



Earnings Flash Note
Al Khaleej Takaful Insurance Co.
3Q 2023 / 9M 2023

Al Khaleej Takaful Insurance Co. (AKHI)

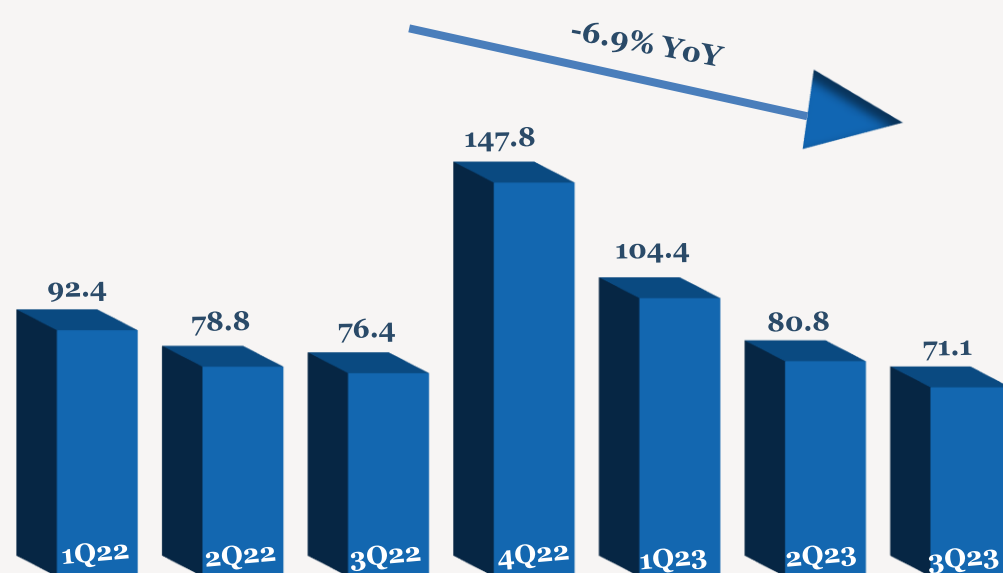
- > **Net profit decreased 19.6% YoY to QR10.5mn (-29.0% QoQ)** primarily due to a surge in total expenses and higher claims in 3Q2023. For 9M2023, net profit was up by 14.3% YoY to QR52.6mn.
- > **Gross written premium fell by 6.9% YoY to QR71.1mn (-12.1% QoQ)** in 3Q2023. For 9M2023, gross written premium was up by 3.5% YoY to QR256.3mn.
- > **Net earned premium (NEP) of QR46.0mn came higher by 17.9% YoY (-5.4% QoQ)** in 3Q2023. For 9M2023, NEP increased by 16.0% YoY to QR139.3mn.
- > **Loss ratio increased by 18.9ppts to 68.6% (+15.9ppts QoQ)** owing to higher net claims incurred (+62.7% YoY, +23.2% QoQ) in 3Q2023. For 9M2023, the loss ratio came at 59.6% (+4.8ppts YoY).
- > **For 3Q2023, EPS came at QR0.041 vs. QR0.051 in 3Q2022 while for 9M2023, EPS was 0.206 vs 0.180 in 9M2022.**
- > **As of 30th Oct 2023, the stock has increased 31.5% YTD, outperforming the QSE index, which was down by 10.9% YTD.**
- > **The stock is currently trading at a TTM P/E multiple of 13.4x, lower than its 3Y historical average of 16.8x.**

3Q/9M 2023 Earnings Performance

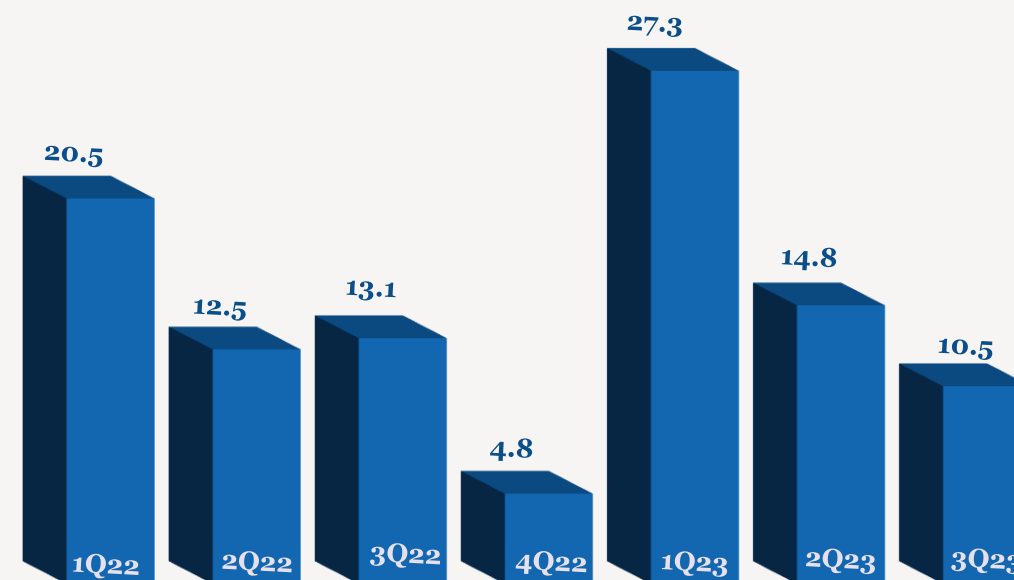
	3Q2023	3Q2022	YoY	2Q2023	QoQ	9M2023	9M2022	YoY
Gross Written Premium	71.1	76.4	-6.9%	80.8	-12.1%	256.3	247.6	3.5%
Net Earned Premium	46.0	39.0	17.9%	48.6	-5.4%	139.3	120.1	16.0%
Net Claims Incurred	31.5	19.4	62.7%	25.6	23.2%	83.0	65.8	26.2%
Total Investment and other Income	22.7	21.7	4.9%	25.4	-10.5%	85.2	73.3	16.2%
Loss Ratio %	68.6%	49.7%		52.6%		59.6%	54.8%	
Net Profit	10.5	13.1	-19.6%	14.8	-29.0%	52.6	46.0	14.3%
EPS (QR)	0.041	0.051	-19.6%	0.058	-29.0%	0.206	0.180	14.3%

