RELIANCE INSURANCE COMPANY LIMITED

Analyst:

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RATING DETAILS		
RATINGS CATEGORY	Latest Rating	Previous Rating
	IFS	IFS
IFS RATING	A++ (IFS)	A+ (IFS)
RATING OUTLOOK/ WATCH	Stable	Stable
RATING ACTION	Upgraded	Reaffirmed
RATING DATE	December 23, 2025	January 31, 2025

Shareholding (5% or More)	Other Information
Individuals - 47.41%	Incorporated in 1981
M/s. Sharmeen Food (Pvt.) Ltd. - 11.27%	Public Limited Company
M/s. Irfan Ashfaq & Company (Pvt.) Ltd., - 10.98%	**Chairman of the Board**: Mr. Irfan Zakaria Bawany **Chief Executive Officer**: Mr. A. Razak Ahmed
Mr. Irfan Zakaria Bawany – 6.18%	BDO Ebrahim & Co. Chartered Accountants
Mrs. Shehla Irfan – 5.98%	

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 Reliance Insurance Company Limited (RICL or “the Company”) reflects the strength of its sponsoring groups the Al-Noor Group and the Amin Bawany Group whose diversified industrial presence reinforces financial stability and governance framework instituted in the Company. The rating also draws strength from the experience and continuity of the management team. During the ongoing year, the Company recorded growth in gross written premium, reflecting initiatives to expand business volumes in a competitive operating environment. Underwriting performance strengthened as net claim ratios improved despite an increase underwriting expenses, resulting in higher underwriting profits for 9MCY’25. Bottom-line performance was further supported by higher investment income driven by favorable market conditions.

The Company’s risk profile continues to benefit from sound reinsurance arrangements with a panel of reputed international reinsurers. However, the rating remains sensitive to RICL’s high allocation to equities, which exposes earnings and capital to market volatility. Liquidity indicators remain strong, supported by healthy coverage of technical reserves through liquid assets. Capitalization also improved following the recent bonus issuance, positioning the Company more comfortably against regulatory capital requirements.

Going forward, the rating will remain dependent on the Company’s ability to sustain growth in market share and strengthen profitability through operational efficiencies, prudent underwriting practices, and disciplined investment management.

Company Profile

Reliance Insurance Company Limited ('RICL' or the 'Company') commenced its general insurance operations in 1981 and offers both Conventional and Takaful (Islamic) insurance solutions. The Company underwrites all classes of traditional and non-traditional business lines under the guidance of qualified and certified Shariah Scholars for its Window Takaful Operations, which began in June 2016.

RICL provides a comprehensive range of products including Fire & Property, Marine Cargo, Motor (Private & Commercial), Personal Accident, Money, Burglary, and Liability (Public & Product) insurance. It also offers coverage for Engineering Risks (MBD, CAR, EAR), Aviation, Terrorism & Sabotage, and Bonds. Under its Takaful operations, equivalent Shariah-compliant products are provided, including Personal and Group Accident Takaful.

Sponsor Profile

The Al-Noor Group operates in multiple sectors such as sugar, rice, and jute exports, before establishing operations in Pakistan. The group's current business interests include sugar manufacturing through Al-Noor Sugar Mills Limited, medium-density fiber (MDF) and board production, modaraba operations, and participation in the insurance sector via Reliance Insurance Company Limited.

The Amin Bawany Group originates from the business initiatives of Mohammad Amin Ahmed Bawany and his family in Pakistan, with involvement across various industrial segments, including sugar, particle board, modaraba, and insurance. The group's portfolio includes entities such as Faran Sugar Mills Limited, Modaraba Undertakings, and participation in the insurance sector through Reliance Insurance Company Limited.

Management and Governance

BOARD OF DIRECTORS OVERVIEW

During the ongoing year, the Board of Directors (BoD) of RICL comprised ten members (Including CEO and the Chairperson). There are three independent directors followed by six non-executive directors and one executive director. No changes were observed in the BoD during the review period. Five Directors of the Company possess sufficient experience and qualification, so they are exempt from attending the Directors' Training Program. Whereas four Directors, namely Mr. Irfan Zakaria Bawany, Mr. Ahmed Ali Bawany, Ms. Tasneem Yusuf and Mr. Muhammad Patel have completed Directors' Training Program either from Pakistan Institute of Corporate Governance or The Institute of Chartered Accountant of Pakistan. Composition has room for improvement in terms of independent representative.

