



Earnings Flash Note
Al Khaleej Takaful Insurance Co.
4Q 2023 / FY 2023



Al Khaleej Takaful Insurance Co. (AKHI)

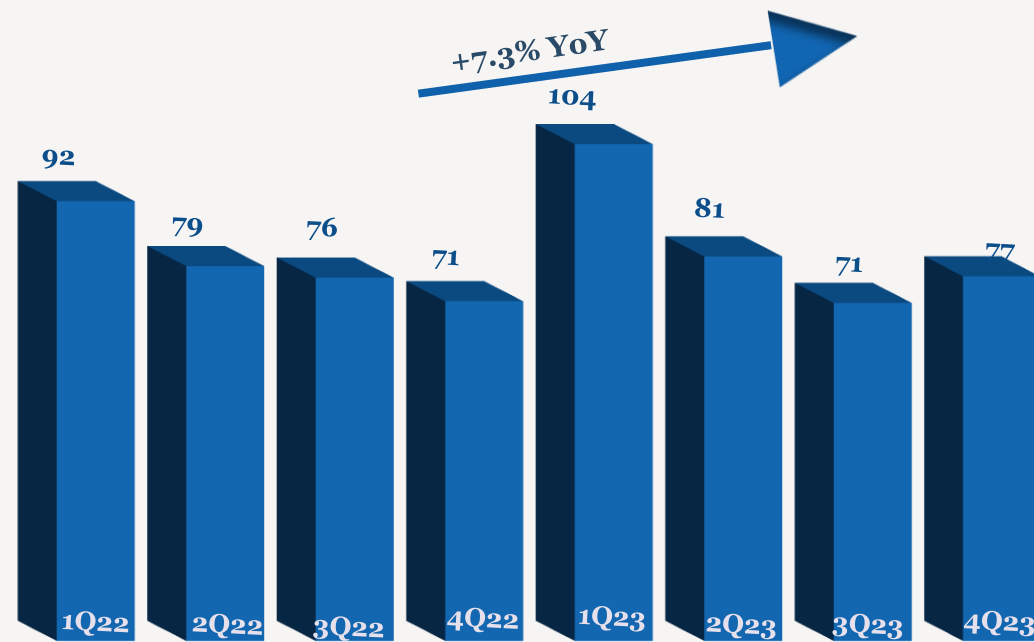
- > Net profit increased 13.7% YoY to QR12mn (+14.1% QoQ) in 4Q2023 primarily due to a surge in gross written premium and higher Share of result of associate in 4Q2023. For FY2023, net profit was up by 14.2% YoY to QR65mn.
- > Gross written premium increased by 7.3% YoY to QR77mn (+7.9% QoQ) in 4Q2023. For FY2023, gross written premium was up by 4.4% YoY to QR333mn.
- > Net earned premium (NEP) of QR45mn came higher by 10.9% YoY (-2.0% QoQ) in 4Q2023. For FY2023, NEP increased by 14.7% YoY to QR184mn.
- > Loss ratio increased by 1.2ppts to 49.5% (-19.0ppts QoQ) in 4Q2023. For FY2023, the loss ratio came to 57.1% (+4.0ppts YoY).
- > For 4Q2023, EPS came at QR0.047 vs QR0.041 in 4Q2022 while for FY2023, EPS was 0.253 vs 0.221 in FY2022.
- > As of 19th Feb 2024, the stock has decreased 7.0% YTD, underperforming the QSE index, which was down by 4.9% YTD.
- > The stock is currently trading at a TTM P/E multiple of 10.9x, lower than its 2Y historical average of 15.1x
- > The Board announced a DPS of QR0.12 for FY2023 which translates into a yield of 4.4%.

4Q/FY 2023 Earnings Performance

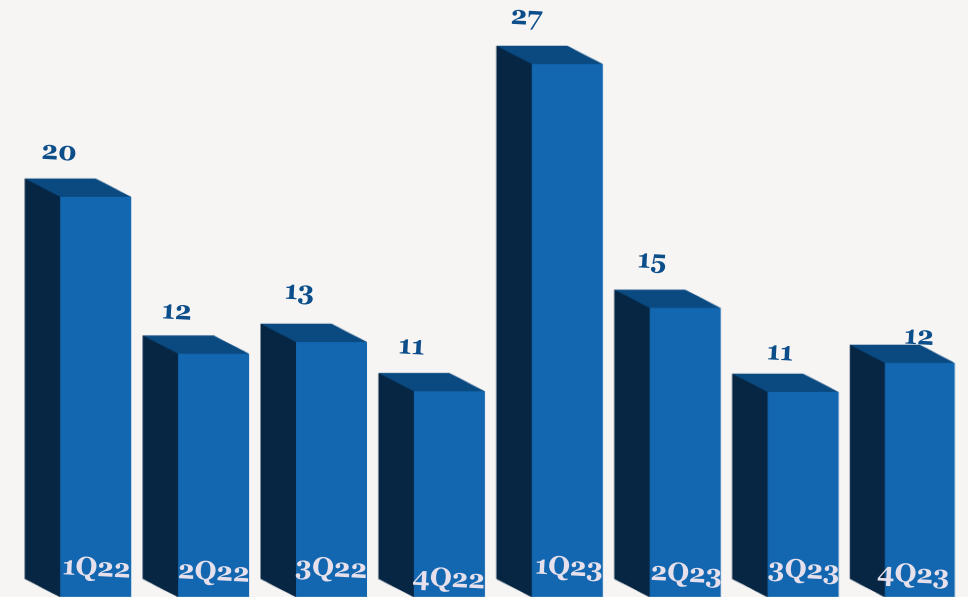
	4Q2023	4Q2022	YoY	3Q2023	QoQ	FY2023	FY2022	YoY
Gross Written Premium	77	71	7.3%	71	7.9%	333	319	4.4%
Net Earned Premium	45	41	10.9%	46	-2.0%	184	161	14.7%
Net Claims Incurred	22	20	13.6%	32	-29.2%	105	85	23.3%
Total Investment and other Income	26	26	-1.1%	23	13.7%	111	99	11.6%
Loss Ratio %	49.5%	48.3%		68.6%		57.1%	53.2%	7.5%
Net Profit to Equity	12	11	13.7%	11	14.1%	65	57	14.2%
EPS (QR)	0.047	0.041	13.7%	0.041	14.1%	0.253	0.221	14.2%

