مقيدة تحت الرقم (١٧) بموجب القانون الاتحادي رقم (٦) لسنة ٢٠٠٧.
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SALAMA 2020 half-year net profit increases 41.03 % to AED 47.05m

Dubai, Aug 10, 2020: Islamic Arab Insurance Company, listed as "SALAMA" on DFM, announced its interim results for the first six months of 2020.

Highlights:

- Gross written premium (GWP) grew by 6.9% from AED 650m in H1 2019 to AED 695m in H1 2020, despite challenges of COVID-19 pandemic
- Net profit reported for H1 2020 increased to AED 47.05m from AED 33.36m in H1 2019.

SALAMA reported growth of 6.9% in gross written contribution, from AED 650m in H1 2019 to AED 695m in H1 2020. SALAMA's net profit increased to AED 47.05m in H1 2020 from AED 33.33m in H1 2019 and this has been possible due to the strategies implemented at Board Level focusing on core business profitability, enhancement of investment income and implementation of superior governance standards.

SALAMA continues to maintain its leading position in the Takaful segment of the UAE market. Despite global uncertainty due to COVID-19, SALAMA continued on its growth trajectory, achieving a substantial increase in its Gross Premium Income. All lines of business and subsidiaries performed as per expectations, except SALAMA Algeria, which reported decreasing gross premium income in the first half of 2020. The prudent investment strategy has shielded SALAMA from fluctuation in international and local equity markets.

SALAMA's focus on strong business practices, customer centric offerings and technology driven solutions has made it possible to serve customers and partners seamlessly during the slowdown of business activities caused by COVID-19 pandemic.

Use of varied technologies to reach out to customers for sales and service, inhouse and remote capabilities to manage issuance of policies online, prudent underwriting controls along with efficient claims management resulted in growth of underwriting income from 76.72m in 2019 to 83.89m 2020, reflecting growth of 9.34%from corresponding year figures.

Commenting on the results, Mustafa G. Kheriba, SALAMA Group Managing Director, said,

"SALAMA has remained resilient in the first half of 2020 in face of uncertainties and unseen challenges posed by the pandemic. Our customer-centric approach backed with specific business and investment strategies have paved the way for SALAMA's success. We accelerated our digital capabilities to provide convenience and easier access to customers. We will continue to closely monitor the changes as the path of recovery remains uncertain".

He also added, "As the UAE ranks high for COVID-19 response globally, SALAMA continues to support the front line health workers and recognizes the efforts of all individuals who strive to make our lives better with deep gratitude. Our Front line Health Worker campaign will continue to support such professionals and our leadership team will remain focused on delivering sustainable value to our customers, partners and community at large".

The continued growth has resulted in SALAMA's rating being maintained at the same levels of 2019, which is BBB. SALAMA stands as the largest sharia'h compliant Takaful operator with 'AAA' level capital adequacy as per S&P. SALAMA remains committed to serving partners and customers while enhancing shareholder returns in 2020.

Notes to editor:

About SALAMA Islamic Arab Insurance Company

SALAMA Islamic Arab Insurance Company is one of the world's largest and longest-established Shari'ah compliant Takaful solutions providers listed on the Dubai Financial Market, with paid-up capital of Dh1.21bn. SALAMA has been a pioneer in the Takaful industry from its incorporation in 1979 to the present day.

SALAMA's stability and success can be attributed to its customer-centric approach, keeping clients and partners at the heart of the business, and its commitment to its core values and principles. SALAMA continues to design and develop solutions that meet the ever-changing demand of customers. Today, SALAMA is recognised for providing the most competitive and diverse range of Takaful solutions in the region.

SALAMA serves individual customers and institutions in the UAE and, through its extensive network of subsidiaries and associates, the Kingdom of Saudi Arabia, Egypt, Jordan and Algeria.

As the UAE's leading Takaful company, SALAMA offers a comprehensive range of family, motor, general and health Takaful solutions. Due to its reputation for high-quality products and services and implementation of Takaful best practice, SALAMA won the 'Family Takaful Company of the Year-2015' award at the Middle East Insurance Awards, 'Best Family Takaful Operator ME – 2016' at the Islamic Banking and Finance Awards, 'Best Takaful Operator - 2019' by the Islamic Banking and Finance Awards as well as other accolades.

SALAMA continues to be the preferred Takaful partner by its partners and customers, remaining committed to 'Securing our future – together.'

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