BOARD OF DIRECTORS

Irfan Zakaria Bawany	Non-Executive Director/ Chairperson
Muhammad Omar Bawany	Non-Executive Director
Ahmed Ali Bawany	Non-Executive Director
Noor M. Zakaria	Non-Executive Director
Zia Zakaria	Non-Executive Director
Muhammad Patel	Non-Executive Director
Naeem Ahmed Shafi	Independent Director
Tasneem Yusuf	Independent Director
Jahangir Adam	Independent Director
A. Razak Ahmed	Executive Director/ CEO

CHAIRMAN/CEO PROFILE

Irfan Zakaria Bawany: serves as the Chairman and Non-Executive Director of the Company. He is associated with RICL since 1991. He is CEO of Anam Fabrics (Pvt.) Ltd. and Director of Faran Sugar Mills Ltd. Since August-2023. He is also serving as an independent Director on the Board of Pakistan Aluminum Beverage Cans Limited. He has been on the Board of Pioneer Cables Ltd. from 1983 to 1991. Mr. Bawany has diversified experience in Electrical Cable Manufacturing and Textile made-up business. After receiving a B.B.A. (accounting) from The University of Houston, USA, he was certified as a Fellow Member of the Texas Society of Certified Public Accountants. He is also a certified Director from Pakistan Institute of Corporate Governance (P.I.C.G.).

A. Razaq Ahmed: Mr. A. Razak Ahmed is the Chief Executive Officer / Managing Director of the Company since 1st November 1995. He has over 46 years of extensive and varied experience-both in public & private sectors. Prior to joining Reliance he had worked with Adamjee Insurance, Pakistan Insurance Corporation (now PRCL) National Insurance Corporation & Premier Insurance Company. He has been on the Executive Committee of the Insurance Association of Pakistan (IAP) several times and had also been the Chairman of Accident & Fire Committees for several terms, besides being Council Member of the Karachi Insurance Institute and member standing committee on Banking and Insurance of the Federation of Pakistan Chamber of Commerce & Industry. He is a Commerce Graduate and a fellow of the Chartered Insurance Institute (FCII) London.

BOARD COMMITTEES

RICL's governance framework is supported by a structured committee system comprising the Audit Committee, Human Resource & Remuneration Committee, and Investment Committee, all operating under Board-approved Terms of Reference. The committees are chaired by non-executive directors, with the Audit Committee led by an independent director in line with regulatory requirements. Throughout the year, the committees met regularly and performed oversight over financial reporting, internal controls, human resource governance, and investment management. Their functioning remained compliant with SECP's Code of Corporate Governance for Insurers, with documented proceedings and periodic reporting to the Board. Committee performance formed part of the annual Board evaluation, confirming their effectiveness in supporting regulatory compliance, risk oversight, and strategic decision-making.

SHARIA COMPLIANCE:

RICL's Window Takaful Operations operate under a WAQF-based model and remain fully aligned with the Takaful Rules, 2012. All products, processes, investments, and documentation are reviewed and approved by the Shariah Advisor, Mufti Muhammad Farhan Farooq, prior to implementation. The Shariah Advisor's Report for 2024 confirms that all activities of the Takaful operations were conducted in accordance with Shariah principles, with no material non-compliance observed.

An independent Shariah assurance review was also carried out for 2024, validating the effectiveness of controls relating to fund segregation, qard-hasan, claims processing, and Shariah-based financial reporting. Any incidental non-Shariah-compliant income identified during the year was purified and transferred to charity as required, with no outstanding balances at year-end. Overall, the Company met all SECP-mandated Shariah governance requirements, including annual Shariah audit, Advisor certification, and maintenance of separate participant and operator funds.

AUDITOR'S OPINION

BDO Ebrahim & 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.

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 55% in 2023 to 51% in 2024 translating into improved combined ratio (FY24: 89%; FY23: 92%). While underwriting profit almost doubled in absolute terms, its contribution to the sector's bottom line reduced slightly as fixed instruments 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.

OPERATIONAL PERFORMANCE

The Company's GWP increased by 10.1% reaching PKR 1.2bn (CY23: PKR 1.1bn). Conventional and takaful segments grew to PKR1.1bn (CY23: PKR 980.3mn) and PKR 157.1mn (CY23: PKR 125.5mn) respectively at end-CY24. The growth is based on volumetric increase in business since the dollar stabilization has halted the growth driven by premium pricing. Meanwhile, the proportion of takaful business is increasing, which is primarily driven by F&P and Motor segments.

