

# 1Q22 Earnings Conference Call

May 23<sup>rd</sup> , 2022 at 3:00 PM

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**KSA Insurance Industry**

**Tawuniya's Performance**

**Company Overview**

**Q & A**

# Agenda

## KSA Insurance Industry

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## Health Sector

- CHI is planning to implement the new benefit package starting from July 2022. The market is currently going through price correction, due to the unexpected increase in medical insurance cost in 2021. The introduction of the new benefit package will add an additional financial burden on our clients.
- CHI update: Covid-19 coverage is now restricted to inpatient and emergency cases only. We are expecting estimated cost of this coverage between 1-3%

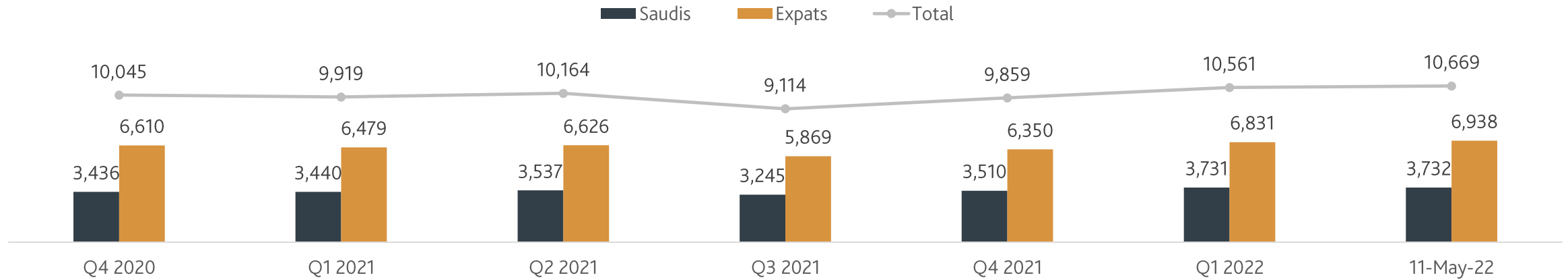
## Motor Sector

- Official spokesperson for the Saudi insurance sector, said that the number of insured vehicles does not exceed 50% of total vehicles in the local market, though motor insurance is mandatory.
- One of the objectives of vision 2030 is to increase the penetration to 75% by 2025, so we are expecting some movement soon.

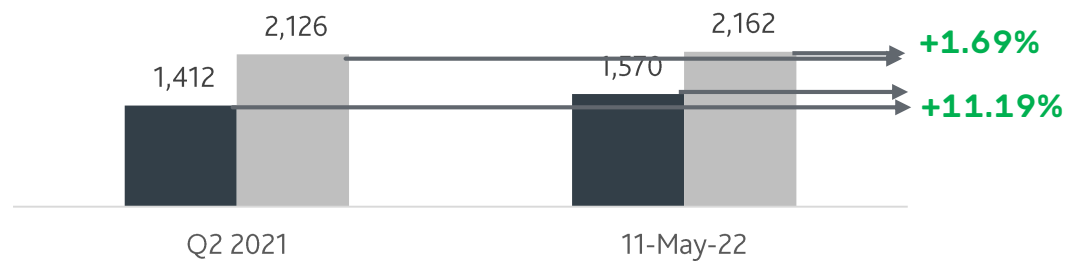
## P&C Sector

- The Ministry of Hajj and Umrah raises the number of pilgrims to 1 Million for 2022 Hajj season. The majority of pilgrims will be from outside of Saudi Arabia since they were not able to perform Hajj over the past two years due to the pandemic.
- Domestic workers insurance is finalizing the required paperwork, including linking insurance services providers on “Musaned” platform. Public liability compulsory insurance: cover and categories almost agreed, and working with SAMA on the product sales process and integration with other government parties currently.
- New product / opportunity "HOMESHARE" : working currently on the product approval submission

