



December 23, 2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: **Corporate Briefing Session**

The is to inform you that Adamjee Insurance Company Limited will hold a Corporate Briefing Session (CBS) for the investors and analysts to provide highlights about the Company's business performance for the year ended Dec 31, 2021 and up to 3Q 2022.

The program details are as under:

Date: Friday, December 30, 2022
Time: 04:00 PM PST
Venue: a) Nishat Hotel Gulberg Lahore
b) Via Zoom Link as under

<https://us06web.zoom.us/j/87259680318?pwd=TIZJbm0zcjVmVF15cEJUMDRnSUtNZz09>

Meeting ID: 872 5968 0318

Passcode : 287622

We would appreciate your assistance in communicating this information to TRE Certificate holders of the exchange and the analysts.

Yours faithfully,
For Adamjee Insurance Company Limited


Tameez ul Haque
Company Secretary

Adamjee Insurance Company Limited

Company Secretary's office

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ADAMJEE INSURANCE COMPANY LTD.

Corporate Briefing Session

30 December 2022



1. History & Introduction

2. Operational & Financial Performance

3. Outlook

4. Consolidated Financial Highlights

- Founded in 1960 and is listed on Pakistan Stock Exchange
- Belongs to Nishat Group
- Largest insurance company in Pakistan
- Commenced operations with a paid-up capital of Rs. 2.5 million, which now stands at Rs. 3.5 billion
- 11 divisions incorporating 91 branches in Pakistan, 3 branches in the UAE, and 1 branch in EPZ
- Staff strength of 921 employees
- AICL's inclusive of UAE market share stood at 22.5% in 2021 (2020: 19.4%). The market share in Pakistan remained at 18% in 2021 and 15% in 2020.
- During the 9MCY22 AICL's share in Pakistan increased to 19%
- Only general insurer in Pakistan with overseas operations
- Market leader in the Power and Utility sectors
- Market leader in Infrastructure and Industrial Risks

History & Introduction - Group Profile



- Nishat Group is one of the leading and most diverse business groups in Pakistan
- Assets over Rupees 2,726 billion (USD 12 Billion)
- Strong presence in Financial Services (Banking, Insurance, Asset Management), Textiles, Cement and Power Generation
- Enhancing footprint in the Automobile, Real Estate, Hospitality & Shopping Malls, Dairy (wholesale & retail), Leasing & Aviation industry
- Direct and indirect holdings in the UAE, UK, Sri Lanka, Hong Kong, Bahrain and Azerbaijan
- Strategic partnerships with groups in Japan, Turkey & Malaysia



Board of Directors

- Comprises eight Directors (Seven of which are Non-Executive Directors)
- Two Independent Directors
- One Executive Director
- Five Non-executive Directors (including one female director)

Board Committees

- Audit Committee
- Ethics, Human Resource & Remuneration Committee
- Investment Committee

Management Committees

- Underwriting Committee
- Claim Settlement Committee
- Re-insurance & Co-insurance Committee
- Risk Management & Compliance Committee

- IFS Rating of “AA++” (Stable Outlook) by Pakistan Credit Rating Agency (PACRA)
- Rating of “B” (Stable Outlook) & Long-term “BB+” by AM Best, UK
- Winner of Asia’s Outstanding Insurance Company in Pakistan by Asia Money in 2020 & 2021
- Secured “Silver” Award in SAARC Anniversary Award for Corporate Governance, 2021
- Winner of Bronze Award in the Insurance Category of SAFA Best Presented Annual Report Award, 2021
- Secured Top Position in Insurance Sector for Best Corporate Report Awards 2021 & 2020 by ICAP & ICMA
- Best General Insurance Company in Pakistan in 2021, 2020, 2019, 2018 & 2017 by World Finance
- Certificate of Merit in SAARC Anniversary Award for Corporate Governance 2020
- Certificate of Merit in Insurance Category of SAFA Best Presented Annual Report Award 2020
- Best Domestic General Insurer 2019 in Pakistan by Insurance Asia, Singapore
- Breakthrough Insurer of the Year 2019 by YALLACOMPARE Banking and Insurance Awards UAE
- Certification of ISO 9001:2015 by Lloyd’s Register Quality Assurance

Operational & Financial Performance - Highlights



Particulars	31-Dec						30-Sep
	CY16	CY17	CY18	CY19	CY20	CY21	9MCY22

Balance Sheet

Total Assets	45,640	47,388	47,845	49,538	49,520	61,641	74,223
Liquid Assets	5,918	4,716	6,954	7,425	7,287	9,089	12,163
Investments - Market Value	24,337	23,749	24,114	25,888	26,596	31,069	29,782
Total Equity / Net Book Value	21,872	20,364	19,663	21,380	22,235	25,390	25,045