Business mix saw minor changes with a moderate decline observed in F&P segment and its share taken by miscellaneous segment.

BUSINESS MIX	CY23	%	CY24	%	9MCY25		9MCY24	%
Fire and property damage	**623.3**	**56.4%**	**657.0**	**54.0%**	**457.2**	**41.3%**	**395.8**	**48.7%**
Conventional	554.3		568.8		399.7		330.8	
Takaful	69.0		88.2		57.5		64.9	
Marine, aviation and transport	**212.2**	**19.2%**	**230.7**	**19.0%**	**203.4**	**18.4%**	**172.9**	**21.3%**
Conventional	194.9		211.2		183.2		159.6	
Takaful	17.4		19.4		20.2		13.3	
Motor	**218.4**	**19.7%**	**234.4**	**19.3%**	**214.0**	**19.4%**	**179.9**	**22.1%**
Conventional	181.4		187.3		149.9		142.6	
Takaful	37.0		47.1		64.1		37.4	
Miscellaneous	**51.9**	**4.7%**	**95.1**	**7.8%**	**142.6**	**12.9%**	**64.4**	**7.9%**
Conventional	49.8		92.8		115.5		63.6	
Takaful	2.1		2.3		27.1		0.8	
Total	**1,105.8**		**1,217.1**		**1,017.3**		**812.9**	
Conventional	980.3	**88.7%**	1,060.1	**87.1%**	848.3	**76.7%**	696.6	**85.7%**
Takaful	125.5	**11.3%**	157.1	**12.9%**	169.0	**16.6%**	116.3	**14.3%**

During the ongoing 9MCY25, GWP grew by 25% to 1.0bn (9MCY24: PKR 812.9mn). Conventional and Takaful segments reached PKR 848.3mn (9MCY24: PKR 696.6mn) and PKR 169.0mn (9MCY24: PKR 116.3mn) respectively. Market share remained the same at 0.50% (2024: 0.50%; 2023: 0.50%). Business mix changed with decline observed in proportions of F&P, Marine and Motor segments followed by an increase in the miscellaneous segment.

UNDERWRITING PERFORMANCE

Table 1: Profitability Metrics (Amounts in PKR Millions)

	CY23	CY24	9MCY25	9MCY24
Net Claims Ratio	31.9%	30.0%	22.6%	29.1%
Underwriting Expense Ratio	72.0%	69.7%	69.4%	64.6%
Combined Ratio	104.0%	99.7%	92.1%	93.7%

Recurring Investment Income	137.0	163.0	103.0	127.7
Net Premium Revenue	519.4	630.7	518.8	463.0
Net Operating Ratio	77.6%	73.9%	72.2%	66.2%

Underwriting expense ratio of RICL rose to 69.4% (9MCY24: 64.6%) in Sept'25 that moderated the impact of lower net claims ratio and subsequently led to only marginal improvement in combined ratio to 92.1% (9MCY24: 93.7%). The higher underwriting expense was an outcome of higher management and net commission expenses during the ongoing year. Additionally, recurring income dropped in line with lower income derived from government securities due to policy rate decline. Consequently, Net Operating Ratio increased to 72.2% (9MCY24: 66.2%) by end-Sept'25.

RICL's underwriting profits (Conventional and Takaful) improved to PKR 41.2mn (9MCY24: PKR 29.0mn) in the ongoing year. Conventional underwriting profits remained range-bound at PKR 20.9mn (9MCY24: PKR 19.1mn) whereas takaful (*PTF & OTF*) profits improved to PKR 20.3mn (9MCY24: PKR 9.9mn). Improvement was driven by higher underwriting profits under Fire and Motor segments. Fire segment improved due to efficient reinsurance treaties.

The Company's investment income reached PKR 451.3mn (9MCY24: PKR 257.1mn) on account of an unrealized gain amounting to PKR 304.6mn (9MCY24: PKR 72.2mn) on Held for Trading Investments, which resulted in an improvement in the Profit Before Taxation (PBT) and Profit after Tax (PAT) to PKR 492.3mn (9MCY24: PKR 304.2mn) and PKR 349.5mn (9MCY24: PKR 243.6mn) respectively at end-9MCY25.

