



UAE INSURANCE INDUSTRY PERFORMANCE FOR LISTED COMPANIES FOR THE FIRST SIX MONTHS ENDED JUNE 2022

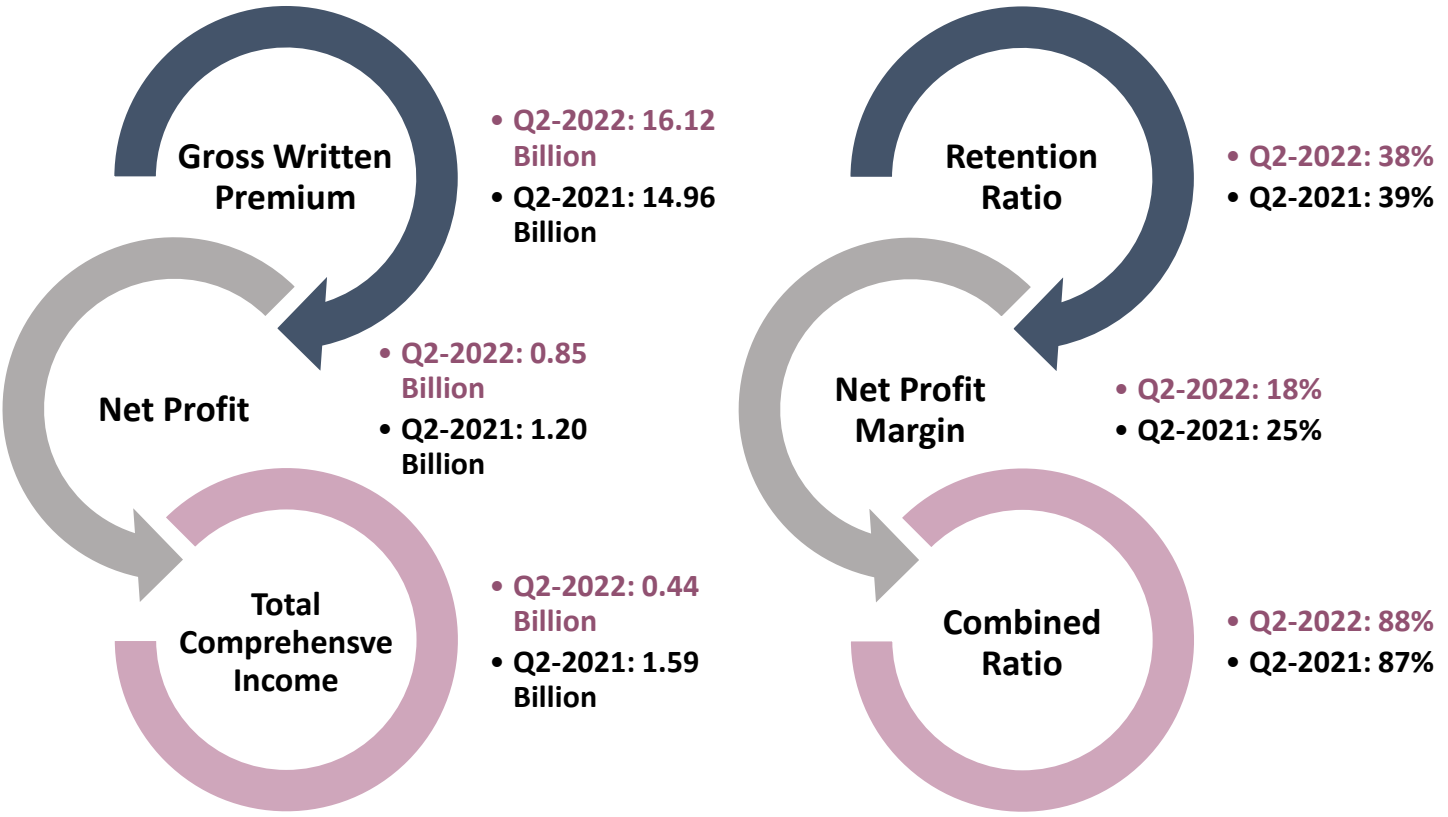




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INDUSTRY HIGHLIGHTS

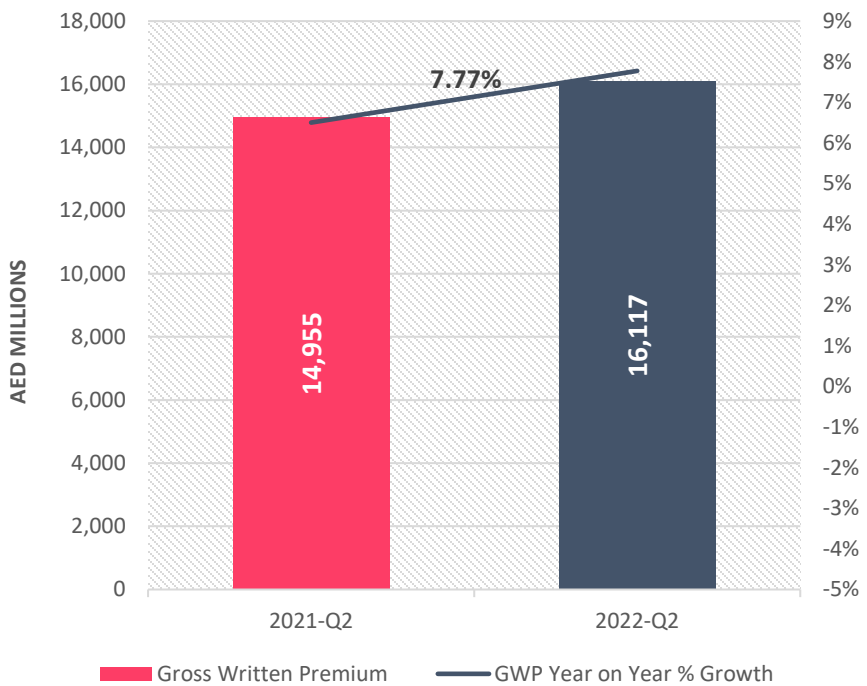




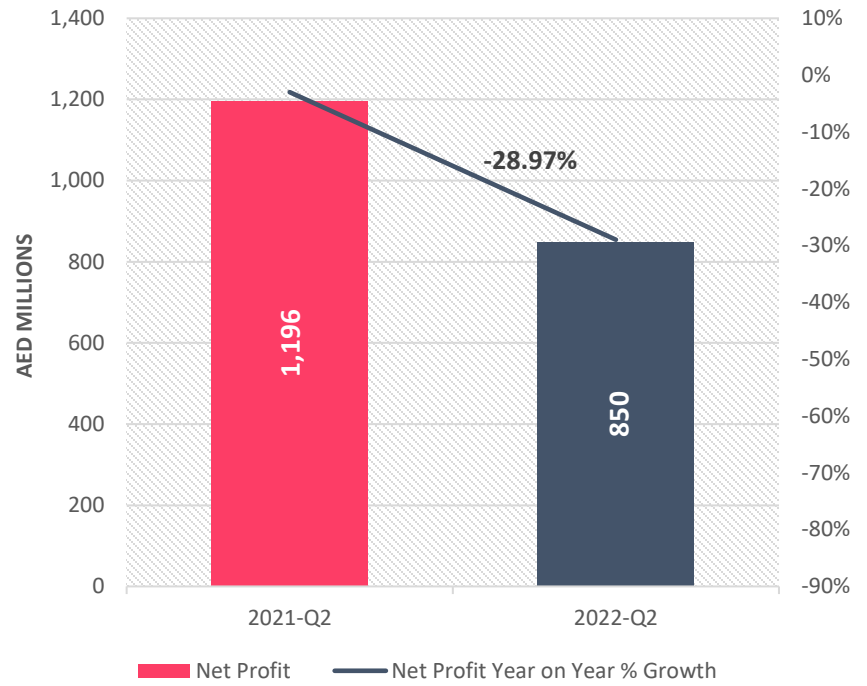
MARKET SUMMARY & HIGH-LEVEL PERFORMANCE INDICATORS

MARKET TREND

GROSS WRITTEN PREMIUM MOVEMENT



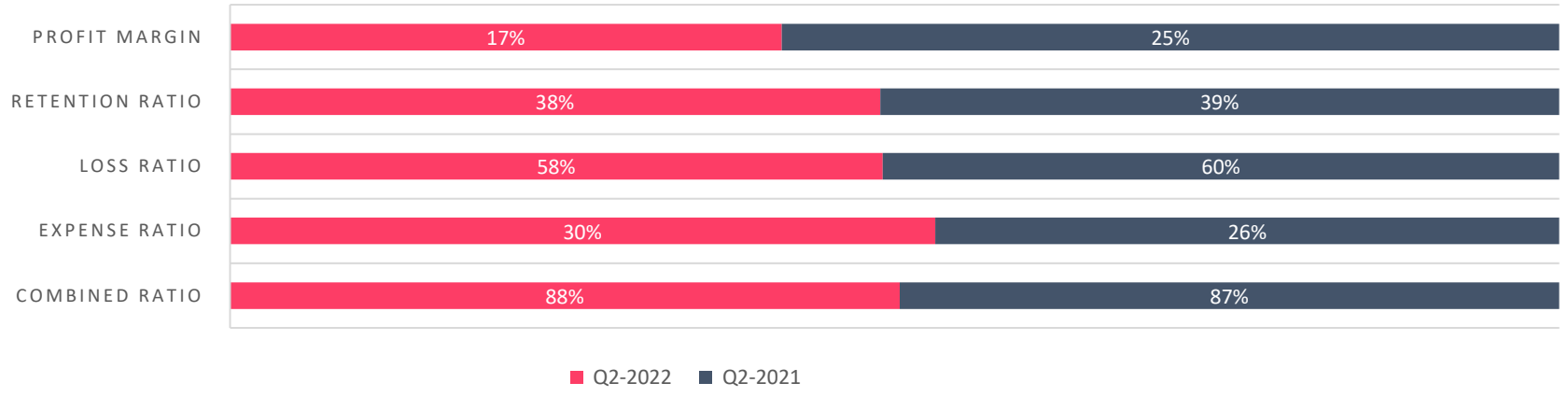
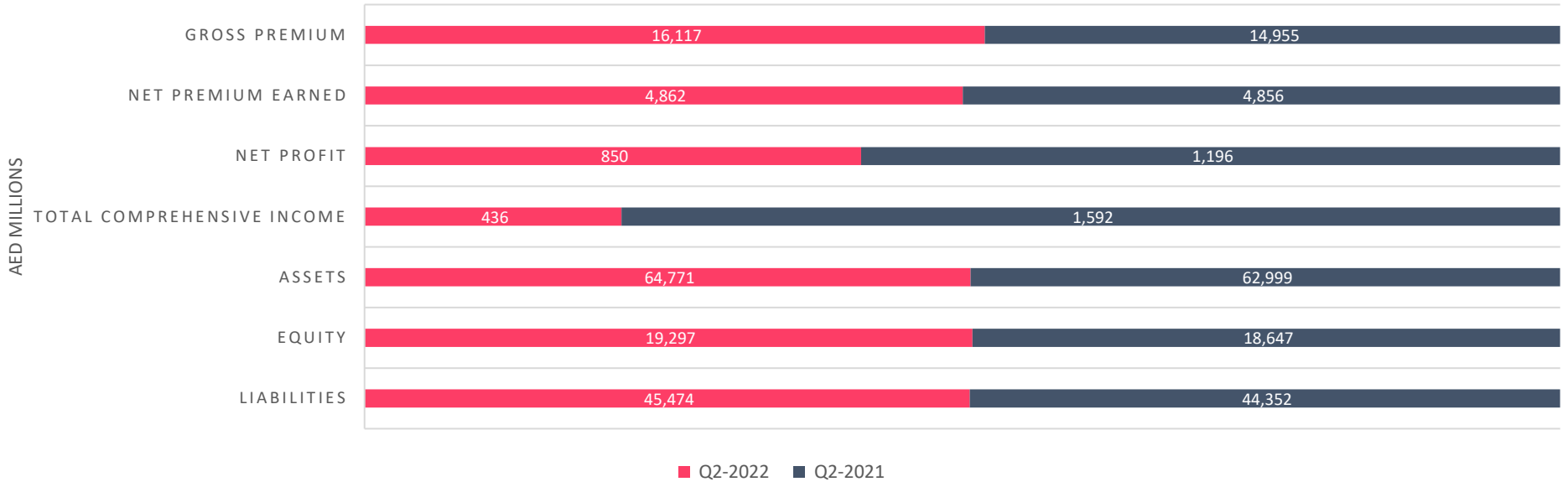
NET PROFIT MOVEMENT



- The total gross written premium for UAE Insurance Industry Listed Companies stood at **AED 16.12 Billion** for Q2-2022 as compared to **AED 14.96 Billion** for Q2-2021. This depicts a top line growth of **7.77%** mainly driven by Orient, ADNIC and OIC which grew by **16%** for the respective period on overall basis.
- On the other hand, the net profit for the listed UAE insurance companies amounted to around **AED 850 Million** in Q2-2022, observing a decline of **28.97%** from **AED 1,196 Million** in Q2-2021. The decline is attributed to fall in net profits of 21 listed Companies. The largest increase is attained by DIN of **AED 13.1 Million**.

