

# Walaa Cooperative Insurance Company

Investors Presentation  
For The Year Ended 2024

This communication has been prepared by Walaah Cooperative Insurance Co. the “Company”, solely for presentation/information purposes only, on the bases of best information available at the time of preparation of this communication. This communication contains statements that are, or may be deemed to be, forward looking statements. There is no obligation to update, modify or amend this communication or to otherwise notify you if information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate.

The information contained in this communication has not been reviewed, approved, or independently verified, by any independent Third Party, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information contained herein. In addition, as this communication is a summary only, it may not contain all material information and this communication in and of itself should not form the basis for any investment decision. Analysis contained herein may be based on assumptions that if altered can change the analysis expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency, rate or other market or economic measure. Furthermore, past performance is not necessarily indicative of future results. The Company disclaims liability for any loss arising out of or in connection with your use of, or reliance on, this communication.

This communication does not constitute an offer or invitation to purchase any share in the Company and neither it, nor any part of it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. You are strongly advised to seek your own independent advice in relation to any investment, financial, legal, tax, accounting or regulatory issues discussed herein. Any decision to purchase shares or other securities in the Company is the sole responsibility of the investors. These materials may not be published, distributed or transmitted and may not be reproduced in any manner whatsoever without the explicit consent of the Company.

## Walaah Cooperative Insurance Company's Social Media Accounts



*Dear Investors,*

We are conducting a short questionnaire for investors, we would greatly appreciate taking a few minutes to provide us with your valuable feedback.

<http://survey.walaah.com/s/investors-feedback/tt-ef0886>

*Website and related reports:*

- Walaah Website - <https://walaah.com/>
- Walaah ESG Reports - <https://walaah.com/SocialResponsibility>
- Walaah Investors Reports - <https://walaah.com/investor-relation>

*Contact Information:*

Johnson Varughese - Chief Executive Officer  
[johnson@walaah.com](mailto:johnson@walaah.com)

Mohannad Al-Desouki - Chief Financial Officer  
[mohannad.d@walaah.com](mailto:mohannad.d@walaah.com)

Roqayah Al Thawadi - Board Secretary  
[rogayah.althawadi@walaah.com](mailto:rogayah.althawadi@walaah.com)

Investor Relations  
[Isra.elahi@walaah.com](mailto:Isra.elahi@walaah.com)

Investors email:  
[Investors@walaah.com](mailto:Investors@walaah.com)

Financial Results

1

2

Company Profile

What is IFRS 17

3

# *Financial Results*





# Key Financial Indicators – For The Year Ended 2024

Key Financial and Operating Highlights - ("SAR")



# Performance Overview – For The Year Ended 2024

Key Financial and Operating Highlights - ("SAR")



<p>Gross Written Premium</p> <p>SAR <b>3,505</b> million   Increase <b>5%</b></p> <p>Last Year: SAR 3,346 million</p>	<p>Gross Claims Paid</p> <p>SAR <b>(1,417)</b> million   Increase <b>17%</b></p> <p>Last Year: SAR (1,209) million</p>	<p>Total Operation Expenses</p> <p>SAR <b>(257)</b> million   Increase <b>11%</b></p> <p>Last Year: SAR (231) million</p>	<p>Insurance Service Results</p> <p>SAR <b>(36)</b> million   Decreased</p> <p>Last Year: SAR 28 million</p>	<p>Investment Income</p> <p>SAR <b>140</b> million   Decrease <b>15%</b></p> <p>Last Year: SAR 165 million</p>
<p>Net SH Income</p> <p>SAR <b>64</b> million   Decreased <b>57%</b></p> <p>Last Year: SAR 148 million</p>	<p>Total Comprehensive Income</p> <p>SAR <b>95</b> million   Decreased <b>37%</b></p> <p>Last Year: SAR 152 million</p>	<p>Earning Per Share (EPS)</p> <p>SAR <b>0.62</b>   Decreased <b>57%</b></p> <p>Last Year: SAR 1.45</p>	<p>Retained Earnings</p> <p>SAR <b>118</b> million   Increase <b>78%</b></p> <p>Last Year: SAR 66 million</p>	<p>Shareholder's Equity</p> <p>SAR <b>1,832</b> million   Increase <b>7%</b>                      Excluding additional capital of SAR 460 million</p> <p>Last Year: SAR 1,272 million</p>
<p>Investment Yields %</p> <p>SAR <b>5.7%</b>   Decreased <b>1.5%</b></p> <p>Last Year: SAR 7.2%</p>	<p>Return on Opening Equity %</p> <p><b>5%</b>   Decreased <b>8%</b></p> <p>Last Year: 13%</p>	<p>Retention Ratio %</p> <p><b>53%</b>   Decreased <b>1%</b></p> <p>Last Year: 54%</p>	<p>Insurance Service Result Ratio %</p> <p><b>101%</b>   Increased <b>2%</b></p> <p>Last Year: 99%</p>	<p>Solvency Ratio %</p> <p><b>209%</b>   Increased <b>37%</b></p> <p>Last Year: 172%</p>

# Income Statement By LOB – FY 2024

Actual 2024 vs. Actual 2023 - SAR “million”



INCOME STATEMENT - IFRS 17	FY 2024								FY 2023								Current Year Vs. Previous
	Motor	Medical	P&C	P&S	Unallocated	Total PH	Total SH	Total	Motor	Medical	P&C	P&S	Unallocated	Total PH	Total SH	Total	Total
<b>Gross Written Premium</b>	684	515	2,027	277	-	<b>3,505</b>	-	<b>3,505</b>	795	680	1,587	284	-	<b>3,346</b>	-	<b>3,346</b>	<b>5%</b>
Insurance revenue	766	617	1,748	214	-	<b>3,345</b>	-	<b>3,345</b>	513	668	1,480	227	-	2,888	-	2,888	<b>16%</b>
<i>There in: Expected Credit Loss</i>	(1)	(3)	(3)	(0)	-	(7)	-	(7)	0	6	10	(3)	-	13	-	13	<b>NA</b>
Insurance service expenses	(800)	(684)	(319)	(185)	-	<b>(1,989)</b>	-	<b>(1,989)</b>	(527)	(726)	(259)	(167)	-	(1,679)	-	(1,679)	<b>18%</b>
<i>There in: Attributable G&amp;A</i>	(77)	(56)	(72)	(18)	-	(222)	-	(222)	(69)	(49)	(60)	(16)	-	(194)	-	(194)	<b>14%</b>
<b>Insurance service result before reinsurance contracts held</b>	(35)	(67)	1,429	29	-	<b>1,356</b>	-	<b>1,356</b>	(14)	(58)	1,222	59	-	<b>1,208</b>	-	<b>1,208</b>	<b>12%</b>
Allocation of reinsurance premiums	(1)	(2)	(1,543)	(27)	-	<b>(1,574)</b>	-	<b>(1,574)</b>	(2)	(3)	(1,253)	(64)	-	(1,322)	-	(1,322)	<b>19%</b>
Amounts recoverable from reinsurers	(2)	3	179	2	-	<b>182</b>	-	<b>182</b>	8	4	99	31	-	141	-	141	<b>29%</b>
<b>Net expense from reinsurance contracts held</b>	(3)	1	(1,364)	(25)	-	<b>(1,392)</b>	-	<b>(1,392)</b>	6	1	(1,154)	(33)	-	<b>(1,180)</b>	-	<b>(1,180)</b>	<b>18%</b>
<b>Insurance service result</b>	(38)	(67)	65	4	-	<b>(36)</b>	-	<b>(36)</b>	(9)	(58)	68	26	-	<b>28</b>	-	<b>28</b>	<b>NA</b>
Net investment income	-	-	-	-	51	<b>51</b>	<b>88</b>	<b>140</b>	-	-	-	-	40	40	125	165	<b>-15%</b>
Finance (expenses)/Income from insurance contracts issued	(2)	(3)	(2)	(2)	-	<b>(9)</b>	-	<b>(9)</b>	(1)	(1)	(1)	(2)	-	(4)	-	(4)	<b>97%</b>
<b>Net insurance and investment result</b>	(40)	(70)	63	2	51	<b>7</b>	<b>88</b>	<b>95</b>	(9)	(58)	67	25	40	<b>64</b>	<b>125</b>	<b>189</b>	<b>-50%</b>
Other income	-	-	-	-	3	<b>3</b>	<b>20</b>	<b>23</b>	-	-	-	-	7	7	4	11	<b>&gt;100%</b>
Other operating expenses (G&A)	-	-	-	-	(20)	<b>(20)</b>	<b>(15)</b>	<b>(35)</b>	-	-	-	-	(14)	(14)	(23)	(37)	<b>-5%</b>
<b>Net Income / (loss) before zakat &amp; tax</b>	(40)	(70)	63	2	34	<b>(11)</b>	<b>94</b>	<b>83</b>	(9)	(58)	67	25	33	<b>57</b>	<b>106</b>	<b>163</b>	<b>-49%</b>
Profit / (loss) transferred to Shareholders	-	-	-	-	-	<b>11</b>	<b>(11)</b>	-	-	-	-	-	-	(57)	57	-	
Provision for zakat & tax	-	-	-	-	-	-	<b>(19)</b>	<b>(19)</b>	-	-	-	-	-	-	(15)	(15)	<b>25%</b>
<b>Net Income / (loss) after zakat &amp; tax</b>	-	-	-	-	-	-	<b>64</b>	<b>64</b>	-	-	-	-	-	-	<b>148</b>	<b>148</b>	<b>-57%</b>
Re-measurement loss on end of service benefits (EOSB)	-	-	-	-	-	-	<b>(4)</b>	<b>(4)</b>	-	-	-	-	-	-	(3)	(3)	<b>21%</b>
Net changes in fair value of investments measured at fair value through other comprehensive income (FVOCI)	-	-	-	-	-	-	<b>35</b>	<b>35</b>	-	-	-	-	-	-	8	8	<b>&gt;100%</b>
<b>Total comprehensive income</b>	-	-	-	-	-	-	<b>95</b>	<b>95</b>	-	-	-	-	-	-	<b>152</b>	<b>152</b>	<b>-37%</b>
Net investment income (Attributed by LOB)	23	13	14	2	-	<b>51</b>	-	<b>51</b>	14	12	11	3	-	<b>40</b>	-	<b>40</b>	<b>28%</b>
<b>Net insurance and investment result After Attribution</b>	(17)	(57)	<b>77</b>	<b>4</b>	-	<b>7</b>	-	<b>7</b>	<b>5</b>	<b>(46)</b>	<b>78</b>	<b>28</b>	-	<b>64</b>	-	<b>64</b>	<b>-90%</b>
<b>Insurance Service Result Ratio</b>	105%	111%	96%	98%	0%	101%	0%	<b>101%</b>	102%	109%	95%	88%	0%	99%	0%	<b>99%</b>	
<b>Retention Ratio (Allocation of RI Premium /Insurance Rev</b>	100%	100%	12%	87%	-	53%	-	<b>53%</b>	100%	100%	15%	72%	-	54%	-	<b>54%</b>	
<b>Opening Equity</b>								<b>1,268</b>								<b>1,116</b>	
<b>Return on Equity</b>								<b>5%</b>								<b>13%</b>	

Presenting LOB insurance performance after allocating Policyholder’s investments to each line.



# IFRS 17 Balance Sheet – Assets – FY 2024

SAR “million”



Balance Sheet	FY 2024				FY 2023		
	Actuals			Budget	Actuals		
Assets	PH	SH	Total	Total	PH	SH	Total
Cash and cash equivalents	653	309	962	1,871	504	9	512
Short term deposits	247	50	297	582	372	62	433
Long term deposits	410	-	410	-	262	96	358
Insurance contract assets	-	-	-	-	-	-	-
Reinsurance contract assets	741	-	741	1,343	790	-	790
Financial assets for unit linked contracts	536	-	536	598	543	-	543
Investments	142	1,247	1,389	1,520	141	975	1,117
Due to / from SH	2	-	2	-	30	-	30
Prepaid expenses and other assets	80	6	86	-	53	0	53
Property and equipment, net	15	35	51	32	15	16	31
Intangible assets	39	77	116	73	38	83	122
Right of use assets, net	23	-	23	24	4	-	4
Statutory deposit	-	128	128	128	-	85	85
Accrued income on statutory deposit	-	0	0	-	-	4	4
Goodwill	-	24	24	24	-	24	24
<b>Total Assets</b>	<b>2,889</b>	<b>1,877</b>	<b>4,766</b>	<b>6,194</b>	<b>2,753</b>	<b>1,355</b>	<b>4,107</b>

# IFRS 17 Balance Sheet – Liabilities & Equities – FY 2024

SAR “million”



Balance Sheet	FY 2024				FY 2023		
	Actuals			Budget	Actuals		
	PH	SH	Total	Total	PH	SH	Total
<b>Liabilities</b>							
Insurance contract liabilities	2,674	-	2,674	3,590	2,555	-	2,555
Reinsurance contract liabilities	3	-	3	-	-	-	-
Accrued Income payable to SAMA	-	0	0	18	-	4	4
Accrued expenses and other liabilities	160	0	160	593	166	2	168
Lease Liabilities	22	-	22	20	3	-	3
Provision for end-of-service benefits (EOSB)	38	1	38	28	33	1	33
Provision for zakat and income tax	-	43	43	99	-	46	46
Due to shareholders/PH	-	2	2	-	-	30	30
<b>TOTAL LIABILITIES</b>	<b>2,896</b>	<b>46</b>	<b>2,942</b>	<b>4,348</b>	<b>2,756</b>	<b>83</b>	<b>2,839</b>
<b>Equity</b>							
Share capital	-	1,276	1,276	1,276	-	851	851
Share Premium	-	228	228	201	-	193	193
Statutory reserve	-	93	93	102	-	80	80
Retained earnings	-	118	118	193	-	66	66
Fair value reserve for investments	-	117	117	74	-	82	82
Re-measurement EOSB obligations	(8)	-	(8)	-	(3)	-	(3)
<b>TOTAL EQUITY</b>	<b>(7.6)</b>	<b>1,832</b>	<b>1,824</b>	<b>1,846</b>	<b>(3.3)</b>	<b>1,272</b>	<b>1,268</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,889</b>	<b>1,877</b>	<b>4,766</b>	<b>6,194</b>	<b>2,753</b>	<b>1,355</b>	<b>4,107</b>

# Investment Income

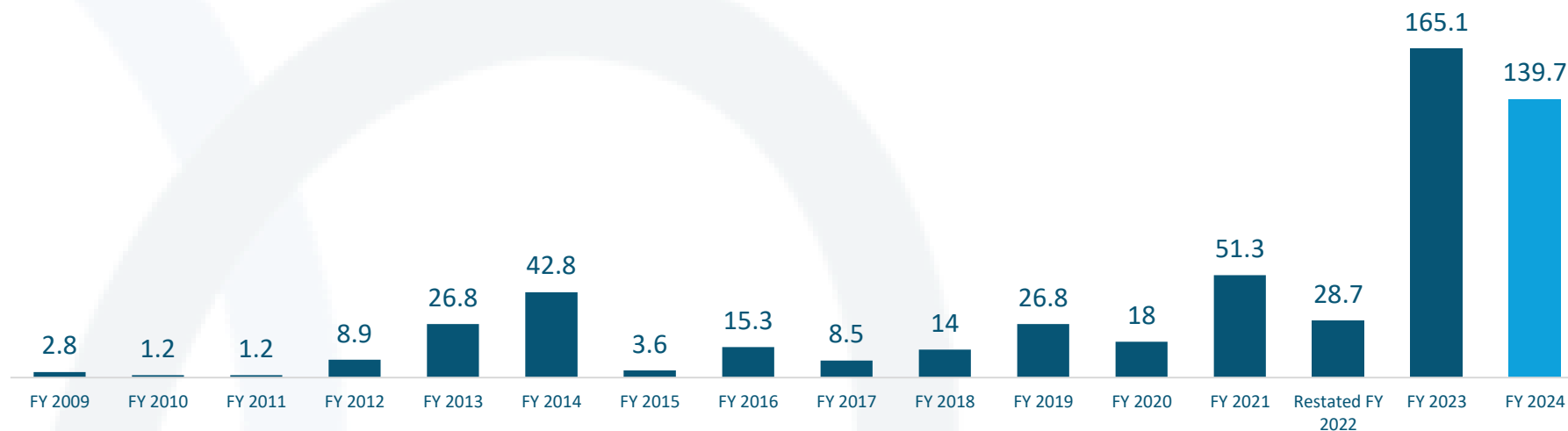
Policyholders & Shareholders – SAR “million”



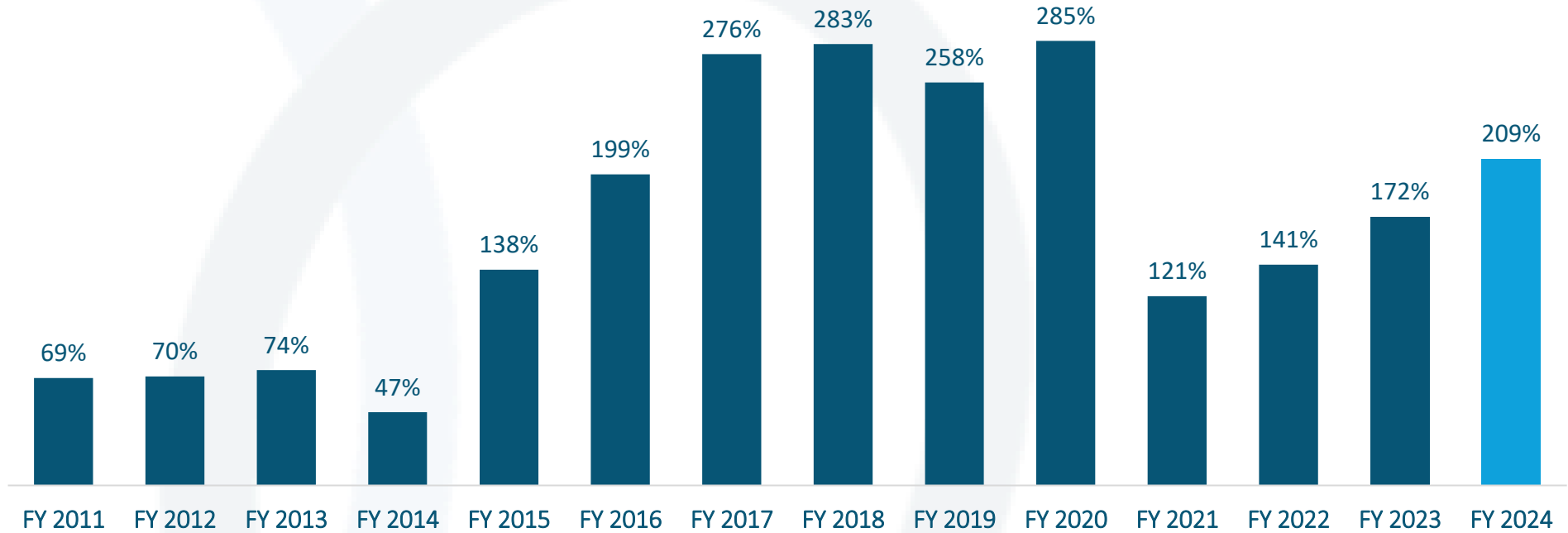
## Note:

\*\* Restated as per IFRS 9 implementation From OCI to P&L

\*\*\* Bargain Purchase Gain from acquiring SABB Takaful.



