



التعاونية  
tawuniya

# Q1 2023 Tawuniya's Earnings Conference Call

🕒 15:30 (Riyadh) | 16:30 (Dubai) | 13:30 (London) | 8:30 (New York)

📅 Wednesday, August 2<sup>nd</sup>, 2023

[www.tawuniya.com](http://www.tawuniya.com)

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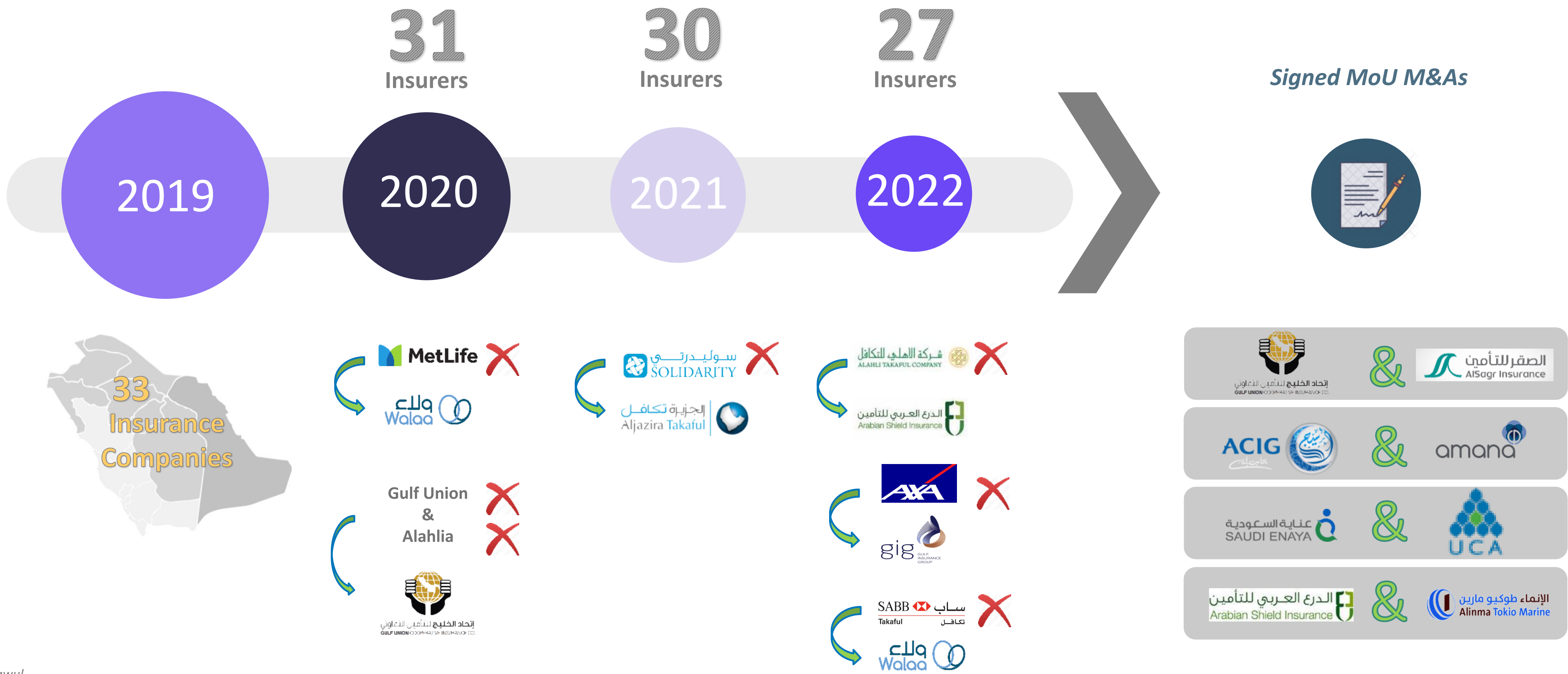
# KSA Insurance Industry

# Market Update

- The unemployment rate overall dropped to 5.1% in Q1 compared to the same quarter in 2022.
- SAMA licensed the Saudi Mortgage Guarantee Services Company (Dhamanat), owned by the Real Estate Development Fund, to offer general insurance, protection, and savings insurance services.
- SAMA issued the new unified Compulsory Motor Insurance Policy to develop the insurance sector and to protect the rights of the insureds and the beneficiaries of the insurance coverage. (Launched April 1, 2023)
- Saudi Council of Ministers approved, providing health insurance coverage to domestic workers. The healthcare coverage will apply if a household employs four or more domestic helpers.



# Industry M&As

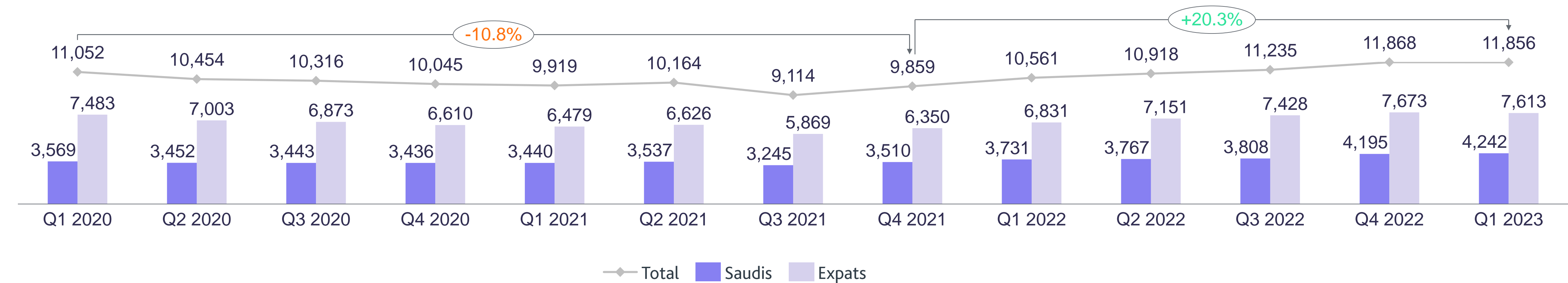


\* Source: Tadawul.  
\* Wafa was out of the Market in Q2 2022.

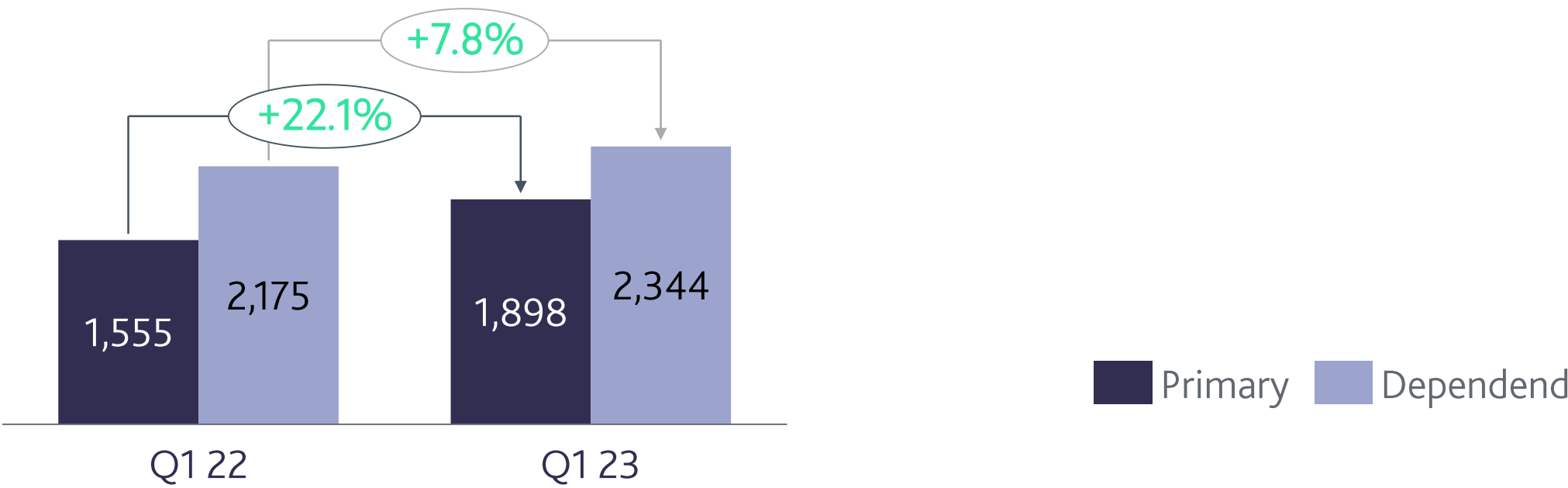
# Insured Lives

(In SAR' 000,000)

