RATING REPORT

Jubilee General Insurance Company Limited

REPORT DATE:
December 04, 2023

RATING ANALYSTS:
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RATING DETAILS

	Latest Rating	Previous Rating
Rating Category	**Long-term**	**Long-term**
IFS	AA++(IFS)	AA++(IFS)
Rating Date	*Dec 04, '23*	*Dec 30, '22*
Rating Outlook	Stable	Stable
Rating Action	*Reaffirmed*	*Reaffirmed*

COMPANY INFORMATION

Incorporated in 1953	**External auditors:** M/s A.F. Fergusan & Co. (Chartered Accountants)
Public Limited Company	**Chairman of the Board:** Mr. R. Zakir Mahmood
Key Shareholders (with stake 5% or more):	**Chief Executive Officer:** Mr. Hassan Khan
Aga Khan Hospital & Medical College Foundation – 20.6%	
Aga Khan Fund for Economic Development – 14.0%	
Habib Bank Limited – 19.8%	
Hashwani Hotels Limted – 5.5%	
Pakistan Services Limited – 7.6%	

APPLICABLE METHODOLOGY(IES)

Applicable Rating Criteria: General Insurance (Oct 2023)
https://docs.vis.com.pk/docs/GeneralInsurance-2023.pdf

APPLICABLE RATING SCALE(S)

VIS Issue/Issuer Rating Scale:
https://docs.vis.com.pk/docs/VISRatingScales.pdf

Jubilee General Insurance Company Limited

OVERVIEW OF THE INSTITUTION	RATING RATIONALE

JGI was incorporated as a public limited company in 1953. The company is engaged in provision of general insurance services and is listed on the Pakistan Stock Exchange. JGI operates through a network of 26 branches with its Head Office established in Karachi.

The rating assigned to Jubilee General Insurance Company Limited (JGI) derives strength from its strong sponsorship profile with presence of Aga Khan Fund for Economic Development, and related entities, as the majority shareholders. The rating also reflects the Company's market positioning as the third largest private sector insurance company, with a market share of 13%, in Pakistan. The business risk profile of insurance industry is currently elevated owing to projected slowdown in the domestic economic activity due to high interest rates, rupee devaluation, heightened inflation levels, destruction caused by floods coupled with expected rate hardening by international reinsures. However, the Company's topline grew notably, driven by the fire & property segment, largely on the account of upward revisions in premium rates in line with inflationary pressure. The Company's strategy to focus on technological development given roll out of new digital app is viewed positively for future growth. Loss ratios exhibited volatility during the rating review period; an increase was noted during the outgoing year owing to both uptick in quantum and average size of claims, impacting the combined ratio despite rationalization of underwriting expenses. Moreover, the rating derives comfort from the sound reinsurance arrangements with renowned international reinsurers. Overall liquidity profile is considered satisfactory as exhibited by liquid asset coverage of net technical reserves. Going forward, the rating will remain sensitive to the Company's ability to maintain market dominance while navigating the challenging business environment.

Insurance Sector Update

Global Perspective

Despite building macroeconomic challenges, the insurance industry continued to grow in FY22, both globally and in Pakistan. Global insurance industry faced repricing of risks due to macroeconomic stresses and natural catastrophes with economic losses from natural disasters recorded higher in FY22; however insured losses covered 45% of these damages amounting to USD 125 billion. In addition, claims increased as high inflation increased the cost of repairing buildings, motor vehicles and other fixed assets that are usually covered by insurance. This led to continued rise in premium rates to cover the expenses. However, elevated interest rates augmented the investment income for insurers across the globe.

