RATING REPORT

Askari General Insurance Company Limited

REPORT DATE:
March 06, 2025

RATING ANALYSTS:
Musaddeq Ahmed
musaddeq@vis.com.pk

RATING DETAILS

	Latest Rating	Previous Rating
Rating Category	**IFS**	**IFS**
IFS Rating	AA+ (IFS)	AA+ (IFS)
Rating Date	*March 06, '25*	*February 29, '24*
Rating Outlook/Rating Watch	*Stable*	*Stable*
Rating Action	*Reaffirmed*	*Initial*

COMPANY INFORMATION

Incorporated in 1995	**External Auditors:** Yousuf Adil Chartered Accountants
Public Limited Company	**Chairman:** Lt Gen (R) Nauman Mahmood
Key Shareholder(s):	**Chief Executive Officer:** Mr. Abdul Waheed
Army Welfare Trust – 59.25%	
Mr. Muhammad Iqbal – 8.06	

APPLICABLE METHODOLOGY(IES)

VIS Rating Criteria: General Insurance
https://docs.vis.com.pk/docs/GeneralInsurance-2023.pdf

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

Askari General Insurance Company Limited

OVERVIEW OF THE INSTITUTION

AGIC commenced commercial operations in 1995 and is listed on Pakistan Stock Exchange. With a network of 20 branches, the company is engaged in general insurance business.

Profile of Chairman

Lt Gen (R) Nauman Mahmood, HI (M) (Retired) passed out from Pakistan Military Academy in 1987 and was commissioned in an Infantry Battalion. He is graduate of Command and Staff College Quetta, Command and Staff College Cario, Egypt and National Defence University Islamabad. The General Officer is a recipient of Hilal-e-Imtiaz (Military) and holds a Master Degree in War Studies as well.

Profile of CEO

Mr. Abdul Waheed has diverse experience in financial management, banking, and leasing sector. He is a qualified Certified Public Accountant (USA). Mr. Waheed has held the position of CEO since 2010.

RATING RATIONALE

The rating assigned to Askari General Insurance Company Limited ('AGIC' or the 'Company') reflects the strength of its majority shareholder, which maintains a diversified presence across various sectors of the economy. The rating factors in growth in business volumes driven by inflationary and forex adjustments to premiums, alongside onboarding of new clients. Underwriting profits improved during the rating review period, supported by growth in net premium revenue and rationalized expense management. While underwriting profits in the conventional segment increased, the takaful segment continued to report underwriting losses. Additionally, the bottom line benefited from higher investment income. The Company plans to focus on Shariah-compliant investments, particularly through Islamic Income funds, to align with its long-term strategy. The transition from fixed-rate to floating-rate investments is expected to mitigate market risk.

The rating is further supported by strong reinsurance arrangements with counterparties holding sound ratings. AGIC maintains a strong solvency position, with adequate admissible assets providing sufficient cushion against liabilities. However, both operating and financial leverage have increased on a timeline basis. With significant business volume growth anticipated, leverage indicators are projected to rise further during the rating horizon.

Looking ahead, improvement in underwriting profitability through rationalization of loss ratios, effective market risk management, and sustained profitability will remain key rating drivers. Additionally, management of leverage indicators to ensure alignment with the assigned rating will be critical to maintaining financial stability.

Insurance Sector Update

Global Overview

The global insurance industry has demonstrated remarkable resilience and adaptability amidst evolving macroeconomic conditions and heightened geopolitical tensions. In 2023, the industry recorded its strongest growth since 2006, expanding by 7.5%. Global premiums reached USD 7.2 trillion, divided among life insurance (USD 2.8 trillion), property and casualty (P&C) (USD 2.1 trillion), and health insurance (USD 1.4 trillion).

Regional market dynamics underscore significant variances in growth. North America continues to dominate the P&C and health insurance segments, contributing 54.2% and two-thirds of global premiums, respectively. The Asia-Pacific region led the recovery in life insurance, buoyed by China's post-pandemic rebound (7.7% growth) and India's exceptional growth trajectory of 13.6%. In Europe, life insurance premiums grew by 3.3% in 2023 after a contraction in 2022, though challenges persist, including a heavy reliance on single-premium products.