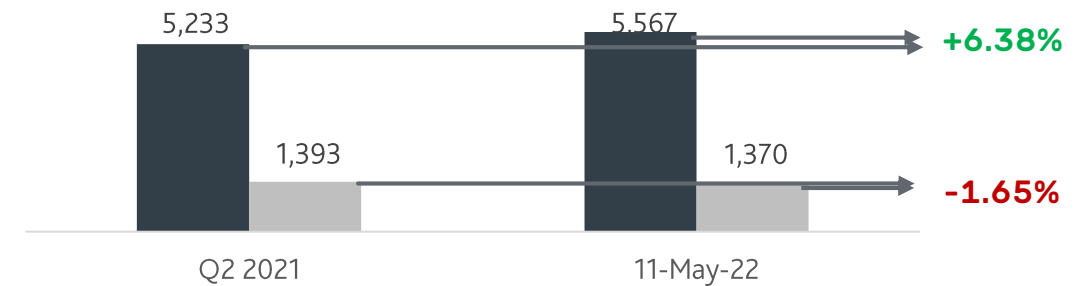
## Insured Lives



## Insured Lives Saudis



## Insured Lives Expats



# Agenda

KSA Insurance Industry

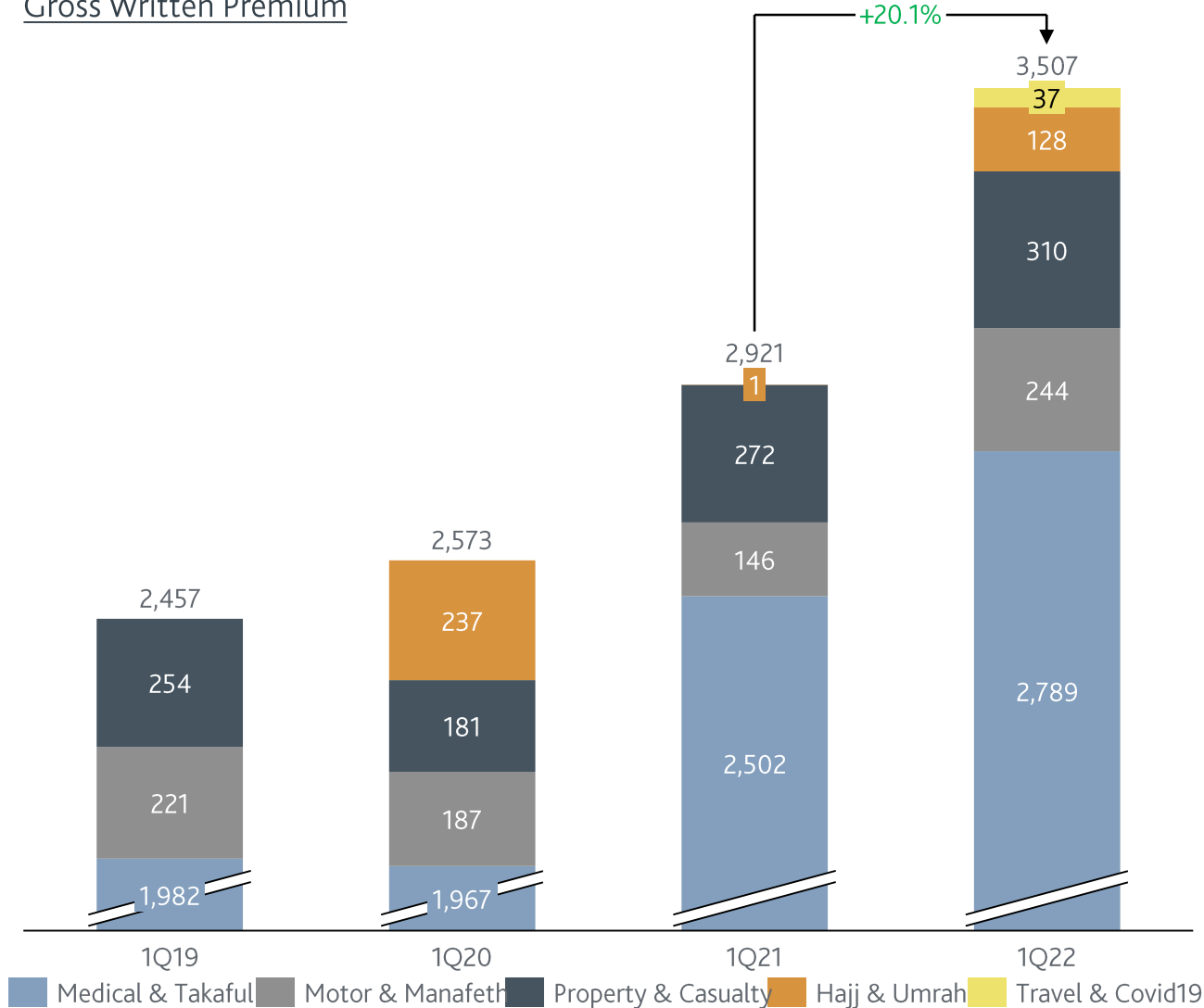
**Tawuniya's Performance**

Company Overview

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# Tawuniya Performance

## Gross Written Premium



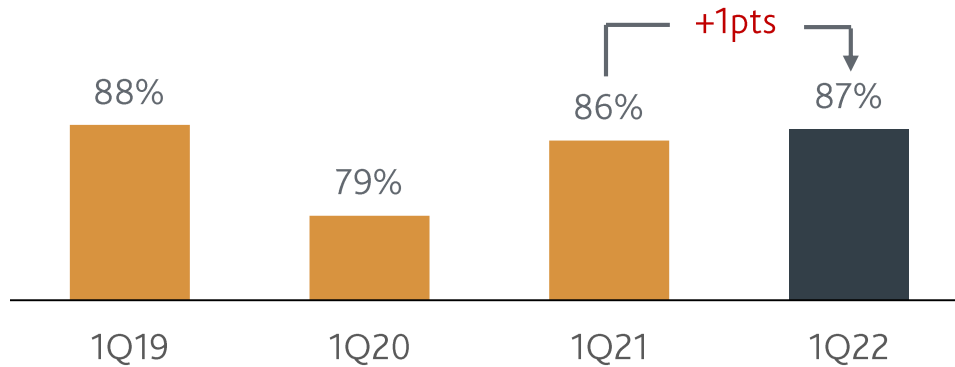
## Highlights:

- Overall GWP up **20%** from 1Q22
- Medical GWP showing steady growth up **11.5%** (renewal business)
