کمپنی نے ریلائنس انشورنس کمپنی لمیٹڈ کی "A ++" پر انشورنس فنانشل اسٹریٹجی (IFS) کی تفویض کی ہے اور آؤٹ لک مستحکم "Stable Outlook" ہے۔ ریٹنگ میں مستحکم لیکویڈیٹی پروفائل، موزوں و مناسب سرمایہ کار اشاریے اور ری انشورنس پروگرام سمیت بہتر ہوتی ہوئی انڈر رائٹنگ کارکردگی شامل ہے۔ Swiss Re کی موجودگی کمپنی کے ری۔ انشورنس پینل کو مضبوط بناتی ہے۔ کاروباری حجم متوقع اضافہ کے پیش نظر Retentional کی سطح اور Treaty کی گنجائش میں اضافہ ہوا ہے

متعلقہ پارٹی ٹرانسیکشنز:

تمام متعلقہ پارٹی ٹرانسیکشنز کو آڈٹ کمیٹی اور بورڈ کے روبرو ان کے جائزے اور منظوری کے لئے رکھا جا رہا ہے۔ ان ٹرانسیکشنز کا جائزہ سفارش آڈٹ کمیٹی کی جانب سے لیا گیا اور بورڈ آف ڈائریکٹرز کی جانب سے ان کے متعلقہ اجلاسوں میں انکی منظوری دی گئی متعلقہ پارٹیوں کے ساتھ طے پانے والی تمام ٹرانسیکشنز آرمز لینتھ (Arm's Length) کی بنیاد پر طے کیے جاتے ہیں۔

سال 2024 اور 2025 کے لیے ونڈ ونگا فل آپریشنز کے تقابلی مالیاتی نتائج کا خلاصہ درج ذیل ہے۔

2024	2025	
	ملین روپے	
157.074	258.821	مجموعی شراکت داری
34.264	43.653	خالص شراکت داری
49.981	61.666	وکالا اخراجات
2.189	5.614	سال کا اضافہ۔ پی ٹی ایف
11.432	8.676	آپریٹنگ فنڈ۔ آمدنی اکاؤنٹ
30.072	18.308	آپریٹنگ کا منافع قبل از ٹیکس

منافع کی تخصیص:

ملین روپے	
31.021	مالی سال کے آغاز پر غیر تخصیص شدہ منافع
464.921	مالی سال 2025 کے اختتام پر بعد از ٹیکس منافع
495.942	غیر مختص شدہ رقم مختص کے لئے دستیاب

آپ کے ڈائریکٹرز تجویز کرتے ہیں کہ منافع کو مندرجہ ذیل طریقوں سے مختص کیا جائے

محاسب:

ملین روپے	
301.417	بونس حصص کا 30% فیصد شرح سے مجوزہ اجراء (51:2024 فیصد)
194.525	غیر مختص شدہ بیلنس اگلے سال کے لیے

اضافہ شدہ منظور شدہ سرمایہ:

بورڈ آف ڈائریکٹرز اپنے طویل المدتی اسٹریٹجک وژن کے مطابق اضافہ شدہ سرمائے کو بڑھا کر کمپنی کی مالی پوزیشن کو مضبوط بنانے کے اپنے عزم پر ثابت قدم ہے۔ امید افزا ترقی کی رفتار اور مستقبل میں توسیع کے امکانات کے پیش نظر، بورڈ نے مجاز سرمایہ کو 1,500 ملین روپے سے بڑھا کر 2,000 ملین روپے کرنے کی منظوری اور تجویز دی ہے۔

اضافہ شدہ ادا شدہ سرمایہ:

کمپنی کی ترقی کی رفتار اور طویل مدتی اسٹریٹجک مقاصد کے مطابق، آپ کے ڈائریکٹرز کیپٹل میں کو مضبوط بنانے کے لیے مضبوطی سے پر عزم ہیں۔ اس فعال نقطہ نظر کے تحت، بورڈ نے مختصات کی منظوری دی ہے، جس کے نتیجے میں کمپنی کا ادا شدہ سرمایہ 1,004.723 ملین روپے سے بڑھ کر 1,306.140 ملین روپے ہو گیا ہے۔ یہ دانشمندانہ مالیاتی انتظامی حکمت عملی پائیدار ترقی کو یقینی بناتی ہے اور کمپنی کی اپنے اسٹیک ہولڈرز کی ابھرتی ہوئی ضروریات کو پورا کرنے کی صلاحیت کو مضبوط کرتی ہے۔

اس کے علاوہ کیش اور بینک ڈپازٹ اکاؤنٹس پچھلے سال میں 102.206 ملین روپے کے مقابلے میں سال کے آخر تک 138.408 ملین روپے رہے۔ یہ اضافہ کمپنی کی لیکویڈیٹی پوزیشن کو مزید مستحکم کرتا ہے، آپریشنل ضروریات کو پورا کرنے اور سرمایہ کاری کے ابھرتے ہوئے مواقع سے فائدہ اٹھانے کے لیے مناسب مالی چلک کو یقینی بناتا ہے۔

مجموعی طور پر، سرمایہ کاری کے پورٹ فولیو کی مسلسل توسیع اور دانشمندانہ ڈھانچہ کمپنی کی مالی طاقت کو برقرار رکھے، لیکویڈیٹی کو محفوظ رکھے، اور اس کے اسٹریٹجک اور آپریشنل مقاصد کی حمایت کے لیے پائیدار مالی استحکام کو یقینی بنانے کے عزم کو واضح کرتا ہے۔

آپ کی کمپنی کے نظم و ضبط سے متعلق سرمایہ کاری کے نقطہ نظر نے، متنوع اثاثوں کی کلاسوں میں سٹریٹجک مختص کے ساتھ، اسے حصص یافتگان کی قیمت کو زیادہ سے زیادہ کرتے ہوئے مؤثر طریقے سے مارکیٹ کے اتار چڑھاؤ کو نیوگیٹ کرنے کے لیے پوزیشن میں رکھا ہے۔ مستقبل کی طرف دیکھتے ہوئے، رسک ایڈجسٹ شدہ ریٹرن، میکرو اکنامک رجحانات، اور مانیٹری پالیسی کی تبدیلیوں پر سرمایہ کاری کی کارکردگی کو بہتر بنانے کے لیے مسلسل توجہ مرکوز رہے گی۔

کلیمز:

واجب الادا کلیمز بیننس شیٹ کی تاریخ تک ہونے والے تمام کلیمز کے ضمن میں ہوتی ہے اور اس کے مستقبل میں متوقع ادائیگیوں کی غیر تخفیف شدہ مالیت کے طور پر ظاہر کیا جاتا ہے۔

واجب الادا کلیمز کے حصول میں ایسے کلیمز جو بیننس شیٹ کی تاریخ تک رپورٹ (IBNR) نہیں ہوئے۔ 2016 کے ایس ای سی پی سرکلر نمبر 9 کی تکمیل کے لئے کمپنی نے IBNR کا تخمینہ کے طریقہ کار کو تبدیل کر دیا گیا۔ کمپنی اب IBNR کلیمز کے تعین کے لئے ایکچوریل مشورہ لیتی ہے۔ IBNR کلیمز کا تخمینہ Chain Ladder (CL) کے طریقے سے لگایا گیا ہے۔ Chain Ladder (CL) طریقہ میں ترقی کے عوامل کا تعین یا ہر مدت کے لئے لنک کے تناسب شامل ہے۔ یہ بعد میں مشترکہ طور پر Cumulative Development Factor (CDF) کا تعین کرتے ہیں۔ جس میں کلیمز کے آخری سطح تک پہنچنے کے لئے مستقبل کی حد تک نمائندگی کرتا ہے

ری۔ انشورنس:

آپ کی کمپنی نے سال 2026 کے لئے ری۔ انشورنس انتظامات نہایت معتبر ہیں۔ معروف اور اعلیٰ شہرت یافتہ سوئس ری (Swiss Re) سال 2026 کے آرائی سی ایل کے ری انشورنس پروگرام کے لیڈر بننے کا عمل جاری ہے۔ مزید برآں سال 2026 کے لئے فائر، انجینئرنگ، میرین اور موٹر کے تمام شعبہ کی انڈر رائٹنگ کی گنجائش (Underwriting Capacity) میں مزید اضافہ کر دیا ہے اس طرح آپ کی کمپنی کو بڑے خطرات کو انڈر رائٹ کرنے کی صلاحیت حاصل ہو گئی ہے۔ ہم غیر متزلزل اعتماد اور مستقل سپورٹ و تعاون کے لئے اپنے تمام ری انشوررز کے انتہائی ممنون اور شکرگزار ہیں۔ ان کی شراکت داری ہماری آپریشنل کامیابی اور مالی استحکام کا سنگ بنیاد ہے۔

ونڈو تکافل آپریشن:

سیکیورٹی ایڈجسٹمنٹ آف پاکستان نے کمپنی کو 25 مئی 2016 میں ونڈو تکافل آپریشن جاری کرنے کا لائسنس جاری کر دیا ہے۔ ریلائنس تکافل مشہور اور تصدیق شدہ شرعی اسکالر کی رہنمائی کے تحت کام کر رہی ہے۔

ریلائنس تکافل شریعت کے مطابق جنرل تکافل کی مصنوعات کی ایک وسیع رینج پیش کر رہی ہے۔ جس میں فائر پراپرٹی تکافل، میرین کارگو تکافل، ذاتی و تجارتی گاڑیاں تکافل، انجینئرنگ تکافل، دہشت گردی تکافل، متفرق حادثات تکافل شامل ہیں۔ ہم اخلاقی اور شفاف تکافل حل فراہم کرنے کے لیے پرعزم ہیں جو اسلامی اصولوں کے مطابق ہوں اور اپنے صارفین کی متنوع ضروریات کو پورا کریں۔

جغرافیائی سیاسی اور بیرونی معاشی دباؤ سے متاثر ہونے والے اتار چڑھاؤ کے باوجود، مارکیٹ کی لیکویڈیٹی اور کپٹلائزیشن میں نمایاں طور پر توسیع ہوئی، کل مارکیٹ کیپ ریکارڈ سطح تک پہنچ گئی اور تجارتی حجم بلند سطحوں کو برقرار رکھتا ہے کیونکہ کارپوریٹ آمدنی میں اعتماد اور ریٹنگ پختہ ہوتی ہے۔ تجزیہ کاروں نے نوٹ کیا کہ 2025 کے دوران اور دو سال کے عرصے کے دوران مجموعی منافع نے PSX کو عالمی سطح پر سب سے زیادہ پرکشش ابھرتی ہوئی مارکیٹوں میں جگہ دی، جیسا کہ سود کی شرح کے لیے سازگار ماحول، کرنسی کا نسبتاً مستحکم ماحول اور کثیر جہتی شراکت داروں کے ساتھ پائیدار پالیسی کی مصروفیت ادارہ جاتی اور خوردہ سرمایہ کاروں کی دلچسپی کو اپنی طرف متوجہ کرتی رہی۔

2025 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مہنگائی کو کنٹرول میں رکھتے ہوئے پائیدار اقتصادی ترقی کی حمایت کے لیے متوازن مانیٹری پالیسی کو برقرار رکھا۔ 2024 میں شرح میں نمایاں کٹوتیوں کے بعد، ستمبر میں 10.5 فیصد تک معمولی کمی سے پہلے 2025 کے بیشتر حصے کے لیے پالیسی کی شرح 11% رہی۔ یہ اقدام اسٹیٹ بینک کے اس نظریے کی عکاسی کرتا ہے کہ افراط زر میں کمی آرہی ہے اور مجموعی معاشی حالات بہتر ہو رہے ہیں۔

کلڈ انکم مارکیٹ میں، نسبتاً زیادہ شرح سود نے پرکشش منافع فراہم کرنا جاری رکھا، جبکہ ایکویٹی میں، کم رعایتی شرحیں، مضبوط کارپوریٹ آمدنی میں اضافہ، مناسب لیکویڈیٹی، اور بتدریج بہتر ہونے والے معاشی نقطہ نظر نے مارکیٹ کی کارکردگی کو سپورٹ کیا۔

اس متحرک معاشی منظر نامے کے درمیان، آپ کی کمپنی کی اچھی طرح سے کیلیبر ایڈ سرمایہ کاری کی حکمت عملی نے غیر معمولی نتائج فراہم کیے ہیں۔ سرمایہ کاری کی آمدنی میں 36 فیصد کی متاثر کن نموریکارڈ کی گئی، جو 2024 کے 408.883 ملین روپے کے مقابلے میں 2025 میں 554.993 ملین روپے تک پہنچ گئی۔ یہیہ مضبوط کارکردگی مارکیٹ کے اتار چڑھاؤ کا مشاہدہ کرنے اور ابھرتے ہوئے مواقع سے فائدہ اٹھانے میں کمپنی کے محتاط انداز کو واضح کرتی ہے۔

منافع منقسمہ کی آمدنی 17 کمی کے ساتھ 96.101 ملین روپے رہی جبکہ گزشتہ سال یہ رقم 115.447 ملین روپے تھی یہ کمی بنیادی طور پر میچل فنڈز سے ڈیویڈنڈ کی آمدنی میں نمایاں کمی کی وجہ سے ہوئی، جو کہ ڈسکاؤنٹ ریٹ میں کمی کے بعد 47.131 ملین روپے سے کم ہو کر 9.329 ملین روپے گر گئی۔ اس کے برعکس، کارپوریٹ ڈیویڈنڈ آمدنی نے مضبوط نمو کا مظاہرہ کیا، 68.315 ملین سے بڑھ کر روپے 86.772 ملین روپے رہی جبکہ کمپنی کی براہ راست ایکویٹی سرمایہ کاری کی طاقت کو اجاگر کرتا ہے۔

کمپنی نے پچھلے سال کے 73.695 ملین روپے سے تقریباً دو گنا 149.009 ملین روپے کے قابل ذکر کیپٹل گین بھی فراہم کئے۔ جو ایکویٹی ٹریڈنگ کے لیے ایک اسٹریٹجک اور موقع پرستی کی عکاسی کرتا ہے۔ غیر حقیقی فوائد (Unrealized gains) نے بیلیٹس شیڈ کو مزید مضبوط کیا، جو پچھلے سال کے 193.332 ملین روپے سے بڑھ کر 291.046 ملین روپے تک پہنچ گیا۔

کمپنی ایک اچھی طرح سے متنوع، مضبوط، اور انتہائی نقد سرمایہ کاری (Liquid Investment) کے پورٹ فولیو کو برقرار رکھتی ہے جو مجموعی مالیاتی چمک کو مضبوط بناتے ہوئے مسلسل آمدنی پیدا کرنے میں مدد فراہم کرنے کے لیے ڈیزائن کیا گیا ہے۔ دسمبر 2025 تک، سرمایہ کاری کا کل پورٹ فولیو 1,699.608 ملین روپے تک پہنچ گیا۔ جو کہ پچھلے سال کے 1,313.687 ملین روپے سے قابل ذکر اضافہ ریکارڈ کیا گیا۔ یہ نمایاں نمو کمپنی کی سرمایہ کاری کی فعال حکمت عملی اور اثاثوں کی تخصیص کو بہتر بنانے کے لیے نظم و ضبط کے انداز کی عکاسی کرتی ہے۔

پورٹ فولیو کی تشکیل متعدد اثاثوں کی کلاسوں میں حکمت عملی کے لحاظ سے متوازن رہتی ہے تاکہ ترقی کی صلاحیت اور آمدنی کے استحکام دونوں کو یقینی بنایا جاسکے۔ طویل مدتی مارکیٹ کے مواقع اور سرمائے کی قدر میں کمپنی کے اعتماد کی نشاندہی کرتے ہوئے ایکویٹی سرمایہ کاری غالب جزو کی نمائندگی کرتی ہے، جس کی رقم 1,551.173 ملین روپے ہے۔ اس کی تکمیل کرتے ہوئے، سکوک کی مجموعی سرمایہ کاری 103.746 ملین روپے اور ٹرم ڈپازٹس 44.688 ملین ایک مستحکم اور قابل پیش گوئی پیداوار پروفائل میں اضافہ کرتے ہیں، اس طرح محتاط خطرے کے انتظام کو برقرار رکھتے ہوئے پورٹ فولیو کی آمدنی پیدا کرنے کی صلاحیت میں اضافہ ہوتا ہے

سرمایہ کاری کی آمدنی نے مجموعی منافع میں نمایاں حصہ ڈالا، جو 2024 کے 408.883 ملین روپے سے بڑھ کر 2025 میں 554.993 ملین روپے تک پہنچ گیا۔
سرمایہ کاری کے منافع میں اس خاطر خواہ اضافے نے کمپنی کی آمدنی کی کارکردگی کو مضبوط مدد فراہم کی اور اس کے مالی استحکام کو بڑھایا۔

نتیجاً، قبل از ٹیکس منافع 28 فیصد بڑھ کر 557.559 ملین روپے تک پہنچ گیا، جبکہ بعد از ٹیکس منافع 301.852 ملین روپے سے بڑھ کر اس سال میں 464.921 ملین روپے ہو گیا۔ میکرو اکنامک غیر یقینی صورتحال کے باوجود، آپ کی کمپنی نے آپریشنل چلچک، سمجھدار مالی انتظام، اور پائیدار ترقی کے عزم کا مظاہرہ کیا ہے۔ یہ کامیابیاں ہماری بنیادی کاروباری حکمت عملیوں کی مضبوطی، کلیمز کے موثر انتظام، اور لاگت پر قابو پانے کے لیے ایک نظم و ضبط کے طریقہ کار کا ثبوت ہیں۔

فی حصص آمدنی (EPS) بھی اس مضبوط مالی کارکردگی کی عکاسی کرتی ہے، جو 2024 میں 3.00 روپے (نظر ثانی شدہ) سے 2025 میں 4.63 روپے تک بڑھ گئی، جس سے شیئر ہولڈر کی قدر میں مزید اضافہ ہوا۔

برسوں سے ہم نے نام نہاد 'بینک حدود' (Bank Limits) کی بے طرف اور صوابدیدی فلسفہ کو اجاگر کر رہے ہیں اور کچھ بینکوں، DFIs (ترقیاتی مالیاتی اداروں)، مالیاتی اداروں، اور مختلف اداروں کی طرف سے اپنائے جانے والے ڈی لسٹنگ / نان لسٹنگ / پری کوالیفائنگ طریقوں کے بارے میں مسلسل خدشات کا اظہار کیا ہے۔ حکام / تنظیمیں۔ ان طریقوں نے انشورنس انڈسٹری کے اندر مارکیٹ کے شرکاء کے لیے غیر مساوی کھیل کا میدان بنایا ہے۔

یہ ضروری ہے کہ انشورنس انڈسٹری کے وسیع تر اور بہترین مفادات کے لیے متعلقہ حکام کے ذریعے ان امتیازی طرز عمل پر توجہ دی جائے۔ صحت مند مسابقت کو فروغ دینے اور تمام اسٹیک ہولڈرز کے لیے مساوی مواقع کو یقینی بنانے کے لیے منصفانہ اور شفاف ضابطے ضروری ہیں۔ ہم ان مسائل کو درست کرنے اور انشورنس سیکٹر کی ترقی اور پائیداری کے لیے سازگار سطح کے قیام کے لیے ٹھوس کوششوں پر زور دیتے ہیں۔

سرمایہ کاری:

آپ کی کمپنی کی سرمایہ کاری کی پالیسی شریعت کے مطابق اسلامی فنڈز کے لیے اپنی لگن میں ثابت قدم ہے، جس کا مقصد مارکیٹ کے مواقع سے فائدہ اٹھاتے ہوئے منافع کو محفوظ بنانا ہے۔

سرمایہ کاری کا پورٹ فولیو معقول طور پر ترتیب دیا گیا ہے، ایکویٹی سرمایہ کاری کے ساتھ فلسفہ آکم سیکیورٹیز کو متوازن رکھتا ہے، جس میں بلیو چپ اسٹاکس پر توجہ مرکوز کی گئی ہے جو اعلیٰ منافع بخش پیداوار، مسلسل بونس کی ادائیگی، اور طویل مدتی سرمائے کی ترقی کے امکانات کی حامل ہے۔ خطرات کو کم کرتے ہوئے منافع کو بہتر بنانے کے لیے انوسٹمنٹ کمیٹی فعال طور پر نگرانی کرتی ہے۔

پاکستان اسٹاک ایکسچینج (PSX) نے 2025 میں غیر معمولی کارکردگی کا مظاہرہ کیا، جو سرمایہ کاروں کے مضبوط اعتماد اور بہتر معاشی حالات کی عکاسی کرتا ہے۔ KSE-100 انڈیکس بینچ مارک میں سال کے دوران 51 فیصد کا غیر معمولی اضافہ ہوا، جو 31 دسمبر 2024 کے 115,127 پوائنٹس سے بڑھ کر 31 دسمبر 2025 تک 174,054 پوائنٹس کی اب تک کی بلند ترین سطح پر پہنچ گیا اور سال کے آخر میں ٹریڈنگ کے دوران 175,000 پوائنٹس کو عبور کیا تاکہ نئی ہمدوقی بلندیاں حاصل کی جائیں، جو مارکیٹ کی شرکت میں مضبوط وسعت اور گہرائی کی عکاسی کرتی ہے

مارکیٹ کی مسلسل اوپر کی رفتار کو پالیسی کی مسلسل وضاحت، مالیاتی نرمی، اور ساختی اصلاحات، بشمول FY2025-26 کے لیے مستقبل کا وفاقی بجٹ کی حمایت حاصل تھی۔ جس نے سخت نئے ٹیکسوں سے گریز اور ترقی دوست مالیاتی اقدامات کو تقویت دے کر سرمایہ کاروں کی امید کو برقرار رکھنے میں مدد کی۔ پورے سال کے دوران، مالیاتی خدمات، توانائی، آٹومٹیو اور صنعتوں جیسے اہم شعبوں میں وسیع بنیاد پر خریداری کی سرگرمی واضح رہی، جس میں مضبوط مقامہ شرکت وقفے وقفے سے غیر ملکی اخراج کو پورا کرتی رہی۔

ڈائریکٹرز کا جائزہ:

آپ کے ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والے سال کے لئے سالانہ رپورٹ بشمول آڈٹ شدہ حسابات پیش کرنے میں خوشی محسوس کرتے ہیں۔
مالی سال 2025 ایک چیلنجنگ سال ہونے کے باوجود، آپ کی کمپنی درج ذیل نتائج پیش کرتی ہے۔

سال 2025 کے لئے آپریشنل نتائج:

31 دسمبر 2025 کو ختم ہونے والی مدت کے لئے آپ کی کمپنی کی تقابلی مالی جھلکیاں مندرجہ ذیل ہیں:

2024	2025	
	روپے ملین میں	
1,217.148	1,482.761	مجموعی پربیم (تکافل شراکت سمیت)
546.496	596.595	خالص پربیم
152.815	139.524	خالص حاصل کردہ کلیم (بشمول IBNR)
198.462	232.998	انتظامی اخراجات
84.048	93.931	انڈر رائٹنگ آمدنی
408.883	554.993	سرمایہ کار آمدنی
436.169	557.559	نفع / نقصان قبل از ٹیکس
301.852	464.921	نفع / نقصان بعد از ٹیکس
3.00 (نظر ثانی شدہ)	4.63	آمدنی فی شیئر (EPS)

آپ کی کمپنی نے ایک ارب روپے سے اوپر کے مجموعی پربیم کو عبور کر کے ایک اہم سنگ میل حاصل کیا۔ ہم نے 1,482.761 ملین روپے (بشمول 258.821 ملین روپے تکافل شراکت داری) کا مجموعی پربیم ریکارڈ کیا ہے اسکے برخلاف گزشتہ سال کا حجم 1,217.148 ملین روپے (بشمول 157.073 ملین روپے تکافل شراکت داری) تھا جو سال بہ سال 22 فیصد کی شرح نمو کی عکاسی کرتا ہے

اسی طرح، خالص پربیم آمدنی میں 50.099 ملین روپے کا نمایاں اضافہ ہوا ہے، 2024 کے 546.496 ملین روپے سے بڑھ کر 2025 میں 596.595 ملین روپے ہے کمپنی کی بڑھتی ہوئی مارکیٹ کی موجودگی اور پائیدار انڈر رائٹنگ کی حکمت عملیوں کو تقویت دیتا ہے۔

گزشتہ سال کلیمز پر 152.815 ملین روپے صرف کئے گئے تھے جو کہ اس سال 13.291 ملین روپے کم ہو کر 139.524 ملین روپے صرف کئے گئے۔ کلیمز میں اس کمی کی تائید، کمپنی کی انڈر رائٹنگ کی مضبوط کارکردگی سے ہوتی ہے، انڈر رائٹنگ منافع 12% بڑھ کر 93.931 ملین روپے ہو گیا، جو پچھلے سال کے 84.048 ملین روپے تھا۔ یہ بہتری کمپنی کے رسک مینجمنٹ فریم ورک کی مضبوطی اور انڈر رائٹنگ کے بائیں اور موثر طریقوں کی نشاندہی کرتا ہے۔



GENDER PAY GAP

43.0%

MEAN GENDER PAY GAP

39.6%

MEDIAN GENDER PAY GAP



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RELIANCE INSURANCE COMPANY LIMITED ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016 AND LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Code of Corporate Governance for Insurers, 2016 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (both herein referred to as 'the Code') prepared by the Board of Directors of Reliance Insurance Company Limited (the Company) for the year ended December 31, 2025 in accordance with the requirements of Regulation 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and provision (ixxvi) of the Code of Corporate Governance for Insurers, 2016.

