

A Glance at Pakistani Life Insurance Industry Performance of Listed Companies Year End – 2022

(Based on preliminary results of Jubilee Life, EFU Life
& Adamjee Life)

March 09, 2023



About BADRI Management Consultancy

Driven by the passion to further the use of actuarial skills in the MENA region, Badri was established in the UAE. Since then, the company has expanded exponentially and now has offices in Dubai, Riyadh, Karachi, and Lahore.

Today, our 120+ talented staff spread across KSA, UAE, Pakistan and India drive innovation and provide cutting edge solutions to our business partners across the globe. We strive to ensure that we provide the best quality solutions, turning our experience and industry knowledge into value for our clients.

We specialize in General, Life & Health Insurance / Takaful and provide customized solutions by using the latest analytical tools. We also provide IFRS17, ERM, Capital Modelling, and Big Data Analytics services to our clients.



Industry Snapshot

0.3% ▲

Net Premium

2022: PKR 104.4 billion

2021: PKR 104.1 billion

22.6% ▲

Profit After Tax

2022: PKR 4.3 billion

2021: PKR 3.5 billion

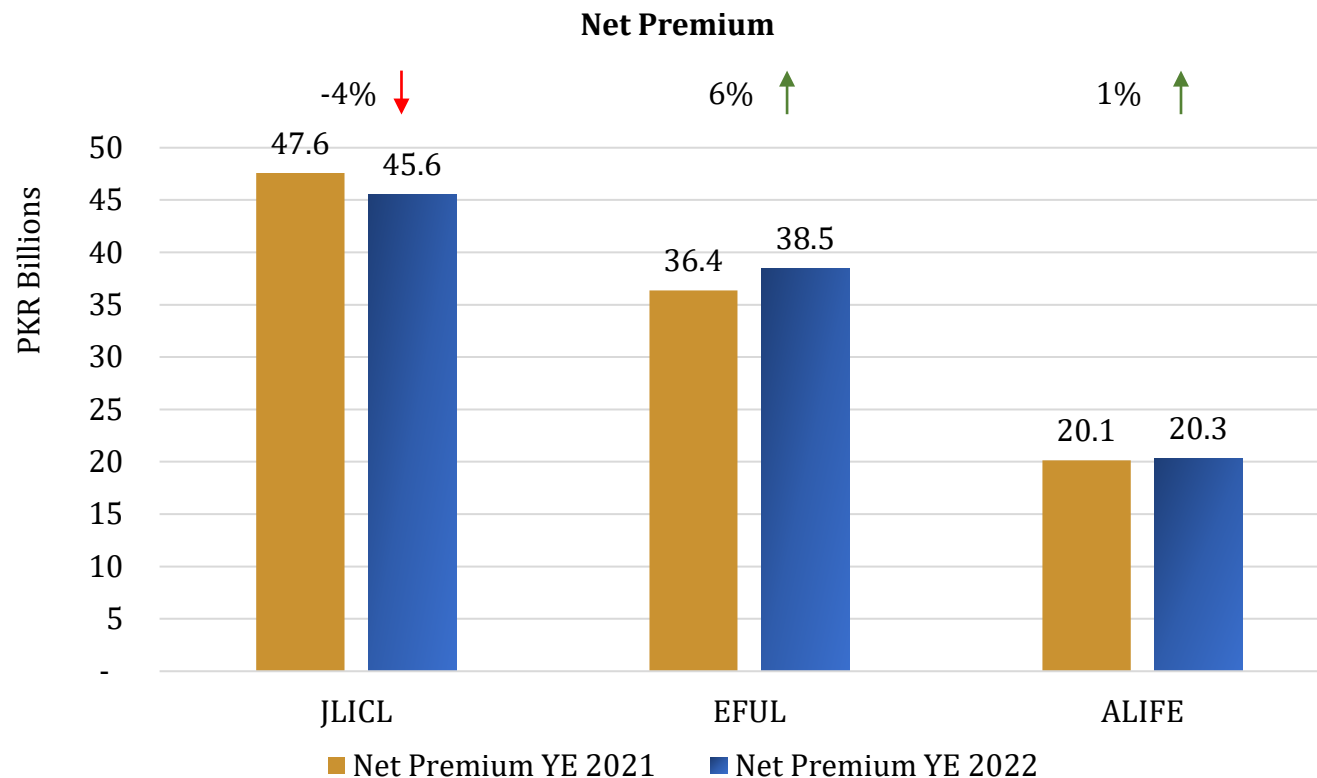


Comparative Net Premium Analysis

The total net premium for the top three companies remained consistent at PKR 104.4 billion this year (2021: PKR 104.1 billion).

JLICL remains the leader with a net premium of PKR 45.6 billion, followed by EFUL at PKR 38.5 billion and ALIFE at PKR 20.3 billion.