Sustainability and ESG (Environmental, Social, and Governance) integration have become central to insurers' strategies, with almost all firms embedding sustainability goals into their investment portfolios. Clean energy and transition technologies are particularly prominent themes. Technological innovation, especially through artificial intelligence (AI), is gradually replacing traditional insurance processes. AI is now critical for underwriting, claims management, and risk modeling, while advancements in IT enable real-time customer engagement and personalized products.

Capital management strategies are also evolving in response to macroeconomic changes. Higher interest rates have improved investment yields, prompting insurers to increase allocations to private markets and alternative assets, such as infrastructure debt. Liquidity management remains a top priority as insurers strive to balance portfolio diversification with maintaining stable risk levels. Meanwhile, regulatory developments and geopolitical tensions are among the top macroeconomic concerns for insurers, further complicated by diverging monetary policies across regions.

Looking ahead, the global insurance market is projected to grow at an annual rate of 5.5% over the next decade, with life and health insurance driving much of this expansion. Asia is expected to remain the primary growth engine, accounting for nearly half of the absolute premium increase. However, the industry must address key challenges, such as balancing insurability and affordability amidst rising climate and cyber risks, tackling inequalities exacerbated by demographic and economic shifts, and adapting to regulatory changes in a fragmented geopolitical environment.

Local Overview

The insurance sector in Pakistan, demonstrates a complex and evolving landscape. The industry is divided into life and non-life insurance segments, with significant contributions from both conventional and takaful (Islamic insurance) operations. However, insurance penetration remains low, at just 0.79% of Gross Domestic Product (GDP). In 2023, the life insurance sector reported a gross premium of PKR 404 billion, with claims paid amounting to PKR 289 billion. Health policies dominated the product distribution, constituting 41% of the total premium, followed by participating policies at 30% and unit-linked policies at 23%. The non-life insurance sector, on the other hand, recorded a gross premium of PKR 227 billion, with claims paid totaling PKR 84 billion. Fire and property damage insurance accounted for the largest share of the premium at 31%, followed by motor insurance at 20% and engineering insurance at 16%.

The financial performance of the sector highlights a substantial investment income, with the life insurance segment reporting total assets of PKR 2,518 billion and investments of PKR 1,911 billion as of Dec'23. The non-life insurance segment also showed strong financial health, with total assets of PKR 381 billion and investments of PKR 145 billion as of Dec'23. The takaful sector, although smaller, shows promising growth potential, particularly in the family takaful segment, which contributed 35% of the total private sector premium. The general takaful segment accounted for 11% of the total non-life insurance industry premium.

Challenges facing the sector include low motor insurance adoption, limited local reinsurance capacity, and a shortage of skilled human resources. The SECP's strategic plan underscores the importance of adopting IFRS-17 by January 2026, embracing technological advancements, strengthening legislative frameworks, and enforcing compulsory insurance schemes to tackle current challenges. Overall, the insurance sector in Pakistan is poised for potential growth, driven by both conventional and takaful operations. The industry's financial stability, coupled with strategic initiatives by the SECP, positions it well for future expansion and increased penetration in the national economy.

Auditor's Opinion

M/s. Yousuf Adil., 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 2023.

Business Strategy

AGIC provides general insurance and window takaful operations across five key segments: fire & property damage, marine, motor, accident & health, and miscellaneous. The Company operates through a nationwide branch network in 20 locations, with no new branch added during the rating review period.

The business mix remained largely stable during CY23, comprising a well-diversified portfolio of fire & property, accident & health, motor, and miscellaneous segments, while the marine segment's proportion remained relatively low over time. During 9MCY24, the accident & health (A&H) segment's proportion increased due to the addition of new clients. Gross Written Premium (GWP) increased to PKR 5.2b (9MCY23: PKR 4.2b), with growth witnessed in both the takaful and conventional segments vis-à-vis SPLY. The takaful related business increased to PKR 861.7m (9MCY23: PKR 496.9m), while the conventional segment reached PKR 4.3b (9MCY23: PKR 3.7b).

