RATING REPORT

UBL Insurers Limited

REPORT DATE:
December 29, 2022

RATING ANALYSTS:

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RATING DETAILS		
	Latest Rating	**Previous Rating**
Rating Category	**Long-term**	**Long-term**
IFS	AA+	AA+
Rating Date	*December 29, 2022*	*March 31, 2022*
Rating Outlook	Stable	Stable
Rating Action	Reaffirmed	Harmonised

COMPANY INFORMATION	
Incorporated in 2006	**External auditors: EY Ford Rhodes .**
Public Company	**Chairman of the Board:** Mr. Aameer Karachiwalla
Key Shareholders (with stake 10% or more):	**Chief Executive Officer :** Mr. Zeeshan Muhammad Raza
Bestway International (Holdings) Limited – 55.6%	
United Bank Limited – 30.0%	
Bestway Cement Limited – 12.2%	

APPLICABLE METHODOLOGY(IES)
VIS Entity Rating Criteria Methodology – General Insurance, November 2019
https://docs.vis.com.pk/docs/Meth-GenInsurance201911.pdf

UBL Insurers Limited (UIL)

OVERVIEW OF THE INSTITUTION

UBL Insurers Limited is an unlisted public limited company which commenced operations in January 2007. The company is a subsidiary of Bestway (Holding) Limited.

Profile of Chairman

Mr. Aameer Karachiwalla is a seasoned banking professional who has been associated with UBL since 1998. He currently serves as Chief Financial Officer at UBL.

Profile of CEO

Mr. Zeeshan M. Raza is an experienced senior insurance Professional with 25 years of extensive experience in insurance industry, a Cert-CII from Chartered Insurance Institute (UK) and an MBA; he is currently associated with UBL Insurers Limited as C.E.O, previously he had been associated with Habib Insurance Company Limited in the same capacity. He has a diversified set of experience of managing and leading different business functions including Marketing, Operations, Administration/HR and IT. Besides that he's also engaged in the academic sector and has taught at renowned universities.

RATING RATIONALE

UBL Insurers Limited ('UIL' or 'the Company') has been operating for more than a decade in general (non-life) insurance segment and has an established franchise in the local market offering conventional insurance products as well as takaful products through Window Takaful Operations (WTO). The Company categorizes as the 5th largest insurance company in the country holding a market share (incl. of WTO) of 4.2% (2020: 4.5%) as of 2021. As of Sep'22, the Company was operating through a network of 26 branches across the country, with its head office situated in Karachi.

Insurance Sector Update

Table 1: Insurance Industry Financial Indicators (Source: IAP)

(Rs. in Billions)	CY20	CY21	1H'CY22
Insurance Premium (Gross)	89.6	97.4	55.8
Takaful Contributions (Gross)	12.6	16.2	10.4
Industry Total (Gross)	102.3	113.6	66.2
Combined Ratio	95.3%	84.4%	89.8%
- Net Claims Ratio	54.8%	49.4%	53.2%
- Underwriting Expense Ratio	40.5%	35.0%	36.7%
Net Operating Ratio	78.6%	67.5%	74.6%
RoAA	4.4%	5.4%	3.8%*
RoAE	10.1%	12.8%	9.6%*
Operating Leverage	52.5%	58.3%	67.3%*
***Annualized**			

- The gross premiums/ takaful contributions underwritten by the industry grew by 11% in 2021, picking up from 8% in 2020. In H1'2022, given the increase in inflation, we have noted a change in trend wherein industry underwriting posted a growth of 26% vis-s-vis SPLY. Overall growth for 2022, is expected to be notably higher in the range of 25-30%.
- Insurance penetration in Pakistan has remained below that of neighboring counterparts, given non-life insurance penetration of ~0.355% vis-à-vis India at 4.2% and Sri-Lanka 1.39%.
- The industry's combined ratio posted a dip in 2021, which was driven by a drop in both net claims and expense ratios. Overall the impact of investment returns on industry profitability remained similar, investment returns stood at 17% of the net premium.
- Even though operating leverage of Pakistan's insurance industry remains adequately high, which is partly explained by lagged growth, in June'22, we have noted a trend of an uptick in operating leverage to 67.3% (annualized). Apart from the overall growth in underwriting, this is also partly attributable to dividend payouts in Q1 and mark to market losses on fixed income portfolios in Q2.
- Investment returns in H1'2022, have not depicted much deviation, unlike the one noted in life insurance portfolios. This is partly attributable to a different asset management strategy, albeit also implies that the industry was well placed in terms of portfolio duration leading up to 400 bpts steep drop in benchmark rates noted in Q2'2022. Given higher benchmark rates, investment yield is expected to improve in 2023.
- The implementation of IFRS 17 will commence from January 1' 2023. The SECP has issued instructions of phasewise implementation of IFRS 17. The implementation is expected to translate in sizable provisioning burden for the industry, however the actual impact of the same on industry capitalization is yet to be ascertained.