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 require 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 the 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.

KARACHI
DATED: 7th April, 2026
UDIN:CR202510110C5mAFRPH

BDO Ebrahim & Co.
CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Nadeem

BDO Ebrahim & Co. Chartered Accountants

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STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 AND CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016

For the year ended 31st December 2025

This statement is being presented in Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) and Code of Corporate Governance for Insurer, 2016 (the Code) for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with best practices of corporate governance.

Reliance Insurance Company Limited (The Company) has applied the principles contained in the Regulations and the Code and has complied with the requirements of the Regulations and the Code in the following manner:

1. The total numbers of Director are nine (9) as per the following:-
 - (a) Male = 08
 - (b) Female = 01
2. The Company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors (the Board). The composition of the Board is as follows:

Category	Name
Independent Directors	Ms. Tasneem Yusuf (Female Director) Mr. Naeem Ahmed Shafi Mr. Jahangir Adam
Executive Director	Mr. A. Razak Ahmed
Non-Executive Director	Mr. Irfan Zakaria Bawany Mr. Muhammad Omer Bawany Mr. Ahmed Ali Bawany Mr. Noor M. Zakaria Mr. Zia Zakaria Mr. Muhammad Patel

The number of elected directors on the Board are nine (9) whereas Mr. A. Razak Ahmed being Chief Executive of the Company is a “deemed director” under section 188(3) of the Companies Act, 2017.

The independent directors meet the criteria of independence as laid down under the Regulations and the Code. The independent directors are three out of ten directors (including the Chief Executive) and considering the required skills set and experience to discharge and execute their duties competently as per laws and regulations the fraction of one third has been rounded to three.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies in which each of them is a director).
4. 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 development financial institution or a non-banking financial institution or, being a member of a stock exchange, has been declared as a defaulter by a stock exchange.
5. No casual vacancy occurred on the Board during the year.
6. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
7. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with the dates of approval or updating is maintained by the company.
8. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act), the Regulations and the Code. The decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of Chief Executive Officer, and key Officers have been taken by the Board.
9. 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. Written notices of the Board Meetings, along with agenda and working papers, were circulated at least seven (7) days before the meeting. The Board has complied with the requirements of Act, the Regulations and the Code with respect to frequency, recording and circulating minutes of meeting of the Board.

10. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
11. 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 controls given in the Code.
12. Five Directors of the Company possess sufficient experience and qualification so they are exempt from attending the Directors' Training Program. Whereas four Directors, namely Mr. Irfan Zakaria Bawany, Mr. Ahmed Ali Bawany, Ms. Tasneem Yusuf and Mr. Muhammad Patel have completed Director' Training Program either from Pakistan Institute of Corporate Governance or The Institute of Chartered Accountant of Pakistan. The management of the Company also carries out orientation sessions of the Board during board meetings, as and when required, in order to apprise them of their duties and responsibilities and the new developments and pronouncements of relevant laws and regulations.
13. There was no change of Chief Financial Officer, Company Secretary and Head of Internal Audit, during the year. The Board approved their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations and the Code.
14. The Directors' Report for this year has been prepared in compliance with the requirements of the Regulations and the Code and fully describes the salient matters required to be disclosed.
15. Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before approval of the Board.
16. The directors, Chief Executive Officer and other executives do not hold any interest in the shares of the Company other than disclosed in the pattern of shareholding.
17. The Company has complied with all the corporate and financial reporting requirements of the Code and the Regulations.
18. The Board has formed the following Management Committees:

Underwriting, Reinsurance & Co-insurance Committee:

Name of the Member	Designation	Category
Mr. A. Razak Ahmed	Executive Director	Chairman
Mr. M. Hanan Shahdani	Senior Vice President	Member
Mr. Abdul Rahim	Assistant Vice President	Member
Mr. Abbas Baghat	Deputy Manager	Secretary

Claim Settlement Committee:

Name of the Member	Designation	Category
Mr. A. Razak Ahmed	Executive Director	Chairman
Mr. Ghulam Haider	Chief Financial Officer	Member
Mr. Shaikh Muhammad Siddiq	Assistant Vice President	Member
Mr. Nadeem	Dy. Manager	Secretary

Takaful Committee

Name of the Member	Designation	Category
Mr. A. Razak Ahmed	Executive Director	Chairman
Mr. Najmullah Khan	Head of Takaful	Member
Mr. Kashif Wadiwala	Shariah Compliance Officer	Secretary

Risk Management & Compliance Committee:

Name of the Member	Designation	Category
Mr. A. Razak Ahmed	Executive Director	Chairman
Mr. Ghulam Haider	Chief Financial Officer	Member
Mr. Faraz Abdul Razzak	Company Secretary & Compliance Officer	Member
Mr. Najmullah Khan	Head of Takaful	Member
Mr. M. Hanan Shahdani	Senior Vice President	Member
Mr. Ghulam Mujaddid	Vice President	Member
Mr. Abdul Rahim	Assistant Vice President	Member
Mr. Muhammad Masood Ali	Assistant Vice President	Member
Mr. M. Naveed Jan	Internal Auditor	Secretary



Nomination Committee:

Name of the Member	Designation	Category
Mr. A. Razak Ahmed	Executive Director	Chairman
Mr. Ghulam Haider	Chief Financial Officer	Member
Mr. Faraz Abdul Razzak	Company Secretary & Compliance Officer	Member
Mr. M. Hanan Shahdani	Senior Vice President	Member
Mr. Muhammad Salim Memon	Assistant Vice President	Member & Secretary

19. The Board has formed Board Committees comprising of members given below:

a) Ethics, HR and Remuneration Committee:

Name of the Member	Designation	Category
Mr. Naeem Ahmed Shafi	Independent Director	Chairman
Mr. Irfan Zakaria Bawany	Non-Executive Director	Member
Mr. Noor M. Zakaria	Non-Executive Director	Member
Mr. A. Razak Ahmed	Executive Director	Member
Mr. Saleem	Dy. Manager	Secretary

b) Investment Committee

Name of the Member	Designation	Category
Mr. Irfan Zakaria Bawany	Non-Executive Director	Chairman
Mr. Ahmed Ali Bawany	Non-Executive Director	Member
Ms. Tasneem Yusuf	Independent Director	Member
Mr. Muhammad Patel	Non-Executive Director	Member
Mr. A. Razak Ahmed	Executive Director	Member
Mr. Ghulam Haider	Chief Financial Officer	Member
Mr. Muhammad Saleem Memon	Assistant Vice President	Secretary

19. Audit Committee:

The Board has formed an Audit Committee. It comprises of three members, of whom two are non-executive directors and one is an independent director. The chairperson of the Committee is an independent director. The composition of the Audit Committee is as following:

Name of the Member	Designation	Category
Ms. Tasneem Yusuf	Independent Director	Chairperson
Mr. Irfan Zakaria Bawany	Non-Executive Director	Member
Mr. Muhammad Omer Bawany	Non-Executive Director	Member
Mr. Faraz Abdul Razzak	Company Secretary & Compliance Officer	Secretary

20. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

21. The frequency of meetings of the committees were as per following:

- | | |
|---|--------------------|
| a) Audit Committee: | Quarterly meetings |
| b) Ethics, HR and Remuneration Committee: | Twice a year |
| c) Nomination Committee: | Twice a year |
| d) Risk Management Committee: | Twice a year |
| e) Investment Committee: | Twice a year |

22. The Board has set up an effective internal audit function, which comprises of individual who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company and they are involved in the internal audit function on a regular basis.

23. The Chief Executive Officer, Chief Financial Officer, Company Secretary, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code. Moreover, the persons heading the underwriting, claim, reinsurance, risk management and grievance functions 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. A. Razak Ahmed	Chief Executive Officer & Managing Director
Mr. Ghulam Haider	Chief Financial Officer
Mr. Faraz Abdul Razzak	Company Secretary & Compliance Officer
Mr. Najmullah Khan	Head of Window Takaful Operations & Grievance Deptt.
Mr. M. Hanan Shahdani	Senior Vice President
Mr. Muhammad Naveed Jan	Head of Internal Audit
Mr. Shaikh Muhammad Siddiq	Head of Claims
Mr. Abdul Rahim	Head of Reinsurance

24. 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 program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their 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 and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company and that they or any partners of the firm, their spouses and minor children do not hold shares of the Company.
25. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations, the Code or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
26. The Board ensures that the Investment policy of the Company has been drawn up in accordance with the provisions of the Code.
27. The Board ensures that the risk management system of the Company is in place as per the requirements of the Code.
28. The Company has set up a risk management function which carries out its tasks as covered under the Code.
29. The Board ensures that as part of the risk management system, the Company gets itself rated from PACRA and VIS rating agencies, which is being used by its risk management function and the respective committee as a risk monitoring tool. The rating assigned by the said rating agencies on November 17, 2025 and December 23, 2025 is A++ (single A double plus) with stable outlook.
30. The Board has set up a grievance function, which fully complies with the requirements of the Code.
31. The Company has not obtained any exemption from the Securities and Exchange Commission of Pakistan in respect of any requirement of the Code.
32. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
33. We confirm that all other material principles contained in the Code have been complied with.



IRFAN ZAKARIA BAWANY
Chairman



A. RAZAK AHMED
Chief Executive & Managing Director

Karachi: 1st April, 2026

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF RELIANCE INSURANCE COMPANY LIMITED

Report on the Audit of the financial statements

Opinion

We have audited the annexed financial statements of RELIANCE 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 and the statement of cash flows 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 statement of cash flows 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 Company’s affairs as at December 31, 2025 and of the profit, total comprehensive income, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S. No	Key Audit Matters	How the matters were addressed in our audit
1	Revenue Recognition – Premium Earned	
	<p>Refer to note 22 to the financial statements.</p> <p>The Company’s premium earned amounts to Rs. 596.596 million which is generated from premium on insurance policies representing a significant element of the financial statements of the Company.</p> <p>Premium income is one of the key performance indicators of the Company. Because of the significance of the premium as key performance indicator and that it was considered as an area of significant audit risk as part of our audit process, we considered this area as a key audit matter.</p>	<p>Our audit procedures amongst other procedures included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the Company’s process for recognition of premium and evaluated the design and implementation of key controls involved in the process of capturing, processing and recording of premiums. • Comparing, using an appropriate sample of premium earned from the underlying policies issued to evaluate appropriateness of recognized premium during the year.

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S. No	Key Audit Matters	How the matters were addressed in our audit
		<ul style="list-style-type: none"> • Comparing, using an appropriate sample, of premium underwritten close to year end and subsequent to year end to evaluate that revenue from premiums was recognized in the appropriate accounting period. • Recalculating the unearned portion of premium underwritten and ensuring that the appropriate amount is recorded in the current year. • Assessing the relevant presentation and disclosures made in the financial statements to ascertain whether these are in accordance with the accounting and reporting standards as applicable in Pakistan.
2	<p>Outstanding claims including incurred but not reported (IBNR)</p> <p>Refer to note 23 to the financial statements.</p> <p>As at December 31, 2025, net provision for IBNR amounted to Rs. 267.585 million.</p> <p>The provision for Incurred but Not Reported (IBNR) claims is calculated by the Company in compliance with Circular No. 9 of 2016 issued by the Securities and Exchange Commission of Pakistan (SECP).</p> <p>As per the circular, insurers are required to estimate and maintain IBNR provisions for each business class using the prescribed "Chain Ladder Method" or any other alternate method as allowed under the provisions of the Guidelines.</p> <p>The calculation of provision for IBNR claims involves estimation and judgment. Because of the significance of the impact of these judgments / estimations, we considered the area of IBNR as a key audit matter.</p>	<p>Our audit procedures in respect of this area includes the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the Company's process and evaluating the design and implementation of key controls in recognition and valuation of insurance liabilities. • Assessing the appropriateness of the Company's accounting policy for recognition and measurement of insurance liabilities, in compliance with accounting and reporting standards as applicable in Pakistan. • Assessing the competence, capability and objectivity of management's actuary. Performing procedures to evaluate the accuracy, completeness and reliability of the underlying data utilized and provided to the management actuary for the purposes of measurement to its source. • Inspecting the report submitted by the Actuary for the year ended December 31, 2025, to the management of the Company in respect of the insurance liabilities and the related methods and assumptions used for this purpose. • Assessing the reasonableness and consistency of the assumptions and methods used by the management's actuary in the valuation of insurance liabilities. • Assessing the appropriateness of disclosures made in the financial statements in compliance with the accounting and reporting standards as applicable in Pakistan.



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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 auditor's reports 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 the Insurance Ordinance, 2000 and the 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 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 judgment 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 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 statement of cash flows together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and 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 Nadeem.

KARACHI

DATED: 07 April, 2026

UDIN: AR202510110CbVOPDWBX

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	December 31, 2025	December 31, 2024 Restated Rupees	January 01, 2024 Restated
ASSETS				
Property and equipment	6	145,205,715	104,759,877	87,159,556
Intangible assets	7	-	-	-
Investments				
Equity securities	8	1,551,173,503	1,200,097,914	839,874,670
Debt securities	9	103,746,106	70,080,623	70,092,591
Term deposits	10	44,688,544	43,508,514	42,628,618
		1,699,608,153	1,313,687,051	952,595,879
Insurance / reinsurance receivables	11	731,427,798	642,361,902	537,186,737
Loans and other receivables	12	3,533,166	4,575,855	5,135,425
Re-insurance recoveries against outstanding claims	23	201,551,094	271,629,962	176,420,765
Deferred commission	24	119,469,423	94,842,909	95,312,664
Prepayments and deposits	14	254,114,878	228,208,543	194,268,623
Cash and bank	15	138,408,150	102,206,082	108,555,276
		3,293,318,377	2,762,272,181	2,156,634,925
Total assets of window takaful operations - Operator's Fund	16	185,517,704	182,748,071	155,881,703
Total assets window takaful operations - Participants' Takaful Fund		335,217,712	240,084,908	263,563,509
		3,814,053,793	3,185,105,160	2,576,080,137
TOTAL ASSETS				
EQUITY AND LIABILITIES				
Capital and reserves attributable to Company's equity holders				
Ordinary share capital	17	1,004,723,030	665,379,490	665,379,490
Reserves	18	400,000,000	400,000,000	310,000,000
Unappropriated profit		495,942,139	370,364,373	225,049,587
Unrealised gain on remeasurement of Investment - available-for-sale		182,568,131	136,687,507	21,992,211
TOTAL EQUITY		2,083,233,300	1,572,431,370	1,222,421,288
LIABILITIES				
Underwriting provisions				
Outstanding claims including IBNR	23	267,585,016	343,523,464	230,153,423
Unearned premium reserves	22	583,283,388	489,493,362	440,170,615
Unearned reinsurance commission	24	44,825,548	33,682,692	39,285,465
		895,693,952	866,699,518	709,609,503
Insurance / reinsurance payables	19	80,097,815	192,164,335	216,603,821
Unclaimed dividend		6,055,137	6,847,173	4,531,819
Other creditors and accruals	20	101,228,341	79,862,274	71,576,445
Deferred taxation	13	157,615,963	126,464,055	30,143,866
Taxation - provision less payments		123,447,113	59,124,328	22,637,371
		468,444,369	464,462,165	345,493,322
Total liabilities of window takaful operations - Operator's Fund	16	31,464,460	41,427,199	34,992,515
Total liabilities and funds of window takaful operations- PTF		335,217,712	240,084,908	263,563,509
Total Liabilities		1,730,820,493	1,612,673,790	1,353,658,849
TOTAL EQUITY AND LIABILITIES		3,814,053,793	3,185,105,160	2,576,080,137
CONTINGENCIES AND COMMITMENTS				
	21			

The annexed notes from 1 to 44 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	December 31, 2025	December 31, 2024
		Rupees	
Net insurance premium	22	596,595,655	546,495,792
Net insurance claims	23	(139,524,339)	(152,815,010)
Net commission expense / acquisition cost	24	(130,142,257)	(111,170,050)
Insurance claims and acquisition expenses		(269,666,596)	(263,985,060)
Management expenses	25	(232,997,598)	(198,462,472)
Underwriting results		93,931,461	84,048,260
Investment income	26	554,993,147	408,883,090
Other income	27	6,630,088	4,501,349
Other expenses	28	(116,304,494)	(91,334,996)
Results of operating activities		539,250,202	406,097,703
Profit from Window Takaful Operations	29	18,308,962	30,071,847
Profit before taxation		557,559,164	436,169,550
Taxation	30	(92,637,858)	(134,316,815)
Profit after taxation		464,921,306	301,852,735
			Restated
Earnings (after tax) per share	31	4.63	3.00

The annexed notes from 1 to 44 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026


STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
	————— Rupees —————	
Profit after taxation	464,921,306	301,852,735
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss account		
Unrealized gain on revaluation of available for sale securities - net of tax	46,303,273	121,852,886
Reclassification adjustment relating to available-for-sale investments disposed off during the year - net of tax	(613,382)	(7,140,418)
	45,689,891	114,712,469
Income of Window Takaful Operations / other comprehensive (loss) - Operator's Fund		
Unrealized gain on revaluation of available for sale securities - net of tax	190,733	45,603
Reclassification adjustment relating to available-for-sale investments disposed off during the year - net of tax	-	(62,776)
	190,733	(17,173)
Total comprehensive income for the year	510,801,930	416,548,031

The annexed notes from 1 to 44 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


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Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2025

Issued, subscribed and paid-up share capital	Capital Reserves	Revenue Reserves		Total
	Unrealised gain on revaluation of available-for-sale - net of tax	General reserve	Unappropriated Profit	

Rupees

Balance as at January 1, 2024 665,379,490 21,992,211 310,000,000 225,049,587 1,222,421,288

Total comprehensive income for the year ended December 31, 2024

Profit after tax	-	-	-	301,852,735	301,852,735
Other comprehensive income	-	114,695,296	-	-	114,695,296
	-	114,695,296	-	301,852,735	416,548,031

Transfer to general reserves - - 90,000,000 (90,000,000) -

Transactions with owners:

Payment of Cash dividend - - - (66,537,949) (66,537,949)

Balance as at December 31, 2024 665,379,490 136,687,507 400,000,000 370,364,373 1,572,431,370

Total comprehensive income for the year ended December 31, 2025

Profit after tax	-	-	-	464,921,306	464,921,306
Other comprehensive income	-	45,880,624	-	-	45,880,624
	-	45,880,624	-	464,921,306	510,801,930

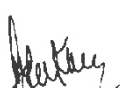
Transactions with owners:

Issuance of bonus shares @51% 339,343,540 - - (339,343,540) -

Balance as at December 31, 2025 1,004,723,030 182,568,131 400,000,000 495,942,139 2,083,233,300

The annexed notes from 1 to 44 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


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Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

Note	December 31, 2025	December 31, 2024
	————— Rupees —————	
OPERATING CASH FLOWS		
a) Underwriting activities		
Insurance premium received	1,161,742,925	967,733,978
Reinsurance premium paid	(697,940,128)	(542,897,601)
Claims paid	(507,157,931)	(434,461,472)
Reinsurance and other recoveries received	361,774,012	299,807,306
Commission paid	(246,562,794)	(210,292,348)
Commission received	102,936,879	93,989,280
Management expenses paid	(232,997,598)	(198,462,472)
Net cash (used in) underwriting activities	(58,204,635)	(24,583,329)
b) Other operating activities		
Income tax paid	(22,242,959)	(37,384,940)
Other operating payments	(82,822,848)	(60,041,189)
Loan given to employees	776,660	(1,341,990)
Net cash (used in) other operating activities	(104,289,146)	(98,768,119)
Total cash (used in) all operating activities	(162,493,781)	(123,351,448)
INVESTMENT ACTIVITIES		
Profit / return received	19,153,126	30,170,626
Dividend received	96,050,562	116,038,554
Payments for investments	(1,141,215,063)	(450,199,714)
Proceeds from investments	1,278,649,936	513,027,391
Fixed capital expenditure	(67,685,675)	(36,012,008)
Proceeds from sale of property and equipment	14,535,000	8,200,000
Total cash generated from investing activities	199,487,886	181,224,849
FINANCING ACTIVITIES		
Total cash (used in) financing activities - Dividend paid	(792,037)	(64,222,595)
Total cash inflows from / (used in) all activities	36,202,068	(6,349,194)
Cash and cash equivalents at beginning of the year	102,206,082	108,555,276
Cash and cash equivalent at the end of the year	138,408,150	102,206,082

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

December 31,
2025

December 31,
2024

Rupees

Reconciliation to profit and loss account

Operating cash flows	(162,493,782)	(123,351,448)
Depreciation expense	(19,334,924)	(14,713,036)
Gain on disposal of property and equipment	6,630,088	4,501,349
Profit on disposal of investments	149,009,308	73,695,326
Dividend income	96,101,618	115,447,307
Other investment income	309,882,221	219,079,168
Decrease in assets other than cash	75,506,695	234,329,166
Decrease in liabilities	(2,616,766)	(176,762,026)
Deferred taxation	(304,791)	(50,821,927)
Profit after tax from window Takaful operations - Operators' Fund	12,541,639	20,448,856
Profit after taxation	464,921,306	301,852,735

The annexed notes from 1 to 44 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


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Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Company) was incorporated in Pakistan as a public limited company on November 4, 1981 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is engaged in general insurance business. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Registered Office of the Company is situated in 96-A, Sindhi Muslim Co-operative Housing Society, Karachi.

- 1.1 The Company was granted authorisation on May 25, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Window Takaful Operations (WTO) in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on May 30, 2016. The Company operates through 26 branches in Pakistan.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 Statement of compliance

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 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, SECP Takaful Rules, 2012 and General Takaful Accounting Regulations, 2019.

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

- 2.1.1 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 the historical cost convention except investment classified as available for sale and held for trading.

2.3 Functional and presentation currency

The financial statements are presented in Pak Rupees (Rupees or 'Rs'), which is the Company's functional and presentation currency. Figures have been rounded off to the nearest rupees.

2.4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

2.4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2025

The following standards, amendments and interpretations are effective for the year ended December 31, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Effective date (annual periods beginning on or after)

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchange ability January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

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

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) January 01, 2026

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation January 01, 2027

IFRS 17 Insurance Contracts January 01, 2027

IFRS 18 'Presentation and Disclosures in Financial Statements' January 01, 2027

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from July 01, 2018 onwards to remove from profit and loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. Fair value measurement of financial instruments as at December 31, 2025 is presented in note 38.9 of these financial statements.

2.4.3 Temporary exemption from IFRS 17

Pursuant to the requirements of Securities and Exchange Commission of Pakistan SRO 1715 (I) / 2023 dated November 21, 2023, SRO 506/(1)/2024 dated March 29, 2024 and SRO 1336(1)/2025 dated 23rd July, 2025 the IFRS 17 "Insurance Contracts", is applicable to the companies engaged in insurance / takaful and re-insurance / re-takaful business from financial years commencing on or after January 01, 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 standard 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 SRO 1715 will also be required to adopt requirements of IFRS 9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

SECP vide letter no. ID/MDPRD/IFRS-17/2021/176 dated 15 June 2021 initiated a four-phase approach towards implementation of IFRS 17 "Insurance Contracts" out of which three phases are completed as at reporting date.

2.4.4 IFRS 9 - Financial Instruments

IFRS 9 'Financial Instruments' has become applicable, however as an insurance company, the management has opted for temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply for the temporary exemption from the application of IFRS 9 are given below:

The tables below set out the fair values as at the end of reporting year and the amount of change in the fair value during that year for the following two groups of financial assets separately:

- financial assets with contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest ("SPPI") on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- all other financial assets:

Fair value of financial assets as at December 31, 2025 and change in fair value during the year.