Growth was recorded across all segments during 9MCY24. This increase primarily stemmed from upward premium adjustments aligned with inflation rather than a significant client base expansion. The management remains optimistic about navigating market challenges and capitalizing on opportunities while meeting customer needs. As per management, the business mix is expected to remain stable, with the health segment continuing as the dominant contributor. Meanwhile, 10% of the business originates from the group (Fauji Foundation).

The breakup of business mix has been tabulated below:

BUSINESS MIX	**CY22**	**%**	**CY23**	**%**	**3QCY23**	**%**	**3QCY24**	**%**
Fire and property damage	**815.2**		**1,082.6**		**790.7**		**896.3**	
Conventional	689.5	**18.1%**	909.6	**19.5%**	676.3	**18.6%**	765.6	**17.2%**
Takaful	125.7		172.9		114.4		130.7	
Marine, aviation and transport	**371.4**		**587.6**		**364.8**		**420.9**	
Conventional	302.1	**8.3%**	502.0	**10.6%**	285.9	**8.6%**	342.1	**8.1%**
Takaful	69.3		85.5		78.9		78.8	
Motor	**1,290.6**		**1,492.5**		**1,083.8**		**1,196.7**	
Conventional	1,073.9	**28.7%**	1,245.8	**26.9%**	898.4	**25.6%**	963.9	**22.9%**
Takaful	216.7		246.7		185.4		232.8	
Accident & Health	**1,063.0**		**1,499.6**		**1,316.2**		**2,018.1**	
Conventional	1,041.3	**23.6%**	1,392.3	**27.0%**	1,214.6	**31.0%**	1,630.1	**38.6%**
Takaful	21.7		107.3		101.6		387.9	
Misc	**960.1**		**888.1**		**685.6**		**691.1**	
Conventional	935.6	**21.3%**	858.1	**16.0%**	669.0	**16.2%**	659.7	**13.2%**
Takaful	24.5		30.0		16.6		31.5	
Total	**4,500.3**		**5,550.2**		**4,241.2**		**5,223.1**	
Conventional	4,042.4	**89.8%**	4,907.8	**88.4%**	3,744.4	**88.3%**	4,361.4	**83.5%**
Takaful	457.9	**10.2%**	642.4	**11.6%**	496.9	**11.7%**	861.7	**16.5%**

On the Window Takaful Operations (WTO) front, gross and net contributions increased, with significant growth witnessed in the accident & health (A&H) segment, representing the highest proportion of contributions. The management anticipates maintaining the growth trajectory by expanding the scale of Takaful operations in alignment with the Government's initiative to transition Pakistan's economy toward an Islamic financial system.

Claims Performance

GROSS CLAIMS RATIO	CY22	CY23	9MCY23	9MCY24
Fire and property damage	**32.4%**	**86.6%**	**154.7%**	**19.5%**
Conventional	30.2%	105.4%	188.1%	20.0%
Takaful	40.9%	12.5%	21.9%	17.6%
Marine, aviation and transport	**29.8%**	**33.3%**	**39.8%**	**16.6%**
Conventional	34.2%	28.2%	40.2%	15.9%
Takaful	16.2%	51.5%	38.4%	19.4%
Motor	**44.3%**	**45.0%**	**49.6%**	**46.5%**
Conventional	47.6%	46.1%	53.5%	52.5%
Takaful	32.8%	41.5%	36.4%	27.2%
Accident & Health	**85.8%**	**91.0%**	**82.3%**	**88.6%**
Conventional	87.1%	93.1%	84.5%	92.4%
Takaful	25.3%	56.4%	38.8%	53.5%
Misc	**30.6%**	**47.8%**	**52.3%**	**30.9%**
Conventional	30.3%	47.4%	50.7%	28.9%
Takaful	38.5%	57.1%	97.2%	61.0%
Total	**48.7%**	**63.4%**	**77.8%**	**49.3%**
Conventional	51.1%	67.8%	84.9%	52.9%
Takaful	32.5%	37.9%	35.5%	30.6%

