VIS
Credit Rating Company Limited

RATING REPORT

JUBILEE GENERAL INSURANCE COMPANY LIMITED

Analyst:

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RATING DETAILS		
RATINGS CATEGORY	Latest Rating	Previous Rating
	IFS	IFS
ENTITY	AA++ (IFS)	AA++ (IFS)
RATING OUTLOOK/ WATCH	Stable	Stable
RATING ACTION	Reaffirmed	Reaffirmed
RATING DATE	March 24, 2026	February 04, 2025

Shareholding (5% or More)	Other Information
Aga Khan Hospital & Medical College Foundation – 20.6%	Incorporated in 1953
Habib Bank Limited – 19.8%	Public Limited Company
Aga Khan Fund for Economic Development – 14.0%	Chief Executive: Azfar Arshad
Hashwani Hotels Limited – 5.5%	External Auditor: KPMG Taseer Hadi & Co. (Chartered Accountants)

Applicable Rating Methodology

Applicable Rating Criteria: General Insurance

https://docs.vis.com.pk/docs/GeneralInsurance-2023.pdf

Rating Scale

https://docs.vis.com.pk/docs/VISRatingScales.pdf

Rating Rationale

The rating assigned to Jubilee General Insurance Company Limited (JGICL or "the Company") reflects sound ownership structure, with Aga Khan Fund for Economic Development and related entities remaining significant shareholders. The rating also incorporates the Company's scale and market positioning, as JGICL held a market share of 12.7% as at end-Sept' 25, compared to 11.9% in the corresponding period last year, maintaining its position among the leading private-sector general insurers in Pakistan. Gross written premium increased against an industry-wide contraction, driven primarily by growth in the Fire & Property and Accident & Health segments, alongside continued expansion of takaful business.

During 9MCY25, underwriting performance weakened, with the Company reporting an underwriting loss; the same was attributable to elevated claims in the Fire & Property and Miscellaneous segments and higher underwriting expenses. Nevertheless, overall profitability remained supported by higher investment income and realized gains. The rating further factors in the Company's diversified reinsurance arrangements with international and local counterparties. Liquidity profile is sound as evidenced by adequate coverage of technical reserves by liquid assets. JGI is also considered sound from a solvency risk perspective as the Company has adequate cushion in terms of total admissible assets over liabilities. Since majority of investment portfolio is vested in government securities, the credit risk is considered manageable.

Going forward, the rating will remain sensitive to the Company's ability to manage underwriting volatility, particularly in loss-affected segments, sustain market share amid competitive conditions, and preserve profitability as investment yields normalize in a declining interest-rate environment.

Company Profile

JGICL is primarily involved in the provision of insurance coverage related to Fire & Property (F&P), motor, accident & health, marine, liability and miscellaneous risks (including engineering, bonds, terrorism, bankers' blanket bond and travel business). The Company operates 26 (CY23: 26) branches within Pakistan.

The Company was granted authorization on March 10, 2015, under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations (WTO) in respect of general takaful products by the Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on May 7, 2015.

AUDITOR'S OPINION

KPMG Taseer Hadi & Co. (Chartered Accountants) has provided an unqualified and unmodified opinion, affirming that the Company's financial statements comply with accounting standards and accurately portray the Company's financial position as of December 2024.

Sponsor Profile

There are three major shareholders of JGICL:

Aga Khan Hospital & Medical College Foundation – 20.6%

Aga Khan Hospital & Medical College Foundation is a not-for-profit company limited by guarantee, incorporated in Pakistan under Section 42 of the Companies Ordinance. The Foundation operates teaching hospitals, medical colleges, and related healthcare and research institutions. It is part of the Aga Khan Development Network and is associated with the hospital and medical college operations of Aga Khan University in Pakistan.

Habib Bank Limited – 19.8%

Habib Bank Limited (HBL) was established in 1941 and commenced operations in Pakistan in 1947. The bank operates across retail, corporate, SME, trade finance, investment banking, and Islamic banking segments. Following privatization in 2004, following which majority ownership and management control transferred to the Aga Khan Fund for Economic Development.

