

## ADVICE FOR INVESTORS

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, **ESPECIALLY THE RISK FACTORS GIVEN AT SECTION 5 AND SEEK PROFESSIONAL ADVICE**, BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT SECTION 5 OF THE PROSPECTUS.

## ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET-WORTH INDIVIDUALS

A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BID IS PROHIBITED UNDER THESE REGULATIONS. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT A SUPPLEMENT TO THE PROSPECTUS SHALL BE PUBLISHED WITHIN ONE WORKING DAY OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, THE OFFER PRICE, NAMES OF THE UNDERWRITERS OF THE RETAIL PORTION OF THE ISSUE, UNDERWRITING COMMISSION, BIFURCATING AS TAKE UP COMMISSION OR ANY OTHER, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM, DATES OF PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS SPECIFIED BY THE COMMISSION.

THIS PROSPECTUS CONTAINS FORWARD – LOOKING STATEMENTS. ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACTS CONTAINED IN THIS PROSPECTUS, INCLUDING STATEMENTS REGARDING FUTURE RESULTS OF OPERATIONS AND FINANCIAL POSITION, BUSINESS STRATEGY AND PLANS AND OBJECTIVES OF MANAGEMENT FOR FUTURE OPERATIONS, TIMELINES RELATING TO IMPLEMENTATION PLAN ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THE FORWARD-LOOKING STATEMENTS



## Pak-Qatar General Takaful Limited PROSPECTUS FOR INITIAL PUBLIC OFFERING

**Date and place of incorporation:** March 15, 2006, Karachi, **Incorporation number:** 0054339, **Registered & Corporate Office:** 402 – 404, 4th Floor, Business Arcade, Block 6, P.E.C.H.S, Shahr-e Faisal, Karachi, **Contact No:** +92 21 34380357 – 61, **Website:** <https://pggtl.com.pk/>, **Email:** [info@pakqatar.com.pk](mailto:info@pakqatar.com.pk), **Contact Persons:** Mr. Muhammad Kamran Saleem (Executive Director & Company Secretary), **Phone:** +92-21-34326106, **Email:** [kamran.saleem@pakqatar.com.pk](mailto:kamran.saleem@pakqatar.com.pk); Mr. Saqib Zeeshan (Chief Executive Officer), **Phone:** +92-21-34380357-61, **Ext:** 111, **Email:** [saqib.zeeshan@pakqatar.com.pk](mailto:saqib.zeeshan@pakqatar.com.pk); Mr. Muhammad Saleem (Chief Financial Officer), **Phone:** +92-21-34380357-61, **Ext:** 108, **Email:** [muhammad.saleem@pakqatar.com.pk](mailto:muhammad.saleem@pakqatar.com.pk).

**Issue Size:** The Issue consists of 30,000,000 Ordinary Shares (i.e. 29.67% of the total post-IPO paid up capital of Pak-Qatar General Takaful Limited) of face value of PKR 10.00/- each.

### Method of Offering: Book Building Method

**Book Building Method and Floor Price:** Seventy five percent (75%) of the Issue size i.e., 22,500,000 shares will be offered through Book Building Method at a Floor Price of PKR 10.00/- per share with a maximum price band of up to 40 % (PKR 14). Justification of Issue Price is given under "Valuation section", i.e. Section 4A). The Bidders shall be allowed to place Bids for seventy-five (75%) of the Issue size and the Strike Price shall be the price at which seventy-five percent (75%) of the Issue is subscribed. The remaining twenty-five percent (25%) i.e., 7,500,000 shares, shall be offered to the retail investors through General Public portion.



**Retail/General Public Portion:** General Public portion of the Issue comprises of 7,500,000 ordinary shares (25% of the total issue) at the Strike Price. The retail portion of the public offer shall be fully underwritten.

**Public Comments:** Draft Prospectus was placed on PSX's website to seek public comments starting from December 03, 2025, to December 10, 2025, and all public comments received were duly addressed by the Consultant to the Issue.

**REGISTRATION OF ELIGIBLE INVESTORS:** The registration of eligible investors will commence at 9:00 am on January 16, 2026, and will close at 3:00 pm on January 22, 2026

**BIDDING PERIOD DATES:** From January 21, 2026, to January 22, 2026; From: 9:00 am to 5:00 pm

**DATE OF PUBLIC SUBSCRIPTION:** From January 28, 2026, to January 29, 2026 (starting and ending at midnight both days inclusive)

<b>Consultant to the Issue</b>  <b>ARIF HABIB LIMITED</b>	<b>Eligible Participants for Book Building</b> Securities Broker, Mutual Funds, Scheduled Banks, and Designated Financial Institutions that are clearing members of the NCCPL, and Trading only Brokers <sup>1</sup>	<b>Underwriter to the Issue</b>  <b>ARIF HABIB LIMITED</b>
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For retail portion/general public portion, investors can submit application(s) through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized E-IPO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com). There is no transaction limit on making payment through e-banking channels. 1Link through Memo dated August 22, 2024, has instructed all its member banks to remove the limits on transfer of funds for transactions executed through e-IPO platforms. For details, please refer to Section 13.1.4 of the Prospectus.

**Date of Publication of this Prospectus:** January 15, 2026

Prospectus and Bidding Forms can be downloaded from the following websites: <https://pggtl.com.pk/>, <http://www.psx.com.pk>, [www.cdceipo.com](http://www.cdceipo.com) and <http://www.arifhabibltd.com>.

### For Further Queries you may Contact

**Pak-Qatar General Takaful:** Mr. Muhammad Kamran Saleem (Executive Director & Company Secretary), **Phone:** +92-21-34326106 | **Email:** [kamran.saleem@pakqatar.com.pk](mailto:kamran.saleem@pakqatar.com.pk); Mr. Muhammad Saleem (Chief Financial Officer), **Phone:** +92-21-34380357-61, **Ext:** 108, | **Email:** [muhammad.saleem@pakqatar.com.pk](mailto:muhammad.saleem@pakqatar.com.pk); **Arif Habib Limited:** Hamza Rehan (AVP – Investment Banking), **Phone:** +92-21-38280273 | **Email:** [hamza.rehan@arifhabibltd.com](mailto:hamza.rehan@arifhabibltd.com); Ali Raza (Senior Analyst – Investment Banking), **Phone:** +92-21-3828-0272 | **Email:** [ali.raza@arifhabibltd.com](mailto:ali.raza@arifhabibltd.com) | Muhammad Faizan Qureshi (Senior Analyst – Investment Banking), **Phone:** +92-21-3828-0276 | **Email:** [faizan.qureshi@arifhabibltd.com](mailto:faizan.qureshi@arifhabibltd.com).

**The Company is proposed to be listed at the Pakistan Stock Exchange Limited**

<sup>1</sup> Provided that Trading only Securities Brokers shall also be eligible to act as Eligible Participant for Book Building. PCM shall create separate accounts for TO Brokers. TO Brokers shall allowed to participate in the Book Building from the proprietary account and may also onboard its clients.

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NBP-0050-2508120008524107

GoS-KHI-84AC0719B6CFA1D6

Non-Judicial

Rs 500/-

Description :	Bond - 10(A)
Indemnifier/Mortgagor :	SSCP [00000000]
Indemnified/Mortgagee :	Pak Qatar General Takaful Limited (PQGTL) [28400909]
Applicant :	Muhammad Amir Ashfaq [42301-4261854-9]
Stamp Duty Paid by :	Pak Qatar General Takaful Limited (PQGTL) [28400909]
Issue Date :	12-Aug-2025, 04:06:09 PM
Paid Through Challan :	2025504DC3080DGB
Amount in Words :	Five Hundred Rupees Only

You can verify your e-Stamp paper by scanning the QR code or online at [www.estamps.gos.pk](http://www.estamps.gos.pk) using the "Verification Through Web"

Dated: 14<sup>th</sup> Nov, 25

**UNDERTAKING**

WE, SAQIB ZEESHAN, THE CHIEF EXECUTIVE OFFICER AND MUHAMMAD SALEEM, THE CHIEF FINANCIAL OFFICER OF PAK-QATAR GENERAL TAKAFUL LIMITED CERTIFY THAT:

- THE PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
- THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
- THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
- THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THIS PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING; AND
- ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED
- NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THE PROSPECTUS.

FOR AND BEHALF OF PAK-QATAR GENERAL TAKAFUL LIMITED  
  
SAQIB ZEESHAN  
CHIEF EXECUTIVE OFFICER

MUHAMMAD SALEEM  
CHIEF FINANCIAL OFFICER

**Note:** This Supplement shall be published within 1 working day of the close of Bidding Period in at least all those newspapers in which the Prospectus of Pak-Qatar General Takaful is published.

## SUPPLEMENT TO THE PROSPECTUS

This Supplement is being published pursuant to The Public Offering Regulations, 2017 and in continuation of the Prospectus of Pak-Qatar General Takaful Limited earlier published on January 23, 2026.

### Pak-Qatar General Takaful

- FLOOR PRICE: PKR 10.00/- PER SHARE
- STRIKE PRICE: PKR [•] /- PER SHARE
- ISSUE PRICE: PKR [•] /- PER SHARE
- PRICE BAND (MAXIMUM 40 %): PKR 14 /- PER SHARE

### Underwriter to the Retail Portion of the Issue

Sr. No.	Name(s) of Underwriter	No. of Shares Underwritten	Underwriting Fee (%)	Take-up Commission (%)	Amount Underwritten (at Floor Price of PKR 10.00)	Amount Underwritten (at Cap Price of PKR 14.00)
1.	Arif Habib Limited	7,500,000	1.00%	1.00%	75,000,000	105,000,000

### Category Wise Breakup of Successful Bidders

Sr. No.	Category	No. of Bidders	No. of Shares Provisionally Allocated
<b>Institutional Investors:</b>			
1.	Commercial Banks	•	•
2.	Development Financial Institutions	•	•
3.	Mutual Funds	•	•
4.	Insurance Companies	•	•
5.	Investment Banks	•	•
6.	Employees' Provident / Pension Funds	•	•
7.	Leasing Companies	•	•
8.	Modarabas	•	•
9.	Securities Brokers	•	•
10.	Foreign Institutional Investors	•	•
11.	Any other Institutional Investors	•	•
<b>Total Institutional Investors</b>			
<b>Individual Investors:</b>			
12.	Foreign Investors	•	•
13.	Local	•	•
<b>Total Individual Investors</b>			
<b>GRAND TOTAL</b>			

**Glossary of Technical Terms**

ACT	Securities Act, 2015
AHL	Arif Habib Limited
AMC	Asset Management Company
Bn	Billion
BVPS	Book Value Per Share
CAGR	Compound Annualized Growth Rate
CAPEX	Capital Expenditure
CDC / CDCPL	Central Depository Company of Pakistan Limited
CDS	Central Depository System
CES	Centralized e-IPO System
Commission / SECP	The Securities and Exchange Commission of Pakistan
Companies Act	Companies Act, 2017
CPI	Consumer Price Index
CY	Calendar Year
EPS	Earnings Per Share
FY	Financial Year
GDP	Gross Domestic Product
GPW	Gross Premiums (Contributions) Written
IMC	Investment Management Charge
IPO	Initial Public Offering
IBNR	Incurred But Not Reported
JV	Joint Venture
LC	Letter of Credit
LG	Letter of Guarantee
LOB	Line of Business
Mn	Million
NICOP	National Identity Card for Overseas Pakistani
NIP	National Industrial Park
NOC	No Objection Certificates
P.A.	Per Annum
PES	PSX's e-IPO System
PKR or Rs.	Pakistan Rupee(s)
PPE	Property, Plant and Equipment
PQAMC	Pak-Qatar Asset Management Company Limited



PQGTL	Pak-Qatar General Takaful Limited
PQFTL	Pak-Qatar Family Takaful Limited
PRIDE	Public Offerings Revolutionized through an Integrated & Digitized Experience
PTF	Participants' Takaful Fund
PSX / Securities Exchange	Pakistan Stock Exchange Limited
S&P	Standard and Poor
SBP	State Bank of Pakistan
SHF	Shareholders' Fund
SLA	Straight-line amortization
TTM	Trailing Twelve Months
UIN	Unique Identification Number
USD	United States Dollar

## DEFINITIONS

<b>Application Money</b>	In case of bidding for shares out of the Book Building portion, the total amount of money paid by a Bidder, which is equivalent to the product of the Bid Price and the number of shares.
<b>Aqd Tabarru</b>	A unilateral contract of donation under which a participant voluntarily contributes a portion of funds for the purpose of mutual assistance and risk-sharing among all participants. The contribution is made without any expectation of return and is used to meet claims and liabilities arising within the risk pool
<b>Bid</b>	An indication to make an offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of Pak-Qatar General Takaful Limited at a price at or above the floor price, including upward revisions thereto. <b>An Eligible Investor shall not make a bid with price variation of more than 10% of the prevailing indicative strike price subject to a maximum price band of 40% of the Floor Price. Please refer to Section 12.1.2 for details.</b>
<b>Bid Amount</b>	The amount equals the product of the number of shares Bid for and the Bid price.
<b>Bid Price</b>	The price at which a bid is made for a specified number of shares.
<b>Bid Revision</b>	<p>The Eligible Investors can revise their bids upward subject to the provision of regulation 10(2)(iii) of the PO Regulations. The bids can be revised with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with Regulation 10(2)(iii) of the PO Regulations.</p> <p><b>As per regulation 10(2)(vi) of the PO Regulations, the bidder shall not make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same.</b></p> <p><b>As per regulation 10(2)(vii) of the PO Regulations, the bidder shall not withdraw their bids.</b></p>
<b>Bidder</b>	An Eligible Investor who makes bids for shares in the Book Building process.
<b>Book Building</b>	A process undertaken to elicit demand for shares offered through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels.
<b>Book Building Portion</b>	The part of the total Issue allocated for subscription through the Book Building.
<b>Book Building System</b>	An online electronic system operated by the Designated Institution for conducting Book Building.
<b>Cede Amount</b>	The initial and ongoing capital contributions made by the takaful operator (shareholders) to the Participant Takaful Fund (Waqf fund), representing the operator's financial commitment to support the fund's capital base.

<b>Cession Ratio</b>	The proportion of total risk or contributions that a Takaful or insurance company transfers to Re-Takaful or reinsurance companies.
<b>Company</b>	Pak-Qatar General Takaful Limited (the “ <b>Company</b> ” or “ <b>PQGTL</b> ” or the “ <b>Issuer</b> ”).
<b>Company’s Legal Advisor</b>	Nishtar & Zafar, Advocates & Legal Consultants
<b>Commission</b>	Securities & Exchange Commission of Pakistan (“ <b>SECP</b> ”).
<b>Consolidated Bids</b>	A bid which is fully or partially beneficially owned by persons other than the one named therein.
<b>Consultant to the Issue</b>	Any person licensed by the Commission to act as Consultant to the Issue.  <b>Arif Habib Limited</b> has been appointed as Lead Manager/Consultant to the Issue by the Issuer.
<b>Designated Institution</b>	Includes the securities exchange, central depository and clearing company to provide the Book Building System for conducting Book Building.
<b>Dutch Auction Method</b>	The method through which Strike Price is determined by arranging all the Bid Prices in descending order along with the number of shares and the cumulative number of shares bid for at each Bid Price. The Strike Price is determined by lowering the price to the extent that the total number of shares Issued under the Book Building Portion are subscribed.
<b>E-IPO Facility</b>	<p>E-IPO refers to the electronic platform through which investors can submit applications for public subscription of securities electronically with payment through e-banking channels. Retail investors shall be able to participate in the public subscription through only the e-IPO platforms provided by CDC and PSX.</p> <p>The following systems are available for e-IPO:</p> <p><b>(i) PSX’s e-IPO System (PES):</b> To facilitate investors, the Pakistan Stock Exchange Limited (“PSX”) has developed an e-IPO System (“PES”) through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (<a href="https://eipo.psx.com.pk">https://eipo.psx.com.pk</a>). Payment of subscription money can be made through 1LINK’s and NIFT’s member banks available for PES.</p> <p>For making application through PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by:</p> <ul style="list-style-type: none"> <li>the investor himself, or</li> <li>the TREC Holder with whom the investor has a sub-account, or</li> <li>the Bank with whom the investor has a bank account.</li> </ul> <p>Similarly, an e-IPO application can be filed by:</p> <ul style="list-style-type: none"> <li>the investor himself, or</li> <li>the TREC Holder with whom the investor has a sub-account, or</li> </ul>

- the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad, Deputy General Manager - IT Division at phone number: 111-001-122 or (021)-35274401-10, or email: [itss@psx.com.pk](mailto:itss@psx.com.pk).

Investors who are registered with PES can submit their applications through the web link, <https://eipo.psx.com.pk>, 24 hours a day during the subscription period which will close at midnight on January 29, 2026.

**(ii) Centralized e-IPO System (CES):** To facilitate investors, the Central Depository Company of Pakistan ("CDC") has developed a Centralized e-IPO System ("CES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. CES can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK's member banks available for CES. There is no transaction limit on making payment through e – banking channels. For making application through CES, investors must be registered with CES. Registration with CES is free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific Company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and can also make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in Investors' subaccount. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC's IPO Facilitation Account and investor can contact CDC for credit of shares in its respective account.

Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details.

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com) or contact Mr. Farooq Ahmed Butt, Senior Manager – Operations, at Phone 021-34326030 and email: [farooq\\_butt@cdcpak.com](mailto:farooq_butt@cdcpak.com).

Investors who are registered with CES can submit their applications through the web link [www.cdceipo.com](http://www.cdceipo.com) 24 hours a day during the subscription period which will close at midnight on January 29, 2026.



	<p><b>IPO Facilitation Account (IFA):</b></p> <p>Investors who do not have investor account or sub account can subscribe to an IPO application by opting for the IPO facilitation account. IPO Facilitation Account is an account to be maintained by CDC separately for each IPO wherein securities of such successful applicants who do not have CDS Accounts at the time of making subscription application, shall be parked for a certain period of time. Subsequent to parking, all the successful applicants shall be intimated via email to open an Investor Account with CDC or Sub-Account with any of the CDS Participants (i.e. licensed securities brokers or commercial banks). Upon opening of CDS Account, successful applicants shall approach CDC Investor Account Services and securities of such successful applicants shall be moved from the IFA to their respective CDS Accounts.</p>
<b>Eligible Investor</b>	An Individual or Institutional Investor whose Bid Amount is not less than the minimum bid size of PKR 2,000,000/- (Two Million Rupees only).
<b>Eligible Participant for Book Building (Eligible Participant)</b>	<p>Eligible Participant shall include securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing member of NCCPL.</p> <p>Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building. Provided further that in case of Trading Only Securities Broker, Professional clearing members shall collect the margin money from the bidders and deposit the same with NCCPL.</p>
<b>Floor Price</b>	In case of book building means the minimum price per share set by the Issuer in consultation with Consultant to the Issue.
<b>GDP</b>	Gross domestic product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.
<b>General Public</b>	All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors.
<b>Initial Public Offer (IPO)</b>	Initial Public Offering or IPO means first time offer of securities to the general public.
<b>Institutional Investors</b>	<p>Any of the following entities:</p> <ul style="list-style-type: none"> <li>(i) A financial institution.</li> <li>(ii) A company as defined in the Companies Act, 2017.</li> <li>(iii) An insurance company established under the Insurance Ordinance, 2000.</li> <li>(iv) A securities broker.</li> <li>(v) A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.</li> <li>(vi) A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005.</li> <li>(vii) A private fund established under Private Fund Regulations, 2015.</li> <li>(viii) Any employee's fund established for the benefit of employees.</li> <li>(ix) Any other fund established under any special enactment.</li> <li>(x) A foreign company or any other foreign legal person; and</li> </ul>

	(xi) Any other entity as specified by the Commission.
<b>Issue</b>	This Issue consists of 30,000,000 Ordinary Shares representing 29.67% of total post-IPO paid – up capital having Face Value of PKR 10.00/- each.
<b>Issue Price</b>	The price at which Ordinary Shares of the Company are issued to the General Public/retail portion. The Strike Price will be the Issue Price.
<b>Issuer</b>	Pak-Qatar General Takaful Limited
<b>Key Employees</b>	Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company.
<b>Limit Bid</b>	The bid at a Limit Price.
<b>Limit Price</b>	The maximum price (up to 40% of the Floor Price) a prospective Bidder is willing to pay for a share under Book Building.
<b>Listing Regulations</b>	Chapter 5 of the Rule Book of the Pakistan Stock Exchange Limited, titled 'Listing of Companies and Securities Regulation'.  The aforementioned regulations can be found at the following link; <a href="https://www.psx.com.pk/psx/themes/psx/uploads/PSX-Regulations-November-24-2025.pdf">https://www.psx.com.pk/psx/themes/psx/uploads/PSX-Regulations-November-24-2025.pdf</a>
<b>Margin Money</b>	<p>The partial or total amount, as the case may be, paid by a bidder at the time of registration as an Eligible Investor. The Eligible Participants shall collect full amount of the bid money as Margin Money from the Bidders and deposit same with the NCCPL. Individual Investors and Institutional Investors shall pay 100% of bid amount as margin money to the Eligible Participants.</p> <p>Provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.</p> <p>Eligible Participants that are Banks, Development Finance Institutions, and Mutual Funds, shall be allowed to participate in the book building with 0% margin money for proprietary trade.</p> <p>Provided that the Banks and Development Finance Institutions shall provide standing instruction to the NCCPL to directly debit the bank account in case of default; and Mutual Funds shall provide Irrevocable Undertaking from the Trustee.</p>
<b>Minimum Bid Size</b>	The Bid amount is equal to Two Million Rupees (PKR 2,000,000/-).
<b>Modarib</b>	Modarib refers to the Takaful Operator acting as an investment manager who manages the investments of the Participants' Takaful Fund on a profit-sharing basis, in accordance with Shariah principles. The Modarib earns a pre-agreed share of the investment profits but bears no liability for losses, except in cases of negligence or violation of Shariah rules.
<b>Non-Proportional Treaties</b>	Non-proportional treaties are arrangements where the re-takaful operator covers losses exceeding a defined retention or threshold,

	without sharing contributions proportionately (e.g., excess of loss), primarily to protect against large or catastrophic claims.
<b>Ordinary Shares</b>	Ordinary Shares of Pak-Qatar General Takaful Limited having face value of PKR 10.00/- each.
<b>Participants</b>	Individuals or entities that contribute to a takaful fund to mutually share and cover risks in accordance with Shariah principles. The term is often used interchangeably with policyholders, especially when drawing parallels with conventional insurance.
<b>Policyholder</b>	Individuals or entities that own an insurance policy, having entered into a contractual agreement with an insurer to receive financial protection against specified risks in exchange for premium payments.
<b>PO Regulations</b>	The Public Offering Regulations, 2017 <a href="https://secp.gov.pk/document/public-offering-regulations-2017-updated-august-6-2025/?wpdmdl=61673&amp;refresh=68c2b70f425cc1757591311">secp.gov.pk/document/public-offering-regulations-2017-updated-august-6-2025/?wpdmdl=61673&amp;refresh=68c2b70f425cc1757591311</a>
<b>Price Band</b>	Floor Price with an upper limit of 40% above the Floor Price, i.e. PKR 10.00/-, allowing Bidder to make Bid at Floor Price or within the Price Band.
<b>Prospectus</b>	Prospectus includes any document, notice, circular, material, advertisement, offer for sale document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a company, body corporate or entity, other than deposits invited by a bank and certificate of investments and certificate of deposits issued by non-banking finance companies.
<b>Penta Takaful System</b>	<p>A Shariah-compliant Takaful and insurance management system supporting Family and General Takaful. It integrates underwriting, claims, accounting, and finance with dual-fund control (PTF &amp; OPF) for transparency. Used across Malaysia, Pakistan, and the GCC, it enables full automation and scalability.</p> <p>This system uses dual fund control to provide real-time operational data for each participant, which facilitates precise risk assessment and transparent fund management, thereby supporting operational efficiency and future growth.</p>
<b>Proportional Treaty</b>	Proportional treaties are re-takaful arrangements where the takaful operator and the re-takaful operator share contributions, claims, and liabilities in an agreed proportion (e.g., quota share or surplus)
<b>Qard-e-Hasana</b>	Qard-e-Hasana refers to an interest free loan extended by the Takaful Operator to the Participants' Takaful Fund to cover any deficit, which is repayable solely from future surpluses of the Participants' Takaful Fund, without any additional charge, profit, or benefit.
<b>Registration Period</b>	The period during which registration of bidders is carried out. The registration period shall commence three days before the start of the Bidding Period and shall remain open till 3:00 pm on the last day of the Bidding Period.

	The bidding shall remain open for at least two working days. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
<b>Related Employees</b>	Related Employees mean such employees of the Issuer, the Offeror, the Underwriters, and the Consultants to the Issue, who are involved in the Issue or the Offer for Sale. Please refer to Section 3A (vi) for further details.
<b>Re-Takaful</b>	A Shariah-compliant form of reinsurance where the Takaful Operator transfers part of its risk to another Takaful or Re-Takaful company for risk sharing and protection.
<b>Sponsor</b>	<p>A person who has contributed initial capital in the issuing company or has the right to appoint majority of the directors on the board of the issuing company directly or indirectly.</p> <p>A person who replaces the person referred to above; and</p> <p>A person or group of persons who has control of the issuing company whether directly or indirectly.</p>
<b>Step Bid</b>	Step Bid in case of shares means a series of Limit Bids at increasing prices provided that Bid Amount of any step is not less than minimum bid size. In case of a step bid the amount of each step will not be less than Rupees Two Million (PKR 2,000,000/-).
<b>Strike Price</b>	The price per ordinary share of the Issue determined / discovered on the basis of Book Building process in the manner provided in the Public Offering Regulations 2017, at which the shares are Issued to the successful bidders.
<b>Supplement to the Prospectus</b>	The Supplement to the Prospectus shall be published within One (1) working day of the close of the Bidding Period at least in all those newspapers in which the Prospectus was earlier published and disseminated through the Securities Exchange where shares are to be listed.
<b>Wakala Fee</b>	The compensation or service fee paid to an agent (wakeel) for performing tasks or managing affairs on behalf of the principal under a Wakalah arrangement.
<b>Waqif</b>	The person or entity that establishes a waqf by donating or setting aside assets for a specified Shari'ah - compliant purpose. In the context of a Takaful structure, the waqif initiates the waqf fund, defines its objectives, and contributes the initial donation used for risk-sharing among participants.

**Interpretation:**

ANY CAPITALIZED TERM CONTAINED IN THIS PROSPECTUS, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.



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## 1. APPROVALS AND LISTING ON THE STOCK EXCHANGE

### 1.1. APPROVAL OF THE SECURITIES EXCHANGE AND COMMISSION OF PAKISTAN

Approval of the Securities Exchange and Commission of Pakistan (collectively referred to as the “Regulators”) under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof, has been obtained by Pak-Qatar General Takaful Limited (“PQGTL” or the “Company”) for the issue, circulation and publication of this offering document (hereinafter referred to as the “Prospectus”) vide their respective letters, bearing Letter Nos. **GEN - 2254** dated **December 21, 2025** and **SMD/PO/SA.88/12/2025/338** dated **January 07, 2026**, respectively.

#### DISCLAIMER

- (a) THE SECURITIES EXCHANGE AND COMMISSION HAS NOT EVALUATED THE QUALITY OF THE ISSUE AND ITS APPROVAL SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE OF THE SAME. THE PUBLIC/INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.
- (b) THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY THE SECURITIES EXCHANGE AND COMMISSION.
- (c) THE CONTENTS OF THIS DOCUMENT DO NOT CONSTITUTE AN INVITATION TO INVEST IN SHARES OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY THE SECURITIES EXCHANGE AND COMMISSION, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT WITH ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF THE EXCHANGE AND COMMISSION.
- (d) IT IS CLARIFIED THAT INFORMATION IN THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY THE SECURITIES EXCHANGE AND COMMISSION AND MUST NOT BE TREATED AS A SUBSTITUTED FOR SPECIFIC ADVICE.
- (e) THE SECURITIES EXCHANGE AND COMMISSION DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANYONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO INACCURACIES, INCOMPLETENESS AND/OR MISTAKES, FOR DECISIONS AND/OR ACTIONS TAKEN, BASED ON THIS DOCUMENT.
- (f) SECURITIES EXCHANGE AND COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIALS SOUNDNESS OF THE COMPANY AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARDS TO THEM BY THE COMPANY IN THIS PROSPECTUS.
- (g) ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY PARTICULAR INVESTMENT

### 1.2. FILING OF PROSPECTUS AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES

Pak-Qatar General Takaful Limited has filed with the Registrar of Companies as required under Section 57 (1) of the Act, a copy of this Prospectus signed by all the Directors of the Company.

### 1.3. LISTING ON PSX

Application has been made to PSX for permission to deal in and for quotation of the shares of the Company.

In accordance with Section 69 of the Companies Act, 2017, any allotment made on the basis of this Prospectus shall be void if such permission has not been applied for within seven (7) days after the first issue of this Prospectus or, having been applied for, is not granted within twenty-one (21) days from the closing of the

subscription lists (or within such extended period, not exceeding forty-two (42) days, as may within the said twenty-one (21) days be notified by PSX).

If permission to deal in and quote the shares is not granted within the above period, the Company shall forthwith refund, without surcharge, all money received from applicants in pursuance of this Prospectus. If any such money is not repaid within eight (8) days after the Company becomes liable to repay it, the Directors shall be jointly and severally liable to repay that money from the expiration of the eighth day together with a surcharge at the rate of two percent (2%) per month or part thereof and shall, in addition, be liable to a penalty of Level 3 on the standard scale as prescribed under the Act.

All monies received from applicants shall be deposited and kept in a separate bank account in a scheduled bank until the Company is no longer liable to repay such amounts under sub-section (2) of Section 69. In the event of default in complying with this requirement, the Company and every officer who authorizes or permits the default shall be liable to a penalty of Level 2 on the standard scale in accordance with the provisions of the Act.

## 2. SUMMARY OF THE PROSPECTUS

### 2.1. PRIMARY BUSINESS OF THE PAK – QATAR GENERAL TAKAFUL LIMITED

**Pak-Qatar General Takaful Limited** (“PQGTL” or the “Company”) is among the pioneers of Pakistan’s Dedicated Takaful industry and one of the leading providers of Shariah-compliant general (non-life) insurance solutions. Incorporated in 2006 under the Companies Ordinance, 1984 and commencing operations in 2007, the Company is licensed and supervised by the Securities and Exchange Commission of Pakistan (“SECP”). With its head office in Karachi and a network of 8 branches across four provinces, PQGTL extends its services to both individual and corporate clients throughout the country.

City	Address
<b>Head Office</b>	
<b>Karachi</b>	Suite # 402 – 403, Business Arcade, Block 6, P.E.C.H.S, Sharah-e-Faisal.
<b>Location of Branches</b>	
<b>Karachi</b>	Office 306, Business Arcade, Plot No. # 27/A, Block 6, P.E.C.H.S, Sharah-e-Faisal.
<b>Islamabad</b>	4th Floor, Chenab Center 104-E, Jinnah Avenue, Blue Area.
<b>Lahore</b>	15-Ilyas Street, Noon Avenue, Main Upper Canal Road, Old Muslim Town.
<b>Peshawar</b>	Office No. 406 – 410, 4th Floor, City Towers, Block – C, Plot No. 18 – E, University Road.
<b>Multan</b>	1st Floor, Zakariya Arcade, Opposite Khana-e-Farhang-e-Iran.
<b>Sialkot</b>	Shop # 312, Al-Khalil Centre, 2nd Floor, Kashmir Road.
<b>Faisalabad</b>	2nd Floor, P-14 Usman Plaza, Opposite Shell Petrol Pump, Kotwali Road.
<b>Sukkur</b>	Mezzanine Floor, Chamber Avenue Building, Near Chamber of Commerce, Bunder Road.

Takaful, the Shariah-compliant alternative to conventional insurance, was first introduced in Sudan in 1979 and has since developed into an established segment of the global Islamic finance industry. Over the years, it has gained prominence in countries such as Malaysia, Bahrain, the Kingdom of Saudi Arabia, and the United Arab Emirates, where it has become a key part of the financial ecosystem. In Pakistan, the SECP has played a central role in promoting the industry by developing a comprehensive regulatory framework that provides clarity, standardization, and investor confidence. The SECP formally defines Takaful as a system of Islamic insurance based on the principles of *Ta’awun* (mutual assistance) and *Tabarru* (voluntary contribution), where risk is shared collectively by the group. The concept of voluntary contribution refers to the portion of the Participants’ payment that is pooled to provide mutual protection to the group. Takaful contributions may be structured as fixed or floating premiums, depending on the product and underwriting requirement. Operated on the values of shared responsibility, brotherhood, solidarity, and cooperation, this model ensures financial protection for participants against defined risks in a Shariah-compliant manner.<sup>2</sup>

Backed by this regulatory foundation, Takaful has evolved into a fast-growing component of Pakistan’s financial services sector. It complements the broader Islamic finance industry, which includes Islamic banking, Sukuk, and Shariah-compliant asset management, by offering ethical risk mitigation tools to both individuals and businesses. Industry growth between 2023 and 2028 is expected to remain strong, driven by demographic trends, rising awareness, and greater demand for Shariah-compliant financial solutions.<sup>3</sup> As one of the early entrants, PQGTL has positioned itself at the forefront of this expansion, contributing to the development of the Takaful market in Pakistan. As part of the broader Pak-Qatar Group, which also includes Pak-Qatar Family Takaful Limited, the first Islamic life insurer in Pakistan, and Pak-Qatar Asset Management Company, the Company benefits from a strong foundation of financial strength and presence on its Board provided by its Qatar-based sponsors, namely Qatar International Islamic Bank (QIIB), Qatar Islamic Insurance Group (QIIG), and Pak-Qatar Investment (Private) Limited. Its risk management capabilities are further strengthened through established Re-takaful arrangements with leading regional and international institutions, including Kuwait Re-takaful, Saudi Re, Arab Re, Oman Re, Kenya Re, Tunis Re, and Pakistan Reinsurance Company Limited (Window Re-takaful). Presented below is a snapshot highlighting the key facts and figures of the Pak – Qatar Group:

<sup>2</sup> <https://www.secp.gov.pk/document/takaful-guide/?wpdmdl=17877&refresh=693fec9eadaec1765797022>

<sup>3</sup> <https://www.secp.gov.pk/document/secp-diagnostic-study-future-of-takaful-in-pakistan/?wpdmdl=57547&refresh=693fee09b10021765797385>



## PAK — QATAR GROUP AT A GLANCE

Since its inception, Pak – Qatar Group has demonstrated financial strength, expertise, and commitment to providing Shariah-compliant protection and investment solutions while contributing to Pakistan's economic growth.

**Aggregate  
Subscribed  
& Paid – Up  
Capital** of more than  
**PKR 3 Billion**



**Rs.**  
Surplus  
of Over  
**PKR  
675+  
MILLION**  
has been distributed  
Since inception

**Group Aggregate**  
Asset Under  
Management  
**PKR 100+  
BILLION**



Total Tax  
Deposited  
**PKR 3+  
BILLION**  
since  
inception



Takaful Benefits  
(Claims) Paid  
**PKR 55  
BILLION**  
since inception



Protecting, more than  
**5,000,000  
Individuals**  
and serving  
more than **3,000+  
Corporate  
Clients**  
since inception



Nationwide Network  
Spanning  
**100+ CITIES**



A Professional And  
Result Driven Team of  
**2,700+ PEOPLE**

Further, presenting below a snapshot outlining the key operational and financial highlights of PQGTL:

### PAK – QATAR GENERAL TAKAFUL SNAPSHOT

Since its inception, Pak-Qatar General Takaful Limited has provided Shariah-compliant protection solutions and has contributed to Pakistan economic growth.



Takaful  
Benefits  
(Claims) Paid  
**PKR  
6.43  
BILLION**  
since  
inception

A Professional And Result Driven  
Team of **290+ PEOPLE**



Company caters  
more than  
**4,000+  
CORPORATE**  
and **27,000  
INDIVIDUAL  
CLIENTS** with  
Policies in 2024



Helping in the  
growth with an  
Annual  
Contributions  
**PKR 1.17  
BILLION**  
in 2024



Nationwide Network  
Spanning in **08  
MAJOR CITIES**



Authorised  
Share Capital of  
**PKR 2.2  
BILLION**  
as at September  
2025

Aggregate of  
Cash & Bank  
and Investment  
stood at  
**PKR  
1.26  
BILLION**  
as of  
December 2024



SHF  
Accumulated  
Surplus of  
**PKR  
207.1  
Million** as  
at December  
2024



PTF  
Accumulated  
Surplus of  
**PKR  
155.6  
Million**  
as of December  
2024

In terms of financial standing, PQGTL maintains a strong profile consistently reaffirmed by domestic credit rating agencies. In 2025, the Pakistan Credit Rating Agency (“**PACRA**”) maintained the Company’s Insurer Financial Strength (“**IFS**”) rating at “**A+**” (Stable Outlook), as per its report dated February 7, 2025, marking the continuation of this rating since March 31, 2022.<sup>4</sup> Meanwhile, VIS Credit Rating Company Limited (“**VIS**”) upgraded PQGTL’s IFS rating from “**A**” to “**A+**” (Stable Outlook) on July 17, 2025,<sup>5</sup> reflecting the Company’s strengthened financial position, prudent underwriting practices, and sustained capacity to meet policyholder obligations.

The business of PQGTL is conducted strictly in line with the principles of Islamic finance, ensuring that all operations provide ethical and interest-free risk protection solutions as an alternative to conventional insurance. Central to this framework is the Takaful model, which emphasizes mutual cooperation, equitable risk sharing, and transparency among participants. Contributions are collected under the principle of *Tabarru* (voluntary contribution), pooled collectively, and utilized to indemnify participants who encounter covered losses. This system guarantees that the Company’s operations remain free from elements prohibited under Shariah, such as *Riba* (interest), *Gharar* (excessive uncertainty), and *Maysir* (gambling).

In support of this, the Company ensures that all contracts, products, and investment activities are subject to review, approval, and continuous supervision by an independent Shariah Advisory Board. This function, long considered a hallmark of credibility for the Pak-Qatar Group, was initially chaired by the renowned scholar Mufti Muhammad Taqi Usmani and, since 2019, has been chaired by Mufti Muhammad Hassaan Kaleem. Through this firm oversight, PQGTL demonstrates its commitment to integrity, transparency, and compliance with Islamic principle and jurisprudence.

The Company operates under the Wakala–Waqf Takaful model, which represents an enhancement of the traditional Wakala structure. Under this model, a **Waqf** is established as a dedicated fund created solely for the purpose of providing mutual financial assistance to Participants. Shareholders hold no rights or ownership over the Waqf. Membership in the Waqf is granted exclusively to Participants through their contributions, which entitle them to risk protection in accordance with the terms defined at the fund’s inception, along with a share in the profits. Once contributed, the amounts immediately become the property of the Waqf and are used for purposes such as claim settlements and re-Takaful arrangements. The pool created in this manner is formally recognized as the **Participants’ Takaful Fund (PTF)**.

The relationship between **Participants** and the **Waqf** is structured on the principle of **Aqd Tabarru (a Shariah-compliant voluntary contribution agreement)**. In practice, this ensures that indemnification is provided not by the Company directly but by the Waqf itself, thereby maintaining the cooperative essence of Takaful.

The **Waqif (the settler who initially creates and endows the Waqf for the benefits of participants)** defines the rules governing coverage, eligibility, and claim settlement of the Waqf’s creation. All disbursements are restricted to participants in strict accordance with Shariah principles. Moreover, funds in the Waqf are invested only in Shariah-compliant avenues such as Islamic Sukuk, Islamic mutual funds, and other permissible instruments, with all profits credited back to the Waqf to reinforce its sustainability.

In managing this framework, PQGTL, as the Takaful Operator, who serves as the **Wakeel (manager)** of the **Waqf Pool**, charging a **Wakala fee** for its management, administrative, and operational services. The Takaful Operator manages the general takaful operations on behalf of the Participants’ Takaful Fund. A wakala fee is charged to the Participants’ Takaful Fund as a percentage of the gross contribution written net of administrative surcharge at the time of policy issuance. The wakala fee is amortized over the takaful contract period in accordance with the pattern of takaful contribution earned. The administrative surcharge is recognized on an upfront basis. The wakala fee rates may vary across different lines of business and the fee structure is subject to approval by the Shariah Advisor. The applicable wakala fee rates are disclosed in **Note 30.1** to the Annual Accounts for the year ended 2024 and are as follows:

<sup>4</sup> [https://www.pacra.com/summary\\_report/RR\\_1080\\_13996\\_07-Feb-25.pdf](https://www.pacra.com/summary_report/RR_1080_13996_07-Feb-25.pdf)

<sup>5</sup> [http://docs.vis.com.pk/RatingReports/OP\\_00667501017\\_0006675.pdf](http://docs.vis.com.pk/RatingReports/OP_00667501017_0006675.pdf)

The Takaful operator (SHF) manages the general takaful operations for the PTF and charge **35%** for Fire and Property, **35%** for Marine, Aviation and Transport, **55%** for Motor, **50%** for Engineering, **50%** for Other miscellaneous, and **15%** for Health of 'the gross contribution written net of administrative surcharge' as wakala fee against the services.

At the same time, the Takaful Operator assumes the role of **Modarib (working partner)** for investments and banks balances of the PTF's, while the **Waqf Pool** acts as **Rab-ul-Maal (capital provider)**. Under this Mudarabah arrangement, profits from investments are shared between the Takaful Operator and the Waqf in accordance with pre-agreed profit-sharing mechanism. The Modarib fee is charged as percentage of the aggregate income earned by the PTF from bank balances and investments. It is recognised on the same basis as the related revenue.

The Modarib fee rate may change; however, the fee structure is subject to approval by the Shariah Advisor. The applicable Modarib fee rate is disclosed in **Note 29.1** to the Annual Accounts for the year ended 2024. Modarib fee is charged at **50%** of the aggregate income earned by PTF from bank balances and investments, while any losses are borne exclusively by the Waqf unless they result from negligence, misconduct, or breach of trust by the Operator.

Under the Takaful Rules, 2012, issued by the Securities and Exchange Commission of Pakistan (SECP), a Takaful company operates within a defined governance and regulatory framework designed to safeguard the rights of the Waqf/PTF. These Rules prescribe the mechanism for managing the Waqf/PTF and the SHF and set out the conditions and responsibilities of the Operator (SHF), including those relating to negligence, misconduct, or breach of trust. The determination of negligence is guided by the requirement in the Takaful Rules, 2012, for the appointment of a Shariah Advisor and a Shariah Compliance Officer. Both serve as custodians of the Waqf's beneficial interests and are responsible for ensuring compliance with Shariah principles and regulatory requirements. They review the Operator's conduct in light of the Takaful Rules, and their oversight forms part of the process through which issues such as negligence or misconduct may be evaluated.

Additionally, they issue Annual Reports on Compliance. The Shariah Advisor appointed by the company possesses the qualifications and relevant experience mandated by the Takaful Rules, and his name appears in the SECP's Approved List of Shariah Advisors. The list may be accessed at <https://www.secp.gov.pk/document/register-of-shariah-advisors-5/>.

The Takaful Rules also mandate an annual External/Independent Shariah Audit, which evaluates compliance with Shariah principles and the Takaful Rules, thereby reinforcing oversight. Since inception, the Pak-Qatar Takaful Group has maintained an independent Shariah Advisory Board (SAB) that oversees all products and operations. The guidance and supervision of the SAB enable the company to maintain Shariah governance standards that exceed statutory requirements. All requirements set out in the Takaful Rules, 2012, including compliance with the directives of the Shariah Advisor, have been duly met. The Independent Shariah Review Report and the Shariah Advisory Board Report on Compliance with Shariah Principles and Takaful Rules are attached.

The Operator (PQGTL) is essentially the Takaful company entrusted to manage the Waqf on behalf of the participants, ensuring that all operations, investments, and disbursements remain fully Shariah-compliant.

A defining feature of the model is the clear segregation of funds. The PTF belongs exclusively to the participants, while the **Shareholders' Fund ("SHF")** is separately maintained for capital requirements, regulatory obligations, and business growth. In circumstances where the PTF is insufficient to meet claims, the SHF may extend an interest-free loan (*Qard-e-Hasana*), repayable from future surpluses, thus preserving solvency and uninterrupted protection for participants. Surpluses in the PTF, after meeting all obligations, may also be distributed among eligible participants in proportion to their contributions, subject to Shariah Board approval.

Through this robust structure, PQGTL offers a wide-ranging suite of Shariah-compliant insurance solutions tailored to meet the diverse needs of both retail and corporate clients. For individual customers, the Company provides protection through Motor Takaful, Ashiana and Home Takaful, Travel Takaful, Personal Accident

Takaful, and ATM Cash Withdrawal Takaful, ensuring financial security in everyday life and unexpected situations. On the corporate side, PQGTL delivers specialized solutions including Fire & Property Takaful, Marine Takaful, Engineering Takaful, Liability Takaful, Health takaful and Miscellaneous Takaful, addressing the complex risk management requirements of businesses across various sectors. The following table presents the bifurcation of Individual and Corporate products along with the respective proportions.

Products	Contributions CY2024 - (PKR)	% of Segment Business	% of Total Business
<b>Corporate and Banks</b>			
Fire & Property	252,356,293	24.5%	21.5%
Marine, Aviation & Transport	139,211,740	13.5%	11.9%
Motor	434,009,569	42.1%	37.0%
Health	139,134,610	13.5%	11.8%
Engineering	33,734,635	3.3%	2.9%
Miscellaneous	32,486,275	3.2%	2.8%
<b>Total</b>	<b>1,030,933,122</b>	<b>100%</b>	<b>87.8%</b>
<b>Individual and online</b>			
Home/ Aashiyana	1,581,410	1.1%	0.1%
Marine, aviation & Transport	-	0%	0%
Motor	137,713,841	95.9%	11.7%
Engineering	-	0%	0%
Travel	3,438,003	2.4%	0.3%
Personal accident	825,385	0.6%	0.1%
<b>Total</b>	<b>143,558,639</b>	<b>100%</b>	<b>12.2%</b>

In every instance, indemnification is facilitated through the Waqf Pool, a collective risk-sharing mechanism that promotes transparency, ethical conduct, and strict adherence to Shariah principles. By leveraging this framework, PQGTL not only provides financial protection but also fosters a sense of mutual support and trust among policyholders, reinforcing its position as a leading provider of ethical and responsible Takaful solutions in Pakistan.

## PQGTL'S PRODUCTS PORTFOLIO

**MOTOR**  
Takaful

**Fire &  
Property**  
Takaful

**ASHIANA**  
Takaful

**Marine**  
Takaful

**Engineering**  
Takaful

**Travel**  
Takaful

**Liability**  
Takaful

**Personal  
Accident**  
Takaful

**Miscellaneous**  
Takaful

**ATM CASH  
WITHDRAWAL**  
Takaful

**Health**  
Takaful



The financial performance of PQGTL reflects the strength of this model. In 2024, the Company reported a written gross contribution of PKR 1.174 billion and a net profit after tax of PKR 113.79 million, equivalent to earnings per share of PKR 2.23. Results were driven by Wakala fees and investment income within the SHF, complemented by a surplus of PKR 47.32 million generated in the PTF. This structure ensures value creation for both stakeholders and participants receive financial protection with potential surplus sharing, while shareholders earn returns through fees and Shariah-compliant investment income.

The contributions made during the year reflected a well-diversified portfolio, with meaningful participation from both retail and corporate lines of business. This diversification underlines the Company's prudent underwriting practices and resilience across multiple segments of risk.

FY 2024	
Segment	Contributions (PKR)
Corporate	1,030,933,122
Retail	143,558,639

To further align with evolving customer needs, PQGTL has invested extensively in digital transformation. User-friendly online portals, mobile applications, and integrations with payment gateways, brokers, and digital aggregators provide policyholders with enhanced accessibility, real-time policy dashboards, and seamless digital contribution payments. A dedicated Customer Experience and Digital Sales function has been established to ensure that these platforms are fully aligned with service strategies, while data analytics are increasingly being applied to underwriting, customer profiling, and risk detection. Collectively, these efforts improve customer convenience, create operational efficiencies, and open new revenue streams.

Taken together, these initiatives demonstrate PQGTL's position as a financially resilient and Shariah-compliant alternative to conventional insurance providers in Pakistan. By uniting ethical principles with strong governance, diversified business lines, and innovative technological solutions, the Company has reinforced its role as a leading player in the Islamic financial services industry, bridging the interests of participants and shareholders while contributing to financial inclusion and the broader development of the Islamic economy in Pakistan.

## 2.2. SPONSORS OF PAK-QATAR GENERAL TAKAFUL LIMITED

PQGTL is an associate of the Pak-Qatar Group ("PQG"), one of Pakistan's leading Islamic finance services groups. PQG offers a range of Islamic finance solutions and encompasses the following companies alongside PQGTL:

- Pak-Qatar Investments (Private) Limited ("PQIL")
- Pak-Qatar Asset Management Company Limited ("PQAMC")
- Pak-Qatar Family Takaful Limited ("PQFTL")
- Sharq Trading & Merchandising Limited ("STML")
- Qatar Group (Private) Limited

The following table provides details of the Company's Association with the above-mentioned entities of the Pak-Qatar Group, including shareholding and other relationships:

Name	Details of Associations
Pak – Qatar Investments (Private) Limited	PQIL is one of the sponsors of the Company and holds 33.39% shareholding in PQGTL
Pak – Qatar Asset Management Company Limited	Neither PQAMC, PQFTL, STML, & Qatar Group, hold equity shares in PQGTL, nor PQGTL hold equity shares in these companies. However, these are considered associated companies of PQGTL due to common directorship only.
Pak – Qatar Family Takaful Limited	
Sharq Trading & Merchandising limited	
Qatar Group (Private) Limited	

Further, the sponsors of the company hold 69.28% of its paid-up capital, whilst Directors and their family, excluding sponsoring Chairman, hold 13.35%. The remainder is held by financial institutions, companies, and individuals.

The details of the sponsors of the company are given hereunder:

Sponsors	Description	No. Shares Held	Ownership
		#	%
<b>Pak – Qatar Investments (Private) Limited</b>	A Leading investment and advisory firm in Pakistan, dedicated to Islamic financial management.	23,743,783	33.39%
<b>Qatar International Islamic Bank</b>	Privately-owned Islamic bank in the State of Qatar offering personal and corporate Islamic banking solutions.	8,844,569	12.44%
<b>Qatar Islamic Insurance Group</b>	A leading Qatar based company that provides a wide range of takaful, or Sharia-compliant, insurance products and services.	7,108,735	10.00%
<b>H. E. Sheikh Ali bin Abdullah</b>	As a distinguished member of the Royal Family of Qatar, Sheikh Ali has served as the Board Chairman of PQGTL since 2007.	9,563,467	13.45%
<b>Total</b>		<b>49,260,554</b>	<b>69.28%</b>

### 2.3. SALIENT FEATURES OF THE ISSUE

The Offer comprises of 30,000,000 ordinary shares of PQGTL of face value of PKR 10.00/- each, which constitute 29.67% of the post-IPO paid-up capital of the Company.

Seventy five percent (75%) of the entire Issue size i.e., 22,500,000 shares will be offered through Book Building Method at a Floor Price of PKR 10.00/- per share, with a maximum price band of up to 40% (i.e., PKR 14/- per share). The Strike Price shall be the price at which seventy-five percent (75%) of the Issue is subscribed under the Book Building process.

The remaining twenty-five percent (25%) of the Issue, i.e., 7,500,000 ordinary shares, will be offered to Retail Investors through the General Public portion at the Strike Price determined through the Book Building process. The Retail Portion shall be fully underwritten with Arif Habib Limited acting as the Underwriter.

The proceeds from the IPO at the Floor Price of PKR 10.00/- are expected to be as follows:

Aggregate Proceeds	Number of Shares	Price/Share	Total Proceeds
	#	PKR	PKR
Book Building	22,500,000	10.00	225,000,000
Retail Portion	7,500,000	10.00	75,000,000
<b>Public Issue</b>	<b>30,000,000</b>	<b>10.00</b>	<b>300,000,000</b>

The proceeds from the IPO at the Cap Price of PKR 14.00/- are expected to be as follows:

Aggregate Proceeds	Number of Shares	Price/Share	Total Proceeds
	#	PKR	PKR
Book Building	22,500,000	14.00	315,000,000
Retail Portion	7,500,000	14.00	105,000,000
<b>Public Issue</b>	<b>30,000,000</b>	<b>14.00</b>	<b>420,000,000</b>

### 2.4. PRE AND POST ISSUE SHAREHOLDING OF THE SPONSORS

Names	Pre-IPO Shareholding		Post-IPO Shareholding	
	No. of Shares Held	%	No. of Shares Held	%
<b>Sponsors, Associated Companies, Undertakings and Related Parties</b>				
Pak – Qatar Investment (Pvt.) Limited	23,743,783	33.39%	23,743,783	23.48%
Qatar International Islamic Bank	8,844,569	12.44%	8,844,569	8.75%
Qatar Islamic Insurance Group	7,108,735	10.00%	7,108,735	7.03%
H. E. Sheikh Ali Bin Abdullah	9,563,467	13.45%	9,563,467	9.46%
<b>Total</b>	<b>49,260,554</b>	<b>69.28%</b>	<b>49,260,554</b>	<b>48.72%</b>
<b>Directors and Chief Executive Officer</b>				
Muhammad Kamran Saleem	3,055,097	4.30%	3,055,097	3.02%
Said Gul***	1,222,141	1.72%	1,222,141	1.21%
Zahid Hussain Awan***	324,655	0.46%	324,655	0.32%
Ali Ibrahim Al Abdul Ghani	1	0.00%	1	0.00%
Abdul Basit Ahmad Al – Shaibei	1	0.00%	1	0.00%
Saqib Zeeshan – CEO	1,000,000	1.41%	1,000,000	0.99%
<b>Total</b>	<b>5,601,895</b>	<b>7.88%</b>	<b>5,601,895</b>	<b>5.54%</b>
<b>Related Family Members of Directors and/or Chief Executive Officer</b>				
Sameera Said*	2,444,286	3.44%	2,444,286	2.42%
Fatima*	2,444,285	3.44%	2,444,285	2.42%
Muhammad Ozair Zahid**	11,394	0.02%	11,394	0.01%
<b>Total</b>	<b>4,899,965</b>	<b>6.89%</b>	<b>4,899,965</b>	<b>4.85%</b>
<b>Other Shareholders</b>				
Other Shareholders****	11,344,707	15.95%	11,344,707	11.22%
<b>Total</b>	<b>11,344,707</b>	<b>15.95%</b>	<b>11,344,707</b>	<b>11.22%</b>
<b>Public Offering</b>				
Public offering	-	-	30,000,000	29.67%
<b>Total</b>	<b>71,107,121</b>	<b>100.00%</b>	<b>101,107,121</b>	<b>100.00%</b>

\* Fatima and Sameera Said are the daughters of Said Gul.

\*\* Muhammad Ozair Zahid is the son of Zahid Hussain Awan.

\*\*\*Mr. Said Gul and Mr. Zahid Hussain Awan serve as non-executive directors on PQGTL's board. Neither Zahid Hussain Awan nor Said Gul have been nominated as Sponsors, likewise their family members are also not Sponsors of the Company.

\*\*\*\*This shareholding was subscribed by a group consisting of friends, associates, and early supporters of the initial sponsors, including non-resident Pakistanis and Qatari nationals who expressed interest in the newly introduced, Shariah-compliant Takaful concept. Their post-IPO shareholding is assumed unchanged, though these original subscribers may participate in the public offering.

## 2.5. PRINCIPAL PURPOSE OF THE ISSUE

The principal purpose of the proposed offering and listing is to strengthen Pak-Qatar General Takaful Limited's capital base and solvency position, reinforce its competitive standing in the general takaful market, and ensure compliance with the revised minimum paid-up capital requirements applicable to non-life insurance and takaful operators.

The proceeds of the issue will be utilized for investment in software and intangible assets, hardware and infrastructure, marketing initiatives, human resource costs, and the establishment of new branches as well as the transformation of existing branches, including renovation, branding, signage, and relocation.

(Further details are provided in section 4.1)

### 2.5.1. Source of Funding

PQGTL intends to raise PKR 300,000,000/- (Pak Rupees Three Hundred Million only) through an Initial Public Offering (IPO), issuing 30,000,000 ordinary shares at a floor price of PKR 10.00/- per share. At Cap Price, the IPO will raise PKR 420,000,000/- (Pak Rupees Four Hundred Twenty Million Only)

### 2.5.2. Utilization of IPO Proceeds

PQGTL intends to allocate the IPO proceeds towards strategic initiatives aimed at enhancing operational efficiency, elevating customer experience, infrastructure, market presence and ensuring sustainable long-term growth. The funds will be utilized for the development and upgradation of software and business systems, investment in hardware and IT infrastructure, targeted market and brand – building activities, human resource development and the establishment of new branches along with the transformation and renovation of existing ones. These initiatives are aimed at enhancing technology-driven transformation, infrastructure enhancement, branches transformation, brand-building activities, expansion of the digital sales force, and reinforcement of the Shareholders Fund (SHF), thereby reinforcing financial resilience and market competitiveness. Key areas of allocation are as follows:

Particular	Cost	Percentage
	PKR	%
Software's/Intangibles (Apps, Portals, Business System Development and Upgradation)	51,795,000	17.27
Hardware & Infrastructure	59,400,000	19.80
Marketing	85,471,400	28.49
Human Resource Cost	78,665,280	26.22
New Branches with existing Branches Transformation (Renovation, Boards, Branding, Relocation, etc.)	24,668,320	8.22
<b>Total</b>	<b>300,000,000</b>	<b>100.00%</b>

### 2.5.3. Compliance with Minimum Paid-up Capital Requirements:

PQGTL currently maintains an issued and subscribed paid-up capital of PKR 711.1 million. The proceeds raised through this public offering will increase the company's paid-up capital to PKR 1,011.1 million, enabling PQGTL to meet progressive regulatory milestones for non-life insurers and Takaful operators as outlined by the SECP vide SRO 310(I)/2025 dated March 03, 2025, for applicable periods as follows:

Prior December 31, 2026	By December 31, 2026	By December 31, 2028	By December 31, 2030
PKR			
500,000,000	1,000,000,000	1,500,000,000	2,000,000,000

(Detailed breakdown of the utilization of proceeds is provided in section 4.3)

### 2.6. JUSTIFICATION IN FAVOR OF THE FLOOR PRICE OF PKR 10.00/- PER SHARE

Justification given by the lead manager/consultant to the issue in favor of floor price of PKR 10.00/- per share may be seen at section 4A of the prospectus, titled valuation section.

### 2.7. QUALIFIED OPINION, IF ANY, GIVEN BY THE AUDITOR DURING THE LAST THREE FINANCIAL YEARS

No qualified opinion was given on the financial statements of PQGTL during the last three financial years, i.e. FY24, FY23, FY22, by the Company's Auditors, i.e. Yousuf Adil, Chartered Accountants.

### 2.8. FINANCIAL INFORMATION – (PLEASE REFER TO SECTION 6.7 FOR FURTHER DETAILS AND RATIOS ANALYSIS)

PKR in Million	CY 2022	CY 2023	CY 2024	9MCY2025
	Audited	Audited	Audited	Un-audited
<b>Balance Sheet</b>				
Paid-up Share Capital (SHF) <sup>6</sup>	509.23	509.23	509.23	711.07
Shareholders' Equity <sup>7</sup>	540.05	654.9	729.41	848.15
Participants' Equity	68.29	108.86	156.37	181.31
Total Liabilities	1,870	1,699.81	1,502.52	1,669.09
Investments	692.14	637.8	981.04	1,068.21
Cash, Stamp and Bank <sup>8</sup>	312.51	494.07	288.49	409.37
Total Assets	2,478.33	2,463.58	2,388.3	2,698.55
<b>Income Statement</b>				
Gross Contribution Written – PTF <sup>9</sup>	1,205.3	1,267.55	1,174.49	1,086.62
Contribution Earned – PTF	712.46	870.25	670.80	585.39
Net Underwriting Income – PTF	507.01	657.34	431.46	387.99
Net Takaful Claims – PTF <sup>10</sup>	(536.22)	(666.71)	(401.23)	(369.35)
Underwriting Result Before Investment Income – PTF	(22.81)	(11.97)	23.83	14.32
Net Investment & Other Income – PTF	26.37	52.54	46.98	21.26
Surplus – PTF <sup>11</sup>	3.56	40.58	47.32	24.95
Wakala Income Earned – SHF	431.38	506.11	511.79	389.38
Commission, Management & Direct Expenses – SHF	(417.96)	(480.87)	(508.75)	(380.43)
Net Investment & Other Income – SHF	66.67	117.20	160.90	90.05
Profit After Taxation – SHF <sup>12</sup>	58.26	101.21	113.79	70.78
<b>Ratios</b>				
Net Claims to Net Underwriting Income ratio (%)	106%	101%	93%	95%
Management Expense to Wakala ratio (%)	66.4%	66.4%	70.6%	71.0%
PAT to Wakala income ratio (%) - SHF	13.5%	20.0%	22.2%	18.2%
Earnings per share - SHF <sup>13</sup>	1.14	1.99	2.23	1.14
Breakup value - SHF <sup>14</sup>	10.61	12.86	14.32	13.69
Debt to Equity Ratio	0.1%	6.7%	4.6%	2.7%
<b>Cashflow Statement</b>				

<sup>6</sup> Paid-up share capital increased from PKR 509 million in CY-2024 to PKR 711 million as at 9MCY-2025, reflecting an increase of PKR 201.8 million. The increase was attributable to the issuance of right and bonus shares, undertaken in compliance with the phase-wise Minimum Capital Requirement (MCR) directed by the apex regulator.

<sup>7</sup> The year-on-year increase in Equity of both the funds (SHF & PTF) is primarily attributable to the accumulation of profits, while the increase in SHF equity during 9MCY-2025 was also supported by the issuance of right shares.

<sup>8</sup> The aggregate balance of Investments and Cash & Bank increased on a year-on-year basis from PKR 1,004.6 million in year 2022 to PKR 1,131.8 million in year 2023 and further to PKR 1,269.5 million in year 2024, reaching PKR 1,477.5 million as at 9MCY-2025. The increase was mainly attributable to higher unappropriated profits arising from improved profitability and investment performance, resulting in an adequate liquidity position.

<sup>9</sup> The gross contribution written remained largely range-bound over the last three years. A modest decline in 2024 was attributable to a contraction in the health segment, while 9MCY-2025 recorded a recovery with a moderate increase in contributions. The business portfolio continues to be dominated by the motor segment, which has consistently represented a significant proportion of the total portfolio.

<sup>10</sup> The claims performance improved over the period, particularly during CY24, as net claims declined to PKR 401.2 million (CY23: PKR 666.2 million). The reduction was primarily attributable to a significant decline in health-related claims. During 9MCY-2025, net claims amounted to PKR 369.3 million, reflecting a stable claims trend and continued underwriting discipline.

<sup>11</sup> Underwriting performance improved over the period, with results of PKR 14.3 million for 9MCY-2025, PKR 23.8 million for CY2024, PKR (11.9) million for CY2023, and PKR (22.8) million for CY2022, primarily driven by lower net claims expense. Consequently, underwriting result, together with PTF investment income, contributed to a year-on-year increase in the Surplus of the PTF.

<sup>12</sup> The SHF performance has been supported by stable wakala income and effective expense management, contributing to improved profitability. Financial strength is further underpinned by a diversified investment portfolio, with investment and other income primarily generated from sukuku, mutual funds, and bank deposits, ensuring stable liquidity. Reflecting these trends, the Company posted a profit after tax of PKR 70.7 million for 9MCY-2025, PKR 113.7 million for CY2024, PKR 101.2 million for CY2023, and PKR 58.26 million for CY2022.

<sup>13</sup> Earnings per share for 9MCY25 was calculated based on weighted average shares as the Company issued rights shares in August 2025. Therefore, the weighted average shares used for the calculation of EPS are 61,940,454.

<sup>14</sup> Breakup Value per share for 9MCY25 was calculated based on weighted average shares as the Company issued rights shares in August 2025. Therefore, the weighted average shares used for the calculation of EPS are 61,940,454.

Cash (outflow) / inflow from operating activities <sup>15</sup>	63.33	(53.80)	(8.24)	63.84
Cash flow from investing activities	12.60	235.37	(152.57)	7.97
Cashflow from Financing activities	-	-	(44.77)	49.08

(Detailed financial analysis of the company can be found in Section 6.6)

## 2.9. OUTSTANDING LEGAL PROCEEDINGS

The following table summarizes the rejected claims, excluding those arising in the normal course of business, filed against PQGTL, its sponsors, substantial shareholders, directors, or associated group companies under the issuer's control, which may have a material impact on the Company.

Type of Cases	No. of Cases	Amount
	#	PKR Mn
Rejected Claims	04	147.6
Provincial Sales Tax cases	03	354.7
<b>Total</b>	<b>07</b>	<b>502.3</b>

Further details of all outstanding legal proceedings that could have a material impact against the PQGTL is provided hereunder:

Sr. No.	Year	Issuing Authority	Brief Case Description	Stage of Case	Amount	Management Instance & Current Status
					PKR	
1.	2022	Lahore High Court	Factory Fire Claim (Appeal)	The case is for hearing of case and stay granted in the favor of PQGTL.	139,154,540	That the Petitioner got two fire takaful policies from PQGTL for the coverage of Building Plant & machinery, electric equipment. Unfortunately, fire broke out in the factory premises on August 18/19, 2014, at night due to short circuit. The claim was repudiated by the Company on the basis of material and facts on record. The petitioner filed the petition for recovery of total amount including business loss.
2.	2020	XIth SCJ Karachi (South)	Succession Matter	The case is for the evidence.	1,200,000	The dispute between the legal heirs of deceased, PQGTL has paid the claim amount. Deceased left two widows. Succession Matter is filed by the second wife of deceased against the 1st wife of Deceased for distribution of articles of succession.
3.	2020	Lahore High Court	Car Theft /stolen	The case is fixed for hearing	1,408,097	Complainant leased a car from a Bank and covered by PQGTL in the year 2010. The car was snatched, and the Insurance claim was declined by the Company based on the facts of the case. The petitioner filed case against the company in Insurance tribunal, which was dismissed due to non-

<sup>15</sup> The negative operating cash flow in 2023 and 2024, despite reporting accounting profits, is temporary and reflects the nature of the Takaful business model. In Takaful, the timing of claims (when payments are made) often does not align with the timing of cash inflows from contributions. This mismatch, along with additional outflows for re-takaful, commissions, and administrative expenses, also impacts operating cash flow on specific period. In 2023, the negative cash flow of PKR 53 million was primarily due to higher claims payments of PKR 843 million, which resulted from increased claims expenses of PKR 666 million. However, in 2024, this negative cash flow decreased sharply to PKR 8 million, as claims payments reduced to PKR 625 million, and claims expenses fell to PKR 401 million. This indicates that the claims situation is normalized, and we expect operating cash flows to continue improving in 2025.

						appearance and non-provision of the documentary evidence. The Petitioner filed appeal in the Honorable Lahore High Court.
4.	2018	Insurance Tribunal Sindh Karachi	Burglary & Theft by own Security personnel	The case is for Evidence of the case.	5,880,000	The Complainant filed a claim which was repudiated on merit. He filed complaint in Federal Insurance Ombudsman, which was decided in favor of Pak- Qatar General Takaful Limited. The complainant moved to next forum and filed appeal before Honorable President of Pakistan against the order passed by FIO. The president upheld the findings of the FIO upon which the claimant filed suit at the Insurance Tribunal.
5.	2022	Sindh High Court	Sindh Sales tax	The case is for adjudication.	262,407,049	<p>The Assistant Commissioner, Sindh Revenue Board (SRB) issued a show cause notice (SCN) in 2022, whereby intending to recover Sindh Sales Tax (SST) on the entire General Takaful Contribution and input adjustments for the years 2014 and 2015. The company, on the grounds that it has already discharged its liability on Sindh related contribution collected, has challenged the SCN before the Sindh High Court where the case is pending adjudication.</p> <p>Further, SRB did not extend the exemption on health insurance, which was available till June 30, 2023, hence making it taxable with effect from July 01, 2023, at the full rate of 13%. The company with other 7 health insurance/takaful providers challenged the levy of Sindh Sales Tax on Health Insurance/takaful in Hon'ble Sindh High Court (SHC).</p>
6.	2020	Supreme court	Sindh Sales tax	The case is for adjudication	57,556,406	The Assistant Commissioner, Sindh Revenue Board (SRB) issued a (SCN) dated June 30, 2020, for the short payment of Sindh Sales Tax (SST) on takaful premium and rebate from re-Takaful operator in FY 2012 and 2013. The company has challenged the SCN by being barred before Sindh High Court (SHC), however SHC has dismissed the case further the company has challenged the SCN before the Higher Appellate Forum where the case is pending adjudication.
7.	2024	Sindh High Court	Sindh Sales tax	The case is for hearing of case.	34,781,597	The Assistant Commissioner (AC) of the Sindh Revenue Board (SRB) issued an Order-in-Original in 2018 charging Sindh Sales Tax on Re-takaful services procured from foreign Re-takaful operators for the period from July 2011 to May 2015. The



						company filed an appeal with the Commissioner (Appeals), SRB, who upheld the Original Order of AC. Subsequently, the Company preferred an appeal before the Appellate Tribunal, SRB, where the contention of the company was accepted and it was allowed to claim input tax adjustment on the foreign Re-Takaful contributions simultaneously declaring output tax in the monthly Sindh Sales Tax returns. The company, on the advice of its legal counsel, also filed a reference application before the Sindh High Court, which remains pending adjudication.
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Please find further details of outstanding legal proceedings that could have a material impact against PQGTL in **Section 8 Legal Proceedings and Overdue Loans**.

**Note: There are no other pending litigations against the Company, Sponsors, Substantial Shareholders, Associated Companies and Directors other than those already mentioned above.**

## 2.10. RISK FACTORS

Kindly refer to **section 5** of this prospectus for details regarding the risks faced by PQGTL.

## 2.11. SUMMARY OF RELATED PARTY TRANSACTIONS

Details of PQGTL's related parties' transactions undertaken during the last three financial years ended December 31, 2024, including their financial impact, are provided hereunder:

PKR	December 2022	December 2023	December 2024
<b>Transactions During the Year</b>			
<b>Associated Undertakings</b>			
Shared staff & branch expenses paid	30,268,917	48,156,595	55,128,884
Claims paid against general takaful	146,500	74,000	690,850
Claim received against group takaful	451,800	-	4,621,508
Contribution received general takaful	2,887,799	350,640	1,159,327
Contribution paid against group takaful	1,284,846	1,811,581	1,337,786
Investment advisory paid	2,127,513	2,023,248	2,934,721
<b>Other Related Parties</b>			
Provident Fund Contribution paid	5,608,494	6,325,275	6,482,102
<b>Key Management Personnel's</b>			
Claims paid	-	190,969	211,576
<b>Balances Outstanding as at the End of Year</b>			
Wakala & Modarib payable to SHF	220,730,068	198,813,952	50,215,494

All transactions with related parties are conducted at arm's length.

### 3. OVERVIEW, HISTORY AND PROSPECTS

#### 3.1. COMPANY HISTORY AND OVERVIEW

<b>Name</b>	Pak-Qatar General Takaful Limited
<b>Incorporation Number</b>	0054339
<b>Date of Incorporation and Place</b>	March 15, 2006
<b>Date of Registration (Takaful)</b>	August 16, 2007
<b>Date of Commencement of Business</b>	February 08, 2008

**Pak-Qatar General Takaful Limited** (“PQGTL” or the “Company”) is among the pioneers of Pakistan’s Dedicated General Takaful industry. Incorporated on March 15, 2006, as public unlisted company under the Companies Ordinance, 1984 (subsequently superseded by the Companies Act, 2017). The Company commenced its operations on February 08, 2008, the Company is licensed and supervised by the Securities and Exchange Commission of Pakistan (“SECP”). The registered and corporate head office of the Company is at 402 – 404, 4th Floor, Business Arcade, Block 6, P.E.C.H.S, Shahrah-e- Faisal, Karachi.

PQGTL operates as part of the Pak-Qatar Group, a diversified and well-established business conglomerate with a strong presence in both Pakistan and Qatar. Leveraging the Group’s extensive financial expertise, robust governance framework, and strategic vision, PQGTL delivers Shariah-compliant general (non-life) insurance solutions that adhere to ethical and cooperative principles.

As a member of the Pak-Qatar Group, the Company benefits from the collective strength and expertise of its sister concerns, including Pak-Qatar Family Takaful Limited (**PQFTL**), the first largest dedicated Family Takaful (Islamic life insurer) operator in Pakistan<sup>16</sup>, , and Pak-Qatar Asset Management Company (**PQAMC**), a provider of Shariah-compliant investment and wealth management services. The Company also benefits from the strong financial foundation and technical expertise of its Qatar-based sponsors, namely Qatar International Islamic Bank (**QIIB**), Qatar Islamic Insurance Group (**QIIG**), and Pak-Qatar Investment (Private) Limited (**PQIL**), whose financial capacity and technical knowledge reinforce the Company’s foundations.

Its risk management capabilities are further enhanced through established Re-takaful arrangements with leading regional and international institutions, including **Kuwait Re-takaful**, **Saudi Re**, **Arab Re**, **Oman Re**, **Kenya Re**, **Tunis Re**, and Pakistan Reinsurance Company Limited (**Window Re-takaful**).<sup>17</sup> This network enables the Company to deliver reliable and secure solutions to its participants.

The Pak-Qatar Group is widely recognized as a prominent force in Pakistan’s Islamic finance industry, with a strong and diversified presence across Takaful, asset management, and investments. Over the years, the Group has established itself as a catalyst for innovation, introducing Shariah-compliant financial solutions that provide ethical alternatives to conventional products. By combining financial strength with technical expertise, it has developed a reputation for reliability, customer-centric services, and long-term value creation for its participants and stakeholders.

The Group’s impact extends beyond business performance. It has contributed significantly to expanding awareness and adoption of Islamic finance across Pakistan, helping to create a sustainable ecosystem that supports individuals, businesses, and communities alike. Its consistent growth, strong governance standards, and commitment to Shariah compliance reflect a vision of becoming not only a market leader but also a key driver of inclusive financial development in the country.

#### Rating

PQGTL has an Insurer Financial Strength rating of “A+” (Single A Plus) with a Stable Outlook by both PACRA<sup>18</sup> and VIS Credit Rating Company<sup>19</sup>. The PACRA maintained the Company’s rating at “A+” in its report dated February 7, 2025, continuing the rating level held since 2022. Meanwhile, VIS Credit Rating Company Limited (VIS)

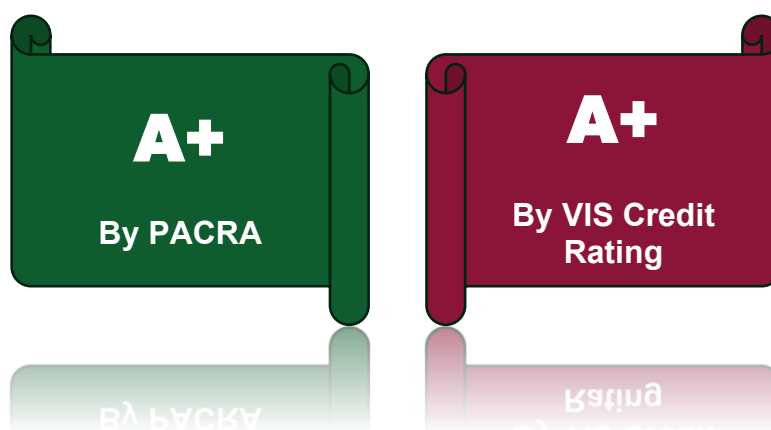
<sup>16</sup> [RR 2774 13448 16-Sep-24.pdf](#)

<sup>17</sup> <https://pqgtl.com.pk/about-us/about-company/the-company/>

<sup>18</sup> [https://www.pacra.com/summary\\_report/RR\\_1080\\_13996\\_07-Feb-25.pdf](https://www.pacra.com/summary_report/RR_1080_13996_07-Feb-25.pdf)

<sup>19</sup> [https://docs.vis.com.pk/RatingReports/OP\\_00667501017\\_0006675.pdf](https://docs.vis.com.pk/RatingReports/OP_00667501017_0006675.pdf)

upgraded PQGTL's rating from "A" to "A+" on July 17, 2025, reflecting an improvement in the Company's financial strength and operational stability. The "A+" rating denotes a very strong capacity to meet policyholder and contractual obligations, with risk factors remaining very low and the impact of any adverse business or economic conditions assessed as minimal, underscoring PQGTL's robust financial position and prudent risk management framework.



### Shariah Compliance

The business of PQGTL is conducted strictly in line with the principles of Islamic finance, ensuring that all operations provide ethical and interest-free risk protection as an alternative to conventional insurance. At the core of its framework lies the Takaful model, which emphasizes mutual cooperation, equitable risk sharing, and transparency among participants. Derived from the Arabic word "Kafalah," which signifies mutual guarantee or joint responsibility or benefit, Takaful can best be explained as a group of contributing participants entering into an agreement to pool investments and mutually guarantee each other in the event of a loss. Contributions are collected on the principle of *Tabarru* (voluntary contribution), pooled collectively, and utilized to indemnify participants in case of covered losses. This ensures that operations remain free from *Riba* (interest), *Gharar* (excessive uncertainty), and *Maysir* (gambling).

To ensure Shariah compliance, all contracts, products, and investments of PQGTL are subject to review, approval, and continuous supervision by an independent Shariah Advisory Board. This Board was initially chaired by the globally renowned scholar Mufti Muhammad Taqi Usmani and, since 2019, has been led by Mufti Muhammad Hassaan Kaleem, who continues the legacy of credibility and expertise.

Through this firm oversight, PQGTL demonstrates its commitment to transparency, integrity, and adherence to Islamic jurisprudence, giving it a unique positioning among ethically conscious consumers seeking faith-based financial planning tools.

