

**CREDIT RATING REPORT
ON
CRYSTAL INSURANCE PLC**

RATING REPORT CONTENTS

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National Credit Ratings Ltd.

[FORM-IX]
[Rule 10(8) A(g)]

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Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.



National Credit Ratings Ltd.

EXECUTIVE SUMMARY
EIGHTH SURVEILLANCE INSURERS FINANCIAL STRENGTH RATINGS OF
CRYSTAL INSURANCE PLC

Declaration Date	25.02.2026	24.02.2025
Long Term	AAA (Triple A)	AAA (Triple A)
Short Term	ST-1	ST-1
Outlook	Stable	Stable
Expiry Date	24.02.2027	23.02.2026

Performance Highlights:

Particulars	2025	2024
Total Assets (TK in Million)	2,229.88	2,059.61
Total Equity (TK in Million)	1,216.48	1,129.50
Total Investment (TK in Million)	1,435.80	1,359.65
Gross Premium Written (TK in Million)	923.10	813.04
No. of Claim Settled	1,436	234
Total Claim Outstanding (TK in Million)	172.61	131.98
Underwriting Income (TK in Million)	144.62	154.21
Profit Before Tax (TK in Million)	179.57	178.78
Profit After Tax (TK in Million)	146.96	137.64
Combined Ratio (%)	85.68	82.02
ROA (%)	6.85	6.94
ROE (%)	12.53	12.72
Net Claims Ratio or Loss Ratio (%)	36.02	28.29
EPS (%)	3.34	3.13

Strengths

- A diverse set of products and services.
- Time-honored experience of the promoters in the related field of business
- A significant number of claims have been resolved during the most recent financial periods.
- Increased asset base

Challenges

- Claims settled within the stipulated time frame
- Minimizing management expenses
- Reducing loss ratio
- To enhance public awareness via various promotional initiatives.

Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

Declaration Date	25.02.2026
Long Term Entity Rating	AAA (Triple A)
Short Term Entity Rating	ST-1
Outlook	Stable
Expiry Date	24.02.2027

RATING BASIS

Ratings are based on four years' **audited** financial statements up to **December 31, 2025** along with the other relevant Quantitative as well as Qualitative information provided by the Client and Bank up to the Date of Rating Declaration. NCR has followed Non-life Insurance Rating Methodology published in its website.

RATING DEFINITION

AAA (Triple A) rating indicates strongest credit quality

ST-1 rating indicates strongest ability to meet short term financial commitments.

DEFINITION OF OUTLOOK

Stable indicates that rating may remain unchanged as existing fundamentals may remain unchanged in near future.



Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

Reference: Agreement No. NCRL/2024/354

RATING RATIONALE

The reassignment of the ratings of **Crystal Insurance PLC** reflects NCR's comprehensive assessment of both qualitative and quantitative factors, particularly the company's claims settlement performance during the most recent financial year. The rating committee has duly considered the notable growth in the company's total asset base along with the proposed cash dividend of 12.00% for the last reporting year while retaining the previous ratings. A substantial and steadily increasing investment in Fixed Deposit Receipts (FDRs), coupled with satisfactory returns on assets and equity, has further supported the rating outcome. Additionally, the company's diversified service offerings, well-structured organizational framework, adherence to regulatory compliance, sound corporate governance practices, and transparency in financial reporting have contributed positively to the assessment. The presence of reinsurance arrangements with renowned reinsurers, regulatory support, and policy initiatives undertaken by the government to strengthen the insurance sector have also provided further comfort to the rating committee. Furthermore, the strong reputation and longstanding experience of the promoters have played a significant role in sustaining the favorable rating position.

RATING OUTLOOK

The stable outlook reflects the company's unwavering performance on its fundamentals and as such NCR expects that the company will be able to maintain its good fundamentals on an ongoing basis in the future.

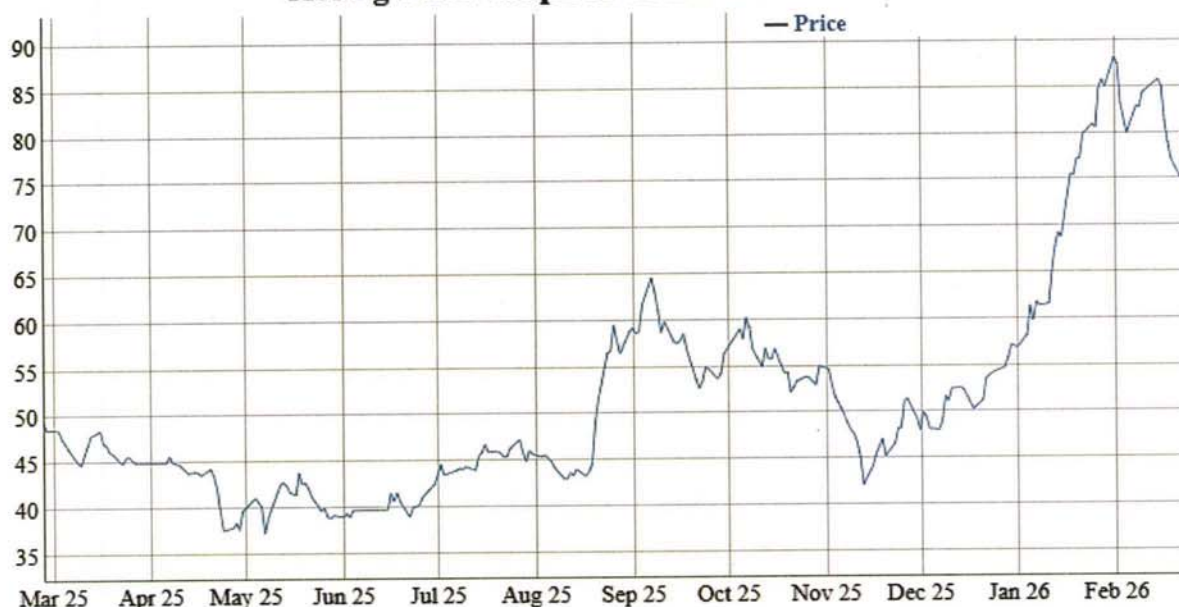
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1. BUSINESS OVERVIEW

1.1 Crystal Insurance PLC (hereinafter referred as 'CIPLC' or 'The Company') is a Non-Life Insurance Company, was incorporated on 11th November, 1999 as a Public Limited Company under the Companies Act 1994 and Insurance Act 2010. CIPLC is involved in all types of insurance business, guarantee and indemnity business other than life insurance. The company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in 2020.

1.2 The Board of Directors has proposed 12% cash dividend for the year ended December 31, 2025 in the 114th Board Meeting held on February 16, 2026. The company reported an Earnings Per Share (EPS) of Tk. 3.34, a Net Asset Value (NAV) per share of Tk. 27.65, and a Net Operating Cash Flow Per Share (NOCFPS) of Tk. 1.74 for the year ended December 31, 2025, compared to Tk. 3.13, Tk. 25.67, and Tk. 2.20, respectively, for the previous year. The following graph reveals the trading history of CIPLC's stock closing price over the period of one year months at DSE.