Aga Khan Fund for Economic Development – 14.0%

The Aga Khan Fund for Economic Development (AKFED) is the for-profit arm of the Aga Khan Development Network. AKFED holds investments across multiple sectors, including financial services, infrastructure, tourism, media, and industry, through affiliated companies operating in various countries. In Pakistan, AKFED's primary investment is its controlling stake in Habib Bank Limited acquired during the 2004 privatization process.

Management and Governance

BOARD OF DIRECTORS OVERVIEW

During CY24, the Board of Directors of JGICL comprised nine members including the Chief Executive Officer. Except for one foreign director, all directors were Pakistani nationals, with the required security clearance obtained from the Ministry of Interior. The Board follows a policy of diversity and inclusiveness, promoting representation across gender, expertise, experience, and social background, which supports the company's governance framework and long-term objectives. During CY24, Mr. Badruddin Fatehali Vellani resigned from the Board on August 12, 2024, after serving as a non-executive director and as Chairman of the Board Risk and Compliance Committee. Following the year end, Ms. Sima Kamil was appointed as an independent director to fill the casual vacancy created by his resignation

BOARD COMMITTEES

The Board operated through five standing committees during CY24:

1. Board of Audit Committee
2. Board of Risk and Compliance Committee
3. Board Human Resource, Remuneration and Nomination Committee
4. Board Investment Committee

5. Board of Information Technology Steering Committee

In CY24, four meetings each of the Board Investment Committee, Board Risk and Compliance Committee, and Board Human Resource, Remuneration and Nomination Committee were held. Five meetings of the Board Audit Committee and seven meetings of the IT Steering Committee were convened. The Chairpersons of the Audit Committee and the HR, Remuneration and Nomination Committee were independent directors. In CY24, the Company did not report any deviations from the Listed Companies (Code of Corporate Governance) Regulations 2021 or the Code of Corporate Governance for Insurers and disclosed a statement of compliance confirming adherence to applicable governance requirements.

CHAIRMAN/CEO PROFILE

Mr. Akbar Ali Pesnani, an MBA and fellow member of both the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan, has held leadership roles across corporate and development sectors. With over 49 years of senior-level association with the Aga Khan Development Network (AKDN), he also served as its Diplomatic Representative in Tajikistan for seven years and as Envoy of His Highness the Aga Khan in Afghanistan for about two years. He is currently Chairman of Cherat Packaging Limited, Jubilee General Insurance Company Limited, and the Aga Khan Cultural Service Pakistan, as well as a Director on the Board of Cherat Cement Company Limited and Pakistan Cables Limited, where he has served since May 5, 2020.

Azfar Arshad, an engineer by background and an MBA, has extensive leadership experience in the insurance sector, combining technical expertise with strategic business acumen. He previously served as Chief Operating Officer at JGICL and as Chairman of the Insurance Association of Pakistan. With a career focused on organizational growth, operational efficiency, and customer-centric strategies, he has played a key role in driving innovation and strengthening industry practices.

Business Risk

INDUSTRY UPDATE

The year 2024 was positive for the insurance sector as Total Premium (Incl. Takaful) rose 17.6% year-on-year and underwriting discipline was strengthened across major lines. Selective repricing in loss-heavy portfolios such as motor, health, and fire, together with tighter risk screening and improved retention, helped improve the net claims ratio from about 50.3% in 2023 to 54.2% in 2024 translating into improved combined ratio (FY24: 92.8%; FY23: 96.2%). While underwriting profit almost doubled in absolute terms, its contribution to the sector's bottom line was reduced slightly as fixed instrument-driven investment income remained strong. The sector's profitability jumped to PKR 11,092mn in FY24 (FY23: PKR 6,534mn).

