RATING REPORT

Jubilee Life Insurance Company Limited

REPORT DATE:
March 1, 2022

RATING ANALYSTS:
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RATING DETAILS

	Latest Rating	Previous Rating
Rating Category	**Long-term**	**Long-term**
IFS	AA+	AA+
Rating Date	*March 1, 2022*	*February 23, 2021*
Rating Outlook	Stable	Stable
Outlook Date	*March 1, 2022*	*February 23, 2021*

COMPANY INFORMATION

Incorporated in 1995	**External auditors:** M/s A. F. Ferguson & Co., Chartered Accountants
Public Limited Company	**Chairman of the Board:** Mr. Kamal A. Chinoy
Key Shareholders:	**Chief Executive Officer & Managing Director:** Mr. Javed Ahmed
Aga Khan Fund for Economic Development S.A., Switzerland – 57.9%	
Habib Bank Limited Treasury Division – 18.5%	
Jubilee General Insurance Company Limited – 6.4%	

APPLICABLE METHODOLOGY(IES)

VIS Entity Rating Criteria: Life Insurance / Family Takaful Rating Methodology (February, 2018)
http://www.vis.com.pk/kc-meth.aspx

Jubilee Life Insurance Company Limited

OVERVIEW OF THE INSTITUTION

Jubilee Life Insurance Company Limited (JLI) commenced operations in 1996. The addresses of its registered and principal office are 26-D, 3rd Floor, Kashmir Plaza, Jinnah Avenue, Blue Area, Islamabad and Jubilee Life Insurance Building, 74/1-A, Lalazar, M.T. Khan Road, Karachi, respectively. JLI is listed on the Pakistan Stock Exchange.

RATING RATIONALE

Jubilee Life Insurance Company Limited ('JLI' or 'the Company') is the largest private sector life insurance Company in Pakistan. The Company offers individual and group life covers, with individual policies being the Company's major business line in terms of premium income. Majority shareholding of the Company is held by Aga Khan Fund for Economic Development S.A. (AKFED), Switzerland in addition to indirect holding of AKFED through HBL. As of 2020, the Company held a market share of 41.6% in the private sector insurance industry (2019: 46.5%).

Industry Overview – Life Insurance

- The life insurance industry in Pakistan comprises seven (7) private sector companies and one (1) public sector company. Life insurance penetration in Pakistan stands on the lower side. In 2020, life insurance penetration to GDP dropped further from 0.60% in 2019 to 0.56% in 2020. Overall life insurance penetration in Pakistan is dismal, particularly in comparison to India's life insurance penetration of 3.2% as of FY21.
- For 2020, the sole public sector insurer, State Life Insurance Company (SLIC), held 51% of the market share, in terms of gross premiums. SLIC was formed as part of the nationalization process in 1972, wherein all life insurance companies were merged into a single entity.
- Growth in industry gross premiums stood at 4.5% for 2020, with SLIC contributing majority of the same, as illustrated in the table below. Strong growth in SLIC's underwriting is attributable to initiation of government sponsored health coverage for underprivileged citizens under the 'Sehat Sahulat Program' (SSP).

Table 1: Life Insurance Industry Market Shares (Source: IAP)

	2019	2020	2019	2020	2020
	Gross Premiums		Market Share		Δ
State Life	112,777	119,035	51.0%	51.6%	6,258
Jubilee Life	49,627	46,508	22.4%	20.1%	(3,119)
EFU Life	31,750	32,546	14.3%	14.1%	796
Adamjee Life	12,969	17,101	5.9%	7.4%	4,132
Pak Qatar Family Takaful	8,287	7,961	3.7%	3.4%	(326)
IGI Life	4,815	6,161	2.2%	2.7%	1,346
TPL Life	753	1,130	0.3%	0.5%	377
Askari Life	301	449	0.1%	0.2%	148
	221,279	**230,891**			**9,612**