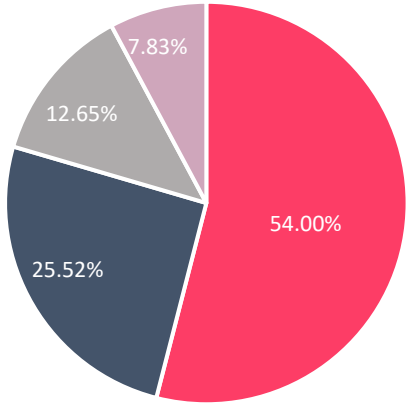


MARKET SUMMARY



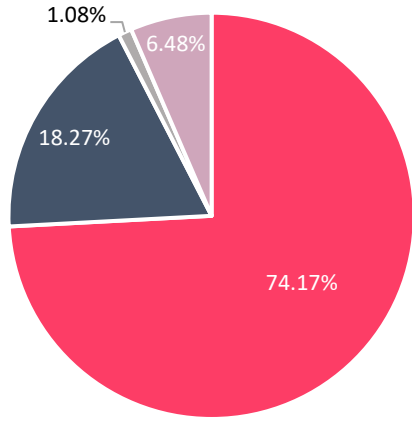
ANALYSIS BY COMPANIES CATEGORIZATION

GROSS WRITTEN PREMIUM

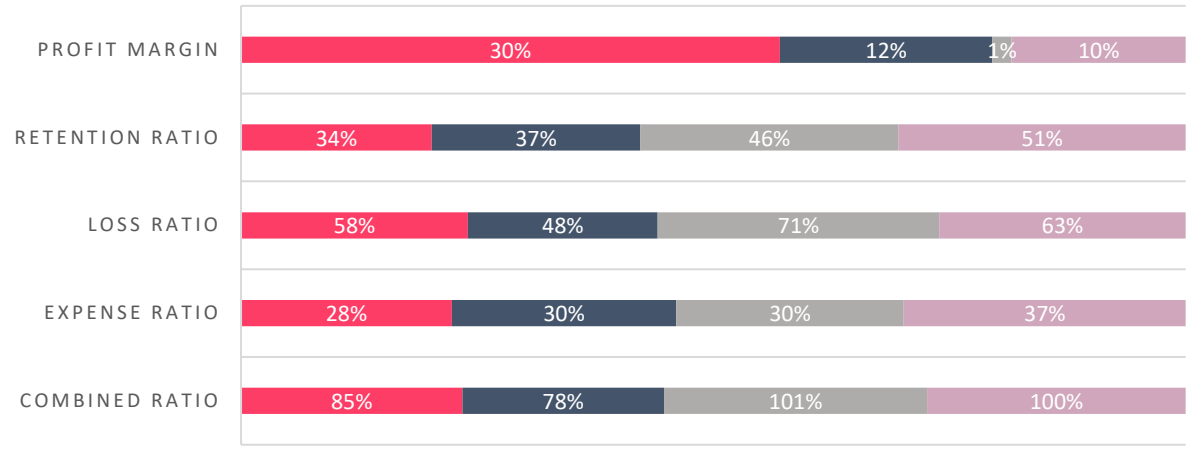


■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Tier 4

NET PROFIT



■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Tier 4



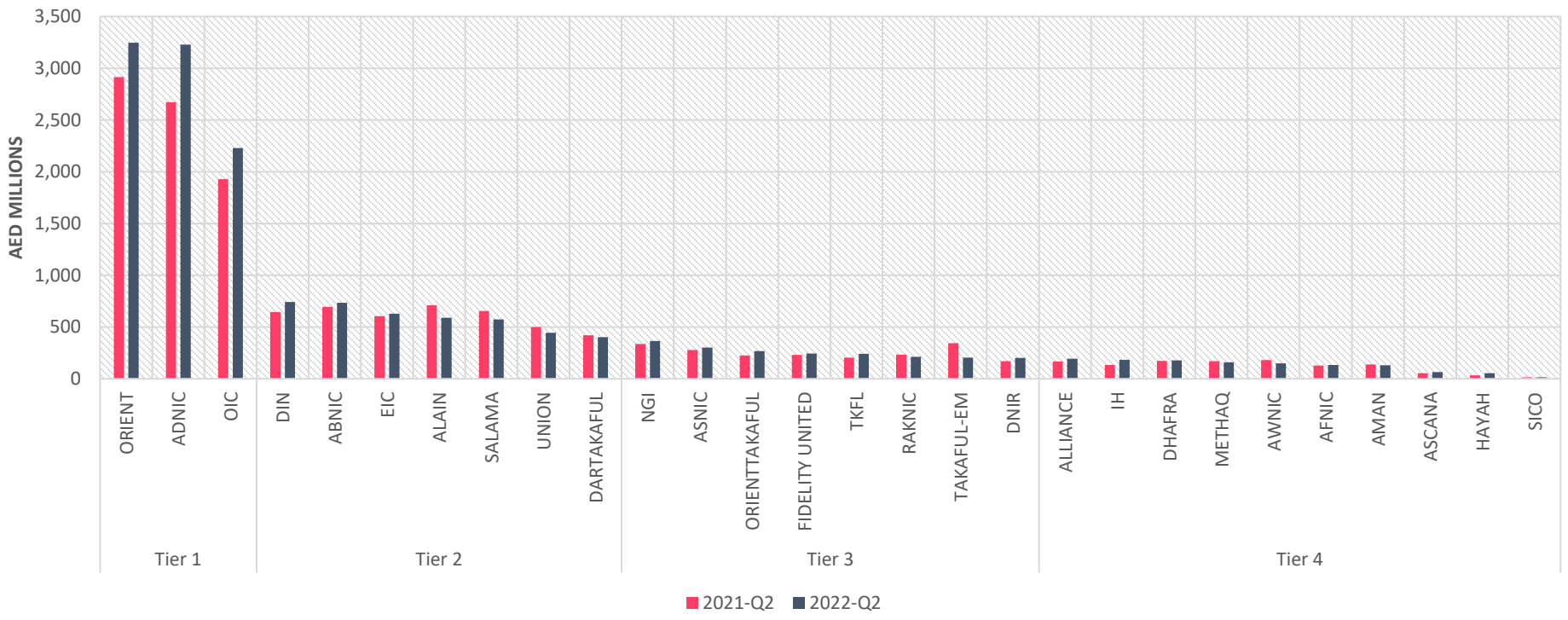
■ Tier 1 ■ Tier 2 ■ Tier 3 ■ Tier 4

COMPANY CATEGORIZATION BASED ON GWP	
0 - 400 Mn	Tier 4
400 Mn - 800Mn	Tier 3
800 Mn – 3 Bn	Tier 2
3 Bn - Above	Tier 1

*The ranges have been pro-rated for six months for the purpose of this report



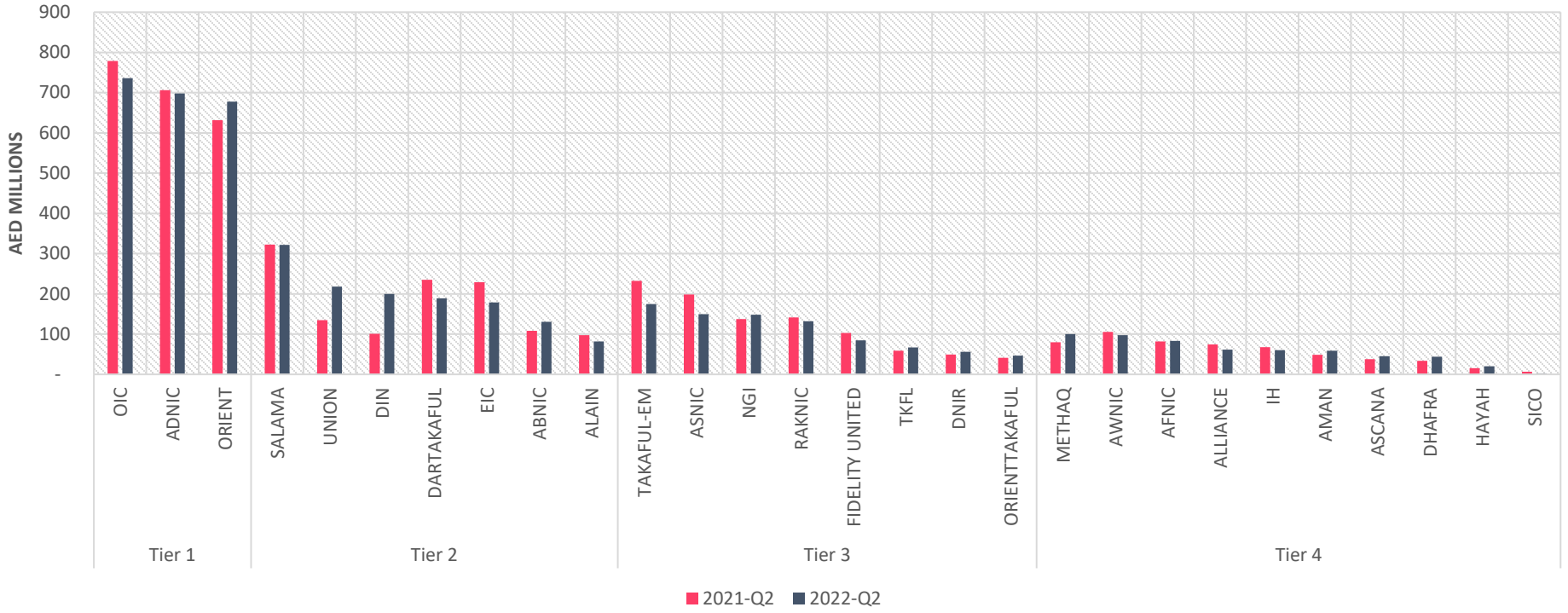
GROSS WRITTEN PREMIUM



- The Gross Written Premium for Q2-2022 amounted to **AED 16.12 Billion** for the listed companies in the UAE as compared to **AED 14.95 Billion** for Q2-2021, depicting a growth of **7.77%**.