Profile of CFO

Nadeem Raza is Senior Executive Vice President and Chief Financial Officer (CFO) at UBL Insurers Limited, possesses over 28 years of experience with a number of years at a senior executive level. He holds strong operational finance experience combined with a solid technical background. Experience with business partnering, controllership acquisition, tax, treasury, implementing capital structure, financial processes, audit, problem—solving with extensive experience of P&L management, Tax management, legal, risk management, revenue cycle, budget, operations and team management. Previously, Mr. Raza has been associated with New Hampshire Insurance (American International Group) and Singer Pakistan along with diverse experience where major portion of 21 years pertain to the Insurance Industry. Mr. Raza has been associated with UBL Insurers for 15 years. He has secured a bachelor's degree from university of Karachi and a Master's degree in Business Administration. He is a fellow member of 'Institute of Corporate Secretaries of Pakistan' (FCIS) since 2001 and associated member of 'Certified Internal Auditor of Pakistan' (CIAP). He has also qualified as an Associated Certified

Key Rating Drivers

Ratings incorporate UIL's Sponsor Profile

Assigned ratings continue to draw comfort from strong sponsor profile with the ownership jointly shared by United Bank Limited (UBL) and UBL's main sponsor, the Bestway Group. UBL is the 3rd largest private sector bank in the country, holding deposit market share of 7.2% (Dec'21) and an outstanding rating of 'AAA/A-1+' from VIS.

Company's risk averse strategy led the shift from Health Segment to Fire & Property Damage segment

The company offers a comprehensive set of insurance covers for fire and property damage, marine, aviation and transport, motor, health, and other miscellaneous risks. The company's conventional business mix depicts largest proportion of Gross Premium Written (GPW) emanating from the fire and property damage followed by motor, marine and health segments. As a deliberate risk averse strategy, a decline in health segment was noted in 2021. However, in 9M2022, the same witnessed an increase contributing 11% (CY21: 8%, CY20: 14%) to the total gross premium underwritten along with higher proportion of fire insurances. With slowdown in the motor segment during the second half of the ongoing year due to macroeconomic variables, the proportion of the same reduced in 9M2022. In view of the same slowdown and curtailment of imports and subdued export volume, quantum of marine business also reduced in the ongoing year. Crop insurance portfolio comprised a meager 1% of the total GPW during 9M2022. On Takaful front, around one-half of the premiums are contributed by the motor segment. As per management, going forward the company focuses on enhancing portfolio in the Fire & Property damage segment along with the Health segment given a cap on loss of 80% (reinsurance treaty). The snapshot of business mix is presented in the table below:

Business Mix (Conventional)	CY20	CY21	9M22
Fire and property damage	37%	41%	46%
Marine, aviation and transport	8%	11%	9%
Motor	24%	25%	19%
Bankers Blanket	3%	3%	2%
Health	14%	8%	11%
Miscellaneous	14%	12%	12%
Total	100%	100%	100%

Business Mix (Takaful)	CY20	CY21	9M22
Fire and property damage	23%	27%	27%
Marine, aviation and transport	9%	11%	9%
Motor	60%	57%	59%
Bankers Blanket	5%	2%	1%
Miscellaneous	3%	3%	4%
Total	100%	100%	100%

Internal Auditor (ACIA).

