



Damaan Islamic Insurance Company – Beema (Q.P.S.C.)

H1 2023 Financial Results Presentation

H1 2023 key financial performance highlights

Continued track record of operational and financial performance

- 1

Increased shareholders' profit

Growth in shareholders' net profit of 4.5% YoY, reaching QAR 33.3 million in H1 2023, corresponding to Earnings Per Share ("EPS") of QAR 0.17

- 2

Reduction in debt liabilities

Significant decrease of Murabaha financing from QAR 197.9 million in H1 2022 to QAR 56.2 million in H1 2023 ⁽¹⁾

- 3

Increase in net investment income

Strong growth of 40.8% in net investment income from QAR 10.5 million in H1 2022 to QAR 14.9 million in H1 2023 due to reduced leverage and reinvestment in higher yielding securities ⁽²⁾

- 4

Increase in total income to shareholders

Increase of 9.1% in total income to shareholders from QAR 55.9 million in H1 2022 to QAR 61.0 million in H1 2023 driven by an increase in income from shareholders' investments and Wakala fees

(1) Inclusive of total Policyholders' and Shareholders' Murabaha financing

(2) Total Policyholders' and Shareholders' net investment income

Beema at a glance

One of Qatar's largest and most innovative providers of Takaful insurance

Who we are



One of Qatar's leading Islamic takaful providers, **established in 2009** with a **share capital of QAR 200m**



Operating under the **Hybrid Takaful model, encompassing both the Wakala and Mudaraba approaches**. The Company receives a Wakala fee for managing insurance operations and a Mudarib fee for managing policyholders' investments.



Offering a wide range of **innovative and convenient** takaful solutions suitable for retail and institutional clients



Diversified distribution network, extensive bancassurance distribution, and **exclusivity contracts** in place



Implementing strict **investment risk safeguards**, internal **capital adequacy requirements**, and minimum credit rating requirements for reinsurance partners



Listed on the Qatar Stock Exchange Main Market in January 2023, trading under the Ticker (**BEMA**)

Key figures

A-

Am Best Financial Strength Rating



A3

2022 Moody's IFSR credit rating

MOODY'S

194m

H1 2023 GWC (QAR)

111m

H1 2023 Takaful & Health GWC (QAR)

55m

H1 2023 Motor GWC (QAR)

14%

H1 2020 - H1 2023 growth in total income to shareholders

Beema's key investment highlights



- 1 Leading position within the Islamic insurance sector**
Beema has been one of the largest Takaful players in the State of Qatar since 2014 in terms of gross written contributions
- 2 Robust organic growth with potential for acceleration from initiatives**
Highly innovative, multi-channel distribution strategy and the recent introduction of mandatory medical insurance in Qatar expected to facilitate the continued organic growth
- 3 Consistent profitability and track record of delivering strong financial results**
Strong financial profile supported by an A3 credit rating from Moody's, a leading global credit rating agency
- 4 High customer retention rates, underpinned by outstanding service levels**
Lean and highly efficient operating model
- 5 Leader in digital transformation**
Successful history of introducing a broad range of highly demanded Takaful offerings using innovative distribution channels
- 6 Highly experienced management team, facilitating business growth**
Management team led by industry experts with a focus on creating additional shareholder value




Beema's comprehensive service offerings

Wide variety of insurance coverage offered through multiple distribution channels



Takaful insurance key features

H1 2023 Gross written contributions




Takaful & Health

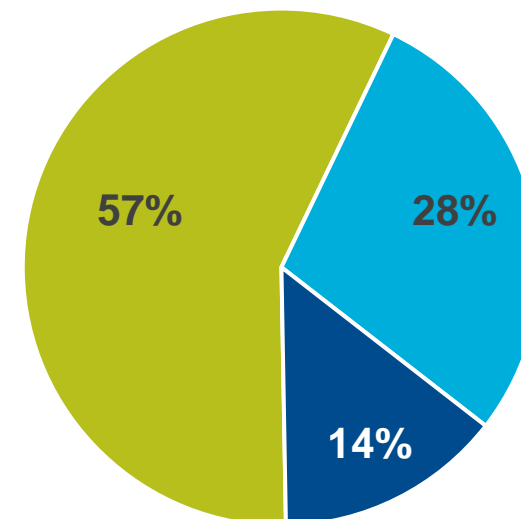
-  - **Group Credit Life**, Providing banks and other financial institutions protection against loan nonrepayment in the event of the borrower's death, disability or other causes
-  - **Group Medical**, Beema offers corporate clients comprehensive group health insurance with a wide coverage
-  - **Group Life**, Offering employer and/or dependents financial compensation in the event of death or illness. Available as small-scale family takaful insurance for non-corporate clients as well

