



BADRI

2024

Omani

Listed Insurance Industry
Performance Analysis – Year
End 2024

Date: May 13, 2025



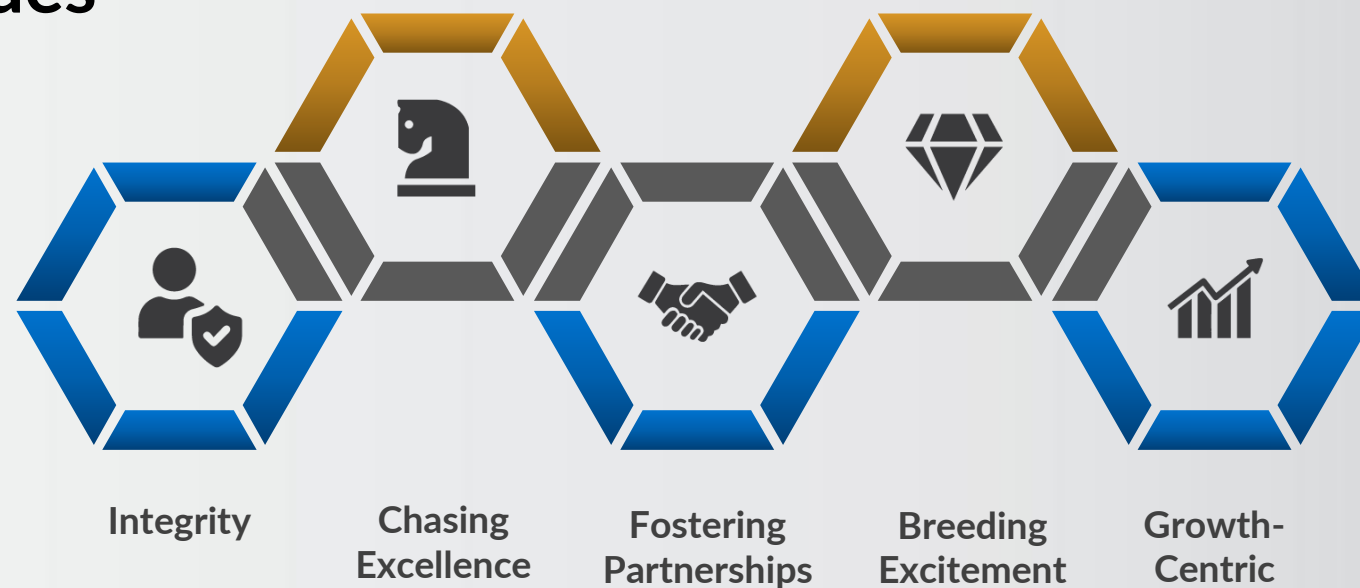
Vision

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





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Year End 2024 – Omani Listed Insurance Companies

Awards & Achievements

Award winning strategic partner to the insurance industry with around **206** talented staff in UAE, KSA, Pakistan, Egypt and UK 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 2024, 2023, 2022, 2021 & 2020 by MIIA.
- Best Actuarial/Risk Consultancy Firm of 2025, 2023, 2018 & 2016 by MENAIR.
- Corporate Risk Manager of 2023 & Best Actuarial Firm of 2024 & 2025 by InsureTek.
- Employer Spotlight Societal Purpose Award of 2024 by SOA.
- Best Internship Program (Silver) Award by Employee Happiness Awards.
- Best Digital & Social Media Initiative (Silver) Award by Customer Happiness Awards





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.

We are proudly standing at around **206** employee base that are spread across UAE, KSA, Pakistan, Egypt and UK. They certainly 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 Management and Business Intelligence to our clients.

What We Can Do For You!

Actuarial Consultancy

- General Insurance, Life and Health, Pensions and Social Security
- Regulatory / Appointed Actuary
- Reserving, Technical Pricing, Capital Modelling
- Investment and ALM
- Reinsurance Modelling / Optimization
- Financial reporting including IFRS 17 and IFRS 9

Strategic Consultancy

- Strategy and Business Plan development
- Digitalization Strategy
- M&A (due diligence)
- Market and Product development and innovation
- Enterprise Risk Management
- ESG and Climate Risk
- Financial Services
- HR Strategy

Technology Consultancy

- Actuarial Software for pricing, reserving and capital modelling
- IFRS 17 financial reporting software and managed services
- Business Intelligence software
- Motor and medical portfolio management / dashboards
- Data Strategy and Governance



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IFRS 17 Implementation Partner

BADRI provides a seamless and supportive environment for your IFRS 17 financial reporting needs.



ACE 17 Financial Reporting System



Extensive experience of IFRS 17 –
Across 8 locations



Dedicated IFRS 17 team –
17 Individuals



Financial Services Team –
15 Individuals

Financial Services – Optimize Your Financial Precision

Elevate your operations with a specialized suite of sub services from our Financial Services team – designed to ensure accuracy, efficiency, and strategic financial insight.

Accounting Services – We Offer



Account Reconciliation
Services



Fixed Assets Verification
and Reconciliation



Preparing Position Papers
for Accounting Matters



Account Receivable &
Payable Cleaning Up
Services



Virtual CFO
Services



Backlog
Accounting



Navigating Challenges in Competitive Talent Acquisition

In today's dynamic business environment, HR consulting firms face complex challenges in delivering effective workforce solutions. Addressing these hurdles is essential to drive organizational success.

Key Challenges in Talent Acquisition



Talent Acquisition & Retention



HR Compliance & Regulations



Localization Requirements



Leadership & Change Management



Workforce Diversity & Inclusion



HR Analysis & Decision-Making



Employee Engagement & Experience



HR Strategy

Overcoming these challenges requires the right expertise, Let's build future ready HR strategies together.

www.metierme.met



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Year End 2024 Industry Analysis

Revenues

Insurance revenue

Insurance Service Results

Insurance Service Ratio

Conventional Vs Takaful

Profitability

Insurance Financial Results

Net Profit

Net Finance Income Comparatives

Net Insurance Result & Investment
Income Profit Breakup

Combined Ratio

Total Comprehensive Income

Assets, Capital & Liabilities

Asset Mix

Return On Equity

Earning Per Share

IFRS-17 Transition

LC as % of Insurance Revenue

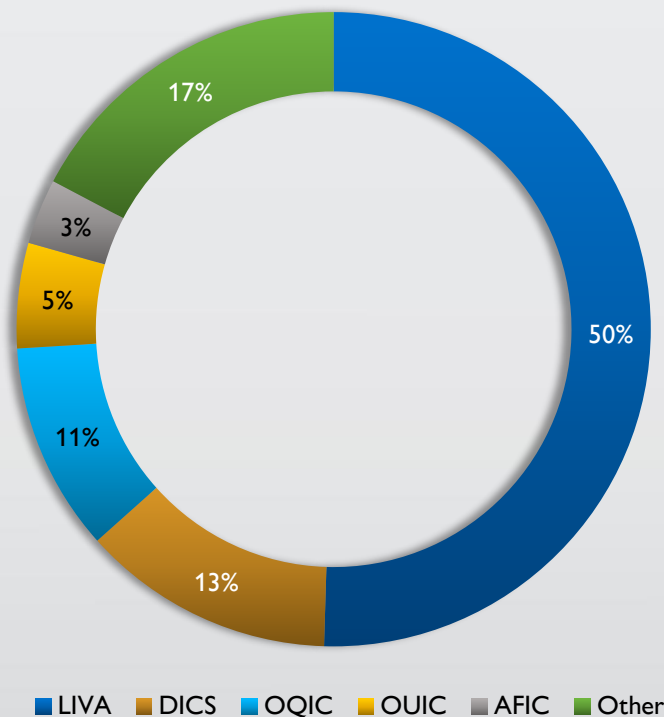
Finance Income / LIC comparison

Risk Adjustment / LIC



2024 Highlights

Revenue 2024



Insurance Revenue (Conventional Companies)

2024: RO **561** million

2023: RO 519 million

Growth: 8%

Gross Contribution (Takaful Companies)

2024: RO **92** million

2023: RO 77 million

Growth: 19%

Insurance Service Results (Conventional Companies)

2024: RO **0.2** million

2023: RO 12.2 million

Growth: -99%

Profit After Tax

2024: RO **7.3** million

2023: RO 20.9 million

Growth: -65%



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Year End 2024 – Omani Listed Insurance Companies