Supported by positive uptick in economic activity, the company has reported broad based growth across all segments in CY21 with GPW recorded at Rs. 4.1b (CY20: Rs. 4.0b). The same momentum continued in 9M2022 with GPW amounting Rs. 4.4b, however a decline was noted in the motor segment due to slow-down in the motor business. Going forward, management envisages slowdown in the economic activity due to high interest rates, rupee devaluation, and elevated inflation levels. To sustain premium levels, key focus area for the management is fire & property damage and reducing exposure in the high-risk segments. Management targets to write GPW to the tune of Rs. 6b in full year 2022.

Gross Premium (Conventional) Rs. In Mlns	CY20	CY21	9M22
Fire and property damage	1,478.57	1,670.93	2,013.75
Marine, aviation and transport	341.57	450.77	411.01
Motor	961.70	1,046.04	830.22
Bankers Blanket	139.56	109.43	102.14
Health	558.26	333.35	496.18
Miscellaneous	561.85	493.83	532.30
Total Gross Premium	**4,041.51**	**4,104.34**	**4,385.60**

Written Contribution (Takaful) Rs. In Mlns	CY20	CY21	9M22
Fire and property damage	127.52	175.56	178.62
Marine, aviation and transport	48.24	70.29	58.25
Motor	339.74	374.58	392.97
Bankers Blanket	30.23	13.67	8.06
Miscellaneous	18.05	19.10	26.49
Total Gross Premium	**563.78**	**653.20**	**664.39**

The written contribution from Window of Takaful (WTO) amounted to Rs. 664.4m (CY21: Rs. 653.2m, CY20: Rs. 563.8m) while profit before tax from operator's fund was recorded at Rs. 47.1m (CY21: Rs. 28.6m, CY20: Rs. 30.2m) during 9M2022.

Ratings incorporate Reinsurance Panel of UIL

Reinsurance panel of the Company is considered sound with all reinsurers being rated 'A-' or higher (except Arab Re rated B- which has a small proportion of 2.5% in Fire & Engineering, General Accident and Marine segment) rating on the international scale. Hannover Re remains the lead reinsurer in major segments, barring special capacity (fire & engineering) which is covered solely by Lauban Re. In addition to quota share / surplus treaties for each segment, UIL has stop loss and XoL treaties in place for all segments which reduces the net risk retention to much acceptable level.

New additions employed in the Reinsurance panel during 2022 include Kenya Re (B rated on international scale), Tunis Re (AA rated on international scale) and AXA Life & Health Reinsurance Solutions (Pvt.) Limited (AXA) (A+ rated on international scale). Kenya Re and Tunis Re mainly belong to the motor, marine, fire, accidents and engineering segments, whereas AXA was employed to support ceding of the health segment.

Cession Ratio (Conventional)	CY20	CY21	9M22
Fire and property damage	92%	85%	66%
Marine, aviation and transport	49%	52%	46%
Motor	15%	13%	11%
Bankers Blanket	88%	91%	56%
Health	14%	24%	32%
Miscellaneous	65%	72%	53%
Overall Cession Ratio	**55%**	**56%**	**48%**

Cession Ratio (Takaful)	CY20	CY21	9M22
Fire and property damage	87%	79%	68%
Marine, aviation and transport	82%	83%	71%
Motor	8%	8%	5%
Bankers Blanket	26%	58%	75%
Miscellaneous	90%	92%	47%
Overall Cession Ratio	**36%**	**38%**	**30%**

Claims Experiences

Overall net claims ratio of the company improved in CY21 and 9M2022 with subdued growth in claims in relation to the premium written during the period. Despite improving on a timeline basis, the highest net claims ratio remained in Bankers Blanket segment because of a low base effect. Top claims during the review period include Orient and Bestway to the tune of Rs. 10m and Rs. 12.5m on net basis.

During 9M2022, net claims ratio from the motor, fire & property damage and marine segments increased owing to some large industry wide claims. With lower cession for the motor segment, the impact of net claims on the company's accounts is elevated. VIS expects further claims to emanate from the crop insurance in the remaining part of the ongoing year; however, due to the small proportion of crop segment, the impact will be negligible. As per management, Crop Stop Loss Treaty reinsures crop segment of the Company. The segment-wise net claims ratios are presented in the table below:

Net Claims Ratio (Conventional)	CY20	CY21	9M22
Fire and property damage	47%	30%	42%
Marine, aviation and transport	16%	15%	28%
Motor	47%	43%	51%
Bankers Blanket	-13%	239%	184%
Health	116%	98%	27%
Miscellaneous	52%	70%	67%
Total Net Claims Ratio	**61.2%**	**53%**	**46%**