### Business Model

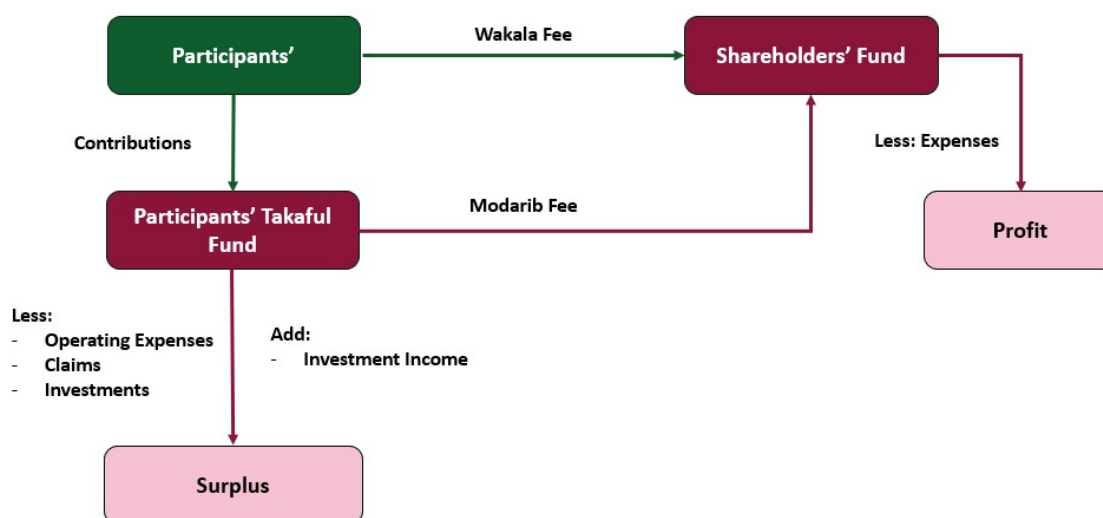
The Company operates under the Wakala–Waqf Takaful model, which represents an enhancement of the traditional Wakala structure. Under this model, a **Waqf** is established as a dedicated fund created solely for the purpose of providing mutual financial assistance to Participants. Shareholders hold no rights or ownership over the Waqf. Membership in the Waqf is granted exclusively to Participants through their contributions, which entitle them to risk protection in accordance with the terms defined at the fund's inception, along with a share in the profits. Once contributed, the amounts immediately become the property of the Waqf and are used for purposes such as claim settlements and re-Takaful arrangements. The pool created in this manner is formally recognized as the **Participants' Takaful Fund (PTF)**.

The relationship between **Participants** and the **Waqf** is structured on the principle of **Aqd Tabarru (a Shariah-compliant voluntary contribution agreement)**. In practice, this ensures that indemnification is provided not by the Company directly but by the Waqf itself, thereby maintaining the cooperative essence of Takaful.

The **Waqif** defines the rules governing coverage, eligibility, and claim settlement of the Waqf's creation. All disbursements are restricted to participants in strict accordance with Shariah principles. Moreover, funds in the

Waqf are invested only in Shariah-compliant avenues such as Islamic Sukuk, Islamic mutual funds, and other permissible instruments, with all profits credited back to the Waqf to reinforce its sustainability.

In managing this framework, PQGTL, as the Operator, acts as both **Wakeel** (Manager) and **Modarib** (Investment Manager) on behalf of the **Waqf Pool** (i.e., the Participants' Takaful Fund). The Waqf Pool serves as **the Rab-ul-Maal** (capital provider) under this **Mudarabah arrangement**, while the Operator, as Modarib, manages the investments and shares profits with the Waqf according to pre-agreed ratios. The Operator also charges a Wakala fee for its management, administrative, and operational services. Any investment losses are borne exclusively by the Waqf, except in cases of negligence, misconduct, or breach of trust by the Operator. Overall, the Operator (PQGTL) is the Takaful company entrusted to manage the Waqf on behalf of the participants, ensuring that all operations, investments, and disbursements remain fully Shariah-compliant.



### Comparison Between Conventional Insurance and Takaful

Conventional insurance and Takaful differ significantly in structure and underlying principles. In conventional insurance, underwriting profits are retained by shareholders, reinforcing a commercial orientation. By contrast, the Takaful model ensures that any surplus generated in the Participant Takaful Fund (PTF) is distributed solely to participants. This framework embodies cooperation, transparency, and mutual risk-sharing, offering an ethical and Shariah-compliant alternative.

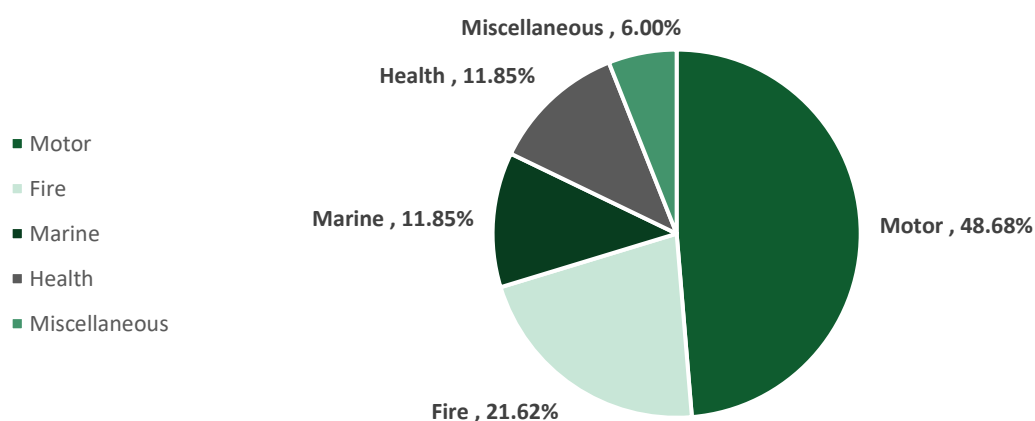
COMPARISON BETWEEN TAKAFUL AND CONVENTIONAL INSURANCE		
	Conventional	Takaful
Nature of Contract	A contract of compensation (Aqd Mua'wza).	A Taburru' (donation) based contract
Contribution/Premiums	Insurance company retains the premiums paid by the policyholder in exchange for bearing all expected risks	Participants' contributions to the Takaful fund, whether in full or part, helps others in the event of a loss or risk.
Investment Profit	All surpluses and profits go directly to the shareholders.	Surplus in the Participants' Takaful is shared among Participants only, and the returns on investments are distributed between the participants and the shareholders based on the principles of Mudarabah.

<b>Claims</b>	Payable from the overall fund of the company.	Payable from the Participants' Takaful Fund (Waqf Fund).
<b>Surplus/Underwriting Profit</b>	belongs to the company's shareholders. Insurance companies will make profit if the claims are less than the premiums.	No provision for underwriting profit for the operator. Can be given to the Participants only.
<b>Deficit</b>	The conventional insurance company covers the risks	The Takaful Operator provides for an interest free loan (Qard-e-Hasana) to the participants.
<b>Shari'ah Supervision</b>	There is no Shari'ah supervision in place, nor does any specific law exist in this regard. The operations are solely subject to the prevailing rules, regulations, and governing laws of the region.	Subject to the rules, regulations, and governing laws of the region, as well as a Shari'ah Supervisory Board. As per the Takaful Rules 2012, external Shari'ah compliance audit is compulsory.

### Financial Performance and Rating

The financial performance of PQGTL reflects the strength of this model. In 2024, the Company reported a written gross contribution of PKR 1.174 billion and a net profit after tax of PKR 113.79 million, equivalent to earnings per share of PKR 2.23. Results were driven by Wakala fees and investment income within the SHF, complemented by a surplus of PKR 47.32 million generated in the PTF. Furthermore, both SHF and PTF operate as a separate and distinct fund, established solely for the benefit of its participants, with its own identifiable assets, liabilities, income, and expenses. The accounts are maintained such that the assets, liabilities, income, expenses, and results of the PTF and the Shareholders' Fund (SHF) are reported separately. Accordingly, the surplus of PKR 47.3 million arising in the PTF forms part of the PTF equity and is not directly attributable to the SHF. This structure ensures value creation for both stakeholders and participants receive financial protection with potential surplus sharing, while shareholders earn returns through fees and Shariah-compliant investment income.

### Gross Contribution Mix by Class – FY 2024



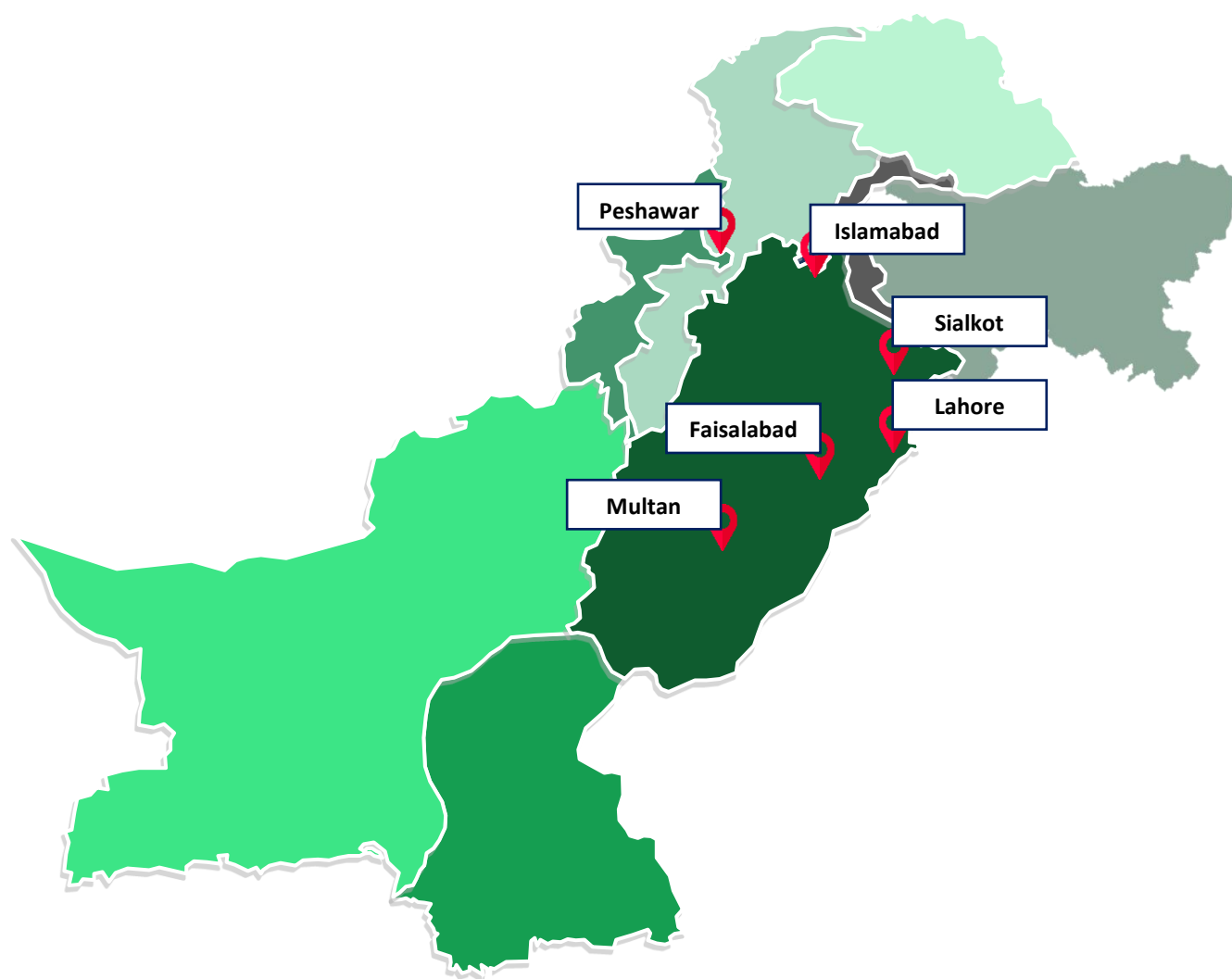
### Branch Network and Outreach

PQGTL operates through 8 branches nationwide, covering all major commercial and urban centers including Karachi, Lahore, Islamabad, Peshawar, Sialkot, Multan, Faisalabad, and Sukkur. All eight branches are fully operational as of the latest audited period, and the Company does not have any sub-branches, sales offices, or franchise outlets. The Company serves a diverse customer base of corporates, SMEs, and individuals, offering a

wide range of Shariah-compliant risk protection products. This diversity is reflected in the gross contributions generated by each segment, as shown below:

	Year	Individual	SME's	Corporate	Total
Gross Contribution Written	2024	143,558,639	82,507,857	948,425,265	1,174,491,761
		12.2%	7.0%	80.8%	100%

Its nationwide presence across all major commercial and urban centers reinforces its position as a credible and reliable alternative to conventional general insurance providers, offering consistent Shariah-compliant products and services that cater to a diverse customer base.



### Strategic Positioning

PQGTL continues to play a pioneering role in developing Pakistan's Dedicated Takaful industry. Beyond financial and operational achievements, the Company contributes to industry development and talent building. Notably, it signed a Memorandum of Understanding with ILMA University to promote Islamic finance education and nurture future professionals. Strategically, PQGTL has embraced digital transformation, introducing online portals, mobile applications, aggregator partnerships, and real-time policy dashboards. Integration with payment gateways and advanced use of data analytics in underwriting, fraud detection, and customer profiling have enhanced customer engagement, operational efficiency, and accessibility.

The Takaful industry in Pakistan is in a growth phase, supported by increasing demand for Shariah-compliant solutions and favorable regulatory support from the SECP. With strong sponsor backing, robust governance, and expanding distribution channels, PQGTL is well-positioned to capitalize on growth opportunities and maintain its role as a Shariah-compliant, innovative, and customer-focused alternative to conventional insurance.

### 3.2. PATTERN OF SHAREHOLDING

Names	Pre-IPO Shareholding		Post-IPO Shareholding	
	No. of Shares Held	%	No. of Shares Held	%
<b>Sponsors, Associated Companies, Undertakings and Related Parties</b>				
Pak – Qatar Investment (Pvt.) Limited	23,743,783	33.39%	23,743,783	23.48%
Qatar International Islamic Bank	8,844,569	12.44%	8,844,569	8.75%
Qatar Islamic Insurance Group	7,108,735	10.00%	7,108,735	7.03%
H. E. Sheikh Ali Bin Abdullah	9,563,467	13.45%	9,563,467	9.46%
<b>Total</b>	<b>49,260,554</b>	<b>69.28%</b>	<b>49,260,554</b>	<b>48.72%</b>
<b>Directors and Chief Executive Officer</b>				
Muhammad Kamran Saleem	3,055,097	4.30%	3,055,097	3.02%
Said Gul***	1,222,141	1.72%	1,222,141	1.21%
Zahid Hussain Awan***	324,655	0.46%	324,655	0.32%
Ali Ibrahim Al Abdul Ghani	1	0.00%	1	0.00%
Abdul Basit Ahmad Al – Shaibei	1	0.00%	1	0.00%
Saqib Zeeshan – CEO	1,000,000	1.41%	1,000,000	0.99%
<b>Total</b>	<b>5,601,895</b>	<b>7.88%</b>	<b>5,601,895</b>	<b>5.54%</b>
<b>Related Family Members of Directors and/or Chief Executive Officer</b>				
Sameera Said*	2,444,286	3.44%	2,444,286	2.42%
Fatima*	2,444,285	3.44%	2,444,285	2.42%
Muhammad Ozair Zahid**	11,394	0.02%	11,394	0.01%
<b>Total</b>	<b>4,899,965</b>	<b>6.89%</b>	<b>4,899,965</b>	<b>4.85%</b>
<b>Other Shareholders</b>				
Other Shareholders****	11,344,707	15.95%	11,344,707	11.22%
<b>Total</b>	<b>11,344,707</b>	<b>15.95%</b>	<b>11,344,707</b>	<b>11.22%</b>
<b>Public Offering</b>				
Public offering	-	-	30,000,000	29.67%
<b>Total</b>	<b>71,107,121</b>	<b>100.00%</b>	<b>101,107,121</b>	<b>100.00%</b>

\* Fatima and Sameera Said are the daughters of Said Gul.

\*\* Muhammad Ozair Zahid is the son of Zahid Hussain Awan.



\*\*\* Mr. Said Gul and Mr. Zahid Hussain Awan serve as non-executive directors on PQGTL's board. Neither Zahid Hussain Awan nor Said Gul have been nominated as Sponsors, likewise their family members are also not Sponsors of the Company.

\*\*\*\* This shareholding was subscribed by a group consisting of friends, associates, and early supporters of the initial sponsors, including non-resident Pakistanis and Qatari nationals who expressed interest in the newly introduced, Shariah-compliant Takaful concept. Their post-IPO shareholding is assumed unchanged, though these original subscribers may participate in the public offering.

Details of major shareholders are as follows:

#### A. Pak-Qatar Investment Limited (PQIL):

Pak-Qatar Investment (Private) Limited (PQIL) is one of the key sponsors of the Pak-Qatar Group. The company is engaged in the business of providing independent assessments and specialist investment advice to its clients, with the objective of maximizing returns for investors.

The company was incorporated on August 16, 2016, as a private limited company. The registered office of the company is on the First Floor, Business Arcade, Block 6, P.E.C.H.S, Shahr-e-Faisal, Karachi.

#### B. Qatar International Islamic Bank (QIIB):

Qatar International Islamic Bank (QIIB) is a privately owned Islamic financial institution based in the state of Qatar, catering to individual and corporate banking needs. QIIB work within local and international standards to deliver the best Shariah compliant deposit, finance and insurance products for its valuable customers.

#### C. Qatar Islamic Insurance Group (QIIG):

QIIG was incorporated on October 30, 1993, in the state of Qatar under Qatar Companies Law No.11. Qatar Islamic Insurance Group (QIIG), formerly Qatar Islamic Insurance Company, is a leading Takaful (Islamic insurance) company in the world. The company engaged in the business of underwriting general, Takaful (Life) and health insurance in accordance with the principles of Shariah. QIIG was the first insurance company in Qatar to offer insurance products and services on-line<sup>20</sup>. On December 12, 1999, the company was listed on the Qatar Stock Exchange under the ticker 'QISI'<sup>21</sup>. As of July 01, 2025, the company has a market capitalization of QAR 1295.550/- Mn, which amounts to USD 356/- Mn and PKR 100,975/- Mn.

#### D. H. E. Sheikh Ali bin Abdullah Thani Jassim Al-Thani - Chairman Board of Directors:

A distinguished member of the Royal Family of Qatar, His Excellency Sheikh Ali Bin Abdullah Thani Jassim Al-Thani has been a steadfast supporter of Pakistan's progress and development. He has championed initiatives to attract foreign investment, foster workforce opportunities, and uplift communities, especially in education and healthcare. Since 2007, Sheikh Ali is also serving as the visionary Chairman of Pak-Qatar Family Takaful Limited, steering the Company's mission to redefine Islamic financial services with excellence and purpose.

### 3.3. REVENUE AND COST DRIVERS

#### 3.3.1. Revenue and Income Drivers

Breakdown of PQGTL's Income for the preceding three years is provided hereunder:

PKR	CY 2022		CY 2023		CY 2024		9MCY2025	
	Audited	%	Audited	%	Audited	%	Unaudited	%
<b>Key Revenue Items - Participants' Fund</b>								
- Motor	555,009,558	46.04%	568,672,622	44.86%	571,723,410	48.68%	488,540,056	44.96%

<sup>20</sup> <https://www.QIIG.com.qa/about-us/history/>

<sup>21</sup> <https://www.qe.com.qa/en/company-profile?InformationCategory=Company&InformationType=News&CompanyCode=QISI>

- Fire	204,060,414	16.93%	239,127,578	18.87%	253,937,703	21.62%	206,234,043	18.98%
- Health	291,841,710	24.21%	280,384,252	22.12%	139,134,610 <sup>22</sup>	11.85%	198,869,513	18.30%
- Marine	74,077,802	6.15%	113,905,096	8.99%	139,211,740	11.85%	135,550,239	12.47%
- Miscellaneous	80,305,900	6.66%	65,458,216	5.16%	70,484,298	6.00%	57,426,744	5.28%
<b>Gross Written Contributions</b>	<b>1,205,295,384</b>	<b>100%</b>	<b>1,267,547,764</b>	<b>100%</b>	<b>1,174,491,761</b>	<b>100%</b>	<b>1,086,620,595</b>	<b>100%</b>
- Profit from sukuk	11,600,662	28.60%	18,204,507	34.65%	20,713,468	44.09%	13,017,943	61.23%
- Profit from bank placement	23,983,421	59.12%	34,294,202	65.27%	24,568,487	52.30%	8,243,169	38.77%
- Realized gain on sale of mutual funds	4,983,022	12.28%	43,977	0.08%	1,695,605	3.61%	-	-
<b>Investment Income &amp; Bank Profits</b>	<b>40,567,105</b>	<b>100%</b>	<b>52,542,686</b>	<b>100%</b>	<b>46,977,560<sup>23</sup></b>	<b>100%</b>	<b>21,261,112</b>	<b>100%</b>
<b>Key Revenue Items - Shareholders' Fund</b>								
- Motor	298,648,734	69.23%	316,980,709	62.63%	318,127,711	62.16%	231,288,027	59.40%
- Fire	57,599,858	13.35%	81,220,840	16.05%	89,389,857	17.47%	58,925,323	15.13%
- Marine	3,258,567	0.76%	14,187,054	2.80%	50,394,490	9.85%	45,357,302	11.65%
- Miscellaneous	28,078,548	6.51%	33,145,668	6.55%	32,387,854	6.33%	23,785,082	6.11%
- Health	43,792,267	10.15%	60,574,271	11.97%	21,489,547	4.20%	30,024,824	7.71%
<b>Wakala Income Earned</b>	<b>431,377,974</b>	<b>100%</b>	<b>506,108,542</b>	<b>100%</b>	<b>511,789,459</b>	<b>100%</b>	<b>389,380,558</b>	<b>100%</b>
- Realized gain on sale of mutual funds	15,702,908	30.15%	41,096,515	35.47%	69,990,285	52.93%	53,164,322	67.05%
- Profit from sukuk	22,745,646	43.67%	39,201,393	33.83%	48,824,748	36.92%	16,650,493	21.00%
- Profit from bank placement	13,639,145	26.18%	35,578,615	30.70%	13,428,943	10.15%	9,472,894	11.95%
<b>Investment Income &amp; Bank Profits</b>	<b>52,087,699</b>	<b>100%</b>	<b>115,876,523</b>	<b>100%</b>	<b>132,243,976</b>	<b>100%</b>	<b>79,287,709</b>	<b>100%</b>

### 3.3.1.1. Rising Demand for Shariah Compliant Solution

With Pakistan being a predominately Muslim country, local consumers have sought insurance solutions that comply with Shariah (Islamic) law. This has led to the growth and development of the Takaful business, which act as a Shariah compliant alternative to conventional solutions. In CY 2024 the total Gross Contributions collected by the Takaful business (incl. Window) in the General and Life insurance sector amounted to PKR 31 billion and PKR 66 billion, respectively.<sup>24</sup>

PQGTL is one of the Pakistan's largest dedicated General Takaful operators in terms of gross contributions, collecting PKR 1,174 million from participants. PQGTL stands as one of two dedicated general takaful

<sup>22</sup> The gross contribution written remained largely range-bound over the last three years. A decline in 2024 was attributable to a decrease in the health segment contribution from Rs. 280 million in 2023 to Rs. 139 million in 2024, as a result of company's strategy to shed high loss-making clients within the segment.

<sup>23</sup> PTF investment income primarily comprises 'bank profits' and 'sukuk profits'. During 2024, bank profits declined mainly due to higher payments and cash outflows from the PTF compared to the prior year. These increased payments resulted in lower average bank balances during the year, thereby reducing profit income earned on bank deposits

<sup>24</sup> <https://www.secp.gov.pk/document/report-on-insurance-industry-statistics-2024/?wpdmdl=61696&refresh=68a702937e8b91755775635>

companies in Pakistan, having a market share of 19% of the dedicated general takaful sector<sup>25</sup>. The industry's total gross contributions (premiums) segregated between conventional and Takaful business are provided hereunder:

PKR Billion	CY 2022	CY 2023	CY 2024	YoY %	YoY %
				(2022 – 2023)	(2023 – 2024)
General*					
Conventional	157	202	212	28.7%	5.0%
Takaful (Including Window)	21	25	31	19.0%	24.0%
Total	178	227	243	27.5%	7.0%

\*Source: SECP Insurance Industry Statistics [2022](#), [2023](#) and [2024](#).

### 3.3.1.2. Investment Income

As of December 31, 2024, total investments held by the Company's Participants' Fund amounted to PKR **46.977** Mn (2023 PKR **52.542** Mn). This portfolio generates investment income for the Participant Takaful Fund (PTF), primarily comprising bank profits and sukuk profits (detailed break-up provided above). During 2024, bank profits declined mainly due to higher claim payments and cash outflows from the PTF compared to the prior year, which resulted in lower average bank balances and, consequently, reduced profit income on bank deposits. Investment income (excl. fair value gains/losses) generated in CY 2024 PKR **132.243** Mn (CY 23: PKR 115.876 Mn) for the shareholders' fund.

### 3.3.1.3. Wakala Fee

The Takaful operator (SHF) manages the general takaful operations for the participants' takaful fund (PTF). Wakala fee is charged from PTF as a percentage of the gross contribution written net of administrative surcharge at the time of issuance of policy. It is amortized over the takaful contract terms in accordance with the pattern of takaful contribution earned. Administrative surcharge is recognized on upfront basis.

The wakala fee rates may vary across different lines of business and the fee structure is subject to approval by the Shariah Advisor. The applicable wakala fee rates are disclosed in **Note 30.1** to the Annual Accounts for the year ended 2024 and are as follows.

The Takaful operator (SHF) manages the general takaful operations for the PTF and charge **35%** for Fire and Property, **35%** for Marine, Aviation and Transport, **55%** for Motor, **50%** for Engineering, **50%** for Other miscellaneous, and **15%** for Health of 'the gross contribution written net of administrative surcharge' as wakala fee against the services.

### 3.3.1.4. Modarib Fee

The Takaful Operator (SHF) also manages the PTF's bank balances and investments as Modarib. A Modarib fee is charged as a percentage of the income generated from these assets. Currently, the Modarib share is 50% of the investment income earned by the PTF, and it is recognized on the same basis as the related investment income, ensuring alignment with the actual returns of the funds.

The Modarib fee rate may change; however, the fee structure is subject to approval by the Shariah Advisor, which is reviewed on an annual basis. The applicable Modarib fee rate is disclosed in **Note 29.1** to the Annual Accounts for the year ended 2024. Modarib fee is charged at **50%** of the aggregate income earned by PTF from bank balances and investments.

### 3.3.2. Cost Drivers

<sup>25</sup> <https://asset.salaamtakaful.com/GeneralAssets/Assets/pdf/AnnualReport2024.pdf>

Breakdown of PQGTL's key expense items for the proceedings three years is provided hereunder:

PKR	CY 2022		CY 2023		CY 2024		9MCY2025	
	Audited	%	Audited	%	Audited	%	Unaudited	%
<b>Key Expense Items - Participants' Fund</b>								
Net takaful Claims	(536,224,574)	66.44%	(666,711,694)	70.75%	(401,229,731)	54.08%	(369,349,617)	57.91%
Contribution Ceded to Retakaful	(256,609,422)	31.80%	(275,577,967)	29.25%	(317,164,287)	42.75%	(257,864,933)	40.43%
Modarib Share	(14,198,487)	1.76%	- *	-	(23,488,780)	3.17%	(10,630,556)	1.67%
<b>Total</b>	<b>(807,032,483)</b>	<b>100%</b>	<b>(942,289,661)</b>	<b>100%</b>	<b>(741,882,798)</b>	<b>100%</b>	<b>(637,845,106)</b>	<b>100%</b>
<b>Key Expense Items - Shareholders' Fund</b>								
Management expenses	(286,324,739)	68.51%	(335,959,202)	69.86%	(361,169,757)	70.99%	(276,366,071)	72.65%
Commission expense	(126,095,403)	30.17%	(135,248,028)	28.13%	(137,217,528)	26.97%	(95,834,895)	25.19%
Direct expenses	(5,537,239)	1.32%	(9,662,677)	2.01%	(10,365,906)	2.04%	(8,228,781)	2.16%
<b>Total</b>	<b>(417,957,381)</b>	<b>100%</b>	<b>(480,869,907)</b>	<b>100%</b>	<b>(508,753,191)</b>	<b>100%</b>	<b>(380,429,747)</b>	<b>100%</b>

\* The Takaful operator (Shareholders' Fund) manages the Participants' Takaful Fund's bank balances and investments in the capacity of Modarib. The Modarib's fee is charged as a percentage of the aggregate income earned by the PTF from bank balances and investments and is subject to approval by the Shariah Advisor. While the Shareholders' Fund is entitled to charge Modarib's fee up to the approved rate, the Board of Directors retains the discretion to waive or relinquish this entitlement. During 2023, the Participants' Takaful Fund experienced a significant increase in claims expense. In order to strengthen the financial position and equity of the PTF, the Board of Directors resolved not to charge any Modarib's fee for the year 2023. Consequently, all investment income earned by the PTF during 2023 was retained within the Fund for the exclusive benefit of Participants and was ultimately transferred to PTF equity.

### 3.3.2.1. Takaful Benefits

Takaful benefits (claims) represent amounts that are payable to participants as per the terms of their respective policies.

Takaful benefits are payable by the PTF upon the occurrence of the insured event as stated in the terms of the Takaful certificate. Events covered by PQGTL include accidental, theft, damage and others (details of coverage are provided in section 3.9).

Total net takaful claims declined to PKR 401.23 million in CY 2024, down from PKR 666.71 million in CY 2023 and PKR 536.22 million in CY 2022. Against gross written contributions of PKR 1.17 billion, this translated into a claim's ratio of 34.2% in CY 2024, reflecting a marked improvement from 52.6% in CY 2023 and 44.5% in CY 2022. The downward trajectory in the claim's ratio indicates stronger underwriting discipline, improved portfolio risk selection, and better claims management efficiency. The claim rejection ratio stood at 5.5% in 2022, increased to 6.21% in 2023, and further to 7.7% in 2024.

The decline in net takaful claims during CY 2024 was largely attributable to significant reduction in health-related claims. Further, the claim rejection ratios observed over the 3-year period were primarily driven by claims not falling within the policy terms and conditions, claims falling under deductible or excess limits, non-submission of required claim documentation, losses arising from wear and tear (which are not covered) and the absence of insurable interest in favor of the claimant.

### 3.3.2.2. Investment Management

During CY 2024, total investment income rose significantly to PKR 141.22 million (Shareholders' Fund: PKR 118.82 million, Participants' Takaful Fund: PKR 22.41 million) compared to PKR 125.02 million in CY 2023. The growth was primarily driven by higher returns from debt securities (sukuks) and substantial realized gains on equity mutual funds, which increased to PKR 71.69 million in 2024 from PKR 41.14 million in the prior year. Profit from bank placements declined during the year as funds were strategically reallocated toward higher-yielding sukuk and equity instruments. The improved investment performance reflects a

prudent portfolio strategy focused on optimizing returns while maintaining a balanced exposure across asset classes in line with Shariah principles.

### 3.3.2.3. Management and Administrative Costs

PQGTL incurs management and administrative expenses as part of its normal business operations. The management costs for CY24 were PKR 361 million while for 9 months of CY25 were PKR 276 million. These include staff salaries and benefits, asset maintenance, Shariah advisory fees, legal and professional expenses, utilities, SECP supervision fees, group takaful, office rentals, and ongoing investments in digital platforms and automation tools. The Company also continues to invest in marketing activities and staff development programs to enhance operational efficiency and service quality. All management and administrative are initially borne by the Shareholders' Fund (SHF) and are not recoverable from the Participants' Takaful Fund (PTF) beyond the approved Wakala fee, which represents the maximum amount chargeable to the PTF for managing takaful operations. Accordingly, any excess of actual expenses over the Wakala fee remains the responsibility of the Operator (SHF).

### 3.3.2.4. Branch Infrastructure

PQGTL operates through a network of eight branches across major cities in Pakistan. These branches facilitate business generation, client servicing, and operational support; however, their associated costs such as rent, utilities, and administrative expenses remain modest given the company's lean physical presence.

PQGTL benefits from its association with Pak-Qatar Family Takaful Limited (PQFTL) through shared infrastructure and support functions, enabling it to optimize resource utilization without incurring significant additional costs. The company continues to strengthen its business model through digital platforms, aggregator partnerships, and institutional channels, reducing dependence on physical branches while maintaining nationwide reach.

During CY 2024, gross written contributions amounted to PKR 1.17 billion, compared to PKR 1.27 billion in CY 2023 and PKR 1.21 billion in CY 2022. For the first nine months of CY 2025, contributions reached PKR 610.80 million, reflecting sustained business activity supported by operational efficiencies and strategic use of shared digital and branch infrastructure.

The branch-wise contribution and related direct operating costs, excluding staff salaries, are summarized below:

Branch Location	Contribution	Branch Cost
	(PKR in Mn)	(PKR in Mn)
Karachi	548.8	36.49
Islamabad	49.4	3.29
Lahore	222.0	14.76
Peshawar	13.5	0.90
Multan	19.3	1.29
Sialkot	21.6	1.44
Faisalabad	36.9	2.46
Sukkur	36.3	2.42
<b>Total (excluding Head Office)</b>	<b>947.8</b>	<b>63.1</b>

### 3.3.2.5. Retakaful Arrangements

PQGTL cedes a portion of its takaful contributions to established retakaful partners. This risk-sharing mechanism protects the Participants' Takaful Fund (PTF) against large or unforeseen claims, thereby ensuring its long-term financial stability and sustainability. Retakaful arrangements are particularly vital for lines of business with higher claim exposure, such as motor, fire, and health takaful.

PQGTL maintains retakaful arrangements with a selection of established regional and international partners, including Kuwait Re<sup>26</sup>, Saudi Re<sup>27</sup>, Oman Re<sup>28</sup>, Arab Re<sup>29</sup>, Tunis Re<sup>30</sup>, and Kenya Re<sup>31</sup>. These operators are recognized by leading rating agencies for their financial strength and reliability, providing robust support for PQGTL's risk coverage.

During CY 2024, total contributions ceded to retakaful partners amounted to PKR 317.16 million, compared to PKR 275.58 million in CY 2023 and PKR 256.61 million in CY 2022. For the first nine months of CY 2025, ceded contributions stood at PKR 175.72 million. The year-on-year increase reflects PQGTL's expanding business portfolio and a prudent approach to risk transfer aimed at maintaining financial stability and solvency. The company regularly reviews its ceding ratios, considering claims experience, market conditions, and capital adequacy.

Re-Takaful treaties are executed for a one-year term, covering the period January to December, and are subject to annual renewal. Each year, the negotiated terms of the Re-Takaful treaties are presented to the Board of Directors for approval. Upon renewal, the finalized treaties are placed before the Board for oversight and governance purposes.

The finalized and Board-approved retakaful treaties are submitted to the Securities and Exchange Commission of Pakistan (SECP) each year in compliance with Section 41 of the Insurance Ordinance, 2000, read with Rule 17 of the Insurance Rules, 2017.

Retakaful treaties are dynamic in nature, and participation ratios and related terms may be adjusted at time of renewal in response to market conditions and portfolio performance.

<sup>26</sup>[https://ratings.ambest.com/companyprofile.aspx?ambnum=85585&URatingId=1&bl=64&AltSrc=3&PPP=&AltNum=178385585&Ext\\_User=&Ext\\_Misc=&Portal=0](https://ratings.ambest.com/companyprofile.aspx?ambnum=85585&URatingId=1&bl=64&AltSrc=3&PPP=&AltNum=178385585&Ext_User=&Ext_Misc=&Portal=0)

<sup>27</sup><https://www.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3142395>

<sup>28</sup><https://www.fitchratings.com/research/insurance/fitch-affirms-oman-reinsurance-company-at-ifs-bbb-outlook-stable-05-06-2024>

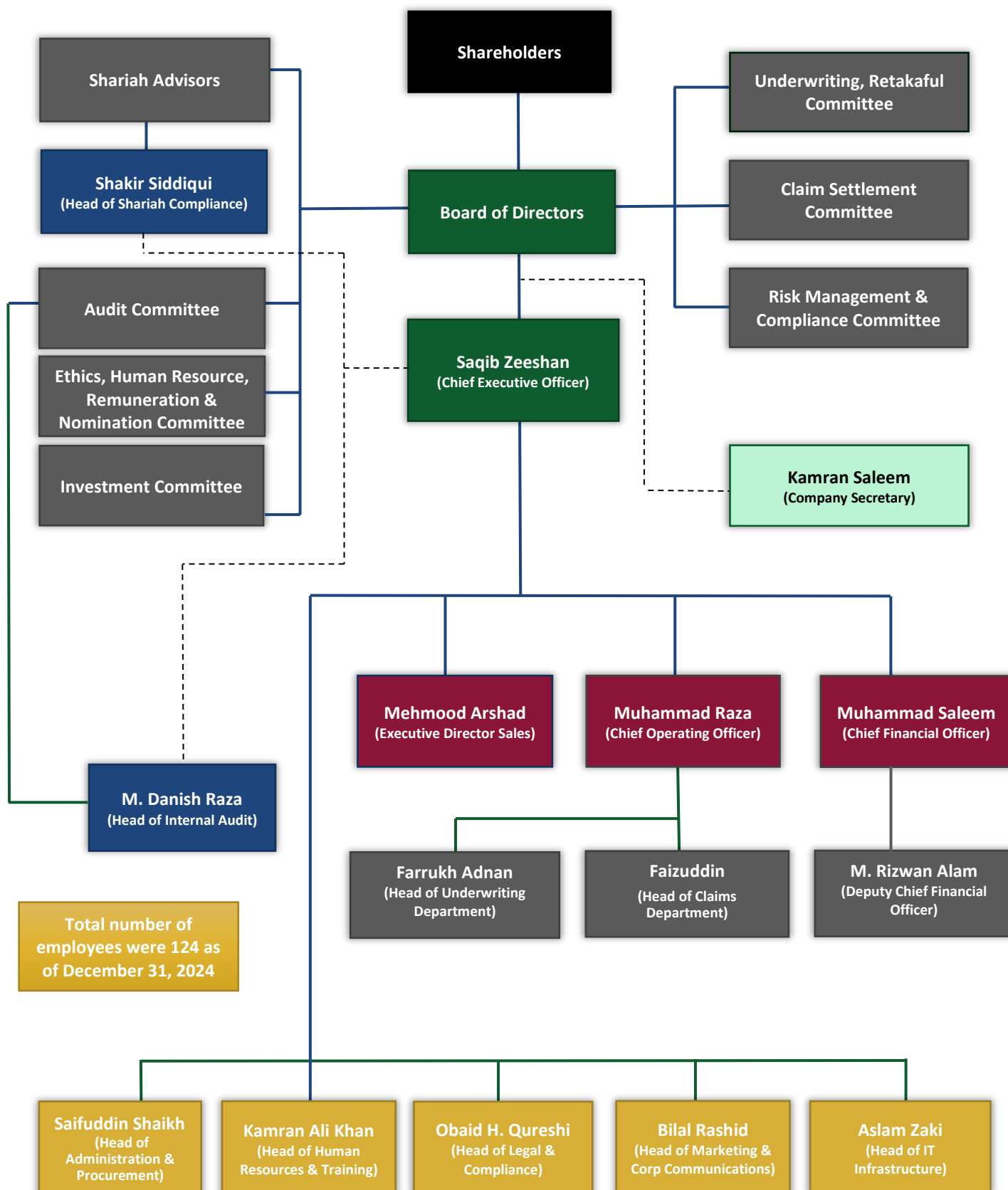
<sup>29</sup><https://news.ambest.com/PR/PressContent.aspx?refnum=35101&altsrc=9>

<sup>30</sup><https://news.ambest.com/newscontent.aspx?refnum=258232&altsrc=23>

<sup>31</sup><https://news.ambest.com/PR/PressContent.aspx?refnum=35033&altsrc=9>



## 3.4. ORGANISATIONAL STRUCTURE OF THE PQGTL



### 3.5. MAJOR EVENTS IN THE HISTORY OF THE ISSUER

Year	Milestones
2006	<ul style="list-style-type: none"> <li>Pak-Qatar General Takaful Limited (PQGTL) was incorporated.</li> </ul>
2008	<ul style="list-style-type: none"> <li>Implemented Penta Takaful System.</li> <li>Expanded outreach into major cities nationwide.</li> <li>Commences operations as the Second General (Non-Life) Takaful operator in Pakistan</li> </ul>
2009	<ul style="list-style-type: none"> <li>"Best Takaful Operator" in Pakistan, by 1st National Achievers Award.</li> <li>"Best Use of Technology" award by the Islamic Business &amp; Finance Awards, UAE.</li> <li>"Best Marketing Strategy" award by World Takaful Summit, London.</li> <li>"Brands of the Year Award" by Brands Foundation, Pakistan.</li> </ul>
2010	<ul style="list-style-type: none"> <li>Became the first Takaful operator in Pakistan to implement the SAP solution.</li> </ul>
2012	<ul style="list-style-type: none"> <li>Launched the 'Health' Takaful product.</li> </ul>
2013	<ul style="list-style-type: none"> <li>Obtained a rating from PACRA in addition to the existing rating from VIS Credit Rating Company, with an improved rating outcome.</li> </ul>
2014	<ul style="list-style-type: none"> <li>JCR-VIS and PACRA reaffirm strong financial ratings.</li> </ul>
2017	<ul style="list-style-type: none"> <li>"Brand of the Year" in Takaful by the Federation of Pakistan Chambers of Commerce and Industry, Pakistan.</li> </ul>
2018	<ul style="list-style-type: none"> <li>"Brand of the Year" in Takaful by the Federation of Pakistan Chambers of Commerce and Industry, Pakistan.</li> </ul>
2020	<ul style="list-style-type: none"> <li>"Best Takaful Company" by the Federation of Pakistan. Chambers of Commerce and Industry, Pakistan.</li> </ul>
2022	<ul style="list-style-type: none"> <li>Upgraded to an IFS "A+" rating with a stable outlook by Pakistan Credit Rating Agency Limited (PACRA)</li> </ul>
2023	<ul style="list-style-type: none"> <li>"Disability Inclusion Excellence" Award by the Employers' Federation of Pakistan.</li> </ul>
2024	<ul style="list-style-type: none"> <li>Accredited by ICAP as an Approved Training Organization – Outside Practice ("TOOP").</li> <li>Go-Live achieved for Microsoft Dynamics 365, Customer Relationship Management solutions.</li> <li>Go-live achieved for 24x7 call center for customer services.</li> </ul>
2025	<ul style="list-style-type: none"> <li>Upgraded to an IFS "A+" rating with a stable outlook by VIS Credit Rating Agency.</li> <li>Enhanced Financial Strength through Increase in Paid-up Capital</li> </ul>

### 3.6. NATURE AND LOCATION OF THE COMPANY'S PROJECT

Not Applicable

### 3.7. INFRASTRUCTURE OVERVIEW

Not applicable as being a service company PQGTL does not maintain infrastructure facilities.

### 3.8. SERVICES OF THE ISSUER

Pak-Qatar General Takaful Limited is a dedicated provider of Shariah-compliant general insurance solutions, offering a wide range of protection plans for individuals, businesses, and institutions.

The Company currently offers the following categories of Takaful products and services:

Services	Products	Coverage	Protection
Individual Products	Motor	<ul style="list-style-type: none"> <li>Private Motor Comprehensive Takaful</li> <li>Commercial Vehicles Comprehensive Takaful</li> </ul>	✓

		<ul style="list-style-type: none"> <li>Motorcycle Comprehensive Takaful (Only Referred Clients)</li> <li>3T Motor Takaful</li> <li>Third Party Coverage</li> </ul>	
	Property	<ul style="list-style-type: none"> <li>Household Takaful</li> <li>Ashiana Takaful</li> </ul>	✓
	Miscellaneous	<ul style="list-style-type: none"> <li>Travel – Safar Asaan International</li> <li>Travel – Safar Asaan Domestic</li> <li>Personal Accident</li> <li>Mobile All Risk (only for Referred Client)</li> <li>Electronic Equipment All Risk (only for Referred Client)</li> </ul>	✓
	Health	<ul style="list-style-type: none"> <li>Individual Health</li> </ul>	✓
<b>Corporate Products</b>	Property	<ul style="list-style-type: none"> <li>Property All Risk (i.e. buildings, stock, machinery and other contents)</li> <li>Fire and Allied Perils</li> <li>Terrorism Takaful</li> </ul>	✓
	Marine	<ul style="list-style-type: none"> <li>Marine Import</li> <li>Inland Transit</li> <li>Marine Exports</li> </ul>	✓
	Motor	<ul style="list-style-type: none"> <li>Private Motor Comprehensive Takaful</li> <li>Commercial Vehicles Comprehensive Takaful</li> <li>Motorcycle Comprehensive Takaful</li> <li>3T Motor Takaful</li> <li>Third Party Coverage</li> </ul>	✓
	Engineering	<ul style="list-style-type: none"> <li>Contractor Plant and Machinery/Equipment</li> <li>Erection All Risk</li> <li>Machine Breakdown</li> <li>Electronic Equipment</li> <li>Contractor All Risk</li> <li>Boiler &amp; Pressure Vessel</li> <li>Contractor Plant and Machinery</li> </ul>	✓
	Health	<ul style="list-style-type: none"> <li>Group Health</li> </ul>	✓
	Miscellaneous	<ul style="list-style-type: none"> <li>Cash in Safe</li> <li>Cash in Transit</li> <li>Third Party Liability</li> <li>Travel – Safar Asaan International</li> <li>Travel – Safar Asaan Domestic</li> <li>Fidelity Guarantee</li> <li>Personal Liability (Limited Coverage)</li> </ul>	✓
<b>Bank Products</b>	Property	<ul style="list-style-type: none"> <li>Property All Risk</li> <li>Fire and Allied Perils</li> <li>Terrorism Takaful</li> </ul>	✓
	Engineering	<ul style="list-style-type: none"> <li>Electronic Equipment</li> <li>Machinery Breakdown Takaful</li> </ul>	✓
	Marine: For Bank Customers	<ul style="list-style-type: none"> <li>Marine Import</li> <li>Inland Transit</li> <li>Marine Exports</li> </ul>	✓
	Motor	<ul style="list-style-type: none"> <li>Motor Ijara Comprehensive</li> <li>Motor Own Fleet</li> <li>Motor of Bank Employees</li> </ul>	✓
	Miscellaneous Accident	<ul style="list-style-type: none"> <li>Bankers Blanket Bond</li> <li>ATM and OTC Cash Withdrawals</li> <li>Plastic Card</li> </ul>	✓

Aggregators / Corporate Agent	Motor	<ul style="list-style-type: none"> <li>Private Motor Comprehensive Takaful</li> <li>Commercial Vehicles Comprehensive Takaful</li> <li>Motorcycle Comprehensive Takaful</li> <li>3T Motor Takaful</li> <li>Third Party Coverage</li> </ul>	✓
	Miscellaneous Accident	<ul style="list-style-type: none"> <li>Travel – Safar Asaan International</li> <li>Travel – Safar Asaan Domestic</li> <li></li> </ul>	✓
	Property	<ul style="list-style-type: none"> <li>Household Takaful</li> <li>Ashiana Takaful</li> </ul>	✓

Further in line with the Company's strategy to diversify product offerings and address emerging protection needs, the Company is in the process of introducing new Takaful solutions, including:

- **Cyber Takaful** – tailored for individuals and small-to-medium enterprises (SMEs) to provide coverage against cyber-related risks.
- **Livestock Takaful** – designed to offer financial protection to farmers and livestock owners against loss or damage to their animals.

These products are planned for launch in the second quarter of 2026. Sessions have been conducted with International Brokers and Retakaful Operators to finalize the structure, underwriting framework, and distribution strategy. They are expected to contribute to revenues, with modest estimates in the first year and potential for growth in subsequent years as market adoption develops. As these products are currently under development, their expected revenues have not been included in the next year's projections.

These initiatives reflect the Company's continued commitment to innovation and expanding financial inclusion in the Takaful sector.

### 3.8.1. Brief Details of Takaful Services

PQGTL offers an unmatched, comprehensive suite of products through its Retail Sales and Corporate Sales teams and additionally through Digital and Alternate channels.

#### A. Retail Solutions

##### i. Motor Takaful

Motor Takaful offers comprehensive coverage for private, commercial vehicles and motorcycles, customized according to the Participant's requirements. Motor Takaful offers protection from losses incurred due to traffic accidents and legal liabilities that might arise due to accidents.

Comprehensive Motor Takaful provides maximum coverage against theft, accidental damage and third-party liability with innovative features and hassle free pre- and post-Takaful processing. The cover includes losses due to external accidental means, fire, explosion, burglary, house-breaking or theft, malicious acts, riots, strikes and natural calamities. Terrorism and Third-Party liability i.e., Property Damage, Bodily Injury and Death, are additional features of the policy. The claims management body follows standardized procedures and is available round the clock for assistance and prompt service delivery to Participants

##### ii. Ashiana Takaful

Ashiana Takaful provides financial protection and relief against unexpected accidents and incidents, which are typically sudden, unforeseen, and difficult to anticipate or prevent. Ashiana Takaful Protection scheme covers loss or damage to residential building and content there caused due to:

- Fire, Lightning, Earthquake Fire & Shock.

- Burglary, Housebreaking or any attempt of threat.
- Flood & Typhoon (excluding rain damage except when occurring during or immediately after typhoon).
- Bursting of Overflowing of underground water or sewerage pipes.
- Riot & Strike Damage, Malicious Act.
- Impact of Motor Vehicle & Falling Tree.
- Explosion (including explosion of domestic appliances like Geyser, Stoves & UPS).
- Falling Aircraft and other aerial devices.
- Accidental Damage to underground tanks.
- Fire, directly or indirectly caused by the failure or interruption of any gas, water or electricity service or supply. Electrical Clause B; and
- Terrorism.

### iii. Home Takaful

Home Takaful is another highly rated product of Pak-Qatar General Takaful Limited. Home Takaful protects and alleviates you from financial loss arising from mishaps that are generally “sudden and accidental” and, therefore, hard to predict and prevent. It covers, loss or damage to Residential building and Contents due to certain perils and accident related to Fire and Lighting, Rain, Flood, Cyclone and severe storm, Earthquake, Burglary, armed robbery and housebreaking, Riots and Strike Damage, Malicious Act, Explosion, Falling Aircraft and other Aerial Devices, Impact of Falling Trees, Water Damage due to burst pipes, Accidental Glass Breakage (Glazing), Accidental Damage to Underground Tanks and Loss of Rent.

### iv. Safar Asaan - Travel Takaful Coverage

Travel Takaful is designed to cover the costs and reduce the risk associated with unexpected events during domestic and international travel. It is a comprehensive Takaful policy that offers travel emergency sickness/accident as well as travel inconvenience benefits like baggage loss, flight delayed, passport loss etc.

### v. Personal Accident Takaful

Personal Accident Takaful has been tailored to offer round the clock cover that fits needs by providing comprehensive coverage for Accidental death and accidental total disablement.

## B. Corporate Solutions

### i. Fire & Property Takaful

Business places, homes and wealth require security from seen and unforeseen losses. These might arise from fires, burglaries, natural calamities and other hazards which are an unavoidable part of everyday life. In this regard, Fire and Allied Perils Takaful provides comprehensive coverage against all risks to make lives and businesses secure. Fire Takaful provides compensation to the covered person or firm in the event of damage to property (i.e. buildings, stock, machinery and other contents). This policy extends customized coverage for diverse industrial sector companies according to their needs

### ii. Marine Takaful

Despite meticulous planning, the various stages of transit face many challenges which can cause monetary damage to cargo. Marine Takaful ensures complete security of valuable cargo from any potential damage during its time on shipment vessels, and caters to all relevant security needs of traders, shipping agents, transporters etc. There are various covers available for the following types of cargo covering Marine Import, Inland Transit and Marine Exports

### iii. Engineering Takaful

The world of engineering and construction involves a lot of factors beyond human control which make way for all sorts of incidents. Accidents, whether minor or major, cause setbacks and costly delays that endanger the schedule and integrity of any project. Engineering Takaful provides construction sites with the customized protection required to safeguard against unforeseen accidents. Based on actual needs of the Participant, Engineering Takaful offers Contractor's Plant and Machinery/Equipment (CPM/CPE), covering civil works such as construction of roads, bridges, dams and housing projects. Under this plan, comprehensive and adequate protection against loss or damages with respect to constructions plants is made available, be they equipment, machinery or property damages. Other major covers include Erection Contractor All Risk (CAR) Takaful, All Risk (EAR), Machine Breakdown (MB) and Electronic Equipment Takaful (EET).

### iv. Liability Takaful

Liability Takaful provides coverage against legal liabilities to pay compensation to any third party for accidental bodily injury, death or direct damage to the third party's material property, arising due to any accident caused by the Participant's business activities. Liability Takaful policy provides compensation with respect to legal liability to third party for bodily injury, death and property damage and Employer's Liability Takaful, whereby an employer may become liable to his employee if the employee is injured at work due to employer's negligence. Employer's Liability Takaful protects the employer in such a case and will pay all sums that the employer becomes legally liable to pay. In addition, the policy will pay for legal fees incurred in preparing a defense in a court of law.

### v. Miscellaneous Takaful

- **Money Takaful:** Cash, during transit or when safely stashed, has always been a reason for concern and insecurity. Money Takaful assures security by providing coverage with respect to.
- **Fidelity Guarantee Takaful:** Fidelity Guarantee can be offered to employers to cover infidelity of their employee(s) who hold positions of trust like handling cash, stocks, storekeeping, etc. This policy is designed to provide coverage against the risk of misappropriation or embezzlement committed by permanent and authorized employee(s) of the Participant during the course of their employment.
- **Personal Accident:** Round-the-year coverage through Personal Accident provides full benefit amount for accidental death, permanent disabilities, and total and partial temporary disabilities, directly or indirectly caused by an accident. The policy can be extended to cover reimbursement of medical expenses incurred arising out of such accidents.
- **Workmen's Compensation Takaful:** The policy covers liability of an employer for the death, bodily injuries or occupational diseases sustained by employees in the Participant's immediate service, arising out of and during employment. In addition, expenses incurred by the Participant while defending claims may also be paid with the consent of the Company.

### vi. Health Takaful

Health Takaful Provides comprehensive medical coverage for employees and members of organizations, which includes inpatient treatment, surgeries, and prolonged hospital stays.

### vii. ATM Cash Withdrawal Takaful

This policy scheme has been specifically designed for banks, as they have a large account holder base. This policy covers the loss which arises by way of forcible and violent snatching and/or armed hold-up and/or forced deprivation of money from the Customer him/herself (not any other person acting on behalf of the Customer) when using ATM services and Over the Counter cash withdrawal

### viii. Terrorism Takaful



Every business and individual is at risk from terrorist attacks, and not just in capital cities. Terrorist attacks can cripple a much wider area: even if not directly affected, you could face business interruption due to denial of access, loss of attraction, and the threat of further terrorist attacks.

**ix. Shop Owner Comprehensive Takaful**

Regardless of all the precautions you may take, your shop still remains vulnerable to armed robbery, riots, strikes, fire, natural disasters and freak weather conditions among other risks. Loss of income coupled with high costs of construction renders in next to impossible to repair, restore or replace your commercial property. This policy provides protection against Armed robbery, burglary Riot & Strike damage, Earthquake, Rain, Flood, Cyclone & Severe Storms Acts of Malicious Persons Fire and Lightning Explosion Falling Aircraft and other Aerial Devices and Impact on Motor Vehicle

**x. Professional Indemnity Takaful**

Professionals are ever exposed to legal suits due to the nature of their profession. Court cases against consultants in various fields have resulted in the awarding of huge sums of monies to claimants. In view of which such professionals revert back to Takaful companies for protection against legal battles. The rate chargeable is always applied on basis of the limit of indemnity, turnover and the type of activities in which the insured is involved and is very dependent on the nature of work, risks and exposure involved.

**xi. Mobile All Risk Takaful**

Sudden accidental and/or physical loss or damage to screen only and/or Theft/Armed holdup of mobile phones from any cause other than those specifically excluded in a manner necessitating repair or replacement the insurers will indemnify the insured in respect of such loss or damage.

**xii. Contractors Plant & Machinery**

Plant, Equipment and Machinery are exposed to a number of risks inherent in their operations in addition to the exposure to natural calamities. This policy covers loss resulting from the accidental breakdown of almost any type of equipment that operates under pressure or that controls, transmits, transforms, or uses mechanical or electrical power. The policy covers sudden, accidental, external damage to the insured equipment due to any cause other than those specifically excluded in the policy. It covers unforeseen and sudden physical loss of or damage to the insured items, necessitating their repair or replacement. The cover, which excludes internal breakdown, applies at work, at rest or during maintenance operations. This policy also provides cover for inland transport with additional premium.

**xiii. Boiler & Pressure Vessel**

Boiler Takaful (Boiler cover) is a type of Takaful that covers repairs and in some cases the replacement of a home boiler. It can also cover other parts of the central heating system and even plumbing and electrics.

**xiv. Bankers Blanket**

Every financial institution is exposed to the risk of criminal activity. Banker's blanket provides comprehensive coverage which insures losses against possible risks.

**xv. All Risk Contents Takaful**

An all-risk Takaful contract or open perils policy provides coverage and protection against all risks or perils that could damage the home, its contents, and personal property.

Furthermore, a consolidated summary of the pertinent features of the product portfolio is presented in the table below:

Product	Salient Features / Key Coverages
<b>Retail Solution</b>	
Motor Takaful	Comprehensive coverage: accidental damage, theft, fire, burglary, malicious acts, riots, strikes, natural calamities, TPL, terrorism; 24/7 claims assistance.
Ashiana Takaful	Residential buildings and contents against fire, lightning, earthquake, burglary, flood, typhoon, pipe bursts, riots, malicious acts, impact damage, explosion, falling aircraft, tank damage, terrorism.
Home Takaful	Residential structure & contents: fire, storm, rain, flood, cyclone, earthquake, burglary, robbery, malicious acts, explosion, falling objects, water damage, glass breakage, rent loss.
Safar Asaan – Travel Takaful	Travel medical emergencies, accident/sickness, baggage loss, flight delay, passport loss, inconvenience benefits.
Personal Accident Takaful	24/7 protection for accidental death and permanent total disability.
<b>Corporate Solution</b>	
Fire & Property Takaful	Buildings, machinery, stock, contents: fire, burglary, natural catastrophes, allied perils; customizable industrial/commercial coverage.
Marine Takaful	Cargo during import, inland transit, export; loss/damage from transit risks across transport modes.
Engineering Takaful	CAR, EAR, CPM/CPE, Machinery Breakdown, Electronic Equipment; covers unforeseen physical loss/damage to works, equipment, machinery.
Liability Takaful	Legal liability for third-party bodily injury, death, property damage; includes Employer's Liability; legal defense costs.
Money Takaful	Loss of money during transit or secured at premises.
Fidelity Guarantee Takaful	Employer protection from employee dishonesty, fraud, embezzlement.
Personal Accident Takaful	Accidental death, permanent disabilities, temporary disabilities; optional medical reimbursement.
Workmen's Compensation Takaful	Employer statutory liability for employee injury/death; defense costs.
Health Takaful	Group medical: hospitalization, inpatient care, surgeries, prolonged treatment.
ATM Cash Withdrawal Takaful	Loss from forcible snatching/armed holdup during ATM or counter withdrawals.
Terrorism Takaful	Physical loss/damage directly from acts of terrorism.
Shop Owner Comprehensive Takaful	Shops: robbery, burglary, riots, strikes, fire, natural disasters, malicious acts; building & contents coverage.
Professional Indemnity Takaful	Liability for professional negligence, errors, omissions; based on turnover and risk.
Mobile All Risk Takaful	Accidental damage and theft/armed holdup; repair/replacement.
Contractors Plant & Machinery (CPM)	Accidental external damage to construction machinery; operation, rest, maintenance, transit (extra premium).
Boiler & Pressure Vessel Takaful	Repair or replacement of boilers/pressure vessels; may include heating/utilities.
Bankers Blanket Takaful	Banks' protection: employee dishonesty, forgery, fraud, cash loss.
All Risk Contents Takaful	Open-perils coverage for home contents/personal property; all risks unless excluded.

### 3.9. MARKETING ACTIVITIES

Pak-Qatar General Takaful Limited offers its services through multiple distribution channels, as under:

Direct Channel	Through B2B Relationships
Traditional Intermediaries	Agents / Sales force excluding online
	Brokers
	Corporate Agent other than Banca
Digital	Telcos (through mobile network operators)
	Website
	Web aggregator and Others
Miscellaneous	Others / Referred Business

The Takaful products currently being offered to following categories:

Sr. No.	Category	Contribution	%
		CY 2024	CY 2024
1.	Individual Products	126,463,639	11%
2.	Corporate Products	798,967,092	68%
3.	Bank Products	231,966,030	20%
4.	Online Platform Products	17,095,000	1%
<b>Total</b>		<b>1,174,491,761</b>	<b>100%</b>

#### Branch Network

Pak-Qatar General Takaful Limited markets its products extensively through its Agency (Direct Sales Force) channel, which operates via a widespread network of 08 branches and is supported by 166 sales representative/agents across the country. The agency channel plays a pivotal role in promoting individual general Takaful plans, by offering personalized Takaful solutions to meet the diverse needs of participants.

#### Ijarah Clients

Pak-Qatar General Takaful Limited (PQGTL) has established a robust multi-bank ijarah vehicle business, significantly expanding its market reach. The company provides Ijarah services to a portfolio of six leading banks and two modarabas, as listed below:

Banks	Modarabas
Meezan Bank	First Habib Modaraba
Dubai Islamic Bank	First Paramount Modaraba
UBL Ameen	
Bank Islami	
Faysal bank	
Habib Metropolitan Bank	

Through these relationships, PQGTL is able to leverage the extensive branch networks and established customer bases of its banking and modaraba clients to provide Shariah-compliant ijarah solutions more efficiently. By working closely with its clients, PQGTL ensures that its ijarah offerings reach a wider segment of the population, enhancing financial inclusion and strengthening its presence in the takaful and Islamic finance market.

#### Travel Partners

Pak-Qatar General Takaful Limited proudly announces its partnership with two of Pakistan's top travel agencies, **Bukhari Travels** and **Polani Travels**, further strengthening its commitment to providing value-added, Shariah-compliant solutions for travelers.

### Digital Aggregator Partners

Pak-Qatar General Takaful Limited has partnered with five leading digital aggregators in Pakistan:

Sr. No.	Partners	Contribution
1.	Comet Solutions Company	826,521
2.	Finovators Digital	1,978,593
3.	PakWheels	4,631,891
4.	Profoundway Private Ltd.	217,521
5.	Smart PFM Pvt. Ltd.	8,046,438

These partnerships aim to strengthen Pak-Qatar General Takaful Limited's digital footprint and enhance customer access to innovative, Shariah-compliant protection solutions across Pakistan.

### 3.10. END USERS, DEMAND FOR THE PRODUCTS AND KEY COMPETITORS

PQGTL promotes its products through multiple distribution channels, including agency, corporates, online platforms and cross-selling. A significant share of the business is driven by the agency channel. The company has also partnered with various banks to enhance its business reach. The online channel is steadily growing and currently contributes a modest share to the overall business volume. The company also leverages the vast network and customer base of Pak-Qatar Group companies to market its products and generate business volumes. However, all transactions conducted through cross-selling channels are carried out on an arm's length basis.

PQGTL has demonstrated a steady growth, driven by rising end-user demand and a strategy that has positioned it strongly across multiple product lines. The focus has been on steady expansion, diversified revenue, and a clear alignment with the evolving needs of individuals and corporate clients.

Gross Contribution Written	CY 2022	CY 2023	CY 2024
<b>PKR</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Participants Fund</b>			
Individual	122,150,198	142,910,162	143,558,639
Corporate	1,083,145,186	1,124,637,602	1,030,933,122
<b>Total</b>	<b>1,205,295,384</b>	<b>1,267,547,764</b>	<b>1,174,491,761</b>

Furthermore, the table below shows the distribution across various business segments:

PKR	CY 2022		CY 2023		CY 2024		9M CY 2025	
	Audited		Audited		Audited		Un-audited	
Participants Fund	PKR	%	PKR	%	PKR	%	PKR	%
- Motor	555,009,558	46%	568,672,622	45%	571,723,410	49%	488,540,056	45%
- Fire	204,060,414	17%	239,127,578	19%	253,937,703	22%	206,234,043	19%
- Marine	74,077,802	6%	113,905,096	9%	139,211,740	12%	135,550,239	12%
- Health	291,841,710	24%	280,384,252	22%	139,134,610	12%	198,869,513	18%
- Miscellaneous	80,305,900	7%	65,458,216	5%	70,484,298	6%	57,426,744	5%
<b>Gross Contribution written</b>	<b>1,205,295,384</b>	<b>100%</b>	<b>1,267,547,764</b>	<b>100%</b>	<b>1,174,491,761</b>	<b>100%</b>	<b>1,086,620,595</b>	<b>100%</b>

The table above shows the distribution across various classes of business. As evident, the Company derives over 45% of its contribution from the motor business, which is primarily driven through the bank Ijara channel and supplemented by the decrease in policy rate, expansion of urban mobility, rising vehicle ownership, and the enforcement of coverage regulations. The customer base of PQGTL differs significantly from that of its associated company, PQFTL, where a substantial portion of the business comes from individual customers, however in the case of PQGTL, the major clientele comprises corporate clients. Retail customers are primarily associated with motor and travel takaful. As a result, PQGTL's customer base operates independently and is not reliant on the customer base of its associated companies.

Fire and marine takaful, traditionally considered stable but secondary lines, are emerging as key growth drivers. Together, these segments contributed nearly PKR 393 million in 2024, reflecting a growing awareness among businesses and institutions of the importance of comprehensive risk protection.

What sets the Company's growth strategy apart is its focused emphasis on service delivery. Management has effectively aligned strategic efforts to scale these segments, enhancing customer satisfaction and operational efficiency. Simultaneously, the Company maintains strong Re-takaful arrangements and supplements its income through investments, ensuring financial stability and risk mitigation. Together, these developments reflect a company not just growing but growing with strategy. PQGTL is actively responding to market needs, managing risk with discipline, and building a foundation for sustainable, long-term value for its customers, partners, and investors alike.

## Competitors

Pak-Qatar General Takaful Limited (PQGTL), as a dedicated Takaful operator, has been serving the Pakistani market for nearly two decades. While its primary focus is on providing Shariah-compliant general insurance solutions, the competitive environment extends beyond the limited number of dedicated Takaful providers. PQGTL faces direct competition not only from other general Takaful companies but also from conventional general insurance players, many of whom operate Window Takaful segments to capture Shariah-conscious clientele. The general insurance industry in Pakistan is broadly categorized into large, medium, and small players, whereas the dedicated Takaful segment remains relatively limited in size. Consequently, PQGTL competes simultaneously with established conventional insurers, their Window Takaful operations, and the few dedicated Takaful operators in the market. The following table provides an overview of the Company's primary competitors:

General Insurance – Large Players	Window Takaful	Market Share	CY 2024 – Gross Premium Written
		%	PKR Mn <sup>32</sup>
EFU General Insurance	Yes	20.1 %	37,910
National Insurance	No	11.4%	21,497
Adamjee Insurance	Yes	16.5%	21,225
Jubilee Insurance	Yes	10.8%	20,387
IGI	Yes	7.2%	13,530
United Insurance	Yes	5.6%	10,615
General Insurance – Medium Players	Window Takaful	Market Share	CY 2024 – Gross Premium Written
		%	PKR Mn
East West Insurance	Yes	4.1%	7,676
UBL Insurer Limited	Yes	3.8%	7,119
Atlas Insurance	Yes	3.5%	6,545
Security General Insurance	No	3.0%	5,571
Askari General	Yes	2.9%	5,429

<sup>32</sup>[https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725\\_1753092936.pdf](https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725_1753092936.pdf)

Alfalah Insurance	Yes	2.4%	4,458
General Insurance – Small Players	Window Takaful	Market Share	CY 2024 – Gross Premium Written
		%	PKR Mn
Habib Insurance	Yes	1.8%	3,370
TPL Insurance	Yes	1.3%	2,496
Century Insurance	Yes	1.3%	2,362
Chubb Insurance	No	1.1%	2,018
Sindh Insurance	Yes	0.9%	1,629
Shaheen Insurance	Yes	0.8%	1,463
Asia Insurance	Yes	0.7%	1,235
Reliance Insurance	Yes	0.6%	1,060
Alpha Insurance	Yes	0.3%	527
Premier Insurance	Yes	0.3%	498
Others	-	0.1%	133

Although window takaful operations are commonly offered by conventional insurance providers in Pakistan, the market comprises only two dedicated general takaful companies that provided end-to-end, fully Shariah-Complaint takaful solutions. The details are mentioned in the table below:

Dedicated General Takaful	CY 2024 – Gross Premium Written	Market Share
	PKR Mn	%
Salaam Takaful Limited	5,003 <sup>33</sup>	81%
Pak – Qatar General Takaful Limited	1,174	19%
<b>Total</b>	<b>6,177</b>	<b>100%</b>

### 3.11. INTELLECTUAL PROPERTY

Sr. No.	Trademark No.	Logo / Label	Class	Registration Date	Renewal Due On	Status
1.	789644	Logo	36	April 13, 2025	-	In Process*
2.	238021	Logo	36	June 21, 2017	June 21, 2027	Renewed**
3.	454225	Logo	36	April 11, 2017	April 11, 2027	Renewed***
4.	454054	Logo	36	April 10, 2017	April 10, 2027	Renewed***
5.	238021	Logo	36	June 21, 2007	June 21, 2017	Registered**
6.	454225	Logo	36	April 11, 2007	April 11, 2017	Registered***
7.	454054	Logo	36	April 10, 2007	April 10, 2017	Registered***

\*Code 789644 – This trademark represents a new logo design incorporating both English and Urdu text, along with a tagline and enhancements in color. The application for registration was submitted in 2025 and is currently under process. The application was submitted in 2025 to the Intellectual Property Organization of Pakistan (IPO-Pakistan), an independent authority responsible for administering trademark registrations. Processing timelines may be extended due to internal reviews and scrutiny. As the application has been submitted and is currently free of any observations, its approval is anticipated in early 2026.

\*\*Code 238021 – This trademark is a variant of code 454054, distinguished by a different font style, artwork, and background design. It was originally registered in June 2007 and has been renewed, with validity extending until June 2027.

\*\*\*Codes 454225 and 454054 – These trademarks are variants with differences in style and tagline. Code 454225 was originally registered on April 11, 2007, while code 454054 was originally registered on April 10, 2007. Both trademarks have been duly renewed and remain valid until 2027.

### 3.12. DETAILS OF MATERIAL PROPERTY

As of the current reporting period, there are no properties owned or held by the company.

<sup>33</sup> <https://asset.salaamtakaful.com/GeneralAssets/Assets/pdf/AnnualReport2024.pdf>

### 3.13. FUTURE PROSPECTS AND DEMAND OUTLOOK

The general insurance sector of Pakistan, comprising both conventional and Takaful segments, is expected to maintain a stable outlook in the medium term. The sector has demonstrated resilience despite the challenges posed by inflationary pressures, regulatory reforms, and shifts in consumer affordability. With Pakistan's nominal GDP reaching PKR 114.7 trillion in FY 2025, reflecting a real growth of 2.7% year-on-year, and growth projections of 3.6% to 4.2% for FY 2026, the insurance industry is likely to expand in line with the broader economy. During CY 2024, the sector's Gross Premium Written (GPW) rose to PKR 214.9 billion, posting an increase of 18.1% year-on-year. Growth in the conventional segment outpaced the industry with an increase of 20.6%, while Takaful operations registered a relatively modest increase of 4.6%. This moderation in growth was largely attributed to the lagging impact of peak inflation on consumer purchasing power and the gradual adaptation to digital platforms under SECP's Insurtech reforms.

In terms of profitability, the sector recorded a substantial rebound as underwriting results improved by 195.7% during CY2024, supported by higher investment income, which nearly doubled compared to the previous year. Profit before tax increased to PKR 55.7 billion in CY2024 against PKR 28.2 billion in CY2023, reflecting enhanced operational and investment performance. On the expense side, while smaller Takaful operators continue to face elevated expense ratios, the overall expense ratio for Takaful improved to 54.0% in CY2024 compared to 60.3% in CY2023, showing signs of efficiency gains. Loss ratios<sup>34</sup> for the segment, however, remain relatively high, with Takaful operations posting 91.3% in CY2024, largely due to motor insurance claims routed through banking channels, compared to 46.3% for conventional insurance. Nonetheless, the overall industry loss ratio declined to 51.2% in CY2024 versus 54.9% a year earlier, indicating improved claims management. Liquidity in the sector also strengthened considerably as liquid assets rose to PKR 313.9 billion, increasing the coverage ratio to 5.9x of Net Claims. With the recent monetary policy easing and inflation falling to single digits, the industry is expected to maintain a positive trajectory going forward. However, profitability and growth will remain contingent upon macroeconomic stability, investment returns, and continued regulatory reforms.<sup>35</sup>

#### PQGTL's Growth Trajectory: Building Solid Foundations

Pak-Qatar General Takaful Limited continued to demonstrate resilience in CY2024 despite macroeconomic challenges and a relatively slower growth trend in the Takaful segment compared to the conventional insurance industry. The Company reported Gross Premium Written (GPW) of PKR 1,174.49 million in CY2024 as against PKR 1,267.55 million in CY2023, with the business mix largely concentrated in Motor (PKR 571.7 million), followed by Fire (PKR 253.9 million), Marine (PKR 139.2 million), Health (PKR 139.1 million), and Miscellaneous classes (PKR 70.5 million). The decline in GPW was primarily reflective of broader sector trends where inflationary pressures and muted demand weighed on underwriting volumes, particularly in the Takaful segment.

Within the Participants' Takaful Fund (PTF), PQGTL recorded net contribution earned of PKR 353.64 million in FY2024 (FY2023: PKR 594.67 million), while net underwriting income stood at PKR 431.46 million (FY2023: PKR 657.34 million). Encouragingly, the Fund reported a higher surplus of PKR 47.32 million in FY2024 compared to PKR 40.58 million in FY2023, demonstrating improved claims experience and prudent underwriting controls.

The Shareholders' Fund (SHF) reflected stable earnings, with Wakala fee income of PKR 511.79 million in FY2024 (FY2023: PKR 506.11 million). Profit after taxation grew to PKR 113.79 million in FY2024 compared to PKR 101.21 million in FY2023, driven by both operating performance and higher investment returns. Consequently, the Company reported earnings per share of PKR 2.23, while the break-up value per share stood at PKR 14.32 as of December 31, 2024. Profitability indicators remained robust, with PAT to Wakala income at 22.2%, PAT to net income at 21.2%, and return on equity at 16.4%, reflecting operational efficiency and sound financial discipline. Investment yield also improved to 15%, supported by prudent portfolio allocation.

<sup>34</sup> (Insurance Claims Paid + Loss Adjustment Expenses) / Total Premium Earned

<sup>35</sup> [https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725\\_1753092936.pdf](https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725_1753092936.pdf)



In terms of cost efficiency, management expenses to Wakala income were maintained at 70.6%, while commission expenses represented 26.8% of Wakala fee income. The Company declared a dividend per share of PKR 0.88 for FY2024, underlining its ability to generate and distribute value for shareholders.

Looking ahead, PQGTL is well-positioned to capitalize on the growing demand for Shariah-compliant insurance solutions, with expected average contribution growth of 10%, driven primarily by key segments, e.g., Fire, Marine, Motor, Health and Miscellaneous. The Company plans to strengthen its underwriting portfolio and expand its distribution network. Whereas emerging risks faced by PQGTL arising from evolving factors in the operating environment such as natural disasters and climate change and technological advancements (further risks mentioned in section 5). While the full financial and operational impacts of these risks may not be fully quantifiable, the company continuously monitors and addresses them through its risk management framework.

### 3.14. VENDORS TO THE ISSUER (RETAKAFUL PARTNERS)

PQGTL has entered into Re-Takaful arrangements through a consortium of seven reputable operators, facilitated by two internationally recognized brokers. The Company transfers a portion of its underwriting risk to leading global Re-Takaful operators, ensuring sound risk management and capital efficiency. These arrangements are backed by long-term agreements that provide stability, capacity, and continuity of coverage.