	Operator's Takaful Fund	Participant's Takaful Fund	Total
	Rupees		
Financial assets that do not meet the SPPI criteria			
Investment in mutual funds - available for sale			
Opening fair value	115,594,166	110,023,835	225,618,001
Net addition / deletion during the year - net	10,446,152	10,967,057	21,413,209
Impairment during the year	-	31,463	31,463
Increase in fair value	278,443	-	278,443
	<u>126,318,761</u>	<u>121,022,355</u>	<u>247,341,116</u>

Carrying value of all other financial assets approximates to their fair values since these either have short term maturity or are frequently repriced.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the requirements of accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The judgments, estimates and assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimates 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. Revision to the 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 revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgment or complexity, or areas where assumption and estimates are significant to this financial information, or judgments were exercised in application of accounting policies are as follows:

	Notes
- Useful life of property and equipment	5.1
- Receivables and payables related to insurance contracts	5.9
- Reinsurance recoveries against outstanding claims	5.17.1
- Provision for outstanding claims including IBNR	5.17.2
- Classification of investments	5.13
- Impairment	5.14
- Taxation	5.18
- Staff retirement benefit	5.19
- Contingencies	21.10

4. CHANGE IN PRESENTATION - WINDOW TAKAFUL OPERATIONS (PTF AND OPF)

Securities and Exchange Commission of Pakistan (SECP) through its S.R.O. 311(I)/2025 dated March 03, 2025, made amendments to the General Takaful Accounting Regulations, 2019 whereby Insurers whose window takaful operations form twenty-five percent (25%) or more of their overall operations based on gross contribution, may as an alternative to disclose their Takaful results in their published financial statements as follows:

- (a) the assets and liabilities of the conventional operations shall be consolidated with the assets and liabilities of window general takaful operations (i.e. OPF and PTF) in the statement of financial position of the insurer;
- (b) the incomes and expenses of the conventional operations shall be consolidated with the incomes and expenses of the window general takaful operations (i.e. OPF and PTF) in the profit and loss account or the statement of comprehensive income, as the case may be, of the insurer;
- (c) supporting notes to the financial statements shall provide complete breakup of conventional and window takaful operations and the statement of financial position and the profit and loss account or the statement of comprehensive income, as the case may be, shall in footnote state that for breakup of conventional and window takaful operations, detailed notes to the financial statements may be referred; and
- (d) segment disclosures for General Takaful Operations in accordance with the requirements of IFRS 8 – Operating Segments, shall be included in the published financial statements.

In view above amendments, during the period the Company has reassessed its operations and concluded that presently its Window Takaful Operations do not exceed twenty-five percent (25%) of its overall operations based on gross contribution. Resultantly, consolidation of window general takaful operations (i.e. OPF and PTF) in the financial position of the Company and detailed segment reporting are not required to be followed. However, due to amendments in sub-regulations of regulation 6 of the Accounting Regulations, the Company has presented the total assets and total liabilities in addition to the OPF (the Window Takaful Operations) as a single line item in the condensed interim statement of financial position. Total liabilities comprising of liabilities and fund balance of PTF as the Company considered that the Company does not have any residual interest in the PTF since surplus in the PTF is available only to the participants of the Fund.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Effect of changes

The above changes have been made in accordance with the requirements of IAS-8, 'Accounting Policies, Changes in Accounting Estimates and Errors' in these financial statements with retrospective effect and restatement of amounts reported in the condensed interim financial statements for the year ended December 31, 2024 and January 01, 2024 are given below:

	Had there been no restatement	Impact of restatement	After incorporating effect of restatement
	Rupees		
As at December 31, 2024			
Effect on statement of financial position:			
Total assets	-	240,084,908	240,084,908
Total equity and liabilities	-	240,084,908	240,084,908
As at January 1, 2024			
Effect on statement of financial position:			
Total assets	-	263,563,509	263,563,509
Total funds and liabilities	-	263,563,509	263,563,509
As at December 31, 2024			
Effect on cash flow statement:			
Increase in assets- PTF	-	(3,529,483)	(3,529,483)
Increase in liabilities and funds-PTF	-	3,529,483	3,529,483

5. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements.

5.1 Property and equipment

These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged using the reducing balance method in accordance with the rates specified in note 6.1 to these financial statements and after taking into account residual values, if significant.

Depreciation on additions is charged from the month the assets are available for use, while no depreciation is charged in the month of disposal.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance are charged to the profit and loss account as and when incurred.

An item of tangible asset is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year the asset is derecognised. Depreciation methods, useful lives and residual values are reviewed, and adjusted if appropriate, at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.2 Intangible assets

An intangible asset is recognised as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably.

Costs directly associated with identifiable software that will have probable economic benefits exceeding costs beyond one year, are recognised as an intangible asset.

These are stated at cost less accumulated amortisation and impairment, if any. Intangible assets are amortised on a straight line basis over its estimated useful life as specified in note 7 to these financial statements after taking into account residual values, if significant.

Amortisation on additions is charged from the month in which the asset is available for use, whereas no amortisation is charged in the month the asset is disposed of. The useful lives and amortisation method are reviewed and adjusted, if appropriate, at each reporting date.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account when the asset is derecognised.

5.3 Capital work-in-progress

Capital work-in-progress are measured at cost less impairment, if any and consists of expenditure incurred and advances made in the course of an asset's installation. Transfers are made to relevant asset categories as and when assets are available for intended use.

5.4 Insurance contracts

Insurance contracts are those contracts under which the Company as an 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 changes significantly during this period, unless all rights and obligations are extinguished or expired.

The Company's insurance contracts are classified into the following main categories, depending on the nature and duration of risk and whether or not the terms and conditions are fixed:

a) Fire and property

Fire and property 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 covered properties in their business activities. These contracts are generally one year contracts except some contracts that are of three months period.

b) Marine, aviation and transport

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. These contracts are generally for three months period.

c) Motor

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. These contracts are generally one year contracts.

d) Miscellaneous

All other various types of insurance contracts are classified in miscellaneous category which includes mainly engineering, terrorism, personal accident, workmen compensation, travel and products of financial institutions etc. These contracts are normally one year insurance contracts except some engineering insurance contracts that are of more than one year period, whereas normal travel insurance contracts expires within one month.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

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

In addition to direct insurance, at times the Company also participates in risks under coinsurance from other companies and also accepts risks through reinsurance inward by way of facultative acceptances on case to case basis provided such risks are within the underwriting policies of the Company.

5.5 Deferred Commission expense / acquisition cost

Commission expense incurred in obtaining and recording policies is deferred and recognised in profit and loss account as an expense in accordance with the pattern of recognition of premium revenue by applying 1/365 method

5.6 Unearned premium

The portion of premium written relating to the unexpired period of coverage is recognized as unearned premium by the Company. The unearned portion of premium income is recognized as a liability. Provision for unearned premium is calculated by applying 1/365 days method.

5.7 Premium deficiency reserve

The Company is required as per the Insurance Accounting Regulations, 2017, to maintain a provision in respect of premium deficiency for the class of business where the unearned premium reserve is not adequate to meet the expected future liability, after reinsurance from claims, and other supplementary expenses expected to be incurred after the reporting date in respect of the unexpired policies in that class of business at the reporting date. The movement in the premium deficiency reserve is recorded as an expense in the profit and loss account.

The Company determines adequacy of liability of premium deficiency by carrying out analysis of its loss ratio of expired periods of the contracts. For this purpose average loss ratio of last three years inclusive of claim settlement cost but excluding major exceptional claims are taken into consideration to determine ultimate loss ratio to be applied on unearned premium.

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

5.8 Reinsurance contracts held

These are contracts entered into by the Company with reinsurers for compensation of losses suffered on insurance contracts issued. These reinsurance contracts include both facultative and treaty arrangement contracts and are classified in same categories of insurance contracts for the purpose of these financial statements. The Company recognises the entitled benefits under the contracts as various reinsurance assets and liabilities. Reinsurance assets and liabilities are derecognised when contractual rights are extinguished or expired.

The deferred portion of reinsurance premium is recognised as a prepayment. The deferred portion of reinsurance premium ceded is calculated by applying 365 days method.

5.9 Receivables and payables related to insurance contracts

Receivables including premium due but unpaid, relating to insurance contracts are recognised when due. The claim payable is recorded when intimation is received. These are recognised at cost, which is the fair value of the consideration given less provision for impairment losses, if any. Premium received in advance is recognised as liability till the time of issuance of insurance contract thereagainst.

If there is an objective evidence that any premium due but unpaid is impaired, the Company reduces the carrying amount of that insurance receivable and recognizes the loss in the profit and loss account.

Allowance for impairment in premium receivables is estimated on a systematic basis after analyzing the receivables as per their ageing.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.10 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. All operating segments' results are reviewed regularly by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Company presents segments reporting of operating results using the classes of business as specified under the Insurance Accounting Regulations, 2017. The reported operating segments are also consistent with the internal reporting process of the Company 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. All the Company's business segments operate in Pakistan only.

Based on its classification of insurance contracts issued, the Company has four primary business segments for reporting purposes namely fire and property damage, marine aviation and transport, motor and miscellaneous. The nature and business activities of these segments are disclosed in note 5.4.

Assets and liabilities are allocated to particular segments on the basis of premium earned. Those assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities. Further, the management expenses were allocated to each segment on the basis disclosed in note 5.21.

5.11 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise of cash and stamps in hand, cash at bank in current and saving accounts.

5.12 Revenue recognition

a) Premiums

Premium written under all insurance policies is recognized as income over the period of insurance from the date of issuance of policy to its expiry, after taking into account the unearned portion of premiums. Amount is recorded as premium written at the time the policy is written. Where the pattern of incidence of risk varies over the year of the policy, premium is recognized as revenue in accordance with the pattern of the incidence of risk. The portion of premium written relating to the unexpired year of coverage is recognized as unearned premium by the Company. The unearned premium is calculated by applying 1 / 365 method (i.e. number of period earned / total period of the policy) as specified in the Insurance Accounting Regulations, 2017.

Premium income includes administrative surcharge that represents documentation charges recovered by the Company from policy holders in respect of policies issued. Administrative surcharge is recognized as premium income at the time of issuance of policy.

b) Reinsurance Premium

Reinsurance premium is recognized as expense after taking into account the proportion of prepaid reinsurance premium which is recognized as a proportion of the gross reinsurance premium of each policy, determined as the ratio of the unexpired period of the policy and the total period, both measured to the nearest day. The prepaid portion of premium is recognized as a prepayment as explained in note 5.8.

c) Commission income

Commission and other forms of revenue (apart from recoveries) from reinsurers are deferred and recognised as liability and recognised in the profit and loss account as revenue in accordance with the pattern of recognition of the reinsurance premiums.

d) Investment income

- Interest / mark-up on bank balances and term deposits is recognised using the effective interest method.
- Dividend income is recognised when the Company's right to receive the payment is established.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

- Gain / loss on sale of investments is included in profit and loss account.
- Unrealised gain or loss on remeasurement of investments classified as held for trading and available-for-sale is included in the profit and loss account and other comprehensive income respectively in the period to which it relates.

e) Other income

- Gain or loss on sale of property and equipment and intangible assets is recognised in the profit and loss account when the asset is derecognised.

5.13 Investments

Classification and Recognition

All investments are initially recognised at fair value of the consideration given and include transaction costs. All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Company commits to purchase or sell investments.

5.13.1 Measurement

a) Held to maturity

Investments with fixed or determinable payments and fixed maturity where the Company has positive intent and ability to hold to maturity are classified as held-to-maturity subsequently, these are measured at amortized cost using the effective interest method and taking any discount or premium on acquisition.

b) Held for trading

Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price are classified as held-for-trading. subsequent to initial recognition, these are remeasured at fair value. Gains or losses on investments on remeasurement of these investments are recognized in profit and loss account.

c) Available for sale

Investments which are not eligible to be classified as at fair value through profit or loss or held to maturity are classified as 'available-for-sale'.

Subsequent to initial recognition, these investments are remeasured at fair value. Gains or losses on remeasurement of these investments are recognised in the statement of comprehensive income.

Unquoted investments are recognised at fair value of the consideration paid less accumulated impairment losses, if any

5.13.2 Fair value measurements

The fair value of investments in listed equity securities is determined by reference to the Pakistan Stock Exchange's quoted market prices at the close of period end.

The fair value of investments in mutual funds is determined by reference to the net asset values as published by Mutual Funds Association of Pakistan at year end.

The fair value of investments in Government securities is determined by reference to the quotations obtained from the PKRV rate sheet on the Mutual Funds Association of Pakistan's website.

5.14 Impairment

The management assesses at each reporting date whether there is an objective evidence that the financial assets or a group of financial assets is impaired. The carrying value of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

In the case of equity securities classified as 'available-for-sale', a significant or prolonged decline in the fair value of the security below its cost is considered as an objective evidence of impairment. In case of impairment of available-for-sale equity securities, the cumulative loss previously recognised in the statement of comprehensive income is removed therefrom and included in the profit and loss account.

5.15 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognized amount and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

5.16 Provisions

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

5.17 Provisions for outstanding claims including Incurred But Not Reported (IBNR) claims

Provisions for outstanding claims include amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR) and expected claims settlement costs.

5.17.1 Outstanding claims

This represents the amount of claims that have been reported and are yet unpaid or partially unpaid at the end of reporting year for a given accident year.

A liability for outstanding claims (claims incurred) is recognised for all claims incurred which represents the estimates of the claims intimated or assessed before the end of the reporting period and measured at the undiscounted value of expected future payments. Provision for liability in respect of unpaid reported claims is made on the basis of individual case estimates while taking into consideration the past claims settlement experience including handling costs and the Company's reserving policy. Where applicable, deductions are made for salvage and their recoveries.

Reinsurance recoveries against outstanding claims and salvage recoveries are recognised as an asset and measured at the amount expected to be received.

5.17.2 Incurred But Not Reported (IBNR) claims

This represents losses that have incurred or are in the occurrence period at the end of the reporting year and have not been intimated to the Company by the end of the reporting year.

The Company is required, as per the SECP circular no. 9 of 2016 dated March 9, 2016 "Guidelines for Estimation of Incurred But Not Reported (IBNR) Claims Reserve, 2016" to estimate and maintain the provision for claims incurred but not reported for each class of business by using the prescribed method which is "Chain Ladder Method" or any other alternate method as allowed under the provisions of the Guidelines.

The actuarial valuation as at December 31, 2025 has been carried out by an independent firm of actuaries for determination of IBNR for each class of business.

5.18 Levy and Income tax

5.18.1 Levy

The Company accounts for current tax calculated on taxable income using the notified tax rate as an income tax and any tax charged under the income tax laws which is not based on the taxable income recorded as a levy in accordance with the Guidance on Accounting for Minimum Taxes and Final taxes issued by the Institute of Chartered Accountants of Pakistan. The minimum tax and final taxes which are not calculated on the 'taxable profit' but calculated on turnover or other basis are recognized as a levy in the Statement of profit or loss under the scope of IFRIC 2/IAS37.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.18.2 Income tax

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

a) Current tax

Provision for current taxation is based on taxable income determined in accordance with the prevailing law for taxation of income and is calculated using enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for the current taxation also includes adjustments where considered necessary, relating to prior years which arise from assessments framed / finalised during the year or required by any other reason.

b) Deferred tax

Deferred tax is recognised using the statement of financial position liability method for all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted at the financial statement date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

5.19 Staff retirement benefits

The Company operates funded contributory provident fund (defined contribution plan) for all permanent employees. Equal contributions are made by the Company and the employees at the rate 8.33% of basic salary, to the fund.

5.20 Dividend distribution and appropriation to / from reserve

Dividend to shareholders is recognised as liability and appropriation to / from reserve is recognised in the period in which it is approved.

5.21 Management expenses

Management expenses are allocated to various classes of business and Window Takaful Operations as deemed equitable by the management based on the detailed exercise carried out by the management on an annual basis.

Expenses not directly attributable to the underwriting business are charged under administrative expenses.

5.22 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument and are derecognised when the Company loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. At the time of initial recognition all financial assets and financial liabilities are measured at cost, which is the fair value of the consideration given or received for it. Any gain or loss on derecognition of financial assets and financial liabilities is taken to the profit and loss account in the period in which financial instrument is derecognised.

5.23 Share capital

Ordinary shares are classified as equity and recognised at their face value.

5.24 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Note **2025** 2024
 ————— Rupees —————

6. PROPERTY AND EQUIPMENT

Operating assets	6.1	129,882,865	93,859,877
Capital work in progress	6.5	15,322,850	10,900,000
		145,205,715	104,759,877

6.1 Operating assets

	2025									
	Cost			Accumulated Depreciation				Written down value as at Dec 31, 2025	Depreciation Rate %	
	As at 1 Jan 2025	Additions/ Transfers	Disposals	As at 31 Dec 2025	As at 1 Jan 2025	Depreciation for the year	Disposals			As at 31 Dec 2025
	Rupees									
Land and buildings	30,218,901	-	-	30,218,901	26,648,590	357,031	-	27,005,621	3,213,280	10
Furniture and fixtures	20,644,708	855,000	-	21,499,708	12,539,091	1,344,095	-	13,883,186	7,616,522	15
Office equipment	20,164,263	1,646,524	-	21,810,787	14,520,180	1,020,309	-	15,540,489	6,270,298	15
Computer equipment	8,098,634	355,500	-	8,454,134	7,595,246	206,167	-	7,801,413	652,721	30
Vehicles	162,491,778	60,111,333	(21,764,693)	200,838,418	86,455,300	16,407,322	(13,859,781)	89,002,841	112,130,045	15
	241,618,284	62,968,357	(21,764,693)	282,821,948	147,758,407	19,334,924	(13,859,781)	153,233,550	129,882,866	

	2024									
	Cost			Accumulated Depreciation				Written down value as at Dec 31, 2024	Depreciation Rate %	
	As at 1 Jan 2024	Additions	Disposals	As at 31 Dec 2024	As at 1 Jan 2024	Depreciation for the year	Disposals			As at 31 Dec 2024
	Rupees									
Land and buildings	30,218,901	-	-	30,218,901	26,251,889	396,701	-	26,648,590	3,570,311	10
Furniture and fixtures	12,968,250	7,676,458	-	20,644,708	11,723,977	815,114	-	12,539,091	8,105,617	15
Office equipment	16,545,713	3,618,550	-	20,164,263	13,769,982	750,198	-	14,520,180	5,644,083	15
Computer equipment	7,963,134	135,500	-	8,098,634	7,404,352	190,894	-	7,595,246	503,388	30
Vehicles	158,988,768	13,681,500	(10,178,490)	162,491,778	80,375,010	12,560,129	(6,479,839)	86,455,300	76,036,478	15
	226,684,766	25,112,008	(10,178,490)	241,618,284	139,525,210	14,713,036	(6,479,839)	147,758,407	93,859,877	

6.2 The Company owns land and building situated at Plot No. 181-A Sindhi Muslim Co-operative Housing Society having area of 600 square yards which is being used as head office.

2025 2024
 ————— Rupees —————

6.3 Allocation of depreciaton expense

Management expenses	12,567,701	9,563,473
Other expenses	6,767,223	5,149,563
	19,334,924	14,713,036

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

6.4 Disposal of fixed assets

Particular	Cost	Accumulated Depreciation	Written down value	Sale proceeds	Gain	Mode of disposals	Sold to
Rupees							
Vehicles							
Suzuki Cultas LE-19A-4262	2,013,830	1,153,792	860,038	1,500,000	639,962	Negotiation	Dealer
Toyota Corolla LEB-9073	1,397,578	1,245,501	152,077	700,000	547,923	Negotiation	Dealer
Suzuki Mehran LEF-9073	689,930	520,731	169,199	440,000	270,801	Negotiation	Dealer
Toyota Vize LEF-4262	1,425,000	1,201,441	223,559	750,000	526,441	Negotiation	Dealer
Honda Citi LEF-8672	1,593,750	1,299,592	294,158	925,000	630,842	Negotiation	Dealer
Honda Citi LEB-9735	1,357,065	1,247,411	109,654	800,000	690,346	Negotiation	Dealer
Honda Civic LE-18-4262	2,973,610	1,922,208	1,051,402	1,550,000	498,598	Negotiation	Dealer
Honda Civic BWH-112	5,800,680	2,014,800	3,785,880	4,700,000	914,120	Negotiation	Dealer
Toyota Corolla LEB-504	2,915,930	1,857,428	1,058,502	2,000,000	941,498	Negotiation	Dealer
Honda Civic ATB-793	1,375,390	1,253,476	121,914	1,000,000	878,086	Negotiation	Dealer
	<u>21,542,763</u>	<u>13,716,380</u>	<u>7,826,383</u>	<u>14,365,000</u>	<u>6,538,617</u>		
Motor Cycle							
Super Star KHC-7062	39,885	33,014	6,871	20,000	13,129	Negotiation	Dealer
Suzuki KMP-1153	182,045	110,387	71,658	150,000	78,342	Negotiation	Dealer
	<u>221,930</u>	<u>143,401</u>	<u>78,529</u>	<u>170,000</u>	<u>91,471</u>		
Total	<u>21,764,693</u>	<u>13,859,781</u>	<u>7,904,912</u>	<u>14,535,000</u>	<u>6,630,088</u>		

Note **2025** 2024
Rupees

6.5 Capital work in progress

Opening balance	10,900,000	-
Additions	15,322,850	12,282,850
Transfer to operating assets	(10,900,000)	(1,382,850)
Cosing balance	15,322,850	10,900,000

6.6

6.6 It represents the advance paid for the purchase of a vehicle.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

7. INTANGIBLE ASSETS

2025										
Cost				Amortization				Written down value		Amortization period
As at 1 Jan 2025	Additions	Disposals	As at 31 Dec 2025	As at 1 Jan 2025	Amortization for the year	Disposals	As at 31 Dec 2025	As at 31 Dec 2025		
Rupees										
Computer software	3,477,823	-	-	3,477,823	3,477,823	-	-	3,477,823	-	3 years

2024										
Cost				Amortization				Written down value		Amortization period
As at 1 Jan 2024	Additions	Disposals	As at 31 Dec 2024	As at 1 Jan 2024	Amortization for the year	Disposals	As at 31 Dec 2024	As at 31 Dec 2024		
Rupees										
Computer software	3,477,823	-	-	3,477,823	3,477,823	-	-	3,477,823	-	3 years

7.1 Cost and accumulated amortisation in respect of fully amortised intangible assets still in use at the end of the year amounted to Rs. 3.477 (2024: Rs. 3.477) million.

