



**Pakistan Reinsurance Company Limited**



## **CORPORATE BRIEFING SESSION 2021**

# COMPANY PROFILE

Pakistan Reinsurance Company Limited

(Autonomous body working under the Ministry of Commerce, Government of Pakistan)

❖ Formerly “Pakistan Insurance Corporation” (PIC), Pakistan Reinsurance Company Limited, (PRCL) was established in 1952, and incorporated as a public limited company in March 2000.

❖ PRCL’s prime objective is the development of reinsurance business in Pakistan. The company provides reinsurance coverage in various business classes including Aviation, Marine Cargo, Marine Hull, Engineering, Fire and Accident. The company is the sole reinsurer contributing towards the economic development of Pakistan.

❖ The company’s head office is at Karachi, and its zonal office is at Lahore, Pakistan.

## **VISION**

To be a leading provider of reinsurance and risk management services in the region.

## **MISSION**

To provide secure reinsurance capacity and outstanding risk management advice in a profitable manner and to conduct business in a dependable and professional way with the highest standards of customer service.

# OBJECTIVES

- To provide best services to the local insurance industry in order to check outflow of foreign exchange, to the maximum possible extent.
- To develop good business relations with other reinsurers.
- To train its people according to fast changing business market requirements as well as to provide them with the ideal working environment.
- To share risks and preserve resources by providing reinsurance facilities to the insurance companies.
- To assist in the development of the national insurance industry.
- To enhance domestic retention capacity in the country in order to save valuable foreign exchange.

# LINES OF BUSINESS

➤ Conventional:

- . Treaty.
- . Facultative.

➤ Takaful:

- . Treaty.
- . Facultative.

About treaty business at least 35% of every business that is ceded abroad, has to be first offered to PRCL.

# Share Capital Structure

AS AT 31<sup>ST</sup> DECEMBER 2021

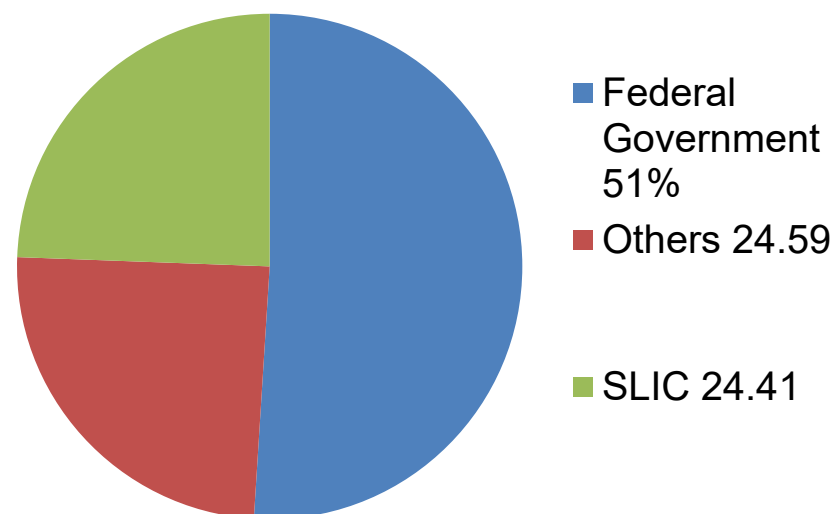
**Authorized Capital:** PKR 2.5 Billion ordinary shares of Rs.10/- each = PKR 25 Billion

**Issued, subscribed and paid-up capital:** PKR 300 Million ordinary shares = PKR 3 billion

**Total Assets (PKR 46.8 B) - Total Liabilities (= PKR 33.7 B) = Net Assets (=PKR 13.07 B)**

**Note: PRCL has issued bonus shares of 200% because of which share capital has been increased from PKR. 3 billion to 9 billion in the AGM conducted in the month of April 2022.**

Pattern of Shareholding	
Federal Govt.	51 %
State Life	24.41%
Individuals & Others	24.59%
Net Equity	13 Billion
Book Value Per Share(PKR)	43.57
Earning Per Share (PKR)	8.63
Net Profit Ratio	35.84%



