

Insurance Industry Report

UAE, Q3 2023

Preliminary Assessment

Unlocking Financial Reporting

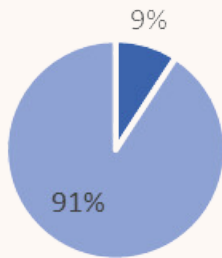
Embrace IFRS-17 for a Prosperous Future

The new IFRS 17 standard for insurance contracts is one of the most significant changes to accounting for insurance contracts in decades. It's also one of the most complex. Companies are in the process of embracing their robust accounting principles, setting the stage for financial transparency like never before.

The data provided offers valuable insights into the revenue and profit trends within the insurance industry. The companies in the pack in revenue generation, profit margins and strategies for expense management may vary. The implementation of IFRS 17 is poised to bring about further transparency and accuracy in financial reporting, influencing how investors and stakeholders evaluate the financial performance of these insurance companies.

Highlights of Q3 2023

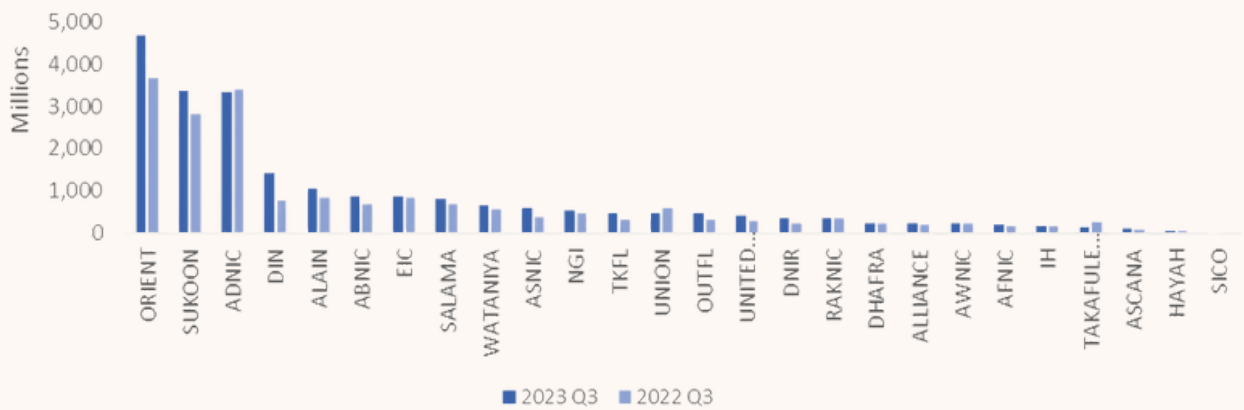
Insurance Revenue



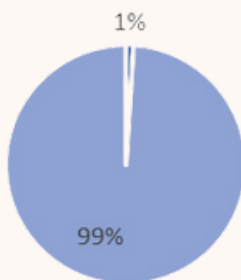
In the third quarter of 2023, the total revenue in gross written premiums for insurance companies reached **AED 22.100 billion**, showcasing a notable increase from the same period in the previous year. In Q3 of 2022, the total revenue stood at **AED 18.817 billion**, indicating a substantial growth of **AED 3.28 billion** or approximately **17%**.

■ Takaful ■ Conventional

Insurance Revenue



Profit After Tax



In the third quarter of 2023, the total profit for insurance companies amounted to **AED 1.467 billion**, marking a significant upswing from the corresponding period in the preceding year. Specifically, in Q3 of 2022, the total profit stood at **AED 1.24 billion**, signifying an impressive growth of **18%**.

■ Takaful ■ Conventional

Profit After Tax



RANKINGS FOR Q3, 2023

COMPANIES		INSURANCE REVENUE (AMOUNTS IN AED '000)	PROFIT AFTER TAX
ORIENT	1	4,669,797	504,222
SUKOON	2	3,356,582	184,876
ADNIC	3	3,334,424	301,871
DIN	4	1,410,265	127,683
ALAIN	5	1,040,296	39,018
ABNIC	6	883,285	(85,173)
EIC	7	862,205	88,124
SALAMA	8	824,344	18,567
WATANIYA	9	670,602	(6,580)
ASNIC	10	593,035	2,763
NGI	11	541,494	62,186
TKFL	12	480,228	57,483
UNION	13	471,890	2,165
OUTFL	14	464,047	32,599

ORIENT takes the lead in revenue and profit among competitors, also it has established itself as the top earner with a staggering revenue of 4,669,797 AED. SUKOON follows closely behind with an impressive revenue of 3,356,582 AED, securing the second spot. ORIENT has also shown strong performance in profit before taxes, exceeding 500 million AED. Meanwhile, ADNIC reports a profit after tax exceeding 300 million AED.

RANKINGS FOR Q3, 2023

COMPANIES		INSURANCE REVENUE (AMOUNTS IN AED '000)	PROFIT AFTER TAX
UNITED FIDELITY	15	408,337	(13,534)
DNIR	16	342,638	34,455
RAKNIC	17	342,367	5,511
DHAFRA	18	238,653	45,363
ALLIANCE	19	224,401	29,119
AWNIC	20	221,431	164,201
AFNIC	21	201,310	(13,417)
IH	22	185,048	(32,575)
TAKAFULEM	23	155,213	(60,987)
ASCANA	24	97,941	(32,849)
HAYAH	25	63,806	(2,713)
SICO	26	16,065	14,738

DNIR follows closely, reporting a revenue of 342,638 AED. RAKNIC exhibit revenue of AED 342,367. AWNIC demonstrates strong profitability, with a profit of 164,201 AED and a profit margin of 379%. DHAFRA reports a profit of 45,363 AED.

IFRS 17 Implementation

Impact on the Insurance Industry

Our Analysis

The analysis of revenue, performance, growth, and position provides a comprehensive understanding of how these insurance companies fare within the UAE industry. In Q3 2023, our analysis suggests substantial shifts in market dynamics for various insurance providers. ORIENT and Sukoon had substantial, consistent growth, whereas ADNIC declined.


DIN emerged as a standout performer, increasing its market share by 78%. UNION saw a significant fall, in contrast to the strong expansion of OUTFL and TKFL. TAKAFULEM fell precipitously, but ASNIC expanded rapidly. Overall, different company trends indicate a dynamic and competitive landscape, with some organisations thriving and others having difficulty within the indicated time period.


The position changes within the list of companies provide valuable insights into how each entity has shifted relative to its peers. Notably, TKFL have made significant climb in advancing three positions up, which is insightful. Conversely, the significant drop of TAKAFULEM, falling from the 17th position to the 23rd position in 2023, is insightful.

The collective performance of these companies underscores the resilience and growth potential within the UAE insurance sector. Despite varying revenue figures, the profitability demonstrated by several companies suggests a healthy competitive landscape.

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 www.shma.sa

 info@shma.sa

 +971 4 5897025

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