	Note	2025	2024
		Rupees	
8. INVESTMENT IN EQUITY SECURITIES			
Available for sale (AFS)			
Related parties		16,674,055	12,770,431
Listed shares		475,962,097	290,596,167
Mutual funds		256,752,312	317,516,164
	8.1	<u>749,388,464</u>	<u>620,882,762</u>
Held for trade (HFT)			
Listed shares	8.2	801,785,039	579,215,152
		<u>1,551,173,503</u>	<u>1,200,097,914</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

8.1 Investments - Available for Sale

	2025				2024			
	Cost	Impairment / Provision	Fair value gain on re-measurement	Carrying Value	Cost	Impairment / Provision	Fair value gain on re-measurement	Carrying Value
	Rupees				Rupees			
Related parties								
Faran Sugar Mills Limited	369,220	-	620,546	989,766	369,220	-	480,696	849,916
Shahmurad Sugar Mills Limited	464,162	-	10,111,650	10,575,812	464,162	-	9,564,325	10,028,487
First Al Noor Modaraba Limited.	5,212,200	(103,723)	-	5,108,477	5,212,200	(3,320,171)	-	1,892,029
	6,045,582	(103,723)	10,732,196	16,674,055	6,045,582	(3,320,171)	10,045,021	12,770,431
Listed shares								
Faysal Bank Limited	2,980,675	-	7,224,025	10,204,700	2,980,675	-	2,352,125	5,332,800
Fauji Fertilizer Company Limited	183,944,061	-	215,511,172	399,455,233	88,877,830	-	158,838,377	247,716,207
Pakistan Oilfield Limited	5,149,600	-	5,803,580	10,953,180	5,149,600	-	6,219,560	11,369,160
Hub Power Co. Limited	28,741,138	-	26,607,846	55,348,985	17,962,747	-	8,215,253	26,178,000
	220,815,474	-	255,146,623	475,962,097	114,970,852	-	175,625,315	290,596,166
Mutual funds								
Meezan Rozana Amdani Fund	-	-	-	-	67,507,227	-	-	67,507,227
Meezan Cash Fund	51,920,187	-	94,752	52,014,939	-	-	-	-
HBL Islamic Money Market Fund	22,645,624	-	18,587	22,664,212	20,459,948	-	89,129	20,549,077
Al Hamra Islamic Money Market Fund	-	-	-	-	62,181,769	-	387,107	62,568,876
Alhamra Cash Manag Optimize	67,609,750	-	153,535	67,763,286	-	-	-	-
NBP Islamic Daily dividend	-	-	-	-	14,864,712	-	-	14,864,712
NBP Islamic Money Mkt. fund	16,144,042	-	13,769	16,157,811	-	-	-	-
Al-Ameen Islamic Cash Fund	29,881,398	-	68,966	29,950,364	82,779,045	-	119,911	82,898,956
ABL Islamic Income Fund	-	-	-	-	57,442,418	-	17,229	57,459,647
ABL Islamic Money MKT Plan	55,287,458	-	114,793	55,402,251	-	-	-	-
Faysal Islamic Cash Fund	12,746,875	-	52,574	12,799,449	11,639,624	-	28,045	11,667,669
	256,235,335	-	516,977	256,752,312	316,874,743	-	641,421	317,516,164
	483,096,392	(103,723)	266,395,796	749,388,464	437,891,177	(3,320,171)	186,311,758	620,882,762

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

2025		2024	
Cost	Carrying Value	Cost	Carrying Value

Rupees

Rupees

8.2 Investments - Held for Trading

Listed shares

Meezan Bank Limited	128,282,194	222,190,000	80,680,000	120,985,000
Lucky Cement Limited	33,014,645	71,244,000	27,937,790	39,067,395
Hub Power Company Limited	72,017,118	121,805,711	68,662,709	72,017,118
Oil & Gas Development Co. Limited	45,518,814	56,300,640	22,523,060	45,518,814
Pakistan Oilfield Limited	27,150,186	26,156,802	18,137,091	27,150,186
Pioneer Cement Limited	10,052,000	19,372,000	24,979,135	32,166,400
D.G. Khan Cement Limited	35,803,500	68,973,000	26,146,165	31,476,000
International Steel	67,452,000	73,752,000	79,143,687	90,578,400
Engro Holding Limited	1,456,066	1,741,087	964,356	1,456,066
Fauji Fertilizer Co. Limited	82,167,774	132,499,797	36,708,196	118,799,774
Gharibwal Cement Ltd	7,824,563	7,750,000	-	-
	<u>510,738,859</u>	<u>801,785,039</u>	<u>385,882,189</u>	<u>579,215,152</u>

Note

2025

2024

Rupees

9. INVESTMENT IN DEBT SECURITIES

Held to maturity

Pakistan Energy Sukuk I & II	9.1	-	70,080,623
Government of Pakistan Ijara Sukuk	9.2 & 9.3	<u>103,746,106</u>	<u>-</u>
		<u>103,746,106</u>	<u>70,080,623</u>

9.1 During the year, the Government of Pakistan revoked the Pakistan Energy Sukuks and, in exchange, issued Government of Pakistan Ijara Sukuks.

9.2 GoP Ijara Sukuk having face value amounted to Rs.102 million (2024: Rs.70 million) are placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000.

9.3 These carry profit at the rate of 6 months KIBOR minus 0.1% (2024: 6 months KIBOR minus 0.1%) and will mature on December 04, 2028.

Note

2025

2024

Rupees

10. INVESTMENT IN TERM DEPOSIT

Held to maturity

Deposit maturing within 12 months	10.1	<u>44,688,544</u>	<u>43,508,514</u>
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10.1 These carry profit at the rate of 6.20% to 9.60% per annum (2024: 9.50% to 21% per annum) having maturity ranges from one month to twelve month.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
Rupees			
11. INSURANCE / REINSURANCE RECEIVABLE			
Unsecured-considered good			
Due from insurance contract holders	11.1 & 11.2	730,465,341	641,660,373
Less: provision for impairment of receivables from insurance contract holders	11.3	(61,994,000)	(35,386,135)
		<u>668,471,341</u>	<u>606,274,238</u>
Due from other insurers / reinsurers	11.4	62,956,457	36,087,664
		<u>731,427,798</u>	<u>642,361,902</u>

11.1 Due from insurance contract holders include Rs. 48.857 million (2024: Rs. 81.735 million) receivable from related parties.

11.2 The maximum aggregate amount due from related parties during the year was in month of December 2025 amounting to Rs. 48.857 million (December 2024: 81.735 million).

11.3 Provision for impairment of receivables from insurance contract holders

Opening balance		35,386,135	17,301,197
Provision for the year		26,607,865	18,084,938
Closing balance		<u>61,994,000</u>	<u>35,386,135</u>

11.4 The Company has co-insurance and re-insurance arrangements with various insurance and re-insurance companies. Under the above arrangements, the receivable and payable balances originate mainly due to premiums collected or claims settled by the lead insurer on behalf of other co-insurers, and in case of re-insurance, the premium ceded to and claims recoverable from the re-insurer under the respective contracts. As per the prevailing industry practices, settlement of balances under co-insurance arrangements are done between the respective insurance companies in normal course of business. The management represents that the current balances of co-insurers and re-insurers reflected in the records of the Company are based on the underlying contracts and transactions supported by appropriate evidence. In this regard, the Company exchanged balance information with various co-insurers based on significance of the balances and the re-insurers. This information corroborates the balance position of the Company in all material respects.

12. LOANS AND OTHER RECEIVABLES

Unsecured-considered good

Loan to employees		2,078,080	2,854,740
Accrued investment income		1,455,086	1,721,115
		<u>3,533,166</u>	<u>4,575,855</u>

13. DEFERRED TAXATION

Deferred tax asset / (liability) arising in respect of:

Provision for impairment of receivables from insurance contract holders		17,978,260	10,261,979
Unrealized gain on held for trading investments		(91,679,547)	(83,658,474)
Unrealized gain on available for sale investmnets		(83,914,676)	(53,067,560)
		<u>(157,615,963)</u>	<u>(126,464,055)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
13.1 Reconciliation of deferred tax liability			
Opening balance		(126,464,055)	(30,143,866)
Recognized in profit and loss account		(304,791)	(50,821,927)
Recognized in other comprehensive income		(30,847,116)	(45,498,262)
Closing balance		<u>(157,615,963)</u>	<u>(126,464,055)</u>
14. PREPAYMENTS AND DEPOSITS			
Reinsurance premium ceded	22	251,530,569	226,080,102
Prepaid rent		634,452	619,662
Prepaid insurance		1,094,628	641,428
Deposits		855,229	867,351
		<u>254,114,878</u>	<u>228,208,543</u>
15. CASH AND BANK BALANCES			
Cash and cash equivalents			
Policy and revenue stamps, bond papers		630,995	28,930
Cash at bank			
Current accounts		59,328,011	56,944,014
Savings accounts	15.1	78,449,144	45,233,138
		<u>137,777,155</u>	<u>102,177,152</u>
		<u>138,408,150</u>	<u>102,206,082</u>
15.1	These accounts carry profit at rates ranging between 6.50 % to 8.50% (2024: 9.50% to 18.50%) per annum.		
15.2	Cash and cash equivalents include the following for the purpose of the cash flow statement:		
Policy and revenue stamps, bond papers		630,995	28,930
Cash at bank			
Current accounts		59,328,011	56,944,014
Savings accounts	15.1	78,449,144	45,233,138
		<u>137,777,155</u>	<u>102,177,152</u>
Cash and cash equivalents		<u>138,408,150</u>	<u>102,206,082</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
16. WINDOW TAKAFUL OPERATIONS - OPERATOR'S FUND			
Assets			
Investment		126,318,760	115,594,166
Receivable from PTF		28,827,149	43,064,791
Deferred commission expense		12,595,773	10,849,277
Taxation-payment less provision		8,054,553	3,219,143
Prepayments		-	517,500
Cash at bank		9,721,469	9,503,194
Total assets		185,517,704	182,748,071
Liabilities			
Unearned wakala fee		28,547,666	23,824,137
Other creditors and accruals		2,829,085	17,581,602
Deferred taxation-net		87,709	21,460
Total liabilities		31,464,460	41,427,199
Operator's revenue account			
Wakala fee		61,666,173	49,980,610
Commission expense		(27,823,078)	(20,568,940)
General, administrative and management expenses		(25,166,349)	(17,980,119)
Modarib's share of PTF investment income		587,745	1,185,219
Investment income		11,594,071	19,071,357
Direct expenses		(2,549,600)	(1,616,280)
Taxation		(5,767,323)	(9,622,991)
Profit for the year		12,541,639	20,448,856

17. SHARE CAPITAL

17.1 Authorized Capital

	2025	2024		2025	2024
	(Number of shares)			Rupees	
	150,000,000	100,000,000	Ordinary shares of Rs.10 each	1,500,000,000	1,000,000,000

17.2 Issued, subscribed and paid-up share capital

	2025	2024		2025	2024
	(Number of shares)			Rupees	
	1,156,680	1,156,680	Ordinary shares of Rs. 10 each, - fully paid in cash	11,566,800	11,566,800
	99,315,623	65,381,269	- fully paid bonus shares	993,156,230	653,812,690
	100,472,303	66,537,949		1,004,723,030	665,379,490

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
18. RESERVES			
Capital reserves:			
Unrealised gain on revaluation of available-for-sale		182,568,131	136,687,507
Revenue reserve:			
Unappropriated profit		495,942,139	370,364,373
General reserve	18.1	400,000,000	400,000,000
		<u>895,942,139</u>	<u>770,364,373</u>

18.1 This represents reserve established out of profits to meet future extinguishes.

19. INSURANCE / REINSURANCE PAYABLES

Reinsurance companies / Co-insurance companies		80,097,815	192,164,335
	19.1	<u>80,097,815</u>	<u>192,164,335</u>

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

		2025	2024
		Rupees	
20. OTHER CREDITORS AND ACCRUALS			
Workers' welfare fund payable		4,491,175	4,491,175
Accrued expenses		482,860	5,580,062
Other creditors		91,908,565	69,791,037
		<u>101,228,341</u>	<u>79,862,274</u>

21. CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

The Assistant Commissioner (AC) Sindh Revenue Board (SRB) has passed an order for assessment under section 23(1) and (1A) of the Sindh Sales Tax on Services Act, 2011 (the Act) in respect of audit for the tax year December 2016 levied Sindh Sales tax at Rs. 110 million on exempt marine activities and re-insurance under foreign treaties. The Company have filed an appeal before the Commissioner-Appeals –SRB and in view of the tax advisor contesting the matter no eventual financial impact is likely to arise and accordingly no provision has been made in these financial statements.

SRB in case of life and general insurance companies has issued showcause notices on account of sales tax to be paid on account of reinsurance services and commission received / obtained from foreign reinsurance companies. In case of one company is pending before Honourable High Court of Sindh and granted where as in other cases the Honourable High Court of Sindh has decided the case in favour of department. Same insurance company is planning to file an appeal before the SECP.

21.2 Commitments

The Company is committed to minimum rental payments for each of the following period as follows:

Not more than one year		2,087,467	2,065,260
		<u>2,087,467</u>	<u>2,065,260</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	Rupees	
22. NET INSURANCE PREMIUM		
Written Gross Premium	1,223,940,028	1,060,073,635
Add : Unearned premium reserve opening	489,493,362	440,170,615
Less: Unearned premium reserve closing	(583,283,388)	(489,493,362)
Premium earned	1,130,150,002	1,010,750,888
Less: Reinsurance premium ceded	559,004,814	496,780,443
Add : Prepaid reinsurance premium opening	226,080,102	193,554,755
Less : Prepaid reinsurance premium closing	(251,530,569)	(226,080,102)
Reinsurance expense	533,554,347	464,255,096
	596,595,655	546,495,792
23. NET INSURANCE CLAIMS		
Claim Paid	507,157,931	434,461,472
Add : Outstanding claims including IBNR closing	267,585,016	343,523,464
Less : Outstanding claims including IBNR opening	(343,523,464)	(230,153,423)
Claims expense	431,219,483	547,831,513
Less: Reinsurance and other recoveries received	361,774,012	299,807,306
Add : Reinsurance and other recoveries in respect of outstanding claims closing	201,551,094	271,629,962
Less: Reinsurance and other recoveries in respect of outstanding claims opening	(271,629,962)	(176,420,765)
Reinsurance and other recoveries revenue	291,695,144	395,016,503
	139,524,339	152,815,010
23.1 Claim Development		

The following table shows the development of claims over the period. 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 each class of business the uncertainty about the amount and timings of claims payment is usually resolved within a year.

Analysis on gross

Accident year

	2021	2022	2023	2024	2025	Total
	(Rupees in 000)					
Estimate of ultimate claims cost:						
At the end of accident year	39,944	97,978	122,144	199,900	109,166	569,132
One year later	21,912	50,722	76,883	107,439	-	256,956
Two years later	2,709	12,133	21,977	-	-	36,819
Three years later	1,831	10,902	-	-	-	12,733
Four years later	1,277	-	-	-	-	1,277
Current estimate of cumulative claims	3,637	11,395	84,431	365,467	292,988	757,918
Cumulative payment to date	(2,360)	(493)	(62,454)	(258,028)	(183,822)	(507,157)
	<u>1,277</u>	<u>10,902</u>	<u>21,977</u>	<u>107,439</u>	<u>109,166</u>	250,761
Liability in respect of prior years						16,824
Total liability recognised in the statement of financial position						<u>267,585</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
24. NET COMMISSION EXPENSE / ACQUISITION COST			
Commission paid or payable		246,562,794	210,292,348
Add : Deferred commission expense opening		94,842,909	95,312,664
Less: Deferred commission expense closing		(119,469,423)	(94,842,909)
Net Commission		221,936,280	210,762,103
Less: Commission received or receivable		102,936,879	93,989,280
Add : Unearned Reinsurance Commission opening		33,682,692	39,285,465
Less: Unearned Reinsurance Commission closing		(44,825,548)	(33,682,692)
Commission from reinsurers		91,794,023	99,592,053
		<u>130,142,257</u>	<u>111,170,050</u>
25. MANAGEMENT EXPENSES			
Employee benefit cost	25.1	121,464,831	107,907,268
Vehicle running expenses		37,522,528	33,455,082
Electricity, gas and water		10,314,477	11,529,699
Depreciation	6.3	12,567,701	9,563,473
Rent, rates and taxes		8,070,042	6,945,248
Printing and stationery		4,602,655	3,824,802
Entertainment		9,277,765	5,887,016
Office repairs and maintenance		7,880,169	5,219,438
Postages and communication		5,152,727	4,422,946
Advertisements and sales promotion		2,000,021	1,644,079
Annual supervision fee to SECP		2,447,330	1,219,006
Travelling expenses		1,381,415	837,106
Bank charges		1,027,570	406,731
Other		9,288,367	5,600,578
		<u>232,997,598</u>	<u>198,462,472</u>
25.1 Employee benefit cost			
Salaries, allowance and other benefits		117,978,990	104,849,556
Charges for post employment benefit (contribution to employee's provident fund)		3,485,841	3,057,712
		<u>121,464,831</u>	<u>107,907,268</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
26. INVESTMENT INCOME			
Income from equity securities			
Dividend income:			
Available for sale investments		49,330,808	69,453,210
Held for trading investments		46,770,810	45,994,097
		<u>96,101,618</u>	<u>115,447,307</u>
Income from debt securities - Held to maturity			
Return on debt securities		11,753,701	14,239,572
Income from term deposits			
Return on term deposits and PLS bank accounts		7,399,426	15,931,054
Net realised gain on investments			
Realised gains on - Equity securities			
Available for sale investments		113,498,146	41,342,368
Held for trading investments		35,511,162	32,397,627
		<u>149,009,308</u>	<u>73,739,995</u>
Realised (loss) on - Equity securities			
Available for sale investments		-	(44,670)
		<u>-</u>	<u>(44,670)</u>
		<u>149,009,308</u>	<u>73,695,325</u>
Net unrealised gains on investments			
Held for trading investments		291,046,180	193,332,964
Less: Impairment in value of available-for-sale equity securities		-	(3,320,171)
Less: Investment related expenses		(317,086)	(442,961)
		<u>554,993,147</u>	<u>408,883,090</u>
27. OTHER INCOME			
Gain on disposal of fixed assets		6,630,088	4,501,349
28. OTHER EXPENSES			
Employee benefit cost		65,404,140	58,103,914
Legal and professional charges		608,424	1,994,883
Subscription fee		13,402,841	5,025,803
Donations	28.1	828,481	645,235
Depreciation	6.3	6,767,223	5,149,563
Provision for impairment of due from other insurers / reinsurer		26,607,865	18,084,938
Auditor's remuneration	28.2	1,910,520	1,480,660
Others		775,000	850,000
		<u>116,304,494</u>	<u>91,334,996</u>

28.1 None of the directors, sponsor shareholders, key management personnel and their spouses had any interest in the Donee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		Rupees	
28.2 Auditors' remuneration			
Audit fee		1,100,000	900,000
Interim review fee		350,000	240,000
Special certifications and sundry advisory service		231,000	231,000
Sindh sales tax on services		229,520	109,660
		<u>1,910,520</u>	<u>1,480,660</u>
29. PROFIT FROM WINDOW TAKAFUL OPERATIONS			
Wakala fees			
Commission expense		61,666,173	49,980,610
Management expense		(27,823,078)	(20,568,940)
Modarib's share of PTF investment income		(25,166,349)	(17,980,119)
Investment income		587,745	1,185,219
Other expense		11,594,071	19,071,357
		<u>(2,549,600)</u>	<u>(1,616,280)</u>
		<u>18,308,962</u>	<u>30,071,847</u>
30. TAXATION			
For the year			
Current		92,333,067	83,494,888
Deferred	13.1	304,791	50,821,927
		<u>92,637,858</u>	<u>134,316,815</u>
30.1 Relationship between tax expense and accounting profit			
Profit for the year before taxation		557,559,164	436,169,550
Tax at the applicable rate		85,309,837	126,489,170
Super tax 2.5% (2024: 3%)		7,328,021	7,827,646
		<u>92,637,858</u>	<u>134,316,815</u>
31. EARNINGS PER SHARE			
Profit after tax		464,921,306	301,852,735
		(Number of Shares)	
Weighted average number of Ordinary shares of Rs. 10 each	31.1	100,472,303	100,472,303
		2025	2024
		Rupees	
			Restated
Earnings after tax per share		<u>4.63</u>	<u>3.00</u>

31.1 No figures for diluted earnings per share has been presented as the Company has not issued any instrument which would have dilutive effect on earnings per share when exercised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

32. REMUNERATION OF DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	— Rupees —							
Meeting fees	-	-	775,000	850,000	-	-	775,000	850,000
Managerial remuneration	22,344,000	19,248,000	-	-	11,041,200	12,158,700	33,385,200	31,406,700
Bonus	4,812,000	4,179,000	-	-	2,059,800	2,209,497	6,871,800	6,388,497
House rent allowance	10,054,800	8,661,600	-	-	2,893,620	3,662,460	12,948,420	12,324,060
Others	1,129,200	1,070,400	-	-	3,150,036	4,095,672	4,279,236	5,166,072
	38,340,000	33,159,000	775,000	850,000	19,144,656	22,126,329	58,259,656	56,135,329
Number of persons	1	1	9	9	8	8	18	18

32.1 In addition, Chief executive and some executives are provided with Company maintained cars and residential telephone.

33. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, major shareholders, key management personnel, associated companies, and entities with common directors and staff retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties during the year other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	Note	2025	2024
		— Rupees —	
33.1 Transactions during the year			
Associated companies			
Premium underwritten		89,344,118	104,047,057
Premium collected		135,351,296	192,962,036
Claims paid		56,552,134	49,713,299
Dividend received		471,019	45,823
Key management personnel			
Remuneration and other benefits	32	58,259,656	56,135,329
Staff retirement benefits			
Contribution to provident fund		5,362,832	3,485,841
33.2 Balances as at the year end			
Associated companies			
Premium due but unpaid		48,857,595	81,735,056
Provision for outstanding claims			
Provision for outstanding claims		9,476,136	17,809,128

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

33.3	Name of Related Party	Basis of relationship	Aggregate % of shareholding
	Al-Noor Sugar Mills Limited	Common Directorship	-
	Al-Noor Medium Density Fiberboard (MDFB) Division Limited	Common Directorship	-
	Shahmurad Sugar Mills Limited	Common Directorship	0.1115%
	Shahmurad Sugar Mills Limited – Distillery Division		
	Faran Sugar Mills Limited	Common Directorship	-
	Management (Private) Limited	Common Directorship	0.046%
	Unicol Limited	Common Directorship	-
	Anam Fabrics (Private) Limited	Common Directorship	-
	Al-Noor Modaraba	Common Directorship	2.4820%
	Patel Hospital & Foundation	Common Directorship	-
	Global Associates	Common Directorship	-
	Abdul Ghaffar Abdul Rehman, Irfan	Common Directorship	-
	Ashfaq & Co. (Private) Limited	Common Directorship	-

34. SEGMENT INFORMATION

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

	2025				Total
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	
	(Rupees)				
Gross written premium/Faclutive accepted (inclusive of Administrative surcharge)	643,882,679	244,467,431	202,194,315	133,395,603	1,223,940,028
Insurance premium earned	595,162,960	229,091,882	190,022,206	115,872,954	1,130,150,002
Insurance premium ceded to reinsurers	(278,566,137)	(142,077,775)	(8,681,010)	(104,229,425)	(533,554,347)
Net insurance premium	316,596,823	87,014,107	181,341,196	11,643,529	596,595,655
Commission income	57,143,604	31,642,770	83,414	2,924,235	91,794,023
Net underwriting income	373,740,427	118,656,877	181,424,610	14,567,764	688,389,678
Insurance claims	(292,953,715)	(54,154,388)	(83,337,039)	(774,341)	(431,219,483)
Insurance claims recovered from reinsurers	254,410,237	36,639,868	-	645,039	291,695,144
Net claims	(38,543,478)	(17,514,520)	(83,337,039)	(129,302)	(139,524,339)
Commission expense	(148,292,255)	(49,259,506)	(18,755,570)	(5,628,949)	(221,936,280)
Management expense	(123,646,088)	(33,982,945)	(70,821,942)	(4,546,623)	(232,997,598)
Net insurance claims & expenses	(310,481,821)	(100,756,971)	(172,914,551)	(10,304,874)	(594,458,217)
Underwriting result	63,258,606	17,899,906	8,510,059	4,262,890	93,931,461
Net investment income					554,993,147
Other income					6,630,088
Other expenses					(116,304,494)
Profit before tax from window takaful operations-Operator's Fund					18,308,962
Profit before tax					557,559,164
Segment assets	560,330,498	154,002,360	320,947,638	20,607,359	1,055,887,855
Unallocated assets					2,758,165,940
					3,814,053,795
Segment liabilities	898,587,979	246,969,726	514,695,685	33,047,505	1,693,300,895
Unallocated liabilities					37,519,598
					1,730,820,493

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2024				Total (Restated)
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	
	(Rupees)				
Gross written premium/Facultive accepted (inclusive of Administrative surcharge)	568,780,253	211,248,319	187,293,695	92,751,368	1,060,073,635
Insurance premium earned	546,726,302	214,400,225	188,177,471	61,446,890	1,010,750,888
Insurance premium ceded to reinsurers	(276,568,525)	(131,178,759)	(7,992,382)	(48,515,430)	(464,255,096)
Net insurance premium	270,157,777	83,221,466	180,185,089	12,931,460	546,495,792
Commission income	64,163,341	31,092,656	67,612	4,268,444	99,592,053
Net underwriting income	334,321,118	114,314,122	180,252,701	17,199,904	646,087,845
Insurance claims	(373,058,371)	(81,249,842)	(93,638,479)	115,179	(547,831,513)
Insurance claims recovered from reinsurers	324,576,941	70,420,167	-	19,395	395,016,503
Net claims	(48,481,430)	(10,829,675)	(93,638,479)	134,574	(152,815,010)
Commission expense	(138,246,582)	(46,300,942)	(18,538,284)	(7,676,295)	(210,762,103)
Management expense	(98,109,050)	(30,222,260)	(65,435,051)	(4,696,110)	(198,462,471)
Net insurance claims & expenses	(284,837,062)	(87,352,877)	(177,611,814)	(12,237,831)	(562,039,584)
Underwriting result	49,484,056	26,961,245	2,640,887	4,962,073	84,048,260
Net Investment income					408,883,090
Other income					4,501,349
Other expenses					(91,334,996)
Profit before tax from takaful operations					
-Operator's Fund					30,071,847
Profit before tax					436,169,550
Segment assets	500,193,963	154,083,571	333,610,584	23,942,447	1,011,830,565
Unallocated assets					1,933,189,687
					2,945,020,252
Segment liabilities	654,669,019	201,669,247	436,639,644	31,336,600	1,324,314,510
Unallocated liabilities					48,274,372
					1,372,588,882

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Held to maturity	Available for sale	Held for trading	Total
Rupees				
35. MOVEMENT IN INVESTMENTS				
As at January 01, 2024	112,721,209	486,376,208	353,498,462	952,595,879
Additions	879,896	64,733,162	150,900,090	216,513,148
Disposals (sale and redemptions)	-	(87,117,166)	(118,516,363)	(205,633,529)
Fair value net gains / (loss) (excluding net realised gains)	-	160,210,731	193,332,964	353,543,694
Impairment	-	(3,320,171)	-	(3,320,171)
Amortisation of premium	(11,968)	-	-	(11,968)
As at December 31, 2024	113,589,137	620,882,762	579,215,152	1,313,687,051
Additions	104,965,030	902,451,477	19,449,257	1,026,865,764
Disposals (sale and redemptions)	(70,080,623)	(857,246,262)	(87,925,550)	(1,015,252,435)
Fair value net gains (excluding net realised gains)	-	80,084,038	291,046,180	371,130,217
Impairment reversal	-	3,216,449	-	3,216,449
Amortisation of premium	(38,894)	-	-	(38,894)
As at December 31, 2025	148,434,650	749,388,464	801,785,039	1,699,608,153

36. MANAGEMENT OF INSURANCE RISK AND FINANCIAL RISK

36.1 Insurance Risk Management

a) Insurance Risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, the risk is random and therefore unpredictable. The principal risk that the Company faces under its insurance contracts is that the actual claims exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims is greater than estimated. Insurance events are random, and the actual number and amount of claims will vary from year to year from the level established.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

b) Frequency and severity of claims

Political, environmental, economical and climatic changes give rise to more frequent and severe extreme events (for example, fire, theft, steal, riot and strike, explosion, earthquake, atmospheric damage, hurricanes, typhoons, river flooding, electric fluctuation, terrorism, war risk, damages occurring in inland transit, burglary, loss of cash in safe and cash in transit, travel and personal accident, money losses, engineering losses and other events) and their consequences (for example, subsidence claims). For certain contracts, the Company has also limited the number of claims that can be paid in any policy year or introduced a maximum amount payable for claims in any policy year.