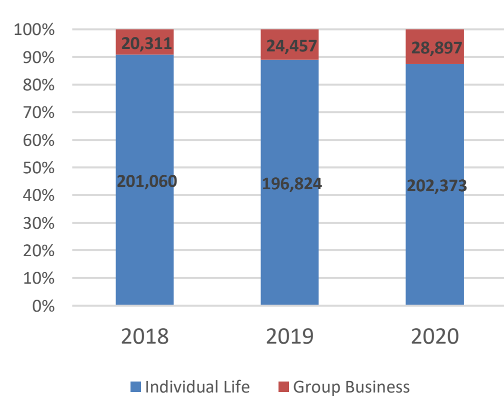

Figure 2: Segment-wise Breakup of Gross Premium (Source: Life Insurance Company Financial Statements)

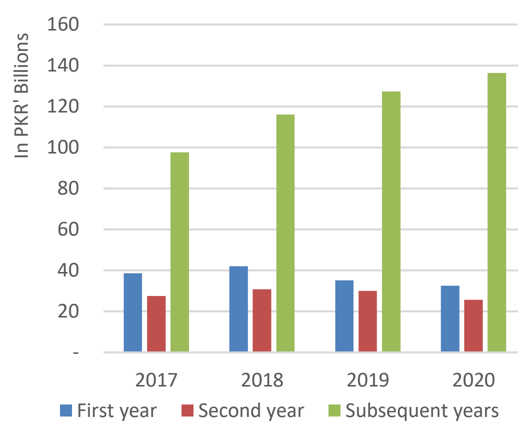

Figure 1: Year-wise Breakup of Gross Premium (Individual Life excludes single premium policies) (Source: Life Insurance Company Financial Statements)

- As illustrated in the figure above, growth has been led by the Group business segment, which comprised 12% of the gross premiums as of 2020 (2019:11%; 2018: 9%). Growth in the same is attributable to initiation of SSP as discussed above.
- VIS has noted slowdown in first year underwriting, which initially materialized in 2019, being precipitated by the macroeconomic slowdown, while further contraction in the same was witnessed in 2020 given the onset of the pandemic-induced lockdowns. (2020: Rs. 32.6b; 2019: Rs. 35.2b; 2018: Rs. 42.0b).
- Given limitations of publicly available disclosures, persistency calculations can only be made for second year renewals. In the past two year period, second year persistency has fallen (2020: 72.8%; 2019: 71.7%; 2018: 79.9%). As per industry experts, the drop in persistency can be attributed to adverse macroeconomic conditions precipitated by the pandemic, as a result of which several policies were liquidated during 2020.
- In 9M'21, the industry gross underwriting posted a growth of 30% vis-à-vis SPLY, with Group policies being the growth driver contributing 60% of the growth. As a result, share of Group business to total business increased to 26% vis-à-vis 15% in SPLY. The sizable growth in Group business can be attributed to initiation of SSP and growth in consumer financing transactions during the period.
- VIS has noted an adverse trend in individual life claims performance during the period reviewed, which is presented in Table 2. Interim data is only available for 4 private sector life insurance companies (JLI, EFU IGI & Askari), wherein the performance of individual life and individual life (only death) was more adverse in 9M'21, with the same coming in at 78.0% and 7.3% respectively. The increase in individual life claims ratio can partly be explained by higher surrenders during the pandemic period. Nevertheless, the increase in net claims (only death ratio) does not correlate with the trend in crude death ratio, which has dropped on a timeline. This points towards higher death rate in insured individuals, because the insured portfolio of individuals are likely part of higher economic strata.

	2018	2019	2020
Individual Life	40.0%	48.2%	53.3%
Individual Life – Only Death	4.5%	5.5%	6.4%
Group Business	81.9%	77.2%	79.3%

Table 2: Net Claims Performance – Industry (Source: Company Financials)

- The industry's offerings are largely concentrated in individual life unit-linked policies. As a result the industry has a sizable investment portfolio of Rs. 1,634b as of Sep'21 (Dec'20: Rs. 1,652b; Dec'19: Rs. 1,237b). Furthermore, as unit-linked policies remain the primary product offering, the industry's liquidity is considered strong, given that liquid assets cover ~90% of the insurance liabilities.
- The 5-year return performance of companies – which have made their fund management reports public and wherein fund size meets the criteria of minimum Rs. 0.5b – is provided in the table below. As illustrated in the table, performance of life insurance investment portfolios trailed inflation, mainly on account of adverse equity market performance observed during the 5 year period (2017-21).