Local Perspective

Pakistan's insurance industry posted growth despite weak macroeconomic situation in CY22 with continued dominance of Life Insurance & Family Takaful segments in terms of assets and gross premiums. Gross premiums increased from Rs. 417.2 billion in CY21 to Rs. 531.7 billion in CY22 with Life & Family Takaful segment, and Non-Life & General Takaful segments posting increases of Rs. 81.9 billion and Rs. 29.4 billion respectively. Moreover, the industry's asset base grew by 14.8% in CY22 to Rs. 2,459.9 billion particularly on the back of significant growth in the Life Insurance segment. In addition, despite building macroeconomic pressures characterized by dwindling foreign reserves, stabilization measures, slowdown in economic activity, etc. along with catastrophic floods affecting one-third of the country during the year under review, all segments of the industry continued to expand. This was the result of a combination of general factors affecting the whole insurance industry such as inflation leading to a rise in premium rates and idiosyncratic factors pertaining to all segments. The growth in Life Insurance segment was an outcome of the implementation of the government's health insurance programs carried out by State Life; the same increased health coverage to the low and middle-income strata of society. However, the claims ratio for the sector witnessed an increase due to a rise in group claims and higher surrender claims by individuals. Nevertheless, since life insurers maintain most of their investments in government securities due to lackluster performance of capital market, the resulting higher investment income boosted their profitability due to hike in interest rates. In non-life insurance sector, motor premiums drove the growth in net premiums as the cost of motor vehicles increased drastically during the outgoing year. However, torrential rains and flooding, some major fire incidents, and higher cost of repairing fixed assets contributed to the increase in claims. Accordingly, financial performance indicators for the non-life sector slightly weakened on a timeline. Further, the industry's combined ratio increased in CY22, which was driven by a spike in both net claims and expense ratios. With the increase in combined ratio, insurers are expected to reprice their products in the ongoing year. Going forward, due to the prevailing slowdown in economic activity and stressed macro financial conditions, the growth trajectory in non-life premiums is expected to be uncertain while the growth in the life sector will continue to largely depend on traction in the health insurance programs. Moreover, the SECP has issued instructions of phase wise implementation of IFRS 17. The implementation is expected to translate in sizable provisioning burden for the industry; however, the actual impact of the same on industry capitalization is yet to be ascertained. No final timeline for the same is announced yet.

Future Outlook

Globally, it is expected that there will be premium rate hardening in CY23 in response to the high inflation, geopolitical tensions, natural catastrophes and financial market losses of CY22. These global insurance developments will lead to increases in reinsurance rates offered by international re/insurers which coupled with the exchange rate depreciation, may lead to increase in reinsurance expense for insurers in EMDEs, particularly non-life insurers that have extensive reinsurance arrangements with international reinsurers. The rate hardening along with the elevated policy rate is expected to influence insurers' financial performance in the near term. Global premiums are expected to grow at 2.1% in real terms on average in 2023. Given that non-life insurance is correlated with economic growth and the latest data indicates that Pakistan's economy will significantly slowdown in 2023, accordingly the growth trajectory of non-life premiums in Pakistan could also face pressures. Moreover, if inflation remains elevated, then there could be further rate hardening leading to an uncertain growth trajectory for non-life premiums. Furthermore, in the backdrop of high interest rates, non-life insurers may also consider recalibrating their investment portfolios in order to pad the bottom-line. Life insurance business, with a longer time horizon, is expected to remain relatively immune to the prevailing macroeconomic pressures. The growth in this sector is now partially dependent on the continuity of the government's health insurance programs.

Source: Financial Stability Review – 2022 | State Bank of Pakistan

Business Update

The Company is primarily involved in the provision of insurance coverage related to fire & property, motor, accident & health, marine, liability and miscellaneous risks (includes engineering, bonds, terrorism, bankers' blanket bond and travel business). The overall business mix was largely unchanged with the fire & property segment remaining the major revenue driver, followed by the miscellaneous division, contributing a combined two-thirds to the topline during 1HCY23. The Gross Written Premium (GWP) witnessed consistent growth on a timeline basis standing at Rs. 9.9b (CY22: Rs. 13.1b, CY21: Rs. 10.6b) at end-June'23, which represents an increase of about 36.6% SPLY. Consequently, the Company's market share was also recorded higher at 13.0% (CY22: 10.4%, CY21: 10.6%) during the rating review period. The aforementioned augmentation is largely on account of upward revisions in premium prices in line with soaring inflation across all segments as opposed to noteworthy expansion of client base. However, as per management, several new medium-sized clients were onboarded within the accident & health (A&H) segment. The same is in line with the Company's long-term strategy to expand the division in order to diversify its business mix by leveraging operational synergies with its associated company, Jubilee Life Insurance Ltd (JLI). Additionally, given that technological development is a major growth driver in the insurance sector, the Company has recently launched its new online application, 'My Jubilee', which has completely digitalized the policy issuance and claim settlement process for the motor segment. However, owing to significant drop in demand for motor vehicles in line with price escalation coupled with high policy rate environment making car leasing unaffordable, noteworthy growth in revenues emanating from the segment is not envisaged in the medium-term. The management, nonetheless, aims to digitalize its complete retail insurance product suite for individuals to expand market penetration going forward. JLI is targeting a 30% uptick in GWP by end-CY23 which is manageable as positive cyclicality in premium renewals during 3QCY23 is expected to take effect. Going forward, slowdown in inflation with stabilization of macroeconomic indicators might dampen price-based acceleration in premiums in the medium to long-term, necessitating the expansion of client-base to continue upward trajectory in topline. Breakdown of business mix can be seen below:

	CY20	CY21	CY22	1HCY23
Fire and property damage	33.3%	39.7%	40.9%	46.7%
Marine, aviation and transport	7.2%	8.4%	8.0%	6.1%

Motor	15.1%	14.3%	13.6%	10.7%
Liability	6.3%	2.8%	3.5%	4.3%
Accident & Health	18.1%	15.5%	15.3%	13.0%
Miscellaneous	20.0%	19.2%	18.7%	19.3%
Total	**100%**	**100%**	**100%**	**100%**

Moreover, cessation ratio depicted a decrease in 1HCY23 to 37.8% (CY22: 49%, CY21: 43.7%) despite uptick in average sum insured on the account of the increase in contribution of fire & property segment to the business mix, entailing exclusively non-proportional treaties, along with the impact of cyclicality on cession due to unearned premium reserve.

On the Window Takaful Operations (WTO) front, the gross and net contribution *(adjusted for wakala fee)* amounted to Rs. 1.1b and Rs. 804.2m, respectively at end-June'23 (CY22: Rs. 1.7b, Rs. 1.2b; CY21: Rs. 1.4b, Rs. 1.1b) with major growth emanating from the A&H segment in line with the management's strategy to expand the division. The business mix also witnessed a shift towards the same, overtaking the motor segment as the major revenue driver at 43.6% (CY22: 30.7%, CY21: 24.9%). The Participant's Takaful Fund (PTF) reported surplus amounting to Rs. 40.3m (CY22: Rs. 77.2m, CY21: Rs. 20.1m); however, this was largely on the account of uptick in investment income which offset increase in net claims stemming from the fire & property and A&H segments. As per management, in order to counter the challenge of limited retakaful capacity particularly with medium to large-sized risks, the Company aims to focus on the motor, health and miscellaneous portfolios along with targeting personal lines and SMEs.

Claims Experience

The increase in gross and net claims to Rs. 6.3b and Rs. 3.4b respectively (CY21: Rs. 3.9b, Rs. 2.9b) during the outgoing year was largely attributable to uptick in claims emanating from the fire & property (F&P) segment, particularly by the Services Group. Additionally, increase in gross claims in the miscellaneous segment was an outcome of sizeable claim incurred by HE Harbin Electric (Pvt.) Ltd. along with several others from HBL Ltd. Moreover, A&H segment continued to remain the second highest contributor to absolute claims in rupee terms after fire & property owing to inflationary pressure experienced leading to medicinal cost and hospitalization becoming expensive coupled with inherently high losses reported in the health insurance segment.

It is pertinent to mention that the net claims ratio has always been reported higher than the gross claims ratio owing to the nature of reinsurance coverage which constitutes mainly of Excess of Loss (EOL) treaties resulting in claims with smaller-ticket sizes falling within retention limits. Additionally, as per management, payment of reinstatement premiums on EOL treaties to reset the treaty back to original limits in order rationalize risk retention, contributes to the higher net claims ratio. JGL reported highest net claims ratio for A&H segment on account of minimal cessation levels. Further, the net claims ratio in F&P segment stood significantly higher than the gross claims ratio in line with considerable increase in claims value which in turn resulted in higher reinstatement premiums paid during the outgoing year. On the other hand, the adequate reinsurance coverage for miscellaneous related risks helped to streamline the translation of claims from gross to net account. In rupee terms, the gross claims *(once annualized)* largely remained unchanged at Rs. 3.1b during the ongoing year; however, net claims were reported higher at Rs. 1.9b with major increase manifested in marine and A&H during HY23. Major claims pertained to Tourism Promotion Services (Pakistan) Limited and Metier Impressions (Pvt.) Ltd falling within the F&P division. Nevertheless, despite absolute increase, the gross and net claims ratio improved during the ongoing year on account of positive momentum witnessed in the business revenues. The segment-wise breakdown of net claims ratio can be seen below:

Net Claims Ratio	**CY20**	**CY21**	**CY22**	**1HCY23**
Fire and property damage	64.2%	39.2%	74.5%	52.1%
Marine, aviation and transport	39.3%	43.5%	31.9%	40.0%
Motor	40.8%	42.1%	42.7%	43.2%

Liability	11.2%	16.9%	11.3%	14.0%
Accident & Health	88.5%	84.9%	82.9%	80.3%
Miscellaneous	43.4%	35.1%	43.8%	26.5%
Total Net Claims Ratio	**61.7%**	**55.0%**	**59.5%**	**55.0%**

Profitability Performance
The Company's underwriting performance experienced a downturn during the outgoing year, amounting to Rs. 164.0m (CY21: Rs. 451.2m) in conjunction with adverse claims experience. Additionally, the underwriting expense ratio also increased slightly to 37.6% (CY21: 36.3%) in line with inflationary pressure on management expenses, particularly employee benefit costs, coupled with higher commission paid to agents to maintain market share. Resultantly, overall combined ratio increased to 97.1% (CY21: 91.3%) during CY22. However, with shift in the investment portfolio towards government securities along with high benchmark rates prevalent, returns from debt instruments and bank balances boosted recurring income significantly to Rs. 2.2b (CY21: Rs. 1.4b) during CY22. Consequently, the net operating ratio improved to 58.6% (CY21: 63.6%). As a result of growth in investment income, despite weakening of underwriting performance, JGI posted slightly higher profit before tax amounting to Rs. 2.5b during CY22 as opposed to Rs. 2.3b in the preceding year. On the other hand, the bottom line was recorded lower at Rs. 1.5b (CY21: Rs. 1.6b) owing to imposition of 4% super tax.

The underwriting profit stood higher at Rs. 279.8m during 1HCY23 on account of improvement in scale of operations; the growth was underpinned by inflation adjustments to policy prices that boosted the topline along with enhancement of market share. Additionally, decline in net claims ratio following above average claim incidences during CY22 along with maintenance of underwriting expense ratio on a timeline at 36.8% (CY22: 37.6%, CY21: 36.3%) due to cost rationalization resulted in combined ratio being recorded at FY21's level at 91.8% (CY22; 97.1%; FY21: 91.3%). Moreover, with continued expansion of recurring investment income amidst the high policy rate environment, net operating ratio also improved on a timeline, decreasing notably to 49.7%. Consequently, the bottom line doubled vis-à-vis 1HCY22 to Rs. 1.1b during the ongoing year.

Reinsurance Treaties
The Company's risk profile is supported by the sound reinsurance coverage provided by a diversified panel of international reinsurers. Moreover, the overall risk profile of the panel also exhibited improvement during the ongoing year with all the reinsurers being rated in 'A' band or higher following the exit of Milli Re and Russian Re, which were rated 'B+' and 'B', respectively. Several other changes were noted as Kuwait Re, Toa Re, Newlines Re, Mapfre Re and Peak Re were replaced by ADNIC Re, Volante, Re, Turk Re, Korean Re, Odyssey Re, Antares Syndicate, Apollo Syndicate, Everest Insurance and HCC International. Consequently, shift in shares of the reinsurance panel across segments was evidenced also. Other than F&P and engineering segments, slight increases in treaty sizes and retention levels were witnessed; the same was reflective of both growth in operating scale and inflationary impact. However, size of maximum risk per claim is considered manageable relative to equity base. Furthermore, treaties pertaining to motor (catastrophe), voyage and trade credit were also not renewed in ongoing year owing to reduction in the business volume of the aforementioned segments. Moreover, for major segments, particularly F&P, non-proportional, excess of loss (EOL) treaties are in place providing sufficient protection against large claims. Going forward, the management does not expect any major changes in reinsurance panel, treaty terms and commission rate for CY24.