Re-Takaful (Islamic reinsurance) plays a pivotal role in PQGTL's risk management framework and is considered a cornerstone of its business model. It enables the Company to underwrite larger and more diverse risks while protecting its financial position against significant or catastrophic losses. Through strategic partnerships with financially strong and Shariah-compliant Re-Takaful providers, PQGTL maintains robust risk transfer mechanisms aligned with best practices. The table below outlines each operator's share in proportional and non-proportional treaties, along with defined per-risk capacities across various classes of business:

Retakaful Operator	Rating & Rating Agency	Share in Proportional Treaty	Share in Non-Proportional Treaty
Kuwait Re	A- (S&P)	22.50%	30.00%
Saudi Re	A- (S&P)	20.00%	20.00%
Oman Re	BBB- (FITCH)	10.00%	5.00%
Arab Re	B- (Fair) (AM BEST)	5.00%	5.00%
Tunis Re	AA (TUN) (FITCH)	2.50%	2.50%
Kenya Re	B (AM BEST)	5.00%	2.50%
PRCL	AA (VIS)	35.00%	35.00%
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>

#### Per Risk Limits

The per-risk limit represents the maximum Takaful exposure that can be assumed on any single risk, shared jointly by the Company and its retakaful partners. This limit defines the underwriting capacity for each class of business and ensures that no single loss event can materially affect the Company's financial position. The per-risk capacity for each class is provided below:

Class	Type	Total Capacity
Fire	Proportional	1,500,000,000
Engineering	Proportional	500,000,000
Miscellaneous	Proportional	100,000,000
Marine	Proportional	330,000,000
Bond	Proportional	20,000,000
Motor	non-proportional	30,000,000
Terrorism	Proportional	100,000,000

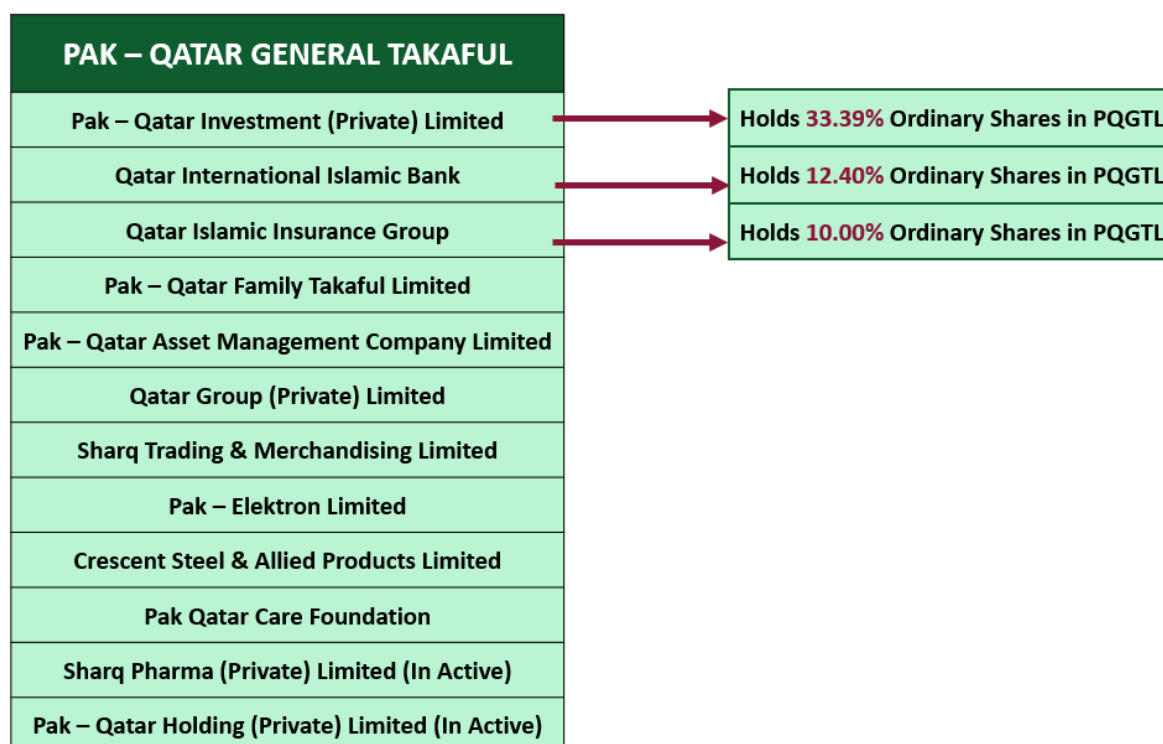
### 3.15. ALL GOVERNMENT AND OTHER APPROVALS WHICH ARE MATERIAL AND NECESSARY FOR CARRYING ON THE BUSINESS OF THE ISSUER

Approval / Certificate	Issuing Authority / Organization	Dated
Certificate of Incorporation under Companies Ordinance, 1984	Securities and Exchange Commission of Pakistan (SECP)	March 15, 2006
Authorization to transact life insurance business under Insurance Ordinance, 2000	Securities and Exchange Commission of Pakistan (SECP)	August 16, 2007
Certificate of Commencement of Business under Companies Ordinance, 1984	Securities and Exchange Commission of Pakistan (SECP)	February 08, 2008
National Tax Number (NTN) Certificate	Federal Board of Revenue (FBR)	February 03, 2007
Membership Certificate renewed on	Insurance Association of Pakistan (IAP)*	April 01, 2025
Membership Certificate renewed on	Overseas Investors Chamber of Commerce and Industry (OICCI)*	March 15, 2025
Membership Certificate renewed on	Karachi Chamber of Commerce & Industry (KCCI)*	March 18, 2025
Press release: Upgradation of IFS Rating from 'A (IFS)' to 'A+ (IFS)'	VIS Credit Rating Company Ltd.*	July 17, 2025

\*The Company's memberships with the Insurance Association of Pakistan (IAP), Overseas Investors Chamber of Commerce and Industry (OICCI), and Karachi Chamber of Commerce & Industry (KCCI), as well as its IFS rating by VIS, are not perpetual and are reviewed and renewed annually. In addition, the Company has reviewed all applicable regulatory approvals, licenses, and registrations relevant to its operations. There are no impending renewals, expiries, or outstanding regulatory conditions that may adversely affect or interrupt the Company's business activities. All required approvals remain valid and in good standing.

### 3.16. GROUP STRUCTURE OF THE ISSUER

The associated companies, based on pre-IPO shareholding in PQGTL or common directorship, are listed below.



### 3.17. ASSOCIATED COMPANIES

Name of Company	Nature of Business	Operational Status	Listing Status	Nature of Relation	Shareholding in PQGTL	Shareholding of PQGTL
					%	%
Qatar International Islamic Bank	Banking	Operational	Listed in Doha Stock Exchange	Common Directorship	12.4%	Nil
Qatar Islamic Insurance Group	Islamic Insurance	Operational	Listed in Doha Stock Exchange	Common Directorship	10.0%	Nil
Pak-Qatar Investment (Pvt.) Ltd.	Investment Management	Operational	Unlisted	Common Directorship	33.4%	Nil
Pak-Qatar Family Takaful Ltd.	Family Takaful	Operational	In listing Process	Common Directorship	Nil	Nil
Pak-Qatar Asset Management Co. Ltd.	Fund Management	Operational	Unlisted	Common Directorship	Nil	Nil
Qatar Group (Pvt.) Ltd.	Investment Management	Operational	Unlisted	Common Directorship	Nil	Nil
Sharq Trading & Merchandising Ltd.	Trading	Operational	Unlisted	Common Directorship	Nil	Nil
Pak-Elektron Ltd.	Home Appliances, Switch Gears, Transformers	Operational	Listed	Common Directorship	Nil	Nil
Crescent Steel & Allied Products Ltd.	Medium to Large size industrial pipes for Water, Oil and Gas Sector	Operational	Listed	Common Directorship	Nil	Nil
Pak Qatar Care Foundation	Philanthropic Activities	Operational	Unlisted	Common Directorship	Nil	Nil
Sharq Pharma (Pvt.) Ltd.	Trading	In Active	Unlisted	Common Directorship	Nil	Nil
Pak-Qatar Holding (Pvt.) Ltd.	Private Investment Enterprise	In Active	Unlisted	Common Directorship	Nil	Nil

### 3.17.1. Common Directorship

Company	Common Directors
Pak-Qatar Family Takaful Limited	<ul style="list-style-type: none"> <li>All Directors</li> </ul>
Pak-Qatar Asset Management Company Limited	<ul style="list-style-type: none"> <li>Said Gul</li> <li>Muhammad Kamran Saleem</li> </ul>
Pak-Qatar Investment (Private) Limited	<ul style="list-style-type: none"> <li>Said Gul</li> </ul>
Qatar Group (Private) Limited	<ul style="list-style-type: none"> <li>H. E. Sheikh Ali bin Abdullah Thani</li> </ul>
Sharq Trading & Merchandising Limited	<ul style="list-style-type: none"> <li>Said Gul</li> <li>Muhammad Kamran Saleem</li> </ul>
Pak-Elektron Ltd.	<ul style="list-style-type: none"> <li>Muhammad Kamran Saleem</li> </ul>
Crescent Steel & Allied Products Ltd.	<ul style="list-style-type: none"> <li>Muhammad Kamran Saleem</li> </ul>
Pak Qatar Care Foundation*	<ul style="list-style-type: none"> <li>Muhammad Kamran Saleem</li> </ul>
Qatar International Islamic Bank (QIIB)**	<ul style="list-style-type: none"> <li>Abdul Basit Ahmad Al-Shaibei</li> </ul>
Qatar Islamic Insurance Group (QIIG)**	<ul style="list-style-type: none"> <li>Ali Ibrahim Al Abdul Ghani</li> </ul>
Sharq Pharma (Pvt.) Ltd.	<ul style="list-style-type: none"> <li>Said Gul</li> <li>Muhammad Kamran Saleem</li> </ul>
Pak-Qatar Holding (Pvt.) Ltd.	<ul style="list-style-type: none"> <li>H. E. Sheikh Ali bin Abdullah Thani</li> <li>Said Gul</li> </ul>

\*Muhammad Kamran Saleem is the President at Pak-Qatar Care Foundation

\*\*Abdul Basit Ahmad Al-Shaibei & Ali Ibrahim Al Abdul Ghani, are the CEO and President at QIIB and QIIG, respectively.

### 3.18. DETAILS OF RELATED PARTY

The related party transactions undertaken by PQGTL during the three financial years ended December 31, 2024, are provided hereunder:

Name	Relationship	Fund	Nature of Transactions	CY 2022	CY 2023	CY 2024
				PKR Mn		
Pak Qatar Family Takaful Limited	Entity with common directorship	SHF	Shared staff and branch expenses	30.27	48.16	55.13
		PTF	Claims paid against general takaful	0.15	0.07	0.69
		PTF	Contribution received against general takaful	2.89	0.35	1.16
		PTF	Claims received against group takaful	0.45	-	4.62
		PTF	Contribution paid against group takaful	1.28	1.81	1.34
Pak Qatar Asset Management Company Limited	Entity with common directorship	SHF	Investment advisory fee	2.13	2.02	2.93
Pak Qatar General Takaful Limited	Key management personnel	PTF	Claim paid	-	0.19	0.21
	Employees provident fund	SHF	Contribution paid	5.61	6.33	6.48
Name	Relationship	Fund	Nature of Balances	CY 2022	CY 2023	CY 2024
				PKR Mn		
Pak Qatar General Participant Takaful Fund	Funder Under Management	SHF	Wakala and Modarib fee receivable from PTF	220.73	198.81	50.22

All transactions with related parties are conducted at arm's length.

### 3.19. PERFORMANCE FOR THE LAST THREE YEARS, OF ASSOCIATED LISTED COMPANIES OF THE ISSUER OVER, WHICH THE ISSUER HAS CONTROL ALONG WITH FOLLOWING INFORMATION

The Issuer, PQGTL, does not have control over any associated listed company.

### 3.20. INVESTMENT PORTFOLIO OF PQGTL

Pak-Qatar Asset Management Company Limited (PQAMC) was established in 2021 and is part of the Pak-Qatar Group (the Group). PQAMC is registered with and regulated by the Securities and Exchange Commission of Pakistan (SECP). All products and operations of PQAMC are certified for Shariah compliance by qualified Shariah scholars. Rated AM2 with a Positive Outlook by PACRA, PQAMC is a technologically advanced, Shariah-compliant asset management company offering mutual funds and institutional investment advisory services. Although PQAMC and PQGTL do not hold equity shares in each other, they are considered associated companies due to common directorship.

As per the audited financial statements of PQGTL for the year ended December 31, 2024, the total accumulated investments held by the Company through both the Shareholders' Fund (SHF) and the Participants' Takaful Fund (PTF) amounted to PKR 981,041,638/-.

The historical break-up of investments held by the Company's PTF and SHF is provided hereunder:

PKR	CY 2022				CY 2023				CY 2024			
	SHF	%	PTF	%	SHF	%	PTF	%	SHF	%	PTF	%
<b>Investments *</b>												
Equity Securities	214,159	57%	10,219	10%	384,022	82%	254,445	0%	592,646	75%	-	0%
Debt Securities	159,789	43%	92,970	90%	85,552	18%	167,970	100%	201,300	25%	187,095	100%
<b>Total</b>	<b>373,949</b>	<b>100%</b>	<b>103,189</b>	<b>100%</b>	<b>469,574</b>	<b>100%</b>	<b>168,224</b>	<b>100%</b>	<b>793,946</b>	<b>100%</b>	<b>187,095</b>	<b>100%</b>
<b>GRAND TOTAL</b>	<b>477,138</b>				<b>637,799</b>				<b>981,041</b>			

\* The breakup of investments in mutual funds and sukuk for 2023, 2024, and 2025 is disclosed in the notes to the financial statements forming part of this Prospectus. Detailed information is provided in Notes 11.2.2 and 11.2.4 to the financial statements for the year ended 2024, and in Notes 11.1 and 11.2 to the financial statements for the nine-month period ended 2025.

The detailed breakdown of investments allocated to Shariah-compliant mutual funds under the SHF and PTF is provided below:

Carrying Value of Investments in Equity Securities (Mutual funds)	CY 2023			CY 2024		
	SHF	PTF	Total	SHF	PTF	Total
	PKR					
Pak Qatar Islamic Stock Fund	10,291,348	-	10,291,348	-	-	-
Faysal Islamic Asset Allocation Fund	100,214,741	-	100,214,741	108,695,370	-	108,695,370
ABL Islamic Stock Fund	-	-	-	450,571	-	450,571
NBP Islamic Money Market Fund	61,729,373	-	61,729,373	62,890,337	-	62,890,337
HBL Islamic Asset Allocation Fund - Plan I	97,282,754	254,444	97,537,198	-	-	-
Pak Qatar Daily Dividend Plan	29,338,197	-	29,338,197	-	-	-
NBP Islamic Stock Fund	-	-	-	144,478	-	144,478
Alfalah GHP Islamic Stock Fund	67,521	-	67,521	118,287	-	118,287
Pak Qatar Islamic Cash Plan	85,098,454	-	85,098,454	50,307,331	-	50,307,331
ABL Islamic Sovereign Plan I	-	-	-	54,697,000	-	54,697,000
Pak Qatar Income Plan	-	-	-	113,237,154	-	113,237,154
NBP Islamic Income Fund	-	-	-	51,922,019	-	51,922,019
Alfalah GHP Islamic Income Fund	-	-	-	65,066,661	-	65,066,661
Alfalah Islamic Money Market Fund	-	-	-	85,117,430	-	85,117,430
<b>GRAND TOTAL</b>	<b>384,022,388</b>	<b>254,444</b>	<b>384,276,832</b>	<b>592,646,638</b>	<b>-</b>	<b>592,646,638</b>

Further, a detailed summary of investments in Shariah-compliant Sukuk instruments held under the SHF and PTF is presented in the table below:

Carrying Value of Investments in Sukuks	CY 2023			CY 2024		
	SHF	PTF	SHF	PTF	PTF	Total
	PKR					
GOP Ijarah Sukuk - XX	-	75,000,000	75,000,000	-	-	-
GOP Ijarah sukuk 26-6-23	-	-	-	-	79,125,000	79,125,000
Al Baraka Sukuk - Tier 2	10,057,500	15,000,000	25,057,500	-	-	-
Meezan Bank Limited Tier 1 sukuk	20,010,000	25,000,000	45,010,000	55,000,000	10,000,000	65,000,000
Dubai Islamic Bank Limited Tier I sukuk	15,000,000	15,000,000	30,000,000	30,000,000	-	30,000,000
HUBCO sukuk	1,250,000	15,000,000	16,250,000	-	-	-
Bank Islami Pakistan Limited sukuk	8,935,000	22,970,000	31,905,000	23,935,000	7,970,000	31,905,000
K-Electric sukuk 2020	15,150,000	-	15,150,000	11,302,500	-	11,302,500

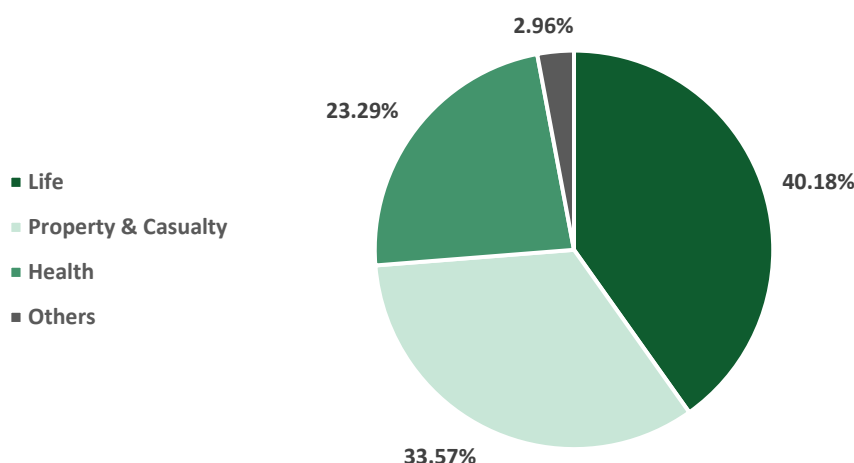
Pakistan Energy sukuk II	-	-	-	-	-	-
K-Electric sukuk 23	15,150,000	-	15,150,000	35,962,500	-	35,962,500
Al Baraka Sukuk -2021	-	-	-	20,100,000	-	20,100,000
Al Karam Textile Sukuk	-	-	-	25,000,000	-	25,000,000
PTCL Sukuk	-	-	-	-	30,000,000	30,000,000
Masood Textile Sukuk	-	-	-	-	25,000,000	25,000,000
GCIL Sukuk	-	-	-	-	20,000,000	20,000,000
PAEL Sukuk	-	-	-	-	15,000,000	15,000,000
<b>GRAND TOTAL</b>	<b>85,552,500</b>	<b>167,970,000</b>	<b>253,522,500</b>	<b>201,300,000</b>	<b>187,095,000</b>	<b>388,395,000</b>

### 3.21. INDUSTRY ANALYSIS

#### 3.21.1. GLOBAL INSURANCE INDUSTRY

According to the Sector Report published by Pakistan Credit Rating Agency (“**PACRA**”)<sup>36</sup>, in terms of Gross Premium Written, the global insurance sector expanded by approximately **8.6%** year-on-year (YoY) in **2024**, following a CAGR of around **4.9%** over **CY13–23**. During the year, insurers worldwide collected an estimated **USD 6.5 trillion in premiums**. Of this, **life insurance** accounted for **USD 2,612 billion**, **property and casualty** insurance for **USD 2,182 billion**, and **health insurance** for **USD 1,514 billion**. The three segments registered growth rates of approximately **10.4%**, **8.2%**, and **7.0%** YoY, respectively. This robust expansion was largely driven by the increasing frequency of natural catastrophes, rising reinsurance costs, and global inflationary pressures that contributed to higher premium pricing.

#### Share in Global Insurance Premiums - 2024



The **property & casualty** segment ranked second after life insurance in terms of premium income in 2024, posting YoY growth of about **7.7%** to reach **USD 2,240 billion**. This upward trend was observed across all major regions, with North America emerging as the leading driver, where **property & casualty** premiums grew by **8.2%**. Notably, **North America** accounts for nearly **half** of the world’s total property & casualty premium volume, reflecting the region’s dominant market position.

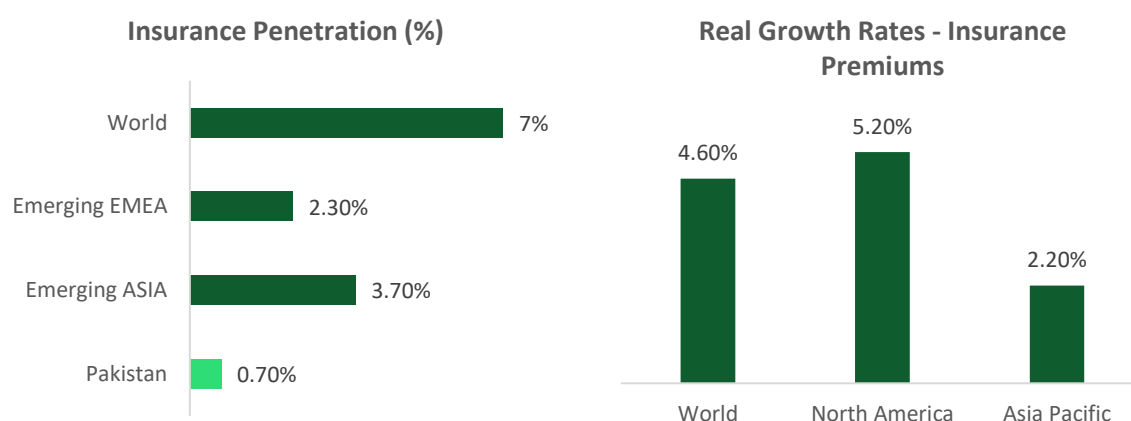
The **health insurance** segment also remained a key growth area, expanding by around **7.0%** YoY to **USD 1,554 billion** globally. The **Asian region** was a **major contributor** to this growth, supported by rising demand for **private**

<sup>36</sup> [https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%202725\\_1753092936.pdf](https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%202725_1753092936.pdf)

**healthcare coverage** amid underdeveloped public health systems and limited social security frameworks. Given the relatively low insurance penetration across Asia, significant untapped potential remains within this segment.

Looking ahead, the global insurance industry is expected to continue its growth trajectory, supported by factors such as the rising frequency and severity of natural hazards, expanding defense and infrastructure investments, elevated reinsurance costs, supply chain disruptions, and labor market challenges, all of which are likely to sustain upward pressure on premium rates. Over the next decade, the industry is projected to grow at an average annual rate of approximately **5.3%**, reaching around **USD 4,915 billion** by 2035. Within this outlook, the **property & casualty** segment is anticipated to maintain its dominance with a steady growth rate of around **4.5%**, while the **health insurance** segment is expected to record a stronger CAGR of approximately **6.7%**.

The global insurance industry has witnessed rapid development in recent years; however, this progress remains uneven, with coverage levels significantly lower in less advanced economies. The insurance penetration ratio (measured as premiums written as a percentage of GDP) reflects this disparity. In advanced markets, **penetration levels** have continued to rise, **surpassing 10%** in several economies such as **Denmark, Finland,** and the **United States**. In contrast, emerging markets within the **EMEA** and **Asia** regions reported penetration ratios of only **2.3%** and **3.7%**, respectively, in **2023**. Despite this gap, these emerging markets have demonstrated a consistent upward trend, supported by rising education levels, increasing financial awareness, and improving macroeconomic conditions, all of which point toward significant growth potential for the insurance sector. In comparison, **Pakistan's insurance penetration in 2024 stood at just 0.7% of GDP**, underscoring the considerable room for expansion within the domestic market.



### 3.21.2. INSURANCE INDUSTRY IN PAKISTAN

The insurance industry in Pakistan continues to demonstrate steady growth, driven by increasing public awareness regarding the importance and benefits of insurance coverage. According to the latest report issued by the Securities and Exchange Commission of Pakistan (SECP)<sup>37</sup>, the total assets of the insurance industry expanded from **PKR 2,900 billion** in **2023** to **PKR 3,554 billion** in **2024**. Similarly, gross premiums grew from **PKR 631 billion** in **2023** to **PKR 677 billion** in **2024**, while the total number of policies issued during 2024 reached **10.3 million**. With Pakistan's population estimated at approximately **251 million**<sup>38</sup> and **nominal GDP** recorded at **PKR 106,045 billion**<sup>39</sup>, the insurance penetration (gross premiums written to GDP), stands at around **0.63%**, reflecting ample potential for future market expansion.

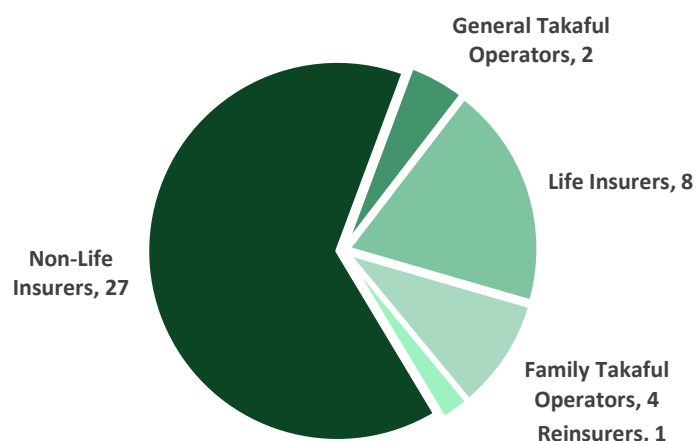
<sup>37</sup> <https://www.secp.gov.pk/document/report-on-insurance-industry-statistics-2024/?wpdmdl=61696&refresh=68e3436b912851759724395>

<sup>38</sup> <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=PK>

<sup>39</sup> [https://finance.gov.pk/survey/chapter\\_24/Highlights.pdf](https://finance.gov.pk/survey/chapter_24/Highlights.pdf)



### Insurers in Pakistan



It is also worth highlighting that insurance providers in Pakistan are being rated fairly and positively by both local and international credit rating agencies. These ratings reflect the industry's improving financial strength, sound risk management practices, and adherence to regulatory standards. This indicates growing confidence in the resilience and credibility of Pakistan's insurance industry.

IFS Rating by PACRA & JCR - VIS			
Rating	Life Insurers	Non-Life Insurers	Reinsurers
AAA	1		
AA	2	14	1
A	8	11	
BBB		1	
BB		1	

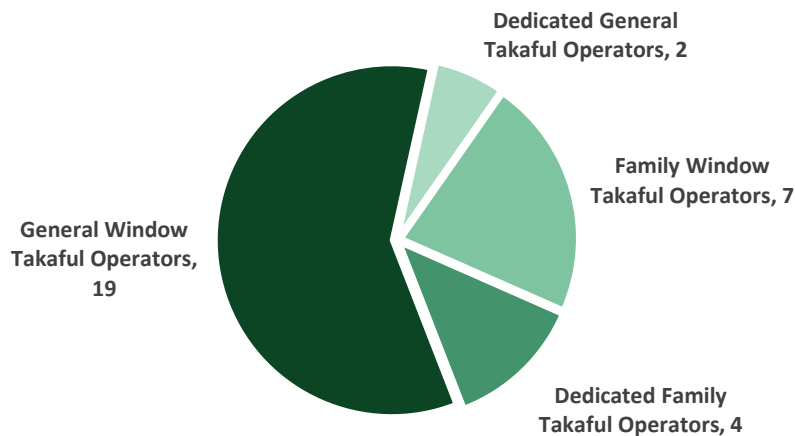
International Rating by A.M. Best		
Rating	Non-Life Insurers	
IFS Rating	B	2
	B-	1
Credit Rating	BB	2
	BB-	1

#### 3.21.3. TAKAFUL INDUSTRY IN PAKISTAN

The Takaful industry in Pakistan is a relatively recent development; however, it has been gaining steady momentum as public awareness about Shariah-compliant financial solutions continues to grow. A positive factor contributing to this growth is the gradual shift in societal preferences, as individuals increasingly seek to align their financial and lifestyle choices with Islamic principles. As awareness of Islamic finance deepens, many are moving away from conventional products and opting for alternatives that are compliant with Shariah, such as Takaful, the Islamic counterpart of insurance. This evolving mindset and growing inclination towards faith-based financial practices have been key drivers behind the expanding footprint of the Takaful sector in Pakistan.

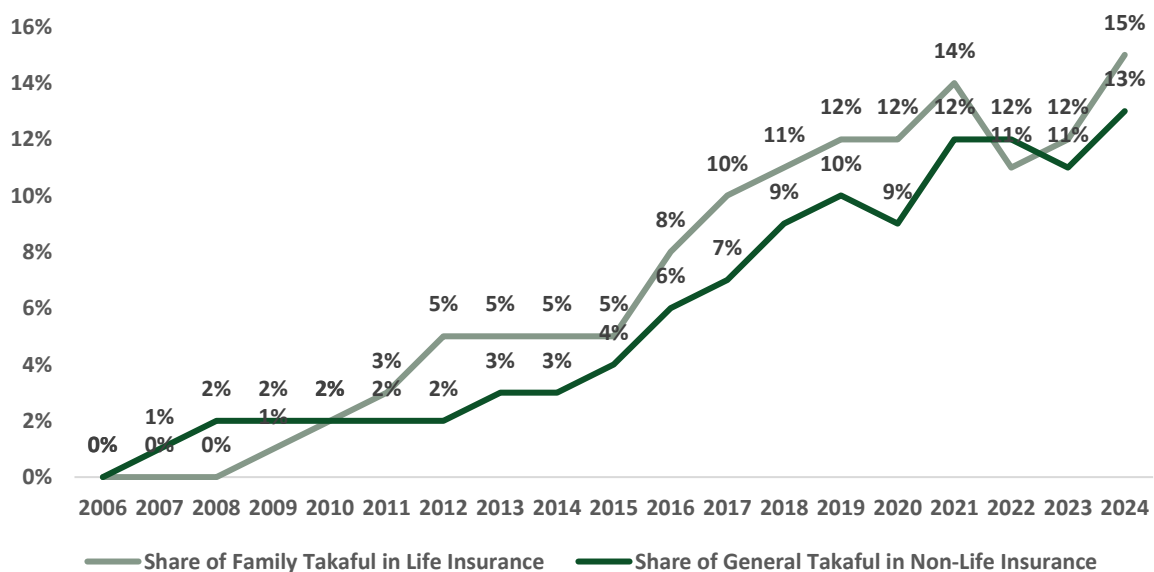
In line with this shift, a notable trend has emerged wherein several conventional insurance companies have established *Takaful windows* to cater to the evolving preferences of their customer base. This strategic move allows them to remain competitive in a market where an increasing number of individuals are opting for Shariah-compliant financial products. By offering both conventional and Takaful solutions, these firms aim to capture the growing demand for Islamic alternatives while ensuring that they do not lose momentum amid the industry's ongoing transition.

### Takaful Operators in Pakistan



In 2024, the Family Takaful segment recorded premium contributions of approximately **PKR 66 billion**, reflecting a robust growth of **37%** over the previous year. Similarly, the General Takaful segment reported premium contributions of around **PKR 31 billion**, marking an impressive year-on-year increase of **24%**. The Family Takaful business accounted for nearly **15%** of the total life insurance premium written by the overall industry, while General Takaful represented about **13%** of the total non-life insurance premium written across both Islamic and conventional segments. These figures highlight the growing significance of Takaful within Pakistan's broader insurance landscape, underscoring its expanding role as a viable and competitive alternative to conventional insurance. The graph below illustrates the trend in the market share of Family Takaful within the life insurance segment and General Takaful within the non-life insurance segment over recent years.

### Takaful Share in Insurance Sector (2006 - 2024)

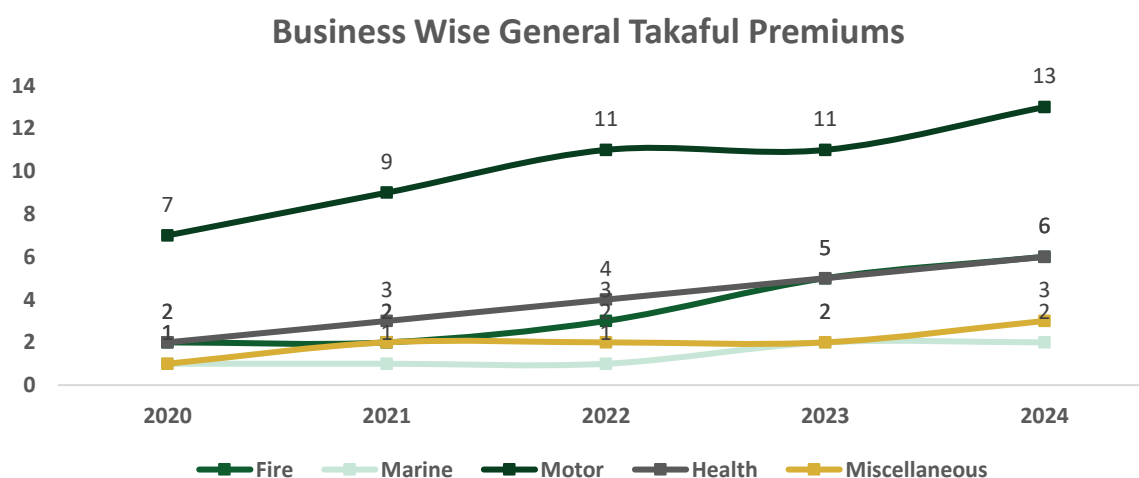


As illustrated in the graph, the share of Takaful within Pakistan's insurance sector has shown a consistent upward trajectory over the past two decades, with both Family and General Takaful segments demonstrating sustained growth. Despite this encouraging progress, the Takaful sector still trails behind other Islamic financial services in terms of overall market penetration. **As of 2024, Islamic banking** represents approximately **25%** of the **total banking sector**, while **Islamic non-banking financial institutions (NBFIs)** account for nearly **39%** of the **non-banking finance industry**.

### 3.21.4. GENERAL TAKAFUL INDUSTRY IN PAKISTAN

In **2024**, the General Insurance and Takaful industry collectively recorded gross premiums of **PKR 243 billion**, up from **PKR 227 billion** in the previous year. Total claims paid during the year amounted to **PKR 92 billion**, compared to **PKR 84 billion** in **2023**. The **private sector** continued to dominate the market, contributing **91% of total premiums**, while the **public sector** accounted for the remaining **9%**. In terms of **segment-wise distribution**, **conventional insurers** wrote premiums worth **PKR 212 billion** in **2024** (PKR 202 billion in 2023), whereas the **Takaful segment** contributed **PKR 31 billion**, showing growth from PKR 25 billion in the preceding year.

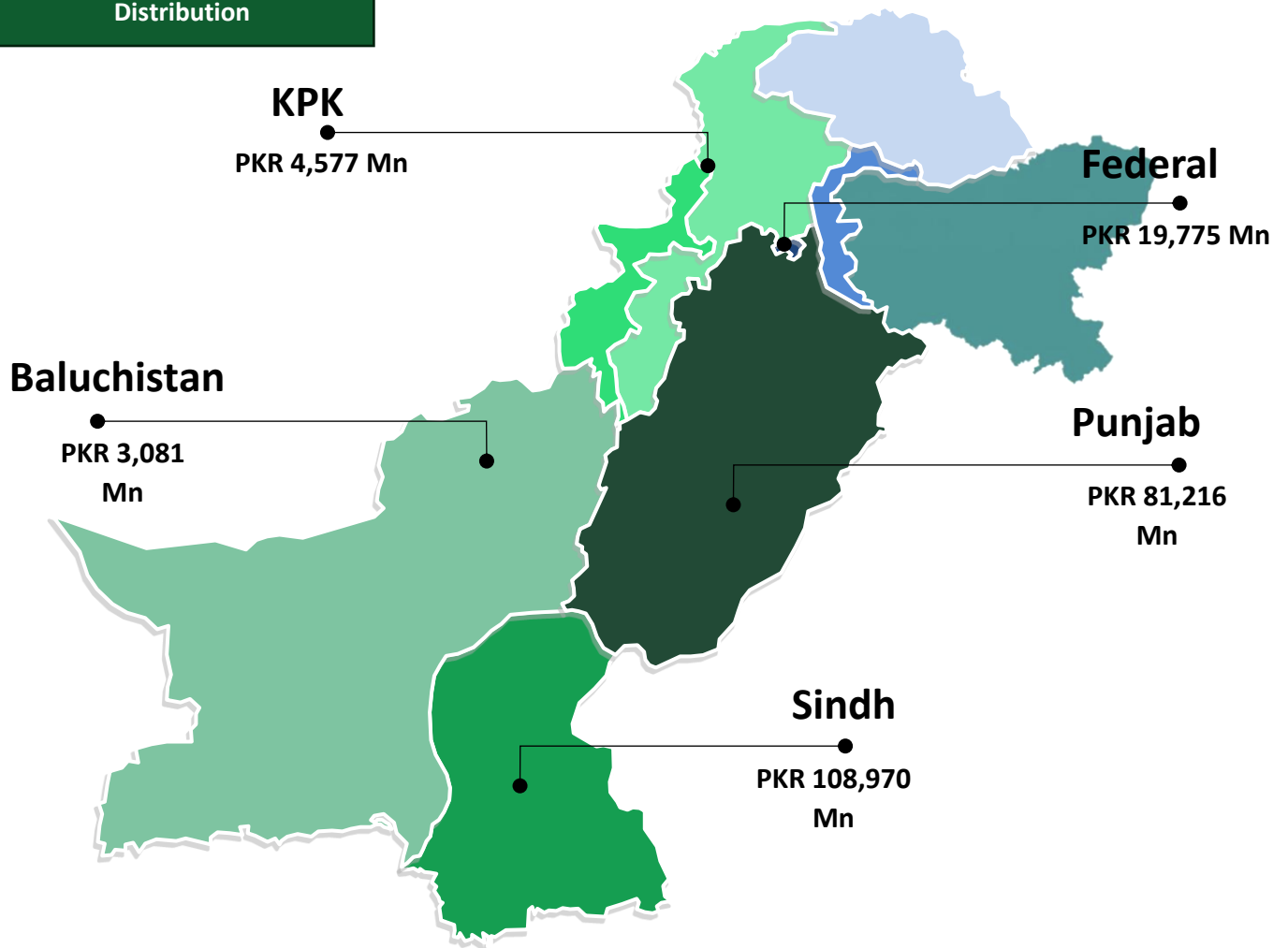
In **2024**, General Takaful made a significant contribution across various non-life classes of business. Among the major segments, **Motor** and **Health Takaful** dominated the portfolio, each representing **34%** of the total premium within their respective classes. These were followed by **Marine Takaful** at **12%** and **Miscellaneous Takaful** at **11%**. In contrast, **Fire Takaful** continued to exhibit relatively low penetration, contributing only **7%** of the total premium within the fire insurance class. The table below presents a breakdown of General Takaful premium growth across different lines of business.



Additional insights into the Takaful industry reveal several key trends:

- Approximately **47%** of total premium contributions were generated through the **agent sales force**, underscoring the continued importance of traditional distribution channels.
- Geographically, **Sindh** emerged as the leading contributor, accounting for nearly **50%** of total domestic premiums. (see map below)
- The role of digital channels showed promising growth, with premiums collected through online platforms rising to **PKR 3.9 billion** in **2024** from **PKR 1.7 billion** in **2023**, representing 1.61% of total premiums.
- In terms of policy size, a significant **79%** of Takaful policies were concentrated in the **premium band** of **PKR 0–50,000**, reflecting the sector's strong focus on retail and mass-market segments.

Province Wise Premium  
Distribution



### 3A. SHARE CAPITAL AND RELATED MATTERS

#### 3A (i). SHARE CAPITAL

The current share capital of PQGTL is as follows:

Share Capital	No. of Shares	Face Value Per Share	Premium	Total
PKR				
<b>Authorized Share Capital</b>				
Ordinary Shares	220,000,000	10	-	2,200,000,000
<b>Issued, Subscribed &amp; Paid-Up Capital</b>				
Ordinary Shares of PKR 10/- each fully paid	50,922,601	10	-	509,226,010
Issued as Bonus Shares: Ordinary Shares of PKR 10/- each fully paid	10,184,520	10	-	101,845,200
Issued as Right Shares: Ordinary Shares of PKR 10/- each fully paid	10,000,000	10	-	100,000,000
<b>Total</b>	<b>71,107,121</b>	<b>10</b>	<b>-</b>	<b>711,071,210</b>
Breakdown of Issued, Subscribed and Paid – up Capital	No. of Shares	Face Value Per Share	Premium	Total
PKR				
<b>Sponsors, Associated Companies, Undertakings and Related Parties</b>				
Pak-Qatar Investment (Private) Ltd	23,743,783	10	-	237,437,830
Qatar Islamic Insurance Group	7,108,735	10	-	71,087,350
Qatar International Islamic Bank	8,844,569	10	-	88,445,690
H.E. Sheikh Ali Bin Abdullah Al Thani	9,563,467	10	-	95,634,670
<b>Directors and Chief Executive Officer</b>				
Muhammad Kamran Saleem	3,055,097	10	-	30,559,970
Said Gul***	1,222,141	10	-	12,221,410
Zahid Hussain Awan***	324,655	10	-	3,246,550
Ali Ibrahim Al Abdul Ghani	1	10	-	10
Abdul Basit Ahmad Al – Shaibei	1	10	-	10
Saqib Zeeshan – CEO	1,000,000	10	-	10,000,000
<b>Related Family Members of Directors and/or Chief Executive Officer</b>				
Sameera Said*	2,444,286	10	-	24,442,860
Fatima*	2,444,285	10	-	24,442,850
Muhammad Ozair Zahid**	11,394	10	-	113,940
<b>Other Shareholders</b>				
Other Shareholders****	11,344,707	10	-	113,447,070
<b>Total</b>	<b>71,107,121</b>	<b>10</b>	<b>-</b>	<b>711,071,210</b>
New Issue of Ordinary Shares	No. of Shares	Face Value Per Share	Premium Per Share	Total
PKR				
New Issuance through IPO	30,000,000	10	-	300,000,000
New Issue of Ordinary Shares	No. of Shares	Face Value	Premium	Total
PKR				
<b>Total Paid Up Capital Post IPO</b>	<b>101,107,121</b>	<b>1,011,071,210</b>	<b>60,000,000</b>	<b>1,011,071,210</b>
Allocation of New Issue through IPO	No. of Shares	Face Value Per Share	Premium Per Share	Total
PKR				

Allocation to institutions / individual investors through Book Building process at Strike Price	22,500,000	10	-	225,000,000
General Public Portion	7,500,000	10	-	75,000,000
<b>Total Issue Size</b>	<b>30,000,000</b>	<b>10</b>	<b>-</b>	<b>300,000,000</b>

\*Fatima and Sameera Said are the daughters of Said Gul.

\*\* Muhammad Ozair Zahid is the son of Zahid Hussain Awan.

\*\*\* Mr. Said Gul and Mr. Zahid Hussain Awan serve as non-executive directors on PQGTL's board. Neither Zahid Hussain Awan nor Said Gul have been nominated as Sponsors, likewise their family members are also not Sponsors of the Company.

\*\*\*\* This shareholding was subscribed by a group consisting of friends, associates, and early supporters of the initial sponsors, including non-resident Pakistanis and Qatari nationals who expressed interest in the newly introduced, Shariah-compliant Takaful concept. Their post-IPO shareholding is assumed unchanged, though these original subscribers may participate in the public offering.

### 3A (ii). PATTERN OF SHAREHOLDING

PQGTL's current pattern of shareholding is provided hereunder:

Names	Pre-IPO Shareholding		Post-IPO Shareholding	
	No. of Shares Held	%	No. of Shares Held	%
<b>Sponsors, Associated Companies, Undertakings and Related Parties</b>				
Pak – Qatar Investment (Pvt.) Limited	23,743,783	33.39%	23,743,783	23.48%
Qatar International Islamic Bank	8,844,569	12.44%	8,844,569	8.75%
Qatar Islamic Insurance Group	7,108,735	10.00%	7,108,735	7.03%
H. E. Sheikh Ali Bin Abdullah	9,563,467	13.45%	9,563,467	9.46%
<b>Total</b>	<b>49,260,554</b>	<b>69.28%</b>	<b>49,260,554</b>	<b>48.72%</b>
<b>Directors and Chief Executive Officer</b>				
Muhammad Kamran Saleem	3,055,097	4.30%	3,055,097	3.02%
Said Gul***	1,222,141	1.72%	1,222,141	1.21%
Zahid Hussain Awan***	324,655	0.46%	324,655	0.32%
Ali Ibrahim Al Abdul Ghani	1	0.00%	1	0.00%
Abdul Basit Ahmad Al – Shaibei	1	0.00%	1	0.00%
Saqib Zeeshan – CEO	1,000,000	1.41%	1,000,000	0.99%
<b>Total</b>	<b>5,601,895</b>	<b>7.88%</b>	<b>5,601,895</b>	<b>5.54%</b>
<b>Related Family Members of Directors and/or Chief Executive Officer</b>				
Sameera Said*	2,444,286	3.44%	2,444,286	2.42%
Fatima*	2,444,285	3.44%	2,444,285	2.42%
Muhammad Ozair Zahid**	11,394	0.02%	11,394	0.01%
<b>Total</b>	<b>4,899,965</b>	<b>6.89%</b>	<b>4,899,965</b>	<b>4.85%</b>
<b>Other Shareholders</b>				
Other Shareholders****	11,344,707	15.95%	11,344,707	11.22%
<b>Total</b>	<b>11,344,707</b>	<b>15.95%</b>	<b>11,344,707</b>	<b>11.22%</b>
<b>Public Offering</b>				
Public offering	-	-	30,000,000	29.67%
<b>Total</b>	<b>71,107,121</b>	<b>100.00%</b>	<b>101,107,121</b>	<b>100.00%</b>

\* Fatima and Sameera Said are the daughters of Said Gul.

\*\* Muhammad Ozair Zahid is the son of Zahid Hussain Awan.

\*\*\* Mr. Said Gul and Mr. Zahid Hussain Awan serve as non-executive directors on PQGTL's board. Neither Zahid Hussain Awan nor Said Gul have been nominated as Sponsors, likewise their family members are also not Sponsors of the Company.

\*\*\*\* This shareholding was subscribed by a group consisting of friends, associates, and early supporters of the initial sponsors, including non-resident Pakistanis and Qatari nationals who expressed interest in the newly introduced, Shariah-compliant Takaful concept. Their post-IPO shareholding is assumed unchanged, though these original subscribers may participate in the public offering.

### 3A (iii). SPONSORS SHARES TO BE KEPT IN BLOCKED FORM AS PER REGULATION 5 OF THE PO REGULATIONS:

Names	Pre-IPO Shareholding		Post-IPO Shareholding	
	No. Shares Held	Ownership %	No. Shares Held	Ownership %
Pak-Qatar Investment (Private) Ltd	23,743,783	33.39%	23,743,783	23.48%
Qatar Islamic Insurance Group	7,108,735	10.00%	7,108,735	8.75%
Qatar International Islamic Bank	8,844,569	12.44%	8,844,569	7.03%
H.E. Sheikh Ali Bin Abdullah Al Thani	9,563,467	13.45%	9,563,467	9.46%

### 3A (iv). PRESENT ISSUE

The Offer comprises of 30,000,000 ordinary shares of PQGTL of face value of PKR 10.00/- each, which constitute 29.67% of the post-IPO paid-up capital of the company.

Of the entire Issue of **30,000,000** Ordinary Shares, **seventy-five percent (75%)** of the issue, i.e. **22,500,000** ordinary shares will be offered through the Book Building process at a Floor Price of **PKR 10.00/-** per share with a price band of **40%** above the floor price i.e. **PKR 14.00/-**.

The bidders shall be allowed to place bids for **seventy five percent (75%)** of the Issue size, and the Strike Price shall be the price at which the **seventy five percent (75%)** of the Issue is subscribed. The remaining 25% of the issue, i.e. **7,500,000 ordinary shares**, will be offered to retail investors.

The retail portion will be fully underwritten, with **Arif Habib Limited** acting as the underwriter of the issue. Unsubscribed shares, if there are any, of the retail (General Subscription) portion will be taken up by the underwriter(s) to the issue.

### 3A (vi). RIGHT SHARES, BONUS SHARES AND NON – CASH SHARES ISSUED IN PRECEDING YEARS

The following table presents a break-up of shares issued by the Company since its inception, including right issues and bonus shares along with corresponding changes in total paid-up (Pre-IPO).

S. No.	Consideration	Year	Number of shares issued	Face value per share (PKR)	Premium per share (PKR)	Total Value PKR
1	Cash/Bank	2006	8	10	-	80
2	Cash/Bank	2007	30,780,000	10	-	307,800,000
3	right issue against cash	2012	2,962,915	10	-	29,629,150
4	right issue against cash	2013	7,024,696	10	-	70,246,960
5	right issue against cash	2014	2,507,208	10	-	25,072,080
6	right issue against cash	2015	3,859,431	10	-	38,594,310
7	right issue against cash	2017	3,788,343	10	-	37,883,430
8	Bonus issue	2025	10,184,520	10	-	101,845,200



9	right issue against cash	2025	10,000,000	10	-	100,000,000
<b>Total</b>			<b>71,107,121</b>			<b>711,071,210</b>

**3A (vii). EMPLOYEE STOCK OPTION SCHEME**

PQGTL does not have any employee stock option scheme.

**3A (viii). REALTED EMPLOYEES**

Related Employees of the Company are as follows:

Sr. No.	Name	Designation
1.	Mr. Muhammad Kamran Saleem	Executive Director & Company Secretary
2.	Mr. Saqib Zeeshan	Chief Executive Officer
3.	Mr. Muhammad Saleem	Chief Financial Officer

Related employees of the Consultant to the Issue (Arif Habib Limited) are as follows:

Sr. No.	Name	Designation
1.	Mr. Shahid Ali Habib	Chief Executive Officer
2.	Mr. Farhan Rizvi	Managing Director, Investment Banking
3.	Mr. Malik Harris Rehman	Assistant Vice President, Investment Banking
4.	Mr. Hamza Rehan	Assistant Vice President, Investment Banking
5.	Mr. Raheel Ahmed	Senior Associate, Investment Banking
6.	Mr. Saif Ul Haq	Senior Analyst, Investment Banking
7.	Mr. Ali Raza	Senior Analyst, Investment Banking
8.	Mr. Faizan Qureshi	Senior Analyst, Investment Banking
9.	Mr. Naveed Said	Senior Analyst, Investment Banking
10.	Mr. Muhammad Ali Bikiya	Analyst, Investment Banking
11.	Mr. Tasweeb Khan	Analyst, Investment Banking

## 3A (ix). UNDERTAKING OF THE SPONSORS OF THE ISSUER REGARDING IPO UTILIZATION

C185336

E-STAMP

حکومت سندھ

NBP-0050-2508120008524361

GoS-KHI-D1BE6EE847CB5714

Non-Judicial

Rs 500/-

ATTESTED

IZHAQ ALAM

S.A.L.L.B. Advocate & Notary Public

Karachi-Pakistan

ATTESTED

GHULAM HABIB

S.A.L.L.B. Advocate

Karachi-Pakistan

ATTESTED

GHULAM HABIB

S.A.L.L.B. Advocate

Karachi-Pakistan

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**Pakistan Stock Exchange**  
Stock Exchange Building, Stock Exchange Road  
Karachi – 74000, Pakistan

**UNDERTAKING**

We,

- 1) Sheikh Ali Bin Abdullah Thani J. Al-Thani, son of Abdullah being Director of Pak-Qatar General Takaful Limited holding Passport No. S037908, resident of Al-Gharafia, Doha, Qatar,
- (2) Abdul Basit Ahmed Al-Shaibei (on behalf of Qatar International Islamic Bank), son of Ahmad being Director of Pak-Qatar General Takaful Limited holding Passport No. 01709999, resident of Villa No. 94, Al-Roadah, Doha,
- (3) Ali Ibrahim AL Abdul Ghani (on behalf of Qatar Islamic Insurance Group), son of Ibrahim being Director of Pak-Qatar General Takaful Limited holding Passport No. 01744817, resident of P.O. Box 22676, Doha Qatar (and)
- (4) Muhammad Kamran Saleem (on behalf of Pak-Qatar Investment (Private) Limited), son of Muhammad Saleem being Director of Pak-Qatar General Takaful Limited holding CNIC No. 42301-5927051-1, resident of A-185/8 K.A.E.C.H.S., Karachi, Pakistan;

do hereby state on solemn affirmation as under:

- (1) That we are the sponsors and majority shareholders/owner of the shares of Pak-Qatar General Takaful Limited (the "Issuer");
- (2) That the IPO Proceeds of Pak-Qatar General Takaful Limited shall be utilized as per the purpose disclosed in the Prospectus.

Sheikh Ali Bin Abdullah Thani  
J. Al-Thani  
Chairman/Non-Executive Director

Abdul Basit Ahmed Al-Shaibei  
Executive Director

Ali Ibrahim AL Abdul Ghani  
Non-Executive Director

Muhammad Kamran Saleem  
Executive Director

Date: 14<sup>th</sup> Nov, 25

ATTESTED

GHULAM HABIB

S.A.L.L.B. Advocate

OATH COMMISSIONER

Karachi Pakistan

QR Code

## 4. PRINCIPAL PURPOSE OF THE ISSUE AND FUNDING ARRANGEMENT

### 4.1. PRINCIPAL PURPOSE OF THE ISSUE

The principal purpose of the issue is to enable PQGTL to strengthen and consolidate its position in Pakistan's Takaful industry. The Company aims to reinforce its capital base, improve solvency margins, and expand its digital distribution network while continuing to develop innovative, customer-centric, and cost-effective Takaful products.

The proceeds from the Public Offering will be methodically allocated towards the following avenues:

#### 4.1.1. Strengthening Solvency & Underwriting Capacity

A primary objective of the IPO proceeds is to reinforce PQGTL's solvency position and enhance its underwriting capacity. By strengthening the capital base, the Company will be able to assume larger and more complex risks, an essential factor in attracting high-value corporate clients who prioritize dealing with financially robust insurers. A stronger solvency margin will also provide a buffer against unforeseen market shocks and improve overall financial resilience, positioning PQGTL as a reliable choice for both retail and institutional clients.

#### 4.1.2. Digital Infrastructure and Online Distribution Network

PQGTL aims to invest in modern digital platforms to expand its reach and deepen penetration into untapped segments of the market. The deployment of online distribution channels will enable the Company to introduce new Takaful products, improve accessibility for customers, and provide seamless digital interactions. This investment will not only support innovation but also create new revenue streams by catering to a more digitally inclined customer base.

#### 4.1.3. Upgradation of Portals & Applications

As part of its digital transformation strategy, PQGTL plans to upgrade its customer-facing mobile applications, digital portals, and back-end core operating systems. Enhancements in automation, system integration, and user interface will streamline policy issuance, claims management, and customer service delivery. These improvements are expected to reduce turnaround times, improve transparency, and create more convenient customer experience, while simultaneously allowing the Company to scale its operations efficiently.

#### 4.1.4. Branch Transformation

PQGTL recognizes the importance of physical infrastructure in delivering superior customer service. The IPO proceeds will be partially allocated towards modernizing and transforming its branch network. This includes reconfiguring layouts, integrating digital tools for front-end services, and creating more customer-friendly spaces. The transformation will improve operational efficiency, elevate service quality, and strengthen customer loyalty by providing a consistent and modern experience across all touchpoints.

#### 4.1.5. Sales Team Expansion

To support business growth and effectively serve a wider customer base, PQGTL intends to expand and strengthen its sales force. The proceeds will be used for recruitment, training, and capacity building of sales professionals, ensuring that the workforce is equipped with the skills and knowledge

required to sell innovative products across multiple channels. An empowered and well-trained sales force will significantly improve market outreach and drive new business generation.

#### 4.1.6. Digital Marketing

In line with its brand-building and awareness strategy, PQGTL plans to allocate funds toward targeted digital marketing initiatives. These campaigns will enhance the visibility of its Takaful products, build stronger brand recognition, and increase customer acquisition. By leveraging digital platforms, the Company will be able to reach both retail and corporate segments more effectively, thereby creating a stronger competitive edge in the market.

#### 4.1.7. Sustainable Growth in Income through Optimized Use of Funds

Finally, PQGTL intends to utilize a portion of the proceeds to expand its investment base and strengthen the Participants' Takaful Fund (PTF). By channeling funds into well-diversified income-generating avenues, the Company aims to create sustainable long-term earnings growth. This approach will not only unlock shareholder value but also reinforce financial stability, enabling PQGTL to support its participants while building resilience for future expansion.

- a. **Expansion of Investment Base** - As evident from the proceeds utilization timeframe, the proceeds will not be deployed all at once but rather over the period indicated in the tentative schedule shared. In the interim, the proceeds will be invested in suitable avenues, effectively increasing the Company's investment base. This approach ensures that the proceeds are utilized efficiently to enhance shareholder value.
- b. **Strengthening of the Takaful Fund** - The Company intends to operate in a manner that strengthens both the Shareholders' Fund and the Participants' Takaful Fund. The utilization of IPO proceeds is aligned with these objectives. Specifically, the proceeds are allocated towards digital marketing, hiring for digital sales, expansion of the sales team (both retail and corporate), opening of new branches, and transformation of existing branches. These initiatives are directly aimed at business growth and market penetration, which in turn strengthen the Participants' Takaful Fund while also increasing the overall investment base of the Company.

#### 4.1.8. Compliance with Minimum Paid-up Capital Requirements:

PQGTL currently maintains an issued and subscribed paid-up capital of PKR 711.071 million. The proceeds raised through this public offering will increase the company's paid-up capital to PKR 1.011 billion, enabling PQGTL to meet progressive regulatory milestones for non-life insurers and Takaful operators as outlined by the SECP vide SRO 310(I)/2025 dated March 03, 2025, for applicable periods as follows:

Prior December 31, 2026	By December 31, 2026	By December 31, 2028	By December 31, 2030
PKR			
500,000,000	1,000,000,000	1,500,000,000	2,000,000,000

#### 4.2. SOURCE OF FUNDS

PQGTL intends to raise PKR 300 million through an Initial Public Offering (IPO), issuing 30 million ordinary shares at a floor price of PKR 10.0/- per share.

Particulars	Proceeds	Percentage
	PKR	%
Initial Public Offering	300,000,000	100



#### 4.3. UTILIZATION OF IPO PROCEEDS

PQGTL intends to allocate the IPO proceeds towards strategic initiatives aimed at enhancing operational efficiency, elevating customer experience, infrastructure, market presence and ensuring sustainable long-term growth. The funds will be utilized for the development and upgradation of software and business systems, investment in hardware and IT infrastructure, targeted market and brand – building activities, human resource development and the establishment of new branches along with the transformation and renovation of existing ones. These initiatives are aimed at enhancing technology-driven transformation, infrastructure enhancement, branches transformation, brand-building activities, expansion of the digital sales force, and reinforcement of the Shareholders Fund (SHF), thereby reinforcing financial resilience and market competitiveness

Particular	Cost	Percentage
	PKR	%
Software's/Intangibles (Apps, Portals, Business System Development and Upgradation)	51,795,000	17.27
Hardware & Infrastructure	59,400,000	19.80
Marketing	85,471,400	28.49
Human Resource Cost	78,665,280	26.22
New Branches with existing Branches Transformation (Renovation, Boards, Branding, Relocation, etc.)	24,668,320	8.22
<b>Total</b>	<b>300,000,000</b>	<b>100.00%</b>

#### 4.4. DISCLOSURE RELATING TO ALLOCATION / UTILIZATION OF IPO PROCEEDS

##### 4.4.1. Software & Intangibles (Application, Portals, Business System Development and Upgradation)

Project	Amount	Expected Supplier	Country of Origin	Expected Order Date	Expected Date of Receipt/ Completion
	PKR Mn				
Motor App	5.64	Persistent Solutions	Pakistan	February 01, 2026	October 31, 2026
PQGTL Takaful Management System (TIMS)	15.04	Tech Sphere Solutions	Pakistan	January 01, 2026	December 31, 2026
Partner Portals (PoS) Support	4.7	Persistent Solutions	Pakistan	January 01, 2027	December 31, 2028
Replacement of SAP	10.38	Tech Sphere Solutions	Pakistan	February 01, 2027	December 31, 2027
Claim / Commission Integration for BPM and AI	10.04	Persistent Solutions	Pakistan	May 01, 2026	June 30, 2028
In-house CRM	6.00	Persistent Solutions	Pakistan	January 01, 2027	December 31, 2028
<b>Sub - Total</b>	<b>51.79 Mn</b>				

The costs mentioned in the table for software/intangibles are estimates based on market research and preliminary evaluations.

Projects	Existing State of Affairs	Desired State of Affairs	Amount PKR
<b>Motor App</b>	At the moment, we are at the final stage of launching Motor App for customers. This application has been	Following the go-live of the Motor Digital App, the Company intends to expand the platform's scope by integrating additional product lines,	<b>5,640,000</b>

	developed to provide enhanced digital experience by offering access to existing motor products, flexibility to adjust the sum covered. Furthermore, the app allows customers to conveniently intimate motor claims and track the live progress of their claim status, thereby ensuring greater transparency and customer engagement.	including Travel, Home, and Personal Accident Takaful. This enhancement is considered critical for positioning PQGTL as a digitally enabled Takaful operator. The initiative is aimed at supporting business growth through cross-selling opportunities, improving customer experience by offering multiple products through a unified platform, strengthening data security and transaction integrity, and ultimately enhancing profitability through cost efficiencies and broader market outreach.	
<b>PQGTL Takaful Management System (TIMS)</b>	PQGTL is currently using the TIMS system, developed by our in-house software team. This system offers greater adaptability compared to other solutions available in the market. However, it was made on older technology due to which we have been certain challenges.	The Company intends to upgrade its systems in line with evolving technology and emerging business requirements. The upgraded system will be integrated with PQGTL's website and mobile application to provide a more connected and seamless digital experience. Planned enhancements include integration with online banking channels and connectivity with brokers, agents, and aggregators to support improved distribution and operational efficiency.	<b>15,040,000</b>
<b>Partner Portals (PoS) Support</b>	The Partner Portal, which functions as a point-of-sale system, enables seamless policy issuance, customer onboarding, and premium collection at the agent level. It supports real time data entry, document uploads, and compliance checks to ensure efficient and accurate processing. The platform strengthens agent productivity and contributes to improved customer service delivery.	The Company plans to enhance system features such as automation and analytics by incorporating updated technologies to improve user experience, accelerate processing, and support mobility through offline functionality. These enhancements, supported by integration with core systems and advanced analytics, will facilitate stronger decision making. Increased automation is also expected to streamline operations and reduce manual efforts across processes.	<b>4,700,000</b>
<b>Replacement of SAP</b>	The current system is a branded solution with limited usage rights and high customization costs, especially for meeting statutory, financial, and HR reporting requirements. It is expensive to maintain, difficult to modify, and presents challenges in data migration and integration.	The Company is pursuing the replacement of its existing systems with an in-house ERP equipped with an integrated HRMS. This transition is intended to centralize operations, strengthen regulatory compliance, and provide improved control over data and internal processes.	<b>10,375,000</b>
<b>Claim / Commission Integration for BPM and AI</b>	PQGTL manages claims through a system equipped with structured features, including claim intimation, document submission, claim validation, claim approval,	PQGTL plans to integrate automated workflows and AI driven KPIs to enhance transparency in the claims process. The Company expects this initiative to support more efficient	<b>10,040,000</b>

	settlement, and disbursement, supplemented by certain manual processes.	assessment, investigation, and adjustment of claims. AI algorithms will also assist in claim validation, anti-money laundering checks, and fraud detection, thereby improving accuracy and reducing operational risk.	
<b>In-house CRM</b>	The Company currently uses a CRM system from a well-renowned provider. Although the system has been customized to some extent, challenges remain in further customization, and the associated costs continue to be significant.	PQGTL is developing an in-house CRM system to better align with its business requirements. The Company expects the system to enhance security, safeguard data confidentiality, and improve management of customer lead generation and follow up.	<b>6,000,000</b>
<b>Total</b>			<b>51,795,000</b>

#### 4.4.2. Hardware & Infrastructure

Project	Amount	Country of Origin	Expected Supplier	Expected Order Date	Expected Date of Receipt/ Completion
	PKR Mn				
<b>Co-Location for DR including support (Net of actual expenses)</b>	35.0	Pakistan	Multi-Link / Naya Tel / NDS / Pioneer System / Zong / Mobilink	01.02.2026	Recurring*
<b>Upgradation of DMS System</b>	24.4	Pakistan	Multi-Link / Naya Tel / NDS / Pioneer System / Zong / Mobilink	01.07.2028	Recurring**
<b>Sub-total</b>	<b>59.4 Mn</b>				

\*15 million expense in 2026 and thereafter 5 million is an annual recurring expense.

\*\*15 million expense in 2028, 5 million in 2029 and thereafter 4.4 million is an annual recurring expense.

The costs mentioned in the table for hardware & infrastructure are estimates based on market research and preliminary evaluations. Furthermore, in the event of any cost overruns, the excess amount will be borne by the Company from its existing reserves and from funds generated through ongoing operations over the relevant period.

Projects	Existing State of Affairs	Desired State of Affairs	Amount
			PKR
<b>Co-Location for DR including support (Net of actual expenses)</b>	The Company's current Disaster Recovery setup is hosted on Oracle Cloud, resulting in significant costs. It also faces several limitations, including lack of support for file systems, object storage, OKE clusters, application and network load balancers, and SR-IOV instances within the built-in DR features. These constraints impact scalability and operational efficiency.	PQGTL plans to implement Disaster Recovery through a co-location approach by hosting IT infrastructure in a secure, geographically separate facility. This strategy is expected to ensure business continuity by minimizing downtime during disruptions. It also provides improved scalability, greater flexibility, enhanced security, reduced management overhead, and faster recovery of critical systems.	<b>35,000,000</b>
<b>Upgradation of DMS System</b>	PQGTL currently utilizes a Document Management System acquired from a third-party vendor,	The Company plans to acquire an advanced Data Archiving System with modern features, including AI	<b>24,400,000</b>



	which provides limited access. The system offers only basic data archiving functionality, restricting scalability and advanced document handling capabilities.	integration. The new system is expected to facilitate easy search and retrieval, while allowing seamless integration with other platforms. AI capabilities, such as OCR technology, will support automated metadata capture, enhance efficiency and improve data accessibility.	
<b>Total</b>			<b>59,400,000</b>

#### 4.4.3. Marketing

Project	Amount PKR Mn	Basis of Estimation	Expected Vendor
Digital Marketing	48.84	Approx. 244 million Impressions*	Dunwell Communication, Echo Digital, Argus advertising, Synite Digital
Integrated Marketing Campaigns	36.63	Approx. 174,000 leads**	Dunwell Communication, Echo Digital, Argus advertising, Synite Digital
<b>Sub – Total</b>		<b>85.47 Mn</b>	

\* **Digital Marketing:** The Information shared is based on the awareness campaigns that have been run in the past. Previously the cost per impression on social media platforms averaged around PKR 0.20, based on which the number of impressions has been calculated.

\*\* **Integrated Marketing Campaigns:** This information is also based on the lead generation campaigns that have been run in the past. The average cost per lead on social media platforms has averaged around PKR 211, based on which the number of leads has been calculated.

The costs mentioned in the table for marketing are estimates based on market research and preliminary evaluations.

Projects	Existing State of Affairs	Desired State of Affairs	Amount PKR
<b>Digital Marketing - of New Products</b>	<p>Pak-Qatar General Takaful Limited has strengthened its corporate brand positioning through a refreshed visual identity, consistent messaging across customer touchpoints, and an enhanced digital and social media presence. Regular financial wellness content, news updates, and paid campaigns on platforms such as Facebook have reinforced PQGTL's reputation as a modern, Shariah-compliant financial services provider. Collectively, these initiatives demonstrate a shift toward a retail-focused, digitally accessible, and brand-consistent customer experience.</p> <p>PQGTL's flagship products, including Motor Takaful and Travel, have been promoted through</p>	<p>Building on the strengthened corporate brand and enhanced social media presence, PQGTL intends to implement a multi-channel growth strategy. The primary focus will be on scaling digital marketing initiatives to drive customer acquisition for products such as Motor, Travel, and Home Takaful, while expanding brand awareness across urban and semi-urban markets. Funds will be allocated to performance-based digital media, including Google Ads, social media retargeting, and video-led storytelling aligned with asset protection narratives in a Sharia-compliant manner.</p> <p>At the same time, integrated marketing campaigns will be launched nationally, combining above-the-line channels such as outdoor and radio, below-the-line activations including on-ground</p>	<b>48,840,800</b>

<b>Integrated Marketing Campaigns</b>	digital channels, although marketing efforts to date have been moderate.	events and agency-led roadshows, digital initiatives, and public relations engagements. These campaigns aim to build a cohesive, relatable, and value-driven brand image. To ensure measurable returns, PQGTL will invest in CRM-integrated marketing automation, enhanced landing experiences, funnel optimization, and lead scoring tools.  The overarching objective of these initiatives is to increase digital conversions, reduce acquisition costs, and position PQGTL as Pakistan's most accessible and trusted Takaful brand in the retail segments.	<b>36,630,600</b>
<b>Total</b>			<b>85,471,400</b>

#### 4.4.4. Human Resource

Project	Amount	No. of New Hires	Average Salary Per Employee	Average Recruitment Cost
	PKR Mn		PKR	PKR Mn
Hiring of Digital Sales Team	35.8	7	85,357	5.1
Additional Sales Team Hiring	42.8	17	41,971	2.5
<b>Sub – Total</b>	<b>78.6 Mn</b>			

The costs mentioned in the table for hiring are estimates based on market research and preliminary evaluations. Proceeds will be utilized only against the hiring year's cost not the recurring cost. The proceeds will not also be utilized against the Company's existing payroll costs.

Projects	Existing State of Affairs	Desired State of Affairs	Amount
			PKR
<b>Hiring of Digital Sales Team</b>	PQGTL is currently using the TIMS system, developed by its in-house software team. The system offers greater adaptability compared to other solutions available in the market. However, as it was built on older technology, certain challenges have arisen in its operation.	Building a high-performing digital sales team is a strategic priority for the Company to support business growth, strengthen customer engagement, ensure secure digital interactions, and drive long-term profitability. This capability is expected to improve operational agility, enable efficient digital processes, and contribute to sustained financial performance. The initiative aligns with the Company's long-term vision for digital growth and enhanced operational efficiency.	<b>35,825,280</b>
<b>Additional Sales Team Hiring</b>	PQGTL's Corporate Sales Team is currently concentrated in two major cities, Karachi and Lahore. Recognizing untapped potential in other key urban centers such as	The expansion of the Corporate Team aligns with the Company's broader objective of strengthening nationwide market presence and	<b>42,840,000</b>

(Corporate & Retail)	Islamabad, Multan, Faisalabad, Sialkot, Gujrat, and Peshawar, PQGTL is strategically planning to expand its corporate sales footprint across these regions.	driving sustainable growth in the Corporate Sector.	
	The Retail Sales function operates with a lean structure, primarily serving walk-in and individual customers through field-based engagement, supported by over 100 team members across eight branches.	In parallel, the Company is developing a dedicated tele-sales channel focused on lead generation, cross-selling, and upselling to both potential and existing customers. This initiative is expected to enhance outreach and improve conversion rates through a cost-effective and scalable model.	
	Tele-sales operations are not yet active; however, PQGTL acknowledges the importance of establishing this channel to create a more integrated and responsive sales ecosystem.	While the current Retail Sales setup has maintained steady business activity, there is a growing need to expand outreach to meet the evolving requirements of retail customers and support future scalability. To further drive long-term growth in the Retail Sales function, the Company plans to establish a Premier Retail Team targeting high net worth individuals.	
	This current setup forms the foundation for the next phase of growth, enabling PQGTL to expand geographically, enhance customer touchpoints, and develop a well-aligned sales organization capable of achieving both short-term objectives and long-term strategic goals.	Over the next three to five years, the Company intends to hire up to 25 agents, including corporate agents, Premier Retail Team members, and Tele Sales Agents, to expand sales in untapped areas, particularly in industrial cities.	
		Collectively, these initiatives reflect the Company’s commitment to strategic expansion, enhanced customer outreach, and financial inclusion.	
Total			78,665,280

#### 4.4.5. Branch Transformation

Particulars	Cost	Number of Outlets	Expected Cost per Outlet	Expected Order Start Date	Expected Completion Date
	PKR Mn		PKR Mn		
Branches Transformation	6.7	4	1.5	01-04-2026	31-12-2028
New Branches	18	6	3.0	01-07-2026	31-12-2030

The costs mentioned in the table for branches transformation are based on quotations obtained by the company from third-party suppliers.

Projects	Existing State of Affairs	Desired State of Affairs	Amount PKR
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<b>New Branches</b>	<p>PQGTL currently operates eight branches across Pakistan, distributed as follows: South Region – four, Central Region – three, and North Region – one. These branches have been established progressively in line with business growth.</p> <p>As part of its broader transformation agenda, PQGTL has initiated an optimization strategy leveraging alternative distribution channels such as digital sales, call centers, and a field agent network. The objective is to realign the physical branch footprint with evolving customer behavior and operational efficiency goals.</p> <p>Over the next three to five years, PQGTL plans to rationalize its branch network by consolidating the existing eight branches into approximately 15 strategically located outlets. This consolidation will be complemented by a phased opening of new branches, including modernization, relocation, and renovation initiatives focused on:</p> <ul style="list-style-type: none"> <li>• Enhancing branch visibility and accessibility in commercially strategic areas</li> <li>• Upgrading customer-facing infrastructure, including layout, branding, and service counters</li> <li>• Strengthening the network's appeal to retail walk-in customers through improved ambiance and brand experience</li> </ul> <p>These initiatives are designed to position PQGTL's branch network as a retail-focused, brand-consistent, and performance-driven channel, while complementing its expanding digital presence across Pakistan.</p>	<p>PQGTL aims to renovate 1–2 branches annually as part of a strategic initiative to enhance brand presence and customer experience across Pakistan.</p> <ul style="list-style-type: none"> <li>- Upgradation of internal and external branding, ensuring consistency with the national brand identity.</li> <li>- Relocation of underperforming or low-footfall branches to more commercially viable and high-visibility locations.</li> <li>- Installation of high-quality, illuminated signboards and digital display panels to improve visibility and customer engagement.</li> <li>- Standardization of branch aesthetics, including branding themes, furniture, signage, and fixtures to project a professional and trustworthy image—comparable to leading financial institutions.</li> <li>- Introduction of customer-centric layouts with dedicated spaces for service desks, consultation rooms, and waiting areas to improve service flow and client comfort.</li> <li>- Integration of modern marketing elements such as interactive kiosks, and QR-code enabled product brochures.</li> <li>- Use of ambient branding, such as thematic wall visuals, digital message boards, and regional adaptability while maintaining brand integrity.</li> </ul> <p>This ongoing transformation is designed not only to improve operational standards but also to position PQGTL branches as high-impact visibility and conversion zones, similar to best-in-class retail and banking branch experiences.</p>	<b>24,668,320</b>
<b>Existing Branches Transformation (Renovation, Boards, Branding, Relocation, etc.)</b>			
<b>Total</b>			<b>24,668,320</b>

#### 4.5. DETAILS REGARDING FINANCIAL CLOSE OF THE PROJECT

The expenditure on the items outlined in Section 4.3 is expected to commence in the first quarter of CY 2026 with the entire project encompassing these stated expenditures expected to be completed by the end of CY 2030.

**4.6. IMPLEMENTATION SCHEDULE**

Projects	CY2026	CY2027	CY2028	CY2029	CY2030	Total
	PKR ‘000					
Software's/Intangibles						
Motor App	3,000	660	660	660	660	5,640
PQGTl Takaful Management System (TIMS)	8,000	1,760	1,760	1,760	1,760	15,040
Partner Portals (PoS) Support -	2,500	550	550	550	550	4,700
Replacement of SAP.	0	6,250	1,375	1,375	1,375	10,375
Claim/Commission Integration for BPM and AI	5,000	2,000	1,500	770	770	10,040
In-house CRM	-	2,000	2,000	1,000	1,000	6,000
Total	18,500	13,220	7,845	6,115	6,115	51,795
Hardware & Infrastructure						
Co-Location for DR including support (Net of actual expenses)	15,000	5,000	5,000	5,000	5,000	35,000
Upgradation of DMS System	-	-	15,000	5,000	4,400	24,400
Total	15,000	5,000	20,000	10,000	9,400	59,400
Marketing						
Digital Marketing - of New Products	8,000	8,800	9,680	10,648	11,713	48,841
Integrated Marketing Campaigns	6,000	6,600	7,260	7,986	8,785	36,631
Total	14,000	15,400	16,940	18,634	20,497	85,471
Human Resource Cost						
Hiring of Digital Sales Team	4,800	6,240	7,488	8,237	9,060	35,825
Additional Sales Team Hiring (Corporate & Retail)	6,000	8,640	9,000	9,000	10,200	42,840
Total	10,800	14,880	16,488	17,237	19,260	78,665
Branches Transformation						
New Branches	3,000	3,900	5,070	6,591	6,107	24,668
Existing Branches Transformation (Renovation, Boards, Branding, Relocation, etc.)						
Total	3,000	3,900	5,070	6,591	6,107	24,668
GRAND TOTAL	61,300	52,400	66,343	58,577	61,380	300,000

**4.7. UTILIZATION OF EXCESS IPO FUNDS, IN THE CASE THE STRIKE PRICE IS DETERMINED ABOVE THE FLOOR**

Any excess funds raised, in case the Strike price is determined above the Floor price, would be utilized towards the same expenditures as mentioned in Section 4.3 of this prospectus. The additional funds will enable PQGTL to enhance allocations to the identified expenditure heads, allowing for additional scope and capacity beyond the currently stated base level investments.

**4(i). POST ISSUE MATTERS. (REPORTING AND EXIT OPPORTUNITY)****i. Post issuance reporting requirements as per regulation 16 of Public Offering regulations**

The issuer, Pak-Qatar General Takaful Limited, upon completion of the public offer shall:

- a. Report detailed break-up of the utilization of the proceeds of the issue in its post issue quarterly/half-yearly and annual accounts (till the fulfilments of the commitments mentioned in the prospectus).
- b. submit a: (a) Half yearly progress report; and (b) annual progress report reviewed by the auditor, to the securities exchange till the fulfilment of the commitments mentioned in the prospectus stating the following:
  - Implementation status of the project/commitment made in the prospectus as per format given below; and
  - Detailed Break-up utilization of the proceeds raised from the issue.
- c. Submit a final report reviewed by the auditor after the fulfilment of the commitments mentioned in the prospectus.

**ii. Exit Opportunity Mechanism as per regulation 16(a) of Public Offering regulations**

- a. The Issuer shall not, at any time change the principal purpose of the issue as disclosed in the Prospectus.
- b. In exceptional circumstances, the issuer may change the principal purpose of the issue subject to passing of special resolution and offering an exit opportunity to dissenting shareholders who have not agreed to the change in principal purpose of the issue as disclosed in the Prospectus.
- c. Offering an exit opportunity shall also be mandatory where the principal purpose of issue was undertaken and thereafter funds were diverted to other purposes, which resulted in non-completion of principal purpose of issue in a timely manner as disclosed in the prospectus.
- d. The mechanism for an exit offer opportunity shall be as under:
  - i. EOGM notice in respect of any change in the principal purpose of the issue as disclosed in the prospectus shall be given along with draft special resolution as required under the provisions of Companies Act, 2017.
  - ii. Subject to approval of special resolution as defined in the Companies Act, 2017, the shareholders who have dissented against the special resolution and conveyed their dissent to the company secretary under intimation to PSX, shall be provided an opportunity to exit by offering a price per share, by the sponsors of the issuer that shall be highest of the following:
    - a. Intrinsic value based on the latest available audited accounts.
    - b. Weighted average closing price for last six preceding months
    - c. offer price at which the shares were subscribed through IPO.
  - iii. The exit offer shall be executed by the sponsors within a period of thirty days from the date of passing of special resolution.

