BADRI

Pakistan’s

General Insurance Industry Performance Analysis – H1 2025

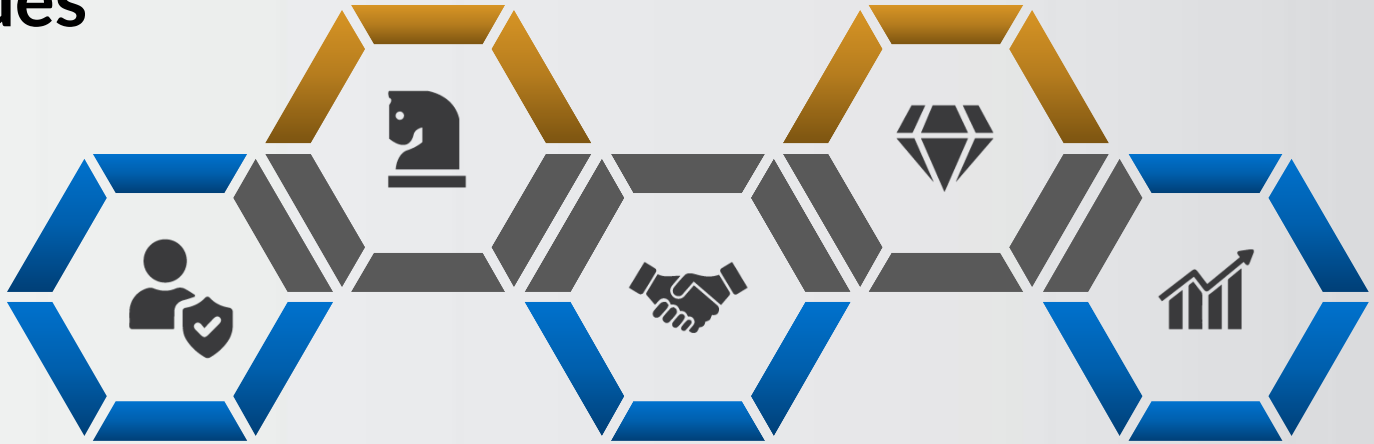
Vision

Solution architects strengthening our partners to optimize performance

Mission

We help our clients be the best version of themselves by fostering partnerships, challenging norms and providing cutting edge solutions. We inspire our people to constantly evolve and chase excellence with integrity in a diverse, exciting and growth-oriented culture.

Core Values



Integrity

Chasing Excellence

Fostering Partnerships

Breeding Excitement

Growth-Centric

Awards & Achievements

Award winning strategic partner to the insurance industry with around **205** talented staff in UAE, KSA, Pakistan, Egypt and UK 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.

Our **Awards**

- Strategic Partner to the Industry 2024, 2023, 2022, 2021 & 2020 by MIIA.
- Best Actuarial/Risk Consultancy Firm of 2025, 2023, 2018 & 2016 by MENAIR.
- Best Actuarial Firm of 2024 & 2025 & Corporate Risk Manager of 2023 by InsureTek.
- Employer Spotlight Societal Purpose Award of 2024 by SOA.
- Best Internship Program 2024 (Silver) Award by Employee Happiness Awards.
- Best Digital & Social Media Initiative 2024 (Silver) Award by Customer Happiness Awards

SOCIETY OF ACTUARIES
SOCIETAL PURPOSE

EMPLOYEE HAPPINESS AWARDS

CUSTOMER HAPPINESS AWARDS 2024

About **BADRI**

BADRI over the years has emerged to be a global consulting company that provides diverse sets of services to clients across Middle East and other regions.

We are proudly standing at around **205** employee base that are spread across UAE, KSA, Pakistan, Egypt and UK. They certainly 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 all range of actuarial services and have also been able to integrate to provide services in other segments including Financial Services, Strategic HR consulting, Data Management and Business Intelligence to our clients.

What We Can **Do For You!**

Actuarial **Consultancy**

- General Insurance, Life and Health, Pensions and Social Security
- Regulatory / Appointed Actuary
- Reserving, Technical Pricing, Capital Modelling
- Investment and ALM
- Reinsurance Modelling / Optimization
- Financial reporting including IFRS 17 and IFRS 9

Strategic **Consultancy**

- Strategy and Business Plan development
- Digitalization Strategy
- M&A (due diligence)
- Market and Product development and innovation
- Enterprise Risk Management
- ESG and Climate Risk
- Financial Services
- HR Strategy

Technology **Consultancy**

- Actuarial Software for pricing, reserving and capital modelling
- IFRS 17 financial reporting software and managed services
- Business Intelligence software
- Motor and medical portfolio management / dashboards
- Data Strategy and Governance

IFRS 17 Implementation Partner

BADRI provides a seamless and supportive environment for your IFRS 17 financial reporting needs.

- ACE 17 Financial Reporting System
- Extensive experience of IFRS 17 – Across 8 locations
- Dedicated IFRS 17 team – 17 Individuals
- Financial Services Team – 15 Individuals

Financial **Services** – **Optimize Your Financial Precision**

Elevate your operations with a specialized suite of sub services from our Financial Services team – designed to ensure accuracy, efficiency, and strategic financial insight.

Accounting Services – We Offer

- Account Reconciliation Services
- Fixed Assets Verification and Reconciliation
- Preparing Position Papers for Accounting Matters
- Account Receivable & Payable Cleaning Up Services
- Virtual CFO Services
- Backlog Accounting

Navigating Challenges in Competitive **Talent Acquisition**

In today's dynamic business environment, HR consulting firms face complex challenges in delivering effective workforce solutions. Addressing these hurdles is essential to drive organizational success.

Key Challenges in Talent Acquisition

- Talent Acquisition & Retention
- Localization Requirements
- Workforce Diversity & Inclusion
- Employee Engagement & Experience
- HR Compliance & Regulations
- Leadership & Change Management
- HR Analysis & Decision-Making
- HR Strategy

Overcoming these challenges requires the right expertise, Let's build future ready HR strategies together.

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a BADRI group company

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H1-2025 Highlights

Gross Premium Written - Conventional	**PKR 67 billion** H1-2024: PKR 63 billion	**Gross Contribution Written - Window Takaful**	**PKR 10 billion** H1-2024: PKR 9 billion
Retention Ratio – Conventional & Window Takaful	**51%** H1-2024: 46%	**Gross Loss Ratio - Conventional & Window Takaful**	**35%** H1-2024: 30%
Net Loss Ratio - Conventional & Window Takaful	**47%** H1-2024 : 45%	**Combined Ratio - Conventional & Window Takaful**	**93%** H1-2024: 88%
Investment Income - Conventional & Window Takaful	**PKR 11 billion** H1-2024 : PKR 9 billion	**PBT - Conventional & Window Takaful**	**PKR 12 billion** H1-2024: PKR 13 billion
Investment Return - Conventional & Window Takaful	**6.9%** H1-2024 : 8.2%		

IFS Rating

Company	JCR VIS	PACRA
AICL		AA++ (ifs)
ASIC		A++ (ifs)
AGIC	AA+ (IFS)	AA+ (ifs)
ATIL		AA+ (ifs)
CENI	AA (IFS)	
CSIL		
EWIC		AA+ (ifs)
EFU	AA++ (IFS)	AA++ (ifs)
HICL		A++ (ifs)
JGICL	AA++ (IFS)	AA++ (ifs)
PINL		A (ifs)
RICL		A++ (ifs)
SHNI		A++ (ifs)
TPLI		AA (ifs)
UNIC	AA+ (IFS)	AA+ (ifs)
UVIC		A (ifs)
PKGI		BBB+ (ifs)
Alpha		

PACRA Key

Rating	Capacity
AAA (ifs)	Exceptionally Strong
AA++ (ifs)	Very Strong
AA+ (ifs)	
AA (ifs)	
A++ (ifs)	Strong
A+ (ifs)	
A (ifs)	
BBB++ (ifs)	Good.
BBB+ (ifs)	
BBB (ifs)	
B++ (ifs)	Weak.
B+ (ifs)	
B (ifs)	
CCC (ifs)	Very Weak
CC (ifs)	
C (ifs)	
D (ifs)	Distressed

JCR-VIS Key

Rating	Capacity
AAA(ifs)	Exceptionally Strong
AA+(ifs), AA+(ifs), AA(ifs)	Very Strong
A++(ifs), A+(ifs), A (ifs)	Strong
BBB++(ifs), BBB+(ifs), BBB (ifs)	Good
BB++(ifs), BB+(ifs), BB(ifs)	Marginal
B++(ifs), B+(ifs), B(ifs)	Weak
CCC(ifs), CC(ifs), C(ifs)	Very Weak
D(ifs)	Distress

All the companies have managed to maintain their IFS ratings.

Insurance Density And Penetration

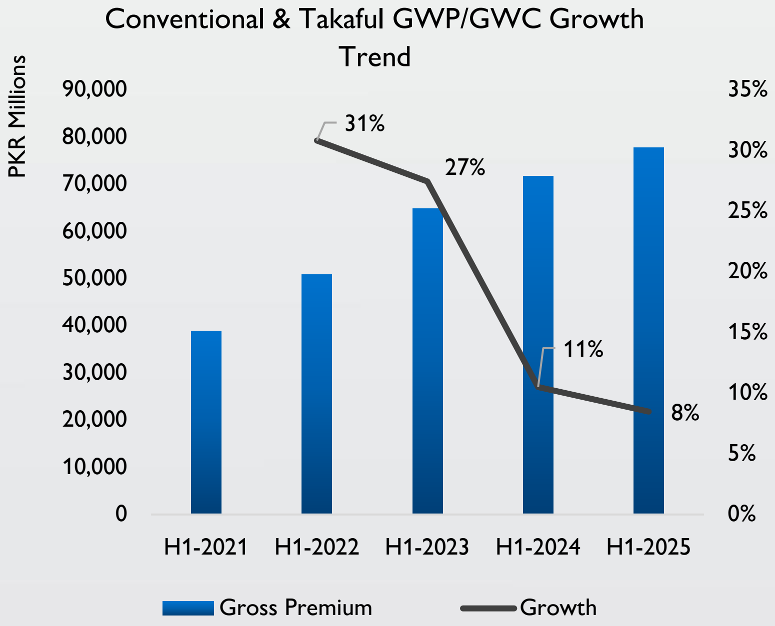
The Insurance Penetration ratio reflects the share of written premiums as a percentage of GDP, while Insurance Density represents the average Gross Written Premium per capita.

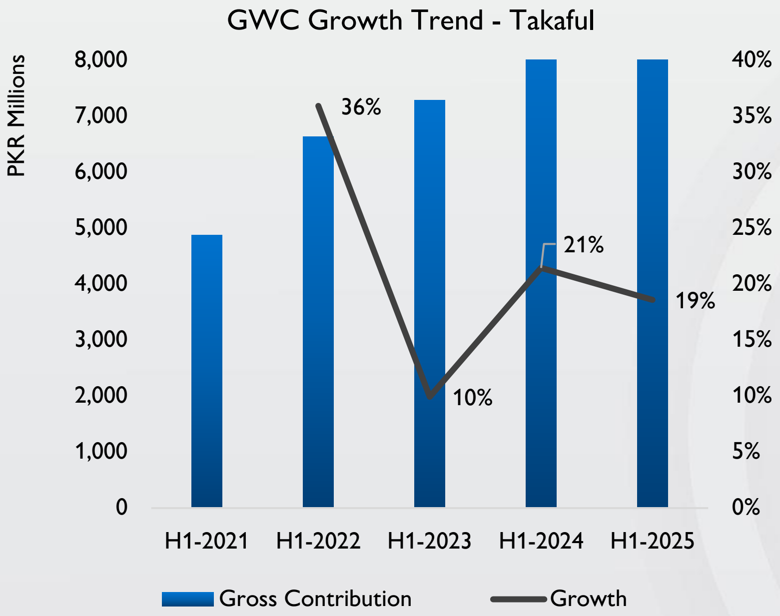
In Pakistan, insurance density continued its upward trend, reaching PKR 622 in 2024. However, insurance penetration experienced a slight decline, falling from 0.19% to 0.16%.

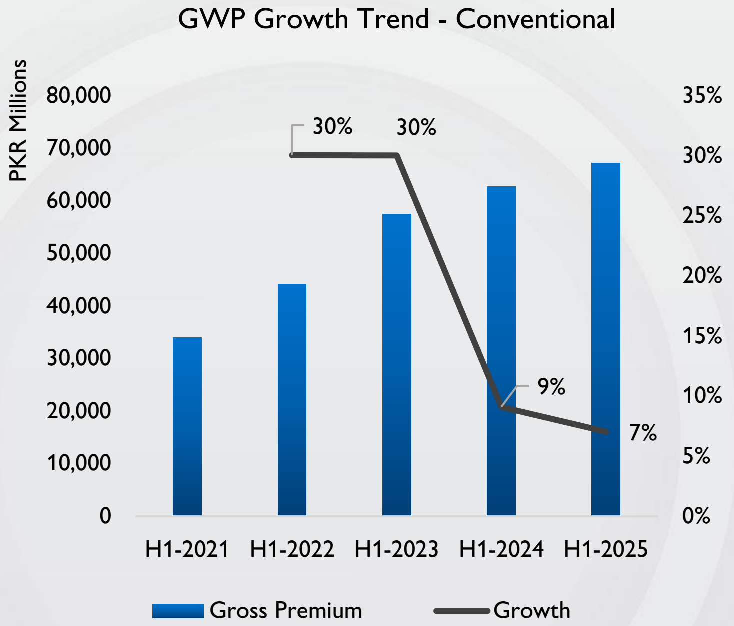
The insurance sector plays a vital role in safeguarding both individuals and corporations against financial risks. With significant untapped potential, the industry's growth can be accelerated through government-driven initiatives such as introducing new forms of compulsory insurance and promoting financial literacy across the population.

Year	Insurance Density (PKR)	Insurance Penetration
2020	348	0.18%
2021	378	0.18%
2022	466	0.18%
2023	578	0.19%
2024	622	0.16%

Gross Written Premium - Market





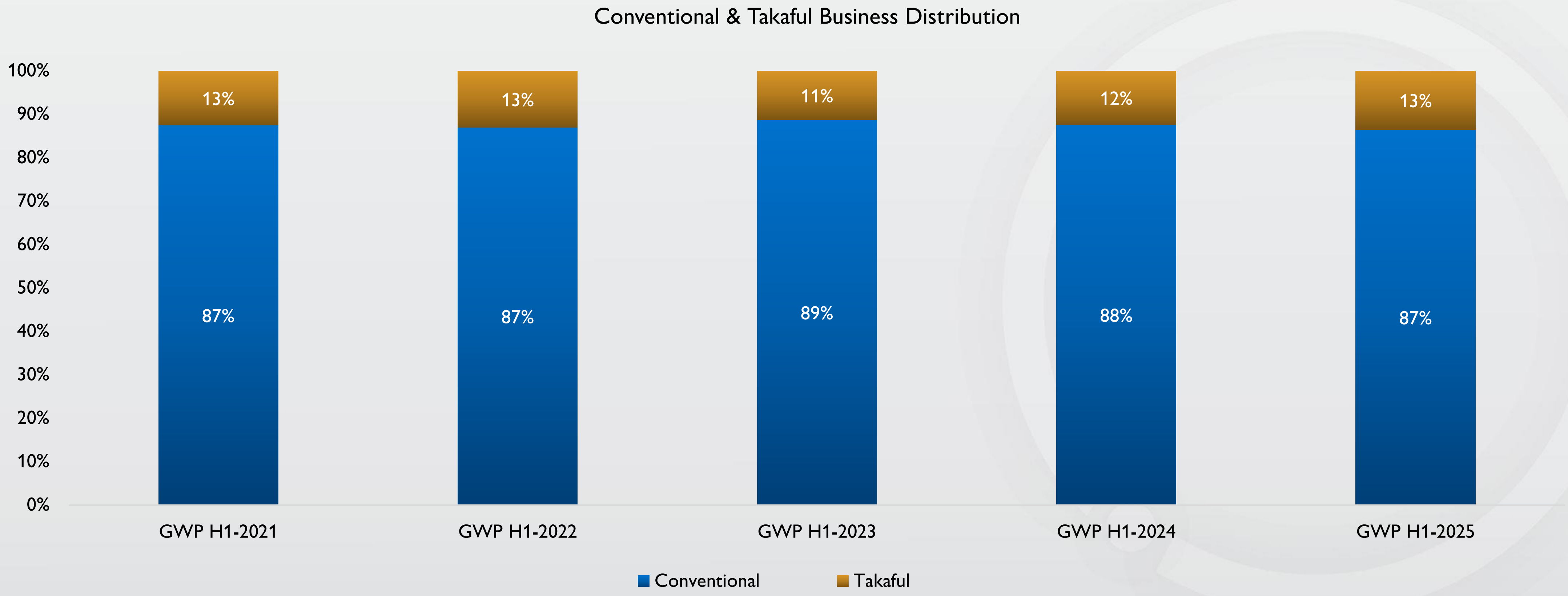


Gross Written Premiums (GWP) increased by PKR 6 billion year-on-year, reaching PKR 78 billion. Although GWP continued to grow, the pace of expansion moderated to 8%, compared to 11% in H1-2024. Nonetheless, the consistent upward trajectory observed over the past five years reflects sustained market growth and ongoing business expansion within the industry.