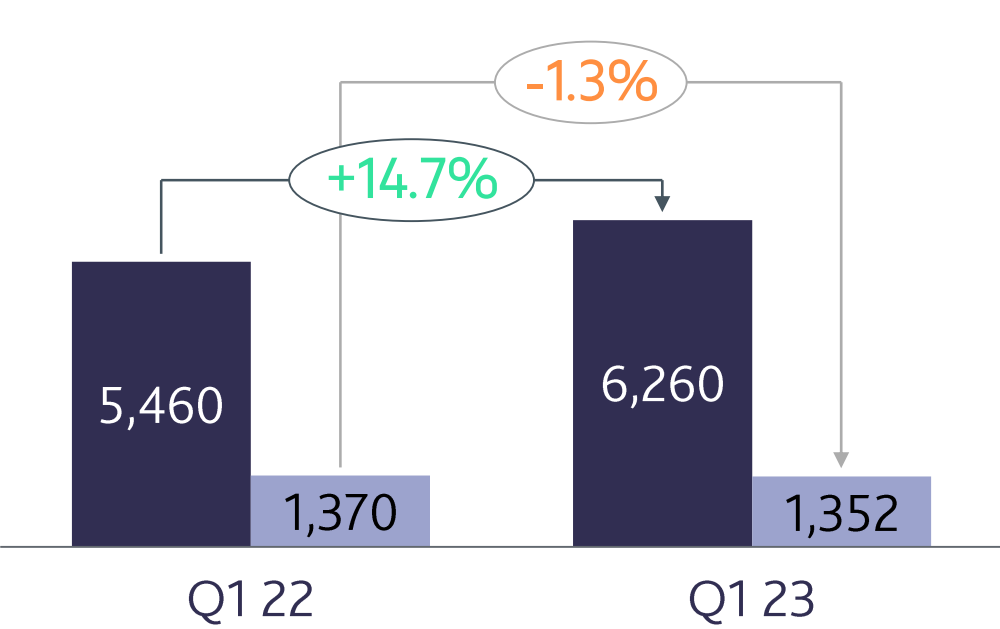
## Total Insured Lives



## Saudis

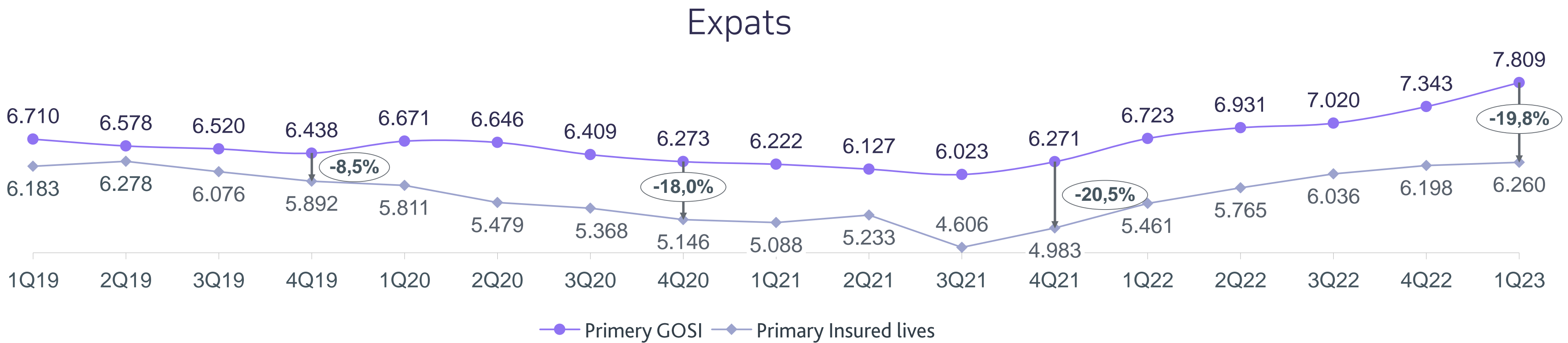
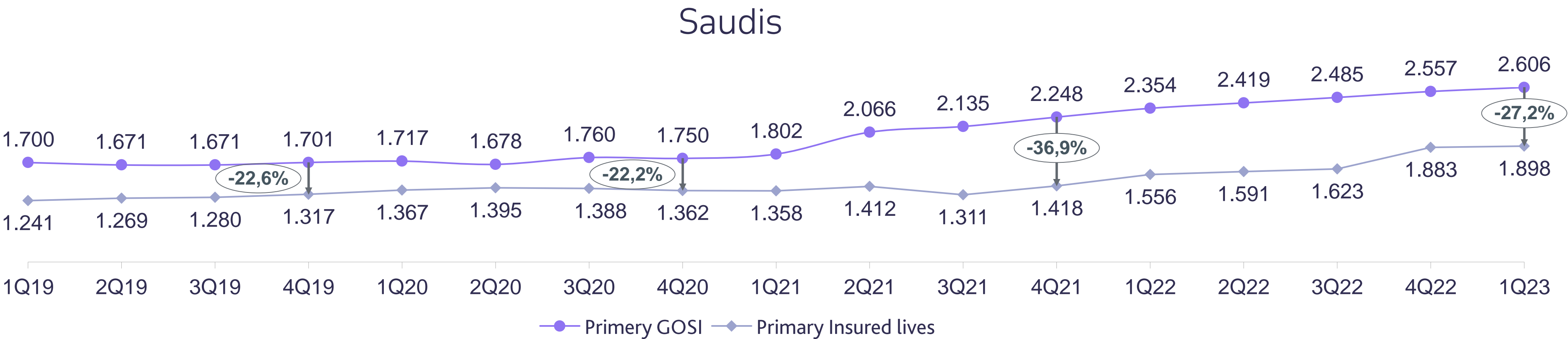


## Expats



# Gap & Enforcement

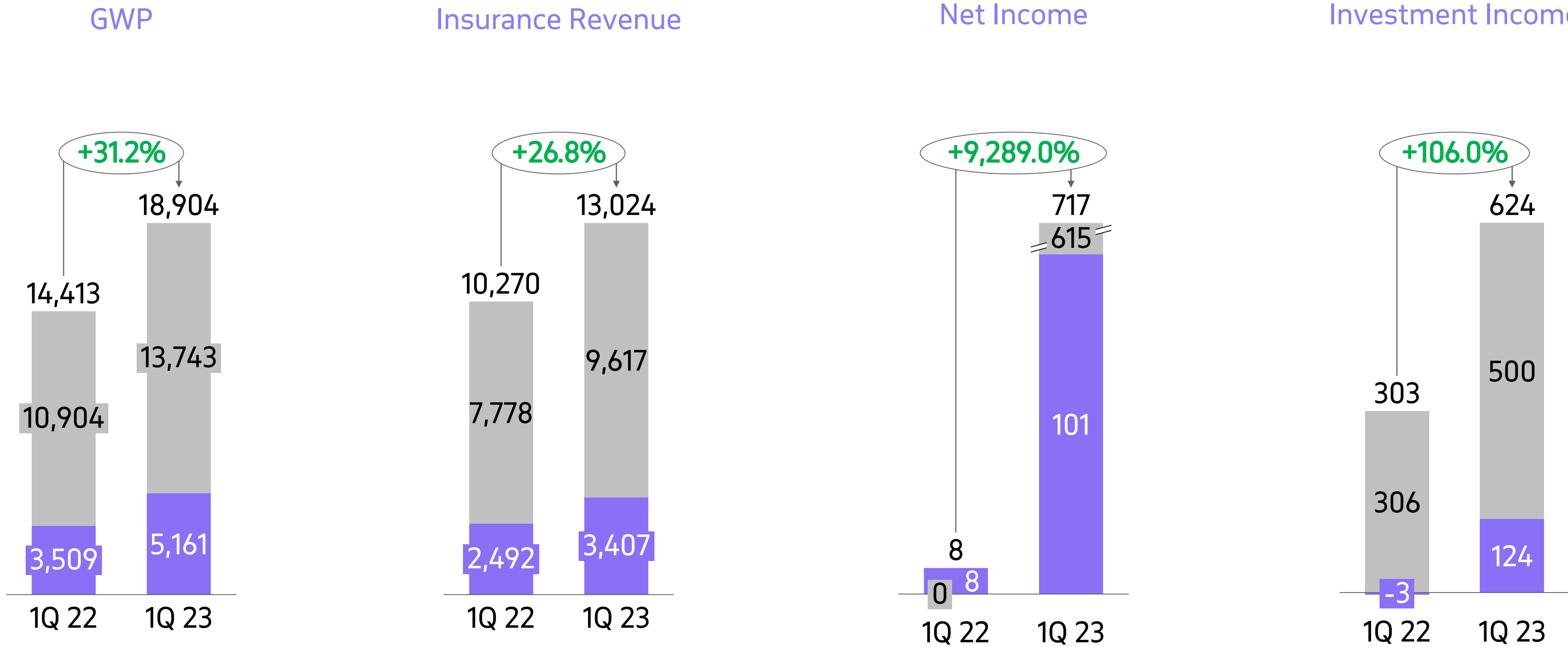
(In SAR' 000,000)