Table 3: 5-year Fund Performance

	2017	2018	2019	2020	2021	5 Year Return*	AUMs (PKR' Billions)
	Conventional						**Dec'21**
IGI (IAF, IBF, ICF & SSF)	4.74%	2.57%	12.98%	9.21%	5.07%	139.28	5.77
Adamjee Life (IMF, ISF & ISF 2)	-1.42%	1.97%	10.59%	10.91%	6.01%	130.71	46.0
EFU (MGF, AGF & GGF)	-5.79%	-1.89%	4.00%	15.26%	3.31%	114.46	132.7
JLI (MGF, CGF, YGF & MF)	-6.80%	-3.50%	13.21%	4.44%	0.11%	106.46	132.5
	Takaful						
Adamjee (MF & TF)	-4.5%	-2.1%	11.4%	9.1%	5.4%	119.74	6.30
EFU (TGF)	-4.61%	3.00%	1.97%	15.37%	2.55%	118.53	10.43
PQFTL (AF, BF & CF)	-5.8%	-0.1%	8.2%	9.2%	-3.5%	107.26	13.76
JLI (MTF & CGTF)	-4.4%	-0.7%	9.7%	2.7%	-0.2%	106.81	24.80
IGI (TAF, TBF & TCF)	-4.4%	-2.2%	9.4%	5.6%	-14.0%	92.95	1.37
	Inflation (National)						
Inflation National (CY)	5.60%	5.40%	12.60%	8.00%	12.30%	152.0	-
6 Month PKRV (Daily Average)	5.99%	8.76%	12.39%	8.77%	8.02%	152.2	-
KSE-100	-15.3%	-8.4%	9.9%	7.4%	0.36%	91.9	-
KMI-30	-16.1%	-10.8%	7.9%	7.8%	-1.06%	86.1	-

** On a notional principal investment of Rs. 100*

- Given low insurance penetration and muted growth, the industry remains well capitalized. In 2020, the industry's operating leverage further receded to 15% from 17% in 2019.
- The RoAE of the industry remained elevated in 2020, despite adverse trend in claims ratios. The profitability was mainly supported by investment returns driven by stock market performance. Nevertheless, the adverse claims ratio in combination with adverse investment performance has weighed on the RoAE for 9M'21.

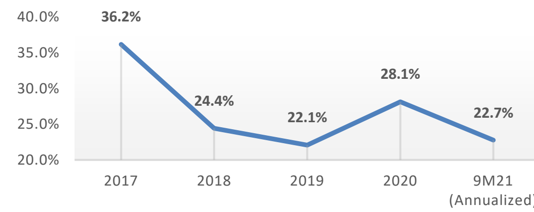

Figure 3: RoAE (Life Insurance Industry) Source: IAP

Future Outlook

- The continuing trend of low insurance penetration can partly be attributed to cultural averseness to insurance, which is also evident from similarly low insurance penetration in Bangladesh. Cognizant of the same, the industry introduced family takaful insurance products in 2005. Over the years, family takaful business has grown to comprise 27% of the private sector life insurance business, as all life insurance companies launched takaful variants of their polices. Nevertheless, despite the strong growth in takaful segment, no new market participants have entered to drive this growth further.
- The low insurance penetration is also a product of low financial inclusion and private sector credit to GDP, another parameter where Pakistan trails its regional counterparts. Given recent changes in foreclosure laws and push from the Government of Pakistan and State Bank of Pakistan for banks to grow their house financing portfolios, life insurance industry growth should increase in the medium term. This is already evident from the strong growth noted in 9M'21, majority (60%) of which was driven by Group business segment, wherein these transaction related policies are clubbed.
- Additionally, distribution through digital channels may also increase outreach and awareness. Presently, the industry relies on traditional distribution channels such as the Direct Sales Force (DSF) and through banks i.e. the 'Banca' channel. New 3rd party digital sales channel have been launched, which claim to have insured 10,000 lives in 2020. Growth through these digital channels should support industry growth going forward.
- There remains room for innovation in terms of industry's product offerings, with majority of policies sold in the market being individual unit-linked investment based products with life insurance riders. Development of innovative micro insurance products, linking the same with existing banking channels and moving away from lump sum premium payments may add further value to life insurance industry offerings thus driving penetration over the longer term.