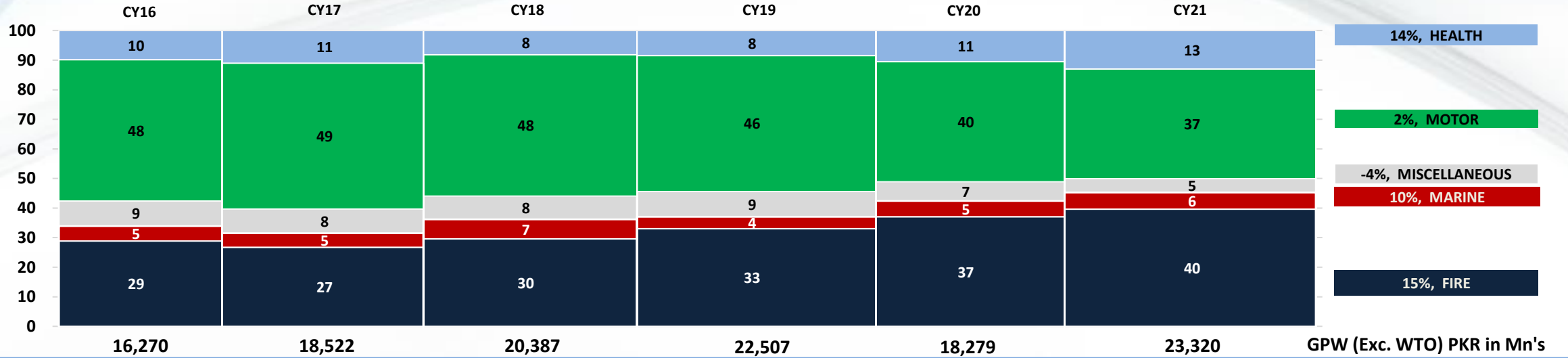
Income Statement

Gross premium written (incl. Takaful operations)	16,457	19,265	21,489	23,720	19,805	24,784	28,505
Gross premium written (Conventional only)	16,270	18,522	20,387	22,507	18,279	23,320	26,474
Net Premium Revenue	9,615	11,535	13,806	15,434	13,295	12,552	12,375
Underwriting results	1,078	557	816	654	376	672	248
Investment Income	3,502	1,494	1,285	1,372	1,093	2,469	1,797
Operational Profit (incl. Takaful operations)	4,054	2,121	2,174	2,542	1,925	4,455	2,534
Profit After Tax	3,493	1,221	1,239	1,813	1,876	3,136	1,385

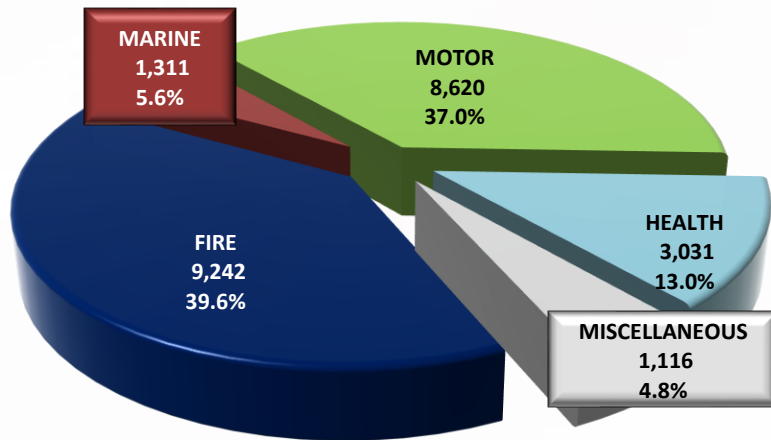
Business Mix - 2021



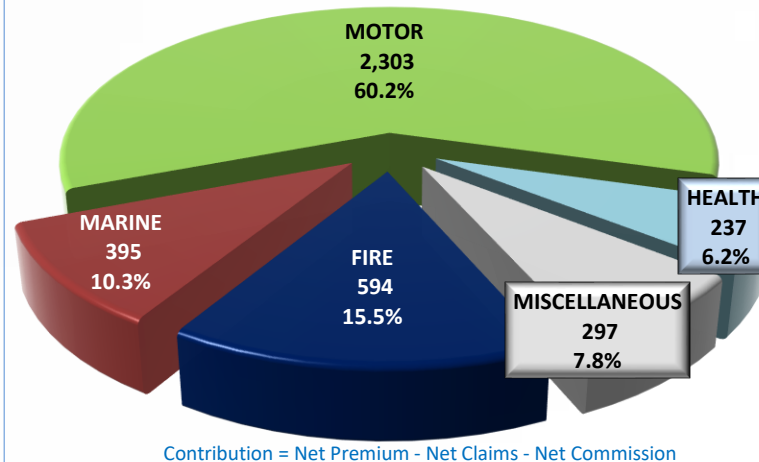
Historical Business Mix - GPW (%)