# Market Performance

(In SAR' 000,000)



Others Tawuniya

# Tawuniya Performance

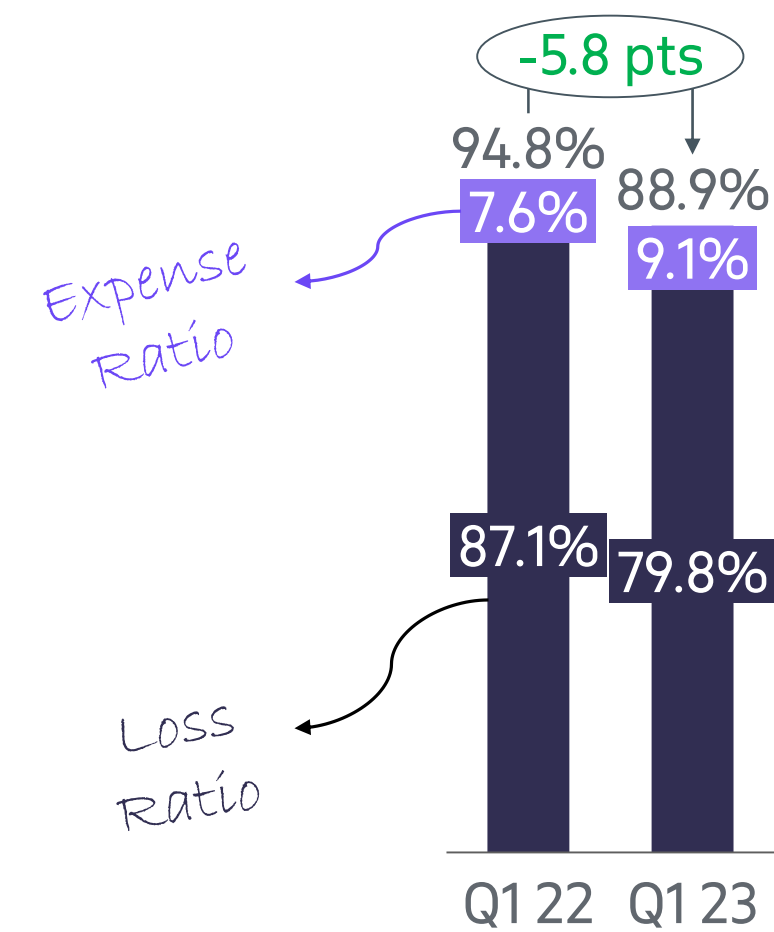
# Q1 2023 Tawuniya's Results

(In SAR' 000,000)



