مقيدة تحت الرقم (١٧) بموجب القانون الاتحادي رقم (٦) لسنة ٢٠٠٧.
Registration No. (17) under Federal Law No. (6) of 2007.

Date: 14/02/2022

SALAMA's preliminary Net Profit FY 2021 reaches AED 47.78 million

Dubai, February 14, 2022: Islamic Arab Insurance Company, listed as "SALAMA" on DFM, announced its preliminary results for the 2021 fiscal year.

Highlights:

- Net profit for the year reached AED 47.78mn.
- Gross written contributions reached AED 1.08bn.
- SALAMA has taken proactive measures to restructure its balance sheet, through varied meausures such as improving underwriting performance, and focus on customer centric investment in digital transformation initiatives to enhance omnichannel experience.
- Subsidiaries in Egypt and Algeria achieved 37mn in 2021 compared with 32 mn 2020.
- SALAMA continues to enjoy strong balance sheet performance with an increase of AED 236.9m in its asset base compared to last year. This provides a strong foundation for business expansion.
- Assets under Management (AUM) continue to grow YOY and have increased by AED 170.1 million compared to 2020, demonstrating stakeholder confidence in SALAMA.

SALAMA posted a net profit of AED 47.78mn in FY 2021, which was a result of the Company's strategy to restructure the business, with a particular focus on streamlining its balance sheet through prudent underwriting controls, and attracting new business, as well as investing in its customer-focused digital transformation initiatives aimed at improving its overall digital offering .

The focus remained on implementing a digital transformation strategy that put the customer at the center of all initiatives. Through a combination of innovation and technology, SALAMA was able to launch five Takaful products, including Pet, Motor, Medical, Home Content & Term Life online, giving customers access to unique Takaful solutions and end-to-end paperless processing from the comfort of their homes or offices. Digital transformation initiatives were designed to improve the omnichannel experience for customers and partners, and SALAMA was able to improve the overall customer experience and operational efficiency across multiple products.

On an operational level, SALAMA continued to focus on the UAE market in 2021, but the company's profitability in the UAE was affected by an increased number of claims and wider macroeconomic factors. SALAMA's subsidiaries, particularly Algeria and Egypt, continued to outperform as compared to previous year.

SALAMA's gross written contributions has consistently remained over the billion mark with 1.088bn in 2021. Underwriting profits have increased marginally to15% of gross written contributions as compared to 14% last year.

SALAMA's investment moved mainly due to mark to market (MTM) volatility of some equity instruments and realignment measures undertaken to invest into high quality assets as part of the prudent investment strategy adopted by the Board of Directors in 2020.

Commenting on the preliminary results, **Jassim Alseddiqi, SALAMA's Chairman,** said: "The strength and execution of our strategy is evident on many fronts with great progress in digital transformation, launching new product lines and improving core business profitability in a challenging market environment. In 2021, we focused on restructuring the business and streamlining the balance sheet, and we are already starting to see these efforts bearing fruit in 2022. I am optimistic that by continuing this strategic direction, SALAMA is well positioned to create long-term sustainable value for its policyholders and shareholders."

Fahim Al Shehhi, CEO of SALAMA, said: "The year 2021 was a year of change for insurers in general. And while we started the year on a strong note - earning PI status from DHA and coming on board as the exclusive Takaful partner for a number of development projects - we are committed to continuing to take the necessary steps to improve our revenue and underlying profitability. We remain on track to accelerate our digital transformation, improve operational excellence, adopt industry best practices, introduce more customer-centric product offerings, product lines and technology-based solutions - all with the goal of delivering a better customer experience and sustainable growth."

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SALAMA stands as the largest sharia'h compliant Takaful operator with 'AAA" capital adequacy rating as per S&P. SALAMA remains committed to serving partners and customers while enhancing shareholder returns in 2021 and beyond.

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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 in Egypt and Algeria.

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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 including the latest 'Takaful Company of the Year' award at MIIA 2020.

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