Insurance contracts which are divided into direct and facultative arrangements are further subdivided into four segments: fire, marine, motor and miscellaneous. The insurance risk arising from these contracts is concentrated in the territories in which the Company operates, and there is a balance between commercial and personal properties / assets in the overall portfolio of insured properties / assets. The Company underwrites insurance contracts in Pakistan.



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The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. The Company has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. Insurance contracts also entitle the Company to pursue third parties for payment of some or all costs (for example, subrogation). The claims payments are limited to the extent of sum insured on occurrence of the insured event.

The Company has entered into reinsurance cover / arrangements, with local and foreign reinsurers having good credit rating by reputable rating agencies, as prescribed by the Securities and Exchange Commission of Pakistan to reduce its exposure to risks and resulting claims. Keeping in view the maximum exposure in respect of key zone aggregates, a number of proportional and non-proportional facultative reinsurance arrangements are in place to protect the net account in case of a major catastrophe.

The effect of such reinsurance arrangements is that the Company recovers the share of claims from reinsurers thereby reducing its exposure to risk. Apart from the adequate event limit which is a multiple of the treaty capacity or the primary recovery from the proportional reinsurance arrangements, any loss over and above the said limit would be recovered under non-proportional treaty which is very much in line with the risk management philosophy of the Company.

In compliance of the regulatory requirement, the reinsurance agreements are duly submitted with Securities and Exchange Commission of Pakistan on an annual basis.

The Company has claims department dealing with the mitigation of risks surrounding claims incurred whether reported or not. This department investigates and settles all claims based on surveyor's report / assessment. The unsettled claims are reviewed individually at least semi-annually and adjusted to reflect the latest information on the underlying facts, contractual terms and conditions, and other factors. The Company actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

c) Sources of uncertainty in the estimation of future claim payments

Claims reported and otherwise are analyzed separately. The development of large losses / catastrophes is analyzed separately. The shorter settlement period for claims allows the Company to achieve a higher degree of certainty about the estimated cost of claims including IBNR. However, the longer time needed to assess the emergence of a subsidence claim makes the estimation process more uncertain for these claims.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value, reinsurance and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome may be different from the original liability established. The liability comprises amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR), expected claims settlement costs and a provision for unexpired risks at the end of the reporting period.

Liability in respect of outstanding claims is based on the best estimate of the claims intimated or assessed. In calculating the estimated cost of unpaid claims (both reported and not), the Company's estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in prior financial years in relation to such claims) and an estimate based upon actual claims experience using predetermined basis where greater weight is given to actual claims experience as time passes.

In estimating the liability for the cost of reported claims not yet paid, the Company considers any information available from surveyor's assessment and information on the cost of settling claims with similar characteristics in previous periods. Claims are assessed on a case-to-case basis separately.

d) Process used to decide on assumptions

The risks associated with insurance contracts are complex and subject to a number of variables that complicate quantitative sensitivity analysis. This exposure is geographically concentrated in Pakistan only.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

The Company uses assumptions based on a mixture of internal and market data to measure its related claims liabilities. Internal data is derived mostly from the Company's monthly claims reports, surveyor's report for particular claim and screening of the actual insurance contracts carried out to derive data for the contracts held. The Company has reviewed the individual contracts and in particular the industries in which the insured companies operate and the actual exposure years of claims. This information is used to develop related provision for outstanding claims (both reported and non-reported).

The choice of selected results for each accident year in respect of each class of business depends upon the assessment of technique that has been most appropriate to observe historical developments. Through this analysis, the Company determines the need for an IBNR or an unexpired risk liability to be held at each reporting date.

e) Changes in assumptions

The Company has not changed its assumptions for the insurance contracts as disclosed above in (b) and (c).

f) Sensitivity analysis

The analysis of exposure described in paragraph (c) above is also used to test the sensitivity of the selected assumptions to changes in the key underlying factors. Assumptions of different levels have been used to assess the relative severity of subsidence claims given past experience. The key material factor in the Company's exposure to subsidence claims is the risk of more permanent changes in geographical location in which Company is exposed.

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 profit before tax net of reinsurance. The impact of 10% increase / decrease in incidence of insured events on profit before tax and shareholder's equity is as follows:

	Pre tax profit		Shareholders' equity	
	2025	2024	2025	2024
	Rupees			
Impact of change in claim liabilities by +10%				
Fire and property	(2,825,052)	(3,438,416)	(2,005,787)	(2,441,275)
Marine, aviation and transport	(1,105,131)	(784,265)	(784,643)	(556,828)
Motor	(2,596,368)	(2,895,112)	(1,843,421)	(2,055,530)
Miscellaneous	(76,842)	(71,557)	(54,558)	(50,805)
	(6,603,393)	(7,189,350)	(4,688,409)	(5,104,438)
Impact of change in claim liabilities by -10%				
Fire and property	2,825,052	3,438,416	2,005,787	2,441,275
Marine, aviation and transport	1,105,131	784,265	784,643	556,828
Motor	2,596,368	2,895,112	1,843,421	2,055,530
Miscellaneous	76,842	71,557	54,558	50,805
	6,603,393	7,189,350	4,688,409	5,104,438

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

g) Concentration of insurance risk

A concentration of risk may also arise from a single insurance contract issued to a particular type of policyholder, within a geographical location or to types of commercial business. The Company minimizes its exposure to significant losses by obtaining reinsurance from a number of reinsurers, who are dispersed over several geographical regions.

To optimize benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risks with reference to the geographical location, the most important of which is risk survey.

The concentration of risk by type of contracts is summarized below by reference to liabilities.

	Gross sum insured		Reinsurance		Net Amount	
	2025	2024	2025	2024	2025	2024
Rupees in '000'						
Fire and property	547,194,334	425,893,149	267,016,765	202,256,633	280,177,569	223,636,516
Marine, aviation and transport	335,240,040	260,526,595	216,263,448	157,312,723	118,976,592	103,213,873
Motor	15,022,568	13,356,281	50,000	39,160	14,972,568	13,317,121
Miscellaneous	29,523,782	25,351,574	26,706,764	19,799,390	2,817,018	5,552,183
	<u>926,980,724</u>	<u>725,127,599</u>	<u>510,036,977</u>	<u>379,407,906</u>	<u>416,943,747</u>	<u>345,719,693</u>

h) Claim development table

Claim development table is included in note 23.1 to the financial statements. The table shows development of claims over the period.

i) Sensitivity analysis

The insurance claims provision is sensitive to the above key assumptions. The analysis below is performed for reasonably possible movements in key assumptions with all other assumptions held constant showing the impact on liabilities and revenue account.

	Change in claims assumption	Impact on gross liabilities	Impact on revenue account
Rupees			
December 31, 2025			
Current claims	+10%	56,913	(56,913)
	-10%	(56,913)	56,913
December 31, 2024			
Current claims	+10%	60,412	(60,412)
	-10%	(60,412)	60,412

37. REINSURANCE RISK

Reinsurance ceded does not relieve the Company from its obligation towards policy holders and, as a result, the Company remains liable for the portion of outstanding claims reinsured to the extent that reinsurer fails to meet the obligation under the reinsurance agreements.

To minimize its exposure to significant losses from reinsurer insolvencies, the Company obtains reinsurance rating from a number of reinsurers, who are dispersed over several geographical regions.

NOTES TO THE FINANCIAL STATEMENTS

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An analysis of all reinsurance assets recognized by the rating of the entity from which it is due are as follows:

Rating	Due from other insurers / reinsurers	Reinsurance recoveries against outstanding claims	Prepaid reinsurance premium ceded	2025	2024
Rupees					
A or above including Pakistan Reinsurance Company Limited	62,956,457	182,265,038	228,774,533	473,996,028	491,651,753
BBB	-	19,286,056	22,756,036	42,042,092	42,145,975
	<u>62,956,457</u>	<u>201,551,094</u>	<u>251,530,569</u>	<u>516,038,120</u>	<u>533,797,728</u>

38. FINANCIAL RISK MANAGEMENT

38.1 Financial risk management objectives and policies

The Company is exposed to a variety of financial risks including market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk and credit risk that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

The Company's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. There are Board Committees and Management Committees for developing risk management policies and its monitoring.

38.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and other equity prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. All transactions are carried in Pak Rupees therefore, the Company is not exposed to material currency risk. However, the Company is exposed to interest rate risk and other price risk.

38.3 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date, the interest rate profile of Company's interest-bearing financial instruments was:

	2025	2024	2025	2024
	Effective interest rate %		Rupees	
Fixed rate instruments				
Pakistan Energy Sukuk II	-	22.97	-	70,080,623
GoP Ijara Sukuk	10.90	-	103,746,106	-
Term deposits	6.20 to 9.60	9.50 to 21	44,688,544	43,508,514
Variable rate instruments				
PLS saving accounts	6.50 to 8.50	9.50 to 18.50	78,449,144	45,233,138

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Sensitivity analysis for fixed rate instruments

The Company does not account for fixed rate financial assets at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account and equity of the company in respect of fixed rate financial instruments.

Sensitivity analysis for variable rate instruments

An increase of 100 basis points in interest rates would have decreased the profit or loss by the amounts shown below. Reduction in interest rates by 100 basis points would have a vice versa impact. This analysis assumes that all variables remain constant. The analysis is performed on the same basis for the comparative period.

	Profit and loss before tax		Equity	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	Rupees			
As at December 31, 2025				
Cash flow sensitivity	784,491	(784,491)	556,989	(556,989)
As at December 31, 2024				
Cash flow sensitivity	452,331	(452,331)	321,155	(321,155)

38.4 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in foreign exchange rates. The Company carries out transactions with major foreign reinsurer in Pakistan Rupees and the Company, at present is not exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

38.5 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 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. The Company is exposed to equity price risk since it has investments in equity securities and mutual funds having carrying value of Rs.1,551.174 million (2024: Rs.1,200.098 million) as at the statement of financial position date.

The Company's strategy is to hold its strategic equity investments for long term. Thus 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. The Company strives to maintain above average levels of shareholders' capital to provide a margin of safety against short term equity price volatility. The Company manages price risk by monitoring exposure in quoted equity securities and implementing strict discipline in internal risk management and investment policies.

Market prices are subject to fluctuation, consequently, the amount realized by the sale of an investment may significantly differ from the reported market value. Furthermore, amount realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Sensitivity analysis

The analysis summarizes Company's price risk as at 2025 and 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 best or worst case scenarios. Indeed, results could be worse in Company's equity investment portfolio because of the nature of equity markets. Sensitivity analysis of investments as at the reporting date is as follows:

For held for trading investments, in case of 10% increase or decrease in prices at the reporting date, the net income and equity would have been higher or lower by Rs.80.179 million (2024: Rs.57.921 million).

For available for sale investments, in case of 10% increase or decrease in prices at the reporting date, the net income and equity would have been lower by Rs.74.939 million (2024: Rs.62.088 million) if the decline is considered permanent.

38.6 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations when they fall due as a result of policy holder benefit payments, cash requirements from contractual commitments, or other cash outflows, such as debt maturities or margin calls for derivatives. To guard against the risk, the Company has diversified funding sources and assets are managed with liquidity in mind maintaining a healthy balance of cash and cash equivalents and readily marketable securities. The maturity profile is monitored to ensure adequate liquidity is maintained.

	2025			
	Within one year	Over one year to five years	Over five years	Total
	Rupees			
Financial liabilities				
Outstanding claims including IBNR	267,585,016	-	-	267,585,016
Insurance / reinsurance payables	80,097,815	-	-	80,097,815
Other creditors and accruals - WWF	96,737,166	-	-	96,737,166
Unclaimed dividend	6,055,137	-	-	6,055,137
	450,475,134	-	-	450,475,134
	Rupees			
	2024			
	Within one year	Over one year to five years	Over five years	Total
	Rupees			
Financial liabilities				
Outstanding claims including IBNR	343,523,464	-	-	343,523,464
Insurance / reinsurance payables	192,164,335	-	-	192,164,335
Other creditors and accruals - WWF	75,371,099	-	-	75,371,099
Unclaimed dividend	6,847,173	-	-	6,847,173
	617,906,071	-	-	617,906,071

38.7 Credit risk

Credit risk is the risk, which 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 credit exposures by undertaking transactions with a large number of counterparties in various industries and by continually assessing the credit worthiness of counter parties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Exposure to credit risk

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

	2025	2024
	Rupees	
Investments (Debt securities & term deposits)	148,434,650	113,589,137
Loan and other receivable	3,533,166	4,575,855
Insurance / reinsurance receivable	731,427,798	642,361,902
Reinsurance recoveries against outstanding claims	201,551,094	271,629,962
Cash at bank	137,777,155	102,177,152
	<u>1,222,723,863</u>	<u>1,134,334,008</u>

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

Rating		Rating agency
Short term	Long term	
Rupees		

Banks

Habib Bank Limited	A-1+	AAA	VIS
National Bank of Pakistan	A-1+	AAA	VIS
MCB Bank Limited	A-1+	AAA	PACRA
MCB Islamic Bank Limited	A-1	A+	PACRA
Allied Bank Limited	A-1+	AAA	PACRA
United Bank Limited	A-1+	AAA	VIS
Faysal Bank Limited	A-1+	AA	PACRA & VIS
Bank Alfalah Limited	A-1+	AAA	PACRA
Habib Metropolitan Bank Limited	A-1+	AA+	PACRA
The Bank of Punjab	A-1+	AA+	PACRA
The Bank of Khyber	A-1	A+	PACRA & VIS
Soneri Bank Limited	A-1+	AA-	PACRA
JS Bank Limited	A-1+	AA	PACRA
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS

Concentration of credit risk

Concentration of credit risk occurs when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would effect their ability to meet contractual obligations in similar manner.

During the year no assets have been impaired other than available for sale investments against which deficit on revaluation has been made and insurance/reinsurance receivable balances against which allowance for impairment against doubtful of Rs.61.994 million (2024: 35.386 million) has been made.

NOTES TO THE FINANCIAL STATEMENTS

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38.8 Financial instruments

Interest / mark-up bearing			Non-mark-up bearing			Total	
Maturity within one year	Maturity after one year	Sub Total	Maturity within one year	Maturity after one year	Sub Total	2025	2024

Rupees

Financial assets

Held to maturity investments	44,688,544	103,746,106	148,434,650	-	-	-	148,434,650	113,589,137
Available for sale investments	-	-	-	749,388,465	-	749,388,465	749,388,465	620,882,764
Held for trading investment	-	-	-	801,785,039	-	801,785,039	801,785,039	579,215,152
Loans and other receivable	-	-	-	3,533,166	-	3,533,166	3,533,166	4,575,855
Insurance / reinsurance receivables	-	-	-	731,427,798	-	731,427,798	731,427,798	642,361,902
Reinsurance recoveries against outstanding claims	-	-	-	201,551,094	-	201,551,094	201,551,094	271,629,962
Cash and bank deposits	78,449,144	-	78,449,144	59,328,011	-	59,328,011	137,777,155	102,177,152
	123,137,688	103,746,106	226,883,794	2,547,013,573	-	2,547,013,573	2,773,897,367	2,334,431,924

Financial liabilities

Financial liabilities at amortized cost

Outstanding claims including IBNR	-	-	-	267,585,016	-	267,585,016	267,585,016	343,523,464
Insurance / reinsurance payables	-	-	-	11,854,838	-	11,854,838	11,854,838	10,052,115
	-	-	-	6,157,313	-	6,157,313	6,157,313	6,597,470
Other creditors and accruals	-	-	-	285,597,167	-	285,597,167	285,597,167	360,173,049
	123,137,688	103,746,106	226,883,794	2,261,416,406	-	2,261,416,406	2,488,300,200	1,974,258,875

38.9 Fair value of financial assets and liabilities

The carrying values of all financial assets and liabilities reflected in the financial statements are appropriate to their fair values except for held to maturity investments. Fair value is determined on the basis of the objective evidence at each required date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

38.9.1 FAIR VALUE OF MEASUREMENT

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	December 31, 2025											
	Held-for-trading	Available-for-sale	Held-to-maturity	Other Financial Assets	Loans and receivables	Investment in associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Investments												
Equity securities	801,785,039	749,388,464	-	-	-	-	-	1,551,173,503	1,294,421,191	266,752,312	-	1,551,173,503
Debt securities	-	-	103,746,106	-	-	-	-	103,746,106	-	103,746,106	-	103,746,106
Financial assets not measured at fair value												
Cash and bank*	-	-	-	138,408,150	-	-	-	138,408,150	-	-	-	-
Investments												
In associates	-	-	-	-	-	16,674,055	-	16,674,055	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
Unquoted equity shares*	-	-	-	-	-	-	-	-	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	-	731,427,798	-	-	731,427,798	-	-	-	-
Loan and other receivable*	-	-	-	-	3,533,166	-	-	3,533,166	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	-	201,551,094	-	-	201,551,094	-	-	-	-
Assets of Window Takaful Operations - OPF and PTF*	-	-	-	520,735,416	-	-	-	520,735,416	-	-	-	-
Financial liabilities not measured at fair value												
Outstanding claims including IBNR*	-	-	-	-	-	-	267,585,016	267,585,016	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	-	80,097,815	80,097,815	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	-	101,228,341	101,228,341	-	-	-	-
Liabilities of Window Takaful Operations - OPF and PTF*	-	-	-	-	-	-	366,682,172	366,682,172	-	-	-	-
	1,603,570,077	1,498,776,928	207,492,212	1,318,287,132	1,873,024,116	33,348,111	815,593,344	7,350,091,920	2,668,842,382	720,996,836	-	3,309,839,218

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December 31, 2024

	Held-for-trading	Available-for-sale	Held-to-maturity	Other Financial Assets	Loans and receivables	Investment in associate	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees)												
Financial assets measured at fair value												
Investments												
Equity securities	579,215,152	620,882,762	-	-	-	-	-	1,200,097,914	882,581,750	317,516,164	-	1,200,097,914
Debt securities	-	-	70,080,623	-	-	-	-	70,080,623	-	70,080,623	-	70,080,623
Financial assets not measured at fair value												
Cash and bank*	-	-	-	102,206,082	-	-	-	102,206,082	-	-	-	-
Investments												
In associates	-	-	-	-	-	12,770,431	-	12,770,431	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
Unquoted equity shares*	-	-	-	-	-	-	-	-	-	-	-	-
Insurance / reinsurance receivable*	-	-	-	-	642,361,902	-	-	642,361,902	-	-	-	-
Loan and other receivable*	-	-	-	-	4,575,855	-	-	4,575,855	-	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	-	271,629,962	-	-	271,629,962	-	-	-	-
Assets of Window Takaful Operations - OPF and PTF*	-	-	-	-	422,832,979	-	-	422,832,979	-	-	-	-
Insurance / reinsurance payables*												
Outstanding claims including IBNR*	-	-	-	-	-	-	343,523,464	343,523,464	-	-	-	-
Insurance / reinsurance payables*	-	-	-	-	-	-	192,164,335	192,164,335	-	-	-	-
Other creditors and accruals*	-	-	-	-	-	-	79,862,274	79,862,274	-	-	-	-
Liabilities of Window Takaful Operations - OPF and PTF*	-	-	-	-	-	-	281,512,107	281,512,107	-	-	-	-
	1,158,430,305	1,241,765,524	140,161,246	1,050,078,122	1,837,135,438	25,540,862	897,062,180	6,350,173,677	1,765,163,501	775,193,574	-	2,540,357,075

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

38.9.2.1 Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

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

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

38.9.2.3 Valuation techniques used in determination of fair values within level 1, 2 and 3:

Level 1: Fair values of Listed Shares and Mutual Funds are derived using closing market rates and NAV rates as announced by Pakistan Stock Exchange (PSX) and Mutual Funds Association of Pakistan (MUFAP) respectively.

Level 2: Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV and PKFRV rates as announced by Mutual Funds Association of Pakistan (MUFAP).

Level 3: Fair value of Private equity fund is based on the net assets value of the fund.

38.9.3 Valuation techniques

Fair value of investments classified as held to maturity is assessed using level 2 inputs usually closing market price as per rates prescribed by Financial Market Association of Pakistan in respect of GOPIS by using PKRV rates at reporting date per certificates multiplied by the number of certificates held.

Fair value of available for sale investments is determined using level 2 inputs i.e., quoted market prices of listed securities.

Fair value of Investments at fair value through profit or loss - held for trading is determined using level 1 inputs i.e., quoted market prices of listed securities / NAVs of open end funds.

For level 2 investments at fair value through profit or loss - held for trading, the Company uses the closing market price as per rates prescribed by Financial Market Association of Pakistan in respect of GOPIS by using PKRV rates at reporting date per certificates multiplied by the number of certificates held.