As 2025 unfolded, however, operating conditions posed challenges. Total Premium (including takaful) contracted by 1.0% year-on-year in 9MCY25. At the same time, monsoon and flood events during 2025 generated a sharp rise in claims. Industry-wide net claims surged year-on-year in 9MCY25, particularly for damaged vehicles (sedans/saloons) in areas like Punjab and KP. As a result, the industry's net claims ratio deteriorated to 61.0% (9MCY24: 50.9%). Although insured losses represented only a fraction of total economic damage due to Pakistan's persistently low insurance penetration at under 1% of GDP, the events highlighted the need for national disaster-risk financing mechanisms. Reinsurers, while offering somewhat more capacity than in the hard-market years of 2023–24, maintained caution regarding nat-cat exposures. Renewal discussions in 2025 centered on improved data, clearer accumulation controls, and disciplined attachment structures, with Pakistan Reinsurance Company anchoring compulsory cessions and international reinsurers focusing on upper-layer catastrophe cover.

In terms of composition, the non-life (general) and life insurance segments account for ~33% and ~67% of the Gross Written Premium, respectively, including the Takaful Contribution. Takaful's significant expansion to 19.3% (CY2024: 12.2%) in 9MCY25 of Total Premium (Incl. Takaful), powered by customer preference, strengthened Shariah governance, and banca-takaful partnerships continued to redefine market share dynamics and attract first-time insurance users.

Despite near-term challenges, the sector's underlying opportunity remains substantial. Penetration is still among the lowest in Asia, leaving major growth potential in bancassurance, telco-based micro-insurance, agricultural protection, health coverage expansion, and digital-first distribution. Climate-related risks will continue to shape the operating environment, influencing reinsurance terms, capital requirements, and future claims volatility, but also creating new avenues for innovation. Overall, Pakistan's insurance industry demonstrated resilience in 2024 and adaptability in 2025.

REGULATORY DEVELOPMENTS:

Alongside these business developments, structural shifts will continue to shape the competitive landscape. SECP has recently imposed a minimum higher capital requirement of PKR 2bn. As of Sep'25, out of 28 companies in General Insurance Sector, 6 fall short of meeting the minimum capital requirement, which is required to be met by 2030. SECP's recent approval of Pakistan's first digital-only non-life insurer in 2025 marked a significant milestone, signaling the emergence of tech-driven distribution. Other disclosure related changes are also upcoming including the implementation of IFRS 17 by the insurance sector, starting January 2027. This will standardize the recording of claims liability across the sector and make comparison more meaningful.

OPERATIONAL PERFORMANCE:

JGICL is primarily involved in the provision of insurance coverage related to fire & property, motor, accident & health, marine, liability and miscellaneous risks (including engineering, bonds, terrorism, bankers' blanket bond and travel business). The overall business mix remains dominated by Fire and Property (F&P) segment followed by Accident & Health (A&H) and Miscellaneous segment.

The Gross Written Premium/ Contribution (GWP) witnessed growth of 6.1% during 9MCY25, reaching PKR 21.7bn (9MCY24: PKR 20.5bn) against a contraction of 0.3% in the industry GWP. Consequently, JGICL's overall market share improved to 12.7% (9MCY24: 11.9%). With stabilization of inflation rate, the growth is driven by increasing popularity of Takaful segments and higher digital retail sales. Moreover, overall macroeconomic improvement also led to the observed growth. The conventional GWP grew marginally to PKR 18.5bn (9MCY24: PKR 18.4bn) in relation to industry contraction of 9.0%, resulting in an improvement in conventional market share to PKR 13.4% (9MCY24; 12.1%). Additionally, the takaful segment reached PKR 3.2bn (9MCY24: PKR 2.1bn) registering growth of 52.2% against market growth of 66.1% which reducing JGICL's takaful market share to 9.7% (9MCY24: 10.6) at end-Sept'25.

Additionally, given that technological development is a major growth driver in the insurance sector, the Company has undertaken incremental IT and digital upgrades aimed at improving operational efficiency, service delivery, and internal controls. The Company has enhanced digital customer-facing platforms, including online portals and mobile applications, enabling policy issuance, premium payments, and claims reporting. Technology-enabled solutions have been introduced for motor insurance and claims management, facilitating real-time loss reporting and surveyor allocation, as well as marine insurance applications allowing issuance of cover notes on a 24/7 basis. Alongside customer-facing initiatives, JGICL continues to invest in process automation and system enhancements to reduce manual intervention, strengthen data accuracy, and support scalability. These upgrades reflect a gradual shift towards greater digitization rather than a one-off core system overhaul.

