

Six years Financial Performance (2020-2025)

Financial Ratios

		2025	2024	2023	2022	2021	2020
Profitability Ratios							
Profit / (Loss) Before Tax / Gross Premium		7.0%	11.9%	10.7%	7.2%	5.7%	7.8%
Profit / (Loss) Before Tax / Net Premium		7.6%	12.6%	11.0%	7.4%	5.9%	8.0%
Profit / (Loss) After Tax / Gross Premium		4.3%	7.2%	5.5%	4.3%	4%	5.5%
Profit / (Loss) After Tax / Net Premium		4.6%	7.6%	5.7%	4.4%	4.1%	5.6%
Profit / (Loss) Before Tax / total income		3.9%	4.9%	5.7%	4.9%	5.4%	6.7%
Profit / (Loss) After Tax / total income		2.4%	3%	3%	2.9%	3.8%	4.4%
Gross Yield on Earning Assets		18%	25%	16.6%	11.3%	7.7%	7.8%
Net Claims / Net Premium (Claim Ratio)		93%	104.3%	88.2%	66.3%	63.3%	56.4%
Commission / Net premium		3%	8%	10%	17%	18.8%	18%
Acquisition Cost / Net premium		19.77%	20%	20%	20.5%	21.7%	20.9%
Administration Expenses / Net premium		12.1%	10.2%	8.9%	6.6%	6.3%	5.9%
Change in PHL / Net Premium		64%	108.6%	79.0%	36.4%	23.0%	74.5%
Net investment income / Net Premium		99%	158%	108%	39.6%	22.1%	64.2%
Shareholders' funds	Rupees	10,119,617	9,189,742	6,947,645	6,348,550	6,178,379	6,175,089
Return on Shareholders' Funds		6%	9%	8%	6%	7%	6%
Total Shareholder Return		(20%)	(4%)	2%	(2%)	2%	(9%)
Return on investment		19%	25%	20%	9%	5%	15%
Liquidity Ratio/Performance							
Current Ratio	Times	1.66	2.17	3.75	5.36	7.70	7.06
Quick Ratio	Times	1.66	2.17	3.75	5.36	7.70	7.06
Cash to Current Liability		58%	94%	97%	97%	665%	612%
Return On Capital Employed		1.34%	1.94%	1.93%	1.02%	0.9%	16.9%
Total Liabilities / Equity	Times	27.22	27.21	29.26	27.12	25.41	24.01
Earning Asset to total asset		95%	96%	93%	92%	93%	94.89%
Paid-up Capital / Total Asset		0.35%	0.40%	0.47%	0.56%	0.61%	0.65%
Equity/ total Asset		3.40%	3.54%	3.31%	3.56%	3.79%	4%
Investment / Market Ratio							
Mkt price per share at end of the year	Rupees	159.00	170.67	193.04	205.32	210.67	217
Mkt price per share - Highest during the year	Rupees	175.00	199.71	208.56	208.9	213.95	228
Mkt price per share - Lowest during the year	Rupees	129.00	167.10	175	200	203.05	181.05
Cash Dividend per Share	Rupees	15	15	15	15	15	15
Price to book ratio	Times	0.08	0.10	0.08	0.12	0.13	0.14
Cash Dividend %		150%	150%	150%	150%	150%	150%
Return on Equity		24%	32.5%	29.7%	26.7%	24.4%	28.9%
Return to Shareholders							
Return on Asset		0.82%	1.15%	0.98%	0.95%	0.92%	1.16%
Breakup Value Per Share	Rupees	96.38	87.55	69.48	63.49	61.78	61.75
Dividend Yield		9%	9%	8%	7%	7%	7%
Dividend Payout		64.49%	52.05%	72.60%	88.65%	99.46%	84.07%
Dividend Cover	Times	0.64	0.52	0.73	0.89	0.99	1.19
Earnings / (loss) per share (pre tax) Diluted	Rupees	37.98	47.82	39.95	28.42	21.42	25.27
Earnings / (loss) per share (after tax) Diluted	Rupees	23.26	28.82	20.65	16.92	15.08	17.84
Price Earning Ratio -PAT	Times	6.84	5.92	9.34	12.13	13.97	12.16

	2025	2024	2023	2022	2021	2020
Ratio pertaining to Insurance Sector						
Solvency Ratio	1.15%	1.53%	1.29%	1.28%	1.28%	1.54%
Premium Growth Ratio	36.74%	11%	(5.30%)	5.77%	14.94%	2.51%
Claim settlement ratio	95%	97%	97%	99%	100%	92%
Combined ratio *	99%	102%	95%	97%	107%	
Persistence ratio	79%	76%	76%	78%	80%	79%
Retention ratio (Net Premiums/Gross Premiums)	92.24%	95%	97.16%	97.24%	97.26%	98.08%
External liability ratio (Total Liabilities/ Total assets)	96.60%	96%	96.70%	96.44%	96%	95.43%
Reinsurance Premium Ceded on Gross Premium	7.76%	5.43%	2.84%	2.76%	2.82%	2.74%
Reinsurance claim recovery percentage	28%	28%	19%	21%	19%	19.06%
Liquid Asset ratio	27%	48%	37.55	34.89	34.67	36.06
Non-financial ratios						
Staff turnover ratio	10.5%	14%	18%	17%	12%	13%
Employee Productivity Rate						
Revenue per Employee (Amounts in millions)	22	34	27	23	19	17
PBT per Employee (Amounts in million)	1.7	2.1	1.6	1.1	0.8	0.9

*the combined ratio is calculated for conventional short term lines of business only.

Comments:

Profitability Ratios:

Net Profit After Tax reached Rs. 2.44 billion. Profit / Net Premium After Tax was 4.6%, and Profit Before Tax remained strong at 7.6% of net premium, reflecting disciplined underwriting and effective cost management.

Shareholders' Equity and Capital Strength:

Owners' Equity increased to Rs. 10.12 billion (~10% growth). Total Assets expanded to Rs. 298 billion. Breakup Value per Share reached Rs. 96.38, strengthening shareholder value.

Shareholder Returns:

Earnings Per Share was Rs. 23.26. A total dividend of 150% was declared. Return on Equity (ROE) remained strong at 24%, reflecting consistent and attractive shareholder returns.

Insurance Operations:

Premium Growth reached 36.74%. Combined Ratio improved to 99%, Claim Settlement Ratio was 97%, and Retention Ratio stood at 92.24%, demonstrating strong underwriting, customer trust, and market competitiveness.

Operational Efficiency:

Staff turnover was 10.5%. Revenue per Employee was Rs. 22 million, and PBT per Employee Rs. 1.7 million, highlighting an efficient and productive workforce.

Conclusion:

EFU Life Insurance demonstrated robust profitability, strengthened capital, strong shareholder returns, and operational excellence, positioning the Company for sustainable growth and long-term value creation.