During 9MCY24, gross claims stood lower at PKR 2.37b (CY23: PKR 3.46b; 9MCY23: PKR 2.91b). Claims from the conventional and takaful segments amounting to PKR 2.13b (CY23: PKR 3.16b; 9MCY23: PKR 2.72b) and PKR 237.4m (CY23: PKR 192.1m; 9MCY23: PKR 304.4m), respectively. Majority of claims emanated from the accident & health (A&H) segment. Conversely, net claims expense increased, due to retention of A&H claims on net accounts reaching PKR 1.94b (CY23: PKR 1.97b; 9MCY23: PKR 1.36b).

Looking ahead, AGIC plans to prioritize effective management of motor and health claims while maintaining a stable net claims ratio. The Company's continued focus on claims management and reinsurance arrangements positions it well to navigate challenges and maintain stable net claims ratios in the future.

NET CLAIMS RATIO	CY22	CY23	9MCY23	9MCY24
Fire and property damage	**39.5%**	**34.5%**	**49.4%**	**18.6%**
Conventional	41.0%	31.0%	55.9%	20.4%
Takaful	34.6%	50.6%	27.4%	10.9%
Marine, aviation and transport	**21.0%**	**22.4%**	**26.0%**	**36.8%**
Conventional	21.6%	12.2%	19.7%	37.3%
Takaful	18.1%	89.7%	60.2%	34.7%
Motor	**49.1%**	**46.3%**	**53.1%**	**48.8%**
Conventional	49.7%	45.7%	53.6%	51.0%
Takaful	45.2%	49.2%	50.6%	37.8%
Accident & Health	**86.0%**	**91.1%**	**83.0%**	**90.4%**
Conventional	87.0%	92.1%	84.4%	92.4%
Takaful	31.7%	70.5%	48.6%	66.9%
Misc	**30.6%**	**47.8%**	**52.3%**	**30.9%**
Conventional	34.9%	30.5%	38.3%	8.2%
Takaful	44.2%	1.5%	19.0%	69.2%
Total	**61.8%**	**62.1%**	**62.9%**	**66.3%**
Conventional	63.8%	62.9%	64.6%	68.9%
Takaful	41.3%	55.2%	48.5%	46.7%

Reinsurance Arrangements

AGIC's risk profile is supported by strong reinsurance coverage provided by a diversified panel of reinsurers. The risk profile of the reinsurance panel remains sound, as all reinsurers are rated in the 'A' band or higher, with the majority share allocated to 'AA-' rated reinsurers in key segments. The reinsurance panel remained largely unchanged during the rating review period; however, MS First Capital (A.M. Best: A+) was added as a reinsurer. During the review period, certain treaty structures were revised. The Fire QS & Surplus Treaty capacity was reduced from PKR 3.71b in CY23 to PKR 1.8b in CY25, while AGIC's retention under this treaty decreased from PKR 83.75m in CY23 to PKR 60m in CY25. Meanwhile, the Motor Excess of Loss Treaty capacity increased from PKR 51m in CY23 to PKR 76m in CY25, with AGIC's retention remaining unchanged at PKR 8.1m.

Overall, the cession ratio exhibited a declining trend during the rating review period. The highest cession was recorded in fire and marine segments followed by miscellaneous segments while cession pertaining to motor and A&H segments remained low. Despite this, the loss ratio of both these segments has remained manageable.