TOP 3	BOTTOM 3
ORIENT - 3.2 BN	ASCANA - 64.2 MN
ADNIC - 3.2 BN	HAYAH - 54.4 MN
OIC - 2.2 BN	SICO - 14.2 MN

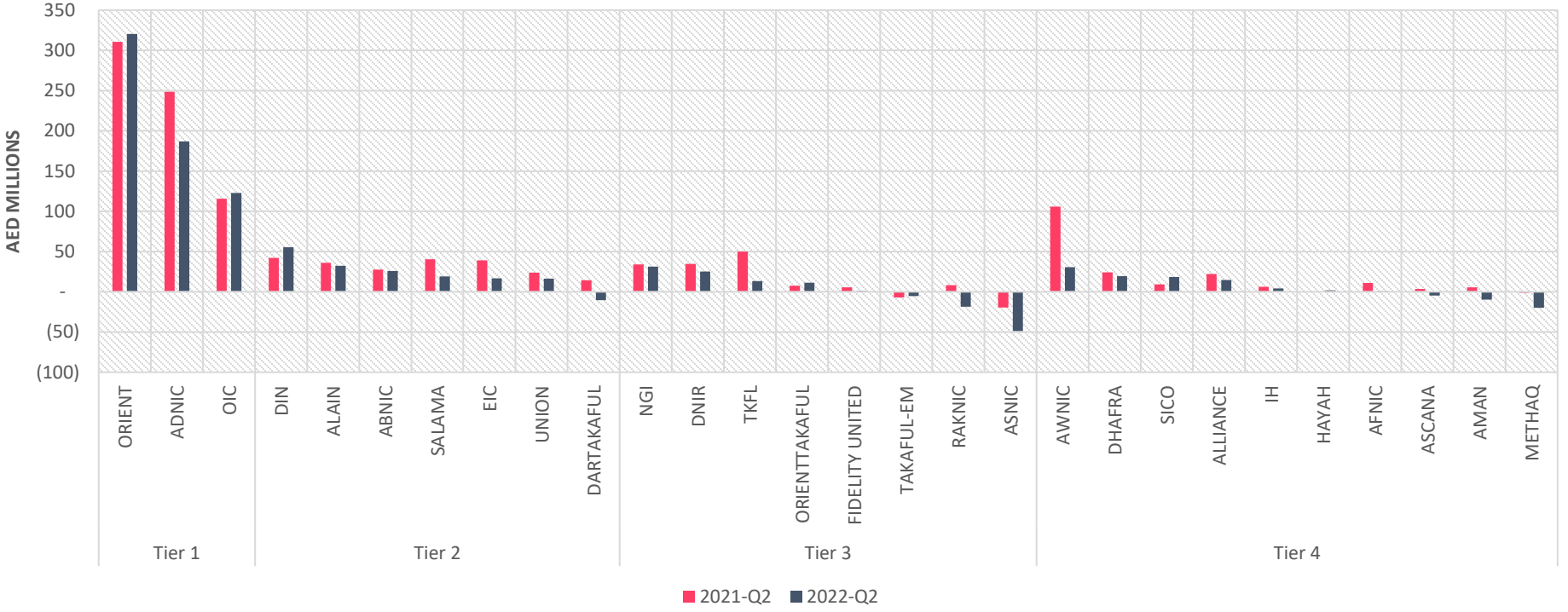
NET EARNED PREMIUM



- The Net Earned Premium for Q2-2022 and Q1-2022 has remained similar over the quarters, around **AED 4.86 Billion** for the listed companies in the UAE with a growth of **0.11%** in Q2-2022.

TOP 3	BOTTOM 3
OIC - 736.3 MN	DHAFRA - 43.8 MN
ADNIC - 697.8 MN	HAYAH - 19.9 MN
ORIENT - 677.8 MN	SICO - 2.7 MN

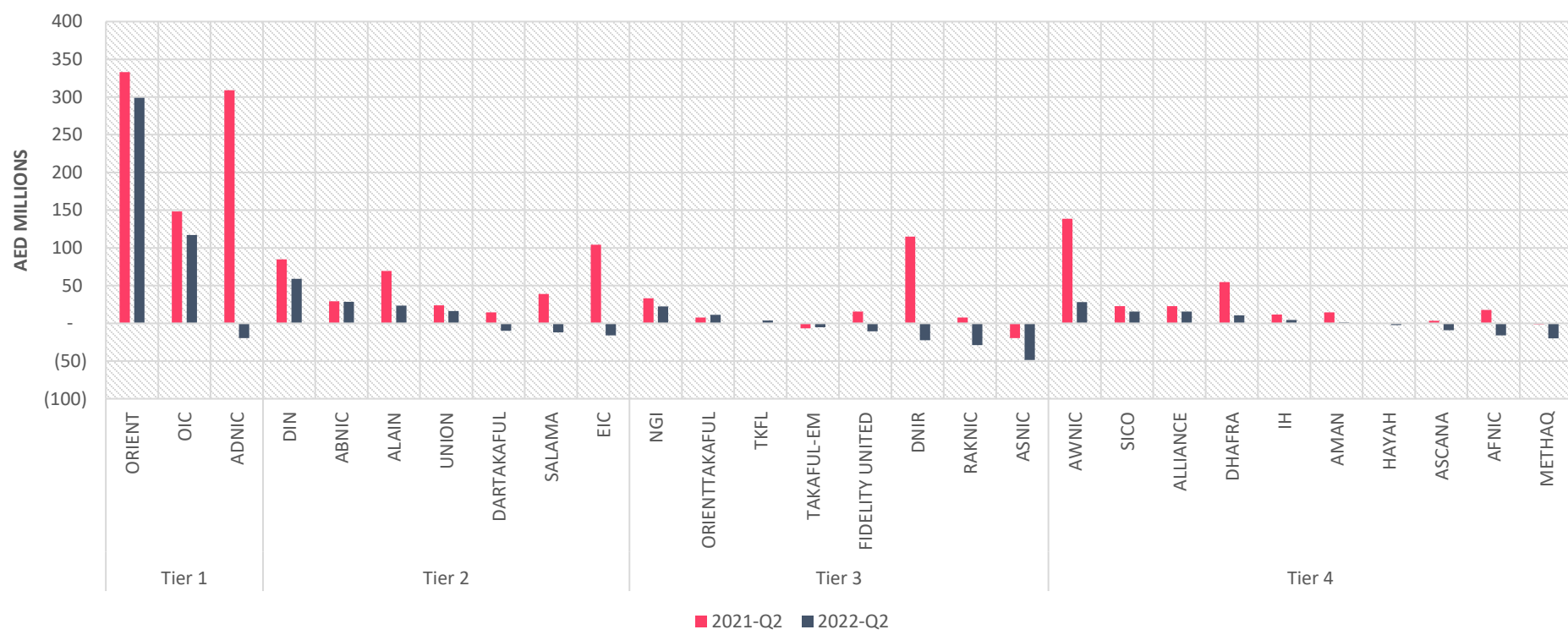
NET PROFIT



- The Net Profit for Q2-2022 amounted to **AED 850 Million** for the listed companies in the UAE as compared to **AED 1,196 Million** for Q2-2021, depicting a decline of **28.97%**.
- The major decline is observed by Awnic of **AED 75.3 Million** and Adnic of **AED 61.7 Million**.

TOP 3	BOTTOM 3
ORIENT - 320.3 MN	RAKNIC - (18.6) MN
ADNIC - 186.9 MN	METHAQ - (20.0) MN
OIC - 122.8 MN	ASNIC - (48.6) MN

TOTAL COMPREHENSIVE INCOME



- The Total Comprehensive Income for Q2-2022 amounted to about **AED 0.44 Billion** for the listed companies in the UAE as compared to **AED 1.59 Billion** for Q2-2021, depicting an enormous decline of **72.61%**.

