



QATAR GENERAL

INSURANCE & REINSURANCE CO. Q.P.S.C.

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Q1 2020 results

March 2020

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Q1 2020 results highlights



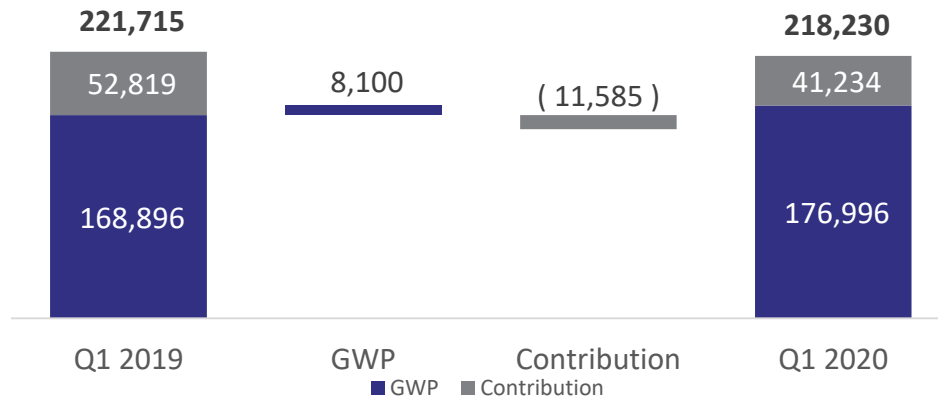
1	Insurance revenue	<ul style="list-style-type: none">▪ 2% decrease in Gross Written Premiums (“GWP”) and contributions for Q1 2020 in comparison to Q1 2019, however GWP experienced 5% growth during the same period▪ Net underwriting results stood at QAR 32m, representing a y-o-y increase of 43%
2	Net claims	<ul style="list-style-type: none">▪ Net claims stood at QAR 10m, representing a y-o-y decrease of 59%▪ Loss ratio decreased from 72% in Q1 2019 to 34% in Q1 2020
3	Investment income	<ul style="list-style-type: none">▪ Results from investments were impacted by the COVID-19 pandemic and by Managements strategic decision to sell equity shares in Q4 2019, reducing dividends income
4	Total expenses	<ul style="list-style-type: none">▪ Positive impact of management cost optimization initiatives reducing operating and administrative expenses by 11% and renegotiation of financial liabilities reducing finance costs by 4%▪ Total expenses stood at QAR 69m in Q1 2020, representing a y-o-y decrease of 8%
5	Profitability	<ul style="list-style-type: none">▪ Net profit (attributable shareholders of the Parent Company) of QAR 11m in Q1 2020▪ This represents an EPS of QAR 0.013 for FY 2019
6	Outlook	<ul style="list-style-type: none">▪ QGIRCO’s business remains strong, distinguished by its longstanding position in the insurance market. The company continues to further develop its business in 2020.▪ QGIRCO has been affected by the Coronavirus pandemic, as fluctuations in financial markets have impacted returns from investments and their fair values.▪ The company is undergoing a comprehensive restructuring, and a new temporary Board of Directors has been assigned to support across all matters. We are confident that QGIRCO will be able to enhance its position and achieve its vision and strategic goals, with the support and guidance of the new board and the limitless support from Qatar Central Bank.

Consolidated Q1 2020 results – financial overview



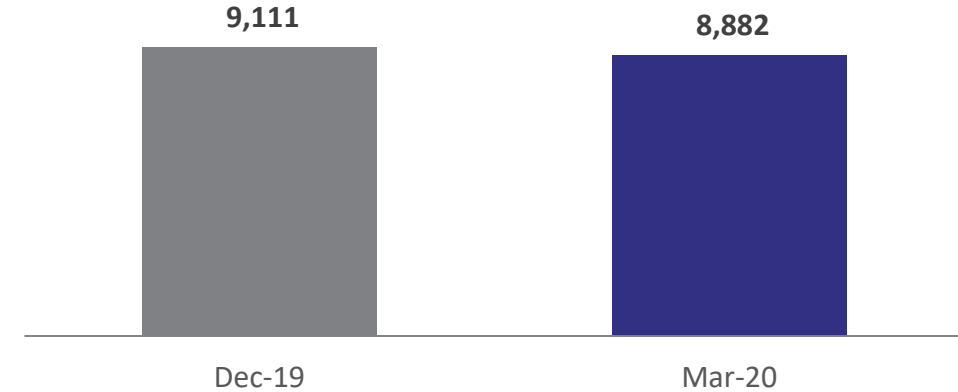
Total insurance revenue¹ (Q1 2019 vs. Q1 2020)

(QAR '000)



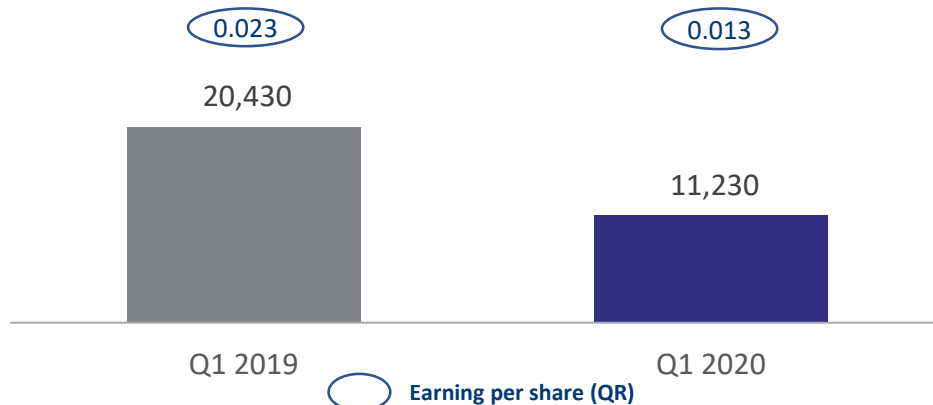
Consolidated total assets

(QAR millions)



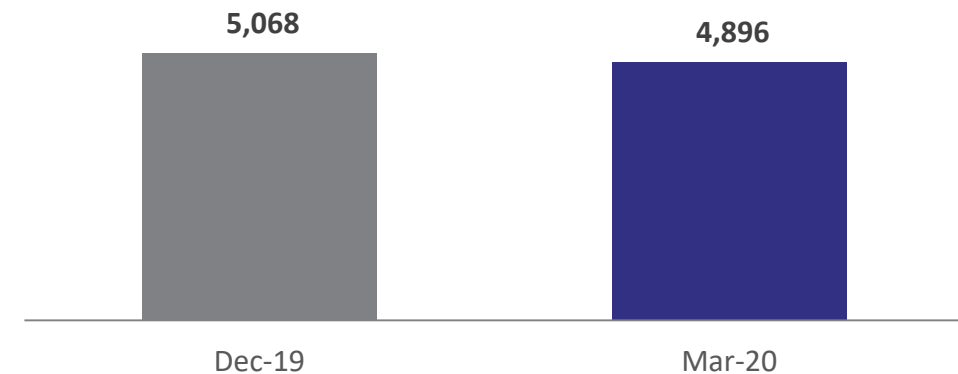
Consolidated profit for the period²

(QAR '000)



Consolidated total equity

(QAR billions)



1) Includes Gross Written Premium from Qatar General Insurance ("QGI") and contributions from General Takaful ("GT")

