



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

Q3 2023 Financial Results Presentation

Q3 2023 key financial performance highlights

Enhanced shareholder value and reduced liabilities

- 1** **Increased shareholders' profit**

Increase in shareholders' net profit during the first 9 months of 2023 of 25.3% compared to the same period in 2022, reaching QAR 52.9 million in Q3 2023, and corresponding to Earnings Per Share ("EPS") of QAR 0.26
- 2** **Reduction in debt liabilities**

Significant decrease of Murabaha financing from QAR 203.8 million in Q3 2022 to QAR 24.1 million in Q3 2023 ⁽¹⁾
- 3** **Increase in net investment income**

Strong growth of 38.1% in the 9-months' net investment income from QAR 16.6 million as of Q3 2022 to QAR 22.9 million as of Q3 2023, due to reduced leverage and reinvestment in higher yielding securities ⁽²⁾
- 4** **Increase in total income to shareholders**

Increase of 17.5% in the 9-months' total income to shareholders from QAR 78.5 million in Q3 2022 to QAR 92.2 million in Q3 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

285m

9-Months' GWCs (QAR) as of Q3 2023

162m

9-Months' Takaful & Health GWCs (QAR) as of Q3 2023

83m

9-Months' Motor GWC (QAR) as of Q3 2023

14%

Q3 2020 – Q3 2023 CAGR 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

Q3 2023 Gross written contributions




Takaful & Health

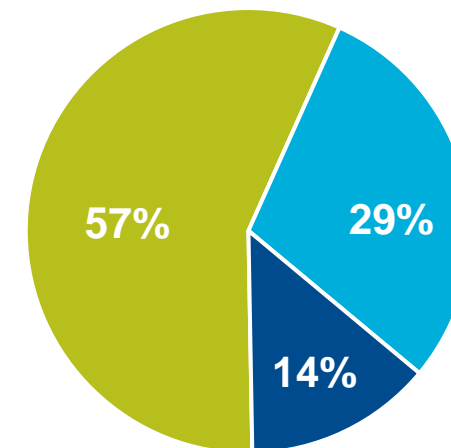
-  - **Group Credit Life**, Providing banks and other financial institutions protection against loan nonrepayment in the event of the borrower's death, disability or other causes
-  - **Group Medical**, Beema offers corporate clients comprehensive group health insurance with a wide coverage
-  - **Group 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

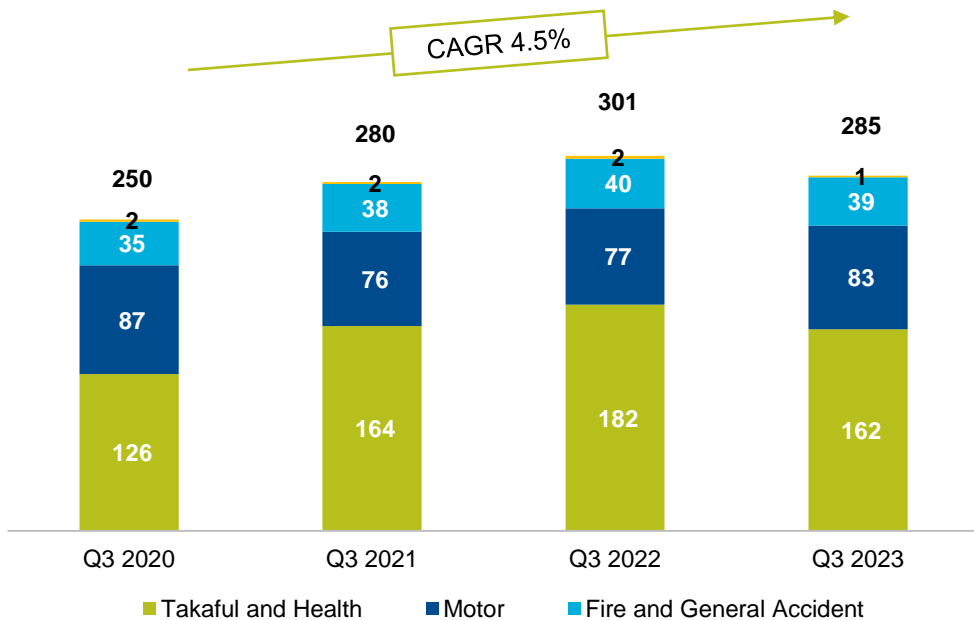


In Q3 2023, Beema commenced international underwriting on a facultative basis across the GCC in selective lines of businesses