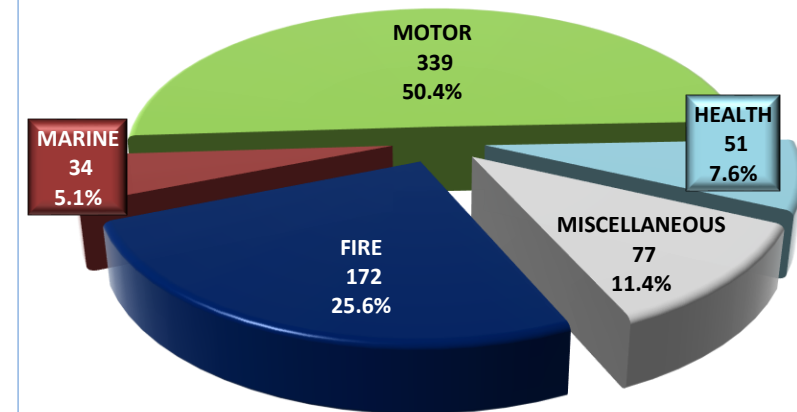
GPW (2021) PKR in mn's



Contribution Margin (2021) PKR in mn's



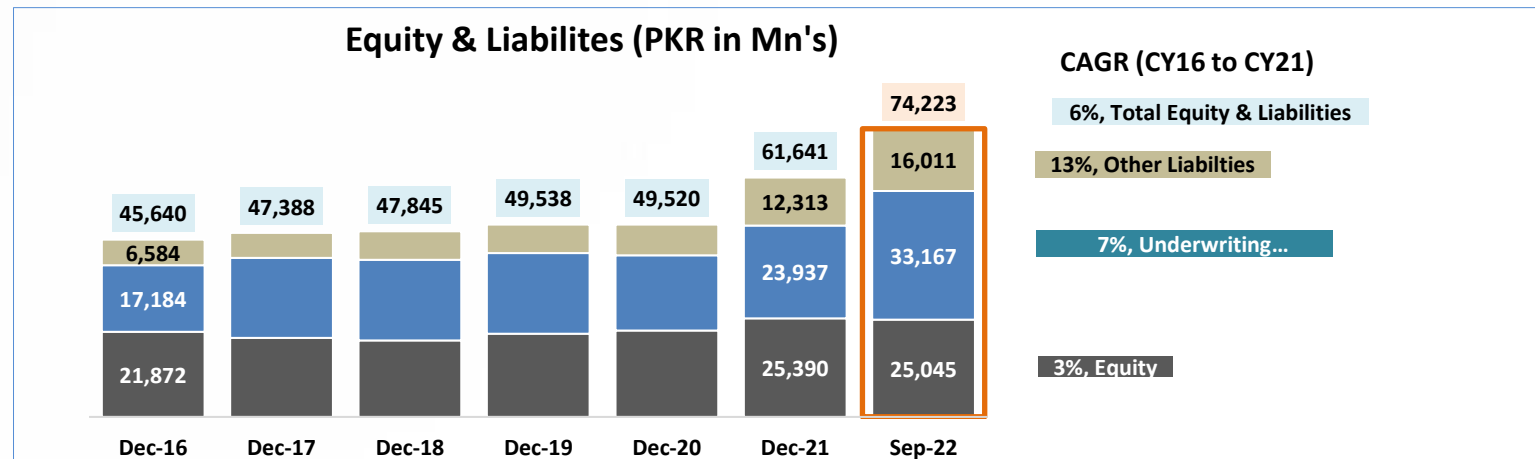
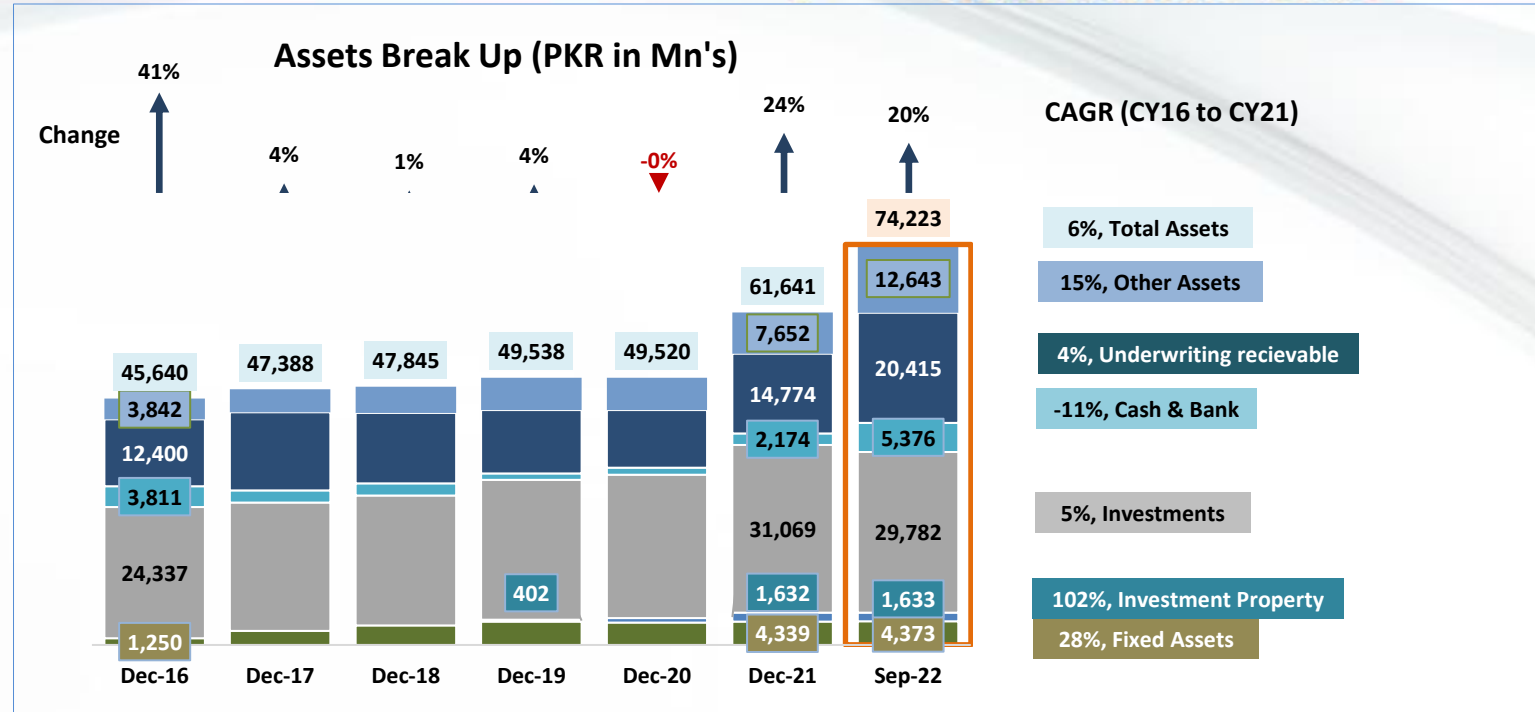
Underwriting Result (2021) PKR in mn's