Closing Price Graph of CRYSTALINS



1.3 PRODUCT AND SERVICE:

The company offers Insurance Policy in different segments namely, Fire Insurance, Marine Insurance, Motor Insurance, Engineering Insurance, Miscellaneous Accident Insurance and Liability Insurance. Area of Risks covered products offered under each class of business are outlined below:

SL	Business Class	Area of Risk Covered	Products and Services Offered
1.	Fire Insurance	Covers all types of fire risk and industrial risk including additional risks coverage for riot and strike damage, malicious damage, flood, cyclone, earthquake (fire and shock), explosion, impact damage, aircraft damage etc.	- Standard Fire Insurance Policy - Fire and allied perils Insurance Policy - House Holder Comprehensive Insurance Policy - Industrial All Risk Insurance Policy - Property All Risk Insurance Policy - Power Plant Operational Package Insurance Policy - Hotel Owners All Risks Insurance Policy - Cold Storage Comprehensive Insurance Policy
2.	Marine Cargo Insurance	Covers all types of Marine risks	Import/Export Policy

Reference: Agreement No. NCRL/2024/354

3.	Marine Hull Insurance	Protects all types of Marine Hull risks	Comprehensive/TLO Policy
4.	Motor Insurance	Includes Comprehensive Insurance, Liability Insurance and Increased Liability Insurance to cover the loss or damage to the motor vehicle and or its accessories, and or death/bodily injury and damage to properties	- Motor Comprehensive Insurance Policy - Motor Liability Insurance Policy
5.	Engineering Insurance	Covers all types of risk relating to machinery at different stages starting from procurement, installation, breakdown to decrease in value of the machinery.	- Machinery Breakdown Insurance (MBD) Policy - Contractors All Risks Insurance (CAR) Policy - Erection All Risks Insurance (EAR) Policy - Contractors Plant and Machinery Insurance (CPM) Policy - Deterioration of Stock Insurance (DOS) Policy - Electronic Equipment Insurance (EEI) Policy - Boiler and Pressure Vessels Insurance (BPV) Policy - Lift Insurance Policy
6.	Aviation Insurance	Aviation insurance deals with all risks coverage to aviation industry	- Aviation Hull and Liability Insurance Policy - Aviation Crew and Passenger Liability Insurance Policy
6.	Miscellaneous Insurance	Miscellaneous insurance deals with all risks coverage to property, aviation, Cash / Property in Premises and in transit, Directors and Officers Liability Insurance, Fidelity Guarantee and Energy Risks insurance etc.	- Burglary Insurance Policy - Cash in Transit Insurance Policy - Cash on Counter Insurance Policy - Cash in Safe Insurance Policy - Money Insurance Policy - Personal Accident Insurance Policy - Peoples Personal Accident Insurance Policy - All Risks Insurance Policy - Public/ Third party Liability Insurance Policy - Comprehensive General Liability Insurance Policy - Fidelity Guarantee Insurance Policy - Safe Deposit Box (Bank Lockers) Policy - Professional Indemnity Insurance Policy - Product Liability Insurance Policy - Plate Glass Insurance Policy - Travel Insurance Policy - Overseas Mediciam Insurance Policy (OMP) - Workmen's Compensation Insurance Policy - Employers Liability Insurance Policy - Poultry Insurance Policy - Health Insurance Policy - Bankers Blanket Bond (BBB) including Electronic Computers Crime (ECC) Policy - Cattle Insurance Policy - Sarbojonin Surakkha Bima Insurance Policy

Reference: Agreement No. NCRL/2024/354

The company is providing services through 42 branches all over the country including Head Office. The Corporate Office is located at DR Tower (14th Floor), 65/2/2, Box Culvert Road, Purana Paltan, Dhaka-1000. The details of the Branches are provided below:

Branches		
Sl. No.	Branch	Address
01	Agrabad Branch	Makka Modina Trade Center, (10th Floor), 78, Agrabad, Chittagong.
02	Agrabad Corporate Branch	Aktaruzzaman Center (9th floor), 21/22 Agrabad C/A, Chittogram.
03	Arambagh Branch	Arambagh, Dhaka
04	B.B. Avenue Branch	City Bhaban (6th Floor), 21, B.B. Avenue (6th floor), Dhaka.
05	Babu Bazar Branch	21, Armenian Street, Mona Complex, Babubazar, Dhaka
06	Bangshal Branch	Nabab Akter Uddin Mansion, 25/1, Zinda Bazar 1st lane, Nayabazar, Dhaka.
07	Barishal Branch	House No. 6/7, Road, No-8, Rupatoli Housing, Barishal
08	Bogra Branch	Bitu Tower, 2nd floor, Borogola, Bogura.
09	Chandpur Branch	Holding- 685, Fazlu Mension (1st Floor), Chandpur Sadar, Chandpur
10	Corporate Branch	DR Tower (14th Floor), 65/2/2, Box Culvert Road, Purana Paltan, Dhaka-1000
11	Cumilla Branch	Khan Mansion (2nd Floor) Holding No.-1, Chatipotti, Rajganj, Comilla
12	Dewanhat Branch	DR plaza, (2nd Floor) Doniwalapar, Road No.- 1559, DT Road, Chattagram
13	Dilkusha Branch	Fazlur Rahman Centre (Flat-B/7) 72, Dilkusha, C/A, Dhaka, 1000
14	Dinajpur Branch	Hasna Plaza (3rd Floor), Munshipara, Lilir More, Sadar, Dinajpur
15	Elephant Road Branch	Khan Plaza (6th floor), 32/1, Mirpur Road, Dhaka.
16	Hatkholra Branch	Hatkholra, Dhaka
17	Imamganj Branch	Joynal Tower (8th floor), 31-33, Roy Issher Chandra Shil Bahadur Street, Imamganj, Dhaka-1211.
18	Jamalpur Branch	Shafiq Mia Bazar, New College Road, Jamalpur.
19	Jessore Branch	Jess Tower (3rd floor) 39. M. K. Road, Jessore.
20	Jubilee Road Branch	61, Jubilee Road, Kamal Chamber (5th floor), East side, Chattogram.
Sl. No.	Branch	Address
21	Khatunganj, Branch	S.W.Tower (2nd floor), 304, Khatunganj, Chattogram
22	Khulna Branch	11, Lower Joshore Road, Khulna
23	Kishorganj Branch	Ishakha Road, Holding Number-42, (1st Floor), Kishorganj Sadar, Kishoreganj.
24	Kushtia Branch	Pach Raster Moor, Kaderia Super Market, Kushtia.
25	Laldighi Branch	Orion Tower (4th Tower), 1 No. KB Ameen Road, Laldighi Uttar Par, Kawtowali, Chattogram
26	Local Office	18, Rajuk, Avenue, Shamsur Rahman Bhaban (10th floor), Dhaka-1000
27	Malibagh Branch	Al-Haj Shamsuddin Mansion, 16/1 Magbazar, 17, New Eskatan Ramna, Dhaka.
28	Mirpur Branch	Mirpur Tower, 10th floor, 11/B, 4th south bishil, Darus Salam Road, Mirpur-1, Dhaka-1216.
29	Moulvi Bazar Branch	Court Road, Chowmuhuni, Moulvibazar.
30	Mymensingh Branch	Holding 36, (1st Floor), Borobazar Sikder Bari, Kotoali, Mymensingh.
31	Narsingdi Branch	Holding No-206/1, Shaherprothab, Near Narsingdi PBI Office, Narsingdi Sadar, Narsingdi.
32	Nayabazar Branch	Mustakim Mansion, 77/3, Moulvibazar, Dhaka- 1100.
33	Paltan Branch	Henolux Sky View Centre, 3/1, Purana Paltan, Dhaka-1000.
34	Principal Branch	18, Rajuk, Avenue, Samsur Rahman Bhaban (10th floor), Dhaka-1000.
35	Progoti Saroni Branch	House # La-58/1 (2nd floor) Middle Badda, Dhaka-1212
36	Rajshahi Branch	595, Shiroil, PO: Ghoramara-6100, Boalia, Rajshahi
37	Rajuk Avenue Branch	18, Rajuk Avenue, Shamsur Rahman Bhaban (10th floor), Dhaka-1000.
38	Rangpur Branch	Shajahan Super Market (3rd floor), Near of (Salek Pamp), Station Road, Rangpur.
39	Sadarghat Branch	45, Johnson Road, Dhaka.