01

Revenue

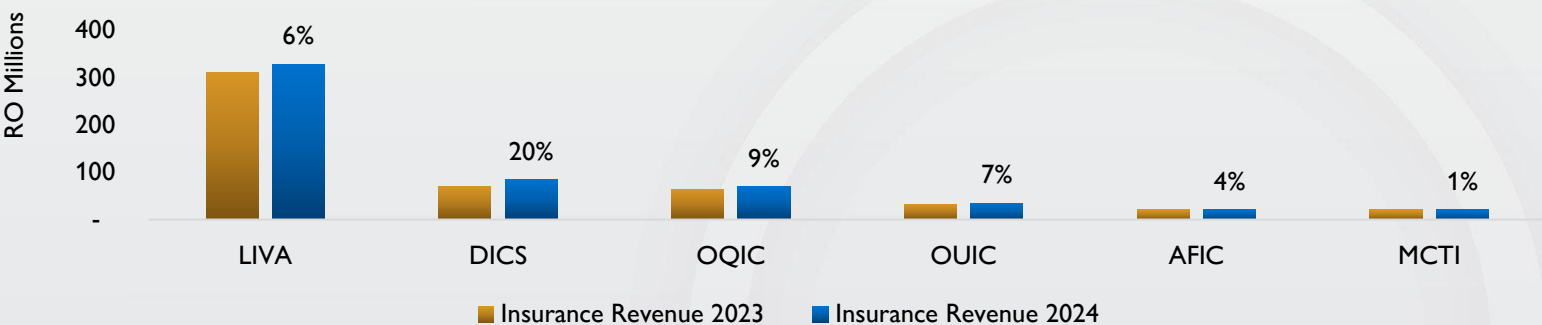
Insurance Revenue - Listed Companies



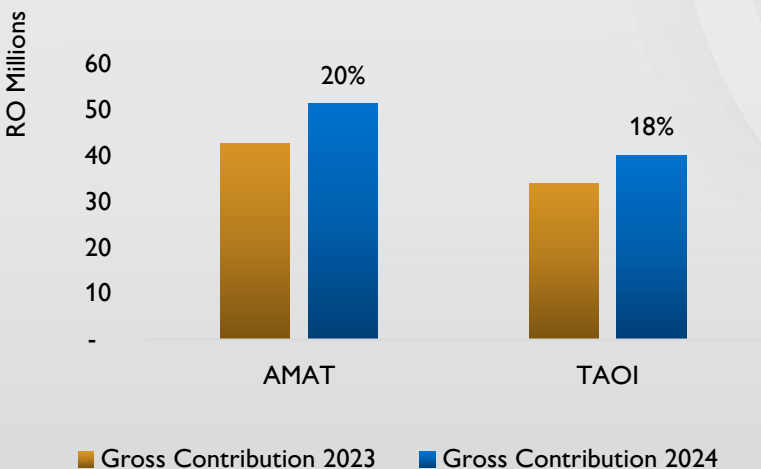
Insurance revenue for the six listed conventional insurers recorded an 8% growth, reaching RO 561 million in 2024, compared to RO 519 million during the same period in the previous year. Meanwhile, gross contributions from the two listed takaful companies increased by 19%, rising from RO 77 million in 2023 to RO 92 million in 2024. Previously, Oman’s insurance industry relied on Gross Written Premiums (GWP) as a key performance and competitiveness indicator. However, with the implementation of IFRS-17, conventional insurers have ceased reporting GWP. The focus has now shifted to Insurance Revenue, a metric similar to Earned Premiums and reported net of Expected Credit Losses (comparable to provisions for doubtful debts). For takaful companies, gross contribution continues to represent the primary top-line measure.

LIVA currently leads the market, holding approximately 50% of total market share, with revenue amounting to RO 329 million. This amount includes earnings from its international subsidiaries, as only consolidated financial reports are disclosed. Our analysis is therefore based on the consolidated data. LIVA posted the highest absolute rise in insurance revenue, increasing by RO 18.7 million to reach RO 329 million in 2024, compared to RO 310 million reported in 2023.

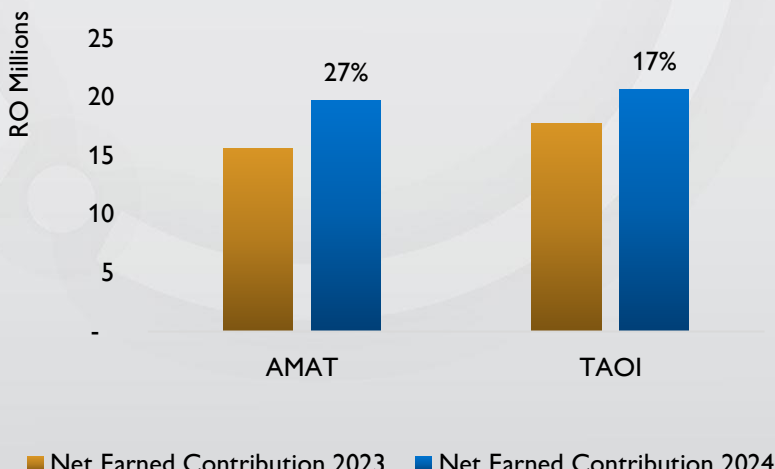
Insurance Revenue (Conventional Companies)



Gross Contribution (Takaful Companies)



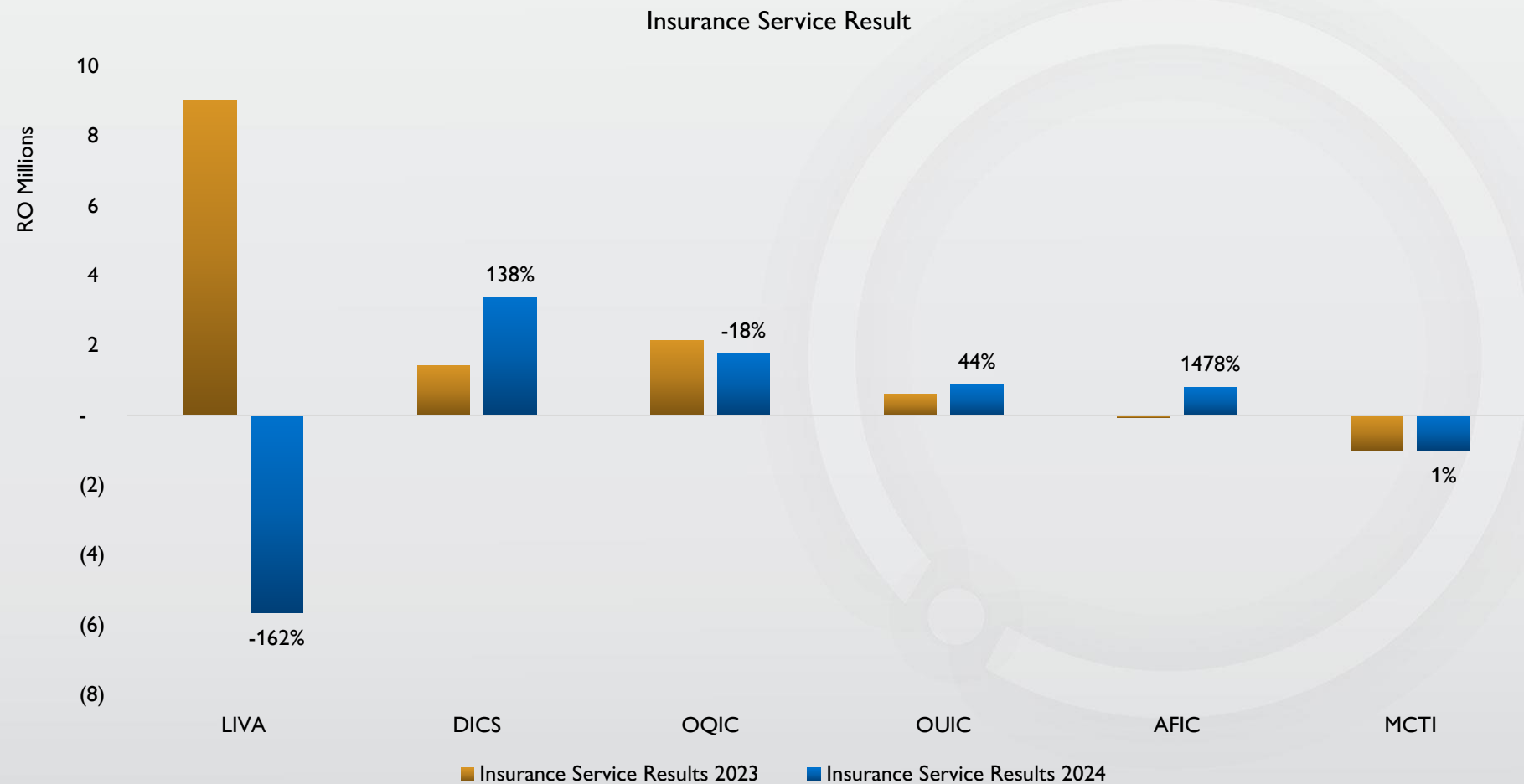
Net Earned Contribution (Takaful Companies)



Insurance Service Results - Listed Companies



The Insurance Service Results of the six listed conventional companies saw a sharp decline, dropping from RO 12.2 million to RO 0.2 million in 2024. The top three performers together posted a -104% drop, moving from RO 12.6 million to RO -0.5 million over the same period last year. This sharp downturn was largely attributed to LIVA, whose insurance service results saw a sharp decline from RO 9 million in 2023 to RO -6 million in 2024. Conversely, AFIC recorded the highest growth, with a remarkable 1478% increase rising significantly from a loss of RO 0.1 million to a profit of RO 0.8 million in 2024.