- Motor up **66.8%** including Manafeth (Manafeth 1Q21 was 1.4M)
- P&C up **8.8%** from 1Q21
- Hajj & Umrah up by **127 M** due to Umrah capacity getting back to normal.



# Tawuniya Performance

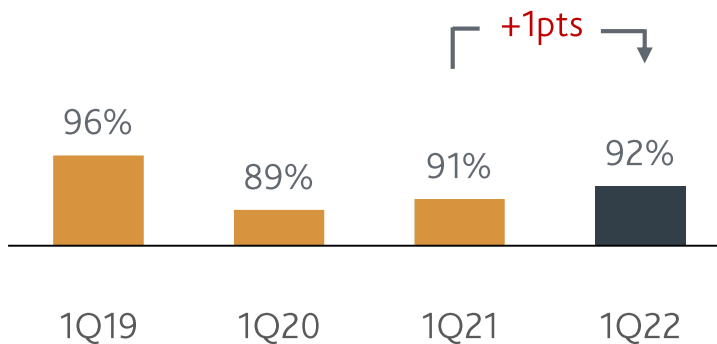
## Loss Ratio



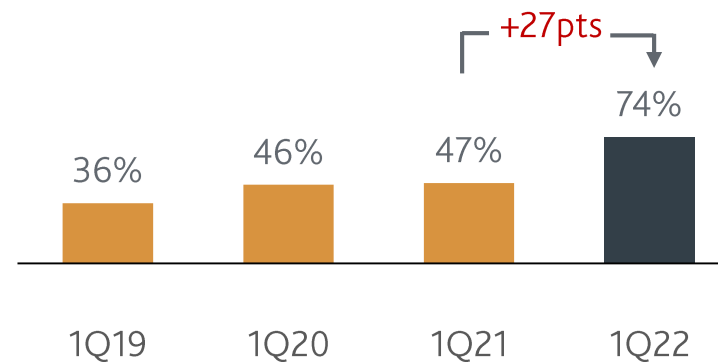
## Highlights:

- Marginal increase total LR from 1Q21
- Medical LR up 1pts
- Motor LR up 27pts due to continued price war to 2022 especially on aggregators; life is going back to normal; Riyadh having its entertainment season.
- P&C LR up 37.5 pts