During H1-2025, the takaful market recorded an absolute increase of PKR 1.6 billion in Gross Written Premiums (GWP), reaching PKR 10.5 billion compared to PKR 8.8 billion in H1-2024. This growth highlights the continued expansion of the takaful sector, driven by rising demand for Shariah-compliant financial solutions that offer both competitive coverage and investment benefits.

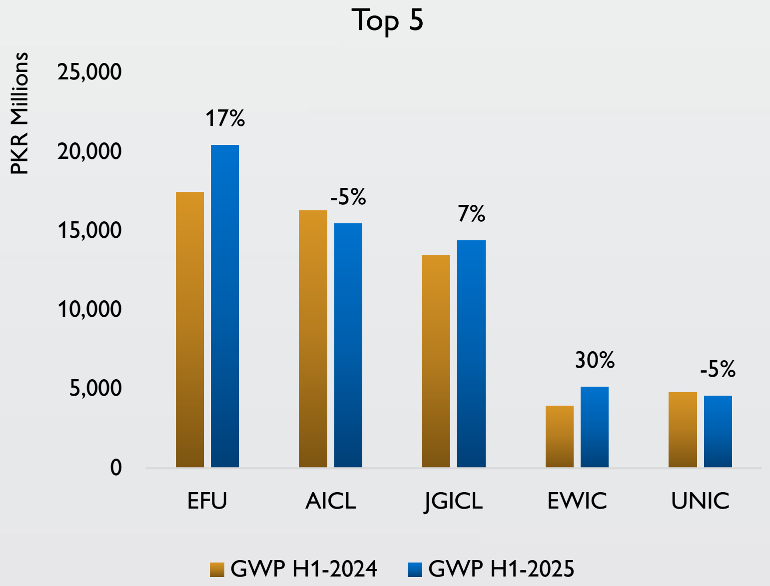
In H1-2025, the conventional segment continued to be the primary contributor to the overall industry's Gross Written Premiums (GWP), reaching PKR 67 billion. Although the segment posted an absolute growth of PKR 4 billion compared to the previous year, the growth momentum moderated, with the rate easing from 9% in H1-2024 to 7% in H1-2025.

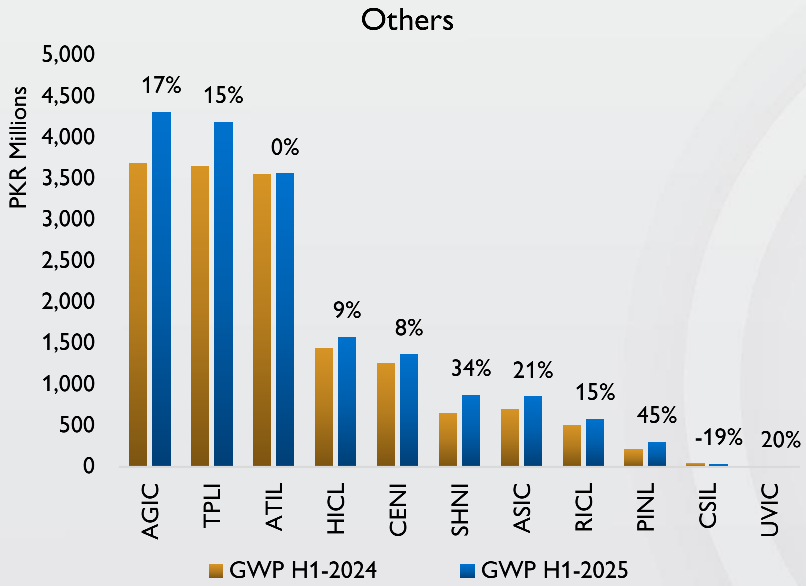
Gross Written Premium - Distribution

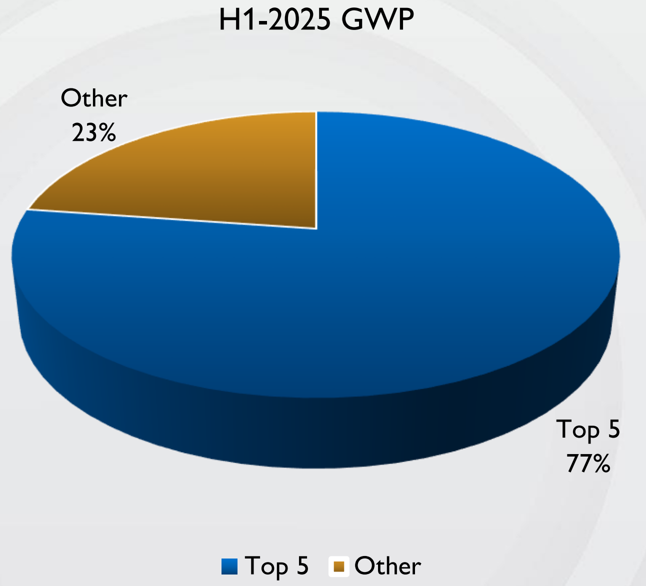


Although conventional insurance remains the dominant segment, the takaful market has continued to expand overall, maintaining steady progress over the past four years, albeit with minor year-to-year fluctuations including brief dips in recent periods. In H1-2025, takaful's market share rose to 13%, reinforcing its gradual long-term upward trend. Meanwhile, the conventional segment recorded a modest 1% decline compared to H1-2024, reflecting a slow but noticeable rebalancing.

Gross Written Premium - Companies







During H1-2025, the general insurance market remained highly concentrated, with the top five insurers accounting for PKR 60 billion out of the total sector GWP of PKR 78 billion. This translates to a commanding 77% share of industry premiums further strengthening the dominance of leading players and reflecting continued market consolidation. Total premiums for the top group rose from PKR 72 billion in H1-2024, to PKR 78 billion in the first half of 2025 highlighting year-on-year growth momentum.

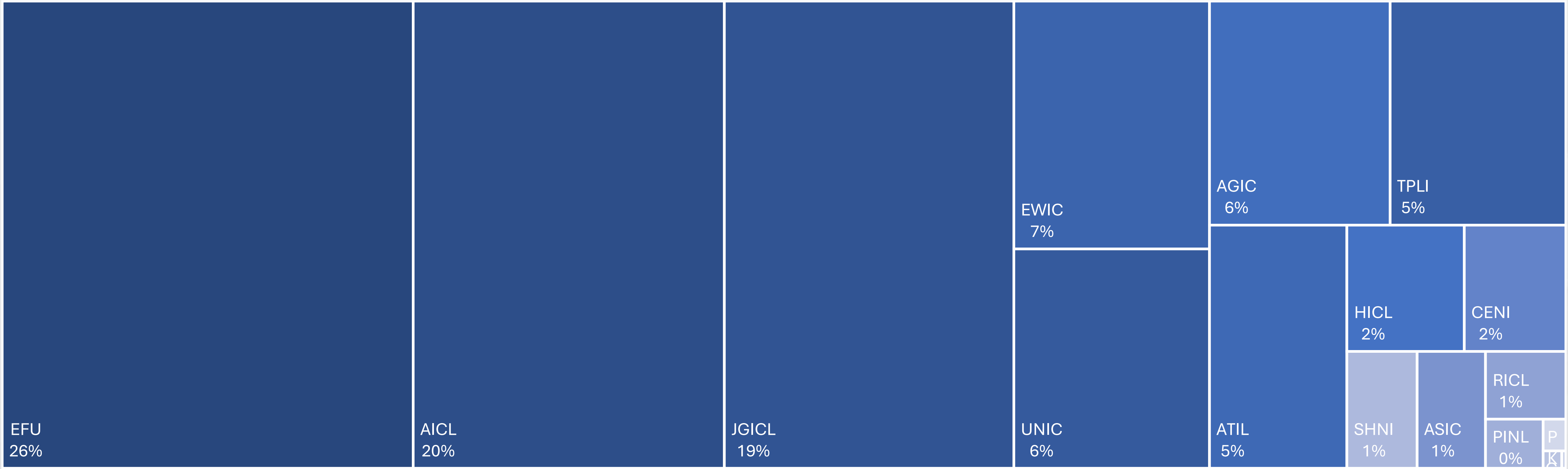
The remaining 23% of GWP was shared among other insurers, illustrating the wide competitive gap and limited scale of smaller players in comparison to the market leaders.

Among the top performers, EFU retained its leadership position with a 26% share of industry premiums, followed by AICL at 20% and JGICL at 19%, underscoring the sustained strength and influence of these key insurers within the sector

***AICL includes business underwritten inside Pakistan only*

Gross Written Premium - Market

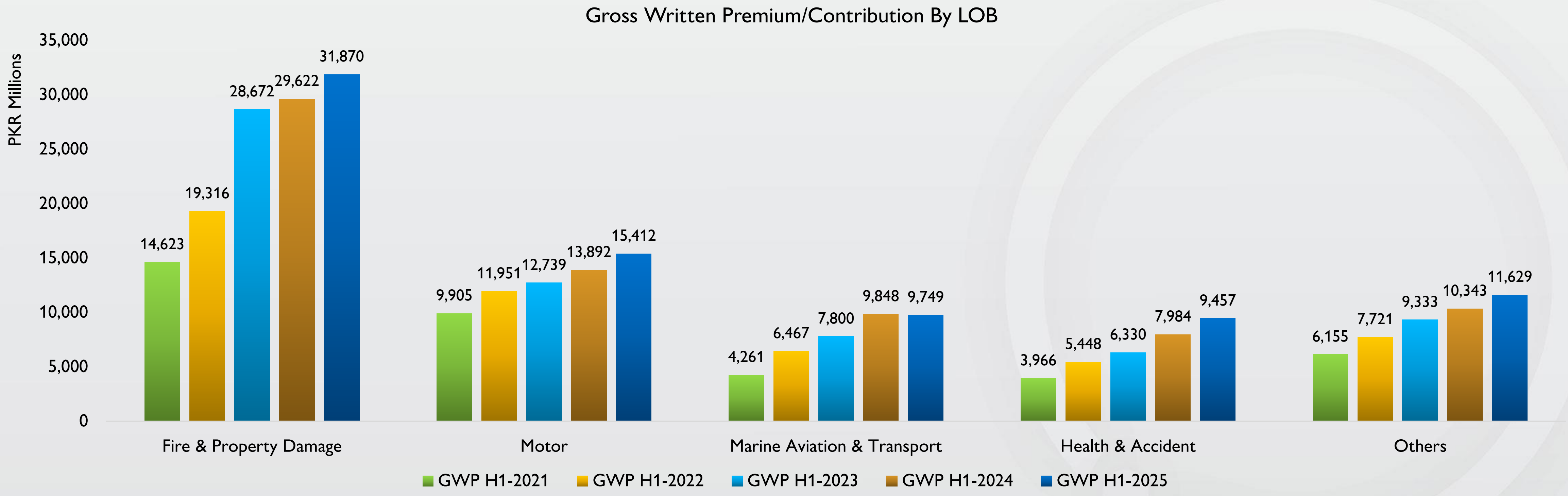
GWP - Market Share Of Companies



The competitive landscape in the general insurance market during H1-2025 remained highly top-heavy, with EFU reinforcing its industry leadership by securing 26% of total GWP. Close behind, AICL captured 20% of premiums, while JGICL followed with 19%, reflecting a tightly contested race among the top performers. Visual analysis of market shares indicates a clear step-down pattern as we move across the industry ranking, underscoring the dominance of leading insurers and the relatively smaller scale of the remaining players.

***AICL includes business underwritten inside Pakistan only*

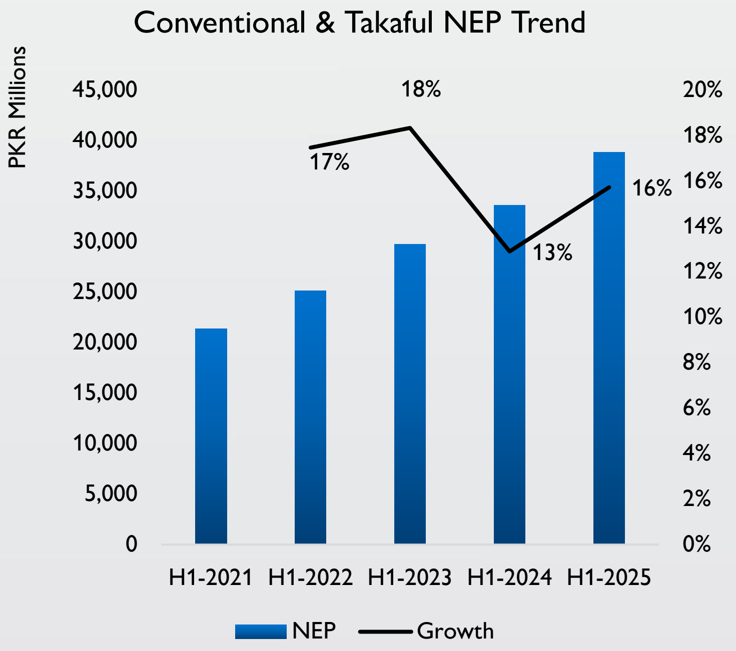
Gross Written Premium - Distribution

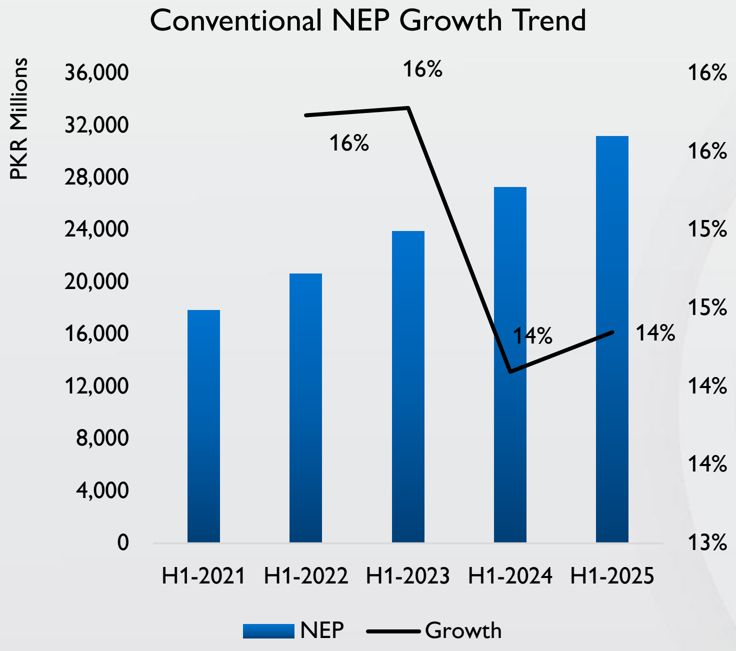


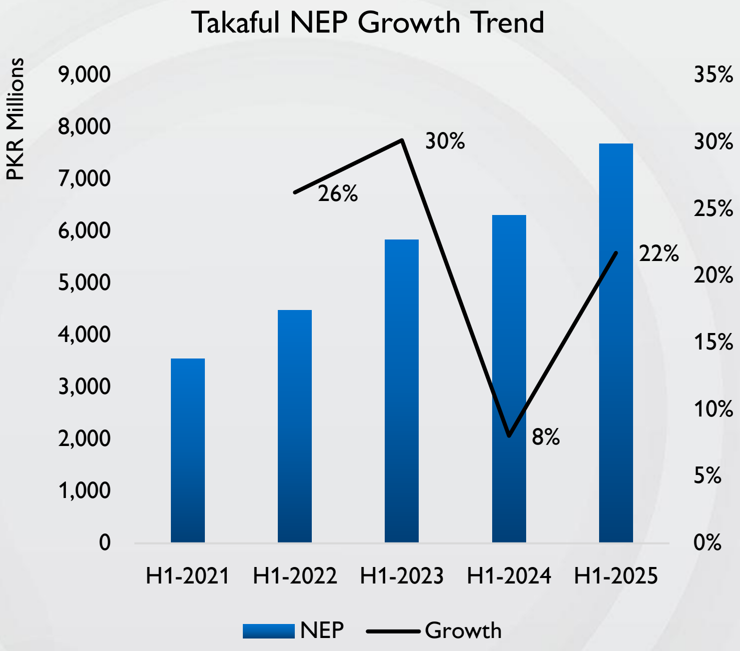
The Marine segment experienced a sharp downturn, dropping from 26% in H1-2024 to nearly -1% in H1-2025. The Health segment also recorded a notable contraction, decreasing from 26% to 18% over the same period.