38.9.4 Capital Management

The management's policy is to maintain a strong capital base for the confidence of stakeholders and to sustain future development of the business. The management closely monitors the return on capital along with the level of distributions to ordinary shareholders. The Company meets minimum paid up capital requirements as required by Securities and Exchange Commission of Pakistan.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

39. STATEMENT OF SOLVENCY

Assets

	December 31, 2025	December 31, 2024
	Rupees	
		Restated
Property and equipment	145,205,715	104,759,877
Intangible assets	-	-
Investments		
Equity securities and mutual funds	1,551,173,503	1,200,097,914
Debt securities	103,746,106	70,080,623
Term deposits	44,688,544	43,508,514
Insurance / Reinsurance receivables	731,427,798	642,361,902
Loans and other receivables	3,533,166	4,575,855
Reinsurance Recoveries against outstanding claims	201,551,094	271,629,962
Deferred Commission Expense	119,469,423	94,842,909
Prepayments	254,114,878	228,208,543
Cash and bank	138,408,150	102,206,082
Total Assets of window takaful operations - Operator's Fund	185,517,704	182,748,071
Total assets window takaful operations - Participants' Takaful Fund	335,217,712	240,084,908
	<u>3,814,053,793</u>	<u>3,185,105,160</u>

In-admissible assets as per following clauses of section 32(2) of the Insurance Ordinance, 2000

Clause (d) loan to employees	2,078,080	2,854,740
Clause (h) Insurance / Reinsurance receivable	585,884,993	461,512,523
Clause (k) bank deposits related to guarantees	546,227	546,227
Clause (g) shares in related party	16,674,055	12,770,431
Clause (s) investment in shares	529,480,642	521,886,792
Clause (s) immovable property	1,927,968	2,142,187
Clause (u)-(i) vehicles	112,130,045	76,036,478
Clause (u)-(ii) office equipments and computers	6,923,019	6,147,471
Clause (u)-(iii) furniture fixtures	7,616,522	8,105,617
Total of in-admissible assets	<u>1,263,261,552</u>	<u>1,092,002,467</u>

Total Admissible Assets (A)

2,550,792,242 2,093,102,693

Total Liabilities

Underwriting provisions		
Outstanding claims including IBNR	267,585,016	343,523,464
Unearned premium reserves	583,283,388	489,493,362
Unearned commission income	44,825,548	33,682,692
Insurance / Reinsurance payables	80,097,815	192,164,335
Unclaimed dividend	6,055,137	6,847,173
Other creditors and accruals	101,228,341	79,862,274
Deferred taxation	157,615,963	126,464,055
Income Tax liabilities	123,447,113	59,124,328
Total Liabilities window takaful operations - Operator's Fund	31,464,460	41,427,199
Total liabilities and funds of window takaful operations- PTF	335,217,712	240,084,908
Total Admissible Liabilities (B)	<u>1,730,820,493</u>	<u>1,612,673,790</u>

Total Net Admissible Assets (C=A-B)

819,971,749 480,428,903

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
	Rupees	
		Restated
Minimum Solvency Requirement (higher of following) - (D)	150,000,000	150,000,000
Method A - U/s 36(3)(a)	150,000,000	
Method B - U/s 36(3)(b)	119,319,131	
Method C- U/s 36(3)(C)	93,109,065	
Excess in Net Admissible Assets over Minimum Requirements (E=C-D)	669,971,749	330,428,903

40. DEFINED CONTRIBUTION PLAN

The Company has contributory provident fund scheme for benefit of all its permanent employees under the title of "Reliance Insurance Company Limited - Employees Contributory Provident Fund". The Fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees independent of the Company.

40.1 The investments out of provident fund have been made in accordance with the requirement of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

41. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to the year end, the Board of Directors in its meeting held on 1st April, 2026 has announced bonus shares at 30% (December 31, 2024: 51%) amounting to Rs. 301,416,910. These financial statement of the year ended December 31, 2025 do not include the effect of appropriations which will be accounted for subsequent to the year end.

41.1 Subsequent the year end, geopolitical situation in the Middle East escalated significantly following the outbreak of war which is seriously effecting economy of the world. In Pakistan, the inflation is increasing due to increase in prices which has adverse effect on economy. As Pakistan Stock Exchange (PSX) reacted to increased uncertainty, equity markets experienced volatility, with declines observed across several scrips and sectors. The Company holds investments in publicly listed companies, that are exposed to market conditions. Preliminary assessments indicates that the fair value of certain investments may have declined after the reporting date. Management continues to monitor the situation closely and is undertaking a detailed assessment of the financial statements. As these developments arose from circumstances not existing at the balance sheet date, they represent non adjusting events as defined under IAS 10 Events after the Reporting Period.

	2025	2024
42. NUMBER OF EMPLOYEES		
As at December 31		
Average no. of employees during the year	190	190

43. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

44. DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 1st April, 2026 by the Board of Directors of the Company.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

EMBRACE
CONFIDENCE
EMBRACE RELIANCE INSURANCE



Reliance Insurance
Company Limited



Window Takaful

Reliance Insurance Company Limited

JOURNEY TOWARDS **AN INSURED PAKISTAN**

As we consider our self to safeguarding the dreams and aspirations of the people of Pakistan, so let's be part of a transformative voyage towards a secure and insured future. It's not just a claim-it's a promise - a promise to protect, empower, and uplift. Join Reliance Insurance Family.

Reliance Insurance Company Limited

181-A, Sindhi Muslim Co-operative Housing Society, P.O. Box: 13356, Karachi-74400.
Ph: 021-34539415-17 Web: www.relianceins.com

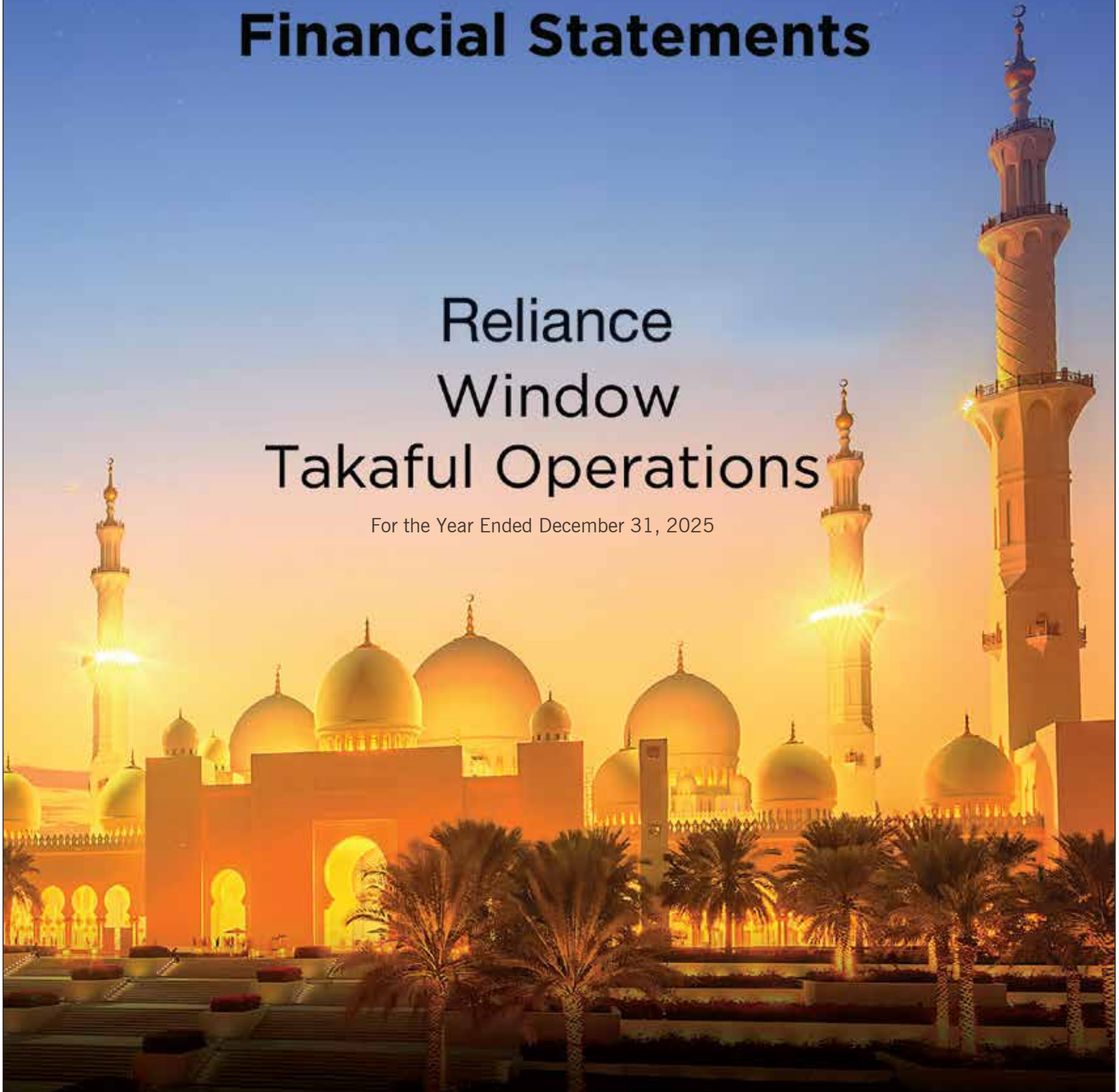




Financial Statements

Reliance Window Takaful Operations

For the Year Ended December 31, 2025



STATEMENT OF COMPLIANCE WITH THE TAKAFUL RULES, 2012 AND SHARIA RULES AND PRINCIPLES

FOR THE YEAR 31ST DECEMBER 2025

The financial arrangements, contracts and transactions, entered into by Reliance Insurance Company Limited – Window Takaful Operations (the Operator) for the year ended 31 December 2025 are in compliance with the Takaful Rules, 2012 and the Sharia Rules and Principles determined by the Shariah Advisor of the Operator, (Sharia Rules and Principles).

Further, we confirm that:

- The Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such rulings and Takaful Rules, 2012 in their overall operations. Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Audit Committee / Shariah Advisor and the Board of Directors have been implemented;
- The Operator has imparted trainings / orientations and ensured availability of all manuals / agreements approved by Shariah Advisor / Board of Directors to maintain the adequate level of awareness, capacity and sensitization of the staff, management;
- All the products and policies have been approved by Shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window Takaful Operations are in accordance with the polices approved by Shariah Advisor; and
- The assets and liabilities of Operator are segregated from the Reliance Insurance Company Limited other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012.

This has been duly confirmed by the Shariah Advisor of the Operator.



A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 1st April, 2026



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INDEPENDENT REASONABLE ASSURANCE REPORT TO THE BOARD OF DIRECTORS ON THE STATEMENT OF MANAGEMENT ASSESSMENT OF COMPLIANCE WITH THE TAKAFUL RULES, 2012

Scope

We have been engaged by Reliance Insurance Company Limited (the Operator) to perform a 'reasonable assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the Engagement, to report on the management's assessment of compliance of the Window Takaful Operations (Takaful Operations) of the Operator, as set out in the annexed Statement of Compliance (the Statement) prepared by the management for the year ended December 31, 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

Criteria applied by the management

In preparing the subject matter, the management applied the criteria in accordance with the Takaful Rules, 2012 (Criteria).

The Management's responsibilities

The management is responsible for selecting the Criteria, and for presenting the subject matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to express an opinion on the presentation of the subject matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with the Operator on February 26, 2026. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the subject matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our Independence and Quality Management

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 Standard on Quality Management 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and 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.

BDO Ebrahim & Co. Chartered Accountants

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Description of procedures performed

- We checked that all the products and policies have been approved by Shariah Advisor and observed that the Operator has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and Shariah Rules and Principles as determined by Shariah Advisor.
- We checked that the assets and liabilities of Window Takaful Operations (Participants' Takaful Fund and Operator's fund) are segregated from its other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012.
- We reviewed training certificates and attendance sheets to evaluate that the Operator has imparted necessary trainings and orientations to maintain the adequate level of awareness, capacity, and sensitization of the staff and management.
- We have designed and performed following verification procedures (including but not limited to) on various financial arrangements, based on judgmental and systematic samples with regard to the compliance with Takaful Rules, 2012 and Shariah Rules and Principles:
 - We obtained details of investments made and checked that all investments are made in Shariah Compliant stocks as determined by Shariah Advisor;
 - We inquired regarding other investments like fixed deposits to confirm that all such contracts are executed with Islamic Financial Institutions;
 - We reviewed re-takaful and co-takaful parties along with arrangements / contracts entered into by Window Takaful Operations to assess compliance with Shariah Advisor guidelines and Takaful Rules, 2012; and
 - We re-calculated Operator's profit share and Wakala fee income to confirm that approved percentage are applied on income from investments and contribution respectively

The procedures selected by us for the engagement depended on our judgment, including the assessment of the, risks of the Operator's material non-compliance with the Takaful Rules 2012, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Operator's compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances but not for the purpose of expressing a conclusion as to the effectiveness of the Operator's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. 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. Further, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

In performing our audit procedures necessary guidance on Shariah matters was provided by the independent Shariah expert.

Opinion

In our opinion, the Statement of Compliance of the Takaful Operations of the Operator as of December 31, 2025 is presented, in all material respects, in accordance with Takaful Rules, 2012.

Karachi: 07 April, 2026

BDO Ebrahim & Co.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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SHARI'AH ADVISOR'S REPORT TO THE BOARD OF DIRECTORS

FOR THE YEAR ENDED DECEMBER 31, 2025

All praise and thanks are due to Allah Almighty, by whose blessing Reliance Insurance Co. Ltd. Window Takaful Operations (RIC WTO) has successfully completed its ninth year of Takaful operations.

Being a Shari'ah Advisor of Reliance Insurance Co. Ltd. Window Takaful Operations it is my responsibility to ensure that the Participant membership documents, underwriting procedures, Re-Takaful Arrangements, and financial activities related to the Participants and stakeholders should be compliant as per Shari'ah rulings.

On the other hand it is the responsibility of RIC Takaful Operator's management to follow the Takaful Rules, 2012 and guidelines set by the Shari'ah Advisor and to take prior approval of Shari'ah Advisor for all policies and services being offered by RIC (Window Takaful).

In order to have an independent assessment of the Shari'ah governance and compliance environment of the operator, and the conformity of Takaful Operations with Takaful Rules, 2012, an external and internal audit have been conducted.

In my opinion and to the best of my understanding based on explanations provided by the Operator and audit reports of the External and internal auditors, below are the findings:

- Underwriting, investments and financial activities undertaken by the Operator for the year of ended 31 December, 2025 were in accordance with Takaful Rules, 2012 and guidelines issued by me in the capacity of Shariah Advisor.
- Appropriate accounting policies and basis of measurement have been consistently applied in preparation of the financial statements of "Participant Takaful Fund (Waqf Fund)" and "Operator Fund".
- The Operator found performing its duties to its level best by following Shariah guidelines and through consultation with me where needed.
- Any cases which were required to be consulted in accordance with the Shariah and Takaful Rules have been discussed and duly resolved.

I concluded my report with the words that Allah Almighty grant Reliance Insurance Co. Ltd. Window Takaful Operations (RIC WTO) remarkable success and help the entire team at every step and keep away from every hindrance and difficulty.



Mufti M Farhan Farooq
Shari'ah Advisor
Reliance Insurance Co. Ltd.
Window Takaful Operations

Karachi: 01st April, 2026



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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RELIANCE INSURANCE COMPANY LIMITED

WINDOW TAKAFUL OPERATIONS

Opinion

We have audited the annexed financial statements of RELIANCE INSURANCE COMPANY LIMITED- WINDOW TAKAFUL OPERATIONS ("the Operator") as at December 31, 2025, which comprise the statement of financial position as at December 31, 2025, the profit and loss account, the statement of comprehensive income, the statement of changes in Operator's and Participants' takaful fund and 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 Operator's fund and 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 Operator's affairs as at December 31, 2025 and of the profit, total 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.

Information Other than the Financial Statements and Auditor's Reports 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 auditor's reports 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 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.

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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 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 judgment 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, 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 (XXI 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 Nadeem.

KARACHI

DATED: 07 April, 2026

UDIN: AR202510110nlhDpdHKN

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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STATEMENT OF FINANCIAL POSITION - WINDOW TAKAFUL OPERATIONS

AS AT DECEMBER 31, 2025

	Note	Operator's Retakaful Fund		Participant's Retakaful Fund	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Rupees)					
Investment					
Mutual funds	6	126,318,760	115,594,166	22,022,354	11,023,835
Takaful / Re-takaful receivables	7	-	-	125,685,745	140,196,734
Deferred wakala fee	18	-	-	28,547,666	23,824,137
Receivable from PTF	8	28,827,149	43,064,791	-	-
Accrued investment income		-	-	-	68,630
Retakaful recoveries against outstanding claims	17	-	-	20,861,602	14,618,156
Deferred commission	19	12,595,773	10,849,277	-	-
Taxation-payment less provision		8,054,553	3,219,143	-	-
Prepayments	10	-	517,500	76,940,337	37,044,691
Cash at bank	11	9,721,469	9,503,194	61,160,008	13,308,725
TOTAL ASSETS		185,517,704	182,748,071	335,217,712	240,084,908
FUND AND LIABILITIES					
FUNDS ATTRIBUTABLE TO:					
Operator's Fund (OPF)					
Statutory Fund		50,000,000	50,000,000	-	-
Unappropriated profit		103,816,907	91,275,268	-	-
Surplus on revaluation of available for sale of investments		236,337	45,604	-	-
Total Operator's Funds		154,053,244	141,320,872	-	-
Participants' Takaful Fund (PTF)					
Seed money		-	-	500,000	500,000
Accumulated surplus		-	-	95,499,735	89,884,828
Deficit on revaluation of available for sale of investments		-	-	(53,979)	(98,293)
Balance of Participants' Takaful Fund		-	-	95,945,756	90,286,535
LIABILITIES					
PTF underwriting provisions					
Outstanding claims including IBNR	17	-	-	37,777,621	24,768,866
Unearned contribution reserve	15	-	-	128,978,313	71,568,823
Reserve for unearned retakaful rebate	16	-	-	5,550,801	6,849,805
		-	-	172,306,735	103,187,494
Unearned wakala fee	18	28,547,666	23,824,137	-	-
Takaful / Retakaful payable	12	-	-	27,986,594	139,497
Other creditors and accruals	13	2,829,085	17,581,602	10,151,478	3,406,591
Deferred taxation-net	9	87,709	21,460	-	-
Payable to OPF	8	-	-	28,827,149	43,064,791
TOTAL LIABILITIES		31,464,460	41,427,199	239,271,956	149,798,373
TOTAL EQUITY AND LIABILITIES		185,517,704	182,748,071	335,217,712	240,084,908
CONTINGENCIES AND COMMITMENTS	14				

The annexed notes from 1 to 33 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	December 31, 2025	December 31, 2024
Rupees			
PARTICIPANT'S TAKAFUL FUND - PTF			
Contributions earned		139,746,100	88,480,068
Less: Contributions ceded to retakaful		(96,092,799)	(54,215,768)
Net contributions revenue	15	43,653,301	34,264,300
Retakaful rebate earned	16	14,513,226	7,815,916
Net underwriting income		58,166,527	42,080,216
Net claims - reported / settled - IBNR	17	(41,315,672)	(36,380,745)
Other direct expenses	20	(12,327,474)	(5,711,818)
Surplus / Deficit before investment income		4,523,381	(12,347)
Investment income	21	1,679,272	3,386,339
Less: Modarib's share of investment income		(587,745)	(1,185,219)
Surplus transferred to accumulated surplus		5,614,908	2,188,773
OPERATOR'S TAKAFUL FUND - OPF			
Wakala fee	18	61,666,173	49,980,610
Commission expense	19	(27,823,078)	(20,568,940)
General, administrative and management expenses	23	(25,166,349)	(17,980,119)
		8,676,746	11,431,551
Modarib's share of PTF investment income	22	587,745	1,185,219
Investment income	21	11,594,071	19,071,357
Direct expenses	24	(2,549,600)	(1,616,280)
Profit before taxation		18,308,962	30,071,847
Taxation	24	(5,767,323)	(9,622,991)
Profit after taxation		12,541,639	20,448,856

The annexed notes from 1 to 33 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
	————— Rupees —————	
PARTICIPANTS' FUND		
Surplus for the year	5,614,908	2,188,773
Other comprehensive gain / (loss):		
Unrealised gain / (loss) on available-for-sale investments	44,314	(98,293)
Total comprehensive income for the year	5,659,222	2,090,480
OPERATOR'S FUND		
Profit after taxation	12,541,639	20,448,856
Other comprehensive income / (loss):		
Unrealised gain on available-for-sale investments - net of tax	190,733	45,603
Reclassification adjustments relating to available-for-sale investments disposed of during the year-net of tax	-	(62,776)
	190,733	(17,173)
Total comprehensive income for the year	12,732,372	20,431,683

The annexed notes from 1 to 33 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


Mohammad Omar Bawany
Director


Zia Zakaria
Director


Ghulam Haider
Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

STATEMENT OF CHANGES IN OPERATOR'S FUND AND PARTICIPANTS' TAKAFUL FUND

FOR THE YEAR ENDED DECEMBER 31, 2025

Operator's Fund

	Statutory Fund	Unappropriated profit	Unrealized gain / (loss) on revaluation of available-for-sale investments - net	Total
Rupees				
Balance as at January 1, 2024	50,000,000	70,826,412	62,777	120,889,189
Profit for the year	-	20,448,856	-	20,448,856
Other comprehensive (loss)	-	-	(17,173)	(17,173)
Balance as at December 31, 2024	50,000,000	91,275,268	45,604	141,320,872
Profit for the year	-	12,541,639	-	12,541,639
Other comprehensive income	-	-	190,733	190,733
Balance as at December 31, 2025	50,000,000	103,816,907	236,337	154,053,244

Participants' Fund

	Seed Money	Accumulated Surplus	Unrealized gain / (loss) on revaluation of available-for-sale investments - net	Total
Rupees				
Balance as at January 01, 2024	500,000	87,696,055	-	88,196,055
Surplus for the year	-	2,188,773	-	2,188,773
Other comprehensive (loss)	-	-	(98,293)	(98,293)
Balance as at December 31, 2024	500,000	89,884,828	(98,293)	90,286,535
Surplus for the year	-	5,614,908	-	5,614,908
Other comprehensive income	-	-	44,314	44,314
Balance as at December 31, 2025	500,000	95,499,736	(53,979)	95,945,757

The annexed notes from 1 to 33 form an integral part of these financial statements.


Irfan Zakaria Bawany
 Chairman


Mohammad Omar Bawany
 Director


Zia Zakaria
 Director


Ghulam Haider
 Chief Financial Officer


A. Razak Ahmed
 Chief Executive & Managing Director

Karachi: 01st April, 2026

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Operator's Fund		Participant's Takaful Fund	
	2025	2024	2025	2024
(Rupees)				
OPERATING CASH FLOWS				
a) Takaful activities				
Contribution received	-	-	284,613,099	138,371,312
Retakaful contribution paid	-	-	(119,421,695)	(104,957,137)
Claims / benefits paid	-	-	(59,244,213)	(117,638,552)
Retakaful and other recoveries received	-	-	24,693,850	75,842,089
Commission paid	(29,569,574)	(23,606,906)	-	-
Retakaful rebate received	-	-	13,214,222	11,027,469
Wakala fee received	79,949,998	45,000,000	-	-
Wakala fee paid	-	-	(79,949,998)	(45,000,000)
Modarib share received	1,265,091	550,317	-	-
Modarib share paid	-	-	(1,265,091)	(550,317)
Net cash generated from / (used in) takaful activities	51,645,515	21,943,411	62,640,174	(42,905,136)
b) Other operating activities				
Income tax paid	(10,602,733)	(14,103,009)	-	-
General and other expenses paid	(27,198,449)	(19,087,899)	(12,327,474)	(5,711,817)
Other operating receipts	(14,686,268)	4,533,172	6,744,887	173,455
Net cash (used in) other operating activities	(52,487,450)	(28,657,736)	(5,582,587)	(5,538,362)
Total cash (used in) / generated from all operating activities	(841,935)	(6,714,325)	57,057,587	(48,443,498)
INVESTMENT ACTIVITIES				
Profit / return received	7,778,016	4,118,572	1,230,488	2,283,380
Dividend received	3,816,055	14,940,526	517,413	1,403,521
Proceeds from investments	-	-	-	28,000,000
Payments for investments	(10,533,861)	(16,213,636)	(10,954,205)	(11,321,129)
Total cash generated from / (used in) investing activities	1,060,210	2,845,462	(9,206,304)	20,365,772
Total cash (used in) / flows from all activities	218,275	(3,868,863)	47,851,283	(28,077,726)
Cash and cash equivalents at beginning of the year	9,503,194	13,372,057	13,308,725	41,386,451
Cash and cash equivalents at end of the year	9,721,469	9,503,194	61,160,008	13,308,725
Reconciliation to profit and loss Account				
Operating cash flows	(841,935)	(6,714,325)	57,057,587	(48,443,498)
Dividend income	3,816,056	15,021,761	517,414	1,403,521
Other investment income	7,778,016	4,049,596	1,161,858	1,982,819
(Increase) / decrease in assets other than cash	(8,173,236)	14,523,509	36,351,632	21,676,850
Increase / (decrease) in liabilities	9,962,738	(6,431,685)	(89,473,583)	25,569,081
Profit after tax	12,541,639	20,448,856	5,614,908	2,188,773
Attributed to:				
Operator's Fund	12,541,639	20,448,856	-	-
Participants' Takaful Fund	-	-	5,614,908	2,188,773
	12,541,639	20,448,856	5,614,908	2,188,773

The annexed notes from 1 to 33 form an integral part of these financial statements.