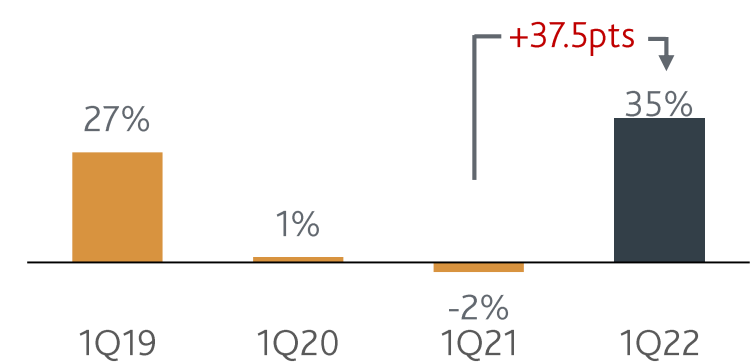
## Medical & Takaful



## Motor

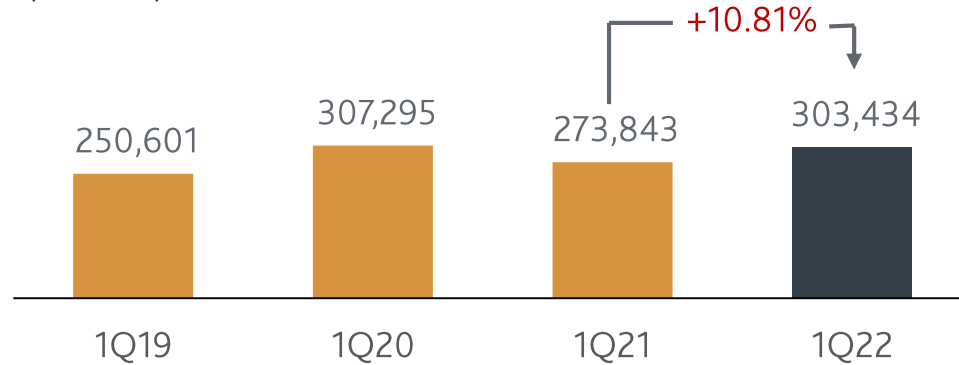


## Property & Casualty

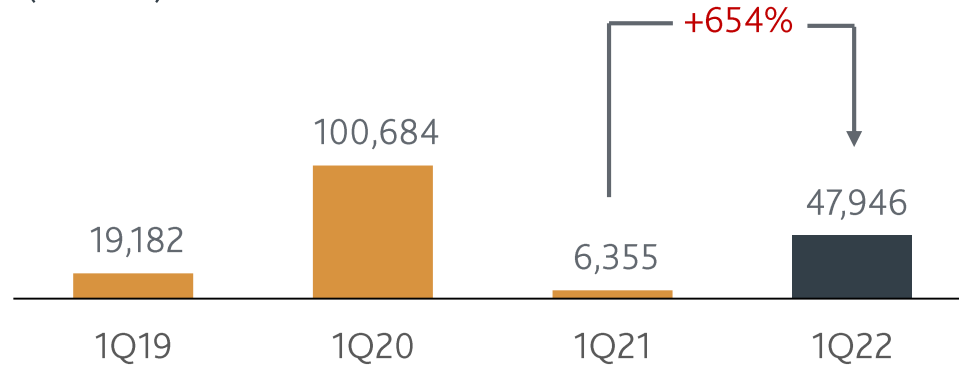


# Tawuniya Performance

## Overheads (SR '000)



## Insurance Companies Share (SR '000)



### Overheads:

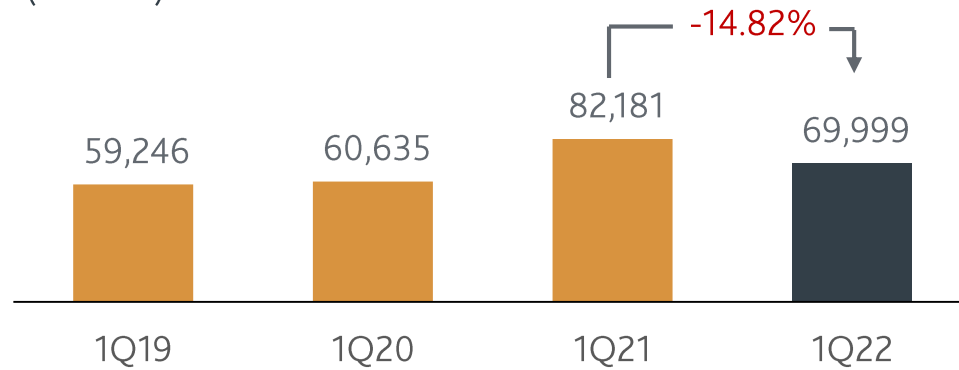
An increase in overheads is mainly driven by:

- Increase in G&A by 13.63% due to higher recruitment, and strategy expenses.
- Increase in PAC by 10% in line with GWP growth
- Marginal increase in other UW expenses by 0.74%

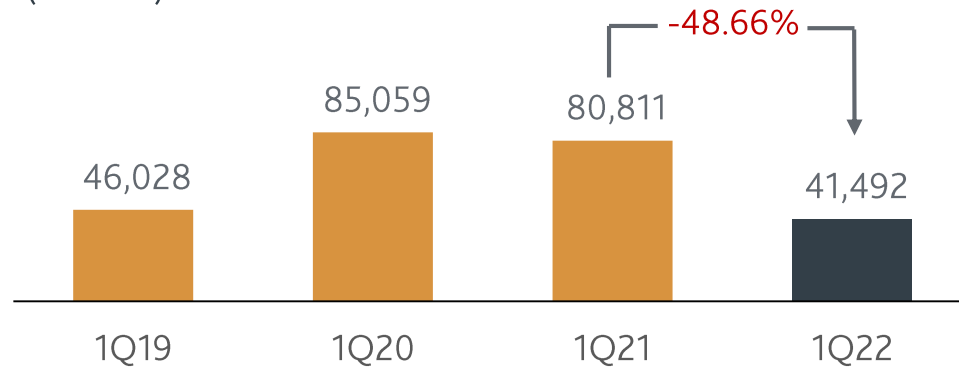
### Insurance Companies Share:

- The increase is in line with Hajj & Umrah getting back to normal and the introduction of Travel Covid-19.

Investment Income  
(SR '000)



Net Income  
(SR '000)



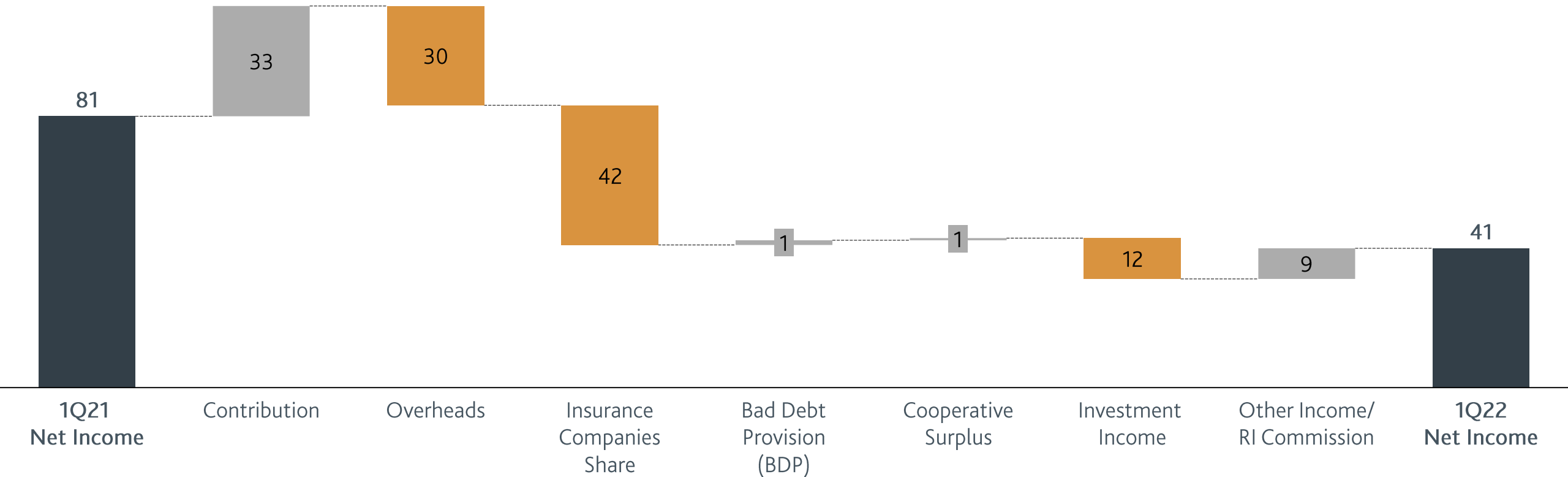
## Investment Income:

- Investment income down by ~15% from 1Q22 as a result of inflationary pressure on FI assets & decline in local and international equity market

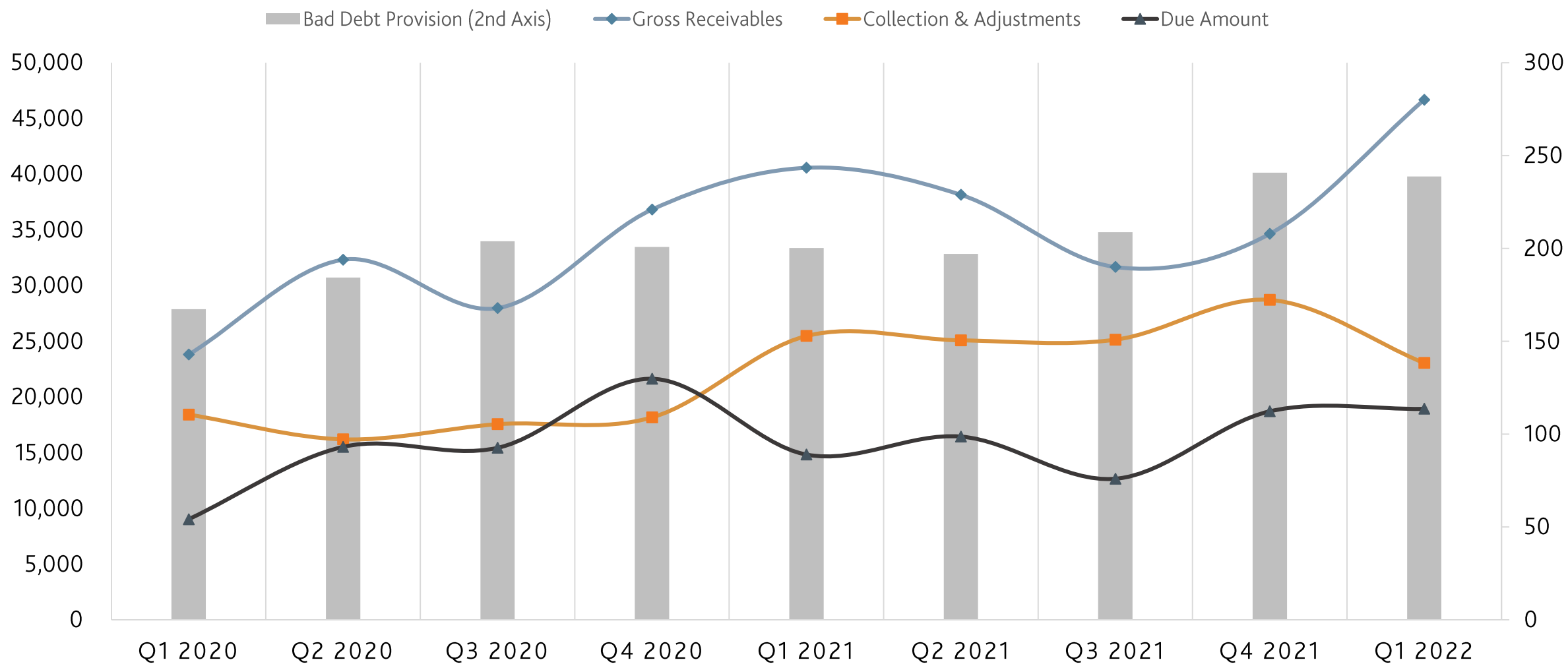
## Net Income:

- Net income down by ~49% due to increase in incurred claims & the booking of additional reserves to meet the expected claims resulting from the COVID-19-related testing and treatment.

Waterfall – Net Income Movement



# Tawuniya Performance



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# Company Overview

## 2025 Strategy

### Our Purpose (why we exist)

Together for a safer life and bigger dreams

### Our Vision (How big is our dream)

Largest insurer in the MENA region through superior organic growth and regional expansion

### Our Mission (What we will be known for)

Exceed expectations through superior customer experience and service excellence

### Our Promises



# Company Overview

Standard & Poor's Global Rating Agency has assigned Tawuniya Insurance Company an "A-" rating and outlook "stable"

This Rating reflects the company's strong competitive position in the Saudi Market and confirms its strong financial performance, stability, and ability to meet its obligations to customers and stakeholders.