GWP 5,161 47% ▲

EBT 101 1201% ▲

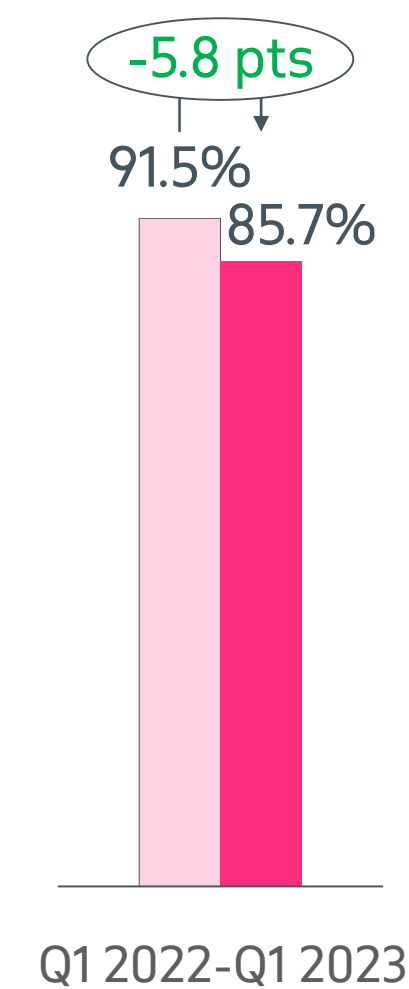


Combined Ratio

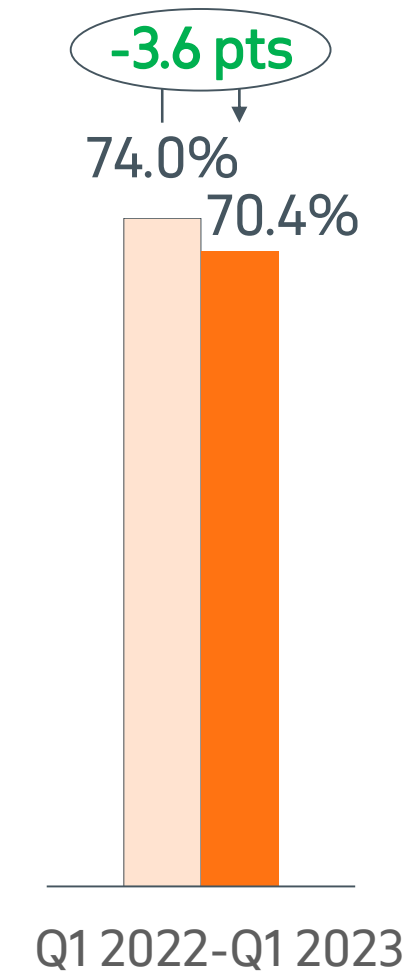


GWP 3,796 36% ▲

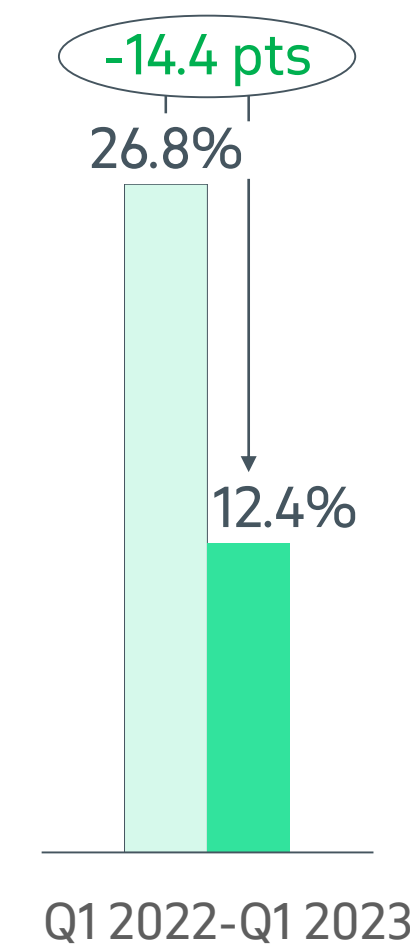
Loss Ratio



GWP 536 120% ▲

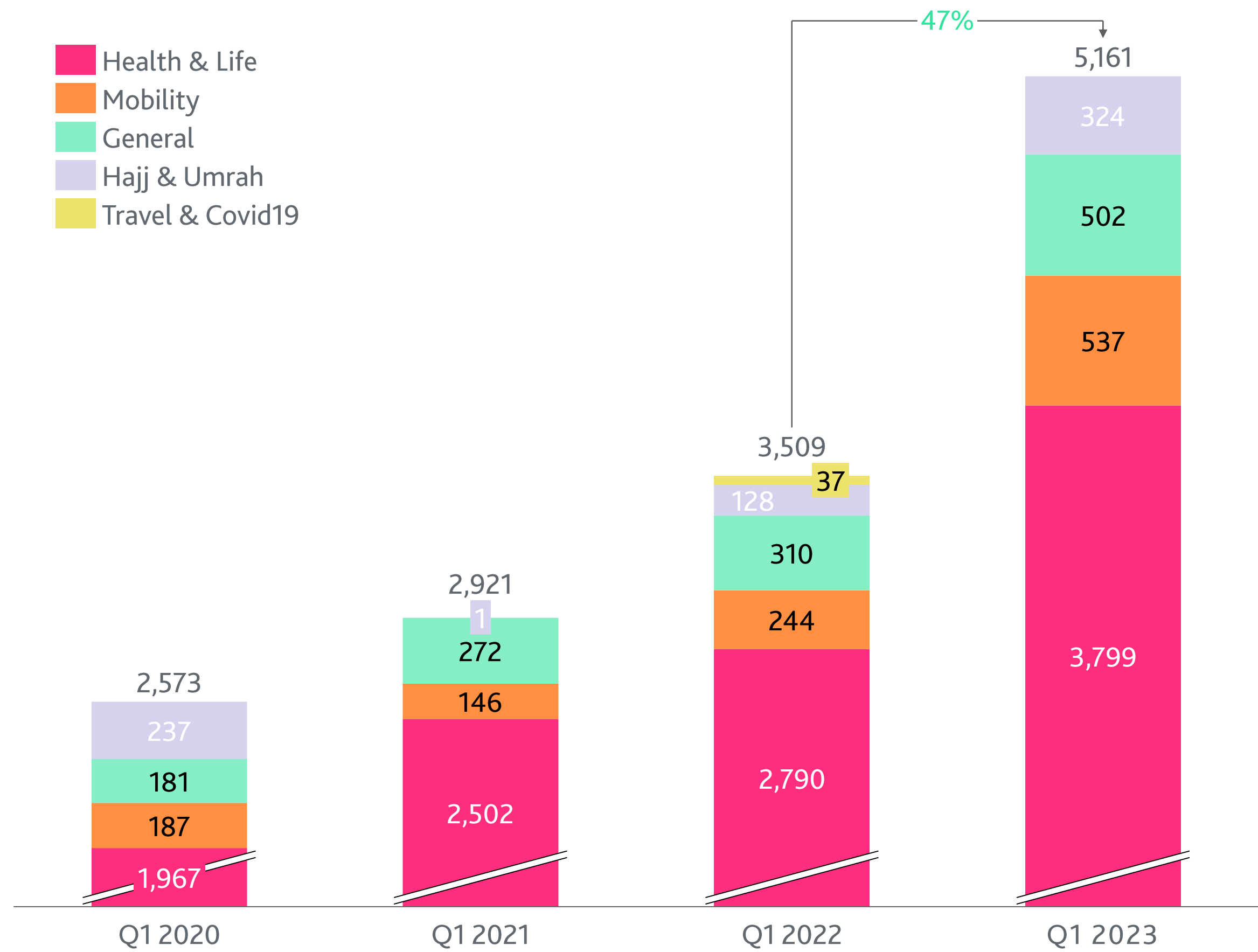


GWP 501 62% ▲



# Gross Written Premium

(In SAR' 000,000)



## Highlights:

- Overall GWP up 47% from Q1 2022
- Health GWP showing growth up to 36% due to the increase in number of lives compared to Q1 2022, and the big price adjustment achieved in 2023
- Motor up 120% as a result of implementing smart pricing technology
- General insurance up 62% from Q1 2022
- Hajj & Umrah up to 150%

# Tawuniya Performance

Consolidated P&L (IFRS 4 vs. IFRS 17)

P&L – IFRS 4			
Description	Q1 '23	Q1 '22	%
Gross premiums written	5,160	3,507	47%
Net premiums written	4,693	3,223	46%
Net premiums earned	3,298	2,241	47%
Reinsurance commissions	37	33	12%
<b>Total revenues</b>	<b>3,335</b>	<b>2,274</b>	<b>47%</b>
Net claims and other benefits incurred	(2,633)	(1,953)	35%
Policy acquisition costs	(170)	(96)	76%
Other underwriting expenses	(103)	(36)	185%
Insurance share distribution	(159)	(48)	232%
<b>Total underwriting costs and expenses</b>	<b>(3,066)</b>	<b>(2,134)</b>	<b>44%</b>
<b>Net underwriting income</b>	<b>270</b>	<b>140</b>	<b>92%</b>
General and administrative expenses	(300)	(171)	76%
Allowance for doubtful debts	-	2	-
Investment income, net	81	70	16%
Other (expenses) / income, net	34	3	-
<b>Net income (before attribution and zakat)</b>	<b>85</b>	<b>45</b>	<b>90%</b>
Net income attributed to insurance operations	(6)	(3)	98%
<b>Net income (before zakat)</b>	<b>79</b>	<b>41</b>	<b>89%</b>

P&L – IFRS 17			
Description	Q1 '23	Q1 '22	%
Insurance revenue	3,407	2,492	37%
Insurance service expenses	(3,720)	(3,012)	24%
<b>Insurance Service Result</b>	<b>(312)</b>	<b>(519)</b>	<b>40%</b>
Allocation of reinsurance premiums	(471)	(356)	32%
Amounts recoverable from reinsurers for claims	945	926	2%
<b>Reinsurance Service Result</b>	<b>475</b>	<b>570</b>	<b>(17%)</b>
<b>Net Insurance Service Result</b>	<b>162</b>	<b>51</b>	<b>220%</b>
Investment income	124	(3)	-
Expected credit loss allowance on financial assets	(125)	(33)	280%
<b>Net income on financial assets</b>	<b>(1)</b>	<b>(36)</b>	<b>98%</b>
Insurance Finance income/expense	(76)	29	-
Reinsurance Finance income/expense	40	(23)	-
<b>Net insurance financial result</b>	<b>126</b>	<b>20</b>	<b>517%</b>
Share of profit from equity accounted investments	8	7	21%
Other operating expenses (non-attributable)	(48)	(21)	121%
Other income (net)	14	2	612%
<b>Net income (before zakat)</b>	<b>101</b>	<b>8</b>	<b>-</b>



# Tawuniya Performance

## Consolidated P&L - Insurance Service Result (IFRS 17)

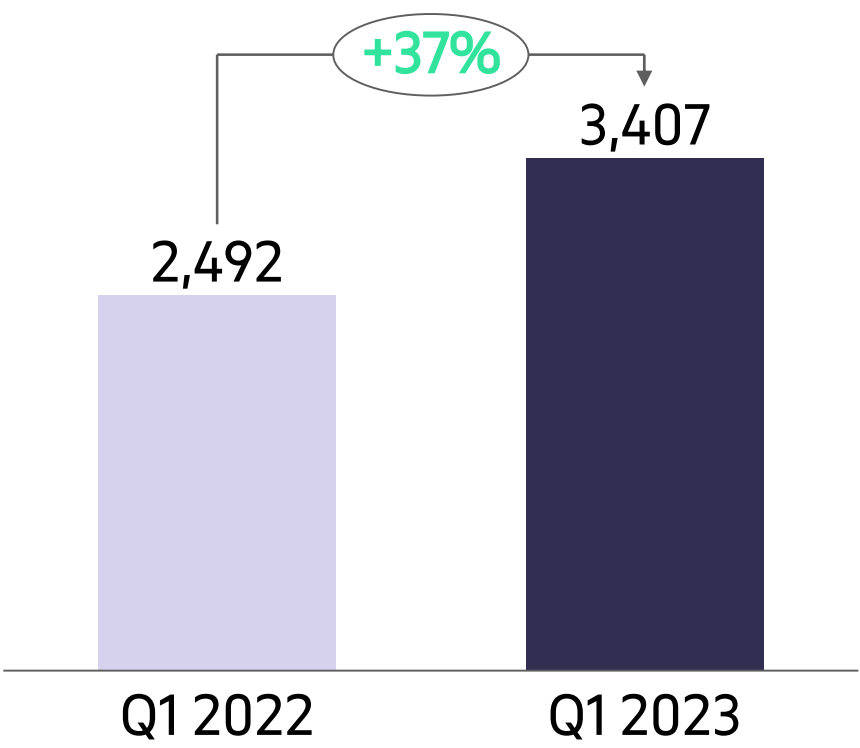
P&L – IFRS 17	
Description	Q1 '23
Insurance revenue	3,407
Insurance service expenses	(3,720)
<b>Insurance Service Result</b>	<b>(312)</b>
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Amounts recoverable from reinsurers for claims	945
<b>Reinsurance Service Result</b>	<b>475</b>
<b>Net Insurance Service Result</b>	<b>162</b>
Investment income	124
Expected credit loss allowance on financial assets	(125)
<b>Net income on financial assets</b>	<b>(1)</b>
Insurance Finance income/expense	(76)
Reinsurance Finance income/expense	40
<b>Net insurance financial result</b>	<b>126</b>
Share of profit from equity accounted investments	8
Other operating expenses (non-attributable)	(48)
Other income (net)	14
<b>Net income (before zakat)</b>	<b>101</b>

IFRS 17 – Insurance Revenue & Insurance Expense Breakdown			
Description	Q1 '23	Q1 '22	%
Gross written premiums (GWP)*	5,161	3,509	47%
Changes in gross unearned premiums	(1,336)	(876)	53%
Changes in ECL charge	(9)	(24)	(61%)
Shared pool elimination	(408)	(116)	251%
<b>Insurance Revenue</b>	<b>3,407</b>	<b>2,492</b>	<b>37%</b>
Incurring claims and other directly attributable expenses	2,940	2,245	31%
Risk adjustment due to incurred claims	170	127	34%
Changes that relate to past service	411	403	2%
Losses on onerous contracts and reversal of those losses	(31)	76	-
Amortization of insurance acquisition cash flows	230	160	43%
<b>Insurance Service Expense</b>	<b>3,720</b>	<b>3,012</b>	<b>24%</b>
<b>Insurance Service Result</b>	<b>(312)</b>	<b>(519)</b>	<b>40%</b>