TOP 3	BOTTOM 3
ORIENT - 299.0 MN	DNIR - (22.5) MN
OIC - 117.1 MN	RAKNIC - (28.9) MN
DIN - 59.0 MN	ASNIC - (48.6) MN

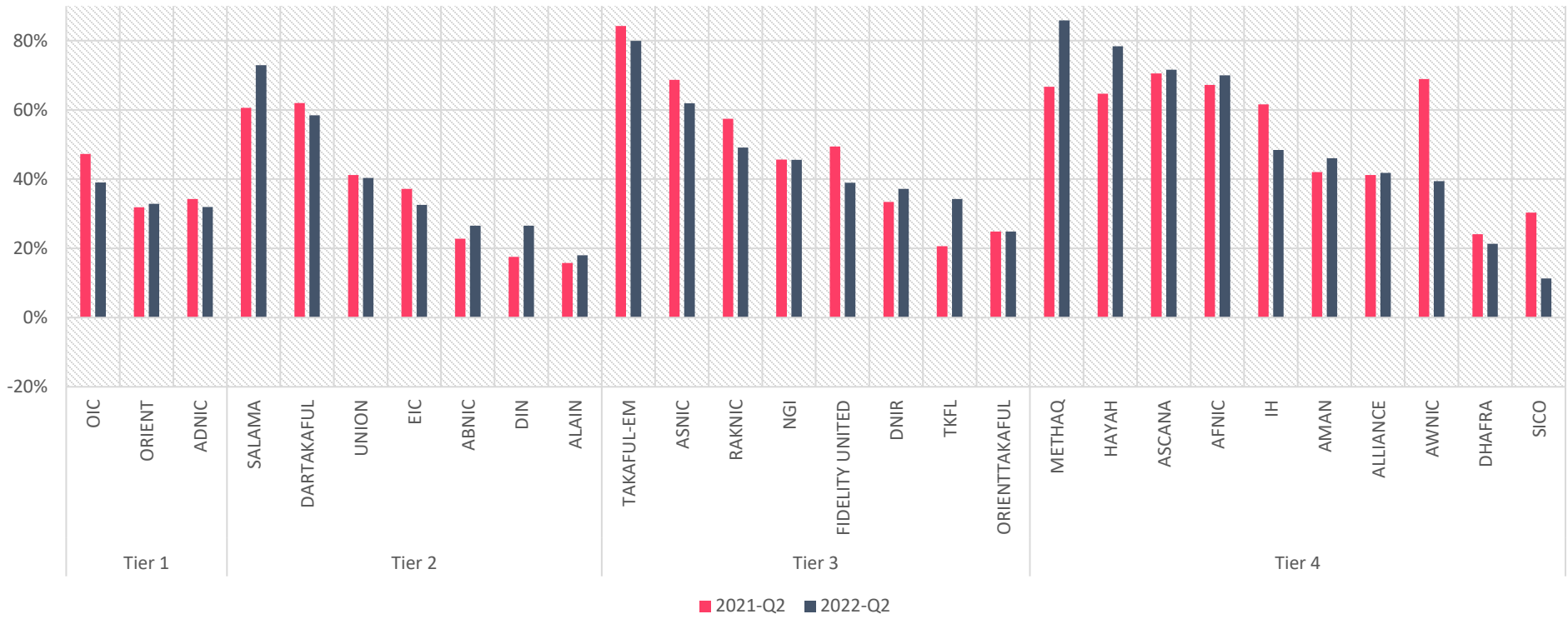
RANKING BY GWP & NET PROFIT

COMPANY	RANK - GWP		GWP (AED MN)		RANK - NET PROFIT		NET PROFIT (AED MN)	
	Q2-2022	Q2-2021	Q2-2022	Q2-2021	Q2-2022	Q2-2021	Q2-2022	Q2-2021
ORIENT	1	1	3,246	2,914	1	1	320	310
ADNIC	2	2	3,229	2,671	2	2	187	249
OIC	3	3	2,229	1,929	3	3	123	116
DIN	4	7	742	644	4	6	55	42
ABNIC	5	5	735	693	8	12	26	28
EIC	6	8	628	604	13	8	17	39
ALAIN	7	4	590	710	5	9	32	36
SALAMA	8	6	574	656	11	7	19	40
UNION	9	9	444	501	14	14	16	24
DARTAKAFUL	10	10	401	420	25	16	(10)	14
NGI	11	12	366	335	6	11	31	34
ASNIC	12	13	302	279	28	28	(49)	(20)
ORIENTTAKAFUL	13	16	266	225	17	20	11	8
FIDELITY UNITED	14	15	243	230	20	23	1	6
TKFL	15	17	241	204	16	5	13	50
RAKNIC	16	14	212	232	26	19	(19)	8
TAKAFUL-EM	17	11	206	344	23	27	(5)	(7)
DNIR	18	20	202	170	9	10	25	34
ALLIANCE	19	22	193	168	15	15	15	22
IH	20	24	183	132	18	21	4	6
DHAFRA	21	19	178	174	10	13	19	24
METHAQ	22	21	159	169	27	26	(20)	(1)
AWNIC	23	18	150	181	7	4	31	106
AFNIC	24	25	134	127	21	17	1	11
AMAN	25	23	131	138	24	22	(10)	6
ASCANA	26	26	64	54	22	24	(5)	3
HAYAH	27	27	54	34	19	25	2	(0)
SICO	28	28	14	15	12	18	19	9
GRAND TOTAL			16,117	14,955			850	1,196

A nighttime photograph of a city skyline, likely Dubai, with numerous skyscrapers illuminated. A semi-transparent dark blue rectangular overlay is positioned in the center, containing the title text in white. The city lights are reflected in the water in the foreground.

ANALYSIS OF PERFORMANCE RATIOS FOR LISTED COMPANIES

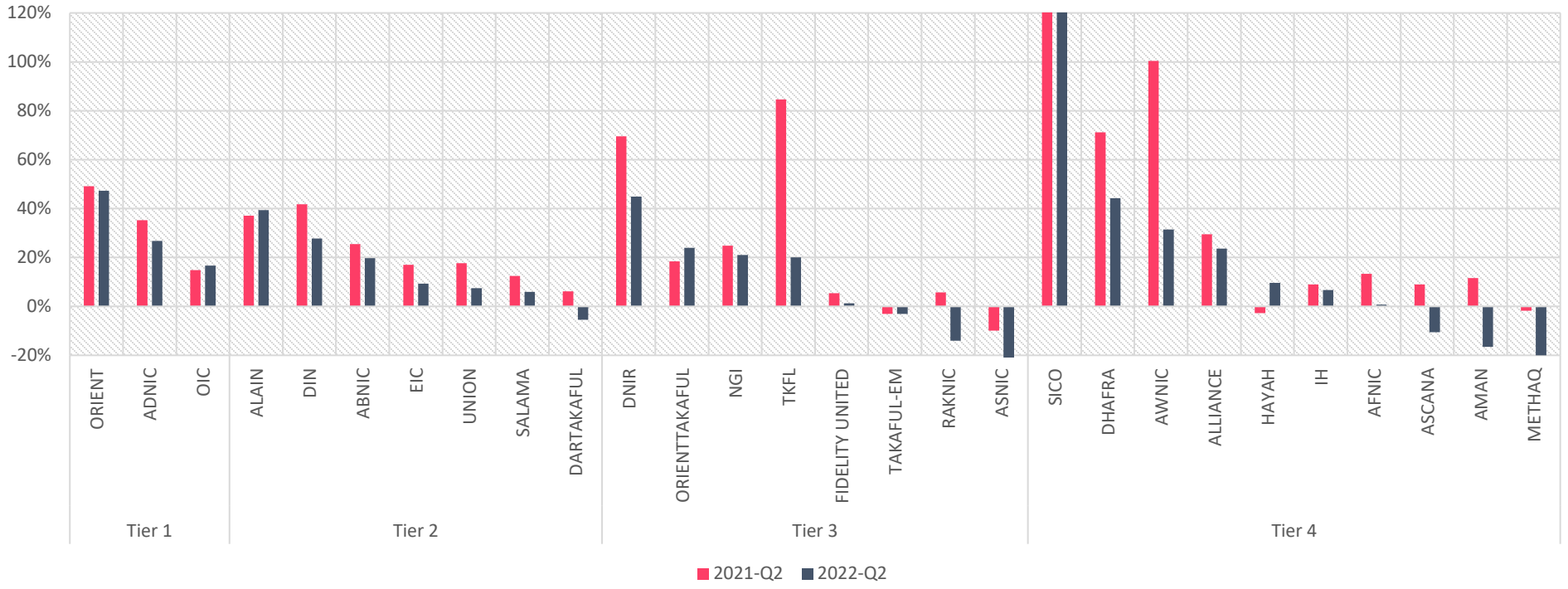
RETENTION RATIO



- The Retention Ratio for Q2-2022 stands at **38%** for the listed companies in the UAE as compared to **39%** for Q2-2021.