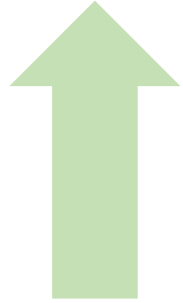
Investment Income	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Restated FY 2022	FY 2023	FY 2024	Variance
Policyholder's Investment Income (PH)	-	0.2	0.4	0.8	0.4	0.1	0.0	6.3	8.9	9.5	10.4	2.8	10.4	13.0	40.2	51.4	11.2
Shareholder's Investment Income (SH)	2.8	0.9	0.8	8.1	26.4	42.7	3.6	8.9	(0.4)	4.5	16.4	15.2	40.9	15.7	124.9	88.4	(36.5)
<b>Total Investment Income</b>	<b>2.8</b>	<b>1.2</b>	<b>1.2</b>	<b>8.9</b>	<b>26.8</b>	<b>42.8</b>	<b>3.6</b>	<b>15.3</b>	<b>8.5</b>	<b>14.0</b>	<b>26.8</b>	<b>18.0</b>	<b>51.3</b>	<b>28.7</b>	<b>165.1</b>	<b>139.7</b>	<b>(25.4)</b>
Net change in fair value (AFS)	0.1	4.8	1.7	4.6	10.0	(34.7)	(15.6)	4.5	1.7	13.9	21.1	3.8	16.5	-	-	-	-
<b>Grand Total Investments Income</b>	<b>2.9</b>	<b>6.0</b>	<b>2.9</b>	<b>13.6</b>	<b>36.8</b>	<b>8.1</b>	<b>(11.9)</b>	<b>19.8</b>	<b>10.3</b>	<b>27.9</b>	<b>47.9</b>	<b>21.8</b>	<b>67.8</b>	<b>28.7</b>	<b>165.1</b>	<b>139.7</b>	<b>(25.4)</b>
Investments Returns on shareholder's Equity	1.9%	4.0%	1.8%	7.7%	17.8%	4.8%	-3.7%	4.5%	1.8%	4.2%	7.2%	2.4%	8.4%	2.6%	14.8%	11.0%	-
Investments Gains on Investments (Cash + Invested)	1.5%	2.7%	1.1%	5.8%	12.5%	2.2%	-1.8%	2.0%	0.8%	2.2%	5.3%	1.5%	4.8%	1.5%	6.9%	4.8%	-
***Bargain Purchase Gain/Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	49.7	-	-	-
<b>Grand Total Investments Gains</b>	<b>2.9</b>	<b>6.0</b>	<b>2.9</b>	<b>13.6</b>	<b>36.8</b>	<b>8.1</b>	<b>(11.9)</b>	<b>19.8</b>	<b>10.3</b>	<b>27.9</b>	<b>47.8</b>	<b>21.8</b>	<b>67.8</b>	<b>78.4</b>	<b>165.1</b>	<b>139.7</b>	<b>(25.4)</b>
Capital Gain from Selling the Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.0	20.0



Solvency														
(SAR m)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Net Admissible Assets	137	140	148	94	276	398	552	565	516	679	539	650	913	1,246
Required Margin	200	200	200	200	200	200	200	200	200	239	445	460	531	596
Solvency Margin Excess/(Deficiency)	(63)	(60)	(52)	(106)	76	198	352	365	316	440	94	190	382	650
Solvency %	69%	70%	74%	47%	138%	199%	276%	283%	258%	285%	121%	141%	172%	209%

# Gross Written Premium (GWP)

By Line of Business – SAR “million”



**INCREASE** in Gross Written Premium (GWP) BY:

**158**

SAR Million

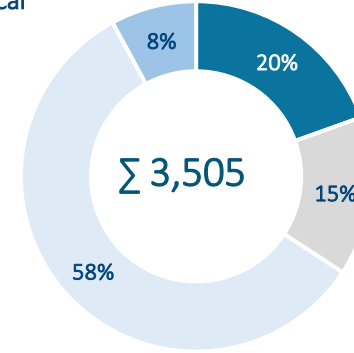
**5**

%

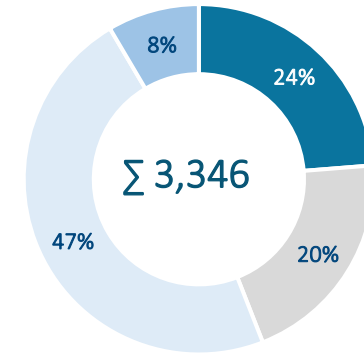
in comparison with FY 2023.

- Motor
- Medical
- P&C
- P&S

FY 2024



FY 2023

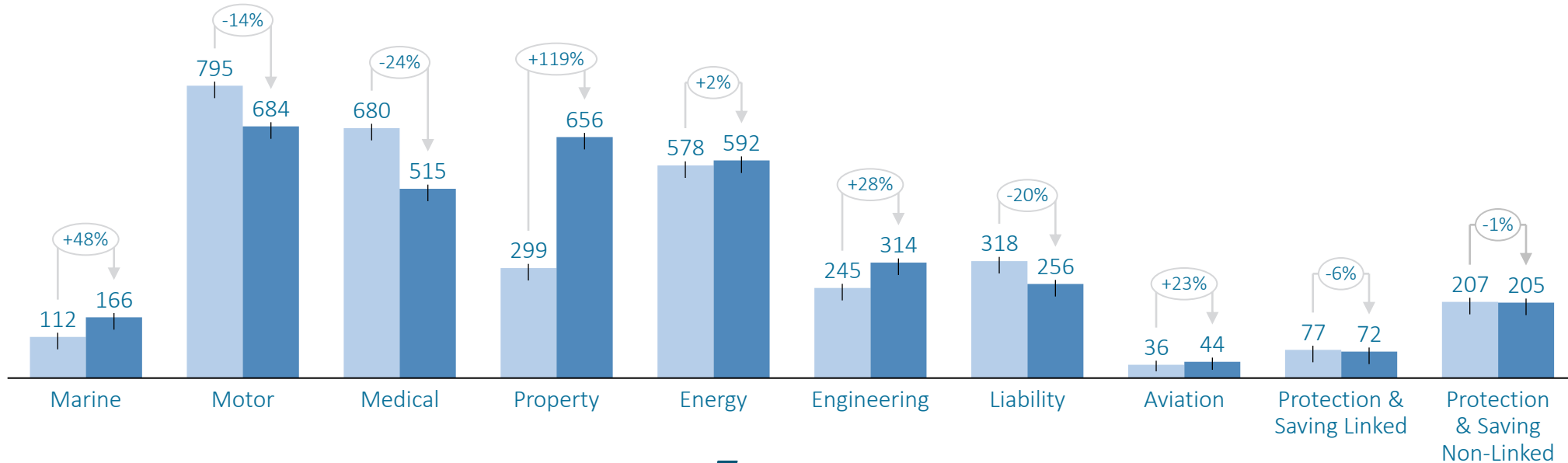


FY 2023

FY 2024

**Note:**

Increase in P&C GWP is due to writing new business with Madden SAR 327 million



Σ (344)  
Σ 502



54



(110)



(165)



357



14



69



(62)



8



(5)

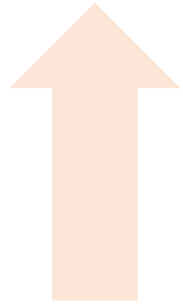


(2)



# Gross Claims Paid

By Line of Business – SAR “million”



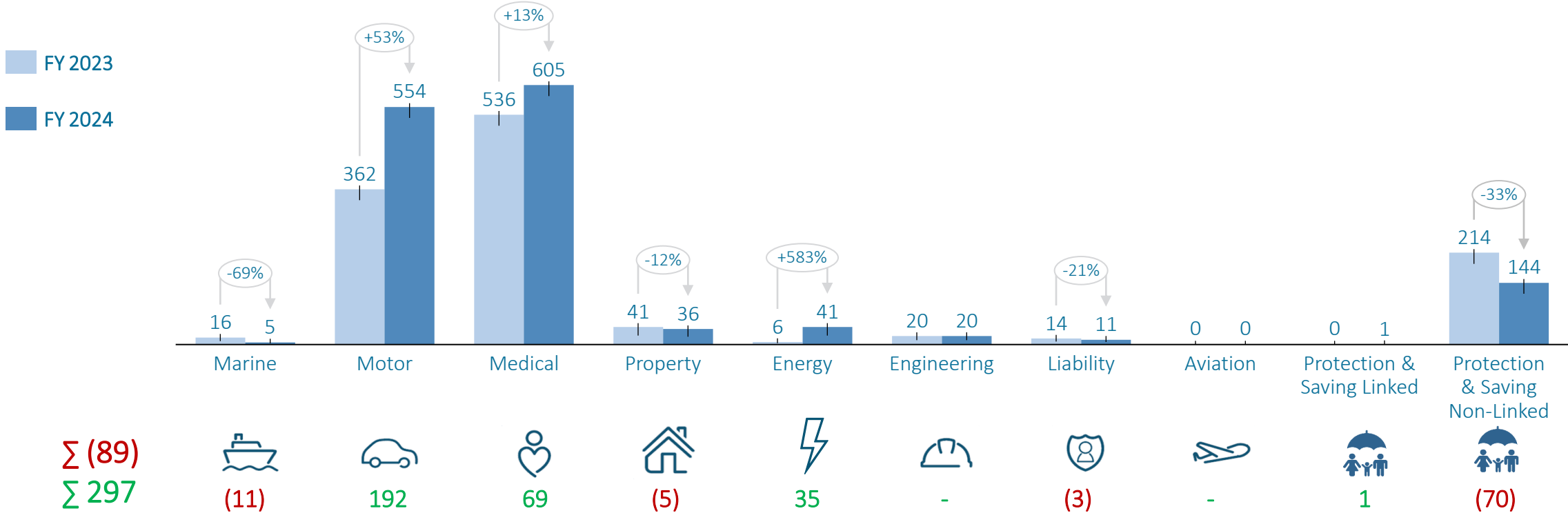
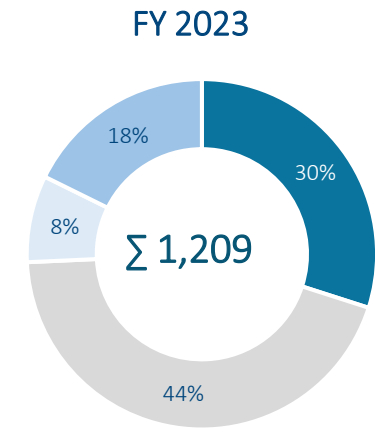
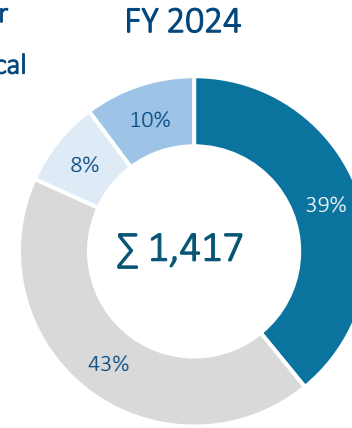
**INCREASE** in Gross Claims Paid BY:

**208**      **17**

SAR Million      %

in comparison with FY 2023.

- Motor
- Medical
- P&C
- P&S



Σ (89)  
Σ 297

# Insurance Service Results

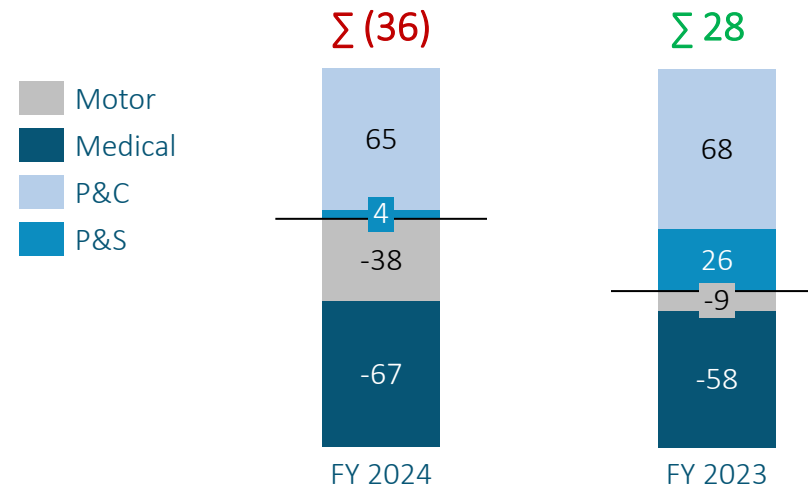
By Line of Business – SAR “million”

Decrease in Insurance Service Results BY:

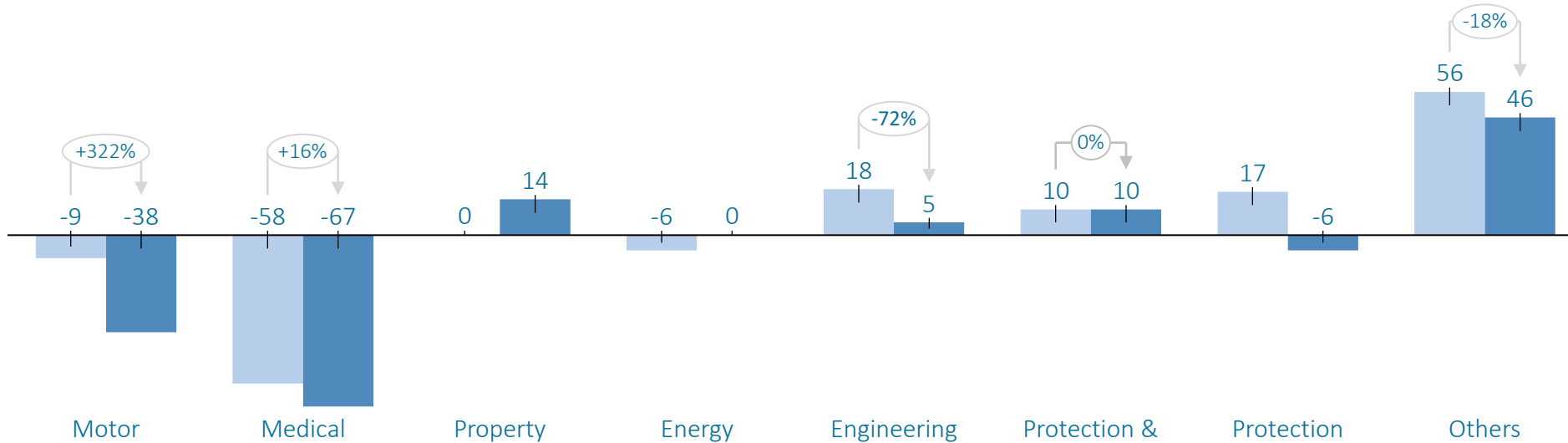
**64**

SAR Million

in comparison with FY 2023.