Additionally, given that technological development is a major growth driver in the insurance sector, the Company has implemented online portals and mobile-based applications supporting policy issuance, premium payments, and claims intimation, particularly within the motor insurance segment. A motor claims application enables real-time loss reporting and surveyor assignment, while a marine insurance application allows issuance of cover notes on a 24/7 basis. In parallel, the Company continues to automate internal processes to reduce manual intervention and improve operational efficiency. Going forward, the Company aims to grow by capturing business through innovative digital marketing channels and effective reinsurance arrangements.

Table 1: Gross Written Premium/ Contribution (Amount in PKR Millions)

GROSS WRITTEN PREMIUM/ CONTRIBUTION	**CY23**		**CY24**		**9MCY25**		**9MCY24**	
Fire and property damage	**7,983.6**	41.0%	**9,215.7**	40.0%	**8,531.6**	39.3%	**8,737.4**	42.7%
Conventional	7,595.4		8,736.7		8,061.7		8,317.8	
Takaful	388.2		479.0		469.9		419.6	
Marine, aviation and transport	**1,651.0**	8.5%	**2,063.2**	8.9%	**1,500.4**	6.9%	**1,652.3**	8.1%
Conventional	1,461.9		1,783.7		1,233.4		1,441.2	
Takaful	189.1		279.5		267.0		211.1	
Motor	**2,720.7**	14.0%	**2,954.7**	12.8%	**2,471.1**	11.4%	**2,396.4**	11.7%
Conventional	1,970.2		2,168.2		1,758.6		1,772.7	
Takaful	750.5		786.5		712.5		623.8	
Liability	**575.9**	3.0%	**936.1**	4.1%	**906.5**	4.2%	**757.0**	3.7%
Conventional	575.9		936.1		906.5		757.0	
Takaful	-		-		-		-	
Accident & Health	**3,166.0**	16.3%	**3,535.6**	15.3%	**4,366.4**	20.1%	**2,925.0**	14.3%

Conventional	2,290.4		2,497.8		2,698.8		2,149.8	
Takaful	875.6		1,037.9		1,667.6		775.1	
Miscellaneous	**3,361.9**	17.3%	**4,351.5**	18.9%	**3,927.9**	18.1%	**3,991.1**	19.5%
Conventional	3,277.1		4,264.4		3,843.8		3,918.3	
Takaful	84.8		87.0		84.1		72.8	
Total	**19,459.1**	**100.0%**	**23,056.8**	**100.0%**	**21,704.0**	**100.0%**	**20,459.2**	**100.0%**
Conventional	**17,170.9**	**88.2%**	**20,386.9**	**88.4%**	**18,502.8**	**85.3%**	**18,356.8**	**89.7%**
Takaful	**2,288.2**	**11.8%**	**2,669.9**	**11.6%**	**3,201.1**	**14.7%**	**2,102.4**	**10.3%**

Financial Risk

CLAIMS EXPERIENCE

The total gross claims expense of JGICL increased to PKR 10.3bn (9MCY24; PKR 9.1bn) wherein conventional and takaful related claims expenses amounted to PKR 8.3bn (9MCY24: PKR 8.0bn) and PKR 2.0bn (9MCY24: PKR 1.1bn) respectively for 9MCY25. Gross claim expenses for F&P, motor, A&H and marine increased and a decrease was observed in Miscellaneous and Liability segments. Consequently, the gross claims ratio increased to 59.9% (9MCY24: 59.1%) at end Sept'25. The gross claims ratio exhibited an increasing trend on a timeline.