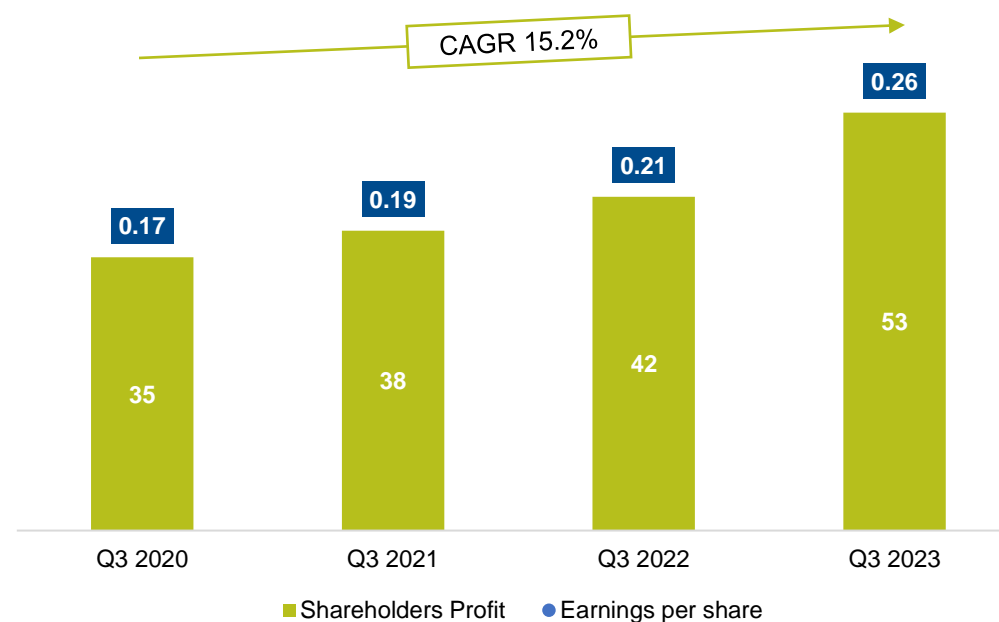
Financial performance highlights (1/4)

Maintaining a steady increase in Shareholders' net profit despite a slight decrease in Gross Written Contributions as of Q3 2023

9-Months' Gross written contributions (QARm)



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



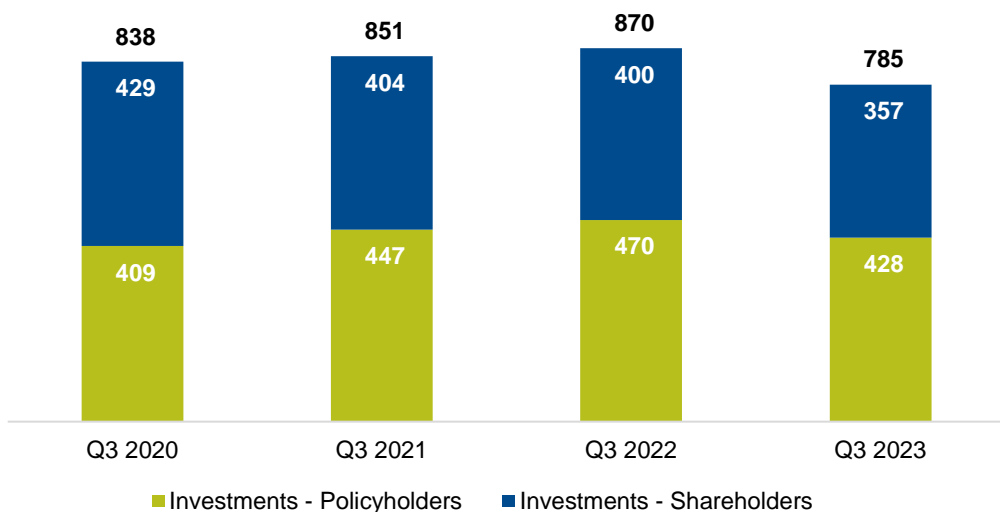
- Slight decrease in 9-months' Gross Written Contributions in Q3 2023 compared to the same period in 2022, mainly due to a decline in takaful and health underwriting (credit life). The decline is primarily due to reduced credit offtake at banks, which may be attributed to the rapid increase in interest rates and significantly reduced economic activity post FIFA 2022 World Cup