FY 2023  
FY 2024



Σ (84)  
Σ 20

(29)

(9)

14

6

(13)

-

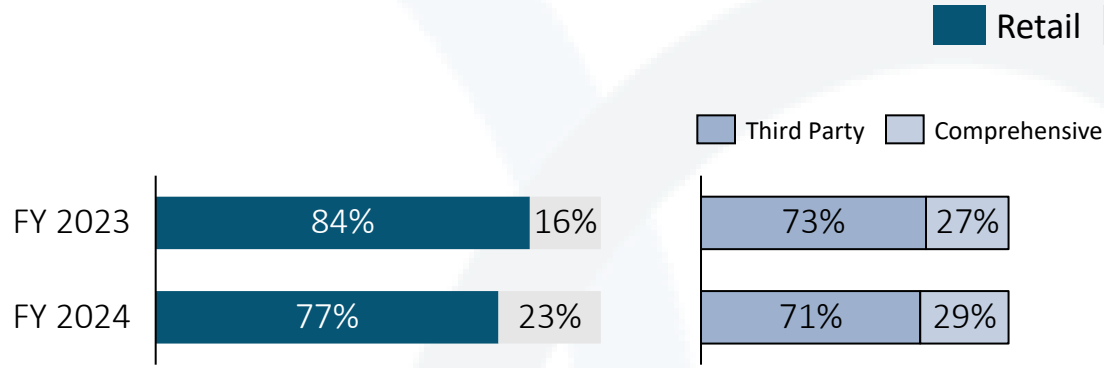
(23)

(10)

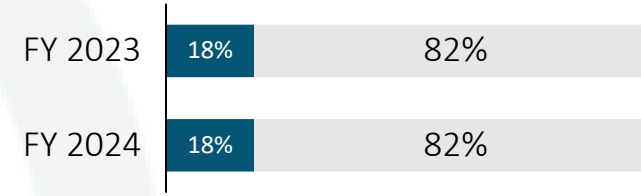
# GWP Analysis

Line of Business - FY 2024 vs FY 2023, SAR "million"

## Motor



## Medical

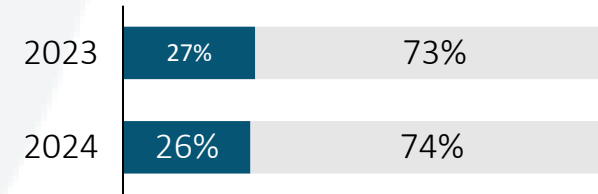


## Property & Casualty



*Note: Retail production under P&C are related to Travel, Medical Malpractice, and Workman compensation.*

## Protection & Savings



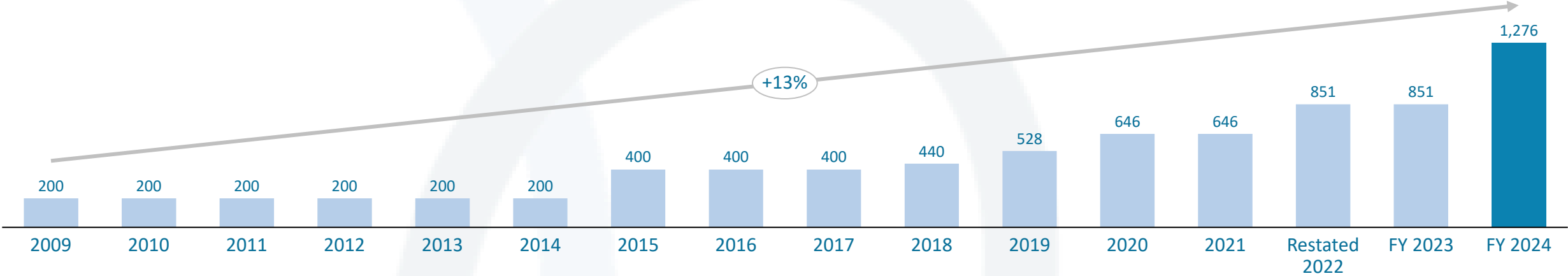
*Note: Retail production under P&S are related to Individual life.*

# Capital Analysis - Total

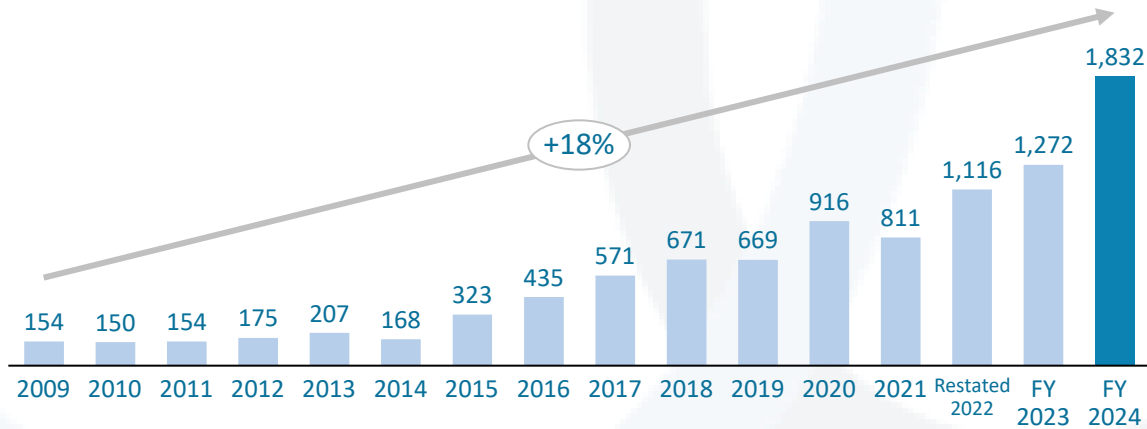
## Key Financial and Operating Highlights



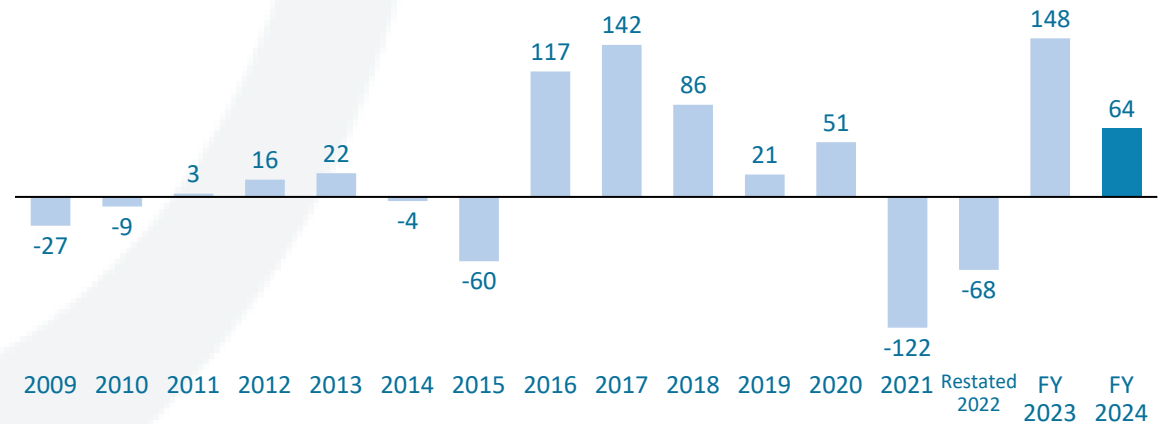
### Capital



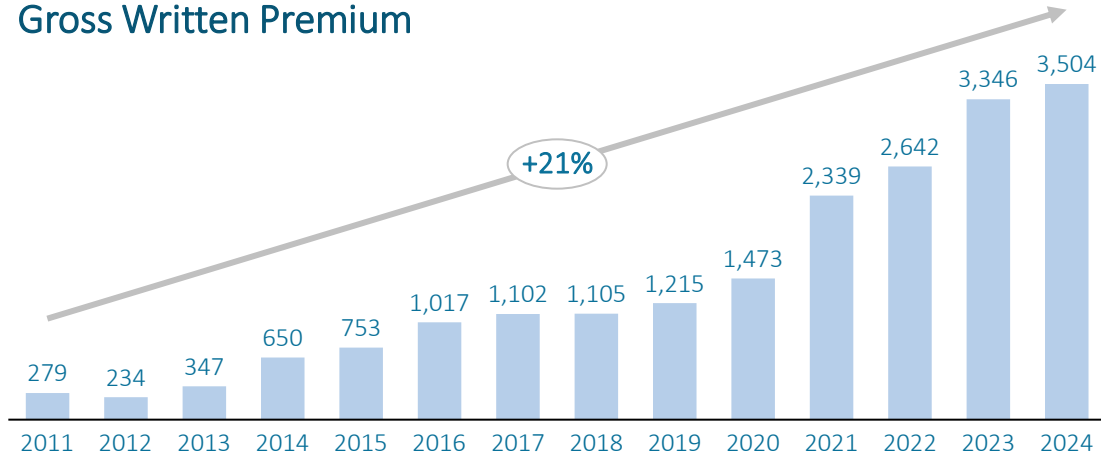
### Shareholders' Equity



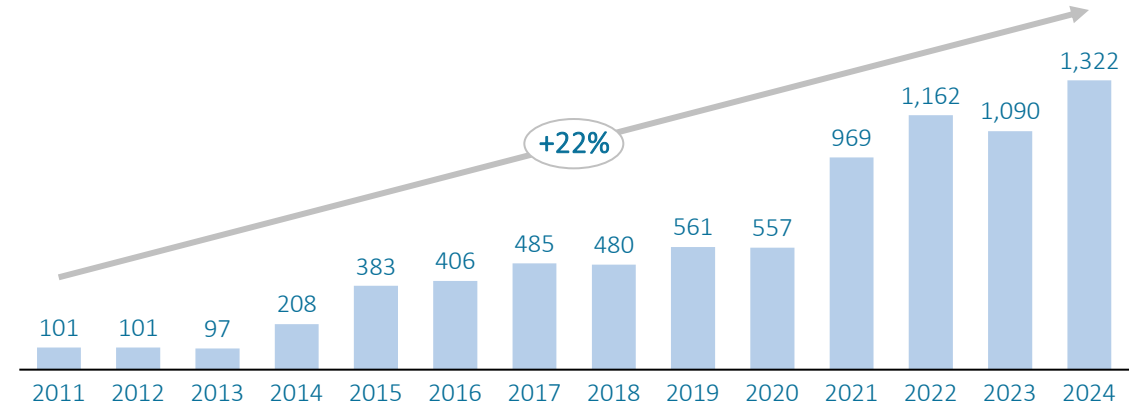
### Net SH Income



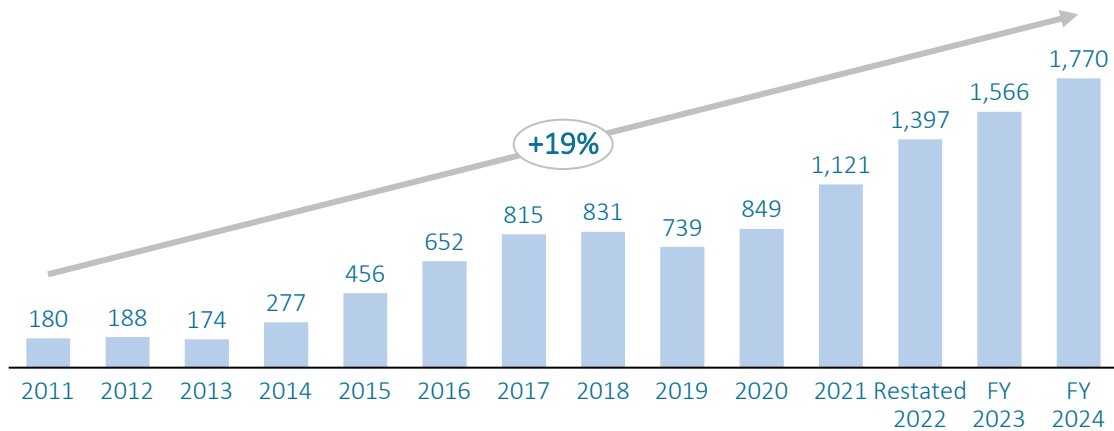
## Gross Written Premium



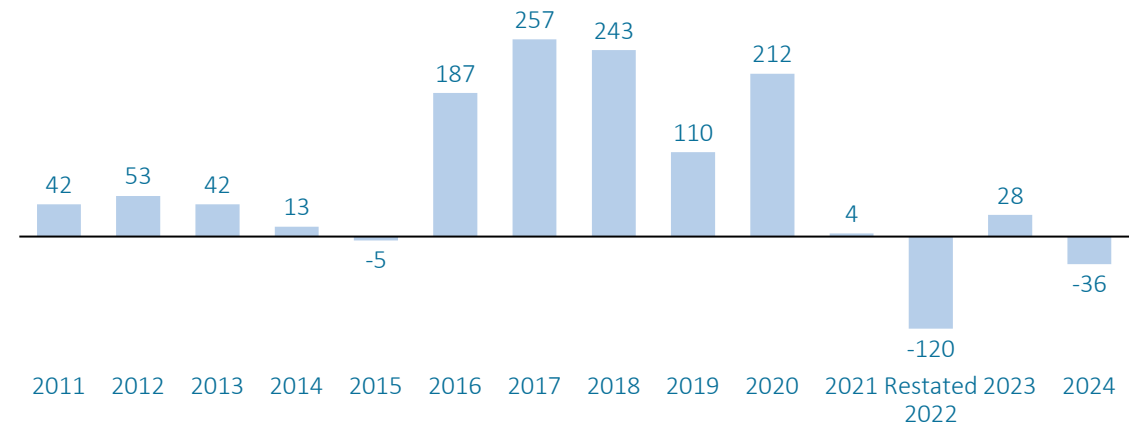
## Net Claims Incurred



## Total Revenue / Insurance Revenue net of RI Share



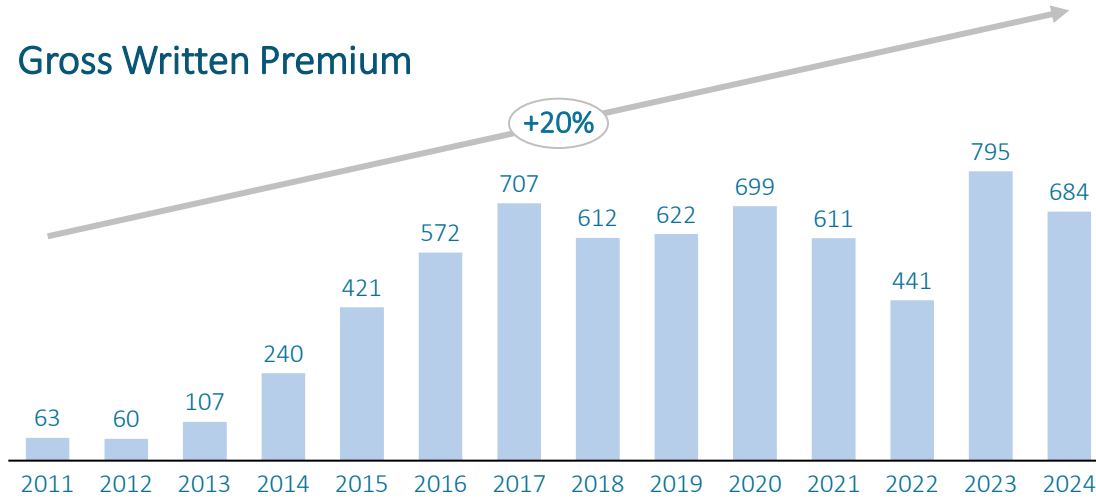
## Net UW Income / Net Insurance Service Result



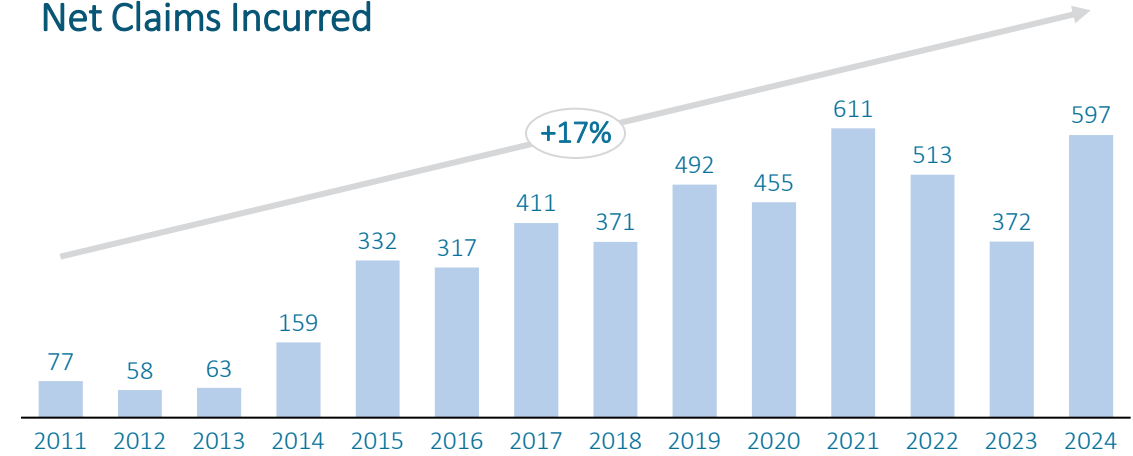
Note: Numbers from 2011 to 2021 are based on IFRS 4, from 2022 onwards are based on IFRS 17