The "Others" segment encompasses various lines of business, with Crop, Liability, and Miscellaneous.

Net Earned Premium - Market





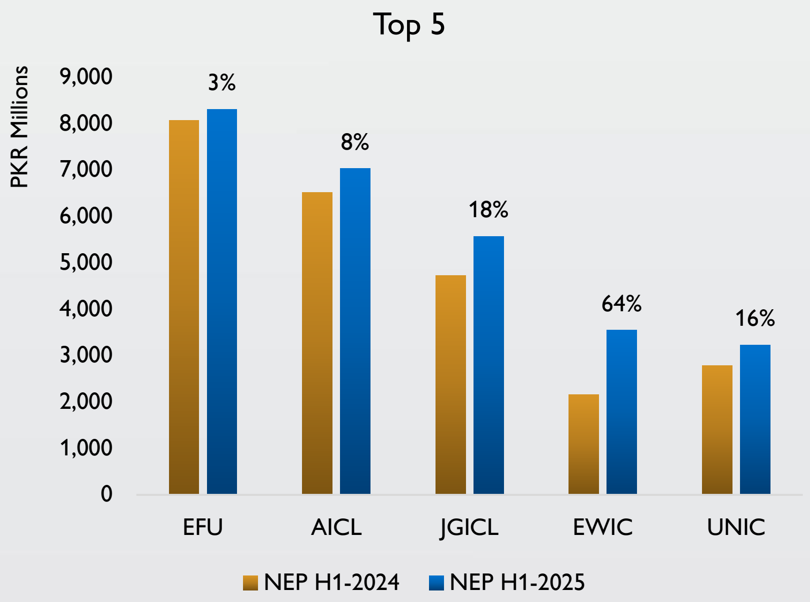


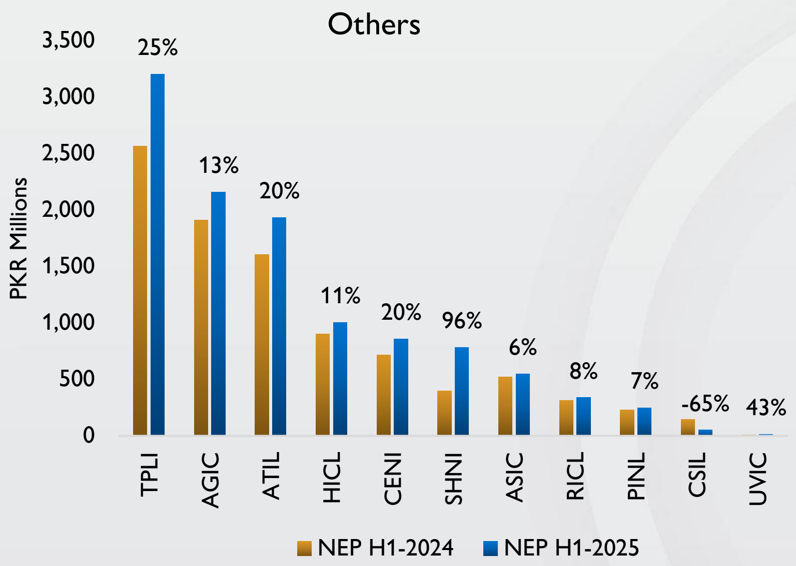
In H1-2025, the combined Net Earned Premium (NEP) for Pakistan's conventional and takaful segments reached PKR 39 billion, marking an increase of PKR 5 billion compared to the same period last year. While the market had been expanding steadily in prior periods, the growth momentum strengthened further, with NEP rising by 16% in H1-2025 versus 13% in H1-2024.

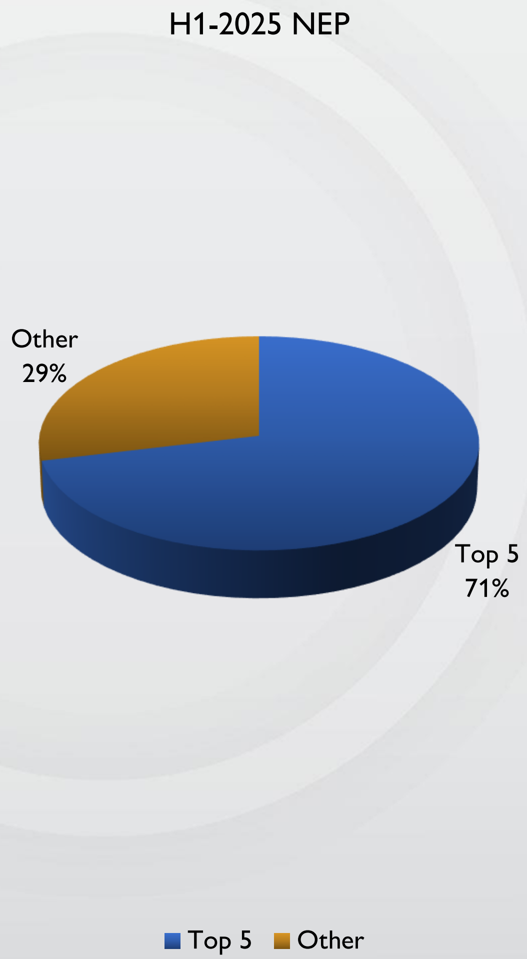
The conventional insurance segment continued to be the key driver of market performance in H1-2025, contributing PKR 31 billion to total Net Earned Premium (NEP) and accounting for 80% of the overall share. Furthermore, its Gross Written Premium (GWP) increased by PKR 4 billion compared to H1-2024, indicating sustained growth in the segment's premium base.

The takaful sector recorded a strong uplift in performance, with its growth rate accelerating to 22% in H1-2025 from 8% in H1-2024. Its total revenue also increased to PKR 8 billion in the first half of 2025 compared to PKR 6 billion in H1-2024, underscoring its continued meaningful contribution to the industry.

Net Earned Premium - Companies







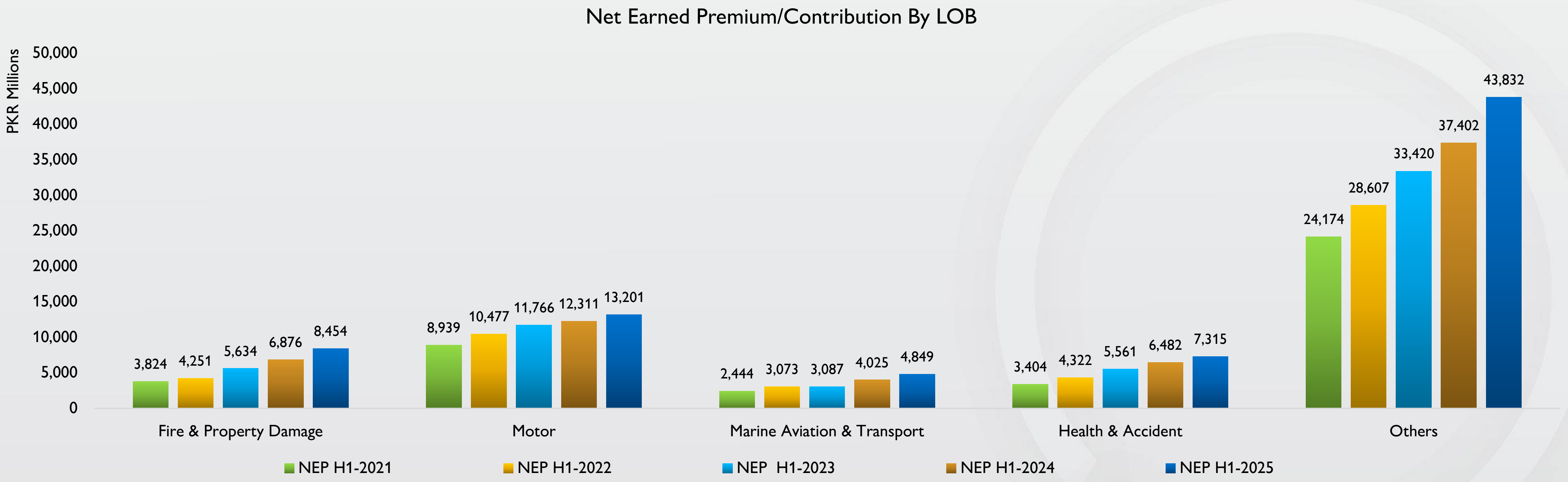
In H1-2025, the top five general insurers collectively generated PKR 28 billion in Net Earned Premium (NEP), reflecting a 14% year-on-year rise. These companies accounted for 71% of the market's total NEP, highlighting their continued dominance in the sector.

EFU remained the market leader with an NEP of PKR 8 billion, followed by AICL at PKR 7 billion and JGICL at PKR 6 billion. Among the top five, EWIC delivered the most significant growth, recording a 64% increase in NEP compared to H1-2024.

The rest of the industry players represented the remaining 29% share of the Net Earned Premium (NEP) market. With the exception of CSIL, all insurers posted positive NEP growth. SHNI led the group with the strongest expansion, recording a remarkable 96% increase in NEP.

***AICL includes business underwritten inside Pakistan only.*

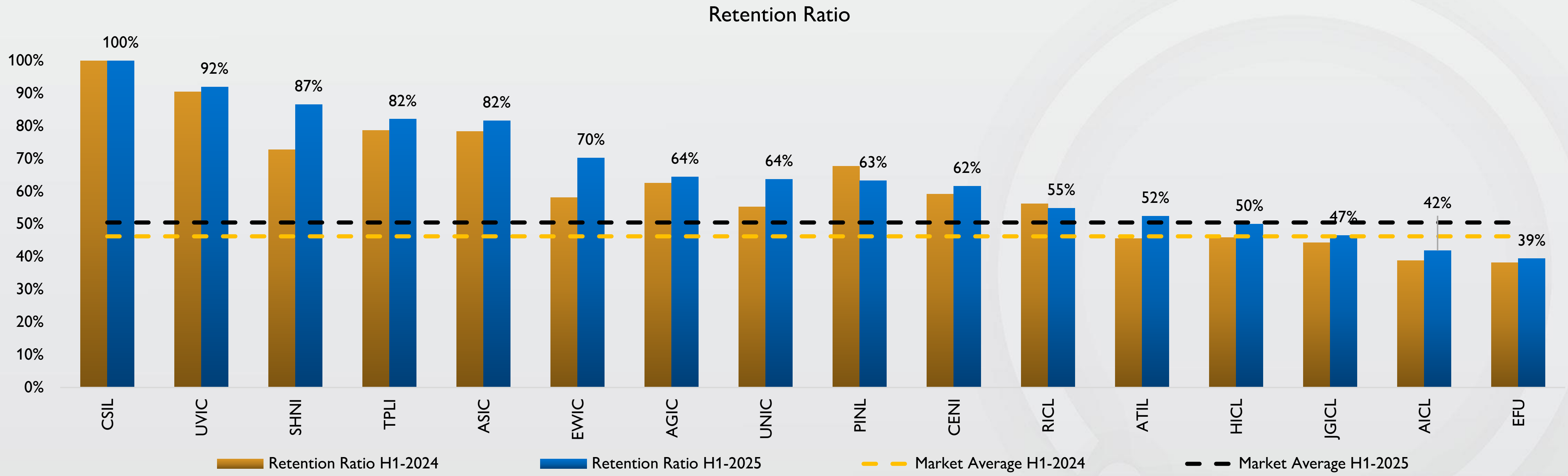
Net Earned Premium - Distribution



Over the past five years, the Motor line of business has consistently been the largest contributor to Net Earned Premium (NEP), reaching PKR 13 billion in H1-2025. On the other hand, the Marine & Aviation segment reported the lowest NEP at PKR 5 billion. All business lines registered year-on-year NEP growth, with the “fire & property” category posting the strongest increase at 23%.

The "Others" segment encompasses various lines of business, with Crop, Liability, and Miscellaneous contributing the largest portions of the Net Earned Premium (NEP) among them.

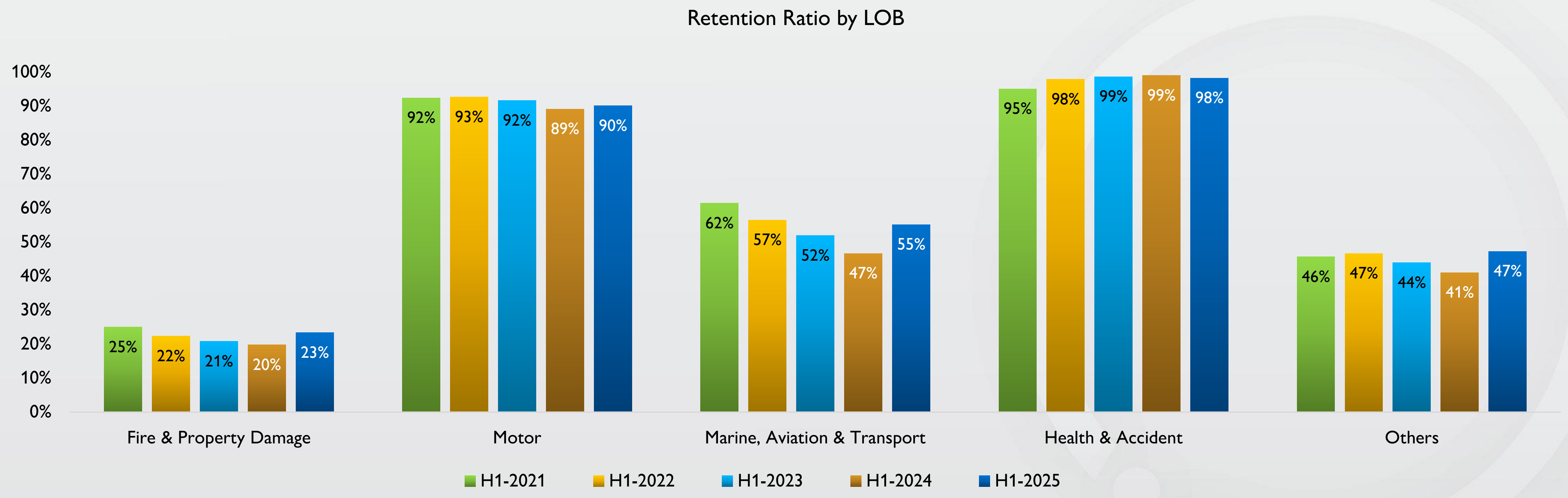
Retention Ratio



The retention ratio is determined by dividing Net Earned Premium by Gross Earned Premium, with gross figures for the takaful segment adjusted to exclude wakala expenses. For H1-2025, the industry's weighted average retention ratio was 51%, representing an improvement from 46% in H1-2024 and serving as the benchmark for this assessment.

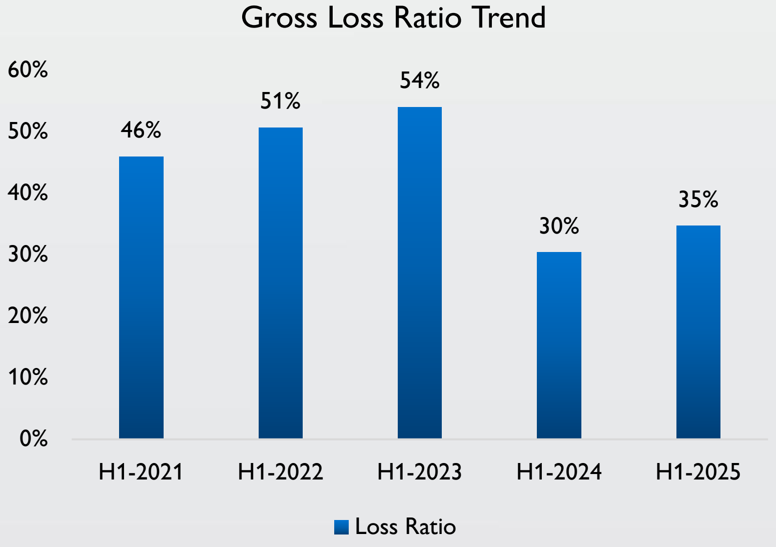
At the company level, CSIL posted the highest retention ratio at 100%, while EFU reported the lowest at 39%.

