



2023

UAE

Listed Insurance Industry Performance Analysis – Year End 2023

- Based on preliminary results

Date: February 15, 2024



Vision

Solution architects strengthening our partners to optimize performance

Mission

We help our clients be the best version of themselves by fostering partnerships, challenging norms and providing cutting edge solutions. We inspire our people to constantly evolve and chase excellence with integrity in a diverse, exciting and growth-oriented culture.

Core Values



Integrity

Chasing
Excellence

Fostering
Partnerships

Breeding
Excitement

Growth-
Centric



10th Middle East Insurance Industry Awards 2023

Newest Award on our shelf:
Strategic Partner to the Industry
BADRI Management Consultancy



Awards & Achievements

Award winning strategic partner to the insurance industry with our 150+ talented staff in UAE, KSA and Pakistan drive innovation and provide cutting edge solutions to our business partners across the globe. We strive to ensure that we provide the best quality solutions, turning our experience and industry knowledge into value for our clients.

Our Awards

- Strategic Partner to the Industry 2023, 2022, 2021 & 2020 by MIIA
- Best Actuarial/Risk Consultancy Firm of 2023, 2018 & 2016 by MENAIR
- Corporate Risk Manager of the Year 2023 by InsureTek





About **BADRI**

BADRI over the years has emerged to be a global consulting company that provides diverse sets of services to clients across Middle East and other regions.

Today, our **150+** talented staff spread across UAE, KSA & Pakistan drive innovation and provide cutting edge solutions to our business partners across the globe. We strive to ensure that we provide the best quality solutions, turning our experience and industry knowledge into value for our clients.

We specialize in all range of actuarial services and have also been able to integrate to provide services in other segments including Financial Services, Strategic HR consulting, Data Governance and Business Intelligence to our clients.

What We Can Do For You!

Actuarial Consultancy

- Appointed Actuary
- End of Services
- Actuarial Support for General & Life Insurance
- IFRS 17
- Pricing, Reserving & Capital Modelling
- Actuarial Support for Motor & Medical Insurance

Strategic Consultancy

- Financial Services
- Strategic HR Consultancy
- ERM
- Product Development
- Merger and Acquisition
- Compliance and Forensics
- Advisory & Risk Management

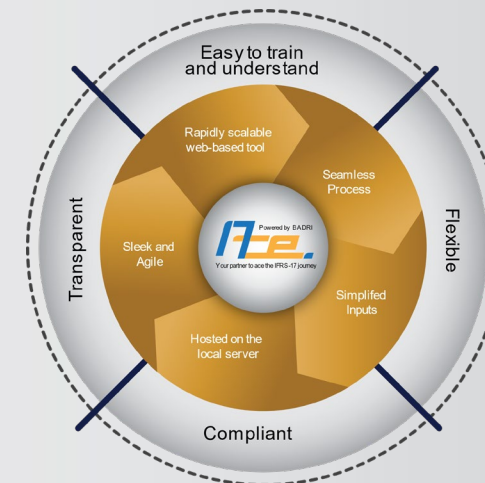
Technology Consultancy

- Digitalization
- Business Intelligence
- Data Governance
- Big Data & Analytics
- IFRS 17 Systems



ACE-17

ACE-17, our flagship IFRS 17 calculation engine, provides a seamless and cost-effective solution to generate the IFRS 17 financials and disclosures, saving your time and effort in your IFRS 17 reporting processes. Users can move through an intuitive, fully transparent, and flexible calculation process that is built to generate all the reporting requirements to deliver the IFRS 17 financial statements.



Financial Services

Our professional and dedicated team possess the expertise in financial services domain and offer wide range of services. Our core services are:

- IFRS Implementation
- Reconciliation Services
- MIS Reporting
- Backlog Accounting
- Loan Staff (Outsource)

Reconciliation Services

- Improve collections from insurance companies/ brokers and customers by reconciling the statement of account on regular basis.
- Accurate reporting of LRC and LIC balances. As currently most businesses struggled to isolate their receivables, payables, and commission from their net position.
- Reduce risk of error and compliance with regulation/ standard.

Loan Staff

- Availability of Qualified and competent staff immediately.
- No lengthy hiring process as no change in the headcount.
- Benefit from a consultant's knowledge of the market.
- Cost containment.



Invest In Your Team

métier – a BADRI Group Company is a renowned boutique Executive search and HR solutions consulting firm that works with teams across the globe, to develop a tailored HR plan and resolve your business challenges.

We take a personalized approach in ensuring that the solutions provided to you are in line with your company strategy to help you achieve your business goals through sustainable HR practices.