Investments
JGI's net investment income increased on a timeline to Rs. 1.2b (CY22: Rs. 1.4b, CY21: Rs. 1.4b) during 1HCY23 in conjunction with the expansion of the investment portfolio which stood at Rs. 16.0b (CY22: Rs. 14.7b, CY21: Rs. 14.0b). Overall investment mix has witnessed a paradigm shift towards debt securities over the rating review period, constituting 81.2% of the portfolio size (CY22: 81.4%, CY21: 59%), owing to policy rates being at the highest ever coupled with volatile stock market performance on the back of macroeconomic weakening. More than half of the debt instruments are parked in 3-20yr PIBs, amounting to Rs. 6.8b (CY22: Rs. 7.1b, CY21: 2.4b) with returns varying between 8.12% and 13.84% while the remainder

constitutes of T-Bills, largely having three months tenor. In accordance with the Insurance Ordinance, JGI has placed PIBs with face value of Rs. 200m with the State Bank. However, out of the total PIB portfolio only Rs. 50.9m pertained to 20-year maturity and were categorized under held to maturity (HTM), therefore given the minuscule portion coupled with HTM placement, the aforementioned PIB portfolio is not exposed to mark-to-mark losses emanating from interest rate movements. On the flip side, equity investments amounted to Rs. 2.7b (CY22: Rs. 2.5b, CY21: Rs. 3.0b), largely pertaining to listed companies across several sectors, primarily commercial banks, oil & gas, and fertilizer companies. The Company also has strategic long-term equity investments in associated companies, namely, JLICL and Jubilee Kyrgyzstan Insurance Company (JKIC), aggregating to Rs. 1.1b (CY22: Rs. 1.1b, CY21: Rs. 1.0b) at end-June'23. The Company's had 6.4% and 19.5% equity holding in JLICL and JKIC respectively at end-CY22. Moreover, investments in term deposits were also diverted to debt instruments over the rating review period, reducing to Rs. 284.6m (CY22: Rs. 256.3, CY21: Rs. 2.7b) at end-June'23. Majority of the term deposits constituted foreign deposits with returns ranging between 3.75% to 4.25%. Furthermore, property investments remained unchanged, amounting to Rs. 632.4m (CY21: Rs. 634.9m, CY21: Rs. 640.6m). Given that the majority investment portfolio constituted of government securities, the credit risk originating from the same is considered low. In addition, the entire PIB portfolio held under available for sale is expected to mature during CY23; therefore, owing to short-tenure of securities the market risk emanating from the fixed income portfolio is deemed manageable. Going forward, the management aims to continue with its cautious investment strategy with focus on short-tenure fixed-income instruments in line with high benchmark rates. Breakdown of investment mix is shown below:

	CY21	%	CY22	%	1HCY23	%
Debt Securities	8,280	59.0%	11,988	81.4%	12,999	81.2%
Equities	3,081	22.0%	2,487	16.9%	2,730	17.0%
Term Deposits	2,669	19.0%	256	1.7%	285	1.8%
Total	**14,031**	**100.0%**	**14,731**	**100.0%**	**16,013**	**100.0%**

Liquidity

Despite timeline augmentation in the investment portfolio, the liquidity position in terms of liquid assets to net technical reserves witnessed a decline during the rating review period to 160.3% (CY22: 189%, CY21: 221%) at end-June'23; the same was an outcome of higher claims incidence along with increase in unearned premium reserves, which has risen notably by end-June'23 largely on account of element of cyclicality attached. Nevertheless, the liquidity profile still remains sound and commensurate with the assigned rating. In addition, the liquidity coverage is projected to improve by end-CY23 as unearned premium reserves will be gradually realized. Additionally, insurance debt to gross premium has continued its uptrend increasing on a timeline basis, jumping to 29% at end-1HCY23 (CY22: 20.6%, CY21: 14.4%) on account of increase in receivables due from insurer/reinsurer; however, this can also be attributed to cyclical uptick in receivables and is expected to moderate by the end of the ongoing year. Moreover, aging schedule of insurance debt is considered manageable with 76.7% of receivables falling due within 6 months bracket at end-1HCY23.

Capitalization

The Company's equity has grown steadily in line with positive underwriting profits and uptick in investment income, amounting to Rs. 10.7b (CY22: Rs. 10.5b, CY21: Rs. 10.2b), despite significant dividend payout of 40% (CY21: 40%) for CY22. However, adjusted equity has largely remained unchanged during the rating review period despite profit generation owing to decline in market value of associated companies. However, growth in business activity has outstripped the augmentation of the equity base, resulting in timeline increase in operating leverage to 49.9% (CY22: 41.9%, 37.9%) at end-1HCY23. The notable jump in the operating ratio in the ongoing year is also a function of dip in overall cession levels and premium rate hardening reflective of the high inflationary environment, driving up net premium. The increase in operating leverage is also linked to adjusted equity being stagnant despite profit generation owing to the market value. In addition, JGI is considered sound from a solvency risk perspective as the Company has adequate cushion in terms of total admissible assets over liabilities. Additionally, financial leverage also scaled upwards, rising sharply to 37.4% (CY22: 30.2%, CY21: 26.4%) at end-June'23. However, the increase is primarily attributed to the cyclical uptick in net technical reserves during the ongoing year, therefore, once the unearned premium reserve is gradually realized the financial leverage is expected to rationalize back to FY22 level by end-CY23.