Personal

-  - **Motor**, 3rd party liability meeting the minimum legal requirements, comprehensive car insurance offering a wider range of benefits
-  - **Travel**, Providing clients coverage of unexpected medical expenses, delays, cancellations, or loss of baggage

Property & Casualty

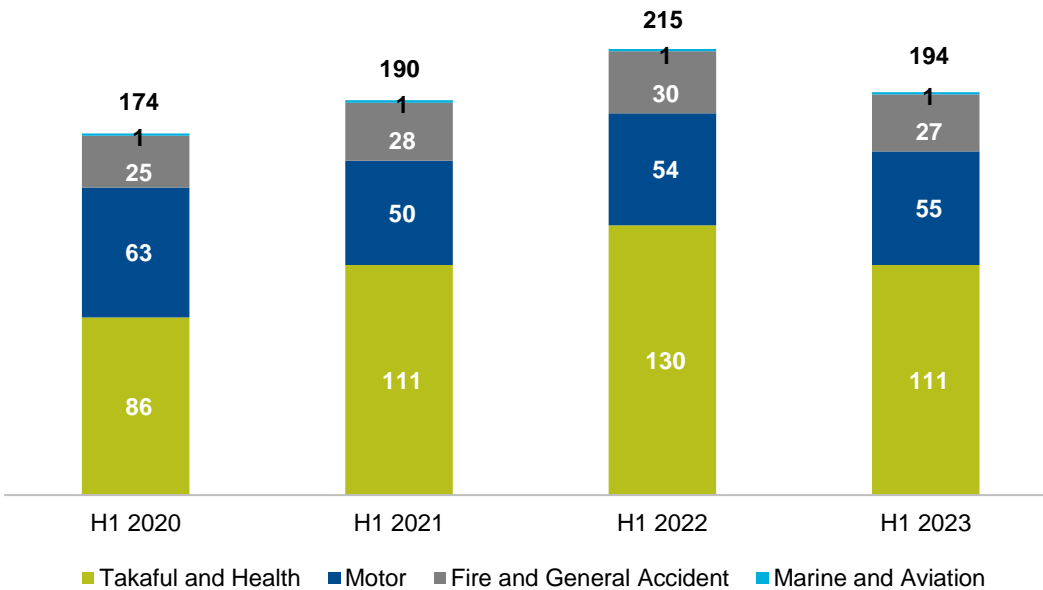
-  - **Property**, Coverage of corporate client's fixed assets, including building & machinery, operational inventory, and office equipment
-  - **3rd Party liability**, Professional indemnity insurance for businesses involved in professional services
-  - **Engineering**, Contractor's insurance with varying coverage, including any sudden or unforeseen physical loss or damage



Financial performance highlights (1/4)