		Rating	Outlook
	Solicited	(A-)	Stable
	Solicited	(A-)	Stable

## Our International Reinsurance Partners

 SCOR

SCOR is rated "AA-" by S&P

  
Munich RE

Munich Re is rated "AA-" by S&P

 Swiss Re

Swiss Re is rated "AA-" by S&P

 Covea Insurance

Covea is rated "AA-" by S&P

  
EVEREST

Everest Re is rated "A+" by S&P

 R+V

R+V is rated "A+" by S&P

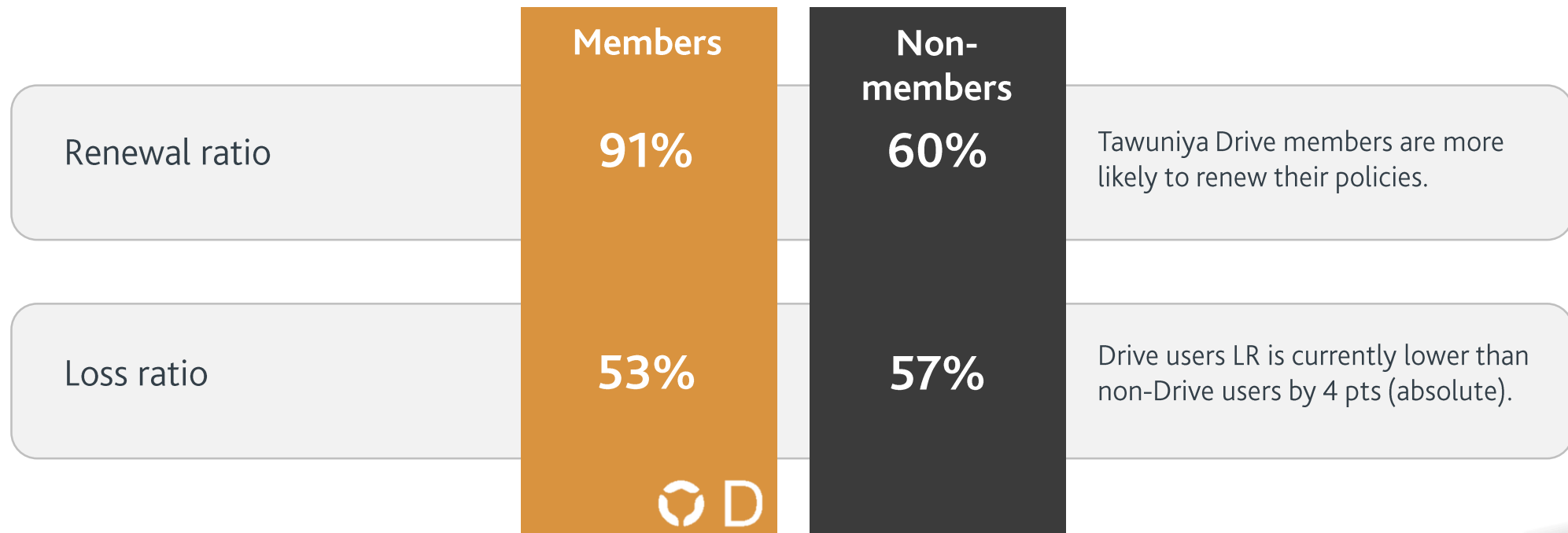
 LLOYD'S

LLOYD's is rated "A+" by S&P

# Company Overview

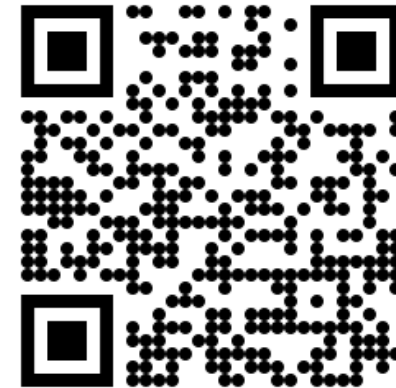
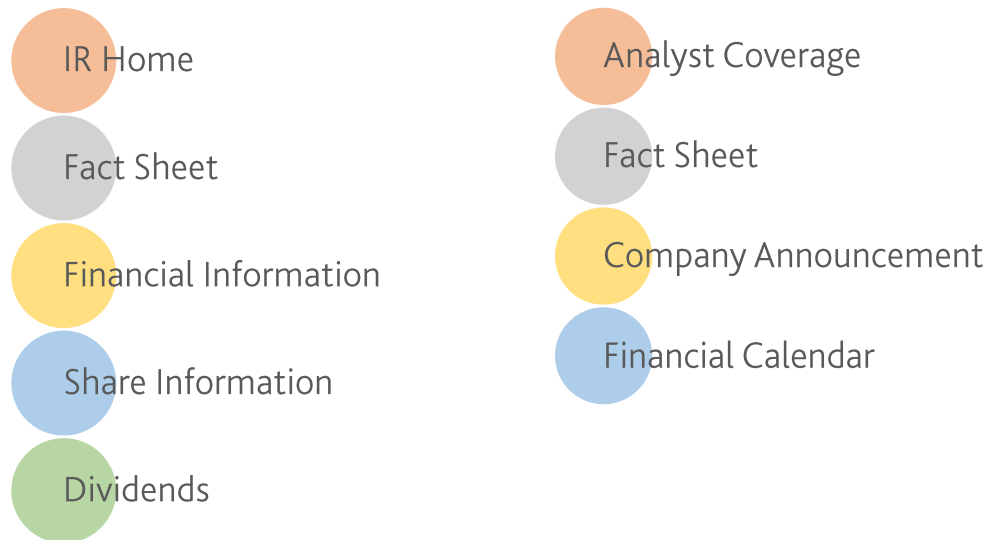
## Program update

Tawuniya Drive shows positive indicators