- QAR 53m Shareholders' Net Profit achieved during the first 9 months in Q3 2023, with consistent growth maintained at a CAGR of 15.2% between Q3 2020 and Q3 2023
- Corresponding increase in diluted EPS from QAR 0.17 to QAR 0.26 over the same period

Financial performance highlights (2/4)

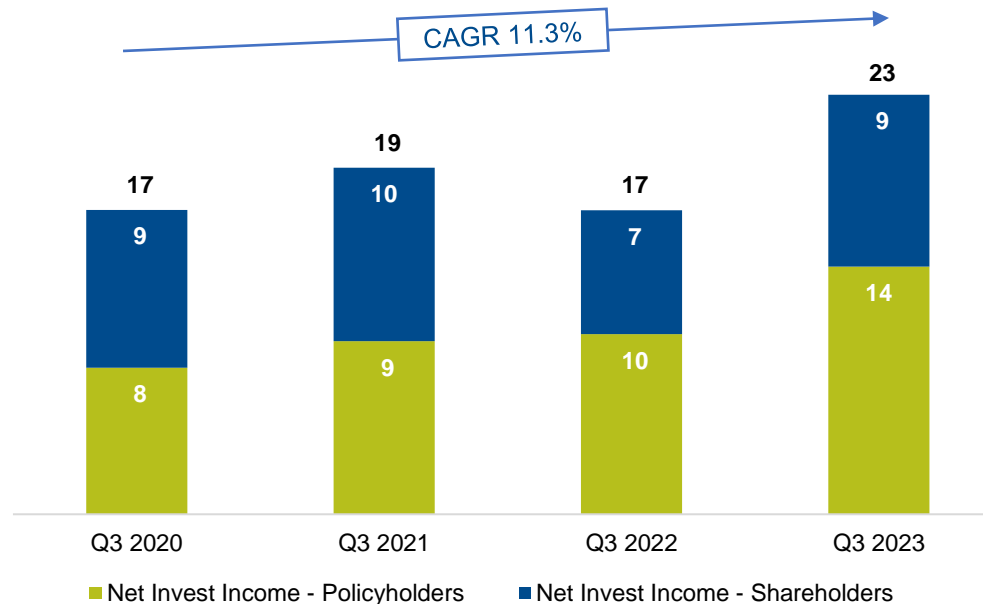
Increase in net investment income, due to reduced leverage and reinvestment in higher-yielding securities

Investments at fair value (QARm)



- Decrease of approximately 9.8% in investments held at fair value attributable to both shareholders and policyholders in Q3 2023 compared to Q3 2022, primarily due to redemptions as well as sale of investments to reduce Beema's leverage and reinvest in higher-yielding securities

Net investment income (QARm)

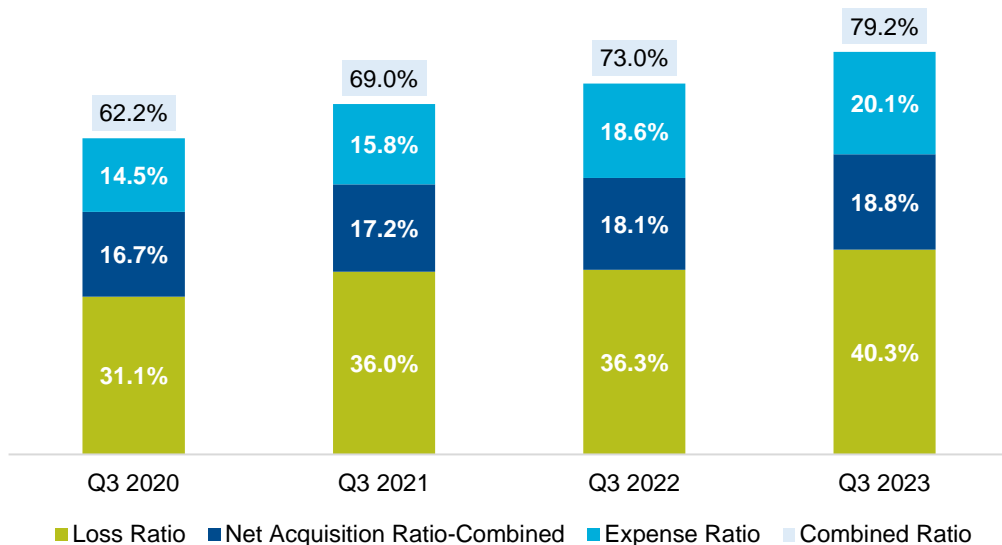


- 38.1% YoY growth in 9-months' net investment income in Q3 2023 compared with Q3 2022 due to reduced leverage and reinvestment in higher-yielding securities, including money market placements
- Net investment income grew at a 11.3% CAGR between Q3 2020 and Q3 2023