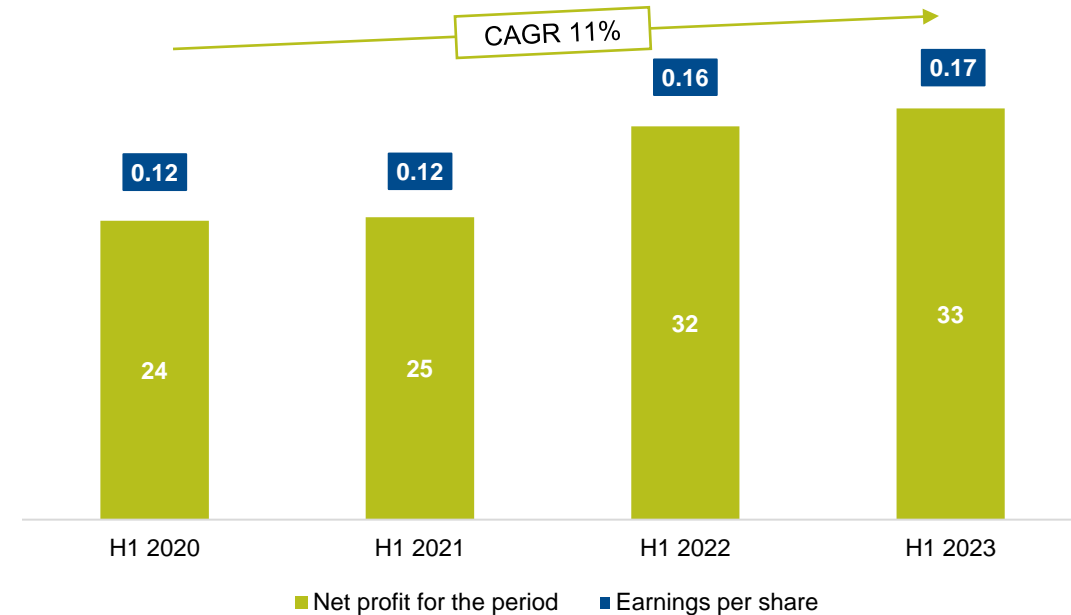
Maintaining an increase in Shareholders' net profit despite a slight decrease in Gross Written Contributions in H1 2023

Gross written contributions (QARm)



- Decrease in Gross Written Contributions in H1 2023 compared to the same period in 2022, primarily due to reduced Credit Life policy offtake at banks due to rapid increases in interest rates, as well as generally reduced economic activity following the FIFA 2022 World Cup

Shareholder's net profit (QARm) and earnings per share

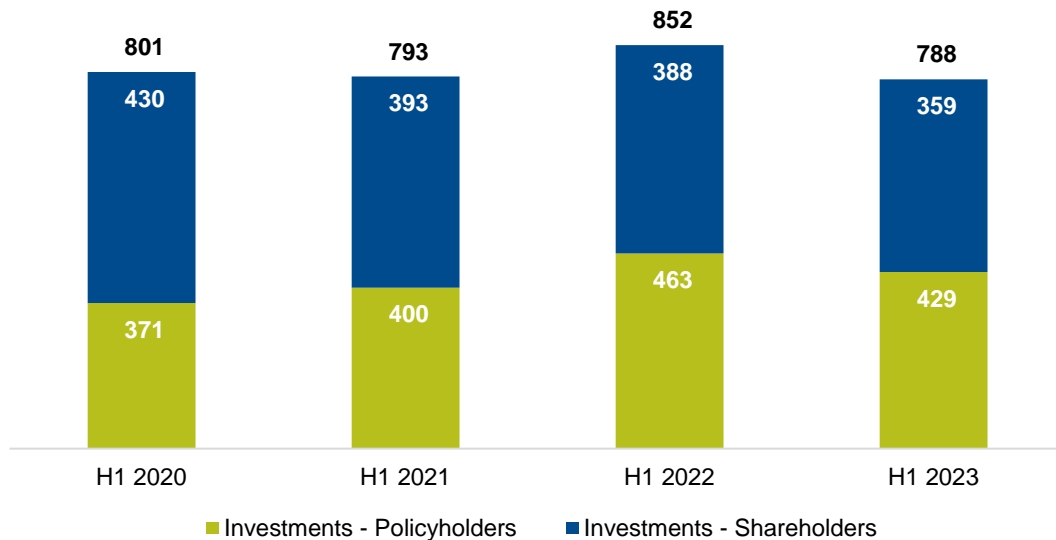


- QAR 33m Shareholders' Net Profit achieved in H1 2023, with consistent growth maintained at a CAGR of 11% between H1 2020 and H1 2023
- Corresponding increase in diluted EPS from QAR 0.12 to QAR 0.17 over the same period

Financial performance highlights (2/4)