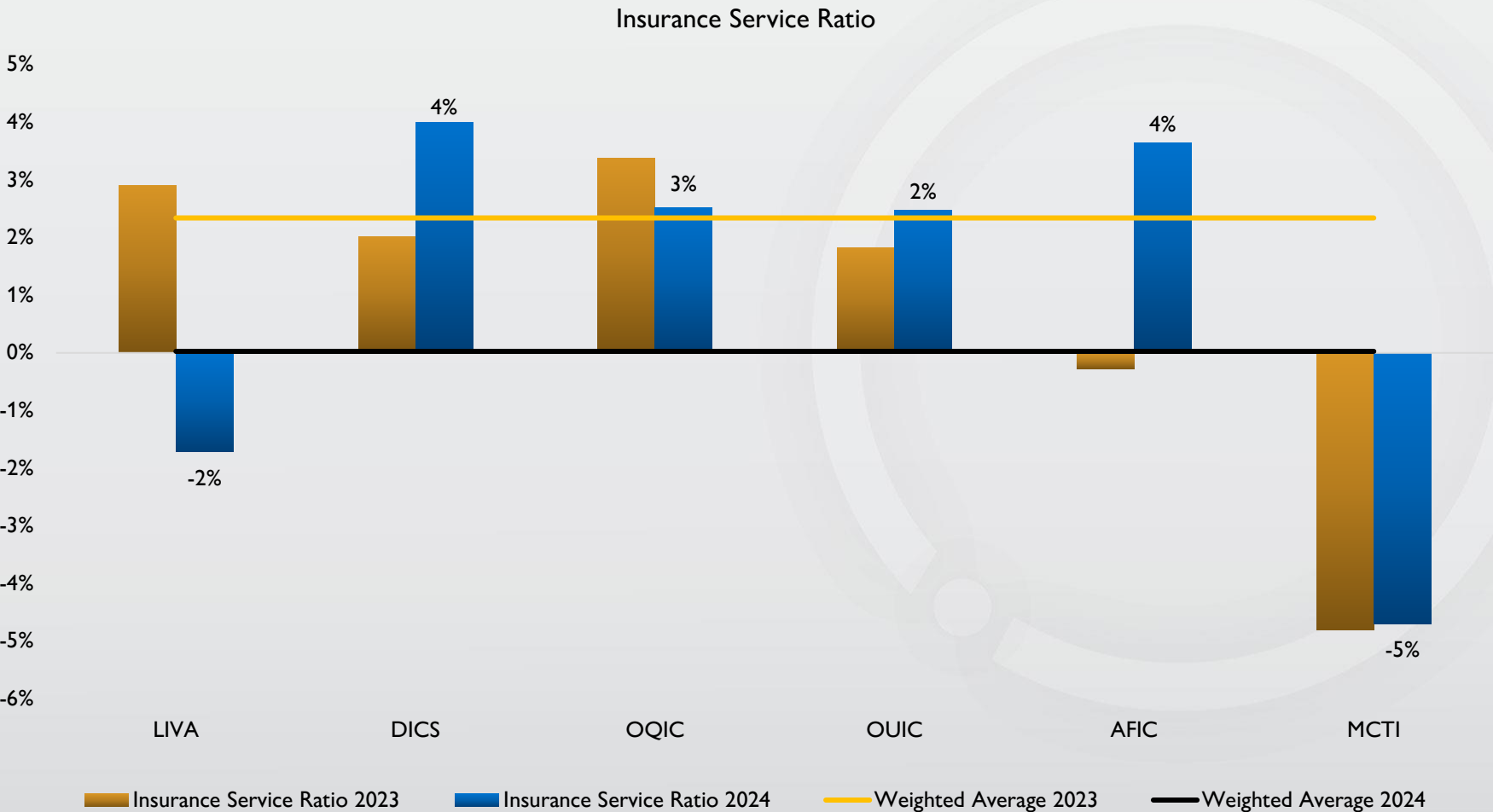


Insurance Service Ratio – Listed Companies



The Insurance Service Ratio for the reviewed companies dropped from 2% in 2023 to approximately 0% in 2024 mainly due to the sharp decline in insurance service result this year. DICS recorded the highest ratio at 4%, whereas MCTI reported the lowest at -5%.

The Insurance Service Ratio, calculated as Insurance Service Results divided by Insurance Revenue, can be seen as equivalent to 100% minus the Combined Ratio under IFRS 4. However, there is a key difference in our methodology, which involves using Net Results and comparing them to a figure similar to Gross Earned Premium. Under IFRS 4, Insurance Service Results can be understood as Underwriting Profits after deducting expenses.



Conventional Vs Takaful – Listed Companies

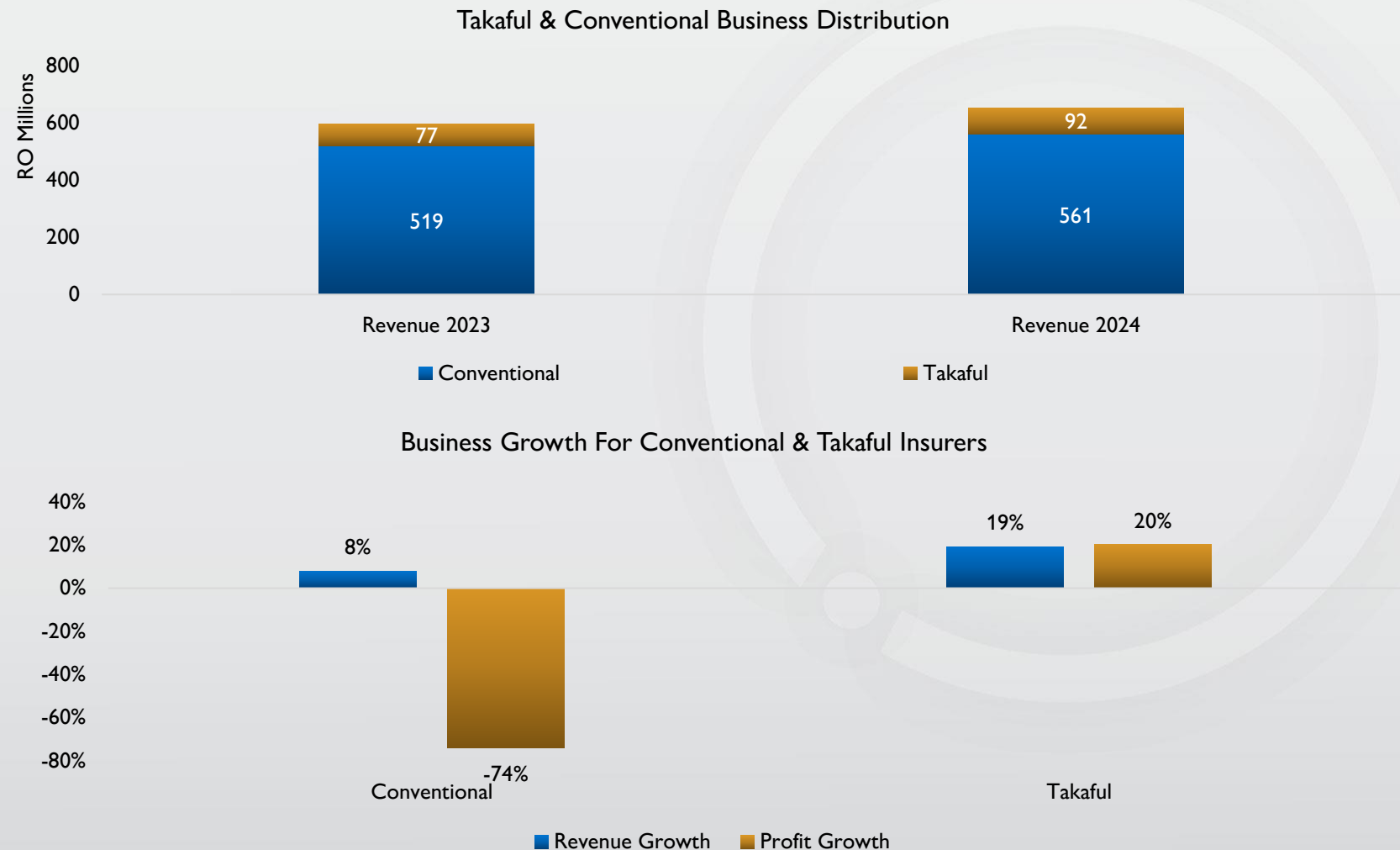


Among the eight listed insurance companies in Oman, two operate as Takaful insurers.

Conventional insurers’ revenue increased by 8%, while Takaful companies recorded a 19% rise compared to the same period in 2023.

Profit after tax for conventional insurers declined by -74%, mainly due to a sharp fall in LIVA’s profitability. Without LIVA’s impact, the decline would have been -15% rather than -74%. On the other hand, Takaful insurers demonstrated strong momentum by achieving 20% rise in profits this year.

Following IFRS-17 adoption, conventional insurers report Insurance Revenue as the top line, while for Takaful companies, Gross Contribution continues to represent the top-line measure.





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Year End 2024 – Omani Listed Insurance Companies