Table 2: Gross Claims Ratio

GROSS CLAIMS RATIO	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**15.4%**	**12.7%**	**49.1%**	**15.6%**
Conventional	18.9%	14.2%	64.9%	17.7%
Takaful	50.7%	72.5%	217.7%	94.9%
Marine, aviation and transport	**38.7%**	**33.0%**	**55.2%**	**27.5%**
Conventional	38.8%	26.5%	47.0%	20.5%
Takaful	38.0%	139.1%	110.1%	122.5%
Motor	**49.2%**	**46.4%**	**46.7%**	**49.5%**
Conventional	42.9%	42.9%	41.6%	45.6%
Takaful	75.7%	61.1%	67.6%	66.5%
Liability	**23.7%**	**32.9%**	**9.1%**	**20.2%**
Conventional	23.7%	32.9%	9.1%	38.6%
Takaful				
Accident & Health	**90.9%**	**87.1%**	**82.0%**	**110.9%**
Conventional	82.4%	79.2%	75.2%	79.2%
Takaful	124.3%	115.2%	97.7%	
Miscellaneous	**27.2%**	**121.3%**	**36.9%**	**148.1%**
Conventional	26.8%	122.6%	36.5%	149.7%
Takaful	48.8%	27.5%	65.8%	29.9%
Gross Claims Ratio	**38.2%**	**52.3%**	**59.9%**	**59.1%**
Conventional	33.9%	49.1%	54.0%	56.2%
Takaful	86.8%	89.4%	108.6%	93.3%

Net claims increased to PKR 5.1bn in 9MCY25 (9MCY24: PKR 3.8bn), resulting in a higher net claims ratio of 62.0% (9MCY24: 55.5%), despite a moderation in the gross claims ratio. The increase was primarily driven by higher Accident & Health (A&H) claims, which are largely retained on a net basis given the segment's negligible cession. Moreover, although cession levels increased across Fire & Property, Marine, Liability, and Miscellaneous segments, the corresponding net claims ratios for these classes also rose, reflecting the Company's reinsurance structure, which is predominantly based on Excess of Loss (EoL) treaties. While aggregate cession remained moderate at 45.0% in 9MCY25 (9MCY24: 45.4%), such cover mainly protects against large, infrequent losses, with high-frequency, low-severity claims continuing to fall within retention limits, thereby limiting the impact of higher cession on net claims.

Table 3: Net Claims Ratio

NET CLAIMS RATIO	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**56.1%**	**29.5%**	**100.7%**	**37.1%**
Conventional	52.0%	26.5%	100.4%	34.2%
Takaful	106.5%	61.3%	108.0%	62.6%
Marine, aviation and transport	**44.6%**	**51.2%**	**46.8%**	**49.7%**
Conventional	44.9%	42.0%	38.5%	39.4%
Takaful	42.4%	149.2%	87.9%	149.2%
Motor	**46.0%**	**43.0%**	**38.5%**	**45.4%**
Conventional	43.9%	43.3%	37.3%	45.2%
Takaful	52.0%	42.3%	41.8%	45.7%
Liability	**5.4%**	**2.4%**	**1.7%**	**0.2%**
Conventional	5.4%	2.4%	1.7%	0.2%
Takaful	0.0%	0.0%	0.0%	0.0%
Accident & Health	**84.4%**	**80.3%**	**73.6%**	**79.8%**
Conventional	82.8%	79.5%	75.2%	79.7%
Takaful	88.7%	82.3%	71.0%	80.0%
Miscellaneous	**27.8%**	**29.7%**	**50.2%**	**24.1%**
Conventional	25.4%	30.5%	51.3%	23.9%
Takaful	63.7%	21.8%	**64.1%**	25.5%
Total Net Claims Ratio	**59.3%**	**54.2%**	**62.0%**	**55.5%**
Conventional	56.2%	50.8%	60.8%	52.2%
Takaful	71.8%	66.7%	65.4%	67.1%

UNDERWRITING PERFORMANCE

Table 4: Profitability Metrics

UNDERWRITING	CY23	CY24	9MCY25	9MCY24
Net Operating Ratio	58.8%	55.6%	75.4%	50.9%
Combined Ratio	96.2%	92.8%	101.2%	91.7%
Net Claims Ratio	59.3%	54.2%	62.0%	55.5%
Underwriting Expense Ratio	36.9%	38.7%	39.2%	35.0%

As of Sept'25, an uptick was seen in the underwriting expense ratio reaching 39.2% (9MCY24: 35.0%); the same is attributable to increases observed in management, commission and General Expenses for the conventional business. Additionally, with an increase in the net claim ratio, JGI reported an overall combined ratio of 101.2% (9MCY24: 91.7%) signifying underwriting losses during 9MCY25. These losses are also attributable to the shifting sector dynamics where margins are trimming in line with intense competition between existing players.