Financial Strength



- Asset base of the Company has increased over the last five years, registering a CAGR of 6%.
- Investments grew at the CAGR of 5% during the last five years.
- Growth in Investment property witnessed a CAGR of 102% during the last two years.
- Growth in fixed assets stood at a CAGR of 28% since CY16.
- Equity has also registered a CAGR of 3% over the last five years despite the slowdown due to Covid-19.



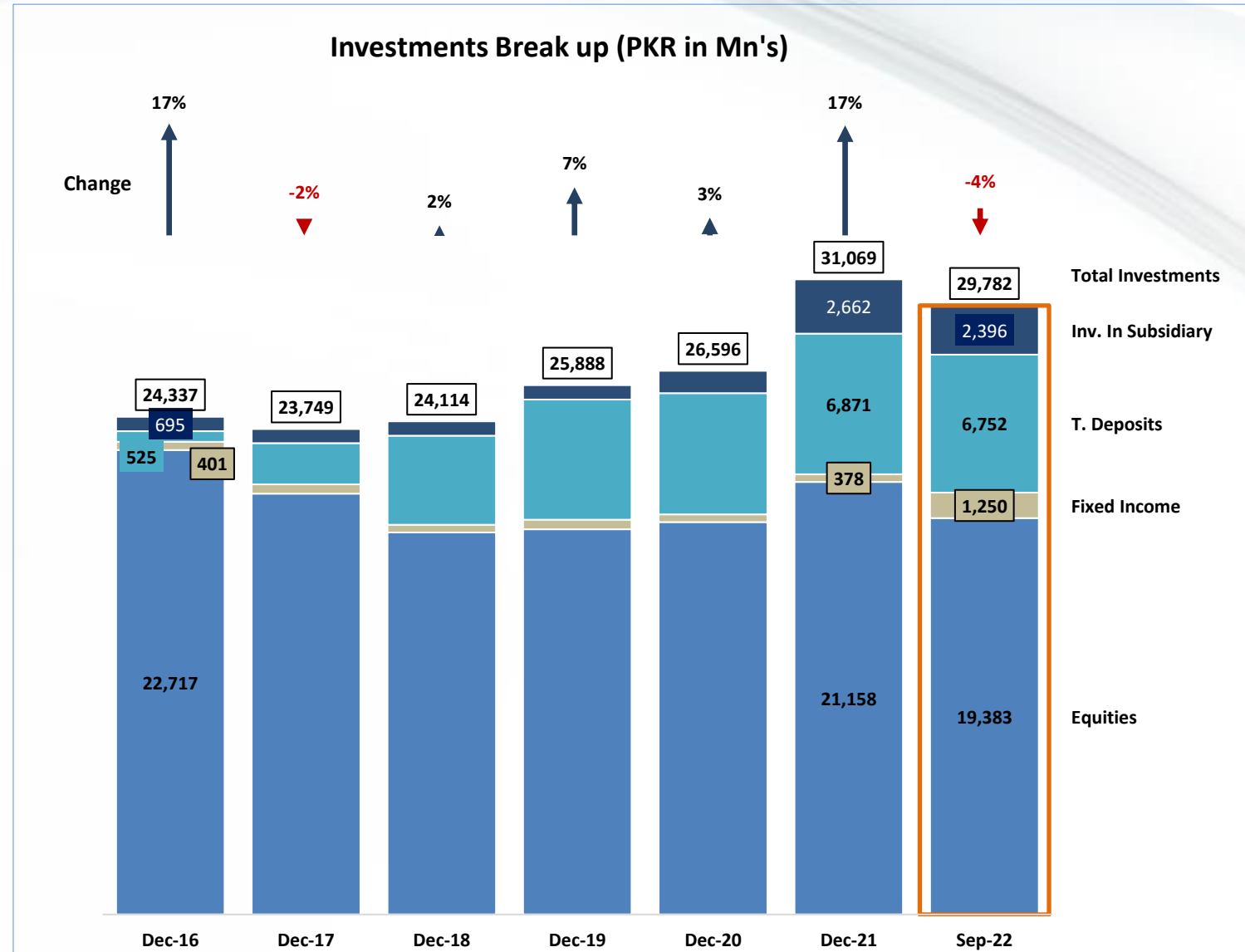
Investments