40	Sylhet Branch	Room-446/447, 3rd floor, Manru Shopping City, Chowhatta, Sylhet,
41	Uttara Branch	A.H. Tower (14th Floor), Plot No. 56, Road-2, Sector-3, Uttara, Dhaka.
42	VIP Road Branch	36, Rokeya Mansion (4th floor), Purana Paltan, Dhaka

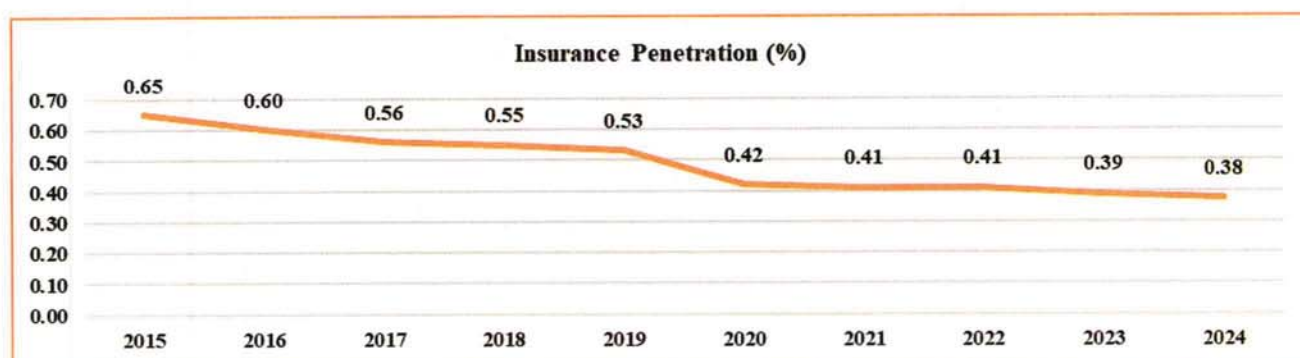
2. INDUSTRY OVERVIEW

2.1 After the liberation of Bangladesh in 1971, all 49 insurance companies operating in the country were nationalized in 1972 and brought under five public-sector corporations. These were later reorganized into two entities—Sadharan Bima Corporation (SBC) for general insurance and Jiban Bima Corporation (JBC) for life insurance—under the Insurance Corporations Act, 1973. The private sector was permitted to operate in all areas of insurance for the first time in 1984. Currently, a total of 82 insurance companies operate in Bangladesh. A brief overview of the industry is presented in the table below:

Particulars	Details
Total Gross Premiums of the Insurance Sector (2024)	187.68 billion
Insurance Penetration Rate (2024)	0.38-0.46%
Global Insurance Penetration Rate (2024)	7.40%
Gross Premium (GP) (Life) (2024)	BDT 122.66 billion
Gross Premium (GP) (Non-Life) (2024)	BDT 65.02 billion
Market Share of Life Insurance based on GP (2024)	65.36%
Market Share of Non-Life Insurance based on GP (2024)	34.64%
Number of Life Insurance Policies (2024)	7.1 million
Total Value of Claims (2024)	BDT 130.14 billion
Claim Settlement Ratio (Life) (2024)	66.03%
Claim Settlement Ratio (Non-Life) (2024)	31.96%
Top 05 Life Insurance Companies	Met Life, National Life, Delta Life, JBC, Popular Life
Top 05 Non-Life Insurance Companies	Reliance, Green Delta, Pioneer, Pragati, Prime

Source: Allianz Global Insurance Report 2025: Rising demand for protection; The Business Standard, Date: 18.05.2025; The Daily Star, Date: 03.07.2025; ICAB Publications

2.2 Though the insurance industry in Bangladesh has a long history, comprehensive regulations were introduced only in 2010. That year, a law was enacted, and the Insurance Development and Regulatory Authority (IDRA) was subsequently established in 2011 to supervise insurance businesses and safeguard the interests of policyholders. However, even after more than a decade, IDRA remains constrained by institutional inefficiencies. Delays in claim settlements, weak public confidence, limited transparency, inadequate product diversification, insufficient use of modern technology, shortage of skilled professionals, and lack of policy support contribute to the low penetration rate of around 0.38%–0.46%—among the lowest in the world. In comparison, emerging markets average 3.3%, India 3.2%, and China 2.4%.



Source: Insurance Development and Regulatory Authority (IDRA)

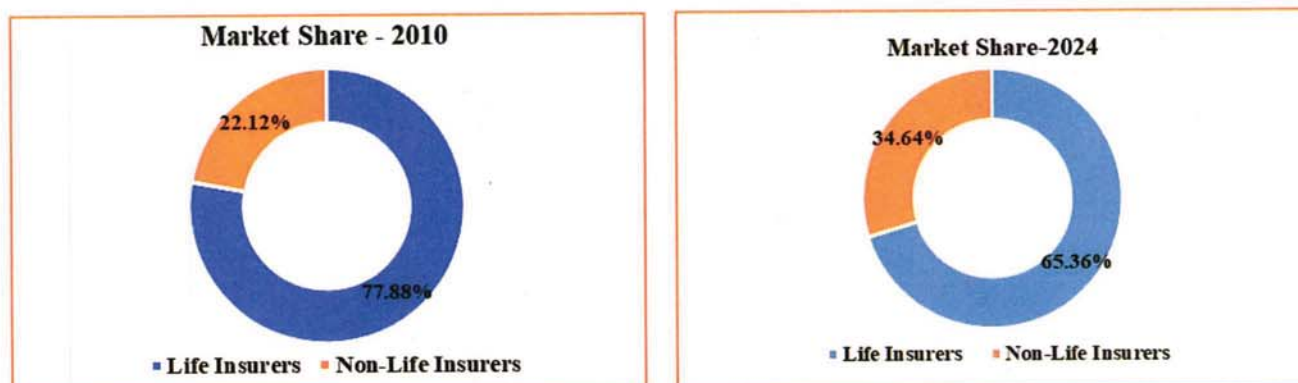
2.3 Insurance penetration in Bangladesh has remained stagnant or declined slightly over the past decade. According to the Allianz Global Insurance Report 2025, the global insurance penetration rate reached 7.4% in 2024, while Bangladesh remains significantly below 1%. Insurance density is also low, indicating limited per-capita expenditure on insurance products and constrained access across segments.



Source: Insurance Development and Regulatory Authority (IDRA)

2.4 The premium collection scenario in Bangladesh's insurance sector shows moderate growth, with total premiums reaching approximately BDT 18,768 crore in 2024. Life insurance continues to dominate, although its growth has slowed, while non-life insurance is expanding steadily, driven by motor, fire, and marine segments. Despite this growth, overall insurance penetration remains around 0.38% of GDP, underscoring an underdeveloped market with high lapse rates. Persistent challenges include a trust deficit due to slow claims settlement, outdated policy structures, and macroeconomic pressures affecting policyholder affordability. Digitalization, regulatory modernization, product innovation, and financial literacy initiatives are emerging as key enablers for sustainable premium growth.