JGICL had underwriting losses of PKR 99.9mn as opposed to an underwriting profit of PKR 646.5mn in the preceding year. Conventional segment witnessed a sizable underwriting loss of PKR 351.1mn (9MCY24: PKR 523.7mn). However, the impact was partially moderated by underwriting profit of PKR 251.3mn (9MCY24: PKR 157.3mn) from Takaful segment at end Sept'25. The decline in underwriting was due to a sizable loss reported under the conventional F&P segment due to sizable claims expenses incurred. Miscellaneous segment also had underwriting losses as opposed to a profit in the previous year due to a higher net claims expense. On the other hand, A&H segment witnessed improved underwriting profits due to a sizable increase in net premium revenue for this segment.

As a result, the net operating ratio (NOR) rose to 75.4% (9MCY25: 50.9%) at end-9MCY25, reflecting the combined impact of underwriting losses reported and weaker recurring investment income. The decline in investment income stemmed from reduced returns on bank balances and government securities. Nevertheless, profitability improved due to net insurance premium growth and higher realized gains on Available for Sale investments. The Company reported Profit Before Tax (PBT) of PKR 5.2bn (9MCY24: PKR 4.1bn) and Profit After Tax (PAT) of PKR 3.2bn (9MCY24: PKR 2.4bn) in Sept'25.

Table 5: Amount in PKR Millions

UNDERWRITING PROFIT	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**(216.6)**	**115.5**	**(764.3)**	**97.7**
Conventional	(171.6)	230.0	(684.3)	107.9
Takaful	(57.9)	(26.5)	(79.0)	(12.0)
Marine, aviation and transport	**73.1**	**(152.9)**	**54.9**	**(70.0)**
Conventional	67.8	(24.8)	122.4	11.0
Takaful	5.2	(113.8)	(66.6)	(80.9)
Motor	**398.0**	**413.9**	**356.6**	**320.5**
Conventional	230.3	197.6	183.7	155.5
Takaful	177.9	241.2	182.0	166.4
Liability	**14.9**	**23.5**	**24.8**	**27.8**
Conventional	13.3	28.8	19.7	27.5
Takaful	-	-	-	-
Accident & Health	**(21.1)**	**(38.0)**	**298.1**	**38.1**
Conventional	4.5	(17.2)	80.2	10.4
Takaful	(13.7)	11.2	218.6	29.5
Miscellaneous	**76.0**	**120.2**	**(70.7)**	**232.4**
Conventional	69.1	129.8	(72.8)	211.3
Takaful	(0.4)	27.4	(3.7)	19.8
Total	**324.4**	**667.3**	**(99.9)**	**646.5**
Conventional	213.3	544.2	(351.1)	523.7
Takaful	111.0	123.1	251.3	122.9

REINSURANCE TREATIES

The Company's risk profile is supported by the sound reinsurance coverage provided by a diversified panel of international and local reinsurers. The overall risk profile of the panel remained sound during CY25 with majority reinsurers being rated in 'A' band or higher.

The Company has long-standing relationships with international reinsurer such as Swiss Re, Hannover Re, Lloyds, SCOR Re, Trans Re, ECHO Re, Malaysian Re, Kuwait Re and Korean Re. The Company is also supported by internationally acclaimed reinsurance brokers including Marsh/ Guy Carpenter, AON, Willis, Lockton and UIB (UK).