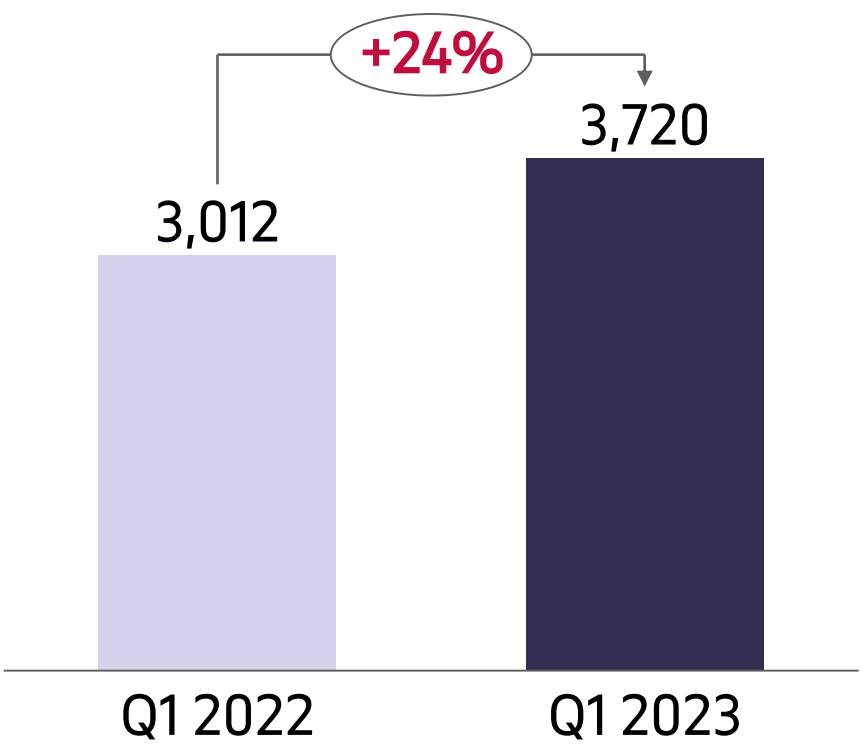
# Tawuniya Performance

(In SAR' 000,000)