2.5 Insurance companies are broadly categorized into life and non-life insurers. While life insurers continue to dominate the market, the market share of non-life insurers has increased from 22.12% in 2010 to 34.64% in 2024. This reflects a gradual strengthening of general insurance lines, driven by economic expansion, increased industrial activity, and rising motorization.

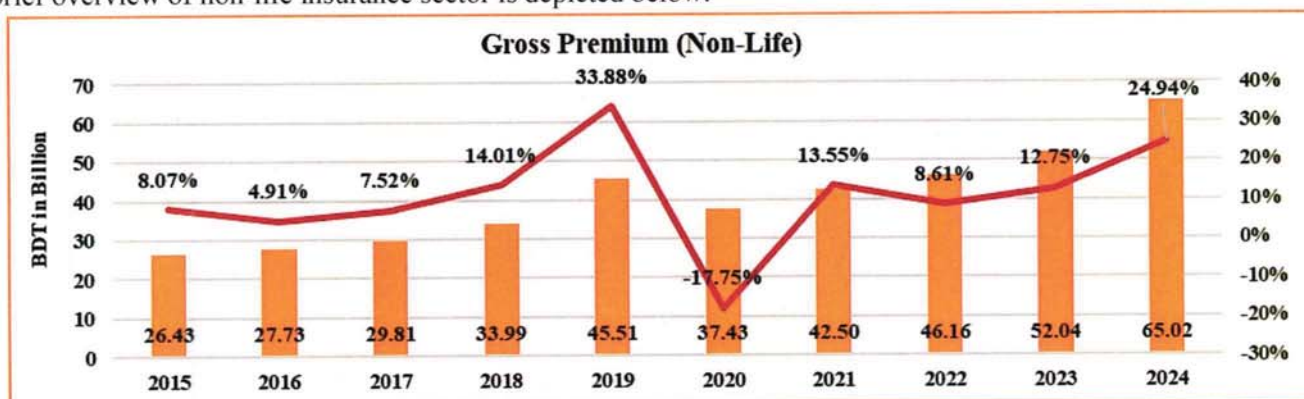


Source: Insurance Development and Regulatory Authority (IDRA)

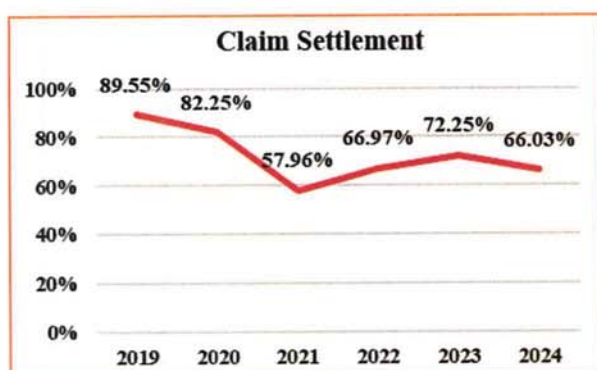
NON-LIFE INSURANCE SECTOR AT A GLANCE

2.6 Non-life insurers hold a smaller portion of the Bangladesh insurance market compared to life insurers, currently accounting for roughly one-third of the industry. The sector has gradually expanded, with gross premium market share rising from 22.12% in 2010 to 34.64% in 2024. Over the past decade, the average claim settlement ratio in the non-life segment has hovered around 30–40%. Persistent underperformance in claim

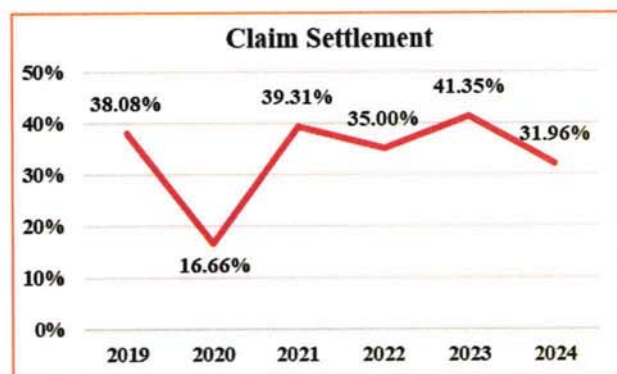
settlement is a key structural weakness, limiting customer trust and constraining long-term industry growth. A brief overview of non-life insurance sector is depicted below:



Source: Insurance Development and Regulatory Authority (IDRA)



Source: Insurance Development and Regulatory Authority (IDRA)



2.7 Following privatization, the number of insurers increased substantially; however, insurance penetration has not kept pace. Bangladesh is the 35th largest economy in the world, yet ranks 60th in terms of insurance premium volume. Many insurers have struggled to build trust due to poor claims practices and limited operational transparency. Industry experts believe the current number of insurance companies is high relative to market size, resulting in intense competition and occasionally unethical practices. Nevertheless, as per-capita income rises and industrial activities expand, significant growth potential remains—provided regulatory reforms are implemented effectively and trust in the insurance system improves.

2.8 The outlook for Bangladesh's insurance sector over 2025–2030 is moderately positive, with gross premiums expected to grow at 6–8% CAGR and penetration rising to 0.55–0.60% of GDP. Non-life insurance is likely to grow faster than life, driven by motorization, SME expansion, and mandatory coverage. Regulatory reforms, digital platforms, and improved claim settlement are expected to enhance transparency and governance, though consolidation pressures may affect weaker insurers. Growth drivers include bancassurance, digital distribution, microinsurance, and corporate demand for fire, marine, liability, and health coverage. Key risks remain slow regulatory enforcement, macroeconomic volatility, weak underwriting among smaller insurers, and low claim settlement ratios.

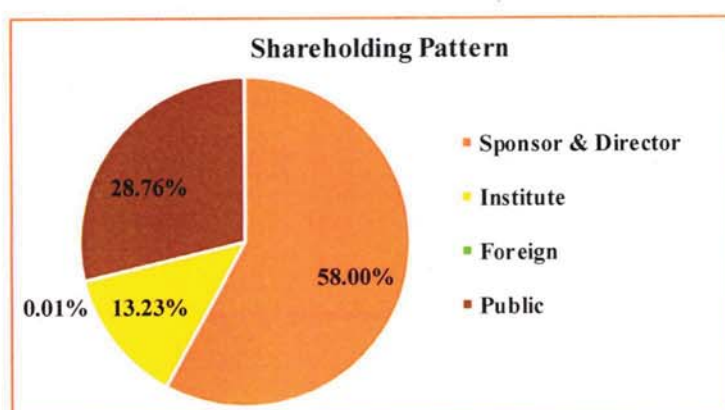
2.9 Bangladesh's insurance sector remains underdeveloped, with low penetration and limited public trust, but shows significant growth potential. Life insurance continues to dominate, while non-life segments are gradually expanding. Regulatory reforms, digitalization, and product innovation are expected to drive moderate growth over

2025–2030, improving market depth and operational efficiency. However, persistent challenges—such as slow claim settlements, macroeconomic volatility, and weak underwriting among smaller insurers—pose risks to sustainable development. Overall, the sector’s long-term outlook is stable to positive, contingent on effective regulatory enforcement and enhanced customer confidence.