- Total Investments of the company increased at a CAGR of 5% over the span of the recent 5 years.
- Investment mix over the last one year is as follows:

Investments	Dec-20	Dec-21	Sep-22
Equities	72%	68%	65%
Fixed Income	1%	1%	4%
T. Deposits	22%	22%	23%
Subsidiary	4%	9%	8%

- During the year 2021, Allocation in equities decreased from 72% of investments to 68% of total investments while the share of investment in subsidiary increased from 4% to 9%

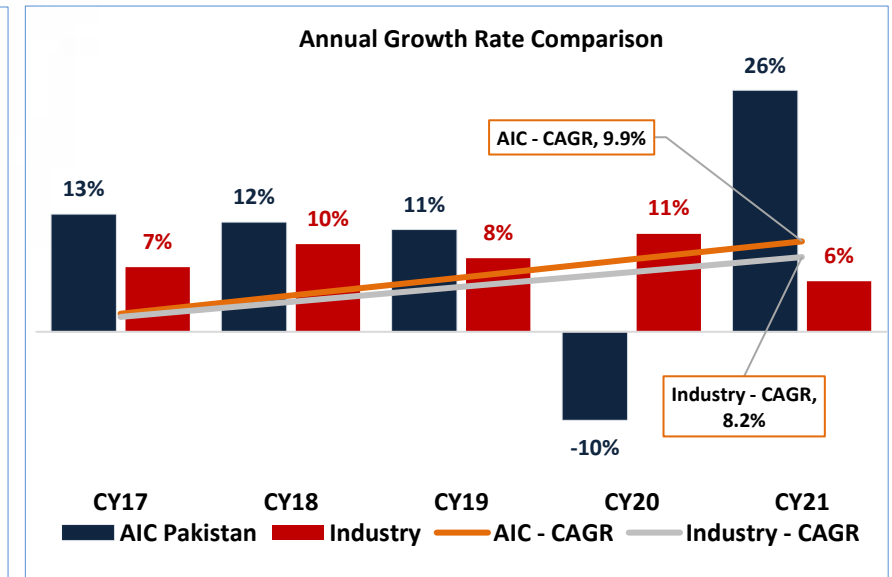
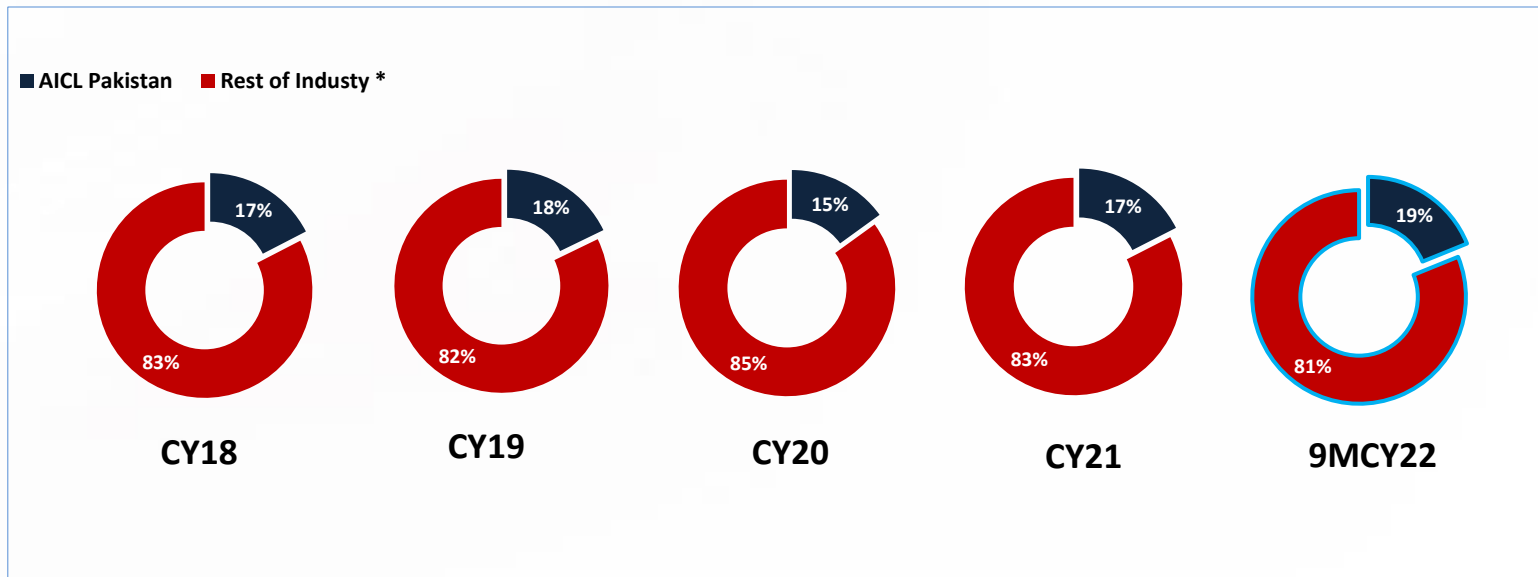