JLICL's premium experienced a 4% decrease while EFUL and ALIFE saw growth of 6% and 1%, respectively, compared to the same period last year.

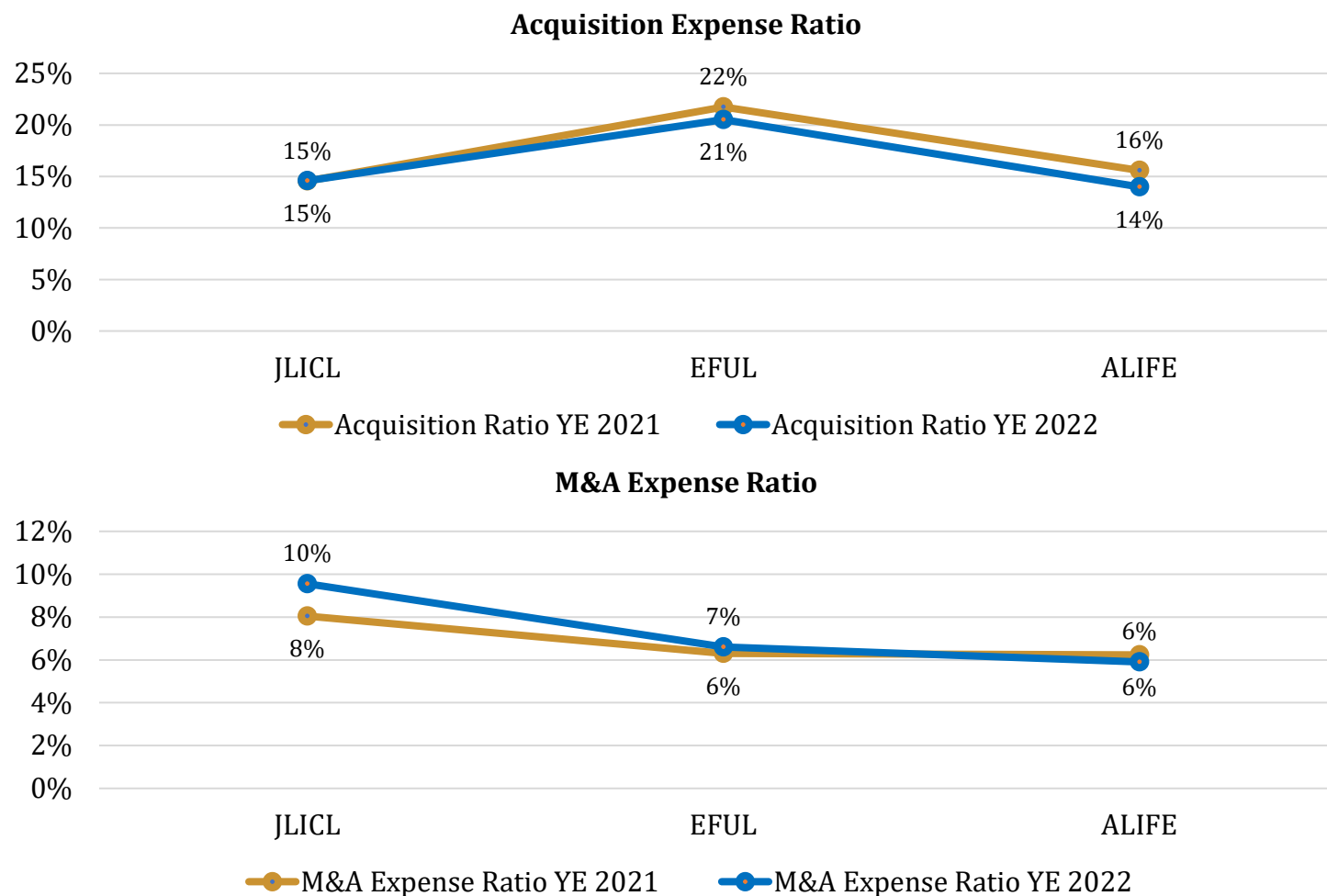


Acquisition and M&A Expense Ratio

The expense ratios for these companies are expressed as a percentage of the net premium collected by the company.

In 2021 and 2022, JLI CL had an expense ratio of 15%, while EFUL had a higher expense ratio of 21% in 2021 and 22% in 2022. ALIFE had an expense ratio of 14% in 2021 and 16% in 2022.