PKR Millions

	2021	2020	%age
Gross Written Premium	20,994	16,896	24.25%
Net Premium	7,226	6,709	7.7%
Net Claim	(3,778)	(3,925)	-3.74%
Management Expenses	(729)	(667)	9.2%
Underwriting Profit	1,682	766	119%

PKR Millions

	2021	2020	%age
Investment Income	982	1,043	-5.84%
Rental Income	104	83	25.3%
Other Income	142	74	91%
Profit – Window Retakaful	210	(80)	362%
Profit Before Tax	3,614	1,972	83.26%
Profit After Tax	2,590	1,391	86.19%
Earning Per Share	8.63	4.64	86%



# Investment Portfolio of PRCL

PKR Millions

	AS AT 31 <sup>ST</sup> DECEMBER 2021
<b>Investments</b>	12,562
<b>Equity Securities</b>	<b>3,388</b>
Listed Shares	2,020
Mutual Funds	1,368
Unlisted Shares	0.61
<b>Debt Securities</b>	<b>9,174</b>
PIBs	2,498
T-Bills	6,577
TFC	99

# FINANCIAL POSITION

PKR Millions

	<b>AS AT 31<sup>ST</sup> DECEMBER 2021</b>
Investments -	12,563
Equity Securities	3,389
Debt Securities	9,174
Equity	13,072
Ordinary Share Capital	3,000
Reserves	10,072
Book Value Per Share	43.57
Market Value Per Share	22.40
Market Capitalization As on 31 <sup>th</sup> December, 2021	6,720

# Business Performance at One Glance

PKR Millions

<b>Particulars</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Gross Written Premium	8,036	10,734	17,655	16,896	20,994
Net Premium	5,006	5,464	6,905	6,709	7,226
Net Claims	3,740	2,990	4,259	3,925	3,778
Net Commission & Expenses	1,943	1,891	2,141	2,019	1,706
Profit from Underwriting	-677	583	506	766	1,682
Profit – Window Re-takaful	-	-	-36	-80	210
Investment & Other Income	3,561	1,108	1690	1,200	1,227
Fair value gain on Investment property.	-	-	-	-	698
Profit Before Tax	2,876	1,740	2,189	1,972	3,614
Profit After Tax	2,226	1,235	1,484	1,391	2,589
Earning Per Share	7.42	4.12	4.95	4.64	8.63

## TOTAL ASSETS & LIABILITIES

(PKR Millions)

Particulars	2016	2017	2018	2019	2020	2021
Total Assets	25,984	23,983	24,459	35,807	35,765	46,806
Total Liabilities	13,667	13,933	15,051	25,978	25,523	33,733
Net Assets	12,317	10,050	9,408	9,829	10,242	13,073

# MAJOR ACCOMPLISHMENTS.

- Gross premium about the conventional business for the year 2021 has been increased from PKR 17 billion to PKR 21 billion.
- Profit before tax about the conventional business for the year 2021 has been increased from PKR 1.97 billion to PKR 3.6 billion .
- Net profit after tax about the conventional business for the year has been increased from PKR 1.4 Billion to PKR 2.6 Billion.
- Retakaful business gross premium for the year has been increased from PKR. 604 million to PKR. 933 million.
- Retakaful business is in profit of PKR. 210 million as compared to loss of 80 million for the period ended December 31, 2021.
- Total assets value as of 31<sup>st</sup> December 2021 was PKR 46.81 Billion was highest ever in the history of PRCL
- Revaluation of Land and building up to PKR 2.8 billion has been done because of which equity has been increased from PKR 10.2 billion to PKR 13.07 billion.

# MAJOR ACCOMPLISHMENTS

- 200% bonus shares has been issued because of which share capital has been increased from 300 million to 900 million.
- Implementation of Oracle ERP Business Suite 12.i & Reinsurance & Re-Takaful ERP System is on advance stage.
- Centralized claim department has been established which has helped in booking of claims in efficient way and in reconciliation with ceding companies.
- Providing reinsurance support to State Life Insurance Corporation for Prime Minister's National Health Insurance Program.

# Question & Answer Section





Pakistan Reinsurance Company Limited



***Thank You***