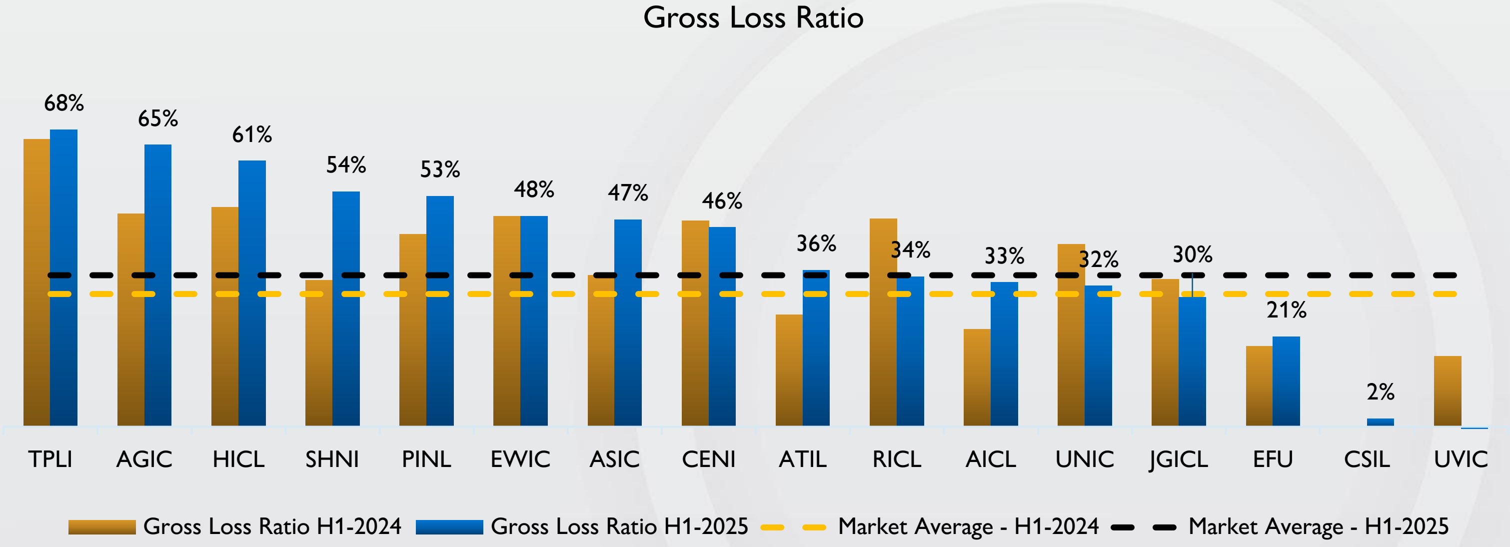
Retention Ratio



The retention ratio reflects the proportion of risk insurers keep on their books rather than ceding to reinsurers. Business lines with frequent but lower-severity claims such as Motor and Health usually show higher retention ratios, as insurers can comfortably manage these more predictable risks. Conversely, lines like Fire and Marine, which involve larger and more volatile exposures, generally maintain lower retention levels due to the need for greater reinsurance support.

Gross Loss Ratio

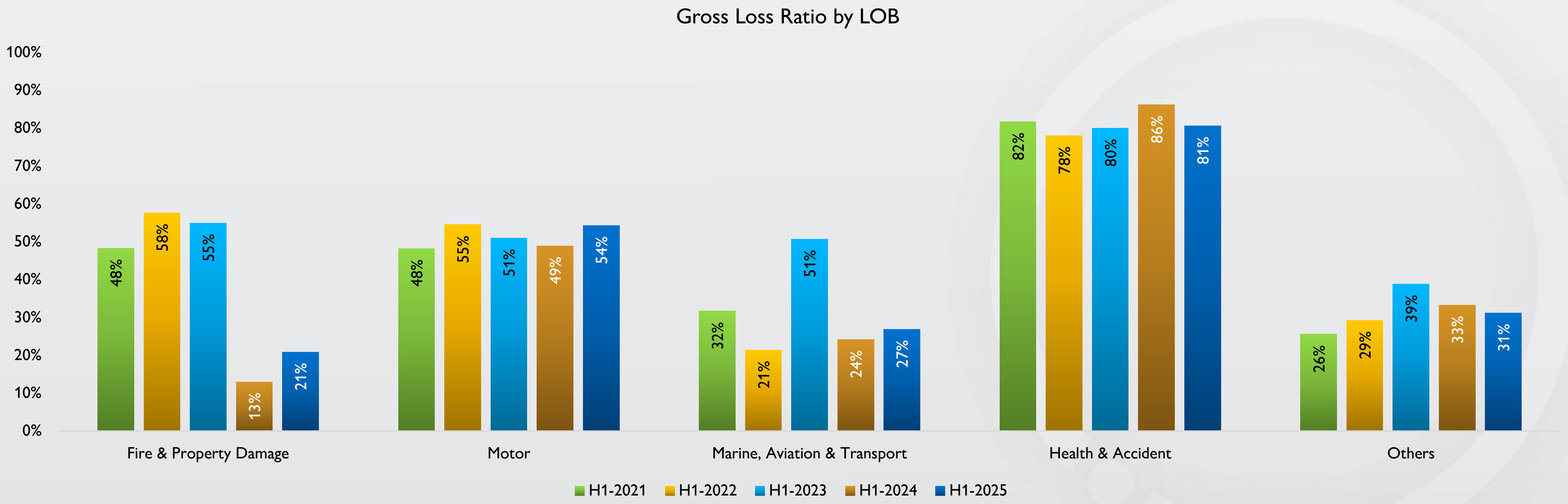




The gross loss ratio, measured as gross incurred claims relative to gross earned premium or contribution (with takaful figures adjusted to exclude wakala expenses), rose in H1-2025. The increase in the gross loss ratio indicates that insurers experienced higher claims costs relative to the premiums earned. This suggests a moderation in underwriting performance, as a greater portion of premium income was utilized to settle claims.

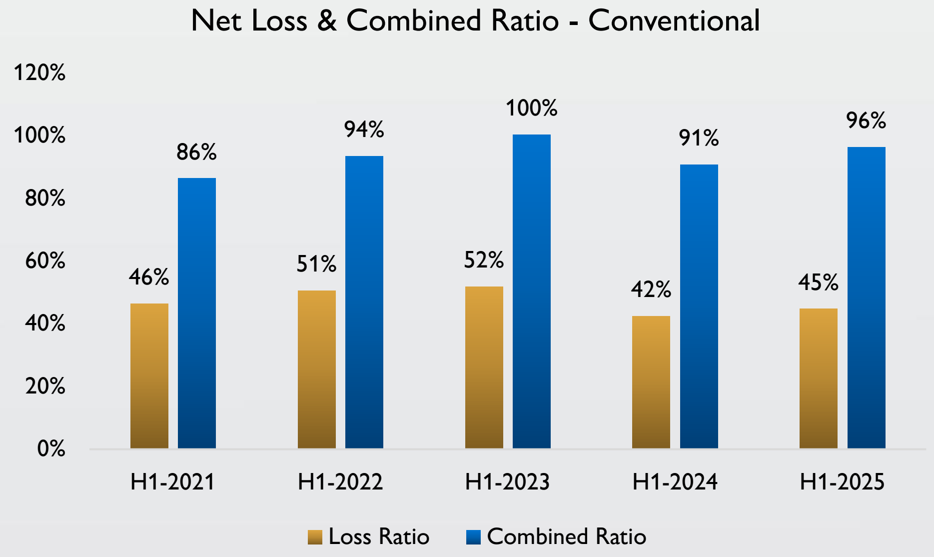
In the first half of 2025, the majority of insurers experienced an uptick in their gross loss ratios compared to the same period last year. TPLI and AGIC posted the highest ratios at 68% and 65%, respectively, while UVIC reported the lowest at -176%. This significant range highlights the variation in risk profiles, underwriting approaches, and portfolio performance across the industry.

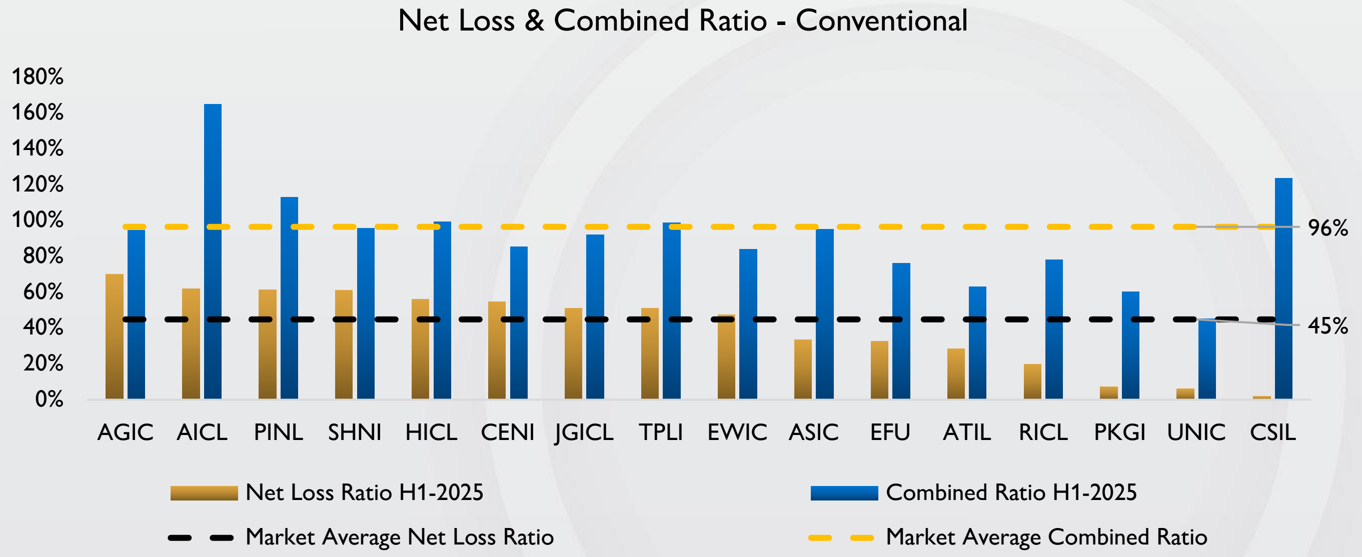
Loss Ratios by Line of Business



In H1-2025, the Health segment saw a 5% reduction in its gross loss ratio compared to the prior year. The Fire segment posted a significant increase, with its loss ratio rising from 13% in H1-2024 to 21% in H1-2025. Similarly, the Marine segment also recorded an uptick, with its loss ratio climbing from 24% to 27% during the same period.

Net Loss & Combined Ratio - Conventional



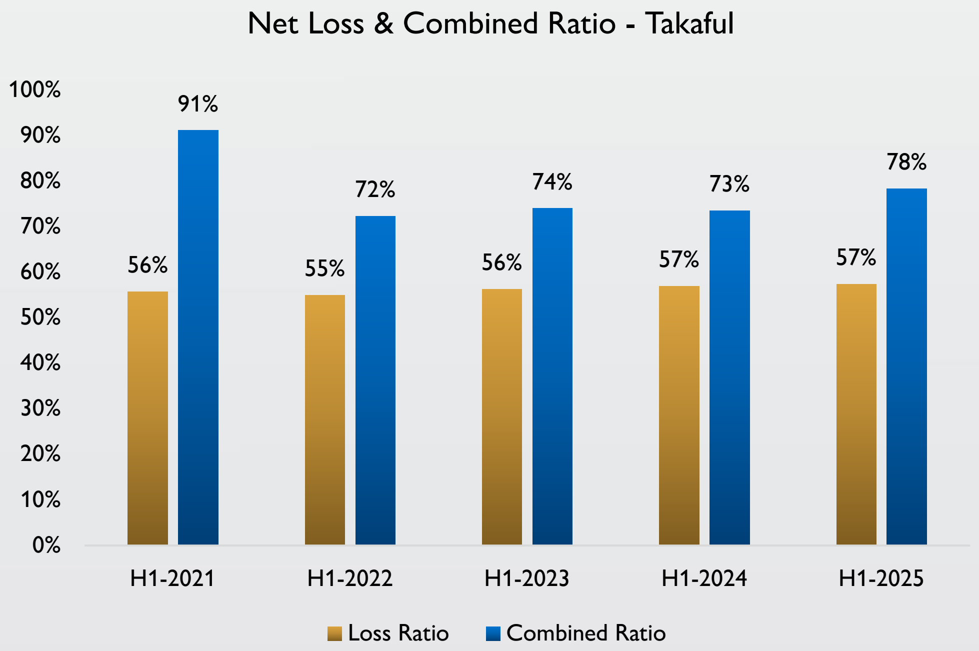


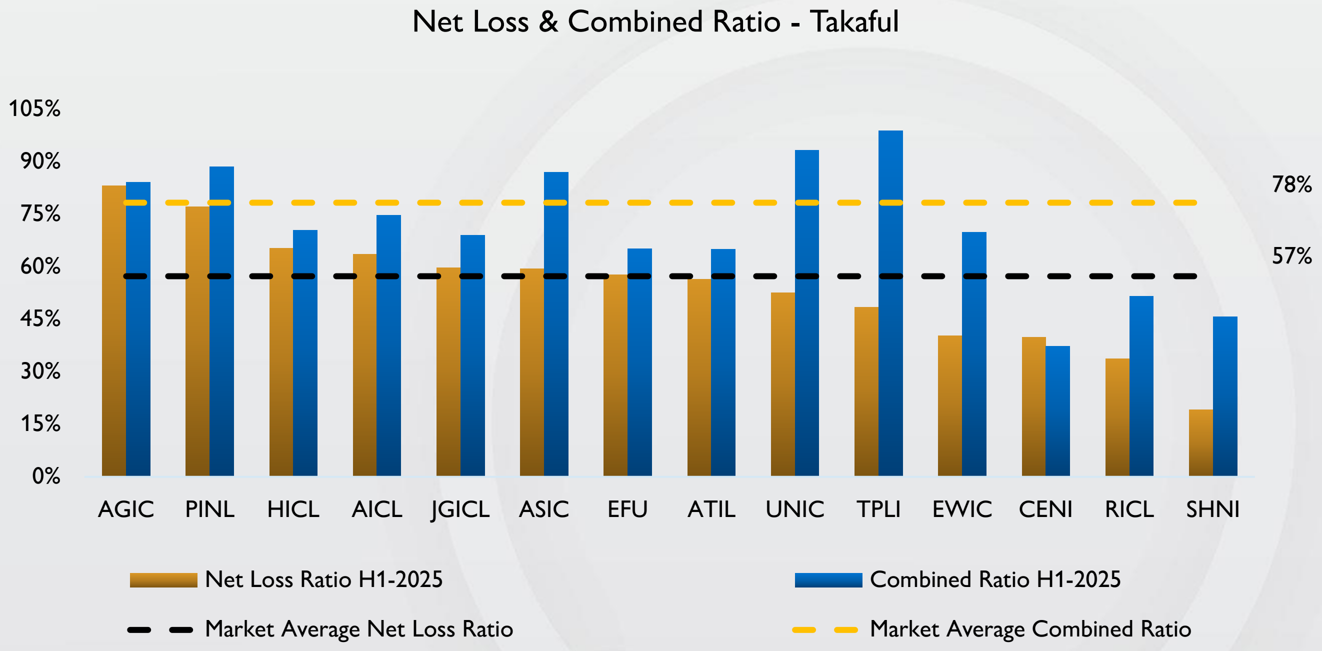
The net loss ratio is derived by dividing net incurred claims by net earned premium, while the combined ratio incorporates management expenses and net commissions alongside net claims. Both indicators rose in H1-2025. The net loss ratio increased to 45%, up from 42% in H1-2024, and the combined ratio climbed to 96% from 91% over the same period.

In H1-2025, the industry's weighted average net loss ratio reached 45%, while the combined ratio stood at 96%.

AGIC registered the highest net loss ratio at 70%, whereas UVIC reported the lowest at -178%. In terms of combined ratios, AICL recorded the highest level among all insurers. It is important to note that a combined ratio exceeding 100% reflects an underwriting loss, indicating that claims and expenses surpassed earned premiums.