CESSION RATIO	**CY22**	**CY23**	**3QCY23**	**3QCY24**
Fire and property damage	**79.7%**	**80.3%**	**80.7%**	**83.6%**
Conventional	79.7%	80.7%	80.3%	83.2%
Takaful	79.8%	78.1%	83.3%	85.5%
Marine, aviation and transport	**62.2%**	**68.2%**	**50.0%**	**94.8%**
Conventional	61.0%	64.5%	49.5%	97.7%
Takaful	67.5%	90.1%	51.8%	82.1%
Motor	**5.1%**	**4.5%**	**4.7%**	**5.8%**
Conventional	3.9%	3.5%	3.7%	4.9%
Takaful	11.0%	10.0%	9.6%	9.3%
Accident & Health	**3.3%**	**0.0%**	**0.0%**	**0.0%**
Conventional	3.4%	0.0%	0.0%	0.0%
Takaful	0.0%	0.0%	0.0%	0.0%
Misc	**74.3%**	**83.0%**	**82.0%**	**67.0%**
Conventional	74.8%	83.5%	82.5%	67.0%
Takaful	54.3%	67.6%	63.2%	68.1%
Overall Cession Ratio	**37.7%**	**37.4%**	**33.8%**	**32.2%**
Conventional	37.4%	37.0%	33.9%	33.5%
Takaful	40.3%	40.0%	33.1%	25.5%

Underwriting Performance

	CY22	**CY23**	**9MCY23**	**9MCY24**
Net Operating Ratio	**85.9%**	**86.9%**	**89.0%**	**84.5%**
Combined Ratio	**97.3%**	**99.5%**	**101.1%**	**97.0%**
Net Claims Ratio	61.8%	62.1%	62.9%	66.7%
Underwriting Expense Ratio	35.5%	37.4%	38.2%	30.4%

During 9MCY24, AGIC reported underwriting profits of PKR 86.8m (CY23: PKR 15.7m; 9MCY23: PKR -23.6m), with profits from the conventional segment amounting to PKR 138.7m (CY23: PKR 162.8m; 9MCY23: PKR 69.5m) and losses from the takaful segment recorded at PKR -51.9m (CY23: PKR -147.2m; 9MCY23: PKR -93.1m). The improvement in underwriting performance is attributed to higher net premium revenue, particularly from the A&H and motor segments, along with a decline in the underwriting expense ratio to 30.4% (CY23: 37.4%; 9MCY23: 38.2%) in 9MCY24.

Consequently, the combined ratio improved to 97.0% (CY23: 99.5%; 9MCY23: 101.1%). The net operating ratio also improved to 84.5% (CY23: 86.9%; 9MCY23: 89.1%), supported by an increase in recurring investment income, which increased to PKR 367m (CY23: PKR 401m; 9MCY23: PKR 262.4m), mainly due to higher returns from mutual fund and government securities. Additionally, profit from WTO operations increased to PKR 88.6m (CY23: PKR 99.9m; 9MCY23: PKR 68.1m), contributing to an overall profit after tax of PKR 461.5m (CY23: PKR 432.5m; 9MCY23: PKR 259.9m).

A segment-wise breakdown reveals significant underwriting losses in the motor segment during the rating review period, followed by marine segment. However, management expects a recovery in the motor segment as currency stabilizes, inflation moderates and policy rates decline, leading to some revival of automobile sales during CY25. The Company plans to adjust pricing strategies to align with market conditions and implement effective claims management practices, mitigating the adverse effects of inflation and enhancing its underwriting performance.