Profitability

Net Profit - Listed Companies Trend

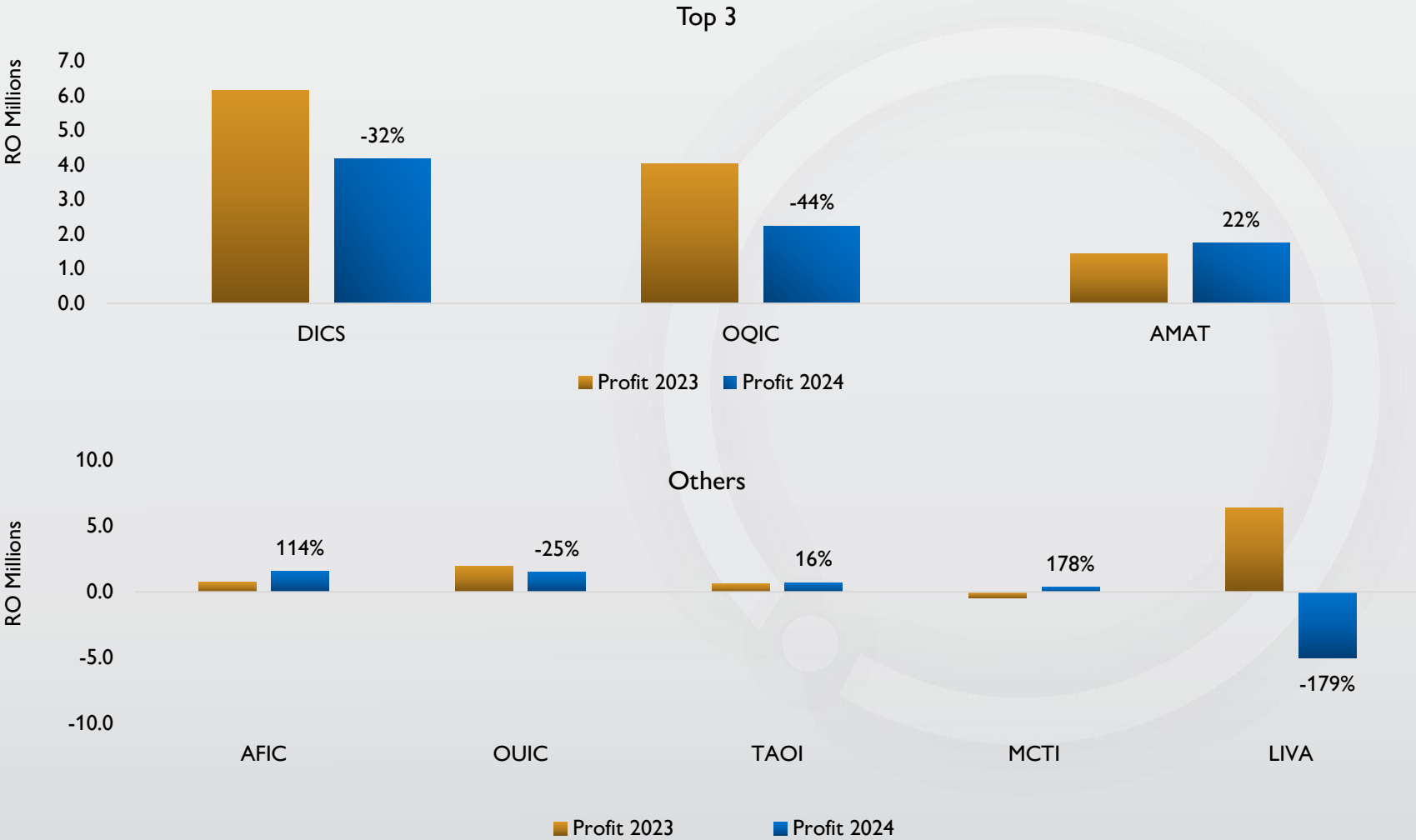


The recorded profit (after tax) for the group of eight listed companies declined by 65%, dropping from RO 20.9 million in 2023 to RO 7.3 million in 2024.

LIVA significantly influenced the overall profit. Excluding LIVA's performance, the overall profitability for 2024 reflects a 15% decline compared to the corresponding period in 2023.

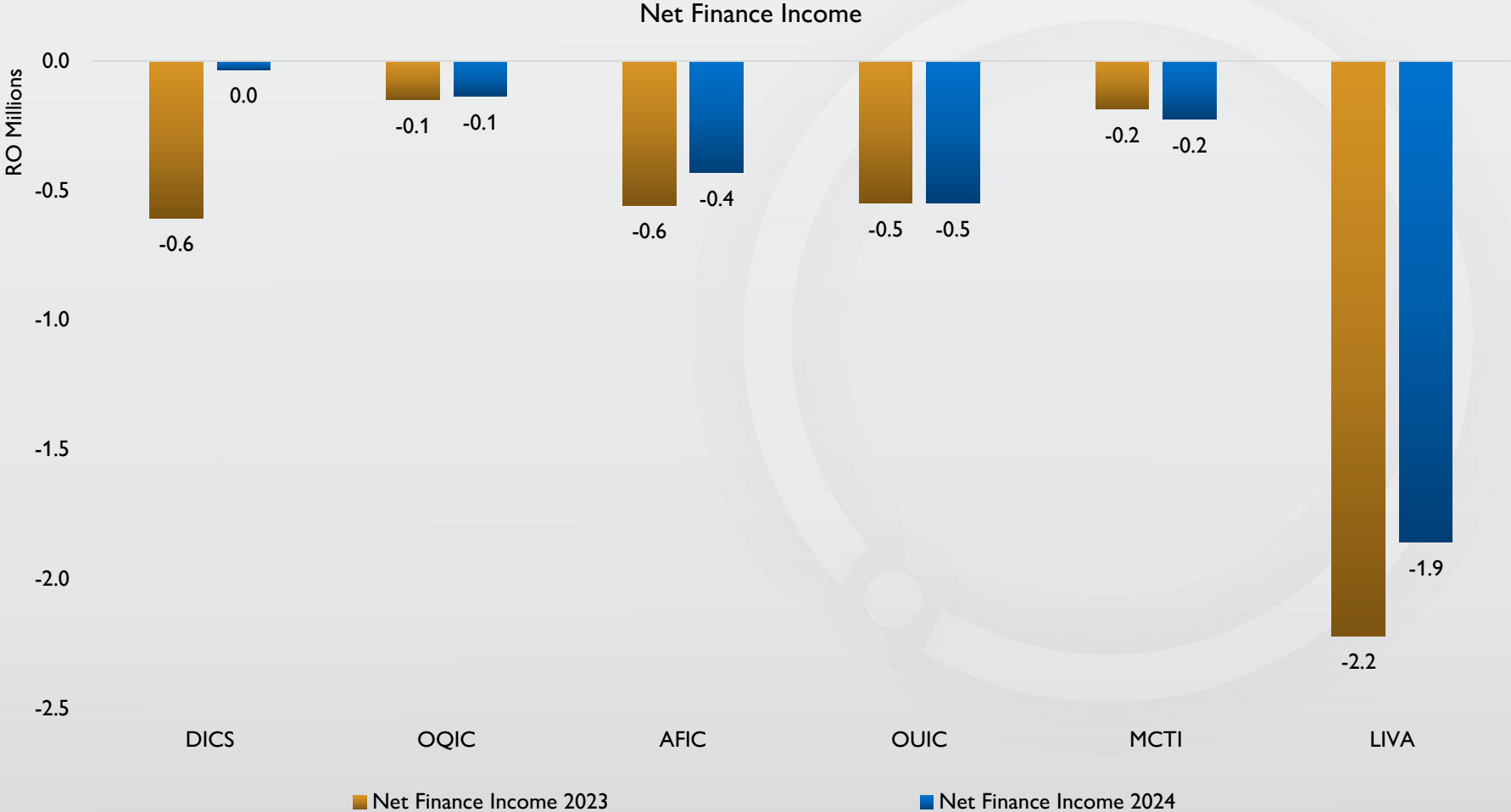
DICS posted the highest profit in 2024 at RO 4.2 million, However it reflects a 32% decrease from 2023.

MCTI recorded the highest profit growth at 178%, improving from RO -0.5 million in 2023 to RO 0.4 million in 2024. In contrast, LIVA recorded the steepest decline, dropping from RO 6.4 million in 2023 to RO -5.0 million in 2024.

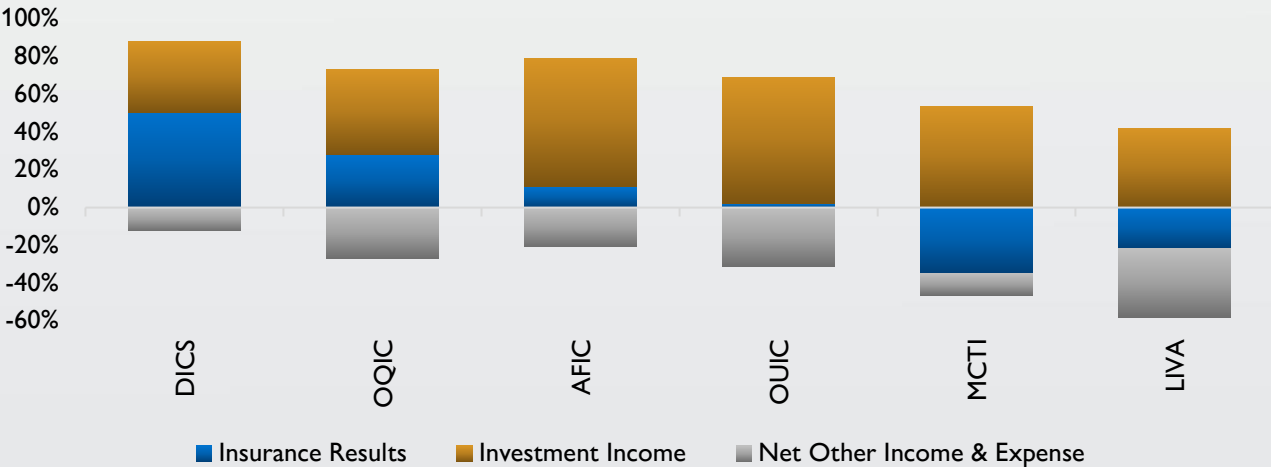


Under IFRS-17, net finance income comprises interest income from the Contractual Service Margin (CSM) and interest expense from the unwinding of the discount rate applied to insurance liabilities. This metric captures the total financial effect of the time value of money and changes in the present value of projected future cash flows.

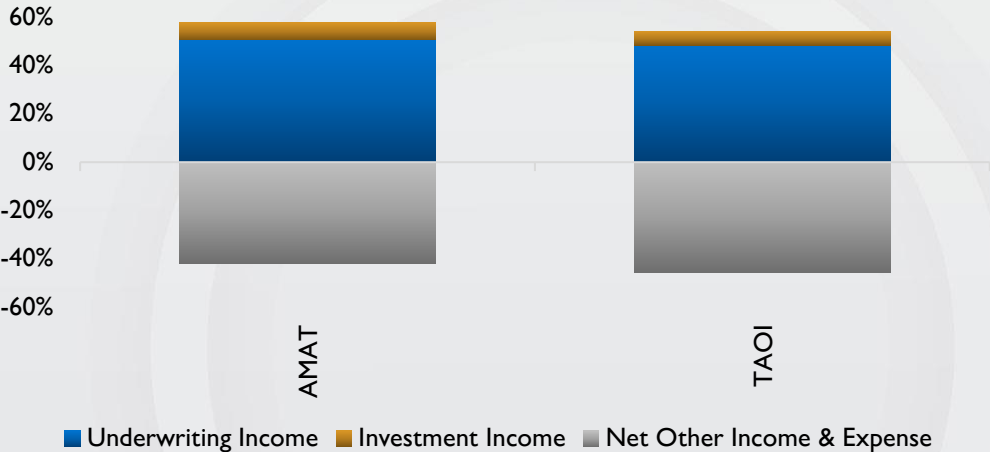
LIVA showcases the highest net finance loss, in contrast to OQIC, which displays the least net finance loss.



