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A Glance at **Pakistani** General Insurance Industry Performance Of Listed Companies Year End – 2021

Preliminary Results for EFU, Adamjee & Jubilee

March 9, 2022

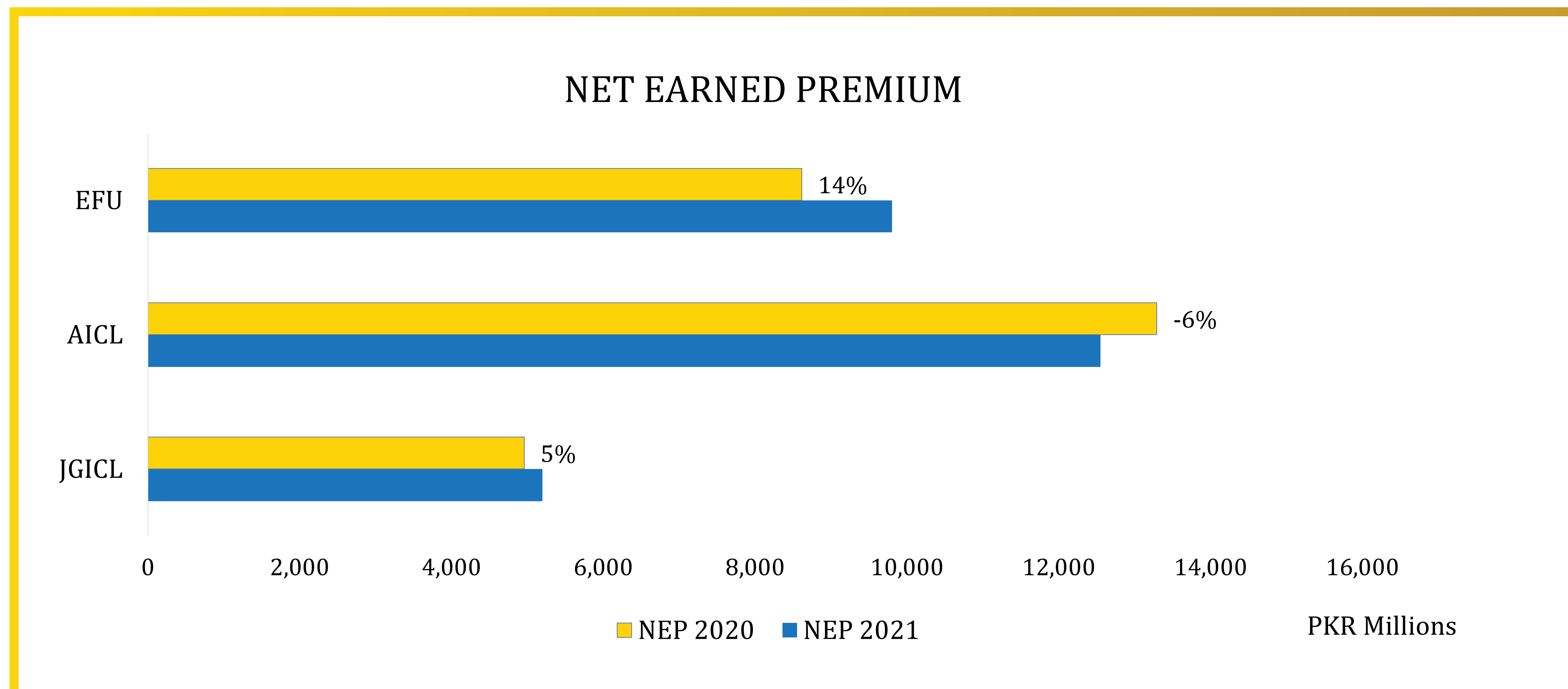
Net Earned Premium

On an overall basis, the net earned premium for the top 3 companies increased by 3% to PKR 27.6 billion.

AICL leads the market in terms of the NEP at PKR 12.6 billion followed by EFU's NEP at PKR 9.8 billion

and JGICL's NEP at PKR 5.2 billion. AICL has experienced a 6% fall in NEP while EFU and JGICL experienced a 14% and 5% growth respectively in NEP compared to the same period last year.