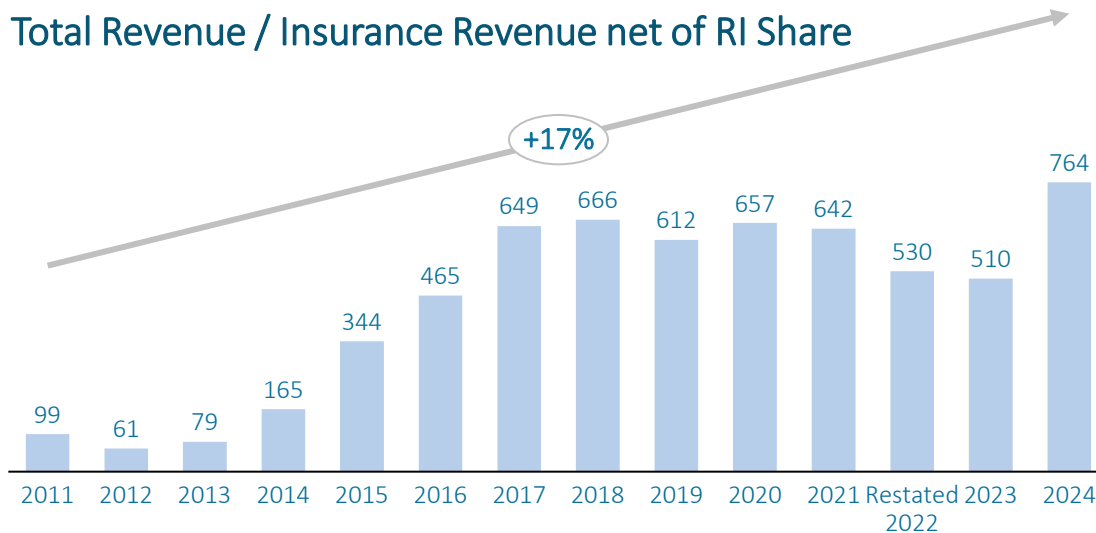
## Gross Written Premium



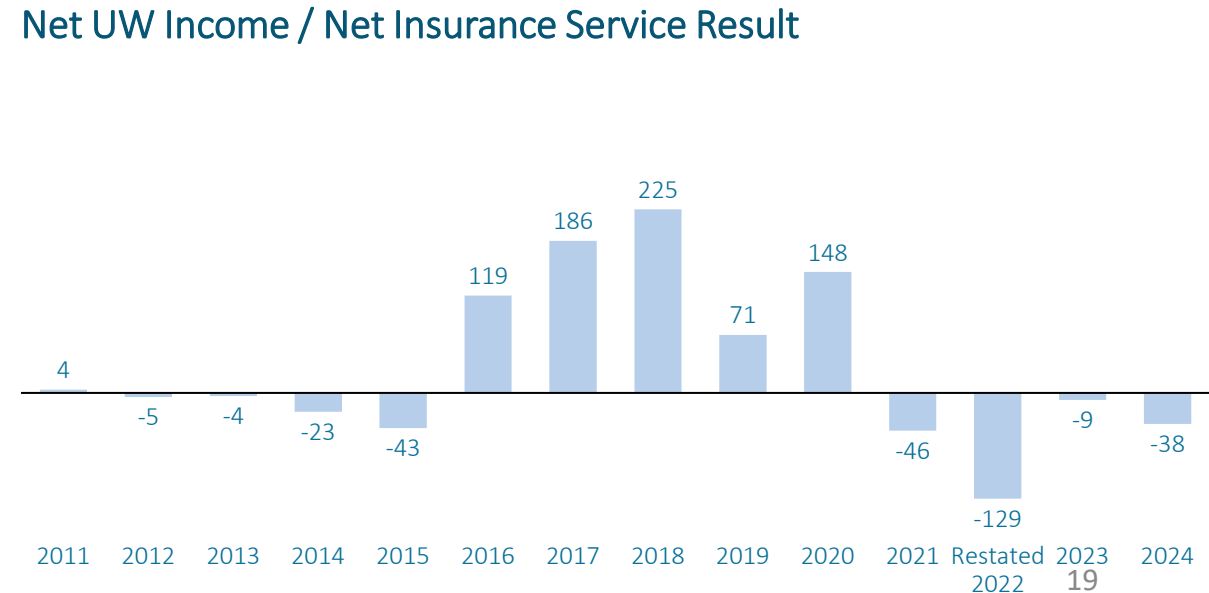
## Net Claims Incurred



## Total Revenue / Insurance Revenue net of RI Share

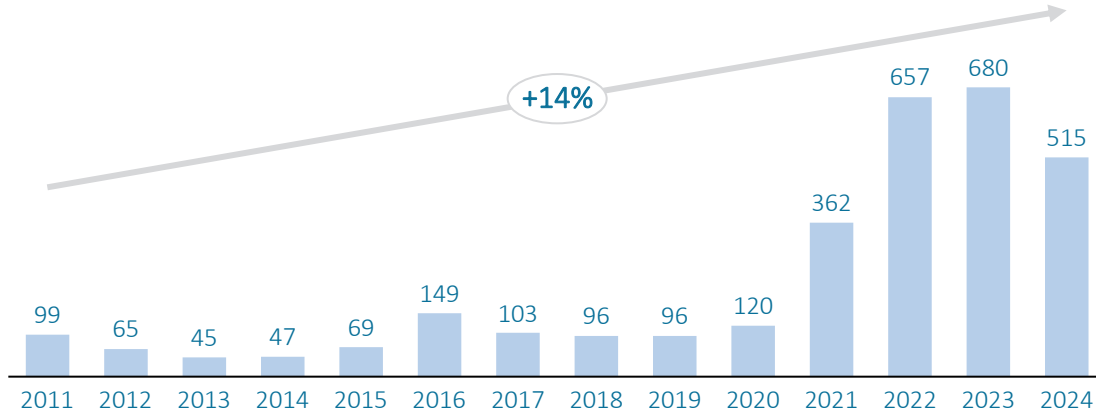


## Net UW Income / Net Insurance Service Result

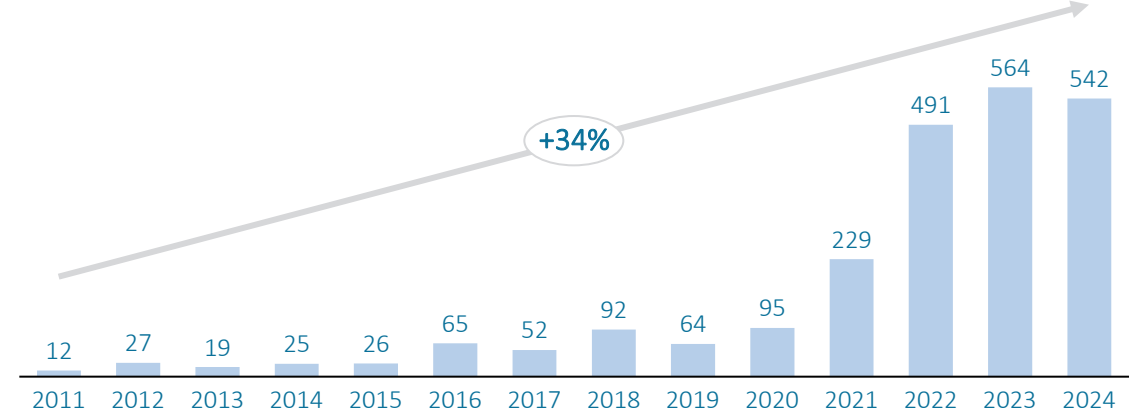


Note: Numbers from 2011 to 2021 are based on IFRS 4, from 2022 onwards are based on IFRS 17

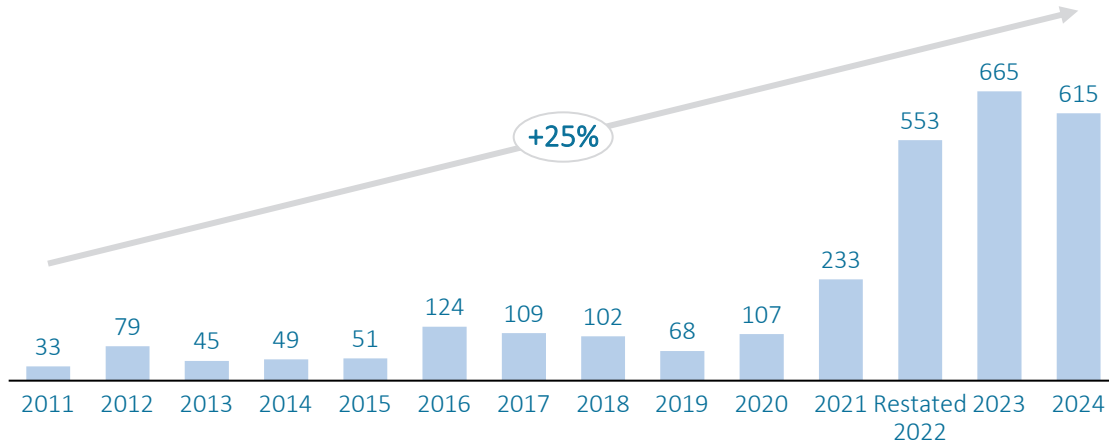
## Gross Written Premium



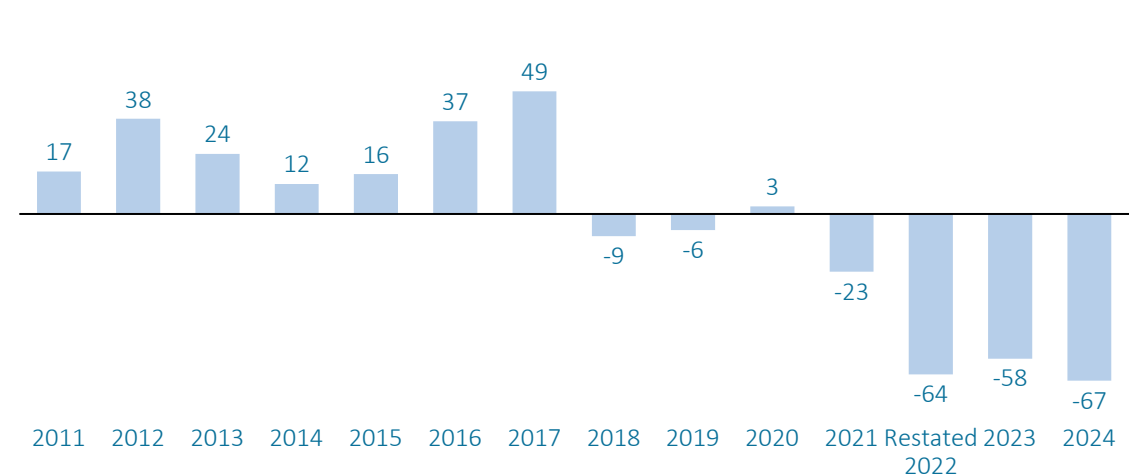
## Net Claims Incurred



## Total Revenue / Insurance Revenue net of RI Share

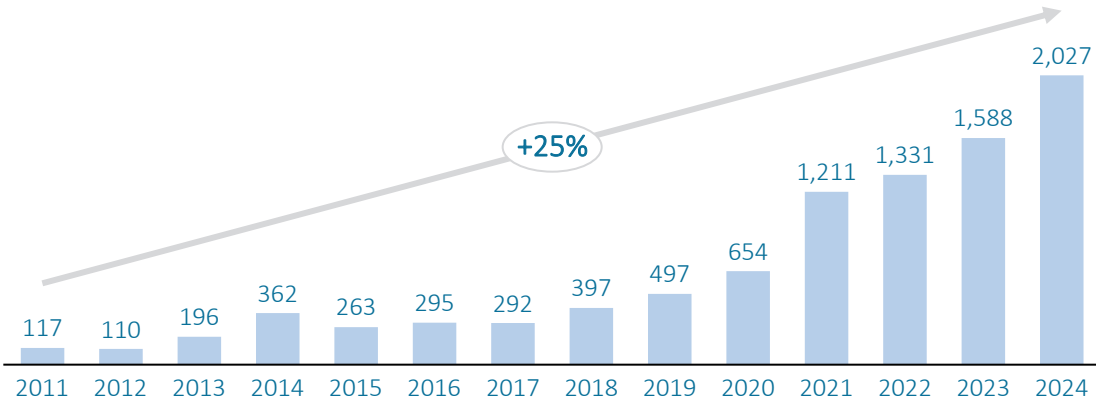


## Net UW Income / Net Insurance Service Result

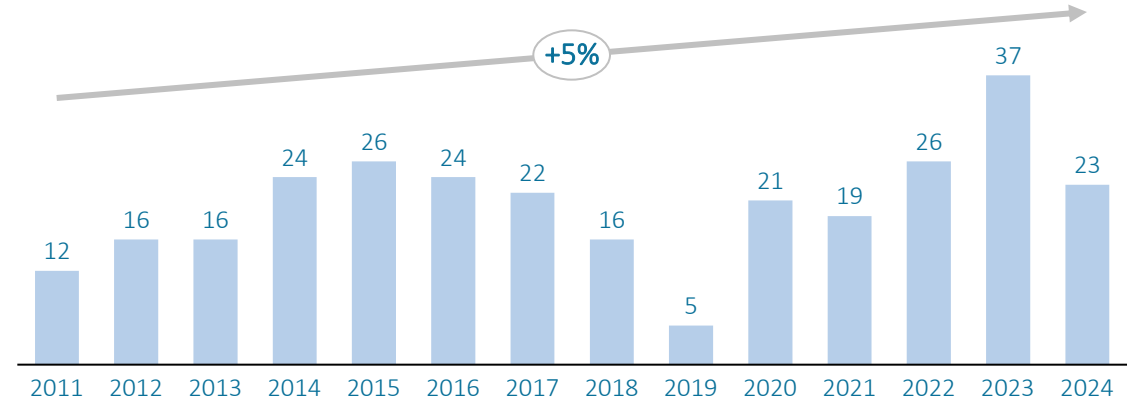


Note: Numbers from 2011 to 2021 are based on IFRS 4, from 2022 onwards are based on IFRS 17

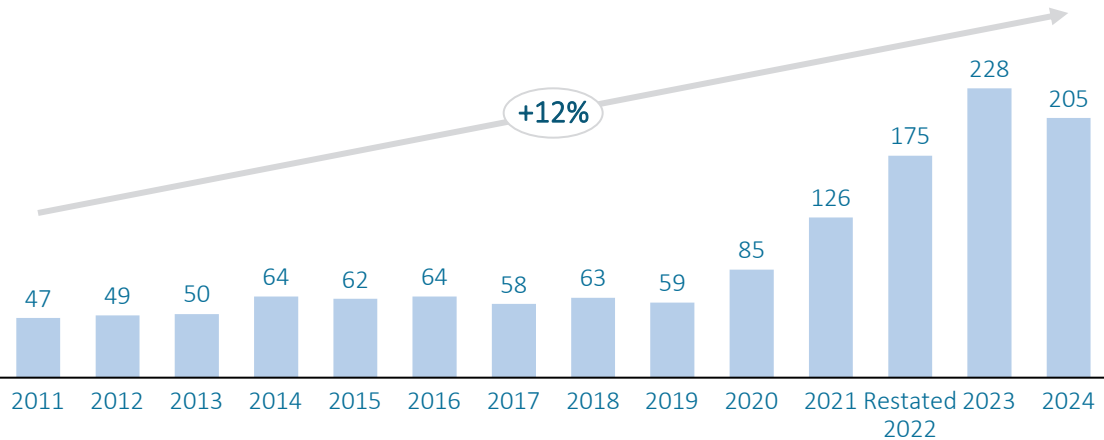
### Gross Written Premium



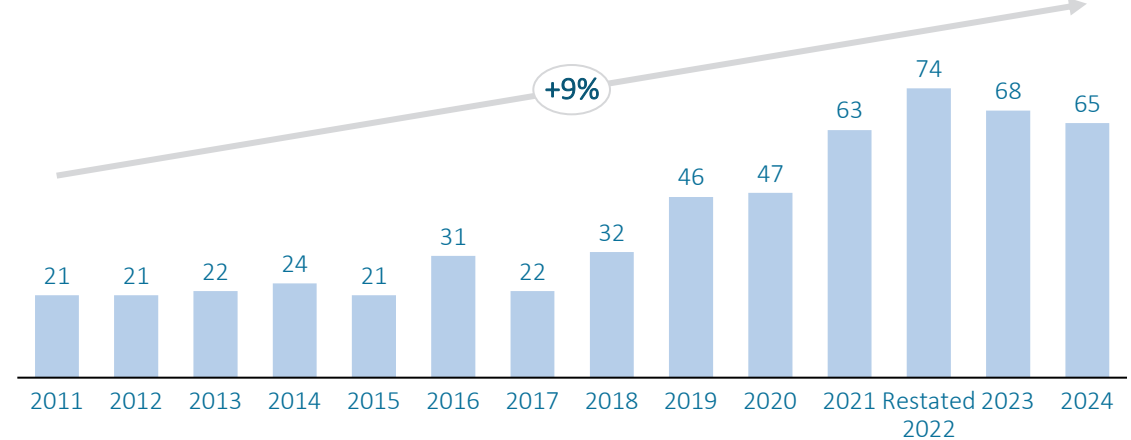
### Net Claims Incurred



### Total Revenue / Insurance Revenue net of RI Share

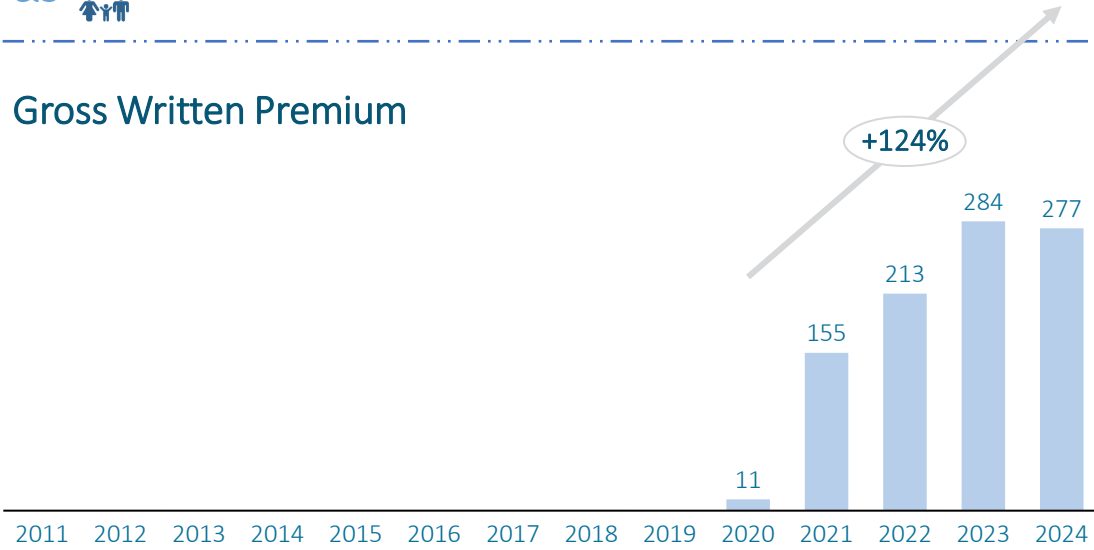


### Net UW Income / Net Insurance Service Result

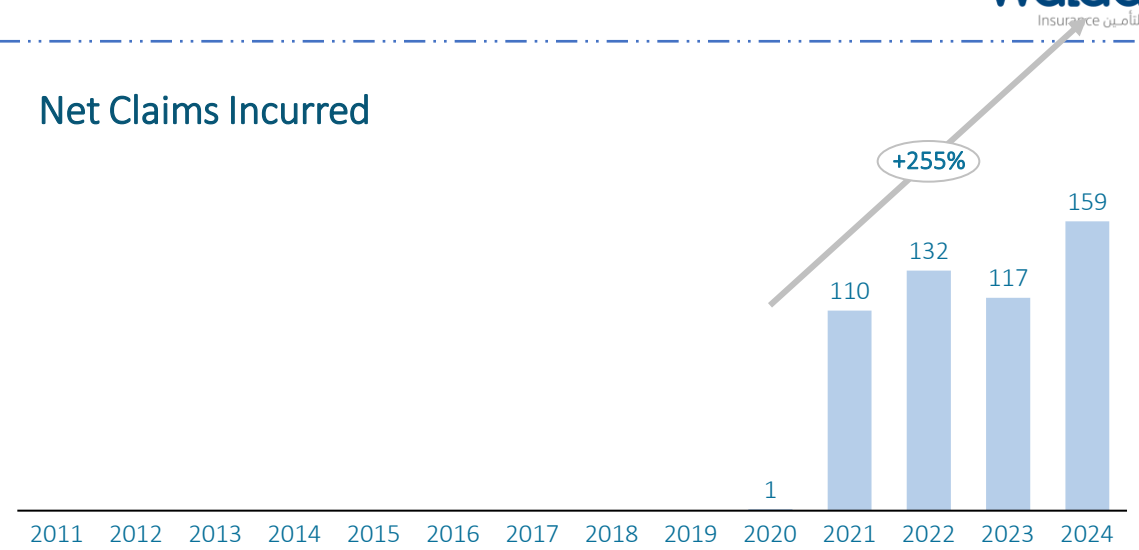


Note: Numbers from 2011 to 2021 are based on IFRS 4, from 2022 onwards are based on IFRS 17