INVESTMENTS

Table 6: Investment Portfolio (Amount in Millions)

INVESTMENTS	CY23		CY24		9MCY25	
Equity	6,111.9	31.2%	12,623.9	45.0%	15,512.0	47.2%
Debt	13,229.2	67.5%	15,221.1	54.2%	17,145.7	52.2%
Term Deposits	260.9	1.3%	224.7	0.8%	215.3	0.7%
Total	19,602.0	100.0%	28,069.8	1.0	32,873.0	1.0

The carrying value of the investment portfolio grew to PKR 32.9bn (CY24: PKR 28.1bn; CY23: PKR 19.6bn) in Sept'25. The investment mix remained dominated by debt securities, although declined to 52.2% (CY24: 54.2%, CY23: 67.5%) as a proportion and equities having increased to comprise 47.2% (CY24: 45.0%) of the investment mix.

Almost 63.1% of debt securities constitute PIBs, aggregating to PKR 10.8bn (CY24: PKR 9.9bn; CY23: PKR 7.5bn) while the remainder constitutes T-Bills with a carrying value of PKR 6.3bn (CY24: PKR 5.3bn). In accordance with the Insurance Ordinance, JGI has placed PIBs and T-bills with face value of PKR 187mn (CY23: PKR 200mn) and PKR 65mn (CY24: 65mn) with the State Bank. The weighted average duration of these debt securities was 1.69years at end-Sept'25.

JGICL's equity investments amounted to PKR 15.5bn (CY24: PKR 12.6bn: CY23: 6.1bn) largely pertaining to listed companies across diverse sectors. The Company also has a strategic long-term equity investment in an associated company, namely, Jubilee Kyrgyzstan Insurance Company (JKIC), amounting to PKR 321.9mn (19.5%) (CY24: PKR 299.8mn (19.5%)) at end-9MCY25.

JGICL's investment in term deposits declined to PKR 215.3mn (CY24: PKR 224.7mn; CY23: 260.9mn) at end-Sept'25, mostly constituting foreign deposits ~80% and the remainder are local. These include PKR 1mn (CY24: PKR 1mn) placed under lien with commercial banks against bank guarantees and PKR 40mn (CY24: PKR 40mn) held with a related party. These term deposits carry an interest rate of 11.50% (December 31, 2024: 21%) per annum and have maturity up to May 25, 2026.

Moreover, property investments remained largely unchanged, amounting to PKR 624.2mn (CY24: PKR 626.1mn; CY23: 630.0mn). Given that a sizable portion of investment portfolio constituted government securities, credit risk originating from the same is considered low. Moreover, amid volatility inherent in stock market performance, the portfolio is more susceptible to price risk owing to an increase in equity investments.

Table 7: Yields on Investment (Conventional)

	CY22	CY23	CY24	9MCY25
Investment Portfolio	7.8%	22.5%	34.7%	22.6%
Sovereign Debt Securities	14.0%	17.5%	16.3%	17.5%
Equities	-11.3%	32.6%	52.1%	32.6%
Term Deposits	1.3%	9.3%	7.9%	7.0%
Properties	13.3%	15.0%	12.9%	15.0%
Associates	14.3%	17.1%	7.1%	17.1%

LIQUIDITY

LIQUIDITY	CY22	CY23	CY24	9MCY25
Adjusted Liquid Assets to Technical Reserves	142.0%	152.3%	149.5%	130.2%
Insurance Debt to Gross Premium*	18.8%	8.0%	9.0%	15.0%

**Annualized*

Liquid assets in relation to technical reserves witnessed a decrease during 9MCY25, to 130.2% (CY24: 149.5%; CY23: 152.3%) with growth in net technical reserves to PKR 6.8bn (CY24: PKR 5.2bn; CY23: PKR 4.3bn) owing to higher outstanding claims and unearned premium reserves. Both are in line with inherent cyclicality in the sector and will likely normalize by end-CY25. Additionally, insurance debt in relation to Gross Premium (Conventional & Takaful) rose to 15.0% (CY24: 9.0%; CY23: 8.0% in 9MCY25); the same metric was recorded substantially lower during CY24 and is associated with the inherent cyclicality in the insurance sector. Receivables are expected to moderate by the end of CY25.

