

Key Operating and Financial Data

Six years summary Financial Ratios		2020	2019	2018	2017	2016	2015
Profitability Ratios							
Profit / (Loss) Before Tax / Gross Premium	%	7.8%	7.4%	7.6%	8.5%	11%	7%
Profit / (Loss) Before Tax / Net Premium	%	8.0%	7.6%	7.7%	8.7%	12%	7%
Profit / (Loss) After Tax / Gross Premium	%	5.5%	4.9%	5.1%	5.8%	8%	5%
Profit / (Loss) After Tax / Net Premium	%	5.6%	5.0%	5.2%	5.9%	8%	5%
Gross Yield on Earning Assets	%	7.8%	9.8%	6.3%	6.3%	6%	7%
Net Claims / Net Premium	%	56.4%	50.3%	43.4%	46.1%	74%	29%
Commission / Net premium	%	18.0%	20.1%	14.3%	11.7%	12%	10%
Acquisition Cost / Net premium	%	20.9%	23.5%	22.4%	17.7%	18%	14%
Administration Expenses / Net premium	%	5.9%	5.7%	5.4%	5.3%	5%	3%
Change in PHL / Net Inflow	%	74.6%	35.2%	21.7%	11.9%	35%	57%
Net investment income / Net Premium	%	64.2%	21.8%	0.7%	-11.7%	66%	29%
Return On Capital Employed	%	16.9%	16.1%	17.7%	20.7%	23%	22%
Return on Equity	%	28.9%	26.2%	26.2%	41.8%	45%	43%
Liquidity Ratio							
Current Ratio		7.07	8.60	7.51	4.85	3.54	4.39
Quick Ration		7.07	8.60	7.51	4.85	3.54	4.39
Cash to Current Liability	%	612%	728%	633%	397%	287%	358%
Investment / Market Ratio							
Breakup Value Per Share	Rupees	61.75	59.08	60.28	43.41	41.93	34.10
Earnings / (loss) per share (pre tax) Diluted	Rupees	25.27	23.54	23.26	26.81	27.98	22.25
Earnings / (loss) per share (after tax) Diluted	Rupees	17.84	15.49	15.81	18.12	18.73	14.75
Price Earning Ratio -PAT	Times	12.16	14.95	14.41	13.99	11.50	13.49
Mkt price per share at end of the year	Rupees	217.00	231.57	227.92	253.49	215.47	199
Mkt price per share - Highest during the year	Rupees	228.00	244.4	311.48	329.95	247	260
Mkt price per share - Lowest during the year	Rupees	181.05	223.5	195.66	209.00	162	140
Cash Dividend per Share	Rupees	15	15	15	15	15	10
Price to book ratio		0.14	0.18	0.20	0.23	0.20	0.22
Cash Dividend %	%	150%	150%	150%	150%	150%	100%
Dividend Yield	%	7%	6%	7%	6%	7%	5%
Dividend Payout	%	84.07%	96.82%	94.86%	82.76%	80.09%	67.78%
Dividend Cover	Times	1.19	1.03	1.05	1.21	1.25	1.48
Stock Dividend per share	Times	-	-	-	-	-	-
Bonus %	%	-	-	-	-	-	-
Capital Structure Ratio							
Return on Asset	%	1.15%	1.20%	2.0%	2.4%	3%	2.4%
Earning Asset to total asset	%	94.89%	91%	91%	92%	95%	94%
Total Liabilities / Equity	Times	24.02	20.88	18.37	24.40	24.35	25.77
Paid-up Capital / Total Asset	%	0.65%	0.77%	0.86%	0.91%	0.94%	1.10%
Equity/ total Asset	%	4.00%	4.57%	5.2%	3.9%	4%	4%

Comments:

Profitability Ratios:

Net profit after tax have increased from 1.549 billion to 1.784 billion. The Company has managed to underwrite Rs. 32.876 billions of business (new and subsequent) in 2020.

Liquidity Ratio

EFU Life's liquidity position had always been very strong. Strong in liquidity ratios is mainly due to effective working capital management.

Investment / Market Ratio

Despite Pandemic, the Company managed to underwrite a profitable business which resulted in around 15% increase in our EPS to Rs. 17.84 from 15.49. The Company's good performance was supported by better performance of PSX. The company has announced Rs. 10.50 final dividend in addition to Rs. 4.45 Interim dividend (which sums up to 150% total dividend), reflecting robust and strong foot print in Industry.

Capital Structure Ratio

EFU Life's paid up capital is 1 Billion which is the largest in the life insurance industry in Pakistan. Total assets of the company has increased from 129.289 Billion to 154.479 Billion making an increase of almost 19.48%.

In addition to this, company has maintained Rs. 2.65 billion in ledger account D, along with 3.2 billion in accumulated surplus and reserves.