3. BUSINESS RISKS

3.1 OWNERSHIP STRUCTURE

The shareholding pattern of the company has been found diversified among sponsors, institutes and general public. Majority of the shares (58.00%) are held by the sponsors and directors, while different institutes hold 13.23% of the total shares. And, rest of the shares are held by general public and foreign investors, 28.76% and 0.01% respectively. The following graph portrays the shareholding structure of the company as on January 31, 2026



3.2 CORPORATE GOVERNANCE

3.2.1 The Board of Directors (BoD) of the company is comprised of 11 (eleven) members. The brief synopsis of the members of BoD is given below:

SL	Name of the Board Members	Designation
1	Mr. Abdullah Al-Mahmud	Chairman
2	Mr. Abdullah Hasan	Director
3	Mr. A.H.M. Mozammel Hoque	Director
4	Mr. Tajul Islam	Director
5	Ms. Farhana Danesh	Director
6	Ms. Soera Zahir	Director
7	Mr. Nusrat Mahmud	Director
8	Ms. Nabila Mahmud	Director
9	Mr. Arafat Rashid	Director
10	Mr. Md. Abdul Latif Miah	Independent Director
11	Mr. Md. Rashedur Rahman	Independent Director

3.2.2 The Board is responsible for providing guidelines, policy formulation for effective and efficient operations and ensures strict Compliance with the laws of the regulatory authority. The Board has nine committees namely and The committee members are directly selected by the Board. Each committee operates under the specific Terms of Reference (TOR) which outlines the responsibilities of the committee. The name and responsibilities of these committees are discussed below:

SL	Committee	Responsibilities/Activities
1.	Audit Committee	To give decision about irregularity (if found) in internal Audit Report and look into the financial affairs of the company duly authorized by the Board
2.	Nomination and Remuneration Committee	To give approval on all appointments and promotion /Increment cases of Employees duly authorized by the Board.

3.	Investment Committee	To oversee investment policies, advisor selection, strategy and fund performance to ensure the best possible outcome for the members or beneficiaries
4.	Risk Management Committee	To evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner
5.	Policyholder protection and Compliance Committee	To oversee the interest of policyholders of the company and improve the policyholder's benefits, reduce complaints of wrong selling and bring transparency and clarity to a field where misconceptions and lack of awareness still exist.
6.	Employee's Contributory Provident Fund Committee	To look after and to approve contributory provident fund matters as requirement and recommendation by the Member Secretary of the Committee as well as Company's Management
7.	Gratuity Committee	To monitor and to approve gratuity fund matters as requirement and recommendation by the Member Secretary of the Committee as well as Company's Management

3.2.3 The committee meetings are held on regular basis and are convened by the respective chairperson. The synopsis of the members of the committee and number of meeting held under each committee is presented below

SL	Name of The Committee	Members of the Committee	Designation
1.	Audit Committee	Mr. Md. Rashedur Rahman, Independent Director	Chairman
		Mr. Md. Tajul Islam, Director	Member
		Mr. A.H.M.Mozammel Hoque, Director	Member
		Ms. Farhana Danesh, Director	Member
		Ms. Soera Zahir, Director	Member
		Ms. Nabila Mahmud, Director	Member
		Mr. M. Mahfuzur Rahman FCA, Company Secretary	Member Secretary
2.	Nomination and Remuneration Committee	Mr. Md. Rashedur Rahman, Independent Director	Chairman
		Mr. A.H.M.Mozammel Hoque, Director	Member
		Mr. Md. Tajul Islam, Director	Member
		Ms. Farhana Danesh, Director	Member
		Ms. Soera Zahir, Director	Member
		Ms. Nusrat Mahmud, Director	Member
		Ms. Nabila Mahmud, Director	Member
3.	Investment Committee	Mr. Arafat Rashid, Director	Member
		M. Mahfuzur Rahman FCA, Company Secretary	Member Secretary
		Mr. A.H.M. Mozammel Hoque, Director	Chairman
		Mr. Md. Tajul Islam, Director	Member
		Ms. Farhana Danesh, Director	Member
		Ms. Nusrat Mahmud, Director	Member
		Ms. Soera Zahir, Director	Member
4.	Risk Management Committee	Ms. Nabila Mahmud, Director	Member
		Mr. S M Shahidullah, CEO	Member
		Mr. M. Mahfuzur Rahman FCA, Company Secretary	Member Secretary
		Mr. A.H.M. Mozammel Hoque, Director	Chairman
		Mr. Md. Tajul Islam, Director	Member
		Ms. Farhana Danesh, Director	Member
		Ms. Soera Zahir, Director	Member

5.	Policyholder protection and Compliance Committee	Mr. Md. Rashedur Rahman, Independent Director	Member
		Mr. M. Mahfuzur Rahman FCA, Company Secretary	Member Secretary
		Mr. A.H.M. Mozammel Hoque, Director	Chairman
		Ms. Farhana Danesh, Director	Member
		Ms. Soera Zahir, Director	Member
		Ms. Nabila Mahmud, Director	Member
		Mr. Md. Rashedur Rahman, Independent Director	Member
		Mr. M. Mahfuzur Rahman FCA, Company Secretary	Member Secretary
6.	Employee's Contributory Provident Fund Committee	Mr. Arafat Rashid, Director	Chairman
		Mr. S M Shahidullah, CEO	Vice Chairman
		Mr. Tajul Islam, Director	Member
		Mrs. Soera Zahir, Director	Member
		Mr. Md. Saydul Islam, DMD and CFO	Member Secretary
		Mr. M. Mahfuzur Rahman FCA, Addl. MD and Company Secretary	Member of Representative of Officer
		Mr. Md. Abul Fazol, Asst. MD (Claims and RI)	Member of Representative of Office Staff
7.	Gratuity Committee	Mr. Tajul Islam, Director	Chairman
		Mr. S M Shahidullah, CEO	Vice Chairman
		Mr. Arafat Rashid, Director	Member
		Mrs. Soera Zahir, Director	Member
		Mr. Md. Saydul Islam, DMD and CFO	Member Secretary
		Mr. M. Mahfuzur Rahman FCA, Addl. MD and Company Secretary	Member of Representative of Officer
		Mr. Md. Abul Fazol, Asst. MD (Claims and RI)	Member of Representative of Office Staff

3.2.4 INTERNAL AUDIT AND COMPLIANCE DEPARTMENT

Before the findings are presented to the Audit Committee, the CEO is conducting a review of the Internal Audit and Compliance Department's report. A central aspect of audit work is the detailed evaluation of the company's overall business, including underwriting, premium income, expenses incurred from business transactions, claims, reinsurance activities, fund management, and record maintenance. Additionally, it seeks to enhance transparency, improve operational efficiency, and monitor branch performance on behalf of the management.

3.3 MANAGEMENT

3.3.1 The management team is structured with qualified and experienced professionals. The management team is headed by the CEO, Mr. S M Shahidullah, who has 38 years of experience in Insurance Business. The Underwriting department, Claims Department and Re-Insurance Department heads directly reports to the Chief Executive Officer (CEO). A brief profile of the key professionals of the management team is given below:

SL. No.	Name of the Professionals	Designation	Name of the Department	Education Qualification	Experience
1.	Mr. S M Shahidullah,	CEO	N/A	B.Sc (Hons), M.Sc., ABIA and Cert CII (UK)	38 Years
2.	Mr. M. Mahfuzur Rahman, FCA	Addl. MD and Company Secretary	HR and Admin, Establishment, Corporate Affairs and Share	M.Com, FCA, Cert CII (UK) and ABIA	18 Years
3.	Mr. Md. Saydul Islam	DMD, and CFO	Finance and Accounts	M.Com (Management)	31 Years
4.	Mr. Abul Fazal Tomal	AMD and In-Charge	Claims and Re-Insurance	M.Com (Accounting)	23 Years

5.	Mr. Dipak Kumer Das	AMD and In-Charge	BCD and Underwriting	MA (Philosophy), ABIA	32 Years
6.	Mr. Shourav Chandra Bhadra	AVP and In-Charge	Internal Audit and Compliance Dept.	MBA, CA (Partly Qualified)	09 Years
7.	Mr. Md. Jashim Uddin	AVP and Head of Operation IT	Information and Technology	Psot Graduate in IT and Oracle Certified Developer, Python Certified Developer	14 Years

3.3.2 The Board Committee of CIPLC monitors the overall business. The Board Committee Meeting is arranged every month where administrative and business issues are discussed along with periodic statements on the financial performance which includes, monthly cash flow statement, monthly business position, monthly third party premium collection, branch wise policy issue statements, monthly expenses summary, monthly review of internal audit report Review, claim settlement statement review, reinsurance statement review, recovery from Sadharan Bima Corporation etc. are discussed.