Financial performance highlights (3/4)

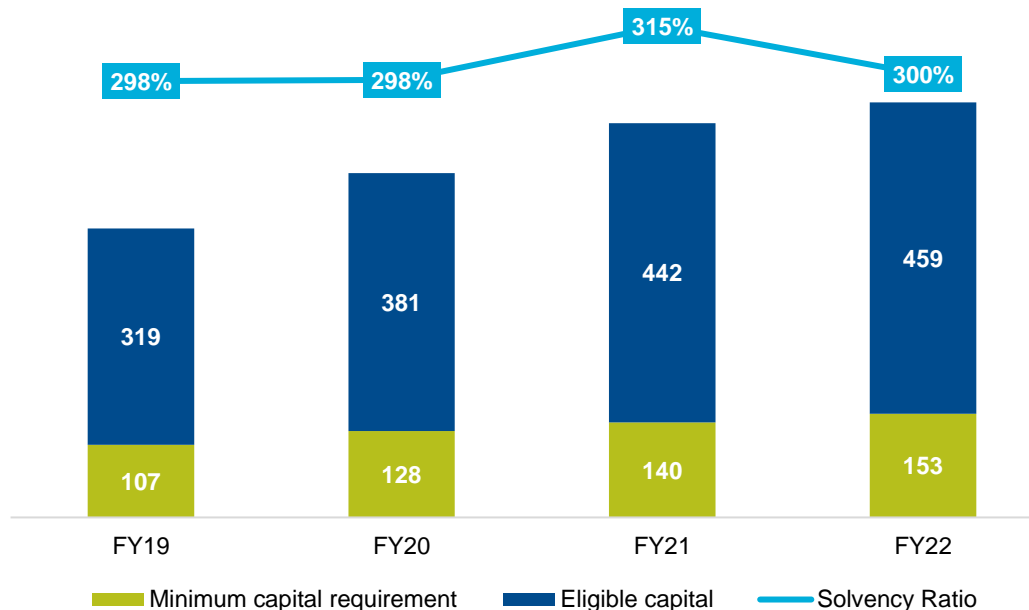
Maintaining a healthy Solvency Ratio of 300%

Loss, net acquisition and expense ratio



- Slight increase in the Combined Ratio to 79% mainly due to an increase in gross claims paid contributing to a higher Loss Ratio in Q3 2023 of 40%

Capital requirements and solvency ratio (QARm)