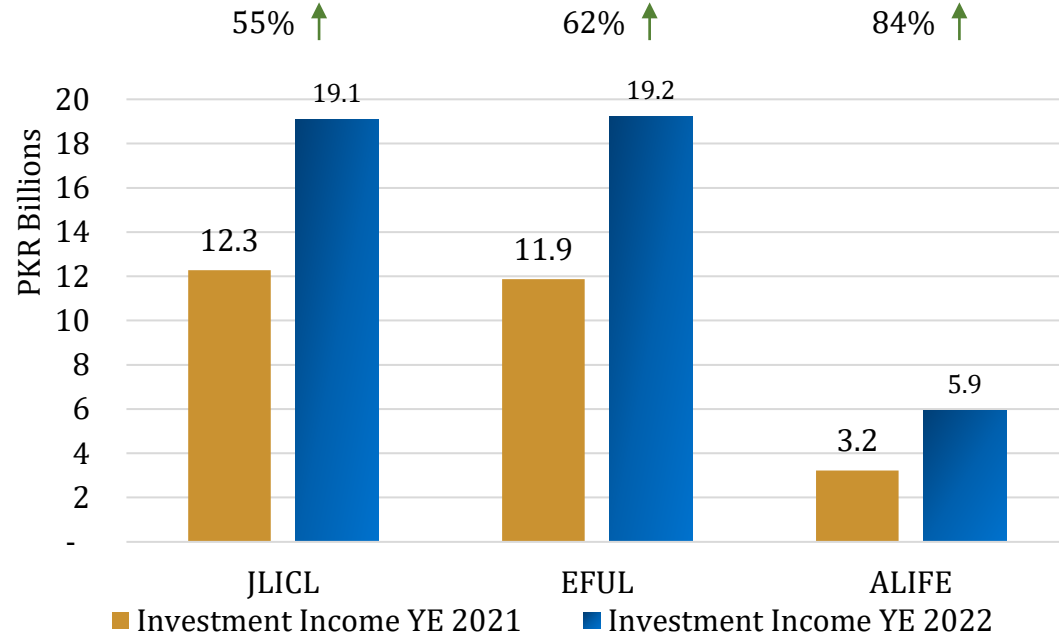
Clients should consider these expense ratios when selecting an insurance company, as they impact the overall cost of the insurance policy.





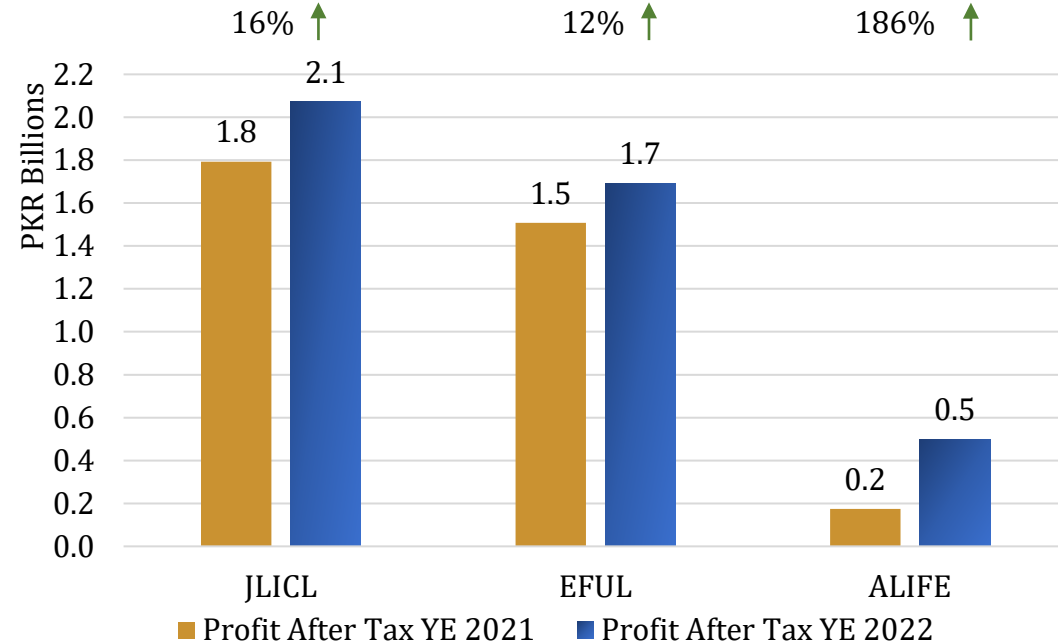
Investment Income & Profit Analysis

Investment Income



The Top 3 insurance companies have experienced an increase in the investment income as of last year, which is mostly the contributing factor in the surplus in profit. All these companies have generated an underwriting loss

Profit After Tax



The top 3 listed, life insurance companies in Pakistan have shown an increase in profit of 23%, where the total profit After Tax amounted to PKR 4.3 billion for 2022 (2021: PKR 3.5 billion).

Highest Profit is depicted by JLICL of PKR 2.1 billion in 2022 (2021: PKR 1.8 billion).