HIGHEST 3	LOWEST 3
METHAQ - 86%	DHAFRA - 21%
TAKAFUL-EM - 80%	ALAIN - 18%
HAYAH - 78%	SICO - 11%

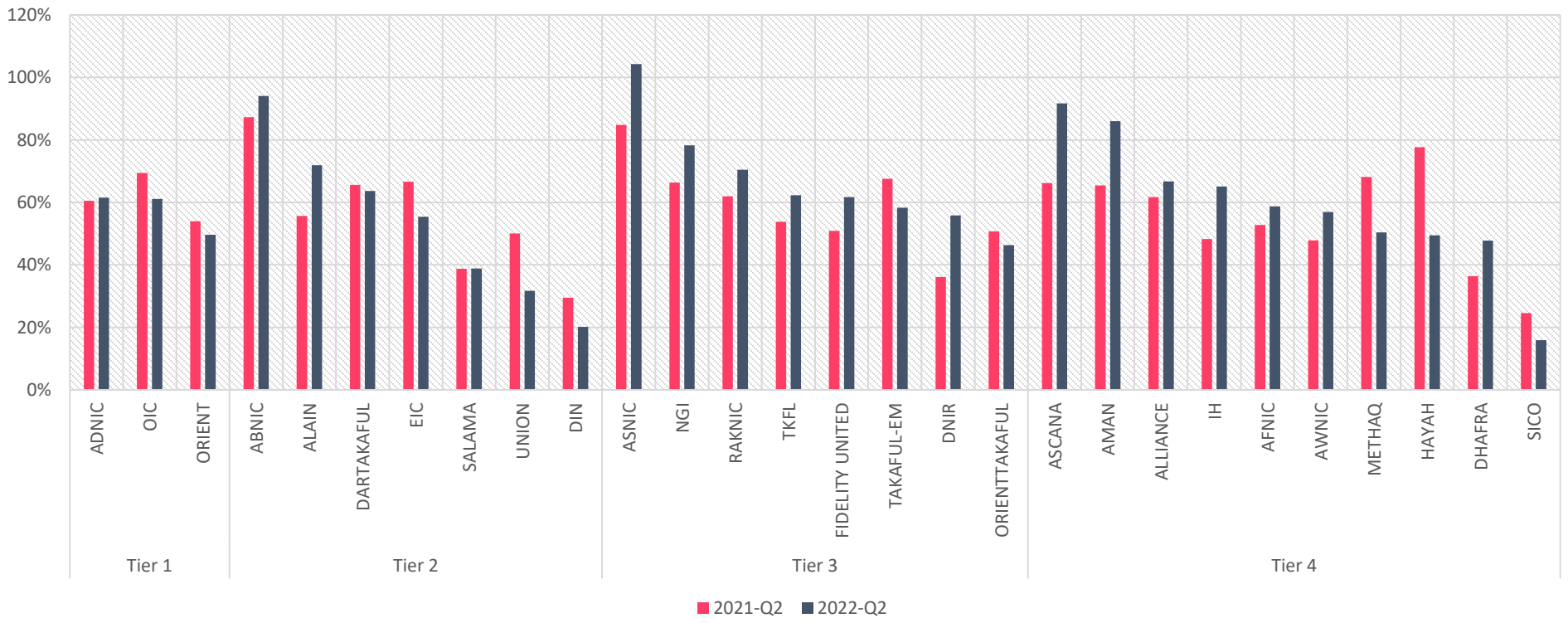
NET PROFIT MARGIN



- The Net Profit Margin for Q2-2022 stands at **17%** for the listed companies in the UAE as compared to **25%** for Q2-2021.
- SICO has observed an exorbitant profit margin of **682%** for Q2-2022. In Q2-2021 the profit margin stood at **143%**. This abnormal profit margin in Q2-2022 is due to high investment income, but small insurance business earned by the Company for Q2-2022, as per the financials. This has contribution of **1%** in the net profit margin calculation for overall industry.

TOP 3	BOTTOM 3
ORIENT - 47%	ASCANA - (11%)
DNIR - 45%	METHAQ - (20%)
DHAFRA - 44%	ASNIC - (47%)

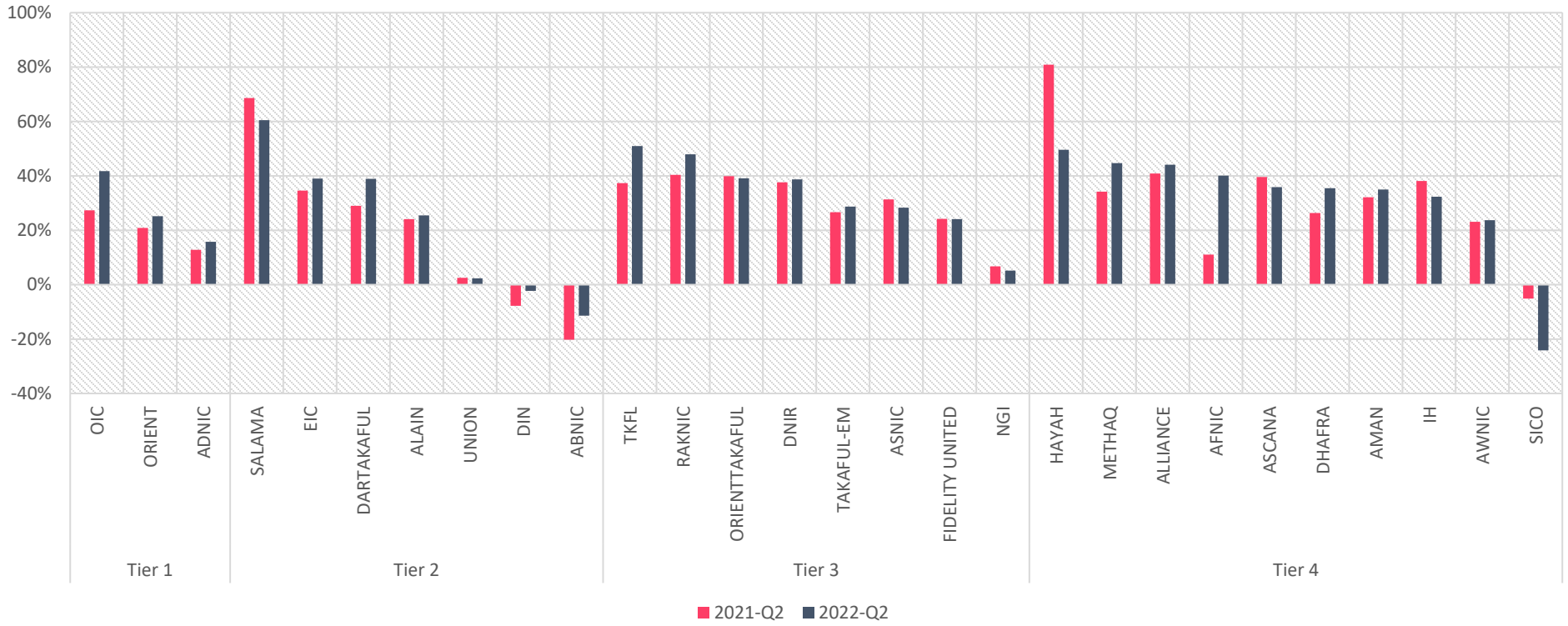
LOSS RATIO



- The Loss Ratio for Q2-2022 stands at **58%** for the listed companies in the UAE as compared to **60%** for Q2-2021.