# Company Overview

Tawuniya re-launch a brand new IR webpage with its new look and its great variable features which aim to easily access:



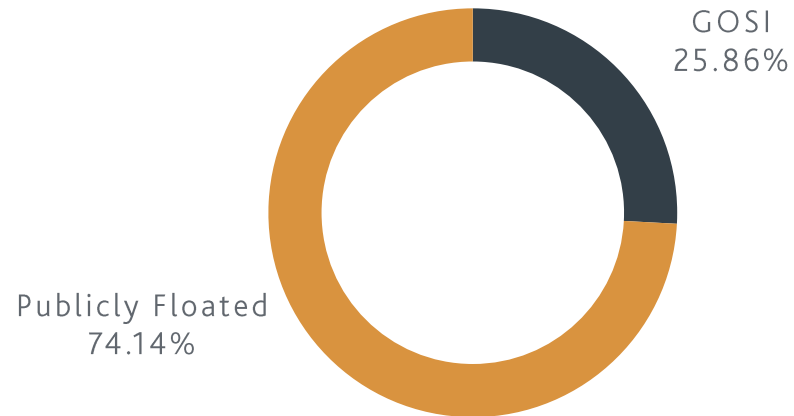
To visit the new webpage, please scan the code  
or click the link below:

[Investor Relations | Tawuniya](#)

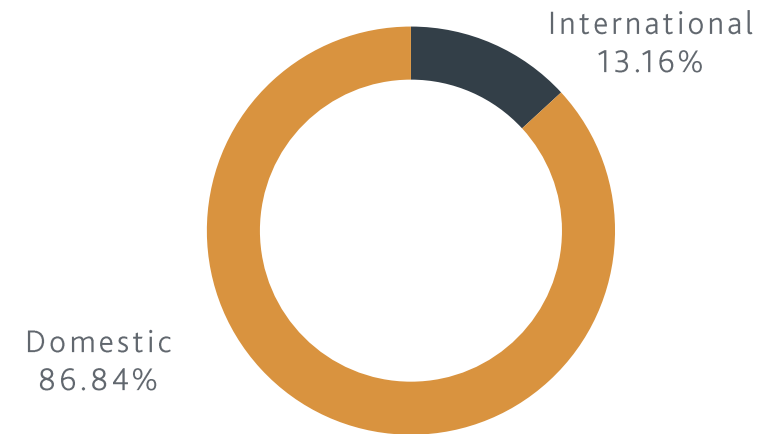
# Company Overview

Shareholder Structure as of Mar. 31st, 2022

Type



Geography



Tawuniya is a publicly listed company with a paid-up capital of **SR 1,250 m**

# Company Overview



## AVIATION



## FINANCIAL



## TELECOMMUNICATION



## MINING & PETRO.



## MANUFACTURING



## OTHER





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# *Questions*

***Thank you***