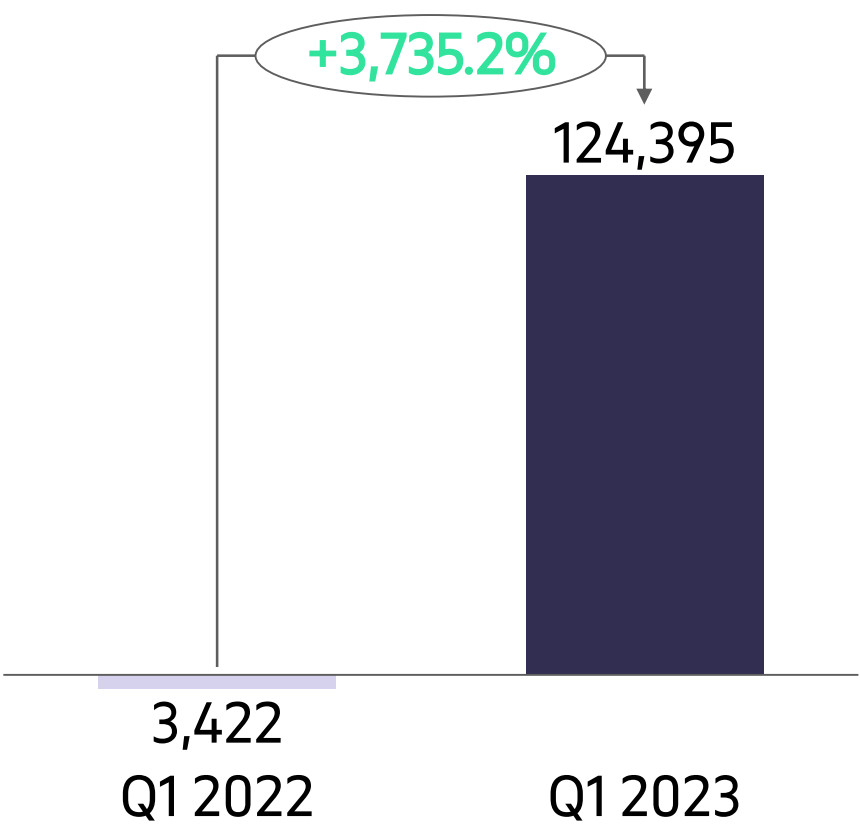
Insurance revenue



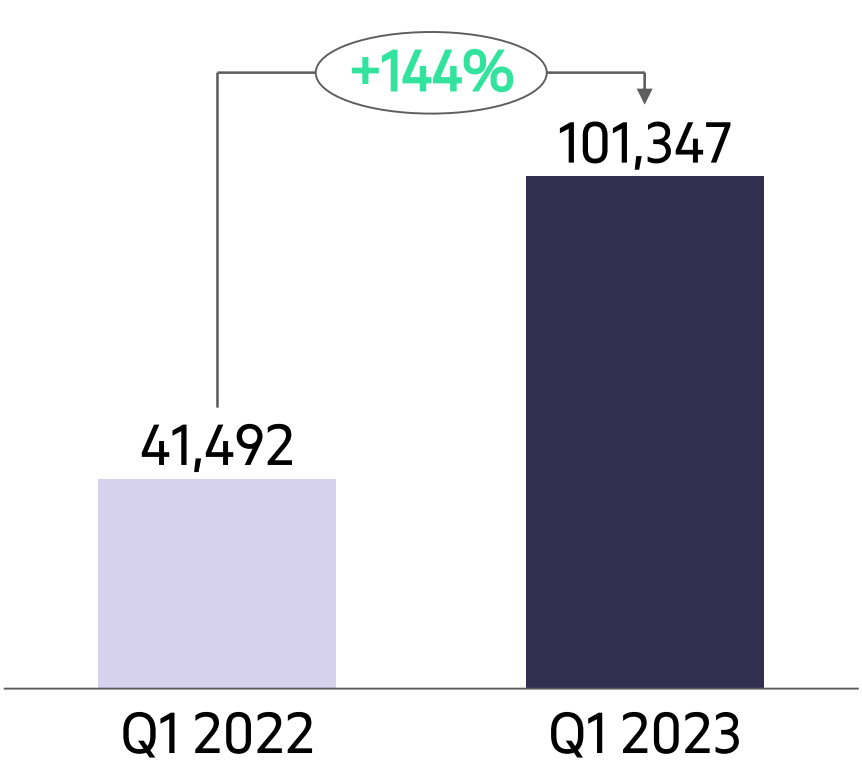
Insurance service expenses



Investment Income

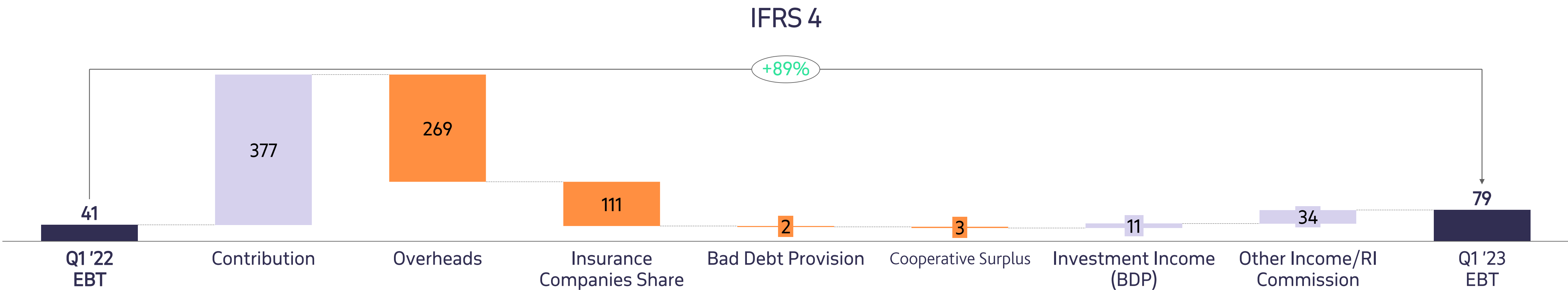
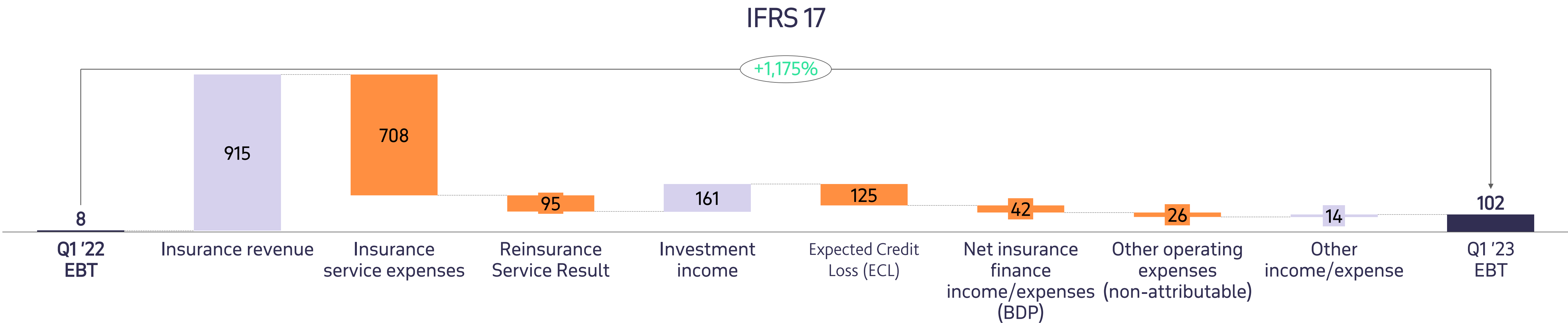