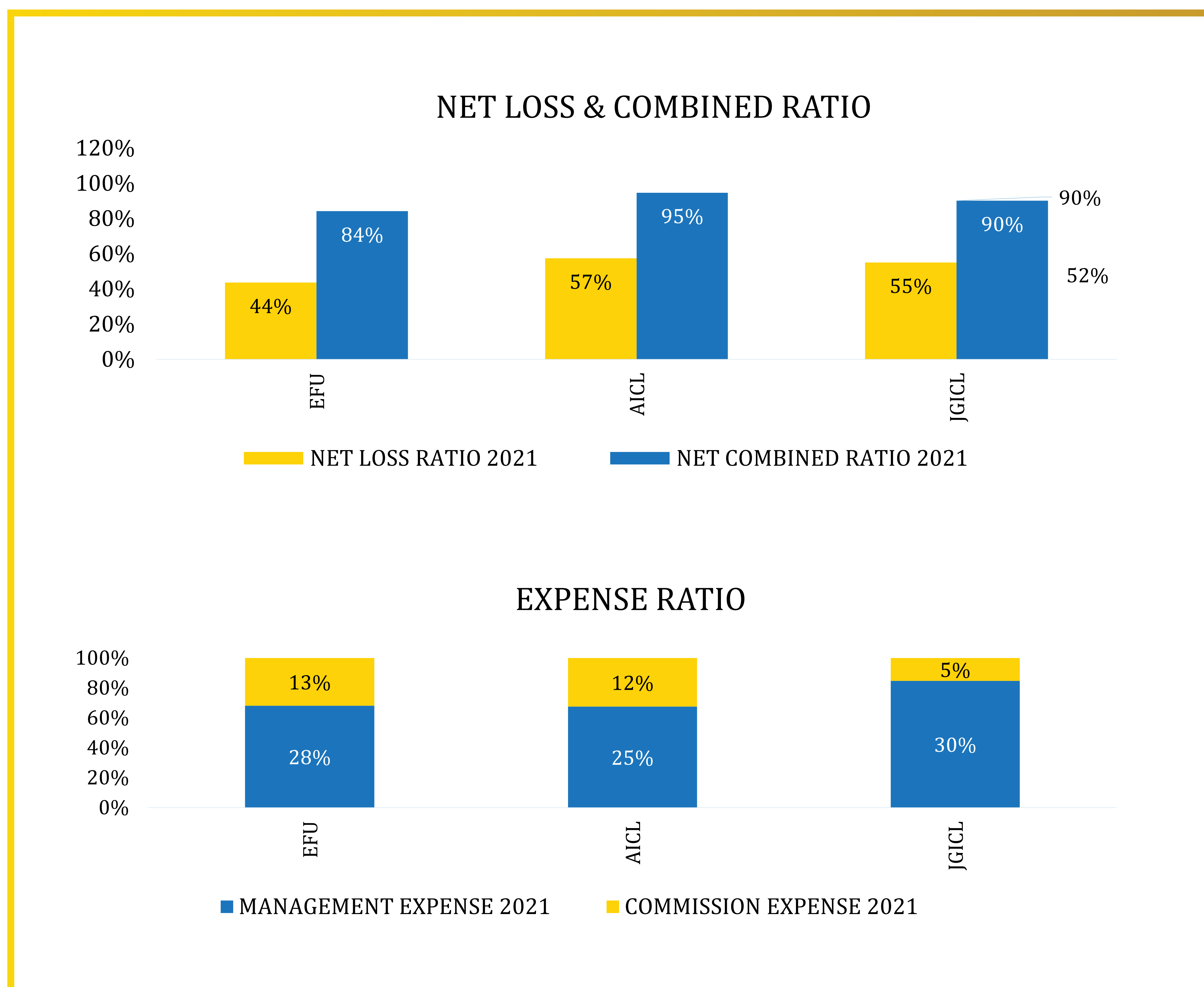
**AICL includes business written inside and outside of Pakistan*



Net Loss & Combined Ratio

The weighted average net loss and combined ratios for EFU, AICL and JGICL stand at 52% and 90% respectively.

