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

Date: 30/03/2022

SALAMA reports audited FY 2021 net profit of AED 48.17 million; confident outlook for 2022 powered by digital transformation

Dubai, March 30, 2022: Islamic Arab Insurance Company, listed as "SALAMA" on DFM, has received board approval for its audited financial statements for the year ended December 31, 2021.

Highlights:

- Net profit for the year reached AED 48.17mn.
- Gross written contributions reached AED 1.09bn amid challenging macroeconomic conditions.
- Assets under management (AUM) grew 7.5% YOY as a result of increased stakeholder confidence in SALAMA.
- Strong performance by subsidiaries in Egypt and Algeria achieved 38mn in 2021 up 19% YOY.
- Subject to regulatory approval, the Board will propose a cash dividened of 3fils/share for the period ended December 31, 2021, at the AGM.
- SALAMA made significant investments in product innovation and digital transformation initiatives to deliver an omnichannel experience and improve operational efficiency.
- Outlook : In 2022, SALAMA will focus on business expansion, supported by strong balance sheet performance.

In 2021, SALAMA made great strides in increasing assets under management and improving operational efficiency. During the year, the Management of SALAMA focused on improving underwriting capabilities, attracting new business, building new revenue streams, and investing in customer-centric and digital transformation initiatives.

The rollout of SALAMA's digital transformation strategy in 2021 led to a series of new initiatives designed to enhance its existing product line and provide customers with an omnichannel experience, and included developments such as the launch of a revamped Motor B2C portal and the introduction of a comprehensive health plan with instant card activation. These strengthened digital capabilities also paved the way for the launch of innovative new product lines such as pet insurance, which customers can purchase online in less than five minutes.

In addition, SALAMA's digitization efforts have also translated into increased operational efficiency, particularly through the automation of internal processes and the use of enhanced security measures to protect customer data and detect and respond to incidents as and when they occur.

The introduction of API-based services has also enabled SALAMA to seamlessly integrate banks, aggregators and ecommerce partners into its systems.

On the product front, SALAMA has enhanced and launched five Takaful products online, including Pet, Motor, Medical, Home Content & Term Life, giving customers access to unique Takaful solutions and end-to-end paperless processing from the comfort of their homes or offices.

At an operational level, the Company's profitability in the UAE was affected by an increased number of claims and broader macroeconomic factors. SALAMA's subsidiaries, particularly in Algeria and Egypt, continued to outperform compared to the previous year.

SALAMA's gross premiums written have remained consistently above the billion mark at 1.09 billion in 2021.

Commenting on the FY 2021 results, **Jassim Alseddiqi, SALAMA's Chairman,** said: " Despite the uncertain economic environment in 2021, we have remained focused on executing our strategy and delivering value for our shareholders. Our robust approach to improving our operations has led to SALAMA's dramatic transformation on many fronts, whether it's digitization of operations or product innovation. SALAMA's position as a leading and progressive takaful player in the UAE is stronger than ever and as we look ahead, we are confident about our medium to long-term growth prospects. We are well positioned to create sustainable value for our shareholders and to be a partner of choice for our policyholders."

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Fahim Al Shehhi, CEO of SALAMA, said: " We entered 2022 with good momentum in most areas, particularly in the way we have very effectively implemented our digital transformation efforts to improve operational efficiency, adopted industry best practices, introduced more digitally focused and customer-centric product offerings and product lines, expanded strategic relationships with key partners, and continue to help support key ecosystems that are critical to our economy. We will continue to be there for our policyholders as a trusted partner, providing them with financial security and peace of mind, just as we always have."

The Board of Directors will propose at the Annual General Meeting (to be held in April 2022) a cash dividened of 3fils/share for the period ended 31 December, 2021, subject to regulatory approval.

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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<u>Notes to editor:</u>

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.

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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.

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. The company has also been recognized as the 'Takaful Company of the Year-2020' at the Middle East Insurance Industry Awards and most recently as the Takaful Specialist of the Year' at the MENA Insurance Review Awards.

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

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