2) Consolidated net profit attributable to shareholders of the Parent Company



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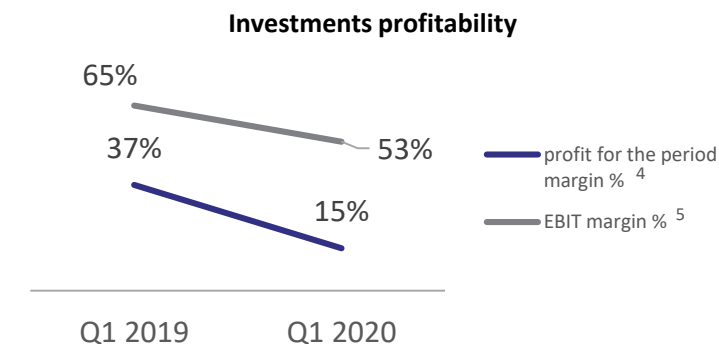
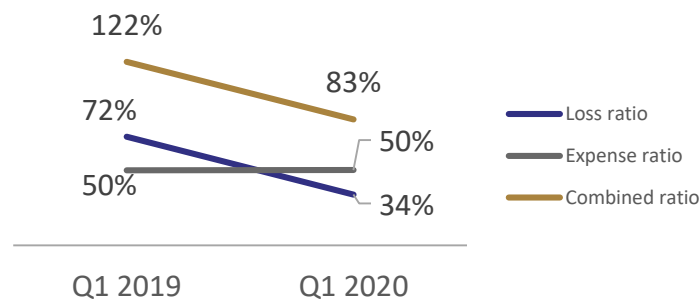
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Consolidated Q1 2020 results – financial overview



Consolidated ¹	Insurance (QGI)	Investments
Total income Q1 2020 in QAR'000 (y-o-y growth %)	Underwriting result in QAR'000 (y-o-y growth %)	Investment and other income in QAR'000 (y-o-y growth %)
77,256 (-17.1%) ²	32,328 (+43.1%)	44,928 (-36.4%)
Total expenses Q1 2020 in QAR'000 (y-o-y growth %)		
(68,812) (-8.4%)	(27,439) (-7.9%)	(41,373) (-8.8%)
Profit from operations Q1 2020 in QAR'000 (y-o-y growth %)		
8,444 (-53.2%)	4,889 (+168.0%)	3,555 (-85.9%)
Profit for the period Q1 2020 in QAR'000 (y-o-y growth %)		
10,783 ³ (-45.6%)	4,046 (+161.8%)	6,737 (-74.4%)

- 1) As shown in note 12 Segment Information in the Q1 2020 audited financials
- 2) Total Income = underwriting results plus investment and other operations results
- 3) Note that profit for the period includes non-controlling interest and should be added back in order to calculate profit for the period attributable of the Parent Company. Non-controlling interest amounts to QAR (447k) in Q1 2020 and QAR (613k) in Q1 2019
- 4) Profit for the period margin = Investment and Other income's profit for the period divided by Investment and Other income
- 5) EBIT margin = Investment and Other income's profit from operations divided by Investment and Other income

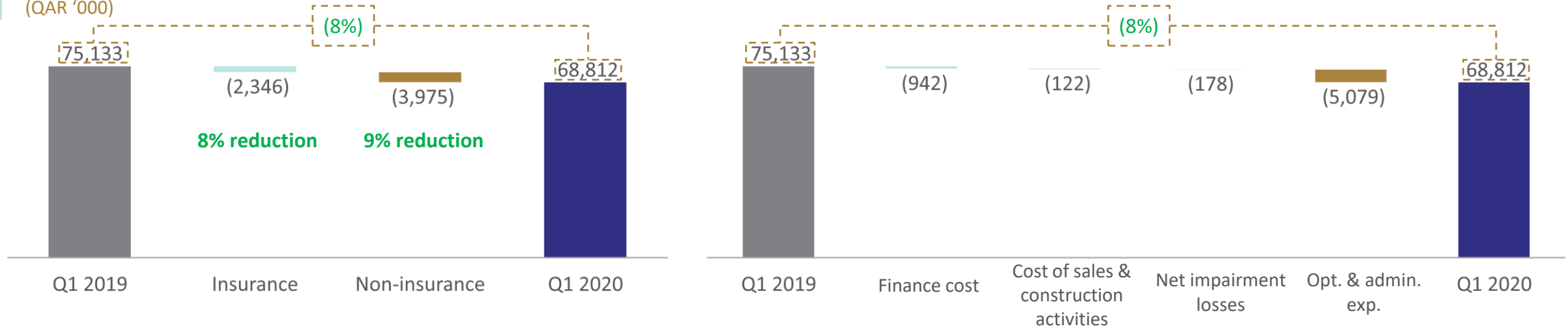


Total Q1 2020 expenses

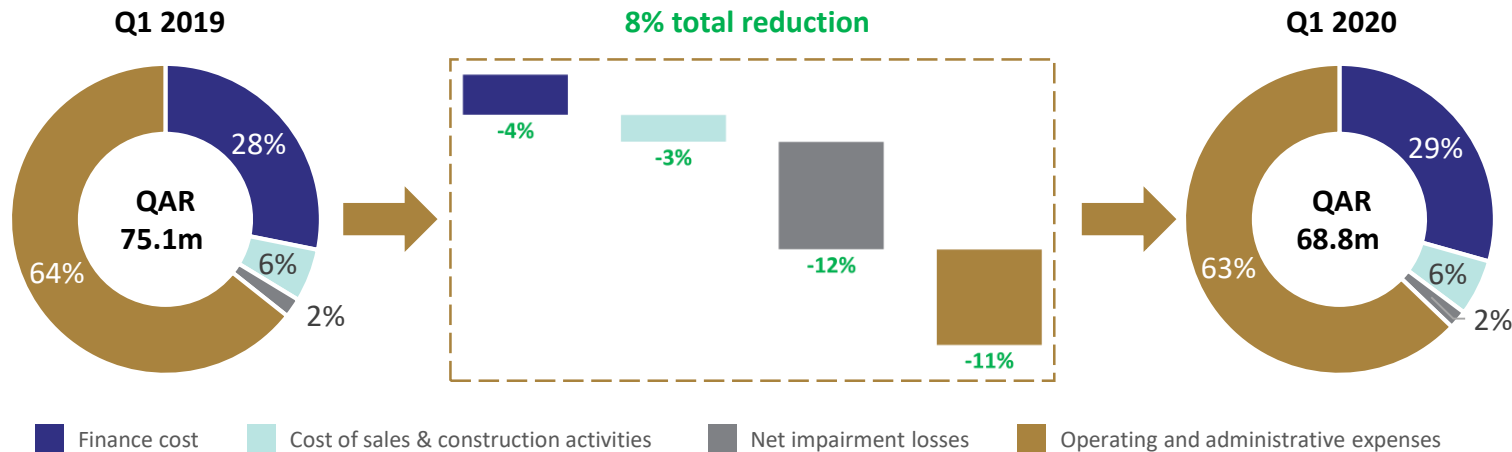


Total expenses

(QAR '000)