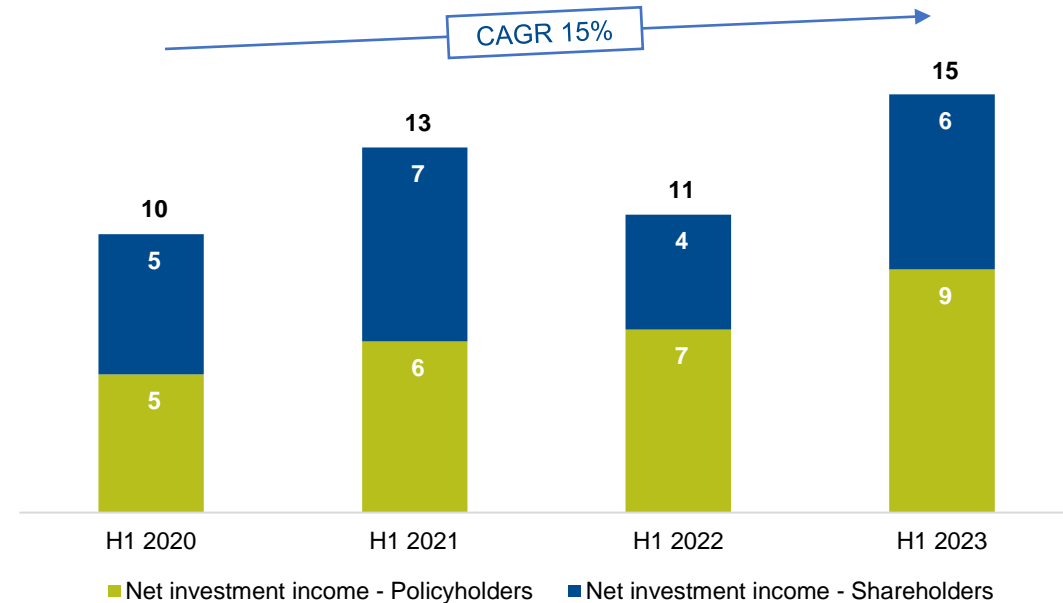
Despite a decrease in investments at fair value during challenging market conditions, Beema achieved an increase in net investment income during H1 2023

Investments at fair value (QARm)



- Moderate decrease of approximately 7.5% in investments held at fair value attributable to both shareholders and policyholders in H1 2023 compared to H1 2022

Net investment income (QARm)

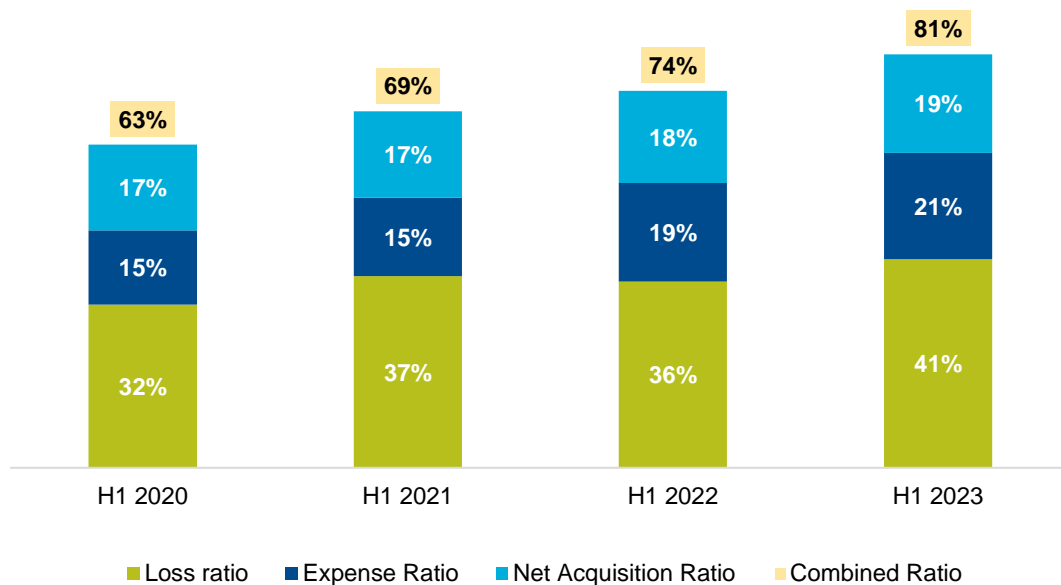


- 40.8% YoY growth of net investment income in H1 2023 compared with H1 2022 due to reduced leverage and reinvestment in higher-yielding securities
- Net investment income grew at a 15% CAGR between H1 2020 and H1 2023

Financial performance highlights (3/4)