Net Income



# Tawuniya Performance

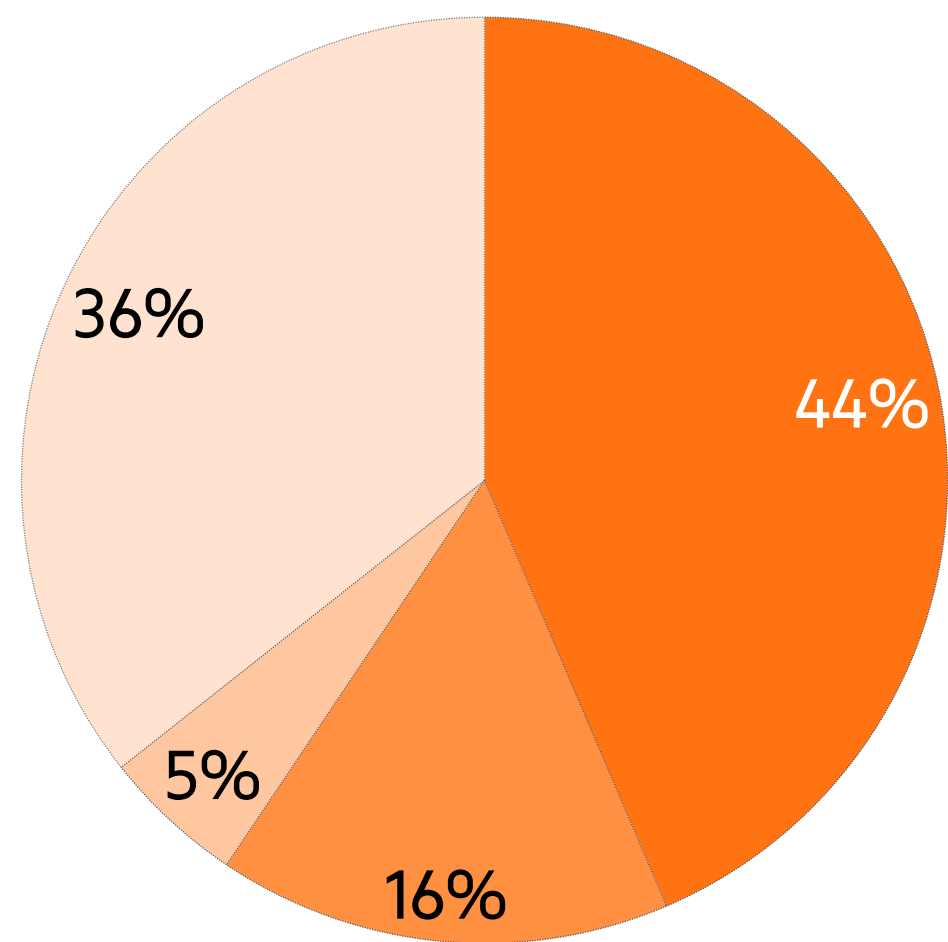
## Waterfall – EBT Movement



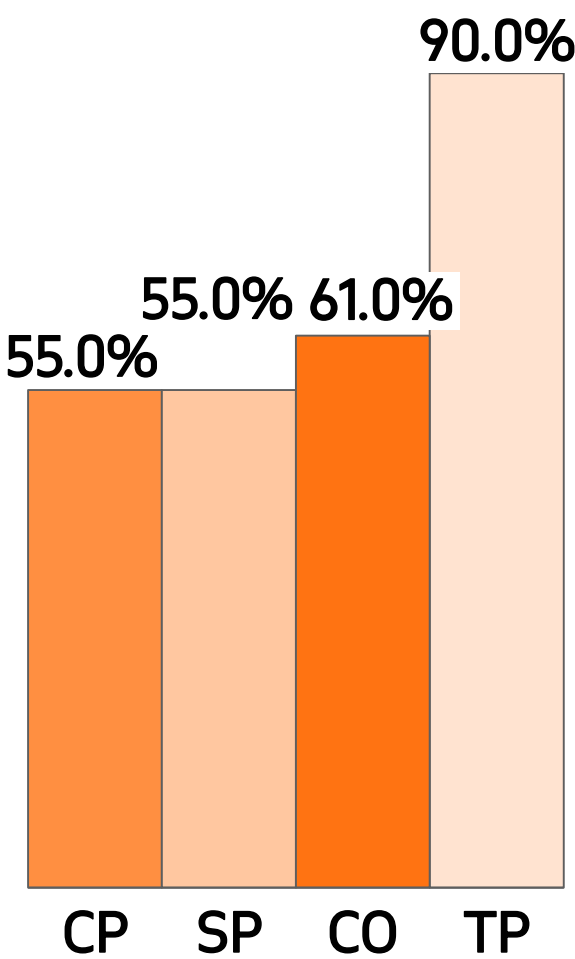
# Mobility

EP & LR by line of business

Earned Premium



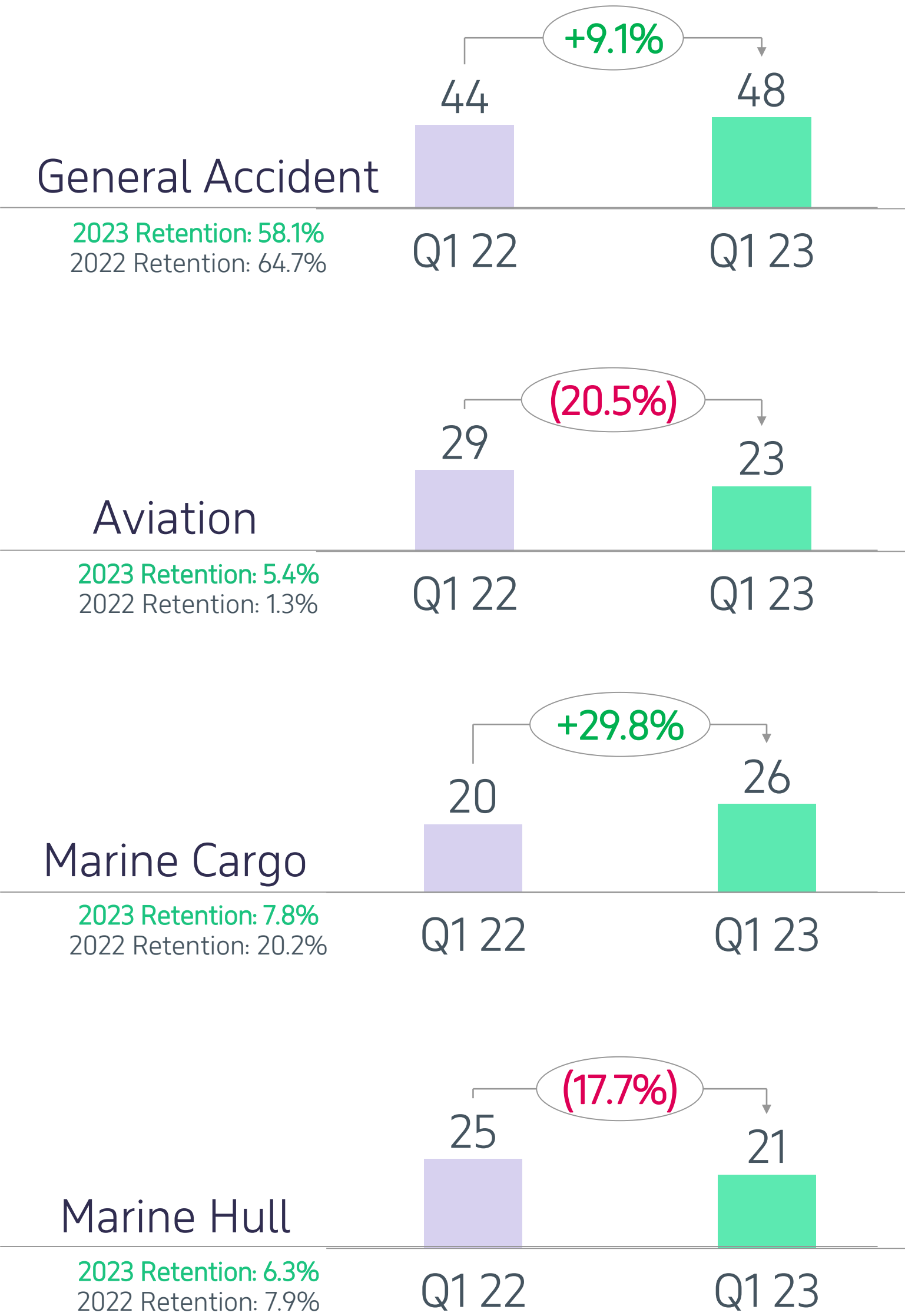
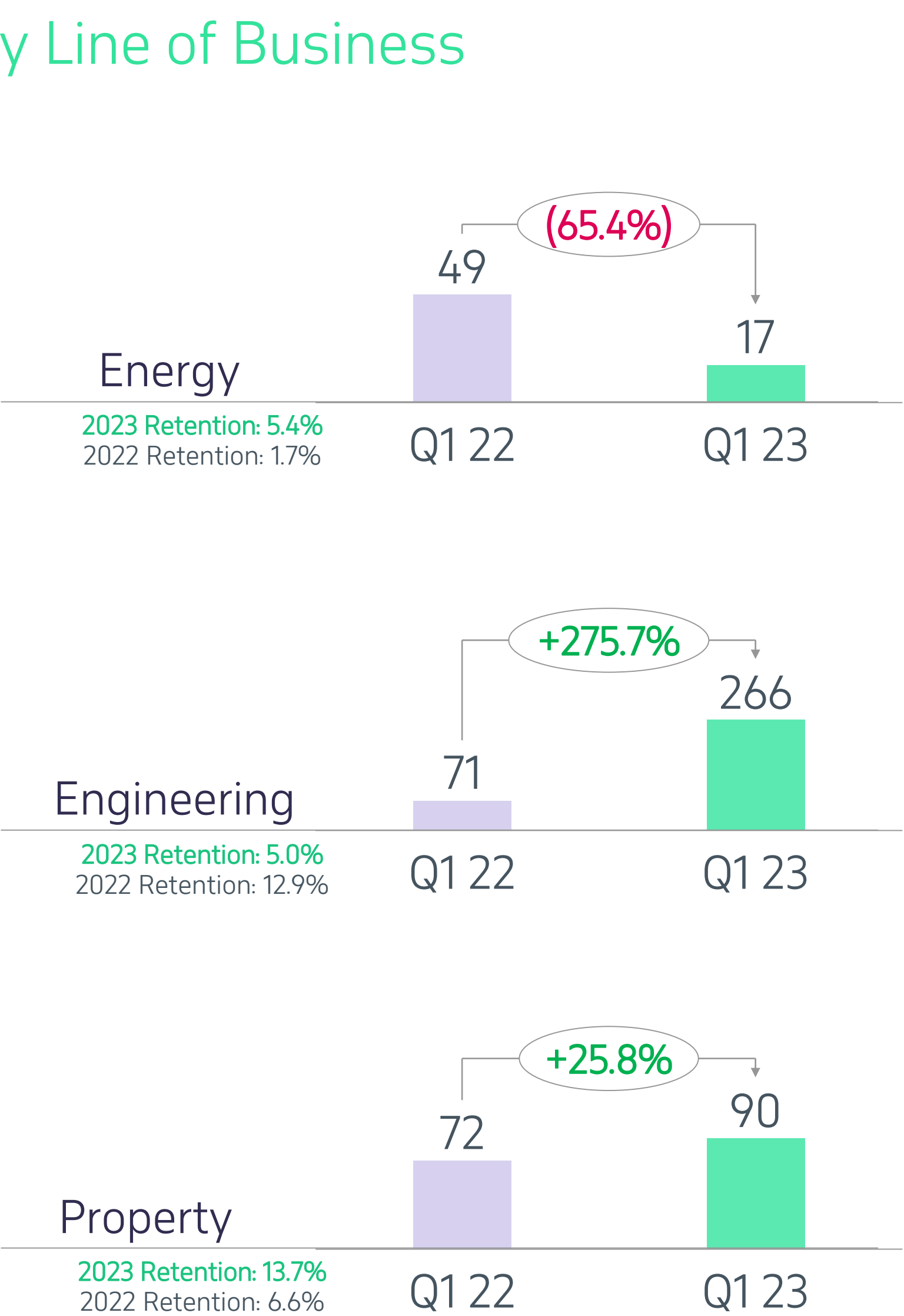
Loss Ratio



- CO = Comprehensive insurance
- CP =Corporate/Leasing
- SP = Sanad Plus ( i.e. TP + Additional Coverage)
- TP = Third Party Coverage