3.3.3 There are 325 employees working in both desk and marketing. The company has 119 marketing executives (On target oriented) and 48 agents (On commission basis) as on December 31, 2025. No insurance agent shall operate in the insurance industry with effect from 01 January 2026, in accordance with the circular issued by the Insurance Development and Regulatory Authority (IDRA). The company recruits all employees centrally and the recruitment depends on the necessary skills, expertise and qualification. All the employees are provided with Foundation training and on the Job training according to individual's need and business based. The company provide good compensation package and along with that, the company has Performance Appraisal Process depending on which Reward and Recognition of Training and Development is provided.

3.4 RISK MANAGEMENT FRAMEWORK

CIPLC deputed a qualified and experienced team in the project for implementation of the software. The synopsis of the IT team members are given below:

SL. No.	Name	Designation	Qualification
1	Mr. Md. Jashim Uddin	AVP and Head of Operation	Post Graduate in IT and Oracle Certified Developer, Python Certified Developer
2	Mr. Syed Tinul Latif	Sr. Manager	Diploma in Computer Science
3	Mr. Sayed Najmul Hasan	Executive Officer	Diploma in Computer Science
4	Mr. Jobair Hossain	Junior Officer	Diploma in Computer Science
5	Mr. Md. Rashed Howlader	Trainee Officer	Diploma in Computer Science

3.5 OPERATIONAL RISKS

The company is exposed to some risks associated with the operation. Some of the significant operational risks are stated below:

3.5.1 UNDERWRITING AND RISK ASSESSMENT:

The company has developed a qualified and well-experienced team of experts for underwriting. A brief profile of the team is stated below.

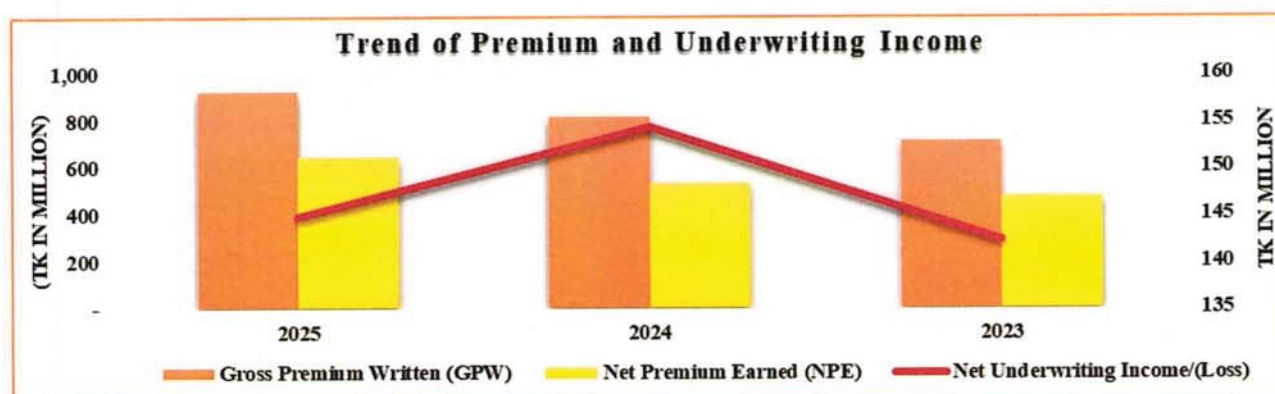
SL	Name	Designation	Qualification
1	Mr. Dipak Kumer Das	Asst. MD and In-Charge (U/W)	M A, (Philosophy), ABIA
2	Mr. Md. Jasim Uddin	Vice President	B. Com
3	Mr. Md. Abdul Hakim	DVP	M. Com

4	Mr. Md. Abul Basher	Senior Manager	M A (Islamic History and Culture)
5	Ms. Joshna Rani	Senior Manager	B.A
6	Ms. Baby Rani Barai	Asst. Manager	H.S.C
7	Mr. Md. Mahfuz-ul-Alam	Asst. Manager	M.S.S
8	Ms. Tanzila Akter	Asst. Manager	M. Com (Accounting)
9	Mr. Apurba Saha	Sr. Executive Officer	MBS
10	Ms. Sharmin Akter	Executive Officer	MBS
11	Mr. Md. Kamrul Islam	Senior Officer	BSS
12	Ms. Dalnahara Afroj	Senior Officer	H.S.C
13	Ms. Umme Habiba Poppy	Senior Officer	BBA

The underwriting limits are set according to the Re-insurance Treaty Limit. There are limitations on sum insured in terms of risk and region, indemnity per event. The underwriting of high value risk and unusual nature of risk are not done by the Junior Officer rather sent to the Head Office. The Junior Officers and Branch Underwriter are allowed to underwrite tariff rate based usual risks.

3.5.2 UNDERWRITING PERFORMANCE:

Particulars	2025	2024	2023
Gross Premium Written (GPW) (TK in Million)	923.10	813.04	710.74
Reinsurance Usage (%)	23.66	30.90	32.98
Reinsurance Expense (TK in Million)	218.38	251.26	234.37
Net Premium Written (TK in Million)	704.72	561.79	476.36
Net Premium Earned (NPE) (TK in Million)	644.54	526.93	476.73
Net Underwriting Income/(Loss) (TK in Million)	144.62	154.21	142.16



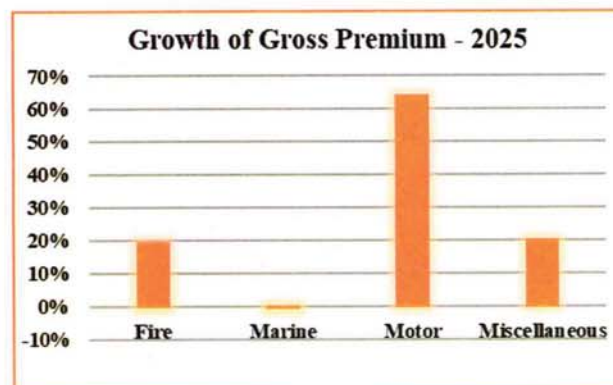
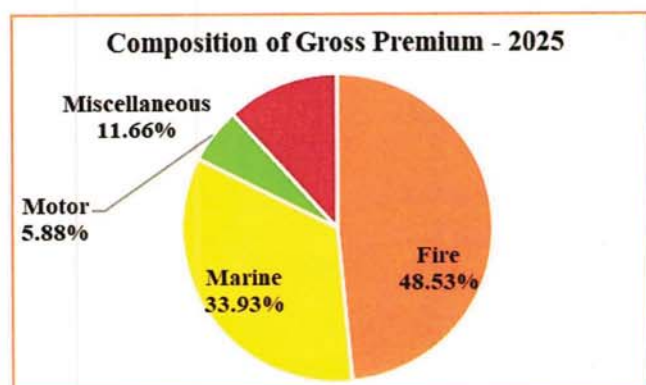
3.5.2.1 Between 2023 and 2025, Gross Premium Written (GPW) increased steadily from TK 710.74 million to TK 923.10 million, reflecting strong business expansion. Reinsurance usage gradually declined from 32.98% in 2023 to 23.66% in 2025, indicating higher risk retention by the company, while reinsurance expense decreased in 2025 compared to 2024. Net Premium Written (NPW) rose significantly from TK 476.36 million in 2023 to TK 704.72 million in 2025, and Net Premium Earned (NPE) also showed consistent growth, reaching TK 644.54 million in 2025. Net Underwriting Income increased from TK 142.16 million in 2023 to TK 154.21 million in 2024 but slightly declined to TK 144.62 million in 2025. Overall, the company demonstrated strong premium growth with improved retention capacity, although underwriting profitability showed mild fluctuation in 2025.