Irfan Zakaria Bawany
Chairman


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Chief Financial Officer


A. Razak Ahmed
Chief Executive & Managing Director

Karachi: 01st April, 2026

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

Reliance Insurance Company Limited (the Operator) was incorporated in Pakistan in 1981 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017) to carry on general insurance business. The Operator was allowed to work as Window Takaful Operator (the Operator) on 25 May 2016 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan. The Operator is listed on the Pakistan Stock Exchange Limited. The registered office of the Operator is located at 96-A, Sindhi Muslim Co-operative Housing Society, Karachi, Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf for Participant Takaful Fund (PTF) on May 30, 2016 under the Waqf Deed. The Waqf deed governs the relationship of Operator and Participants for management of takaful operations.

The Operator transferred a fund of Rs. 50,000,000 in a separate bank account for the Window Takaful Operations as per the requirement of circular 8 of 2014 issued by the SECP.

These financial statements have been prepared in line with the format issued by the SECP through General Takaful Accounting Regulations, 2019 and SECP circular no. 25 of 2015 dated July 9, 2015.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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 and Insurance Accounting Regulations, 2017 and SECP Takaful Rules, 2012 and the General Takaful Accounting Regulations, 2019.

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

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

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost convention unless except investment which are carried at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is also the functional currency of the Operator. Figures have been rounded off to the nearest rupee, unless otherwise stated.

2.4 Temporary exemption from IFRS 17

Pursuant to the requirements of Securities and Exchange Commission of Pakistan SRO 1715 (I) / 2023 dated 21 November 2023, SRO 506(1)/2024 dated March 29, 2024 and SRO 1336(1)/2025 dated 23rd July, 2025 the IFRS 17 "Insurance Contracts", is applicable to the companies engaged in insurance / takaful and re-insurance / re-takaful business from financial years commencing on or after January 01, 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 standard 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 SRO 1715 will also be required to adopt requirements of IFRS 9 from the date of transition. On initial application of IFRS 17, comparative information for insurance contracts is restated in accordance with IFRS 17, whereas comparative information for related financial assets might not be restated in accordance with IFRS 9 if the insurer is initially applying IFRS 9 at the same date as IFRS 17.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

SECP vide letter no. ID/MDPRD/IFRS-17/2021/176 dated June 15, 2021 initiated a four-phase approach towards implementation of IFRS 17 "Insurance Contracts" has been completed.

2.5 IFRS 9 - Financial Instruments

IFRS 9 'Financial Instruments' has become applicable, however as an insurance company, the management has opted for temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply for the temporary exemption from the application of IFRS 9 are given below:

The tables below set out the fair values as at the end of reporting year and the amount of change in the fair value during that year for the following two groups of financial assets separately:

- financial assets with contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest ("SPPI") on the principal amount outstanding, excluding any financial asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- all other financial assets:

Fair value of financial assets as at December 31, 2025 and change in fair value during the year.

Operator's Fund	Participants' Takaful Fund	Total
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Rupees

Financial assets that do not meet the SPPI criteria

Investment in mutual funds - Available for sale

Opening fair value	115,594,166	11,023,835	126,618,001
Net addition/deletion during the year - net	10,446,152	10,967,057	21,413,209
Impairment during the year	-	31,463	31,463
Increase in fair value	278,443	-	278,443
	<u>126,318,760</u>	<u>22,022,354</u>	<u>148,341,115</u>

Carrying value of all other financial assets approximates to their fair values since these either have short term maturity or are frequently repriced.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended December 31, 2025

The following standards, amendments and interpretations are effective for the year ended December 31, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

Effective date (annual periods beginning on or after)

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'
- Lack of Exchange ability

January 01, 2025

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

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

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Operator's operations or are not expected to have significant impact on the Operator's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 'Presentation and Disclosures in Financial Statements'	January 01, 2027
IFRS 19 'Subsidiaries without Public Accountability: Disclosures'	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

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

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

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments' with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from July 01, 2018 onwards to remove from profit and loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. Fair value measurement of Financial Instruments as at December 31, 2025 is presented in note 30.4 of these financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the requirements of accounting standards as applicable in Pakistan requires the Operator to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The judgments, estimates and assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimates about carrying values of assets and liabilities that are not readily apparent from other sources.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

The estimates / judgments and associated assumptions are reviewed on an ongoing basis. Revision to the 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 revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgment or complexity, or areas where assumption and estimates are significant to this financial information, or judgments were exercised in application of accounting policies are as follows:

	Notes
- Takaful / Re-takaful receivables	5.9
- Outstanding claims including IBNR and re-takaful recoveries against outstanding claims.	5.16
- Classification of investments	5.13
- Impairment of assets	5.14
- Taxation	5.17

5. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements.

5.1 Takaful Contracts

Takaful contracts are based on the principles of Wakala. The takaful contracts so agreed usually inspire concept of tabarru (to donate for benefit of others) and mutual sharing of losses with the overall objective of eliminating the element of uncertainty.

Contracts under which the Participant Takaful Fund (PTF) accepts significant takaful risk from another party (the participant) by agreeing to compensate the participant if a specified uncertain future event (the takaful event) adversely affects the participant are classified as takaful contracts. Once a contract has been classified as takaful contract, it remains a takaful contract. Takaful risk is significant if a takaful event could cause the PTF to pay significant benefits due to the happening of the takaful event 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 the period, unless all rights and obligations are extinguished or expired.

The PTF underwrites non-life takaful contracts that can be categorized into following main categories:

a) Fire and property

Fire and property takaful contracts mainly compensate the participants for damage suffered to their properties or for the value of property lost. Participants who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the covered properties in their business activities. These contracts are generally one year contracts except some contracts that are of three months period.

b) Marine, aviation and transport

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. These contracts are generally for three months period.

c) Motor

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. These contracts are generally one year contracts.

d) Miscellaneous

All other various types of takaful contracts are classified in miscellaneous category which includes mainly engineering, terrorism, personal accident, workmen compensation, travel and products of financial institutions etc. These contracts are normally one year takaful contracts except some engineering takaful contracts that are of more than one year period, whereas normal travel takaful contracts expires within one month.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.2 Revenue recognition

5.2.1 Contribution

For all the takaful contracts, contributions / cover notes issued including administrative surcharge received / receivable under a policy / cover note are recognised as written from the date of attachment of the risk to the policy / cover note and over the period of contract from inception to the expiry of policy. Where contributions for a policy are payable in installments, full contribution for the duration of the policy is recognised as written at the inception of the policy and related assets set up for contributions receivable at a later date. Contributions are stated on gross basis and exclusive of taxes and duties levied on contributions.

5.2.2 Wakala fee

The Operator manages the general takaful operations for the Participants and charges Wakala fee at 35% (2024 : 35%) of the gross contribution on all classes of business except Motor business which is at 30% (2024 : 30%). Wakala fee under a policy is recognized on the same basis on which related revenue is recognized. Unexpired portion of Wakala fee is recognized as a liability of OPF and an asset of PTF.

5.2.3 Re - takaful rebate

Rebate from re-takaful operators is deferred and recognized as revenue of PTF in accordance with the pattern of recognition of the re-takaful contributions to which it relates.

5.2.4 Investment Income PTF / OPF

- Profit on bank deposits is recognised on a time proportion basis taking into account the effective yield.
- Dividend income is recognised when the Operators right to receive the payment is established.
- Gain / loss on sale of investments is record in profit and loss account.

5.3 Deferred commission expense

Commission expense incurred in obtaining and recording policies is deferred and recognised as an expense in accordance with the pattern of recognition of contribution revenue by applying 1/365 days method.

5.4 Modarib Fee

The Operator manages the participants' investment as Modarib and charge 35% (2024 : 35%) of the investment / deposit income earned by the Participants' Takaful Fund as Modarib's share.

5.5 Reserve for unearned contribution

The unearned portion of contribution written net of Wakala is set aside as a reserve. It is recognized as a liability and is calculated by applying 1/365 days method.

Policy for recognition of contribution revenue is disclosed in detail in note 5.2 to these financial statements.

5.6 Contribution deficiency reserve

At each reporting date, liability adequacy tests are performed separately for each class of business to ensure the adequacy of the unearned contribution liability for that class. It is performed by comparing the expected future liability, after retakaful, from claims and other expenses, including retakaful expense, wakala and other underwriting expenses, expected to be incurred after financial statement date in respect of policies in force at financial statements date with the carrying amount of unearned contribution liability. Any deficiency is recognised by establishing a provision (contribution deficiency reserve) to meet the deficit.

The expected future liability is estimated with reference to the experience during the expired period of the contracts, adjusted for significant individual losses which are not expected to recur during the remaining period of the policies and expectations of future events that are believed to be reasonable.

The movement in the contribution deficiency reserve is recognised as an expense or income in the profit and loss account for the year.

The expected ultimate net claim ratios for the unexpired periods of policies in force at financial statements date for each class of business is as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	Rupees	
-Fire and property	9.6%	35.0%
-Marine aviation and transport	108.8%	27.5%
-Motor	80.4%	65.0%
-Miscellaneous	2.0%	45.0%

5.7 Retakaful contracts held

These are contracts entered into by the Operator with re-takaful operator under which the Operator arranges to cede takaful risks of PTF assumed during normal course of the business and according to which the PTF is compensated for losses on takaful contracts issued by the Operator are classified as retakaful contracts held.

Retakaful contribution is recognised as an expense when the retakaful is ceded. Commission on retakaful cessions are recognised in accordance with the policy of recognizing contribution revenue.

Retakaful assets represent balances due from retakaful operators and retakaful recoveries against outstanding claims. Retakaful recoveries are estimated in a manner consistent with the outstanding claims provision and are in accordance with the retakaful contracts. Retakaful liabilities represent balances due to retakaful operators, are primarily contributions payable for retakaful contracts, and are recognised at the same time when retakaful contributions are recognised as an expense.

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

An impairment review of retakaful assets is performed at each reporting date. If there is an objective evidence that the asset is impaired, the Operator reduces the carrying amount of the retakaful asset to its recoverable amount and recognises that impairment loss in the profit and loss account.

5.8 Receivables and payables related to takaful contracts

Receivables including contribution due but unpaid relating to takaful contracts are recognized when due. Contribution received in advance is recognized as liability till the time of issuance of takaful contract there against. The contribution due and claim payable is recorded when intimation is received. These are recognized at cost, which is the fair value of the consideration given less provision for impairment losses, if any.

Allowances for impairment in contribution receivables is estimated on a systematic basis after analyzing the receivables as per their ageing.

5.9 Takaful / Re-takaful receivables

Receivables under takaful contracts are recognized when due, at the fair value of the consideration receivable less provision for doubtful debts, if any. If there is objective evidence that the receivable is impaired, the Operator reduces the carrying amount of the receivable accordingly and recognizes that impairment loss in the profit and loss account.

5.10 Re-takaful recoveries against outstanding claims

Claims recoveries against outstanding claims from the re-takaful operator and salvage are recognized as an asset at the same time as the claims which give rise to the right of recovery are recognized as a liability and are measured at the amount expected to be received.

5.11 Segment reporting

An operating segment is a component of the Operator that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Operator other components. All operating segments' results are reviewed regularly by the Operator key management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Operator has four primary business segments for reporting purposes namely, fire and property, marine, aviation & transport, motor; and miscellaneous. The nature and business activities of these segments are disclosed in note 5.1.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Assets, liabilities and capital expenditures that are directly attributable to segments have been assigned to them while the carrying amount of certain assets used jointly by two or more segments have been allocated to segments on a reasonable basis. Those assets and liabilities, which cannot be allocated to a particular segment on a reasonable basis, are reported as unallocated corporate assets and liabilities.

Further, the management expense are allocated to each segment on the basis disclosed in note 5.11.

5.12 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents include cash at bank in saving accounts.

5.13 Investments

5.13.1 Recognition

All investments are initially recognised at fair value of the consideration given and include transaction costs. All purchases and sales of investments that require delivery within the time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Operator commits to purchase or sell investments.

5.13.2 Measurement

Available for sale

Investments which are not eligible to be classified as "held for trading" or "held to maturity" are classified as 'available-for-sale'. These investments are intended to be held for an indefinite period of time which may be sold in response to the need for liquidity, changes in interest rates, equity prices or exchange rates are classified as available-for-sale.

Subsequent to initial recognition, these investments are remeasured at fair value. Gains or losses on remeasurement of these investments are recognized in other comprehensive income.

Held to maturity

Investments with fixed or determinable payments and fixed maturity where the Company has positive intent and ability to hold to maturity are classified as held-to-maturity subsequently, these are measured at amortized cost using the effective interest method and taking any discount or premium on acquisition.

Held for trading

Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price are classified as held-for-trading. subsequent to initial recognition, these are remeasured at fair value. Gains or losses on investments on remeasurement of these investments are recognized in profit and loss account.

5.14 Impairment of assets

The management assesses at each reporting date whether there is an objective evidence that the financial assets or a group of financial assets is impaired. The carrying value of assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

In the case of equity securities classified as 'available-for-sale', a significant or prolonged decline in the fair value of the security below its cost is considered as an objective evidence of impairment. In case of impairment of available-for-sale equity securities, the cumulative loss previously recognised in the statement of comprehensive income is removed therefrom and included in the profit and loss account. Impairment losses recognised in the profit and loss account on equity securities are only reversed when the equity securities are derecognised.

5.15 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognized amount and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.16 Provision for outstanding claims including Incurred But Not Reported (IBNR) claims

A liability for outstanding claims is recognised in respect of all claims incurred up to the reporting date which is measured at the undiscounted value of expected future payments. Provision for outstanding claims include amounts in relation to claims reported but not settled, claims incurred but not reported (IBNR) and expected claims settlement costs.

Retakaful recoveries against outstanding claims are recognised as an asset and measured at the amount expected to be received.

The provision for claims incurred but not reported (IBNR) is made at the reporting date. IBNR claim have been estimated using Expected Loss Ratio (ELR) methodology.

5.17 Levy and Income tax

5.17.1 Levy

The amount calculated on gross amount of revenue or other basis (such as receipts or other values etc. as provided in law) as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in the profit and loss account. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

5.17.2 Income tax

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

a) Current tax

Provision for current taxation is based on taxable income determined in accordance with the prevailing law for taxation of income and is calculated using enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for the current taxation also includes adjustments where considered necessary, relating to prior years which arise from assessments framed / finalised during the year or required by any other reason.

b) Deferred tax

Deferred tax is recognised using the statement of financial position liability method for all temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted at the financial statement date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The taxation of Operators' Fund is made while including in the Operator's results as a whole and accordingly taxation has been recorded.

5.18 Management expenses

Expenses allocated to PTF represent directly attributable expenses and these are allocated to various revenue accounts on equitable basis. Expenses not directly allocable to PTF are charged to OPF.

5.19 Claims

Claims are charged to PTF as incurred whether reported or not based on estimated liability for compensation owed under the takaful contracts. It includes 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.

All claims incurred up to the reporting date 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 a takaful contract.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

5.20 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 future for the goods and / or services received, whether or not billed to the Operator.

5.21 Takaful surplus

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

5.22 Defined contribution plan

The Operator operates funded contributory provident fund (defined contribution plan) for all permanent employees. Equal contributions are made by the Operator and the employees at the rate 8.33 percent of basic salary, to the fund.

5.23 Contingencies

Contingencies are disclosed when the Operator has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Operator, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of recourse embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.

Contingencies are reviewed at each reporting date and adjusted to reflect the current estimate.

5.24 Qard-e-Hasna

Qard-e-Hasna is provided by OPF to PTF in case of deficit or to fulfil cash flow requirements.

6. INVESTMENT - MUTUAL FUNDS

6.1 Operator's Fund - available-for-sale

	2025			2024		
	Cost	Surplus on revaluation	Carrying Value	Cost	Surplus on revaluation	Carrying Value
	Rupees					
Al-Hamra Islamic Money Market Fund	-	-	-	68,286,123	-	68,286,123
Al-Hamra Cash Management Optimizer	73,980,504	168,002	74,148,506	-	-	-
HBL Islamic Savings Fund Plan-1	-	-	-	47,240,980	67,063	47,308,043
HBL Islamic Money Market Fund	52,059,813	110,441	52,170,254	-	-	-
	126,040,317	278,443	126,318,760	115,527,103	67,063	115,594,166

6.2 Participant Takaful Fund - available-for-sale

ABL Islamic Cash Fund	-	-	-	11,122,128	(98,293)	11,023,835
ABL Asset Management Islamic Money Market Plan 1	11,978,040	24,870	12,002,910	-	-	-
Al-Ameen Islamic Cash Plan-1 (AICP-1)	10,000,000	19,444	10,019,444	-	-	-
	21,978,040	44,314	22,022,354	11,122,128	(98,293)	11,023,835

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Operator's Fund		Participant's Fund	
	2025	2024	2025	2024
	Rupees			
7. TAKAFUL / RETAKAFUL RECEIVABLES				
- Unsecured and considered good				
Due from takaful participant holders	-	-	53,272,399	79,063,735
Due from other takaful / re-takaful operators	-	-	72,413,346	61,132,999
	-	-	125,685,745	140,196,734
8. RECEIVABLE FROM PTF / (PAYABLE) TO OPF				
Wakala fee	26,178,844	39,739,140	(26,178,844)	(39,739,140)
Modarib fee	2,648,305	3,325,651	(2,648,305)	(3,325,651)
	28,827,149	43,064,791	(28,827,149)	(43,064,791)
9. DEFERRED TAXATION				
Unrealized gain on available -for-sale investments	87,710	21,460	-	-
9.1 Reconciliation of deferred taxation				
Opening balance	21,460	(18,459)	-	-
Credit to other comprehensive income	66,249	39,919	-	-
	87,709	21,460	-	-
10. PREPAYMENTS				
Prepaid retakaful contribution ceded	-	-	76,940,337	37,044,691
Miscellaneous expenses	-	517,500	-	-
	-	517,500	76,940,337	37,044,691
11. CASH AT BANK				
Saving accounts	9,721,469	9,503,194	61,160,008	13,308,725
11.1	The rate of return and loss sahring accounts held with Islamic bank during the year range from 9.5% to 18.50% per anum (2024: 9.5% to 18.50%) per anum.			
12. TAKAFUL / RETAKAFUL PAYABLE				
Re-takaful payable	-	-	27,986,594	139,497

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

Operator's Fund		Participant's Fund	
2025	2024	2025	2024
Rupees			

13. OTHER CREDITORS AND ACCRUALS

Agents commission payable	1,964,421	17,135,611	-	-
Accrued expenses	814,500	416,280	-	-
Others	50,164	29,711	10,151,478	3,406,591
	2,829,085	17,581,602	10,151,478	3,406,591

14. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at reporting date (2024: Nil)

15. NET CONTRIBUTION REVENUE

		Participant's Takaful Fund	
		2025	2024
Rupees			
Written Gross Contributions		258,821,763	157,073,882
Less: Wakala Fee	18	(61,666,173)	(49,980,610)
Contribution Net of Wakala fee		197,155,590	107,093,272
Add: Unearned contributions reserve - opening		71,568,823	52,955,619
Less: Unearned contributions reserve - closing		(128,978,313)	(71,568,823)
Contributions earned		139,746,100	88,480,068
Less:			
Re-takaful contribution ceded		135,988,445	70,492,994
Add: Prepaid retakaful contribution ceded - opening		37,044,691	20,767,465
Less: Prepaid retakaful contribution ceded - closing		(76,940,337)	(37,044,691)
Retakaful expense		96,092,799	54,215,768
Net contribution		43,653,301	34,264,300

16. RE-TAKAFUL REBATE EARNED

Retakaful rebate / commission received	13,214,222	11,027,469
Add: Unearned re-takaful rebate / commission opening	6,849,805	3,638,252
Less: Unearned re-takaful rebate / commission closing	(5,550,801)	(6,849,805)
	14,513,226	7,815,916

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Participant's Takaful Fund	
2025	2024

Rupees

17. TAKAFUL BENEFITS/ CLAIMS EXPENSE

Benefits / Claims Paid	59,244,213	117,638,552
Add : Outstanding benefits / claims including IBNR closing	37,777,621	24,768,866
Less : Outstanding benefits / claims including IBNR opening	(24,768,866)	(61,498,945)
Claims expense	72,252,968	80,908,473
Less : Re-takaful and other recoveries received	24,693,850	75,842,089
Add : Re-takaful and other recoveries in respect of outstanding claims closing	20,861,602	14,618,156
Less: Re-takaful and other recoveries in respect of outstanding claims opening	(14,618,156)	(45,932,517)
Re-takaful and other recoveries revenue	30,937,296	44,527,728
Net claims expense	41,315,672	36,380,745

17.1 Benefits / claim development

The following table shows the development of claims over a period of time on gross basis. For each class of business the uncertainty about the amount and timings of claims payment is usually resolved within a year.

Accident year	2021	2022	2023	2024	2025	Total
	Rupees in '000'					
Estimate of ultimate claims cost:						
At the end of accident year	3,608	10,536	44,411	8,911	35,190	102,656
One year later	652	4,457	6,305	1,519	-	12,933
Two years later	345	132	576	-	-	1,053
Three years later	17	60	-	-	-	77
Four years later	115	-	-	-	-	115
Current estimate of cumulative claims	205	1,126	7,312	14,657	73,404	96,704
Cumulative payment to date	(90)	(1,066)	(6,736)	(13,138)	(38,214)	(59,244)
Liability recognized in the financial position	115	60	576	1,519	35,190	37,460
Liability in respect of prior years						317
Total liability recognized in balance sheet						37,777

Participant's Takaful Fund	
2025	2024

Rupees

18. WAKALA FEE

Gross wakala fee	66,389,702	52,622,498
Deferred wakala expense - opening	23,824,137	21,182,249
Deferred wakala expense - closing	(28,547,666)	(23,824,137)
	61,666,173	49,980,610

18.1 The Operator manage the general takaful operations for the participants and charges wakala fees for its services. Wakala fee is charged at 35% (2024 : 35%) for fire and property damage, marine, miscellaneous and 30% (2024 : 30%) for motor.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Participant's Takaful Fund	
2025	2024

Rupees

19. COMMISSION EXPENSE

Commission paid or payable	29,569,574	23,606,906
Deferred commission expense - opening	10,849,277	7,811,311
Deferred commission expense - closing	(12,595,773)	(10,849,277)
	27,823,078	20,568,940

20. OTHER DIRECT EXPENSES

Other expenses	12,327,474	5,711,818
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20.1 These expenses represents service charges directly incurred in Participants' Fund.

Operator's Fund		Participant's Fund	
2025	2024	2025	2024

Rupees

21. INVESTMENT INCOME

Income from mutual funds available-for-sale	3,816,055	15,021,761	517,414	1,403,520
Capital gain on redemption of mutual funds	7,567,484	3,526,376	463,161	-
Profit on bank deposits	210,532	523,220	698,697	1,854,684
Other income	-	-	-	128,135
	11,594,071	19,071,357	1,679,272	3,386,339

22. MODARIB FEE

The Operator manage the participants' investments as a Modarib and charge 35% (2024: 35%) Modarib's share of the investment income earned by PTF.