Since our inception in 2014, we have been recognized as Executive search leaders across multiple industries in the MENA region. métier's seasoned professionals focus on your HR transformation, while you focus on your business.

Our Competitive Edge

- Improving Workplace Productivity
- Increasing Value Through People
- Inspiring Partnerships

Our Service Offerings

- Strategic HR Consulting
- Digital HR Solutions
- Talent Acquisition Services
- Training Solutions





Table of Contents

08.

Highlights From 2023

09.

Revenue

12.

Profitability

15.

Earnings

18.

Conclusion

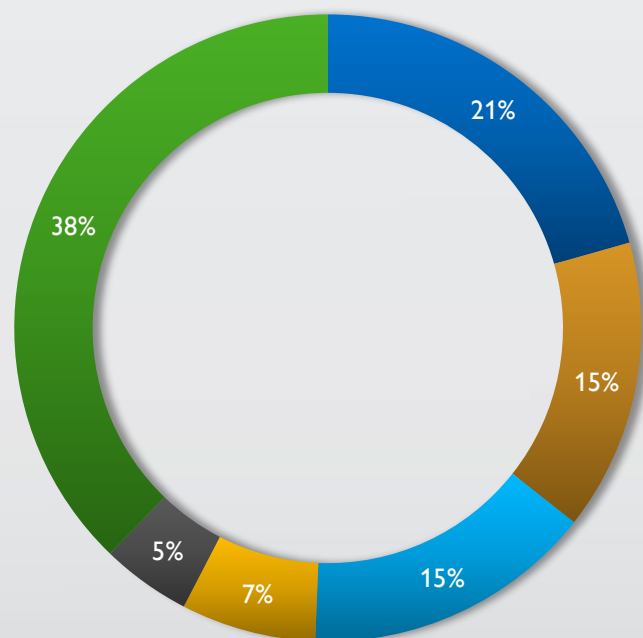
19.

Disclaimer & Others



2023 Highlights

Insurance Revenue Q4 2023



■ ORIENT ■ SUKOON ■ ADNIC ■ DIN ■ AAAIC ■ Others

Insurance Revenue

Q4 2023: **AED 31 billion**
Q4 2022: AED 26 billion
Growth: 19%

Net Profit

Q4 2023 (IFRS 17): **AED 1.9 billion**
Q4 2022 (IFRS 17): AED 1.4 billion
Growth: 34%
Q4 2022 (IFRS 4): AED 1.5 billion

Return on Equity

Q4 2023: **10%**
Q4 2022: 8%



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Q4 2023 (Preliminary) - UAE Listed Insurance Companies