Table 2: Amount in PKR Millions

UNDERWRITING PROFIT	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**(9.2)**	**6.8**	**27.6**	**8.2**
Conventional	(11.6)	0.5	16.4	6.0
Takaful	2.5	6.3	11.2	2.3
Marine, aviation and transport	**(3.3)**	**11.6**	**3.7**	**13.2**
Conventional	(3.4)	8.8	2.1	9.1
Takaful	0.1	2.8	1.6	4.1
Motor	**(10.8)**	**(13.3)**	**13.2**	**4.1**
Conventional	(11.4)	(13.5)	5.8	1.0
Takaful	0.6	0.2	7.4	3.2
Miscellaneous	**2.7**	**(3.3)**	**(3.3)**	**3.4**
Conventional	2.5	(3.0)	(3.4)	3.0
Takaful	0.2	(0.3)	0.1	0.4
Total	**(20.5)**	**1.8**	**41.2**	**29.0**
Conventional	(23.9)	(7.3)	20.9	19.1
Takaful	3.4	9.1	20.3	9.9

Financial Risk

CLAIMS EXPERIENCE

The gross claims expense of RICL (Conventional and Takaful) declined to PKR 337.0mn (9MCY24: PKR 380.0mn) at end-9MCY25 wherein conventional and takaful claims were recorded at PKR 293.1mn (9MCY24: PKR: 327.9mn) and PKR 44.0mn (9MCY24: PKR 52.1mn) respectively. Consequently, the gross claims expense ratio declined to 29.7% (9MCY24: 43.3%) at end-Sept'25.

Table 3: Gross Claims Ratio

GROSS CLAIMS RATIO	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**71.9%**	**69.3%**	**41.7%**	**57.7%**
Conventional	74.7%	68.2%	45.4%	57.4%
Takaful	74.4%	66.0%	17.7%	69.7%
Marine, aviation and transport	**17.2%**	**35.0%**	**14.9%**	**18.8%**

Conventional	16.0%	37.9%	22.6%	23.9%
Takaful	34.0%	2.3%	76.4%	-35.3%
Motor	**46.4%**	**50.4%**	**36.6%**	**40.2%**
Conventional	47.4%	49.8%	37.5%	44.3%
Takaful	47.2%	46.7%	24.7%	30.8%
Miscellaneous	**8.2%**	**0.1%**	**4.7%**	**2.4%**
Conventional	6.9%	-0.2%	1.7%	2.5%
Takaful	37.1%	7.8%	9.2%	0.0%
Total	**54.0%**	**54.7%**	**29.7%**	**43.3%**
Conventional	54.9%	54.2%	35.3%	44.5%
Takaful	60.1%	51.5%	26.0%	44.8%

Net claims expense also declined to PKR 117.4mn (9MCY24: PKR 134.9mn) with major net claims emanating from motor segment since majority of claims are retained on net account due to limited cession. Consequently, net claims ratio improved to 22.6% (9MCY24: 29.1%) during 9MCY25.

Table 4: Net Claims Ratio

NET CLAIMS RATIO	CY23	CY24	9MCY25	9MCY24
Fire and property damage	**56.4%**	**54.0%**	**44.9%**	**48.7%**
Conventional	20.6%	17.9%	13.3%	21.0%
Takaful	39.6%	33.1%	12.8%	40.0%
Marine, aviation and transport	**25.8%**	**13.1%**	**18.8%**	**13.3%**
Conventional	20.6%	17.9%	13.3%	21.0%
Takaful	27.2%	14.2%	40.6%	-21.8%
Motor	**50.7%**	**53.7%**	**39.7%**	**46.7%**
Conventional	50.0%	52.0%	39.3%	46.3%
Takaful	54.6%	62.2%	41.2%	48.8%
Miscellaneous	**6.7%**	**-0.9%**	**6.1%**	**1.5%**
Conventional	4.9%	-1.0%	2.5%	1.6%
Takaful	51.3%	3.2%	31.7%	0.0%
Total	**31.9%**	**30.0%**	**22.6%**	**29.1%**
Conventional	30.2%	28.0%	21.3%	27.9%
Takaful	45.3%	43.2%	31.0%	38.0%

REINSURANCE TREATIES

RICL's risk profile is supported by strong reinsurance coverage provided by diversified panel of reinsurers. Risk profile of the reinsurers is considered sound. Swiss Re continues to be the lead reinsurer in CY25 for all segments. No major changes were observed in the reinsurance panel except the enhancement of Insurer's retention Maximum liability under total treaties for Motor Excess of Loss (Per Risk & CAT) segments. The maximum net retention on own account under treaties and otherwise was PKR 425mn in CY24 which was placed at PKR436mn in CY25.