P&L (Extract) (PKR million)	**CY22**	**CY23**	**9MCY23**	**9MCY24**
Fire and property damage	**(50.9)**	**(94.3)**	**(36.3)**	**38.3**
Conventional	56.2	52.8	22.4	94.1
Takaful	(107.1)	(147.2)	(58.7)	(55.8)
Marine, aviation and transport	**23.5**	**(10.4)**	**(4.0)**	**(10.5)**
Conventional	43.0	69.3	29.2	19.5
Takaful	(19.5)	(79.7)	(33.2)	(30.0)
Motor	**6.0**	**5.2**	**(119.7)**	**(59.0)**
Conventional	2.4	2.6	-129.3	-100.2
Takaful	3.5	2.6	9.6	41.3
Accident & Health	**2.7**	**4.1**	**85.1**	**38.8**
Conventional	2.4	3.0	74.1	201.0
Takaful	0.4	1.1	11.0	18.8
Misc	**2.5**	**2.1**	**51.3**	**79.1**
Conventional	2.1	1.8	73.1	105.4
Takaful	0.4	0.3	(21.8)	(26.2)
Underwriting Profit/ (loss)	**73.2**	**15.7**	**(23.6)**	**86.8**
Conventional	180.3	162.8	69.5	138.7
Takaful	(107.1)	(147.2)	(93.1)	(51.9)
Investment Income (Conventional)	268.0	449.9	285.3	468.3
Other Income (Conventional)	59.0	78.6	57.7	64.4
Profit from Window Takaful	61.4	104.5	68.1	88.6
Profit before Tax (Conventional)	540.0	772.4	464.9	743.0
Profit After Tax (Conventional)	346.6	432.5	259.9	461.5

Investment Mix

PKR million	**2022**	*%*	**2023**	*%*	**9MCY24**	*%*
Investment Property	36.6	*1.2%*	35.3	*0.9%*	34.3	*0.9%*
Equities	241.6	*7.7%*	470.0	*12.5%*	472.9	*12.8%*
Mutual Funds	100.4	*3.2%*	262.8	*7.0%*	1,116.6	*30.1%*
Debt Securities	2,749.8	*87.9%*	2,984.1	*79.5%*	2,079.9	*56.2%*
Total	**3,128.4**	***100.0%***	**3,752.2**	***100.0%***	**3,703.7**	***100.0%***

The overall investment portfolio including investment property, amounted to PKR 3.7b at end-Sept'24 (CY23: PKR 3.8b; CY22: PKR 3.1b), with the majority allocated to debt securities, primarily comprising PIBs and Sukuks. Additionally, a shift towards Shariah-compliant funds was witnessed as the Company divested its holdings in PIBs. According to the management, no new investments will be made in PIBs, and the Company will focus on generating gains from its existing holdings. The equity portion of the investment portfolio remained stable at 12.8% at end-9MCY24 (CY23: 12.5%; CY22: 7.7%). Meanwhile, the proportion of income fund increased to 30.1% by end-9MCY24 (CY23: 7.0%; CY22: 3.2%) which was driven by investments in the Army Welfare Trust (AWT) Islamic Income Fund and the ADK Islamic Income Fund. This aligns with AGIC's objective to invest solely in Shariah-compliant avenues.

The investment portfolio's sizable allocation to government securities, combined with stable and high-rated equity securities and mutual funds, ensures manageable credit risk. Going forward, the investment policy will continue focusing on generating stable investment income to support the bottom line while managing market volatility.

Capitalization

PKR million	CY22	CY23	9MCY23	9MCY24
Equity	2,471	2,753	2,537	2,859
Financial Leverage	69.8%	76.3%	90.5%	121.4%
Operating Leverage	107.9%	115.3%	85.3%	136.5%

The equity base enhanced to PKR 2.8b by end-Sept'24 (9MCY23: PKR 2.5b; CY23: PKR 2.7b), driven by profit retention, despite higher dividend payments of PKR 373.6m during 9MCY24 (CY23: PKR 203.7m; CY22: PKR 198.9m).

The operating leverage increased to 136.5% during 9MCY24 (CY23: 115.3%; CY22: 107.9%), reflecting an increase in the scale of operations. While this indicates a higher risk profile, appropriate reinsurance coverage mitigates the associated risks. Financial leverage also increased to 121.4**%** (CY23: 76.3%; CY22: 69.8%) due to growth in net technical reserves, which reached PKR 2.6b by end-9MCY24 (CY23: PKR 2.1b; CY22: PKR 1.7b). Claims payable aging remains sound, with no significant claims outstanding for over a year at end-9MCY24. Going forward, improving underwriting performance will be crucial to maintain sound leverage indicators.