Net Claims Ratio (Takaful)	CY20	CY21	9M22
Fire and property damage	82%	16%	39%
Marine, aviation and transport	-5%	15%	19%
Motor	47%	40%	46%
Bankers Blanket	1%	8%	8%
Miscellaneous	6%	81%	14%
Total Net Claims Ratio	**43.9%**	**38.3%**	**44%**

Underwriting Performance and Overall Profitability

Underwriting Profit/ (Loss) before G&A- (Conventional) Rs. In Mlns	CY20	CY21	9M22
Fire and property damage	(39.8)	(59.09)	(67.48)
Marine, aviation and transport	37.0	1.22	22.17
Motor	140.2	219.61	140.41
Bankers Blanket	8.5	(28.85)	(11.17)
Health	(146.2)	(33.89)	99.83
Miscellaneous	54.1	(18.02)	(26.56)
Total Underwriting Profit	**53.81**	**80.96**	**157.21**

Underwriting Profit/ (Loss) before G&A- (Takaful) Rs. In Mlns	CY20	CY21	9M22
Fire and property damage	(2.4)	4.4	2.87
Marine, aviation and transport	5.4	8.2	7.28
Motor	65.7	92.6	76.6
Bankers Blanket	18.4	7.8	5.26
Miscellaneous	2.5	1.3	1.76
Total Underwriting Profit	**89.57**	**114.33**	**93.78**

Overall underwriting profit for CY21 increased to Rs. 80.96m (CY20: Rs. 53.81m) on account of lower volume of losses incurred in the health segment led by shift in business strategy and increase in quantum of profit from the motor segment given rise in prices of automobiles and decline in the number of claims expensed. Continuity of improvement in the health segment is reflected in the underwriting profit of 9M2022. However, impact of slowdown in the automotive industry is evident from subdued profits from this segment in 9M2022. Rationale for improvement in health segment's profitability comprises condition of 80% cap loss because of which loss making clients were reduced in the health portfolio.

Improved underwriting results over the past two review periods have been a function of decrease in combined ratio to (9M2022: 90%, CY21: 92%, CY20: 98%) being largely a function of lower claims and lower quantum of net commission expense (10% of the premiums on 100% cession) (9M2022: Rs. 81.7m, CY21: Rs. 191.9m, CY20: Rs. 107.6m). Ability of the company to sustain these performance metrics amidst current slowdown in macroeconomic environment and impact of flood claims will remain a key rating factor.

Profitability Indicators	CY20	CY21	9M2022
Net claims ratio	61%	53%	46%
Combined ratio	98%	92%	90%
Recurring investment income	108.0	96.1	137.5
Net Premium Revenue	1841.5	1793.8	1350.5
Net Operating ratio	92%	87%	80%

Investment income continues to support the bottom line of the company. Investment portfolio of the company comprised around 20% of the total asset base at end-Sep'22 with a major portion contributed by exposure in government securities carrying low market and credit risk. Around 93% of the investment base comprises exposure in debt securities largely comprising T-Bills and PIBs followed by corporate debt issuances. As a deliberate strategy, the company shifted its T-Bill exposure to PIBs during 9M2022 to earn higher coupon rates amidst rising interest rate environment. PIB exposures are in fixed rated PIBs, and are planned to be held to maturity, hence no impairments for interest rate increases have been made. Equity portfolio in investments comprise around 7% of the total investment portfolio with exposures in mutual funds and listed shares. With declining equity market index in 2021, unrealized losses on the equity exposure amounted Rs. 24.4m. Given expected continuation of market volatility, the company intends to maintain equity exposure around current levels. Issuers of TFCs, which currently form 3-5% of the investment portfolio, include Bank Al-Habib and Habib Bank Limited. Sukuk issuers include The Hub Power Company Limited.