Profit Composition IFRS-17



Profit Composition IFRS-4



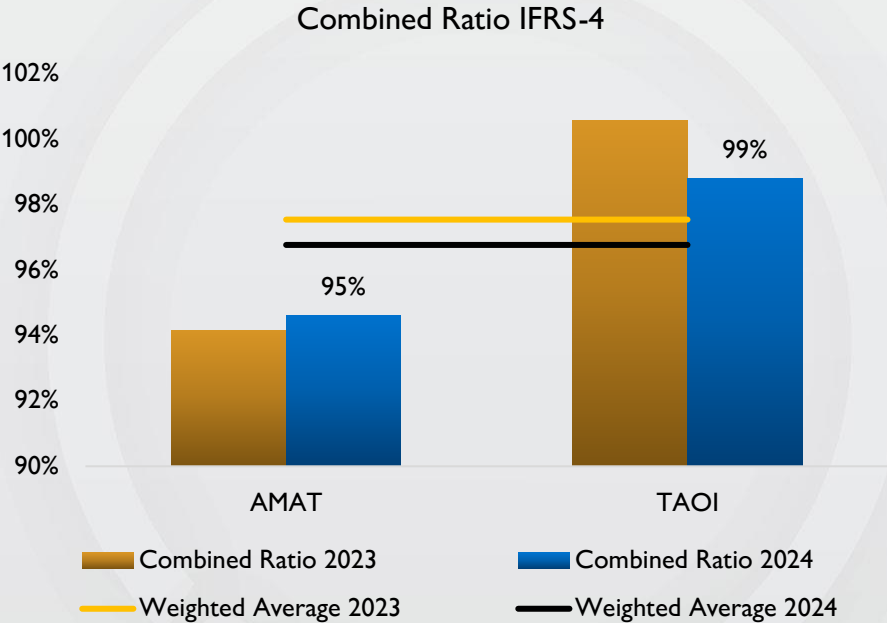
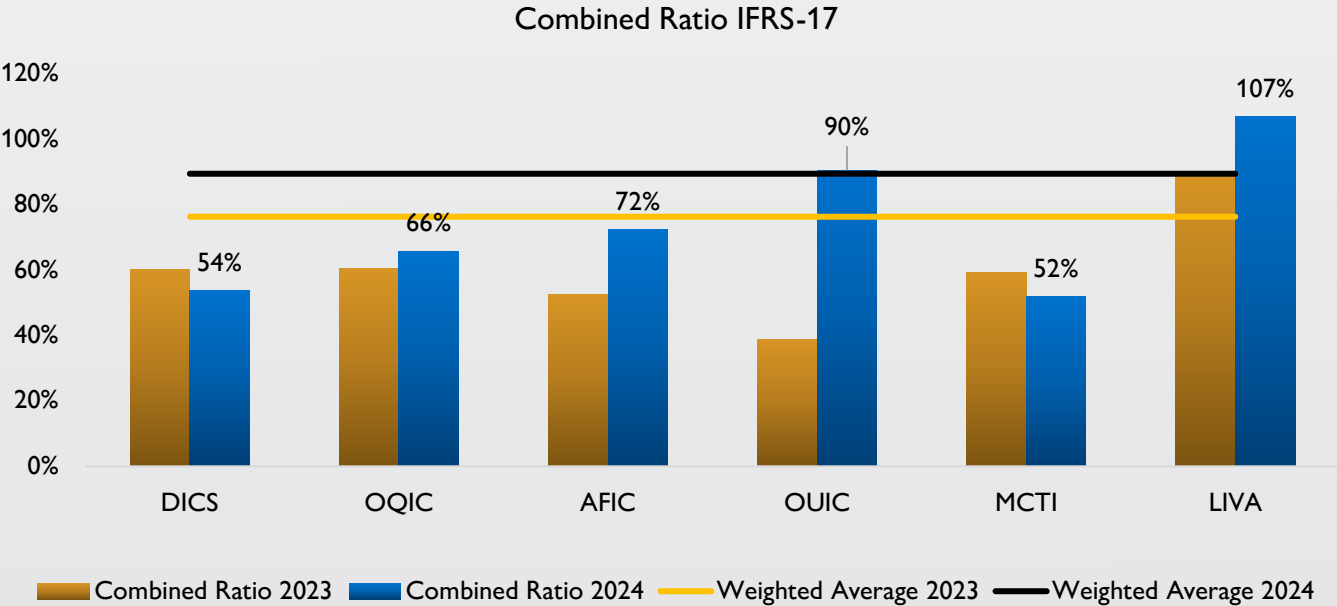
The analysis indicates that profit before tax for listed companies in Oman in 2024 is derived from a combination of insurance results—comprising Net Insurance Service Results and Net Insurance Finance Income for conventional companies (underwriting income for Takaful companies)—as well as investment income and other income or expenses. In 2024, total insurance results for conventional insurers (including underwriting income for Takaful companies) stood at RO 7 million, while investment income amounted to RO 28 million.

The analysis highlights the critical role of investment income in driving overall profitability. Despite incurring losses from insurance operations or underwriting activities, Several companies were able to offset these losses and sustain profitability by generating gains from their investment income.

Following the implementation of IFRS-17, the key performance indicator (KPI) for underwriting income among conventional insurers has been replaced with the insurance result metric, which encompasses both net insurance service results and net insurance finance income.

The findings are presented based on the 2024 profit figures of conventional insurers.

Combined Ratios – Listed Companies

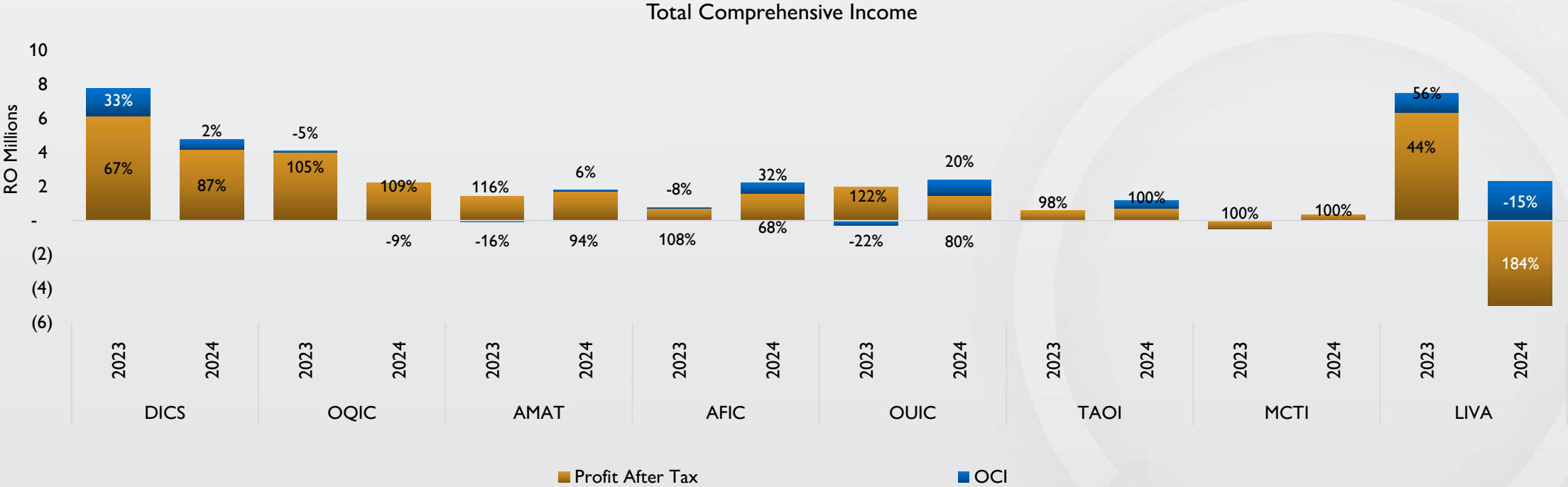


The weighted average combined ratio for conventional companies increased from 76% in 2023 to 89% in 2024, while for Takaful companies, it slightly decreased from 98% to 97% this year.

A combined ratio below 100% indicates profitability in underwriting. A ratio under 100% means the company is not only covering its costs but also earning a profit from its underwriting activities or investment returns.

For conventional companies, the combined ratio is calculated as insurance service expenses divided by insurance revenue, whereas for Takaful companies, it is the sum of the expense ratio and the loss ratio.

Total Comprehensive Income - Companies



- In 2024, the Total Comprehensive Income decline by 47% compared to the same period in 2023.
- Only one company in this analysis reported a loss in their OCI for 2024, compared to three companies reporting losses in 2023.
- For Takaful companies we have consolidated the Policyholders and Shareholders P&L for comparative purposes.
- The Total Comprehensive Income is the sum of the Profit After Tax and the Other Comprehensive Income (OCI).



Particulars	2023	2024	Variance
	RO Million	RO Million	RO Million
Insurance Result	17.4	7.3	(10.0)
Investment Income	33.7	28.0	(5.7)
Net Other Income & Expenses	(26.5)	(26.6)	(0.1)
Profit Before Tax	24.6	8.7	(15.9)
Tax	(3.7)	(1.4)	2.3
Profit After Tax	20.9	7.3	(13.6)

Net Profit Break Down



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A background image showing a hand holding a small house model over stacks of coins and banknotes. A large white '03' is overlaid on the image.