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

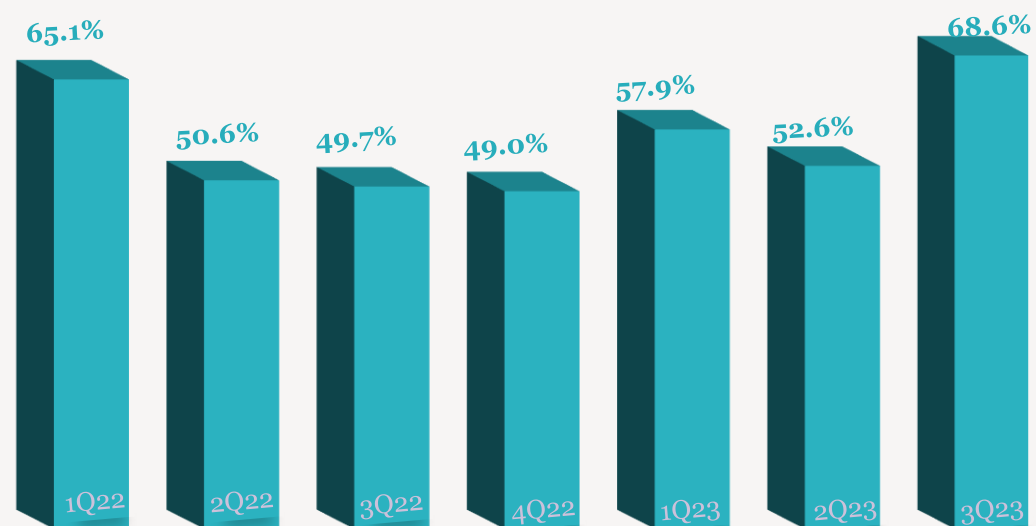
Gross Written Premium (QRmn)



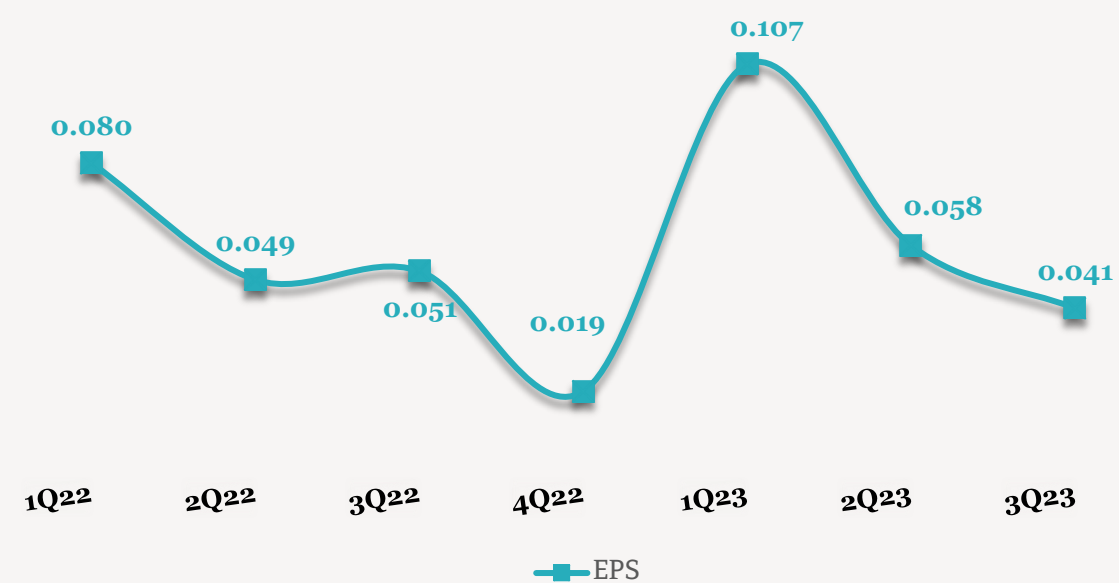
Net Income Trend (QRmn)



Loss Ratio %



EPS (QR) Trend



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