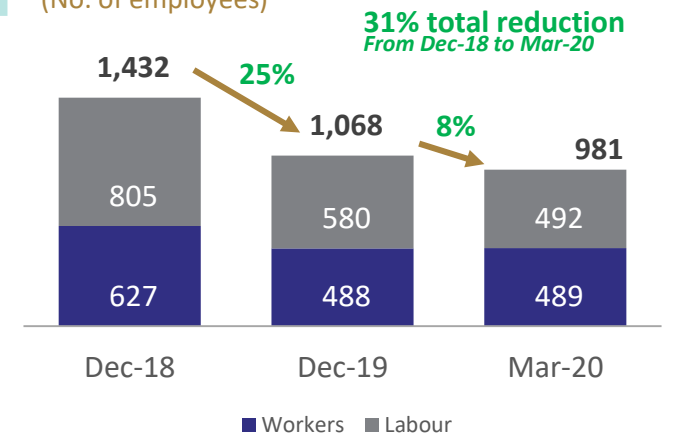


Total expenses split



Headcount

(No. of employees)

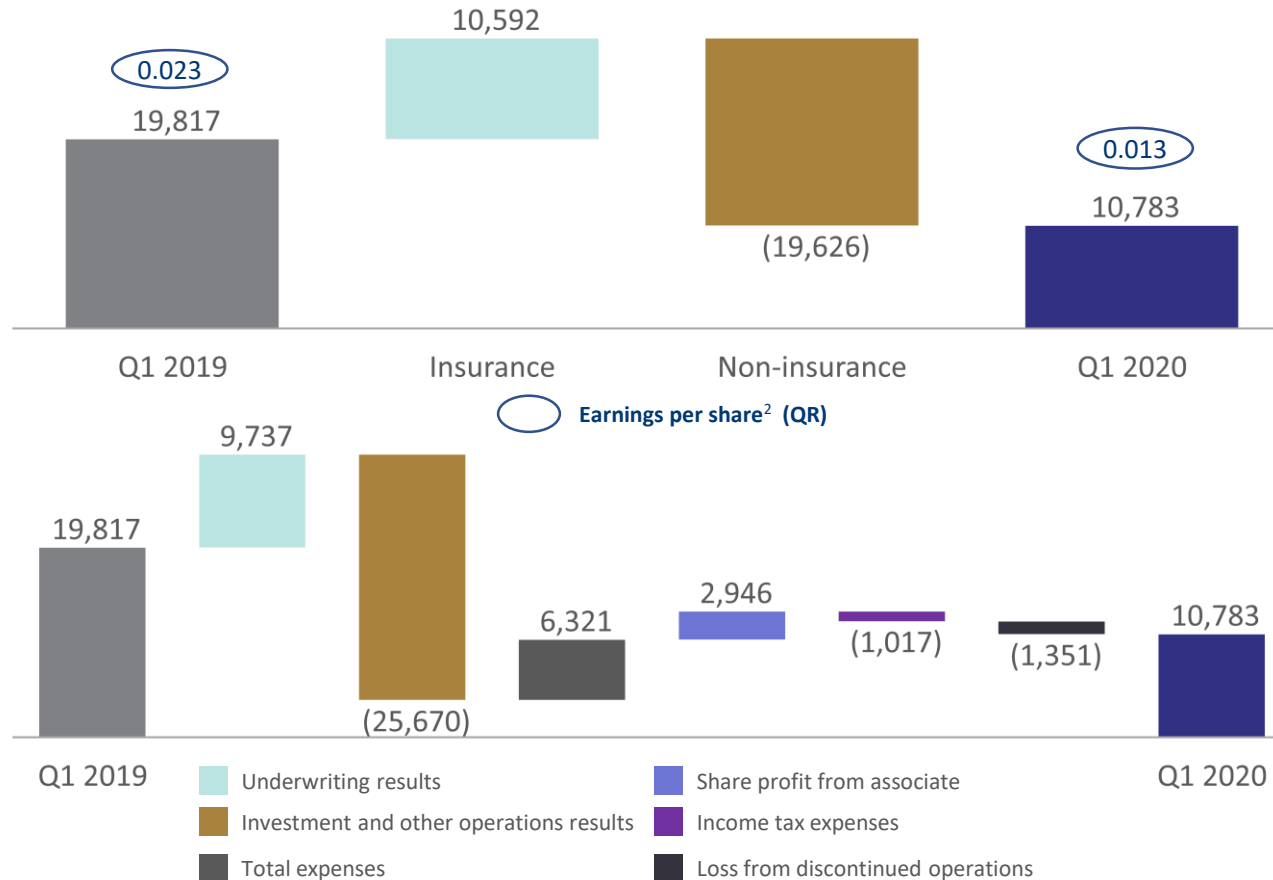


Consolidated Q1 2020 net profit



Profit for the period¹

(QAR '000)



Management comments

- Underwriting results increased from QAR 23m to QAR 32m, representing a 43%, mainly due to a decrease in net claims.
- Investment and other operations results were negatively impacted by the COVID-19 pandemic, inline with the market trends, which results in fair value loss of QAR 20m.
- Management continuous lean exercise has positively impacted the Company's financials. Operating & Administration expenses experienced a 11% reduction.
- Management positive renegotiation of their liabilities yielded more favourable terms, reducing finance costs by 4%.
- As a result, the earnings per share is QAR 0.013 for Q1 2020.

1) Note that profit for the period includes non-controlling interest and should be added back in order to calculate profit for the period attributable of the Parent Company. Non-controlling interest amounts to QAR (447k) in Q1 2020 and QAR (613k) in Q1 2019

2) EPS is calculated based on Profit attributable to shareholders of the Parent Company

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Insurance operations overview – Q1 2020 financial overview



Qatar General Insurance (“QGI”) ¹

Gross written premiums Q1 2020 in QAR’000 (y-o-y growth %)

176,996 (+4.8%)



Total underwriting results Q1 2020 in QAR’000 (y-o-y growth %)

32,328 (+43.1%)



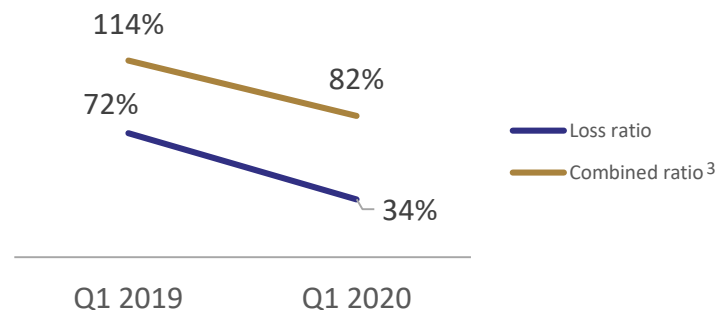
Profit from operations Q1 2020 in QAR’000 (y-o-y growth %)

4,889 (+168.0%)



Profit for the period Q1 2020 in QAR’000 (y-o-y growth %)

4,046 (+161.8%)



General Takaful (“GT”) ²

Contributions Q1 2020 in QAR’000 (y-o-y growth %)

41,234 (-21.9%)



Total underwriting results Q1 2020 in QAR’000 (y-o-y growth %)

11,429 (+58.4%)