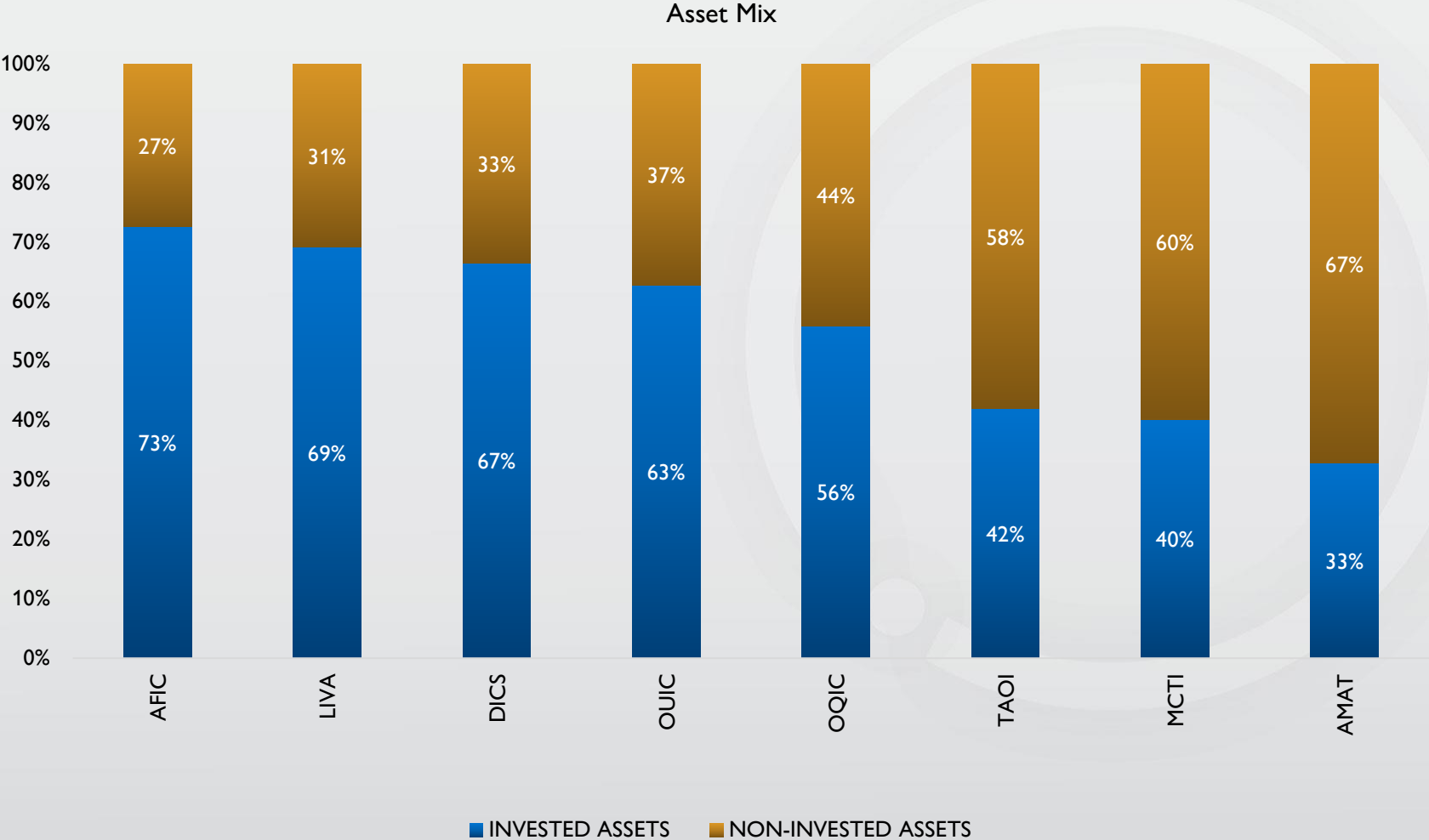
03

Asset Mix



The Asset Mix shows the proportion of invested and non-invested assets (such as insurance and reinsurance receivables) held by companies in the Oman insurance industry as of December 31, 2024. AFIC holds the highest proportion of invested assets at 75%, while AMAT has the lowest at 33%. The market-wide proportion of invested assets to total assets stands at 60%. The industry average is primarily influenced by LIVA, followed by DICS, as they hold the largest share of total assets.

The chart is sorted in descending order of insurance revenue / gross contribution of 2024.



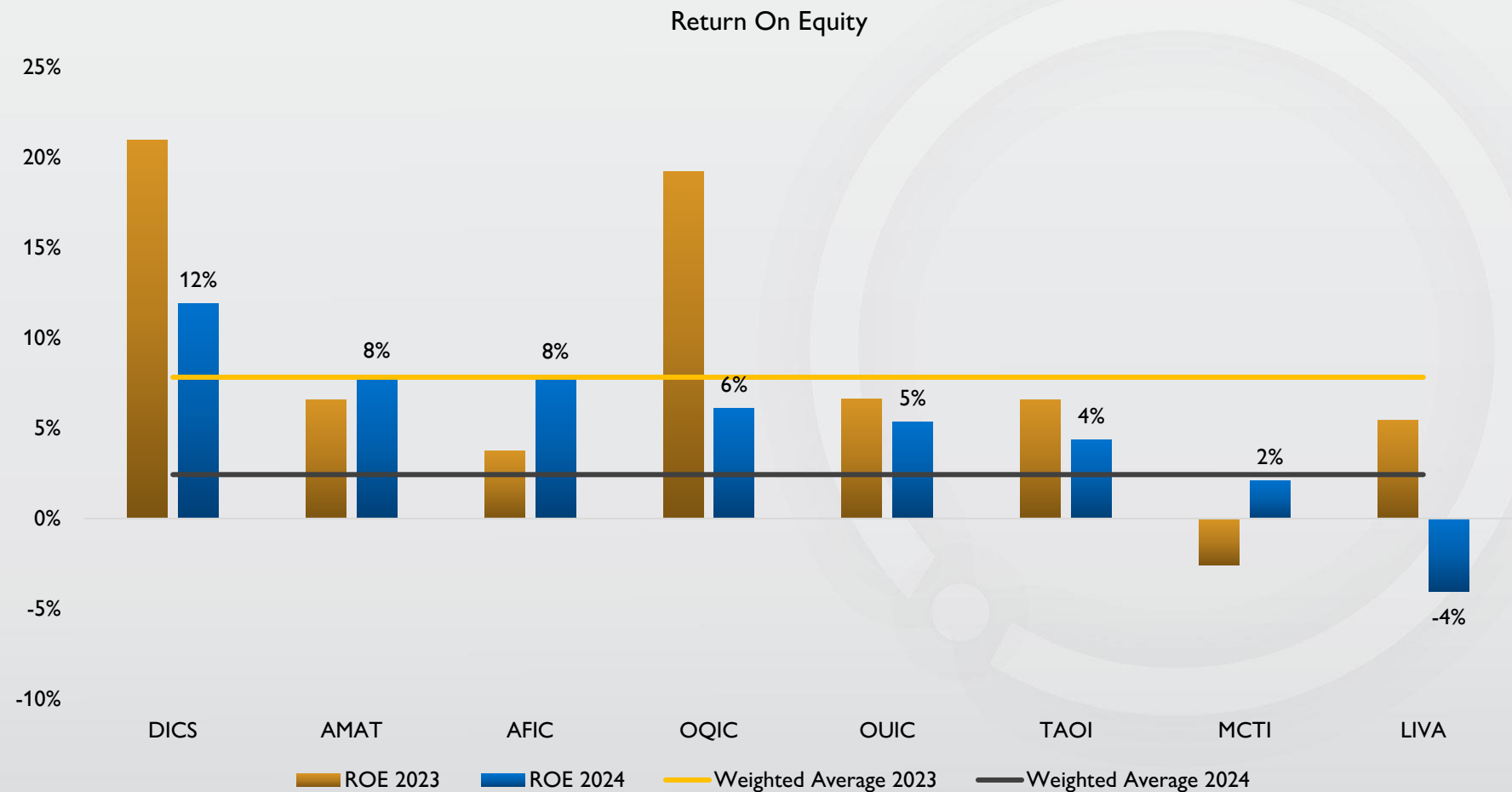
Return On Equity



In 2024, the weighted average Return on Equity (ROE) for insurance companies in Oman declined to 2%, compared to 8% in 2023.

DICS reported the highest ROE at approximately 12%, while LIVA recorded the lowest return at -4%.

The Return on Equity is calculated as a ratio of rolling 12 months net profit (after tax) to total of shareholder's equity at the beginning of the period 2024.



Company

EPS 2023

EPS 2024

LIVA

0.015

(0.012)

DICS

0.057

0.038

OQIC

0.025

0.014

AMAT

0.007

0.008

TAOI

(0.005)

(0.004)

OUIC

0.020

0.015

AFIC

0.007

0.015

MCTI

(0.043)

0.033

Earnings per share (EPS) indicates how profitable a company is. EPS is directly related to a company's profits; the higher the realized/unrealized profits, the higher the EPS value.