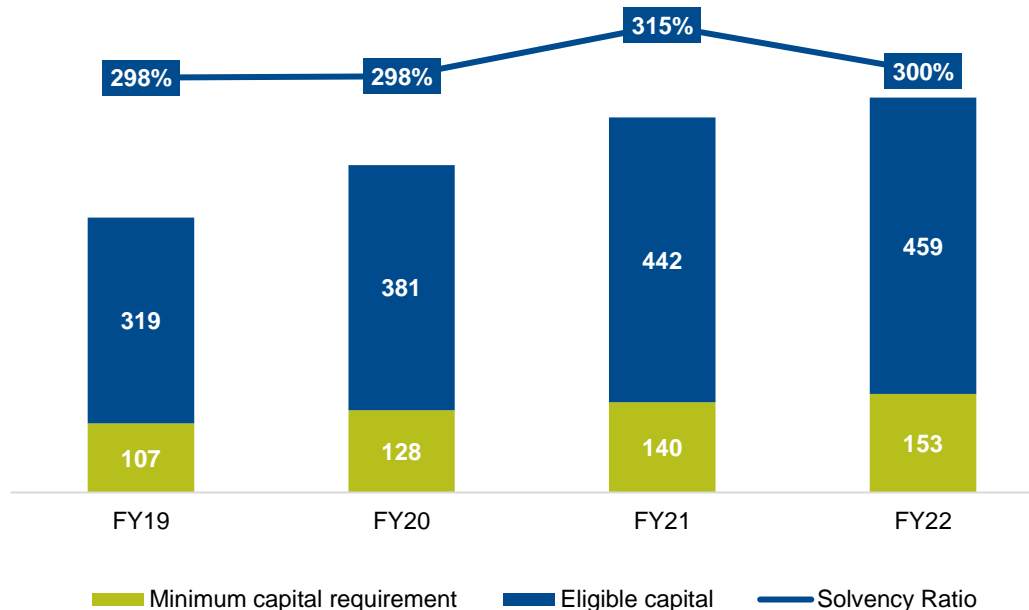
Slight increase in Combined Ratio due to increased claims paid in H1 2023

Loss, net acquisition and expense ratio



- Increase in the Combined Ratio to 81% mainly due to an increase in gross claims paid contributing to a higher Loss Ratio in H1 2023

Capital requirements and solvency ratio (QARm)

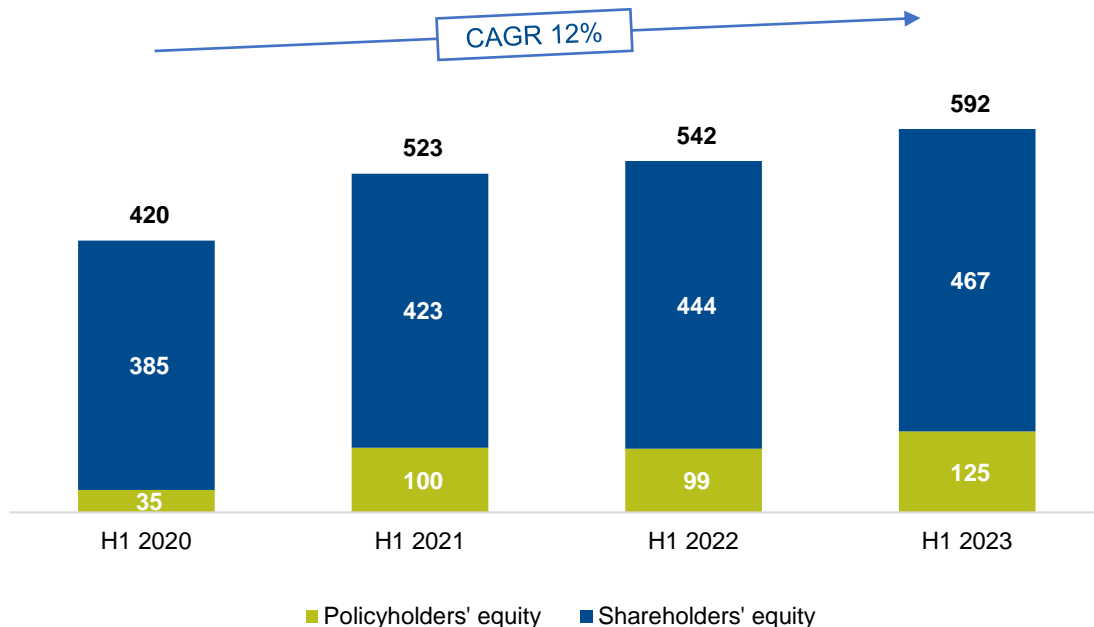


- Beema maintained a healthy solvency ratio of 300% as of FY 2022, with a steady increase in eligible capital contributing to the maintenance of strong solvency ratios over the FY19 – FY22 period