EFU experienced the lowest loss and combined ratios in 2021 while AICL experienced the highest. In terms of the expense ratio, EFU has the highest ratio of 41% followed by AICL and JGICL of 37% and 35% respectively.

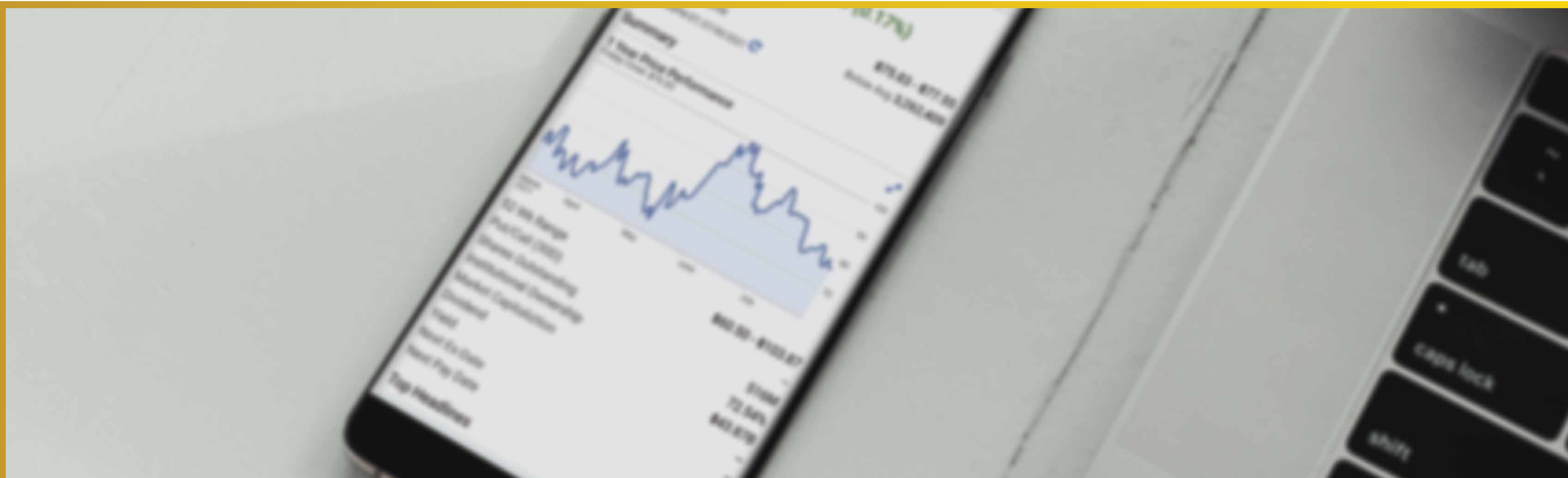
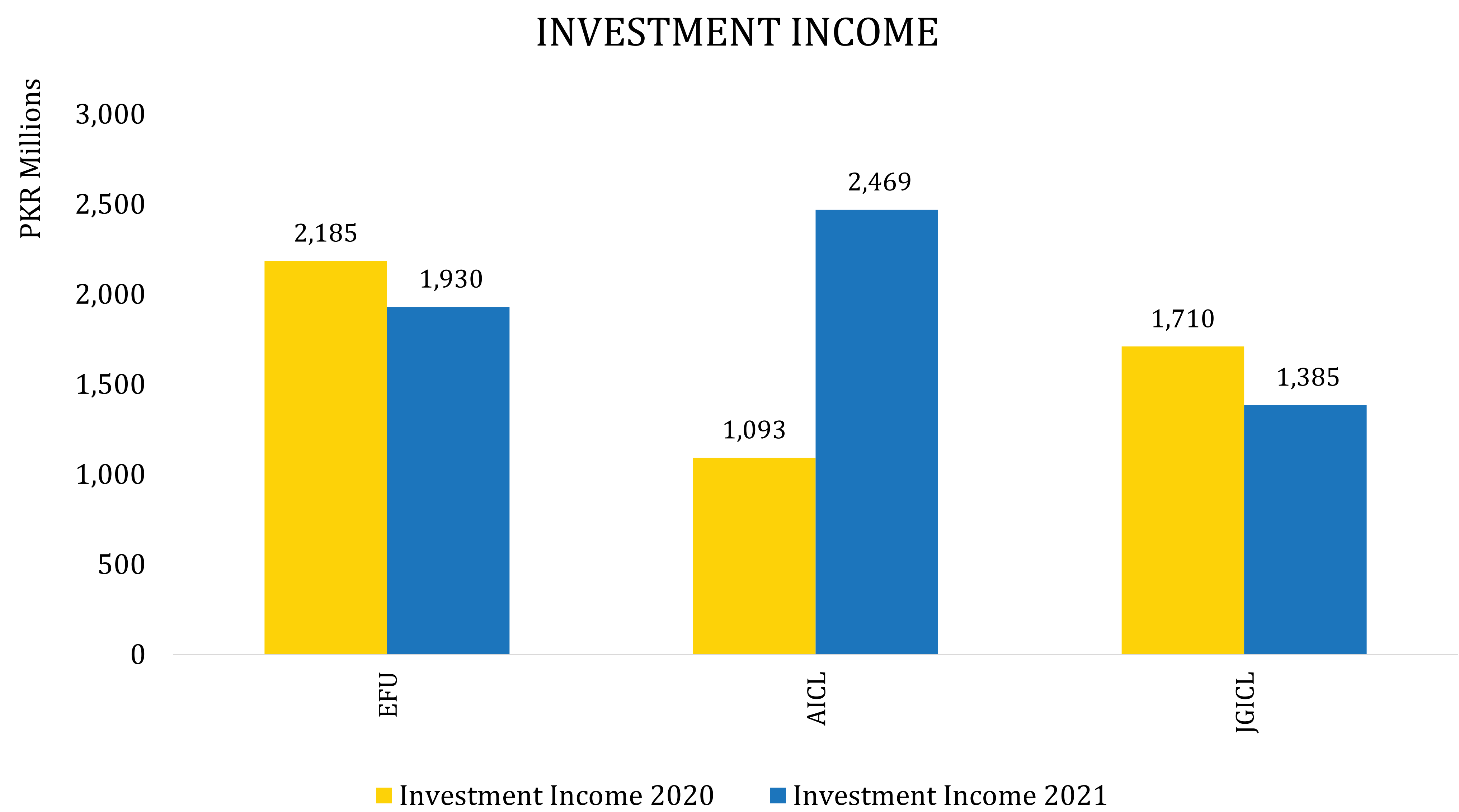
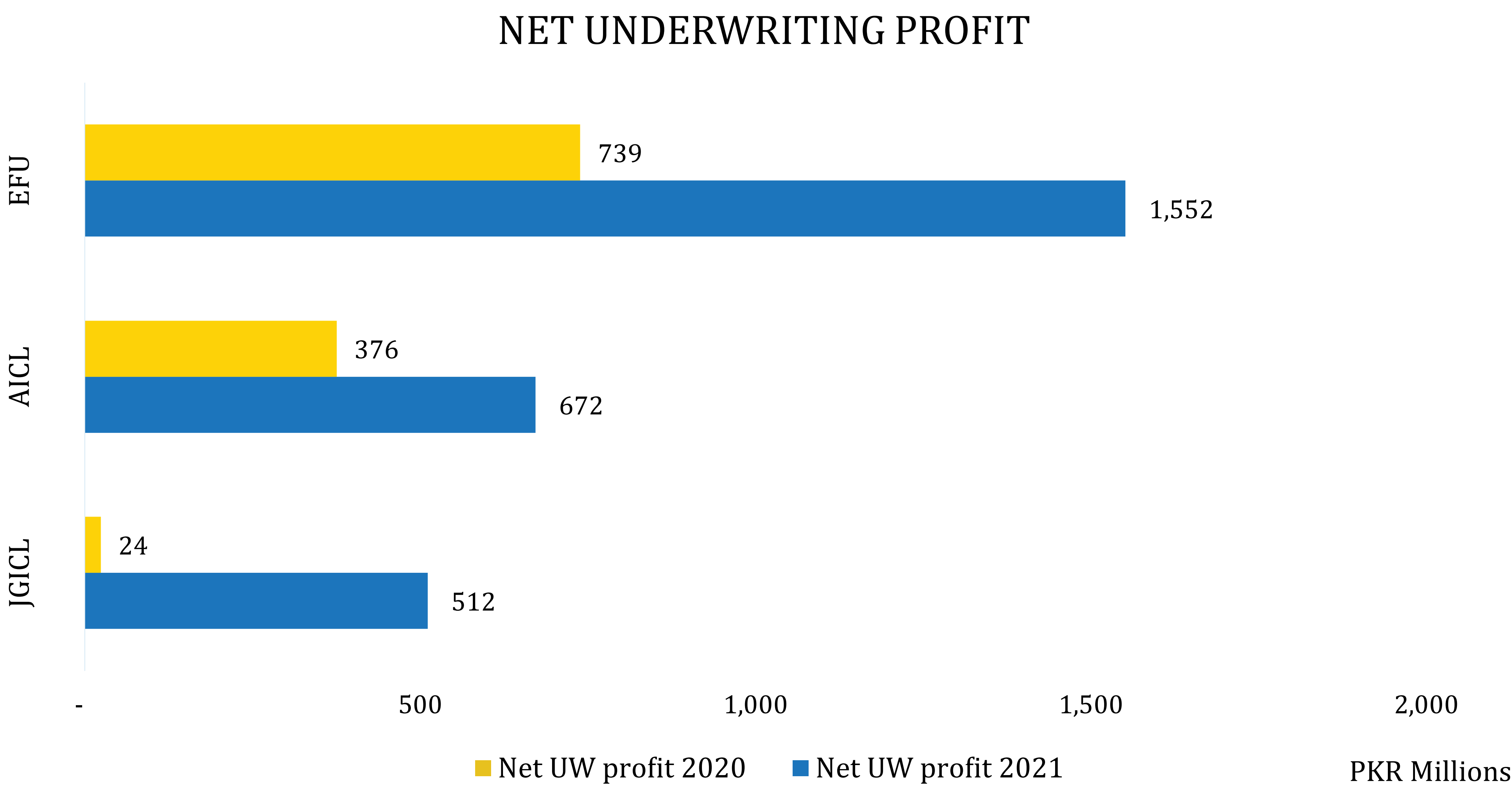