Liquidity

	CY22	CY23	9MCY23	9MCY24
Insurance Debt to Gross Premium	33.0%	26.8%	51.5%	45.6%
Net Technical Reserves / Liquid Assets	50.4%	51.6%	59.9%	61.7%

AGIC's liquidity position remains favorable, supported by an increase in liquid assets in relation to net technical reserves, which improved to 61.7% by end-Sept'24 (CY23: 51.6%; CY22: 50.4%). Insurance debt to gross premium increased to 45.6% (CY23: 26.8%; CY22: 33.0%), driven primarily by higher premium receivables from policyholders. No significant receivables were overdue for more than a year. The management relates the increase in insurance and reinsurance receivables to prevailing market conditions in CY24. A significant portion of these receivables is expected to be recovered by end-CY24, with additional recoveries anticipated in the following year.

Askari General Insurance Company Limited — Appendix I

FINANCIAL SUMMARY				PKR million
Balance Sheet	**CY22**	**CY23**	**9MCY23**	**9MCY24**
Cash and Bank Balances	296	318	327	515
Investments	3,128	3,752	3,509	3,704
Insurance Debt	1,475	1,464	1,628	1,766
Liquid Assets	3,424	4,070	3,835	4,219
Total Assets	7,004	8,301	8,852	8,063
Ordinary Share Capital	719	719	719	719
Total Equity	2,462	2,753	2,537	2,859
Total Liabilities	4,423	5,395	6,150	5,493
INCOME STATEMENT	**CY22**	**CY23**	**9MCY23**	**9MCY24**
Gross Premium Revenue	4,500	5,550	4,241	5,223
Net premium Revenue	2,666	3,175	2,164	2,928
Net Claims	1,647	1,973	1,361	1,952
Underwriting Profit	73	16	(24)	87
Investment Income	268	450	285	468
Other Income	59	79	58	64
Profit before Tax	540	772	465	743
Profit after Tax	347	433	260	462
RATIO ANALYSIS*	**CY22**	**CY23**	**9MCY23**	**9MCY24**
Market Share (%)	3.53	3.56	3.04	3.04
Cession Ratio (%)	37.7	37.4	33.8	32.2
Gross Claims Ratio (%)	48.7	63.4	77.8	49.3
Net Claims Ratio (%)	61.8	62.1	62.9	66.7
Underwriting Expense Ratio (%)	35.5	37.4	38.2	30.4
Combined Ratio (%)	92.7	99.5	101.1	97.0
Operating Leverage (%)*	98.6	115.3	85.3	136.5
Adjusted Financial Leverage (%)*	37.2	76.3	90.5	121.4
Insurance Debt/ Gross Premium (%)*	36.5	26.8	51.5	45.6
Liquid Assets to Adjusted Technical Reserves (%)	50.4	51.6	59.9	61.7

* Total (Conventional + Takaful)

* Annualized

REGULATORY DISCLOSURES	**Appendix II**
Name of Rated Entity	Askari General Insurance Company Limited
Sector	Insurance
Type of Relationship	Solicited
Purpose of Rating	IFS Rating
Rating History	see table below
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 insurer financial strength 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.
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, VIS Credit Ratings Company Limited (VIS) does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. VIS , the analysts involved in the ratings process and members of its ratings committee do not have any conflict of interest relating to the ratings(s)/ranking(s) mentioned in this report. VIS is paid a fee for most ratings assignments. This ratings/ranking is an opinion and is not a recommendation to buy or sell any securities. Copyright 2025 VIS Credit Ratings Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.

Rating History

Rating Date	Medium to Long Term	Short Term	Rating Outlook/Rating Watch	Rating Action
RATING TYPE: IFS				
03/06/2025	**AA+(IFS)**	**x**	**Stable**	**Reaffirmed**
02/29/2024	AA+(IFS)	-	Stable	Initial

Due Diligence Meetings Conducted

Name	Designation	Meeting Date
Mr. Suleman Khalid	CFO	24th Jan 2025
Mr. Waqas Ali Janjua	Company Secretary	24th Jan 2025