Investment in Debt Securities	CY20	%	CY21	%	9M2022	%
T-Bills	649.8	63%	625.2	62%	555.8	35%
PIBs	251.5	24%	290.9	29%	959.5	61%
TFC- HBL	50.0	5%	50.0	5%	50.0	3%
TFC- BAH	45.0	4%	-	0%	-	0%
Corporate Sukuk	40.4	4%	40.2	4%	20.1	1%
Total	**1,036.7**	**100%**	**1,006.3**	**100%**	**1,585.4**	**100%**

Investment in Equity Securities	CY20	%	CY21	%	9M2022	%
Listed Shares	30.4	100%	30.1	37%	31.1	39%
Mutual Funds	-	0%	51.1	63%	49.6	61%
Total	**30.4**	**100%**	**81.2**	**100%**	**80.7**	**100%**

Investment income generated amounted Rs. 140.1m (CY21: Rs. 97.3m, CY20: Rs. 102.0m) during 9M2022 which majorly comprised return on debt securities (9M2022: 127.2m, CY21: Rs. 89.4m, CY20: Rs. 84.6m), dividend income (9M2022: Rs. 10.3m, CY21: Rs. 6.8m, CY20: Rs. 3.6m), return on term deposits (9M2022: Nil, CY21: Nil, CY20: Rs. 19.8m) and gain/(loss) on sale of investments (9M2022: Rs. 2.5m, CY21: Rs. 1.2m, CY20: Loss of Rs. 5.7m). With combined ratio reported lower at 90% in 9M2022, net operating ratio stood lower at 80% with support of investment income.

Capitalization and Liquidity

Asset Quality, Capitalization and Liquidity Indicators	CY20	CY21	9M2022
Net Insurance Debt to Gross Premium (%) incl. WTO	43%	39%	36%
Operating Leverage (%) incl. WTO	130%	124%	89%
Financial Leverage (%)	74%	62%	106%
Adjusted Liquid Assets to Adjusted Technical Reserves (%)	103%	121%	93%

Liquidity profile improved in CY21 reflected by adequate liquid assets maintained in relation to technical reserves at 121% (CY20: 103%). However, the ratio dipped to 93% at end-9M2022 on account of 88% increase in Net Technical Reserves during the same period in relation to CY21. The company managed to reduce net insurance debt in relation to gross premium on a timeline basis to 36% (CY21: 39%, CY20: 44%) during 9M2022 supported by stringent collection mechanisms in place. While overall aging profile of insurance debt is considered satisfactory, stricter monitoring is required for receivables (6%) which were overdue for two years or more at end-9M22. The company generated higher net operating cash flows on a timeline basis (9M2022: Rs. 541.6m, CY21: Rs. Negative 20.4m; CY20: Rs. 96.3m) mainly on account of lower claims payments and net commission paid. Hence, net operating cash flow as a percentage of net premium revenue increased to 40% (CY21: -1%, CY20: 5%) in 9M2022.

Paid up capital of the company stood at Rs. 1.2b at end-9M2022, which is above the minimum regulatory requirement. Operating Leverage improved to 94% (CY21: 103%, CY20: 110%) at end-9M2022 due to higher growth in equity base supported by elevated profitability. Meanwhile, Financial Leverage deteriorated to 106% (CY21: 62%, CY20: 74%) at end-Sep'22 on account of higher technical reserves adjusted for reinsurance recoveries against claims and prepayments. The leverage indicators of the company continue to remain on the higher side vis-à-vis peer companies (peer average for operating and financial leverage was reported at 69% and 46%, respectively for HY2022) that need to be rationalized.

UBL Insurers Limited — Appendix I

FINANCIAL SUMMARY

(amounts in PKR millions)