CAPITALIZATION

Table 8: Capitalization Indicators (Amount in PKR Millions)

CAPITALIZATION	CY21	CY22	CY23	CY24	9MCY25
Total Equity	10,189.7	10,411.9	13,260.9	18,808.1	21,317.5

Operating Leverage*	62.0%	66.9%	64.8%	49.6%	51.7%
Financial Leverage	26.4%	30.2%	25.9%	23.9%	27.7%

**Annualized*

JGICL's equity base has grown to PKR 21.3bn (CY24: PKR 18.8bn; CY23: 13.3bn) at end-Sept'25 due to growth in reserves and investment income. The Company made a cash dividend payment at PKR 5.5 during the ongoing year. Moreover, adjusted equity also grew during the ongoing year in line with an improvement in the market value of debt securities. Despite this, the growth in conventional and takaful business activities outstripped the growth in equity base, resulting in some increase in operating leverage to 51.7% (CY24: 49.6%; CY23: 64.8%) at end-9MCY25. JGI is considered sound from a solvency risk perspective as the Company has adequate cushion in terms of total admissible assets over liabilities. Financial leverage also scaled upwards, rising marginally to 27.7% (CY24: 23.9%; CY23: 25.9%) at end-Sept'25. 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 normalize closer to CY24 level by end-CY25. Overall capitalization levels are largely commensurate with the assigned ratings.

FINANCIAL SUMMARY

BALANCE SHEET	CY22	CY23	CY24	9MCY25
Cash and Bank Deposits	2,823.8	2,823.8	2,004.5	2,703.3
Investments	14,731.1	19,602.0	28,069.8	32,873.0
Liquid Assets	17,554.9	22,425.7	30,074.3	35,576.4
Investment Properties	634.9	630.0	626.1	623.2
Insurance Debt	2,780.6	1,563.9	2,075.7	4,340.5
Total Assets	32,027.7	37,234.5	53,243.2	68,688.5
Total Liabilities	21,491.4	23,758.0	34,435.0	47,371.0
Total Equity	10,411.9	13,260.9	18,808.1	21,317.5
INCOME STATEMENT	CY22	CY23	CY24	9MCY25
Gross Written Premium (WTO+ Conv)	14,798	19,459	23,057	21,704
Net Premium Revenue (WTO+ Conv.)	6,965	8,592	9,333	8,262
Net Claims (WTO+ Conv.)	4,118	5,099	5,056	5,120
Underwriting Profit	377.9	324.4	667.3	(99.9)
Net Investment Income	1,437	2,924	4,083	4,843
Profit Before Tax	2,470	4,418	5,818	5,220
Profit After Tax	1,534	2,904	3,522	3,242
RATIO ANALYSIS	CY22	CY23	CY24	9MCY25
Market Share (Gross Premium)	10.4%	10.6%	10.7%	12.7%
Cession Ratio	45.2%	45.9%	53.0%	45.0%
Gross Claims Ratio	54.7%	38.2%	52.3%	59.9%
Net Claims Ratio	59.1%	59.3%	54.2%	62.0%
Underwriting Expense Ratio	35.5%	36.9%	38.7%	39.2%
Combined Ratio	94.6%	96.2%	92.8%	101.2%
Net Operating Ratio	63.1%	58.8%	55.6%	75.4%
Insurance Debt to Gross Premium*	18.8%	8.0%	9.0%	15.0%
Operating Leverage	66.9%	64.8%	49.6%	51.7%
Financial Leverage	30.2%	25.9%	23.9%	27.7%
Adjusted Liquid Assets to Net Technical Reserves	142.0%	152.3%	149.5%	130.2%

**Annualized*

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	Outlook/ Rating Watch	Rating Action
RATING TYPE: INSURER FINANCIAL STRENGTH			
03/24/2026	AA++ (IFS)	Stable	Reaffirmed
02/04/2025	AA++ (IFS)	Stable	Reaffirmed
04/12/2023	AA++ (IFS)	Stable	Reaffirmed
31/12/2022	AA++ (IFS)	Stable	Reaffirmed
31/03/2022	AA++ (IFS)	Stable	Harmonized
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.
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Due Diligence Meetings Conducted

Name	Designation	Date
Azfar Arshad	CEO	18th December, 2025
Syed Ali Adnan	CFO	