Net Loss & Combined Ratio - Takaful



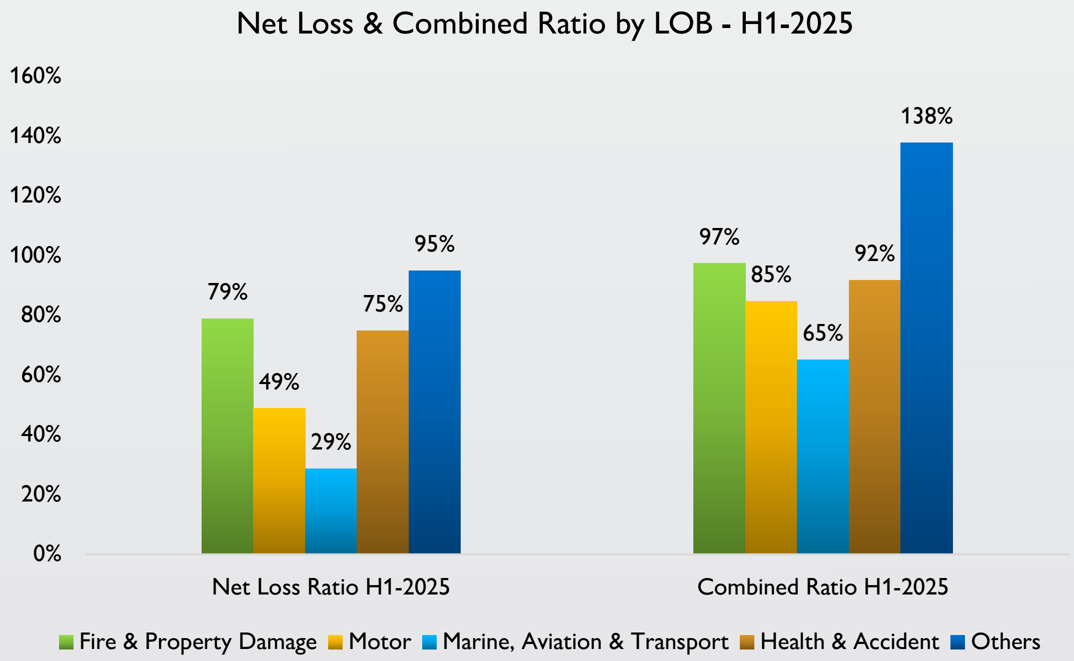


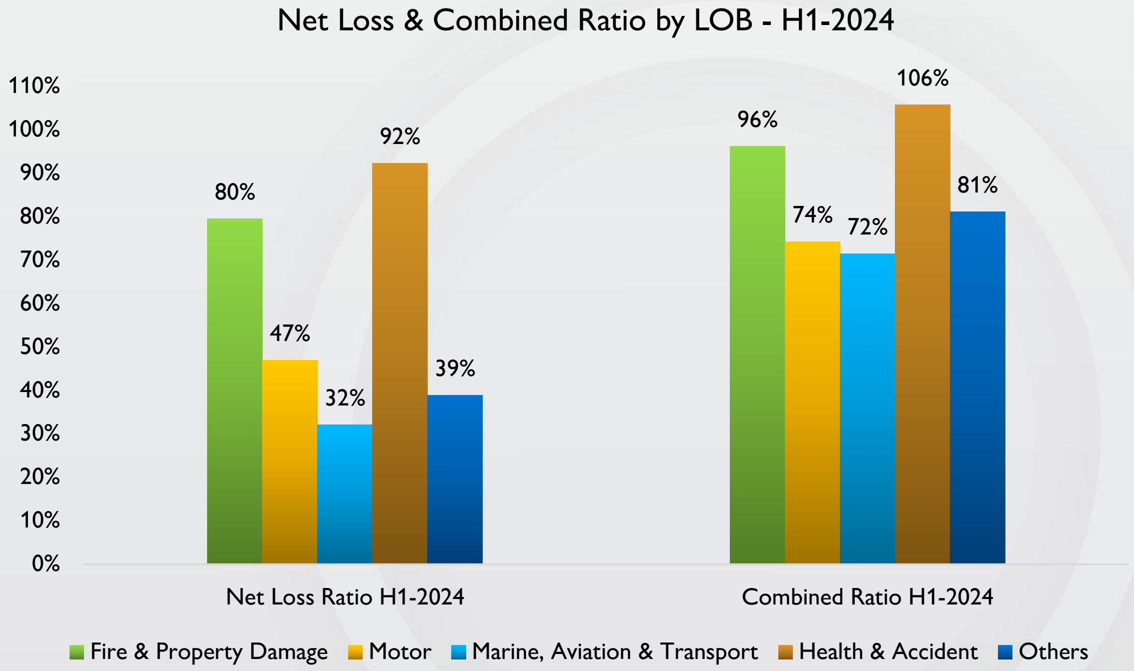
Over the past four years, the net loss ratio has remained broadly stable, moving within a narrow range of 55% to 57%. Meanwhile, the market combined ratio has varied between 72% and 91% during the same period. In H1-2025, the net loss ratio held steady, while the combined ratio increased from 73% in H1-2024 to 78%, indicating a slight rise in underwriting costs relative to premiums earned.

In H1-2025, the market's net loss ratio stood at 57%, while the combined ratio was recorded at 78%.

AGIC posted the highest net loss ratio at 83%, whereas SHNI reported the lowest at 19%. TPLI registered the highest combined ratio at 99%. The combined ratio serves as a key indicator of overall underwriting performance, reflecting both claims experience and expense efficiency. A ratio above 100% signifies an underwriting loss, meaning claims and expenses exceeded earned premiums.

Loss & Combined Ratio by Line of Business

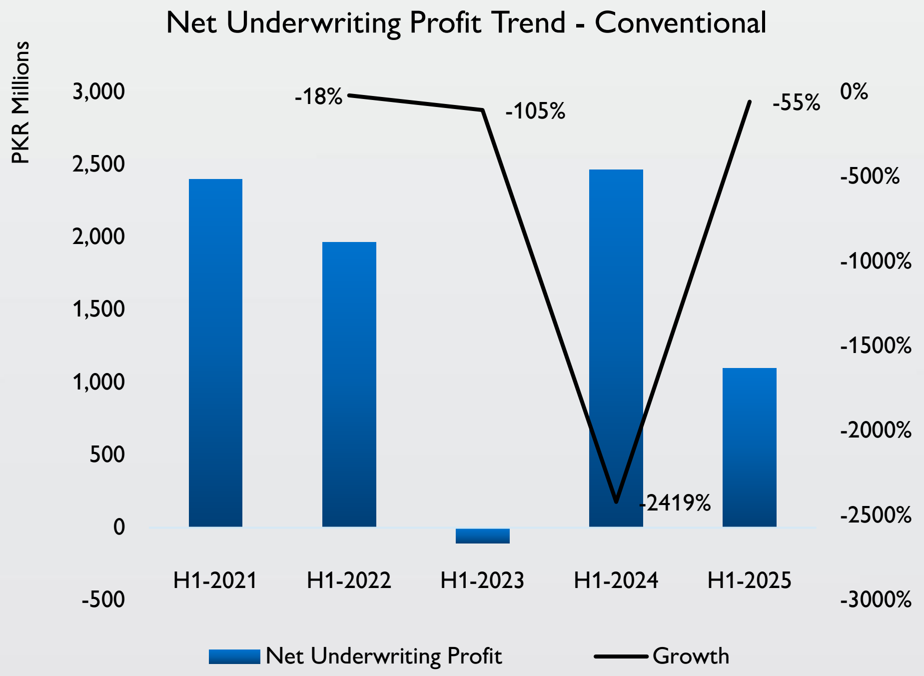


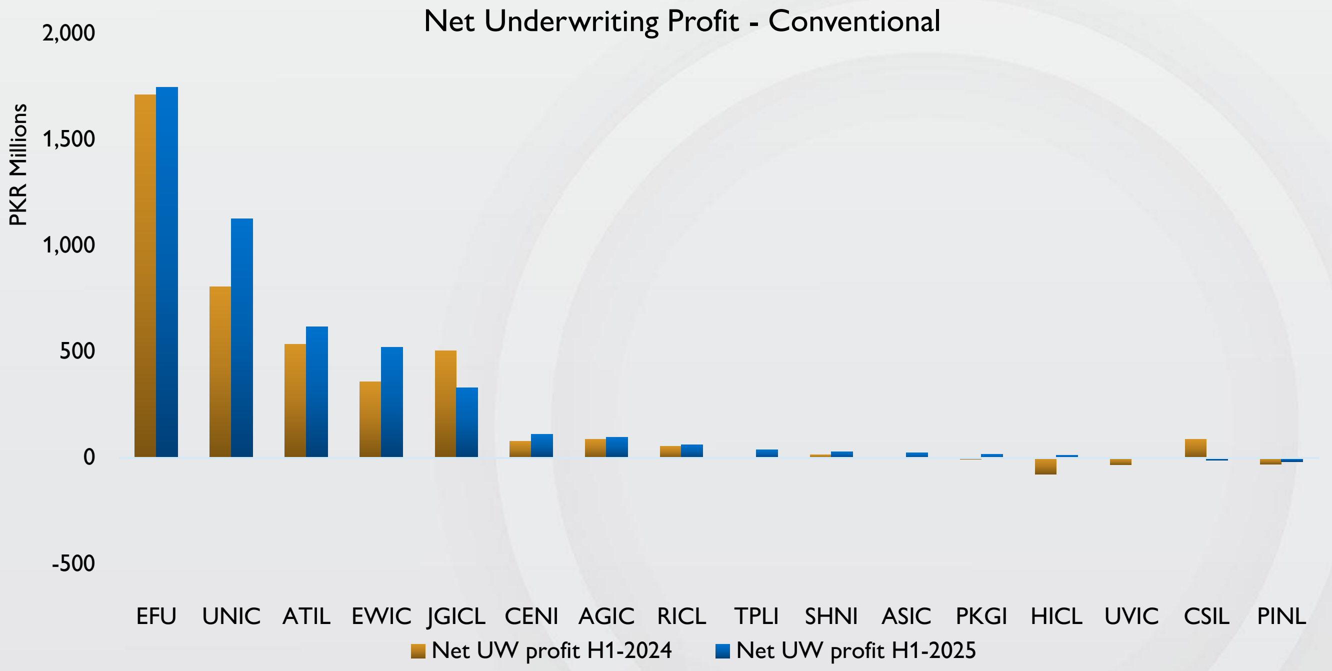


The bar chart illustrates the net loss and combined ratios across various lines of business, covering both conventional and takaful segments. In H1-2025, all business lines experienced variation in their combined ratios, while loss ratios generally followed the same pattern as in H1-2024, with some fluctuations. Notably, the “Others” segment recorded a significant rise in its combined ratio, increasing by 57% compared to the previous year.

In H1-2025, most lines of business reported lower loss ratios compared to H1-2024, except for the Motor line, which showed a slight uptick, and the “Others” segment, which rose sharply by 57%. At the overall market level, all business lines recorded higher combined ratios.

Net Underwriting Profit - Conventional



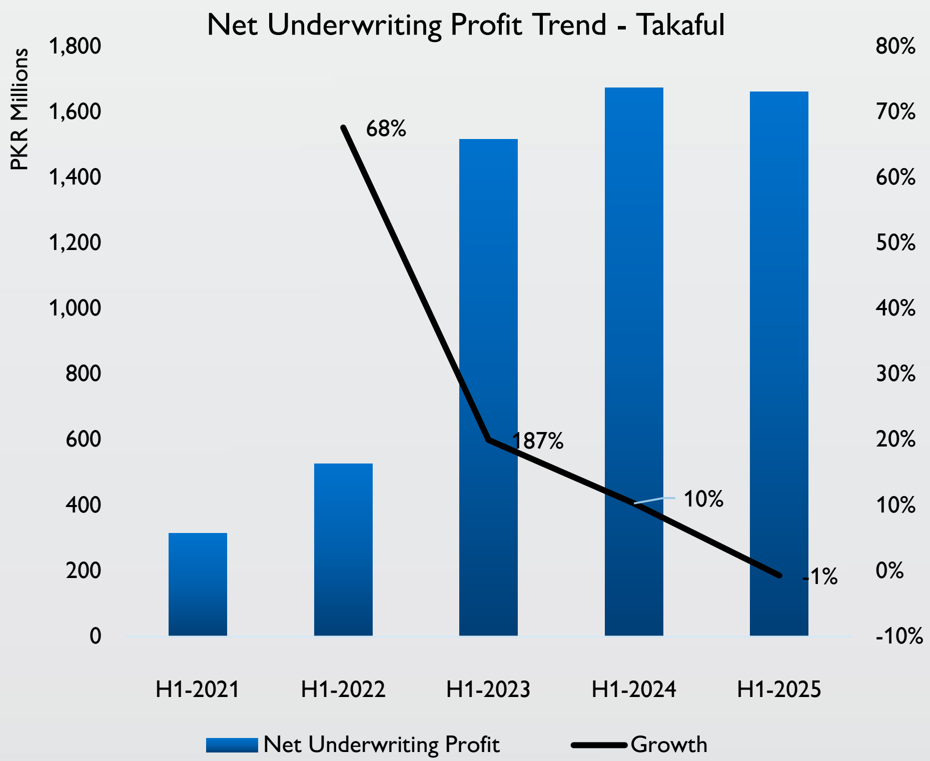


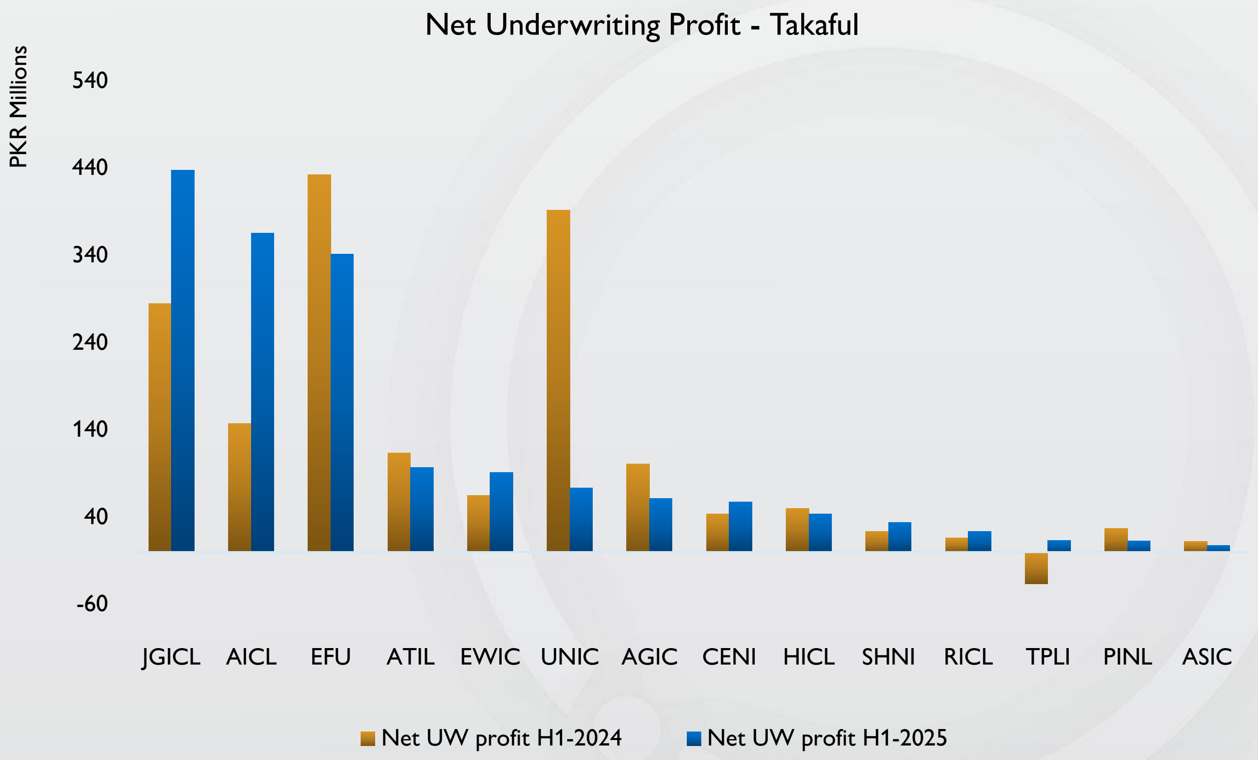
The conventional insurance market's net underwriting profit declined sharply in H1-2025, registering a negative growth of 55%. This downturn was primarily attributed to AICL's negative underwriting result. Nearly all other companies reported growth in their underwriting profits, except for PKGI, HICL, UVIC, PINL, and TPLI. Consequently, the sector's total underwriting profit fell to PKR 1.1 billion in H1-2025, compared to PKR 2.5 billion in H1-2024.

The bar chart depicting net underwriting profit shows EFU leading the market with a profit of PKR 1.8 billion, followed by UNIC at PKR 1 billion and ATIL at PKR 0.6 billion.

AICL was removed for being outlier.