LOWEST 3	HIGHEST 3
UNION - 32%	ASNIC - 104%
DIN - 20%	ABNIC - 94%
SICO - 16%	ASCANA - 92%

EXPENSE RATIO

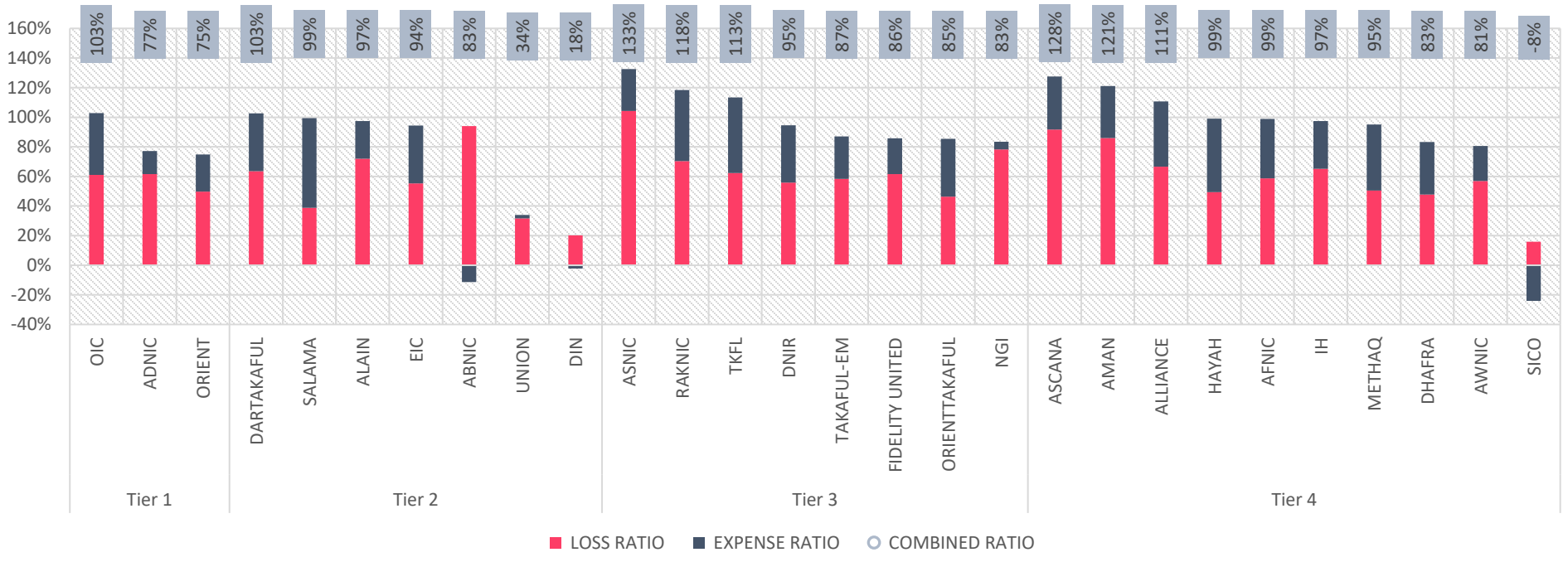


- The Expense Ratio for Q2-2022 stands at **29%** for the listed companies in the UAE as compared to **26%** for Q2-2021.
- *DIN, ABNIC and SICO* have high commissions earned. Hence, their expense ratios are negative.

LOWEST 3	HIGHEST 3
DIN - (2%)	SALAMA - 61%
ABNIC - (11%)	TKFL - 51%
SICO - (24%)	HAYAH - 50%

COMBINED RATIO

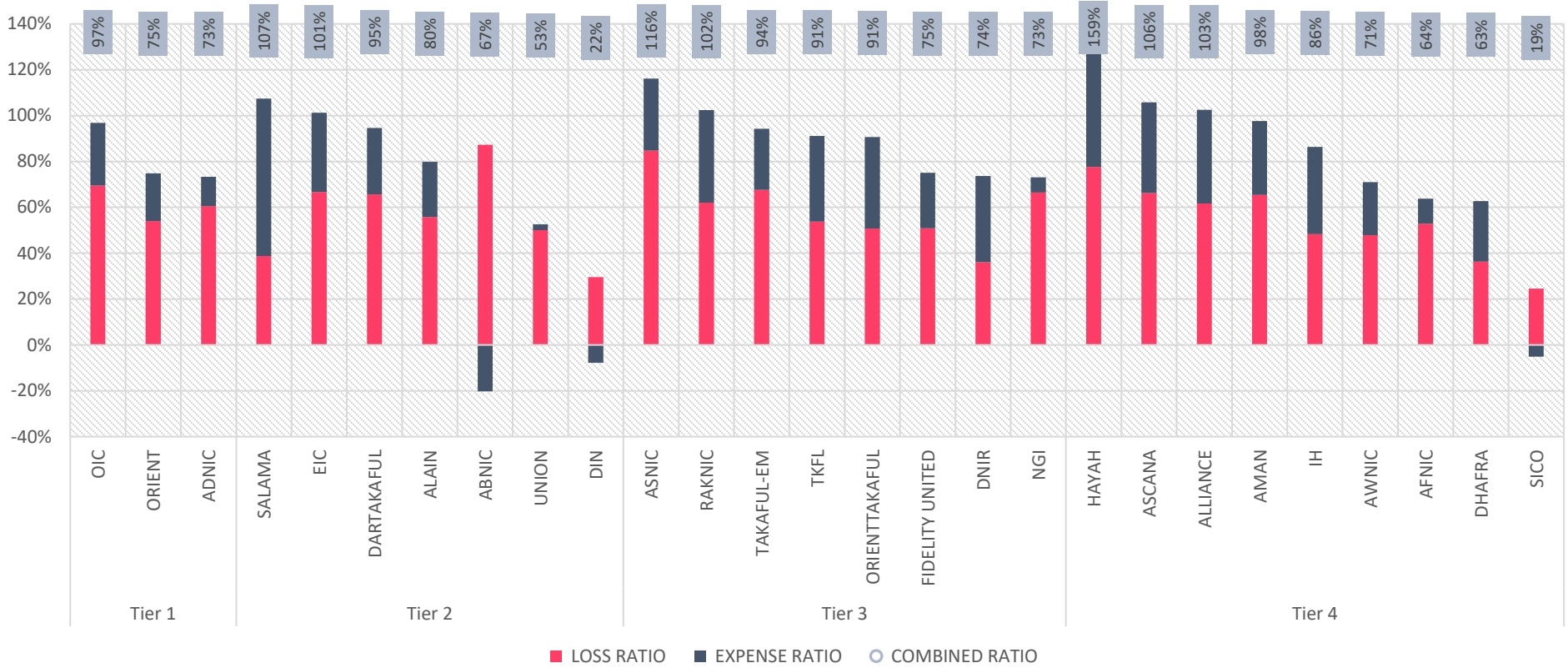
COMBINED RATIO AS AT 2022-Q2



The Combined Ratio for Q2-2022 stands at 88% for the listed companies in the UAE.

LOWEST 3	HIGHEST 3
UNION - 34%	ASNIC - 133%
DIN - 18%	ASCANA - 128%
SICO - (8%)	AMAN - 121%

COMBINED RATIO AS AT 2021-Q2



The Combined Ratio for Q2-2021 stands at 87% for the listed companies in the UAE.

LOWEST 3	HIGHEST 3
UNION - 53%	HAYAH - 159%
DIN - 22%	ASNIC - 116%
SICO - 19%	SALAMA - 107%

LIMITATIONS & DISCLAIMER

1. The data used in the preparation of this report has been taken from financial reports of listed companies available on Abu Dhabi Security Exchange (ADX) and Dubai Financial Market (DFM).
2. General reliance has been made on the financial statements and its accuracy. Results in our analysis have been derived from the same. To our best knowledge, all financials used in this report are up to date till June 30, 2022.
3. This report is not meant to be a basis for any financial decision making. DD Consulting will accept no liability or loss directly or indirectly based on the results and usage of the report published. Before making any financial decision, professional advice should be sought.
4. Although all measures have been taken to ensure that this report is accurate and error-free, chances of human error are present. If any inaccuracy is observed, please contact DD Consulting, and seek our professional advice.