01

Revenue

Comparative Insurance Revenue



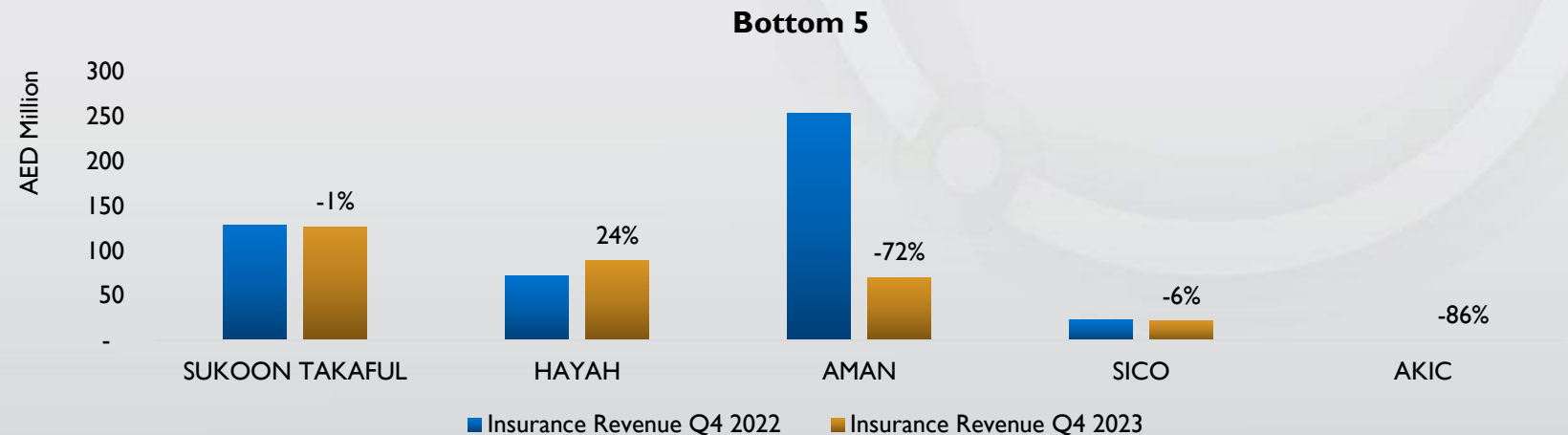
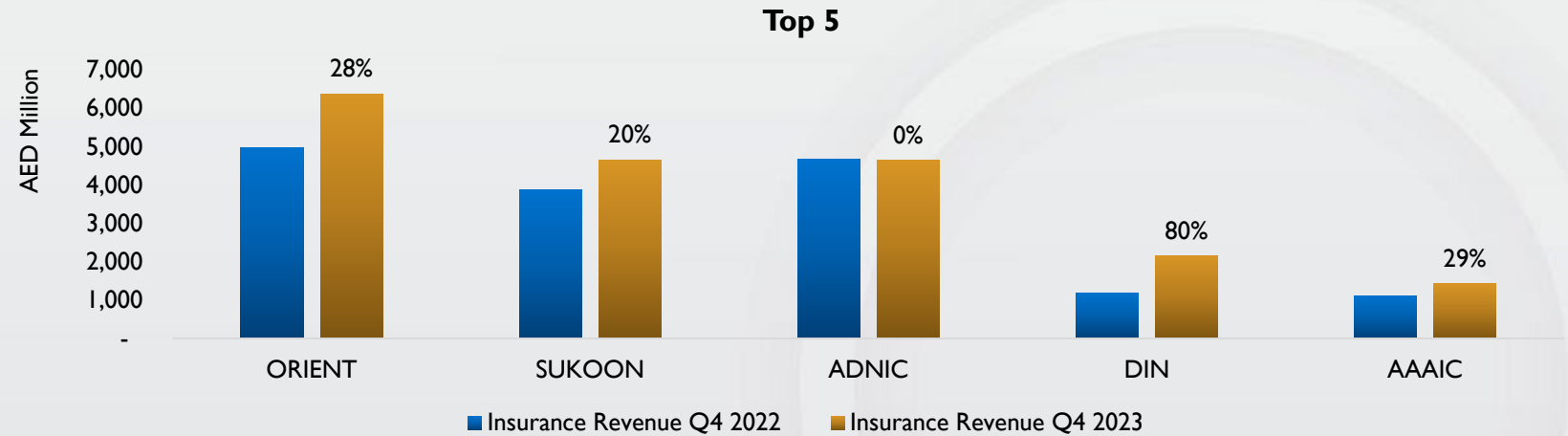
Highest Insurance Revenue = ORIENT:
AED 6 Billion

Weighted Average Insurance Revenue Growth = 19%

TOP 5 Companies, Insurance Revenue = AED 19 Billion.
Growth = 22%

Under IFRS 17, Insurance Revenue would be akin to Gross Earned Premium. A key difference is that in IFRS17 (or due to IFRS9) the Expected Credit Losses (ECL) are deducted from the Insurance Revenue.

Due to the limited availability data, gross written contribution of OUTFL is used instead of the insurance revenue.