Industry Comparison



Gross Premium Written - AICL's Market Share in Pakistan				
Year Ended 31 December	AICL Pakistan	Rest of Industry *	Total	AICL Inside Pakistan
	Rupees in thousand			% age
9MCY22	18,405,918	79,138,213	97,544,131	19%
CY21	17,036,745	80,386,088	97,422,833	17%
CY20	13,469,232	76,164,738	89,633,970	15%
CY19	14,915,468	68,759,605	83,675,073	18%
CY18	13,413,513	63,621,774	77,035,287	17%
CY17	11,975,818	58,032,466	70,008,284	17%
CY16	10,609,406	54,176,170	64,785,576	16%
CAGR	9.9%	8.2%	8.5%	

* Rest of Industry figures obtained from website of Insurance Association of Pakistan (IAP).



Dividend History

Paid Basis

Year	Cash Dividend			Yield
	% age	Rs. Per share	Total (PKR in Mn's)	% age
CY21	28%	2.8	963	7%
CY20	28%	2.8	963	7%
CY19	25%	2.5	875	6%
CY18	20%	2.0	700	5%
CY17	40%	4.0	1,400	8%
CY16	30%	3.0	1,050	4%

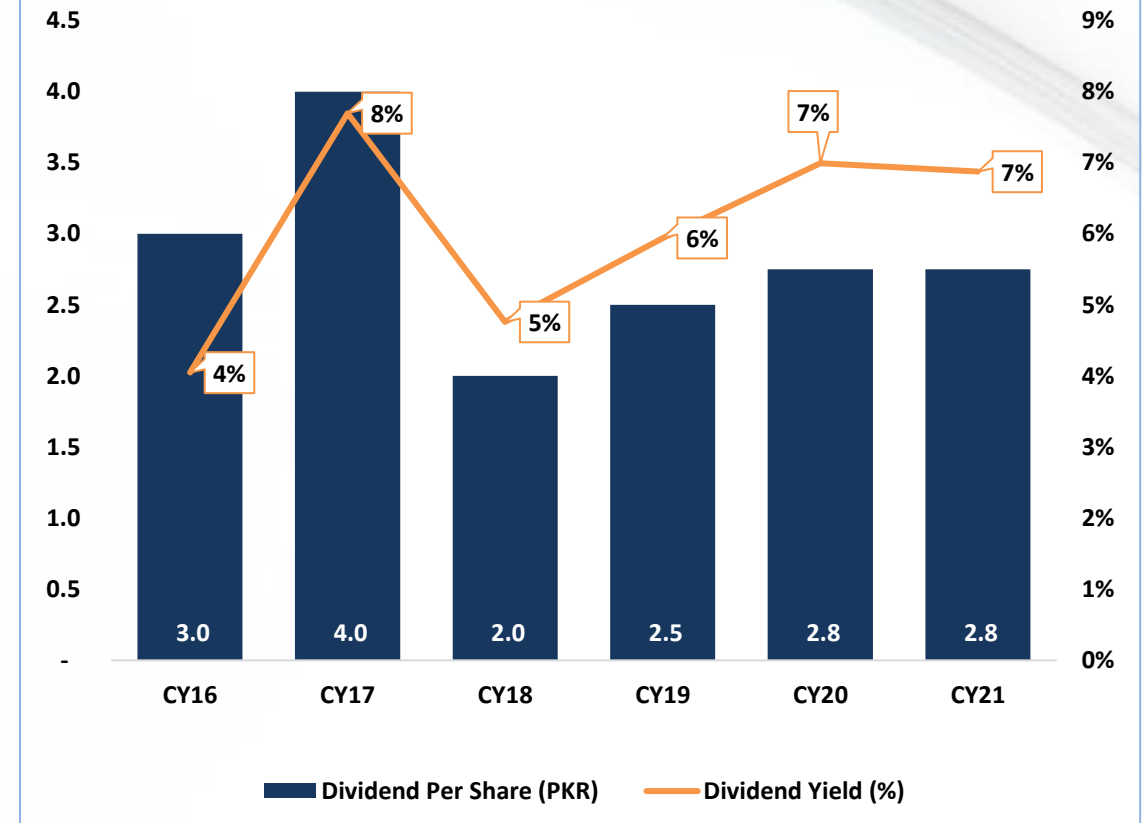
Total

5,950

Average dividend per year

992

Dividend Paid Basis



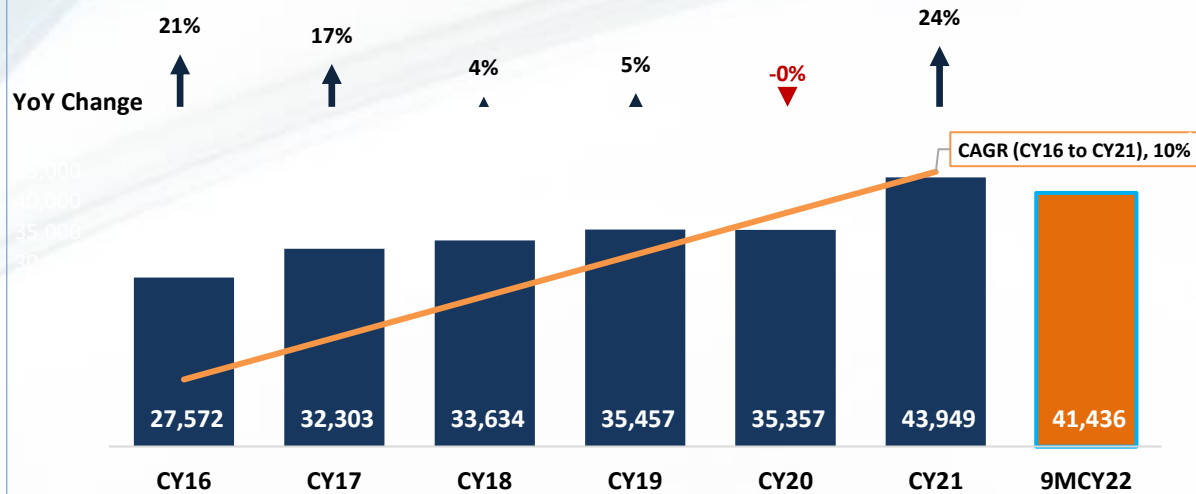
- The economy posted real GDP growth of 5.97 percent in the fiscal year 2022. However, certain financial and macroeconomic imbalances hamper the growth trend to continue.
- Recent floods have caused great losses to the economy to which donor countries and international agencies have pledged support, but the magnitude of the losses still seems to be much higher than the commitments made by the international community.
- The inflation made a multi-decade high of 27.3% in Aug-22 while it edged lower in the following months. During the Nov-22 inflation remained at 23.8% despite the aggressive fiscal and monetary measures.