Business Review – JLI

Business Mix

- As illustrated in the table below, JLI's gross underwriting posted contraction during 2020, owing to the pandemic related lockdowns. The Company's gross underwriting contracted by 6.3%, trailing the industry growth of 4.5%. Similar trend continued in 9M'2021, with JLI's gross underwriting growing by 7% vis-à-vis industry growth of 30%. Resultantly, the Company's market share has dropped on a timeline.
- The segment-wise breakup of premiums/ contributions is indicative of underwriting contraction in the individual life business, which comprises a much lower proportion of the aggregate, as illustrated below. The trend is in line with the industry, wherein Group business has been the growth driver, particularly in 9M'2021. In terms of products, underwriting in the individual life unit-linked policies has been trending down.

Table 4: Segment & Channel-wise breakup of Underwriting

	2019		2020		9M'2020		9M'2021	
Gross Premium/ Contributions	**49,627**		**46,507**		**32,551**		**34,859**	
- *Individual Life*	42,581	86%	38,046	82%	25,534	78%	25,713	74%
- *Group Business*	7,046	14%	8,461	18%	7,016	22%	9,146	26%
Net Premium/ Contributions	**48,396**		**45,208**		**31,539**		**33,434**	
- *Individual Life Unit Linked*	31,668	65%	27,315	60%	18,648	59%	17,951	54%
- *Conventional Business*	1,421	3%	1,638	4%	1,164	4%	1,823	5%
- *Accident & Health*	4,547	9%	5,072	11%	4,417	14%	5,148	15%
- *Overseas Group Life & Health Business*	12	0%	11	0%	13	0%	(15)	0%
- *Individual Family Takaful*	10,529	22%	10,218	23%	6,510	21%	7,421	22%
- *Group Family Takaful*	38	0%	133	0%	97	0%	149	0%
- *Accident & Health Family Takaful*	181	0%	821	2%	689	2%	957	3%

- The contraction in underwriting was mainly precipitated by the slowdown in underwriting from the Banca sales channel. Overall banca sales channel contribution to aggregate gross premium declined from 74% in 2018 to 70% in 2019 and further fell to 64% in 2020. A review of bank-wise breakup of sales channels indicates that the slowdown is primarily emanating from reduced sales through associate bank network, which has historically been the growth driver, contributing more than 60% of the premiums. Accordingly, slowdown in the same has had a major impact on gross underwriting.

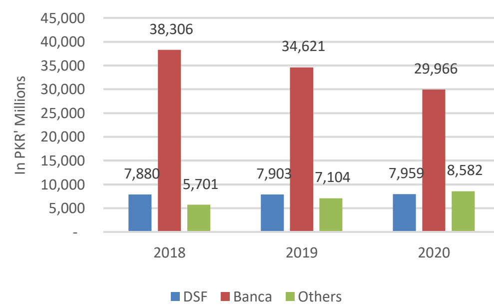

Figure 4: Channel-wise Breakup of Gross Premium

- The trend of contraction in first year underwriting continued, subsequent to peaking in 2017-18 period. JLI's second year persistency, which was averaging 80% during the 2017-18 period, has come down to 75% during the past two-year period (2019-20).