INVESTMENTS

Table 5: Investment Portfolio (Amount in Millions)

INVESTMENTS (Amounts in PKR Millions)	CY23	CY24	9MCY25
Equity securities	**827.7**	**1,187.3**	**1,455.1**

Mutual funds (AFS)	329.0	35.0%	317.5	24.4%	250.9	15.7%
Listed securities	498.6	53.0%	869.8	66.9%	1,204.1	75.1%
Debt Securities	**70.1**		**70.1**		**103.3**	
Pakistan Energy Sukuk	70.1	7.5%	70.1	5.4%	103.3	6.4%
Term Deposits	**42.6**	**4.5%**	**43.5**	**3.3%**	**44.6**	**2.8%**
Total Investment Portfolio	**940.37**	**100.0%**	**1,300.92**	**100.0%**	**1,602.99**	**100.0%**

RICL's investment income increased to PKR 408.9mn (CY23: PKR 246.0mn) during CY24, on account of higher unrealized gain on Held for Trading Listed Shares which is due to a Bullish trend in the Pakistan Stock Market. Additionally, this trend resulted in a further increase in investment income to PKR 451.3mn (9MCY24: PKR 257.1mn) at end-Sept'25. During the review period, returns from debt securities witnessed decline following the reduction in policy rates.

Carrying value of investment portfolio increased to PKR 1.6bn (CY24: PKR 1.3bn; CY23: PKR 940.3mn) by end-9MCY25. The portfolio remained largely concentrated in equity securities such as listed shares, comprising 75.1% (CY24: 66.9%) of the total investments, followed by mutual funds at 15.7% (CY24: 24.4%). The decline in proportion of mutual funds was offset by a higher allocation towards listed shares during the ongoing year. Carrying value of equity securities grew to PKR 1.5bn (CY24: PKR 1.2bn; CY23: PKR 827.7mn) wherein investments in mutual funds and listed shares were recorded at PKR250.9mn (CY24: PKR 317.5mn) and PKR 1.2bn (CY24: PKR 869.8mn) respectively during 9MCY25. Equity investments largely pertained to listed companies across several sectors Whereas, mutual funds are majorly money market mutual funds.

Almost 6.4% of the investment portfolio is vested in Pakistan Energy Sukuk. As of CY24, Pakistan Energy Sukuk II having face value amounted to PKR 70mn (CY23: PKR 70mn) are placed with State Bank of Pakistan under Section 29 of Insurance Ordinance, 2000. Moreover, investments in term-deposits form 2.8% of the investment portfolio These carry profit at the rate of 8.50% to 16.25% per annum (December 31, 2024: 9.50% to 21% per annum) payable on maturity. Given, amid volatility prevalent in stock market performance, the portfolio is more susceptible to price risk owing to an increase in equity investments.

LIQUIDITY

Table 6: Liquidity Indicators

LIQUIDITY	CY22	CY23	CY24	3QCY25
Adjusted Liquid Assets to Net Technical Reserves (%)	350.4%	308.8%	382.5%	475.6%
Insurance Debt to Gross Premium (%)	45.1%	48.6%	52.8%	53.3%

**Annualized*

Liquidity profile of the Company remains sound as indicated by an increase in the coverage of technical reserves by Liquid assets to 475.6% (CY24: 382.5%) during 9MCY25; the same was an outcome of a higher carrying value of investment portfolio due to increase in listed shares. Moreover, net technical reserves declined marginally to PKR 362.5mn (CY24: PKR 366.9mn; CY23: PKR 339.6mn) at end-Sept'25 due to a decline in outstanding claims and higher prepayments. But due to inherent cyclicality in insurance sector, technical reserves may increase towards end-CY25. Additionally, insurance debt in relation to Gross Premium (Conventional & Takaful) at 53.3% (CY24: 52.8%; CY23: 48.6%).