Financial performance highlights (4/4)

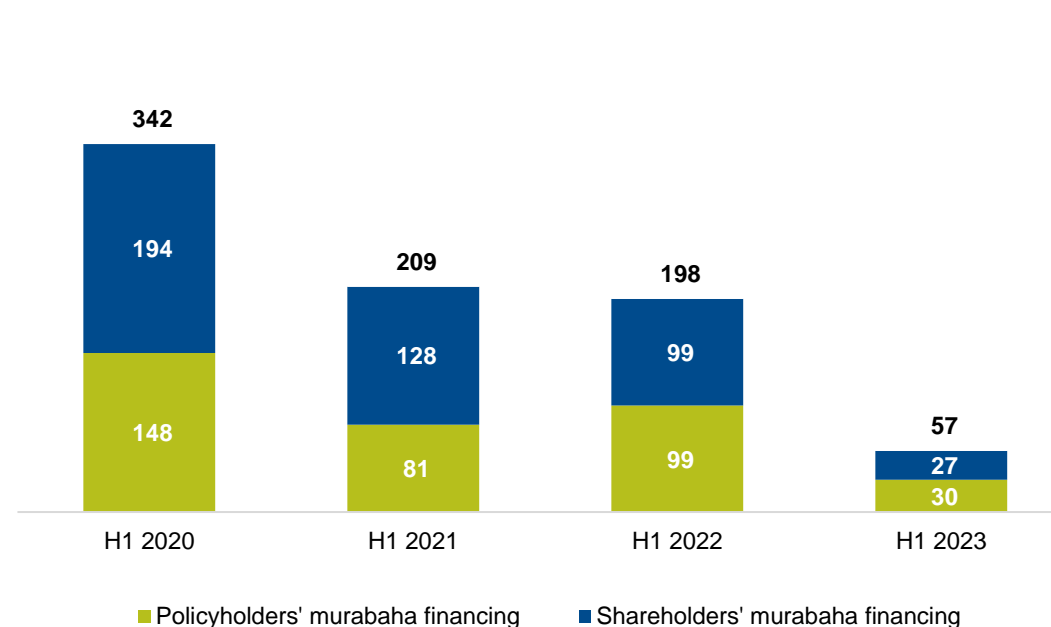
Increase in Policyholders' and Shareholders' equity with a significant reduction in debt liabilities

Increase in Policyholders' and Shareholder's equity (QARm)



- Policyholders' equity increased by approximately 26.8% in H1 2023 compared to H1 2022, while Shareholders' equity increased by approximately 5.2% over the same period
- Combined Policyholders' and Shareholder's equity grew at a combined 12% CAGR between H1 2020 and H1 2023

Significant reduction in Beema's debt exposure (QARm)



- Significant deleveraging was undertaken by Beema between H1 2022 and H1 2023, with the combined Murabaha financing attributable to Policyholders and Shareholders decreasing by 72%

Beema historical financial performance details

Key selected financial information highlights

Selected Income Statement Items (QAR '000)

	H1 2023	H1 2022	H1 2021
Policyholder's Income Statement			
Gross contributions	194,209	215,096	190,403
Surplus from Takaful operations	52,158	59,344	57,300
Total surplus for the year (period)	7,550	13,560	26,939
Shareholder's Income Statement			
Wakala fee	48,421	45,601	33,528
Mudarib share	5,183	3,881	2,430
Total income	61,031	55,916	44,729
Net profit to shareholders	33,342	31,909	24,520
Statement of Cashflows			
Operating cashflows	(164,672)	118,354	59,413
Investing cashflows	178,722	(61,410)	79,196
Financing cashflows	(219,588)	(7,169)	(108,211)
Cash & cash equivalents at the end of the period	73,279	209,282	152,171
Key ratios			
Loss ratio	40.7%	36.3%	37.3%
Expense ratio	20.7%	19.2%	15.3%
Acquisition ratio	19.3%	18.0%	16.8%
Combined ratio	80.6%	73.5%	69.5%