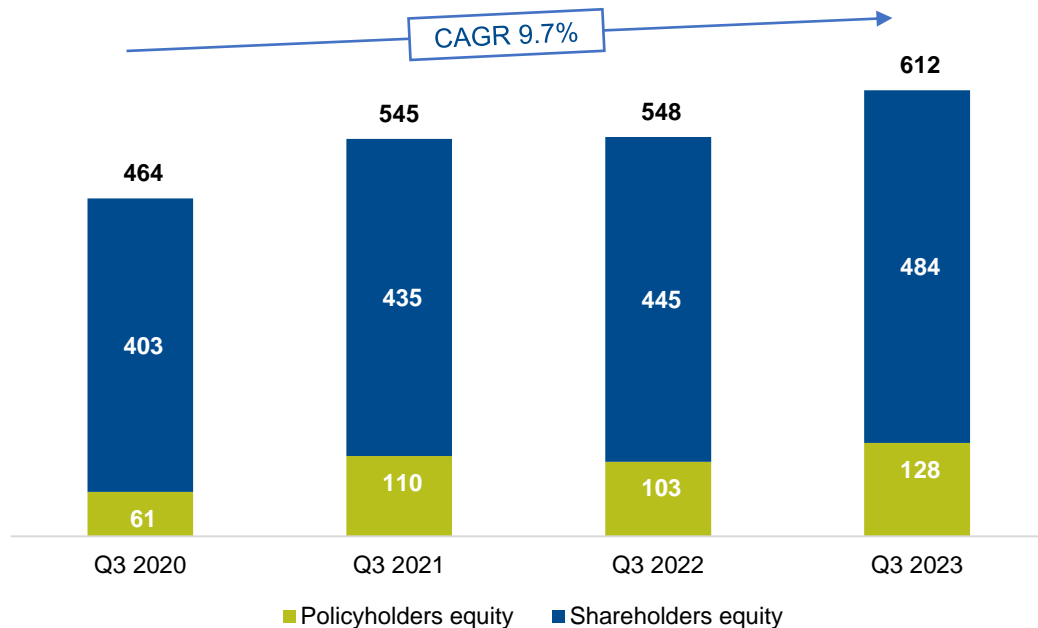


- Beema maintained a healthy solvency ratio of 300% as of FY 2022, with a steady increase in eligible capital contributing to the maintenance of strong solvency ratios over the FY19 – FY22 period

Financial performance highlights (4/4)

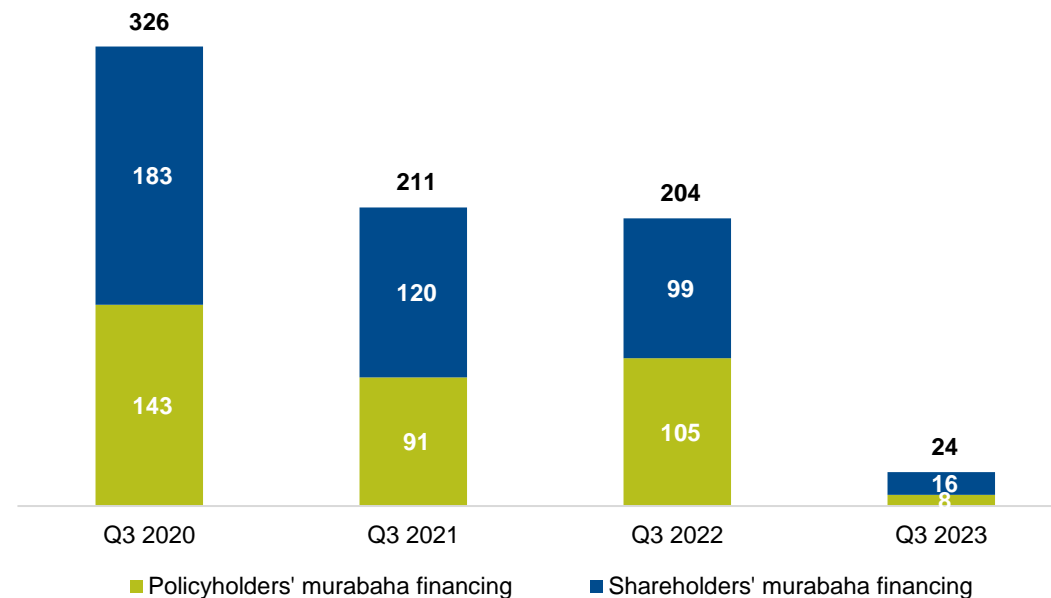
Increase in Policyholders' and Shareholders' equity with a significant reduction in debt liabilities

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



- Policyholders' equity increased by approximately 24.8% in Q3 2023 compared to Q3 2022, while Shareholders' equity increased by approximately 8.7% over the same period
- Combined Policyholders' and Shareholder's equity grew at a combined CAGR of 9.7% between Q3 2020 and Q3 2023

Significant reduction in Beema's debt exposure (QARm)



- Significant deleveraging was undertaken by Beema in line with prudent financial management between Q3 2022 and Q3 2023
- Accordingly, combined Murabaha financing attributable to Policyholders and Shareholders decreased by 88% in Q3 2023 compared to Q3 2022

Beema historical financial performance details

Key selected financial information highlights



Selected Income Statement Items (QAR '000)