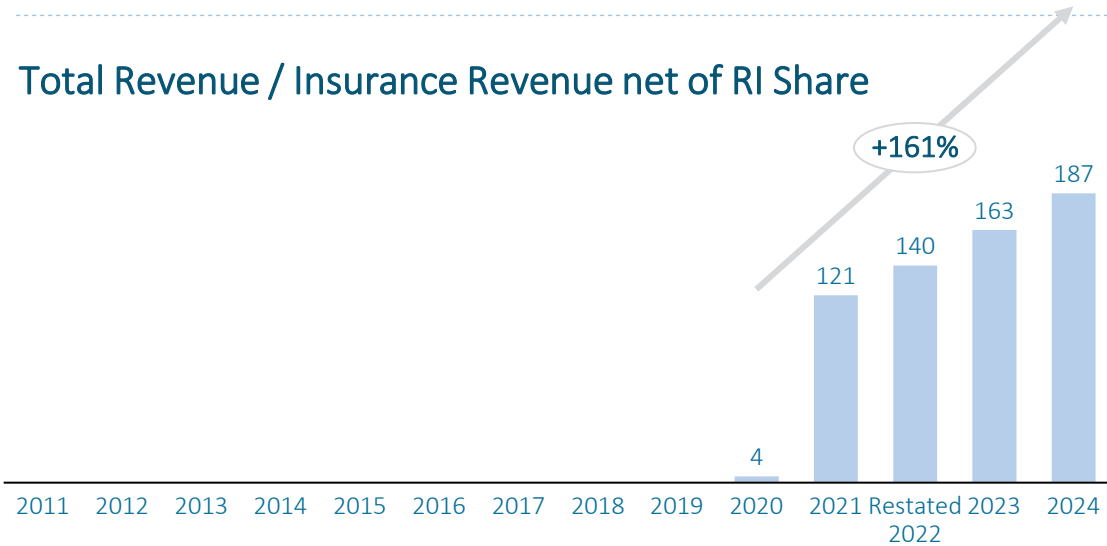
## Gross Written Premium



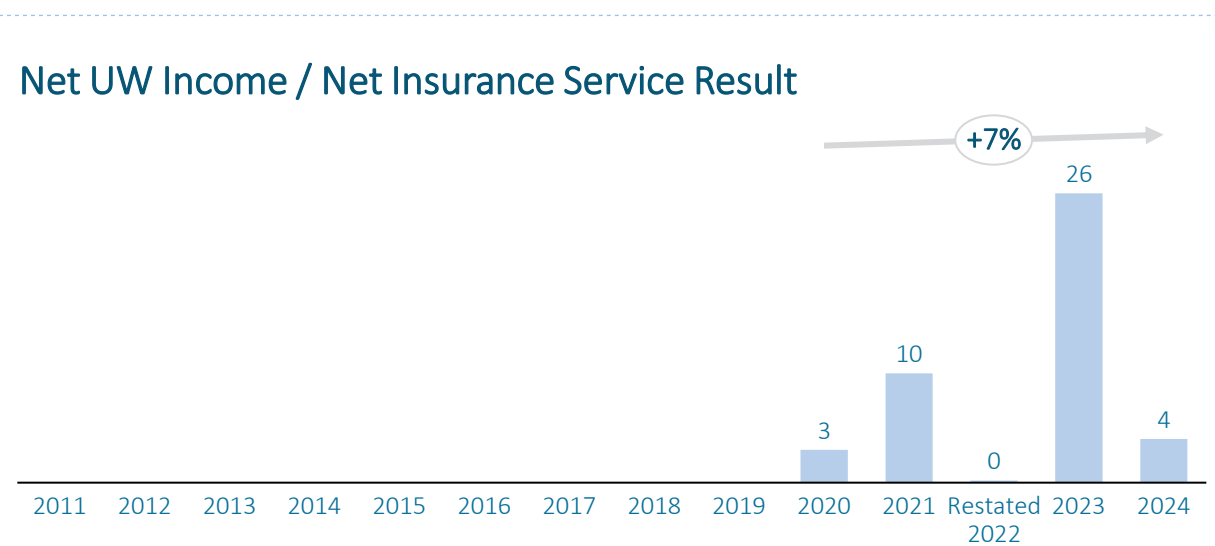
## Net Claims Incurred



## Total Revenue / Insurance Revenue net of RI Share



## Net UW Income / Net Insurance Service Result



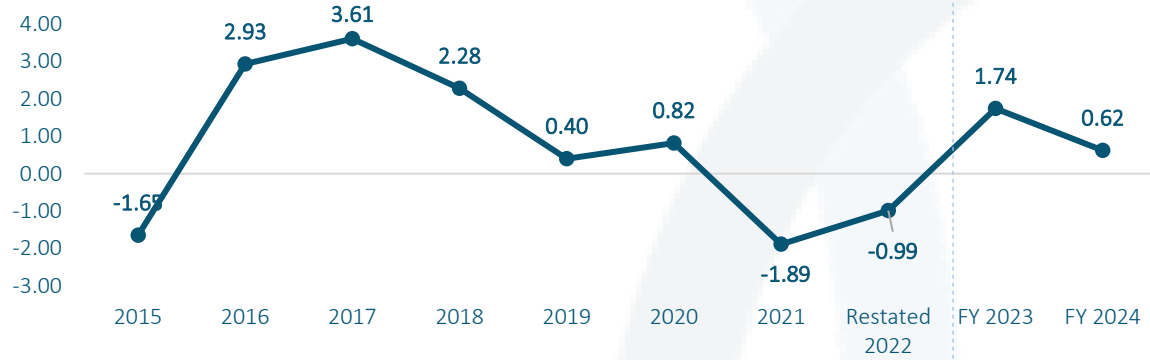
Note: Numbers from 2011 to 2021 are based on IFRS 4, from 2022 onwards are based on IFRS 17

# Walaa's Ratio Analysis

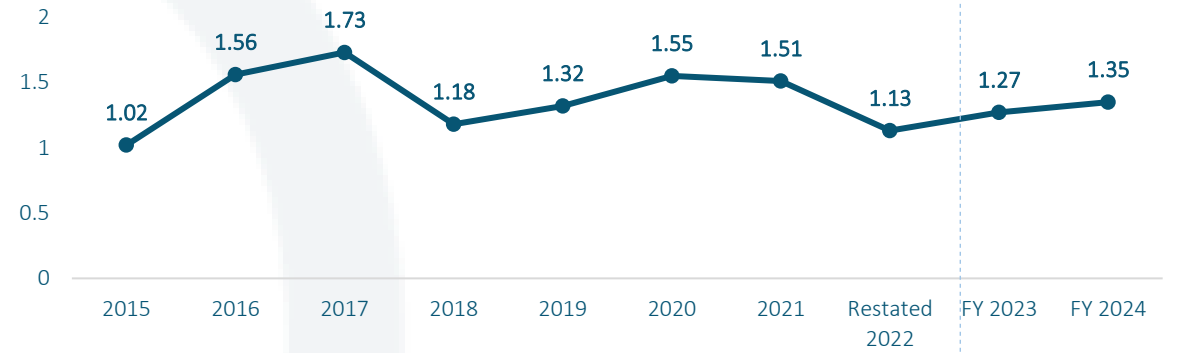
Shareholder's Summary FY 2024 - SAR "million"



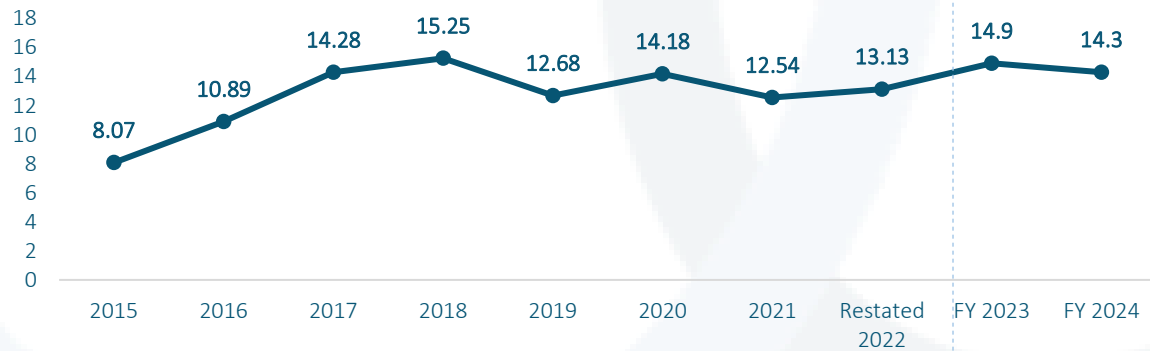
## EPS – Earning Per Share



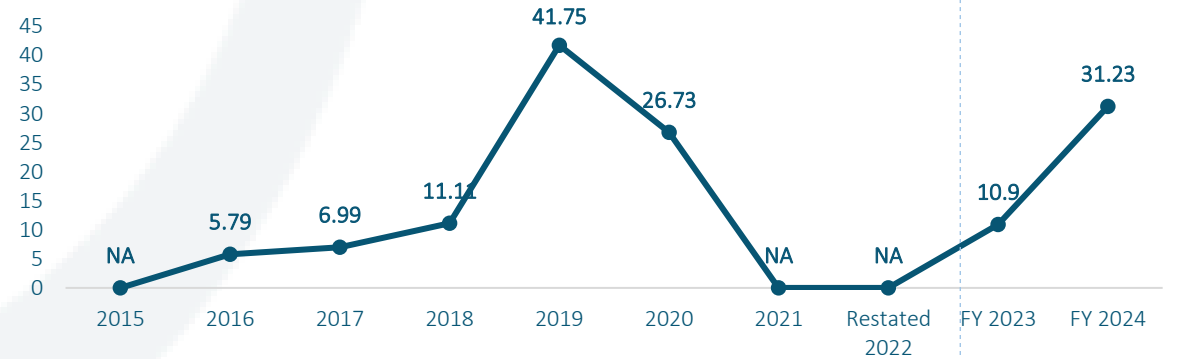
## P/B – Price To Book Ratio



## Book Value



## P/E – Price To Earning Ratio





# Loss Ratio Analysis

By Line of Business – “%’s”

Loss Ratio	IFRS 4								IFRS 17 Insurance service result ratio		
	2016	2017	2018	2019	2020	2021	2022	2023	Restated 2022	2023	2024
Medical	67%	55%	112%	109%	97%	110%	102%	107%	111%	109%	111%
Motor	74%	71%	66%	88%	77%	107%	112%	89%	124%	102%	105%
Property	NA	47%	NA	NA	NA	NA	47%	NA	92%	101%	97%
Engineering	NA	NA	NA	NA	NA	NA	NA	NA	96%	90%	100%
Energy	-	-	-	-	-	55%	NA	NA	102%	101%	100%
Protection & Savings	-	-	-	-	14%	92%	78%	80%	100%	88%	98%
Others	60%	70%	46%	6%	NA	19%	NA	4%	82%	87%	89%
<b>Total</b>	<b>70%</b>	<b>68%</b>	<b>70%</b>	<b>85%</b>	<b>73%</b>	<b>100%</b>	<b>95%</b>	<b>88%</b>	<b>105%</b>	<b>99%</b>	<b>101%</b>

- **Loss Ratio** = Total Underwriting Expenses – RI Commission Earned - Other Underwriting Income)/ Net Earned Premium

- **NA** = Total UW Expenses < (RI Commission Earned + Other Underwriting Income)

-**Insurance Service Result Ratio** = Insurance Service Result / Insurance Revenue

## Note:

IFRS 4 Ratios are excluding Hajj and Umrah

Ratios	2017	2018	2019	2020	2021	2022	2023	2024	Formula
IFRS 4 Ratios									
Premium Growth	8%	0.2%	10%	21%	59%	13%	27%	5%	$[GWP(Y1) - GWP(Y0) / GWP(Y0)] \times 100$
Retention Ratio	76%	66%	61%	58%	49%	50%	56%	45%	NWP/GWP
Loss Ratio	65%	70%	85%	73%	100%	95%	94%	97%	$[Net\ UW\ Exp - RI\ Commission\ Earned - Other\ UW\ Income] / NEP$
Expense Ratio	12%	17%	16%	18%	14%	14%	15%	15%	G&A/NEP
Combined Ratio	77%	87%	101%	91%	114%	109%	109%	112%	Loss Ratio + Expense Ratio
Net UW Profit Margin	34%	29%	15%	25%	0.4%	4%	2%	(2)%	$(UW\ Expenses - Revenue) / Revenue$
AR turnover	4.07	3.40	3.70	3.84	3.91	3.31	3.74	4.37	$Corporate\ GWP / [(End + Beg\ AR\ Balance) / 2]$
AR average duration in days	90	107	99	95	93	110	98	83	365/AR Turnover
IFRS 17 Ratios						(Restated)			
Insurance Service results ratio	-	-	-	-	-	105%	99%	101%	Insurance Service Result / Insurance Revenue
G&A Ratio	-	-	-	-	-	0.8%	0.7%	1.1%	G&A / Insurance Revenue
Combined Ratio						105.8%	99.7%	102.1%	$(Insurance\ Service\ Expenses + PH\ G\&A) / Insurance\ Revenue$

# Financial Ratios

## Shareholder's view Ratios

Ratios	2018	2019	2020	2021	Restated 2022	2023	2024	Formula
Current Ratio	148%	135%	127%	110%	114%	105%	116%	Current Assets / Current Liabilities
Liquid assets to technical reserves	204%	180%	180%	147%	134%	116%	124%	Current Assets / Technical Reserve
Return on Assets (ROA)	5.03%	1.05%	1.78%	(4.63)%	(1.90)%	3.70%	1.39%	Net SH Income / Total Assets
Return on Equity (ROE)	19.55%	3.38%	8.77%	(13.31)%	(8.39)%	13.26%	5.03%	Net SH Income / opening SH Equity
Return on Revenues	12.08%	2.89%	6.02%	(10.88)%	(2.65)%	5.26%	1.98%	Net SH Income / Revenue
Price to Book Value	1.18	1.32	1.55	1.51	1.13	1.27	1.35	Closing Price / Book Value
Investment Yield	1.09%	2.05%	1.22%	3.67%	4.14%	6.9%	4.8%	Investment Income / Total Available for investment & invested
Total Income/(Loss) for the period	111.7	22.7	58.7	(122)	(68)	148	64	
EPS	2.28	0.4	0.82	(1.89)	(0.99)	1.45	0.62	
Financial rating S&P	BBB+ Positive Outlook	BBB+ Positive Outlook	BBB+ Positive Outlook	A- Stable Outlook	A- Stable Outlook	A- Stable Outlook	A- Stable Outlook	
Financial rating Moody's	A3 Stable Outlook	A3 Stable Outlook	A3 Negative Outlook	A3 Stable Outlook	A3 Stable Outlook	A3 Stable Outlook	A3 Stable Outlook	
IKTIVA	-	-	-	59%	64%	-	-	2023 onward is covered under Local Content
Local Content	-	-	-	-	39.3%	45.9%	-	

# Walaa's Market Position

FY 2024 vs. FY 2023 ("SAR, millions")



Insurance Company's Details		KSA Insurance Market Analysis									
		Paid up Capital	Equity	Earning Per Share (EPS)	ROE	Insurance Revenue			Net Income/(Loss) after zakat & tax		
						FY 2024	FY 2023	Rank	FY 2024	FY 2023	Rank
SL	Company's Name										
1	Bupa	1,500	5,151	7.79	23%	18,102	15,888	2	1,166	940	1
2	Tawuniya	1,500	4,478	6.82	23%	18,273	15,265	1	1,022	616	2
3	Al Rajhi Takaful	1,000	2,087	3.32	16%	5,391	4,236	3	332	328	4
4	Saudi Re	1,158	1,612	5.33	29%	1,130	627	10	475	124	3
5	Arabian Sheild	798	1,653	0.89	4%	1,567	1,128	7	71	67	8
6	Walaa Cooperative Insurance Co.	1,276	1,832	0.62	4%	3,345	2,888	5	64	148	9
7	Gulf Insurance Group (GIG)	525	1,090	2.00	9%	1,464	1,565	9	98	129	7
8	Medgulf	1,050	1,029	0.97	10%	3,552	3,332	4	102	201	6
9	Jazeera Takaful	660	975	0.56	4%	340	302	24	37	44	13
10	Allianz	600	813	0.26	2%	874	863	15	15	37	20
11	Al Etihad	500	712	0.98	7%	1,490	1,202	8	49	94	11
12	Arabia (AICC)	530	605	0.57	5%	695	839	17	30	60	16
13	Gulf Union	459	627	0.95	7%	805	624	16	44	125	12
14	Wataniya	400	610	2.58	17%	1,796	1,379	6	103	85	5
15	Buruj	300	468	0.31	2%	373	373	23	9	20	22
16	CHUBB	300	454	0.54	4%	383	329	22	16	25	19
17	LIVA	400	441	0.82	7%	446	514	20	33	11	14
18	Malath	500	433	0.54	6%	1,011	935	13	27	38	18
19	Al Sagr	300	401	1.26	8%	504	486	19	32	42	15
20	SAICO	300	382	1.64	13%	1,081	1,045	11	49	71	10
21	Amana	430	315	0.28	4%	213	185	26	12	25	21
22	Gulf General Insurance	300	224	(3.14)	-42%	414	316	21	(94)	4	26
23	ACIG	291	253	(0.57)	-7%	883	975	14	(16)	63	24
24	United Co-op Assurance Co. (UCA)	400	268	(0.38)	-6%	1,050	1,062	12	(15)	5	23
25	Salama	300	254	1.23	12%	678	802	18	30	51	17
26	Enaya	230	161	(1.16)	-17%	234	251	25	(27)	20	25
<b>Total Market</b>		<b>16,007</b>	<b>27,327</b>			<b>66,091</b>	<b>57,410</b>		<b>3,665</b>	<b>3,376</b>	