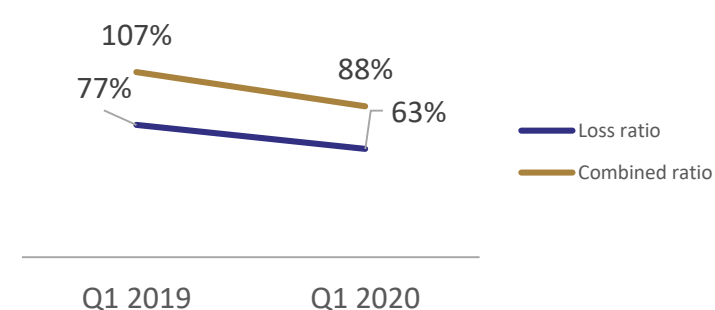
Surplus for the period before wakala fees Q1 2020 in QAR’000 (y-o-y growth %)

11,874 (+56.6%)



Surplus for the period Q1 2020 in QAR’000 (y-o-y growth %)

4,864 (+1530.6%)



1) Includes GT Shareholders’ result

2) As represented in Note 15 of the Q1 2020 audited financials

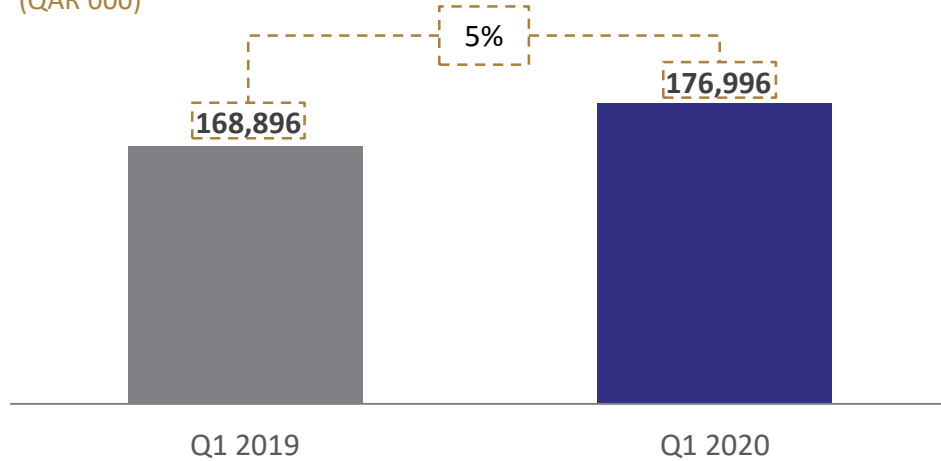
3) For conventional insurance only

QGI insurance operations overview – Q1 2020



Gross earned premiums

(QAR'000)

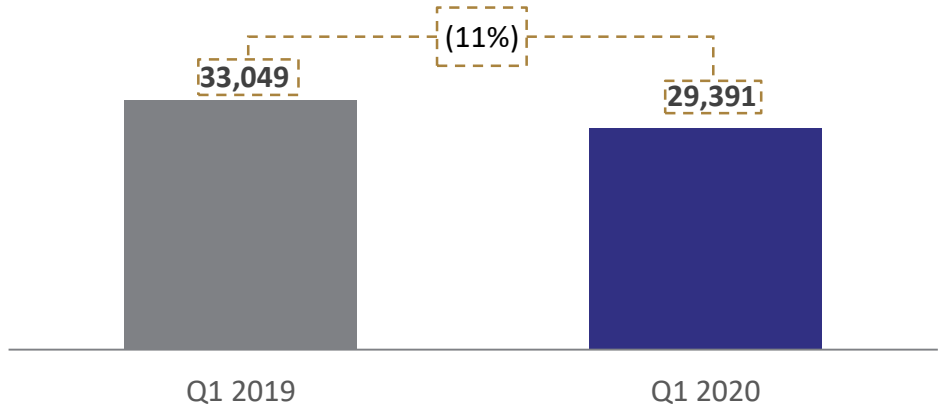


Management comments

- Insurance operations is undergoing a full strategic overview, which includes but not limited to, portfolio cleansing and optimization to ensure diversification and risk mitigation

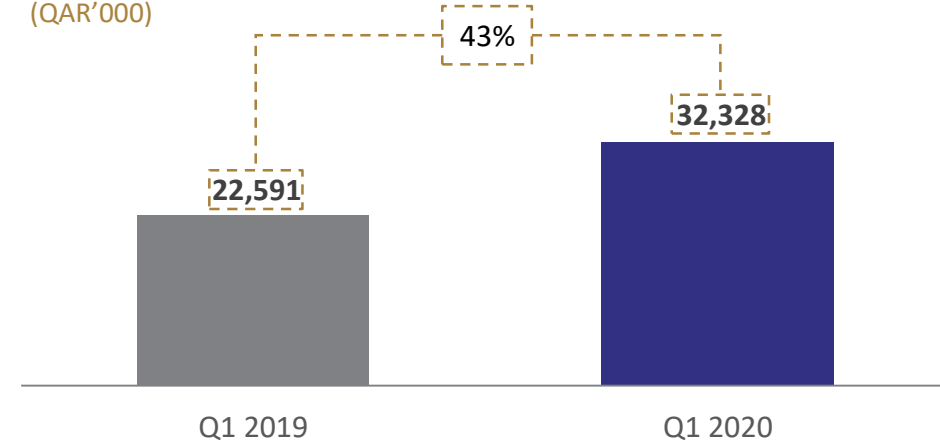
Net earned premiums

(QAR'000)



Underwriting results

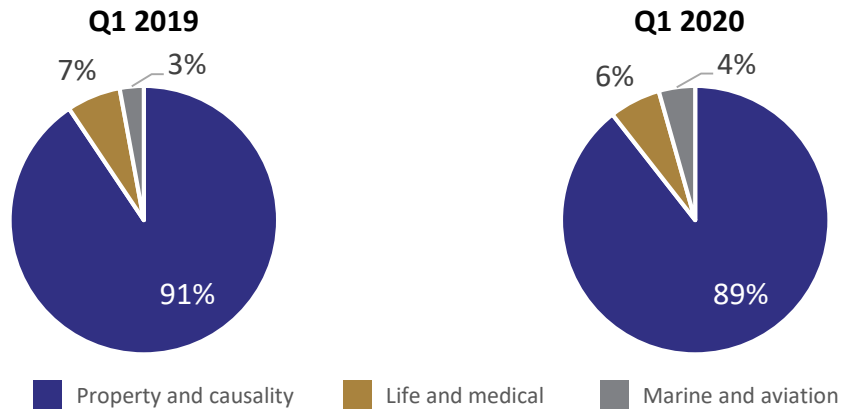
(QAR'000)



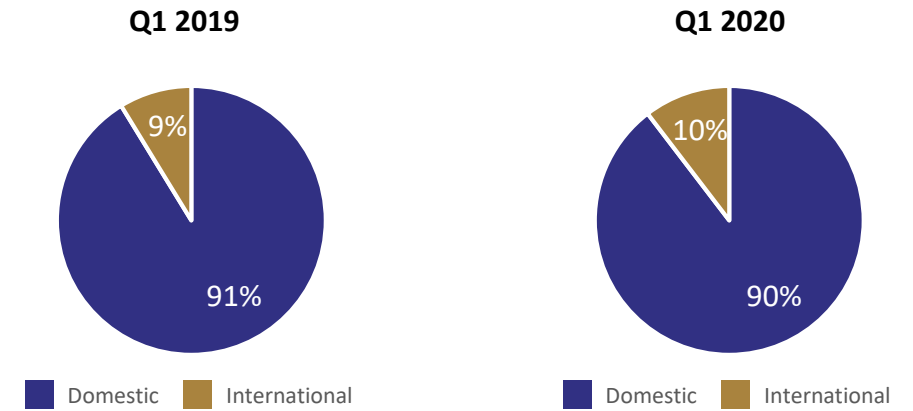
QGI insurance operations overview – Q1 2020