# General Insurance

## Premiums by Line of Business



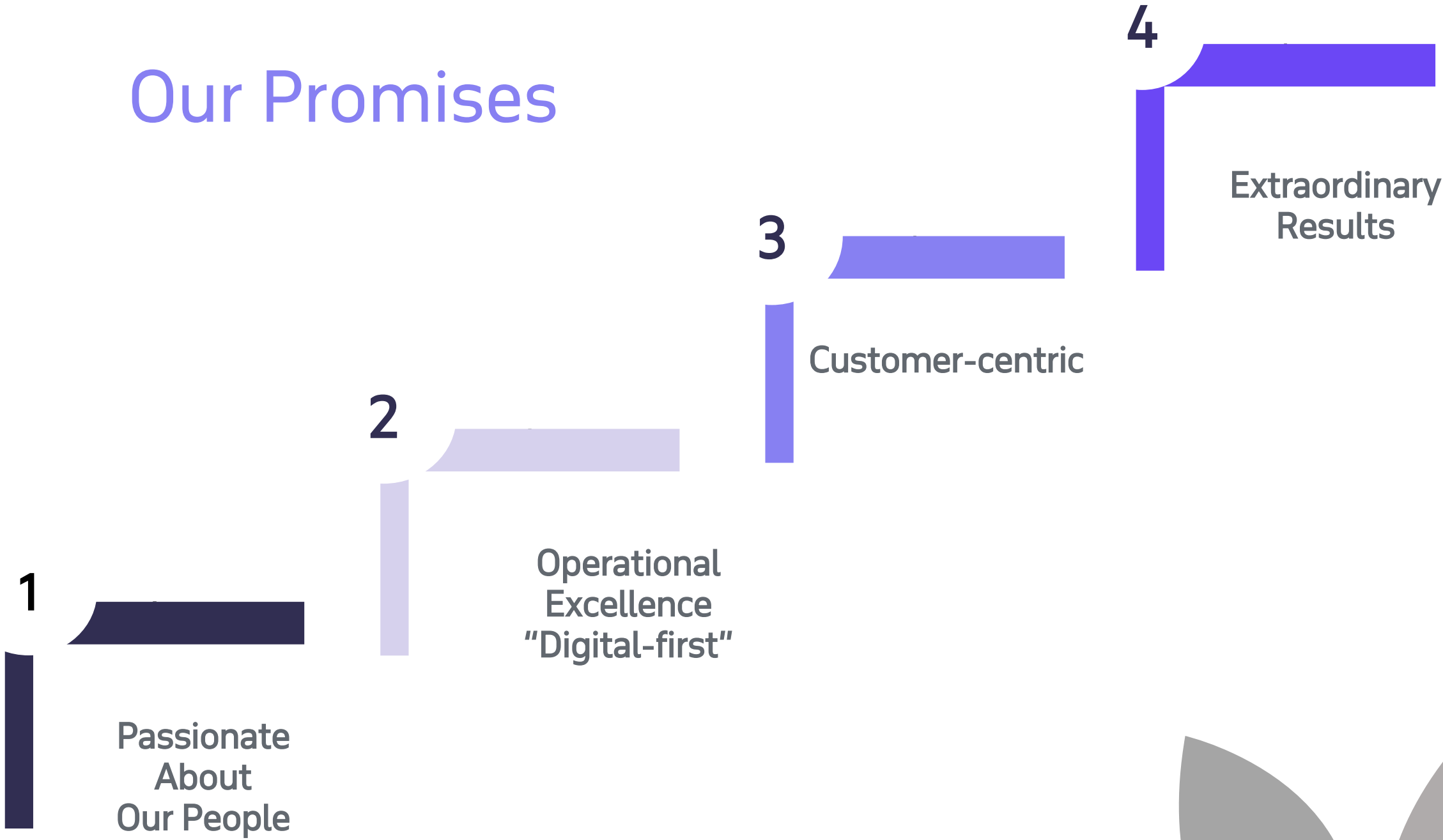


# Company Overview

# 2025 Tawuniya Strategy

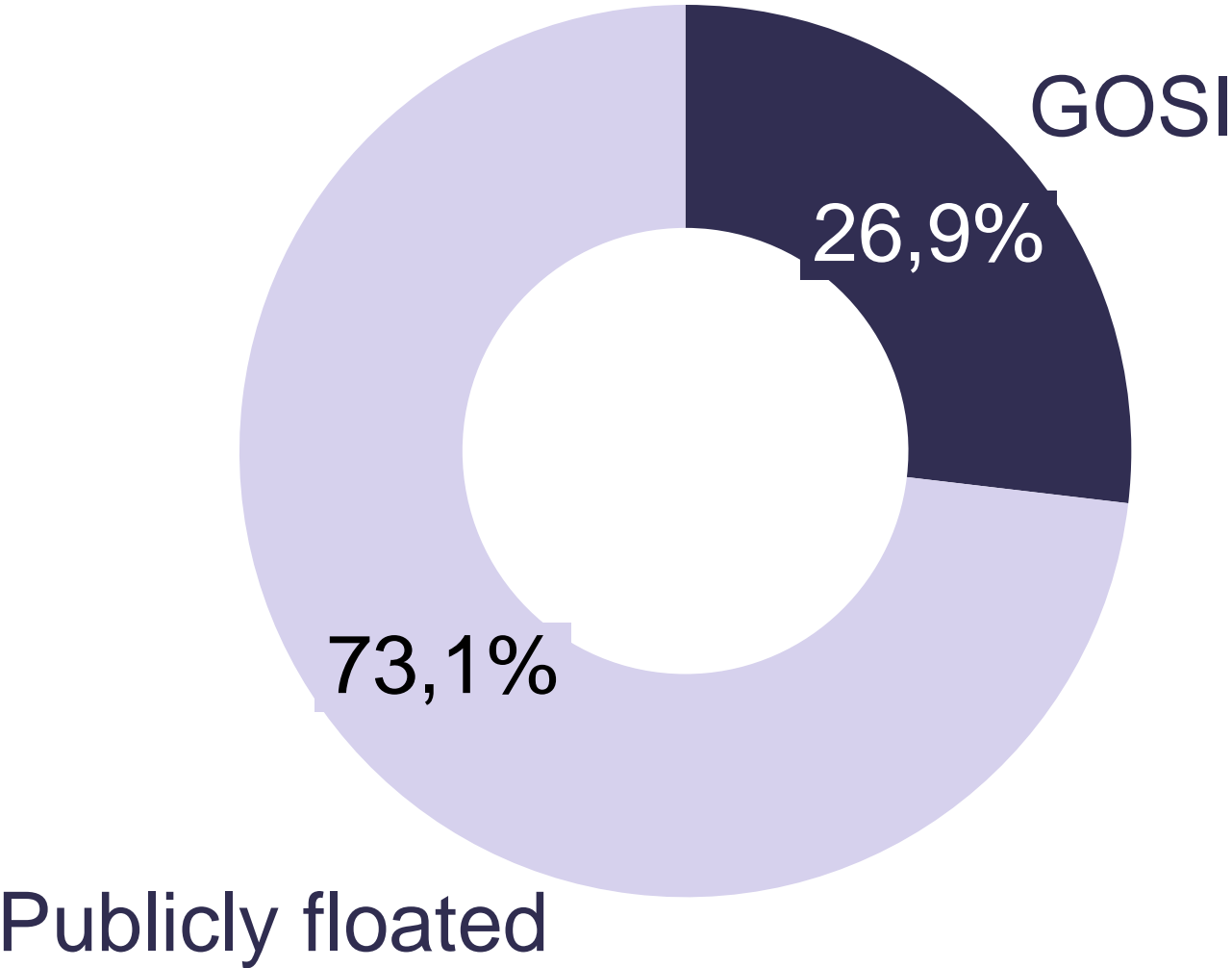
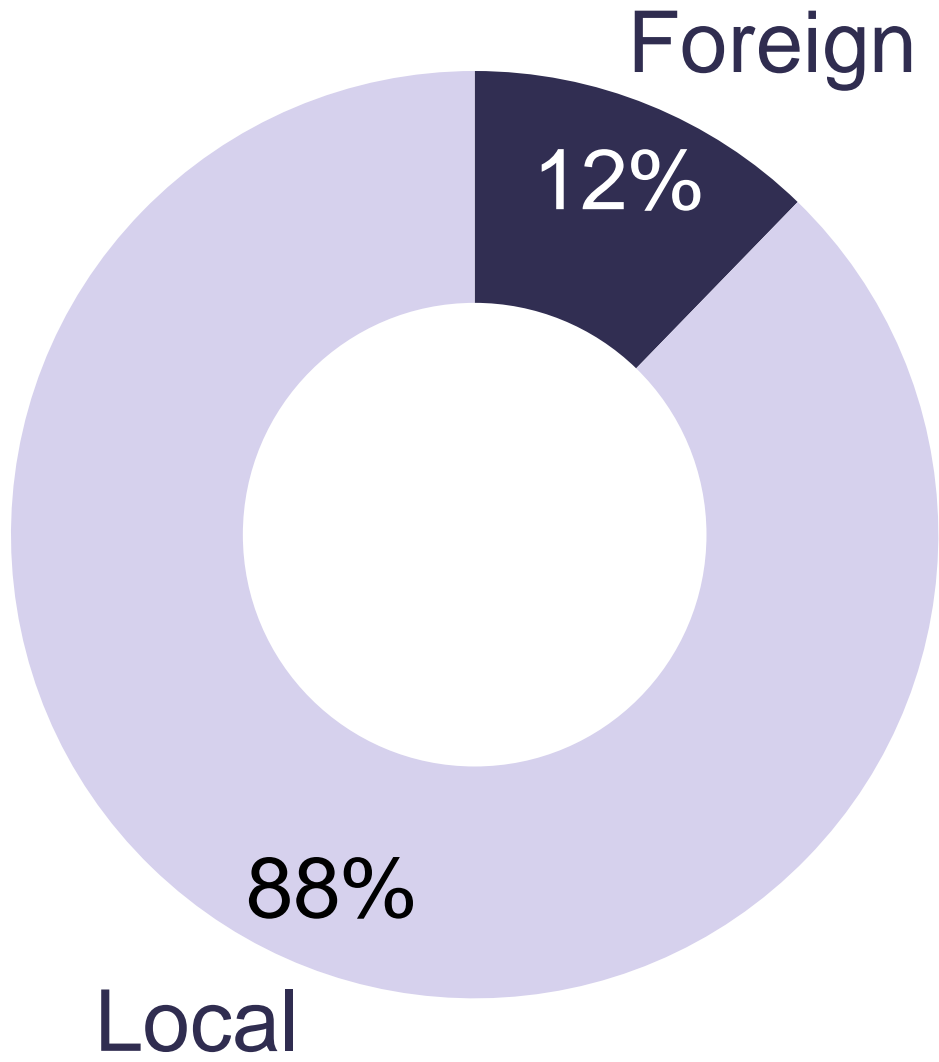


## Our Promises





# Shareholder Structure

As of Jun 11<sup>th</sup>, 2023



# Credit Rating & Reinsurance Partners

## Credit Rating

	<u>Rating</u>	<u>Outlook</u>
 <b>STANDARD &amp; POOR'S RATINGS SERVICES</b> <small>McGRAW HILL FINANCIAL</small>	Solicited (A-)	Stable
 <b>FitchRatings</b>	Solicited (A-)	Positive

## Our International Reinsurance Partners



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



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



Covea is rated "AA-" by S&P



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



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



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

# Clients portfolio

FINANCIAL											
TELECOMMUNICATION											
AVIATION											
MANUFACTURING											
MINING & PETRO.											
OTHER											



# Questions



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# Thank You



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