Selected Balance Sheet Items (QAR '000)

	H1 2023	H1 2022	H1 2021
Policyholder's Balance Sheet			
Investments at fair value through equity	417,404	451,866	384,917
Investments at fair value through income statement	11,383	11,453	14,822
Total policyholders' assets	828,876	941,172	792,776
Distributable surplus payable	62,819	60,087	53,414
Policyholders' equity & reserves	125,005	98,585	99,754
Shareholder's Balance Sheet			
Investments at fair value through equity	339,643	368,832	381,754
Investments at fair value through income statement	19,336	19,597	11,445
Total shareholders' assets	558,075	643,079	606,966
Share capital	200,000	200,000	200,000
Legal reserve	200,000	200,000	158,705
Retained earnings	81,349	55,292	54,840
Total shareholders' equity	466,504	443,590	423,222
Total policyholders' and shareholders' equity liabilities, surplus	1,386,950	1,584,251	1,399,741

Beema listing and shareholding information

Beema's shares began trading on the Qatar Stock Exchange on 16 January 2023

General information

Company name	Damaan Islamic Insurance Company "Beema"
QSE Ticker	BEMA
Shares outstanding	200 million shares outstanding
Market cap at listing	QAR 842 million

Key investor relations contacts

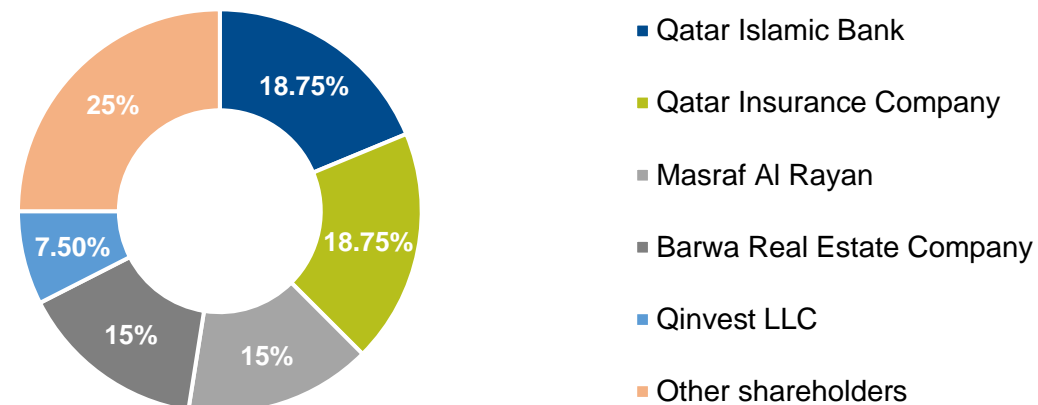
For all IR inquiries, please contact:

investorrelations@beema.com.qa

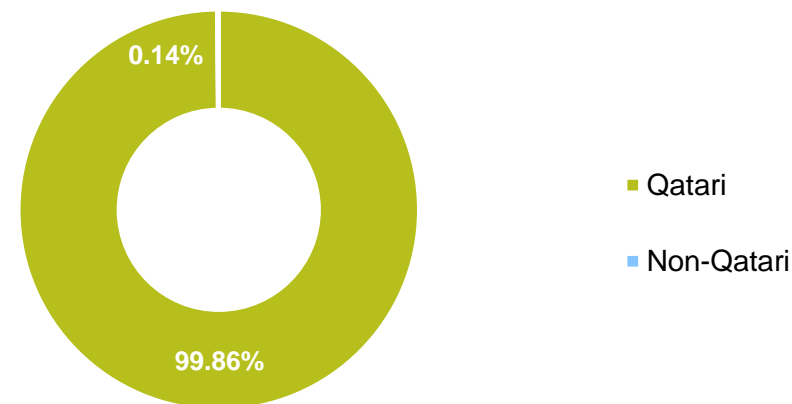
For more information, please visit our website:

www.beema.com.qa

Current shareholding structure



Breakdown of total investors by nationality (353 investors)



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