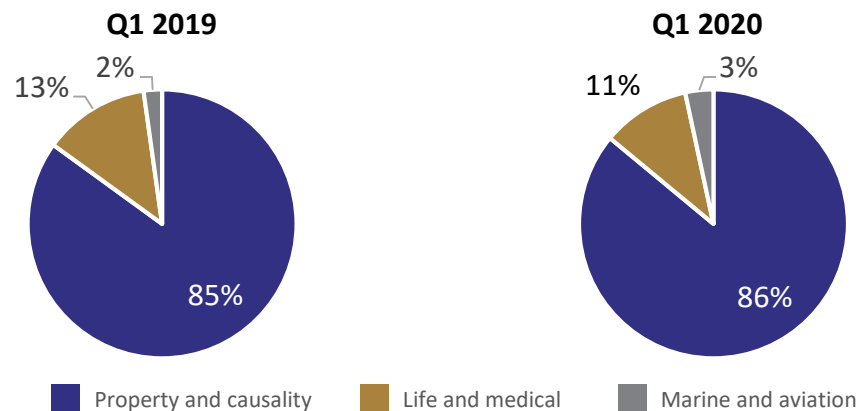
Gross written premiums breakdown by segment *



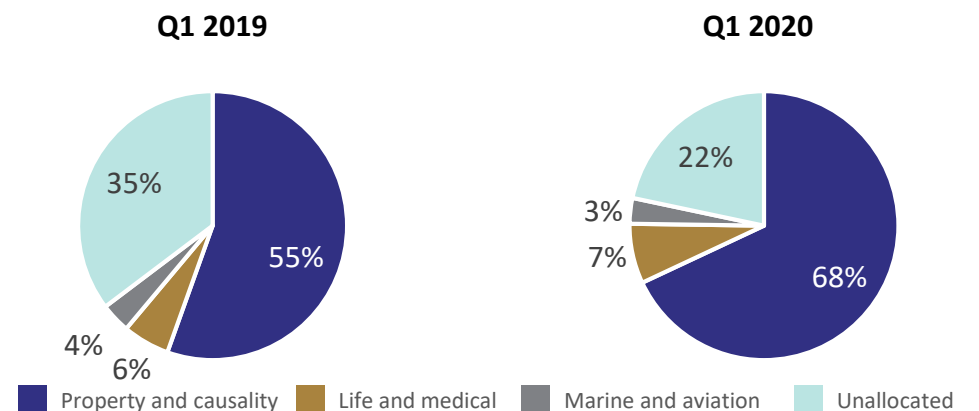
Gross written premiums breakdown by location



Net earned premiums breakdown by segment



Underwriting results breakdown by segment



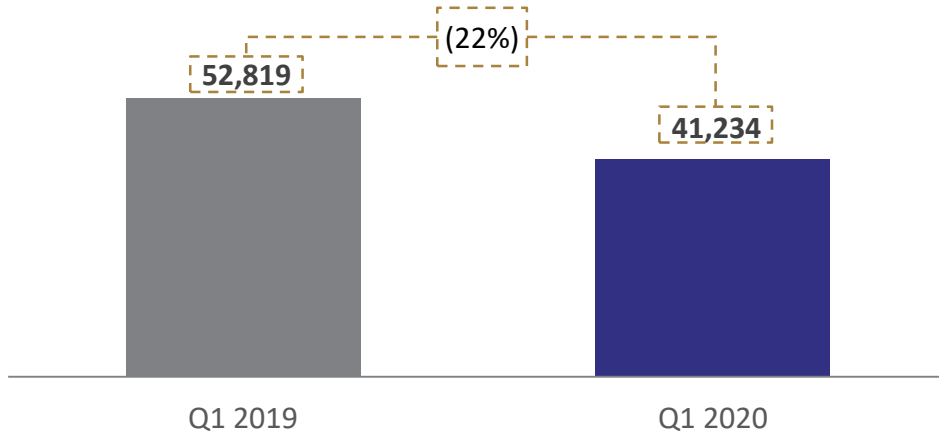
* Discrepancies in total due to rounding

General Takaful overview – Q1 2020



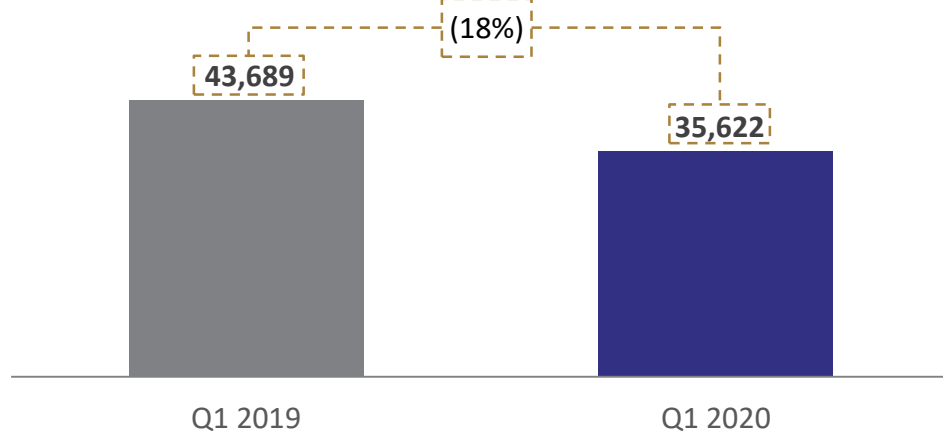
Contributions

(QAR'000)



Net earned contributions

(QAR'000)



Underwriting results

(QAR'000)