#### 4A. VALUATION SECTION

**4A(i). JUSTIFICATIONS GIVEN BY THE CONSULTANT TO THE ISSUE, IF ANY OR THE ISSUER IN SUPPORT OF THE OFFER/FLOOR PRICE AND THE PRICE BAND. THE JUSTIFICATION MUST INCLUDE APPROPRIATE VALUATION MODELS, INCLUDING THE DISCOUNTED CASH FLOW (DCF) MODEL, DIVIDEND DISCOUNT MODEL (DDM), AND/OR GORDON GROWTH MODEL (GGM).**

**Disclaimer:**

The offer price/floor price and price band are set by the Issuer and Consultant to the Issue using appropriate valuation models, and that the Commission and the Securities Exchange have neither assessed nor validated the pricing or the underlying valuation model. The Commission and the Securities Exchange do not assess, validate or endorse the price of a transaction, as pricing is purely a function of market forces; whereby minimum price is determined by the Consultant to the Issue/Issuer and final price is set by the investors.

**Valuation – Free Cashflow to Equity (FCFE):**

<b>Cost of Equity</b>	
Rf rate <sup>40</sup>	11.50%
Equity Risk Premium <sup>41</sup>	6.00%
Beta <sup>42</sup>	0.66
Cost of Equity <sup>43</sup>	15.46%
Average Growth Rate <sup>44</sup>	3.5%

PKR	2026F	2027F	2028F	2029F	2030F
PAT	136,105,777	164,520,353	192,019,432	223,991,097	251,805,578
Add: Depreciation & Amortization	23,712,130	25,847,536	29,206,938	31,756,524	35,151,336
Less: Capex	(47,353,343)	(37,837,915)	(51,815,891)	(49,865,002)	(56,920,358)
Adj: Changes in Capital Assets					
Deposits, Loans & Other Receivables <sup>45</sup>	61,252	(30,626)	15,313	(7,656)	3,828
Deferred Commission Expense	(3,968,887)	(7,052,852)	(7,749,401)	(7,729,567)	(8,217,554)
Liabilities					
Other Creditors and Accruals	22,292,266	13,259,428	13,025,893	13,501,839	14,903,278
Lease Liabilities	(5,166,122)	(4,179,159)	(3,380,750)	(2,734,874)	(2,212,389)
Unearned Wakala Income	26,818,424	26,939,619	29,605,825	31,241,708	42,946,482
Net Working Capital Change	40,036,932	28,936,411	31,516,880	34,271,450	47,423,645
<b>FCFE</b>	<b>152,501,496</b>	<b>181,466,385</b>	<b>200,927,359</b>	<b>240,154,069</b>	<b>277,460,201</b>
Year	1.00	2.00	3.00	4.00	5.00
Discount Factor	0.866	0.750	0.650	0.563	0.487
<b>PV of Payouts</b>	<b>132,081,670</b>	<b>136,123,492</b>	<b>130,540,243</b>	<b>135,133,722</b>	<b>135,220,623</b>
<b>PV of Terminal Value</b>					<b>1,170,178,465</b>

<sup>40</sup> Risk free rate is based on the prevailing yield of the five-year Pakistan Investment Bond implying the time horizon for investment in equities which is typically 3- 5 years.

<sup>41</sup> Equity Risk Premium has been derived from the implied equity return over the past 20 years, which has averaged approximately 06% above the average long-term Government bond yield.

<sup>42</sup> The equity beta for PQGTL has been calculated by using the weighted average three-year adjusted asset (deleveraged) beta of the life insurance sector as a proxy and then re-leveraging it using PQGTL's debt-to-equity ratio.

<sup>43</sup>  $R_f + \text{Beta} \times \text{Equity Risk Premium}$ .

<sup>44</sup> Aligned with Pakistan's long-term historical GDP growth, which has averaged around 3.5% or higher over 20 years, representing a reasonable long-term sustainable growth assumption.

<sup>45</sup> This amount excludes accrued investment income, as such income does not form part of the working capital



Equity Value	1,839,278,214
No. of Shares	101,107,121
Value per Share (PKR)	18.19

#### Sensitivity Analysis – Variation in Value per Share for a change of 1% in Cost of Equity and 1% in Growth Rate

Value Per Unit (PKR)		Cost of Equity		
		14.46%	15.46%	16.46%
Growth Rate	2.5%	18.77	17.20	15.85
	3.5%	19.98	18.19	16.68
	4.5%	21.45	19.37	17.64

#### Valuation – Dividend Discount Model:

The Company does not intend to declare further cash dividends, as it plans to issue bonus shares in order to comply with the SECP's minimum paid-up capital requirements

#### Justification for the premium: 40% Upside

Based on the valuation assessment, the DCF model yields a fair value of PKR 18.19/- per share, reflecting a potential upside of 23.04% from the maximum price band of PKR 14.00/- per share. This result supports the appropriateness of the proposed 40% price band.

#### Successful Operational History:

Pak Qatar General Takaful (PQGTL) was incorporated in 2006 and commenced business in 2008, becoming the dedicated general takaful company in Pakistan. The company is engaged in the non-life insurance business and within a brief period has successfully penetrated the market, holding 0.55% market share of the general insurance sector as of CY 2024, along with being one of the Pakistan's largest dedicated takaful company (by GPW).

PQGTL has an expansive direct distribution network, with 8 branches and 168 agents operating across Pakistan. This widespread coverage has successfully allowed the company to expand its Takaful business, with contributions (premiums) collected via the direct agency network.

This vast distribution network along with other resources of the company are efficiently and effectively managed by a skilled and experienced management team, with a clear organizational structure and documented delegated authorities and responsibilities. This ensures that the company is able to meet policyholder needs and thereby drive customers to satisfaction.

#### Financial Performance:

The Company's financial performance reflects the strength of its model. In 2024, PQGTL reported a gross turnover of PKR 1.17 billion and a net profit after tax of PKR 113.78 million, equivalent to earnings per share of PKR 2.23. These results were driven by Wakala fees and investment income within the SHF, supported by a surplus of PKR 47.32 million in the PTF. This structure ensures value creation for both stakeholders and participants receive financial protection with potential surplus sharing, while shareholders benefit through fee income and Shariah-compliant investment returns. Contributions during the year reflected a well-diversified portfolio across retail and corporate lines, underlining prudent underwriting and resilience across segments.

#### International Sponsor Support:

**Pak-Qatar General Takaful Limited (PQGTL)** benefits from the strong strategic backing of institutions linked to the Qatar Royal Family. **Pak-Qatar Investment (Pvt) Limited** is the largest shareholder, holding **33.39%** of the Company's equity. In addition, **Qatar International Islamic Bank (QIIB)** and **Qatar Islamic Insurance Group (QIIG)** hold **12.40%** and **10.00%** of the ordinary shares, respectively while **H.E. Sheikh Ali bin Abdullah Thani**, Chairman of the Board, holds **13.45%**. This diversified Qatari shareholding not only strengthens PQGTL's capital base but also enhances its business credibility, corporate governance, and long-term growth prospects.

#### **Diverse Product Portfolio:**

PQGTL offers a comprehensive range of Shariah-compliant general Takaful solutions that cater to the protection and savings needs of both individual and corporate clients. Its portfolio includes core products such as Motor, Health, Fire, Marine, Engineering, Health, and Liability Takaful, complemented by specialized offerings like Ashiana Takaful (household contents), Home Takaful (building protection), Travel Takaful, and Personal Accident Takaful. This extensive product suite ensures that customers have access to tailored solutions for everyday risks as well as specialized coverage needs. By maintaining such diversity, PQGTL not only enhances customer satisfaction but also secures multiple income streams, reducing dependency on any single product line and ensuring long-term growth sustainability.

#### **Favorable Future Prospects:**

Pakistan's insurance and Takaful sector is expected to continue its upward trajectory, supported by favourable demographics, regulatory reforms, and macroeconomic improvements. The country's population is projected to reach 276 million by 2030, and with rising life expectancy, the demand for long-term risk protection and savings products is expected to expand steadily. On the economic front, Pakistan's per capita income reached USD 1,824 in FY2024–2025, reflecting a 9.7% year-on-year growth, thereby improving affordability and accessibility of insurance and Takaful solutions.<sup>46</sup>

The sector's performance also underlines its growth potential. Gross Premium Written (GPW) reached PKR 214.9 billion in CY2024 (CY2023: PKR 181.7 billion), representing a solid 18.1% year-on-year increase. While conventional insurance registered growth of ~20.6%, the Takaful segment grew by a modest 4.6%, reflecting the impact of inflationary pressures and gradual adaptation to digital platforms under SECP's Insurtech framework. Despite these challenges, underwriting results for the overall sector grew sharply by 195.7% in CY 2024, while profit before tax nearly doubled to PKR 55.7 billion, highlighting improved operational resilience.<sup>47</sup>

With inflation easing and monetary policy turning supportive, the outlook for FY25 and beyond remains stable. Regulatory initiatives by SECP, including higher solvency and capital adequacy standards, along with rising awareness of Shariah-compliant products, are expected to further strengthen the sector. Collectively, these dynamics present a favourable growth environment for both conventional insurers and Takaful operators in the years ahead.

#### **Financial Strength and Stability:**

PQGTL holds an Insurer Financial Strength (IFS) rating of "A+" (Single A Plus) with a Stable Outlook from both PACRA and VIS Credit Rating Company. The Pakistan Credit Rating Agency (PACRA) maintained the Company's "A+" rating in its report dated February 7, 2025, continuing the rating level assigned since 2022. Meanwhile, VIS Credit Rating Company Limited (VIS) upgraded PQGTL's rating from "A" to "A+" on July 17, 2025, reflecting the Company's strengthened financial profile and improved operational performance. These ratings highlight PQGTL's strong capacity to meet policyholder obligations, supported by its expanding market share, robust governance framework, and enhanced operational efficiency. The reaffirmation and upgrade collectively underscore PQGTL's sound financial standing and credibility within the Takaful industry.

<sup>46</sup> [https://www.finance.gov.pk/survey/chapter\\_25/Highlights.pdf](https://www.finance.gov.pk/survey/chapter_25/Highlights.pdf)

<sup>47</sup> [https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725\\_1753092936.pdf](https://www.pacra.com/view/storage/app/General%20Insurance%20-%20PACRA%20Research%20-%20July%2725_1753092936.pdf)

As at the end of CY 2024, liquid investments (incl. cash & bank balance) held by PQGTL amounted to PKR 184.84 Mn, resulting in a Liquid Investments to outstanding claims ratio of 0.6x. In addition, the Total PTF fund equity also stood at PKR 156.37 Mn in CY 2024.

All these factors evidence that PQGTL has more than sufficient capital and ample liquidity to meet policyholder obligations, highlighting how PQGTL has the financial strength and stability necessary to operate sustainably as a takaful operator.

#### Widespread Distribution Network:

PQGTL's products are available at 8 branches across 8 major cities in Pakistan. The Company currently caters to nearly 4000 plus corporate & individual clients with more than 27000 policies, providing them with need-based protection solutions

In line with the Company's policy of embracing digital technology, PQGTL has focused extensively on developing digital sales platforms and utilizing online portals and digital brokers to provide enhanced accessibility and greater convenience to current and prospective customers, all the while increasing the geographical reach of the Company's distribution network.

#### Customer-centric Approach:

A key reason for PQGTL's success is its customer first approach. The Company has set up a dedicated customer experience department, elevating customer experience through Microsoft Dynamics 365 CRM, integrated with 24/7 call center support. This provides users with personalized and efficient support. In addition, PQGTL has further enhanced customer experience through digital onboarding services, including the PQGTL app, providing users with additional convenience via easier access to dashboards and online payment facilities.

#### Justification:

Based on our review, the Consultant to the Issue and the Lead Manager is of the opinion that the proposed floor price of **PKR 10.00/-** per share and cap price of **PKR 14.00/-** per share are justified and supported by the Company's strong historical performance, diversified product portfolio, widespread distribution network, and growing demand for its quality services, indicating sustainability future business performance.

The Company is offering a Price-to-Book ("PB") multiple of 0.86 at Floor Price of PKR 10.00/- per Ordinary Share based on the Book value per share of the Company as at June 30, 2025 (post rights issue of 10 million shares at PKR 10 and bonus issue of 10.1 million shares) of PKR 11.67/-

#### 4A (II) DISCLOSURE OF POST ISSUE FREE FLOAT

Post IPO, the share capital of PQGTL will increase from **71,107,121** Ordinary Shares to **101,107,121** Ordinary Shares. The free float status of PQGTL post IPO is provided hereunder:

Description	Number of Shares	Shareholding	Total Free Float
		%	%
Existing Shareholders			
Sponsors	49,260,554	48.72%	-
Directors, CEO and Related Family Members	10,501,860	10.39%	-
Other Shareholders <sup>48</sup>	11,344,707	11.22%	11.22%
Public Offering	30,000,000	29.67%	29.67%
Total	101,107,121	100%	40.90%

<sup>48</sup> Other Shareholders' post-IPO shareholding is assumed unchanged, though these shareholders may participate in the public offering.

## 4A (III) PEER GROUP COMPARISON

PKR Mn	PQGT	AGIC	AICL	ATIL	CENI	EFUG	JGICL	PINL	RICL	TPLI	UNIC
<b>Pricing Comparison</b>											
Number of Shares (Mn)	71	101	350	149	55	200	198	51	100	199	416
Share price**	10	38	80	75	55	122	80	10	16	22	16
EPS <sup>49*</sup>	1.51	7.60	16.77	12.71	10.52	30.75	21.96	2.69	4.06	0.30	4.52
BVPS <sup>50</sup>	11.93	33.03	141.35	71.20	60.24	159.30	107.40	24.94	19.63	13.68	15.10
BVPS (post-IPO)	11.04	-	-	-	-	-	-	-	-	-	-
P/E <sup>51*</sup>	6.61 <sup>52</sup>	5.00	4.77	5.89	5.19	3.97	3.64	3.78	3.94	72.81	3.52
P/E* (post-IPO)	9.39	-	-	-	-	-	-	-	-	-	-
P/B <sup>53</sup>	0.84 <sup>54</sup>	1.15	0.57	1.05	0.91	0.77	0.74	0.41	0.81	1.58	1.05
P/B (post-IPO)	0.91	-	-	-	-	-	-	-	-	-	-
Industry Average P/E	4.61										
Industry Average P/B	0.75										
Median P/E	6.04										
Median P/B	0.92										
KSE-100 P/E	8.08										
KSE-100 P/B	1.47										
ROE <sup>55*</sup>	14%	23%	13%	20%	18%	39%	22%	11%	26%	2%	55%
ROA <sup>56*</sup>	8%	8%	2%	9%	9%	2%	7%	4%	13%	1%	12%
Free Float – No. of Shares (Mn)	41.34	28.76	280.00	29.88	13.83	30.00	69.47	27.81	70.33	29.76	62.41
Free Float (%)	40.9%	28.57%	80%	20%	25%	15%	35%	55%	70%	15%	15%

\*Based on the TTM earnings for each company (trailing twelve months) for the period September 30, 2024, to September 30, 2025.

\*\* LDCP as of December 22, 2025.

## 4A (IV) PEER COMPARISON – WINDOW TAKAFUL OPERATIONS

PKR Mn	PQGT	AGIC	AICL	ATIL	CENI	EFUG	JGICL	PINL	RICL	TPLI	UNIC
Net Premiums*	354	747	1,914	317	46	755	1,561	135	47	1,248	1,134
Net Claims*	401	631	2,004	312	72	1,117	1,809	165	37	1,219	1,458

<sup>49</sup> EPS = Total Earnings / Total No. of Shares

<sup>50</sup> BVPS = Total Equity / Total No. of Shares

<sup>51</sup> P/E = Share Price / Earnings Per Share

<sup>52</sup> P/E based on post-rights and bonus issue shareholding of 71,107,121 shares

<sup>53</sup> P/B = Share Price / Book Value per Share

<sup>54</sup> P/B based on post-rights and bonus issue shareholding of 71,107,121 shares

<sup>55</sup> ROE = Profit After tax / Average Equity

<sup>56</sup> ROA = Profit After tax / Average Assets

Investment Income*	22	55	94	99	21	366	190	2	3	121	31
Fund Operating Expenses (Excl. Claims)*	30	31	72	33	9	149	71	14	10	85	42
Claims Ratio	113.5%	84.5%	104.7%	98.4%	157.5%	147.8%	115.9%	122.8%	79.8%	97.6%	128.6%
Expense Ratio	8.5%	4.2%	3.8%	10.5%	19.5%	19.7%	4.5%	10.3%	21.1%	6.8%	3.7%
Combined Ratio	121.9%	88.7%	108.5%	108.8%	177.0%	167.5%	120.4%	133.1%	100.9%	104.4%	132.3%

\*Based on the TTM earnings for each company (trailing twelve months) for the period October 01, 2024, to September 30, 2025.

## 5. RISK FACTORS

### 5.1. INTERNAL RISKS

#### 5.1.1. Underwriting Risk

The Participants' Takaful Fund (PTF) underwrites general takaful contracts across multiple segments, including fire and property, marine, aviation and transport, motor, health, and miscellaneous classes. The principal underwriting risk is that actual claims experience may differ from expectations in terms of frequency, severity, or timing of claim payments. Such deviations are inherent to general takaful contracts and may result from factors including litigation, delayed claims reporting, or adverse developments in long-tail claims.

Significant underwriting exposures may also arise from climate change, natural disasters, terrorism, and other catastrophic events, which are inherently unpredictable. Concentration of risks by class, geography, or industry can further amplify potential losses. Adverse claims experience may materially affect the reserves of the PTF, which in turn could negatively impact on the Company's financial position.

Contributions written by the company are credited amongst the PTF and SHF, with the PTF (Participants' Takaful Fund) used to settle any participants' claims. If the admissible assets in PTF are insufficient to cover liabilities, shareholders will be required to provide Qard-e-Hasana (interest-free loan) to PTF from the current shareholders' fund balance, as per the requirements of Takaful Rules, 2012. Consequently, poor underwriting performance, including exposure to high-risk classes or concentration of risks, may undermine the company's ability to settle claims and adversely impact shareholder value and profitability.

The year-end PTF balance for the three years ending December 31, 2024, is provided hereunder:

PKR	CY 2024	CY 2023	CY 2022
<b>Year – End Balance</b>	156,366,458	108,862,550	68,290,612

#### 5.1.2. Business Risk

PQGT's profitability may be affected by various business risks beyond core underwriting activities. The Company is exposed to risks arising from reliance on a limited number of customers, suppliers, or revenue streams, as well as dependence on associated companies or the growth of other sectors to sustain operations. Short-term contracts or the absence of formal agreements with key counterparties, limited availability of essential inputs, and the use of complex operational structures may also increase exposure. Additionally, reliance on non-core activities for profit generation or changes in regulatory protections could impact financial stability.

#### 5.1.3. Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations, either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

Operational risk also includes legal and compliance risk. In this regard, outstanding claims include a provision of PKR 44 million against a claim pending since 2014 due to litigation.

Furthermore, details of all litigation claims, including this one, are disclosed in Section 8.1 'Legal proceedings and overdue loans'

#### 5.1.4. Fraudulent Claims Risk

As a takaful (Islamic insurance) operator, PQGTL faces the risk of insurance/takaful fraud, whereby policyholders make deliberate fraudulent claims to obtain an unjust or undeserving benefit. Insurance fraud can take many forms, including exaggerating claims to receive a larger payout, intentionally staging accidents, or providing false information during the application process leading to inappropriate risk assessment. Insurance/takaful fraud can lead to following adverse consequences for PQGTL:

1. **Financial Loss:** Direct financial loss would be suffered as a result of payouts on fraudulent claims.
2. **Cost of mitigation:** Additional resources, including human capital and review committees, are needed in the claim handling and investigation process to mitigate the risk of insurance/takaful fraud. Diversion of such resources to prevent fraud may undermine PQGTL's level of performance in other business aspects.
3. **Legal costs:** Based on the result of its internal investigations PQGTL may challenge or deny policyholder claims, which may lead to costly legal battles adding to the costs of the company.
4. **Actuarial assumptions:** Due to fraudulent claims actuarial estimates will be less accurate, increasing the risk of under/overpricing.

#### 5.1.5. Liquidity Risk

Liquidity risk is the risk that PQGTL may encounter difficulty in meeting its financial obligations as they fall due. This risk can arise if liabilities become payable earlier than anticipated or if the Company experiences challenges in raising funds to meet its commitments. In case of a major loss event, liquidity risk also includes the timing differences between gross cash outflows and expected reinsurance recoveries.

At the end of CY 2024, PQGTL had non-derivative financial liabilities with up to one-year maturity of PKR 1.192 billion (CY 2023: PKR 1.232 billion). Maintaining sufficient liquidity ensures the Company can meet policyholder claims and other obligations as they fall due.

Participant Takaful Fund	CY 2022	CY 2023	CY 2024	9M CY2025
Liquid Investments % of Total Assets	25.8%	27.9%	30.6%	22.7%
Liquid Investments to Outstanding Claims	0.6x	0.7x	0.6x	0.6x
Shareholders' Fund				
Debt to Equity	0.1%	6.7%	4.6%	2.7%
Debt to Total Assets	0.1%	4.1%	2.9%	1.7%

#### 5.1.6. Credit Risk and Concentration of Credit Risk

Credit risk is the risk that one party to a financial contractual arrangement fails to fulfil its obligations, causing the other party to incur a financial loss. PQGTL's credit risk primarily arises from the following areas:

- **Investments:** PQGTL invests in various financial assets to maintain liquidity and meet participants' and shareholders' obligations. Credit risk arises if issuers of these instruments default on their obligations, which may reduce income or the market value of investments held by the Company. Total investments at the end of CY 2024 amounted to PKR 981.041 million.
- **Re-takaful arrangements:** PQGTL enters into re-takaful agreements with other parties in the ordinary course of business to minimize its financial exposure to claims. However, these arrangements do not relieve the PTF of its obligations to participants. If a re-takaful partner defaults, the PTF remains liable for any outstanding claims, potentially resulting in significant financial losses.
- **Contributions receivable:** Participants may default on contribution payments due, either intentionally or due to poor financial conditions, which can lead to financial losses for the Company.

Concentration of credit risk arises when multiple counterparties share similar business activities, making them collectively susceptible to changes in economic, political, or other conditions. However, given the diversified



nature of its counterparties and financial assets, PQGTL believes it is not exposed to any major concentration of credit risk.

Participant Takaful Fund	CY 2022	CY 2023	CY 2024	HY 2025
	Audited	Audited	Audited	Un -Audited
Total Investment Return (incl. income and FV gains/losses) (%)	18.3%	11.2%	12.6%	5.4%
Retakaful Cession Ratio (Retakaful Contributions Ceded to Gross Premium) (%)	36.0%	31.7%	47.3%	48.8%

#### 5.1.7. Capital Adequacy

In a recent development, the SECP, vide SRO.310(I)/2025 dated March 03, 2025, has issued revised minimum paid-up capital requirements for insurance and takaful operators, to be implemented in a phased process that will culminate in 2030<sup>57</sup>. The revised paid-up capital requirements are provided hereunder:

Minimum Paid – Up Capital Requirement				
Type of Insurer	Amount in PKR (Million)			
	Applicable prior to December 31 <sup>st</sup> , 2026	Applicable by		
		December 31 <sup>st</sup> , 2026	December 31 <sup>st</sup> , 2028	December 31 <sup>st</sup> , 2030
Non – Lifer Insurer / General Takaful	500	1,000	1,500	2,000

Failure to maintain this balance could lead to PQGTL not complying with SECP's solvency margins and thereby losing its authorization to undertake takaful operations. Prior to the public offering PQGTL's paid-up capital amounts to PKR 1,807 Mn.

#### 5.1.8. Solvency Risk

As per the Insurance Ordinance, 2000 and the Insurance Rules, 2017<sup>58</sup>, PQGTL is required to maintain a surplus of admissible assets over liabilities of not less than the prescribed solvency requirements for non-life insurers. In accordance with Rule 27 of the Insurance Rules, 2017, PQGTL must maintain a minimum paid-up capital of PKR 150 million and a solvency margin equivalent to at least 20% of its net contributions or net claims, whichever is higher.

Failure to maintain the required solvency margin may result in non-compliance with regulatory standards, potentially leading to actions by the SECP, including restrictions on business operations, suspension of dividend declarations, and imposition of penalties or fines on the Company and/or its directors and officers. PQGTL regularly monitors its solvency position to ensure continued compliance with the prescribed regulatory framework. The Company maintains adequate capital buffers and a strong solvency position, ensuring its ability to meet policyholder obligations and support sustainable business growth.

PQGTL's solvency position is provided hereunder:

PKR Million	CY 2021	CY 2022	CY 2023	CY 2024	9MCY 2025
Net Admissible Assets	440.678	508.580	655.250	584.818	848.223
Minimum Solvency Requirement (Higher of):	(150.000)	(150.000)	(150.000)	(150.000)	(150.000)
Method A – U/s. 36(3)(a) – 150,000,000					
Method B – U/s. 36(3)(b) – 70,728,110					

<sup>57</sup> <https://www.secp.gov.pk/document/sro-310-i-2025-march-3-2025-notification-amendments-to-the-insurance-rules-2017-paid-up-capital/?wpdmdl=56059&refresh=687737211ca101752643361>

<sup>58</sup> <https://www.secp.gov.pk/document/insurance-rules-2017-updated-till-december-31-2023/?wpdmdl=50264&refresh=6911c168222f31762771304>

Method C – U/s. 36(3)(c) – 77,836,805					
Excess/(Deficit) in Net Admissible Assets	290.678	358.580	505.251	434.818	698.223

#### 5.1.9. Projection Related Risks

The proceeds raised through this public offering will be utilized by PQGTL over the next five years to expand operations, strengthen infrastructure, and support business growth initiatives. Given the long-term nature of the planned expenditures, not all material agreements are in place at this stage. As a result, actual future costs may differ from the estimates, creating the risk of potential cost overruns. Management has derived these estimates after conducting thorough due diligence and obtaining external third-party quotations for the relevant expenditures.

There is also a risk of delays in project initiation or execution, which could affect the timely implementation of key initiatives. In particular, delays in the deployment of technology, operational systems, or infrastructure upgrades may reduce efficiency, cause technology to become outdated, or allow competitors to introduce similar solutions, potentially undermining the effectiveness of the planned projects and the anticipated benefits from the public offering.

#### 5.1.10. Negative Total Cashflow from Operating Activities in the Last Three Preceding Financial Years

The table below outlines PQGTL's cashflow from operating activities for the last three years ending December 31, 2024.

PKR Million	CY 2022	CY 2023	CY 2024
Cash flow from Operating Activities	63	(53) *	(8) *

*\*The negative cash flows from operating activities are temporary in nature and are consistent with the Takaful business model, where claim settlement cycles may not perfectly align with cash inflows. Operating cash outflows are further impacted by payments related to retakaful, commissions, and administrative expenses. The negative operating cash flows of PKR 53 million in 2023 were primarily driven by higher claims payments amounting to PKR 843 million. In 2024, negative operating cash flows declined sharply to PKR 8 million, as claims payments reduced to PKR 625 million, reflecting a normalization of claims activity.*

#### 5.1.11. Financial Risk

The Company is exposed to a range of financial risks, including credit risk, liquidity risk, and market risk (comprising currency, interest rate, and other price risks). These exposures arise from the inherent unpredictability of financial markets and may result in material adverse impacts on the Company's financial performance and stability. Credit risk relates to the potential default of counterparties, leading to financial loss. Liquidity risk arises when the Company is unable to meet its obligations as they fall due, which may force asset disposals under unfavourable conditions. Market risk stems from fluctuations in exchange rates, interest rates, and asset prices, each of which can adversely affect profitability, asset values, and capital adequacy.

#### 5.1.12. Risk of Non-compliance with Shariah Principles

The board/management of the company are responsible for ensuring that its Takaful operations comply with the provisions laid out in Takaful Rules, 2012, issued by the Securities and Exchange Commission of Pakistan (SECP). The Commission reserves the right to withdraw the authorization of the company if it is satisfied that its operations contain an element which is not approved by the Shariah Advisor. As such, PQGTL bears the risk of non-compliance with Shariah principles, which could lead to the withdrawal of the company's authorization to conduct Takaful operations.

As per the principles of Takaful Rules, 2012, the company has established an independent Shariah Advisory Board chaired by Mufti Muhammad Hassan certifies all products and operations for Shariah compliance. The company is also required to appoint a Shariah compliance auditor in accordance with the provisions of these

rules. For the three financial years ended December 31, 2024, no qualified audit opinion was issued by the company's Shariah compliance auditor Yousuf Adil Chartered Accountants.

#### **5.1.13. Pending Legal Proceeding Against the Issuer and Associated Group Companies, which could have Material Adverse Consequences**

PQGTL operates in the general takaful (non-life insurance) sector and settles participants' claims in the ordinary course of business. Not unlike other non-life insurance operators, PQGTL may face litigations from participants arising from claim disputes, delays in claim settlement, or alleged misrepresentation of coverage terms. The outcome of such proceedings could result in adverse financial consequences for the Company.

Summary of all outstanding legal cases by category is provided hereunder:

Type of Cases	No. of Cases	Amount
	#	PKR Mn
Rejected Claims	04	147.6
Provincial Sales Tax cases	03	354.7
<b>Total</b>	<b>07</b>	<b>502.3</b>

Please find further details regarding legal proceeds against the company in Section 8 of this prospectus.

#### **5.1.14. Risk of Non-Compliance with PSX and SECP Regulations**

In the event of non-compliance with any regulatory requirements of SECP or PSX, the company may be placed on the Non-Complaint Segment of PSX which may potentially hamper trading in the shares leading up to the potential suspension in trading or delisting.

#### **5.1.15. Experience Risk**

The Company is exposed to experience risk arising from deviations between actual claims, expenses, lapse behavior, and other operating outcomes versus the assumptions used in pricing, reserving, and underwriting. Adverse experience, including higher-than-expected claims frequency or severity, may negatively impact underwriting margins, profitability, and capital adequacy.

Experience risk may also result from changes in policyholder behavior, shifts in risk profiles, or limitations in historical data used for actuarial assumptions. Such factors can lead to mispricing of products or inadequate reserves, particularly in newer or evolving lines of business, thereby affecting financial results.

While the Company mitigates experience risk through regular actuarial reviews, data analysis, prudent underwriting practices, and re-takaful arrangements, actual outcomes may still differ from expectations. Persistent adverse experience could have a material adverse effect on the Company's financial condition and results of operations.

### **5.2. EXTERNAL RISK**

#### **5.2.1. Regulatory risk – Imposition of Provincial Sales Tax affecting the viability of the Company's Products**

The Company is exposed to regulatory and taxation risks relating to Sindh Sales Tax (SST) on its General and Health Takaful contributions, as well as Re-takaful services procured from foreign operators. The Sindh Revenue Board (SRB) has issued multiple cause notices and orders seeking recovery of SST for various periods, with amounts totaling approximately Rs. 354 million. While the Company has challenged these notices and orders before the Sindh High Court, Higher Appellate Forum, and Appellate Tribunal, the matters remain pending adjudication. Any adverse decision could result in a significant financial liability, impacting the Company's cash flow and profitability.

#### **5.2.2. Economic Risk**

PQGTL's performance and profitability may be affected by macroeconomic factors beyond the company's control, including changes in interest rates, inflation rates, foreign exchange rates, and tax policies. Economic slowdown, high inflation, or reduced consumer spending power may lead to lower demand for PQGTL's general takaful products, such as motor, health, or property coverage. Additionally, rising inflation and economic instability can increase operational costs, claim frequency, or claim amounts, thereby affecting underwriting results and overall profitability.

#### **5.2.3. Changes in Tax Rates**

PQGTL's profitability may be affected by changes in the government's fiscal policy, including adjustments to the tax regime. Any increase in corporate or other applicable taxes could reduce the Company's net earnings. Additionally, changes in taxation may affect the broader economy, potentially reducing business activity or customer spending, which could in turn lower demand for PQGTL's general takaful products and services.

#### **5.2.4. Threat of New Entrants**

PQGTL operates in a niche segment of Pakistan's insurance market, with only two dedicated general takaful providers, giving the Company a favorable market position. However, the threat of new entrants remains, as conventional non-life insurers may expand into Shariah-compliant offerings through takaful windows, and regulatory changes could lower barriers to entry. Additionally, digital or technology-driven players may introduce innovative general takaful solutions, increasing competition.

#### **5.2.5. Natural Disaster Risk**

The Company is exposed to risks arising from natural disasters such as floods, earthquakes, cyclones, and other extreme weather events, which may lead to a sudden increase in claims frequency and severity. Such events can adversely impact underwriting results, liquidity, and capital adequacy, despite the Company's use of reinsurance and risk retention limits. The geographic concentration of insured assets may further amplify the impact of large-scale natural catastrophes.

Natural disasters may also disrupt business operations, including branch accessibility, claims processing, and service delivery. Damage to infrastructure and communication networks can delay assessments and settlements, potentially affecting customer confidence and operational efficiency. These disruptions may increase operating costs and place additional strain on resources.

#### **5.2.6. Law and Order Risk**

Adverse law and order conditions, including political instability, civil unrest, terrorism, and regional disturbances, may negatively affect economic activity and insurable assets. Such conditions can lead to higher claims, reduced demand for insurance products, and challenges in risk assessment and pricing. Prolonged instability may also impact investment returns and overall business volumes.

Operationally, law and order disruptions may restrict employee mobility, branch operations, and access to affected areas, thereby impairing underwriting, claims management, and customer servicing. These challenges can result in delays, increased costs, and potential reputational risks if service standards are affected.

#### **5.2.7. Pandemic and Public Health Risk**

Pandemics and widespread public health emergencies may have a significant impact on the insurance industry by increasing claims, disrupting operations, and weakening overall economic conditions. Such events can affect multiple lines of business simultaneously and may result in higher-than-anticipated claim payouts and provisioning requirements.

From an operational perspective, pandemics can disrupt normal business activities due to workforce constraints, remote working arrangements, and reduced physical interaction with customers and intermediaries. These disruptions may affect sales, claim processing timelines, and customer engagement, potentially impacting revenue and service quality.

#### 5.2.8. Market Risk

As of December 31, 2024, PQGTL has an aggregated investment portfolio of **PKR 981,041,638/-**. As such the company is significantly exposed to market risk; the risk that the value of a financial instrument will fluctuate as a result of changes in market prices which may be specific to individual security or its issuer or apply to all securities traded in the market. This can affect PQGTL's dividend and interest income, as well as reduce the potential capital gain that can be realized from the sale of investments held.

#### 5.2.9. Technological and Cybersecurity Risk

The Company's operations are increasingly reliant on information technology systems for underwriting, policy administration, claims management, financial reporting, and customer service delivery. As a result, PQGTL is exposed to risks arising from external cyber threats, unauthorized access, data breaches, malware attacks, system failures, or other technology-related disruptions.

Such incidents may compromise the confidentiality, integrity, or availability of sensitive participant and business information, disrupt business continuity, delay policy servicing or claims processing, and result in operational inefficiencies. Prolonged or material disruptions could adversely affect stakeholder confidence, including that of participants, regulators, business partners, and investors, particularly in the context of the Company's position as a publicly listed General Takaful operator.




#### 5.2.10. Reputational Risk from External Events

The Company may be exposed to reputational risk arising from external events beyond its direct control, including adverse industry-wide developments, negative publicity relating to the insurance or Takaful sector, dissemination of misinformation, or heightened scrutiny through traditional and social media platforms. Such events may influence public perception irrespective of the Company's actual operational or financial performance.

Unfavorable public sentiment or loss of confidence in the broader financial services sector may adversely affect stakeholder trust, including that of participants, business partners, regulators, and investors. Given PQGTL's position as a publicly listed General Takaful operator, reputational impacts arising from external factors may be amplified and could affect market perception, customer acquisition, and business growth.

**To the best of our knowledge and belief, all risk factors applicable to the issuer, i.e. PQGTL have been disclosed.**

## 5.3. CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE ISSUER

Dated: 14<sup>th</sup> Nov 25

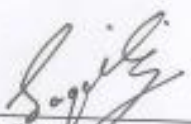
Subject: Certificate by the Chief Executive Officer and Chief Financial Officer of the Issuer


We being the Chief Executive Officer and Chief Financial Officer of Pak-Qatar General Takaful Limited (the "Issuer") accept absolute responsibility for the disclosures made in the Prospectus. We hereby certify that we have reviewed the Prospectus and that it contains all the necessary information with regard to the Issue and constitutes full, true and plain disclosures of all material facts relating to the ordinary shares being offered through this Prospectus and that nothing has been concealed.

The information contained in this Prospectus is true and correct to the best of our knowledge and the opinions and intends expressed herein are honestly held.

There are no other facts, the omission of which makes this Prospectus as a whole or any part thereof misleading.

For and on behalf of Pak-Qatar General Takaful Limited


  
Saqib Zeeshan  
Chief Executive Officer


  
Muhammad Saleem  
Chief Financial Officer

PAK-QATAR GENERAL TAKAFUL LIMITED

Head Office Business Arcade, P.E.C.H.S. Block-6, Shahr-e-Faisal, Karachi, Pakistan.  
Phone: +92 213 4360357-61 Fax: +92 213 436453 Email: general@pakqatar.com.pk Web: www.pakqatar.com.pk



## 5.4. UNDERTAKING BY THE COMPANY AND ITS SPONSORS

C185806

E-STAMP

حکومت سندھ

NBP-0050-2508090008479717

GoS-KHI-FDFA0767D85FB544

Non-Judicial

Rs 500/-

ATTESTED

IZHAR ALAM

B.A LL.B. Advocate & Notary Public

Karachi-Pakistan

Description : Bond - 10(A)

Indemnifier/Mortgagor : SSCP [00000000]

Indemnified/Mortgagee : Pak Qatar General Takaful Limited (PQGT) [28400909]

Applicant : Muhammad Amir Ashfaq [42301-4261854-9]

Stamp Duty Paid by : Pak Qatar General Takaful Limited (PQGT) [28400909]

Issue Date : 09-Aug-2025, 09:18:04 AM

Paid Through Challan : 2025ELC64847FC22

Amount in Words : Five Hundred Rupees Only

Please Write Below This Line

You can verify your e-Stamp paper by scanning the QR code or online at [www.estamps.gos.pk](http://www.estamps.gos.pk) using the 'Verification Through Web' option.

Date: 14<sup>th</sup> Nov, 25

Pakistan Stock Exchange Limited

Stock Exchange Building

Stock Exchange road

Karachi – 74000, Pakistan

GHULAM HABIB LLB

ADVOCATE HIGH COURT

**UNDERTAKING BY THE COMPANY AND ITS SPONSORS**

Pak-Qatar General Takaful Limited and its Sponsors undertake that

- Neither the Company nor its directors, sponsors or substantial shareholders have been holding office of the directors, or have been sponsors or substantial shareholders in any Company:
  - Which had been declared defaulter by the securities exchange or futures exchanges; or
  - Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc.
- Which has been de-listed by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
- None of the Sponsors, Major Shareholders, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company has made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of Pak-Qatar General Takaful Limited

Saqib Zeeshan

Chief Executive Officer


Muhammad Saleem


Chief Financial Officer


Page 1 of 2




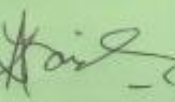
For and on behalf of Sponsors and Directors of Pak-Qatar General Takaful Limited

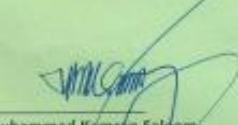
  
Sheikh Ali Bin Abdullah Thani J. Al-Thani  
Chairman/Non-Executive Director &  
Sponsor


  
Abdul Basit Ahmed Al-Shaibei  
Non-Executive Director &  
Nominee: Qatar International Islamic Bank

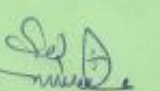
  
Said Gul  
Non-Executive Director


  
Zahid Hussain Awan  
Non-Executive Director


  
Asad Pervaiz  
Independent Director

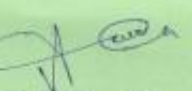
  
Muhammad Kamran Saleem  
Company Secretary  
Pak-Qatar General Takaful Limited

  
Saqib Zeeshan  
Chief Executive Officer

  
Ali Ibrahim AL Abdul Ghani  
Non-Executive Director &  
Nominee: Qatar Islamic Insurance Group

  
Muhammad Kamran Saleem  
Executive Director & Nominee:  
Pak-Qatar Investment (Private) Limited

  
Zahid Haleem Shaikh  
Independent Director

  
Ammara Shamim Gondal  
Independent Director



## 5.5. STATEMENT BY THE ISSUER





Dated: 14<sup>th</sup> Nov, 25

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of Pak-Qatar General Takaful Limited (the "Company"), We hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Prospectus and that whatever is stated in Prospectus and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of Pak-Qatar General Takaful Limited

  
 Sagib Zeeshan  
 Chief Executive Officer

  
 Muhammad Saleem  
 Chief Financial Officer

PAK-QATAR GENERAL TAKAFUL LIMITED  
 Head Office Business Arcade, P.E.C.H.S. Block-6, Shaikh-e-Faisal, Karachi, Pakistan.  
 Phone: +92 213 4380357-61 Fax: +92 213 4386453 Email: generaltakaful@pakqatar.com.pk Web: www.pakqatar.com.pk

## 5.6. STATEMENT BY THE LEAD MANAGER



14<sup>th</sup> November 2025

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Being mandated as the Consultant to the Issue to this Initial Public Offering of Pak Qatar General Takaful Limited through the Book Building mechanism, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited and the Public Offering Regulations, 2017 has been disclosed in the Prospectus and that whatever is stated in Prospectus and in the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

We have examined the business model and audited financial statements of the Issuer and based on the same, material information including risks that would enable the investors to make an informed decision has been disclosed in the prospectus.

For and on behalf of Arif Habib Limited



Farhan Rizvi  
Managing Director, Investment Banking

Head Office / Corporate Office: Arif Habib Centre, 29 M.T. Khan Road, Karachi (UAN: +92 21 331 245 333 / Fax: +92 21 3242 9853  
 Lahore Office: Office No. G-5 & G-6, Ground Floor, LSE Plaza, 15, Khayaban-e-Ahwan-e-Iqbal, Lahore, (Tel: +92 42 3631 3700 - 11, 3631 3741 - 44  
 Islamabad Office: Office No. 506, 5th Floor, LSE Towers, Jinnah Avenue, Islamabad (Tel: +92 51 288 4505 - 06  
 Peshawar Office: F36-F37, 1st Floor, The Mall Tower, Peshawar Cantt (Tel: +92 91 525 9913  
 Faisalabad Office: Office No. 04, 3rd Floor, Legacy Tower, Refinor City, Faisalabad. (Tel: +92 41 8532010-3  
 Multan Office: Office No. 05, 3rd Floor, The United Mall, Plot No. 74, Abdali Road, Multan. (Tel: +92 61 4514412  
 csonline@arifhabiblimited.com | www.arifhabiblimited.com | www.ahitrade.com  
 TRRC Holder of the Pakistan Stock Exchange Ltd. (Branch Reg No. 80A-650 / 95)

## 6. FINANCIAL INFORMATION

### 6.1. AUDITORS REPORTS AS CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID-UP CAPITAL



**Yousuf Adil**  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
Karachi-75350  
Pakistan

Tel: +92 (0) 21 3454 6494-7  
www.yousufadil.com

16 - 74 / 0548  
October 10, 2025

Muhammad Kamran Saleem  
Company Secretary  
Pak-Qatar General Takaful Limited  
Suite # 101-105, Business Arcade  
Block 6, P.E.C.H.S  
Karachi

Dear Sir

#### **AUDITOR'S CERTIFICATE ON ISSUED, SUBSCRIBED AND PAIDUP CAPITAL UNDER CLAUSE 14 (i) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017**

We have been requested to provide with a certificate on issued, subscribed and paid-up capital of Pak-Qatar General Takaful Limited (the Company) based on audited financial statements of the Company for the year ended December 31, 2024 as required under Clause 14(i) of Section 1 of the First Schedule of the Public Offering Regulations, 2017.

#### **Scope of Certificate**

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities for listing purpose.

#### **Management Responsibilities**

It is the management's responsibility to ensure compliance with the Clause 14(i) of section 1 of the First Schedule of the Public Offering Regulation, 2017. Management's responsibility includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is also responsible for submission of this certificate to the regulatory authorities.

#### **Auditor's Responsibilities**

Our responsibility is to certify the issued, subscribed and paid-up capital of the Company based on audited financial statements for the year ended December 31, 2024 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures as mentioned below:

- Traced the amount of issued, subscribed and paid-up capital from the audited annual financial statements for the year ended December 31, 2024; and
- Obtain and review "Form 3" to corroborate figures after the issuance of bonus and right shares for issued, subscribed and paid-up capital





Yousuf Adil  
Chartered Accountants

#### Certificate

Based on procedures mentioned above, we certify that break-up of issued, subscribed and paid-up share capital of the Company as at December 31, 2024, as follows:

Issued subscribed and paid up capital	December 31, 2024 (Rupees)
50,922,601 ordinary shares of Rs.10 each fully paid in Cash	509,226,010

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
Pak-Qatar Investment (Private) Limited	19,786,486	197,864,860
Qatar Islamic Insurance Company	5,923,946	59,239,460
Qatar International Islamic Bank	7,370,474	73,704,740
Fawad Yousuf Securities (Pvt) Ltd	3,077,999	30,779,990
Sheikh Ali Bin Abdullah Al Thani	7,969,556	79,695,560
Said Gul	1,018,451	10,184,510
Sameera Said	2,036,905	20,369,050
Fatima	2,036,904	20,369,040
Abdul Basit Ahmed Al-Shaibei	1	10
Zahid Hussain Awan	232,498	2,324,980
Muhammad Kamran Saleem	16,320	163,200
Hussain Ibrahim Al Fardan	262,500	2,625,000
Abdullah Al Dabbagh	245,000	2,450,000
Anwar ul Haq	17,000	170,000
Fahad Ibrahim Al Mana	126,000	1,260,000
Nawaf Ibrahim Al Mana	126,000	1,260,000
Mana Ibrahim Al Mana	126,000	1,260,000
Abdul Rehman Muftah	120,000	1,200,000
Jassim Yousaf Al Jamal	73,500	735,000
Matloob Ahmed Khan	40,801	408,010
Mohammed Haroon	45,669	456,690
Mohammed Arshad Lari	40,800	408,000
Muhammed Nawaz	10,200	102,000
Rashed Waheed / Umbreen Ikram	10,200	102,000
Nadia Zulfiqar	10,200	102,000
Hassan Abdul Aziz Lalani	8,160	81,600
Khalid Javaid	8,160	81,600
Syed Muhammad Zeeshan Afzal	82,623	826,230
Syed Akhtar Ali / Erum Ali	6,120	61,200
Syed Mohammed Waseem	20,400	204,000
Mazhar Hussain	4,080	40,800
Mohammed Latif	4,080	40,800
Raham Zeb	4,080	40,800
Ali Mohammed Khan	4,080	40,800
Adnan Shafique	4,080	40,800
Mohammed Irshad Khan	4,080	40,800

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**Yousuf Adil**  
Chartered Accountants

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
Habibullah Ullah Sheikh	5,100	51,000
Mohammed Iqbal	5,100	51,000
Hashmat Hayat	5,100	51,000
Mohammed Arshad Osman	5,100	51,000
Nisar Ahmed	5,100	51,000
Pervaiz Ahmed	1,000	10,000
M. Vaqaruddin	1,325	13,250
Muhammad Haroon Memon	5,100	51,000
Abdul Hamid Bhatti	8,160	81,600
Farrukh Viqaruddin Junaidy	1	10
Owais Ahmed Yusuf	1	10
Ali Ibrahim Al Abdul Ghani	1	10
Muhammad Ozair Zahid	8,160	81,600
	<b>50,922,601</b>	<b>509,226,010</b>

Subsequent to December 31, 2024, the Company issued 10,184,520 bonus shares and 10,000,000 right shares amounting to Rs. 100,000,000. The allotment of these shares was resolved by the Board on August 28, 2025, thereby increasing the total issued, subscribed, and paid-up capital to Rs. 711,071,210, comprising of 71,107,121 shares of Rs. 10 each. The details of the share capital structure as on the date of this certificate are as follows:

Issued subscribed and paid up capital	October 10, 2025 (Rupees)
71,107,121 ordinary shares of Rs.10 each fully paid in Cash	711,071,210

The shareholder of the Company as at October 10, 2025 include the following

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
Pak-Qatar Investment (Private) Limited	23,743,783	237,437,830
Qatar Islamic Insurance Company	7,108,735	71,087,350
Qatar International Islamic Bank	8,844,569	88,445,690
Fawad Yousuf Securities (Pvt) Ltd	4,298,046	42,980,460
Sheikh Ali Bin Abdullah Al Thani	9,563,467	95,634,670
Said Gul	1,222,141	12,221,410
Sameera Said	2,444,286	24,442,860
Fatima	2,444,285	24,442,850
Abdul Basit Ahmed Al-Shaibei	1	10
Zahid Hussain Awan	324,655	3,246,550
Muhammad Kamran Saleem	3,055,097	30,550,970
Hussain Ibrahim Al Fardan	315,000	3,150,000
Abdullah Al Dabbagh	294,000	2,940,000
Anwar ul Haq	20,400	204,000
Fahad Ibrahim Al Mana	151,200	1,512,000
Nawaf Ibrahim Al Mana	151,200	1,512,000
Mana Ibrahim Al Mana	151,200	1,512,000
Abdul Rehman Muftah	144,000	1,440,000
Jassim Yousaf Al Jamal	88,200	882,000

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Yousuf Adil  
Chartered Accountants

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
Matloob Ahmed Khan	56,973	569,730
Mohammed Haroon	63,771	637,710
Mohammed Arshad Lari	48,960	489,600
Mohammed Nawaz	12,240	122,400
Rashed Waheed / Umbreen Ikram	12,240	122,400
Nadia Zulfiqar	12,240	122,400
Hassan Abdul Aziz Lalani	9,792	97,920
Khalid Javaid	9,792	97,920
Syed Muhammad Zeeshan Afzal	99,148	991,480
Syed Akhtar Ali / Erum Ali	7,344	73,440
Syed Mohammed Waseem	24,480	244,800
Mazhar Hussain	4,896	48,960
Mohammed Latif	4,896	48,960
Raham Zeb	4,896	48,960
Ali Mohammed Khan	4,896	48,960
Adnan Shafique	5,697	56,970
Mohammed Irshad Khan	4,896	48,960
Habibullah Ullah Sheikh	6,120	61,200
Mohammed Iqbal	6,120	61,200
Hashmat Hayat	6,120	61,200
Mohammed Arshad Osman	6,120	61,200
Nisar Ahmed	6,120	61,200
Pervaiz Ahmed	1,200	12,000
M. Vagaruiddin	1,590	15,900
Muhammad Haroon Memon	6,120	61,200
Abdul Hamid Bhatti	9,792	97,920
Farrukh Viqaruddin Junaidy	1	10
Owais Ahmed Yusuf	1	10
Ali Ibrahim Al Abdul Ghani	1	10
Muhammad Ozair Zahid	11,394	113,940
Nasir Ali	50,000	500,000
Kamran Ali Khan	40,000	400,000
Saifuddin Shaikh	5,000	50,000
Muhammad Asghar	50,000	500,000
Muhammad Shoaib	250,000	2,500,000
Kashan Rafique Ahmed	50,000	500,000
Muhammad Ahsan Qureshi	50,000	500,000
Muhammad Shakir Siddiqui	580,000	5,800,000
Waqas Ahmed	320,000	3,200,000
Muhammad Raza	100,000	1,000,000
Muhammad Saleem	300,000	3,000,000
Saqib Zeeshan	1,000,000	10,000,000
Team Karachi Welfare Society	800,000	8,000,000
Irfan Ahmed Khan	50,000	500,000
Fawad Naeem Rana	500,000	5,000,000
Meraj Uddin Mazhar	1,000,000	10,000,000
Farhan Shaukat	1,000,000	10,000,000
Mehmood Arshad	100,000	1,000,000

ISO 27001 Certified Since 2017  
Karachi | Islamabad | Lahore | Multan





Yousuf Adil  
Chartered Accountants

Name of Shareholders	No. of ordinary shares of Rs. 10 each	Amount in (Rupees)
Hafiz Muhammad Rizwan Alam	50,000	500,000
	<b>71,107,121</b>	<b>711,071,210</b>

#### Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

*Yousuf Adil*  
Chartered Accountants

## 6.2. AUDITOR CERTIFICATE ON BREAKUP VALUE PER SHARE



**Yousuf Adil**  
Chartered Accountants

Cavish Court, A-35, Block 7 & 8  
KCHSU, Shahrah-e-Faisal  
Karachi-75350  
Pakistan

Tel: +92 (0) 21 3454 6494-7  
www.yousufadil.com

16-74 / 0550-A  
October 10, 2025

Muhammad Kamran Saleem  
Company Secretary  
Pak-Qatar General Takaful Limited  
Suite # 101-105, Business Arcade  
Block 6, P.E.C.H.S  
Karachi

Dear Sir

**AUDITOR'S CERTIFICATE ON BREAKUP VALUE PER SHARE BASED ON AUDITED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2024 UNDER CLAUSE 14 (ii) OF SECTION 1 OF THE FIRST SCHEDULE OF PUBLIC OFFERING REGULATIONS, 2017**

We have been requested by you to provide with a certificate on breakup value of ordinary shares of Pak-Qatar General Takaful Limited (the Company) based on the audited financial statements of the Company as at December 31, 2024 as required under Clause 14(ii) of Section 1 of the First Schedule of the Public Offering Regulations, 2017 (the Regulation).

**Scope of Certificate**

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(ii) of Section 1 of the First Schedule of the Regulations, for onward submission to the regulatory authorities.

**Management Responsibilities**

The responsibility for computation of breakup value of ordinary shares of the Company, based on the audited financial statements of the Company for the year ended December 31, 2024 in accordance with requirements of the Technical Release (TR)-22 of the Institute of Chartered Accountants of Pakistan (ICAP) is primarily that of the management of the Company. Management's responsibility also includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is responsible for onwards submission of this certificate to regulatory authorities.

**Auditor's Responsibilities**

Our responsibility is to certify the breakup value of ordinary shares of the company based on the audited financial statements of the Company as at December 31, 2024 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountants Firms' issued by the ICAP. Our verification was limited to trace the relevant financial information used for the purpose of calculating the breakup value of ordinary shares by the management of the Company from the audited financial statements of the Company as at December 31, 2024. In this regard, we have also audited the compliance with the requirements of Technical Release (TR)-22 of the ICAP. Our verification was limited to the procedures as mentioned below:

- Obtain and review the working of Break up value to ensure compliance of TR 22; and
- Traced amount used in the breakup value calculation from audited financial statements as at December 31, 2024 of the Company.



Yousuf Adil  
Chartered Accountants

#### Certificate

Based on procedures mentioned above, we certify that breakup value of ordinary shares of the Company as at December 31, 2024, based on audited financial statements of the Company as at December 31, 2024, is as follows:

		December 31, 2024 Audited Financial Statement Rupees
Share Capital		509,226,010
Unappropriated Accumulated Profit/(Loss)		207,172,909
Revaluation Reserve		13,006,781
<b>Total Shareholder's equity</b>	<b>A</b>	<b>729,405,700</b>
		<b>Number</b>
<b>Number of Ordinary shares</b>	<b>B</b>	<b>50,922,601</b>
		<b>Rs./Share</b>
<b>Nominal Value per share</b>	<b>C= A/B</b>	<b>14.32</b>

Subsequent to December 31, 2024, the Company issued 10,184,520 bonus shares and 10,000,000 right shares amounting to Rs. 100,000,000. The allotment of these shares was resolved by the Board on August 28, 2025, thereby increasing the total issued, subscribed, and paid-up capital to Rs. 711,071,210, comprising of 71,107,121 shares of Rs. 10 each. The details of the Break-up value as on the date of this certificate are as follows:

		October 10, 2025 Un-audited Financial Statement Rupees
Share Capital		711,071,210
Unappropriated Accumulated Profit/(Loss)		107,523,271
Surplus / (Deficit) on revaluation of available for sale investments		11,221,106
<b>Total Shareholder's equity</b>	<b>A</b>	<b>829,815,587</b>
		<b>Number</b>
<b>Number of Ordinary shares</b>	<b>B</b>	<b>71,107,121</b>
		<b>Rs./Share</b>
<b>Nominal Value per share</b>	<b>C= A/B</b>	<b>11.67</b>

#### Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to other regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Further, we state that we have not performed any verification procedures on the audited financial statements for the year ended December 31, 2024 and unaudited financial statements for the period ended October 10, 2025. Had we performed an audit or review of the financial statements, other matters might have come to our attention that would have been reported to you and which may have impacted the breakup value per ordinary share as reported in the accompanying computations.

  
Chartered Accountants

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### 6.3. AUDITOR REPORT UNDER CLAUSE I OF SECTION II OF FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017



**Yousuf Adil**  
Chartered Accountants

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www.yousufadil.com

16 - 74 / 0349  
September 04, 2025

Muhammad Kamran Saleem  
Company Secretary  
Pak-Qatar General Takaful Limited  
Suite # 402-404, Business Arcade  
Block 6, P.E.C.H.S  
Karachi

Dear Sir

#### AUDITOR'S CERTIFICATE UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE OF THE PUBLIC OFFERING REGULATIONS, 2017

We have been requested to provide with a certificate with respect to information of Pak-Qatar General Takaful Limited (the Company), as required under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulations, 2017.

#### Scope of Report

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulations, 2017 for onward submission to the regulatory authorities.

#### Management Responsibilities

The responsibility for preparation and fair presentation of the financial information and non-financial information is primarily that of the management of the Company. Management's responsibility also includes maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularity. This certificate does not relieve the management from its responsibilities. Further, the management is responsible for onwards submission of this certificate to regulatory authorities.

#### Auditor's Responsibilities

Our responsibility is to report the information as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulation, 2017. Our report is being issued in accordance with the 'Guidelines for issue of certificates for special purposes by practicing chartered accountant firms' issued by the Institute of Chartered Accountants of Pakistan (ICAP). Our verification was limited to validating the correctness of financial and non-financial information included in this report (including annexures). Our verification was limited to the procedures as mentioned below:

- Obtained audited financial statements for the year ended December 31, 2024, year ended December 31, 2023 and year ended December 31, 2022;
- Traced amounts in
  - o Annexure 'A' from statement of financial position of respective audited financial statements;
  - o Annexure 'B' from statement of profit or loss of respective audited financial statements; and
  - o Annexure 'C' from statement of comprehensive income of respective audited financial statements



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Yousuf Adil  
Chartered Accountants

- Traced from statement of changes in equity of respective audited financial statements whether any dividend was declared during the respective period; and
- Traced from respective audited financial statements whether the Company has any investment in subsidiary.

#### Certificate

Based on procedures mentioned above, we are pleased to state the following:

1. We have audited the financial statements for the year ended December 31, 2024, December 31, 2023 and December 31, 2022 as part of our responsibilities as statutory auditors in accordance with the statutory requirements for each respective year.
2. In terms of the requirement under Clause 1 of Section 2 of the First Schedule of the Public Offering Regulation, 2017 and based on the audited financial statements, we state as under:
  - a. Summary of assets, liabilities and shareholder's equity of the Company for the year ended December 31, 2024, December 31, 2023 and December 31, 2022 is included in Annexure 'A' of this report;
  - b. The Statement of profit or loss of the Participants' Takaful Fund (PTF) and Shareholders' Fund (SHF) for the year ended December 31, 2024, December 31, 2023 and December 31, 2022 is included in Annexure 'B' of this report; and
  - c. The Statement of Comprehensive Income of the Participants' Takaful Fund (PTF) and Shareholders' Fund (SHF) for the year ended December 31, 2024, December 31, 2023 and December 31, 2022 is included in Annexure 'C' of this report.
3. Dividend was declared by the Company for the year ended December 31, 2024 and December 31, 2023 is included in Annexure 'D' of this report.
4. For the year ended December 31, 2024, December 31, 2023 and December 31, 2022, the Company did not have subsidiaries.

#### Restriction on use and distribution

This certificate is being issued on the specific request of the management of the company for the purpose of inclusion in prospectus to be issued for Initial Public Offering and for onward submission to other regulatory authorities for listing purpose only. This report is solely for the purpose set forth in the scope mentioned above and is not to be issued or distributed for any other purpose. This certificate is restricted to the facts stated herein.

  
Chartered Accountants  
Place: Karachi



Yousuf Adil  
Chartered Accountants

Annexure A  
16 - 74 / 0349  
September 04, 2025

## SUMMARY OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31, 2024 (Audited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
	Rupees		
<b>ASSETS</b>			
Property and equipment	61,220,099	68,305,419	24,478,172
Intangible assets	10,895,042	15,861,094	21,406,261
Investments			-
Equity securities	592,646,638	384,276,833	224,379,542
Debt securities	388,395,000	253,522,500	252,759,210
Term deposits	-	-	215,000,000
Loans, advances and other receivables	24,967,414	34,808,057	40,264,644
Takaful / Re-takaful receivables	281,847,782	250,378,801	303,064,959
Deferred tax asset	-	1,444,534	7,226,986
Re-takaful recoveries against outstanding claims	324,808,973	402,634,528	480,892,033
Deferred commission expense	52,107,104	49,633,837	53,851,370
Taxation - payments less provisions	4,239,797	4,239,797	4,239,797
Prepayments	100,200,509	93,444,837	88,003,785
Receivable from Participants' Takaful Fund	50,215,494	198,813,952	220,730,068
Deferred wakala fee	208,266,246	212,142,943	229,530,964
Cash, stamp and bank	288,485,302	494,072,925	312,505,262
<b>Total Assets</b>	<b>2,388,295,400</b>	<b>2,463,580,057</b>	<b>2,478,333,053</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity (SHF)</b>			
<b>Capital and Reserves</b>			
Share capital	509,226,010	509,226,010	509,226,010
Accumulated surplus	207,172,909	144,308,740	43,101,408
Revaluation reserve	13,006,781	1,368,850	(12,280,743)
<b>Total Shareholders' Equity</b>	<b>729,405,700</b>	<b>654,903,600</b>	<b>540,046,675</b>
<b>Waqf / Participants' Takaful Fund (PTF)</b>			
<b>Participants' Equity</b>			
Cede money	500,000	500,000	500,000
Accumulated surplus	155,678,958	108,361,925	67,786,465
Revaluation reserve	187,500	625	4,147
	<b>156,366,458</b>	<b>108,862,550</b>	<b>68,290,612</b>
<b>Liabilities</b>			
<b>Underwriting Provisions - PTF</b>			
Outstanding claims including IBNR	509,807,876	587,242,456	687,716,023
Unearned contribution reserve	234,480,594	242,583,127	351,391,495
Contribution deficiency reserve	16,000,000	15,100,000	13,788,787
Unearned Re-takaful rebate reserve	26,167,837	25,830,129	18,488,094
	<b>786,456,307</b>	<b>870,755,712</b>	<b>1,071,384,399</b>
Deferred tax liability	1,610,771	-	-
Takaful / Re-takaful payables	200,432,560	197,783,297	155,076,188
Other creditors and accruals	197,628,533	165,100,156	187,976,639
Lease liabilities	33,427,514	43,590,791	756,685
Taxation - provisions less payments	24,485,817	11,627,056	4,540,823
Payable to Shareholders' Fund	50,215,494	198,813,952	220,730,068
Unearned wakala income	208,266,246	212,142,943	229,530,964
<b>Total Liabilities</b>	<b>1,502,523,242</b>	<b>1,699,813,907</b>	<b>1,869,995,766</b>
<b>Total Equity and Liabilities</b>	<b>2,388,295,400</b>	<b>2,463,580,057</b>	<b>2,478,333,053</b>



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Annexure B  
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## STATEMENT OF PROFIT OR LOSS

	December 31, 2024 (Audited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
	Rupees		
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>			
Contribution earned	670,804,835	870,247,590	712,460,204
Contribution ceded to Re-takaful	(317,164,287)	(275,577,967)	(256,609,422)
<b>Net contribution earned</b>	<b>353,640,548</b>	<b>594,669,623</b>	<b>455,850,782</b>
Re-takaful rebate earned / commission	77,823,085	62,673,467	51,156,261
<b>Net underwriting income</b>	<b>431,463,633</b>	<b>657,343,090</b>	<b>507,007,043</b>
Net takaful claims	(401,229,731)	(666,711,694)	(536,224,574)
Contribution deficiency expense	(900,000)	(1,311,213)	8,811,107
Direct expenses	(5,505,649)	(1,287,409)	(2,402,103)
<b>Underwriting result before investment income</b>	<b>23,828,253</b>	<b>(11,967,226)</b>	<b>(22,808,527)</b>
Investment income	22,409,073	18,899,591	24,575,968
Other income	24,568,487	33,643,095	15,991,137
Modarib's share	(23,488,780)	-	(14,198,487)
<b>Surplus for the year</b>	<b>47,317,033</b>	<b>40,575,460</b>	<b>3,560,091</b>
<b>SHAREHOLDERS' FUND (SHF)</b>			
Wakala income earned	511,789,459	506,108,542	431,377,974
Commission expense	(137,217,528)	(135,248,028)	(126,095,403)
Management expenses	(361,169,757)	(335,959,202)	(286,324,739)
	<b>13,402,174</b>	<b>34,901,312</b>	<b>18,957,832</b>
Direct expenses	(10,365,906)	(9,662,677)	(5,537,239)
Investment income	118,815,033	106,119,953	47,743,949
Other income	18,593,770	11,083,015	4,732,092
Modarib share from Participants' takaful fund	23,488,780	-	14,198,487
<b>Profit before taxation</b>	<b>163,933,851</b>	<b>142,441,603</b>	<b>80,095,121</b>
Provision for taxation	(50,147,086)	(41,234,271)	(21,831,078)
<b>Profit after taxation</b>	<b>113,786,765</b>	<b>101,207,332</b>	<b>58,264,043</b>



Annexure C

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#### STATEMENT OF COMPREHENSIVE INCOME

	December 31, 2024 (Audited)	December 31, 2023 (Audited)	December 31, 2022 (Audited)
	Rupees		
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>			
Surplus for the year	47,317,033	40,575,460	3,560,091
<b>Other comprehensive income</b>			
- Change in unrealised gain / (loss) on available for sale investments	186,875	(3,522)	(5,160)
<b>Total comprehensive income for the year</b>	<b>47,503,908</b>	<b>40,571,938</b>	<b>3,554,931</b>
<b>SHAREHOLDERS' FUND (SHF)</b>			
Profit after taxation	113,786,765	101,207,332	58,264,043
<b>Other comprehensive income</b>			
- Change in unrealised gain on available for sale investments	16,391,455	19,224,764	(15,196,408)
- Related tax effect thereon	(4,753,524)	(5,575,171)	4,406,950
<b>Total other comprehensive income for the year</b>	<b>11,637,931</b>	<b>13,649,593</b>	<b>(10,789,458)</b>
<b>Total comprehensive income for the year</b>	<b>125,424,696</b>	<b>114,856,925</b>	<b>47,474,585</b>





Yousuf Adil  
Chartered Accountants

Annexure D  
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#### DETAILS OF DIVIDEND PAID

Class of shares  
Date of dividend declaration  
Rate of dividend declared (Rupee)  
Amount of dividend (Rupees)



December 31, 2024 (Audited)	December 31, 2023 (Audited)
Ordinary shares	Ordinary shares
April 30, 2025	April 29, 2024
0.1	0.1
50,922,601	50,922,601

6.4. LATEST AUDITED ACCOUNTS AS AT 31<sup>st</sup> DECEMBER 2024

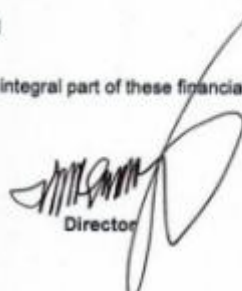
PAK-QATAR GENERAL TAKAFUL LIMITED							
STATEMENT OF FINANCIAL POSITION							
AS AT DECEMBER 31, 2024							
		December 31, 2024			December 31, 2023		
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	Shareholders' Fund	Participants' Takaful Fund	Aggregate
	Note	(Rupees)					
<b>ASSETS</b>							
Property and equipment	9	61,220,099	-	61,220,099	68,305,419	-	68,305,419
Intangible assets	10	10,896,042	-	10,896,042	15,861,094	-	15,861,094
		72,116,141	-	72,116,141	84,166,513	-	84,166,513
Investments							
Equity securities	11	592,646,638	-	592,646,638	384,022,388	254,445	384,276,833
Debt securities	11	201,300,000	187,095,000	388,395,000	65,552,500	167,970,000	233,522,500
		793,946,638	187,095,000	981,041,638	449,574,888	168,224,445	617,799,333
Loans, advances and other receivables	13	17,883,121	7,084,293	24,967,414	20,792,793	14,015,264	34,808,057
Takaful / Re-takaful receivables	14	-	281,847,782	281,847,782	-	250,378,801	250,378,801
Deferred tax asset	12	-	-	-	1,444,534	-	1,444,534
Re-takaful recoveries against outstanding claims	24	-	324,808,973	324,808,973	-	402,634,528	402,634,528
Deferred commission expense	25	62,107,104	-	62,107,104	49,633,837	-	49,633,837
Taxation - payments less provisions		-	4,239,797	4,239,797	-	4,239,797	4,239,797
Prepayments	15	-	100,200,609	100,200,609	-	93,444,837	93,444,837
Receivable from Participants' Takaful Fund	16	60,215,494	-	60,215,494	198,813,952	-	198,813,952
Deferred wakala fee	30	-	208,266,246	208,266,246	-	212,142,943	212,142,943
Cash, stamp and bank	17	184,838,022	103,647,280	288,485,302	232,561,173	261,511,752	494,072,925
<b>Total Assets</b>		<b>1,171,106,620</b>	<b>1,217,189,880</b>	<b>2,388,296,400</b>	<b>1,056,987,690</b>	<b>1,406,592,367</b>	<b>2,463,580,057</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Shareholders' Equity (SHP)</b>							
<b>Capital and Reserves</b>							
Share capital	18	509,226,010	-	509,226,010	509,226,010	-	509,226,010
Accumulated surplus		207,172,909	-	207,172,909	144,308,740	-	144,308,740
Revaluation reserve		13,006,781	-	13,006,781	1,368,850	-	1,368,850
<b>Total Shareholders' Equity</b>		<b>729,405,700</b>	<b>-</b>	<b>729,405,700</b>	<b>654,903,600</b>	<b>-</b>	<b>654,903,600</b>
<b>Waqf / Participants' Takaful Fund (PTF)</b>							
<b>Participants' Equity</b>							
Cede money		-	500,000	500,000	-	500,000	500,000
Accumulated surplus		-	156,678,958	156,678,958	-	108,361,925	108,361,925
Revaluation reserve		-	187,600	187,600	-	625	625
		-	156,366,458	156,366,458	-	108,862,550	108,862,550
<b>Liabilities</b>							
<b>Underwriting Provisions - PTF</b>							
Outstanding claims including IBNR	24	-	609,807,876	609,807,876	-	587,242,456	587,242,456
Unearned contribution reserve	22	-	234,480,694	234,480,694	-	242,583,127	242,583,127
Contribution deficiency reserve		-	16,000,000	16,000,000	-	15,100,000	15,100,000
Unearned Re-takaful rebate reserve	23	-	26,167,837	26,167,837	-	25,830,129	25,830,129
		-	786,456,307	786,456,307	-	870,755,712	870,755,712
Deferred tax liability	12	1,610,771	-	1,610,771	-	-	-
Takaful / Re-takaful payables		-	200,432,660	200,432,660	-	197,783,297	197,783,297
Other creditors and accruals	19	173,909,472	23,719,061	197,628,533	134,723,300	30,376,856	165,100,156
Lease liabilities	20	33,427,614	-	33,427,614	43,590,791	-	43,590,791
Taxation - provisions less payments		24,486,817	-	24,486,817	11,627,056	-	11,627,056
Payable to Shareholders' Fund	16	-	60,215,494	60,215,494	-	198,813,952	198,813,952
Unearned wakala income	30	208,266,246	-	208,266,246	212,142,943	-	212,142,943
<b>Total Liabilities</b>		<b>441,699,820</b>	<b>1,069,823,422</b>	<b>1,511,523,242</b>	<b>402,084,090</b>	<b>1,297,729,817</b>	<b>1,699,813,907</b>
<b>Total Equity and Liabilities</b>		<b>1,171,106,620</b>	<b>1,217,189,880</b>	<b>2,388,296,400</b>	<b>1,056,987,690</b>	<b>1,406,592,367</b>	<b>2,463,580,057</b>
<b>Contingencies and commitments</b> 21							
The annexed notes from 1 to 46 form an integral part of these financial statements.							
							
Chief Executive Officer		Director		Director		Chairman	

PAK-QATAR GENERAL TAKAFUL LIMITED  
STATEMENT OF PROFIT OR LOSS ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	December 31, 2024	December 31, 2023
		(Rupees)	
<b><u>PARTICIPANTS' TAKAFUL FUND (PTF)</u></b>			
Contribution earned		670,804,835	870,247,590
Contribution ceded to Re-takaful		(317,164,287)	(275,577,967)
Net contribution earned	22	353,640,548	594,669,623
Re-takaful rebate earned / commission	23	77,823,085	62,673,467
Net underwriting income		431,463,633	657,343,090
Net takaful claims	24	(401,229,731)	(666,711,694)
Contribution deficiency expense		(900,000)	(1,311,213)
Direct expenses	26	(5,505,649)	(1,287,409)
Underwriting result before investment income		23,828,253	(11,967,226)
Investment income	27	22,409,073	18,899,591
Other income	28	24,568,487	33,643,095
Modarib's share	29	(23,488,780)	-
Surplus for the year		47,317,033	40,575,460
<b><u>SHAREHOLDERS' FUND (SHF)</u></b>			
Wakala income earned	30	511,789,459	506,108,542
Commission expense	25	(137,217,528)	(135,248,028)
Management expenses	31	(361,169,757)	(335,959,202)
		13,402,174	34,901,312
Direct expenses	32	(10,365,906)	(9,662,677)
Investment income	27	118,815,033	106,119,953
Other income	28	18,593,770	11,083,015
Modarib share from Participants' takaful fund	29	23,488,780	-
Profit before taxation		163,933,851	142,441,603
Provision for taxation	33	(50,147,086)	(41,234,271)
Profit after taxation		113,786,765	101,207,332
Earnings per share - basic and diluted	34	2.23	1.99

The annexed notes from 1 to 46 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

PAK-QATAR GENERAL TAKAFUL LIMITED  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	December 31, 2024	December 31, 2023
		(Rupees)	
<b><u>PARTICIPANTS' TAKAFUL FUND (PTF)</u></b>			
Surplus for the year		47,317,033	40,575,460
Other comprehensive income			
- Change in unrealised gain / (loss) on available for sale investments	11.2.1	186,875	(3,522)
<b>Total comprehensive income for the year</b>		<b>47,503,908</b>	<b>40,571,938</b>
<b><u>SHAREHOLDERS' FUND (SHF)</u></b>			
Profit after taxation		113,786,765	101,207,332
Other comprehensive income			
- Change in unrealised gain on available for sale investments	11.2.1	16,391,455	19,224,764
- Related tax effect thereon	12.1	(4,753,524)	(5,575,171)
<b>Total other comprehensive income for the year</b>		<b>11,637,931</b>	<b>13,649,593</b>
<b>Total comprehensive income for the year</b>		<b>125,424,696</b>	<b>114,856,925</b>

The annexed notes from 1 to 46 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman



PAK-QATAR GENERAL TAKAFUL LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2024

17

	Attributable to Shareholders' Fund of the Company			
	Revenue reserve			
	Issued, subscribed and paid-up capital	Unappropriated profit	Revaluation reserve on available-for- sale investments	Total
	(Rupees)			
Balance as at December 31, 2022	509,226,010	43,101,408	(12,280,743)	540,046,675
Total comprehensive income for the year ended December 31, 2023				
Profit after taxation	-	101,207,332	-	101,207,332
Other comprehensive income	-	-	13,649,593	13,649,593
	-	101,207,332	13,649,593	114,856,925
Balance as at December 31, 2023	509,226,010	144,308,740	1,368,850	654,903,600
Total comprehensive income for the year ended December 31, 2024				
Profit after taxation	-	113,786,765	-	113,786,765
Other comprehensive income	-	-	11,637,931	11,637,931
	-	113,786,765	11,637,931	125,424,696
Transaction with the owners of the Company				
Final cash dividend Dividend @ Rs. 1 per share	-	(50,922,596)	-	(50,922,596)
Balance as at December 31, 2024	509,226,010	207,172,909	13,006,781	729,405,700

	Attributable to Participants' Takaful Fund of the Company			
	Revenue reserve			
	Cede money	Accumulated surplus	Revaluation reserve on available-for-sale investments	Total
	(Rupees)			
Balance as at December 31, 2022	500,000	67,786,465	4,147	68,290,612
Total comprehensive income for the year ended December 31, 2023				
Surplus for the year	-	40,575,460	-	40,575,460
Other comprehensive income	-	-	(3,522)	(3,522)
	-	40,575,460	(3,522)	40,571,938
Balance as at December 31, 2023	500,000	108,361,925	625	108,862,550
Total comprehensive income for the year ended December 31, 2024				
Surplus for the year	-	47,317,033	-	47,317,033
Other comprehensive income	-	-	186,875	186,875
	-	47,317,033	186,875	47,503,908
Balance as at December 31, 2024	500,000	155,678,958	187,500	156,366,458

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Chairman

**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

		Aggregate		
		December 31, 2024		December 31, 2023
	Shareholders' Fund	Participants' Takaful Fund	Total	
Note	(Rupees)			
Operating cash flows				
(a) Takaful activities				
Contributions received	-	1,143,022,780	1,143,022,780	1,318,935,941
Claims paid	-	(625,637,418)	(625,637,418)	(843,021,306)
Payment to takaful / re-takaful operators	-	(96,472,034)	(96,472,034)	(84,465,754)
Commission net-off re-takaful rebate received / (paid)	(113,549,317)	78,160,793	(35,388,524)	(78,910,852)
Other takaful payments	-	(12,163,444)	(12,163,444)	(5,590,202)
Wakala and modarib fee (paid) / received	680,000,000	(680,000,000)	-	-
Net cash flow from takaful activities	566,450,683	(193,089,323)	373,361,360	308,947,827
(b) Other Operating activities				
Income tax paid	(38,986,541)	-	(38,986,541)	(33,940,757)
Management and other expenses paid	(348,547,805)	-	(348,547,805)	(329,549,852)
Loans, advances and other receivables	245,006	5,686,477	5,931,483	738,530
Net cash flow in other operating activities	(387,289,340)	5,686,477	(381,602,863)	(362,752,079)
Total cash (outflow) / inflow from all operating activities	179,161,343	(187,402,846)	(8,241,503)	(53,804,252)
Investment activities				
Profit / return received	134,908,642	48,222,054	183,130,696	173,137,266
Payment for investments	(2,450,383,484)	(137,370,487)	(2,587,753,971)	(1,540,190,770)
Proceeds from investments	2,142,403,189	118,686,807	2,261,089,996	1,613,751,429
Receipt on disposal of operating fixed assets	4,664,700	-	4,664,700	560,000
Fixed capital expenditure	(13,705,296)	-	(13,705,296)	(11,886,010)
Total cash flow from all investing activities	(182,112,249)	29,538,374	(152,573,875)	235,371,915
Financing Activity				
Dividends paid	(44,772,245)	-	(44,772,245)	-
Total cash inflow from financing activities	(44,772,245)	-	(44,772,245)	-
Net cash (outflow) / inflow from all activities	(47,723,151)	(157,864,472)	(205,587,623)	181,567,663
Cash at beginning of the year	232,561,173	261,511,752	494,072,925	312,505,262
Cash at end of the year	184,838,022	103,647,280	288,485,302	494,072,925
Reconciliation to profit or loss account				
Operating cash flows	179,161,343	(187,402,846)	(8,241,503)	(53,804,252)
Depreciation and amortisation expenses	(13,006,692)	-	(13,006,692)	(24,141,879)
Investment income including bank profits	132,243,976	46,977,560	179,221,536	168,419,209
Decrease / (Increase) in liabilities	(31,093,389)	236,906,396	205,813,007	186,818,318
(Decrease) / Increase in assets	(146,861,388)	(49,164,077)	(196,025,465)	(170,254,007)
Unrealised exchange gain	(57,140)	-	(57,140)	290,197
Gain on disposal of operating fixed assets	4,560,600	-	4,560,600	514,449
Income tax paid	38,986,541	-	38,986,541	33,940,757
Profit before taxation in SHF / Surplus in PTF	163,933,651	47,317,033	211,250,684	141,782,792

The annexed notes from 1 to 46 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Chairman



**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Pak-Qatar General Takaful Limited (the Company) was incorporated in Pakistan as an unquoted public company limited by shares on March 15, 2006 under the repealed Companies Ordinance, 1984, (now the Company Act, 2017). The Company received Certificate of Registration on August 18, 2007 under Section 6 of the Insurance Ordinance, 2000. The main activity of the Company is to undertake general takaful business. The Company operates with 08 (2023: 08) branches in Pakistan. The major shareholder of the Company is Pak-Qatar Investment (Private) Limited and its holding is 42.5%.