BALANCE SHEET	31-Dec-19	31-Dec-20	31-Dec-21	30-Sep-22
Cash and Bank Deposits	360.4	214.3	225.5	223.4
Investments	827.4	1,067.1	1,087.5	1,666.0
Insurance Debt (incl. WTO)	1,663.1	1,995.1	1,849.1	2,428.7
Total Assets	5,754.8	5,866.5	5,703.3	8,247.7
Paid-up Capital	1,152.2	1,152.2	1,152.2	1,152.2
Net Worth	1,666.0	1,670.3	1,742.9	1,913.7
Total Liabilities	4,088.9	4,196.2	3,960.4	6,334.0
INCOME STATEMENT	**31-Dec-19**	**31-Dec-20**	**31-Dec-21**	**30-Sep-22**
Net Insurance Premium (incl. WTO)	2,085.2	2,172.2	2,155.2	1,693.6
Net Claims (Incl. WTO)	786.7	1,273.3	1,097.6	772.2
Underwriting Profit/(Loss) (incl. WTO)	374.0	(1.2)	45.5	132.5
Other Income	36.2	39.6	29.7	36.7
Profit Before Tax	448.6	93.5	102.0	273.3
Profit After Tax	307.9	67.1	66.2	187.3
RATIO ANALYSIS	**31-Dec-19**	**31-Dec-20**	**31-Dec-21**	**30-Sep-22**
Cession Ratio (%) (incl. WTO)	51.1%	52.8%	54.0%	45.7%
Gross Claims Ratio (%) (incl. WTO)	57.8%	65.8%	58.2%	59.9%
Net Claims Ratio (%) (incl. WTO)	37.7%	58.6%	50.9%	45.6%
Underwriting Expense Ratio (%) (incl. WTO)	34.4%	35.3%	36.9%	40.3%
Combined Ratio (%) (incl. WTO)	72.2%	93.9%	87.8%	85.9%
Net Operating Ratio (%) (incl. WTO)	75.0%	92.0%	90.8%	83.7%
Net Insurance Debt to Gross Premium (%) (incl. WTO)	36.9%	43.3%	38.9%	36.2%
Operating Leverage (%) (incl. WTO)	125.2%	130.1%	123.7%	88.5%
Financial Leverage (%)	59.8%	74.3%	62.1%	106.2%
Adjusted Liquid Assets to Adjusted Technical Reserves (%)	119.3%	103.3%	121.2%	92.9%

ISSUE/ISSUER RATING SCALE & DEFINITIONS — Appendix III

RATING SCALE & DEFINITIONS: INSURER FINANCIAL STRENGTH

AAA(IFS)
Exceptionally Strong. Exceptionally strong capacity to meet policy holders and contract obligations. Risk factors are minimal, and the impact of any adverse business and economic factors is expected to be extremely small.

AA++(IFS), AA+(IFS), AA(IFS)
Very Strong. Very strong capacity to meet policy holders and contract obligations. Risk factors are very low, and the impact of any adverse business and economic factors is expected to be very small.

A++(IFS), A+(IFS), A(IFS)
Strong. Strong capacity to meet policy holders and contract obligations. Risk factors are low, and the impact of any adverse business and economic factors is expected to be small.

BBB++(IFS), BBB+(IFS), BBB(IFS)
Good. Good capacity to meet policyholder and contract obligations. Risk factors are moderate, and the impact of any adverse business and economic factors is expected to be manageable.

BB++(IFS), BB+(IFS), BB(IFS)
Marginal. Marginal capacity to meet policyholders and contract obligations. Though positive factors are present, risk factors are relatively high, and the impact of any adverse business and economic factors is expected to be significant.

B++(IFS), B+(IFS), B(IFS)
Weak. Weak capacity to meet policyholder and contract obligations. Risk factors are high, and the impact of any adverse business and economic factors is expected to be very significant.

CCC(IFS) , CC(IFS), C(IFS)
Very Weak. Very weak capacity to meet policyholder and contract obligations. Risk factors are very high, and the impact of any adverse business and economic factors may lead to insolvency or liquidity impairment.

D(IFS)
Distressed. Extremely weak capacity with limited liquid assets to meet policyholders and contractual obligations, or subjected to some form of regulatory intervention or declared insolvent by the regulator.

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

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

Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
RATING TYPE: INSURER FINANCIAL STRENGTH				
12/29/2022	AA+	-	Stable	Reaffirmed
03/31/2022	AA+	-	Stable	Harmonised
12/28/2021	AA	-	Stable	Reaffirmed
11/17/2020	AA	-	Stable	Reaffirmed
9/27/2019	AA	-	Stable	Upgrade
8/20/2018	AA-	-	Stable	Reaffirmed
5/29/2017	AA-	-	Stable	Upgrade
12/30/2016	A+	-	Stable	Reaffirmed
12/23/2015	A+	-	Stable	Reaffirmed
11/13/2014	A+	-	Stable	Upgrade

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 Meeting Conducted	

Name	Designation	Date
Mr. Nadeem Raza	CFO	November 14, 2022
Mr. Rashid Jameel Khan	Head of Operations	