Table 5: Year-wise breakup of Individual Life Business

	2018	*2019*	*2020*	*9M'2020*	*9M'2021*
First Year	11,628	9,320	5,698	3,053	4,338
Second Year	8,905	8,691	6,996	5.112	3,008
Subsequent Years	21,719	23,772	25,079	17.284	17,784

Profitability

Table 6: Profit & Loss Statement (Extract)

	2019	2020	9M'2020	9M'2021
Gross Insurance Premium / Contributions	49,627	46,507	32,551	34,859
Premium / Contributions Ceded	(1,231)	(1,299)	(1,012)	(1,425)
Net Insurance Claims / Benefits	(22,472)	(28,826)	(19,587)	(27,912)
Investment Income (incl. other & fee income)	20,370	11,930	7,474	3,490
Net Change in Insurance Liabilities	(30,483)	(13,552)	(8,948)	892
Underwriting Income	**15,811**	**14,760**	**10,477**	**9,903**
Acquisition Expenses	9,060	6,975	4,829	5,025
Marketing & Administrative Expenses	3,160	3,402	2,578	2,983
Other Expenses	28	50	44	44
Total Expenses	**12,248**	**10,426**	**7,451**	**8,052**
Finance Cost (incl. gain/loss on derivatives)	**(157)**	**(283)**	**(243)**	**(126)**
Share of Profit from Associate	**10**	**19**	**17**	**12**
Profit Before Tax	**3,416**	**4,070**	**2,801**	**1,737**
Profit After Tax	**2,224**	**2,884**	**1,966**	**1,216**

- JLI's RoAE posted improvement in 2020, increasing form 20.5% in 2019 to 23.8% in 2020. The trend was in line with trend posted observed in the industry. Nevertheless, JLI's profitability has come under some pressure in 9M'2021, with bottom line being 38% lower than SPLY and annualized RoAE falling to 12.7%.
- JLI's claims/benefits performance is indicative of change in trends as indicated by the movement in Net Claims/ Benefits ratio [1] (9M'2021: 83%; 2020: 64%; 2019: 46%). The change in trend is partly emanating from movement in insurance liabilities, being precipitated by portfolio aging and maturity of policy holder liabilities. Nevertheless, the uptick in 9M'2021, was on the higher side. As per management, this is mainly on account of policy maturities. However, it is also being driven in part by the increasing individual claims ratio (death only) (9M'2021: 8.9%; 2020: 5.8%; 2019: 4.3%). The trend is in line with the industry. As per management, the uptick is mainly attributable to the pandemic.
- Despite the contraction in underwriting, the Company's profitability depicted stability in 2020, as evident from the improvement in RoAE and the marginal drop in underwriting income being only a third of the contraction observed in net underwriting. The trend is partly attributable to a drop in acquisition cost precipitated by a lower share of Banca business, which features a relatively higher acquisition cost. Given continuation of the trend in 9M'2021, acquisition costs came in even lower.

Table 7: Acquisition Cost

	2019	2020	9M'2021
*Acquisition Cost**	18.3%	15.0%	14.4%

** (Acquisition Expenses)/ (Gross Premium/ Contributions)*

- Growth in overheads remained relatively contained in 2020, wherein these only grew by 8% trailing the inflation prevailing during the period. In 9M'2021, the uptick in overheads stands relatively on the higher side, as evident from these being 16% higher than SPLY. Nevertheless, the trend is likely to improve Q4'2021.

Liquidity & Capitalization

- With more than 93% of the insurance liabilities being composed of unit-linked policies, liquidity coverage of JLI's insurance liabilities has historically remained comfortable.

Table 8: Liquidity & Capitalization

	Dec'19	Dec'20	Sep'21
Liquid Assets to Total Liabilities	**1.01x**	**1.02x**	**1.01x**
Liquid Assets to Insurance Liabilities	**1.06x**	**1.07x**	**1.06x**
Equity to Assets	**6.6%**	**6.8%**	**6.6%**
Solvency Buffer	**1.03x**	**1.03x**	**NA**
Operating Leverage	**29.0%**	**24.7%**	**24.4%***
Dividend Payout	**59%**	**50%**	**NA**

** annualized*

- On the back of strong RoAE and prudent retention, JLI, over the years, has built sizable capital buffers. Given contraction in underwriting, JLI's operating leverage has trended down during the

1 (Net Claims / Benefits) / (Net Premiums/ Contributions)

period under review.

Fund Performance

- Given adverse equity market performance, JLI investment performance has remained weak during 2020-21 period. Fund returns have lagged peers and warrant improvement.