For the purpose of carrying on the takaful business, the Company has formed a Waqf for Participants' Equity. The Waqf namely Pak-Qatar General Takaful Limited Waqf [hereafter referred to as the Participant Takaful Fund (PTF)] was formed on August 17, 2007 under a trust deed executed by the Company with a cede money of Rs. 500,000. Waqf deed also governs the relationship of Shareholders' Fund (SHF) and participants of PTF for management of takaful operations and investment of funds approved by Shariah Advisor. The accounts of the Waqf are maintained by the Shareholders' Fund in a manner that the assets and liabilities of PTF remain separately identifiable. The financial statements of the Shareholders' Fund are prepared in such a manner that the financial position and results from the operations of PTF and the Shareholders' Fund are shown separately.

Following are the geographical location and addresses of all the business units of the Company:

**Head office - Registered Office**

Suite # 402-403, Business Arcade, Block 6, P.E.C.H.S., Shahr-e-Faisal, Karachi.

**Branches - Registered addresses**

Karachi	Office 306, Business Arcade, Plot # 27/A, Block 6, Shahr-e-Faisal, P.E.C.H.S, Karachi.
Lahore	15-Ilyas Street, Noon Avenue, Near Admission Office Punjab Group of Colleges, Main Upper Canal Road, Old Muslim Town, Lahore.
Multan	1st Floor, Zakariya Arcade, Opp.Khana-e-Farhang-e-Iran, Near Chungi No.9,Multan.
Saikiot	Shop # 312,AL Khalil Centre,2nd Floor, Kashmir Road, Saikiot.
Faisalabad	2nd Floor, P-14, Usman Plaza,Opposite Shell Petrol Pump, Kotwali Road, Faisalabad.
Islamabad	4th Floor, Chenab Center 104-E, Jinnah Avenue, Blue Area, Islamabad.
Peshawar	Office No. 406-410, 4th Floor, City Towers, Block-C, Plot No. 18-E University Road, Peshawar.
Sukkur	Mezzanine Floor, Chamber Avenue Building, Near Chamber of Commerce, Bunder Road, Sukkur.

**2. BASIS OF PREPARATION**

These financial statements have been prepared in line with the requirement and format issued by the Securities and Exchange Commission of Pakistan (Commission) through Insurance Rules, 2017 (the Rules) vide SRO 89(I)/2017 dated 09 February 2017, and the General Takaful Accounting Regulations, 2019 (the Regulations) vide SRO 1416(I)/2019 dated 20 November 2019. As required by the Takaful Rules, 2012 these financial statements reflect the financial position and results of operations of both SHF and PTF in a manner that the assets, liabilities, income and expenses of the SHF and the PTF remain separately identifiable.



### 3. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as are notified under the Companies Act, 2017 (the Act), Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.
- Provision of and directives issued under the Act and Insurance Ordinance, 2000, Insurance Rules, 2017, Takaful Rules, 2012 and Insurance Accounting Regulations, 2017.
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountant of Pakistan (ICAP) as or notified under Companies Act, 2017.

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

### 4. BASIS OF MEASUREMENT

The financial statements are prepared on new format as prescribed by Insurance Accounting Regulations 2017 except for the necessary modifications in the light of Takaful Rules 2012 and based on the advice of Shariah Advisor of the Company.

These financial statements are prepared under historical cost convention, except as disclosed in accounting policies relating to financial instruments, investments, lease liabilities and insurance liabilities etc.

### 5. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements have been presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### 6. STANDARDS, AMENDMENTS AND INTERPRETATIONS OF APPROVED ACCOUNTING STANDARDS

#### 6.1 Amendments to IFRS that are effective for the year ended December 31, 2024

The following amendments to IFRS are effective for the year ended December 31, 2024. These amendments 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 16 'Leases' - Clarification on how seller - lessee subsequently measures sale and leaseback transactions;
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants;
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments : Disclosures' - Supplier Finance Arrangements.

#### 6.2 Standard and amendments to IFRS that are not yet effective

The following standard and amendments to IFRS are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments 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.

- |  | Effective date<br>(accounting periods<br>beginning on or after |
|--|--|
| - Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability | January 01, 2025   |



	Effective date (accounting periods beginning on or after
- IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments : Disclosures' - Classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments : Disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

### 6.3 Temporary exemption from application of IFRS 9 and IFRS 17

Pursuant to the requirements of Securities and Exchange Commission of Pakistan SRO 1715 (I) / 2023 dated 21 November 2023 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 01 January 2026.

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 through its S.R.O.506(I)/2024 has directed that the applicability period of optional temporary exemption from applying IFRS 9 Financial Instruments as given in para 20A of IFRS 4 Insurance Contracts is extended for annual periods beginning before 01 January 2026, subject to fulfilling the same conditions as are prescribed by para 20B of IFRS 4.

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. The first three phases now stand completed and Phase 4 parallel run and implementation has commenced and is currently under progress.

In Phase 4 SECP requires parallel run of IFRS 17 for the year ended 31 December 2024 to be submitted to SECP by 30 June 2025 and dry run on the financial statement of the first quarter of 2025 to be submitted by 30 November 2025.

The tables below set out the fair value as at the end of the reporting period and the amount of change in the fair value during that period 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 payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial assets 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

b) all other financial assets.

Fair value of financial assets as at 31 December 2024 and the change in the fair values during the year ended 31 December 2024.

#### Financial assets

	December 31, 2024			
	Financial Assets that will fail the SPPI test		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
	(Rupees)			
Equity securities	592,646,638	17,021,910	-	-
Debt securities	-	-	388,395,000	1,485,000
Re-takaful recoveries against outstanding claims	-	-	324,808,973	-
Takaful / Re-takaful receivables	-	-	281,847,782	-
Loans, advances and other receivables	-	-	24,967,414	-
Cash and bank	-	-	288,485,302	-
	<b>592,646,638</b>	<b>17,021,910</b>	<b>1,308,504,471</b>	<b>1,485,000</b>

Fair value of financial assets as at 31 December 2023 and the change in the fair values during the year ended 31 December 2023.

	December 31, 2023			
	Financial Assets that will fail the SPPI test		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
	(Rupees)			
Equity securities	384,276,833	1,628,580	-	-
Debt securities	-	-	253,522,500	300,000
Re-takaful recoveries against outstanding claims	-	-	402,634,528	-
Takaful / Re-takaful receivables	-	-	250,378,801	-
Loans, advances and other receivables	-	-	34,808,057	-
Cash and bank	-	-	494,072,925	-
	<b>384,276,833</b>	<b>1,628,580</b>	<b>1,435,416,811</b>	<b>300,000</b>

## 7. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in period of revision and future periods if the revision affects both current and future periods. The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

	Note
- Useful lives of assets, residual value and method of depreciation / amortisation	8.1
- Classification of investments	8.4
- Determination of lease term for lease contracts with renewal and termination options	8.7.2



	Note
- Estimation of incremental borrowing rate	8.7.3
- Classification of takaful contracts	8.8
- Provision for doubtful contribution receivable	8.9
- Contribution deficiency reserve	8.11
- Provision for outstanding claims including IBNR	8.14
- Provision for re-takaful recoveries against outstanding claims	8.18
- Segment reporting	8.23
- Impairment of non-financial assets	8.24
- Taxation	8.28
<b>8. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION</b>	
The material accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2024.	
<b>8.1 Property and equipment</b>	
<b>8.1.1 operating fixed assets</b>	
These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged using reducing balance method at the rates specified in note 9.1 to the financial statements. Depreciation on additions is charged from the date when the asset is available for use and the depreciation ceases on the date of disposal.	
Residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year end.	
An item of operating fixed assets is derecognised upon disposal or when no future economic benefit is expected from its use or disposal.	
Maintenance and normal repairs are charged to income as and when incurred, whereas major renewals or replacement are capitalised.	
Gain or loss on disposal of the operating fixed assets is recognised in the statement of profit and loss account in the year of disposal.	
Subsequent cost 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.	
<b>8.1.2 Capital work in progress</b>	
Capital work in progress is stated at cost less impairment losses, if any and consist of capital expenditure incurred and advances made in course of capital work in progress. Transfers are made to relevant asset category as and when assets are available for intended use.	
<b>8.2 Right-of-use assets</b>	
At the commencement date of the lease, the right-of-use asset is initially measured at the present value of lease liability. Subsequently, right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term as mentioned in note 9.2.	
<b>8.3 Intangible assets</b>	
These are stated at cost less accumulated amortisation and any provision for impairment loss. Amortisation on intangible assets is charged applying the reducing balance method except for ERP which is straight line method, at the rates specified in note 10 to the financial statements after taking into account residual value, if any.	
Amortisation is calculated from the date when the assets are available for use, whereby the cost of the intangible asset is amortised over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life, residual value and amortisation method is reviewed, and adjusted if appropriate, at each financial year.	
<b>8.4 Investments</b>	
It includes investments in equity securities (shares and mutual funds), in debt securities (sukuks) and in term deposits.	

**8.4.1 Classification**

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. Investments which are intended to be held for an indefinite period but may be sold in response to the need for liquidity or change in mark-up / interest rates are classified as available for sale. Investments which are acquired with the intention to trade by taking advantage of short term market / interest rate movements are considered as held for trading.

**8.4.2 Investment categories and subsequent measurement****Date of recognition**

Regular way purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sell the investment.

**Initial recognition**

All investments are initially recognised at cost being the fair value of the consideration given and include transaction costs, except for held for trading investments in which case transaction costs are charged to statement of profit or loss account.

**Subsequent measurement****Held to maturity**

Subsequently, these are measured at amortised cost less provision for impairment, if any. Any premium paid or discount availed on acquisition of held to maturity investment is amortised uniformly over the date of acquisition and date of maturity.

**Available for sale**

Subsequently, these are measured at fair value. Any unrealised gain or loss arising on re-measurement of available-for-sale investments are taken to revaluation reserve through statement of other comprehensive income. On de-recognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to statement of profit or loss account for the year.

**Held for trading**

Subsequently, these are measured at fair value. Any unrealised gain or loss arising on re-measurement of held-for-trading investments are taken directly to statement of profit or loss account.

**Fair / market value measurement**

For investment in sukuks, fair / market value is determined by reference to quotations obtained from brokers. The fair / market value of mutual fund units is determined as per the Net Asset Values (NAV) announced by the Mutual Funds Association of Pakistan (MUFAP). The fair value of listed equities are determined by reference to quoted market prices of Pakistan Stock Exchange (PSX).

**Impairment**

Impairment loss in respect of investments categorised as available-for-sale is recognised based on management's assessment of objective evidence of impairment as a result of one or more events that may have an impact on the estimated future cash flows of the investments. When such impairment arises, the cumulative loss that has been recognised directly in equity is transferred to statement of profit and loss account. For listed securities, a significant or prolonged decline in fair value below cost is also considered to be an objective evidence of impairment.

**8.5 Qard-e-Hasna**

Qard-e-Hasna is provided by SHF to PTF, if there is deficit in admissible assets of PTF over its liabilities. SHF is allowed to recover this qard without charging profit in the event of surplus of admissible assets over liabilities in PTF.

**8.6 Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprises of cash, stamps in hand and cash at bank.





## 8.7 Leases

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

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

**Lease liabilities** - At the commencement date of the lease, the Company recognises lease liability measured at the present value of the consideration (lease payments) to be made over the lease term and is adjusted for lease prepayments. The lease payments are discounted using the interest rate implicit in the lease, unless it is not readily determinable, in which case the lessee may use the incremental rate of borrowing. After the commencement date, the carrying amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made.

### 8.7.2 Determination of the lease term for lease contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customisation of the leased asset).

### 8.7.3 Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as stand-alone credit rating, or to reflect the terms and conditions of the lease).

## 8.8 Takaful contracts

In all takaful models, the takaful contracts so agreed 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, and the model adopted by the company is Wakala Waqf model.

Contracts under which the Participants' Takaful Fund (PTF) accepts significant Takaful risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the takaful event) adversely affects the policyholder are classified as takaful contracts. Takaful risk is significant if a takaful event could cause the PTF to pay significant benefits due to the happening of the takaful event 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 period of takaful, even if the takaful risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

The non-life takaful contracts are underwritten in PTF, that can be categorised into Fire and Property, Marine, Aviation and Transport, Motor and Miscellaneous contracts. Contracts may be concluded for a fixed term of one year, and in some cases for less than one year or for more than one year. However, most of the contracts are for twelve months duration. Takaful contracts entered into by the PTF under which the contract holder is another takaful operator (inward re-takaful of a facultative nature) are included within the individual category of takaful contracts, other than those which fall under the Treaty. Takaful contracts issued by PTF do not include investment contracts or Discretionary Participation Features.

Fire and property takaful provides coverage against damages suffered to property caused by fire, riot and strike, explosion, earthquake, atmospheric damage, flood, electric fluctuation and other related perils. 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 (business interruption cover).

Marine, aviation and transport takaful provides coverage against cargo risk, terminals, damages occurred in between the points of origin and final destination and other related perils.





Motor takaful provides comprehensive car coverage, indemnity against third party loss and other related covers.

Accident and health takaful contract mainly compensates hospitalisation and in-patient medical coverage.

Miscellaneous takaful provides cover against all other risk like burglary, loss of cash in safe and cash in transit, engineering losses, travel, health, crop, live stock, professional indemnity, workers compensation and other coverage.

#### 8.9 Contributions

Contributions including administrative surcharge received / receivable under a takaful policy are recognised as written from date of attachment of risk to the policy / cover note. Where contributions for a policy are payable in instalments, full contribution for the duration of policy is recognised as written from date of attachment of risk to the policy. Contributions are stated gross of commission or wakala payable to intermediaries and exclusive of taxes and duties levied on contributions. For contribution earned, contribution written after deducting wakala and admin surcharge is spread over the period of takaful contract and earned contribution amount is calculated according to the ratio of the expired period of the policy and the total period, both measured to the nearest day. Administrative surcharge and wakala is recognised on upfront basis.

Contribution Receivables (contribution due but unpaid) represents the amount due from participants on account of takaful contracts. These are recognised at cost, which is the fair value of the consideration to be received less provision for doubtful debts, if any. Provision for doubtful debts in contribution receivable is estimated on a systematic basis after analysing the receivables as per their ageing. Provision for impairment in contribution receivable is established when there is an objective evidence that company will not be able to collect all amounts due according to original terms of the takaful contracts.

Significant financial difficulties of the debtor, probability that debtor will enter financial reorganisation, and default of delinquency in payments is considered indicators that contribution receivable is doubtful. The provision for doubtful debts is charged to profit & loss for the year. When the contribution receivable is uncollectable, it is written-off against the provision. Wakala associated with provision for doubtful balances on contribution due but unpaid, is also set aside as provision for doubtful wakala balances.

#### 8.10 Provision for unearned contribution

The unearned portion of contribution written net-off wakala and admin surcharge is set aside as a reserve and is recognised as a liability. This relates to the business in force at reporting date. Unearned contribution is calculated according to the ratio of the unexpired period of the policy and the total period, both measured to the nearest day.

#### 8.11 Contribution deficiency reserve

According to the requirements of the Insurance Rules 2017, a contribution deficiency reserve (liability adequacy) needs to be created for each class of business, where the unearned contribution and related income for any class of business is not adequate to meet the expected liability (after re-takaful recovery) 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. Any deficiency is recognised by establishing a provision for contribution deficiency to meet the deficit. Movement in the reserve is to be charged to the statement of profit and loss account of Participants' Takaful Fund. Judgment is used in assessing the extent to which past trends may not apply in future or the effects of one-off significant claims which are not expected to recur.

For this purpose, loss ratios for each class are estimated based on historical claim development, and the expected future liability is estimated with reference to the experience during the expired periods of contracts, adjusted for one-off & significant individual losses. The expected net-off re-takaful claim ratios against net contribution earned gross up of wakala for the unexpired periods of policies in force at reporting date for each class of business is disclosed in note 40.7.

#### 8.12 Deferred commission expense

Commission expense incurred in obtaining and recording takaful business are deferred and recognised as an expense in accordance with the pattern of recognition of contribution revenue.

#### 8.13 Claims

Claims expense include all claims incurred during the year, whether reported or not, based on estimated liability for compensation under takaful contract, related claim 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.

**8.14 Provision for outstanding claims**

PTF maintains provision in respect of outstanding claims against losses incurred up to the reporting date which is measured at the undiscounted value of expected future claim settlement cost. 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. The provision for outstanding claims also includes amounts in relation to claims reported but not settled and claims incurred but not reported (IBNR). For health class, provision for outstanding claim, IBNR, unearned contribution and contribution deficiency are based on advice of actuary.

- **Provision for claims reported but not settled**

Provision for liability in respect of claims reported but not settled at the reporting date is made on the basis of individual case estimates. The case estimates are based on the assessed amounts of individual losses and where loss assessments have not been carried out, the estimates are established in light of currently available information, past experience of similar claims and in some cases in relation to the sums insured. Case estimates are reviewed periodically to ensure that the recognised outstanding claim amounts are adequate to cover expected future payments including expected claims settlement costs and are updated as and when new information becomes available.

- **Provision for claims incurred but not reported (IBNR)**

The provision for claims incurred but not reported (IBNR) is estimated annually at the reporting date. Estimation may be effected by past reporting trends, expected future pattern of reporting of claims and the claims actually reported subsequent to the reporting date. In accordance with the SECP Circular no. 9 of 2016, the Company has changed its method of estimation of IBNR. IBNR claim have been estimated using Chain Ladder (CL) methodology. The Chain Ladder (CL) method involves determination of development factors or link ratios for each period. These are then subsequently combined to determine Cumulative Development Factor (CDF) which represents the expected extent of future development of claims to reach their ultimate level.

**8.15 Re-takaful contracts**

Re-takaful contract are classified as contracts entered into by the PTF with re-takaful operators under which the PTF cedes takaful risk assumed during the normal course of business for the purpose of limiting its net loss potential through the diversification of its risks, and accordingly the PTF is compensated for losses on takaful contracts issued by it. Assets, liabilities and income and expense arising from ceded re-takaful contracts are presented separately from the assets, liabilities, income and expense from the related takaful contracts because the re-takaful arrangements do not relieve the PTF from its direct obligations to its policyholders. These re-takaful contracts include both facultative and treaty arrangements contracts and are classified in same categories of takaful contracts for the purpose of these financial statements.

**8.16 Prepaid re-takaful**

Re-takaful contribution ceded is recognised as expense evenly in the period of indemnity of policy to which it relates. The portion of re-takaful contribution not recognised as an expense is shown as a prepayment.

**8.17 Rebate from re-takaful**

At the time of re-takaful contribution ceding, rebate from re-takaful operators under the terms of re-takaful arrangements is recognised when the PTF's right to receive the same is established. Rebate commission from re-takaful is deferred and recognised as an income in accordance with the pattern of recognition of re-takaful contribution ceded to which it relates.

**8.18 Re-takaful recoveries against outstanding claims**

Re-takaful recoveries are estimated in a manner consistent with the outstanding claims provision and are in accordance with the re-takaful contracts. Receivable against claims from the re-takaful operators are recognised as an asset at the same time as the claims which gives rise to the right of recovery are recognised as a liability and are measured at the amount expected to be recovered.

**8.19 Receivable and payables related to takaful contracts**

Amounts due to / from other takaful and re-takaful operators are recognised when due at cost less provision for impairment, if any. Cost represents the fair value of the consideration to be received / paid in the future for services rendered. Re-takaful assets or liabilities are derecognised when the contractual rights are extinguished or expired.





Receivable and payable related to takaful contracts pertains to customers, agents, brokers, other takaful operators, and re-takaful operators. Retakaful assets primarily represent re-takaful recoveries against claims and rebate commission, and re-takaful liabilities primarily represent retakaful contribution ceded. Amount due to and due from other takaful operators is primarily on account of co-takaful business, whereby receivable and payable are recognised against claims, rebate commission, and contribution. Provision for doubtful balance in contribution receivable is estimated on a systematic basis after analysing the receivables as per their ageing.

An impairment review of re-takaful assets is performed at each reporting date. If there is objective evidence that the asset is impaired as a result of one or more events having negative effects, occurred after the initial recognition, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the statement of profit and loss of Participants' Takaful Fund.

#### 8.20 Takaful surplus

Takaful surplus attributable to the participants is assessed after charging all direct cost, setting aside various provisions, reserves, charity, qard-e-hasna, and evaluating the assets and liabilities of PTF alongside need to retain the surplus to strengthen the PTF. Distribution of surplus to participants, if applicable, is made with the approval of the Operator and is recognised in the period in which it is approved.

#### 8.21 Revenue recognition

##### Participant's takaful fund

- The revenue recognition of Contribution is given under note 8.9.
- The revenue recognition of Rebate from re-takaful operators is given under note 8.17.

##### Shareholder's fund

- The Takaful operator (SHF) manages the general takaful operations for the participants' takaful fund (PTF). Wakala fee is charged from PTF as a percentage of the gross contribution written net of administrative surcharge at the time of issuance of policy. It is amortised over the takaful contract terms in accordance with the pattern of takaful contribution earned. Administrative surcharge is recognised on upfront basis.
- The Takaful operator (SHF) also manages the PTF's bank balances and investments as Modarib. Modarib fee is charged as percentage on aggregate of income on bank balances and investment income earned by the PTF. It is recognised on the same basis on which related revenue is recognised.

##### Participants' takaful fund and Shareholders' fund

- Profit on sukuk and bank deposits are recognised on accrual basis.
- Administrative income are recognised on accrual basis.
- Dividend income and entitlement of bonus shares is recognised when the right to receive such dividend or bonus shares is established.
- Gain / loss on re-measurement of available-for-sale investments are recognised in the statement of comprehensive income whereas gain / loss on sale of available-for-sale investments are recognised in the statement of profit or loss in the year of disposal.

#### 8.22 Expenses

##### Participants' takaful fund

- Direct expenses allocated to PTF represents directly attributable expenses and these are allocated to various classes of business on the basis of gross contribution written during the year. Expenses not directly allocable to PTF are charged to SHF.

##### Shareholders' fund

- Expenses not directly allocable to PTF are charged to SHF. Allocation between management expenses and other expenses are performed by management as deemed equitable. For segment reporting, management expenses are allocated to class of business on the basis of gross contribution written during the year.

**8.23 Operating segment**

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 expense that relate to transaction with any of the Company's other component. The Company accounts for segment reporting using the classes of business as specified under the Insurance Ordinance, 2000 and Insurance Rules, 2017.

The Company's operating businesses are recognised and managed separately according to the nature of services provided with each segment representing a strategic business unit that serves different market needs. All the company's business segment operate in Pakistan only. The Company has four primary business segments for reporting purposes namely fire & property, marine, aviation & transport, motor and miscellaneous. The nature and business activities of these segments are disclosed in note 8.8.

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 can not be allocated to a particular segment on a reasonable basis, are aggregated as unallocated corporate assets and liabilities.

**8.24 Impairment of non-financial assets**

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Impairment losses are charged to profit and loss account of Shareholders' Fund.

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if there is objective evidence that one or more events have had a negative effect on the estimated future cash flows of that asset.

**8.25 Financial instruments**

Financial assets and financial liabilities other than those arising out of takaful contracts are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. At the time of initial recognition, financial assets and liabilities are measured at fair values which is the cost of consideration given or received for it. Financial assets are derecognised when the contractual right to future cash flows from the asset expires or is transferred along with the risk and reward of the asset. Financial liabilities are derecognised when obligation specified in the contract is discharged, cancelled or expired. Any gains or losses on derecognition of the financial assets and liabilities are recognised in the statement of profit and loss account of the current period.

Financial instruments include cash and bank balances, loans to employees, investments, contribution due but unpaid, amount due from other takaful / re-takaful operators, accrued investment income, re-takaful recoveries against outstanding claims, security deposits, other receivables, outstanding claim liabilities, amount due to other takaful / re-takaful, accrued expenses, agents balances, other creditors, and deposits.

**8.26 Offsetting**

A financial asset and financial liability is offset and the net amount is reported in the financial statements when the Company has a legally enforceable right to set-off the recognised amounts and it intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

**8.27 Creditors, accruals and provisions**

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

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

**8.28 Taxation**

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the profit and loss account of Shareholders' Fund, except to the extent that it relates to items recognised directly in other comprehensive income or below equity, in which case it is recognised in other comprehensive income or below equity. For this purpose, the profit of shareholders' fund is taxed as part of total profit of the Company.



**Current**

Provision for current taxation is based on taxability of certain income streams of the company under final tax regime at the applicable tax rates and the remaining income streams chargeable at current rate of taxation under the normal tax regime and / or minimum tax liability on turnover, whichever is applicable, after taking into account tax credits and rebates available. 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.

**Deferred**

Deferred tax is recognised using the reporting liability method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the future taxable profits will be available against which the assets may 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 carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recognised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset is utilised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**8.29 Ijarah arrangements**

Ijarah rentals are recognised as an expense on accrual basis as and when the rentals become due.

**8.30 Appropriations**

Appropriations of profit, if any, are recognised in the year in which these are approved.

**8.31 Staff retirement benefits****8.31.1 Defined contribution plan**

The Company operates an approved contributory provident fund for all its permanent employees. Contributions are made by both the Company and the employees to the fund at the rate of 10% of basic salary. Contribution made by the Company is recognised as an expense.

**8.32 Foreign currency transaction and translation**

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account of Shareholders' Fund.

**8.33 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 of shareholders fund attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by adjusting the profit or loss of Shareholders fund attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of dilutive potential ordinary shares.

**8.34 Dividend and bonus shares**

Dividend to shareholders is recognised as liability in the period in which it is approved. Similarly, reserve for issue of bonus shares is recognised in the year in which such issue is approved.

9. PROPERTY AND EQUIPMENT	December 31, 2024		Note	December 31, 2023	
	(Rupees)			(Rupees)	
Operating fixed assets	32,191,949	29,398,239	9.1		
Right-of-use assets	26,261,304	38,907,180	9.2		
Capital work in progress	2,766,846	-	9.3		
	61,220,099	68,305,419			

9.1 OPERATING FIXED ASSETS	December 31, 2024					Depreciation rate (%)
	As at January 01, 2024	As at December 31, 2024	As at January 01, 2024	Accumulated depreciation for the year (note 30)	Carrying value as at December 31, 2024	
Particulars	Cost					
Office improvements	20,436,786	-	20,436,786	13,708,821	1,009,195	15
Furniture and fixtures	16,797,062	107,000	16,904,062	10,552,389	948,739	15
Office equipment	16,485,381	41,950	16,527,331	12,393,279	620,920	15
Motor vehicles	4,978,255	10,234,000 (310,350)	14,901,905	1,340,706	2,768,188 (206,250)	20
Computer equipment	50,097,118	555,500	50,652,618	41,401,168	2,693,598	30
	108,794,602	10,938,450 (310,350)	119,422,702	79,396,362	8,040,640 (206,250)	

Particulars	December 31, 2023					Depreciation rate (%)
	As at January 01, 2023	As at December 31, 2023	As at January 01, 2023	Accumulated depreciation for the year (note 30)	Carrying value as at December 31, 2023	
Office improvements	17,042,358	20,436,786	12,870,959	837,862	13,708,821	15
Furniture and fixtures	16,797,062	-	9,450,388	1,102,001	10,552,389	15
Office equipment	16,123,664	402,065 (40,348)	16,485,381	11,720,531	706,115 (33,368)	15
Motor vehicles	1,528,316	4,273,193 (823,254)	4,978,255	1,299,087	1,340,706	20
Computer equipment	46,280,794	3,816,324	50,097,118	38,740,460	2,660,708	30
	97,772,194	11,886,010 (863,602)	108,794,602	74,081,425	6,132,984 (818,047)	



	Note	December 31, 2024	December 31, 2023
		(Rupees)	
<b>9.2 Right-of-use assets</b>			
<b>Building</b>			
Opening balance		38,907,180	787,403
Additions during the year		-	50,583,505
Depreciation expense	31	(12,645,876)	(12,463,728)
Closing balance		<u>26,261,304</u>	<u>38,907,180</u>
 Cost		 50,583,505	 50,583,505
Accumulated depreciation		(24,322,201)	(11,676,325)
Net book value		<u>26,261,304</u>	<u>38,907,180</u>
		(Years)	
Depreciation rate		25%	25%
	Note	December 31, 2024	December 31, 2023
		(Rupees)	
<b>9.3 Capital work in progress</b>	9.3.1	<u>2,766,846</u>	-

9.3.1 This represent advances paid to vendors for IT equipment, which are yet to be capitalised upon installation of the respective assets.

#### 10. INTANGIBLE ASSETS

	December 31, 2024							
Particulars	Cost			Accumulated amortisation			Carrying value	Amortisation rate
	As at January 01, 2024	As at December 31, 2024	As at January 01, 2024	For the year (note 30)	As at December 31, 2024	As at December 31, 2024		
	(Rupees)						(%)	
Computer softwares	76,474,089	-	76,474,089	60,612,995	4,966,052	65,579,047	10,895,042	10-20
	December 31, 2023							
Particulars	Cost			Accumulated amortisation			Carrying value	Amortisation rate
	As at January 01, 2023	As at December 31, 2023	As at January 01, 2023	For the year (note 30)	As at December 31, 2023	As at December 31, 2023		
	(Rupees)						(%)	
Computer softwares	76,474,089	-	76,474,089	55,067,828	5,545,167	60,612,995	15,861,094	10-20

10.1 Cost and accumulated amortisation in respect of fully amortised intangible assets still in use at the end of the year amounting to Rs. 11.434 million (December 31, 2023: Rs. 7.012 million).

	Note	Carrying value				
		December 31, 2024		December 31, 2023		
		Shareholders' Fund	Participants' Takaful Fund	Total	Shareholders' Fund	Participants' Takaful Fund
<b>11. INVESTMENTS</b>						
<b>11.1 Available for sale</b>						
Investment in:						
Equity securities						
- mutual funds	11.2	592,646,638	-	592,646,638	384,022,388	254,445
Debt securities						
- sukuk	11.2 & 11.2.6	201,300,000	187,095,000	388,395,000	85,552,500	167,970,000
<b>Total</b>		<b>793,946,638</b>	<b>187,095,000</b>	<b>981,041,638</b>	<b>469,574,888</b>	<b>167,970,000</b>
						<b>253,522,500</b>
						<b>637,799,333</b>
<b>11.2 Investments Available-for-sale (AFS)</b>						
<b>Equity securities (Mutual fund units)</b>						
- Shareholders' Fund		575,624,728	-	575,624,728	382,394,433	1,627,955
- Participants' Takaful Fund	11.2.2	-	-	-	253,820	625
		<b>575,624,728</b>	<b>-</b>	<b>575,624,728</b>	<b>382,648,253</b>	<b>1,628,580</b>
<b>Debt securities (Sukuk certificates)</b>						
- Shareholders' Fund		200,002,500	-	200,002,500	85,252,500	300,000
- Participants' Takaful Fund	11.2.4	186,907,500	-	186,907,500	167,970,000	-
		<b>386,910,000</b>	<b>-</b>	<b>386,910,000</b>	<b>253,222,500</b>	<b>300,000</b>
<b>TOTAL</b>		<b>962,534,728</b>	<b>-</b>	<b>962,534,728</b>	<b>635,870,753</b>	<b>1,928,580</b>
						<b>637,799,333</b>

## 11.2.1 Movement of unrealised gain / (loss)

	December 31, 2024	December 31, 2023
	Shareholders' Fund	Shareholders' Fund
	Participants' Takaful Fund	Participants' Takaful Fund
	Total	Total
	(Rupees)	(Rupees)
Opening balance	1,927,955	1,928,580
During the year	625	(17,296,807)
Closing balance	16,391,455	4,147
	186,875	(17,292,660)
	18,506,910	19,224,762
	187,500	(3,522)
	19,224,762	19,221,240
	1,927,955	1,928,580

## 11.2.2 Carrying value of investments in equity securities (Mutual funds)

	December 31, 2024	December 31, 2023
	Shareholders' Fund	Shareholders' Fund
	Participants' Takaful Fund	Participants' Takaful Fund
	Total	Total
	(Rupees)	(Rupees)
Face value per unit	100	100
(Number of units)		
Pak Qatar Islamic Stock Fund	69,963	10,291,348
Faysal Islamic Asset Allocation Fund	1,081,870	108,695,370
ABL Islamic Stock Fund	16,789	100,214,741
NBP Islamic Money Market Fund	5,706,254	450,571
HBL Islamic Asset Allocation Fund - Plan I	5,520,670	62,890,337
Pak Qatar Daily Dividend Plan	863,651	61,729,373
NBP Islamic Stock Fund	293,382	97,282,754
AlFalah GHP Islamic Stock Fund	6,554	29,338,197
Pak Qatar Islamic Cash Plan	2,052	144,478
ABL Islamic Sovereign Plan I	460,522	118,287
Pak Qatar Income Plan	5,000,000	50,307,331
NBP Islamic Income Fund	1,015,650	54,697,000
AlFalah GHP Islamic Income Fund	4,711,788	113,237,154
AlFalah Islamic Money Market Fund	577,152	51,922,019
	782,489	65,066,661
		85,117,430
	592,646,638	592,646,638
		384,022,388
		254,444
		384,276,832



11.2.3 Mutual funds (equity securities) includes an amount of Rs. 163.5 million (December 31, 2023: Rs. 124.7 million) investments in Pak Qatar Funds managed by Pak Qatar Asset Management Company, which is a related party of company by virtue of common directorship.

11.2.4 Carrying value of investments in debt securities (Sukuk)

Name of Investment	Profit rate	Maturity year	Face value per certificate (Rupee)	December 31, 2024 (Number of certificates)	December 31, 2023			
					(Rupees)			
					Shareholders' Fund	Participants' Takaful Fund	Shareholders' Fund	Participants' Takaful Fund
GoP Ijarah Sukuk - XX	6 month Kibor plus 1.25%	2025	100,000	-	-	-	-	75,000,000
GoP Ijarah sukuk 26-6-23	6 month Kibor plus 1.25%	2028	100,000	750	-	79,125,000	-	-
Al Baraka Sukuk - Tier 2	6 month Kibor plus 0.75%	2024	1,000,000	-	-	-	10,057,500	15,000,000
Meerzan Bank Limited Tier 1 sukuk	3 month Kibor plus 1.75%	Perpetual	1,000,000	65	55,000,000	10,000,000	20,010,000	25,000,000
Dubai Islamic Bank Limited Tier 1 sukuk	3 month Kibor plus 1.75%	Perpetual	5,000	6,000	30,000,000	-	15,000,000	30,000,000
HUBCO sukuk	1 year Kibor plus 1.9%	2024	25,000	-	-	-	1,250,000	15,000,000
BankIslami Pakistan Limited sukuk	3 month Kibor plus 2.75%	Perpetual	5,000	6,381	23,935,000	7,970,000	8,935,000	22,970,000
K-Electric sukuk 2020	3 month Kibor plus 1.7%	2027	5,000	4,800	11,302,500	-	15,150,000	-
K-Electric sukuk 23	3 month Kibor plus 1.7%	2029	100,000	350	35,962,500	-	15,150,000	-
Al Baraka Sukuk -2021	6 month Kibor plus 1.5%	2031	1,000,000	20	20,100,000	-	-	-
Alkaram Textile Sukuk	3 month Kibor plus 1.5%	2027	1,000,000	25	25,000,000	-	-	-
PTCL Sukuk	6 month Kibor plus 0.15%	2025	1,000,000	30	-	30,000,000	-	-
Masood Textile Sukuk	3 month Kibor plus 1.25%	2029	100,000	250	-	25,000,000	-	-
GCIL Sukuk	3 month Kibor plus 1.25%	2030	100,000	200	-	20,000,000	-	-
PAEL Sukuk	6 month Kibor plus 1%	2025	1,000,000	15	-	15,000,000	-	-
					201,300,000	187,095,000	85,552,500	167,970,000
								253,522,500

11.2.5 GoP Ijarah sukuk amounting to Rs. 65 million face value (December 31, 2023: GoP Ijarah sukuk: Rs. 65 million) are held under lien with the State Bank of Pakistan in compliance with the requirements of Section 29 of the Insurance Ordinance, 2000.

11.2.6 The expected rate of return on sukuk certificates ranges from 12.8% to 24.9% per annum (2023: 17% to 26%) depending on tenure and size of deposits.

		Shareholders' Fund			
		December 31, 2024	December 31, 2023		
		(Rupees)			
12.	DEFERRED TAX LIABILITY/ ASSET				
Deductible temporary difference arising in respect of					
	Provision for doubtful wakala refund	6,305,768	6,305,768		
	Right-of-use assets - net of lease liability	2,078,201	1,358,247		
Taxable temporary difference arising in respect of					
	Accelerated depreciation	(4,682,109)	(5,660,374)		
	Unrealised gain on AFS (available for sale) investments	(5,312,631)	(559,107)		
		<u>(1,610,771)</u>	<u>1,444,534</u>		
12.1	Reconciliation of deferred tax	Balance at December 31, 2023	Recognised in profit or loss account (Note 33)	Recognised in other comprehensive income	Balance at December 31, 2024
		(Rupees)			
Deductible temporary difference					
	Provision for doubtful wakala refund	6,305,768	-	-	6,305,768
	Right-of-use assets - net of lease liability	1,358,247	719,954		2,078,201
Taxable temporary difference					
	Accelerated depreciation allowance	(5,660,374)	978,265	-	(4,682,109)
	Unrealised loss on AFS investment	(559,107)	-	(4,753,524)	(5,312,631)
		<u>1,444,534</u>	<u>1,698,219</u>	<u>(4,753,524)</u>	<u>(1,610,771)</u>
		Balance at December 31, 2022	Recognised in profit or loss account (Note 33)	Recognised in other comprehensive income	Balance at December 31, 2023
		(Rupees)			
Deductible temporary difference					
	Provision for doubtful wakala refund	8,700,038	(2,394,270)	-	6,305,768
	Unrealised loss on AFS investment	5,016,064	-	(5,575,171)	(559,107)
	Right-of-use assets - net of lease liability	-	1,358,247		1,358,247
Taxable temporary difference					
	Accelerated depreciation allowance	(6,489,116)	828,742	-	(5,660,374)
		<u>7,226,986</u>	<u>(207,281)</u>	<u>(5,575,171)</u>	<u>1,444,534</u>



**13. LOANS, ADVANCES AND OTHER RECEIVABLES**  
(considered good)

	Shareholders' Fund	Participants' Takaful Fund	Aggregate December 31, 2024	Shareholders' Fund	Participants' Takaful Fund	Aggregate December 31, 2023
			(Rupees)			
Accrued income on:						
- sukuks and term deposits	4,088,068	3,891,420	7,779,488	6,009,119	3,105,220	9,114,339
- bank balances	829,665	1,357,518	2,187,183	1,573,280	3,188,212	4,761,492
	4,917,733	5,048,938	9,966,671	7,582,399	6,293,432	13,875,831
Sundry receivable						
Security deposits	6,719,498	254,523	6,974,021	7,085,157	254,523	7,339,680
Advance to employees - unsecured	3,550,544	-	3,550,544	3,124,191	-	3,124,191
Tender deposit	1,607,297	-	1,607,297	1,351,745	-	1,351,745
Sales tax	-	-	-	1,508,927	-	1,508,927
Advance to vendors	1,088,049	-	1,088,049	140,374	-	140,374
Excess recovery against claim	-	1,780,832	1,780,832	-	7,467,309	7,467,309
	12,965,388	2,035,355	15,000,743	13,210,394	7,721,832	20,932,226
	17,883,121	7,084,293	24,967,414	20,792,793	14,015,264	34,808,057

**14. TAKAFUL AND RE-TAKAFUL RECEIVABLES - unsecured**
**14.1 Due from takaful contract holders and other takaful operator**

	Note	Participants' Fund December 31, 2024	December 31, 2023
		(Rupees)	
Due from takaful contract holders		343,645,344	348,773,593
Amount written-off against provision	14.2	-	(36,597,230)
		343,645,344	312,176,363
Provision for doubtful balances	14.2	(61,797,562)	(61,797,562)
Considered good		281,847,782	250,378,801

**14.2 Provision for doubtful balances**

Opening balance		61,797,562	98,394,792
Provision during the year		-	-
Written-off against receivable during the year	14.3	-	(36,597,230)
Closing balance		61,797,562	61,797,562

**14.3** The Company maintains provision for doubtful balance on prudent basis after considering ageing and indicators that contribution receivable is doubtful. However, based on analysis of contribution receivable, uncollectable receivable is written-off against the provision for doubtful balance, and wakala associated with those uncollectable receivable is written-off against provision for refund of wakala.

**15. PREPAYMENTS**

	Shareholders' Fund	Participants' Takaful Fund	Aggregate December 31, 2024	Shareholders' Fund	Participants' Takaful Fund	Aggregate December 31, 2023
			(Rupees)			
Prepaid Re-takaful ceded	-	100,200,509	100,200,509	-	93,444,837	93,444,837
	-	100,200,509	100,200,509	-	93,444,837	93,444,837

		December 31, 2024		December 31, 2023		
		Shareholders' Fund	Participants' Fund	Shareholders' Fund	Participants' Fund	
		(Rupees)				
16.	RECEIVABLE / PAYABLE FROM / TO PTF / SHF					
	Wakala fee receivable / payable	70,999,067	70,999,067	213,086,305	213,086,305	
	Modarib fee receivable / payable	12,853,194	12,853,194	19,364,414	19,364,414	
		83,852,261	83,852,261	232,450,719	232,450,719	
	Provision for refund of wakala against doubtful	16.1	(21,744,026)	(21,744,026)	(21,744,026)	
			62,108,235	210,706,693	210,706,693	
	Other payable to PTF from SHF	16.2	(11,892,741)	(11,892,741)	(11,892,741)	
			50,215,494	198,813,952	198,813,952	
16.1	Provision for refund of wakala against doubtful balances					
	Opening balance		21,744,026	30,000,130	30,000,130	
	Provision during the year	26.1	-	3,636,637	3,636,637	
	Written off during the year	14.2	-	(11,892,741)	(11,892,741)	
	Closing balance		21,744,026	21,744,026	21,744,026	
16.2	Wakala payable against written-off doubtful wakala					
	Other payable to PTF from SHF		11,892,741	11,892,741	11,892,741	
17.	CASH, STAMP AND BANK					
		December 31, 2024			December 31, 2023	
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	Shareholders' Fund	Participants' Takaful Fund
		(Rupees)				
Note						
Cash and other equivalents						
	- Cash in hand	2,219,836	-	2,219,836	1,470,064	-
	- Stamps in hand	-	11,065	11,065	-	15,539
		2,219,836	11,065	2,230,901	1,470,064	15,539
Cash at bank						
	- Current accounts	904,678	540,179	1,444,857	231,924	540,179
	- Savings accounts	181,713,508	103,096,036	284,809,544	230,859,185	260,956,034
		182,618,186	103,636,215	286,254,401	231,091,109	261,496,213
		184,838,022	103,647,280	288,485,302	232,561,173	261,511,752
17.1	This represent cash at bank maintained with Islamic commercial banks under profit or loss sharing bank carrying profit rate ranging from 9.01% to 19.50% (December 31, 2023: 11.85% to 19.50%) per annum.					
17.2	Cash and cash equivalents include the following for the purpose of the cash flow statement:					
		December 31, 2024			December 31, 2023	
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	Shareholders' Fund	Participants' Takaful Fund
		(Rupees)				
	Cash and Bank Balances	184,838,022	103,647,280	288,485,302	232,561,173	261,511,752
		184,838,022	103,647,280	288,485,302	232,561,173	261,511,752

**18. SHARE CAPITAL**

December 31, December 31, 2024 2023			December 31, December 31, 2024 2023		
----- (Number of shares) -----			----- (Rupees) -----		
Authorised share capital					
<u>60,000,000</u>	<u>60,000,000</u>	Ordinary share of Rs. 10 /- each	<u>600,000,000</u>	<u>600,000,000</u>	
Issued, subscribed and paid-up share capital					
<u>50,922,601</u>	<u>50,922,601</u>	Ordinary shares of Rs. 10 each, fully paid in cash	<u>509,226,010</u>	<u>509,226,010</u>	

	Percentage of (%)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Number of shares)		(Rupees)	
18.1 Major share holders of the Company are:					
Fawad Yousuf Securities (Private) Limited	6.0	3,077,999	3,077,999	30,779,990	30,779,990
Qatar Islamic Insurance Company	11.6	5,923,946	5,923,946	59,239,460	59,239,460
H.E. Sheikh Ali Bin Abdullah	15.7	7,969,556	7,969,556	79,695,560	79,695,560
Qatar International Islamic Bank	14.5	7,370,474	7,370,474	73,704,740	73,704,740
Pak-Qatar Investment (Private) Limited	42.5	21,633,944	21,633,944	216,339,440	216,339,440
Other shareholders	9.7	4,946,682	4,946,682	49,466,820	49,466,820
	100	50,922,601	50,922,601	509,226,010	509,226,010

**18.2** The company has only one class of shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the company. All shares rank equally with regard to the Company's residual assets.

**19. OTHER CREDITORS AND ACCRUALS**

		December 31, 2024			December 31, 2023		
		Shareholders' Fund	Participants' Takaful Fund	Aggregate	Shareholders' Fund	Participants' Takaful Fund	Aggregate
Note		(Rupees)					
<b>Other Creditors</b>							
		129,180,779	-	129,180,779	103,039,301	-	103,039,301
		-	5,735,216	5,735,216	-	7,495,250	7,495,250
		5,677,937	14,497,486	20,175,423	-	19,486,076	19,486,076
	19.1	418,007	1,613,502	2,031,509	418,007	1,613,502	2,031,509
		673,908	-	673,908	673,908	-	673,908
		4,074	-	4,074	3,666	-	3,666
		1,731,557	-	1,731,557	1,673,833	-	1,673,833
		3,859,057	1,872,857	5,731,914	4,315,403	1,782,028	6,097,431
		628,604	-	628,604	628,604	-	628,604
	19.2	10,870,478	-	10,870,478	4,720,122	-	4,720,122
		10,781,267	-	10,781,267	9,479,691	-	9,479,691
		1,118,218	-	1,118,218	974,080	-	974,080
		2,137,049	-	2,137,049	1,200,000	-	1,200,000
		1,516,768	-	1,516,768	3,762,715	-	3,762,715
		1,078,164	-	1,078,164	1,395,078	-	1,395,078
		169,675,867	23,719,061	193,394,928	132,284,408	30,376,856	162,661,264
<b>Accrued expenses</b>							
		2,294,714	-	2,294,714	500,000	-	500,000
		162,831	-	162,831	200,000	-	200,000
		1,776,060	-	1,776,060	1,379,092	-	1,379,092
		-	-	-	359,800	-	359,800
		4,233,605	-	4,233,605	2,438,892	-	2,438,892
		173,909,472	23,719,061	197,628,533	134,723,300	30,376,856	165,100,156



- 19.1 This includes cheques issued by PTF aggregating to Rs 1.36 million (December 31, 2023: Rs 1.36 million) against claims settlement, which have not been encashed by claimants and have become over due for six months. The following is the ageing as required by Commission Circular 11 of 2014 dated 19 May 2014.

Participants' Takaful Fund	Total	Age wise breakup (in months)				
		1 to 6	7 to 12	13 to 24	25 to 36	over 36
		(Rupees)				
Claims not encashed	1,363,879	-	-	-	-	1,363,879

- 19.2 This balance includes unpaid dividend of Rs. 10.8 million (December 31, 2023: Rs. 4.7 million).

	Note	December 31 2024	December 31 2023
		(Rupees)	
<b>20. LEASE LIABILITIES</b>			
Buildings	20.1	33,427,514	43,590,791
<b>20.1 Buildings</b>			
Opening balance		43,590,791	756,685
Additions during the year		-	50,583,505
Unwinding of interest	31	6,270,997	7,247,584
Payments		(16,434,274)	(14,996,983)
Closing balance	20.2	33,427,514	43,590,791
<b>20.2 Tenure analysis</b>			
Current portion		13,869,518	10,163,276
Non-current portion		19,557,997	33,427,515
	20.4	33,427,515	43,590,791

- 20.3 The lease liabilities are discounted using incremental borrowing rate ranges from 17.5% to 23.5% (December 31, 2023: 17.5% to 23.5%).

- 20.4 The future minimum lease payments to which the Company is committed under the lease agreements and the periods in which they will become due are as follows:

	December 31, 2024		December 31, 2023	
	Lease payments of right of use assets	Present value of minimum lease payments	Lease payments of right of use assets	Present value of minimum lease payments
(Rupees)				
Not later than one year	18,007,210	13,869,518	16,434,273	19,770,863
Later than one year but not later than five year	20,861,190	19,557,997	38,868,400	23,819,928
Total lease liability	38,868,400	33,427,515	55,302,673	43,590,791
Financial charges allocable to the future periods	(5,440,885)	-	(11,711,882)	-
	33,427,515	33,427,515	43,590,791	43,590,791
Current portion	(13,869,518)	(13,869,518)	(10,163,276)	(10,163,276)
Non-current portion	19,557,997	19,557,997	33,427,515	33,427,515

**21. CONTINGENCIES AND COMMITMENTS**

- 21.1** The Assistant Commissioner, Sindh Revenue Board (SRB) issued a show cause notice (SCN) in 2022, whereby intending to recover Sindh Sales Tax (SST) of Rs. 262,407,049 on the entire General Takaful Contribution and input adjustments for the years 2014 and 2015. The company, on the ground that it has already discharged its liability on Sindh related contribution collected, has challenged the SCN before the Sindh High Court where the case is pending adjudication.

Further, SRB did not extend the exemption on health insurance which was available till June 30, 2023, hence making it taxable with effect from July 01, 2023 at the full rate of 13%. The company with other 7 health insurance/takaful providers challenged the levy of Sindh Sales Tax on Health Insurance/takaful in Hon'ble Sindh High Court (SHC).

- 21.2** The Assistant Commissioner, Sindh Revenue Board (SRB) issued a (SCN) dated June 30, 2020, for the short payment of Sindh Sales Tax (SST) of Rs. 57,556,406 on takaful premium and rebate from re-takaful operator in FY 2012 and 2013. The company has challenged the SCN being time barred before Sindh High Court (SHC), however SHC has dismissed the case further the company has challenged the SCN before the Higher Appellate Forum where the case is pending adjudication.
- 21.3** The Assistant Commissioner (AC) of the Sindh Revenue Board (SRB) issued an Order-in-Original in 2018 charging Sindh Sales Tax amounting to Rs. 34,781,597 on Re-takaful services procured from foreign Re-takaful operators for the period from July 2011 to May 2015. The company filed an appeal with the Commissioner (Appeals), SRB, who upheld the Original Order of AC. Subsequently, the Company preferred an appeal before the Appellate Tribunal, SRB, where the contention of the company was accepted and it was allowed to claim input tax adjustment on the foreign Re-Takaful contributions simultaneously declaring output tax in the monthly Sindh Sales Tax returns. The company, on the advice of its legal counsel, also filed a reference application before the Sindh High Court, which remains pending adjudication.

- 21.4** Commitments under ijarah arrangements and the year in which these payments will become due are:

	December 31, 2024	December 31, 2023
	(Rupees)	
Not later than one year	7,812,067	8,852,582
Later than one year but not later than five years	4,095,005	9,642,601
	<u>11,907,072</u>	<u>18,495,183</u>

		Participants' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
<b>22. CONTRIBUTION EARNED</b>	<b>Note</b>		
Written gross contribution		1,174,491,761	1,267,547,764
Wakala fee	30	(511,789,459)	(506,108,542)
Net written contribution		<u>662,702,302</u>	<u>761,439,222</u>
Unearned contribution reserve - opening		242,583,127	351,391,495
Unearned contribution reserve - closing		(234,480,594)	(242,583,127)
Contribution earned		<u>670,804,835</u>	<u>870,247,590</u>
Less:			
Re-takaful contribution ceded		323,919,959	282,564,394
Prepaid Re-takaful ceded - opening		93,444,837	86,458,410
Prepaid Re-takaful ceded - closing	15	(100,200,509)	(93,444,837)
Re-takaful expense		<u>(317,164,287)</u>	<u>(275,577,967)</u>
Net contribution earned		<u>353,640,548</u>	<u>594,669,623</u>



		Participants' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
<b>23. RE-TAKAFUL REBATE EARNED</b>	<b>Note</b>		
Rebate / commission received or recoverable		78,160,793	70,015,502
Unearned re-takaful rebate / commission - opening		25,830,129	18,488,094
Unearned re-takaful rebate / commission - closing		(26,167,837)	(25,830,129)
Rebate / commission from re-takaful		77,823,085	62,673,467
<b>24. NET TAKAFUL CLAIMS</b>			
Claims paid		625,637,418	843,021,306
Outstanding claims including IBNR - opening		(587,242,456)	(687,716,023)
Outstanding claims including IBNR - closing	24.1	509,807,876	587,242,456
Claims expense		548,202,838	742,547,739
Re-takaful and other recoveries received		224,798,662	154,093,550
Re-takaful and other recoveries in respect of outstanding claims - opening		(402,634,528)	(480,892,033)
Re-takaful and other recoveries in respect of outstanding claims - closing		324,808,973	402,634,528
Re-takaful and other recoveries revenue		(146,973,107)	(75,836,045)
		401,229,731	666,711,694
<b>24.1</b>	The Claim Development table is included in note 40.7 to the financial statements. It includes claims payable to related party amounting to Rs.0.165 million (December 31, 2023: Rs. 1.26 million).		
		Shareholders' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
<b>25. COMMISSION EXPENSE</b>			
Commission expense paid or payable		139,690,795	131,030,495
Deferred commission expense - opening		49,633,837	53,851,370
Deferred commission expense - closing		(52,107,104)	(49,633,837)
Commission expense		137,217,528	135,248,028
		Participants' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
<b>26. DIRECT EXPENSE</b>	<b>Note</b>		
Bank charges		343,032	218,824
Policy related expense and service charges		3,524,461	2,253,035
Re-takaful brokerage and third party service fee		1,638,156	2,452,187
Provision for doubtful balances net-off wakala refund	26.1	-	(3,636,637)
		5,505,649	1,287,409
<b>26.1 Provision for doubtful balances net-off wakala</b>			
Provision for refund of wakala fee	16.1	-	(3,636,637)
		-	(3,636,637)

	December 31, 2024		December 31, 2023	
	Shareholders' Fund	Participants' Takaful Fund	Shareholders' Fund	Participants' Takaful Fund
	(Rupees)		(Rupees)	
<b>27. INVESTMENT INCOME</b>				
Profit from bank placements - on term deposits	-	-	25,822,045	651,107
Profit from debt securities - available for sale - on sukuks	48,824,748	20,713,468	39,201,393	18,204,507
Net Realised gain - available for sale				
Realised gains on:				
- equity securities (mutual funds)	69,990,285	1,695,605	41,096,515	43,977
	69,990,285	1,695,605	41,096,515	43,977
Total investment income	118,815,033	22,409,073	106,119,953	18,899,591

<b>28. OTHER INCOME</b>				
Profit from bank placements - on bank balances	13,428,943	24,568,487	9,756,570	33,643,095
Miscellaneous Income				
- gain on disposal of operating fixed assets	4,560,600	-	514,449	-
- exchange (loss) / gain	(57,140)	-	290,197	-
- administrative income	645,224	-	521,799	-
- others	16,143	-	-	-
	5,164,827	-	1,326,445	-
	18,593,770	24,568,487	11,083,015	33,643,095

<b>29. MODARIB'S FEE</b>				
	December 31, 2024		December 31, 2023	
	Shareholders' Fund	Participants' Takaful Fund	Shareholders' Fund	Participants' Takaful Fund
	(Rupees)		(Rupees)	
Modarib fee income / (expense)	23,488,780	(23,488,780)	-	-

29.1 The takaful operator (SHF) also manages the PTF's bank balances and investments as Modarib. Modarib fee is charged at 50% (2023: Nil) on aggregate of income on bank balances and investment income earned by the PTF.

### 30. WAKALA FEE EXPENSE

Note	December 31, 2024			
	Wakala fee charged	Deferred wakala fee		Wakala expense
		Opening	Closing	
	(Rupees)			
30.1	507,912,762	212,142,943	208,266,246	511,789,459
	December 31, 2023			
	Wakala fee charged	Deferred wakala fee		Wakala expense
		Opening	Closing	
	(Rupees)			
	488,720,521	229,530,964	212,142,943	506,108,542

30.1 The Takaful operator (SHF) manages the general takaful operations for the PTF and charge 35% (2023: 35%) for fire and property, 35% (2023: 15.5%) for marine, aviation and transport, 55% (2023: 55%) for motor, 50% (2023: 50%) for engineering, 50% (2023: 50%) for other miscellaneous, and 15% (2023: 15%) for health of the gross contribution written net of administrative surcharge as wakala fee against the services.

		Shareholders' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
	Note		
<b>31. MANAGEMENT EXPENSES</b>			
Employees salaries and benefits cost	31.1	223,990,359	209,421,631
Shariah advisors' fee		926,160	926,160
Consultancy fee and actuarial services		2,887,025	1,766,996
Rent, rates and taxes		6,623,093	6,012,089
Utilities - electricity, gas and water		15,552,290	11,661,122
Communication - postage and telephone		4,581,615	4,369,511
Printing and stationery		2,531,688	4,196,771
Travelling, conference and seminar		4,300,764	3,692,247
Depreciation on operating fixed asset	9.1	8,040,640	6,132,984
Amortisation on intangible asset	10	4,966,052	5,545,167
Repairs and maintenance		2,617,125	1,597,034
Vehicles running		15,309,440	14,244,249
Car ijarah		5,999,836	5,615,513
Advertisement and sales promotion		5,967,094	5,625,767
Takaful contribution		5,946,702	6,683,771
Staff training and development		674,578	1,043,534
Commission supervision and related fee		2,028,498	1,701,975
Investment management and bank charges		3,119,074	2,093,702
Office expenses		3,754,425	3,159,362
Staff welfare and entertainment		4,100,119	4,855,916
IT and computer expenses		15,374,559	13,427,623
Inspection fee		2,860,669	2,400,324
Depreciation of right of use assets	9.2	12,645,876	12,463,728
Finance cost on lease liability	20	6,270,997	7,247,584
Others		101,079	74,442
		<b>361,169,757</b>	<b>335,959,202</b>
<b>31.1 Employee salaries and benefits cost</b>			
Salaries allowances and other benefits		217,364,119	203,093,359
Contribution to employee provident fund		6,626,240	6,328,272
		<b>223,990,359</b>	<b>209,421,631</b>
<b>32. DIRECT EXPENSES</b>			
Legal and professional		6,855,010	2,863,425
Fees and subscription		1,651,676	1,863,883
Auditors' remuneration	32.1	1,859,220	1,298,732
Provision for wakala refund	26.1	-	3,636,637
		<b>10,365,906</b>	<b>9,662,677</b>



	Note	Shareholders' Fund	
		December 31, 2024	December 31, 2023
		(Rupees)	
<b>32.1 Auditors' remuneration</b>			
Audit and related services			
Audit fee		900,000	600,000
Shariah audit fee		230,000	200,000
Regulatory returns		150,000	133,000
Code of corporate governance		150,000	133,000
Other certification		83,160	-
Out of pocket expense		346,060	232,732
		<b>1,859,220</b>	<b>1,298,732</b>
<b>33. TAXATION</b>			
Current			
- for the year		<b>52,743,106</b>	41,421,774
- prior year income		<b>(897,804)</b>	(394,784)
		<b>51,845,302</b>	41,026,990
Deferred	33.1	<b>(1,698,216)</b>	207,281
		<b>50,147,086</b>	<b>41,234,271</b>

**33.1** The Company has filed returns upto and including tax year 2024 which are deemed to have been assessed under Section 120 of the Income Tax Ordinance, 2001, unless selected for audit.

**33.2** Relationship between tax expense and accounting profit:

	December 31, 2024		December 31, 2023	
	(%)	(Rupees)	(%)	(Rupees)
Accounting profit before taxation		<b>163,933,851</b>		<b>142,441,603</b>
Tax at the applicable tax rate	29%	47,540,817	29%	41,308,065
Prior year tax (income) / charge	-0.55%	(897,804)	-0.28%	(394,784)
Super Tax	1.05%	1,728,177	0%	-
Others	1.08%	1,775,896	0.23%	320,990
	<b>31%</b>	<b>50,147,086</b>	<b>27%</b>	<b>41,234,271</b>

	Note	Shareholders' Fund	
		December 31, 2024	December 31, 2023
<b>34. EARNINGS PER SHARE - BASIC AND DILLUTED</b>			
Profit after tax - Shareholders' Fund (Rupees)		<b>113,786,765</b>	101,207,332
Weighted average number of ordinary shares (Number)	18	<b>50,922,601</b>	50,922,601
Earnings per share (Rupees)		<b>2.23</b>	1.99

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



**35. REMUNERATION OF EXECUTIVES**

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the CEO and executives of the Company are as follows:

	December 31, 2024		December 31, 2023	
	CEO	Executives	CEO	Executives
	(Rupees)			
Managerial remuneration	8,073,000	31,672,816	1,950,000	35,703,028
House rent	3,632,850	14,252,767	877,500	16,066,363
Utilities	714,150	2,801,826	172,500	3,158,345
Medical expenses	649,999	835,354	125,817	759,950
Conveyance and vehicle allowance	1,050,000	5,979,125	-	5,837,965
Staff retirement benefit (contribution plan)	780,000	2,613,136	281,457	2,020,835
Others	240,000	9,439,290	120,000	5,144,904
	<b>15,139,999</b>	<b>67,594,314</b>	<b>3,527,074</b>	<b>68,691,390</b>
	(Number)			
Persons	<b>1</b>	<b>18</b>	<b>1</b>	<b>19</b>

**35.1** Chief Executive Officer and some executives are provided free use of Company maintained cars, takaful cover and certain benefits in accordance with their entitlements.

**35.2** Executive mean employees other than Chief Executive and Directors, whose basic salary exceeds Rs. 1.20 million in a financial year.

**36. PROVIDENT FUND**

The Company operates approved contributory provident fund (the Fund) for its permanent employees. Following information is based on un-audited financial statements of the fund.

	(Un-audited) December 31, 2024	(Audited) December 31, 2023
Size of the fund - Total assets (Rupees)	6,355,614	5,561,977
Cost of the investments made (Rupees)	6,355,614	5,561,977
Percentage of the investments made (%)	100%	100%
Fair value of the investments (Rupees)	6,355,614	5,561,977

The break up of fair value of the investments is :

	December 31, 2024		December 31, 2023	
	(Rupees)	(%)	(Rupees)	(%)
Bank balances	6,355,614	100	5,561,977	100

The investments have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.





**37. RELATED PARTIES DISCLOSURES**

Related parties comprise of related group companies, companies with common directorship, associated companies, directors, key management personnel and staff retirement benefit fund. The Company carries out transactions with various related parties in the normal course of business. Details of transactions and balances with related parties, except as disclosed elsewhere in the financial statements, are as follows:

Name of related party	Relationship	Shareholding (%)
Pak Qatar Family Takaful Limited	Common directorship	Nil
Pak Qatar Asset Management Company Limited	Common directorship	Nil
Pak Qatar General Takaful Limited - Employees' Provident Fund	Provident fund	Nil
Pak-Qatar Investment (Private) Limited	Associate undertaking	42.48
Qatar International Islamic Bank	Associate undertaking	14.47
Qatar Islamic Insurance Company	Associate undertaking	11.63
Fawad Yusuf Securities (Private) Limited	Associate undertaking	6.04

	December 31 2024	December 31 2023
Transactions for the year	Note-----	(Rupees) -----

Name of related party	Relationship with the related party	Fund	Nature of transaction:		
Pak Qatar Family Takaful Limited	Entity with common directorship	SHF	Shared staff and branch expenses	55,128,884	48,156,595
		PTF	Claims paid against general takaful	690,850	74,000
		PTF	Contribution received against general takaful	1,159,327	350,640
		PTF	Claims received against group takaful	4,621,508	-
		PTF	Contribution paid against group takaful	1,337,786	1,811,581

Pak Qatar Asset Management Company Limited	Entity with common directorship	SHF	Investment advisory fee	2,934,721	2,023,248
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	Key management personnels	PTF	Claims paid	211,576	190,969
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Pak Qatar General Takaful Limited -	Employees provident fund	SHF	Contribution paid	6,482,102	6,325,275
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**Balances**

Name of related party	Relationship with the related party	Fund	Nature of balances		
Pak Qatar General Participant Takaful Fund	Fund under common management	SHF	Wakala and Modarib fee receivable from PTF	16	50,215,494
					198,813,952



## 38. SEGMENT INFORMATION

		December 31, 2024					
38.1	Description	Fire and Property	Marine, Aviation and Transport	Motor	Health	Miscellaneous	Total
		(Rupees)					
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>							
	Contribution receivable (inclusive of FED, FIF & admin surcharge)	287,801,822	189,484,743	662,052,769	140,525,956	80,855,110	1,320,390,200
	Less: Federal excise duty - FED	(31,324,542)	(18,850,886)	(74,612,125)	-	(9,365,969)	(134,153,521)
	Federal Insurance fee - FIF	(2,539,377)	(1,392,117)	(5,717,234)	(1,391,346)	(704,843)	(11,744,918)
	Gross written Contribution (inclusive of admin surcharge)	253,937,703	139,211,740	571,723,410	139,134,610	70,484,298	1,174,491,761
	Gross direct contribution	219,895,640	138,424,885	561,881,856	139,134,610	70,239,688	1,129,576,679
	Facultative inward contribution	33,773,143	513,489	9,818,798	-	149,710	44,255,140
	Administrative surcharge	258,920	273,366	22,766	-	94,900	689,942
	Gross written Contribution (inclusive of admin surcharge)	253,937,703	139,211,740	571,723,410	139,134,610	70,484,298	1,174,491,761
	Wakala fee	(89,389,857)	(50,394,490)	(318,127,711)	(21,489,547)	(32,387,854)	(511,789,459)
	Contribution net-off wakala	154,547,846	88,817,250	253,595,699	117,645,063	38,096,444	862,702,302
	Unearned contribution - opening	65,098,306	6,514,790	126,462,706	30,958,315	13,549,010	242,583,127
	Unearned contribution - closing	(63,973,285)	(3,234,958)	(123,441,692)	(27,474,791)	(16,355,858)	(234,480,594)
	Contribution earned	165,672,867	92,097,072	256,616,713	121,128,587	35,289,596	670,804,835
	Re-takaful expense	(179,286,070)	(69,869,767)	(30,930,551)	-	(37,077,899)	(317,164,287)
	Net Contribution earned	(13,613,203)	22,227,306	225,686,162	121,128,587	(1,788,303)	353,640,548
	Re-takaful rebate/income	46,522,500	20,873,315	459,887	-	9,967,313	77,823,085
	Net Underwriting income	32,909,397	43,100,620	226,146,019	121,128,587	8,179,010	431,463,633
	Takaful claims expense	(63,776,772)	(89,520,052)	(266,900,150)	(124,832,528)	(13,173,336)	(548,202,838)
	Re-takaful recovery on claims	49,575,295	50,895,474	32,034,099	-	14,168,235	146,673,107
	Net claims expense	(13,901,474)	(38,624,578)	(234,866,051)	(124,832,528)	994,900	(401,229,731)
	Contribution deficiency expense	(1,500,000)	-	-	3,000,000	(2,400,000)	(900,000)
	Direct expenses	(1,190,381)	(652,582)	(2,680,062)	(652,220)	(330,404)	(5,505,649)
	Net takaful claims and expense	(16,591,855)	(39,277,160)	(227,546,113)	(122,484,748)	(1,735,504)	(407,635,380)
	Underwriting result	16,317,542	3,823,460	(1,400,094)	(1,356,161)	6,443,505	23,828,253
	Investment income	-	-	-	-	-	22,409,073
	Other income	-	-	-	-	-	24,568,487
	Mudarib's Share	-	-	-	-	-	(23,488,780)
	Net investment income	-	-	-	-	-	23,488,780
	Surplus for the year	-	-	-	-	-	47,317,033
	Segment assets	432,069,974	104,316,934	275,696,149	37,017,199	66,023,254	915,123,510
	Unallocated assets	-	-	-	-	-	302,066,370
		-	-	-	-	-	1,217,189,880
	Segment liabilities	339,574,119	96,268,697	249,898,330	50,718,933	49,896,235	786,456,314
	Unallocated liabilities	-	-	-	-	-	274,367,108
		-	-	-	-	-	1,060,823,422
<b>SHAREHOLDERS' FUND (SHF)</b>							
	Wakala income	89,389,857	50,394,490	318,127,711	21,489,547	32,387,854	511,789,459
	Commission expense	(47,453,198)	(22,738,256)	(55,955,569)	(2,093,403.7)	(5,977,111)	(137,217,528)
	Management expenses	(78,088,771)	(42,809,215)	(175,811,540)	(42,785,497)	(21,674,735)	(361,169,758)
		(36,152,112)	(15,152,981)	(86,360,612)	(26,482,757)	1,736,008	(13,402,174)
	Other expenses	-	-	-	-	-	(10,365,906)
	Investment income	-	-	-	-	-	118,815,033
	Mudarib share of PTF investment income	-	-	-	-	-	23,488,780
	Other income	-	-	-	-	-	18,593,770
	Profit before tax	-	-	-	-	-	163,933,851
	Provision for Taxation	-	-	-	-	-	(50,147,086)
	Profit after tax	-	-	-	-	-	113,786,765
	Segment assets	18,207,683	810,454	28,054,959	516,821	4,517,187	52,107,104
	Unallocated assets	-	-	-	-	-	1,118,998,416
		-	-	-	-	-	1,171,105,520
	Segment liabilities	48,423,909	3,429,433	158,475,468	11,173,793	20,400,409	241,903,012
	Unallocated liabilities	-	-	-	-	-	199,796,808
		-	-	-	-	-	441,699,820

38.2

	December 31, 2023					
Description	Fire and Property	Marine, Aviation and Transport	Motor	Health	Miscellaneous	Total
(Rupees)						
<b>PARTICIPANTS' TAKAFUL FUND (PTF)</b>						
Contribution receivable (inclusive of FED, FIF & admin surcharge)	270,290,425	129,030,272	848,838,070	283,188,095	74,143,106	1,405,489,968
Less: Federal excise duty - FED	(29,105,331)	(13,992,413)	(74,573,442)	-	(8,077,094)	(125,748,280)
Federal insurance fee - FIF	(2,057,516)	(1,132,763)	(5,592,006)	(2,803,843)	(607,796)	(12,193,924)
Gross written Contribution (inclusive of admin surcharge)	239,127,578	113,905,096	568,672,622	280,384,252	65,458,216	1,267,547,764
Gross direct contribution	205,751,622	113,276,339	559,200,602	280,384,252	60,779,564	1,219,392,379
Facultative inward contribution	33,100,472	425,411	9,438,832	-	4,583,085	47,547,800
Administrative surcharge	275,484	203,346	33,188	-	95,567	607,585
Gross written Contribution (inclusive of admin surcharge)	239,127,578	113,905,096	568,672,622	280,384,252	65,458,216	1,267,547,764
Wakala fee	(81,220,840)	(14,187,054)	(316,980,709)	(60,574,271)	(33,145,668)	(506,108,542)
Contribution net-off wakala	157,906,738	99,718,042	251,691,913	219,809,981	32,312,548	761,439,222
Contribution earned	156,981,494	99,478,204	255,152,020	324,762,074	33,873,798	870,247,590
Re-takaful expense	(155,403,531)	(54,805,418)	(31,393,959)	-	(33,975,059)	(275,577,967)
Net Contribution earned	1,577,963	44,672,786	223,758,061	324,762,074	(101,261)	594,669,623
Re-takaful rebate/income	36,249,118	18,161,260	428,379	-	9,834,711	62,673,467
Net Underwriting income	37,827,081	60,834,046	224,186,440	324,762,074	9,733,450	657,343,090
Takaful claims expense	(25,923,363)	(33,085,065)	(255,269,213)	(419,817,218)	(8,452,278)	(742,547,739)
Re-takaful recovery on claims	23,649,249	30,191,255	13,228,583	-	8,768,978	75,836,045
Net claims expense	(2,274,114)	(2,894,410)	(242,040,630)	(419,817,218)	316,700	(669,711,694)
Contribution deficiency expense	-	-	-	288,787	(1,600,000)	(1,311,213)
Direct expenses	(242,874)	(115,690)	(577,583)	(284,778)	(66,484)	(1,287,409)
Net takaful claims and expense	(2,516,990)	(3,010,100)	(242,620,233)	(419,813,209)	(1,349,784)	(669,310,316)
Underwriting result	35,310,091	57,823,946	(18,433,793)	(95,051,135)	8,383,666	(11,967,226)
Investment income and other income						52,542,686
Less: Modarib's Share						-
Net investment income						52,542,686
Surplus for the year						40,575,460
Segment assets	525,215,541	111,798,551	227,191,981	37,936,667	58,458,369	958,601,109
Unallocated assets	-	-	-	-	-	447,991,258
						1,406,592,367
Segment liabilities	460,573,872	59,558,366	219,616,504	78,720,980	52,285,983	870,755,705
Unallocated liabilities	-	-	-	-	-	426,974,112
						1,297,729,817
<b>SHAREHOLDERS' FUND (SHF)</b>						
Wakala income	81,220,840	14,187,054	316,980,709	60,574,271	33,145,668	506,108,542
Commission expense	(46,861,404)	(17,304,483)	(56,535,490)	(4,751,627)	(9,795,024)	(135,248,028)
Management expenses	(63,379,947)	(30,190,156)	(150,724,735)	(74,314,888)	(17,349,478)	(335,959,202)
	(29,020,511)	(33,307,585)	(109,720,484)	(18,492,244)	6,001,168	34,901,312
Other expenses						(9,662,677)
Investment income						106,119,953
Modarib share of PTF investment income						-
Other income						11,083,015
Profit before tax						142,441,603
Provision for Taxation						(41,234,271)
Profit after tax						101,207,332
Segment assets	17,943,305	1,543,446	25,886,538	385,426	3,875,122	49,633,837
Unallocated assets	-	-	-	-	-	1,007,353,853
						1,056,987,690
Segment liabilities	49,029,600	5,195,491	162,167,819	11,793,148	17,593,562	245,779,710
Unallocated liabilities	-	-	-	-	-	156,304,380
						402,084,090



**39. MOVEMENT IN INVESTMENTS**

	Held to maturity	Available for sale (Rupees)	Total
Cost as on Jan 01, 2023	215,000,000	494,431,412	709,431,412
Addition	-	1,540,190,770	1,540,190,770
Disposal (sale and redemption)	(215,000,000)	(1,398,751,429)	(1,613,751,429)
At end of previous year - cost	-	635,870,753	635,870,753
Fair value gain	-	1,928,580	1,928,580
Carrying value as on Dec 31, 2023	-	637,799,333	637,799,333
Cost as on Jan 01, 2024	-	635,870,753	635,870,753
Addition	-	2,587,753,971	2,587,753,971
Disposal (sale and redemption)	-	(2,261,089,996)	(2,261,089,996)
At end of current year - cost	-	962,534,728	962,534,728
Fair value gain	-	18,506,910	18,506,910
Carrying value as on Dec 31, 2024	-	981,041,638	981,041,638

**40. TAKAFUL RISK MANAGEMENT****40.1 Takaful risk**

The Participants' Takaful Fund (PTF) issues general takaful contracts which can be classified in following segments:

- Fire and property;
- Marine, aviation and transport;
- Motor;
- Health; and
- Miscellaneous.