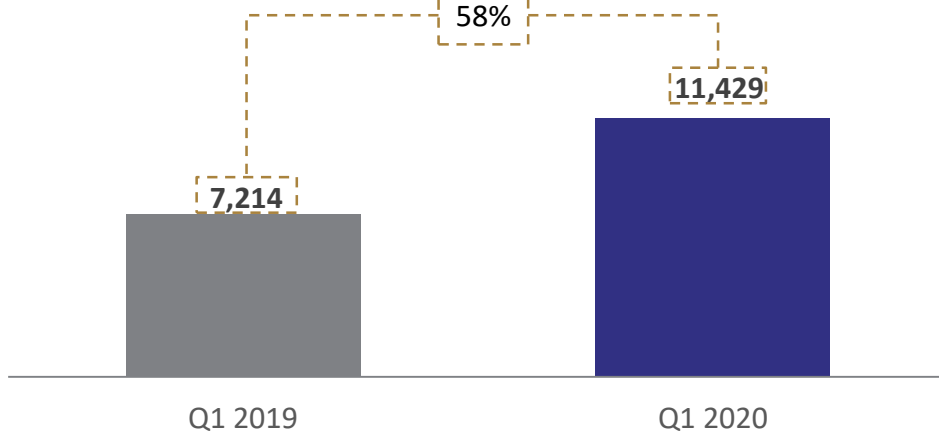


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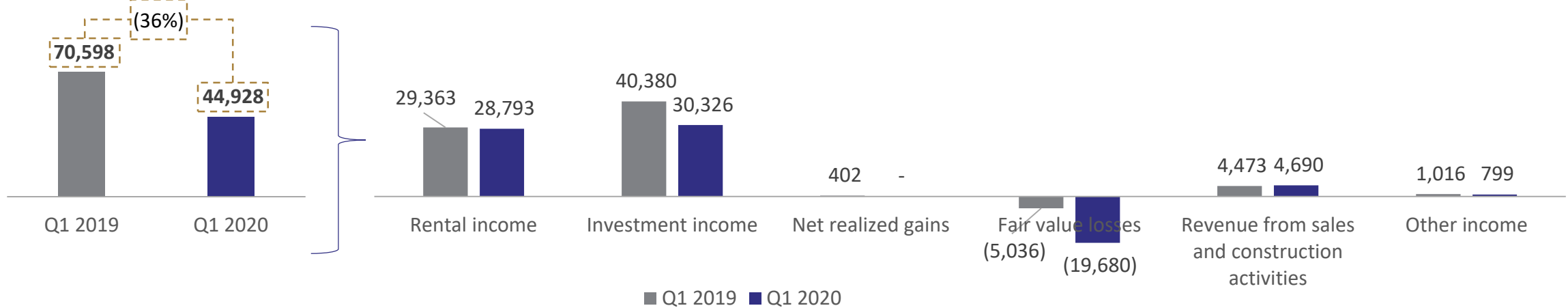
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Investments operations overview – Q1 2020



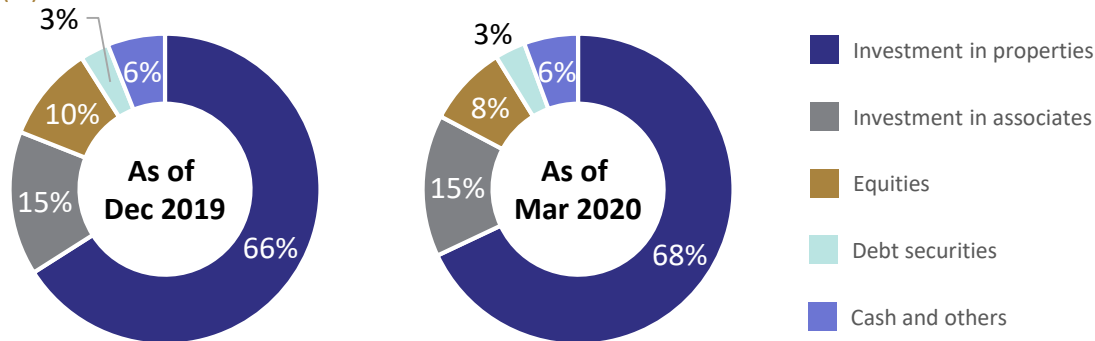
Investment income comparison between Q1 2019 to Q1 2020

(QAR '000)



Investment asset split by asset class

(%)



Management comments

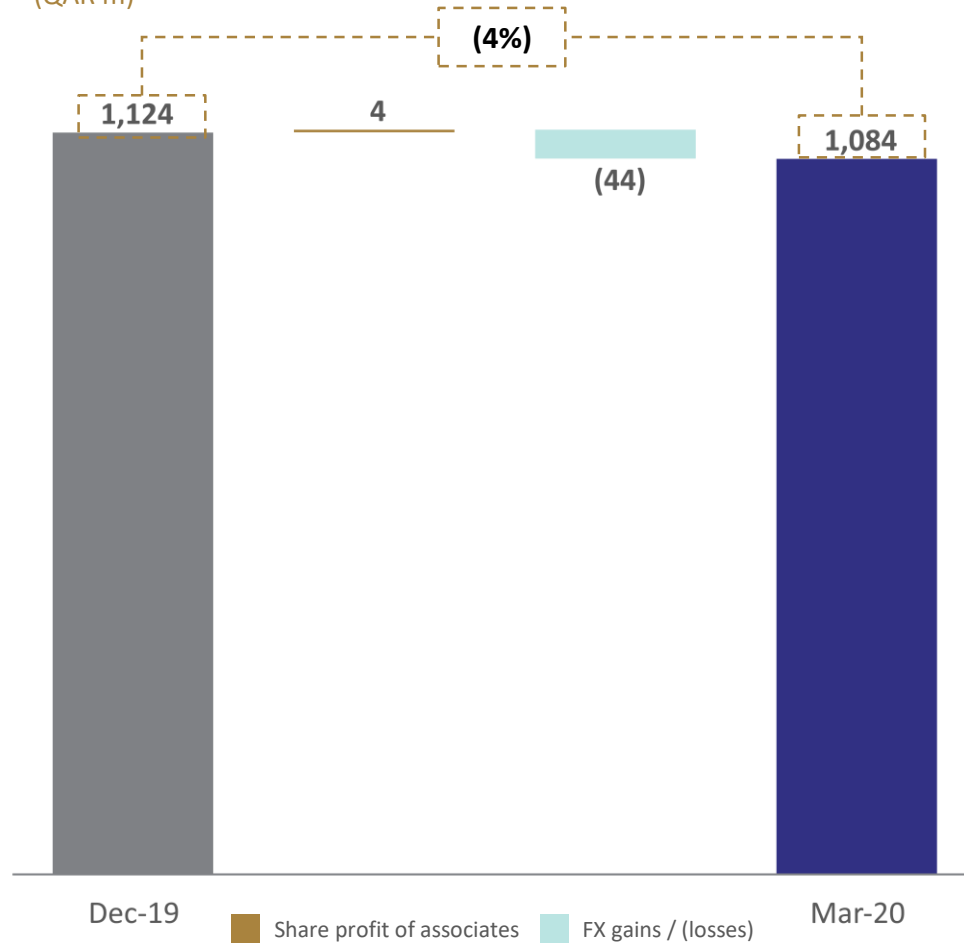
- Investment and other operations results were negatively impacted by the COVID-19 pandemic, inline with the market trends, which results in fair value loss of QAR 20m
- In addition, investment and other operations results were effected by Management’s decision to sell equity shares in Q4 2019, which reduced the dividends received and in turn limited the fair value losses