Nonetheless, overall capitalization levels are largely in sync with the assigned ratings. Going forward, enhancing profitability metrics to maintain rangebound capitalization levels will be important from a rating's perspective.

Jubilee General Insurance Company Limited — Appendix I

FINANCIAL SUMMARY *(amounts in PKR millions)*

BALANCE SHEET	31-Dec-20	31-Dec-21	31-Dec-22	30-Jun-23
Cash and Bank Deposits	966	1,902	2,824	1,696
Investments	13,620	14,031	14,729	16,011
Investment Properties	646	641	635	632
Insurance Debt	1,074	1,526	2,691	5,751
Total Assets	23,295	26,194	32,028	38,378
Total Liabilities	13,748	16,004	21,491	27,705
Total Equity	9,547	10,190	10,536	10,673
Adjusted Equity	13,823	13,703	13,566	13,656
INCOME STATEMENT	**31-Dec-20**	**31-Dec-21**	**31-Dec-22**	**30-Jun-23**
Net Premium Revenue	4,959	5,197	5,689	3,408
Net Claims	3,058	2,860	3,386	1,875
Underwriting Profit	(85)	451	164	280
Net Investment Income	1,710	1,385	1,437	1,214
Profit Before Tax	2,114	2,330	2,470	2,100
Profit After Tax	1,533	1,649	1,534	1,106
RATIO ANALYSIS	**31-Dec-20**	**31-Dec-21**	**31-Dec-22**	**30-Jun-23**
Market Share (Gross Premium)	10.1%	10.6%	10.4%	13.0%
Cession Ratio	46.6%	43.7%	49.0%	37.8%
Gross Claims Ratio	45.8%	39.7%	51.8%	42.7%
Net Claims Ratio	61.7%	55.0%	59.5%	55.0%
Underwriting Expense Ratio	40.0%	36.3%	37.6%	36.8%
Combined Ratio	101.7%	91.3%	97.1%	91.8%
Net Operating Ratio	75.0%	63.6%	58.6%	49.7%
Insurance Debt to Gross Premium**	11.8%	14.4%	20.6%	29.0%
Operating Leverage**	35.9%	37.9%	41.9%	49.9%
Financial Leverage**	25.2%	26.4%	30.2%	37.4%
Adjusted Liquid Assets to Technical Reserves	**217.1%**	**221.0%**	**188.9%**	**160.3%**

**Figures represent conventional business*

*** Annualized*

****Operating leverage and financial leverage calculated on adjusted equity basis*

REGULATORY DISCLOSURES Appendix II

Name of Rated Entity	Jubilee General Insurance Company Limited
Sector	Insurance
Type of Relationship	Solicited
Purpose of Rating	Insurer Financial Strength

Rating History

Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
RATING TYPE: INSURER FINANCIAL STRENGTH				
04/12/2023	AA++(IFS)	-	Stable	Reaffirmed
30/12/2022	AA++(IFS)	-	Stable	Reaffirmed
31/03/2022	AA++(IFS)	-	Stable	Harmonised
28/12/2021	AA+	-	Stable	Reaffirmed
29/12/2020	AA+	-	Stable	Reaffirmed
12/31/2019	AA+	-	Stable	Reaffirmed
12/31/2018	AA+	-	Stable	Reaffirmed
1/23/2018	AA+	-	Stable	Reaffirmed
11/8/2016	AA+	-	Stable	Reaffirmed
12/31/2015	AA+	-	Stable	Reaffirmed
12/30/2014	AA+	-	Stable	Reaffirmed
12/12/2013	AA+	-	Stable	Reaffirmed

Instrument Structure	N/A
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.
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Due Diligence Meetings Conducted

Name	Designation	Date
Mr. Nawaid Jamal	CFO	October 19, 2023
Mr. Kamran Arif	Financial Controller	October 19, 2023