# Walaa's Market Position

FY 2024 vs. FY 2023 ("SAR, millions")



Insurance Company's Details			Net Profit (Loss) of The Insurance Results				Net Profit (Loss) of The Investment Results				Net Profit (Loss), After Zakat, Attributable To Shareholders					Total Share Holders Equity			
SL	Company's Name	Company's Code	FY 2024	FY 2023	% Change	RANK	FY 2024	FY 2023	% Change	RANK	FY 2024	FY 2023	% Change	RANK	% ROE	FY 2024	FY 2023	% Change	RANK
1	Bupa	8210	998,096	865,037	15%	2	672,374	513,276	31%	2	1,166,002	940,163	24%	1	23%	5,151,380	4,656,882	11%	2
2	Tawuniya	8010	1,111,429	681,172	63%	1	680,445	435,540	56%	1	1,022,025	616,426	66%	2	23%	4,478,243	3,621,817	24%	3
3	Medgulf	8030	19,812	87,002	-77%	17	64,809	106,439	-39%	11	101,994	201,472	-49%	6	10%	1,028,644	917,420	12%	9
4	Al Rajhi Takaful	8230	221,992	318,750	-30%	3	252,350	154,853	63%	4	332,343	328,061	1%	4	16%	2,087,221	1,726,215	21%	4
5	Walaa Cooperative Insurance Co.	8060	(36,081)	28,121	NA	25	139,725	164,983	-15%	6	64,303	147,977	-57%	9	4%	1,831,581	1,271,795	44%	5
6	Gulf Insurance Group (GIG)	8250	110,738	134,325	-18%	5	92,353	95,640	-3%	7	98,195	128,526	-24%	7	9%	1,089,957	1,064,840	2%	8
7	Mutakamela (Allianz)	8040	8,174	30,204	-73%	21	85,354	96,897	-12%	9	15,167	36,987	-59%	20	2%	813,091	800,684	2%	11
8	SAICO	8100	45,719	72,391	-37%	7	30,528	21,061	45%	18	49,318	71,098	-31%	10	13%	381,832	313,602	22%	20
9	Saudi Re	8200	142,532	119,762	19%	4	440,181	60,388	629%	3	474,812	124,429	282%	3	29%	1,611,915	1,146,822	41%	7
10	Malath	8020	(4,199)	17,450	NA	22	36,697	40,470	-9%	14	26,889	38,188	-30%	18	6%	432,775	390,090	11%	18
11	Al Etihad	8170	44,501	62,791	-29%	8	33,218	66,982	-50%	15	49,134	93,896	-48%	11	7%	711,657	671,620	6%	12
12	Wataniya	8300	71,992	64,630	11%	6	71,350	45,025	58%	10	103,050	84,581	22%	5	17%	609,634	488,278	25%	14
13	ACIG	8150	(26,797)	47,073	NA	24	42,676	38,245	12%	12	(16,483)	63,406	NA	24	-7%	253,151	254,343	0%	24
14	Arabian Sheild	8070	22,176	1,429	1452%	15	90,499	76,556	18%	8	70,995	66,940	6%	8	4%	1,652,533	1,546,050	7%	6
15	Gulf Union Alahlia	8120	30,600	68,672	-55%	13	31,667	37,876	-16%	16	43,646	125,037	-65%	12	7%	626,699	547,992	14%	13
16	Salama	8050	33,872	38,037	-11%	11	26,155	27,510	-5%	20	30,123	51,302	-41%	17	12%	254,326	204,979	24%	23
17	Al Sagr	8180	33,781	34,930	-3%	12	27,380	33,896	-19%	19	31,858	42,300	-25%	15	8%	400,910	198,198	102%	19
18	Arabia (AICC)	8160	36,664	76,521	-52%	9	37,830	30,657	23%	13	30,148	60,462	-50%	16	5%	604,938	559,916	8%	15
19	Buruj	8270	14,050	4,986	182%	19	24,767	28,626	-13%	21	9,386	20,083	-53%	22	0%	468,433,404	441,377,677	6%	1
20	Gulf General Insurance	8260	(58,615)	(8,529)	587%	26	15,067	16,002	-6%	24	(94,207)	3,532	NA	26	-42%	223,906	300,393	-25%	25
21	CHUBB	8240	18,900	22,013	-14%	18	18,578	19,443	-4%	22	16,293	24,818	-34%	19	4%	454,415	423,840	7%	16
22	LIVA Insurance Co.	8280	26,748	13,505	98%	14	31,233	24,942	25%	17	32,761	11,258	191%	14	7%	440,551	389,992	13%	17
23	Jazira Takaful	8012	36,032	57,161	-37%	10	201,051	348,515	-42%	5	37,203	44,254	-16%	13	4%	975,434	940,360	4%	10
24	Amana	8310	11,677	17,545	-33%	20	16,887	7,246	133%	23	12,027	25,439	-53%	21	4%	314,534	285,129	10%	21
25	United Co-op Assurance Co. (UCA)	8190	21,471	27,117	-21%	16	14,563	10,154	43%	25	(15,055)	5,292	NA	23	-6%	268,314	265,155	1%	22
26	Enaya	8311	(24,967)	14,685	NA	23	13,442	15,614	-14%	26	(26,762)	20,222	NA	25	-17%	161,415	188,177	-14%	26
<b>Total</b>			<b>2,910,298</b>	<b>2,896,780</b>	<b>1937%</b>		<b>3,191,180</b>	<b>2,516,835</b>	<b>887%</b>		<b>3,665,164</b>	<b>3,376,150</b>	<b>-42%</b>			<b>495,292,461</b>	<b>464,552,266</b>	<b>376%</b>	



# Saudi Insurance Dynamics

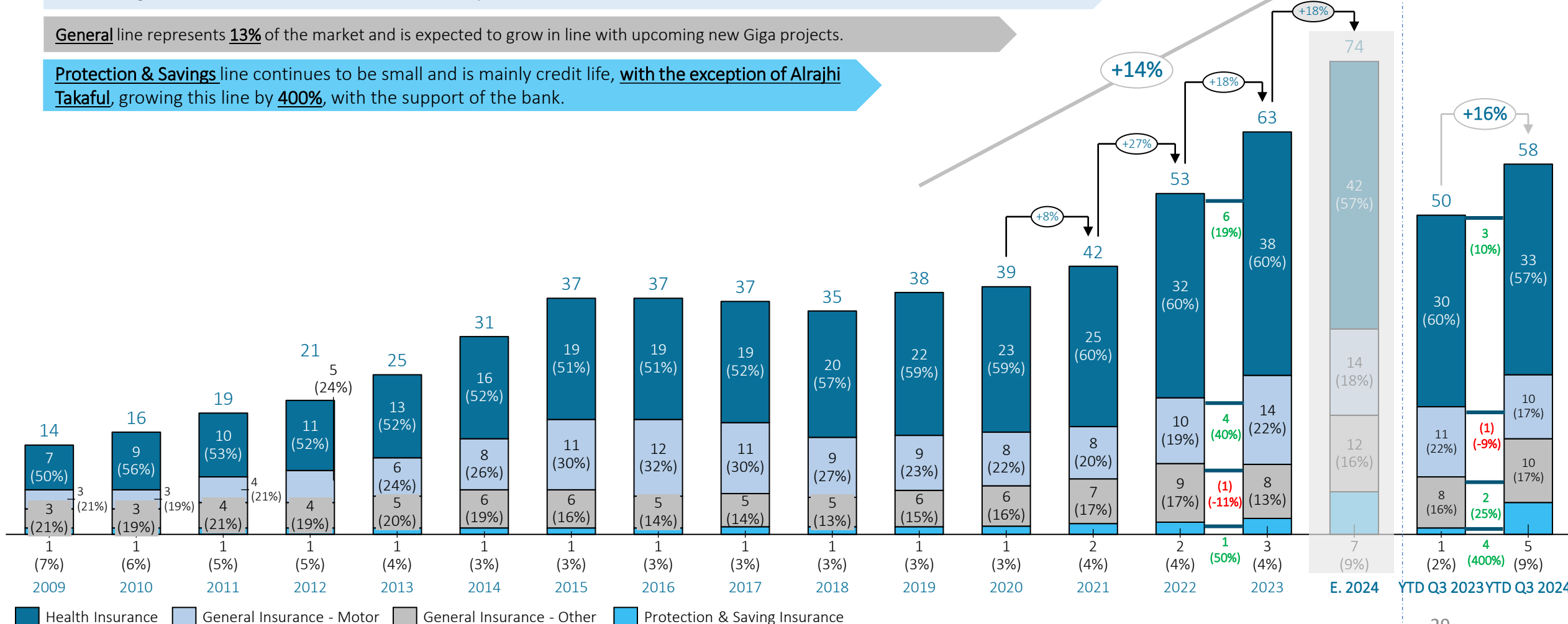
## Market GWP By LOB - ("SAR, billion")

**60%** of the market continues to be in the **medical** line, which is expected to further grow with the privatization project and population growth.

**Motor** business **2<sup>nd</sup> largest** line, faced stagnant growth in the last 3 years due to NCD introduction and market pricing war but showed a growth in 2023 due to the enforcement implemented late in Q3 2023.

**General** line represents **13%** of the market and is expected to grow in line with upcoming new Giga projects.

**Protection & Savings** line continues to be small and is mainly credit life, **with the exception of Alrajhi Takaful**, growing this line by **400%**, with the support of the bank.



*Note: The annual financials for all insurance companies are not published yet.*

## Walaa's Market Position By GWP

("SAR, millions")

	LOB	2016	2017	2018	2019	2020	2021	2022	2023	YTD Q3 2023	YTD Q3 2024
Walaa Market Share	Motor	4.9%	6.6%	6.6%	7.4%	9.1%	7.5%	4.3%	5.7%	4.7%	4.4%
	Medical	0.8%	0.6%	0.5%	0.4%	0.5%	1.4%	2.1%	1.8%	1.7%	1.3%
	Property & Casualty	5.6%	5.5%	7.8%	8.1%	10.3%	17.2%	14.3%	18.8%	18.3%	17.4%
	Protection & Savings	-	-	-	-	0.9%	11.4%	11.3%	11.3%	16.4%	3.9%
	<b>Total</b>	<b>2.8%</b>	<b>3.1%</b>	<b>3.2%</b>	<b>3.2%</b>	<b>3.8%</b>	<b>5.6%</b>	<b>5.0%</b>	<b>5.3%</b>	<b>5.1%</b>	<b>4.7%</b>
Walaa Ranking	Motor	5	4	5	4	3	4	9	5	7	7
	Medical	12	18	19	20	18	8	5	5	5	6
	Property & Casualty	4	5	3	3	3	2	2	2	2	3
	Protection & Savings	-	-	-	-	13	4	4	3	3	4
	<b>Total</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>5</b>

### Note:

The annual financials for all insurance companies are not published yet.

## Walaa's Market Position By Insurance Revenue

("SAR, millions")

	LOB	2022	2023	YTD Q3 2023	YTD Q3 2024
Walaa Market Share	Motor	6%	4.5%	4%	6%
	Medical	2%	1.9%	2%	2%
	Property & Casualty	19%	18.3%	18%	16%
	Protection & Savings	13%	15.8%	19%	13%
	<b>Total</b>	<b>6%</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
Walaa Ranking	Motor	6	9	10	5
	Medical	4	5	5	5
	Property & Casualty	2	2	2	2
	Protection & Savings	4	4	2	3
	<b>Total</b>	<b>2</b>	<b>5</b>	<b>5</b>	<b>5</b>

**Note:**

*LOB figures: The annual financials for all insurance companies are not published yet.*

*Based on the announcements, Walaa has 16% market share and the 5<sup>th</sup> Rank for insurance revenue in 2024.*



# Company Profile



“The Strategic goal of the company is to position itself as one of the leading insurance companies in the Saudi Market, providing all classes of Shariah-compliant insurance products in the general and health insurance sectors, to all cross-sections of society, particularly serving out major corporate clients all around the kingdom.”

Sulaiman A. Al-Kadi – Chairman

## Company's Core Values



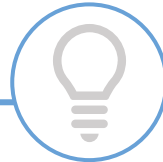
Policy holders are our partners, more than mere customers.



Strive to remain to be insurer of choice for our clients.



Maintain highest standards of professional integrity, transparency and corporate governance.



Achieve better recognition for our service culture.



Maintain and offer consistently excellent standard in Quality.

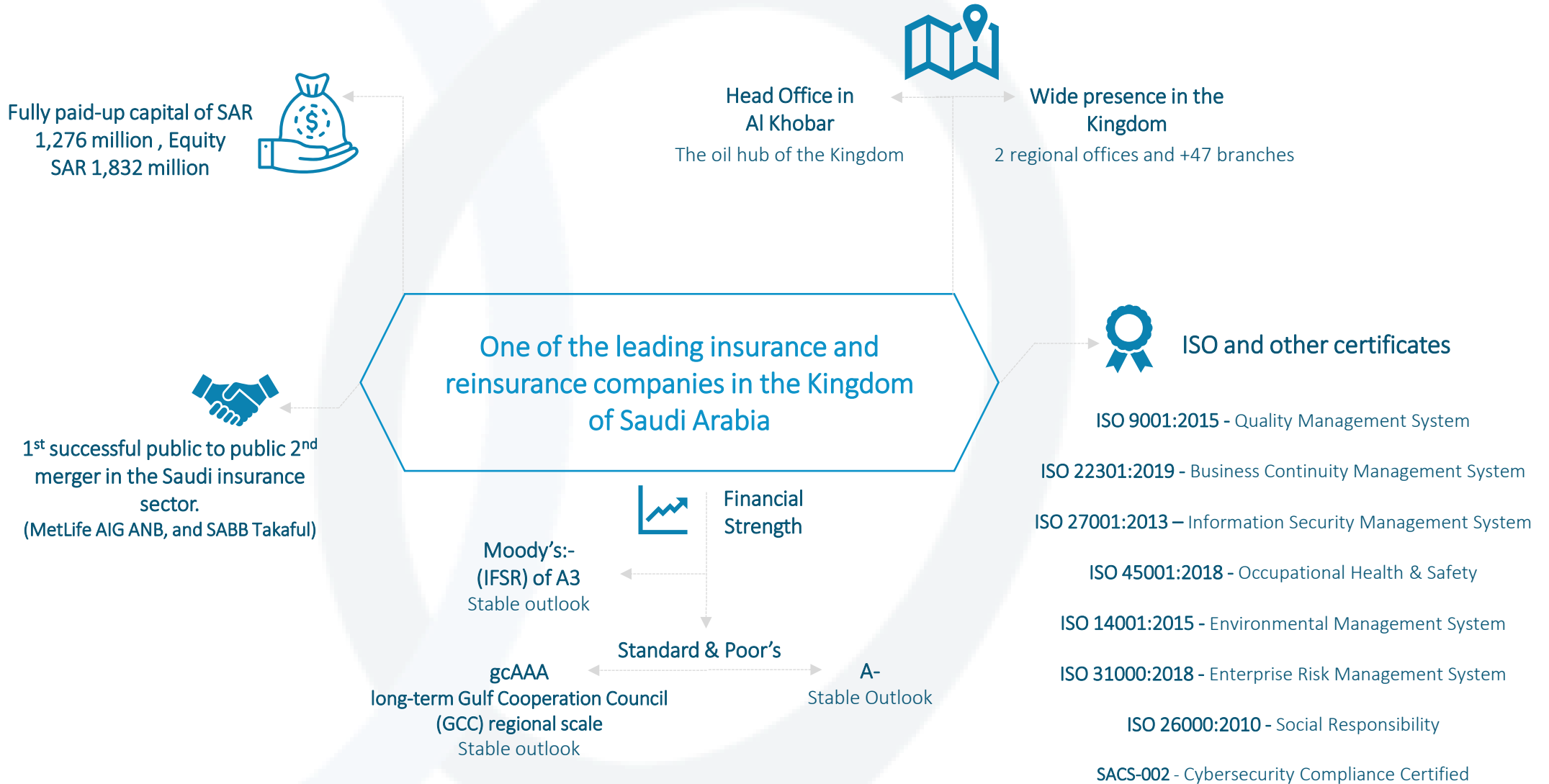



Ensure profitability in core insurance operations.



Offer holistic risk management solutions.







“Walaah” Stands for Loyalty



Complete range of motor, general & health insurance lines of business



Board Members with diversified industry experience & expertise



Efficient managerial team, backed-up by robust IT systems, internal controls & reporting practices. Well distributed regional presence



Strong ‘customer-centric’ approach committed to understand growing needs to ‘manage risks’ & offer cost-effective solutions



Saudi Joint Stock Company licensed by SAMA since July, 2008





**Chairman  
Non-Executive**

**Suliman A. Al-Kadi**

**Chairman of the Board**

**Vice Chairman:**

- Basic Chemicals Industries Co. (BCI)

**Board Member:**

- Chemical Development Company.



**Vice Chairman  
Non-Executive**

**Khalifa A. Al Mulheim**

**Chairman of Investment  
Committee**

**Chairman:**

- Advanced Petrochemical Co.
- Khalifa A. Al Mulhem Limited Co.
- Khalifa A. Al Mulhem Holding Co.
- ALPHA Capital.
- Advanced Polyolefins Company (APOC).

**Vice Chairman:**

- Canadian Medical Center.



**Board Member  
Non-Executive**

**Wasaf S. Al Jabsheh**

**Board of Directors Member**

**Chairman & Founder:**

- International General Insurance Company "IGI"

**Board Member:**

- W. Jabsheh Investment Company Ltd.
- Al Bawaba Middle East Ltd
- International General Insurance Co. (UK) Limited
- International General Insurance Co.(Dubai) Ltd
- North Star Underwriting Limited
- I.G.I Underwriting/Jordan "Exempted"
- Specialty Malls Investment Company.
- IGI Services Ltd
- Eastern Insurance Brokers



**Board Member  
Non-Executive**

**Dr. Solaiman A. Al-Twaijri**

**Chairman of Executive and  
Strategy Committee and risk  
management Committee**

**CEO:**

- NADEC

**Chairman:**

- FAB Capital.

**Board Member:**

- Amiantit Group of Companies.