Net Underwriting Profit - Takaful

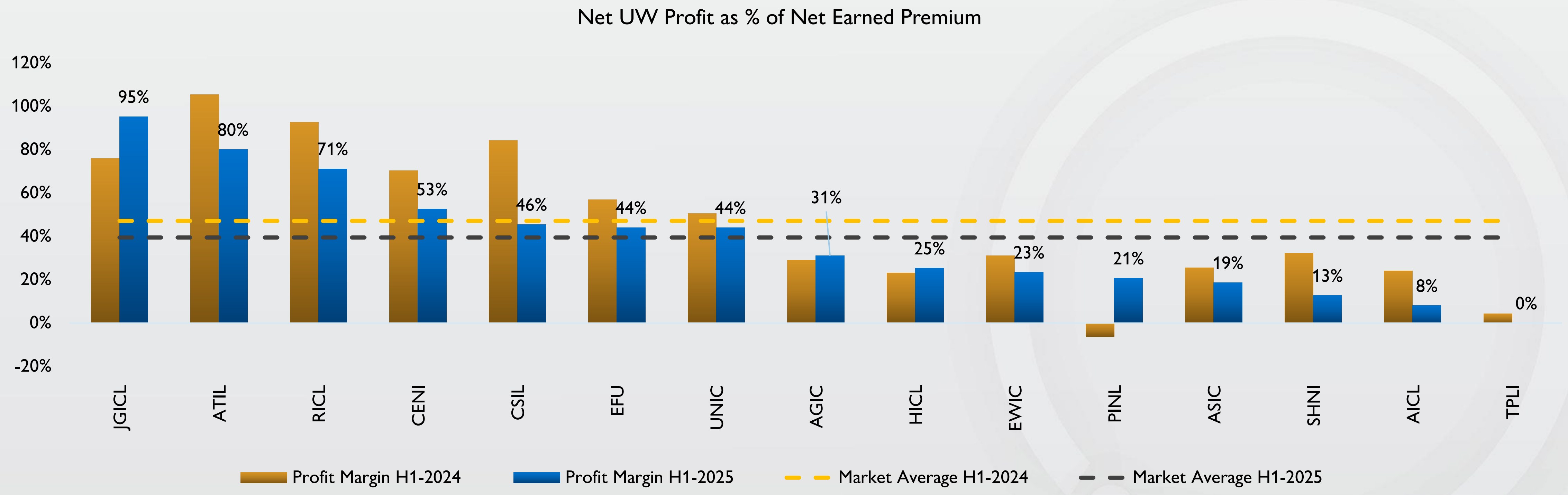




Window takaful operations posted a 1% decline in H1-2025, marking a reversal from the 10% growth recorded in H1-2024 and extending the downward trend observed over the past three years. The segment’s total underwriting profit stood at PKR 1.6 billion in H1-2025.

The bar chart shows that JGICL achieved the highest underwriting profit, followed by AICL and EFU.

Net UW Profit as a % of Net Earned Premium



The net underwriting profit margin declined sharply in H1-2025, falling by 8 percentage points to 39%, compared to 47% in H1-2024. This contraction reflects increased claims and expense pressures, signaling a moderation in overall underwriting profitability across the market.

TPLI reported the lowest profit margin among all insurers. Meanwhile, UVIC demonstrated a strong turnaround, shifting from a negative profit margin in H1-2024 to a positive 222% in H1-2025, followed by JGICL at 95% and ATIL at 80%.

*UVIC removed for being an outlier.

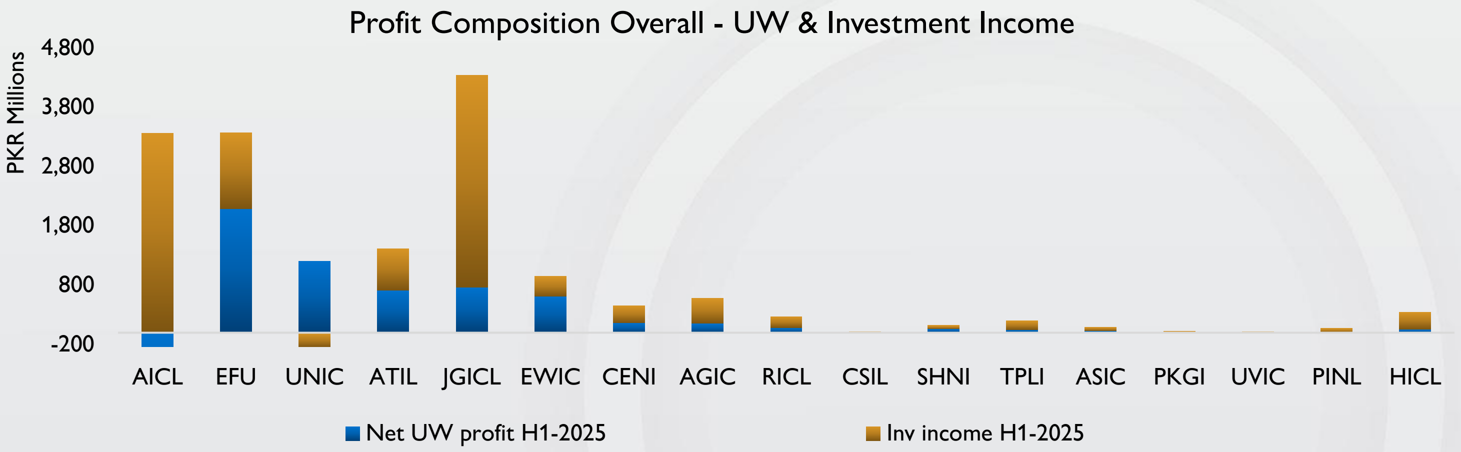
Investment Income

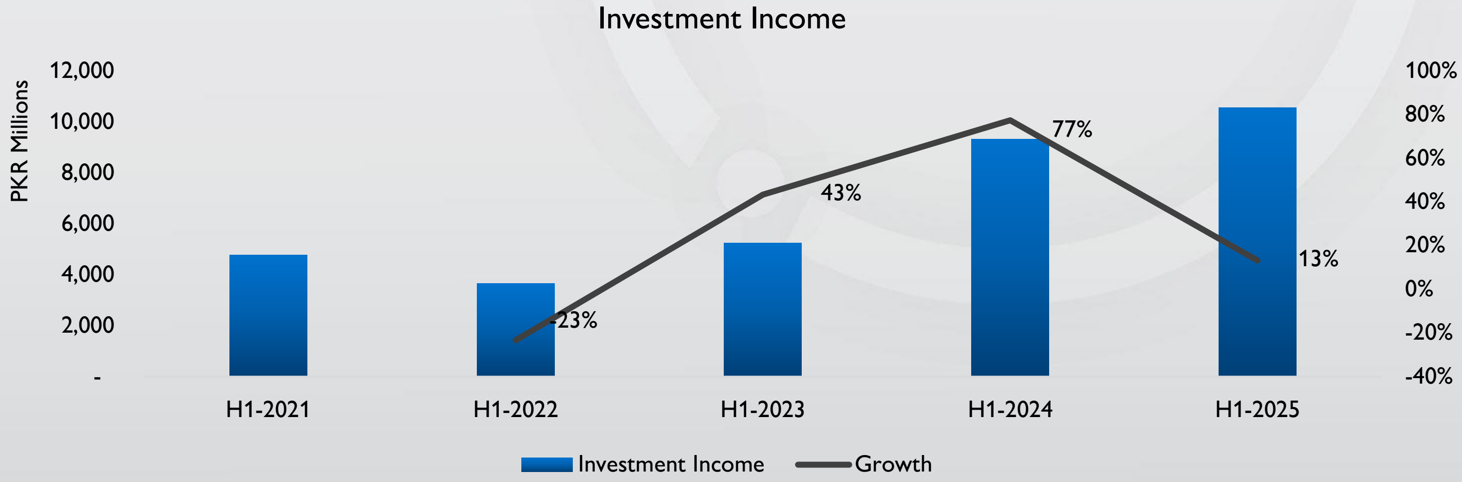
The general insurance sector generated a total investment income of PKR 10.6 billion during the period.

The accompanying graph illustrates the distribution of investment and underwriting income across insurers, underscoring the pivotal role of investment returns in driving overall profitability. For many companies, investment income substantially exceeded earnings from underwriting operations.

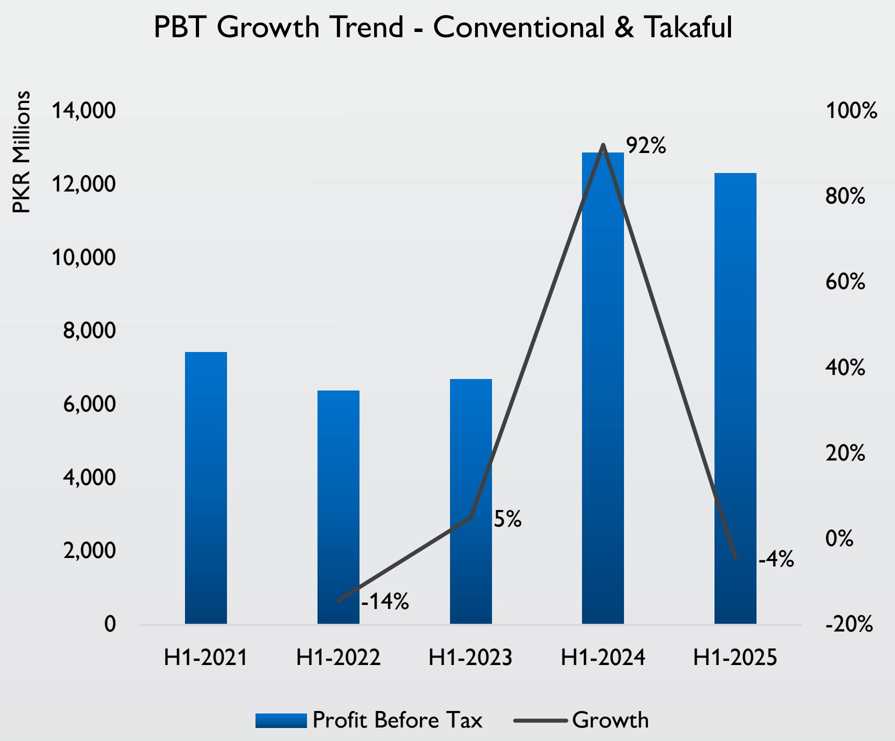
AICL recorded strong investment gains, while UNIC and EFU stood out for their solid underwriting performance. JGICL's investment income was nearly twice its underwriting profit, highlighting its dependence on returns from financial assets. Meanwhile, insurers such as UVIC, CSIL, and PINL, despite reporting underwriting losses, remained profitable owing to healthy investment income. This trend underscores the significance of resilient asset portfolios in offsetting underwriting volatility.

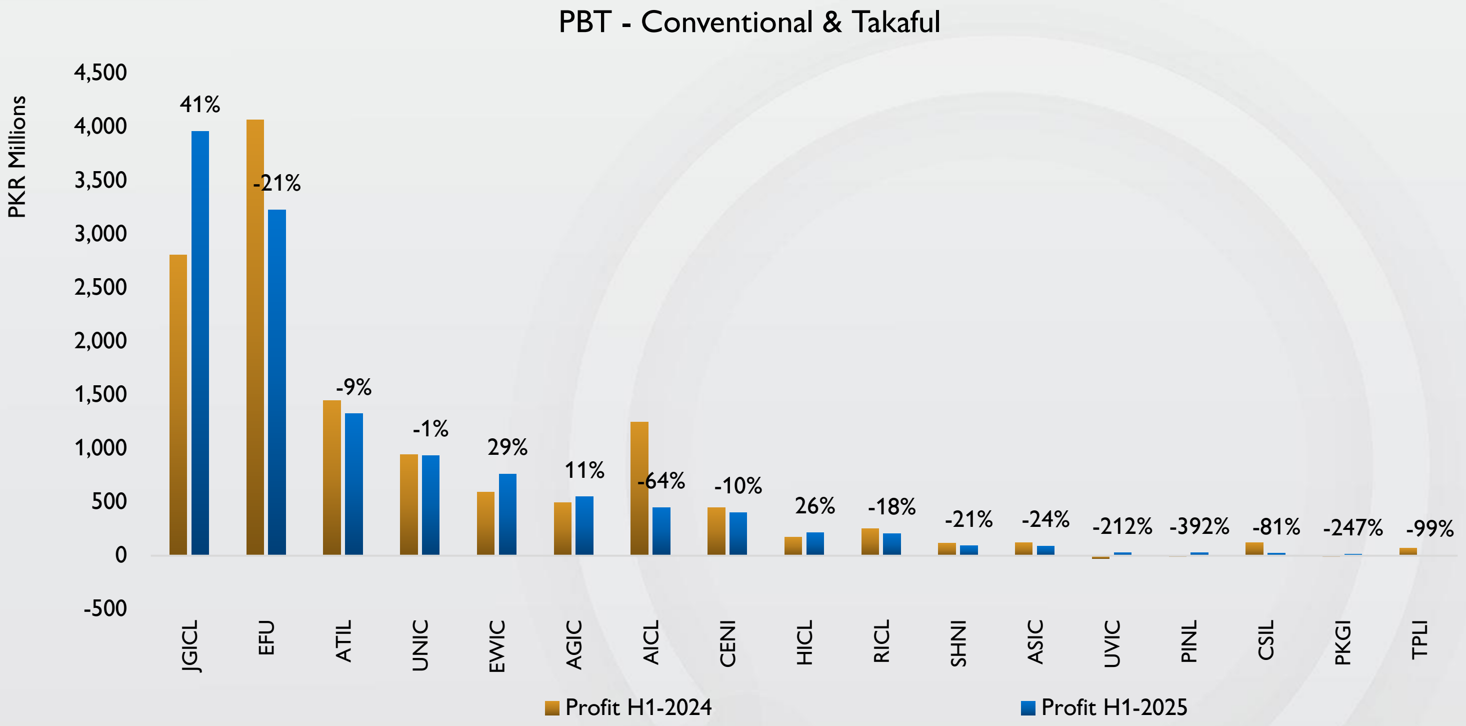
Investment income for the general insurance sector has continued its upward trajectory over the past three years, rising by 13% from PKR 9.4 billion in H1-2024 to PKR 10.6 billion in the first half of 2025. This consistent growth trend highlights the sector's increasing reliance on investment returns as a key contributor to overall profitability going forward.





Profit Before Tax





Over the past five years, the general insurance market's profit before tax (PBT) has exhibited considerable volatility. After a strong rebound in H1-2024, when PBT surged by 92%, the sector experienced a slowdown in the first half of 2025, posting a marginal decline of 4%, with total profit before tax amounting to PKR 12.3 billion.

JGICL led the general insurance market in profit before tax, reporting PKR 4 billion, followed by EFU with PKR 3 billion and ATIL with PKR 1 billion.

Disclaimer: AICL includes business underwritten inside Pakistan only.

Company	Ranking		Indic.
	GWP	PBT	
EFU	1	2	↓
AICL	2	7	↓
JGICL	3	1	↑
EWIC	4	5	↓
AGIC	5	6	↓
UNIC	6	4	↑
ATIL	7	3	↑
TPLI	8	17	↓
HICL	9	9	→
CENI	10	8	↑
UVIC	17	13	↑
ASIC	12	12	→
RICL	13	10	↑
PINL	14	14	→
PKGI	15	16	↓
UVIC	17	13	↑
SHNI	11	11	→

Premium & Profit Analysis

This table ranks the conventional and window takaful business based on gross written premium/contribution and profit before tax. The Indic column indicates whether the profit ranks above or below the premium rank.

