

## **Watania International Holding announces H1 2023 results**

*Successful execution of significant & sustainable measures to support a return to normal levels of profitability in 2023*

**Dubai, UAE, 15 August 2023** – Watania International Holding PJSC ('WIH', the 'Company' or the 'Group'), reported today its interim consolidated financial statements for the financial year 2023.

### **Financial Updates (H1 2023):**

- Takaful revenue increase by 41% year on year (y-o-y), with the Technical product lines including Property and Casualty performing well, the Motor product line taking sustainable actions to address market pricing pressures, and the Medical product line showing steady signs of improvement.
- Expenses control continued with the Company on track to deliver, in FY23, approximately AED20 million in net cost synergies resulting from the merger.
- Investment income increased 238% y-o-y to AED 22.3 million driven by a larger asset base and improved yield on equities and deposits.
- Net loss of AED 3.9 million showing significant and ongoing reduction of losses as compared to FY22.

### **Financial Reporting Considerations:**

- The report for H1 2023 includes the consolidated financial statements of the merged entity.
- However, the report for H1 2022 did not include the consolidated financial statements of the merged entity. This is because the merger between Dar Al Takaful PJSC and the National Takaful Company (Watania) was completed on 1 July 2022, and as per accounting standards, the financial reports of Watania are merged effective from the period starting 1 July 2022.

**Dr. Ali Saeed Bin Harmal Aldhaheeri, Chairman, WIH** said:

"We are committed to the diligent execution of our strategy to turn around the Company's performance. During the first half of the year, we saw the positive and steady benefits of the corrective measures taken since the merger, including ensuring that previously incurred one-time off expenses do not occur again this year. Targeted initiatives were also implemented to significantly reduce the losses while realizing approximately AED20 million in net cost synergies from the merger and achieving better investment yields in 2023.

Looking into the future, the Company is well positioned both operationally and strategically to achieve recovery and a return to more normal levels of profitability in 2023 while creating value for all stakeholders including the esteemed shareholders."

### **Operational Highlights (Q2 2023):**

- Mr. Rashid Mahboob AlQubaisi joined the Board of Directors, following the resignation of Mr. Shahab Lutfi Harmoozi. He brings a strong track record of

visionary executive leadership, service excellence focus, strategic development successes and market insights to the organization.

- In June, the holding Company moved to the new Dubai head office at The Galleries 2 in Jebel Ali. Its subsidiaries Watania Takaful General and Watania Takaful Family also expanded their geographic presence which brings their national footprint to four full services offices in Jebel Ali, Abu Dhabi, Deira, and Sharjah.
- The rebranding of WIH and its subsidiaries post the merger was recognized with WIH branding partners winning several accolades at the reputed Transform Brand Awards MEA 2023 including 'Best corporate rebrand following a merger or acquisition', and 'Best brand identity from the financial services sector'.
- Watania Takaful General expanded its exclusive partnership with Faza'a and with Esaad to provide their members with tailored product offers and benefits.
- Watania Takaful Family continued to support the health initiatives of the DHA through dedicated campaigns. The wellbeing of its clients' members remained top of mind through the launch of the Chronic Care Management program which provides ongoing support for members and helps them manage their chronic conditions.

**Mr. Gautam Datta, CEO, WIH** commented:

"The execution of our clear strategy for the holding company is progressing at pace with stable performance following the corrective measures taken since the merger completion in July 2022. This includes the implementation of sustainable initiatives to reduce the net losses significantly and lower expenses as compared to the previous year while benefiting from the merger-related synergies.

We also continued our focus on the ongoing development of our technology systems to be better fit for purpose and scalable, streamlining our distribution networks and leveraging our enhanced capacity to further develop our services to customers and business partners.

For our Takaful operating companies, Watania Takaful General and Watania Takaful Family, we continued to optimize our pricing mechanisms, reorganize the claims processing methods, and continuously evaluating our reinsurance partnerships. At the same time, we regularly monitored the market to explore organic and inorganic opportunities stemming from positive demand trends for Takaful products particularly for the Family Takaful segment which offers options for savings-linked family Takaful plans and pension products.

Pleasingly during the period, the two companies capitalized on increasing market potential and their strong value proposition that is more customer-centric, focused on high-quality customer servicing and a responsive approach. The success of this approach was demonstrated in the ability of both companies to maintain their track record of strong partnerships, high customer retention, cross-product growth and new business wins."

**Ends.**

### **About Watania International Holding (WIH)**

Watania International Holding PJSC is a listed entity on the DFM with share capital of AED 260 million.

In 2020 Dar Al Takaful acquired Noor Takaful and in July 2022, the National Takaful Company (Watania) merged with Dar Al Takaful to create one of the largest Takaful entities in the UAE.

In March 2023, the name of the holding company, Dar Al Takaful, was changed to Watania International Holding PJSC and its insurance license was cancelled as it became an investment holding company that aims to expand its footprint through sharia compliant investments in the Takaful and Takaful services sector. In July 2023 its DFM trading symbol changed to [WATANIA] from [DARALTAKAFUL] following completion of regulatory conditions precedent.

Watania International Holding is the sole shareholder of two operating companies: Watania Takaful General (previously Noor Takaful General PJSC) and Watania Takaful Family (previously Noor Takaful Family PJSC). The two operating companies offer a full range of Takaful products including motor, general, technical, medical, and family to both individuals and companies in the UAE through a national network of full-services offices. Watania Takaful General and Watania Takaful Family are leading Takaful providers in the UAE.

For more information, please call 800-WATANIA or visit: [www.watania.ae](http://www.watania.ae)

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