The risk under any takaful contract is the possibility of occurrence of takaful event and there is an uncertainty of the amount of claim resulting from occurrence of the event. PTF also faces a risk under takaful contracts that the actual claims payments or timing thereof differs from expectations. This is influenced by frequency of claims, severity of claims, actual claim paid, litigation and subsequent adverse development of long-term claims. In general takaful contracts, the most significant risks arise from climate changes, natural disasters, terrorism and other catastrophes. By the vary nature of a takaful contract, this risk is random and therefore unpredictable. The objective is to ensure that sufficient reserves are available to cover these liabilities.

The Board recognises the critical importance of having efficient and effective risk management systems in place. For this, underwriting, claim, re-takaful, cotakaful, and risk management and compliance committees are formed to monitor the core business activities. This is further supplemented with a clear organisational structure which has delegated authorities and responsibilities from the Board to executive management. The Audit Committee is assisted in its oversight role by an Internal Audit function. Internal Audit undertakes review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The PTF manages these risks through its underwriting strategy, adequate re-takaful 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. Factors that aggravate takaful risk include lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered. The PTF underwrites mainly property, motor, marine cargo and transportation, health and other miscellaneous business. 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 insurance risk.

The Participants' Takaful Fund (PTF) risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage, diversify, and monitoring of risk. PTF has limited its exposure by imposing limits to the maximum risk exposure in a single takaful contract in each class of business and also by limiting maximum risk exposure for particular segment / industry. This framework includes implementation of underwriting strategies which aim to ensure the careful selection of takaful contracts and the diversification in terms of portfolio, type and amount of the risk. Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Company has the right not to renew individual policies, 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. Adequate re-takaful is arranged to mitigate the effect of the potential loss from individual and large or catastrophic events covered under takaful contracts.

Re-takaful arrangements in place include facultative and treaty arrangements, on proportional and non-proportional basis and also include catastrophe & terrorism cover. The effect of such re-takaful arrangements is that the Company may not suffer ultimate net takaful losses beyond the Company's risk appetite in any one year. The Company's arrangement of re-takaful is diversified such that it is neither dependent on a single re-takaful operator nor the operations of the Company are substantially dependent upon any single re-takaful contract. The Company obtains re-takaful cover from companies with good financial health. Further, in order to reduce the risk exposure of the PTF, the Company adopts proactive claim handling procedures and strict claim review policies including active management and prompt pursuing of the claims, periodic detailed review of claim handling procedures and frequent investigation of possible false claims.

The company amortises the re-takaful ceded and rebate as disclosed in respective statements and notes. However, the gross result of re-takaful buying is summarised as follows:

	December 31, 2024	December 31, 2023
	(Rupees)	
Gross re-takaful ceded	(323,919,959)	(282,564,394)
Re-takaful recovery in claims	146,973,107	75,836,045
Gross rebate on ceding	77,823,085	62,673,467
Gross loss	(99,123,767)	(144,054,882)

#### 40.2 Concentration of takaful risk

Concentration of risk may arise from a significant single takaful risk coverage of a particular participant within a same geographical location or may arise from multiple risk covered in same geographical locations or may also arise from multiple risk coverage of significant amount pertaining to same industry. In order to minimize the financial exposure arising from large claims, the Company, in the normal course of business, enters into agreement with other re-takaful operators, who are dispersed over several geographical regions.

The Company also monitors concentration of risk by evaluating multiple risks covered in the same geographical location. For fire and property risk, a particular building and neighboring buildings, which could be affected by a single claim incident may create concentration due to single location. For earthquake risk, a complete city may be classified as a single location. Similarly, for marine risk, multiple risks covered in a single vessel voyage may be considered as a single risk while assessing concentration of risk. The Company evaluates the concentration of exposures to individual and cumulative takaful risks and establishes its re-takaful cover to reduce such exposures to levels acceptable to the

The table below sets out the concentration and severity of the outstanding claims liabilities (in percentage terms) by class of business at reporting date:

Class	2024		2023	
	Gross claim liability	Net claim liability	Gross claim liability	Net claim liability
	(%)	(%)	(%)	(%)
Fire and property	48	15.2	62	22.9
Marine	18	15.8	9	4.8
Motor	25	53.7	16	41.1
Health	5	12.6	8	24.2
Miscellaneous	5	2.7	6	6.9
	100	100	100	100



#### 40.3 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, violence, strike, explosion, earthquake, atmospheric damage, hurricanes / cyclone, 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). The tables in above para prescribe severity and concentration with respect to class of business and the Company risk management measures have also been described above.

Takaful contracts which is divided into direct and facultative arrangements are further subdivided into segments; fire and property, marine, aviation and transport, motor and miscellaneous. The takaful 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 covered properties / assets. The Company underwrites takaful contracts in Pakistan.

The PTF's class wise major risk exposure within a single policy is as follows:

	December 31, 2024			December 31, 2023		
	Maximum Gross Risk Exposure	Maximum Re-takaful Cover	Highest Net Risk Retention	Maximum Gross Risk Exposure	Maximum Re-takaful Cover	Highest Net Risk Retention
	(Rupees)			(Rupees)		
<b>Class</b>						
Fire and property	1,000,000,000	970,000,000	30,000,000	797,125,310	772,125,310	25,000,000
Marine	638,134,746	629,134,746	9,000,000	330,000,000	321,000,000	9,000,000
Motor	45,000,000	43,000,000	2,000,000	25,000,000	23,500,000	1,500,000
Miscellaneous	60,548,024	56,915,143	3,632,881	219,800,000	208,810,000	10,990,000

The Company manages these risks through its underwriting strategy, adequate re-takaful 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. Takaful 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 covered on occurrence of the covered event.

The Company has entered into re-takaful cover / arrangements, with foreign re-takaful operators having good credit rating by reputable rating agencies, 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 treaty and facultative re-takaful arrangements are in place to protect the net account in case of a major catastrophe. The effect of such re-takaful arrangements is that the Company recovers the share of claims from re-takaful companies thereby reducing its exposure to risk. Apart from the adequate event limit which is as per the treaty capacity or the primary recovery from the proportional re-takaful arrangements, any loss over and above the said limit would be recovered under non-proportional treaty and facultative re-takaful which is very much in line with the risk management philosophy of the Company.

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

#### 40.4 Sources of uncertainty in the estimation of future claims payment

The key source of estimation uncertainty at the reporting date relates to valuation of outstanding claims, whether reported or not, and includes expected claims settlement costs. Considerable judgment by management is required in the estimation of amounts due to policyholders arising from claims made under takaful contracts. Such estimates are necessarily based on assumptions about several factors involving varying and possibly significant degrees of judgment and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated liabilities. Qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example one-off occurrence, changes in market factors such as public attitude to claiming and economic conditions. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. In particular, estimates have to be made for the expected ultimate cost of claims reported and claims incurred but not enough reported (IBNR) at the reporting date, and for the expected ultimate cost of claims incurred but not reported (IBNR) at the reporting date.

Liability in respect of outstanding claims is based on the best estimate of the claims intimated. In calculating the estimated cost of unpaid claims (both reported and not), the Company's estimation techniques are based on management professional judgements, preliminary survey assessments, loss-ratio-based estimates and information of claims with similar characteristics related to previous periods. Reported claims and development of large losses / catastrophes and disputed claims are 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, re-takaful 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 amount in relations 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.

#### 40.5 Process used to decide on assumptions

The risks associated with takaful contracts are complex and subject to a number of variables that complicate quantitative sensitivity analysis. This risk exposure is geographically concentrated in Pakistan only. 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 claims reports, surveyor's report for particular claim and screening of the actual takaful contracts carried out to derive data for the contracts held.

The principal assumptions underlying the liability estimation of IBNR and deficiency reserve is that the PTF's future claim developments will follow current pattern for occurrence and reporting. This includes assumptions in respect of loss ratio, expense of claim settlement and provision for IBNR. The management uses judgements to assess the extent to which past occurrence and reporting pattern will not apply in future. The judgements includes external factor for example treatment of one off claim, changes in market factor and economic condition. The internal factor such as portfolio mix, policy conditions and claim handling procedure are also considered in this regard. However, uncertainty prevails with estimated deficiency reserve, claim liability including IBNR and it is likely that final settlement of these liabilities may be different from initial recognized amount. As the PTF enters into short term takaful contracts, it does not assume any significant impact of changes in market conditions on unexpired risks. The Company does not assume significant change in assumptions for the takaful contracts. For health class, provision for outstanding claim, IBNR, unearned contribution and contribution deficiency are based on advice of actuary.

The expected net claim (to net contribution gross up of wakala) ratio, for unexpired period of policy at reporting date for each class of business is as follows:

Class	December 31, 2024	December 31, 2023
	(%)	
Fire and property	18	3
Marine	53	5
Motor	41	45
Miscellaneous	3	1



**40.6 Sensitivity analysis**

The analysis of risk exposure, concentration and severity of outstanding claim liability described in supra paras 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 takaful contracts are complex and subject to a number of variables which complicate quantitative sensitivity analysis. The Company considers that the liability for takaful claims recognised in the statement of financial position is adequate. However, these amounts are not certain and actual payments may differ from the claims liabilities provided in the financial statements.

The estimated results of sensitivity testing, assuming 10% change in the gross outstanding claim liability as at balance sheet date, on gross underwriting results is set out below:

	December 31, 2024	December 31, 2023
	(Rupees)	
<b>Effect on Underwriting Results</b>		
10% increase in gross outstanding claims liability	50,980,788	58,724,246
10% decrease in gross outstanding claims liability	(50,980,788)	(58,724,246)

**40.7 Claim development table - 2024**

The Company maintains adequate reserves in respect of its takaful business in order to protect against adverse future claims experience and developments. The uncertainties about the amount and timing of claim payments are normally resolved within one year. Claims which involve litigation and, in the case of marine, general average adjustments take longer for the final amounts to be determined which may exceed one year. All amounts are presented in gross numbers before re-takaful.

The following table shows the development of gross claims over a period of time. The disclosure goes back to the period when the outstanding claim arose for which there was uncertainty about the amount and timing of the claims payments.

Accident year	2019	2020	2021	2022	2023	2024
	(Rupees)					
<b>Estimate of ultimate claim cost</b>						
At the end of :						
Accident year	396,674,059	322,557,343	391,859,331	962,940,286	795,454,487	593,515,156
One year later	359,394,171	321,371,961	358,487,819	936,298,064	793,110,155	-
Two years later	377,793,863	311,937,243	358,729,533	900,954,078	-	-
Three years later	370,115,756	303,440,890	351,592,102	-	-	-
Four years later	361,558,515	303,019,893	-	-	-	-
Five years later	361,173,075	-	-	-	-	-
Six years later	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-
<b>Current estimate of cumulative claims</b>	<b>361,173,075</b>	<b>303,019,893</b>	<b>351,592,102</b>	<b>900,954,078</b>	<b>793,110,155</b>	<b>593,515,156</b>
<b>Cumulative payments to date</b>	<b>(357,807,241)</b>	<b>(294,301,289)</b>	<b>(342,210,682)</b>	<b>(732,224,194)</b>	<b>(767,091,164)</b>	<b>(348,007,744)</b>
<b>Liability recognised in SOFP</b>	<b>3,365,834</b>	<b>8,718,604</b>	<b>9,381,420</b>	<b>168,729,884</b>	<b>26,018,991</b>	<b>245,507,412</b>

**Claim development table - 2023**

Accident year	2018	2019	2020	2021	2022	2023
	(Rupees)					
<b>Estimate of ultimate claim cost</b>						
At the end of :						
Accident year	448,263,297	396,674,059	322,557,343	391,859,331	962,940,286	795,454,487
One year later	414,840,252	359,394,171	321,371,961	358,487,819	936,298,064	-
Two years later	408,811,998	377,793,863	311,937,243	358,729,533	-	-
Three years later	419,346,634	370,115,756	303,440,890	-	-	-
Four years later	417,002,468	361,558,515	-	-	-	-
Five years later	409,743,513	-	-	-	-	-
Six years later	-	-	-	-	-	-
<b>Current estimate of cumulative claims</b>	<b>409,743,513</b>	<b>361,558,515</b>	<b>303,440,890</b>	<b>358,729,533</b>	<b>936,298,064</b>	<b>795,454,487</b>
<b>Cumulative payments to date</b>	<b>(408,737,326)</b>	<b>(353,699,645)</b>	<b>(293,711,170)</b>	<b>(338,679,659)</b>	<b>(639,414,669)</b>	<b>(590,590,962)</b>
<b>Liability recognised in SOFP</b>	<b>1,006,187</b>	<b>7,858,870</b>	<b>9,729,720</b>	<b>20,049,874</b>	<b>296,883,395</b>	<b>204,863,525</b>

#### 40.8 Re-takaful risk

In order to minimise the financial exposure arising from claims, the Company, in the normal course of business, enters into agreement with other parties for re-takaful purposes. Re-takaful ceded does not relieve the PTF from its obligation to takaful contract holders and as a result the PTF remains liable for the portion of outstanding claims covered under re-takaful to the extent that re-takaful company fails to meet the obligation under the re-takaful agreements.

The credit quality of amount due from other takaful and re-takaful including recovery from re-takaful against outstanding claims is presented in credit risk note 41.5.

### 41. FINANCIAL RISK MANAGEMENT

#### 41.1 Financial risk

The Company has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (comprising of currency risk, interest rate risk and other price risk). The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Board has overall responsibility for establishment and oversight of the Company's risk management framework. There are Board Committees and Management Committees for developing and monitoring the risk management policies.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### 41.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. In respect of major loss event, there is also a liquidity risk associated with the timing differences between gross cash out flows and expected reinsurance recoveries. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. It includes measuring and monitoring the future cash flows on daily, monthly and quarterly basis. The diversified funding sources and assets of the Company are managed, maintaining a sufficient balance of cash and cash equivalents, readily marketable securities and financial assets that can be easily liquidated in the event of an unforeseen interruption to cash flows.

	December 31, 2024		December 31, 2023	
	Carrying amount	Contractual cash flows upto one year	Carrying amount	Contractual cash flows upto one year
	(Rupees)			
<b>Non-derivative financial liabilities</b>				
Outstanding claims including IBNR	509,807,876	509,807,876	587,242,456	587,242,456
Takaful / re-takaful payables	200,432,560	200,432,560	197,783,297	197,783,297
Other creditors and accruals	169,989,639	169,989,639	137,842,816	137,842,816
Lease Liability	33,427,515	13,869,518	43,590,791	19,770,863
	<b>913,657,590</b>	<b>894,099,593</b>	<b>966,459,360</b>	<b>942,639,432</b>





## Maturity profile and profit sensitivity of financial assets and liabilities

		December 31, 2024						
Tentative profit %		Profit bearing			Non-profit bearing			
		Maturity up to one year	Maturity after one year	Sub Total	Maturity up to one year	Maturity after one year	Sub Total	
		(Rupees)						Total
<b>FINANCIAL ASSETS</b>								
8 - 10	Cash, stamp and bank investments	284,809,544	-	284,809,544	3,675,758	-	3,675,758	288,485,302
10 - 13	Takaful / re-takaful receivables	335,230,165	388,395,000	723,625,165	257,416,473	-	257,416,473	981,041,638
	Re-takaful recoveries against outstanding claims	-	-	-	281,847,782	-	281,847,782	281,847,782
	Loans and other receivables	-	-	-	324,808,973	-	324,808,973	324,808,973
		620,039,709	388,395,000	1,008,434,709	888,077,807	-	888,077,807	1,896,512,516
<b>FINANCIAL LIABILITIES</b>								
	Outstanding claims including IBNR	-	-	-	509,807,876	-	509,807,876	509,807,876
	Takaful / re-takaful payables	-	-	-	200,432,560	-	200,432,560	200,432,560
	Other creditors and accruals	-	-	-	169,989,639	-	169,989,639	169,989,639
	Lease liabilities	-	-	-	13,869,518	19,557,997	33,427,515	33,427,515
		-	-	-	894,099,593	19,557,997	913,657,590	913,657,590
<b>FINANCIAL ASSETS</b>								
11.85 - 19.5	Cash, stamp and bank investments	491,815,219	-	491,815,219	2,257,706	-	2,257,706	494,072,925
14 - 26	Takaful / re-takaful receivables	-	253,522,500	253,522,500	384,276,833	-	384,276,833	637,799,333
	Re-takaful recoveries against outstanding claims	-	-	-	250,378,801	-	250,378,801	250,378,801
	Loans and other receivables	-	-	-	402,634,528	-	402,634,528	402,634,528
		491,815,219	253,522,500	745,337,719	30,034,565	-	30,034,565	30,034,565
					1,069,582,433	-	1,069,582,433	1,814,920,152
<b>FINANCIAL LIABILITIES</b>								
	Outstanding claims including IBNR	-	-	-	587,242,456	-	587,242,456	587,242,456
	Takaful / re-takaful receivables	-	-	-	197,783,297	-	197,783,297	197,783,297
	Other creditors and accruals	-	-	-	137,842,816	-	137,842,816	137,842,816
	Lease liabilities	-	-	-	10,163,276	33,427,515	43,590,791	43,590,791
		-	-	-	933,031,845	33,427,515	966,459,360	966,459,360



**41.4 Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company manages its exposure to such risks by maintaining a diversified portfolio comprising of sukuk and Islamic mutual funds.

**41.5 Credit risk and concentration of 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 and investments. The Company is mainly exposed to credit risk on contribution due but unpaid, amount due from other takaful / re-takaful and bank balances. The Company attempts to control credit risk by monitoring credit exposures with counterparties and by continually assessing the credit worthiness of counterparties.

Concentration of credit risk arises when a number of counterparties have a similar type of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet contractual obligations in similar manner. Due to the nature of financial assets, the Company believes it is not exposed to any major concentration of credit risk.

**Exposure to credit risk**

The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counter party, or groups of counterparties, and to geographical and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk in investments and bank deposits are approved by the Investment Committee.

Re-takaful is used to manage takaful risk. This does not, however, discharge the Company's liability as primary takaful operator. If a Re-takaful operator fails to pay a claim for any reason, the Company remains liable for the payment to the participant. The creditworthiness of re-takaful operators is considered on an annual basis by reviewing their financial strength.

Exposures to individual participants and groups of participants are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual participants, or homogenous groups of participants, a financial analysis is similar to that conducted for Re-takaful operators is carried out by the Company's risk department.

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

	December 31, 2024	December 31, 2023
	(Rupees)	
<b>Financial assets</b>		
Bank balances	286,254,401	492,587,322
Investments	981,041,638	637,799,333
Takaful / re-takaful receivable	281,847,782	250,378,801
Re-takaful recoveries against outstanding claims	324,808,973	402,634,528
Loans and other receivables	20,328,821	30,034,565
	<b>1,894,281,615</b>	<b>1,813,434,549</b>

The management monitors exposure to credit risk in contribution receivable from customers through regular review of credit exposure and prudent estimates of provisions for doubtful receivables. As at December 31, 2023, the takaful contribution receivable (net-off provision for doubtful debts) includes amount receivable within one year and above one year amounting to Rs. 274 million (2023: Rs. 241.7 million) and Rs. 7.8 million (2023: Rs. 8.6) respectively.

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

Rating	December 31, 2024	December 31, 2023
	(Rupees)	
A1+	35,129,962	103,510,293
A1	2,975,972	18,860,967
A2	391,107	3,502,605
A-1+	247,410,653	366,663,523
A-1	-	49,914
A-2	317,825	-
A-	28,881	-
	<b>286,254,401</b>	<b>492,587,322</b>

The credit quality of amounts due from other takaful / re-takaful and claim recoveries from re-takaful against outstanding claims can be assessed with reference to external credit ratings as follows:

Rating	December 31, 2024			December 31, 2023		
	Re-takaful recoveries against outstanding claims	Amount due from other takaful / re-takaful operators	Prepaid re-takaful	Re-takaful recoveries against outstanding claims	Amount due from other takaful / re-takaful operators	Prepaid re-takaful
	(Rupees)					
A or above	251,726,954	-	77,655,394	322,107,622	-	67,005,268
B+	73,082,019	-	22,545,115	80,526,906	-	19,453,142
	<b>324,808,973</b>	<b>-</b>	<b>100,200,509</b>	<b>402,634,528</b>	<b>-</b>	<b>86,458,410</b>

As at December 31, 2024, the aggregate of amounts due from other takaful / re-takaful, prepaid re-takaful and re-takaful recoveries against outstanding claims include amount receivable within one year and above one year amounting to Rs. 205 million (2023: Rs. 162 million) and Rs. 220 million (2023: Rs. 327 million) respectively.

#### 41.6 Foreign exchange risk / currency risk

Currency risk is the risk that the value of a financial asset or liability will fluctuate due to changes in foreign currency rates. Foreign exchange risk arises mainly where receivables and payables exist due to transactions in foreign currencies. As the Company had no material assets or liabilities in foreign currencies at the year end, the Company is not materially exposed to foreign exchange risk.



#### 41.7 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations, either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its objective of generating returns for stake holders.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risk faced and the adequacy of controls and procedures to address the risk identified;
- ethical and business standards;
- risk mitigation, including takaful where this is effective.

Management ensures that the company's staff have adequate training and experience and fosters effective communication related to operational risk management.

#### 41.8 Fair value of financial instruments

IFRS 13 defines fair value as an exit price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

The fair values of all the financial instruments are estimated to be not significantly different from their carrying values except for available for sale investments whose fair values have been disclosed in note 11.1 to the financial statements.

##### Fair value hierarchy

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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). |
| Level 3:  | Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).   |

Assets which are not measured at fair values hierarchy are as follows:





Following are the assets measured at fair value

	December 31, 2024							
	Carrying amount			Fair value				
	Available for sale	Loans and other receivables	Other financial assets	Other financial liabilities	Level 1	Level 2	Level 3	Total
	(Rupees)							
Financial assets - measured at fair value								
Investments - Sukuks	388,395,000	-	-	-	388,395,000	-	-	388,395,000
Investments - Open-end mutual fund units	592,646,638	-	-	-	592,646,638	-	-	592,646,638
Financial assets - not measured at fair value*								
Cash and bank balances	-	-	288,485,302	-	-	-	-	-
Takaful / re-takaful receivables	-	281,847,782	-	-	-	-	-	-
Re-takaful recoveries against outstanding claims	-	324,808,973	-	-	-	-	-	-
Loans and other receivables	-	20,328,821	-	-	-	-	-	-
	981,041,638	626,985,576	288,485,302	-	981,041,638	-	-	981,041,638
Financial liabilities - not measured at fair value*								
Provision for outstanding claims including IBNR	-	-	-	509,807,876	-	-	-	-
Takaful / re-takaful payables	-	-	-	200,432,560	-	-	-	-
Other creditors and accruals	-	-	-	169,989,639	-	-	-	-
Lease Liabilities	-	-	-	33,427,515	-	-	-	-
	-	-	-	913,657,590	-	-	-	-

	December 31, 2023				
	Carrying amount		Fair value		
	Available for sale	Loans and other receivables	Other financial assets	Other financial liabilities	Total
	(Rupees)				
<b>Financial assets - measured at fair value</b>					
Investments - Sukuks	253,522,500	-	-	-	253,522,500
Investments - Open-end mutual fund units	384,276,833	-	-	-	384,276,833
<b>Financial assets - not measured at fair value*</b>					
Investments - TDRs	-	-	-	-	-
Cash and bank balances	-	-	494,072,925	-	494,072,925
Takaful / re-takaful receivables	-	250,378,801	-	-	250,378,801
Re-takaful recoveries against outstanding claims	-	402,634,528	-	-	402,634,528
Loans and other receivables	-	30,034,565	-	-	30,034,565
	637,799,333	683,047,894	494,072,925	-	1,814,920,152
					637,799,333
<b>Financial liabilities - not measured at fair value*</b>					
Provision for outstanding claims including IBNR	-	-	-	587,242,456	587,242,456
Takaful / re-takaful payables	-	-	-	197,783,297	197,783,297
Other creditors & accruals	-	-	-	137,842,816	137,842,816
Lease Liabilities	-	-	-	43,590,791	43,590,791
	-	-	-	966,459,360	966,459,360
					-

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

#### 41.9 Capital Management

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

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

Currently, Company has a paid-up capital of Rs. 509.23 million against the minimum required paid-up capital of Rs. 500 million set by the commission for the insurance companies / takaful operators for the year ended December 31, 2024.

#### 42. SUBSEQUENT EVENTS

There are no adjusting events subsequent to year end.



## 43. NUMBER OF EMPLOYEES

At year end  
Average during the year

December 31, 2024	December 31, 2023
(Number)	
123	125
124	124

## 44. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and reclassified wherever necessary for better presentation and disclosure.

## 45. GENERAL

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

## 46. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on April 09, 2025 by the Board of Directors of the Company.



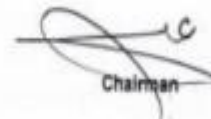
Chief Executive Officer




Director



Director



Chairman

6.5. LATEST MANAGEMENT ACCOUNTS AS AT 30<sup>th</sup> SEPTEMBER 2025

## PAK-QATAR GENERAL TAKAFUL LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2025

		September 30, 2025 (unaudited)			December 31, 2024 (audited)		
Note	Shareholders' Fund	Participants' Takaful Fund	Aggregate	Shareholders' Fund	Participants' Takaful Fund	Aggregate	
Rupees							
<b>ASSETS</b>							
Property and equipment	9	51,764,580	-	51,764,580	61,220,099	-	61,220,099
Intangible assets	10	8,344,127	-	8,344,127	10,895,042	-	10,895,042
		60,108,707	-	60,108,707	72,115,141	-	72,115,141
Investments	11						
Equity securities - mutual funds		670,417,511	-	670,417,511	592,646,638	-	592,646,638
Debt securities - sukuks		275,700,900	122,095,000	397,795,900	201,300,000	187,095,000	388,395,000
		-	-	-	-	-	-
		946,118,411	122,095,000	1,068,213,411	793,946,638	187,095,000	981,041,638
Deferred tax asset		-	-	-	-	-	-
Loans and other receivables	12	19,060,294	4,605,352	23,665,646	17,883,121	7,084,293	24,967,414
Takaful / retakaful receivables	13	-	347,311,927	347,311,927	-	281,847,782	281,847,782
Retakaful recoveries against outstanding claims	22	-	250,899,080	250,899,080	-	324,808,973	324,808,973
Deferred commission expense	24	67,115,882	-	67,115,882	52,107,104	-	52,107,104
Taxation - payment less provisions		-	4,239,797	4,239,797	-	4,239,797	4,239,797
Prepayments	14	-	149,699,991	149,699,991	-	100,200,509	100,200,509
Wakala & modarib receivable	15	42,441,518	-	42,441,518	50,215,494	-	50,215,494
Deferred wakala fee		-	275,481,153	275,481,153	-	208,266,246	208,266,246
Cash and Bank	16	227,793,049	181,581,723	409,374,772	184,838,022	103,647,280	288,485,302
		-	-	-	-	-	-
<b>Total Assets</b>		<b>1,362,637,861</b>	<b>1,335,914,023</b>	<b>2,698,551,884</b>	<b>1,171,105,520</b>	<b>1,217,189,880</b>	<b>2,388,295,400</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Shareholders' Fund (SHF) EQUITY</b>							
<b>Capital and Reserves</b>							
Ordinary share capital	17	711,071,210	-	711,071,210	509,226,010	-	509,226,010
Accumulated profit		125,188,309	-	125,188,309	207,172,909	-	207,172,909
Revaluation reserve		11,892,057	-	11,892,057	13,006,781	-	13,006,781
<b>Total Equity</b>		<b>848,151,576</b>	<b>-</b>	<b>848,151,576</b>	<b>729,405,700</b>	<b>-</b>	<b>729,405,700</b>
<b>WAKAF/PARTICIPANTS' TAKAFUL FUND (PTF)</b>							
<b>Participants' Equity</b>							
Cede money		-	500,000	500,000	-	500,000	500,000
Accumulated surplus		-	180,624,724	180,624,724	-	155,678,958	155,678,958
Revaluation reserve		-	187,500	187,500	-	187,500	187,500
		-	181,312,224	181,312,224	-	156,366,458	156,366,458
<b>Liabilities</b>							
<b>Underwriting Provisions - PTF</b>							
Outstanding claims including IBNR	22	-	484,907,876	484,907,876	-	509,807,876	509,807,876
Unearned contribution reserve	21	-	346,330,223	346,330,223	-	234,480,594	234,480,594
Contribution deficiency reserve		-	16,000,000	16,000,000	-	16,000,000	16,000,000
Unearned retakaful rebate reserve	23	-	34,898,985	34,898,985	-	26,167,837	26,167,837
		-	882,137,084	882,137,084	-	786,456,307	786,456,307
Deferred tax liability		673,148	-	673,148	1,610,771	-	1,610,771
Takaful / retakaful payables	18	-	204,857,806	204,857,806	-	200,432,560	200,432,560
Other creditors & accruals	19	195,193,716	25,165,391	220,359,107	207,336,986	23,719,061	231,056,047
Taxation - payment less provisions		43,138,268	-	43,138,268	24,485,817	-	24,485,817
Wakala & modarib payable		-	42,441,518	42,441,518	-	50,215,494	50,215,494
Unearned wakala income		275,481,153	-	275,481,153	208,266,246	-	208,266,246
<b>Total Liabilities</b>		<b>514,486,285</b>	<b>1,154,601,799</b>	<b>1,669,088,084</b>	<b>441,699,820</b>	<b>1,060,823,422</b>	<b>1,502,523,242</b>
<b>Total Equity and Liabilities</b>		<b>1,362,637,861</b>	<b>1,335,914,023</b>	<b>2,698,551,884</b>	<b>1,171,105,520</b>	<b>1,217,189,880</b>	<b>2,388,295,400</b>
<b>Contingencies and Commitments</b>							
	20						

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

**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 (unaudited)**

	Note	Nine months period ended		Three months period ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
----- Rupees -----					
<b><u>PARTICIPANTS' TAKAFUL FUND (PTF)</u></b>					
Contribution earned	21	585,390,407	486,527,220	225,509,631	129,804,815
Contribution ceded to retakaful	21	(257,864,933)	(238,779,910)	(82,149,368)	(61,238,796)
Net contribution revenue		327,525,475	247,747,310	143,360,264	68,566,019
Retakaful rebate earned	23	60,467,077	56,265,668	18,516,748	13,928,288
Net underwriting income		387,992,552	304,012,978	161,877,012	82,494,307
Net takaful claims - reported/settled & IBNR	22	(369,349,617)	(304,834,004)	(176,093,452)	(85,478,592)
Other direct expenses		(4,327,725)	(3,538,524)	(933,210)	(1,251,111)
Underwriting result before investment income		14,315,210	(4,359,550)	(15,149,650)	(4,235,396)
Investment income	25	13,017,943	15,551,285	4,713,032	4,140,429
Other income	26	8,243,169	18,930,747	3,109,266	8,980,510
Less: Modarib's share	27	(10,630,556)	(17,241,016)	(3,911,149)	(6,560,469)
<b>Surplus for the period</b>		<b>24,945,766</b>	<b>12,881,466</b>	<b>(11,238,501)</b>	<b>2,325,074</b>
<b><u>SHAREHOLDERS' FUND (SHF)</u></b>					
Wakala income earned	28	389,380,558	372,340,709	136,345,534	120,425,874
Commission expense	24	(95,834,895)	(93,538,494)	(32,287,588)	(28,440,704)
Management expenses		(276,366,071)	(267,534,295)	(89,099,999)	(82,931,749)
		17,179,592	11,267,920	14,957,947	9,053,421
Direct expenses		(8,228,781)	(4,976,510)	(1,000,000)	(1,670,848)
Investment income	25	69,814,815	76,159,987	12,766,468	16,338,219
Other income	26	9,601,302	8,707,170	2,931,456	2,919,045
Modarib share from PTF	27	10,630,556	17,241,016	3,911,149	6,560,469
<b>Profit before tax</b>		<b>98,997,484</b>	<b>108,399,583</b>	<b>33,567,020</b>	<b>33,200,306</b>
Provision for taxation		(28,214,283)	(31,435,879)	(9,734,436)	(9,628,089)
<b>Profit after tax</b>		<b>70,783,201</b>	<b>76,963,704</b>	<b>23,832,584</b>	<b>23,572,217</b>
<b>Earnings per share - Rupees</b>					
		1.14	1.51	0.38	0.46

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

**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 (unaudited)**

	Nine months period ended	
	September 30, 2025	September 30, 2024
	----- (Rupees) -----	
<b><u>PARTICIPANTS' TAKAFUL FUND (PTF)</u></b>		
Surplus for the period	24,945,766	12,881,466
Other comprehensive income		
- Change in unrealized gain/(loss) on available for sale investments	-	94,309
Total comprehensive income for the period	24,945,766	12,975,775
<b><u>SHAREHOLDERS' FUND (SHF)</u></b>		
Profit after taxation	70,783,201	76,963,704
Other comprehensive income		
- Change in unrealized gain/(loss) on available for sale investments	(1,570,034)	(221,661)
- Related tax effect	455,310	64,282
	(1,114,724)	(157,379)
Total comprehensive income for the period	69,668,477	76,806,325

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

**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 (unaudited)**

	Shareholders Fund (SHF)			
	Issued, subscribed and paid-up capital	Revenue Reserve		Total
		Unappropriated profit	Revaluation reserve	
		(Rupees)		
Balance as at January 01, 2024	509,226,010	144,308,740	1,368,850	654,903,600
Total comprehensive income for the period ended September 30, 2025				
Profit for the period	-	76,963,704	-	76,963,704
Other comprehensive income for the period	-	-	(157,379)	(157,379)
Total comprehensive income for the period	-	76,963,704	(157,379)	76,806,325
Final Cash Dividend @ Rs 1 per share	-	(50,922,601)	-	(50,922,601)
Balance as at September 30, 2024	509,226,010	170,349,843	1,211,471	680,787,324
Balance as at January 01, 2025	509,226,010	207,172,909	13,006,781	729,405,700
Total comprehensive income for the period ended September 30, 2025				
Profit for the period	-	70,783,201	-	70,783,201
Other comprehensive income for the period	-	-	(1,114,724)	(1,114,724)
Total comprehensive income for the period	-	70,783,201	(1,114,724)	69,668,477
Final Cash Dividend @ Rs 1 per share	-	(50,922,601)	-	(50,922,601)
Bonus shares issued	101,845,200	(101,845,200)	-	-
Right shares issued against cash	100,000,000	-	-	100,000,000
Balance as at September 30, 2025	711,071,210	125,188,309	11,892,057	848,151,576

	Participants Takaful Fund (PTF)			
	Cede money	Revenue Reserve		Total
		Accumulated deficit	Revaluation reserve	
		(Rupees)		
Balance as at January 01, 2024	500,000	108,361,925	625	108,862,550
Total comprehensive income for the period ended September 30, 2024				
Surplus for the period	-	12,881,466	-	12,881,466
Other comprehensive income for the period	-	-	94,309	94,309
Total comprehensive income for the period	-	12,881,466	94,309	12,975,775
Balance as at September 30, 2024	500,000	121,243,391	94,934	121,838,325
Balance as at January 01, 2025	500,000	155,678,958	187,500	156,366,458
Total comprehensive income for the period ended September 30, 2025				
Surplus for the period	-	24,945,766	-	24,945,766
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	24,945,766	-	24,945,766
Balance as at September 30, 2025	500,000	180,624,724	187,500	181,312,224

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



**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025 (unaudited)**

	September 30, 2025			Sept. 30, 2024
	PTF	SHF	Aggregate	Aggregate
<b>Operating cash flows</b>				
<b>(a) Takaful activities</b>				
Contributions received	1,021,156,451	-	<b>1,021,156,451</b>	795,279,136
Claims paid	(587,938,507)	-	<b>(587,938,507)</b>	(339,361,946)
takaful/retakaful payment net-off recovery/proceeds	(35,340,386)	-	<b>(35,340,386)</b>	(165,544,372)
Commission net-off retakaful rebate received/ (paid)	69,198,225	(116,291,121)	<b>(47,092,896)</b>	(11,985,312)
Other takaful payments/ receipts	(2,881,395)	-	<b>(2,881,395)</b>	(3,538,524)
Wakala & modarib fee (paid)/ received	(474,999,998)	474,999,998	-	-
Net cash flow from takaful activities	(10,805,610)	358,708,877	<b>347,903,267</b>	274,848,981
<b>(b) Other Operating activities</b>				
Income tax paid	-	(10,044,145)	<b>(10,044,145)</b>	(17,185,622)
Management and other expenses paid	-	(272,761,928)	<b>(272,761,928)</b>	(259,180,777)
Advances and deposits	-	(1,259,170)	<b>(1,259,170)</b>	1,952,111
Net cash flow in other operating activities	-	(284,065,243)	<b>(284,065,243)</b>	(274,414,288)
<b>Total cash flow from all operating activities</b>	(10,805,610)	74,643,634	<b>63,838,024</b>	434,693
<b>Investment activities</b>				
Profit and gain on sale of investment received	23,740,053	79,369,706	<b>103,109,759</b>	112,886,418
Payment for investments	-	(1,738,509,996)	<b>(1,738,509,996)</b>	(1,300,520,576)
Proceeds from investments	65,000,000	1,584,768,185	<b>1,649,768,185</b>	1,064,327,016
Fixed capital expenditure	-	(6,393,906)	<b>(6,393,906)</b>	(4,705,892)
	-	-	-	-
<b>Total cash flow from all investing activities</b>	88,740,053	(80,766,011)	<b>7,974,042</b>	(128,013,034)
<b>Financing activities</b>				
Dividend paid	-	(50,922,596)	<b>(50,922,596)</b>	(44,772,245)
Proceeds from issuance of right shares	-	100,000,000	<b>100,000,000</b>	-
<b>Total cash outflow from financing activities</b>	-	49,077,404	<b>49,077,404</b>	(44,772,245)
<b>Net cash flows from all activities</b>	77,934,443	42,955,027	<b>120,889,470</b>	(172,350,586)
<b>Cash at beginning of the year</b>	<b>103,647,280</b>	<b>184,838,022</b>	<b>288,485,302</b>	494,072,925
<b>Cash at end of the period</b>	<b>181,581,723</b>	<b>227,793,049</b>	<b>409,374,772</b>	321,722,339

For the purpose of statement of cashflow, cash and cash equivalent comprises of cash & stamps in hand, cash and deposit at bank.

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

**PAK-QATAR GENERAL TAKAFUL LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2025**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Pak-Qatar General Takaful Limited (the Company) was incorporated in Pakistan as an unquoted public company limited by shares on March 15, 2006 under the repealed Companies Ordinance, 1984, (now the Company Act, 2017). The Company received Certificate of Registration on August 16, 2007 under Section 6 of the Insurance Ordinance, 2000. The main activity of the Company is to undertake general takaful business. The Company operates with 08 (2023: 08) branches in Pakistan.

For the purpose of carrying on the takaful business, the Company has formed a Waqf for Participants' Equity. The Waqf namely Pak-Qatar General Takaful Limited Waqf [hereafter referred to as the Participant Takaful Fund (PTF)] was formed on August 17, 2007 under a trust deed executed by the Company with a cede money of Rs. 500,000. Waqf deed also governs the relationship of Shareholders' Fund (SHF) and participants of PTF for management of takaful operations and investment of funds approved by Shariah Advisor. The accounts of the Waqf are maintained by the Shareholders' Fund in a manner that the assets and liabilities of PTF remain separately identifiable. The financial statements of the Shareholders' Fund are prepared in such a manner that the financial position and results from the operations of PTF and the Shareholders' Fund are shown separately.

Following are the geographical location and addresses of all the business units of the Company:

**Head office - Registered Office**

Suite # 402-403, Business Arcade, Block 6, P.E.C.H.S., Shahr-e-Faisal, Karachi.

**Branches - Registered addresses**

Karachi	Office 306, Business Arcade, Plot # 27/A, Block 6, Shahr-e-Faisal, P.E.C.H.S., Karachi.
Lahore	15-Ilyas Street, Noon Avenue, Near Admission Office Punjab Group of Colleges, Main Upper Canal Road, Old Muslim Town, Lahore.
Multan	1st Floor, Zakariya Arcade, Opp.Khana-e-Farhang-e-Iran, Near Chungi No.9,Multan.
Saikat	Shop # 312,AL Khalil Centre,2nd Floor, Kashmir Road, Saikat.
Faisalabad	2nd Floor, P-14, Usman Plaza,Opposite Shell Petrol Pump, Kotwali Road, Faisalabad.
Islamabad	4th Floor, Chenab Center 104-E, Jinnah Avenue, Blue Area, Islamabad.
Peshawar	Office No. 406-410, 4th Floor, City Towers, Block-C, Plot No. 18-E University Road, Peshawar.
Sukkur	Mezzanine Floor, Chamber Avenue Building, Near Chamber of Commerce, Bunder Road, Sukkur.

**2. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in line with the requirement and format issued by the Securities and Exchange Commission of Pakistan (Commission) through Insurance Rules, 2017 (the Rules) vide SRO 89(I)/2017 dated 09 February 2017, and the General Takaful Accounting Regulations, 2019 (the Regulations) vide SRO 1416(I)/2019 dated 20 November 2019. As required by the Takaful Rules, 2012 these financial statements reflect the financial position and results of operations of both SHF and PTF in a manner that the assets, liabilities, income and expenses of the SHF and the PTF remain separately identifiable.

### 3. STATEMENT OF COMPLIANCE

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

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

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

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31 2024.

### 4. BASIS OF MEASUREMENT

The condensed interim financial statements are prepared on format as prescribed by Insurance Accounting Regulations 2017, General Takaful Accounting Regulations 2019 except for the necessary modifications in the light of Takaful Rules 2012 and based on the advice of Shariah Advisor of the Company.

These condensed interim financial statements are prepared under historical cost convention, except as disclosed in accounting policies relating to financial instruments, investments, lease liabilities and insurance liabilities etc.

### 5. FUNCTIONAL AND PRESENTATION CURRENCY

These condensed interim financial statements have been presented in Pakistani Rupees, which is the Company's functional and presentation currency.

### 6. NEW OR AMENDMENTS / INTERPRETATIONS TO EXISTING STANDARDS, INTERPRETATION AND FORTHCOMING REQUIREMENTS

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or do not have any significant effect on the Company and therefore not stated in these condensed interim financial statements

**Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that are not yet effective at period end.**

There are various amendments to existing accounting and reporting standards that are not yet effective. These are not likely to have a material effect on the company's financial statements except for the following:

SECP vide its SRO 1715 dated 21 November 2023 directed the application of IFRS 17 for the period commencing from 1 January 2026. Subsequently, SECP through SRO 1336(I)/2025 dated 23 July 2025 has extended the applicability to 01 January 2027.

SECP through its S.R.O.506(I)/2024 has directed that the applicability period of optional temporary exemption from applying IFRS 9 Financial Instruments as given in para 20A of IFRS 4 Insurance Contracts is extended for annual periods beginning before 01 January 2026, subject to fulfilling the same conditions as are prescribed by para 20B of IFRS 4.

Fair value of financial assets as at 31 December 2024 and the change in the fair values during the period ended

#### Financial assets

	September 30, 2025			
	Financial Assets that will fail the SPPI test		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
(Rupees)				
Equity securities	670,417,511	15,804,370	-	1,132,500
Debt securities	-	-	397,795,900	-
Re-takaful recoveries against outstanding claims	-	-	250,899,080	-
Takaful / Re-takaful receivables	-	-	347,311,927	-
Loans, advances and other receivables	-	-	23,665,646	-
Cash and bank	-	-	409,374,772	-
	670,417,511	15,804,370	1,429,047,325	1,132,500

Fair value of financial assets as at 31 December 2024 and the change in the fair values during the year ended 31 December 2024.

#### Financial assets

	December 31, 2024			
	Financial Assets that will fail the SPPI test		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
(Rupees)				
Equity securities	592,646,638	17,021,910	-	-
Debt securities	-	-	388,395,000	1,485,000
Re-takaful recoveries against outstanding claims	-	-	324,808,973	-
Takaful / Re-takaful receivables	-	-	281,847,782	-
Loans, advances and other receivables	-	-	24,967,414	-
Cash and bank	-	-	288,485,302	-
	592,646,638	17,021,910	1,308,504,471	1,485,000

## 7. MATERIAL ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Company for the year ended December 31, 2024.

## 8. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

Insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2024.

9	PROPERTY AND EQUIPMENT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
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### 9.3 Capital work in progress

This represents advances paid to vendors for IT equipment, which are yet to be capitalised upon installation of the respective assets.

[illegible]

INVESTMENTS		September 30, 2025				December 31, 2024			
Available-for-sale (AFS)	Note	Cost	Impairment / provision	Revaluation surplus / (deficit)	Carrying value	Cost	Impairment / provision	Revaluation surplus / (deficit)	Carrying value
Rupees									
<b>Equity securities (Mutual fund units)</b>									
- Shareholders Fund		654,613,141	-	15,804,370	670,417,511	575,624,728	-	17,021,910	592,646,638
- Participant Takaful Fund	11.1	654,613,141	-	15,804,370	670,417,511	575,624,728	-	17,021,910	592,646,638
<b>Debt securities (Sukuk certificates)</b>									
- Shareholders Fund		274,756,900	-	945,000	275,700,900	200,002,500	-	1,297,500	201,300,000
- Participant Takaful Fund	11.2	121,907,500	-	187,500	122,095,000	186,907,500	-	187,500	187,095,000
		396,663,400	-	1,132,500	397,795,900	386,910,000	-	1,485,000	388,395,000
<b>TOTAL</b>		<b>1,051,276,541</b>	<b>-</b>	<b>16,936,870</b>	<b>1,068,213,411</b>	<b>962,534,728</b>	<b>-</b>	<b>18,506,910</b>	<b>981,041,638</b>
<b>Details of investments in Equity securities (Mutual funds)</b>									
		SHF	PTF	September 30, 2025		SHF	PTF	December 31, 2024	
		Total		Carrying value in Rupees		Total		Carrying value in Rupees	
Name of Investment		103,019,732	-	103,019,732	108,695,370	-	-	108,695,370	-
Fayssal Islamic Asset Allocation Fund		-	-	-	-	-	-	-	-
ABL Islamic Stock Fund		-	-	-	450,571	-	-	450,571	-
NBP Islamic Money Market Fund		66,778,208	-	66,778,208	62,890,337	-	-	62,890,337	-
NBP Islamic Stock Fund		-	-	-	144,478	-	-	144,478	-
AlFiah GHP Islamic Stock Fund		-	-	-	118,287	-	-	118,287	-
Pak Qatar Islamic Cash Plan		280,950,613	-	280,950,613	50,307,331	-	-	50,307,331	-
ABL Islamic Sovereign Plan		-	-	-	54,697,000	-	-	54,697,000	-
Pak Qatar Income Plan		219,668,958	-	219,668,958	113,237,154	-	-	113,237,154	-
NBP Islamic Income Fund		-	-	-	51,922,019	-	-	51,922,019	-
Allaiah GHP Islamic Income Fund		-	-	-	65,066,661	-	-	65,066,661	-
Allaiah Islamic Money Market Fund		-	-	-	85,117,430	-	-	85,117,430	-
		670,417,511	-	670,417,511	592,646,638	-	-	592,646,638	-
<b>Details of investments in Debt securities (Sukuks)</b>									
		SHF	PTF	September 30, 2025		SHF	PTF	December 31, 2024	
		Total		Carrying value in Rupees		Total		Carrying value in Rupees	
Name of Investment		99,933,400	79,125,000	179,058,400	-	79,125,000	-	79,125,000	79,125,000
GoP Ijarah sukuk		55,000,000	10,000,000	65,000,000	55,000,000	10,000,000	-	65,000,000	65,000,000
MBL Tier 1 sukuk		30,000,000	-	30,000,000	30,000,000	-	-	30,000,000	-
DIB Tier 1 sukuk		23,935,000	7,970,000	31,905,000	23,935,000	7,970,000	-	31,905,000	31,905,000
BIPL sukuk		11,302,500	-	11,302,500	11,302,500	-	-	11,302,500	-
KE sukuk 2020		30,530,000	-	30,530,000	35,962,500	-	-	35,962,500	-
KE sukuk 23		-	-	-	20,100,000	-	-	20,100,000	-
Al Baraka sukuk - T2		25,000,000	-	25,000,000	25,000,000	-	-	25,000,000	-
Alkaram Textile Sukuk		-	-	-	-	-	-	-	-
PTCL Sukuk		-	25,000,000	25,000,000	-	30,000,000	-	30,000,000	30,000,000
Masood Textile Sukuk		-	-	-	25,000,000	-	-	25,000,000	-
GCIL Sukuk		-	-	-	20,000,000	-	-	20,000,000	-
PAEL Sukuk		-	-	-	15,000,000	-	-	15,000,000	-
		275,700,900	122,095,000	397,795,900	201,300,000	187,095,000	-	388,395,000	388,395,000

**12. LOANS AND OTHER RECEIVABLES - considered good**

	September 30, 2025			December 31, 2024		
	SHF	PTF	Total	SHF	PTF	Total
	-----Rupees-----					
Accrued income	4,835,736	2,569,997	7,405,733	4,917,733	5,048,938	9,966,671
Sundry receivable						
Security deposits	6,531,648	254,523	6,786,171	6,719,498	254,523	6,974,021
Advance to employees - unsecured	5,806,690	-	5,806,690	3,550,544	-	3,550,544
Tender deposit	1,432,266	-	1,432,266	1,607,297	-	1,607,297
Advance to vendors	453,954	-	453,954	1,088,049	-	1,088,049
Others	-	1,780,832	1,780,832	-	1,780,832	1,780,832
	14,224,558	2,035,355	16,259,913	12,965,388	2,035,355	15,000,743
	19,060,294	4,605,352	23,665,646	17,883,121	7,084,293	24,967,414

September 30, 2025      December 31, 2024  
-----Rupees-----

**13. TAKAFUL AND RETAKAFUL RECEIVABLES - unsecured****13.1 Due from takaful contract holders & other takaful operator**

Due from takaful contractholders	409,109,489	343,645,344
Provision for doubtful balances	(61,797,562)	(61,797,562)
Considered good	347,311,927	281,847,782

**14. PREPAYMENTS**

	September 30, 2025			December 31, 2024		
	SHF	PTF	Total	SHF	PTF	Total
	-----Rupees-----					
Prepaid retakaful ceded	-	149,699,991	149,699,991	-	100,200,509	100,200,509
	-	149,699,991	149,699,991	-	100,200,509	100,200,509

September 30, 2025      December 31, 2024  
----- SHF -----  
----- Rupees -----

**15. WAKALA AND MODARIB RECEIVABLE FROM PTF**

Wakala fee receivable	52,594,534	70,999,067
Modarib fee receivable	23,483,750	12,853,194
	76,078,284	83,852,261
Less: provision for refund of wakala against doubtful balances	(21,744,025)	(21,744,026)
Other Payable to PTF from SHF	(11,892,741)	(11,892,741)
	42,441,518	50,215,494

## 16. CASH AND BANK

	September 30, 2025			December 31, 2024		
	SHF	PTF	Total	SHF	PTF	Total
	-----Rupees-----					
<b>Cash and other equivalents</b>						
- Cash in hand	2,309,842	-	2,309,842	2,219,836	-	2,219,836
- Stamps in hand	-	628,460	628,460	-	11,085	11,085
	2,309,842	628,460	2,938,302	2,219,836	11,085	2,230,901
<b>Cash at bank</b>						
- Current accounts	1,151,572	540,179	1,691,751	904,678	540,179	1,444,857
- Saving accounts	139,331,635	115,413,084	254,744,719	181,713,508	103,096,036	284,809,544
	140,483,207	115,953,263	256,436,470	182,618,186	103,636,215	286,254,401
<b>Deposit maturing within twelve months</b>	85,000,000	65,000,000	150,000,000	-	-	-
	227,793,049	181,581,723	409,374,772	184,838,022	103,647,280	288,485,302

## 17. SHARE CAPITAL AND RESERVES

			September 30, 2025	December 31, 2024
			-----Rupees-----	
<b>Authorised capital</b>				
Ordinary share of Rs. 10/- each			2,200,000,000	600,000,000
<b>Issued, subscribed and paid-up share capital</b>				
September 30, 2025	December 31, 2024			
Number of Shares				
50,922,601	50,922,601	At beginning of the year	509,226,010	509,226,010
10,184,520	-	Bonus shares issued	101,845,200	-
10,000,000	-	Right shares issued against cash	100,000,000	-
71,107,121	50,922,601	At end of the period	711,071,210	509,226,010

## 18. TAKAFUL / RETAKAFUL PAYABLE

These amounts represent amount payable to other takaful and retakaful operators.

## 19. OTHER CREDITORS AND ACCRUALS

	September 30, 2025			December 31, 2024		
	SHF	PTF	Total	SHF	PTF	Total
	-----Rupees-----					
<b>Other Creditors</b>						
Agent Commission payable	123,733,331	-	123,733,331	129,180,779	-	129,180,779
Trakker charges	-	6,740,809	6,740,809	-	5,735,216	5,735,216
FED & sales tax	5,820,236	14,484,042	20,304,278	5,877,937	14,497,486	20,375,423
Stale cheques	418,007	1,451,502	1,869,509	418,007	1,613,502	2,031,509
Car ijarah	967,275	-	967,275	673,908	-	673,908
Charity	4,074	-	4,074	4,074	-	4,074
EOBI	1,753,624	-	1,753,624	1,731,557	-	1,731,557
Tax deducted at source	4,495,243	2,489,038	6,984,281	3,859,057	1,872,857	5,731,914
Payable to vendors	1,742,802	-	1,742,802	628,604	-	628,604
Dividend payable	10,870,478	-	10,870,478	10,870,478	-	10,870,478
Accrued salaries	11,294,828	-	11,294,828	10,781,267	-	10,781,267
Staff retirement contribution	1,243,759	-	1,243,759	1,118,218	-	1,118,218
Lease liability against RoU assets	23,025,376	-	23,025,376	33,427,514	-	33,427,514
Staff pay continuity	1,828,131	-	1,828,131	2,137,049	-	2,137,049
Administrative surcharge payable	1,031,492	-	1,031,492	1,516,768	-	1,516,768
Other Provisions	4,526,168	-	4,526,168	1,078,164	-	1,078,164
	192,754,824	25,165,391	217,920,215	203,103,381	23,719,061	226,822,442
<b>Accrued expenses</b>	2,438,892	-	2,438,892	4,233,605	-	4,233,605
	195,193,716	25,165,391	220,359,107	207,336,986	23,719,061	231,056,047

## 20. CONTINGENCIES AND COMMITMENTS

The status of contingencies remains unchanged from the status disclosed in the annual audited financial statements as at December 31, 2024.



	Nine months period ended		Three months period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	-----Rupees-----		-----Rupees-----	
<b>21. Net Takaful Contribution - PTF</b>				
Written gross contribution	1,086,620,595	882,080,840	416,730,867	238,565,717
Wakala fee	(389,380,558)	(372,340,709)	(136,345,534)	(120,425,874)
Net written contribution	697,240,037	509,740,131	280,385,333	118,139,843
Unearned contribution reserve - opening	234,480,594	242,583,128	291,454,522	277,461,010
Unearned contribution reserve - closing	(346,330,223)	(265,796,038)	(346,330,223)	(265,796,038)
Contribution earned	585,390,407	486,527,221	225,509,631	129,804,815
Less:				
Retakaful contribution ceded	307,364,415	263,223,615	113,725,619	87,046,008
Prepaid retakaful ceded - opening	100,200,509	93,444,838	118,123,740	92,081,331
Prepaid retakaful ceded - closing	(149,699,991)	(117,888,543)	(149,699,991)	(117,888,543)
Retakaful expense	257,864,933	238,779,910	82,149,368	61,238,796
	<u>327,525,475</u>	<u>247,747,311</u>	<u>143,360,264</u>	<u>68,566,019</u>
<b>22. Net Takaful Claims Expense - PTF</b>				
Claims paid	587,938,507	339,361,946	238,305,394	128,679,492
Outstanding claims including IBNR - opening	(509,807,876)	(587,242,443)	(483,906,818)	(724,254,896)
Outstanding claims including IBNR - closing	484,907,876	667,175,212	484,907,876	667,175,212
Claims expense	563,038,507	419,294,715	239,306,452	71,599,808
Less:				
Retakaful recoveries received	267,598,783	83,492,893	77,760,838	49,234,574
Retakaful recoveries in respect of outstanding claims - opening	(324,808,973)	(402,634,533)	(265,446,918)	(496,715,709)
Retakaful recoveries in respect of outstanding claims - closing	250,899,080	433,602,351	250,899,080	433,602,351
Retakaful recoveries revenue	193,688,890	114,460,711	63,213,000	(13,878,784)
	<u>369,349,617</u>	<u>304,834,004</u>	<u>176,093,452</u>	<u>85,478,592</u>
<b>23. Retakaful Rebate - PTF</b>				
Rebate/commission received or recoverable	69,198,225	58,027,882	24,836,044	19,600,869
Unearned retakaful rebate/commission - opening	26,167,837	25,830,130	28,579,689	21,919,762
Unearned retakaful rebate/commission - closing	(34,898,985)	(27,592,343)	(34,898,985)	(27,592,343)
Rebate/commission from retakaful	60,467,077	56,265,669	18,516,748	13,928,288
<b>24. Commission Expense - SHF</b>				
Commission expense paid or payable	110,843,673	96,154,671	45,101,472	27,209,734
Deferred commission expense - opening	52,107,104	49,633,837	54,301,998	53,480,984
Deferred commission expense - closing	(67,115,882)	(52,250,014)	(67,115,882)	(52,250,014)
Commission expense	95,834,895	93,538,494	32,287,588	28,440,704



	----- PTF -----		----- SHF -----	
	Nine months period ended		Nine months period ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
	----- Rupees -----		----- Rupees -----	
<b>25. Investment Income</b>				
Profit from debt securities - available for sale				
- on sukuk	13,017,943	15,551,285	16,650,493	34,165,816
Net Realised gain / (loss) - available for sale				
- equity securities (mutual funds)	-	-	53,164,322	41,994,171
Total investment income	13,017,943	15,551,285	69,814,815	76,159,987
Less:				
Impairment in securities - available for sale				
- in equity securities (mutual funds)	-	-	-	-
Net investment income	13,017,943	15,551,285	69,814,815	76,159,987
<b>26. Other Income</b>				
Profit from				
- bank balances & deposits	8,243,169	18,930,747	9,472,894	8,707,170
Miscellaneous income				
- administrative income	-	-	76,775	-
- others	-	-	51,633	-
	-	-	128,408	-
	8,243,169	18,930,747	9,601,302	8,707,170

**27. MODARIB FEE**

The takaful operator (SHF) also manages the PTF's bank balances & investments as Modarib. Modarib fee is charged at 50% (2024: 50%) on aggregate of income on bank balances, term deposits and investment income earned by the PTF.

**28. WAKALA FEE**

The Takaful operator (SHF) manages the general takaful operations for the PTF and charge 35% (2024: 35%) for fire and property, 35% (2024: 35%) for marine, aviation and transport, 55% (2024: 55%) for motor, 50% (2024: 50%) for engineering, 50% (2024: 50%) for other miscellaneous, and 20% (2024: 15) for health of 'the gross contribution written net of administrative surcharge' as wakala fee against the services.

**29. RELATED PARTIES DISCLOSURES**

Related parties comprise of related group companies, companies with common directorship, associated companies, directors, key management personnel and staff retirement benefit fund. The Company carries out transactions with various related parties in the normal course of business. Details of transactions and balances with related parties, except as disclosed elsewhere in the financial statements, are as follows:

Name of related party				Relationship	
Pak Qatar Family Takaful Limited				Common directorship	
Pak Qatar Asset Management Company Limited				Common directorship	
Pak Qatar General Takaful Limited - Employees' Provident Fund				Provident fund	
Pak-Qatar Investment (Private) Limited				Associate undertaking	
Qatar International Islamic Bank				Associate undertaking	
Qatar Islamic Insurance Company				Associate undertaking	
				September 30 2025	December 31 2024
				Note ----- (Rupees) -----	
Transactions for the period / year					
Name of related party	Relationship with the related party	Fund	Nature of transactions		
Pak Qatar Family Takaful Limited	Entity with common directorship	SHF	Shared staff and branch expenses paid	39,939,192	55,128,884
		PTF	Claims paid against general takaful	17,150	690,850
		PTF	Contribution received against general takaful	1,940,703	1,159,327
Pak Qatar Asset Management Company Limited	Entity with common directorship	SHF	Investment advisory fee	2,524,108	2,934,721
Pak Qatar General Takaful Limited -	Employees provident fund	SHF	Contribution	5,166,196	6,482,102
Balances					
Name of related party	Relationship with the related party	Fund	Nature of balances		
Pak Qatar General Participant Takaful Fund	Fund under common management	SHF	Wakala and Modarib fee receivable from PTF	42,441,518	50,215,494

### 30. SEGMENT INFORMATION

[illegible]

### SEGMENT INFORMATION

30.2	Nine months 2024	Fire and Property	Marine, Aviation and Transport	Motor	Health	Miscellaneous	Total

## 31. Following are the assets measured at fair value

**September 30, 2025****Financial assets - measured at fair value**

Investments - Sukuk

Investments - Open-end mutual fund units

**Financial assets - not measured at fair value\***

Cash and bank balances including TDR

Takaful / re-takaful receivables

Takaful recoveries against outstanding claims

Loans and other receivables

**Financial liabilities - not measured at fair value\***

Provision for outstanding claims including IBNR

Takaful / re-takaful payables

Other creditors &amp; accruals

	Carrying amount			Fair value		
	Available for sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	
Investments - Sukuk	397,795,900	-	-	-	397,795,900	397,795,900
Investments - Open-end mutual fund units	670,417,511	-	-	-	670,417,511	670,417,511
Cash and bank balances including TDR	-	-	409,374,772	-	409,374,772	-
Takaful / re-takaful receivables	-	347,311,927	-	-	347,311,927	-
Takaful recoveries against outstanding claims	-	250,899,080	-	-	250,899,080	-
Loans and other receivables	-	23,665,646	-	-	23,665,646	-
	<b>1,068,213,411</b>	<b>621,876,653</b>	<b>409,374,772</b>	-	<b>2,099,464,836</b>	<b>1,068,213,411</b>
Provision for outstanding claims including IBNR	-	-	-	484,907,876	484,907,876	-
Takaful / re-takaful payables	-	-	-	204,857,806	204,857,806	-
Other creditors & accruals	-	-	-	220,359,107	220,359,107	-
	-	-	-	<b>910,124,789</b>	<b>910,124,789</b>	-

**December 31, 2024****Financial assets - measured at fair value**

Investments - Sukuk

Investments - Open-end mutual fund units

**Financial assets - not measured at fair value\***

Cash and bank balances

Takaful / re-takaful receivables

Takaful recoveries against outstanding claims

Loans and other receivables

	Carrying amount			Fair value		
	Available for sale	Loans and receivables	Other financial assets	Other financial liabilities	Total	
Investments - Sukuk	388,395,000	-	-	-	388,395,000	388,395,000
Investments - Open-end mutual fund units	592,646,638	-	-	-	592,646,638	592,646,638
Cash and bank balances	-	-	288,485,302	-	288,485,302	-
Takaful / re-takaful receivables	-	281,847,782	-	-	281,847,782	-
Takaful recoveries against outstanding claims	-	324,808,973	-	-	324,808,973	-
Loans and other receivables	-	24,967,414	-	-	24,967,414	-
	<b>981,041,638</b>	<b>631,624,169</b>	<b>288,485,302</b>	-	<b>1,901,151,109</b>	<b>981,041,638</b>
Provision for outstanding claims including IBNR	-	-	-	509,807,876	509,807,876	-
Takaful / re-takaful payables	-	-	-	200,432,560	200,432,560	-
Other creditors & accruals	-	-	-	231,056,048	231,056,048	-
	-	-	-	<b>941,296,484</b>	<b>941,296,484</b>	-

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



**32. GENERAL**

Figures have been rounded off to the nearest Rupee, unless otherwise stated.

Corresponding figures have been re-arranged and reclassified wherever necessary for better presentation and disclosure.

**33. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on November 11, 2025 by the Board of Directors of the Company.

## 6.6. SUMMARY OF FINANCIAL HIGHLIGHTS OF PAK-QATAR GENERAL TAKAFUL LIMITED

Statement of Profit or Loss Account	CY 2021	CY 2022	CY 2023	CY 2024	9MCY2025
PKR Mn	Audited	Audited	Audited	Audited	Unaudited
<b>Participants' Takaful Fund (PTF)</b>					
Contribution earned	542.12	712.46	870.25	670.80	585.39
Contribution ceded to Re-takaful	(245.05)	(256.61)	(275.58)	(317.16)	(257.86)
<b>Net contribution earned<sup>59</sup></b>	<b>297.07</b>	<b>455.85</b>	<b>594.67</b>	<b>353.64</b>	<b>327.53</b>
Re-takaful rebate earned/commission	49.41	51.16	62.67	77.82	60.47
<b>Net underwriting income</b>	<b>346.47</b>	<b>507.01</b>	<b>657.34</b>	<b>431.46</b>	<b>387.99</b>
Net takaful claims	(321.30)	(536.22)	(666.71)	(401.23)	(369.35)
Contribution deficiency expense <sup>60</sup>	(9.60)	8.81	(1.31)	(0.90)	-
Direct expenses	(6.63)	(2.40)	(1.29)	(5.51)	(4.33)
	<b>(337.52)</b>	<b>(529.82)</b>	<b>(669.31)</b>	<b>(407.64)</b>	<b>(373.68)</b>
<b>Underwriting results before investment income</b>	<b>8.95</b>	<b>(22.81)</b>	<b>(11.97)</b>	<b>23.83</b>	<b>14.32</b>
Investment income	9.27	24.58	18.90	22.41	13.02
Other income	7.96	15.99	33.64	24.57	8.24
Modarib's share	(4.31)	(14.20)	-	(23.49)	(10.63)
<b>Surplus for the Year</b>	<b>21.87</b>	<b>3.56</b>	<b>40.58</b>	<b>47.32</b>	<b>24.95</b>
<b>Shareholders' Fund (SHF)</b>					
Wakala income earned	357.19	431.38	506.11	511.79	389.38
Commission expense	(99.90)	(126.10)	(135.25)	(137.22)	(95.83)
Management expenses	(253.39)	(286.32)	(335.96)	(361.17)	(276.37)
	<b>3.89</b>	<b>18.96</b>	<b>34.90</b>	<b>13.40</b>	<b>17.18</b>
Direct expenses	(8.69)	(5.54)	(9.66)	(10.37)	(8.23)
Investment Income	42.92	47.74	106.12	118.82	69.81
Other income	3.75	4.73	11.08	18.59	9.60
Modarib share from PTF	4.31	14.20	-	23.49	10.63
<b>Profit before Taxation</b>	<b>46.18</b>	<b>80.10</b>	<b>142.44</b>	<b>163.93</b>	<b>99.00</b>
Provision for taxation	(13.64)	(21.83)	(41.23)	(50.15)	(28.21)
<b>Profit after Taxation</b>	<b>32.54</b>	<b>58.26</b>	<b>101.21</b>	<b>113.79</b>	<b>70.78</b>
<b>Statement of Financial Position</b>					
PKR Mn	Audited	Audited	Audited	Audited	Unaudited
<b>Shareholders' Fund (SHF)</b>					
<b>Assets</b>					
Property and equipment	33.01	24.48	68.31	61.22	51.76
Intangible assets	27.81	21.41	15.86	10.90	8.34
	<b>60.82</b>	<b>45.88</b>	<b>84.17</b>	<b>72.12</b>	<b>60.11</b>
Investments - Equity securities	247.22	214.16	384.02	592.65	670.42
Investments - Debt securities	241.07	159.79	85.55	201.30	275.70
Term deposits	60.00	150.00	-	-	-
	<b>548.30</b>	<b>523.95</b>	<b>469.57</b>	<b>793.95</b>	<b>946.12</b>
Qard-e-Hasana receivable from PTF	-	-	-	-	-
Loans, advances and other receivables	21.18	27.10	20.79	17.88	19.06
Deferred tax asset	1.40	7.23	1.44	-	-
Deferred commission expense	51.89	53.85	49.63	52.11	67.12
Taxation - payments less provisions	-	-	-	-	-

<sup>59</sup> The gross contribution written declined in 2024, primarily due to a significant reduction in the health segment, in line with the Company's strategy to exit high loss-making clients. Consequently, contribution earned during the year also decreased. In addition, a higher portion of contribution was ceded to retakaful in 2024, reflecting the focus on maintaining lower risk retention in response to adverse loss experience in prior years. As a result of lower gross contributions and increased retakaful cessions, net contribution earned declined during the year.

<sup>60</sup> Contribution deficiency reserve (liability adequacy) is created, where based on judgement & past trend, the unearned contribution and related income for any class of business seems inadequate to meet the expected liability (after re-takaful recovery) from claims, and other supplementary expenses expected to be incurred.

Prepayments	2.76	1.55	-	-	-
Receivable from PTF <sup>61</sup>	123.19	220.73	198.81	50.22	42.44
Cash, stamp and bank	63.67	47.88	232.56	184.84	227.79
<b>Total Assets</b>	<b>873.21</b>	<b>928.17</b>	<b>1,056.99</b>	<b>1,171.11</b>	<b>1,362.64</b>
<b>Equity and Liabilities</b>					
<b>Capital and Reserves</b>					
Share Capital	509.23	509.23	509.23	509.23	711.07
Accumulated surplus/(deficit)	(15.16)	43.10	144.31	207.17 <sup>62</sup>	125.19
Revaluation reserve	(1.49)	(12.28)	1.37	13.01	11.89
<b>Total Shareholders' Equity</b>	<b>492.57</b>	<b>540.05</b>	<b>654.90</b>	<b>729.41</b>	<b>848.15</b>
<b>Liabilities</b>					
Deferred tax liability	-	-	-	1.61	0.67
Other creditors and accruals	160.80	153.30	134.72	173.91	172.17
Lease liabilities	-	0.76	43.59	33.43	23.03
Taxation - provisions for less payments	1.28	4.54	11.63	24.49	43.14
Unearned Wakala income	218.56	229.53	212.14	208.27	275.48
<b>Total Liabilities</b>	<b>380.64</b>	<b>388.13</b>	<b>402.08</b>	<b>441.70</b>	<b>514.49</b>
<b>Total Equity and Liabilities</b>	<b>873.21</b>	<b>928.17</b>	<b>1,056.99</b>	<b>1,171.11</b>	<b>1,362.64</b>
<b>Participants Takaful Fund (PTF)</b>					
<b>Assets</b>					
Investments - Equity securities	78.12	10.22	0.25	-	-
Investments - Debt securities	17.97	92.97	167.97	187.10	122.10
Term deposits	5.00	65.00	-	-	-
	<b>101.09</b>	<b>168.19</b>	<b>168.22</b>	<b>187.10</b>	<b>122.10</b>
Loans, advances and other receivables	1.90	13.16	14.02	7.08	4.61
Takaful/re-takaful receivables	302.69	303.06	250.38	281.85	347.31
Re-takaful recoveries against outstanding claims	185.11	480.89	402.63	324.81	250.90
Taxation- payments less provisions	4.24	4.24	4.24	4.24	4.24
Prepayments	76.91	86.46	93.44	100.20	149.70
Deferred Wakala fee	218.56	229.53	212.14	208.27	275.48
Cash, stamp and bank	172.90	264.62	261.51	103.65	181.58
<b>Total Assets</b>	<b>1,063.41</b>	<b>1,550.16</b>	<b>1,406.59</b>	<b>1,217.19</b>	<b>1,335.91</b>
<b>Equity and Liabilities</b>					
<b>Waqf/Participants' Takaful Fund (PTF)</b>					
<b>Participants Equity</b>					
Cede Money	0.50	0.50	0.50	0.50	0.50
Accumulated surplus	64.23	67.79	108.36	155.68	180.62
Revaluation reserve	0.01	0.00	0.00	0.19	0.19
	<b>64.74</b>	<b>68.29</b>	<b>108.86</b>	<b>156.37</b>	<b>181.31</b>
Qard-e-Hasana Payable to SHF	-	-	-	-	-
<b>Liabilities</b>					
<b>Underwriting provisions - PTF</b>					
Outstanding claims including IBNR <sup>63</sup>	376.54	687.72	587.24	509.81	484.91
Unearned contribution reserve	289.93	351.39	242.58	234.48	346.33
Contribution deficiency reserve	22.60	13.79	15.10	16.00	16.00
Unearned re-takaful rebate reserve	18.43	18.49	25.83	26.17	34.90
	<b>707.50</b>	<b>1,071.38</b>	<b>870.76</b>	<b>786.46</b>	<b>882.14</b>

<sup>61</sup> Receivable from PTF represents amounts receivable on account of Wakala fees and Modarib share. The same amount is correspondingly payable to SHF by PTF.

<sup>62</sup> Increase in Accumulated surplus in SHF in 2024 is primarily arrived at by adding after-tax profits to the opening balance and deducting dividends, whereas decrease in 2025 is primarily due to issuance of bonus shares during the period.

<sup>63</sup> IBNR represents claims incurred but not reported (IBNR) at cut-off date. Provision for IBNR claims have been estimated using Chain Ladder (CL) methodology. Estimation considers past reporting trends, expected future reporting pattern of claim.

takaful/re-takaful payables	136.77	155.08	197.78	200.43	204.86
Other creditors and accruals	31.21	34.68	30.38	23.72	25.17
Payable to SHF	123.19	220.73	198.81	50.22	42.44
<b>Total Liabilities</b>	<b>998.68</b>	<b>1,481.87</b>	<b>1,297.73</b>	<b>1,060.82</b>	<b>1,154.60</b>
<b>Total Equity and Liabilities</b>	<b>1,063.41</b>	<b>1,550.16</b>	<b>1,406.59</b>	<b>1,217.19</b>	<b>1,335.91</b>
<b>Cash Flow Statement</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>Shareholders' Fund (SHF)</b>					
Cashflow from Operating activities	18.82	(66.19) <sup>64</sup>	5.20	179.16	74.64
Cashflow from Investing activities	(32.02)	50.40	179.48	(182.11) <sup>65</sup>	(80.77)
Cashflow from Financing activities	(0.00)	-	-	(44.77)	49.08
Net cash (outflow)/inflow from all activities	<b>(13.20)</b>	<b>(15.79)</b>	<b>184.68</b>	<b>(47.72)</b>	<b>42.96</b>
Cash at beginning of the year	76.87	63.67	47.88	232.56	184.84
Cash at end of the year	63.67	47.88	232.56	184.84	227.79
Capex	(5.19)	(9.40)	(11.89)	(13.71)	(6.39)
<b>Cashflow Statement</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>Participants Takaful Fund (PTF)</b>					
Cashflow from Operating activities	107.94	129.52	(59.01)	(187.40) <sup>66</sup>	(10.81)
Cashflow from Investing activities	(31.82)	(37.80)	55.90	29.54	88.74
Cashflow from Financing activities	-	-	-	-	-
Net cash (outflow)/inflow from all activities	<b>76.12</b>	<b>91.72</b>	<b>(3.11)</b>	<b>(157.86)</b>	<b>77.93</b>
Cash at beginning of the year	96.79	172.90	264.62	261.51	103.65
Cast at end of the year	172.90	264.62	261.51	103.65	181.58
Claims Paid	(338.94)	(598.26)	(843.02)	(625.64)	<b>(587.94)</b>
<b>Growth</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Gross Premium (Contributions) - Growth (%)	39.2%	31.4%	22.1%	-22.9%	N/A
Net Premium (Contributions) - Growth (%)	59.7%	53.4%	30.5%	-40.5%	
Net Underwriting Income - Participants' Fund (Growth %)	53.1%	46.3%	29.7%	-34.4%	
Profit After Tax - SHF (Growth %)	70.7%	79.1%	73.7%	12.4%	
<b>Participants' Fund Performance</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Claim settlement ratio <sup>67</sup> (x)	0.9x	0.9x	1.4x	1.2x	1.2x
Claims Ratio <sup>68</sup> (%)	108.2%	117.6%	112.1%	113.5%	112.8%
Expense Ratio <sup>69</sup> (%)	6.9%	1.7%	0.4%	8.5%	4.6%
Combined ratio <sup>70</sup> (%)	113.6%	116.2%	112.6%	115.3%	114.1%
Retakaful Cession Ratio <sup>71</sup> (%)	45.2%	36.0%	31.7%	47.3%	44.1%

<sup>64</sup> SHF operating cash flows are primarily driven by inflows of Wakala and Modarib income from PTF, against which outflows mainly comprise commissions and administrative expenses. In 2022, lower inflows of Wakala and Modarib fees evidenced by a significant increase in receivables from PTF from Rs. 123 million in 2021 to Rs. 220 million in 2022, resulted in negative operating cash flows.

<sup>65</sup> SHF cash flows from investing activities were negative in 2024, primarily driven by an increase in investments at cost amounting to Rs. 307.9 million. After adjusting for investment income inflows of Rs. 134.9 million and capital expenditure outflows of Rs. 9.0 million, the SHF reported a net cash outflow from investing activities during the year.

<sup>66</sup> PTF negative operating cash flows are primarily driven by outflow of claims and Wakala & Modarib fee. In 2024, higher outflow of Wakala and Modarib fees evidenced by a significant decrease in payable to SHF from Rs. 198 million in 2023 to Rs. 50 million in 2024, resulted in negative operating cash flows.