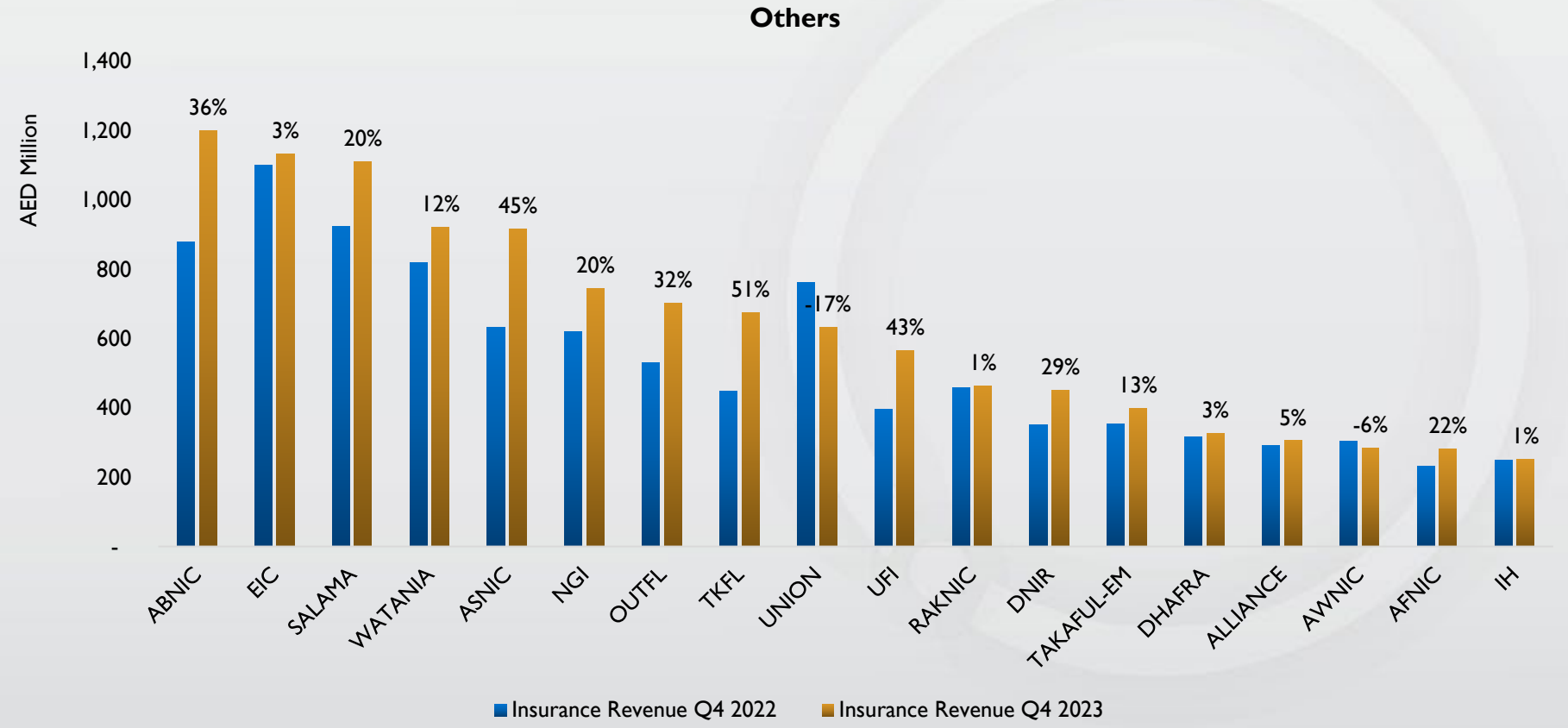


Comparative Insurance Revenue



Highest Insurance Revenue Growth
= DIN: 80%

Lowest Insurance Revenue Growth
= AKIC: -86%





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Q4 2023 (Preliminary) - UAE Listed Insurance Companies