Investments operations overview – financial position as of 31 Mar 2020



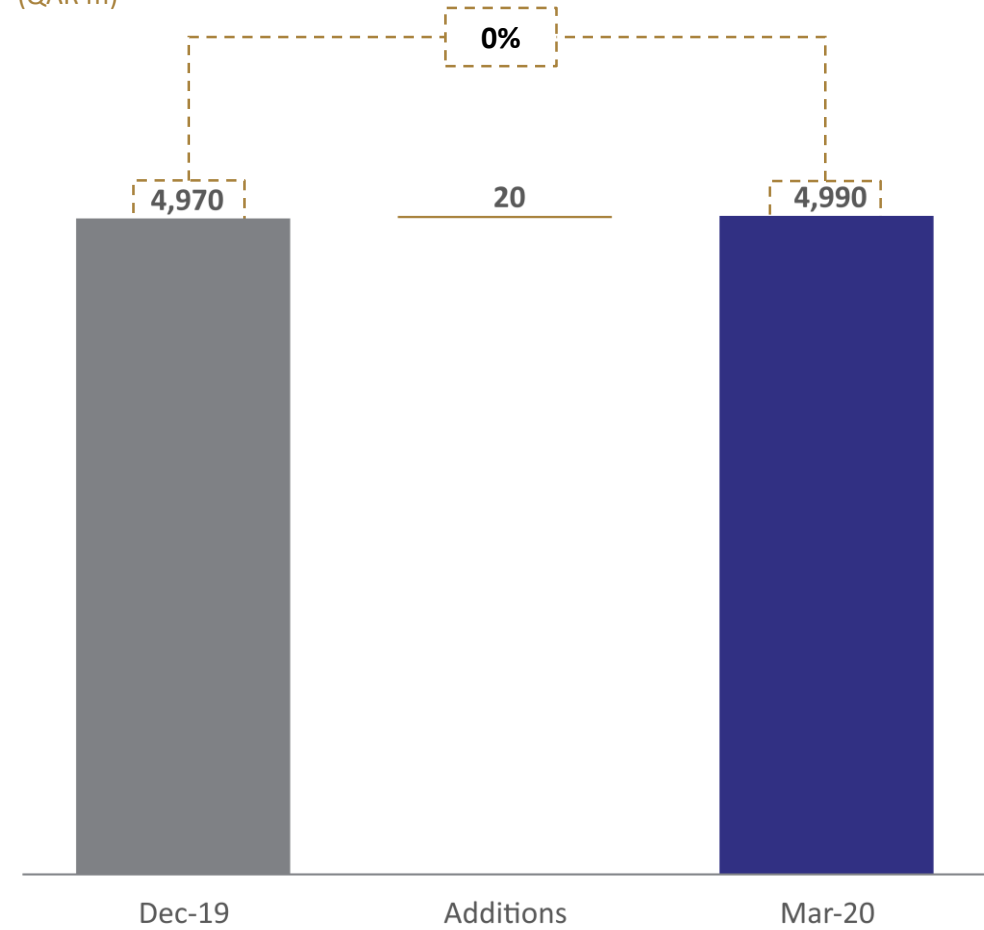
Investment in associates

(QAR m)



Investment properties

(QAR m)

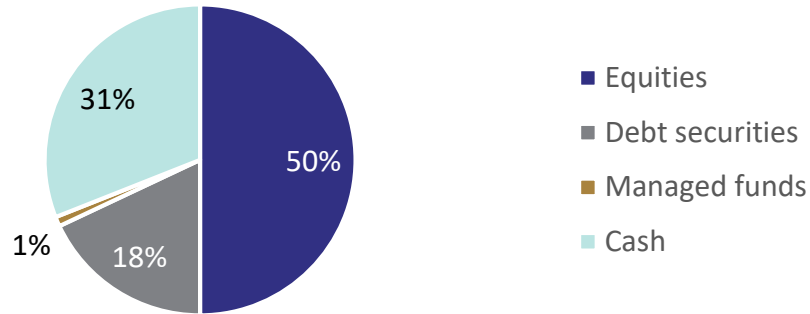


Investments operations overview – as of 31 Mar 2020



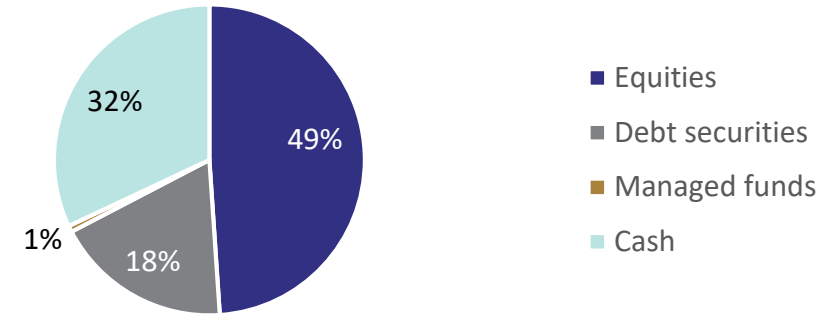
Total investment assets as of 31 Dec 2019 ¹

(%)



Total investment assets as of 31 Mar 2020 ¹

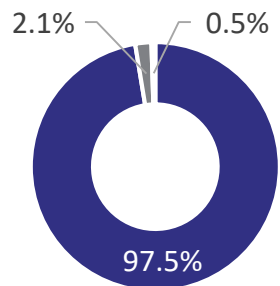
(%)



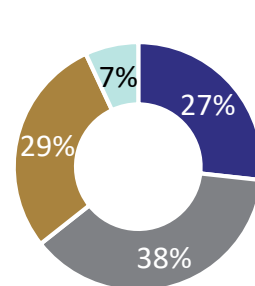
Equity and debt split by region as of 31 Dec 2019

(%)

Equity breakdown



Debt breakdown



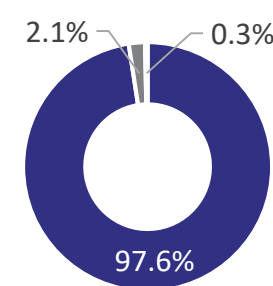
■ Qatar ■ GCC ■ Other

■ Qatar ■ GCC ■ Asia and Africa ■ Europe

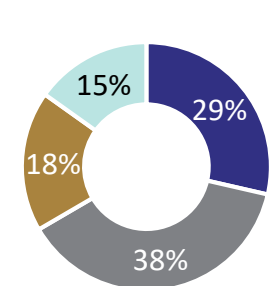
Equity and debt split by region as of 31 Mar 2020

(%)