Net UW Profit

The net underwriting profit has grown by 140% to stand at PKR 2.7 billion. All the companies have experienced a significant improvement in underwriting profitability. JGICL has experienced a 20x increase in UW profitability while EFU has also doubled its profitability.

Investment Income

The investment incomes have increased by 16% on an overall basis driven mainly by AICL's investment income performance. AICL experienced a 126% growth while EFU and JGICL experienced a decline of 12% and 19% respectively.



Profit Before Tax & Earning Per Share

EFU, AICL and JGICL have experienced a 43% improvement in PBT on an overall basis contributed by strong underwriting and investment income performance. EFU and JGICL experienced double digit growth in PBT of 14% and 10% respectively while AICL has more than doubled its' profit before tax.

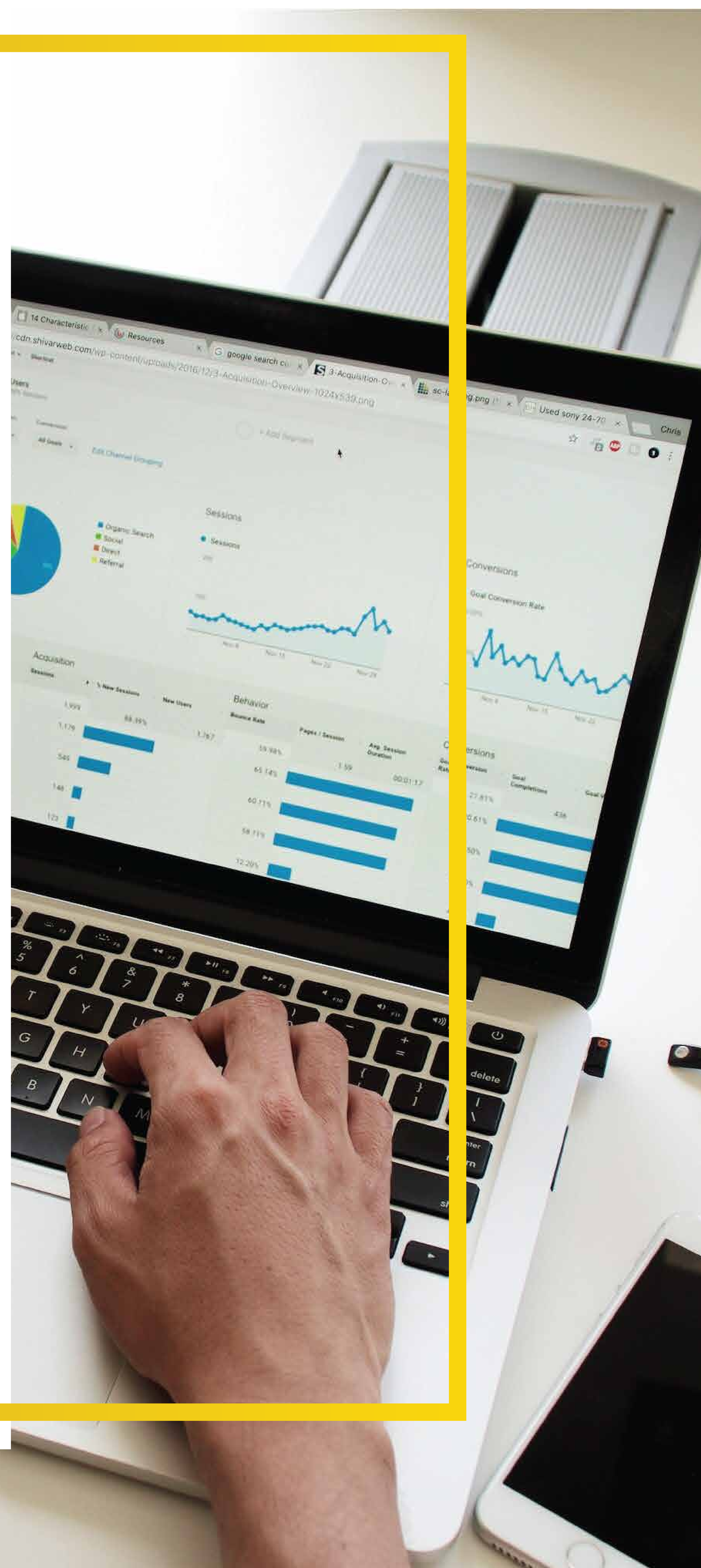
Resultantly, EPS has improved for all the 3 companies with AICL experiencing the sharpest increase of 67%.

PBT (PKR Million)

Company	PBT 2020	PBT 2021
EFU	3,453	3,952
AICL	1,910	4,405
JGICL	2,114	2,330
Total	7,477	10,688

EPS (PKR)

Company	EPS 2020	EPS 2021
EFU	11.85	14.01
AICL	5.36	8.96
JGICL	7.72	8.31



Conclusion

2021 started with economic recovery on account of successful handling of the pandemic situation. The pent-up demand from 2020 was reflected in higher demand for automobiles, fast moving consumer goods, POL products and cement sales in 2021. However, the restart of economic activity across the globe resulted in supply chain disruptions which created inflationary pressures tackled by central banks hiking key interest rates. The theme of economic growth was soon marred by an objective of economic stabilization.

Amidst these developments, the general insurance sector of Pakistan experienced growth in premiums and earnings. This report covers the top 3 general insurance companies in terms of market share which experienced a 3% increase in their net earned premiums, 140% increase in underwriting profitability and a 43% increase in their profit before tax.