**Board Member  
Non-Executive**

**Waleed M. Al-Jaafari**

**Board of Directors Member**

**General Manager:**

- Meshraf Real Estate.
- Classic Travel and Tourism Agency.

**Chairman:**

- Gulf Real Estate Development Company

**Vice Chairman:**

- Advanced Petrochemical Co.
- Siyaha International Co.

**Board Member:**

- Eastern Cement Co.
- Meshraf Real Estate.
- Prainsa Saudi Arabia for Precast Concrete Co.

**Managing Director:**

- Al-Dawaa Medical Services Co.



**Board Member  
Non-Executive**

Abdulatif K. Almulhim

**Board of Directors Member**

**Board Member:**

- National Industrialization Company (Tasne).
- Bank Aljazira.
- Canadian Medical Center.

**External Membership:**

- Canadian Medical Center.

**Managing Director:**

- Khalifah Abdullatif Al-Mulhem Holding Co.



**Board Member  
Independent**

Hatem F. Balghoneim

**Chairman of Nomination & Remuneration Committee**

**Chairman and CEO:**

- Acceleration Company.

**Board Member:**

- Dynamic Oil Tools Manufacturing Company.
- Drilling & production petrochemical co. (PetrolChem).



**Board Member  
Independent**

Ahmed A. AlQuraishi

**Board of Directors Member**

**Deputy CEO:**

- Ali Zaid Al-Quraishi & Brothers Company

**Chairman:**

- Arsan Arabia for Trading.
- AJDA Industrial Services Co.
- Evostel Energy.

**Board Member:**

- Ashraq Development Company.
- United Motors Group.
- Automotive Distribution & Marketing Company Limited.
- Tawkelat Financing Company.
- Assayle Arabia Real Estate Company Limited.
- Starlinks for Support Services Company.
- Middle East Electric Motors Company Limited (MEEM).



**Board Member  
Independent**

Jameel A. Al-Molhem

**Chairman of Audit Committee**

**CEO:**

- Sinad Holding Co.

**Board Member:**

- Saudi Telecom Co.
- Electrical Industries Co.
- Saudi Post (SPL).
- SPL Logistics Company.
- Halwani Brothers Company
- Amlak International Financing Company
- Alessa Industries Co.
- InfoNas Company.
- Human Resources and Development Fund.



**Board Member  
Independent**

Osama M. Al-Khonaizi

**Board of Directors Member**

**Board member and CEO:**

- Dar and Emaar Investment and Real Estate Development Co.



**Board Member  
Non-Executive**

Hesham A. AlJabr

**Board of Directors Member**

**VP :**

- Al Jabr Holding Company.

**Executive Director:**

- Canned Soft Drinks Factory.

**Chairman:**

- khuta-alkhair Company.

**Board Member:**

- Arab National Bank "ANB".
- Gulf Carton Factory Co.
- Future Development Co. (NAMA).
- Haier & Aljabr Saudi Electronics Trading Co.
- Einas trading company.
- Ball United Arab Can Manufacturing Co.

**Audit Committee**



Chairman  
Jameel Al  
Molhem



Member  
Adeb Al  
Fuhaid\*



Member  
Dr. Sulaiman Al  
Sakran\*

**Investment Committee**



Chairman  
Khalifah Al  
Mulhiem



Member  
Sulaiman Al  
Kadi



Member  
Waleed Al  
Jafaari



Member  
Wasef Al  
Jebshah



Member  
Ahmed A.  
AlQuraishi



Member  
Johnson  
Varughese

**Risk Management Committee**



Chairman  
Dr. Solaiman Al  
Twaijri



Member  
Osama M. Al-  
Khonaizi



Member  
Hesham A.  
AlJabr

**Executive & Strategy Committee**



Chairman  
Dr. Solaiman Al  
Twaijri



Member  
Hatem  
Balghoneim



Member  
Jameel Al  
Molhem



Member  
Abdulatif K.  
Almulhim

**Nomination and Remuneration Committee**



Chairman  
Hatem  
Balghoneim



Member  
Sulaiman Al  
Kadi



Member  
Osama M. Al-  
Khonaizi



Member  
Abdulatif K.  
Almulhim

\* Appointed External Representatives

Shariyah Advisory Bureau  
Externally Appointed



**Johnson Varughese**  
Chief Executive Officer

- A Chartered Accountant with +30 years of professional experience in lead-managerial roles in the region and has been with Walaa since 2007.
- Prior to assuming this role, Mr. Varughese handled the role of CFO for 5-years.



**Mohannad Al Desouki**  
Chief Financial Officer

- Graduated from King Fahd University of Petroleum & Minerals (KFUPM), holding a Master in Business Administration (MBA) and Bachelor's Degree in Finance.
- More than 13 years of diversified work experience in the Saudi market and has a Certified Project Management Professional (PMP).



**Wasif Minhas**  
Chief General Officer

- Holder of MBA, MSM, ACII, and ARM with more than 25 years of experience in core insurance function. Has experience of working with insurance companies, brokers, and regulators. Has been with Walaa since 2008.



**Turki AlMulhem**  
Chief Motor Officer

- Holder Risk & Insurance diploma, the institute knowledge group, and Master's in Business Administration (MBA), Midocean University.
- professional certifications in leadership and management
- More than 20 years of diversified work experience in the motor insurance.



**Turki Buraik**  
Chief Operational Officer

- Bachelor's Administration – King Saud University, KSA.
- Over 23 years of experience in leadership, human resources, administration and Government and Public Relations fields.



**Wail Alahmed**  
Chief Commercial Officer

- Dip CII Holder with Bachelor Degree In Finance from Southern Methodist University, Dallas. Texas
- More than 15 years of experience in the insurance industry in both clients and insurers and an expert in Client Management and requirements particularly corporate clients



**Syed Raza Haider**  
Appointed Actuary

- Fellow of Institute and Faculty of Actuaries (UK)
- Qualified actuary with 25 years of experience in the actuarial field.



**Sukumara Prakash**  
Chief Health Officer

- Holds a Bachelors in Medicine and Surgery and a Masters in Business Administration
- Has over 23 years of experience in health insurance, managed care and healthcare markets in GCC and Levant region.



Financial Rating	Financial rating S&P	Financial rating Moody's
2017	BBB+ Stable Outlook	-
2018	BBB+ Positive Outlook	A3 Stable Outlook
2019		A3 Negative Outlook
2020		A3 Stable Outlook
2021	A- Stable Outlook	-
2022		-
2023		-
2024		-
MHRSD Compliance Certified		
2021		98%
2022		99%
2023		100%
2024		100%

ISO Certificates		
2017	ISO 9001:2015	Quality Management System
2019	ISO 27001:2013	Information Security Management System
2020	ISO 22301:2019	Business Continuity Management System
	ISO 45001:2018	Occupational Health & Safety Management System
2021	ISO 31000:2018	Enterprise Risk Management System
2022	ISO 14001:2015	Environmental Management System
	ISO 26000:2010	Social Responsibility
2024	SACS-002	Cybersecurity Compliance Certificate (Saudi Aramco Third Party Cybersecurity Standard)

# Major Client's

 شيفرون العربية السعودية Saudi Arabian Chevron	 نانكو NANCO	 JHR Jal Human Resources	 AHQ مجموعة شركات عبدالحادي عبد الله القحطاني وأولاده Abdel Hadi A. Al-Qahtani & Sons Group of Companies	 TECHNIMOUNT SYSTEM®	 Diriyah Gate Development Authority
 أرامكو السعودية Saudi Aramco	 الدواء al-dawaa	 شركة إلتاد المقاولون الفايضة GULF CONSOLIDATED CONTRACTORS CO.	 jedco Jeddah Airports	 IHG HOTELS & RESORTS	 Olayan Food Services Company
 الشركة السعودية للكهرباء Saudi Electricity Company	 لوبريف luberef	 شركة تمكين للموارد البشرية Tamkeen Human Resource Co.	 كامترو CAPITAL METRO COMPANY	 JAL INTERNATIONAL جال الدولية	 Olayan Descon Industrial Company LTD
 معادن MA'ADEN	 لولو LULU	 WESTERN INTERNATIONAL GROUP	 SEPCO 山东电建 Electric Power Construction Corporation	 نسما & شركاهم Nesma & Partners	 حديقة الملك سلمان King Salman Park
 JOHNS HOPKINS MEDICINE	 سامرف Samref	 SANAD Saudi Aramco Nabors Drilling	 CRCC China Railway Construction Corporation	 Qiddiya	 مطادر MADR
 أرامكو روان للحفر ARO	 موبيلي mobily	 RICEC Riyadh International Catering Corporation	 UIT Universal Institute of Technology	 matarat مطارات	 الشركة السعودية للاستثمارية لإعادة التدوير Saudi Investment Recycling Company
 SAIPEM	 Hanwha	 Arabian Drilling	 BECHTEL	 SARA مجموعة سارة القابضة Sara Group Holdings	 عبد الصمد القرشي ABDUL SAMAD AL QURASHI
 stc الاتصالات السعودية	 هانكو HANCO	 mebco	 SUNGCHANG	 RIYADH AIR طيران الرياض	 اسمنت الشرقية Eastern Cement
 SAMSUNG	 البنك السعودي للاستثمار The Saudi Investment Bank	 روابي القابضة Rawabi Holding	 الجبر ALJABR	 التصنيع TASNEC National Industrialization Company	 KAUST
 HITACHI	 Bahri	 SHARBATLY	 الموارد ALMAWARID مجموعة الموارد	 FRAIKIN YOU DRIVE. WE CARE	 Apple Saudi Arabia LLC
 عبد اللطيف جميل Abdul Latif Jameel	 SAR الخطوط الحديدية السعودية SAUDI ARABIA RAILWAYS	 ETROJET	 سماسكو SMASCO	 بن داود BIN DAWOOD	 الفنار alfanar
 سبكييم Sipchem EXCELLENCE everywhere	 جبل عمر Jabal Omar	 وزارة الثقافة Ministry of Culture	 الهيئة الملكية لمحافظة العلا Royal Commission for AIUla	 العربية للعود Arabian Oud	



+47 locations spread throughout.



+40 Cities within the Kingdom.



Strong and reliable connectivity to the portal of the Insurance Authority, Globe Med/ Saudi Next Care (Third Party claim administrator), Najm, Elm, Saudi Payments, and Bank's Portal ensuring that all services are made available online to its valuable clients.



+650 Employees, Saudization +83%



## Motor

- Motor Comprehensive- Retail
- Motor Comprehensive- Corporate
- Motor Third Party Liability (Individual & Corporate).
- Self-Driven Motor Policy.
- THIQAH Motor.
- Additional coverage for TPL Motor
- Comprehensive Insurance of Motor Financially Leased to Individuals



## Medical

- Corporate Medical
- SME Medical
- Visit & Tourist Visa.
- Domestic Workers Medical Insurance



## Property

- Fire and Specified Perils.
- Property All Risk.
- Home Insurance.
- Loss of Profit.
- Property Terrorism.
- SME.
- Heritage Property Insurance



## Marine

- Marine Open Cover.
- Goods in Transit.
- Marine Pleasure Craft.
- Marine Cargo.
- Freight Forwarders/ Services Liability.



## Engineering

- Contractors All Risk (CAR).
- Contractors Plant and Machinery (CPM).
- Deterioration of stock in cold storage following machinery breakdown (DOS).
- Erection all risk (EAR).
- Loss of profit following machinery breakdown (LoPM).
- Machinery Breakdown (MBD).
- Electronic Equipment.
- Construction Warranty Insurance (CWI).



## Specialized Products

- Directors and Officers Liability.
- Security and Privacy Protection (Cyber).
- Professional Indemnity –Miscellaneous.
- Professional Indemnity-Architect and Engineers.
- Single Project Professional Indemnity.
- Professional Indemnity-Financial Institutions.
- Professional Indemnity for Auditors of the Entities Supervised the CMA- Corporate.
- Extended Warranty
- Plastic Card Insurance.
- Trade Credit Product.



## Liability

- Pollution Legal Liability.
- Comprehensive General Liability.
- Medical Malpractice.
- Travel Insurance.
- Craftsman liability Insurance.
- Event Cancellation & Liability.
- Domestic Worker Contract's (Individual & Corporate).
- Fine Art Policy Product
- Motion Picture & Television Insurance



## Misc. Products & others

- Fidelity Guarantee.
- Workmen's Compensation.
- Group Personal Accident.
- Money Insurance.
- 3D Crime.
- Personal Lines Plus.
- Surety Bond Insurance



## Aviation

- Aviation Hull.
- Aviation Liability.



## Energy

- Energy –Downstream.



## Protection & Savings

- Group Life
- Credit Life
- Group Saving
- Savings Takaful Plan
- Investment Takaful Plan
- Education Takaful Plan
- Retirement
- Care Takaful Plan
- Critical Illness Comprehensive Plan





شركة ولاء للتأمين التعاوني  
Walaa Cooperative Insurance Co.

قلاء



# *What is IFRS 17?*

# What is IFRS-17 and how does it impact us?

## Key Message - Introduction and Key Terminologies Explained

---

IFRS-17 is an accounting change that aims to de-clutter the financials, and:

☉ **does not impact:**

- ☉ the underlying economics of the insurance contracts.
- ☉ non-insurance components of the Balance Sheet.
- ☉ the ability to generate cash and capital.

☉ **impacts:**

- ☉ timing of cashflows due to the introduction of discounting.
- ☉ grouping of assets/liabilities in the Balance Sheet, and revenue/expenses in the Income Statement.
- ☉ the introduction of risk adjustment and expense allocation.
- ☉ general and admin expenses (bifurcated into allocable and non-allocable).
- ☉ bad debts due to the introduction of ECL modeling (Expected Credit Loss), also allocated to LOB.
- ☉ losses - loss from an onerous (loss-making) contract is recognized on day one.
- ☉ financials presentation by showing direct and reinsurance components separately.
- ☉ deferred acquisition costs that also include attributable (acquisition-related) G&A expenses.
- ☉ Investment due to the introduction of IFRS9 – FVTPL (Held for Trading & Available for Sale) & FVTOCI (strategic investment) & Amortized costs (held to maturity – Sukuks).



# Key Terminologies

## Key Message - Introduction and Key Terminologies Explained

---

### Measurement Models [Discounted Cash Flows]:

- General Measurement Model (GMM). [LFRC & LIC]
  - Long terms contracts – including Non-unit-linked life.
- Variable Fee Approach (VFA). [LFRC & LIC]
  - Long terms contracts – Unit-linked investment component.
- Premium Allocation Approach (PAA). [LIC]
  - Short terms contracts [very similar to IFRS4].

### Liability/Asset for Incurred Claims (LIC/AIC):

- Contains all claims related components of IFRS-4, **plus**:
  - loss component (PAA), **OR**;
  - loss component/CSM, risk adjustment, and discounting (GMM / VFA).

### Liability/Asset for Remaining Coverage (LFRC/AFRC):

- Contains all premium related components of IFRS-4, **plus**:
  - loss component (PAA) **OR**;
  - loss component/CSM, risk adjustment, and discounting (GMM / VFA).

### Contractual Service Margin (CSM) [reserves]:

- Unearned/future expected profit.
- Result of a **positive** difference between projected discounted cash inflows and outflows.
- Recognized over the duration of the insurance contract.

### Loss Component (LC) [reserves]:

- Similar to Premium Deficiency Reserve (PDR) under IFRS-4.
- Result of a **negative** difference between projected discounted cash inflows and outflows.
- Recognized on day 1 of an insurance contract's recognition.

### Loss Recovery Component [reserves]:

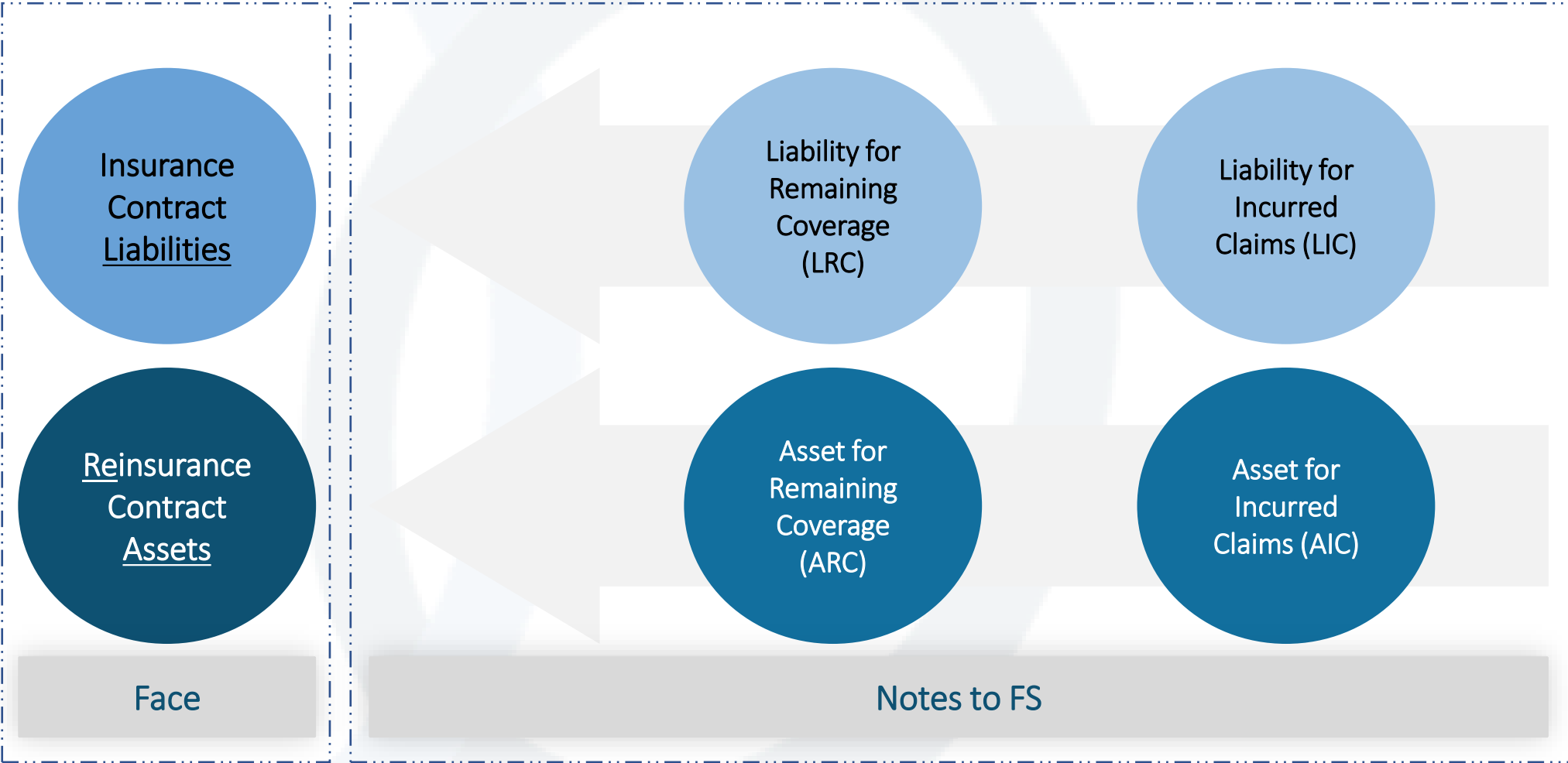
- Reinsurance share of loss component.