<sup>67</sup> (Claims paid / Outstanding Claims including IBNR)

<sup>68</sup> (Net Takaful Claims / Net Contribution Earned)

<sup>69</sup> (Operating Expenses / Net Contribution Earned)

<sup>70</sup> (Claims & Management Expenses / Net Contribution Earned)

<sup>71</sup> (Contribution ceded to Re-takaful / Contribution earned)

Risk Retained <sup>72</sup> (%)	54.8%	64.0%	68.3%	52.7%	55.9%
Investment Yield <sup>73</sup> (%)	9.2%	18.3%	11.2%	12.6%	8.4%
Net Premium to PTF Surplus <sup>74</sup> (times)	4.6x	6.7x	5.5x	2.3x	1.8x
Liquid Investments to Outstanding claims <sup>75</sup> (times)	0.7x	0.6x	0.7x	0.6x	0.6x
<b>Profitability Ratios - Shareholders' Fund</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Earnings per share <sup>76</sup> (PKR)	0.64	1.14	1.99	2.23	1.14
Break-up value per share <sup>77</sup> (Actual) (PKR)	9.67	10.61	12.86	14.32	13.69
PAT to Wakala Fee Income (%)	9.1%	13.5%	20.0%	22.2%	18.2%
PAT to Net Income (%)	10.6%	15.7%	20.7%	21.2%	18.5%
Return on equity (%)	6.8%	11.3%	16.9%	16.4%	N/A
Return on assets (%)	4.1%	6.5%	10.2%	10.2%	N/A
Management Expenses to Wakala Income	70.9%	66.4%	66.4%	70.6%	71.0%
Commission Expense to Wakala Fee Income (%)	28.0%	29.2%	26.7%	26.8%	24.6%
Investment Yield (Investment Income to Avg. Investments) (%)	8.8%	8.9%	21.4%	18.8%	8.0%
Dividend per Share	0.00	0.00	0.00	1.00	-
<b>Balance Sheet Ratios - Shareholders' Fund</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Capex to Total Assets	0.6%	1.0%	1.1%	1.2%	0.5%
Paid-up Capital to Equity	103.4%	94.3%	77.8%	69.8%	83.8%
Cash to Current Liabilities	0.4x	0.3x	1.7x	1.1x	1.3x
Liquid investments to Total Liabilities	1.6x	1.5x	1.7x	2.2x	2.3x
<b>Leverage Ratios - Shareholders' Fund</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Debt to Equity	0.0%	0.1%	6.7%	4.6%	2.7%
Debt to Total Assets	0.0%	0.1%	4.1%	2.9%	1.7%
<b>Solvency Ratios - PKR Mn</b>	<b>CY 2021</b>	<b>CY 2022</b>	<b>CY 2023</b>	<b>CY 2024</b>	<b>9MCY2025</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
Net Admissible Assets	441	508	655	584	848
Minimum Solvency Requirements	150	150	150	150	150
Excess/(Deficit) in Net Admissible Assets	291	358	505	434	698

#### 6.6.1. COMMENTARY ON SELECTED RATIOS

##### Participants' Fund

<sup>72</sup> (Net Contribution Earned / Contribution earned)

<sup>73</sup> (Investment Income / Average Investments)

<sup>74</sup> (Net contribution earned / Accumulated Surplus)

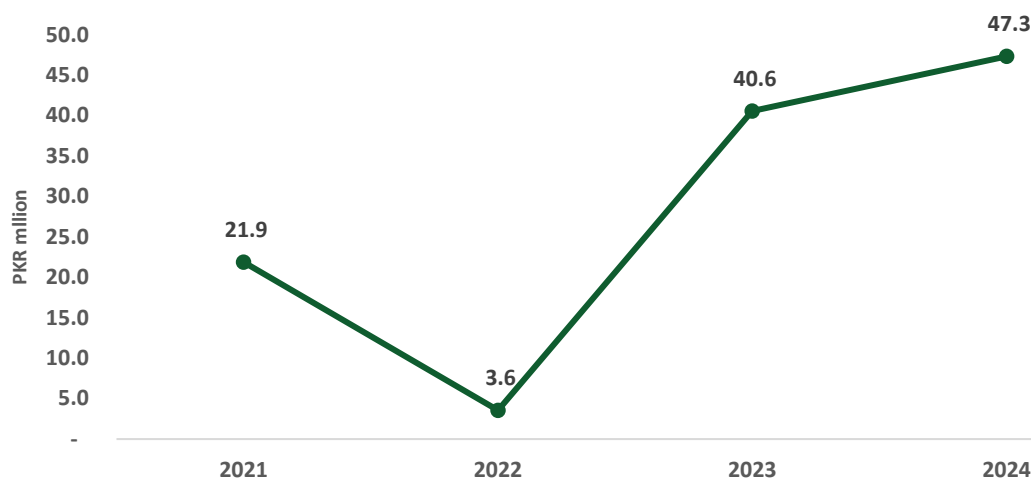
<sup>75</sup> (Investments + Cash at Bank) / Outstanding Claims including IBNR

<sup>76</sup> Earnings per share for 9MCY25 was calculated based on weighted average shares as the Company issued rights shares in August 2025. Therefore, the weighted average shares used for the calculation of EPS are 61,940,454

<sup>77</sup> Breakup Value per share for 9MCY25 was calculated based on weighted average shares as the Company issued rights shares in August 2025. Therefore, the weighted average shares used for the calculation of EPS are 61,940,454

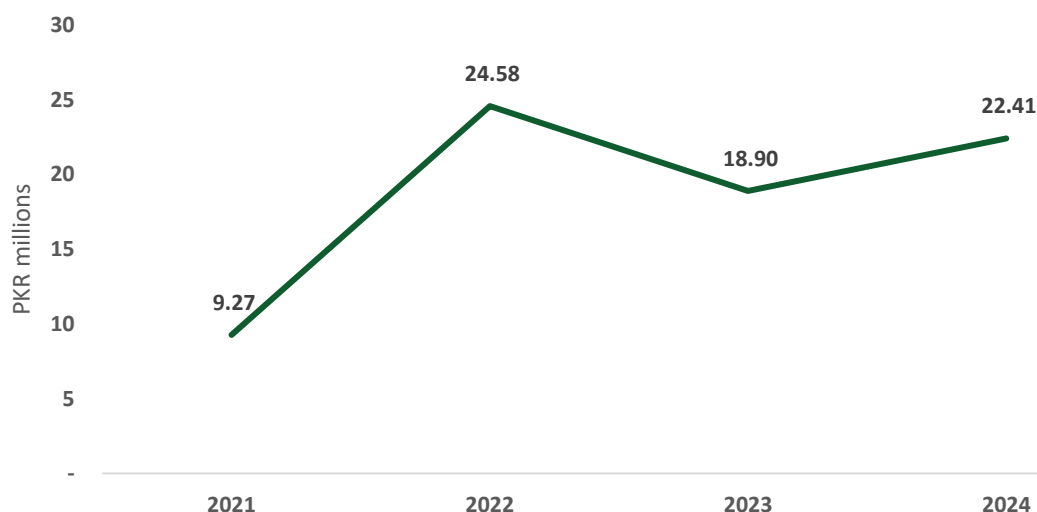


Trend of Surplus for the Year

**Participants Takaful Fund Performance:**

In CY24, the surplus for the year amounted to **PKR 47.3 million**, which was a **17%** year-on-year increase from the previous year. The surplus experienced an impressive increase in **CY23** from **PKR 3.6 million** to **PKR 40.6 million**. This increase was due to an increase of **30%** Year on Year in the **net underwriting income** and **no Modarib's Fee** being charged on the aggregate of income on bank balances and investment income earned by the PTF (35% in CY22). The surplus for the year grew at a 3-year **CAGR of 29%**.

Investment income



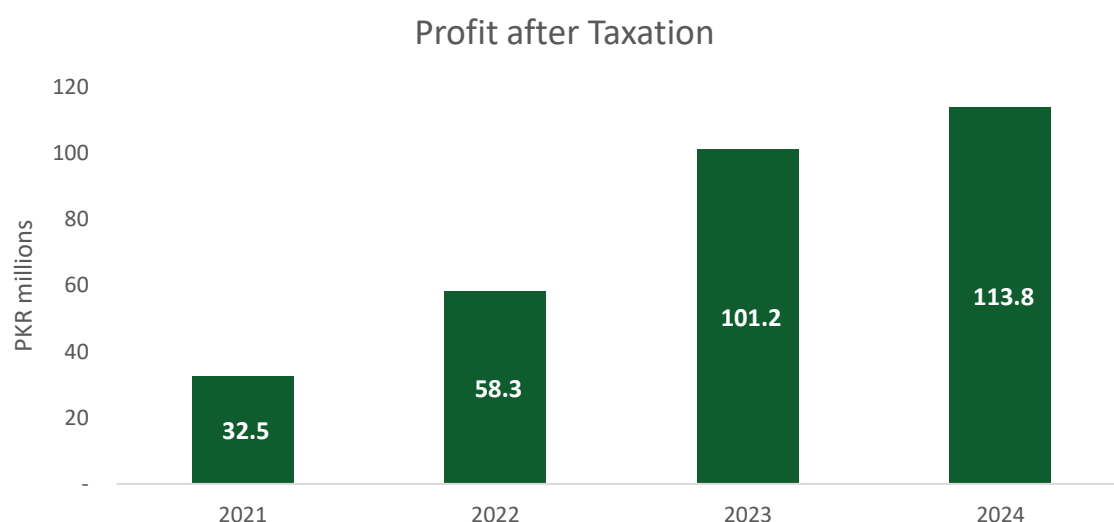
The investment income faced a slight decrease in CY23 (23%) but regained its momentum in the following year and began increasing. The decrease in the investment income was due to decrease in profits from bank placements (92%) and a decrease in the realized gain on equity securities (99%) due to increasing interest rates and investors shifting from equity investments to debt investments. The ratio improved in **CY24** growing at a 3-year **CAGR of 34%**.

The expense ratio of the Participants' Takaful Fund has remained notably low, with the highest recorded level at **5.5%** and the current year standing at **1.8%**. This reflects strong operational efficiency and prudent cost management practices. A low expense ratio signifies that only a minimal portion of the earned contributions is being utilized for management and administrative expenses, allowing the Fund to allocate a larger share towards risk coverage and participant benefits. The sustained low level of this ratio indicates disciplined expense management and a consistent focus on operational sustainability.

Sufficient net premiums written to meet claims, coupled with timely settlement of benefits, reflect PQGTL's strong capacity and commitment toward fulfilling its obligations to participants. The Company has established Retakaful arrangements with a well-diversified panel of reputable regional and international operators, including Kuwait Re (rated A– by S&P), Saudi Re (rated A– by S&P), Oman Re (rated BBB– by Fitch), Arab Re (rated B– (Fair) by AM Best), Tunis Re (rated AA (TUN) by Fitch), Kenya Re (rated B by AM Best), and Pakistan Reinsurance Company Limited (PRCL) (rated AA by VIS)<sup>78</sup>. These partnerships ensure optimal risk diversification under both proportional and non-proportional treaties, thereby strengthening the Fund's underwriting capacity and resilience against large claims.

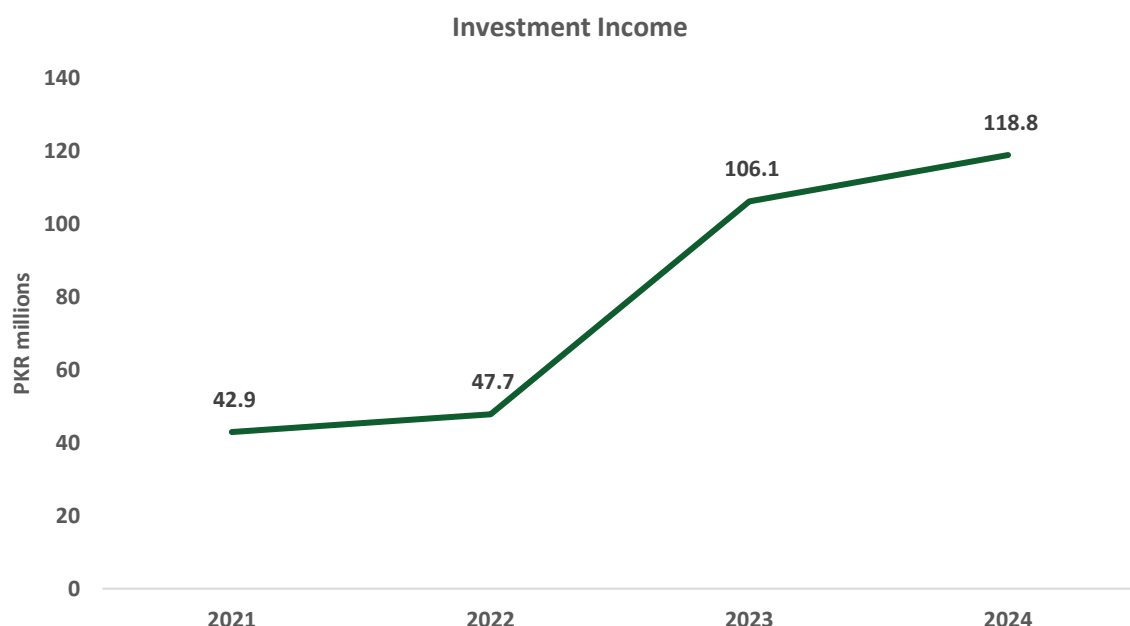
The ratio of liquid investments to total liabilities has remained strong, ranging between **1.5x** (CY22) and **2.2x** (CY24) during the review period. This indicates that for every rupee of liability, the Fund maintains more than adequate liquid assets, ensuring a comfortable cushion to meet its obligations as they fall due. A ratio above 1.0x reflects sound liquidity management, demonstrating that the Fund is well-positioned to honor participant claims and other liabilities without facing short-term funding pressures. The maintained level further suggests prudent asset allocation, balancing the need for liquidity with the pursuit of investment returns. Overall, this ratio highlights the Fund's robust financial flexibility and conservative approach toward liquidity risk.

#### Profitability – Shareholders' Fund (SHF)



The PAT of PQGTL grew by a CAGR of **52%** during the three years period ended December 31, 2024, with PAT in CY24 totaling up to **PKR 113.8 Mn** (CY23: PKR 101.2 Mn). A substantial increase in PAT of 74% was experienced from CY22 to CY23, primarily as a result of Modarib's share received from PTF of PKR 23.5 Mn (CY 23: No share). The company's margins also improved, with PAT as a portion of total income rising to **21.2%** in CY24 (CY23: 20.7%).

<sup>78</sup> <https://www.pakre.org.pk/ms/?view=article&id=212:insurer-financial-strength-ifs-rating-of-pakistan-reinsurance-company-limited-prcl&catid=40>



Investment income also increased to PKR **118.8 Mn** (CY23: PKR 106.1 Mn), with investment yield rising from 9% to 21% in the period under review with **18.8%** in **CY24**. This is a key indicator highlighting improved investment performance and majority of this increase can be dedicated towards a 70% increase in the realized gain on the sale of equities from CY23 and an increase in profit from debt securities 25%.

Increased income and better cost control allowed PQGTL to record significant improvements in its bottom-line as highlighted above, thereby leading to a return on equity of **16.4%** and a return on assets of **10.2%** in **CY24**.

#### Financial Position and Solvency – Shareholders’ Fund

PQGTL’s cash and bank balance attributable to the SHF grew significantly in CY24 to PKR 184.84 Mn (CY23: PKR 232.56 Mn). The trickle-down effects of increased gross contributions and improved investment performance allowed the company to generate positive cash flows from its operating and investing activities. PQGTL’s shareholders’ equity balance grew to PKR 729.41 Mn in CY24 (CY23: 654.9 Mn) by virtue of higher unappropriated profits arising due to the company’s improved profitability. These improvements clearly highlight how PQGTL maintains sufficient liquidity and capital balance to provide shareholders with sustainable returns.

PQGTL’s solvency position is provided hereunder:

PKR Million	CY 2021	CY 2022	CY 2023	CY 2024	9MCY2025
Net Admissible Assets	440.678	508.580	655.250	584.818	848.223
Minimum Solvency Requirement (Higher of):					
Method A – U/s. 36(3)(a) – 150,000,000	(150.000)	(150.000)	(150.000)	(150.000)	(150.000)
Method B – U/s. 36(3)(b) – 70,728,110					
Method C – U/s. 36(3)(c) – 77,836,805					
Excess/(Deficit) in Net Admissible Assets	290.678	358.580	505.251	434.818	698.223

**6.7. SUMMARY OF MAJOR ITEMS OF REVENUE AND EXPENSES****6.7.1. Participants' Fund**

PKR in Million	CY 2022	CY 2023	CY 2024	9M CY2025
	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Unaudited</i>
<b>Key Revenue Items - Participants' Fund</b>				
Gross Contribution written	1,205	1,268	1,174	1,087
Contribution earned	712	870	671	585
Re-takaful rebate earned / commission	51	63	78	60
Investment & other income	40	53	47	21
<b>Key Expense Items - Participants' Fund</b>				
Contribution Ceded to Re-takaful	(257)	(275)	(317)	(258)
Net takaful claims	(536)	(667)	(401)	(369)
Modarib's share	(14)	-	(23)	(11)

**6.7.2. Shareholders' Fund**

PKR in Million	CY 2022	CY 2023	CY 2024	9M CY2025
	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Unaudited</i>
<b>Key Revenue Items - Shareholders' Fund</b>				
Wakala income earned	431	506	512	389
Investment & other income	52	117	137	79
Modarib share from Participants' takaful fund	14	-	23	11
<b>Key Expense Items - Shareholders' Fund</b>				
Commission expense	(126)	(135)	(137)	(96)
Management expenses	(286)	(336)	(361)	(276)
Direct expenses	(5)	(10)	(10)	(8)

**6.8. BIFURCATION OF REVENUE WITH RESPECT TO LOCAL AND EXPORT SALES, IF APPLICABLE.**

The Company does not maintain a bifurcation of revenue between local and export sales, as all business operations are conducted within Pakistan. A summary of revenue of major products and activities is provided in the Prospectus under **section 3.3.1** ("Revenue Drivers") and **section 3.10** ("End – User, Demand for Products & Key Competitors").

**6.9. CONTINGENCIES AND COMMITMENTS**

Commitments under Ijarah arrangements relate to vehicles acquired from Soneri Bank Limited through its Islamic Banking Branch (IBB). Under these Shariah-compliant arrangements, ownership of the vehicles remains with the bank, while the Company has the right to use the vehicles for the agreed lease term. These commitments represent the remaining lease obligations that the Company is required to fulfill over the tenure of the respective Ijarah contracts. As at December 31, 2024, commitments under the Ijarah Arrangements were as follows:

PKR in Million	December 31, 2023	December 31, 2024
Not Later than one year	8.85	7.81
Later than one year and not later than five years	9.64	4.09
<b>Total</b>	<b>18.49</b>	<b>11.91</b>

**6.10. COMPARATIVE FINANCIAL ANALYSIS WITH PEER GROUP COMPANIES**

TTM September 30, 2024, to September 30, 2025	PQGT	AGIC	AICL	ATIL	CENI	EFUG	JGICL	PINL	RICL	TPLI	UNIC
<b>(PKR in Million)</b>											
<b>Operating Performance</b>											
Net Premiums	354	3,569	71,809	3,332	1,567	63,828	8,152	262	586	4,031	5,373
Net Claims	401	2,502	54,814	992	885	52,101	4,676	168	134	1,995	1,250
Investment Income	22	763	25,057	1,986	612	35,376	6,292	273	603	263	138
Fund Operating Expenses (Excl. Claims)	30	883	7,972	1,562	542	8,755	3,128	211	184	1,897	1,593
Claims Ratio	113.5%	70.1%	76.3%	29.8%	56.5%	81.6%	57.4%	63.9%	22.9%	49.5%	23.3%
Expense Ratio	8.5%	24.7%	11.1%	46.9%	34.6%	13.7%	38.4%	80.2%	31.4%	47.1%	29.7%
Combined Ratio	121.9%	94.9%	87.4%	76.7%	91.1%	95.3%	95.7%	144.2%	54.4%	96.6%	52.9%
<b>Profitability and Capital Adequacy</b>											
PAT	108	765	5,310	1,899	582	6,149	4,359	136	408	59	1,880
Shareholders' Equity	848	3,325	49,471	10,639	3,333	31,860	21,317	1,261	1,973	2,717	6,282
Total Assets	1,363	9,787	258,073	25,120	6,917	380,657	68,688	3,560	3,677	8,553	16,559
Liquid Investments	1,174	3,622	181,458	17,160	3,990	88,629	35,361	1,124	1,697	3,231	1,953
Outstanding Claims	485	1,417	24,984	1,488	463	13,651	16,378	527	289	1,351	3,420
Liquid Investments to Outstanding Claims	2.42x	2.56x	7.26x	11.53x	8.62x	6.49x	2.16x	2.14x	5.87x	2.39x	0.57x
<b>Pricing Comparison</b>											
Number of Shares (Mn)	71.11*	100.66	350.00	149.42	55.33	200.00	198.49	50.57	100.47	198.64	416.10
Share price*	10 <sup>79</sup>	37.97	80.01	74.91	54.57	122.02	80.00	10.16	16.00	21.57	15.91
EPS	1.51 <sup>80</sup>	7.60	15.17	12.71	10.52	30.75	21.96	2.69	4.06	0.30	4.52
BVPS	11.93 <sup>81</sup>	33.03	141.35	71.20	60.24	159.30	107.40	24.94	19.63	13.68	15.10
P/E	6.61	5.00	5.27	5.89	5.19	3.97	3.64	3.78	3.94	72.81	3.52
P/B	0.84	1.15	0.57	1.05	0.91	0.77	0.74	0.41	0.81	1.58	1.05
ROE	14%	23%	12%	20%	18%	39%	22%	11%	26%	2%	55%
ROA	8%	8%	2%	9%	9%	2%	7%	4%	13%	1%	12%

\*Based on the TTM earnings for each company (trailing twelve months) for the period September 30, 2024, to September 30, 2025.

\*\* LDCP as of December 22, 2025.

<sup>79</sup> Floor price of PKR 10.00/- per share

<sup>80</sup> EPS = TTM PAT (107 Mn) / Post-rights and Bonus Issue Shares (71.107 Mn). PQFTL issued 10,184,520 bonus shares and 10,000,000 right shares on August 28, 2025.

<sup>81</sup> BVPS = Post rights and Bonus Issue Shareholders' Equity (PKR 817 Mn) / Post-rights and Bonus Issue Shares (71.107 Mn)



**6.11. SUMMARY OF FINANCIAL PROJECTIONS FOR FIVE YEARS****6.11.1. Profit or loss statement**

PKR	2025F	2026F	2027F	2028F	2029F	2030F
<b>Gross contributions revenue</b>	<b>1,403,340,105</b>	<b>1,583,863,654</b>	<b>1,728,712,539</b>	<b>1,887,325,255</b>	<b>2,051,209,486</b>	<b>2,225,288,934</b>
<b>Shareholders' fund</b>						
Wakala fee earned	553,965,905	648,979,178	714,179,532	783,238,481	856,875,689	924,989,064
Commission expense	(129,033,365)	(160,745,505)	(173,583,818)	(190,572,083)	(208,347,394)	(226,822,018)
	<b>424,932,540</b>	<b>488,233,673</b>	<b>540,595,713</b>	<b>592,666,398</b>	<b>648,528,296</b>	<b>698,167,046</b>
Management, Admin & Direct Expenses	(386,397,090)	(441,104,224)	(473,643,999)	(505,610,659)	(538,745,332)	(575,319,256)
<b>SHF - Operating Result</b>	<b>38,535,450</b>	<b>47,129,449</b>	<b>66,951,715</b>	<b>87,055,739</b>	<b>109,782,964</b>	<b>122,847,790</b>
Investment income	94,249,188	111,052,004	127,569,992	142,498,564	160,441,736	182,071,418
SHF						
Other income	20,332,182	16,997,408	19,800,089	22,685,811	25,427,620	27,885,417
Modarib share of PTF investment income	13,864,546	16,519,416	17,397,012	18,209,791	19,828,099	21,851,119
<b>Profit before tax - SHF</b>	<b>166,981,367</b>	<b>191,698,277</b>	<b>231,718,807</b>	<b>270,449,904</b>	<b>315,480,419</b>	<b>354,655,744</b>
Taxation	(48,424,596)	(55,592,500)	(67,198,454)	(78,430,472)	(91,489,321)	(102,850,166)
<b>Profit after tax - SHF</b>	<b>118,556,770</b>	<b>136,105,777</b>	<b>164,520,353</b>	<b>192,019,432</b>	<b>223,991,097</b>	<b>251,805,578</b>

## 6.11.2. Balance Sheet

PKR	2025F	2026F	2027F	2028F	2029F	2030F
<b>Assets</b>						
PPE	53,627,156	65,455,501	72,551,499	95,520,528	115,194,878	138,137,040
Intangible Assets	8,162,492	19,975,361	24,869,742	24,509,665	22,943,794	21,770,654
Investments	973,485,846	1,293,730,893	1,443,169,182	1,613,708,907	1,826,365,728	2,076,724,043
Deposits, Loans and Other Receivables	18,405,479	19,292,251	20,254,830	21,081,795	22,101,814	23,318,344
Deferred Tax Asset	-	-	-	-	-	-
Deferred Commission Expense	67,714,496	71,683,383	78,736,235	86,485,637	94,215,203	102,432,757
Taxation - Payments Less Provision	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Wakala and Modarib Receivable	50,215,494	50,215,494	50,215,494	50,215,494	50,215,494	50,215,494
Cash and bank	183,161,721	213,363,025	244,459,167	274,004,523	300,489,409	326,370,938
<b>Total Assets</b>	<b>1,354,772,684</b>	<b>1,733,715,907</b>	<b>1,934,256,149</b>	<b>2,165,526,549</b>	<b>2,431,526,320</b>	<b>2,738,969,270</b>
<b>Equity and Liabilities</b>						
<b>Equity</b>						
Paid up Capital	711,071,210	1,136,071,210	1,261,071,210	1,511,071,210	1,511,071,210	2,011,071,210
Unappropriated Profit/(Deficit)	172,961,878	95,967,315	135,487,668	77,507,100	301,498,197	53,303,775
Revaluation Reserve on available for sale investments	13,006,781	-	-	-	-	-
<b>Total Equity</b>	<b>897,039,869</b>	<b>1,232,038,525</b>	<b>1,396,558,878</b>	<b>1,588,578,310</b>	<b>1,812,569,407</b>	<b>2,064,374,985</b>
<b>Liabilities</b>						
Deferred Tax Liability	1,610,771	1,610,771	1,610,771	1,610,771	1,610,771	1,610,771
Other Creditors and Accruals	157,450,517	179,742,782	193,002,210	206,028,103	219,529,942	234,433,221
Lease Liabilities	27,041,344	21,875,222	17,696,064	14,315,314	11,580,440	9,368,052
Taxation - Payments Less Provision	24,485,817	24,485,817	24,485,817	24,485,817	24,485,817	24,485,817
Unearned Wakala Income	247,144,365	273,962,790	300,902,409	330,508,234	361,749,942	404,696,424
<b>Total Liabilities</b>	<b>457,732,814</b>	<b>501,677,382</b>	<b>537,697,271</b>	<b>576,948,239</b>	<b>618,956,913</b>	<b>674,594,285</b>
<b>Total Equity and Liabilities</b>	<b>1,354,772,684</b>	<b>1,733,715,907</b>	<b>1,934,256,149</b>	<b>2,165,526,549</b>	<b>2,431,526,320</b>	<b>2,738,969,270</b>

## 6.11.3. Cashflow Statement

PKR	2025F	2026F	2027F	2028F	2029F	2030F
Profit before Taxation	166,981,367	191,698,277	231,718,807	270,449,904	315,480,419	354,655,744
Depreciation & Amortization	18,752,505	23,712,130	25,847,536	29,206,938	31,756,524	35,151,336
(Gain)/Loss on disposal of PPE	-	-	-	-	-	-
Investment Income	(94,249,188)	(111,052,004)	(127,569,992)	(142,498,564)	(160,441,736)	(182,071,418)
Unrealized Exchange Gain	-	-	-	-	-	-
Working Capital Changes	11,173,577	40,036,932	28,936,411	31,516,880	34,271,450	47,423,645
<b>Cash generated from Operations</b>	<b>102,658,260</b>	<b>144,395,335</b>	<b>158,932,763</b>	<b>188,675,159</b>	<b>221,066,657</b>	<b>255,159,307</b>
Income tax paid	(48,424,596)	(55,592,500)	(67,198,454)	(78,430,472)	(91,489,321)	(102,850,166)
<b>Net Cash generated from Operating Activities</b>	<b>54,233,664</b>	<b>88,802,835</b>	<b>91,734,309</b>	<b>110,244,686</b>	<b>129,577,335</b>	<b>152,309,142</b>
<b>Cash flow From Investing Activities</b>						
Fixed Capital Expenditure	(8,427,012)	(47,353,343)	(37,837,915)	(51,815,891)	(49,865,002)	(56,920,358)
Proceeds from disposal of PPE	-	-	-	-	-	-
Proceeds from disposal of investments	109,603,098	162,407,121	52,400,000	66,343,000	58,576,800	61,380,200
Payment for investments	(289,142,306)	(482,652,168)	(201,838,289)	(236,882,725)	(271,233,621)	(311,738,515)
Profit/Return received	93,849,333	110,103,981	126,638,038	141,656,286	159,429,373	180,851,060
Qard-e-Hasana receipt/(payment)	-	-	-	-	-	-
<b>Net Cash used in Investing Activities</b>	<b>(94,116,886)</b>	<b>(257,494,409)</b>	<b>(60,638,166)</b>	<b>(80,699,330)</b>	<b>(103,092,450)</b>	<b>(126,427,613)</b>
<b>Cash flow From Financing Activities</b>						
Proceeds from issuance of shares	100,000,000	300,000,000	-	-	-	-
Dividends paid	(61,793,079)	(101,107,121)	-	-	-	-
<b>Net cash generated from Financing Activities</b>	<b>38,206,921</b>	<b>198,892,879</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase / (decrease) in Cash</b>	<b>(1,676,302)</b>	<b>30,201,304</b>	<b>31,096,142</b>	<b>29,545,356</b>	<b>26,484,885</b>	<b>25,881,529</b>
<b>Cash at the beginning of the year</b>	<b>184,838,022</b>	<b>183,161,721</b>	<b>213,363,025</b>	<b>244,459,167</b>	<b>274,004,523</b>	<b>300,489,409</b>
<b>Cash at the end of the year</b>	<b>183,161,721</b>	<b>213,363,025</b>	<b>244,459,167</b>	<b>274,004,523</b>	<b>300,489,409</b>	<b>326,370,938</b>

PKR	2026F	2027F	2028F	2029F	2030F
PAT	136,105,777	164,520,353	192,019,432	223,991,097	251,805,578
Add: Depreciation & Amortization	23,712,130	25,847,536	29,206,938	31,756,524	35,151,336
Less: Capex	(47,353,343)	(37,837,915)	(51,815,891)	(49,865,002)	(56,920,358)
Adj: Changes in Working Capital	40,036,932	28,936,411	31,516,880	34,271,450	47,423,645
<b>FCFE</b>	<b>152,501,496</b>	<b>181,466,385</b>	<b>200,927,359</b>	<b>240,154,069</b>	<b>277,460,201</b>

Macro Assumptions	Units	Forecast	Forecast	Forecast	Forecast	Forecast
		CY 25	CY 26	CY 27	CY 28	CY 29
Kibor <sup>82</sup>	(%)	10.28%	10.28%	10.28%	10.28%	10.28%
Inflation <sup>83</sup>	(%)	5.1%	7.7%	6.5%	6.5%	6.5%
Exchange Rate	USD to PKR	278	292	306	322	338
<i>PKR Depreciation/(Appreciation)</i>	(%)	-5.9%	5.0%	5.0%	5.0%	5.0%
Effective Tax Rate	%	29%	29%	29%	29%	29%

<sup>82</sup> Source: AHL Research

<sup>83</sup> [imf.org/external/datamapper/PCPIPCH@WEO/WEOWORLD/PAK](https://imf.org/external/datamapper/PCPIPCH@WEO/WEOWORLD/PAK)

## 6.11.4. Certificate of reasonableness of Financial Projections



**The Chief Executive**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Chief Listing Officer**  
Listing Department  
Pakistan Stock Exchange Limited  
Karachi

**Subject: Certification of Reasonableness of Financial Projections as per Schedule 1 14(vii);(xii) of the Public Offering Regulations, 2017**

Dear Sir(s),

We, Arif Habib Limited, acting as the Consultant to the Issue in connection with the proposed Initial Public Offering of Pak Qatar General Takaful Limited, hereby confirm that we have reviewed the financial projections for the five-year period ending CY2029 included in the draft Prospectus and submitted to the Exchange.

Based on our sector expertise, market research and discussions with the Company's management regarding the underlying assumptions, we certify that the financial projections have been prepared on reasonable grounds and assumptions. The key assumptions cover, inter alia, premium growth rate, underwriting margins, effective tax rate, and relevant macroeconomic factors, and are considered reasonable in light of the Company's historical performance, industry outlook, and the prevailing economic environment.

This certification is being provided in accordance with the Public Offering Regulation issued by the Securities and Exchange Commission of Pakistan (SECP).

**Disclaimer:**

The financial projections are subject to inherent uncertainties and are based on assumptions regarding future events and circumstances which may not occur as expected. Actual results may differ from those projected. This certification should not be construed as a guarantee of the attainment of the projected results. Please read the offering document/prospectus to understand the investment policies, risks and tax implication involved.

Yours Faithfully,



**Farhan Rizvi**  
Managing Director Investment Banking,  
Arif Habib Limited

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TREC Holder of the Pakistan Stock Exchange Ltd. | Branch Reg No. 80A-050 / 01



## 6.12. REVALUATION OF ASSETS

The Company does not own any real estate property; therefore, no revaluation of property assets has been carried out.

However, investments are revalued on a periodic basis to reflect their fair market value. The methodology for determining fair value is as follows:

1. **Sukuk certificates:** Valued based on quotations obtained from brokers.
2. **Mutual fund units:** Valued at Net Asset Value (NAV) as announced by the Mutual Funds Association of Pakistan (MUFAP).

The details of the investments as of 31 December 2024 are as follows:

Investments Available-for-sale (AFS)	Cost	Impairment / provision	Revaluation surplus / (deficit)	Carrying Value
	PKR			
Equity Securities (Mutual Fund Units)				
Shareholders' Fund	575,624,728	-	17,021,910	592,646,638
Participants' Takaful Fund	-	-	-	-
Total	575,624,728	-	17,021,910	592,646,638
Debt Securities (Sukuk Certificates)				
Shareholders' Fund	200,002,500	-	1,297,500	201,300,000
Participants' Takaful Fund	186,907,500	-	187,500	187,095,000
Total	386,910,000	-	1,485,000	388,395,000
GRAND TOTAL	962,534,728	-	18,506,910	981,041,638

## 6.13. DIVIDEND POLICY

The Company aims to declare a cash dividend of PKR 1 per share in 2025. Thereafter, the Company intends to issue bonus shares to progressively meet the SECP's minimum paid-up capital requirements, subject to financial performance, liquidity, and requisite Board and shareholder approvals. Future-dividend declarations will be subject to various factors, including the Company's financial performance, availability of adequate liquidity, recommendations made by the Board of Directors, and approvals from shareholders, where applicable.

Each ordinary share carries equal rights with respect to dividends and bonus issues. The Company may declare dividends at its general meeting; however, no dividend shall exceed the amount recommended by the Board of Directors. The Board of Directors may from time to time declare interim dividends if considered justified by the Company's profitability. No dividend shall be paid otherwise than out of the profits of the Company for the year or any other undistributed profits.

Annual dividend, if declared, shall be paid according to the provisions of the Companies Act. Unpaid dividend shall not bear any interest or mark-up against the Company. The dividends shall be paid within the period laid down in the Companies Act.

In accordance with Section 242 of the Companies Act, 2017, any dividend payable in cash by a listed company shall be paid only through electronic mode directly into the bank account designated by the entitled shareholder. Accordingly, shareholders are required to provide their bank account details in the relevant section of the Share Subscription Form.

The table below describes the bonus shares to be issued in the projected years and the dividend payments made over the past three years, along with a prospective, non-binding expected dividend for the year 2026.

	2025 Expected	2026 Expected	2027 Expected	2028 Expected	2029 Expected	2030 Expected
Bonus Share Issued		12%	11%	20%	0%	33%
PKR	2025 Expected	2026 Expected	2027 Expected	2028 Expected	2029 Expected	2030 Expected
Dividend Per Share (DPS) - PKR	1.00	-	-	-	-	-

Covenants / Restriction on Payment of Dividends: There are no restrictions imposed on the Company by any regulatory authority, creditor, stakeholder, or any other party regarding the distribution or capitalization of its profits.

Eligibility for Dividend: The ordinary shares issued shall rank pari passu with the existing ordinary shares in all respects, including entitlement to any bonus issues, rights issues, and dividends declared by the Company after the date of issuance of such shares.

#### **6.13 (B) DIVIDEND PAYOUT OF LISTED ASSOCIATED COMPANIES OVER WHICH THE ISSUER HAS CONTROL**

Pak Qatar General Takaful Limited (PQGTL) does not have any listed associated company over which it exercises control, accordingly, there is no dividend payout history to disclose.

Pak-Qatar Family Takaful Limited (PQFTL) is in listing process and is considered an associate of PQGTL solely due to common directorship. The Company does not hold any equity interest in PQFTL and is therefore not entitled to receive any dividends from it.

## 7. BOARD AND MANAGEMENT OF THE COMPANY

### 7.1. BOARD OF DIRECTORS

Sr. No	Name	Designation	Address	CNIC / Passport No:	Period of Directorship	Directorship in other companies
1	H. E. Sheikh Ali bin Abdullah Thani Jassim Al-Thani	Chairman of Board & Non-Executive Director	Al-Gharafa, Doha, Qatar	5037908	Board Member Since March 2006	<ul style="list-style-type: none"> <li>Umm-Haish International</li> <li>Al Jazeera Trading &amp; Contracting</li> <li>Pak Qatar Family Takaful Limited</li> </ul>
2	Mr. Said Gul	Non-Executive Director	House No. 2, Kohsar Road, F-7/3, Islamabad, Pakistan	153027-821829-3	Board Member Since April 2007	<ul style="list-style-type: none"> <li>Eurotec Projects Development for Oil &amp; Gas</li> <li>Qatar Petrochemical Company</li> <li>Al-Muftah Projects &amp; Industrial Services</li> <li>Pak Qatar Family Takaful Limited</li> <li>Pak-Qatar Asset Management Company Limited</li> <li>Pak Qatar Investment (Pvt) Ltd</li> </ul>
3	Mr. Abdul Basit Ahmad Al-Shaibei	Non-Executive Director	Villa No. 94, Al-Roadah, Doha, Qatar	01709999	Board Member Since March 2006	<ul style="list-style-type: none"> <li>Islamic Financial Securities Company</li> <li>Pak-Qatar Family Takaful</li> <li>Qatar International Islamic Bank</li> </ul>
4	Mr. Ali Ibrahim Al Abdul Ghani	Non-Executive Director	P.O. Box 22676, Doha Qatar	01744817	Board Member Since October 2014	<ul style="list-style-type: none"> <li>Qatar Islamic Insurance Company</li> <li>Pak-Qatar Family Takaful Limited</li> </ul>
5	Mr. Zahid Hussain Awan	Non-Executive Director	215-B, Ghazikot Township, Mansehra, Pakistan	135039-451450-5	Board Member Since April 2007	<ul style="list-style-type: none"> <li>Pak-Qatar Family Takaful Limited</li> </ul>
6	Mr. Muhammad Kamran Saleem	Executive Director	A-185/8 K.A.E.C.H.S., Karachi, Pakistan	42301-5927051-1	Board Member Since April 2022	<ul style="list-style-type: none"> <li>Pak-Qatar Asset Management Company</li> <li>Pak-Qatar Family Takaful Limited</li> <li>Pak Elektron Limited</li> <li>Crescent Steel &amp; Allied Products</li> </ul>
7	Mr. Zahid Haleem Shaikh	Independent Director	H. No. 105, Street 3, Khyaban-e-Muhafiz, Phase 6 DHA, Karachi, Pakistan	42201-2515026-3	Board Member Since April 2025	<ul style="list-style-type: none"> <li>Shafi Foods</li> <li>Shafi Agro (Pvt) Muhammad Shafi Tanneries</li> <li>Shafi Taxcel</li> <li>Shafi Gluco Chem</li> <li>Everfresh Farms (Pvt.)</li> <li>Pak-Qatar Family Takaful Limited</li> </ul>
8	Mr. Asad Pervaiz	Independent Director	H. No. 64/2, Khyaban-e-Rahat, Phase 6 DHA, Karachi, Pakistan	42301-8305745-9	Board Member Since April 2025	<ul style="list-style-type: none"> <li>Pak-Qatar Family Takaful Limited</li> </ul>
9	Ms. Ammara Shamim Gondal	Independent Director	Villa#29, DHA Villas, Phase 8 (Ex-Park View), Street 2, DHA, Lahore	34101-2303214-2	Board Member Since April 2025	<ul style="list-style-type: none"> <li>Prissol Pvt Ltd</li> <li>Pak-Qatar Family Takaful Limited</li> </ul>

### 7.2. NUMBER OF DIRECTORS

Pursuant to Section 154 of the Companies Act, 2017 a listed Company shall not have less than seven (7) directors. At present, the Board consists of 9 directors, excluding the Chief Executive Officer, who is not an elected director but a member of the management team.

### 7.3. PROFILE OF DIRECTORS

#### **H. E. Sheikh Ali bin Abdullah Thani Jassim Al-Thani - Chairman Board of Directors:**

A distinguished member of the Royal Family of Qatar, His Excellency Sheikh Ali Bin Abdullah Thani Jassim Al-Thani has been a steadfast supporter of Pakistan's progress and development. He has championed initiatives to attract foreign investment, foster workforce opportunities, and uplift communities, especially in education and healthcare.

Since 2007, Sheikh Ali has served as the visionary Chairman of Pak-Qatar General Takaful Limited, steering the Company's mission to redefine Islamic financial services with excellence and purpose.

#### **Said Gul - Non-Executive Director:**

A prominent Pakistani entrepreneur in Qatar, Mr. Said Gul is the driving force behind transformative initiatives that bridge the business communities of Pakistan and Qatar. As the Executive Director of Eurotec Projects Development for Oil & Gas, he has cultivated innovative solutions in international trade and consultancy. As a founding Director and key sponsor of the Pak-Qatar Group, Mr. Gul has been instrumental in shaping its modern success. His leadership has cemented the Group's reputation as a pioneer in Islamic finance since its inception in 2007.

#### **Mr. Abdul Basit Ahmad Al-Shaibei - Non-Executive Director:**

As the CEO of Qatar International Islamic Bank, Mr. Abdul Basit Ahmad Al-Shaibei has played a pivotal role in advancing Islamic banking on a global scale. He also serves as a Board Member of the Islamic Financial Securities Company, Doha, reflecting his deep expertise in Shariah-compliant financial solutions. Since 2007, Mr. Al-Shaibei has been an invaluable member of the Board of Pak-Qatar Family Takaful and General Takaful, bringing strategic insights to the Group's leadership.

#### **Mr. Ali Ibrahim Al Abdul Ghani - Non-Executive Director:**

A seasoned leader in Islamic finance, Mr. Ali Ibrahim Al Abdul Ghani is the CEO of Qatar Islamic Insurance Company. His career spans key roles in Qatar's Ministry of Labor and Social Affairs as Head of Finance & Administration and the Qatar Armed Forces as Head of Procurement. He contributes his vast expertise as a Board Member of Pak-Qatar Family Takaful and General Takaful, guiding its vision of halal financial investment and protection.

#### **Mr. Zahid Hussain Awan - Non-Executive Director:**

With over three decades of international banking experience, Mr. Zahid Hussain Awan has held leadership roles in the GCC, including at Qatar International Islamic Bank. His expertise spans treasury, product development, and banking innovation. Since 2007, Mr. Awan has been a cornerstone of the Board of Pak-Qatar Asset Management, Pak-Qatar Family Takaful and General Takaful, contributing his strategic acumen to the Group's sustained success.

#### **Mr. Muhammad Kamran Saleem - Executive Director:**

A seasoned professional with expertise as a Fellow Chartered Accountant, Fellow Cost Accountant, and Advocate (LLM), Mr. Muhammad Kamran Saleem has played a transformative role in corporate governance, long-term planning, and shaping the strategic direction of the Pak-Qatar Group over the span of two decades.

As a member on the Boards of Pak-Qatar Asset Management, Pak-Qatar Family Takaful and General Takaful, he has been a key architect in strengthening the group's leadership providing invaluable guidance to drive innovation and sustainable growth. He is also a Director at Pak Elektron Limited and Crescent Steel & Allied Products Limited, where he lends his expertise to enhance excellence and governance.

**Mr. Zahid Haleem Shaikh - Independent Director:**

Mr. Zahid Haleem Shaikh serves as Chief Executive Officer of Shafi Foods (Pvt.) Ltd. and Shafi Agro (Pvt) Ltd, and holds Directorships at Muhammad Shafi Tanneries (Pvt.) Ltd., Shafi Taxcel Ltd., Shafi Gluco Chem (Pvt.) Ltd. and Everfresh Farms (Pvt.) Ltd. His strategic oversight supports the group's vertically integrated model, driving sustained growth and value creation within the Shafi Group.

Mr. Zahid earned a Bachelor of Commerce from Scholars College, Punjab University in 1988 and a BSBA in Business Administration with a concentration in Finance (cum laude) from Boston University in 1992. With over two decades of leadership across agribusiness, food processing, manufacturing, and exports, he combines academic excellence with sector expertise.

**Mr. Asad Pervaiz - Independent Director:**

Mr. Asad Pervaiz held the pivotal role of Chief Actuary & Appointed Actuary at Friends Provident International, UAE (IFGL), where he was responsible for overseeing financial reporting, risk projection, and actuarial strategy. His expertise strengthens governance and insight across complex insurance portfolios. He holds a Bachelor of Commerce degree from the University of Karachi (2008), and is a Fellow of the Society of Actuaries, USA, as well as a Fellow of the Pakistan Society of Actuaries, both awarded in 2012. With more than a decade of professional experience in actuarial science and risk management, he brings a rare blend of international and local credentials to the board.

**Ms. Ammara Shamim - Independent Director:**

Ms. Ammara Shamim Gondal serves as a Director at Prissol (Pvt) Limited and Chief Financial Officer at Reem Rice Mills (Pvt) Limited, where she leads key financial functions including strategic planning, budgeting, financial reporting, and the development of robust internal control frameworks. With a strong track record in corporate governance and financial stewardship, Ms. Gondal brings valuable insight and accountability to the boardroom, strengthening investor confidence and supporting sustainable, long-term value creation across diversified operations.

She is a Chartered Accountant (ACA) and holds a Bachelor of Arts degree from the University of the Punjab. She brings over a decade of professional experience grounded in audit, analytics, and financial leadership, with recognition from the Institute of Chartered Accountants of Pakistan where she formerly chaired CASA-North.

**7.4. PROFILE OF SENIOR MANAGEMENT****Saqib Zeeshan – Chief Executive Officer:**

Mr. Saqib Zeeshan is a seasoned professional with over two decades of experience in Takaful, Insurance, and Health Services. He has a proven track record of driving growth and innovation across all lines of business.

Throughout his distinguished career, he has held senior positions at renowned organizations such as Pak-Qatar Family Takaful, Salaam Takaful, The Indus Health Network, American Life Insurance, Commercial Union Life Assurance Pakistan, and Allianz EFU Health Insurance Limited. In addition to his industry expertise, Mr. Zeeshan is a philanthropist and has been the Founding President of Team Karachi Welfare Society for nearly two decades.

He has also made significant contributions to the industry, serving as a member of the Executive Committee at The Insurance Association of Pakistan (IAP), member of Islamic Finance (Takaful & Banking) committees at FPCCI (Federation of Pakistan Chamber of Commerce and Industries) for multiple tenures. His academic credentials include an MBA (Marketing), M.A. in Economics, LLB, and a Post-Graduate Diploma in Takaful & Islamic Banking from Darul Uloom, Karachi.

**Mr. Muhammad Kamran Saleem – Company Secretary**



Mr. Muhammad Kamran Saleem, who also serves as the Executive Director of the Company. His detailed profile is provided under the Board of Directors section 7.3.

#### **Mehmood Arshad – Executive Director Marketing**

Mr. Mehmood Arshad has nearly two decades of experience in the Insurance and Takaful industry of Pakistan. He is Executive Director Marketing at Pak-Qatar General Takaful Limited. His core responsibilities include management of the entire Sales Team across the country and leading marketing initiatives. A thorough professional and a staunch advocate of Islamic Finance, Mr. Mehmood's expertise lies in marketing management, relationship building, strategy formulation and public speaking.

Mr. Mehmood has an MBA from Karachi University Business School and has been teaching Management and Marketing courses at prestigious universities for last several years. Besides this, he is on the board of various business forums and important socio-economic platforms where he is contributing to promoting Pakistan's economic interest domestically as well as in the international markets and developing strategic opportunities for business community and social sector of Pakistan.

#### **Muhammad Raza – Chief Operating Officer**

Muhammad Raza is a seasoned professional over two decades of rich experience and commendable achievements in the various areas of operations and in the Insurance & Takaful industry of Pakistan. He has worked at senior & executive-level positions in different companies including State Life Insurance Corporation, Sindh Insurance Limited and Habib Insurance Ltd.

After progressing through multiple senior-level management positions at various companies, his vision and passion for Islamic Finance inspired him to take the opportunity of joining Takaful industry and is presently heading the Operations department of Pak-Qatar General Takaful Limited.

Muhammad Raza has completed Associateship from Chartered Insurance Institute – UK (ACII) which is the prestigious International General Insurance qualification. He also holds PGD in Islamic Finance & Banking from PAF-KIET and has done other certifications which includes CITIP (Certificate of IT for Insurance Professionals) and CTP (Certified Takaful Professional).

Mr. Raza has been instrumental in designing efficient policies, overseeing customer service and implementing technological solutions, besides evaluating risk and ensuring compliance with regulations. He is a responsible leader with analytical skills and has in-depth knowledge of the business. He has proven himself as company's main adviser on all issues relating to operational functions and has implemented latest developments to ensure that the company maintains its competitive position in the industry and achieves long-term success.

#### **Muhammad Saleem – Chief Financial Officer**

Mr. Muhammad Saleem is associated with the company since 2007. He is a seasoned Accounting and Taxation professional and is currently serving as CFO. Mr. Saleem possesses over 3 decades of experience in the fields of Treasury, Financial Reporting, Budgeting, Taxation and Reinsurance, and previously has worked with reputable companies in responsible positions. Mr. Saleem holds a Bachelor of Commerce degree, along with Postgraduate Diplomas in Finance & Accounts and in Islamic Banking & Takaful.

#### **Mufti Muhammad Shakir Siddiqui – Shari'ah Advisor**

Mufti Muhammad Shakir Siddiqui serves as Shariah Advisor for Pak-Qatar General Takaful Limited. He supervises Shariah Trainings, Shariah Compliance & Audits. Since joining the organization in 2007, he has been instrumental in developing and implementing comprehensive Shariah compliance and audit manuals, ensuring adherence to Islamic principles across all operations. Mufti Siddiqui holds the Takhassus Fil Iftah and Almiyah, Fiqh (Islamic Jurisprudence) from esteemed Jamia Darul Uloom, Karachi, and has completed an M.A. in Arabic as well as an M.Phil. leading to a Ph.D. in Islamic Learning from the University of Karachi. His areas of

specialization include Islamic Finance, Islamic Jurisprudence, Takaful, Islamic Risk Management, Shariah Audit & Compliance, Waqf Management, and Islamic Business Ethics.

In addition to his role at Pak-Qatar, Mufti Siddiqui is a respected Shariah advisor and consultant, serving on the Standing Committee on Takaful & Window Takaful at the Federation of Pakistan Chambers of Commerce and Industry (FPCCI). He is also a visiting faculty member at several leading institutions in Karachi, including the Institute of Business Administration's Centre for Excellence in Islamic Finance (IBA-CEIF), where he imparts knowledge on Islamic finance and Takaful. His commitment to promoting ethical financial practices and his extensive experience make him a pivotal figure in the Islamic finance sector.

#### **Muhammad Danish Raza - Head of Internal Audit**

Mr. Danish Raza is the Head of Internal Audit at Pak-Qatar General Takaful Limited, bringing over a decade of extensive experience in Internal Audit. Prior to joining Pak-Qatar, he served as Senior Manager Internal Audit at Mega & Forbes Group of Companies, where he played a key role in strengthening governance frameworks and ensuring regulatory compliance. He also held a senior audit position at Grant Thornton, where he led multiple assurance and advisory engagements for clients across various industries.

Mr. Raza is an ACCA-qualified professional with a strong command of internal control systems and financial reporting standards. In addition, he holds a Certification in Shariah Compliance & Audit of Islamic Financial Institutions from IBA-CEJ, equipping him with a deep understanding of Shariah-based audit practices. His combined expertise in conventional and Islamic auditing principles enables him to uphold the highest standards of accountability and transparency in his current role.

#### **Farrukh Adnan – Head of Underwriting**

Mr. Farrukh Adnan has over two decades of rich experience in the General insurance industry of Pakistan at senior level positions. He previously worked for Crescent Star Insurance Limited and Adamjee Insurance. Mr. Farrukh is a commerce graduate of Karachi University and has completed various professional certifications/trainings in Takaful and Insurance sector.

#### **Saifuddin Shaikh - Head of Administration & Procurement**

Mr. Saifuddin Shaikh has been leading the Administration & Procurement function at Pak-Qatar Group since its inception in 2007. As the company's first employee, he played a vital role in establishing the head office and branch network across Pakistan. His responsibilities span general administration, procurement, project office oversight, and support operations for both Family and General Takaful businesses.

With over two decades of professional experience, Mr. Saifuddin Shaikh brings expertise in administration, IT support, and HR management. He previously headed the Information Technology & Systems department and has held leadership roles in the tech and services sectors. He holds an LLB from Government Islamia Law College, an MPA from COMSATS Institute of Information Technology, a postgraduate diploma in Islamic Banking & Finance, and an Associate Engineering Diploma in Electronics Technology.

#### **Kamran Ali Khan - Head of Human Resources & Training**

Mr. Kamran Ali Khan is a polished HR and business leader with over two decades of experience across Human Resources, Learning & Development, Customer Experience, Sales, and Quality Assurance. At Pak-Qatar Group, he heads HR and Training, where he leads strategic initiatives in talent development, organizational culture, and performance management.

Prior to joining Pak-Qatar, Mr. Kamran Khan held senior roles at K-Electric, wi-tribe, and Mobilink, and has also served as a visiting faculty member at Institute of Business & Technology (IBT). He brings deep expertise in HR operations, leadership development, automation, and customer lifecycle management.

#### **Obaid Hussain Qureshi - Head of Legal & Compliance**

Mr. Obaid Hussain Qureshi brings over two decades of extensive experience in legal affairs, compliance, and risk management across diverse sectors, including roles at K-Electric, Standard Chartered Bank, and the District & Sessions Court in Karachi. At Pak-Qatar Takaful, he leads the Legal, Compliance & Grievance department, providing strategic oversight on regulatory adherence, dispute resolution, and legal risk mitigation.

His expertise spans legal drafting, litigation (civil, criminal, and family law), arbitration, commercial banking regulations, anti-money laundering (AML), and compliance frameworks. Mr. Qureshi holds a Bachelor of Laws (LLB) from the University of Karachi and has completed multiple certifications in legal and compliance domains. His multidisciplinary background and sharp legal insight contribute significantly to maintaining governance standards and organizational integrity.

#### **Bilal Rashid - Head of Marketing and Corporate Communications**

Mr. Bilal Rashid has over two decades of diverse experience in Marketing & Corporate Communications, leading high-impact marketing, branding, and communication strategies with various organizations such as IGI Life, Telenor Bank (Easypaisa), JS Investments, GEO TV, Lakson Tobacco, etc. He possesses strong competencies in corporate communications, conventional & digital marketing, business planning, brand activation, advertising, and market analysis.

Mr. Bilal holds a Marketing Degree from Institute of Business Management (IoBM), is a Fellow Chartered Institute of Marketing (FCIM), Certified Professional Marketer (CPM Asia) from the Asia Marketing Federation, and has further augmented his expertise with certifications in journalism, traditional and digital marketing from esteemed institutions such as Semrush, Reuters, Google, Facebook, Chartered Institute of Marketing and Wharton Business School.

#### **Aslam Zaki – Head of IT Infrastructure:**

An accomplished IT Infrastructure and Systems Specialist with over two decades of progressive experience in designing, managing, and securing enterprise-scale IT environments. Currently serving as Head of Infrastructure at Pak Qatar Family & General Takaful, Aslam has led critical projects such as corporate data center design, network revamps, virtualization deployments, and disaster recovery implementations.

His expertise spans infrastructure planning, system and network administration, virtualization (VMware, Hyper-V, SangFor, Oracle), cybersecurity (SIEM, IDS/IPS, Sophos, Cisco, Juniper), data center operations, VPNs, backup and DR strategies, and IT budgeting. He is skilled in managing cross-functional teams, vendor relationships, and complex multi-site environments.

Certifications include OCI Certified Professional Architect along with multiple other OCI certifications in Operations, Architect Associate, Foundations, and Security. He is also a Certified NSE 2 Network Security Associate and CCNA, and has completed professional training in MCITP, ISA Server, and computer networking.

### **7.5. QUALIFICATION OF DIRECTORS**

No person shall be appointed as a director of the Company who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

### **7.6. APPOINTMENT AND ELECTION OF DIRECTORS AND CHIEF EXECUTIVE**

The Directors of the Company are elected for a term of three years in accordance with the procedure laid down in Section 159 of the Companies Act, 2017.

The Directors shall comply with the provisions of Sections 154 to 159 and Sections 161 and 167 of the Companies Act relating to the election of Directors and matters ancillary thereto.

Subject to the provisions of the Companies Act, the Company may from time to time increase or decrease the number of Directors.

Any casual vacancy occurring on the Board of Directors may be filled up by the Directors, but the person appointed shall be subject to retirement at the same time as if he/she had become a Director on the day on which the Director, in whose place he/she is chosen, was last elected as Director.

The Company may remove a director in accordance with the provisions of the Companies Act.

The last election of Directors was held on **30 April 2025**.

The company shall have a Chief Executive appointed in accordance with the provisions of the Act. The Chief Executive is a deemed director, with respect to rights and privileges associated with that of a director. Lastly, The Chief Executive may be removed by the Board or by company through special resolution, in accordance with the provisions of section 190 of the Act.

The Company will comply with the Listed Companies (Code of Corporate Governance) Regulation, 2019 as and when the regulations will be applicable on it. Currently, the Company follows the Code of Corporate Governance for Insurers, 2016.

#### 7.7. INTEREST OF DIRECTORS AND PROMOTERS

The directors and promoters of the company may have a direct or indirect interest in contracts, arrangements, or dealings with the company, as permitted under the provisions of the Companies Act, 2017, and the Articles of Association. In accordance with Article 51, no director or intending director is disqualified from entering into contracts, transactions, or proposals with the company in a professional capacity or otherwise, provided that the nature of their interest is fully disclosed at the time and in the manner prescribed by the Act.

Furthermore, the directors are required to abstain from participating in discussions or voting on matters in which they have a personal interest, as per the provisions of Article 51. Such contracts or arrangements are subject to approval by the Board of Directors.

The Directors performing whole time services in the Company may also be deemed interested in the remuneration payable to them by the Company. The nominee directors have an interest in the Company to the extent of representing the sponsors in the Company.

Following directors are holding Ordinary Shares of the Company:

Name of Directors	Designation	No. of Shares	%
H.E. Sheikh Ali Bin Abdullah Al Thani	Chairman of Board	9,563,467	13.45%
Mr. Muhammad Kamran Saleem	Executive Director	3,055,097	4.30%
Mr. Said Gul	Non-Executive Director	1,222,141	1.72%
Mr. Zahid Hussian Awan	Non-Executive Director	324,655	0.46%
Mr. Abdul Basit Ahmed Al-Shaibei	Non-Executive Director	1	0.00%
Mr. Ali Ibrahim Al Abdul Ghani	Non-Executive Director	1	0.00%

#### 7.8. INTEREST OF THE DIRECTOR AND PROMOTER IN PROPERTY/ASSETS AND PROFIT OF THE COMPANY

Directors have no interest in the property/assets and profits of the Company other than dividends based on their shareholdings as and when declared by the Company.

#### 7.9. REMUNERATION OF THE DIRECTORS

No remuneration is paid by PQGTL to director

Given below is the remuneration, including benefits, provided to the Chief Executive Officer (CEO), and Executives (i.e. employees other than the CEO and directors, whose basic salary exceeds PKR 1.2 Mn).

Particulars	December 31, 2024		December 31, 2023		December 31, 2022	
	CEO	Executive	CEO	Executive	CEO	Executive
Managerial Remuneration	1,950,000	25,399,929	1,950,000	35,703,028	8,073,000	31,672,816
House Rent	877,500	11,429,968	877,500	16,066,363	3,632,850	14,252,767
Utilities	172,500	2,246,917	172,500	3,158,345	714,150	2,801,826
Others	163,580	10,541,312	527,074	13,763,655	2,719,999	18,866,905
<b>Total</b>	<b>3,163,580</b>	<b>49,618,126</b>	<b>3,527,074</b>	<b>68,691,390</b>	<b>15,139,999</b>	<b>67,594,314</b>

#### 7.10. BENEFITS (MONETARY OR OTHERWISE) PROVIDED TO SPONSORS, SUBSTANTIAL SHAREHOLDERS, AND DIRECTORS DURING THE LAST THREE YEARS

No amount of benefits has been paid or given during the last three years to any sponsor shareholders of the Company other than dividends as and when declared by the Company.

No amount of benefits has been paid or given during the last three years to any director of the Company. No meeting attending fee were paid to any of the directors of the company.

#### 7.11. VOTING RIGHTS

As outlined in Article 42 of the Articles of Association, every member present in person at a general meeting is entitled to one vote on a show of hands, irrespective of the number of shares held. On a poll, every member, whether present in person, by proxy, or by representative, is entitled to one vote for each share held.

Additionally, Article 42A provides for e-voting, enabling members to exercise their voting rights electronically in accordance with the applicable rules and regulations prescribed by the Securities and Exchange Commission of Pakistan (SECP). Both members and non-members can be appointed as proxies for e-voting purposes, provided the appointment follows the timelines and procedures defined by SECP.

In case of joint shareholders, Article 44 specifies that only the vote of the senior-most member present will be accepted, as determined by the order of names in the register of members.

#### 7.12. AUDIT COMMITTEE

The Board of Directors has set up an effective internal audit function managed by suitable qualified and experienced personnel who are well versed with the policies and procedures of the Company and are involved in the internal audit function on a full-time basis.

The internal audit function is under the supervision of the Board Audit Committee, which consists of four (4) members, of whom 3 are non-executive directors and 1 executive director. The chairman of the Committee is an independent director.

The Audit Committee comprises the following members:

Name of the Member	Role
Mr. Zahid Haleem Shaikh	Chairman
Mr. Said Gul	Member
Mr. Zahid Hussain Awan	Member
Mr. Muhammad Kamran Saleem	Member
Mr. Danish Raza	Secretary



**7.13. ETHICS, HUMAN RESOURCE, REMUNERATION AND NOMINATIONS COMMITTEE**

The Board of Directors has instituted a well-structured and effective Human Resources function, led by highly qualified and experienced personnel with in-depth knowledge of the Company's policies and procedures. These professionals are engaged on a full-time basis to ensure the efficient and compliant execution of all human resource-related responsibilities. Oversight of this function is entrusted to the Ethics, Human Resource, Remuneration, and Nominations Committee, which is composed of the following members:

Name of the Member	Role
Ms. Ammara Shamim Gondal	Chairman
Mr. Said Gul	Member
Mr. Zahid Hussain Awan	Member
Mr. Muhammad Kamran Saleem	Member & Secretary

**7.14. INVESTMENT COMMITTEE**

The Investment Committee is constituted as follows:

Name of the Member	Role
Mr. Asad Pervaiz	Chairman
Mr. Said Gul	Member
Mr. Muhammad Kamran Saleem	Member
Mr. Saqib Zeeshan	Member
Mr. Muhammad Saleem	Member & Secretary

**7.15. UNDERWRITING AND RETAKAFUL COMMITTEE**

The Underwriting & Retakaful Committee is constituted as follows:

Name of the Member	Role
Mr. Zahid Hussain Awan	Chairman
Mr. Saqib Zeeshan	Member
Mr. Mahmood Arshad	Member
Mr. Muhammad Raza	Member & Secretary
Mr. Farrukh Adnan	Member
Mr. Muhammad Rizwan	Member

**7.16. CLAIM SETTLEMENT COMMITTEE**

The Claim Settlement Committee is constituted as follows:

Name of the Member	Role
Mr. Said Gul	Chairman
Mr. Saqib Zeeshan	Member
Mr. Muhammad Saleem	Member
Mr. Obaid Hussain Qureshi	Member
Mr. Danish Raza	Member
Mr. Faizuddin	Member & Secretary

**7.17. RISK MANAGEMENT AND COMPLIANCE COMMITTEE**

The Risk Management & Compliance Committee is constituted as follows:

Name of the Member	Role
Mr. Muhammad Kamran Saleem	Chairman
Mr. Saqib Zeeshan	Member
Mr. Muhammad Saleem	Member
Mr. Muhammad Raza	Member
Mr. Farrukh Adnan	Member
Mr. Danish Raza	Member
Mr. Aslam Zaki	Member
Mufti Muhammad Shakir Siddiqui	Member
Mr. Asad Ali	Member
Mr. Obaid Hussain Qureshi	Member & Secretary

## 7.18. POWERS OF DIRECTORS

### 7.18.1 General Power of Directors

As per article 88, the business of the company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the company, and may exercise all such powers of the company as are not by the Act or any statutory modification thereof for the time being in force, or by these regulations, required to be exercised by the company in general meeting, subject nevertheless to the provisions of the Act or to any of these regulations, and such regulations being not inconsistent with the aforesaid provisions, as may be prescribed by the company in general meeting but no regulation made by the company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

### 7.18.2 Borrowing Power of Directors:

As per article 91, the amount for the time being remaining un-discharged of money borrowed or raised by the directors for the purposes of the company (otherwise than by the issue of share capital) shall not at any time, without the sanction of the company in general meeting, exceed the issued share capital of the company.

### 7.18.3 Power to appoint attorneys:

As per article 92, the Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) for such period and subject to such conditions if any as they may think fit. The powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

As per article 93, the Board may from time to time, and at any time by power of attorney appoint any director or directors, to be its attorney or attorneys for such purposes and with such powers, authorities and discretion on such conditions as it may think fit. The powers of attorney may contain such provisions for the protection and convenience of such appointed director or directors under this regulation to delegate all or any of the powers, authorities and discretion vested in such attorneys.

### 7.18.4 Directors may hold office of profit:

As per article 94, a Director of the Company or a firm of which such Director is a partner or a private company in which such Director is a director or member may with the consent of the Company in general meeting hold any office of profit in the Company.

### 7.18.5 Directors may make contracts with the Company

As per article 95, subject to the provisions of the Act, the Directors shall not be disqualified from contracting with the Company either as vendor, purchaser, or otherwise, nor shall any such contract or agreement entered into by or on behalf of the Company with any company or partnership or in which any Director of the Company shall be a member or otherwise interested be avoided nor shall any such Director so contracting or being such member or so interested, be liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

However, the nature of his interest shall be disclosed by him at the meeting of the Directors at which the contract or arrangement is determined on, if the interest then exists, or in any other case at the first meeting of the Directors after the acquisition of the interest. A General Notice that any Director of the Company is a Director or a member of any other company or is a member of any named firm and is to be regarded as interest in any subsequent transaction with such company or firm shall as regards any such transaction be sufficient disclosure under this Article. Subject to the provision of Section 205 of the Act, after any such general notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or company. In the case of a contract for the appointment of a manager of the Company, the provisions of Section 205 of the Act shall be observed and performed.

#### **7.18.6 Register of contract with directors**

As per article 96, In accordance with the provisions of Section 209 of the Act, a Register shall be kept by the Directors in which shall be entered particulars of all contracts or arrangements to which Article 83 applies and which shall be open to inspection by any member at the office during business hours.

#### **7.18.7 Manner of signing certain documents**

As per article 97, All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

#### **7.18.8 Directors to comply with the law**

As per article 98, The directors shall duly comply with the provisions of the Act, or any statutory modification thereof for the time being in force, and in particular with the provisions in regard to the registration of the particulars of mortgages, charges and pledge affecting the property of the company or created by it, to the keeping of a register of the directors, and to the sending to the registrar of an annual list of members, and a summary of particulars relating thereto and notice of any consolidation or increase of share capital, or subdivision of shares, and copies of special resolutions and a copy of the register of directors and notifications of any changes therein.

#### **7.18.9 Directors to cause minute books to be maintained**

The Directors shall cause records to be kept and minutes to be made in book or books with regard to:

- a) of all appointments of officers made by the Directors;
- b) of the names of the Directors present at each meeting of the Directors and of Committee of Directors;
- c) all resolutions and proceedings of the meeting(s) of directors and Committee(s) of directors, and every director present at any meeting of directors or Committee of directors shall put his signature in a book to be kept for that purpose;
- d) recording the names of the persons present at each meeting of the directors and of any committee of the directors; and
- e) all orders made by the directors and Committee(s) of directors.

Provided that all records related to proceedings through video-link shall be maintained in accordance with the relevant regulations specified by the Commission which shall be appropriately rendered into writing as part of the minute books according to the said regulations.

#### **7.19. INDEMNITY AVAILABLE TO DIRECTORS AND OTHER EMPLOYEES OF THE COMPANY**

As per article 155 of the Articles of Association, Every officer or agent for the time being of the company may be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the affairs of the company, except those brought by the company against him, in which judgment is given in his favor or in which he is acquitted, or in connection with any application under section 492 in which relief is granted to him by the Court.

#### **7.20. CORPORATE GOVERNANCE**

The Company shall comply with all the rules and regulations applicable to the Company with regards to the Listed Companies (Code of Corporate Governance) Regulation, 2019.

## 8. LEGAL PROCEEDINGS AND OVERDUE LOANS

### 8.1. LEGAL PROCEEDINGS AND OVERDUE LOANS

All outstanding legal proceedings against the issuer (i.e. PQGTL) at the time of this offering, which could have a material impact on the Company, have been disclosed below:

Sr. No.	Year	Issuing Authority	Brief Case Description	Stage of Case	Amount	Management Instance & Current Status
1	2018	Insurance Tribunal Sindh Karachi	Burglary & Theft by own Security personnel	The case is for Evidence of the case.	5,880,000	The Complainant filed a claim which was repudiated on merit. He filed complaint in Federal Insurance Ombudsman, which was decided in favor of Pak- Qatar General Takaful Limited. The complainant moved to next forum and filed appeal before Honorable President of Pakistan against the order passed by FIO. The president upheld the findings of the FIO upon which the claimant filed suit at the Insurance Tribunal.
2	2020	Lahore High Court	Car Theft /stolen	The case is fixed for hearing	14,08,097	Complainant leased a car from a Bank and covered by PQGTL in the year 2010. The car was snatched, and the Insurance claim was declined by the Company based on the facts of the case. The petitioner filed case against the company in Insurance tribunal, which was dismissed due to non-appearance and non-provision of the documentary evidence. The Petitioner filed appeal in the Honorable Lahore High Court.
3	2020	Xlth SCJ Karachi (South)	Succession Matter	The case is for the evidence.	1,200,000	The dispute between the legal heirs of deceased, PQGTL has paid the claim amount. Deceased left two widows. Succession Matter is filed by the second wife of deceased against the 1st wife of Deceased for distribution of articles of succession.
4	2022	Lahore High Court	Factory Fire Claim (Appeal)	The case is for hearing of case and stay granted in the favor of PQGTL.	139,154,540	That the Petitioner got two fire takaful policies from PQGTL for the coverage of Building Plant & machinery, electric equipment. Unfortunately, fire broke out in the factory premises on August 18/19, 2014, at night due to short circuit.  The claim was repudiated by the Company on the basis of material and facts on record. The petitioner filed the petition for recovery of total amount including business loss. .



5	2022	Sindh High Court	Sindh Sales tax	The case is for adjudication.	262,407,049	<p>The Assistant Commissioner, Sindh Revenue Board (SRB) issued a show cause notice (SCN) in 2022, whereby intending to recover Sindh Sales Tax (SST) on the entire General Takaful Contribution and input adjustments for the years 2014 and 2015. The company, on the grounds that it has already discharged its liability on Sindh related contribution collected, has challenged the SCN before the Sindh High Court where the case is pending adjudication.</p> <p>Further, SRB did not extend the exemption on health insurance, which was available till June 30, 2023, hence making it taxable with effect from July 01, 2023, at the full rate of 13%. The company with other 7 health insurance/takaful providers challenged the levy of Sindh Sales Tax on Health Insurance/takaful in Hon'ble Sindh High Court (SHC).</p>
6	2020	Supreme court	Sindh Sales tax	The case is for adjudication	57,556,406	<p>The Assistant Commissioner, Sindh Revenue Board (SRB) issued a (SCN) dated June 30, 2020, for the short payment of Sindh Sales Tax (SST) on takaful premium and rebate from re-takaful operator in FY 2012 and 2013. The company has challenged the SCN by being barred before Sindh High Court (SHC), however SHC has dismissed the case further the company has challenged the SCN before the Higher Appellate Forum where the case is pending adjudication.</p>
7	2024	Sindh High Court	Sindh Sales tax	The case is for hearing of case.	34,781,597	<p>The Assistant Commissioner (AC) of the Sindh Revenue Board (SRB) issued an Order-in-Original in 2018 charging Sindh Sales Tax on Re-takaful services procured from foreign Re-takaful operators for the period from July 2011 to May 2015. The company filed an appeal with the Commissioner (Appeals), SRB, who upheld the Original Order of AC. Subsequently, the Company preferred an appeal before the Appellate Tribunal, SRB, where the contention of the company was accepted and it was allowed to claim input tax adjustment on the foreign Re-Takaful contributions</p>

						simultaneously declaring output tax in the monthly Sindh Sales Tax returns. The company, on the advice of its legal counsel, also filed a reference application before the Sindh High Court, which remains pending adjudication.
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Summary of **all** outstanding legal cases by category is provided hereunder:

Type of Cases	No. of Cases	Amount
	#	PKR Mn
Rejected Claims	04	147.6
Provincial Sales Tax cases	03	354.7
<b>Total</b>	<b>07</b>	<b>502.3</b>

The following table outlines the actions taken by the Commission against the issuer during the past five years:

Challan Submit Date	Challan Number	Nature	Penalty Amount- PKR
11-September-2021	M-2021-328265	<p>Order dated August 17, 2021, was passed by Director/Head of Department (Adjudication-I) in the matter of Pak Qatar General Takaful Limited.</p> <p>Relevant details are given as hereunder:</p> <p>Alleged contraventions of Regulation 6(4) of the Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2018 read with Annexure I thereof and regulations 9(4), 10(3) and 6(12) thereof and Section 40A of the Securities and Exchange Commission of Pakistan Act, 1997</p>	100,000/-

**Note:** There are no other pending litigations against the Company, Sponsors, Substantial Shareholders, Associated Companies and Directors other than those already mentioned above.

## 8.2. ACTIONS TAKEN BY PSX AGAINST THE ISSUER OR ASSOCIATED LISTED COMPANIES OF THE ISSUER DURING THE LAST THREE YEARS DUE TO NON-COMPLIANCE OF ITS REGULATIONS

No action has been taken by the Pakistan Stock Exchange against the issuer or its associated companies over which the issuer has control.

## 8.3. OVERDUE LOANS

There are no overdue loans (local or foreign currency) on the Company, its Sponsors and promoters, substantial shareholders, directors and associated group companies. The Company, its CEO, its directors and its sponsors, under the oath, undertake that they have no overdue payment to any financial institutions.

## 9. UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES

### 9.1. UNDERWRITING

Underwriters	Amount Underwritten (PKR)
Arif Habib Limited	750,000 – 1,050,000

### 9.2. OPINION OF THE DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS

In the opinion of the Directors of Pak-Qatar General Takaful Limited, the resources of the underwriters are sufficient to discharge their underwriting commitments.

### 9.3. RATE OF UNDERWRITING AND TAKE-UP COMMISSION

Underwriters	Rate of Underwriting	Take up Commission
	%	
Arif Habib Limited	1.00%	1.00%

### 9.4. STATEMENT ABOUT NON-EXECUTION OF ANY BUY-BACK, OR REPURCHASE AGREEMENT BETWEEN THE UNDERWRITERS OR THEIR ASSOCIATES AND THE ISSUER OR ITS ASSOCIATES

The Underwrites nor any of their associates have entered into any buyback or repurchase agreements with the issuers or any other person in respect of this issue.

Also, neither the issuer nor any of their associates have entered into any buy-back/repurchase agreement with the underwriters or their associates. The issuer and their associates shall not buyback/repurchase shares from the underwriters and their associates.

### 9.5. FEES AND EXPENSES FOR CENTRALIZED E-IPO SYSTEM (CES)

Commission on application received through the e-IPO Systems of PSX and CDC will be paid to PSX and CDC which shall not be more than 0.8% of the total applications. PSX and CDC will share the fee with other participants of the e-IPO System at a ratio agreed amongst them.

### 9.6. RATE OF COMMISSION TO THE DESIGNATED BANKER OF THE ISSUER

Nil.

### 9.7. RATE OF BROKERAGE COMMISSION

The Issuer will pay brokerage commission to the TRE Certificate Holder of PSX at the rate of 1.00% of the value of on successful applications in the Book Building. No brokerage shall be payable in respect of shares taken up by the underwriter by virtue of their underwriting commitment.