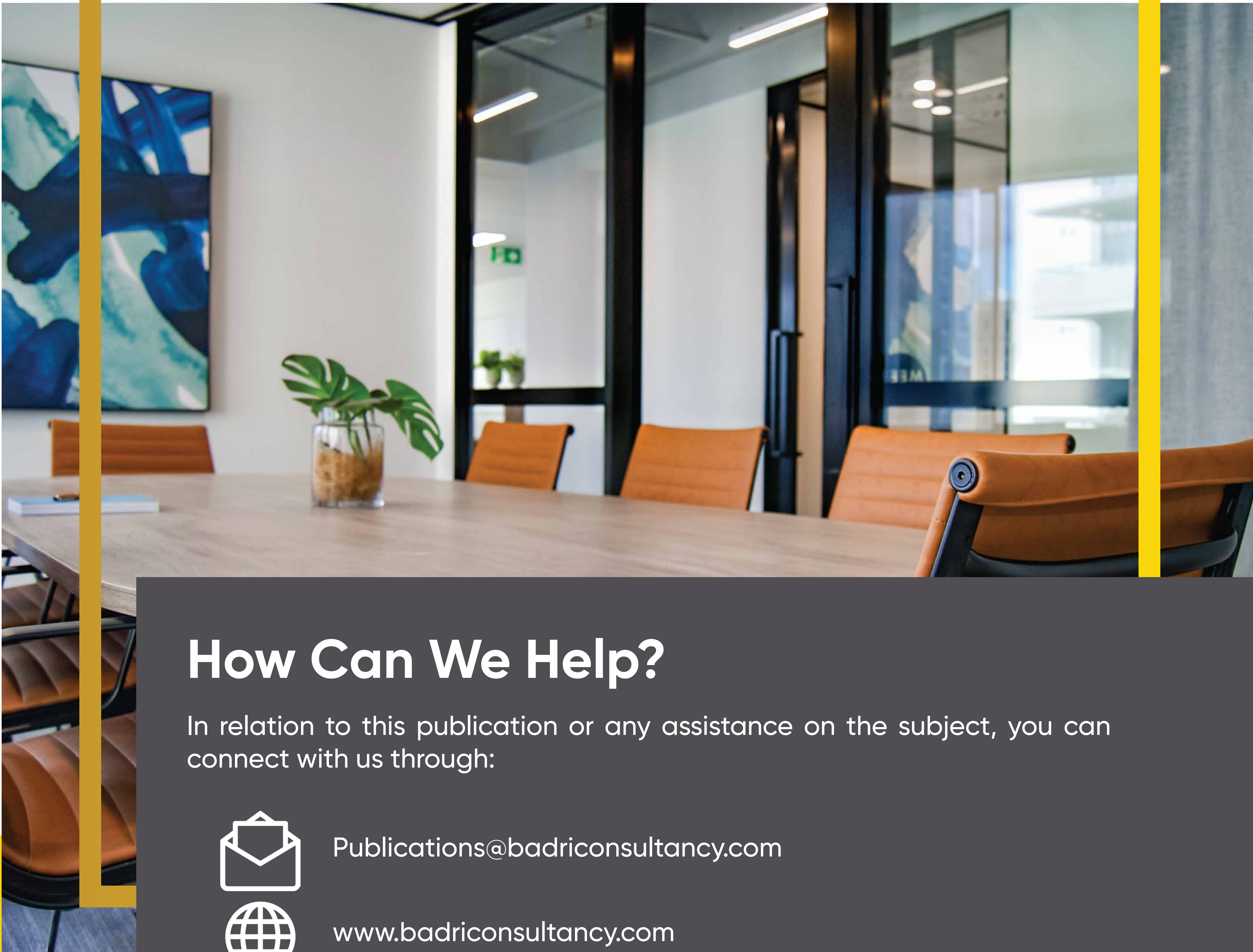
Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed general insurance companies in Pakistan for the year end 2021. The data has been extracted from the preliminary reports of those companies which were publicly listed and available till the compilation of this report.

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