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2023	2022	2023	2022
Policyholder's Income Statement				
Gross contributions	90,830	85,920	285,040	301,016
Surplus from Takaful operations	31,462	29,934	83,621	89,279
Total surplus for the year (period)	6,010	14,359	13,561	27,921
Shareholder's Income Statement				
Wakala fee	24,000	17,129	72,421	62,730
Mudarib share	3,392	2,007	8,575	5,888
Total income	31,182	22,594	92,214	78,510
Net profit to shareholders	19,584	10,343	52,926	42,849
Statement of Cashflows				
Operating cashflows			(145,290)	66,707
Investing cashflows			151,618	(93,685)
Financing cashflows			(252,386)	(1,673)
Cash & cash equivalents at the end of the period			32,759	130,856
Key ratios				
Loss ratio			40.3%	36.3%
Expense ratio			20.1%	18.6%
Acquisition ratio			18.8%	18.1%
Combined ratio			79.2%	73.0%

Selected Balance Sheet Items (QAR '000)

	As at 30 September		
	2023	2022	2021
Policyholder's Balance Sheet			
Investments at fair value through equity	416,621	458,171	423,989
Investments at fair value through income statement	11,406	11,515	23,043
Total policyholders' assets	823,702	898,499	841,347
Distributable surplus payable	62,212	59,769	52,540
Policyholders' equity & reserves	128,187	102,707	110,407
Shareholder's Balance Sheet			
Investments at fair value through equity	337,305	380,357	388,052
Investments at fair value through income statement	19,498	19,655	16,038
Total shareholders' assets	574,169	614,140	613,527
Share capital	200,000	200,000	200,000
Legal reserve	200,000	200,000	158,705
Retained earnings	100,933	65,635	68,283
Total shareholders' equity	484,121	445,371	435,195
Total policyholders' and shareholders' equity liabilities, surplus	1,397,870	1,512,639	1,454,874

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 as of 30 September 2023	QAR 752 million

Key investor relations contacts

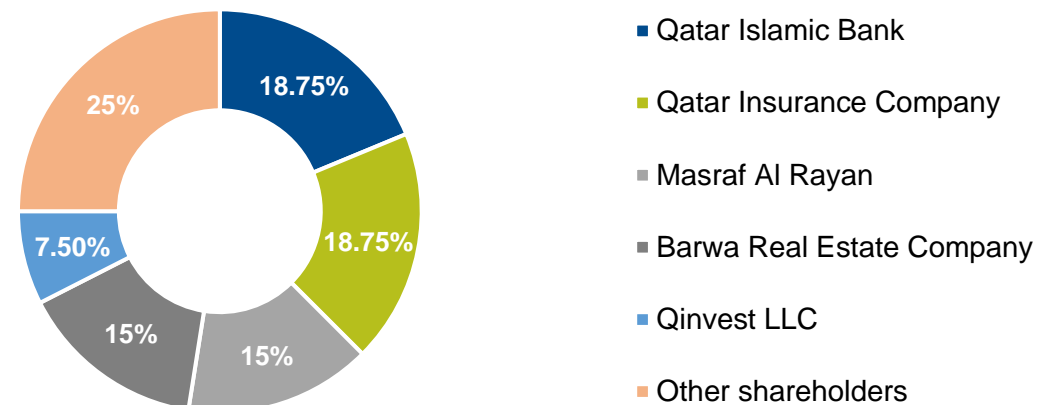
For all IR inquiries, please contact:

investorrelations@beema.com.qa

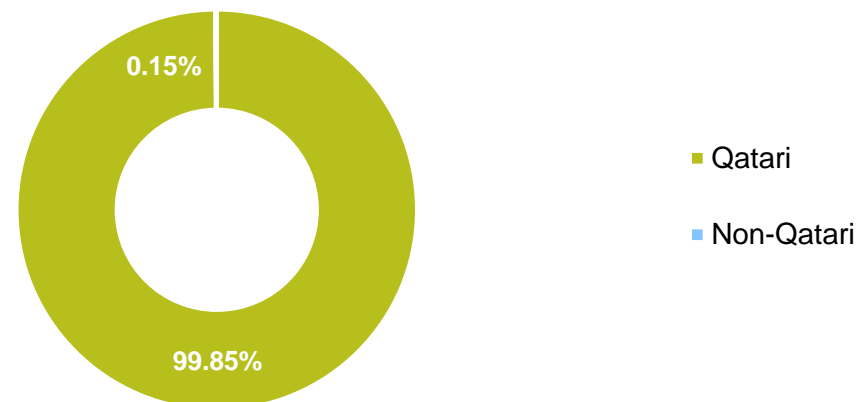
For more information, please visit our website:

www.beema.com.qa

Current shareholding structure



Breakdown of total investors by nationality (358 investors)



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