02

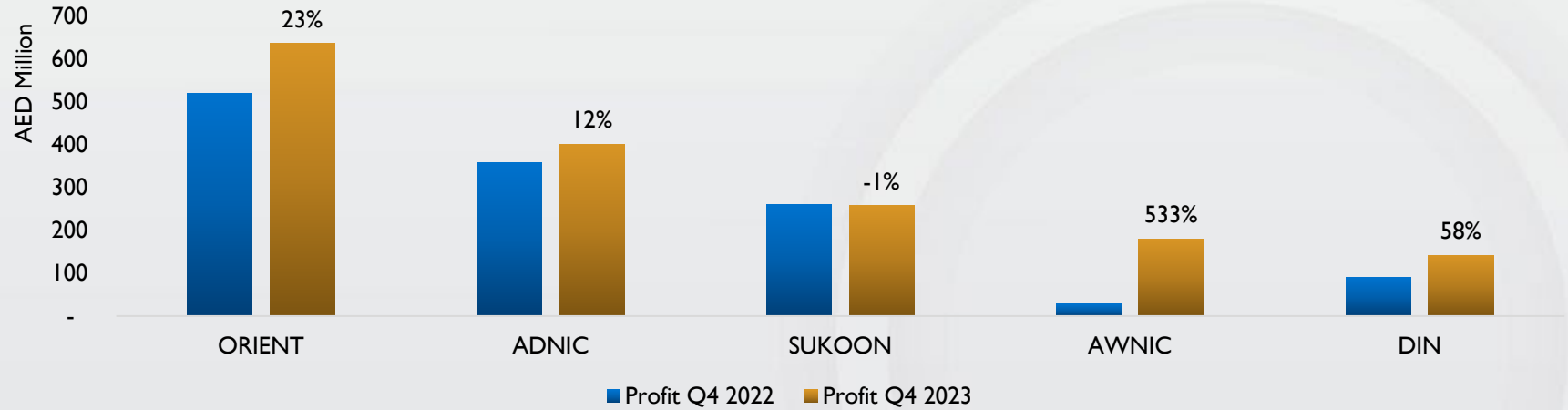
Profitability

Highest Profit = ORIENT: AED 636 Million

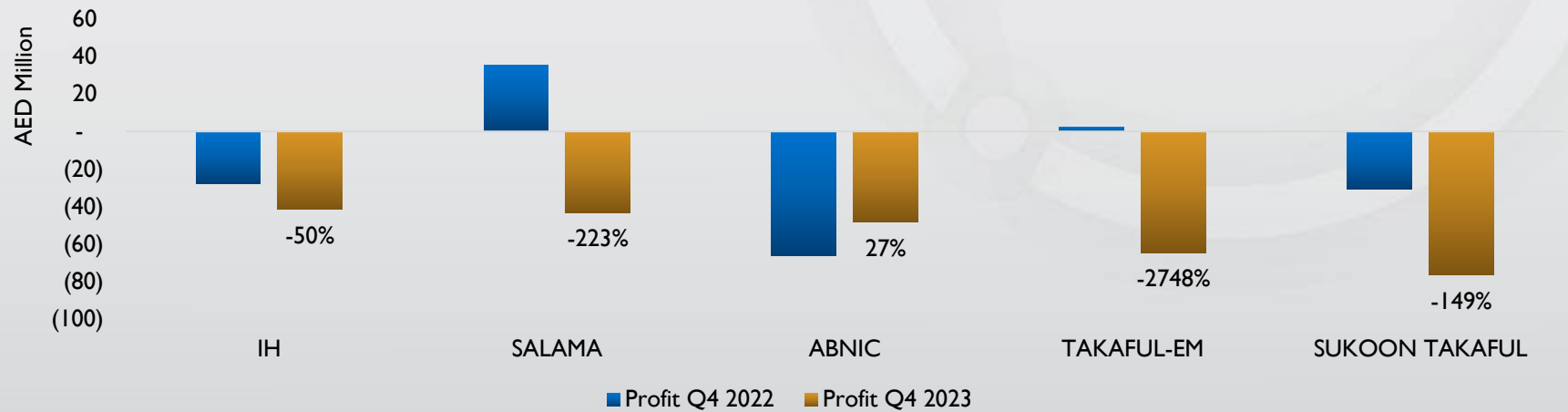
Weighted Average Profit Growth = 34%

Highest Loss = SUKOON TAKAFUL: AED 76 Million

Top 5

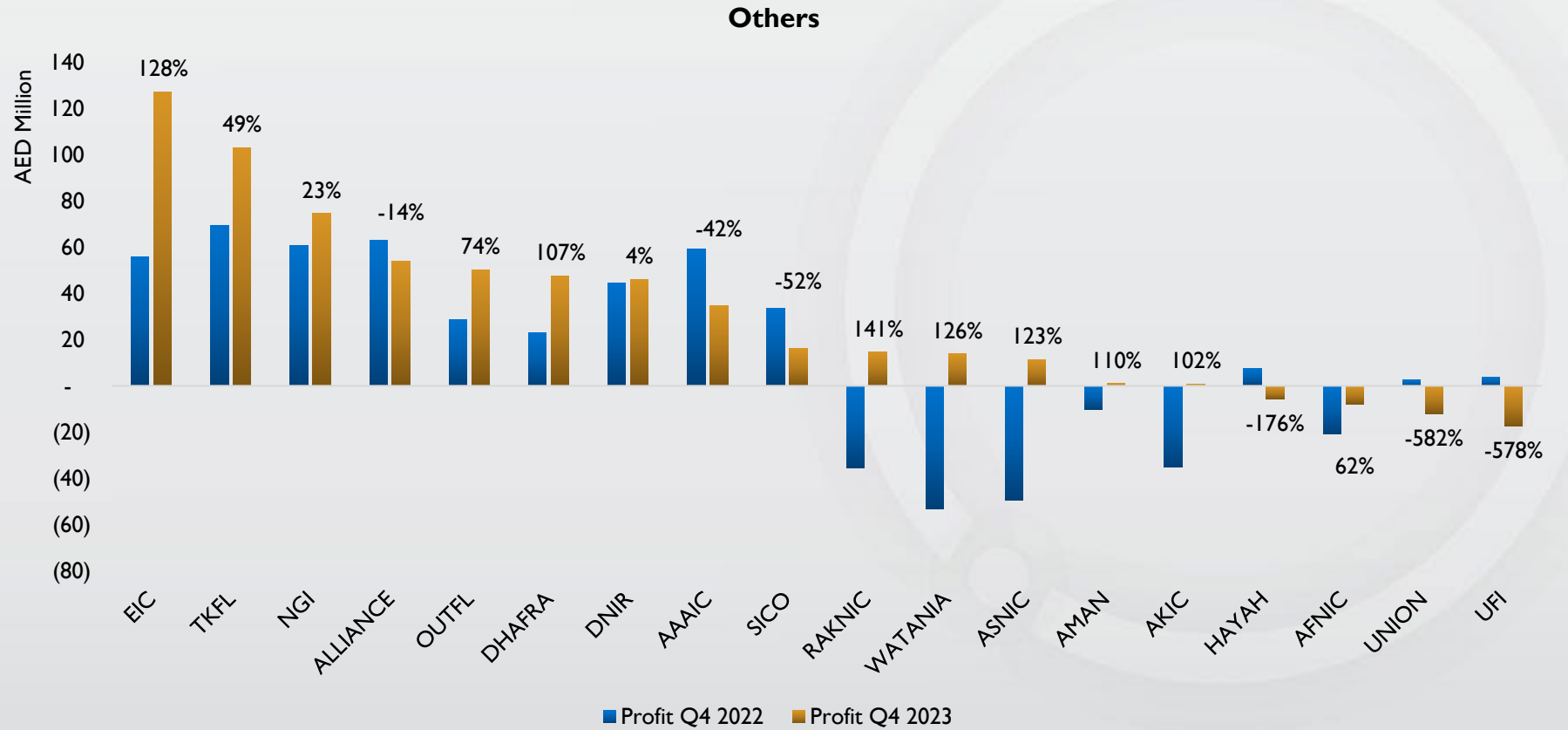


Bottom 5



Highest Profit Growth =
AWNIC: 533%

Lowest Profit Growth =
TAKAFUL-EM: -2748%





Q3

Earnings

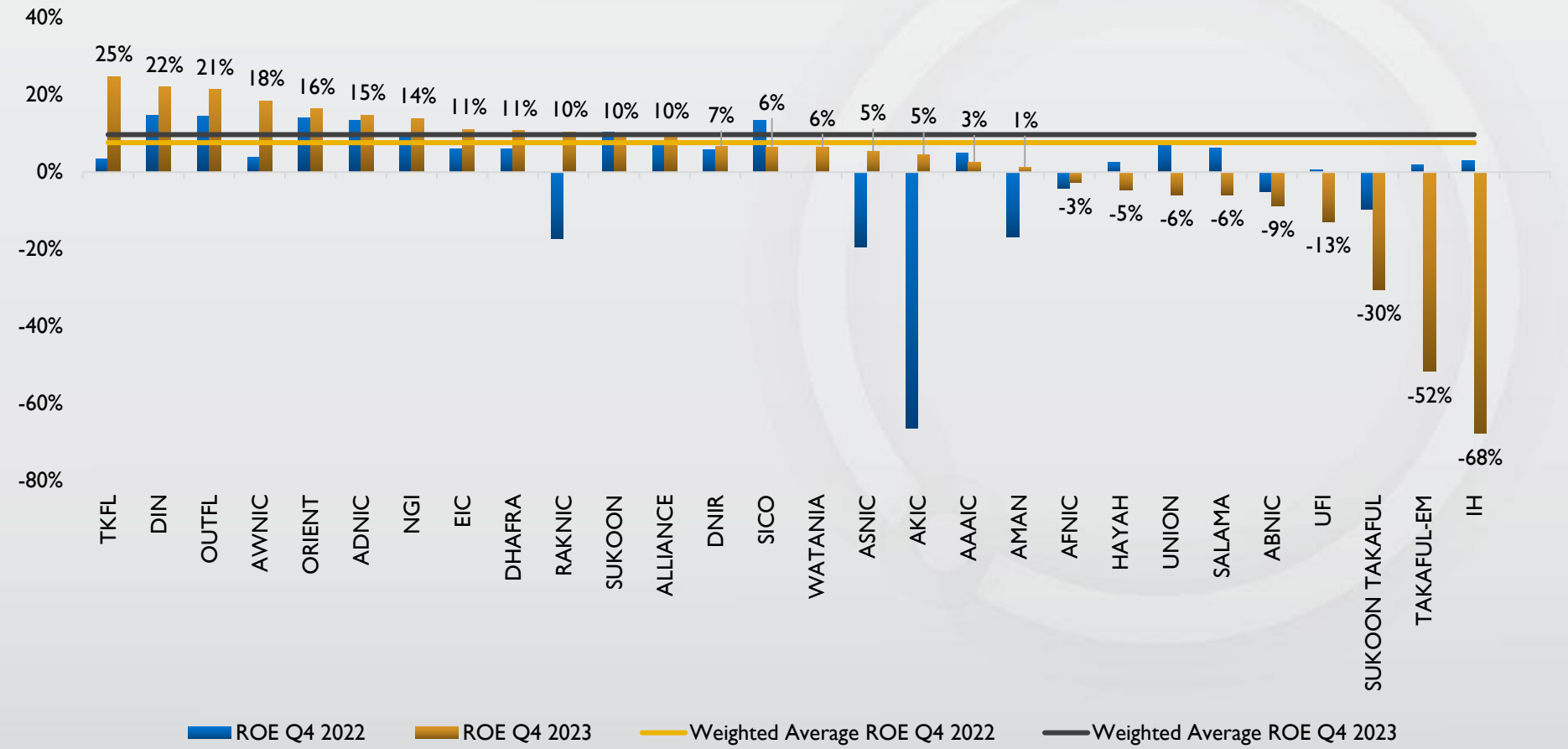


Highest ROE = TKFL: 25%

Weighted Average ROE = 10%

Lowest ROE = IH: -68%

Return On Equity





Company	EPS Q4 2022	EPS Q4 2023
ORIENT	104	127
SUKOON	0.56	0.56
ADNIC	0.63	0.70
DIN	0.85	1.37
AAIC	3.95	2.31
ABNIC	-0.27	-0.18
EIC	0.37	0.85
SALAMA	0.02	-0.07
WATANIA	-0.20	0.05
ASNIC	-0.21	0.04
NGI	0.4	0.5
OUTFL	14.39	25.06
TKFL	0.66	0.98
UNION	0.01	-0.04

Company	EPS Q4 2022	EPS Q4 2023
UFI	0.03	-0.11
RAKNIC	-0.29	0.12
DNIR	0.38	0.40
TAKAFUL-EM	0.016	-0.41
DHAFRA	0.34	0.47
ALLIANCE	62.97	53.9
AWNIC	0.14	0.87
AFNIC	-15.71	-5.99
IH	-0.23	-0.35
SUKOON TAKAFUL	-0.20	-0.50
HAYAH	3.71	-2.81
AMAN	-0.05	0.01
SICO	0.22	0.11
AKIC	0.35	0.01

Earning Per Share



Conclusion

The YE 2023 was the first completed year for companies to be reporting under IFRS 17, which brought about changes including transitioning from presenting Gross Written Premium (GWP) to showcasing Insurance Revenue. The bragging rights companies used to vie for by writing the 'highest' premium volumes are no more the focal point.