Note	Operator's Fund	
	2025	2024

Rupees

23. GENERAL, ADMINISTRATIVE AND MANAGEMENT EXPENSES

Employee benefit costs	23.1	6,271,313	5,920,752
Vehicle running expenses		757,450	635,100
Computer software maintenance		2,070,000	2,043,000
Outsourcing expense		14,747,162	9,215,903
Bank charges		17,619	11,719
Other		1,302,805	153,645
		25,166,349	17,980,119

23.1 This includes Rs. 0.069 million (2024: Rs. 0.041 million) contribution for employees' provident fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	Operator's Fund	
		2025	2024
Rupees			
24. DIRECT EXPENSES			
Employees benefit cost		2,015,000	1,200,000
Auditor's remuneration	24.1	534,600	416,280
		2,549,600	1,616,280
24.1			
Annual audit fee		275,000	165,444
Half year review fee		220,000	220,000
Sind sales tax		39,600	30,836
		534,600	416,280
25. TAXATION			
For the year			
Current		5,767,323	9,622,991
25.1			
Relationship between tax expense and accounting profit			
Accounting profit before tax		18,308,962	30,071,847
Tax rate		29%	29%
Tax on accounting profit		5,309,599	8,720,836
Effect of super tax		457,724	902,155
Total average effective tax rate		5,767,323	9,622,991

26. COMPENSATION OF DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
Rupees						
Managerial remuneration	-	-	-	-	3,321,250	3,109,500
	-	-	-	-	3,321,250	3,109,500
Number of person	-	-	-	-	1	1

27. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, major shareholders, key management personnel, associated companies and entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties during the year other than those which have been specifically disclosed elsewhere in these financial statements are as follows.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	Rupees	
27.1 Transactions during the year		
Associated companies		
Contribution underwritten	37,454,397	43,075,548
Contribution collected	83,039,498	53,991,905
Key management personnel		
Remuneration and other benefits	3,321,250	3,109,500
Employees' funds		
Contribution to provident fund	69,813	40,752
27.2 Balances as at the year end		
Associated companies		
Contribution due but unpaid	34,958,723	59,868,060

28. SEGMENT INFORMATION

Participant's Takaful Fund	December 31, 2025				
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	Total
	Rupees				
Gross written contributions / facultative accepted (inclusive of Administrative surcharge)	90,270,396	30,868,863	77,027,592	60,654,912	258,821,763
Wakala fees	(29,904,719)	(10,455,920)	(20,316,400)	(989,134)	(61,666,173)
Takaful contributions earned	85,442,083	29,874,059	67,721,311	18,374,820	201,412,273
Takaful contributions ceded to re-takaful	(49,524,427)	(18,668,484)	(10,690,405)	(17,209,483)	(96,092,799)
Net takaful contribution	6,012,937	749,655	36,714,506	176,203	43,653,301
Retakaful Rebate	9,961,076	4,293,751	(99,202)	357,601	14,513,226
Net underwriting income	15,974,013	5,043,406	36,615,304	533,804	58,166,527
Takaful claims	(17,942,837)	(14,937,030)	(33,860,655)	(5,512,446)	(72,252,968)
Takaful claims recovered from re-takaful	13,273,541	12,135,636	714,875	4,813,244	30,937,296
Net claims	(4,669,296)	(2,801,394)	(33,145,780)	(699,202)	(41,315,672)
Other direct expense	(4,203,644)	(1,311,312)	(6,676,102)	(136,416)	(12,327,474)
Surplus before investment income	7,101,073	930,700	(3,206,578)	(301,814)	4,523,381
Net Investment income					1,679,272
Less: Modarib' share of investment income					(587,745)
Surplus transferred to accumulated surplus					5,614,908
Corporate segment assets	85,952,945	26,815,563	136,478,125	2,763,513	252,010,146
Corporate unallocated assets					83,207,566
Total Assets					335,217,712
Corporate segment liabilities	77,235,000	24,095,742	122,635,565	2,483,218	226,449,526
Corporate unallocated liabilities					12,822,430
Total Liabilities					239,271,956

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Operator's Fund	December 31, 2025				
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	Total
	Rupees				
Wakala fee	29,904,719	10,455,920	20,316,400	989,134	61,666,173
Commission expenses	(15,144,688)	(5,730,590)	(6,597,917)	(349,883)	(27,823,078)
Management expenses	(3,466,489)	(432,180)	(21,166,099)	(101,582)	(25,166,349)
	<u>11,293,542</u>	<u>4,293,150</u>	<u>(7,447,616)</u>	<u>537,669</u>	<u>8,676,746</u>
Modarib share of PTF Investment Income					587,745
Investment income					11,594,071
Direct expenses					(2,549,600)
Profit before tax					18,308,962
Taxation					(5,767,323)
Profit after tax					<u>12,541,639</u>
Corporate segment assets	<u>15,970,399</u>	<u>4,982,438</u>	<u>25,358,178</u>	<u>513,472</u>	<u>46,824,487</u>
Corporate unallocated assets					138,693,217
Total Assets					<u>185,517,704</u>
Corporate segment liabilities	<u>9,765,673</u>	<u>3,046,690</u>	<u>15,506,167</u>	<u>313,981</u>	<u>28,632,511</u>
Corporate unallocated liabilities					2,831,949
Total liabilities					<u>31,464,460</u>

Participant's Takaful Fund	December 31, 2024				
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	Total
	Rupees				
Gross written contributions / facultative accepted (inclusive of Administrative surcharge)	88,249,610	19,422,906	47,067,202	2,334,164	157,073,882
Wakala fees	(28,076,279)	(6,805,588)	(14,234,744)	(863,999)	(49,980,610)
Takaful contributions earned	75,858,455	19,162,296	41,228,906	2,211,021	138,460,678
Takaful contributions ceded to re-takaful	(37,051,797)	(10,125,764)	(5,432,140)	(1,606,067)	(54,215,768)
Net takaful contributions	10,730,379	2,230,944	21,562,022	(259,045)	34,264,300
Re-takaful Rebate	5,626,812	2,328,926	(485,127)	345,305	7,815,916
Net underwriting Income	16,357,191	4,559,870	21,076,895	86,260	42,080,216
Takaful claims	(58,274,210)	(448,508)	(22,003,881)	(181,874)	(80,908,473)
Takaful claims recovered from re-takaful	45,409,928	(836,634)	(246,803)	201,237	44,527,728
Net claims	(12,864,282)	(1,285,142)	(22,250,684)	19,363	(36,380,745)
Other direct expense	(2,630,864)	(612,307)	(2,426,951)	(41,696)	(5,711,818)
(Deficit) before investment income	862,045	2,662,421	(3,600,740)	63,927	(12,347)
Net Investment income					3,386,339
Less: Modarib' share of investment income					(1,185,219)
Surplus transferred to accumulated surplus					<u>2,188,773</u>
Corporate segment assets	<u>99,352,759</u>	<u>23,135,318</u>	<u>91,646,838</u>	<u>1,527,234</u>	<u>215,662,150</u>
Corporate unallocated assets					24,422,758
Total Assets					<u>240,084,908</u>
Corporate segment liabilities	<u>65,902,123</u>	<u>15,345,991</u>	<u>60,790,673</u>	<u>1,013,037</u>	<u>143,051,824</u>
Corporate unallocated liabilities					6,746,548
Total Liabilities					<u>149,798,373</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Operator's Fund	December 31, 2024				
	Fire & property damage	Marine aviation & transport	Motor	Miscellaneous	Total
	Rupees				
Wakala fee	28,076,279	6,805,588	14,234,744	863,999	49,980,610
Commission expenses	(12,823,442)	(4,402,603)	(3,070,423)	(272,472)	(20,568,940)
Management expenses	(8,281,645)	(1,927,468)	(7,639,751)	(131,255)	(17,980,119)
	<u>6,971,192</u>	<u>475,517</u>	<u>3,524,570</u>	<u>460,272</u>	<u>11,431,551</u>
Mudarib share of PTF Investment Income					1,185,219
Investment income					19,071,357
Direct expenses					(1,616,280)
Profit before tax					<u>30,071,847</u>
Taxation					(9,622,991)
Profit after tax					<u>20,448,856</u>
Corporate segment assets	<u>24,785,967</u>	<u>5,771,669</u>	<u>22,863,537</u>	<u>381,006</u>	53,802,179
Corporate unallocated assets					128,945,891
Total Assets					<u>182,748,071</u>
Corporate segment liabilities	<u>10,984,259</u>	<u>2,557,798</u>	<u>10,132,307</u>	<u>168,848</u>	23,843,212
Corporate unallocated liabilities					17,583,987
Total Liabilities					<u>41,427,199</u>

29. MOVEMENT IN INVESTMENTS

	Available for sale	
	Operator's Fund	Participant's Takaful Fund
	Rupees	
As at 1st January, 2024	99,313,468	27,800,999
Additions	16,213,636	11,321,129
Disposal (sale and redemptions)	-	(28,000,000)
Fair value gain (excluding net realised gain)	67,063	(98,293)
As at 31 December 2024	115,594,165	11,023,835
Additions	10,533,861	10,954,205
Fair value loss (excluding net realised gain)	190,733	44,314
As at 31 December 2025	126,318,760	22,022,354

30. MANAGEMENT OF TAKAFUL RISK AND FINANCIAL RISK

30.1 Takaful risk

The principal risk that is faced under takaful contracts is the possibility that the covered event occurs, the uncertainty of the amount of the resulting claims i.e. the frequency and severity of claims and that the actual claims and benefit payments exceed the carrying amount of the takaful liabilities. By the very nature of the takaful contract, this risk is random and therefore unpredictable. The objective of the Operator is to ensure that sufficient reserves are available to cover these liabilities.

The Operator manages these risks through its underwriting strategy, adequate retakaful arrangements and proactive claims handling. The underwriting strategy aims to minimise takaful risks with a balanced mix and spread of business classes and by observing underwriting guidelines and limits. The Operator underwrites non-life takaful contracts that can be categorised into fire and property damage, marine, aviation and transport, motor and miscellaneous contracts. These classes of takaful are generally regarded as short-term takaful contracts where claims are normally intimated and settled within a short time span, usually one year. This helps to mitigate takaful risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Operator has the right not to renew individual contracts, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. For large risks, particularly in property segment of business, risk inspections are carried out before accepting the risks. Similarly, in case of large risks, annual renewals are also preceded by on-site surveys. Where needed, risk mitigation measures are identified and communicated to the clients to improve the risk to an acceptable level.

Retakaful arrangements in place include treaty and facultative arrangements, on proportional and nonproportional basis and also include catastrophe cover. The effect of such retakaful arrangements is that the PTF may not suffer ultimate net takaful losses beyond the PTF's risk appetite in any one year.

The Operator's arrangement of retakaful is diversified such that it is neither dependent on a single retakaful operator nor the operations of the Operator are substantially dependent upon any single retakaful contract. The Operator obtains retakaful cover only from companies with sound financial health.

30.1.1 Frequency and severity of claims

The frequency and severity of claims can be affected by several factors like political violence, environmental and economical, atmospheric disturbances, natural disasters, concentration of risks, civil riots etc. The Operator manages these risks through the measures described above. The Operator has limited its exposure to catastrophic and riot events by use of retakaful arrangements.

The Operator monitors concentration of takaful risks primarily by class of business. The table below sets out the concentration of the claims and contribution liabilities (in percentage terms) by class of business at financial statement date:

	2025			
	Gross Claims Liabilities	Net Claims Liabilities	Gross Contribution Liabilities	Net Contribution Liabilities
	Rupees			
- Fire and property	35%	11%	35%	14%
- Marine, aviation and transport	12%	7%	12%	2%
- Motor	47%	80%	30%	84%
- Miscellaneous	6%	2%	23%	0%
	100%	100%	100%	100%

	2024			
	Gross Claims Liabilities	Net Claims Liabilities	Gross Contribution Liabilities	Net Contribution Liabilities
	Rupees			
- Fire and property	79%	35%	56%	31%
- Marine, aviation and transport	0.21%	4%	12%	7%
- Motor	20%	61%	30%	63%
- Miscellaneous	0%	0%	1%	-1%
	100%	100%	100%	100%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

30.1.2 Sources of uncertainty in the estimation of future claims payment

Claims on general takaful contracts are payable on a claim occurrence basis. The PTF is liable for all covered events that occur during the term of the takaful contract including the event reported after the expiry of the takaful contract term.

An estimated amount of the claim is recorded immediately on the intimation to the operations. The estimation of the amount is based on management judgment or preliminary assessment by the independent surveyor appointed for this purpose. The initial estimates include expected settlement cost of the claims.

There are several variable factors which affect the amount and timing of recognized claim liabilities. The operations takes all reasonable measures to mitigate the factors affecting the amount and timing of claim settlements. However, uncertainty prevails with estimated claim liabilities and it is likely that final settlement of these liabilities may be significantly different from initial recognized amount.

30.1.3 Process used to decide on assumptions

The process used to determine the assumptions for calculating the outstanding claim reserve is intended to result in neutral estimates of the most likely or expected income. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate case to case basis with due regard to the claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Core estimates are reviewed regularly and are updated as and when new information is available.

The principal assumption underlying the liability estimation of IBNR and Contribution Deficiency Reserves is that the PTF's future claim development will follow similar historical pattern for occurrence and reporting. The management uses qualitative judgment to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgement includes external factors e.g. treatment of one-off occurrence claims, changes in market factors, economic conditions, etc.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Operator, in which case information about the claim event is available. IBNR provisions are initially estimated at a gross level and a separate calculation is carried out to estimate the size of re-takaful recoveries. The estimation process takes into account the past claims reporting pattern and details of reinsurance programs.

The details of estimation of outstanding claims (including IBNR) are given under note 5,16.

30.1.4 Sensitivity analysis

The risks associated with the takaful contracts are complex and subject to a number of variables with 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 claims recognised in the statement of financial position is adequate. However, actual experience may differ from the expected outcome.

The claim liabilities are sensitive to the incidence of covered events and severity / size of claims. 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 of PTF net of re-takaful.

10% increase in loss

Net

	Underwriting results		Participants' takaful fund	
	2025	2024	2025	2024
	Rupees			
Fire & property damage	(302,010)	(292,171)	(302,010)	(292,171)
Marine, aviation and transport	(380,938)	(246,066)	(380,938)	(246,066)
Motor	(998,777)	(449,573)	(998,777)	(449,573)
Miscellaneous	(9,876)	(27,261)	(9,876)	(27,261)
Total	(1,691,602)	(1,015,071)	(1,691,602)	(1,015,071)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

10% decrease in loss

Net

Fire & property damage
Marine, aviation and transport
Motor
Miscellaneous
Total

Underwriting results		Participants' takaful fund	
2025	2024	2025	2024
Rupees			
302,010	292,171	302,010	292,171
380,938	246,066	380,938	246,066
998,777	449,573	998,777	449,573
9,876	27,261	9,876	27,261
1,691,602	1,015,071	1,691,602	1,015,071

30.1.5 Concentration of risk

To optimise benefits from the principle of average and law of large numbers, geographical spread of risk is of extreme importance. There are a number of parameters which are significant in assessing the accumulation of risk with reference to the geographical location, the most important of which is risk survey.

Risk surveys are carried out on a regular basis for the evaluation of physical hazards associated with the insured property.

The adequate event limit is a multiple of the treaty capacity or the primary recovery from excess of loss treaty, which is very much in line with the risk management philosophy of the Company.

Re-takaful ceded does not relieve the Operator from its obligation towards participants and as a result the Operator remains liable for the portion of outstanding claims covered through re-takaful to the extent that re-takaful operator fails to meet the obligation under the re-takaful agreements.

The Operator minimizes its exposure to significant losses by obtaining re-takaful arrangements from a number of re-takaful operators, who are dispersed over several geographical regions.

The concentration of risk by type of contracts based on single risk with maximum exposure is summarised below:

	Gross sum insured		Re-takaful		Net Amount	
	2025	2024	2025	2024	2025	2024
Rupees in '000'						
Fire and property	78,701,473	93,633,855	36,764,833	52,060,649	41,936,640	41,573,206
Marine, aviation and transport	47,860,378	32,320,742	32,363,067	22,311,790	15,497,311	10,008,952
Motor	5,642,923	3,360,653	5,000	-	5,637,923	3,360,653
Miscellaneous	1,066,655	135,834	1,035,991	101,876	30,664	33,959
	133,271,429	129,451,084	70,168,891	74,474,315	63,102,538	54,976,769

30.2 Financial risk

The Operator is exposed to a variety of financial risks: market risk (comprising profit rate risk, and other price risk), liquidity risk and credit risk in relation to the financial statements on its statement of financial position. The Operator's overall risk management seeks to minimise potential adverse effects on the Operator's financial performance of such risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Operator's risk management framework. There are Board Committees and Management Committees for developing risk management policies and its monitoring.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

30.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of profit rate risk, foreign currency risk and other price risk. The Operator manages the market risk exposures by following internal risk management policies.

30.2.1.1 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 exposed to currency risk as majority of the transactions are carried out in Pakistan Rupees.

30.2.1.2 Other price risk

Other price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest 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.

30.2.1.3 Maturity profile of financial assets and liabilities

Maturity profile of financial assets and liabilities of Operators fund and Participants takaful fund.

Operators fund & Participants fund	2025						Total
	Profit / mark-up bearing			Non-Profit / mark-up bearing			
	Maturity within one year	Maturity after one year	Sub Total	Maturity within one year	Maturity after one year	Sub Total	
	Rupees						
Financial assets							
Investment mutual funds	-	-	-	148,341,114	-	148,341,114	148,341,114
Takaful / Re-takaful receivables	-	-	-	125,685,745	-	125,685,745	125,685,745
Receivable from PTF	-	-	-	28,827,149	-	28,827,149	28,827,149
Re-takaful recoveries against outstanding claims	-	-	-	20,861,602	-	20,861,602	20,861,602
Cash at bank	70,881,477	-	70,881,477	-	-	-	70,881,477
	70,881,477	-	70,881,477	323,715,610	-	323,715,610	394,597,087
Financial liabilities							
Provision for outstanding claims (including IBNR)	-	-	-	37,777,621	-	37,777,621	37,777,621
Takaful / Re-takaful payables	-	-	-	27,986,594	-	27,986,594	27,986,594
Other creditors and accruals	-	-	-	12,980,563	-	12,980,563	12,980,563
Payable to OPF	-	-	-	28,827,149	-	28,827,149	28,827,149
	-	-	-	107,571,927	-	107,571,927	107,571,927
On-balance sheet sensitivity gap total							
yield / mark-up rate risk	70,881,477	-	70,881,477	216,143,683			
Sensitivity gap	70,881,477	-	70,881,477	216,143,683			

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Operators fund & Participants fund

Financial assets

	2024						
	Profit / mark-up bearing			Non-Profit / mark-up bearing			Total
	Maturity within one year	Maturity after one year	Sub Total	Maturity within one year	Maturity after one year	Sub Total	
	Rupees						
Investment mutual funds	-	-	-	126,618,001	-	126,618,001	126,618,001
Takaful / Re-takaful receivables	-	-	-	140,196,734	-	140,196,734	140,196,734
Receivable from PTF	-	-	-	43,064,791	-	43,064,791	43,064,791
Accrued investment income	-	-	-	68,630	-	68,630	68,630
Re-takaful recoveries against outstanding claims	-	-	-	14,618,156	-	14,618,156	14,618,156
Cash at bank	22,811,919	-	22,811,919	-	-	-	22,811,919
	22,811,919	-	22,811,919	324,566,312	-	324,566,312	347,378,231

Financial liabilities

Provision for outstanding claims (including IBNR)	-	-	-	24,768,866	-	24,768,866	24,768,866
Takaful / Re-takaful Payables	-	-	-	139,497	-	139,497	139,497
Other Creditors and Accruals	-	-	-	20,988,193	-	20,988,193	20,988,193
Payable to OPF	-	-	-	43,064,791	-	43,064,791	43,064,791
	-	-	-	88,961,347	-	88,961,347	88,961,347

On-balance sheet sensitivity gap total

yield / mark-up rate risk	22,811,919	-	22,811,919	235,604,965
Sensitivity gap	22,811,919	-	22,811,919	235,604,965

Sensitivity analysis - profit rate risk

Profit rate risk is the risk that the value of a financial instrument will fluctuate due to change in the market profit rate. The profit based assets as on the statement of financial position date aggregates to Rs.70.881 million (2024: Rs. 22.811 million) as disclosed in note 30.2.1.3 above. There are no fixed rate financial instruments as on the balance sheet date. An increase or decrease in profit rates by 100 basis points has the effect of Rs. 0.71 million (2024: Rs.0.22 million) on profit before tax.

30.2.2 Liquidity risk

Liquidity risk is the risk that the Operations will not be able to meet its financial obligations as they fall due. The Operaor 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 operation's reputation. The following are the contractual maturities of financial liabilities based on the remaining period at the reporting date.

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	2025			
	Within one year	Over one year to five years	Over five years	Total
	Rupees			
Financial liabilities				
Outstanding claims including IBNR	37,777,621	-	-	37,777,621
Takaful / Retakful payables	27,986,594	-	-	27,986,594
Other creditors and accruals	12,980,563	-	-	12,980,563
	78,744,778	-	-	78,744,778

	2024			
	Within one year	Over one year to five years	Over five years	Total
	Rupees			
Financial liabilities				
Outstanding claims including IBNR	24,768,866	-	-	24,768,866
Takaful / Retakful payables	139,497	-	-	139,497
Other creditors and accruals	20,988,193	-	-	20,988,193
	45,896,556	-	-	45,896,556

30.2.3 Credit risk

Credit risk is the risk, which 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 operations attempts to control credit risk by monitoring credit exposures by undertaking transactions with a large number of counter parties in various industries and by continually assessing the credit worthiness of counter parties.

Concentration of credit risk

The bank balances and investment in mutual fund represents low credit risk as they are placed with reputed financial institutions with strong credit ratings.

The management monitors exposure to credit risk in contribution receivable from participants and amount due from co-takaful operators and re-takaful operators through regular review of credit exposure. The amount due from co-takaful and re-takaful operators represents low credit risk as they have strong credit ratings and have sound financial stability.

Exposure to credit risk

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

	2025	2024
	Rupees	
Receivable from PTF	28,827,149	43,064,791
Accrued investment income	-	68,630
Takaful / Re-takaful receivable	125,685,745	140,196,734
Re-takaful recoveries against outstanding claims	20,861,602	14,618,156
Cash at bank	70,881,477	22,811,919
	246,255,973	220,760,230

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The credit quality of Operators bank balances can be assessed with reference to external credit ratings as follows:

	Rating		Rating agency
	Short term	Long term	
Banks			
Meezan Bank Limited	A1+	AAA	VIS
MCB Islamic Bank Limited	A1	A+	PACRA
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS

Re-takaful Risk

Re-takaful ceded does not relieve the Participants' Takaful Fund from its obligation towards participants and, as a result, the Participants' Takaful Fund remains liable for the portion of outstanding claims covered through re-takaful to the extent that re-takaful operators fails to meet the obligation under the re-takaful agreements.

To minimise its exposure to significant losses from re-takaful companies insolvencies, the Operator obtains re-takaful Companies ratings from a number of re-takaful operators, who are dispersed over several geographical regions.

An analysis of all re-takaful assets recognised by the rating of the entity from which it is due are as follows:

Rating	Takaful / Re-takaful receivables	Re-takaful recoveries against outstanding claims	Prepaid re-takaful contribution ceded	2025	2024
Rupees					
A or above	72,413,346	19,928,829	75,261,953	167,604,129	80,491,922
BBB	-	932,773	1,678,384	2,611,157	1,814,301
	<u>72,413,346</u>	<u>20,861,602</u>	<u>76,940,337</u>	<u>170,215,285</u>	<u>82,306,223</u>

30.3 Fund management

The operator objectives when managing capital or to safeguard operator's ability to continue as going concern in order to provide returns for operator or participants and to offer benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the amount of return paid to operators or to participants may be adjusted.

30.4 Fair value of financial instruments

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

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Total	Level 1	Level 2	Level 3
	Rupees			
Financial assets measured at fair value				
Available for sale investments		-		-
As at December 31, 2025	148,341,114	-	148,341,114	-
As at December 31, 2024	126,618,001	-	126,618,001	-

30. STATEMENT OF SOLVENCY - PTF

ASSETS

	2025	2024
	Rupees	
Investments-Mutual funds	22,022,354	11,023,835
Takaful / re-takaful receivables	125,685,745	140,196,734
Deferred wakala fee	28,547,666	23,824,137
Accrued investment income	-	68,630
Retakaful recoveries against outstanding claims	20,861,602	14,618,156
Prepayments	76,940,337	37,044,691
Cash at bank	61,160,008	13,308,725
Total Assets	335,217,712	240,084,908

In-admissible assets as per following clauses of section 32(2) of the Insurance Ordinance, 2000

Contribution due since more than three months	45,746,802	65,381,165
Total of in-admissible assets	45,746,802	65,381,165

Total Admissible Assets

289,470,910 174,703,743

Liabilities

Underwriting provisions	37,777,621	24,768,866
Outstanding claims including IBNR	128,978,313	71,568,823
Unearned contribution reserves	5,550,801	6,849,805
Reserve for unearned retakaful rebate	27,986,594	139,497
Takaful / Re-takaful payable	10,151,478	3,406,591
Other Creditors and Accruals	28,827,149	43,064,791
Payable to OPF	239,271,956	149,798,373
Total Liabilities	239,271,956	149,798,373

Total net admissible assets

50,198,954 24,905,370



NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

31.1 In the absence of any specific guidance, "prepaid re-takaful contribution ceded" and "Deferred wakala fee" has been treated as admissible asset for the purposes of this statement. further no minimum solvency requirement is not defined for Takaful operation.

32. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

33. DATE OF AUTHORIZATION FOR ISSUE

These financial statement have been authorized for issue on 1st April, 2026 by the Board of Directors of the Operator.



Irfan Zakaria Bawany
Chairman

Karachi: 01st April, 2026



Mohammad Omar Bawany
Director



Zia Zakaria
Director



Ghulam Haider
Chief Financial Officer



A. Razak Ahmed
Chief Executive & Managing Director

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Mr. Najamullah Khan
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