CAPITALIZATION

Table 7: Capitalization Indicators (Amount in PKR Millions)

CAPITALIZATION	CY22	CY23	CY24	3QCY25
Tier I Equity (In PKR Millions)	1,060.3	1,222.4	1,435.7	1,785.2
Operating Leverage	37.0%	42.5%	43.9%	38.7%
Financial Leverage (%)	23.9%	27.8%	25.6%	20.3%

RICL's Tier I equity grew to PKR 1.8bn (CY24: PKR 1.4bn; CY23: PKR 1.2bn) at end-Sept'25 as the Company issued bonus shares at 51% amounting to PKR 339.3mn out of PKR 665.4mn to meet the new capital requirements. This growth in equity resulted in a lower operating leverage of 38.7% (CY24: 43.9%; CY23: 42.5%). Financial leverage also declined to 20.3% (CY24: 25.6%) at end-Sept'25 despite no significant reduction in the net technical reserves. Additionally, RICL is considered sound from a solvency point of view as the Company has adequate cushion in terms of total admissible assets over its liabilities. Aging of claims is satisfactory as none of the outstanding claims are due for more than two years.

FINANCIAL SUMMARY *(amounts in PKR millions)*

BALANCE SHEET	**CY22**	**CY23**	**CY24**	**3QCY25**
Cash and Bank Deposits	101.8	108.6	102.2	121.0
Investments	794.0	952.6	1,313.7	1,620.5
Liquid Assets	888.7	1,048.9	1,403.1	1,724.0
Insurance Debt	386.7	537.2	642.4	723.1
Total Assets	1,888.9	2,312.5	3,185.1	3,677.3
Paid Up Capital	633.7	665.4	665.4	1,004.7
Tier I Equity	1,060.3	1,222.4	1,435.7	1,785.2
Net Technical Reserves	253.6	339.6	366.9	362.5
Total Liabilities	828.6	1,055.1	1,612.7	1,704.6
INCOME STATEMENT	**CY22**	**CY23**	**CY24**	**3QCY25**
Gross Written Premium (Inc. Takaful)	857.9	1,105.8	1,217.1	1,017.3
Net Premium Revenue (Inc. Takaful)	392.7	519.4	630.7	518.8
Net Claims (Inc. Takaful)	105.6	165.7	189.2	117.4
Underwriting Profit/(Loss) (Inc. Takaful)	(17.6)	(20.5)	1.8	41.2
Investment Income	67.4	246.0	408.9	451.3
Profit Before Tax	67.6	257.0	436.2	492.3
Profit After Tax	44.1	171.9	301.9	349.5
RATIO ANALYSIS	**CY22**	**CY23**	**CY24**	**3QCY25**
Market Share (%)	0.64%	0.60%	0.57%	0.50
Cession Ratio (%)	49.0%	42.6%	42.6%	43.7%
Gross Claims Ratio (%)	34.2%	54.0%	54.7%	29.7%
Net Claims Ratio (%)	26.9%	31.9%	30.0%	22.6%
Underwriting Expense Ratio (%)	77.6%	72.0%	69.7%	69.4%
Combined Ratio (%)	104.5%	104.0%	99.7%	92.1%
Net Operating Ratio (%)	78.7%	77.6%	73.9%	72.2%
Insurance Debt to Gross Premium (%)	45.1%	48.6%	52.8%	71.1%
Operating Leverage (%) *	34.0%	37.7%	38.1%	33.2%
Financial Leverage (%)	23.9%	27.8%	25.6%	20.3%
Adjusted Liquid Assets to Net Technical Reserves (%)	350.4%	308.8%	382.5%	475.6%

**Annualized*

REGULATORY DISCLOSURES	Appendix II
Name of Rated Entity	Reliance 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			
23/12/2025	A++(IFS)	Stable	Upgraded
31/01/2025	A+ (IFS)	Stable	Reaffirmed
02/01/2024	A+(IFS)	Stable	Reaffirmed
30/12/2022	A+(IFS)	Stable	Harmonized
31/03/2022	A+ (IFS)	Stable	Maintained
31/12/2021	A	Stable	Reaffirmed
31/12/2020	A	Stable	Reaffirmed
31/12/2019	A	Stable	Reaffirmed
31/12/2018	A	Stable	Reaffirmed
27/11/2017	A	Stable	Reaffirmed
29/12/2016	A	Stable	Reaffirmed
30/12/2015	A	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. A. Razzak Ahmed	Managing Director	November 19, 2025
Mr. Ghulam Haider	Chief Financial Officer	
Mr. A Rahim Patni	Ass. Vice President (Reinsurance)	