- Pak Rupee also depreciated against the US Dollar due to tighter monetary policies in the US. To counter these macroeconomic issues SBP has raised the Policy Rate to 16% in its attempt to reduce the inflationary pressure and cause appreciation in the exchange rate.
- We have a cautious stance owing to the tough economic conditions, depleting foreign exchange reserves, increasing inflation, and political abyss.

- ALACL was incorporated on 4 August 2008 and started its operation on 24 April 2009.
- It was initially a joint venture between AICL and Hollard Life Assurance Company Limited, an associate company of IVM Intersurer B.V. Before February 2020, AICL held a 74.28% stake in ALACL. In February 2020, AICL acquired non-controlling shares (representing 25.72%) of ALACL after obtaining requisite approvals. Following this acquisition, ALACL became a wholly-owned subsidiary (100%) of AICL.
- ALACL is listed on Pakistan Stock Exchange (PSX) followed by an offer of 25 million ordinary shares of par value Rs10, i.e. 10 percent of the total post-IPO paid-up capital of the company subscribed at Rs. 28/ - per share.
- Listing of ALACL was completed on March 03, 2022, by offering 25,000,000 shares of ALACL constituting 10% of total shares of the ALACL held by AICL (Post-IPO, No. of Shares held by AICL are 225,000,000). Eventually, the percentage of holding of the ALACL by the AICL changed to 90% from 100%.