Business Class	2025			2024		
	Sum Insured	Re-insurance Coverage	Percentage of Re-insurance Coverage	Sum Insured	Re-insurance Coverage	Percentage of Re-insurance Coverage
	(TK in Million)			(TK in Million)		
Fire	40,941.79	35,804.29	87.45%	47,647.61	40,968.05	85.98%
Marine (Cargo and Hull)	16,797.81	14,230.96	84.72%	19,184.33	15,979.83	83.30%
Motor	--	--	--	--	--	--
Miscellaneous	2,028.38	542.88	26.76%	1,081.80	759.80	70.23%
Total	59,767.98	50,578.13	84.62%	67,913.74	57,707.68	84.97%

3.5.2.2 In 2025, the total Sum Insured declined to TK 59,767.98 million from TK 67,913.74 million in 2024, while overall reinsurance coverage slightly decreased to 84.62% from 84.97%. In the Fire segment, Sum Insured reduced to TK 40,941.79 million in 2025 from TK 47,647.61 million in 2024, though reinsurance coverage increased marginally to 87.45%. Similarly, Marine (Cargo and Hull) business experienced a decline in Sum Insured to TK 16,797.81 million, with reinsurance coverage improving to 84.72% compared to 83.30% in 2024. The Miscellaneous segment showed notable growth in Sum Insured to TK 2,028.38 million in 2025; however, its reinsurance coverage significantly decreased to 26.76% from 70.23%, indicating higher risk retention.

Business Class	Gross Premium Written (GPW)		Growth of GPW	
	2025	2024	2025	2024
Fire	447.96	375.58	19.18%	18.92%
Marine	313.24	314.64	-0.45%	13.54%
Motor	54.28	33.09	64.04%	17.19%
Miscellaneous	107.62	89.73	19.94%	0.48%
Total	923.10	813.04	13.54%	17.93%

3.5.2.3 In 2025, Gross Premium Written (GPW) increased to TK 923.10 million from TK 813.34 million in 2024, reflecting an overall growth of 13.54%, although slightly lower than the 17.93% growth recorded in 2024. The Fire segment demonstrated strong performance, with GPW rising to TK 447.96 million, registering a 19.18% growth. Marine business remained relatively stable, with GPW marginally declining by 0.45% to TK 313.24 million compared to 2024. The Motor segment exhibited significant expansion, as GPW surged to TK 54.28 million, achieving a remarkable 64.04% growth. Meanwhile, the Miscellaneous segment also recorded healthy growth of 19.94%, reaching TK 107.62 million. Overall, the company maintained positive premium growth in 2025, primarily driven by strong performance in Fire, Motor, and Miscellaneous segments, despite a slight contraction in Marine business.



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3.5.3 CLAIM SETTLEMENT**3.5.3.1 CLAIM SETTLEMENT PROCESS**

When CIPCL gets an intimation of claim over phone or in writing, the company appoints a Surveyor and also sends an Officer of Claim Department to conduct the survey of the affected property. After the preliminary survey report, if the deemed loss is above TK 1.00 Million for Marine and Others and TK 2.00 Million for Fire insurance another joint surveyor is appointed and finally photographs and Video Clips of the incident is prepared for documentation. Depending on the Survey Report and documentation, The CEO along with Consultant can instantly settle Claim up to TK 0.30 million, the Claim Committee has been delegated to settle Claims above TK 0.30 million. The maximum time required to settle the Claims after the receipt of all necessary documents is 90 days.

3.5.3.2 CLAIM SETTLEMENT PERFORMANCE

Particulars	2025	2024	2023
No. of Claim Lodged	1,248	240	568
Total Claim Lodged (TK in Million)	302.14	219.94	178.46
No. of Claim Settled	1,436	234	219
Claim Settled - Lodged in Current Year (TK in Million)	13.24	9.97	32.38
Claim Settled - Lodged in Previous Years (TK in Million)	248.27	195.57	151.61
Total Claim Settled during the Year (TK in Million)	261.51	205.54	183.99
Total Claim Outstanding (TK in Million)	172.61	131.98	119.81
Claim Settlement Ratio (As per No.) (%)	115.06	97.50	38.56
Claim Settlement Ratio (As per Amount) (%)	86.55	93.45	103.10
Total Claim Outstanding to Total Equity (%)	14.19	11.68	11.58

Between 2023 and 2025, the number of claims lodged increased significantly to 1,248 in 2025 from 240 in 2024 and 568 in 2023, resulting in a rise in total claim lodged amount to TK 302.14 million. The company settled 1,436 claims in 2025, exceeding the number of claims lodged, which led to a claim settlement ratio (as per number) of 115.06%, indicating clearance of prior year backlogs. Total claim settled during the year increased to TK 261.51 million compared to TK 205.54 million in 2024 and TK 183.99 million in 2023. However, the claim settlement ratio (as per amount) declined to 86.55% in 2025 from 93.45% in 2024 and 103.10% in 2023. Consequently, total claim outstanding rose to TK 172.61 million, and the ratio of outstanding claims to total equity increased to 14.19%.

3.5.4 INFORMATION TECHNOLOGY

CIPCL uses Online ERP Solution Software to deliver all kinds of insurance products i.e. Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous. The IT department of the company provide support and solution to all the computer users which includes installing software, repairing hardware problems, installing new hardware, troubleshooting problems and training employees regarding to use new software programs.

3.5.5 TOP CUSTOMER LIST

The company has been maintaining a robust client base over the years. Some of the major clients are enlisted below

SL.	Name of Customer
01	Unilever Bangladesh
02	Berger Paints Bangladesh
03	Pran Group
04	Walton Group
05	Mondol Group
06	Primatek Group
07	Pretty Group
08	Rangs Group
09	Madina Group
10	Opsonin Group

4. FINANCIAL RISKS**4.1 EARNINGS STRENGTH**

Particulars	2025	2024	2023
Gross Premium Earned to Total Sum Insured (%)	1.44	1.15	1.58
Underwriting Income to Gross Premium (%)	15.67	18.97	20.00
Net Earnings Ratio (%)	20.85	24.50	25.58
Return on Assets (ROA) (%)	6.85	6.94	6.51
Return on Equity (ROE) (%)	12.53	12.72	12.14
Investment Yield (%)	7.01	6.93	4.83
Investment Income Ratio (%)	15.20	17.93	13.48
Net Claims Ratio or Loss Ratio (%)	36.02	28.29	25.64
Expense Ratio (%)	49.66	53.73	56.92
Combined Ratio (%)	85.68	82.02	82.56

Between 2023 and 2025, Gross Premium Earned to Total Sum Insured fluctuated, declining to 1.15% in 2024 before improving to 1.44% in 2025, though remaining below the 2023 level. Profitability indicators showed moderate pressure, as Underwriting Income to Gross Premium decreased from 20.00% in 2023 to 15.67% in 2025, and the Net Earnings Ratio also declined over the period. Return on Assets (ROA) and Return on Equity (ROE) remained relatively stable, indicating consistent overall profitability. Investment performance improved, with Investment Yield rising to 7.01% in 2025 from 4.83% in 2023, although the Investment Income Ratio fluctuated. The Net Claims Ratio increased significantly to 36.02% in 2025, suggesting higher claims burden, while the Expense Ratio gradually declined, reflecting better cost management. Consequently, the Combined Ratio rose to 85.68% in 2025 from 82.02% in 2024, indicating slight deterioration in underwriting efficiency.