Net Profit Breakdown

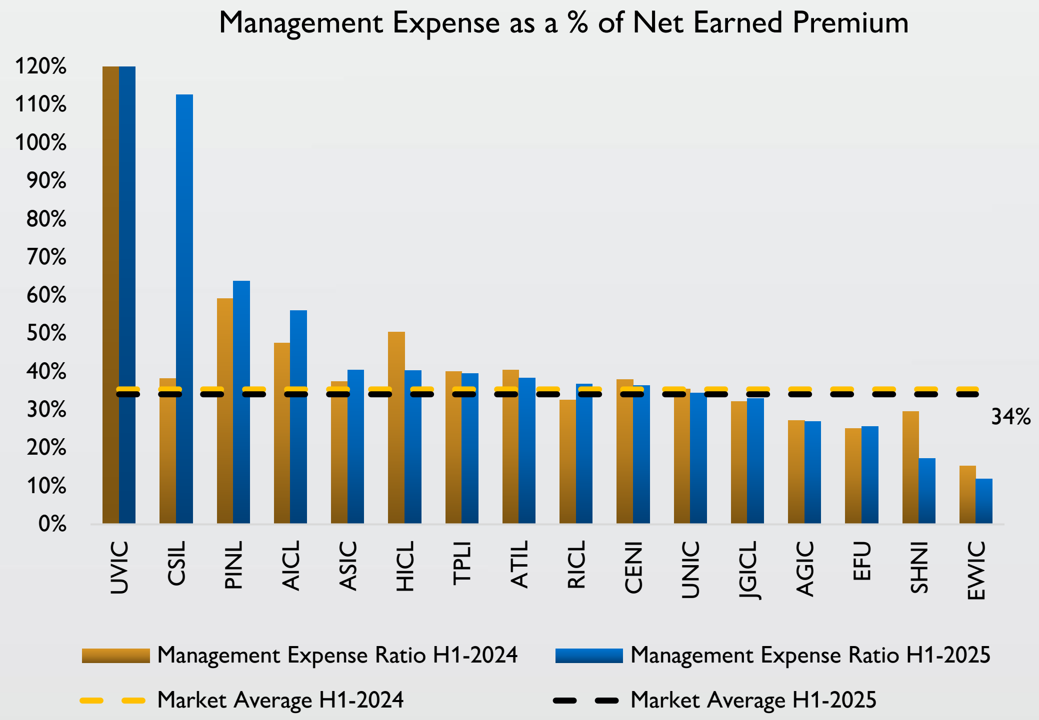
Particulars	H1-2024	H1-2025	Variance
	PKR Billion	PKR Billion	PKR Billion
Total UW Profit	4.1	2.8	(1.4)
Investment Income	9.3	10.6	1.2
Other Net Income	(0.6)	(1.0)	(0.4)
Total Profit Before Tax	**12.9**	**12.3**	**(0.5)**

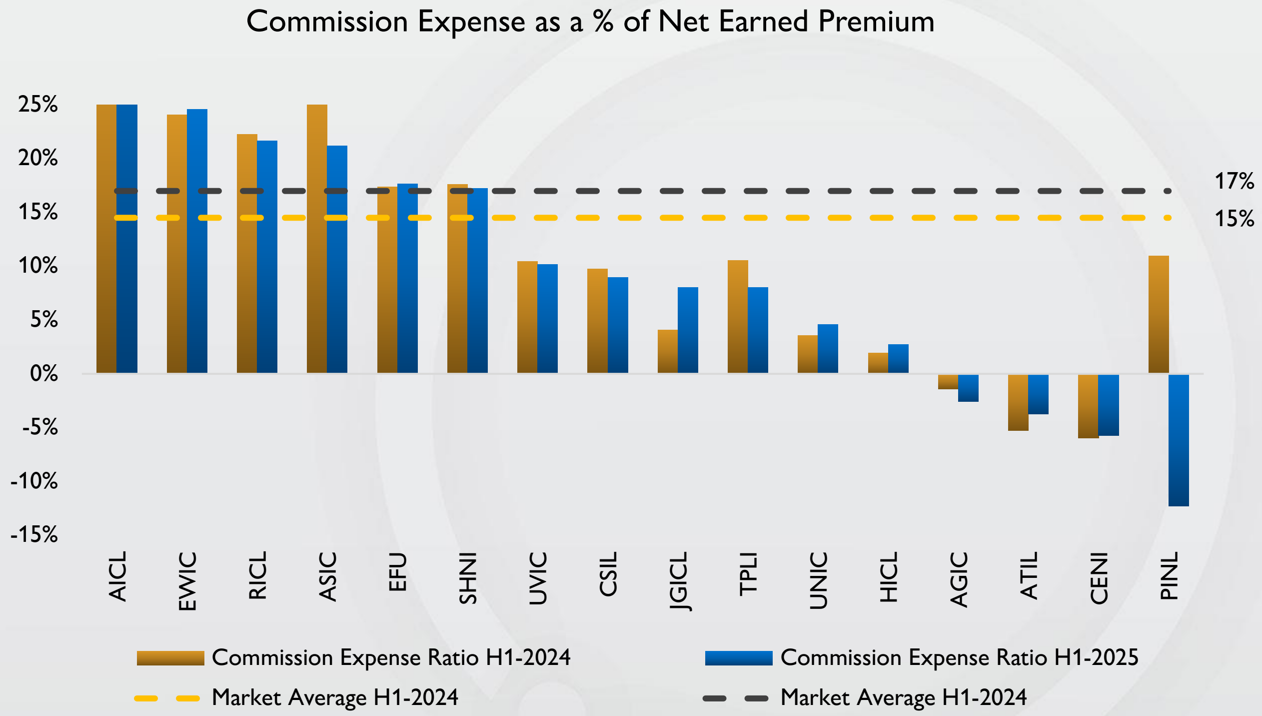
Company	EPS H1-2025	EPS H1-2024
AICL	7.46	5.44
ASIC	0.95	1.20
AGIC	4.69	4.32
ATIL	5.37	5.88
CENI	4.52	5.24
CSIL	0.16	1.07
EWIC	2.14	1.67
EFU	9.85	12.39
HICL	1.20	0.96
JGICL	12.06	8.45
PINL	0.52	(0.23)
RICL	1.48	2.06
SHNI	0.82	1.03
PKGI	0.23	(0.19)
TPLI	(0.06)	0.19
UNIC	1.73	1.82
UVIC	0.52	(0.57)

Earning Per Share

Most of the general insurance industry of Pakistan experienced a decline in their EPS on account of UW performance and investment performance.

Commission & Management Expense Ratio - Conventional



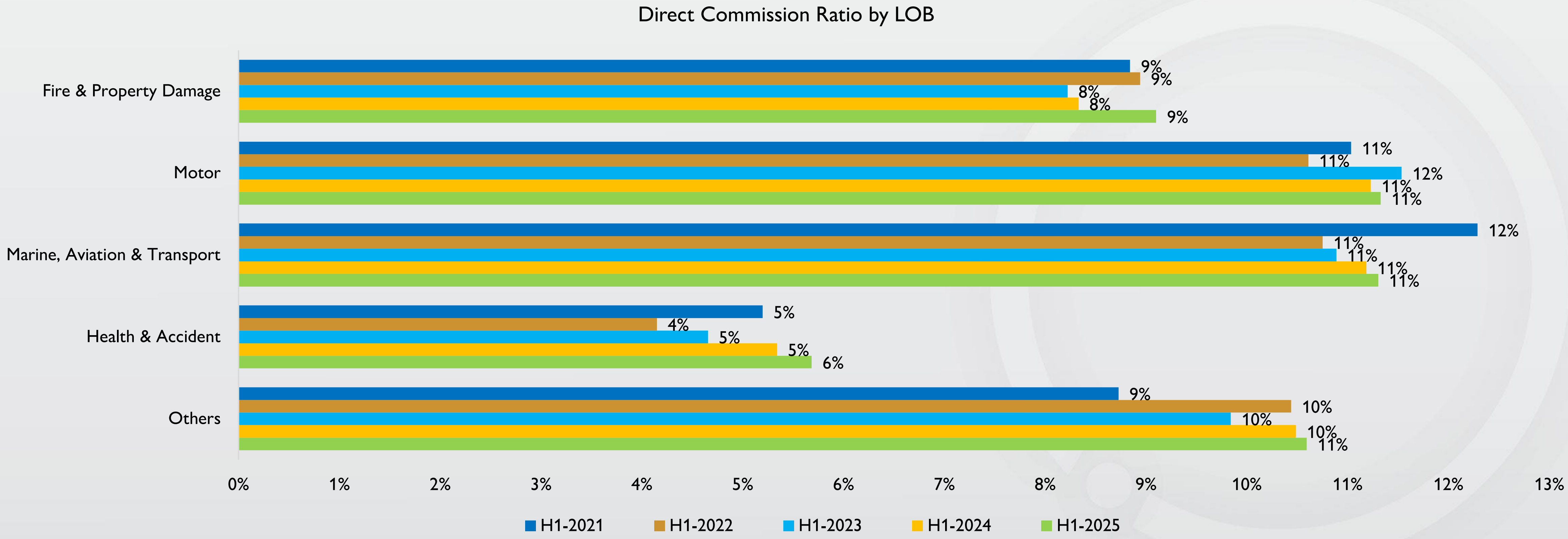


The market-wide management expense ratio stood at 34% for both H1-2024 and H1-2025.

UVIC recorded the highest management expense ratio at 323%, significantly weighing down its underwriting profitability. In contrast, EWIC reported the lowest ratio at 12%, reflecting more efficient expense management.

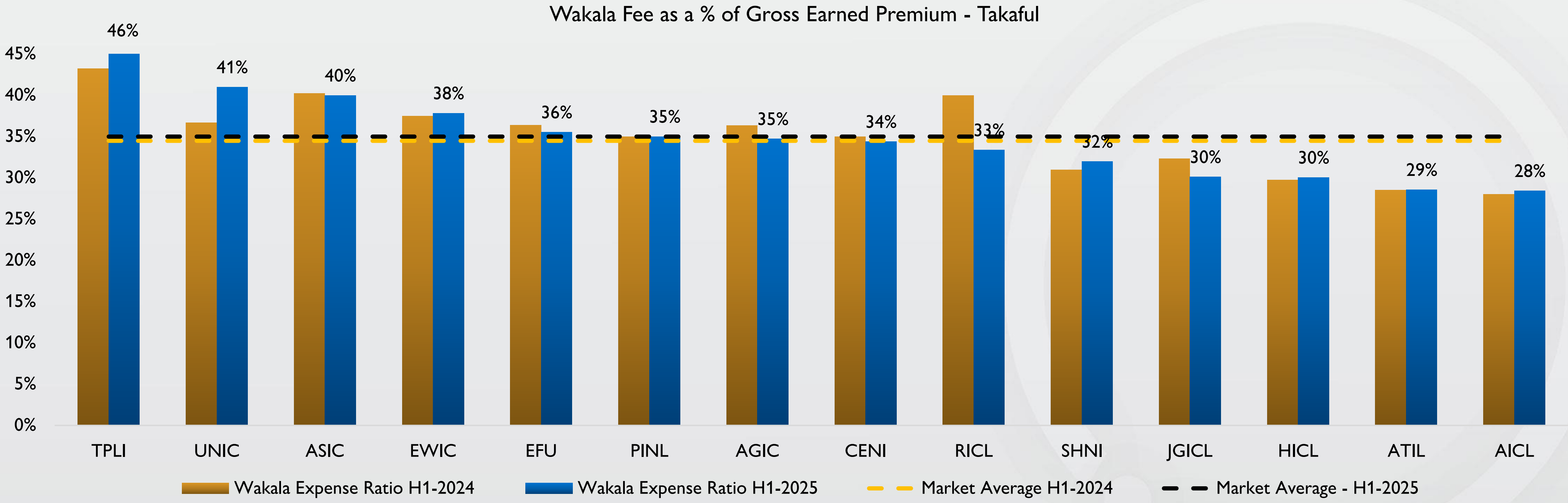
A negative commission expense ratio signifies that commission income received from reinsurers exceeds the commissions paid to agents and brokers. In H1-2025, the market's weighted average commission expense ratio is 17%, showing a slight uptick from 15% in H1-2024. Among individual insurers, AICL reported the highest ratio at 47%, while PINL recorded the lowest at -12%.

Direct Commission Ratio by Line of Business



The direct commission ratio represents the gross commission paid to agents and brokers for acquiring business, expressed as a percentage of gross earned premium. In H1-2025, all lines of business recorded consistent growth in this ratio compared to H1-2024, reflecting increased reliance on intermediary channels for business acquisition. This trend may indicate intensified market competition and a greater push toward expanding premium volumes through distribution networks.

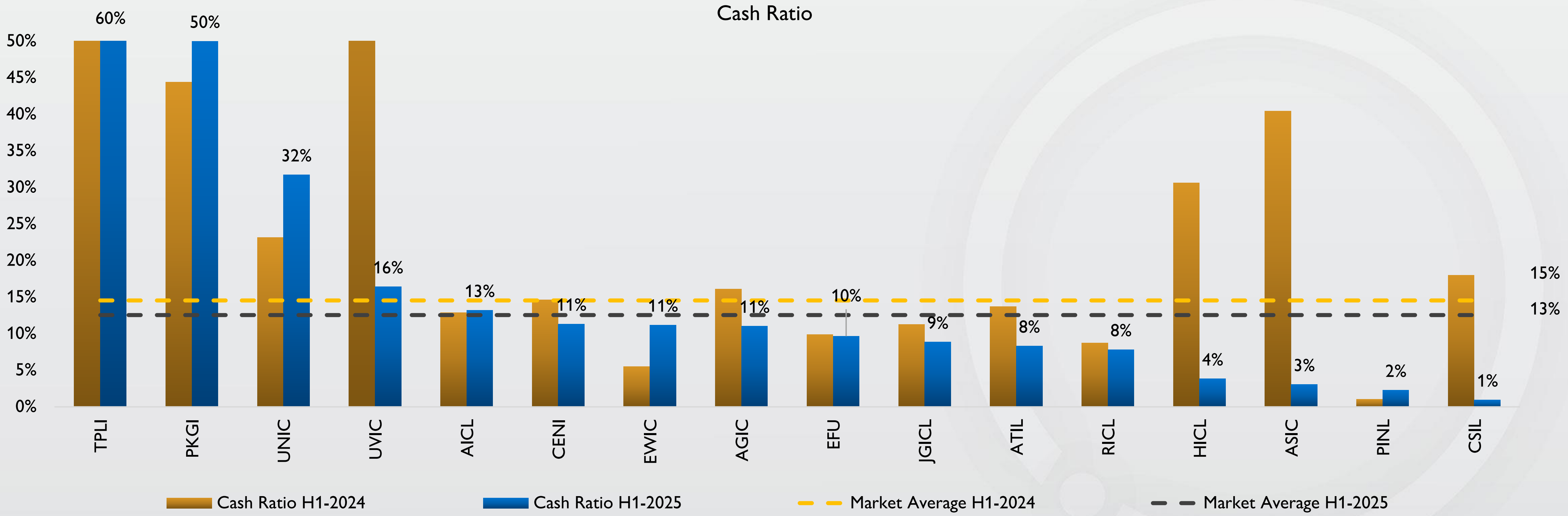
Wakala Expense
% GEC



The Operator manages the participant fund and takes a fee as a percentage of written premium which serves as the income for the operator. This ratio calculates the earned wakala income over the gross earned contribution (gross of wakala).

The market average stood at 35% for H1-2025 & 34% for H1-2024. The highest ratios were reported by TPLI at 46%. while AICL recorded the lowest at 28%.

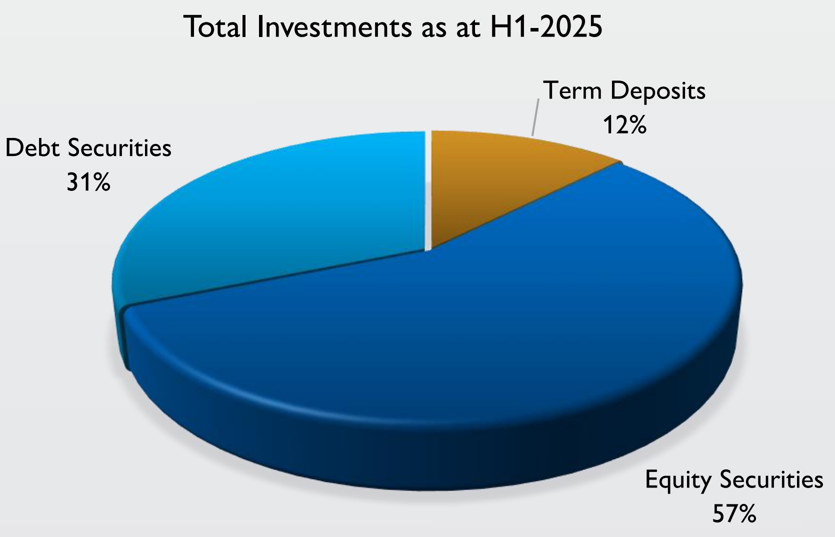
Cash Ratio

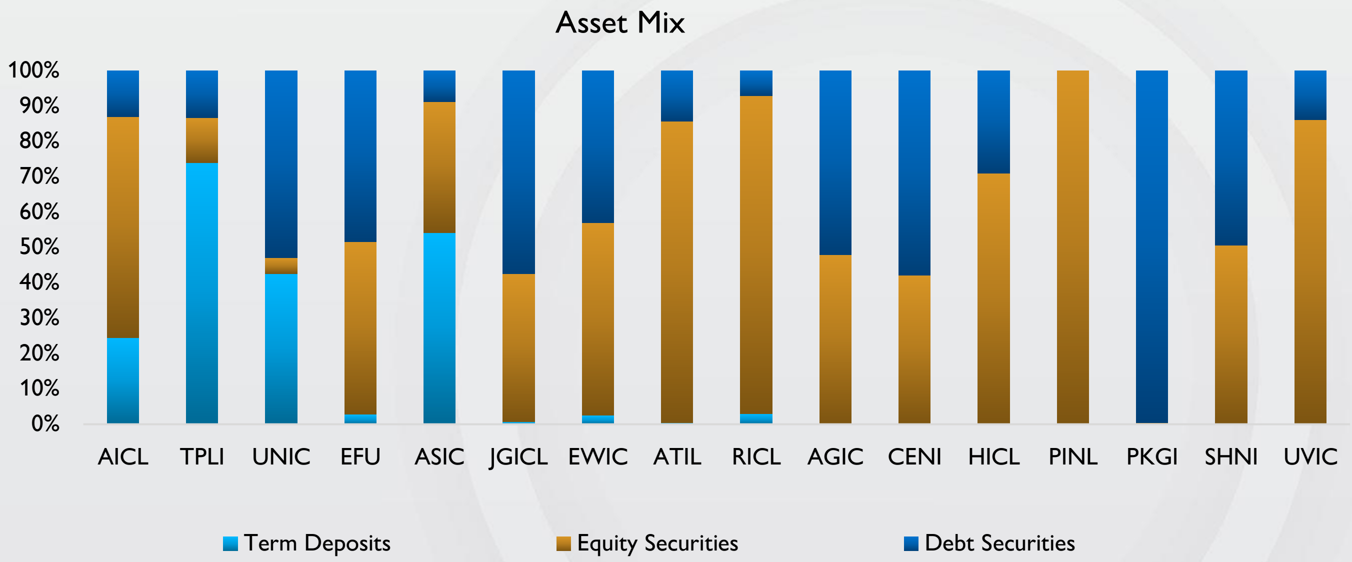


The cash to invested asset ratio has been taken as the ratio of cash & bank to total invested assets including cash. General insurers aims to keep minimum of assets as cash to meet unexpected liquidity requirements which may arise due to large loss or catastrophe. Cash generally earns a lower return compared to other asset classes.