LIST OF COMPANIES INCLUDED IN OUR ANALYSIS

COMPANY	COMPANY NAME	MARKET	TYPE
ALAIN	AL AIN AHLIA INSURANCE COMPANY	ADX	CONVENTIONAL
ABNIC	AL BUHAIRA NATIONAL INSURANCE COMPANY	ADX	CONVENTIONAL
ADNIC	ABU DHABI NATIONAL INSURANCE COMPANY	ADX	CONVENTIONAL
AFNIC	AL FUJAIRAH NATIONAL INSURANCE COMPANY	ADX	CONVENTIONAL
AWNIC	AL WATHBA NATIONAL INSURANCE COMPANY	ADX	CONVENTIONAL
DHAFRA	AL DHAFRA INSURANCE COMPANY	ADX	CONVENTIONAL
EIC	EMIRATES INSURANCE COMPANY	ADX	CONVENTIONAL
FIDELITY UNITED	UNITED FIDELITY INSURANCE PSC	ADX	CONVENTIONAL
HAYAH	HAYAH INSURANCE COMPANY P.J.S.C	ADX	CONVENTIONAL
IH	INSURANCE HOUSE PSC	ADX	CONVENTIONAL
METHAQ	METHAQ TAKAFUL INSURANCE COMPANY	ADX	TAKAFUL
RAKNIC	RAS AL KHAIMAH NATIONAL INSURANCE COMPANY	ADX	CONVENTIONAL
SICO	SHARJAH INSURANCE COMPANY	ADX	CONVENTIONAL
TKFL	ABU DHABI NATIONAL TAKAFUL COMPANY	ADX	TAKAFUL
UNION	UNION INSURANCE COMPANY	ADX	CONVENTIONAL
ALLIANCE	ALLIANCE INSURANCE	DFM	CONVENTIONAL
AMAN	DUBAI ISLAMIC INSURANCE AND REINSURANCE COMPANY	DFM	TAKAFUL
ASCANA	ARABIAN SCANDINAVIAN INSURANCE COMPANY	DFM	TAKAFUL
ASNIC	AL SAGR NATIONAL INSURANCE COMPANY	DFM	CONVENTIONAL
DARTAKAFUL	DAR AL TAKAFUL	DFM	TAKAFUL
DIN	DUBAI INSURANCE COMPANY	DFM	CONVENTIONAL
DNIR	DUBAI NATIONAL INSURANCE AND REINSURANCE COMPANY	DFM	CONVENTIONAL
NGI	NATIONAL GENERAL INSURANCE COMPANY	DFM	CONVENTIONAL
OIC	OMAN INSURANCE COMPANY	DFM	CONVENTIONAL
ORIENT	ORIENT INSURANCE PJSC	DFM	CONVENTIONAL
ORIENTTAKAFUL	ORIENT TAKAFUL PJSC	DFM	TAKAFUL
SALAMA	ISLAMIC ARAB INSURANCE COMPANY	DFM	TAKAFUL
TAKAFUL-EM	TAKAFUL EMARAT PSC	DFM	TAKAFUL

*Financials for WATANIA and ARIG were not available, hence they have not been included in our analysis

*ORIENT UNB Takaful PJSC has been renamed to ORIENT Takaful PJSC, and would be referred to as ORIENTTAKAFUL

GENERAL GUIDELINES

$$Retention = \frac{Net\ Written\ Premium}{Gross\ Written\ Premium}$$

$$Net\ Profit\ Margin = \frac{Net\ Profit}{Net\ Earned\ Premium}$$

$$Loss\ Ratio = \frac{Net\ Incurred\ Claims}{Net\ Earned\ Premium}$$

$$Expense\ Ratio = \frac{Expenses + Net\ Commissions}{Net\ Earned\ Premium}$$

$$Combined\ Ratio = Loss\ Ratio + Expense\ Ratio$$



A person wearing a light blue button-down shirt is sitting at a desk. They are holding a yellow highlighter in their right hand and writing in a dark-colored notebook. On the desk, there is a silver laptop with a black keyboard, a tablet displaying a website, and a small potted plant in a white pot. The background is a plain white wall. A semi-transparent dark blue overlay covers the middle of the image, with the text 'ABOUT US' in white.

ABOUT US

DD CONSULTING PHILOSOPHY & SERVICES

DD Consulting is one of the fastest growing actuarial consultancy firm in the MENA region. We specialize in providing actuarial consulting services to clients in the UAE, KSA, Pakistan, Malaysia and Jordan.

Our aim is to offer actuarial and analytics consulting services of the highest standards. We work with our clients as collaboration partners and help them offer innovative product solutions. We bring global expertise to local markets so our clients can benefit from international experience and our in-depth industry knowledge.

Appointed Actuary

We are working with several companies as Appointed Actuary having in-depth knowledge of regulatory framework and technical expertise.

Peer Review Actuary

We are working with clients in the GCC market currently as Peer Review Actuary providing independent opinion on Technical provisions, Solvency calculations and Financial Condition report.

Actuarial Expert for Audit Firms

We are working in Saudi market with auditors to provide independent opinion on technical provisions for over 10 companies.

Product Pricing for Individual Life products

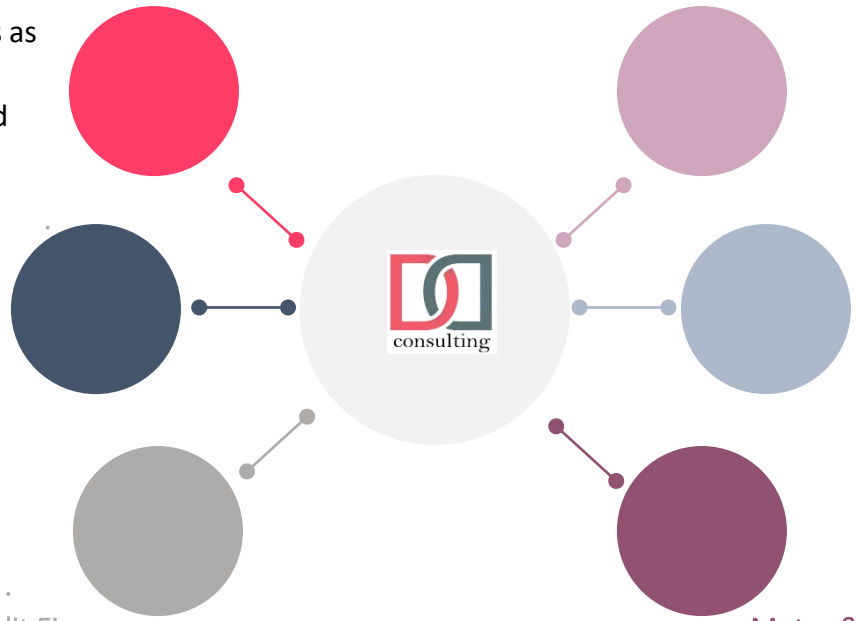
We are working with companies in the GCC market and providing product development support for individual life insurance products.

Business Planning & Financial projections

We work with some clients to provide support in Business Planning and financial projections. This also include Capital modelling & stress testing to work out capital at risk.

Motor & Medical Pricing

As per regulatory requirement, we are working with clients to carry out UW review and Pricing review for our clients in UAE market.



OUR TEAM

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MANAGER



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ASSISTANT MANAGER



SAROSH AHAD
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FEEDBACK

DD Consulting is pleased to present the UAE Industry Performance for Listed Companies for the first six months of 2022. We welcome your feedback and recommendations regarding this report and look forward to hearing from you. Please reach out to us at the following email address:

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