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04

IFRS-17 Comparison

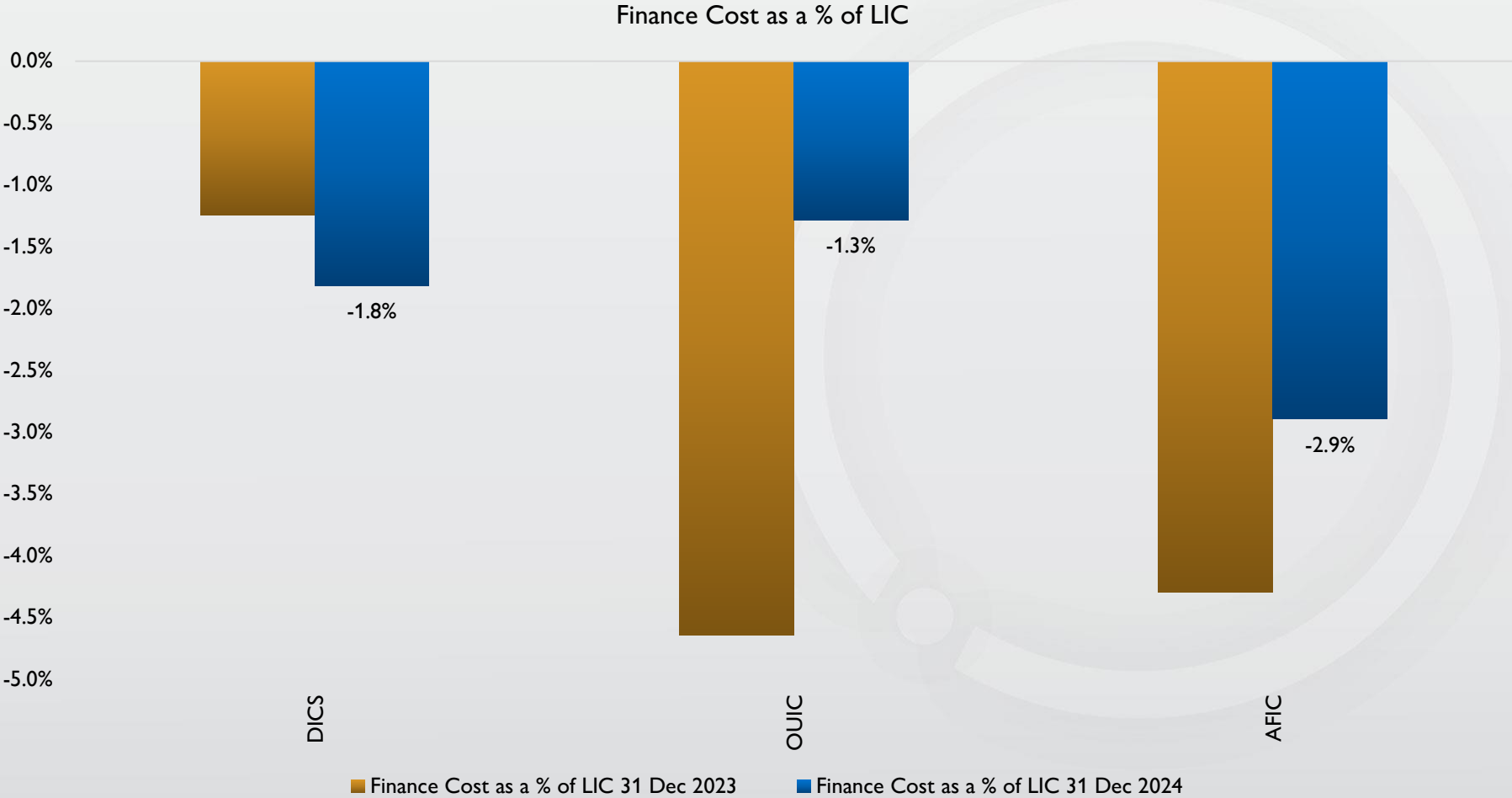
Finance Income as % of LIC



Finance income and expenses have a direct impact on the valuation of liabilities for incurred claims under IFRS-17, as they are incorporated into the discounting process.

Given that most companies apply the Premium Allocation Approach (PAA), this key performance indicator (KPI) was calculated by dividing finance income/expenses by the Liability for Incurred Claims (LIC). The accompanying graph demonstrates the ratio of financial income or expenses relative to the total claim liabilities.

Data from LIVA, OQIC, and MCTI was unavailable, so we could not provide a detailed breakdown of their LIC-related figures.

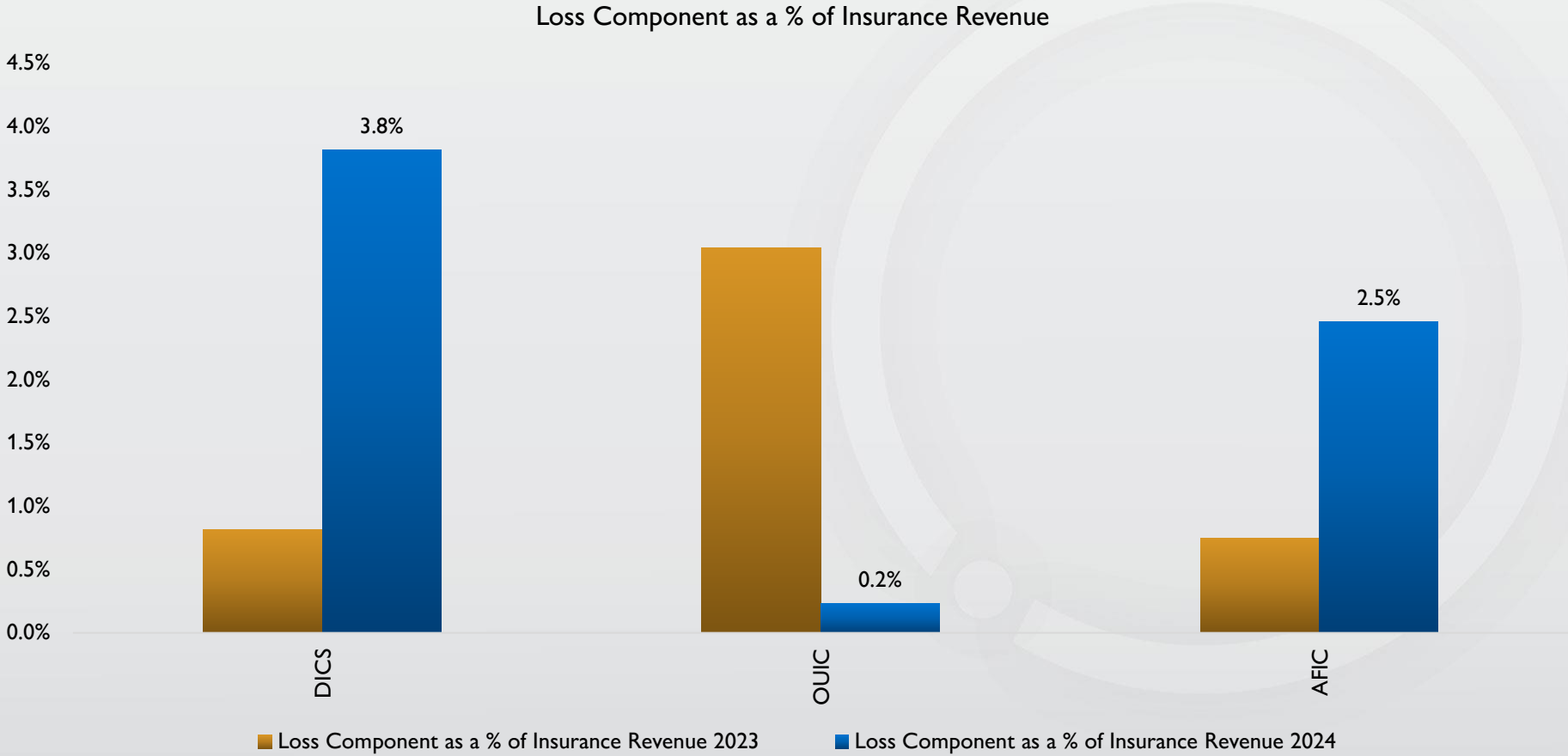


Loss Component as % of Insurance Revenue



The relationship between the loss component and insurance revenue is a key indicator of an insurer's profitability and financial health. This ratio helps stakeholders assess the efficiency of underwriting practices and determine whether the premiums collected are sufficient to cover expected losses.

A lower ratio suggests that the company has set aside adequate reserves and demonstrates its ability to accurately estimate and manage future claims arising from insurance contracts.