### Risk Adjustment (Non-financial risk) [reserves]:

- Similar to prudence/management margins under IFRS-4.
- Simply put - a buffer is kept aside to deal with **non-financial risks**.
- Example can be the “lapse risk” - i.e. the insurer cancels the policy earlier than expected.

# Balance Sheet

## IFRS17 Components



# (PAA) Insurance Contract Liabilities & Reinsurance Contract Assets

IFRS4 Bridge

## Insurance Contract Liabilities

## Reinsurance Contract Assets



# (GMM/VFA) Insurance Contract Liabilities & Reinsurance Contract Assets

IFRS4 Bridge

## Insurance Contract Liabilities

## Reinsurance Contract Assets

IFRS4

Unearned Premiums
Premium Receivables, net of BDP/ECL
Deferred Acquisition Costs (including deferred G&A expenses)
Commissions Payable

Incurred but not Reported (IBNR)
Outstanding Claims/Loss Reserves (OSLR)
Claims & Surplus Distribution Payable
Other Technical Reserves <small>[premium deficiency reserves, unallocated loss adjuster expenses, etc.]</small>

RI Share of Unearned Premiums
RI Payables
Unearned RI Commission
RI Commission Receivable

RI Share of Incurred but not Reported (IBNR)
RI Share of Outstanding Claims/Loss Reserves (OSLR)
RI Share of Claims Payable, net of non-performance risk
Other Technical Reserves



1. Loss Component / CSM
2. Risk Adjustment
3. Discounting

1. Risk Adjustment
2. Discounting

1. Loss Recovery Component / CSM
2. Risk Adjustment & Discounting

1. Risk Adjustment
2. Discounting

Liability for Remaining Coverage (LRC)

Liability for Incurred Claims (LIC)

Asset for Remaining Coverage (ARC)

Asset for Incurred Claims (AIC)

All Premium Related

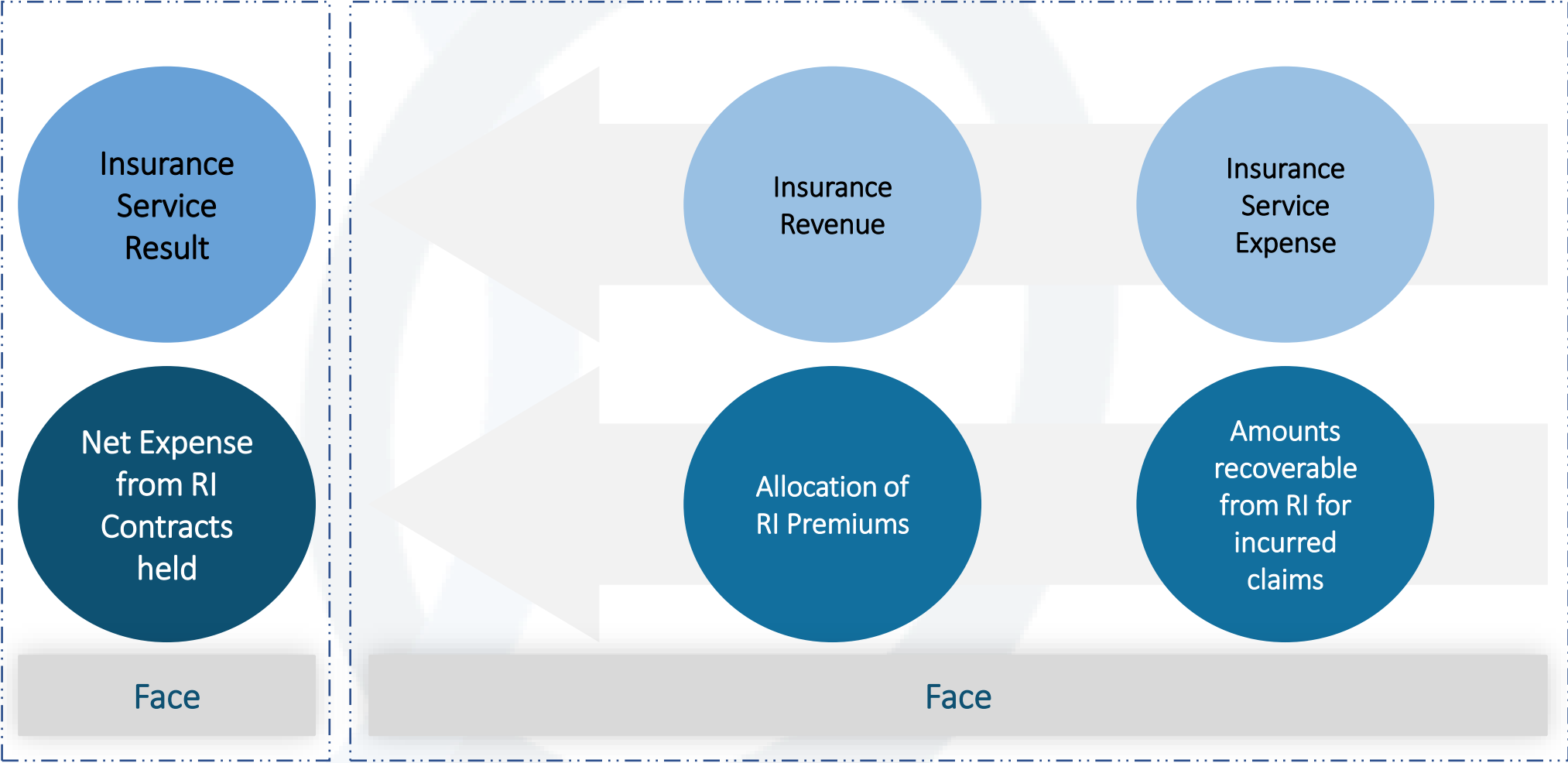
All Claims Related

All RI Premium Related

All RI Claims Related

# Income Statement

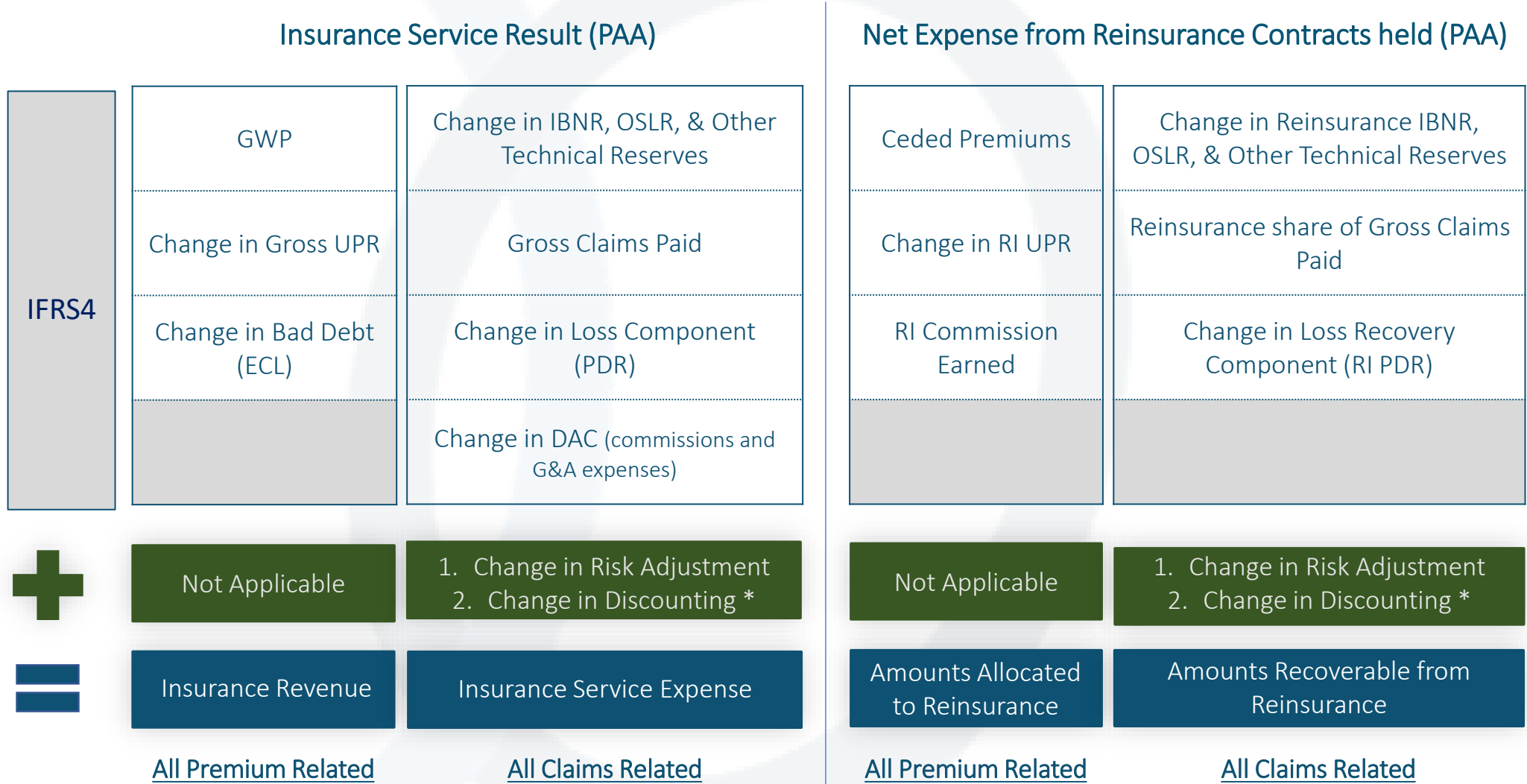
## IFRS17 Components





# Insurance Service Result & Net Expense from Reinsurance Contracts held (PAA)

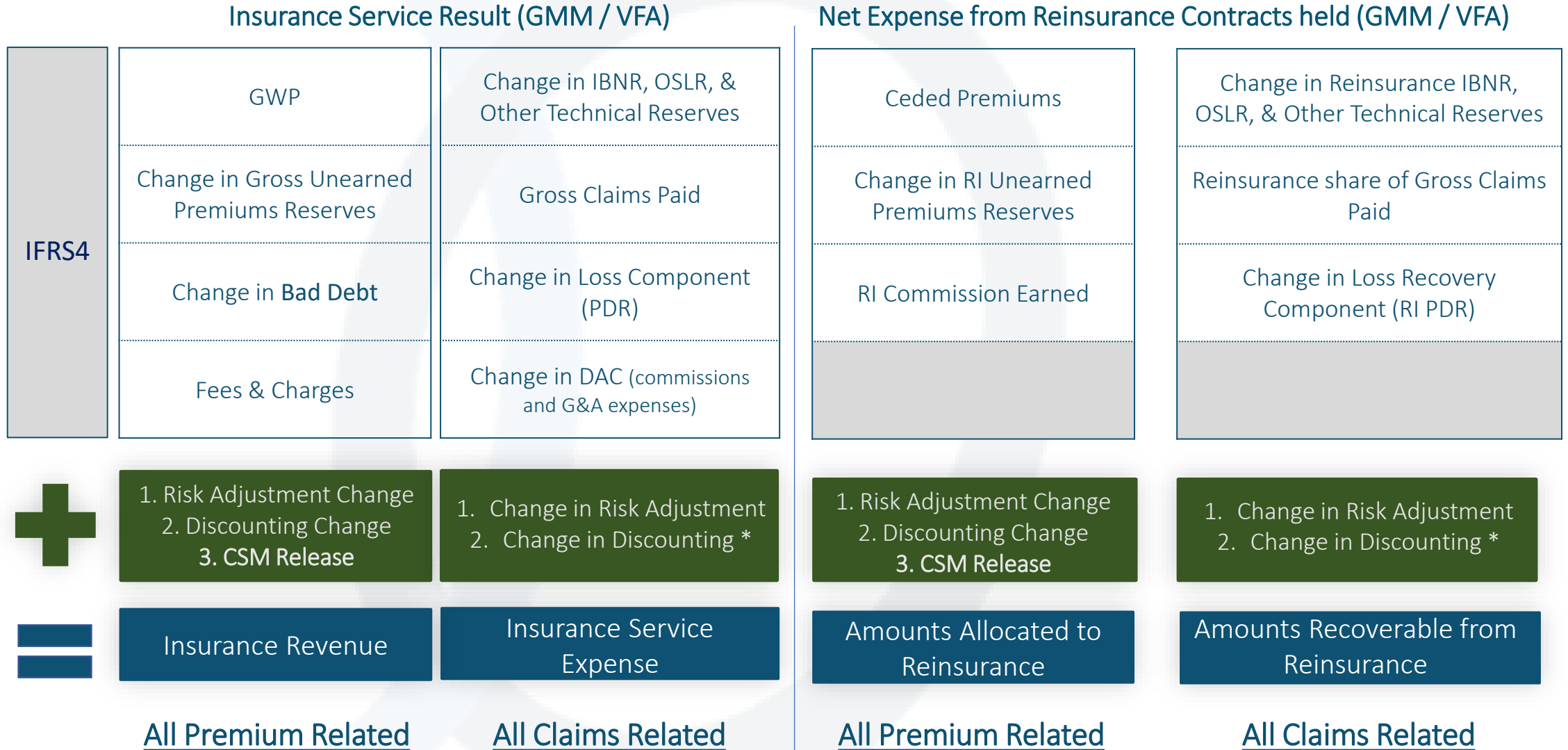
IFRS4 Bridge



\* Change in Discounting is disclosed under insurance finance income/(expense)

# Insurance Service Result & Net Expense from Reinsurance Contracts held (GMM / VFA)

IFRS4 Bridge



\* Change in Discounting is disclosed under insurance finance income/(expense)

# Income Statement

## FS Presentation

IFRS17 Line Items	Mapping
Insurance revenue	1
Insurance service expenses	2
<b>Insurance service result before reinsurance contracts held</b>	
Allocation of reinsurance premiums	3
Amounts recoverable from reinsurance	4
<b>Net expenses / (income) from reinsurance contracts held</b>	
<b>Insurance service result</b>	<b>5</b>

IFRS4 Line Items	Mapping
Gross written premiums	1
Inward reinsurance premiums	1
Reinsurance premiums ceded	3
Excess of loss premiums	3
<b>NET WRITTEN PREMIUMS</b>	
Change in gross unearned premiums	1
Change in ceded unearned premiums	3
<b>NET EARNED PREMIUMS</b>	
Reinsurance commission earned	3
Other underwriting income	1
<b>UNDERWRITING REVENUE</b>	
Gross claims paid	2
Surrenders and maturities	2
Expenses incurred related to claims	2
Reinsurers' share of claims paid	4
<b>NET CLAIMS PAID</b>	
Changes in outstanding claims	2
Changes in reinsurance share of outstanding claims	4
Changes in IBNR	2
Changes in reinsurance share of IBNR	4
<b>NET CLAIMS INCURRED</b>	
Change in additional premium reserve	2
Change in other technical reserves	2
Change in mathematical reserves, net	2
Changes in unit-linked reserves	2
Commissions incurred	2
Inspection and supervisory fees	2
Other direct underwriting expense	2
<b>NET UNDERWRITING RESULTS</b>	<b>5</b>
(Allowance for)/ Reversal of doubtful debts	1
Operating and administrative salaries	2
General and administration expenses	2

# Balance Sheet

## FS Presentation

IFRS4 Line Items		IFRS17 Line Items	
Assets	Mapping	Assets	Mapping
Cash and cash equivalents		Cash and cash equivalents	
Short term/fixed income deposits		Short term/fixed income deposits	
Premiums and reinsurers' receivable - net	1	Reinsurance Contract Assets	2
Reinsurers' share of unearned premiums	2	Investments	
Reinsurers' share of outstanding claims	2	Long term/fixed income deposits	
Reinsurers' share of claims Incurred but not reported	2	Prepaid expenses and other assets	
Reinsurers' share of mathematical reserves	2	Accrued commission income	
Deferred policy acquisition costs	1	Property and equipment, net	
Investments		Intangible assets, net	
Unit-linked investments	1	Statutory deposit	
Long term/fixed income deposits		Accrued income on statutory deposit	
Prepaid expenses and other assets		Intra-company balances	
Accrued commission income		Goodwill	
Property and equipment, net			
Intangible assets, net			
Statutory deposit			
Accrued income on statutory deposit			
Intra-company balances			
Goodwill			

IFRS4 Line Items		IFRS17 Line Items	
Liabilities	Mapping	Liabilities	Mapping
Policyholders claims payable	1	Accrued expenses and other liabilities	
Accrued expenses and other liabilities		Insurance Contract Liabilities	1
Reinsurance balances payable	2	Employee EOS	
Gross unearned premiums	1	Surplus distribution payable	
Unearned reinsurance commission income	2	Taxes and zakat payable	
Gross outstanding claims	1	Accrued commission income payable to SAMA	
Gross claims incurred but not reported	1		
Gross mathematical reserves	1		
Additional premium reserve	1		
Other technical reserves	1		
Unit-linked reserves	1		
Employee EOS			
Surplus distribution payable	1		
Taxes and zakat payable			
Accrued commission income payable to SAMA			

There is no change in SH Equity line items