Table 9: Fund Performance

	Dec'19	Dec'20	Dec'21	2019	2020	2021
	AUMs (In PKR' Billions)			Returns (CYTD)		
Managed Fund	90.69	96.16	90.59	13.99%	7.41%	1.49%
Capital Growth Fund	27.25	29.10	28.18	11.11%	-6.29%	-5.79%
Meesaq Fund	9.11	8.29	7.10	11.55%	2.10%	0.74%
Yaqeen Growth Fund	3.10	4.39	6.62	13.76%	14.98%	5.64%
Managed Takaful Fund	6.86	9.99	12.73	9.99%	4.44%	3.33%
Capital Growth Takaful Fund	9.22	11.49	12.07	9.57%	1.22%	-3.98%
Takaful Income Fund	-	-	0.25	-	-	N/A
Takaful Balance Fund	-	-	0.21	-	-	N/A
Total AUMs	**146.24**	**159.42**	**157.73**			

Key Rating Drivers – JLI

Ratings are supported by JLI's market positioning as the largest private sector life insurance company in Pakistan, longstanding operating track record and sponsor profile

JLI's ratings are supported by its strong market positioning in the domestic life insurance industry, as reflected by its market share of 41.6%and 20.1% in the private sector and overall life insurance industry respectively in 2020. In our latest review, VIS has noted attrition in market share, precipitated by slowdown in sales through the Banca channel. Nevertheless, market share remains aligned with benchmark for the assigned rating.

Rating also incorporates longstanding operational track record of JLI, spanning over 2 decades and its sponsor profile, given controlling stake is vested with Aga Khan Fund for Economic Development (AKFED).

Ratings take into account Comfortable Liquidity & Sizable Capitalization Buffers in place at JLI

Rating takes into account sizable liquid assets, which provide comfortable coverage and excess buffer over insurance liabilities. On the back of strong RoAE and prudent retention, JLI, over the years, has built sizable capital buffers. Given contraction in underwriting, JLI's operating leverage has trended down during the period under review. Capital buffers remain aligned with benchmarks for the assigned rating.

Rating incorporates investment management infrastructure in place at JLI and its operational status as a listed entity

JLI has in place a committee based investment management infrastructure, wherein the committee includes members of the Company's Board Finance & Investment Committee and representatives of the investment function. Nevertheless, actual fund performance has lagged peers, warranting improvement. Corporate governance infrastructure in place at JLI has also been factored into the ratings, particularly with JLI being a listed entity.

Jubilee Life Insurance Company Limited Appendix I

FINANCIAL SUMMARY				*(amounts in PKR millions)*
BALANCE SHEET		**31-Dec-19**	**31-Dec-20**	**30-Sep-21**
Cash and Bank Deposits		4,095.0	4,943.3	2,692.1
Investments		158,843.2	175,769.3	176,702.1
Total Assets		173,360.5	190,422.1	189,325.7
Paid Up Capital		793.3	872.6	872.6
Net Worth		11,405.6	12,872.2	12,512.2
Total Liabilities		161,955.0	177,549.9	176,813.5
INCOME STATEMENT	**2019**	**2020**	**9M'2020**	**9M'2021**
Gross Premium/ Contributions	49,627.4	46,507.1	32,550.9	34,859.2
Net Premium/ Contributions	48,396.0	45,207.7	31,538.7	33,433.7
Surplus – Overall	3,554.9	3,987.2	2,550.3	1,824.5
- Individual	3,045.7	3,006.6	1,714.5	1,725.3
- Group Family	160.9	245.3	309.1	(71.6)
- Group Health	348.3	735.4	526.7	170.9
Profit Before Tax	3,416.4	4,070.0	2,800.8	1,736.7
Profit After Tax	2,224.2	2,884.4	1,966.3	1,216.2
RATIO ANALYSIS		**31-Dec-19**	**31-Dec-20**	**30-Sep-21**
Market Share (Gross Premium-Private)		45.7%	41.6%	NA
Liquid Assets to Total Liabilities (x)		1.01	1.02	1.01
Cession Ratio		2.48%	2.79%	4.09%
Gross Claims Ratio		47.6%	65.9%	83.7%
Net Claims Ratio		46.4%	63.8%	83.5%
- Individual Claims Ratio		41.5%	60.7%	86.4%
- Group Claims Ratio		80.2%	78.8%	74.2%
- Individual Claims Ratio- without surrender		4.3%	5.8%	8.9%
Acquisition cost/Gross Premium		18.3%	15.0%	14.4%
Cash Flow from Operations		13,027.3	6,807.5	1.731.5
Current Ratio		NA	NA	NA
Gearing		NA	NA	NA