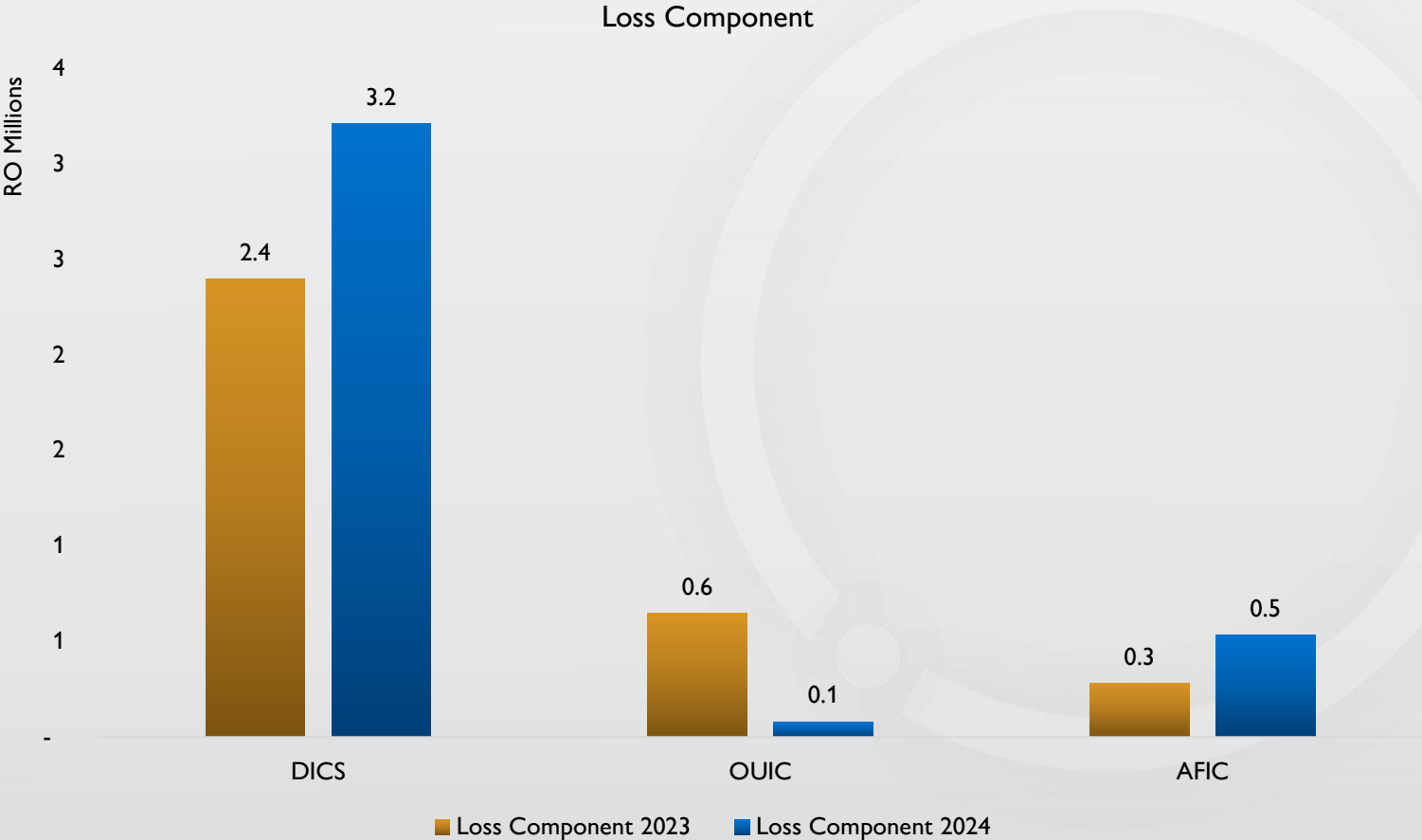


The Loss Component in IFRS 17 is a part of the Liability for Remaining Coverage (LRC), representing the excess of expected future cash outflows over inflows for onerous insurance contracts. It reflects the expected loss recognized immediately in profit or loss when a contract becomes onerous.

The comparison has been made on only these 3 listed conventional companies because data for the remaining companies was not available. The total loss component for these 3 companies in 2024 increased to RO 4 million (2023: RO 3 million).

The highest loss component is observed by DICS of RO 3.2 million (2023: RO 2.4 million). The lowest loss component is depicted by OUIC of RO 0.1 Million (2023: RO 0.6 million).

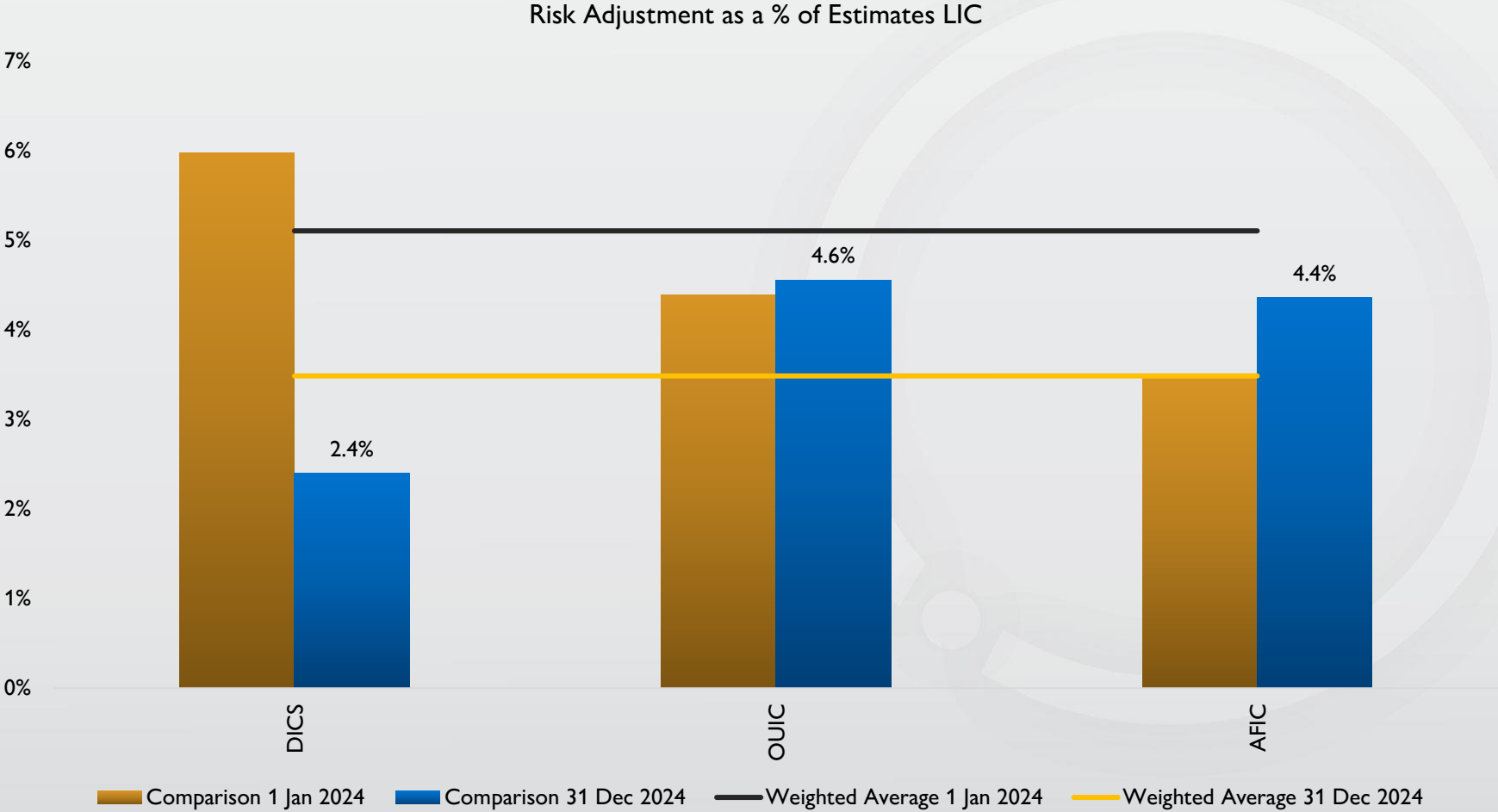
Graph is sorted on the basis of decreasing order of 2024 Insurance revenue



The graph highlights the relationship between Risk Adjustment and the Liability for Incurred Claims (LIC), providing key insights into the company's approach to risk assessment and its diligence in incorporating these risks into financial reporting. This KPI is critical for stakeholders evaluating the company's prudence and effectiveness in risk management under IFRS-17.

The weighted average proportion of Risk Adjustment in LIC for the period of 1 Jan 2024 is 5.1% and 31 Dec 2024 is analyzed to be 3.5% respectively.

The Highest Ratio is depicted by OUIK of 4.6% whereas the lowest is shown by DICS of 2.4% as of 31 Dec 2024.





Conclusion

In conclusion, 2024 presented a challenging landscape for Oman's insurance sector. Conventional insurers recorded a modest 8% growth in Insurance Revenue, increasing from RO 519 million in 2023 to RO 561 million in 2024. Meanwhile, Takaful companies achieved a stronger performance, with a 19% rise in gross contributions, from RO 77 million in 2023 to RO 92 million in 2024. This trend reflects both resilience and adaptation in the face of market challenges, with varying growth trajectories across conventional and Takaful segments.

The after-tax profit for the eight listed companies analyzed dropped from RO 20.9 million in 2023 to RO 7.3 million in 2024. LIVA's significant losses, mainly due to challenging weather conditions in the UAE, played a major role in this decline. If we exclude LIVA's impact, the overall profitability shows a 15% decrease compared to the previous year. It's also worth noting that the net profit of Takaful companies is calculated by combining both policyholder and shareholder accounts for comparison purposes.

Meanwhile, the sharp decline in Insurance Service Results among conventional insurers points to operational inefficiencies that warrant attention

Investment income declined by 17%, which highlights growing pressure on profitability and the need for stronger asset management strategies.

Rising costs, increased climate-related claims, and aggressive pricing strategies are putting pressure on margins across the industry. To remain competitive, companies must improve risk management, adjust pricing models, control expenses, and strengthen their financial position. Moving forward, insurers that adapt quickly, use better data, and plan for future risks will be best positioned to succeed in a more demanding market.



Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed insurance companies in Oman Year End 2024 . The data has been extracted from the financial statements 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 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.

All the conventional companies have published their data in accordance with IFRS-17 standards where as takaful companies are still following IFRS 4 methodology.

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



Company Logos	Company Name	Ticker Name
 المدينة تكافل Al Madina Takaful	Al Madina Takaful	AMAT
 Arabia Falcon Insurance التأمين العربية فalcon Insurance	Arabia Falcon Insurance Company	AFIC
 شركة ظفار للتأمين ش.م.ع.ع. DHOFAR INSURANCE COMPANY (S.A.O.G)	Dhofar Insurance	DICS
 مسقط للتأمين mic	Muscat Insurance	MCTI
 liva	Liva Group formerly known as NLIF and AINS	LIVA
 Oman United Insurance Co. S.A.O.G	Oman United Insurance Company	OUIC
 QIC	Oman Qatar Insurance Company	OQIC
 تكافل عمان TAKAFUL OMAN	Takaful Oman Insurance	TAOI

Companies Included in the Analysis



About Our Team

Directors	7 Staff	KSA Actuarial	57 Staff
UAE/ Oman Actuarial	39 Staff	Medical	7 Staff
Compliance	1 Staff	IFRS 17	18 Staff
Business Intelligence	9 Staff	HR Consultancy	2 Staff
End of Services	7 Staff	Financial Services	15 Staff
Sales	2 Staff	Strategy Consulting	5 Staff
Support & Admin	30 Staff	Data Science	7 Staff

Total Strength 206



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Our Team



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Managing Director - BADRI



Ali Bhuriwala
Co-founder & Executive
Director - BADRI



Avnit Anand
Associate Director -
Actuarial



Fahad Umer
Senior Manager – Strategy
Consulting



Hassan Athar
Senior Research Executive



Muhammad Haris
Research Executive



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Our Feedback

BADRI Management Consultancy is proud to present Omani Insurance Industry Performance analysis Year End 2024. 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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