The market cash ratio stands at 15% in H1-2024 and declines to 13% in H1-2025. TPLI and PKGI maintain the highest cash levels at 60% and 50%, respectively, whereas CSIL holds the lowest cash ratio at approximately 1%.

Asset Mix





The chart illustrates the composition of the industry's invested assets for 2024. Over half of the total investments are allocated to equity securities, while a little over one-third is directed toward the fixed income market.

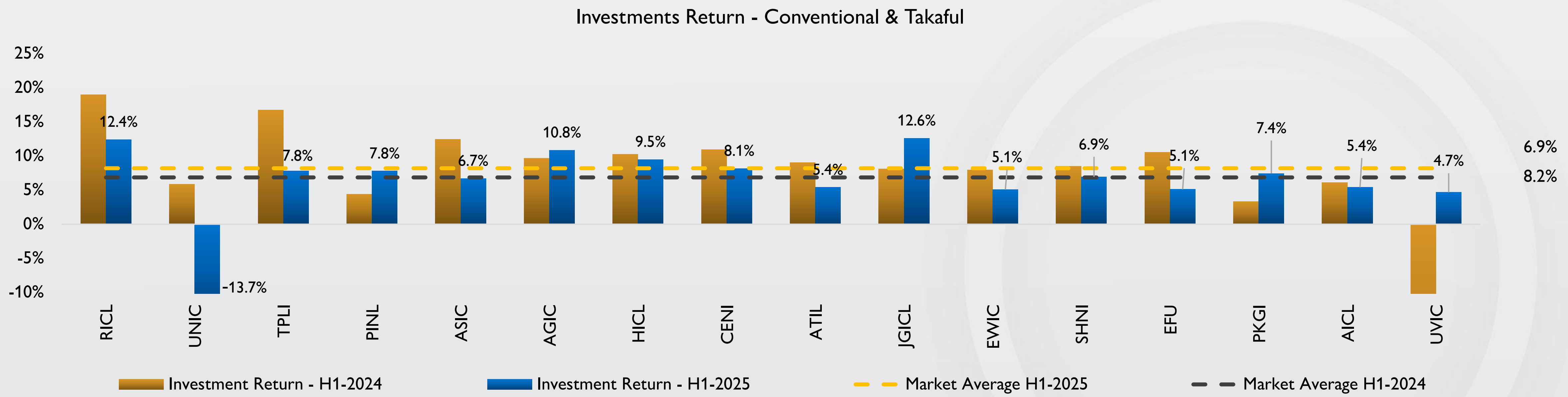
General insurers tend to favor short-term liquid instruments such as debt securities and term deposits. Although equities offer the potential for higher returns, their value is subject to greater market volatility, resulting in a higher capital charge. Overall, total investments rose to PKR 154 billion in in the first half of 2025.

The bar graph shows the investments of companies by asset class.

AICL, ATIL, RICL,CSIL, and PINL has a major proportion invested in the equity market whereas PKGI,CENI, AGIC, JGICL, EFU and UNIC have focused more on debt instruments.

while TPLI, UNIC and ASIC have focused more on term deposits.

Investment Return



The investment return is determined by dividing total investment income by total invested assets.

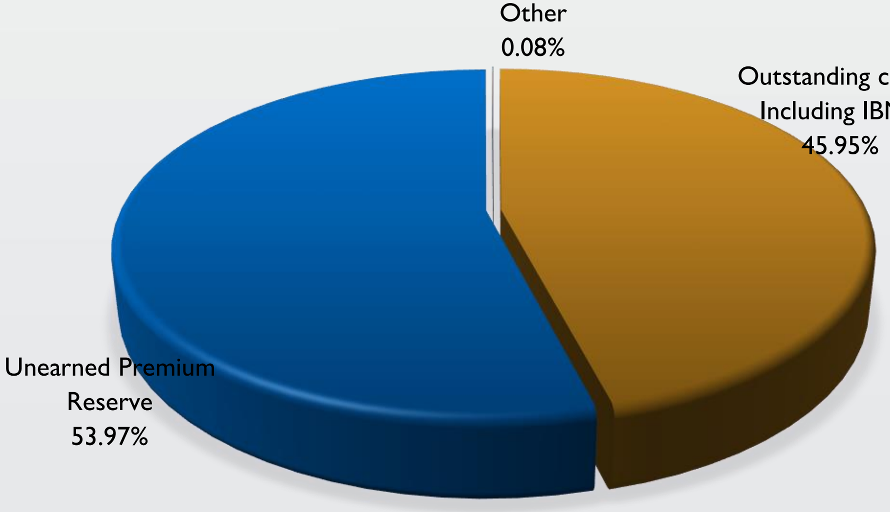
In H1-2025, the industry's average investment return declined to approximately 6.9%, compared to 8.2% in the same period of H1-2024..

RICL recorded the highest return at 12.4%, while UVIC posted the lowest at 4.7%. A company's investment portfolio reflects its overall risk appetite, with higher-risk asset classes like equities typically offering greater return potential.

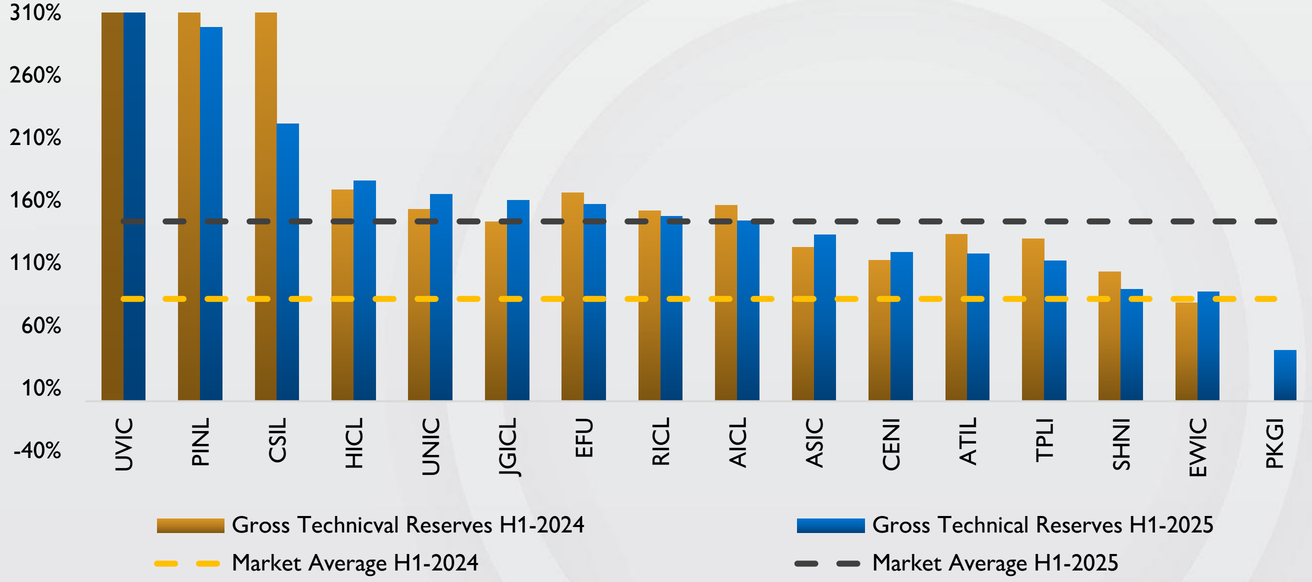
It's important to note that this ratio does not include unrealized gains in the numerator, while investments are valued at fair value in the denominator, resulting in a lower reported investment return ratio.

Technical Reserves

Gross Technical Reserves as at September H1-2025



Gross Technical Reserves as a % of GWP



Total Technical Reserves : PKR 111 billion

The pie chart shows that unearned premium reserve and outstanding claims including IBNR reserves are being divided into 53.97% & 45.95% ratio respectively

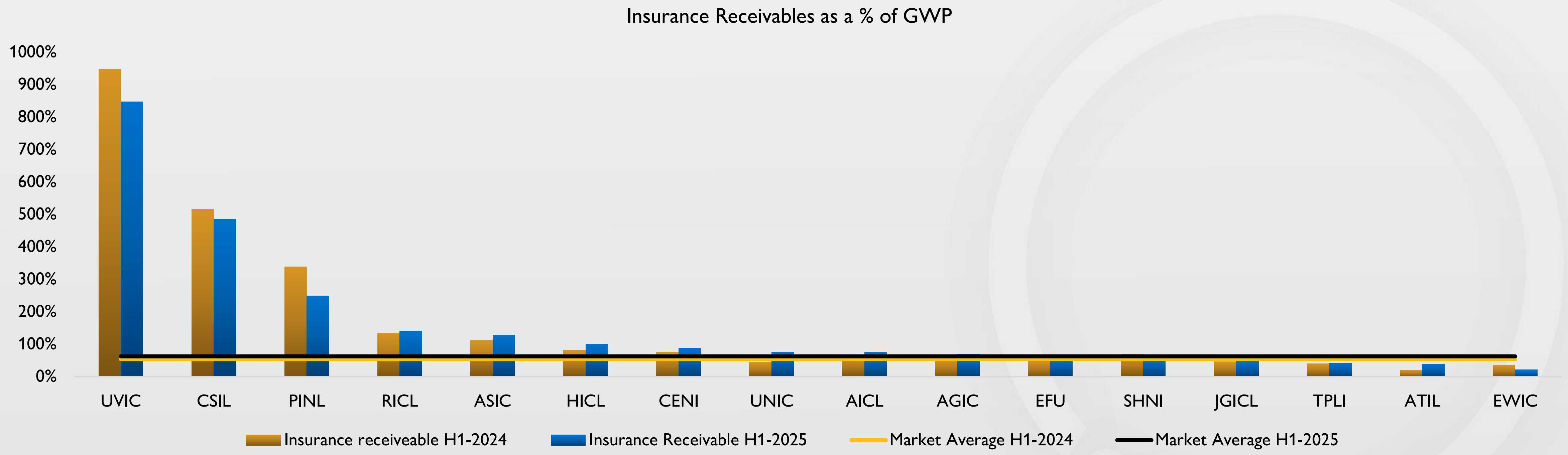
Reserves are backed by assets which earn investment income for the company.

The bar graph shows the ratio of gross technical reserves to gross premiums for H1-2025. A lower ratio is preferable as it allows the company to cover its reserves with its premiums.

The market average ranges between 144% and 82%.

Insurers aim to strike a balance between under-reserving and over-reserving. Over-reserving can delay profits and taxes, while under-reserving might lead to early dividend payouts..

Insurance Receivables



The ratio is computed using insurance receivables and annualized gross premium as of June 20254 for the conventional business. The market ratio is computed to be 63% for H1-2025 & 54% for H1-2024 respectively. UVIC has the highest ratio of 848% while JGICL has the lowest ratio at 22%.

The ratio depicts the collection performance of each company. This is particularly important for general insurance which has a short tail. Quicker collection can also improve the liquidity position and favorably impact the investment income.

Key Takeaway Points

Industry GWP Growth Timeline - Conventional & Takaful

H1-2021	H1-2022	H1-2023	H1-2024	H1-2025
PKR 39bn	PKR 51bn	PKR 65bn	PKR 72bn	PKR 78 bn

Industry NEP Growth Timeline - Conventional & Takaful

H1-2021	H1-2022	H1-2023	H1-2024	H1-2025
PKR 21bn	PKR 25bn	PKR 30bn	PKR 34bn	PKR 39 bn

Industry PBT Growth Timeline - Conventional & Takaful

H1-2021	H1-2022	H1-2023	H1-2024	H1-2025
PKR 7bn	PKR 6bn	PKR 7bn	PKR 13bn	PKR 12 bn

Highest GWP Recorded by
EFU at PKR **20bn**

Highest Growth in GWP Recorded by
EWIC at **30%**

Highest NEP Recorded by
EFU at PKR **8bn**

Highest Retention Recorded by
CSIL at **100%**

Highest Market Share Recorded by
EFU at **26%**

Highest Investment Income (Conventional) Recorded by **EFU** at PKR **1bn**

Highest PBT Recorded by
JGICL at PKR **4 bn**

Highest Growth in PBT by
JGICL at **41%**

Highest Investment Return Recorded by
RICL at **12%**

Conclusion

The general insurance industry in Pakistan demonstrated solid resilience and steady growth momentum in H1-2025, marking a broad-based recovery across key performance indicators. Gross Written Premium (GWP) expanded by 8% to reach PKR 78 billion, supported by sustained contributions from both Conventional and Takaful operators. This growth reflects rising market maturity, increasing risk awareness, and improved customer engagement across major business lines. Net Earned Premium (NEP) also strengthened, increasing by 16% to PKR 39 billion from PKR 34 billion in the same period last year, indicating robust policy retention.

Despite strong premium growth, underwriting performance softened, with net underwriting profit declining from PKR 4 billion in H1-2024 to PKR 3 billion in H1-2025. Profitability similarly experienced a modest contraction of 4%, decreasing to PKR 12.3 billion from PKR 12.8 billion in the previous year. However, investment income continued to play a stabilizing role, rising by 13% to PKR 10.6 billion a trend supported by rising interest rates and greater allocations toward debt securities, which remain the industry's dominant asset class.

Looking ahead, sustained industry-wide collaboration, regulatory modernization, and adoption of data-driven decision-making will be vital to unlocking the next phase of growth. With ongoing emphasis on customer-centric solutions, financial inclusion, and technological integration, Pakistan's general insurance sector is well-positioned to evolve into a more transparent, resilient, and accessible component of the national financial ecosystem.

Disclaimer

- We have undertaken an analysis of the Key Performance Indicators (KPIs) of the general insurance companies in Pakistan for H1-2025. The data has been extracted from the financial statements of those companies which were publicly available till the compilation of this report.
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- For the scope of our analysis, we have only taken business underwritten inside Pakistan for AICL.
- We have taken the data from the financial statements for the respective year. Any reinstatement in later years has not been adjusted.

Companies Included in the Analysis

Listed Insurance Companies

Logos	Sr. No.	Name	Abbreviation
	1	Askari Gen. Ins. Co. Ltd	AGIC
	2	Adamjee Insurance Co. Ltd	AICL
	3	Asia Insurance Company Limited	ASIC
	4	Atlas Insurance Limited	ATIL
	5	Century Insurance Co. Ltd	CENI
	6	Crescent Star Insurance Ltd	CSIL
	7	EFU General Ins. Ltd	EFU
	8	East West Insurance Co. Ltd	EWIC
	9	The Pakistan General Insurance Company Limited	PKGI

Companies Included in the Analysis

Listed Insurance Companies

Logos	Sr. No.	Name	Abbreviation
Habib Insurance	10	Habib Insurance. Co. Ltd	HICL
Jubilee GENERAL INSURANCE	11	Jubilee General Insurance Company Ltd	JGICL
Premier Insurance	12	Premier Insurance Limited	PINL
RIC Reliance Insurance Company Limited ....Rely on Reliance	13	Reliance Insurance Co. Ltd	RICL
	14	Shaheen Ins. Co. Ltd	SHNI
TPL Insurance	15	TPL Insurance Limited	TPLI
UIC PAKISTAN The UNITED INSURANCE COMPANY OF PAKISTAN LTD. تحفظ کی علامت	16	United Ins. Co. of Pak. Ltd	UNIC
UIC	17	Universal Insurance Company Ltd	UVIC

About Our Team

Directors	9 Staff	KSA Actuarial	52 Staff
UAE/ Oman Actuarial	39 Staff	Medical	6 Staff
Compliance	2 Staff	IFRS 17	17 Staff
Business Intelligence	10 Staff	HR Consultancy	3 Staff
End of Services	7 Staff	Financial Services	15 Staff
Sales	1 Staff	Strategy Consulting	5 Staff
Support & Admin	33 Staff	Data Science	6 Staff

Total Strength **205**

Our Team

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Hassan Athar
Sr. Research Executive

Yaqeen Fatima
Research Executive

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