ISSUE/ISSUER RATING SCALE & DEFINITIONS Appendix II

VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: INSURER FINANCIAL STRENGTH

AAA
Highest capacity to meet policyholder and contract obligations; Risk factors are negligible.

AA+, AA, AA-
Very high capacity to meet policyholder and contract obligations; However, risk is modest, but may vary slightly over time due to business/economic conditions.

A+, A, A-
High capacity to meet policyholder and contract obligations; Risk factors may vary over time due to business/economic conditions.

BBB+, BBB, BBB-
Adequate capacity to meet policyholder and contract obligations; Risk factors are considered variable over time due to business/economic conditions.

BB+, BB, BB-
Marginal capacity to meet policyholder and contract obligations; Risk factors may vary widely with changes in business/economic conditions.

B+, B, B-
Low capacity to meet policyholder and contract obligations; Risk factors are capable of fluctuating widely with changes in business/economic conditions.

CCC
Very low capacity to meet policyholder and contract obligations; Risk may be substantial.

CC
Weak capacity to meet policyholder and contract obligations; Risk may be high.

C
Very weak capacity to meet policyholder and contract obligations; Risk may be very high

D
Extremely weak capacity to meet policyholder and contract obligations; Risk is extremely high.

Rating Watch: VIS places entities and issues on 'Rating Watch' when it deems that there are conditions present that necessitate re-evaluation of the assigned rating(s). Refer to our 'Criteria for Rating Watch' for details. www.vis.com.pk/images/criteria_watch.pdf

Rating Outlooks: The three outlooks 'Positive', 'Stable' and 'Negative' qualify the potential direction of the assigned rating(s). An outlook is not necessarily a precursor of a rating change. Refer to our 'Criteria for Rating Outlook' for details. www.vis.com.pk/images/criteria_outlook.pdf

'p' Rating: A 'p' rating is assigned to entities, where the management has not requested a rating, however, agrees to provide informational support. A 'p' rating is shown with a 'p' subscript and is publicly disclosed. It is not modified by a plus (+) or a minus (-) sign which indicates relative standing within a rating category. Outlook is not assigned to these ratings. Refer to our 'Policy for Private Ratings' for details. www.vis.com.pk/images/policy_ratings.pdf

REGULATORY DISCLOSURES	Appendix III
Name of Rated Entity	Jubilee Life Insurance Company Limited
Sector	Insurance
Type of Relationship	Solicited
Purpose of Rating	Insurer Financial Strength
Rating History	

Rating Date	IFS Rating	Rating Outlook	Rating Action
RATING TYPE: INSURER FINANCIAL STRENGTH			
03/01/2022	AA+	Stable	Reaffirmed
02/23/2021	AA+	Stable	Reaffirmed
12/19/2019	AA+	Stable	Reaffirmed
5/30/2018	AA+	Stable	Reaffirmed
9/23/2016	AA+	Stable	Reaffirmed
5/4/2015	AA+	Stable	Upgrade
3/20/2013	AA	Stable	Upgrade
12/29/2011	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 insurer financial strength 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.
Disclaimer	Information herein was obtained from sources believed to be accurate and reliable; however, 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. For conducting this assignment, analyst did not deem necessary to contact external auditors or creditors given the unqualified nature of audited accounts and diversified creditor profile. Copyright 2022 VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.
Due Diligence Meetings Conducted	

Name	Designation	Date
Mr. Omer Farooq	CFO	11-Jan-2022
Mr. Shan Rabbani	Digitalization, Actuarial & Strategy Group	11-Jan-2022