UAE Listed Insurance companies witnessed a 19% surge in their Insurance Revenue, reaching AED 31 billion by year-end, compared to AED 26 billion for YE 2022. Insurance Revenue mirrors Gross Earned Premium but now includes Expected Credit Losses (ECL). The sector is witnessing an uptick in Credit Risk, and we foresee growing industry challenges attributed to the heightened impact of ECL.

The industry's net profit surged by approximately AED 0.5 billion or 34% year-on-year, reaching AED 1.9 billion, up from AED 1.4 billion. Among the 28 companies, 11 experienced a decline in profits compared to the year 2022. The industry had seen improvements in the motor and medical rates over 2023 and this has reflected in this growth of 34%.

This report is based on preliminary financial disclosures, and we will do a more detailed analysis once the complete financial statements are published by all companies.



Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed insurance companies in UAE for the year end 2023. The data has been extracted from the preliminary reports of those companies which were publicly listed and available till the compilation of this report.

BADRI publishes reports and newsletters that provide insights for the insurance industry and the public. Our goal is to draw upon research and experience from our professionals to bring transparency and availability of information to the industry and in the process spread brand awareness. No part of our compensation received for other services directly or indirectly influences the contents of this report. The Analysts preparing the report are subject to internal rules on sound ethical conduct.

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The inclusion of the IFRS-17 analysis in our reports for the first time introduces the possibility of encountering errors. This likelihood primarily stems from the inconsistency observed in the treatment of accounts within the financial statements across various companies. These disparities can pose significant analytical challenges and impede accurate interpretation of the data.

While reasonable care has been taken in preparing this document and data obtained from sources believed to be reliable, no responsibility or liability is accepted for errors of fact or for any opinion expressed herein. Badri accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of this document, howsoever arising, and including any loss, damage or expense arising from, but not limited to, any defect, error, imperfection, fault, mistake or inaccuracy with this document, its contents or associated services, or due to any unavailability of the document or any thereof or due to any contents or associated services.

Due to availability of limited information, we were unable to segregate further. Once all companies start publishing preliminary reports with uniform level of segregation, this can be done.





METHAQ is not included in the analysis as it was not published at the time of compiling this report.