### 9.8. ESTIMATED EXPENSES OF THE ISSUE

Expenses to the Issue are estimated not to exceed **PKR 20,944,178/-**. The break-up of these preliminary expenses is given below:

Particulars	Rate	Expense
	%	PKR
Advisory Fee	2.00% of the Issue Size	6,000,000
Underwriting Fee	1.00% of the Retail Portion	750,000
CDC and PSX e-IPO facility charges	0.80% of the retail portion	600,000
Brokerage Commission	1% of Book Building portion	2,250,000

PSX Initial Listing fee	0.1% of Post Issue Paid up Capital	1,011,071
PSX Book Building software charges		1,000,000
Share Registrar, Transfer Agent and Balloting Agent		800,000
Advertising, Printing & Publication of Prospectus & Marketing / Roadshows		6,000,000
CDC Fresh Issue fee	0.144% of Capital Raised	432,000
CDC Eligibility fee		800,000
SECP Supervisory fee	10% of PSX Initial Listing Fee	101,107
SECP IPO Application Processing fee		200,000
Miscellaneous Expenses		1,000,000
<b>Total</b>		<b>20,944,178</b>

*\*All fees are based on the Floor price and are subject to change with the strike price.*

## 10. MISCELLANEOUS INFORMATION

### 10.1. REGISTERED OFFICE / CORPORATE OFFICE

**Office No:** 402-403 4th Floor Business Arcade, PECHS Block-6 Sharah-e-Faisal, Karachi.

**Contact No:** (92-21) 3438 0357-61

**Email:** [info@pakqatar.com.pk](mailto:info@pakqatar.com.pk)

**Website:** <https://pqgtl.com.pk/>

### 10.2. BANKERS TO THE COMPANY

Sr. No.	Name	Address	Contact Person	PTCL No.	Email
1	Meezan Bank Limited	Shahrah-e-Faisal, Karachi	Ghufran Hassan	021-34322181	<a href="mailto:bm.khi11@meezanbank.com">bm.khi11@meezanbank.com</a>
2	Dubai Islamic Bank Limited	Avari Tower Plaza, Fatima Jinnah Road, Karachi	Rasheed Ali	021-111-786-342	<a href="mailto:rasheed.ali@dibpak.com">rasheed.ali@dibpak.com</a>
3	Bank Islami Pakistan Limited	Electronic Market Br. Abdullah Haroon Road, Karachi	Adnan Babar	0344 1413815	<a href="mailto:adnan.babar@bankislami.com.pk">adnan.babar@bankislami.com.pk</a>
4	Faysal Bank Limited	Speedy Towers, Korangi Road, Phase I, DHA, Karachi	Yasmin Asghar	021-35311482	<a href="mailto:yasminasghar@faysalbank.com">yasminasghar@faysalbank.com</a>
5	Soneri Bank Limited-Mustaqeem Islamic Banking	Al-Tijarah Centre, Shahrah-e-Faisal, Karachi	Asrar Ahmed	021-34169252	<a href="mailto:asrar.ahmed@soneribank.com">asrar.ahmed@soneribank.com</a>
6	United Bank Limited-Ameen Islamic Banking	Numaish, M.A Jinnah Road, Karachi	Waqas Riaz	021-32293601	<a href="mailto:waqaas.riaz@ubl.com.pk">waqaas.riaz@ubl.com.pk</a>
7	NRSP Microfinance Bank	Shahrah-e-Faisal, Karachi	Rehan Qazi	021-34380811	<a href="mailto:rehan.qazi@nrspbank.com">rehan.qazi@nrspbank.com</a>

### 10.3. AUDITOR OF THE COMPANY

**Name:** Yousuf Adil, Chartered Accountants

**Address:** Cavish Court, A-35, Block 7 & 8, KCHSU, Shahrah e Faisal, Karachi, 7535

**Phone:** +92 (21) 34546494-7

**Email:** [henasadiq@yousufadil.com](mailto:henasadiq@yousufadil.com)

### 10.4. LEGAL ADVISOR OF THE COMPANY AND TO THE ISSUE

**Name:** Nishtar & Zafar

**Address:** C-6/1 A, street no.2 bath island, Karachi

**Contact Person:** Atir Aqeel Ansari

**Tel:** (021) 3586 1219; 3530 0673

**Email:** [atiransari@nishtar.com](mailto:atiransari@nishtar.com)

### 10.5. COMPUTER BALLOTTERS & SHARE REGISTRAR

**Name:** CDC Share Registrar Services Limited

**Address:** CDC House, 99-B, Block B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi – 74400.

**Email:** [info@cdcsrsl.com](mailto:info@cdcsrsl.com)

**Website:** [www.cdcpakistan.com](http://www.cdcpakistan.com)

**Phone:** 021-111 111 500

### 10.6. CONSULTANT TO THE ISSUE

**Name:** Arif Habib Limited



**Address:** Arif Habib Center  
23, MT Khan Road, Karachi  
**Tel:** 021-3828 0273, 021-3828 0271  
**Fax:** 021-3243 3542  
**Email:** [hamza.rehan@arifhabibltd.com](mailto:hamza.rehan@arifhabibltd.com)  
**Website:** [www.arifhabibltd.com](http://www.arifhabibltd.com)

#### 10.7. ELIGIBLE PARTICIPANTS

All the Eligible participants including, **Trading Only Securities Brokers, Mutual Funds, Scheduled Banks,** and **Development Finance Institutions** that are clearing members of **NCCPL**.

## 11. MATERIAL CONTRACTS

### 11.1. INVESTMENT ADVISORY AGREEMENT

Company	Asset Management Fee	Assets Under Management
		PKR Mn
Pak-Qatar Asset Management Company Limited*	0.26% per annum of daily average net assets	1,297.91

\*The Agreement is executed for a term of one year and is subject to automatic renewal on identical terms and conditions, unless terminated or modified through a duly executed addendum. The most recent addendum is dated June 23, 2025, while the original Agreement was executed on January 1, 2022

PQGTL has outsourced its investment management function to Pak-Qatar Asset Management Company Limited (PQAMC), an associated company, under an Investment Advisory Agreement. This strategic decision allows PQGTL to leverage specialized investment management expertise available within the Group, avoid the costs associated with establishing and operating an in-house investment management function, and enable management to focus on its core takaful operations.

Pak-Qatar Asset Management Company Limited (PQAMC) holds a valid Investment Advisory License under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "NBFC Rules"). Accordingly, PQGTL has outsourced its investment advisory function to PQAMC pursuant to an Investment Advisory Agreement effective from January 1, 2022. Under this arrangement, the Shareholders' Fund incurs an investment advisory fee.

Under the terms of the agreement, PQAMC acts as Investment Advisor to PQGTL's investment portfolios in accordance with PQGTL's Investment Policy Statement. The accounting and record-keeping of the investment portfolios remain the responsibility of PQGTL and are subject to audit by the Company's external auditors. PQAMC is responsible for providing PQGTL with all relevant investment-related information, including mutual fund statements, CDC and IPS statements, and other relevant documentation, as required.

### 11.2. RETAKAFUL AGREEMENTS

PQGTL has entered into Re-Takaful agreement through a consortium of seven operators, facilitated by two brokers. The table below outlines each operator's share in proportional and non-proportional treaties, along with defined per-risk capacities across classes of business.

Re-Takaful Operator	Rating & Rating Agency	Share in Proportional Treaty	Share in Non-Proportional Treaty
Kuwait Re	A- (S&P)	22.50%	30.00%
Saudi Re	A- (S&P)	20.00%	20.00%
Oman Re	BBB- (FITCH)	10.00%	5.00%
Arab Re	B- (Fair) (AM BEST)	5.00%	5.00%
Tunis Re	AA (TUN) (FITCH)	2.50%	2.50%
Kenya	B (AM BEST)	5.00%	2.50%
PRCL	AA (VIS)	35.00%	35.00%
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>

### 11.3. INSPECTION OF DOCUMENTS AND CONTRACTS

Documents relating to the Issuer (i.e. PQGTL) and the issue, including copies of all agreements, contracts and reports referred to in the prospectus, will be made available for inspection at the registered office of the

company at **402-403 4th Floor Business Arcade, PECHS Block-6 Sharah-e-Faisal, Karachi** during usual business hours from the date of publication of this prospectus on **January 15, 2026** till the closing of subscription list on **January 29, 2026**.

#### **11.4. MEMORANDUM OF ASSOCIATION**

The Memorandum of Association, inter alia, contains the objects for which the Company was incorporated and the business which the Company is authorized to undertake. A copy of the Memorandum of Association is annexed to this Prospectus and with every issue of the Prospectus except the one that is released in newspapers as advertisement.

## 12. BOOK BUILDING PROCEDURE

### 12.1. IN CASE OF ISSUE THROUGH BOOK BUILDING, INFORMATION NEEDED TO BE DISCLOSED I.E. NUMBER OF SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION AND RETAIL PORTION, FLOOR PRICE AND THE PRICE BAND

The Issue comprises 30,000,000 Ordinary Shares of face value worth PKR 10/- each, which constitutes 29.67% of the Post-IPO Paid Up Capital of the Company.

Of the entire Issue of 30,000,000 Ordinary Shares, seventy-five percent (75%) of the issue i.e. 22,500,000 shares will be offered through the Book Building process at a Floor Price of PKR 10.00/- per share with a price band of 40% above the floor price i.e. PKR 14/-.

The bidders shall be allowed to place bids for seventy five percent (75%) of the Issue size, and the Strike Price shall be the price at which the seventy five percent (75%) of the Issue is subscribed. The remaining 25% of the issue, i.e. 7,500,000, will be offered to retail investors. The retail portion will be fully underwritten, with Arif Habib Limited acting as the underwriter to the issue. Unsubscribed shares, if any, of the retail (General Subscription) portion will be taken up by the underwriter to the issue.

Within 1 working day of the closing of the Bidding Period, a Supplement to the Prospectus will be published in at least all those newspapers in which the Prospectus is published. The Supplement will contain information related to the Strike Price, the Offer Price, names of the underwriters of the retail portion, underwriting commission bifurcating as take up commission or any other, dates of the Public Subscription, and category wise break-up of the Successful Bidders. Format of the Supplement is given on page 3 of this Prospectus.

### 12.2. TYPES OF BIDS AND PROCEDURE FOR MAKING A BID

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Issuer set a Floor Price, which is the minimum / lowest price a Bidder can bid at. An order book of bids is maintained by the Designated Institution, which is then used to determine the Strike Price through the **“Dutch Auction Method”**.

Under the Dutch Auction Method, the Strike Price is determined by lowering the Bid Price to the extent that the total number of shares issued through the Book Building process are subscribed.

A bid by a Bidder can be a **“Limit Bid”**, or a **“Step Bid”**, each of which are explained below:

**Limit Bid:** Limit bid is at the Limit Price, which is the maximum price a Bidder is willing to pay for a specified number of shares. The bid amount, however, cannot be less than **PKR 2 million**.

In such a case, a Bidder explicitly states a price at which he / she / it is willing to subscribe to a specific number of shares. For instance, a Bidder may bid for 1 Mn shares at PKR 10.00/- per share, based on which the total Application Money would amount to PKR 10.00 Mn. In this case the Bid Amount will also be PKR 10.00 Mn. Since the Bidder has placed a Limit Bid of PKR 10.00/- per share, this indicates that he / she / it is willing to subscribe to the shares at a price up to PKR 10.00/- per share.

**Step Bid:** A series of Limit Bids at increasing prices. The amount of any individual step shall not be less than **PKR 2 million**.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, make a bid for 5 Mn shares at PKR 10.00 per share, 3 Mn shares at PKR 10.50 per share and 2 Mn shares at PKR 12.00 per share. Therefore, in essence the Bidder has placed one Step Bid comprising of three Limit Bids at increasing prices. The Application Money would amount to PKR 125.5 Mn, which is the sum of the products of the number of shares Bid for and the Bid price of each Limit Bid. In such a case, Eligible Participant

shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

**RESTRICTIONS:**

- (i) AN ELIGIBLE INVESTOR SHALL NOT:**
  - (a) MAKE BID BELOW THE FLOOR PRICE AND ABOVE THE UPPER LIMIT OF THE PRICE BAND;**
  - (b) MAKE BID FOR MORE THAN 10% OF THE SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION;**
  - (c) MAKE A BID WITH A PRICE VARIATION OF MORE THAN 10% OF THE PREVAILING INDICATIVE STRIKE PRICE AS PER REGULATION 10(2)(iii) OF THE PO REGULATIONS;**
  - (d) PLACE CONSOLIDATED BID;**
  - (e) MAKE MORE THAN ONE BID SEVERALLY OR JOINTLY;**
  - (f) MAKE DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME; PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME; AND**
  - (g) WITHDRAW BID.**
- (ii) IT IS THE RESPONSIBILITY OF THE CTI TO ENSURE IMPLEMENTATION OF THE FOLLOWING RESTRICTIONS BY INCORPORATING RELEVANT UINS / CUINS IN THE PSX BOOK BUILDING SYSTEM:**
  - a. The associates of the Issuer as disclosed in the Prospectus shall not in aggregate make bids in excess of ten percent of the securities offered through Book Building.**
  - b. The associates of the Consultant to the Issue shall not in aggregate make bids in excess of ten percent of the securities offered through Book Building.**

*Provided that it shall not apply to such associates of the Consultant to the Issue that are Financial Institutions, Mutual Funds and Insurance Companies.*
- (iii) RELATED EMPLOYEES (I.E. EMPLOYEES OF THE ISSUER, THE OFFEROR, THE UNDERWRITERS, AND THE CONSULTANTS TO THE ISSUE, WHO ARE INVOLVED IN THE ISSUE OR THE OFFER FOR SALE) ARE NOT ELIGIBLE TO PARTICIPATE IN THE BIDDING.**
- (iv) NO PERSON SHALL TAKE PART IN THE BOOK BUILDING PROCESS, DIRECTLY OR INDIRECTLY SEVERALLY OR JOINTLY IN ANY MANNER OR ENGAGE IN ANY ACT OR PRACTICE WHICH CREATE A FALSE AND MISLEADING APPEARANCE OF ACTIVE BIDDING FOR RAISING OR DEPRESSING STRIKE PRICE IN THE BOOK BUILDING PROCESS.**
- (v) AS PER REGULATION 7(8) OF THE PO REGULATION, THE ASSOCIATES OF THE ISSUER AS DISCLOSED IN THE PROSPECTUS SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PER CENT OF THE SHARES OFFERED THROUGH BOOK BUILDING.**
- (vi) AS PER REGULATION 7(9) OF THE PO REGULATIONS, THE ASSOCIATES OF THE CONSULTANT TO THE ISSUE SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PERCENT OF THE SHARES OFFERED THROUGH BOOK BUILDING. PROVIDED THAT IT SHALL NOT APPLY TO SUCH ASSOCIATES OF THE LEAD MANAGER AND THE CONSULTANT TO THE ISSUE THAT ARE FINANCIAL INSTITUTIONS, MUTUAL FUNDS AND INSURANCE COMPANIES.**

**LIST OF ASSOCIATED COMPANIES AND UNDERTAKINGS OF THE ISSUER, NAMES OF RELATED EMPLOYEES OF THE ISSUER AND THE CONSULTANT TO THE ISSUE ARE PROVIDED IN SECTION 3A (vi).**

Once the Bidding Period has lapsed and the book has been built, the Strike Price shall be determined on the basis of Dutch Auction Method.

Successful Bidders shall be intimated, within one (1) working day of the closing of the Bidding Period, about the Strike Price and the number of shares provisionally allotted to each of them. Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process one working day after the close of the bidding period, be debiting the settling bank accounts of the Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants one working day after the close of the bidding period within banking hours.



**As per PO Regulations, the successful bidders shall be issued shares at the time of issuance of shares to the retail investors. Shares to successful bidders shall be issued only in the form of book-entry through credit in their respective CDS accounts (Investors Account or Sub-Account). All the bidders shall, therefore, provide number of their CDS accounts in the bid application.**

The Bidders must provide the bank account details in their Bidding form, so that cash dividend can be credited into their respective International Bank Account Number (IBAN).

### **12.3. TIME FRAME FOR INTIMATION TO THE SUCCESSFUL BIDDERS AND MECHANISM FOR PAYMENT OF THE BALANCE AMOUNT BY THE SUCCESSFUL BIDDERS**

At the end of bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via their registered email that their bids are accepted and such bidders are required to arrange settlement with NCCPL at B+1 (one day after the end of the bidding) within designated time specified in the Joint Procedures.

Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures.

### **12.4. NCSS DESIGNATED TIME SCHEDULE FOR BOOK BUILDING**

Activity <sup>84</sup>		Start Time	End Time
Monday to Friday	Advance/ Collection of Margin Money against bid amount from bidders one day before the start of bidding (B-1)	09:00 AM	16:30 PM
	Increase in the bid amount during bidding period subject to deposit of additional margin money by existing bidder	09:00 AM	16:30 PM
	Margin collection during the bidding period for the registration of new bidders	09:00 AM	16:30 PM
	Final collection from bank account of successful bidders (B+1)	09:00 AM	12:00 PM
	Refund/ Release the advance amount/margin money of Eligible Participants against unsuccessful bids (B+1)	09:00 AM	12:00 PM

### **12.5. ELIGIBLE PARTICIPANT(S) FOR BOOK BUILDING**

All Eligible participants including trading only securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing members of NCCPL.

Functions of the Eligible Participant as per PSX and NCCPL Joint Procedures for Book Building:

- Eligible Participants shall establish bidding accounts in the PSX Book Building System for proprietary participation.
- Eligible participants shall register bidders and create accounts for the bidders to participate in the bidding.
- Eligible Participants that are Banks, Mutual Funds and DFIs can only create bidding account for proprietary participation and cannot on board/register bidders or create bidding account of the bidders

<sup>84</sup> Joint Procedures, Nov 07, 2025, Annexure – A: NCSS Designated Time Schedule (DTS) for book building

for participation in the bidding. A bank and DFI may however onboard/register bidders only in case such bank or DFI is acting as CTI in the public offering transaction. For Trading Only Broker and their clients, the user bidding account must be created through the Professional Clearing Member — PCM (EClear Services Limited).

- iv. Eligible Participant shall collect advance amount/margin money against bids from the bidders.

## 12.6. NAME OF THE DESIGNATED INSTITUTION AND ITS ROLES AND RESPONSIBILITIES

PSX, being the Designated Institution, shall ensure that Book Building System shall smoothly perform following functions:

- i. record name, Unique Identification Number (UIN), National Tax Number (NTN), postal and email addresses, land line and cell numbers, bank account Number and branch address and Investor Account Number or Sub-Account Number of the bidder with participant account number;
- ii. provide a mechanism for registration of the bidders before commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned in para (i) above;
- iii. generate bidders' Internet Protocol (IPs) address and keep record of all IP addresses from where the bids are placed;
- iv. record the number of shares bid for, the Bid Price, type of the bid i.e. Limit Bid or Step Bid, date and time of the entry of the bid;
- v. display the bids revised, and date and time of upward revision;
- vi. neither allow withdrawal of bid, nor accept the bids placed at a Bid Price that is below the Floor Price or above the upper limit of the Price Band;
- vii. display live the total number of shares offered for sale, the Floor Price, Price Band, total number of bids received, total number of shares bid for and indicative Strike Price;
- viii. build an order book showing demand for the shares at various price levels in a descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;
- ix. discover the strike price at the close of the Bidding Period;
- x. generate alerts for the Bidders via Short Message Service through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, and upon discovery of the strike price; and
- xi. ensure that system must provide the bidders the option to revise their bids during the period permitted under these Regulations;

The Designated Institution shall ensure that:

- identity of the bidder is not displayed; and
- no bid is entered into the System after closing of the Bidding Period.

## 12.7. ROLES AND RESPONSIBILITIES OF THE ISSUER

The Issuer shall ensure that:

1. The Issuer, its Sponsors, promoters, substantial shareholders, directors and associates shall have no over dues or defaults, irrespective of the amount., appearing in the report obtained from the credit information bureau;
2. The Issuer or its directors, Sponsors or substantial shareholders should not have held the office of the directors, or have not been Sponsors or substantial shareholders in any company:
  - i. which had been declared defaulter by the securities exchange or futures exchange; or
  - ii. whose TRE certificate has been cancelled or forfeited by the securities exchange; or
  - iii. which has been de-listed by the securities exchange due to non-compliance of its regulations.
3. The Consultant to the Issue, Underwriter, Balloter and Share Registrar and Designated Bank of the Issuer, are appointed through separate agreements in writing.
4. It has submitted through its Consultant to the Issue, an application along with draft prospectus for listing of its securities to the PSX.
5. The shares shall be issued in book-entry form only.

## 12.8. OPENING AND CLOSING OF THE REGISTRATION PERIOD

The Registration period shall be for **Five (5) working days** as under:

REGISTRATION PERIOD	
January 16, 2026	9:00am to 5:00pm
January 19, 2026	9:00am to 5:00pm
January 20, 2026	9:00am to 5:00pm
January 21, 2026	9:00am to 5:00pm
January 22, 2026	9:00am to 3:00pm

## 12.9. OPENING AND CLOSING OF THE BIDDING PERIOD

The Bidding Period shall be for **Two (2) working days** as under:

<b>BIDDING PROCESS STARTS ON</b>	January 21, 2026
<b>BIDDING PROCESS ENDS ON</b>	January 22, 2026

## 12.10. ELIGIBILITY TO PARTICIPATE IN BIDDING

Eligible Investors who can place their bids in the Book Building process include local and foreign Individual and Institutional Investors whose Bid Amount is not less than PKR 2,000,000/- (PKR Two Million only).

## 12.11. INFORMATION FOR BIDDERS

1. The Prospectus for Issue of Shares has been approved by PSX and SECP.
2. The Prospectus can be obtained from the Registered Office of PQGTL, and AHL (CTI). Prospectus, Registration Forms and Bidding Forms can also be downloaded from the following websites of the Consultant to the Issue, PSX and the Company i.e. <http://www.arifhabibltd.com>, <http://www.psx.com.pk>, and <https://pqgtl.com.pk/>.
3. Eligible Investors who are interested to participate in bidding for subscribing the Ordinary Shares of the Company should approach the Eligible Participants at the for registration for submitting their Bids.
4. REGISTERED INVESTORS CAN PLACE AND REVISE THEIR BIDS UPWARDS BY ACCESSING THE DESIGNATED INSTITUTIONS ONLINE PORTAL FOR BOOK BUILDING BY USING THE USER ID AND PASSWORD COMMUNICATED TO THEM VIA EMAIL BY PSX.

## 12.12. PROCEDURE FOR REGISTRATION

1. All Eligible Participants shall be required to get registered with the Designated Institution i.e. PSX.
2. For registration purposes, each Eligible Participant shall submit an Expression of Interest for participation in the Book Building.
3. In order to commence registration, PSX shall issue a public notice regarding the book building at least three (3) working days before the bidding period (B-3). The notice shall cover the Issuer Name, Issue size, Floor Price, Price Band, Registration Dates, Bidding Dates along with the salient features of the Issue.
4. Eligible Participant shall be required to register itself with the NCCPL. In order to register, Eligible Participant shall submit an interest to the NCCPL for participation in the book building being conducted by the Book Building System of PSX. Registration would be a one-time process and would not be required before each new book building transaction.
5. Upon registration, PSX will configure its Book Building System by creating Eligible Participant. Once the Eligible Participant is created, credentials such as participant ID, PIN and password will be transmitted by the Book Building System to the authorized person of Eligible Participants at their registered email addresses and designated mobile numbers.

6. The Designated Institution and NCCPL shall jointly develop and notify the detailed procedures covering the operational and procedural requirements for Book Building, after obtaining prior approval from the Commission.
7. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration.
8. The bidding process shall be conducted electronically through the Book Building System in a fair, efficient, and transparent manner.
9. The registration of bidders by the Eligible Participants shall commence at least three (3) working days prior to the start of the bidding period and shall remain open until 3:00 p.m. on the last day of the bidding period.
10. The bidding period shall remain open for at least two (2) working days.
11. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
12. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
13. The Eligible Participant shall register bidders, including both individual and institutional investors, and create user bidding accounts for them. The Eligible Participant may also create bidding accounts for proprietary participation.
14. The creation of a user bidding account shall require minimum information such as the bidder's name, bid amount, UIN/CNIC, incorporation number or CUIN (where applicable), contact details, CDC sub-account or investor account number, and IBAN. An IPO Facilitation Account may be used if the bidder does not have a CDC sub-account or investor account. All such details shall be captured by the Eligible Participant at the time of registration.
15. Bidders can opt for disclosed or undisclosed bidding at the time of registration. In the case of disclosed bidding, bids shall be placed by the Eligible Participant, and in the case of undisclosed bidding, bids shall be placed directly by the bidder.  
Explanation:
  - In the case of disclosed bidding, the bidder shall convey the bid amount and bid price (profit rate/spread) to the Eligible Participant for entry into the Book Building System.
  - In the case of undisclosed bidding, the bidder shall enter the bid amount and bid price (profit rate/spread) directly into the Book Building System.
16. In case of disclosed bidding, the bidder at the time of registration shall authorize the Eligible Participant for placing bid on his behalf.
17. In case of undisclosed bidding, for creating user bidding account for bidders, the Eligible Participant shall use the bidder details (**email, name, phone number etc.**). Book Building System will share the **User ID, PIN and password** directly with the bidder via registered email and mobile number.
18. Once the user is created and confirmed by the Eligible Participant, bidder shall receive system generated credentials for participation in the bidding process.
19. At the end of the bidding period, **successful bidders and their Eligible Participants** shall be notified by the Book Building System via registered email that their bids have been accepted. Such bidders shall arrange settlement with NCCPL at **B+1** within the time specified in the Joint Procedures.
20. Upon conclusion of the Book Building process and determination of successful bidders, **NCCPL** shall commence its **pay and collect process** at B+1 by debiting the settling bank accounts of the Eligible Participants. In the event of any shortfall in payments due to failure to meet commitments, NCCPL shall initiate its **shortfall management process** in accordance with the Joint Procedures.
21. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at **B+1** within banking hours.
22. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.
23. The Book Building process shall be deemed cancelled if the Issuer fails to receive bids for the total number of shares allocated under the Book Building Portion or if the total number of bids received is less than forty (40). In such an event, the Consultant to the Issue/Issuer shall immediately notify the Commission and the Securities Exchange accordingly.

#### 12.13. PROCEDURE FOR BIDDING

The following procedure shall be followed for bidding:

1. Bids may be placed as either a Limit Bid or a Step Bid. Provided that the minimum size of a Limit Bid, as well as any incremental step in the case of a Step Bid, shall not be less than PKR 2 million.
2. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration by the Eligible Participants and before the issuance of the public notice by the Designated Institution announcing the opening of the Book Building process.
3. The bidding shall commence at 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
4. PSX shall display live throughout the bidding period an order book in descending order for equity securities and discounted debt securities, and in ascending order for debt instruments quoted on a yield basis showing demand for securities at various prices/yields and the accumulated number of securities bids for along with percentage of the total securities offered. The order book shall also display the revised bids, which shall be accessible only through the PSX website.
5. The Designated Institution shall issue a public notice regarding the Book Building process at least three (3) working days before the commencement of the Bidding Period (B-3). The notice shall include, among other details, the name of the issuer, issue size, floor price, bidding dates, and salient features of the issue.
6. At the time of registration, bidders shall authorize the Eligible Participant to place the bid on their behalf in the case of disclosed bidding.
7. **Eligible Participants** shall collect the **margin money** from the bidders and deposit the same with the NCCPL.
8. **Individual** and **institutional investors** shall pay **100% of the bid amount** as margin money to the Eligible Participant; provided that the Eligible Participant may accept a **lower margin** from bidders based on its own **risk assessment**.
9. In the case of **undisclosed bidding**, for creating user bidding accounts, the Eligible Participants shall use the bidder's details such as **name, email address, and phone number**. The Book Building System shall share the **User ID, URL for the bid screen, PIN, and password** directly with the bidder through their registered email and mobile number.
10. Once a user is created and confirmed by the Eligible Participant, the **credentials for participation** in the bidding process shall be forwarded by the Book Building System to the user — i.e., the investor in the case of undisclosed bidding or their Eligible Participant in the case of disclosed bidding — via their registered email and mobile number.
11. Eligible Participants may limit the **amount of bidding** by their bidders, depending on the margin money received and their own risk assessment criteria.
12. In the event of a **Trading Only Broker** and their clients, the user bidding account must be created through a **Professional Clearing Member (PCM)**.
13. Eligible Participant shall deposit the advance amount/margin money or standing instruction or irrevocable undertaking from the trustee, where applicable with the NCCPL by 5:00 p.m., one working day before the start of the bidding period. (B-1) Provided that during the bidding period, the Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL
14. Based on the information shared by NCCPL, PSX will mark the Eligible Participants who have submitted advance amount/margin money for the bidding purposes.
15. NCCPL shall communicate the confirmation of advance/margin money received against the bid amount of Eligible Participants to the Designated Institution in accordance with the Joint Procedures.
16. Based on the information shared by the NCCPL, the Designated Institution (PSX) shall activate the Eligible Participants who have submitted advance/margin money for bidding purposes
17. NCCPL shall continue to share **real-time information** with the PSX regarding margin money deposited by Eligible Participants during the bidding period, including new bidder registrations or increases in bid amounts, in line with the Joint Procedures.
18. Eligible Participants may bid **on behalf of their clients** in the case of disclosed bids, whereas users may bid **anonymously** using their provided credentials during the bidding period, within the maximum participation amount assigned.
19. The Book Building System shall ensure that all bids are submitted **within the assigned limits**, based on the advance/margin money confirmed by the NCCPL and the resultant maximum participation amount.



20. The eligible participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required with the NCCPL, until 4:30 pm on the last day of the bidding period, as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures.
21. Bidders may revise their bids upward until 5:00 p.m. on the last day of the bidding period
22. At the close of the bidding period, the Strike Price shall be determined by the Book Building System on the basis of the Dutch Auction Method.
23. At the end of bidding period, successful bidders and their eligible participants shall be notified by the Bidding System via their registered email that their bids have been accepted and such bidders are required to arrange settlement with NCCPL by 12:00 pm, one working day after the end of the bidding period (B+1), as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures.
24. After the allocation process run by PSX, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of eligible participants.
25. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of eligible participants at B+1 within banking hours. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its Shortfall Management Process.
26. The funds in lieu of accepted bids will be credited to the Issuer's bank account by NCCPL after the end of public subscription, credit of securities to the successful investors and issuance of NOC by the PSX.
27. Bidders who have submitted bids at prices above the Strike Price shall be allotted shares at the Strike Price.
28. In cases where the bids received are sufficient to cover the total number of shares offered under the Book Building Portion, the allotment shall be made based on highest bid priority — that is, bids made at the highest price shall be considered first for share allocation.
29. If all bids above the Strike Price are accommodated and shares are still available for allotment, the remaining shares shall be allotted on a proportionate basis among the bids made at the Strike Price
30. Bidders who have made bids below the Strike Price shall not qualify for allotment of shares.

**Restrictions:**

- a. The bidding period shall not be extended except in extraordinary circumstances like closure of banks, failure of system, etc. In such case, the Issuer or the Consultant to the Issue shall apply to the Commission for extension in the bidding period after obtaining NOC from the Securities Exchange. In case extension is granted, the same shall be disseminated through publication in all those newspapers where the prospectus was published and on the website of the Issuer, Consultant to the Issue, the Designated Institution, and the Securities Exchange.
- b. The bidder shall not:
  - make bid below the Floor Price and above the upper limit of the Price Band;
  - make bid for more than 10% of the shares allocated under the Book Building Portion;
  - subject to the provision of clause (A) above, make bid with price variation of more than 10% of the prevailing indicative strike price or such other percentage as may be specified by the Commission;
  - make consolidated bid;
  - make more than one bid either severally or jointly;
  - make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same;
  - or
  - withdraw the Bid.
- c. No person shall take part in the book building process, directly or indirectly, severally or jointly in any manner, or engage in any act or practice which creates a false or misleading appearance of active bidding for raising or depressing the strike price in the book building process.

**12.14. TITLE AND NUMBER OF THE BANK ACCOUNT FOR BOOK BUILDING PORTION OF THE ISSUE AND MECHANISM FOR PAYMENT OF THE MARGIN MONEY INTO THE BOOK BUILDING ACCOUNT.**

The margin requirements for Eligible Participants shall be as under:

- i. Securities Brokers shall be allowed to participate with 100% margin money. Securities Brokers shall collect margin money against bid amount from the investors/clients/bidders based on their own risk assessment criteria.
- ii. Individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.
- iii. A bank or DFI shall be allowed to onboard/register bidders and create bidding account of the bidders for participation in the bidding, only in such case where bank or DFI is acting as Consultant to the Issue (CTI) in the public offering transaction. In such case individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.
- iv. The Eligible Participant such as, Banks, DFIs and Mutual Funds shall be allowed to participate in the bidding process with 0% margin money for proprietary trades only.
- v. For participation with 0% margin money for proprietary trades:
  - i. Banks and DFIs shall provide standing instruction to the NCCPL to directly debit the bank account in case of default, as per the format prescribed by the NCCPL.
  - ii. Mutual Funds shall provide Irrevocable Undertaking from the Trustee, as per the format prescribed by the NCCPL.
  - iii. If the Bank fails to discharge its obligation on time in accordance with the applicable laws, rules and regulations, NCCPL shall be authorized to debit the settlement account of the Bank (maintained with SBP) with the settlement amount against accepted bids of the Bank.
  - iv. The Mutual Fund through its Trustee unconditionally and irrevocably indemnifies through Irrevocable Undertaking any failure of the Fund to settle any bids for the auction which was submitted and subsequently accepted in accordance with the applicable laws, rules and regulations.
- vi. Eligible Participant shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts. NCCPL shall communicate the confirmation of advance/margin money against the bid amount of Eligible Participants to Designated Institution as per the Joint Procedures. Based on the information shared by NCCPL, Designated Institution will activate the Eligible Participants who have submitted advance/margin money for the bidding purposes.

#### **PAYMENT PROCEDURE**

The payment procedures for a Limit Bid or a Step Bid are explained below:

#### **PAYMENT FOR LIMIT BID**

If investors are placing their bids as a Limit Bid, then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated bid price.

For instance, if an investor is applying for 1 Mn shares at a price of PKR 10.00/- per share, then the total Application Money would amount to PKR 10.00 Mn. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

#### **PAYMENT FOR STEP BID**

If an investor is placing a Step Bid which is a series of Limit Bids at increasing prices, then he/she/it shall deposit the Margin Money / bid money based on the total number of shares he/she/it is bidding for at his/her/its stated bid prices.

For instance, if the investor bids for 5 Mn shares at PKR 10.00/- per share, 3 Mn shares at PKR 10.50/- per share and 2 Mn shares at PKR 12.00/- per share, then in essence the investor has placed one Step Bid comprising three

limit bids at increasing prices. The Application Money would amount to PKR 125.5 Mn, which is the sum of the products of the number of shares bid for and the bid price of each limit bid. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

#### 12.15. PROCEDURE FOR PAYMENT OF MARGIN MONEY BY FOREIGN INVESTOR

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e.

- i. A Pakistan national resident outside Pakistan,
- ii. A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan,
- iii. A foreign national, whether living in or outside Pakistan and
- iv. A company or firm (including a partnership) or trust or mutual fund or private fund incorporated, registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government

The issue price of such shares must be paid in foreign exchange through normal banking channels, either by remittance from abroad or from a foreign currency account maintained by the subscriber or purchaser in Pakistan.

Non-resident investors who wish to participate in the **book-building process** for subscription of shares may do so through the **Roshan Digital Account (RDA)** — an initiative of the State Bank of Pakistan designed to facilitate **Non-Resident Individual Pakistanis (NRIPs)** in opening and operating digital bank accounts with designated SBP banks. Through the RDA, NRIPs can conduct banking transactions, make remittances, pay utility bills, and invest in various financial instruments in Pakistan, including the Pakistan Stock Market.

To invest in the Pakistan Stock Market through a Roshan Digital Account, the Non-Resident Individual Pakistani (NRIP) must authorize the respective bank to share the RDA details with the Central Depository Company of Pakistan Limited (CDC) and agree to the Terms and Conditions for Investing in Pakistan's Capital Market. Upon receipt of this information, the CDC forwards the investor's details to the National Clearing Company of Pakistan Limited (NCCPL) for the creation and registration of a Unique Identification Number (UIN). The CDC also facilitates the opening of a trading account by sharing the UIN and related information with the investor's selected broker and opens a CDC Custody Account in the investor's name. Upon completion of these formalities, the NRIP becomes eligible to invest in the Pakistan Stock Market using funds available in the Roshan Digital Account.

For participation in an Initial Public Offering (IPO) through the Roshan Digital Account, investors must ensure that their RDA is linked with an **active Investor Account** maintained with the CDC. The investor must subscribe through this account only and not through any other custody accounts such as Sub-Accounts, IPO Facilitation Accounts, or other Investor Accounts. The investor is required to register on the **CDC e-Services Portal** at <https://csp.cdcaccess.com.pk> and complete the **e-IPO Subscription Form** by entering the CDC Participant ID (03277) and the Investor Account Number to generate a **Subscription ID**. After filling the form, the investor should save a PDF copy of the completed form and transfer the exact IPO subscription amount from the RDA bank account to the **CDC-designated bank account** maintained with the same bank.

It must be ensured that the investor's account holds sufficient funds at the time of subscription; otherwise, the application will not be processed. Once the payment is made, the investor must email the PDF copy of the Subscription Form along with payment details to [roshandigital@cdcpak.com](mailto:roshandigital@cdcpak.com). Both the payment and the eIPO Subscription Form must reach the CDC **no later than 12:00 p.m. (PST) on the last day of the subscription period**. Any payment or form received after the deadline will not be accepted. Investors are also advised to note that payments made through any method other than the one prescribed above may result in complications, particularly during the **refund process**, in cases where the application is either partially successful on a pro-rata basis or declared unsuccessful.

**12.16. PROCEDURE FOR REJECTION OF BIDS**

As per Regulation 9(37) & (38) of the PO Regulations, 2017:

1. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at **B+1** within banking hours.
2. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.

**12.17. TIME FRAME FOR UPWARD REVISION OF BIDS BY THE BIDDERS**

The registered investors may revise their Bids upwards at any time either manually through the Bid Collection Centers or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period. The Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL. The bidders can revise their bids upward till 05:00 p.m. on the last day of the Bidding Period. **NO DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME IS ALLOWED AND PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME. HOWEVER, NO WITHDRAWAL OF BID IS ALLOWED.**

**12.18. TEN PERCENT (10%) PRICE VARIATION**

An investor will not be allowed to place or upward revise a bid with a price variation of more than ten percent (10%) of the prevailing Indicative Strike Price subject to Floor Price and Price Band i.e. Bid Price must not be below the Floor Price and must not exceed 50% of the Floor Price which is upper limit of Floor Price. **Please note that the Indicative Strike Price may not be constant and may keep on changing during the bidding period. Therefore, the 10% range will also change with the changing Indicative Strike Price.**

For Example, if the Floor Price is PKR 10.00/- per share and Indicative Strike Price at any given point in time during the bidding period is PKR 10.00/- per share, registered bidders may place or revise their bids at/to any price between PKR 10.00/- per share to PKR 11.40/- per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 10.00/- per share to PKR 11.40/- per share, the registered bidders may place or upward revise their bids at/to between PKR 11.40/- per share to PKR 12.94/- per share. Please note that the 10% range on the lower side cannot go below the floor price and cannot exceed the upper cap of 50% of the floor price i.e. PKR 15.00/- per share. The price range of 10% applicable at any given point in time during the bidding period will also be displayed on the bid screen available at the website of PSX.

**12.19. PROCEDURE FOR WITHDRAWAL OF ISSUE**

1. In accordance with regulation 8 (16) of the PO Regulations, 2017, the Book Building process shall be considered as cancelled if the Issuer does not receive bids for the number of shares allocated under the Book Building Portion and the same shall be immediately intimated by the Consultant to the Issuer/Issue to the Commission and Securities Exchange.
2. In accordance with regulation 8 (17) of the PO Regulation, 2017, the Book Building process shall be considered as cancelled if the total number of bids received is less than forty (40).

**12.20. MECHANISM FOR DETERMINATION OF STRIKE PRICE**

1. At the close of the bidding period, the Strike Price shall be determined on the basis of Dutch Auction Method by the Designated Institution. Under this methodology, the Strike Price is determined by lowering the price to the extent that the total shares offered under the Book Building Portion are subscribed.
2. Designated Institution shall, through the Book Building System display live order book throughout the bidding period in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with percentage of the total shares offered. The order book should

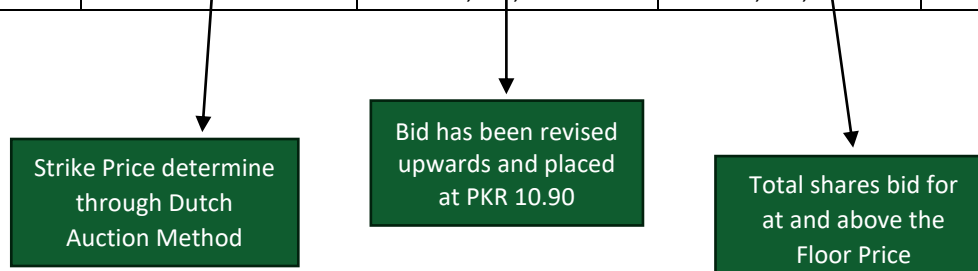
also show the revised bids. The order book shall be accessible through websites of the Securities Exchange and Designated Institution.

3. In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
4. As per regulation 9 (27) of the PO Regulation, 2017, in case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted on proportionate basis against the bids made at the Strike Price.

The mechanism for determination of the Strike Price can be understood by the following illustration:

1. Number of shares being Issued through the Book Building: 30,000,000 Ordinary Shares
2. Floor Price: PKR 10.00/- per Ordinary Share with maximum price band of 40% i.e. PKR 14/-per share
3. Bidding Period: January 21, 2026, to January 22, 2026.
4. Bidding Time: 9:00am – 5:00pm
5. Bidding Revision Time (Upward Revision only): 9:00am – 5:00pm on all days

Bidder	Price (PKR/share)	Quantity	Cumulative Number of shares	Category of Order
Institution A	13.20	1,260,000	1,260,000	Limit Price
Institution B	12.80	1,620,000	2,880,000	Limit Price
HNWI A	12.50	3,120,000	6,000,000	Step Bid
Institution C	12.30	3,420,000	9,420,000	Limit Price
Institution D	12.00	1,320,000	10,740,000	Limit Price
Institution E	11.80	3,540,000	14,280,000	Limit Price
HNWI B	11.60	3,780,000	18,060,000	Limit Price
HNWI A	11.50	2,100,000	20,160,000	Step Bid
Institution F	11.20	1,740,000	21,900,000	Limit Price
Institution G	11.00	1,920,000	23,820,000	Limit Price
Institution H	10.90	1,980,000	25,800,000	Limit Price
HNWI C	10.70	600,000	26,400,000	Limit Price
Institution I	10.60	1,320,000	27,720,000	Step Bid
Institution H	10.50	1,020,000	28,740,000	Limit Price
Institution J	10.10	1,260,000	30,000,000	Step Bid
HNWI E	10.00	5,000,000	35,000,000	Limit Price



On the basis of the figures provided in the above illustration, according to the Dutch Auction Method, the **Strike Price would be set at PKR 10.10 per share** to sell the required quantity of **30,000,000 ordinary shares**.

At **PKR 13.20 per share**, investors are willing to buy 1,260,000 shares. Since 28,740,000 shares are still available, the price will be set lower.

At **PKR 12.80 per share**, investors are willing to buy 1,620,000 shares. Since 27,120,000 shares are still available, the price will be set lower.

At **PKR 12.50 per share**, investors are willing to buy 3,120,000 shares. Since 24,000,000 shares are still available, the price will be set lower.



At **PKR 12.30 per share**, investors are willing to buy 3,420,000 shares. Since 20,580,000 shares are still available, the price will be set lower.

At **PKR 12.00 per share**, investors are willing to buy 1,320,000 shares. Since 19,260,000 shares are still available, the price will be set lower.

At **PKR 11.80 per share**, investors are willing to buy 3,540,000 shares. Since 15,720,000 shares are still available, the price will be set lower.

At **PKR 11.60 per share**, investors are willing to buy 3,780,000 shares. Since 11,940,000 shares are still available, the price will be set lower.

At **PKR 11.50 per share**, investors are willing to buy 2,100,000 shares. Since 9,840,000 shares are still available, the price will be set lower.

At **PKR 11.20 per share**, investors are willing to buy 1,740,000 shares. Since 8,100,000 shares are still available, the price will be set lower.

At **PKR 11.00 per share**, investors are willing to buy 1,920,000 shares. Since 6,180,000 shares are still available, the price will be set lower.

At **PKR 10.90 per share**, investors are willing to buy 1,980,000 shares. Since 4,200,000 shares are still available, the price will be set lower.

At **PKR 10.70 per share**, investors are willing to buy 600,000 shares. Since 3,600,000 shares are still available, the price will be set lower.

At **PKR 10.60 per share**, investors are willing to buy 1,320,000 shares. Since 2,280,000 shares are still available, the price will be set lower.

At **PKR 10.50 per share**, investors are willing to buy 1,020,000 shares. Since 1,260,000 shares are still available, the price will be set lower.

At **PKR 10.10 per share**, investors are willing to buy 1,260,000 shares. After allotting these shares at PKR 10.10 per share, the **total supply of 30,000,000 shares is fully sold**. Therefore, the **Strike Price is set at PKR 10.10 per share** for the entire lot of 30,000,000 shares.

At **PKR 10.10 per share**, investors are willing to buy 1,260,000 shares. After allotting these 1,260,000 shares at **PKR 10.10 per share**, the **total supply of 30,000,000 shares is fully sold**. Therefore, the **Strike Price is set at PKR 10.10 per share** for the entire lot of 30,000,000 shares.

The bidders who have placed bids at prices above the Strike Price (which in this illustration is PKR 10.10 per share) will become entitled to allotment of shares at the Strike Price, and the differential between their bid price and the Strike Price will be refunded.

In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on proportionate basis as per regulation 9(27) of the PO Regulations, 2017.

The Bidders who have made bids below the Strike Price shall not qualify for allotment of shares. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 (one day after the end of the bidding period) within banking hours.

## 12.21. BASIS OF ALLOTMENT OF SHARES

- (a) In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
- (b) In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on proportionate basis.

As per regulation 7(3) of the PO Regulation, 2017, maximum of seventy-five percent (75%) of the offer size i.e. 22,500,000 ordinary shares shall be allocated to the Book Building Portion, while the remaining minimum twenty-five percent (25%) i.e. 7,500,000 ordinary shares shall be reserved for retail investors. The retail portion

of the public offer shall be fully underwritten. At the close of the bidding period, Strike Price shall be determined on the basis of Dutch Auction Method by the Book Building System.

As per regulation 11(2) of the PO Regulation, 2017, The Issuer may offer the shares to retail investors at a certain discount to the Strike Price.

As per regulation 11(4) of the PO Regulation, 2017, within five (5) working days of the close of the public subscription period, or within such shorter period as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications, and the subscription money of unsuccessful applicants shall be unblocked/refunded.

As per regulation 11(5) of the PO Regulation, 2017, in case the retail portion of the issue, if any, remains unsubscribed, the unsubscribed shares shall be taken up by the underwriters.

Final allotment of shares out of the Book Building portion shall be made after subscription of the retail portion and receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be issued simultaneously with issuance of shares to retail investors, in the form of book-entry to be credited in their respective CDS Accounts. All the Bidders shall, therefore, provide number of their respective CDS Accounts in the Bid application as required under regulation 9(16) of the PO Regulations.

#### **12.22. MECHANISM AND MODE FOR REFUNDING / UNBLOCKING OF THE MARGIN MONEY**

The Bidders who have made Bids below the Strike Price shall not qualify for allotment of securities. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants within banking hours one day after the bidding period.

**The bid money of bidders who have undertaken to subscribe to the unsubscribed retail portion shall remain deposited or blocked till allotment of shares of unsubscribed retail portion, if any, to them on pro-rata basis.**

#### **12.23. PUBLICATION AND TIME FRAME FOR PUBLICATION OF SUPPLEMENT TO THE PROSPECTUS**

In accordance with regulation 11(1) of the PO Regulations of the closing of the Bidding Period, Supplement to the Prospectus shall be published at least in all those newspapers in which the Prospectus was earlier published and also disseminated through PSX within one working day.

The Supplement to the Prospectus would contain information relating to the Strike Price, the Offer Price and Category-wise breakup of the successful Bidders along with the number of shares provisionally allocated to them. Format of the Supplement is given on page 2 of this Prospectus.

**Public subscription for the shares shall be held at any date(s) within thirty days (30) of the publication of the Prospectus but not earlier than seven (7) days of such publication**

### 13. APPLICATION AND ALLOTMENT INSTRUCTION FOR RETAIL PORTION

#### 13.1. ELIGIBLE INVESTORS INCLUDE:

1. Pakistani citizens resident in or outside Pakistan or Persons holding dual nationalities including a Pakistani nationality;
2. Foreign Nationals whether living in or outside Pakistan;
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts, (subject to the terms of the Trust Deed and existing regulations); and
5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

#### 13.2. OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open at the commencement of banking hours on January 28, 2026, and will close on January 29, 2026, at the close of banking hours. **Please note that online applications can be submitted 24 hours during the subscription period which will close at 12:00 midnight on January 29, 2026.**

#### 13.3. PROCEDURE FOR PUBLIC SUBSCRIPTION THROUGH CENTRALIZED E-IPO SYSTEM AND OTHER ADDITIONAL ELECTRONIC SYSTEM

##### i. PSX's e-IPO System (PES):

To facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (<https://eipo.psx.com.pk>). Payment of subscription money can be made through 1LINK's member banks available for PES.

For making application through PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year.

Registration is free of cost and can be done by:

- the investor himself; or
- the TREC Holder with whom the investor has a sub-account; or
- the Bank with whom the investor has a bank account.

Similarly, an e-IPO application can be filed by:

- the investor himself; or
- the TREC Holder with whom the investor has a sub-account; or
- the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad, Deputy General Manager - IT Division at phone number: 111-001-122 or (021)-35274401-10, or email: [itss@psx.com.pk](mailto:itss@psx.com.pk).

Investors who are registered with PES can submit their applications through the web link, <https://eipo.psx.com.pk>, 24 hours a day during the subscription period which will close at midnight on October 03, 2024

##### ii. Centralized E-PO System (CES):

CES can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK's member banks available for CES.

For making application through CES, investors must be registered with CES. Registration can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, investors/sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants will electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. For queries regarding CES, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com) or contact Mr. Owais Anwer at Phone 021-111-111-500 Ext 500 and email: [owais\\_anwer@cdcpak.com](mailto:owais_anwer@cdcpak.com).

#### **13.4. FACILITIES AVAILABLE TO LOCAL, NON-RESIDENT PAKISTANIS AND FOREIGN INVESTORS**

For each IPO, a prospectus is issued, circulated, and published in newspapers at least 7 days before the start of the public subscription. The issuer also publishes advertisements in newspapers. The prospectus is available on the websites of the Pakistan Stock Exchange (PSX), the consultant to the issue, the issuer, and the Central Depository Company of Pakistan Limited (CDC), which provides the Centralized e-IPO System (CES). A list of all upcoming IPOs is also available on the PSX website.

#### **13.5. APPLICATIONS MADE BY INDIVIDUAL INVESTORS**

1. In case of individual investors, one can submit an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com). Both Pakistani residents and non-residents can avail the e-IPO facility. To register for the CDC and PSX Access e-IPO Service, the applicant must possess a valid CNIC and NICOP.
2. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

#### **13.6. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS**

1. In case of corporate entities an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com). The corporate entities can avail the e-IPO facility by registering, if not have already been, for the CDC and PSX Access e-IPO Service, the corporate must possess a valid Registration number and NTN.
2. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

#### **13.7. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SHARES OF THE ISSUE**

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. Application for shares must be made for 500 shares or in multiples of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
2. The minimum amount of application for subscription of 500 shares is the Issue Price x 500 shares.
3. Application for shares below the minimum amount shall not be entertained.
4. SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.
5. If the shares offered to the general public are sufficient to accommodate all applications, all applications shall be accommodated.

6. If the shares applied for by the general public are in excess of the shares allocated to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:
  - If all applications for 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated, then balloting will be conducted among applications for 500 shares only.
  - If all applications for 500 shares have been accommodated and shares are still available for allotment, then all applications for 1,000 shares shall be accommodated. If all applications for 1,000 shares cannot be accommodated, then balloting will be conducted among applications for 1,000 shares only.
  - If all applications for 500 shares and 1,000 shares have been accommodated and shares are still available for allotment, then all applications for 1,500 shares shall be accommodated. If all applications for 1,500 shares cannot be accommodated, then balloting will be conducted among applications for 1,500 shares only.
  - If all applications for 500 shares, 1,000 shares and 1,500 shares have been accommodated and shares are still available for allotment, then all applications for 2,000 shares shall be accommodated. If all applications for 2,000 shares cannot be accommodated, then balloting will be conducted among applications for 2,000 shares only.
  - After allotment in the above-mentioned manner, the balance shares, if any, shall be allotted in the following manner:
    - If the remaining shares are sufficient to accommodate each application for over 2,000 shares, then 2,000 shares shall be allotted to each applicant and remaining shares shall be allotted on pro-rata basis.
    - If the remaining shares are not sufficient to accommodate all the remaining applications for over 2,000 shares, then balloting shall be conducted for allocation of 2,000 shares to each successful applicant.
7. If the Issue is over-subscribed in terms of amount only, then allotment of shares shall be made in the following manner:
  - First preference will be given to the applicants who applied for 500 shares;
  - Next preference will be given to the applicants who applied for 1,000 shares;
  - Next preference will be given to the applicants who applied for 1,500 shares;
  - Next preference will be given to the applicants who applied for 2,000 shares; and then
  - After allotment of the above, the balance shares, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 shares.
8. Allotment of shares will be subject to scrutiny of applications for subscription of shares.
9. Applications, which do not meet the above requirements, or application which are incomplete, will be rejected.

### 13.8. REFUND/UNBLOCKING OF SUBSCRIPTION MONEY TO UNSUCCESSFUL APPLICANTS

As per the regulation 11(4) of the PO Regulations, within five (5) working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the Shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

As per sub-section (2) of Section 68 of the Companies Act, if refund as required under sub-section (1) of Section 68 of the Companies Act is not made within the time specified hereinabove, the directors of the company shall be jointly and severally liable to repay that money with surcharge at the rate of two percent (2%) for every month or part thereof from the expiration of the fifteenth day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the Company shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

In case retail portion of the Issue remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders at the strike price on pro-rata basis.



### 13.9. MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. The minimum value of application will be calculated as Issue Price x 500 shares. Application for amount below the minimum value shall not be entertained.
2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
3. Allotment / Transfer of shares to successful applicants shall be made in accordance with the allotment criteria / instructions disclosed in the Prospectus.
4. Allotment of shares shall be subject to scrutiny of applications in accordance with the criteria disclosed in the Prospectus and / or the instructions by the Securities & Exchange Commission of Pakistan.
5. Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Online Application Form.
6. The Company will credit shares in the CDS Accounts of the successful applicants.

### 13.10. ISSUE AND CREDIT OF SHARES

Within five (5) working days of the closing of public subscription period, the shares shall be allotted, issued and credited against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/refunded, as required under regulation 11(4) of the PO Regulations. **Shares will be issued only in the book-entry form and will be credited into the respective CDS Accounts of the successful applicants. Therefore, the applicants must provide their CDS Account Number in the Shares Subscription Applicant.**

If the Company defaults in complying with the above requirements, it shall pay PSX a penalty of PKR 5,000 per day for every day during which the default continues. PSX may also notify the fact of such default and name of the Company by notice and also by publication in its ready-board quotation of the Stock Exchange.

Name of the Company will also be notified to the TRE Certificate Holders of the PSX and placed on the web site of the PSX.

### 13.11. TRANSFER OF SHARES

The shares shall be transferred in accordance with the provisions of Section 74 of the Companies Act read with Section 75 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

### 13.12. LIST OF E-IPO FACILITIES

Sr. No.	Name of Facility
01	PSX E-IPO System
02	Centralized E-PO System

### 13.13. INTEREST OF SHAREHOLDERS

None of the holders of the Issued shares of the Company have any special or other interest in the property or profits of the Company other than their capacity as holder of Ordinary shares except from the shareholders who are also the Director of the company. Directors of the Company have interest in receiving remuneration for their role as Directors.

### 13.14. ELIGIBILITY FOR DIVIDEND

The ordinary shares issued shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

### 13.15. DEDUCTION OF ZAKAT

Income distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980 (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any shareholder or where such shareholder is otherwise exempt or has claimed exemption from payment / deduction of Zakat in terms of and as provided in that Ordinance.

### 13.16. TAXATIONS, LIKE APPLICABILITY OF CAPITAL GAIN TAX, WITHHOLDING TAX ON DIVIDENDS, TAX ON BONUS SHARES, FEDERAL EXCISE DUTY AND CAPITAL VALUE TAX & WITHHOLDING TAX ON SALE/PURCHASE OF SHARES.

#### 13.16.1. Capital Gains Tax

Capital gains derived from the sale of listed securities are taxable in the following manner under section 37A of Income Tax Ordinance, 2001 effective from July 1, 2024:

Sr. No.	Capital Gain Tax for CY 2025	Investors Appearing in ATL	Investors Not Appearing in ATL
1	Where the securities are acquired before the first day of July, 2013.	0%	0%
2	Where the securities are acquired on or after the first day of July, 2013 but on or before the 30th day of June, 2022.	12.5%	25.0%
3	<b>Where the securities are acquired on or after the first day of July, 2022 but on or before the 30<sup>th</sup> day of June, 2024, below reduced rates of tax on capital gain arising on disposal shall apply:</b>		
	1. Where holding period does not exceed one year	15.0%	30.0%
	2. Where holding period exceed one year but does not exceed two years	12.5%	25.0%
	3. Where holding period exceed two years but does not exceed three years	10.0%	20.0%
	4. Where holding period exceed three years but does not exceed four years	7.5%	15.0%
	5. Where holding period exceed four years but does not exceed five years	5.0%	10.0%
	6. Where holding period exceed five years but does not exceed six years	2.5%	5.0%
	7. Where holding period exceed six years	0.0%	0.0%
4	<b>Where the securities are acquired on or after the first day of July, 2024 onwards:</b>		
	Where the securities are acquired on or after the first day of July, 2024 and onwards.	15.0%	As per rates specified in First Schedule, Part 1, Division 1 for individuals and association of persons and Division II for companies. Provided that the rate of tax for individuals and association of persons shall not be less than 15% in any case.

#### 13.16.2. Withholding Tax On Dividends

Dividend distribution to shareholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 as specified in Part III Division I of the First Schedule of the said ordinance or any time-to-time

amendments therein. In terms of the provision of Section 8 of the said ordinance, said deduction at source, shall be deemed to be full and final liability in respect of such profits in case of persons only. Applicable withholding tax rate on dividend is 15% for active tax payers and 30% for inactive tax payers.

### **13.16.3. Tax On Bonus Shares**

As per section 236Z of the Finance Act 2025, shall only be issued to a shareholder, if the company collects from the shareholder, tax equal to ten percent of the value of the bonus shares issued to the shareholder including bonus share withheld, determined on the basis of day-end price on the first day of closure of books in the case of listed company and the value as prescribed in case of other companies.

## **13.17. TAX ON INCOME OF THE ISSUER, SALES TAX**

### **13.17.1. Income Tax**

The income of the Company is subject to Income Tax under the Income Tax Ordinance, 2001

### **13.17.2. Sales Tax**

With effect from November 01, 2018, the Punjab Revenue Authority (PRA) subjected life and health insurance to Punjab Sales Tax (PST) at the rate of 16%. The Sindh Revenue Board (SRB) made life insurance taxable at the rate of 15% with effect from July 01, 2020. The Life insurance industry members have unanimously filed a petition against the imposition of provincial sales in the Supreme Court of Pakistan, through the platform of IAP (Insurance Association of Pakistan). The case is pending hearing. Please find further details on sales tax in Section 8. 1.

### **13.17.3. Sales Tax on Sale / Purchase of Shares**

Under the Constitution of Pakistan and Articles 49 of the 7th NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, and the Khyber Pakhtunkhwa Revenue Authority and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax ("SST"), Punjab Sales Tax ("PST"), Khyber Pakhtunkhwa Sales Tax ("KST") and Baluchistan Sales Tax ("BST") respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange. The above-mentioned Acts levy a sales tax on Brokerage at the rate of 15% in Sindh, 16% in Punjab and in Baluchistan and Khyber Pakhtunkhwa the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

### **13.17.4. Deferred Taxation**

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax credits and unused tax losses can be utilized.


This includes tax credits available to the Company, such as those arising from its listing on the stock exchange and from investments made in the Initial Public Offering (IPO), which are recognized in accordance with applicable tax laws and regulations.


The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

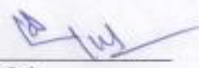
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.


Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

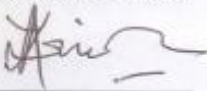
SIGNATORIES TO THE PROSPECTUS

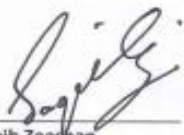
  
Sheikh Ali Bin Abdullah Thani J. Al-Thani  
Chairman/Non-Executive Director

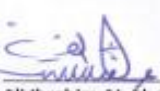
  
Abdul Basit Ahmed Al-Shalbei  
Non-Executive Director

  
Said Gul  
Non-Executive Director


  
Zahid Hussain Awan  
Non-Executive Director


  
Asad Pervaiz  
Independent Director

  
Saqib Zeeshan  
Chief Executive Officer


  
Ali Ibrahim AL Abdul Ghani  
Non-Executive Director


  
Muhammad Kamran Saleem  
Executive Director

  
Zahid Haleem Shaikh  
Independent Director


  
Ammara Shamim Gondal  
Independent Director

WITNESSES

  
Muhammad Saleem  
Chief Financial Officer

  
Muhammad Rizwan  
Deputy Chief Financial Officer

Certified by:

  
Muhammad Kamran  
Company Secretary

Date: 14th Nov, 25





## 14. MEMORANDUM OF ASSOCIATION

THE COMPANIES ACT, 2017 (XIX of 2017)  
(Company Limited by Shares)  
Memorandum of Association  
Of  
**PAK QATAR GENERAL TAKAFUL LIMITED**

- I. The name of the Company is **PAK QATAR GENERAL TAKAFUL LIMITED**.
- II. The Registered Office of the Company will be situated in the province of Sindh, Pakistan.
- III. For the purposes of the objects of the company contained in this object clause and sub-clauses thereof, the following terms shall, unless otherwise stated, have the meanings as assigned:

“**Insure**” includes any risks in any of the Takaful pool(s) managed by the company.

“**Reinsure**” includes any risks in any of the Retakaful pool(s) managed by the company or any other company. In the event of non-availability of retakaful arrangement(s) and provided that this is permitted by the Shariah Board, the company may seek reinsurance from conventional reinsurance companies.

“**Insurance**” means “Takaful” which means a scheme based on mutual assistance in compliance with the provisions of Islamic Shariah, and which provides for financial aid and assistance to the participants in case of occurrence of certain contingencies and whereby the participants mutually agree to contribute to the common fund for that purpose as provided in the Insurance Ordinance 2000 or any statutory enactment or modification thereof for the time being in force. The principle of Takaful requires that the Takaful operator / shareholders of the company should not in any form benefit from the underwriting results of the pooling arrangement. This implies that any surpluses in the Takaful Fund would need to either remain in the Takaful fund or used for the benefit of the Takaful participants in any form but would never in any form revert to or be for the benefit of the Takaful operator.

**“Policies” or “Contracts”** means such policies or contracts as are entered into by the company based on the Takaful principles. Premiums (generally referred to as participant’s contributions) under such contracts may be adjusted in case of a shortfall in the Takaful Fund.

**“Claims”** means any losses which may be defined under the Takaful contract. Losses may be settled as per the guidelines provided by Shariah Board and may allow claim settlement options not typical under a conventional insurance contract such as reduction in loss payment or requiring additional contribution in the case of short fall in Takaful Fund.

**“Shariah Board”** means a committee to be appointed by the company with the approval of the SECP and comprising of Shariah scholars/institutions from within and outside the country.

It is expressly declared that several sub-clauses herein and all the powers thereof are to be cumulative and in no case, generality of any one sub-clause is to be narrowed or restricted by any particularity of any other sub-clause, nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction ejusdem generis or otherwise. In particular and as long as the activities carried out are in full conformity and approval of the Shariah Board for a Takaful operator, the following objects similar to and as defined for conventional General insurance companies as permissible by Shariah & as may be determined by Shariah Board from time to time.

1. The objects for which the Company is established is to design takaful schemes or plans that meet the needs of participants and to act as a Takaful/Retakaful Operator to manage insurable risks.
2. To carry on in Pakistan or elsewhere in any part of the world, all kinds of General Insurance business under the principles of Takaful as may be permissible by the

Shariah Board. In particular fire, explosion, lightning, earth-quake, atmospheric damages such as hail, gale, cyclone, storm, hurricane, tornado, flood and such other act of God; marine aerial, navigation, marine and aerial hull, riot, public liability, product liability, third party liability, personal accident, boiler explosion, vehicles, engineering and contractors all risks, consequential (Fire, Machinery Break-down) loss, mortgage or other investment, insurance, machinery break-down, erection all risks, transit, accident, falling of aircraft, workmen's compensation, employee's sickness, disease, survivorship, burglary, robbery, theft, fidelity, live-stock, glass plate, third part risk and every kind of guarantee and indemnity business and counter-guarantee and counter-indemnity business and all kinds of bonds and every description of business kindred to the above, whether now known or hereafter to be devised. Insurance of money-in-safe and in transit, goods in transit, employer's liability insurance, professional indemnities, licence insurance, live-stock insurance, credit and contract guarantee. Provided that under each of the above classes of business, approval would be obtained from Shariah Board as to the permissibility of insuring that class of business and the types of risks that may be permissible within each class. The objective of this being that risks of non-permissible classes of business (such as which may not be in accordance with the principles of indemnification of losses as per Shariah Board guidelines) or insurance of businesses of non-permissible items (as defined by the Shariah Board) may not be included in the Takaful operations.

3. To insure houses, tenements, merchandise, and all other property and effects, real and personal, against loss or damage by fire, atmospheric damages such as hail, gale, tempest, hurricane, storm, cyclone, and tornado, flood, etc., accident, consequential (fire) loss, otherwise, and to carry on the ordinary business of fire insurance in all its branches.
4. To rebuild, repair, replace or reinstate, house, buildings, machinery and every other description of property which may be insured by the Company, and to carry on any kind of business necessary or expedient for any such purposes.

5. To insure against every description of marine risks and aerial navigation risks which may legally be undertaken, relating to the perils of the sea and air, fire, war, reprisals, aeroplanes, vessels and crafts of all descriptions and also the freights, disbursements goods, merchandise, cargo, earnings and property whatsoever, in or on board of the same, whether the property of members of the Company, or otherwise, howsoever, so far as the same may be effected or made according to law.
6. To insure all other matters and things which lawfully may or can be from time to time insured, or be the subject of insurance against the perils of the land, sea or air, and also generally to carry on all other branches and departments of the business of fire, marine and aerial navigation insurance.
7. To insure all kinds of engineering insurance such as machinery break-down, erection all risks, contractors' all risks and steam boilers against injury, damages, or loss caused by explosion, and to insure machinery, buildings and other property against injury, damage, or loss consequent upon machinery damage, boiler explosion or collapse of flues.
8. To insure against all manners of accidents, liability or guarantee and to do every other description of insurance business kindred to the above inclusive of all powers incidental to or necessary for the fulfillment of the objects aforesaid.
9. To inspect all insured or insurable property including steam engines, boilers and machinery.
10. To insure hoists, lifts and cranes and weighing machines against the consequences of any mechanical defect.
11. To grant indemnities to companies or their shareholder or the holders of any security against rights and damages arising, from the loss of certificates of title or indemnities in respect of the loss of title deeds generally.



12. To acquire or extinguish or otherwise deal with any insurance made with the company.
13. To grant indemnities to companies or their shareholders, or the holders of any security against rights and damages arising from the loss of certificates of title or indemnities in respect of the loss of title deeds generally.
14. To insure and indemnify principals or employers against loss or damage by the fraud, breach of trust, or misconduct of their servants, agents, or others acting on their behalf, and to guarantee and provide security for the fidelity and good conduct of persons filling or about to fill offices or appointments and situations of trust or confidence, and also to protect and relieve private sureties against loss arising to them from their liability as cautioners or guarantors for others.
15. To insure or guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, stock, shares, debentures, debenture-stock, contract, mortgages, charges, obligations, instruments and securities of any company or any authority, supreme, municipal, local or otherwise of any persons whomsoever whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
16. To insure or guarantee the holders of, or persons interested in, or proposing or intending to become holders of any shares, stock, or securities issued at a premium or standing at a premium, against loss arising from redemption at par, depreciation or otherwise.
17. To insure or guarantee the safety of securities and property of all kinds placed on deposit with the company or elsewhere, or entrusted to the company or to other persons or companies for transmission, or otherwise howsoever.
18. To accept reinsurance relating to all types of risks permissible under the Insurance Ordinance, 2000 from other Takaful, Re-Takaful or conventional insurers; provided that in case of acceptance from a conventional insurer, the type/nature of risk shall be



such as would be other acceptable had it been place directly with the Company. Furthermore, in case of conventional insurers, specific Shariah Board's approval would be sought.

19. To pay or satisfy any claims made against the Company in respect of any Policies or Contracts granted by, dealt in, or entered into by the Company or otherwise which claims it may be deemed expedient to pay or satisfy notwithstanding that the same may not be valid in law. The settlement of claims should be under the guidelines provided by the Shariah Board as the nature of takaful contracts is to ensure mutual assistance amongst the participants and therefore the company would need to protect the interest of the Takaful fund over and above any commercial or marketing based compromises which may be practiced under conventional insurance contracts.
20. To give to any class or section of those who insure or have dealing with the Company any rights for or in relation to any fund or funds or a right to participate in the profits of any particular branch or part of its business either equally, with other classes of section or otherwise and any other special privileges, advantages or benefits. Such benefits or rights shall be strictly in accordance with guidelines provided by the Shariah Board.
21. Generally to carry on all matters of business which now are, or may come to be connected with any of the above classes of insurance in any of the various branches thereof which may be transacted by companies carrying on the insurance business.
22. To advance money on security or otherwise, generally to such persons and upon such terms and conditions as the Company may think fit and as long as this approve by the Shariah Board.
23. To enter into any arrangements with any Government or authorities supreme, municipal, local or otherwise and obtain from any such Government or Authority; all rights, concessions and privileges that may seem conducive to the company's objects or any of them.

24. To enter into partnership or into any arrangement for sharing profits into any union of interest, joint-venture, reciprocal concession or cooperation with any person or persons or company or companies carrying on, or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in, any business transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
25. To purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on any business which this company is authorised to carry on or possessed of property suitable for the purpose of the Company.
26. To borrow, procure, raise money in local or any foreign currency from banks, financial institutions, non-banking financial institutions as long as this is done with the approval of the Shariah Board, and to avail finances under any Islamic financing scheme like modaraba, morabaha, musharika, Ijara-wa-iktina and Qaraze-Hasna and in accordance with the approval of the Shariah Board.
27. To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of the above or calculated, directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
28. To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined. The shareholders capital would be kept completely separate from the Takaful fund which belongs to the participants. The Takaful fund would be managed under a Mudaraba contract by the company with a defined profit sharing ratio which may be defined in the operative contract with the participants.

29. Generally to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property or any rights or privileges which the Company may think necessary or convenient with reference to any of these objects or capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
30. To take or otherwise acquire and hold shares in any other company in accordance with guidelines issued by the Shariah Board.
31. To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
32. To draw, make, meet, accept, execute and issue bills of exchange, Government of Pakistan and other promissory notes, bills of lading, warrants and other negotiable or transferable instruments or securities, concerning this Company as long as these are in conformity with Shariah Board requirements
33. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising in the Press by circulars, by purchase and exhibition of works of art, by publication of books and periodicals and by granting prizes, rewards and donations.
34. To undertake and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
35. To sell, transfer or dispose of any branch of the business, property and the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company.

36. To aid, pecuniarily or otherwise any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
37. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
38. To establish and support or to aid in the establishment and support of associations, institutions or trust funds calculated to benefit employers or employees of the Company or its predecessors in business, or the dependents or connections of such persons and to grant pensions and allowances and take payments towards insurance and to subscribe or guarantee money for charitable benevolent objects or for any exhibition or for any public, general or useful object, as long as it is permissible by the Shariah Board.
39. To procure or register a company in any foreign country or place.
40. To join or subscribe to any salvage or protection association or committee, whether mutual or otherwise, in any way connected with any of the objects of the Company.
41. To pay all costs, charges and expenses incurred or sustained or to be incurred or sustained by the promoters of the Company or otherwise, in or about promotion and establishment of the Company including therein the cost of advertisement, commission for underwriting, brokerage, printing and stationery.
42. To contract with lease holders, borrowers, lenders and others for the establishment, accumulation, provision and payment of sinking fund, redemption funds, depreciation funds, renewal funds, endowment funds and any other special funds and that either in consideration of a lump sum or of any annual premium or otherwise, and generally on such terms and conditions as may be agreed upon provided this is with the approval of the Shariah Board.



43. To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from Government. Provided that such activities are in accordance with Shariah compliance guidelines set by the Shariah Board and generally recognized as such.
44. To take part in the management and control of the business or operation of any company or undertaking and for that purpose to appoint and remunerate Directors, Manager, Accountants, Secretaries or other experts, advisors and agents,
45. To act as agents for the issue of any financial instruments, stocks or shares, whether or not offered to the public for subscription and to guarantee or underwrite the subscription of any such securities or shares, and to act as trustee, executor, or administrator, with or without remuneration, or to undertake trusts of all kinds and the conduct of any business connected with trust of any description or the estates of the deceased persons and to receive for custody, deeds, securities or other documents or money or any personal chattels, with or without undertaking liability for any loss thereof or injury thereto, and to undertake all kinds of agency business. The approval of the Shariah Board would be required for undertaking any such activities.
46. To enter into any arrangements and to take all necessary or proper steps with Governments or with other authorities, federal, provincial, local, municipal or otherwise of any place in which the Company may have interest and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the Constitution of the Company for furthering the interest of its members and to oppose any such steps taken by the any other company, firm or person which may be considered likely, directly or indirectly, to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly of any legislation which may appear to be in the interest of the Company and to oppose and resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such Government, Authority or any Company any characters,



contracts, decrees, rights, grants, loans, privileges or concessions which the company may think desirable to obtain and carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.


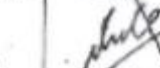

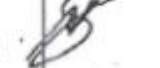

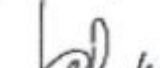
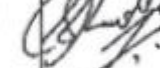
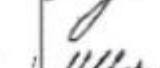
47. To apply the assets of the Company in any way in or towards the establishments, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally including any association, institution or fund for the protection of the interest of the Insurers against loss by bad debts, strike, combinations, fire, accidents, or otherwise or for the benefit of any clerks, workmen or other at any time employed by the Company or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, refractories, dining and recreation rooms, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever.
48. To provide necessary training facilities in Pakistan and abroad for Pakistan nationals in all branches of Insurance by offering scholarships, stipends and any other kind of financial assistance for the purpose and to provide all possible avenues for their employment in the administrative and technical departments of the Company or other insurance companies.
49. To subscribe or guarantee money for any national charitable, benevolent, non-political, public, general or useful object or for any exhibition.
50. To distribute all or any of the property of the Company other than takaful funds, amongst the shareholders in specie or kind. To distribute any balance in takaful funds in accordance with the guidelines issued by the Shariah Board.

51. To carry on any other business that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things, either as principals, agents, or otherwise and either alone or in conjunction with others, and either through agent or otherwise.
52. To open any current or fixed account with any one or more scheduled banks in the name of the company and to pay money into and draw money from any such account.
53. To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from the Government.
54. To lend money with security and generally to such persons and upon such terms and conditions as the company may think fit.
55. To undertake financial and commercial obligations, transactions and operations of all kinds relating to insurance business.
56. To remunerate any person or company for service rendered or to be rendered in placing or assisting to place any shares in the Company capital or any debentures, debenture-stock or other securities of the Company or in or about the conduct of its business by payment of cash or by the issue of shares, debentures or other securities of the Company or by granting of option to take the same or in any other manner allowed by law.
57. To do all or any of the above mentioned things either as principals, agents, trustees or otherwise and either alone or in conjunction with others and either directly or through agents, sub-contractors or trustees.

58. To do all such things as are incidental or conducive to the attainment of the above mentioned objects.
59. Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force, to undertake a particular business. The company shall not launch multilevel marketing, pyramid and ponzi schemes.
- IV. The liability of the members of the Company is limited.
- V. The authorized share capital of the Company is **Rs. 2,200,000,000/-** divided into **220,000,000** Ordinary shares of the denomination of Rs.10/- each with power from time to time to increase the capital of the Company.



We, the several persons whose names and addresses are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Name and surname With Father's/ Husband's name (present & former name) in full and block Letter	Nationality with any former Nationality	Occupation	Residential address in full	Number Of Shares taken By each Subscriber	Signature
Mr. H.B. Shik. Ali Bin Abdullah Thani J. Al-Thani S/o. Ali Passport # 011284	Qatari	Businessman	P.O. Box No. 1010, Doha, Qatar.	01 (One)	
Mr. H.B. Shik. Khalid Bin Thani Abdulla Thani Al-Thani S/o. Thani Passport # 010610	Qatari	Banker	P.O. Box No. 1010, Doha, Qatar.	01 (One)	
Mr. Abdulbasit Ahmed A. Ali Shalbi S/o. Ahmed Passport # 00589000	Qatari	Banker	P.O. Box No. 1010, Doha, Qatar.	01 (One)	
Mr. Ezzat Mohd R. Al-Rashad S/o. Mohd Passport # 00600401	Qatari	Banker	P.O. Box No. 1010, Doha, Qatar.	01 (One)	
Mr. Shabir Ahmed Randeree S/o. Ahmed Ooolemi Mohamed Landroee Passport # 003059877	British	Banker & Businessman	Church House, 142- 146, Old Street, London, EC1V, 9BW	01 (One)	
Choudhry Mohammad Was S/o. Choudhry Mohammad Tariq Passport # JU 786717	Canadian	Banker	P.O. Box No. 559, Doha, Qatar.	01 (One)	
Mr. Matloob Ahmed Khan S/o. Haseeb Ahmed Khan Passport # 43301-5859543-7	Pakistani	Banker	Q-21/1, Block-8, Scheme-5, Clifton, Karachi.	01 (One)	
Mr. Zahid Hussain Awan S/o. Mir Haseeb Passport # 135039-45150-5	Pakistani	Banker	215-B, Gbazikot, Township, Manshura	01 (One)	
Total number of shares taken				08 (Eight)	

Dated this 10th day of March 2006

#### WITNESS TO ABOVE SIGNATURES

Full Name: Eyed Altaf Saikhuddin

Signature: 

Full Address: Room No. 601-602, Progressive Plaza-Basement Road, Karachi.

Father's Name: Late Saikhuddin Ahmed

Occupation: Service

Certified to be True Copy  
16/1/05  
Joint Registrar of Companies

  
Certified True Copy