Note: Values are expressed in QR'mn unless explicitly stated

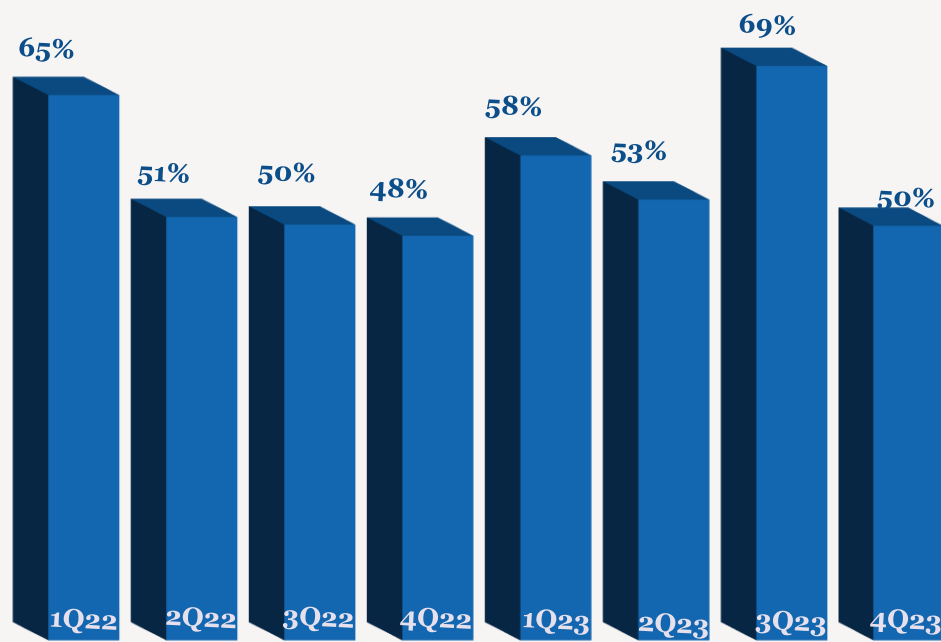
Quarterly Gross Written Premium Trend (QRmn)



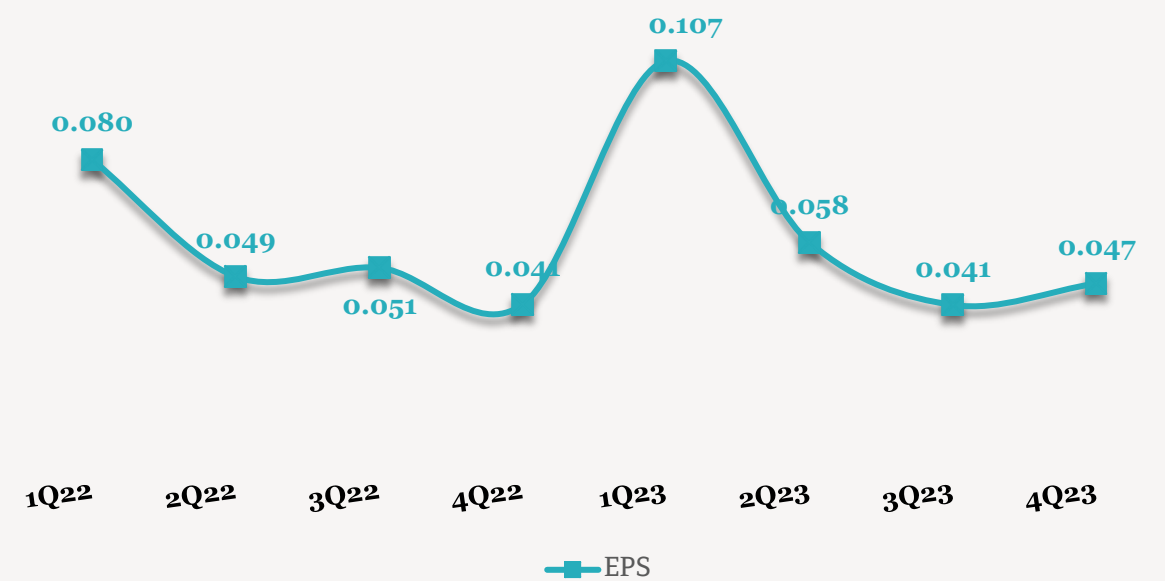
Quarterly Earnings Trend (QRmn)



Loss Ratio %



EPS (QR) Trend



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