Listed Insurance Companies



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Q4 2023 (Preliminary) - UAE Listed Insurance Companies

Logos	Sr. No.	Symbol	Name	Market
 شركة العين الأهلية للتأمين Al Ain Ahlia Insurance Co.	1	AAAIC	Al Ain Al Ahlia Insurance Co.	ADX
 شركة البحيرة الوطنية للتأمين Al-Buhaira National Insurance Co.	2	ABNIC	Al Buhaira National Insurance Company	ADX
 ADNIC شركة أبوظبي الوطنية للتأمين ABU DHABI NATIONAL INSURANCE COMPANY	3	ADNIC	Abu Dhabi National Insurance Co.	ADX
 AFNIC شركة الفجيرة الوطنية للتأمين AL FUJAIRAH NATIONAL INSURANCE CO.	4	AFNIC	Al Fujairah National Insurance Co.	ADX
 Alliance Insurance التأمين للتأمين	5	ALLIANCE	Alliance Insurance	DFM
 SUKOON INSURANCE	6	SUKOON TAKAFUL	Sukoon Takaful (formerly known as ASCANA)	DFM
 الصقر للتأمين AL SAGR INSURANCE	7	ASNIC	Al Sagr National Insurance Company	DFM
 شركة الوثبة الوطنية للتأمين AL WATHBA NATIONAL INSURANCE CO	8	AWNIC	Al Wathba National Insurance Co	ADX
 Watania Takaful	9	WATANIA	Watania (Formerly known as Dartakaful)	DFM
 Al Dhafra Insurance Co.	10	DHAFRA	Al Dhafra Insurance Co.	ADX
 دبي للتأمين DUBAI INSURANCE SHARE & COMBENTMENT SINCE 1970	11	DIN	Dubai Insurance Co , PSC	DFM
 takaful emarat	12	TAKAFUL-EM	Takaful Emarat Co.	DFM
 Your dependable risk partner شركة الخزنة للتأمين ش.م.ع. AL KHAZNA INSURANCE COMPANY S.S.C	13	AKIC	Al Khazna Insurance Co.	ADX

Companies Included in the Analysis

Listed Insurance Companies



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Q4 2023 (Preliminary) - UAE Listed Insurance Companies

Logos	Sr. No.	Symbol	Name	Market
AMAN	14	AMAN	Dubai Islamic Insurance and Reinsurance	DFM
DNI Dubai National Insurance شركة الوطنية للتأمين	15	DNIR	Dubai National Insurance & Reinsurance Co.	DFM
الإمارات للتأمين Emirates Insurance	16	EIC	Emirates Insurance Co.	ADX
HAYAH	17	HAYAH	HAYAH Insurance Company (formerly known as GCIC)	ADX
NGI	18	NGI	National General Insurance Company	DFM
SUKOON INSURANCE	19	SUKOON	Oman Insurance Company (P.S.C.)	DFM
orient orient insurance pjsc	20	ORIENT	Orient Insurance PJSC	DFM
Orient UNB Takaful PJSC	21	OUTFL	Orient UNB Takaful PJSC	DFM
RAK INSURANCE	22	RAKNIC	Ras Al Khaimah National Insurance Co.	ADX
SALAMA بسلامة	23	SALAMA	Islamic Arab Insurance Company	DFM
SHARJAH INSURANCE الشارقة للتأمين	24	SICO	Sharjah Insurance Company	ADX
TKFL شركة أبوظبي الوطنية للتكافل Takaful Abu Dhabi National Takaful Co. P.S.C.	25	TKFL	Abu Dhabi National Takaful Co. PJSC	ADX
Fidelity United INSURANCE فيدلتب المتحدة	26	UFI	United Fidelity Insurance (PSC)	ADX
UNION INSURANCE الاتحاد للتأمين	27	UNION	Union Insurance Company	ADX
INSURANCE HOUSE دار التأمين	28	IH	Insurance House	ADX

Companies Included in the Analysis



About Our Team

	Directors	5 Staff
UAE/ Oman Actuarial	38 Staff	Medical 6 Staff
KSA Actuarial	37 Staff	IFRS 17 15 Staff
Business Intelligence	11 Staff	HR Consultancy 3 Staff
End of Services	4 Staff	Financial Services 6 Staff
Support & Admin	25 Staff	Data Science 2 Staff

Total Strength **152**



Our Feedback

BADRI Management Consultancy is proud to present UAE Insurance Industry Performance preliminary analysis Q4 2023. We have a dedicated team that is working to bring you research reports. Our doors are open for feedback, and we welcome them. Feel free to inquire about the report.

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