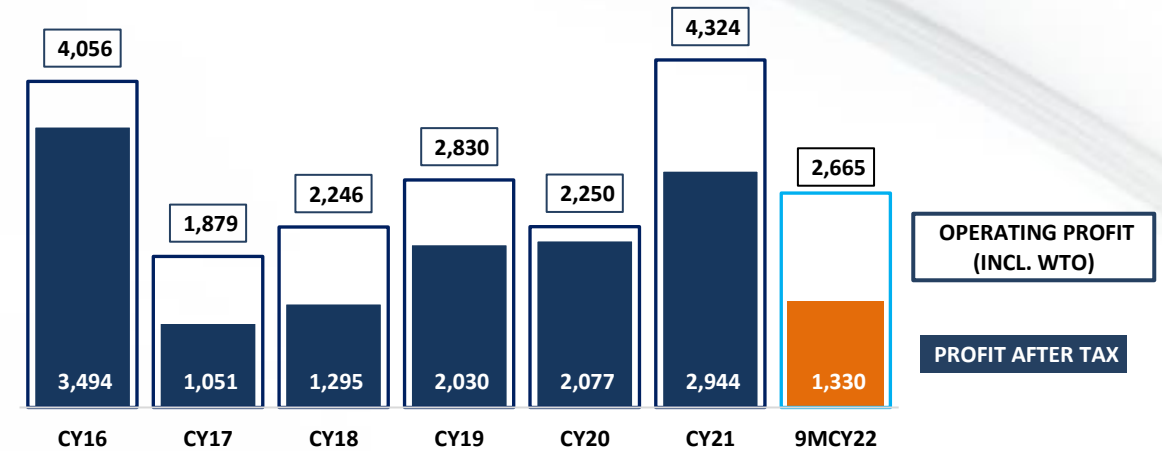
Consolidated Financial Highlights



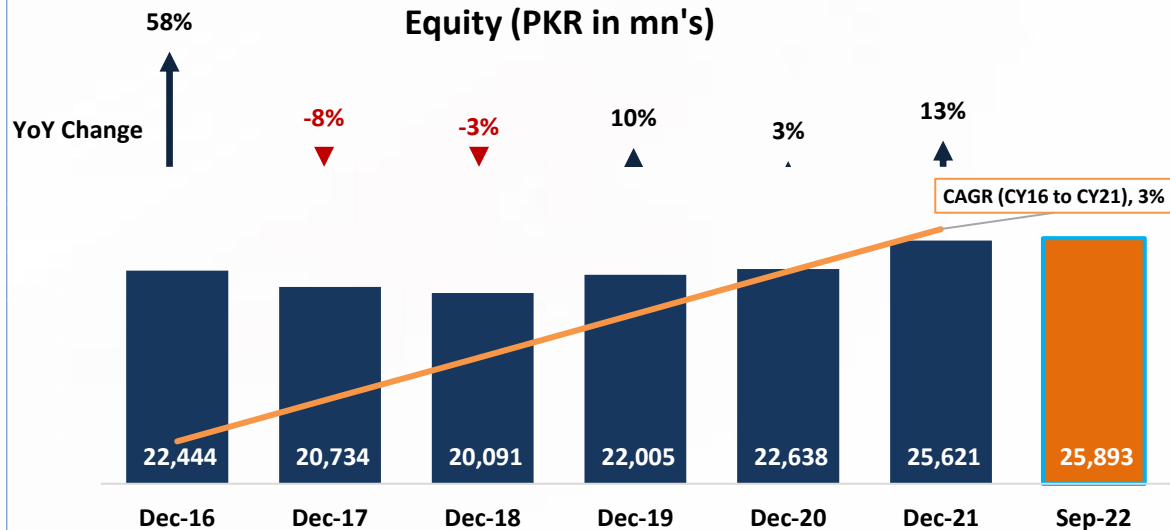
Gross Premium Written (PKR in mn's)



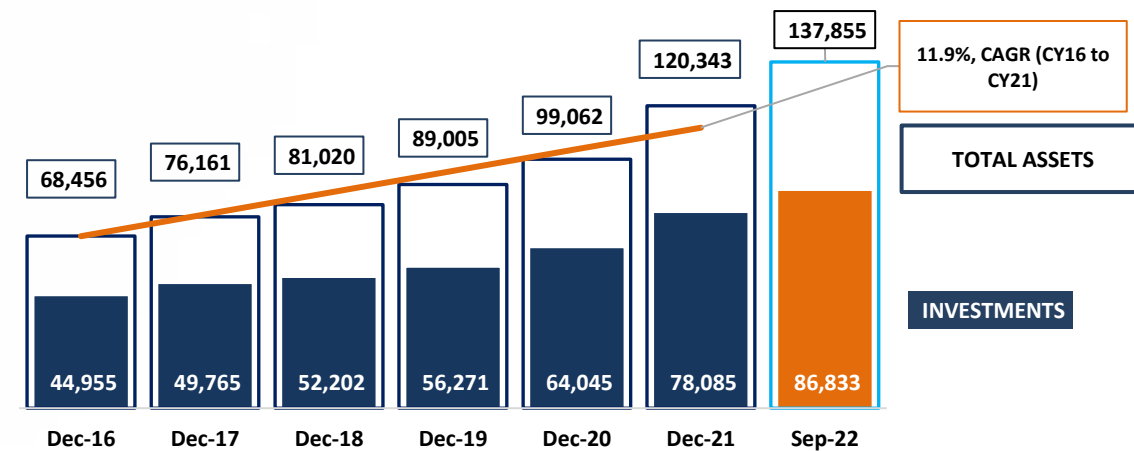
Profit or Loss Analysis (PKR in mn's)



Equity (PKR in mn's)



Total Assets vs Investments (PKR in mn's)



Explore
Innovate
Differentiate

Thank You!