4.2 LIQUIDITY AND SOLVENCY :

Particulars	2025	2024	2023
Liquid Assets to Current Liabilities (X)	1.67	1.80	1.79
Liquid Assets to Net Claims Expense (X)	7.11	10.59	12.12
Days Claims Outstanding (Days)	126.95	124.56	273.65
Earnings Coverage (X)	106.70	111.79	101.04
Equity to Net Claims (X)	5.24	7.58	8.47
Net Cash Flow from Operating Activities (TK in Million)	76.45	96.79	65.66

Between 2023 and 2025, liquidity indicators showed slight moderation, as Liquid Assets to Current Liabilities declined to 1.67x in 2025 from 1.80x in 2024, though still remaining at a comfortable level. Liquid Assets to Net Claims Expense decreased significantly over the period, indicating relatively lower liquidity buffer against claims. Days Claims Outstanding improved substantially from 273.65 days in 2023 to around 127 days in 2025, reflecting faster claim settlement efficiency. Earnings Coverage remained strong above 100x throughout the period, demonstrating robust capacity to meet financial obligations. However, Equity to Net Claims gradually declined, suggesting comparatively higher claim exposure relative to equity. Net Cash Flow from Operating Activities remained positive in 2024 and 2025, though it decreased to TK 76.45 million in 2025 from TK 96.79 million in 2024. Overall, while liquidity and coverage positions remain sound, certain ratios indicate tightening buffers that require prudent monitoring.

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4.3 CAPITAL ADEQUACY:

Particulars	2025	2024	2023
Paid-up Capital (TK in Million)	440.00	440.00	400.00
Shareholders' Equity (TK in Million)	1,216.48	1,129.50	1,034.61
Capital Maintenance Ratio (%)	110.00	110.00	100.00
Gross Underwriting Leverage (%)	103.21	96.15	90.01
Operating Leverage (%)	59.12	50.99	46.76
Total Leverage (%)	1.42	1.80	1.77
Capital to Total Assets (%)	55.34	55.84	55.22

Between 2023 and 2025, the company's paid-up capital increased to TK 440.00 million in 2024 and remained unchanged in 2025, while shareholders' equity continued to grow steadily to TK 1,216.48 million in 2025, reflecting retained earnings accumulation. The Capital Maintenance Ratio improved to 110% in 2024 and 2025 from 100% in 2023, indicating stronger capital adequacy. However, Gross Underwriting Leverage and Operating Leverage increased progressively, suggesting higher business exposure relative to capital. In contrast, Total Leverage declined to 1.42 times in 2025 from 1.80 times in 2024, reflecting improved balance sheet strength. Capital to Total Assets ratio remained stable at around 55% throughout the period, demonstrating a solid capital base. Overall, the company maintained strong capitalization, although rising underwriting and operating leverage warrant prudent risk management.

4.4 ASSET QUALITY

Particulars	2025	2024	2023
Total Assets (TK in Million)	2,229.88	2,059.61	1,907.42
Investment in FDR (TK in Million)	1,063.78	1,046.35	1,005.85
Investment Properties (TK in Million)	24.48	26.64	28.79
Total Investment (TK in Million)	1,435.80	1,359.65	1,367.19
Investment to Total Assets (%)	64.39	66.01	71.68

Between 2023 and 2025, the company's total assets increased steadily from TK 1,907.42 million in 2023 to TK 2,229.88 million in 2025, reflecting overall business growth. Investment in Fixed Deposit Receipts (FDR) rose gradually to TK 1,063.78 million in 2025, while investment in properties declined (due to charging depreciation) to TK 24.48 million from TK 28.79 million in 2023. Total investment increased to TK 1,435.80 million in 2025 from TK 1,367.19 million in 2023. However, the proportion of investment to total assets decreased over the period, falling to 64.39% in 2025 from 71.68% in 2023, indicating a relative shift in asset composition toward non-investment assets. Overall, the company maintained a strong investment portfolio while expanding its total asset base.

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Mohammad Jahangir Alam
Chief Executive Officer (CEO)
National Credit Ratings Ltd.

APPENDIX- I: PREVIOUS RATING SYNOPSIS

INSURERS FINANCIAL STRENGTH RATING-2025	
Date of Rating Declaration	Long Term
24.02.2025	AAA (Triple A)
INSURERS FINANCIAL STRENGTH RATING-2024	
Date of Rating Declaration	Long Term
25.02.2024	AAA (Triple A)
INSURERS FINANCIAL STRENGTH RATING-2023	
Date of Rating Declaration	Long Term
01.06.2023	AA+ (Double A Plus)
INSURERS FINANCIAL STRENGTH RATING-2022	
Date of Rating Declaration	Long Term
16.05.2022	AA (Double A)
INSURERS FINANCIAL STRENGTH RATING-2021	
Date of Rating Declaration	Long Term
15.02.2021	AA- (Double A Minus)
INSURERS FINANCIAL STRENGTH RATING-2020	
Date of Rating Declaration	Long Term
14.09.2020	AA- (Double A Minus)
INSURERS FINANCIAL STRENGTH RATING-2019	
Date of Rating Declaration	Long Term
05.08.2019	A+ (Single A Plus)
INSURERS FINANCIAL STRENGTH RATING-2018	
Date of Rating Declaration	Long Term
26.07.2018	A+ (Single A Plus)

APPENDIX- II: RATING SCALE AND DEFINITIONS:

Long Term Rating Scale and Definitions	
Rating Notches	Definition
AAA	Strongest Credit Quality
AA+	Below Strongest Credit Quality
AA	Very Strong Credit Quality
AA-	Below Very Strong Credit Quality
A+	Very Good Credit Quality
A	Above Average Credit Quality
A-	Moderately Good Credit Quality
BBB+	Moderate Credit Quality
BBB	Average Credit Quality
BBB-	Below Average Credit Quality
BB+	Moderately Below Average Credit Quality
BB	Slightly Below Average Credit Quality
BB-	Less Than Average Credit Quality
B+	Significantly Below Average Credit Quality
B	Weak Credit Quality
B-	Very Weak Credit Quality
C	Poor Credit Quality
D	Default (Failed to meet their rated financial commitment on time or when due)
Short Term Rating Scale and Definitions	
Rating Notches	Definition
ST-1	Strongest Ability to Meet Short Term Financial Commitments
ST-2	Above Average Ability to Meet Short Term Financial Commitments
ST-3	Average Ability to Meet Short Term Financial Commitments
ST-4	Below Average Ability to Meet Short Term Financial Commitments
ST-5	Well Below Average Ability to Meet Short Term Financial Commitments
ST-6	Default (Failed to meet their short-term financial commitments)