Earning Per Share



Company	EPS YE 2022	EPS YE 2021
JLICL	23.74	20.55
EFUL	16.92	15.08
ALIFE	1.99	1.03



Conclusion

Notwithstanding the adverse repercussions of the pandemic on the worldwide economy, including currency devaluation and high inflation rates, the industry showed resilience and was able to achieve economic recovery in early 2022, thanks to effective management of the pandemic situation.

Despite encountering these difficulties, the life insurance industry in Pakistan demonstrated perseverance by offering its clients safeguarding products and sustaining steady premium rates. The corporations accorded precedence to risk management and fiscal stability and are equipped to persist in adjusting to the developing economic terrain of Pakistan

The present report centers on the leading three life insurance companies that hold the largest market share in the private sector, which experienced no alteration in their net premiums but a noteworthy upsurge of 23% in profitability.

Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed life insurance companies in Pakistan for the year end 2022. The data has been extracted from the preliminary reports of those companies which were publicly listed and available till the compilation of this report.

BADRI publishes reports and newsletters that provide insights for the insurance industry and the public. Our goal is to draw upon research and experience from our professionals to bring transparency and availability of information to the industry and in the process spread brand awareness. No part of our compensation received for other services directly or indirectly influences the contents of this report. The Analysts preparing the report are subject to internal rules on sound ethical conduct.

This publication contains general information only and we are not by means of this publication, rendering actuarial, investment, accounting, business, financial, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your finances or your business. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. Should you come across an error or have a query, do write to us.

While reasonable care has been taken in preparing this document and data obtained from sources believed to be reliable, no responsibility or liability is accepted for errors of fact or for any opinion expressed herein. Badri accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of this document, howsoever arising, and including any loss, damage or expense arising from, but not limited to, any defect, error, imperfection, fault, mistake or inaccuracy with this document, its contents or associated services, or due to any unavailability of the document or any thereof or due to any contents or associated services.



BADRI

Year End 2022 – Pakistani Listed Life Insurance Companies

About Our Team

UAE/Oman Actuarial	KSA Actuarial	Business Intelligence	End of Service
35 staff	30 staff	8 staff	5 staff
Medical	IFRS-17	HR Consulting	Financial Services
4 staff	16 staff	2 staff	3 staff
Support & Admin: 23 staff			



Total Strength 126



Invest In Your Team

métier – a Badri Group Company is a renowned boutique Executive search and HR solutions consulting firm that works with teams across the globe, to develop a tailored HR plan and resolve your business challenges.

We take a personalized approach in ensuring that the solutions provided to you are in line with your company strategy to help you achieve your business goals through sustainable HR practices.

Since our inception in 2014, we have been recognized as Executive search leaders across multiple industries in the MENA region. métier's seasoned professionals focus on your HR transformation, while you focus on your business.

Our Competitive Edge

- Improving Workplace Productivity
- Increasing Value Through People
- Inspiring Partnerships

Our Service Offerings

- Strategic HR Consulting
- Digital HR Solutions
- Talent Acquisition Services
- Training Solutions





Financial Services

Accounting and financial services is one of our core offerings . At Badri, we adopt a customized, responsive, and personal approach towards clients and offer a range of services to assist our clients in getting through complex accounting and corporate matters. With several years of professional experience, across multiple disciplines and sectors such as financial services, manufacturing, trading, hospitality, transportation, we consider ourselves to be the first choice of our existing and prospective clients. Our multidisciplinary approach allows us to provide services beyond actuarial and data analytics we are known for. Our value-added services are:

Financial Services

- IFRS Implementation
- Account Reconciliation Services
- Accounts Receivable and Payable Cleaning up Service
- Financial Due Diligence
- Virtual CFO services
- MIS Reporting
- Outsourced Service

Business Management Consultancy

- Policies and Procedure Review
- Post Implementation Review
- Market Intelligence

Other Services

- Tax Advisory Services
- Internal Audit Service
- Internal Controls Over Financial Reporting Services (ICoFR) Implementation
- Code of Corporate Services





BADRI

Year End 2022 – Pakistani Listed Life Insurance Companies

How Can We Help?

In relation to this publication or any assistance on the subject, you can connect with us through:



Publications@badriconsultancy.com



www.badriconsultancy.com

UAE Office

2107 SIT Towers, PO Box 341486,
Dubai Silicon Oasis, Dubai, UAE

KSA Office

No 2 Alhadlaq Commercial
Complex, Anas Bin Malik
Street, AlMalqa District Riyadh
PO Box 13524

Karachi Office

7B-4, 7th Floor, Fakhri Trade Center, Shahr-
e-Liaquat, New Chali, Karachi Pakistan

Lahore Office

POPCORN STUDIO Co-working Space Johar
Town 59-B Khayaban e Firdousi, Block B,
Phase 1, Johar Town, Lahore Pakistan