Equity breakdown



Debt breakdown



■ Qatar ■ GCC ■ Other

■ Qatar ■ GCC ■ Asia and Africa ■ Europe

1) Investment assets exclude investment properties

Measures taken in Q1 2020 and their impact



Strategic decisions taken

Results achieved

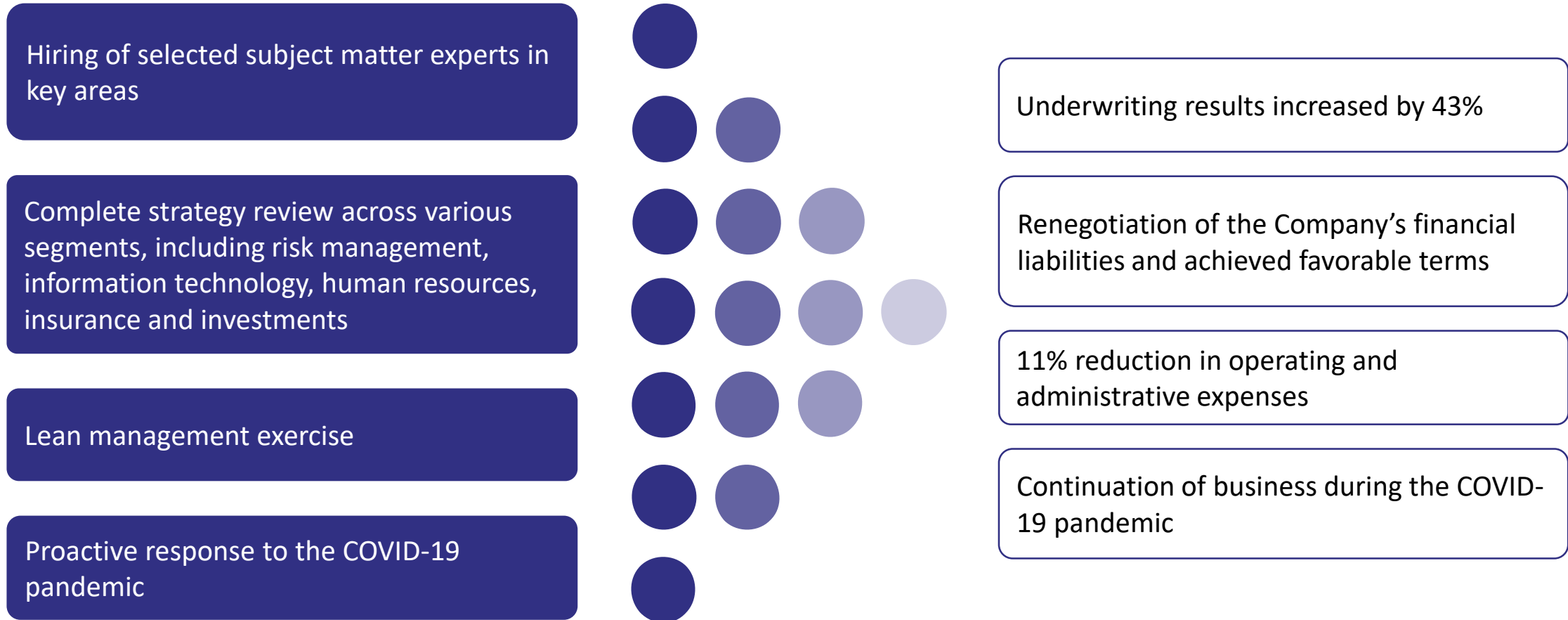
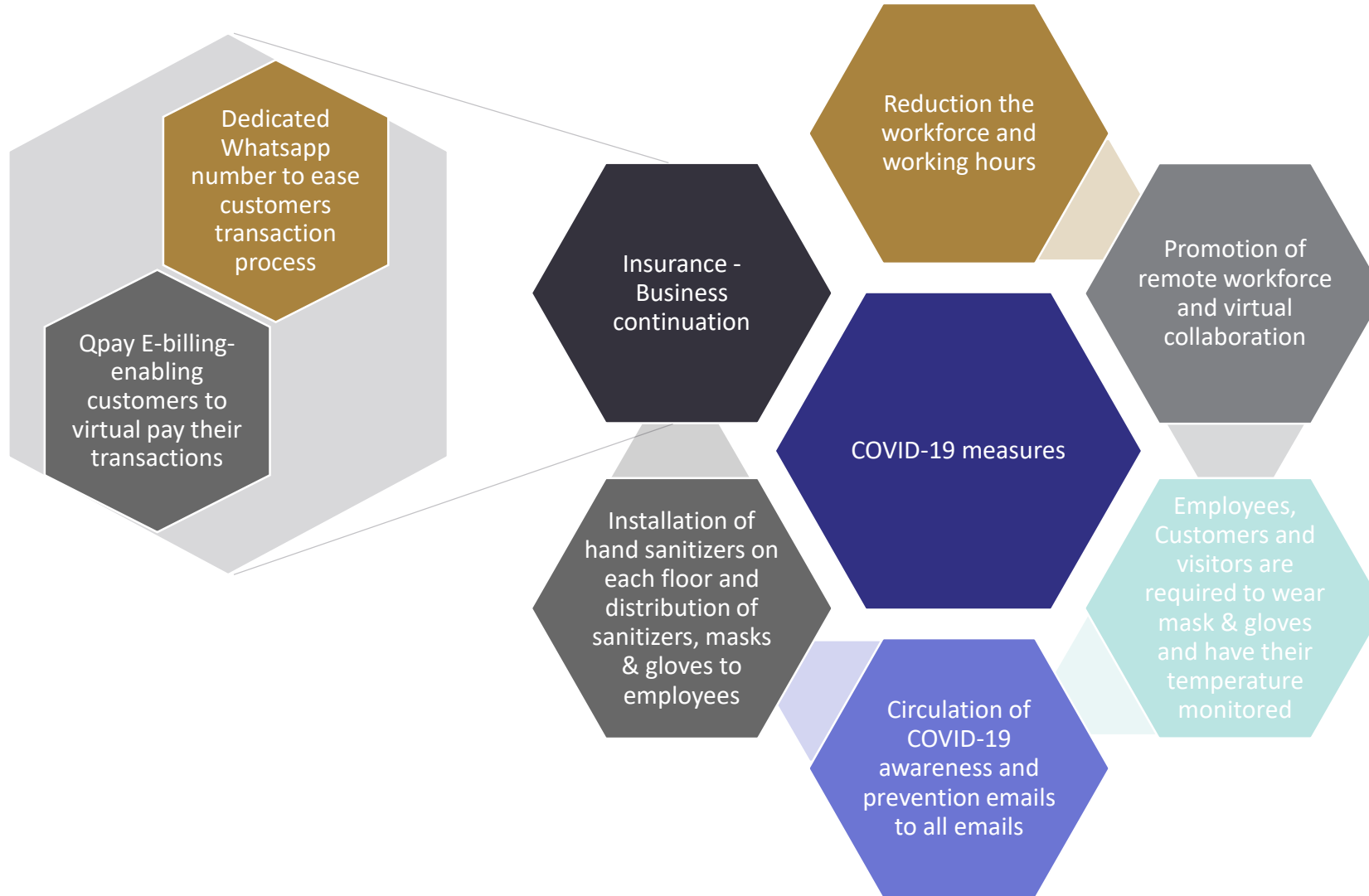


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QGIRCO COVID-19 measures in a nutshell



QGIRCO's key investment highlights



Qatar's leader in new product mix development

First mover on:
Trade Credit, Cyber, Senior Liability

Deep understanding of the local market

More than 40 years of experience

Quick to adapt to market trends and customer preferences

Market opportunity 'SME' identified
and captured in short time frame

Strong balance sheet and cash generation capability

- "B++" credit rating from AM Best

Experienced management driving efficiency and profitability

- Operating and administration expenses decrease by 11%
- Hiring of selected subject matter experts in key areas



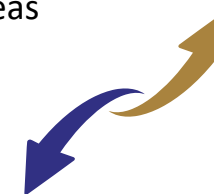
Company history

- QGIRCO was established in 1979, with the vision of providing individuals and businesses with conventional and Takaful insurance products. QGIRCO was listed on the Qatar Exchange in 1997
- QGIRCO expanded to become one of the most dominant players in the insurance industry in Qatar, with over 120 employees working in core insurance operations, serving clients through its 7 branches across the country

Product overview

Personal insurance

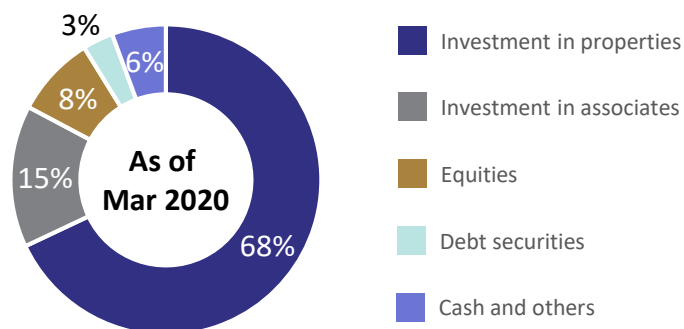
- Offers protection from risks associated in different areas of customer's lives
- 10% of total insurance revenue is from sales of personal insurance products



Commercial insurance

- QGIRCO offers both general and specialized insurance products for corporate clients
- Commercial insurance represents 90% of the Company's insurance operations

Investment portfolio



Recent strategic developments

- Under the leadership of Mr. Al-Efrangi, QGIRCO is undergoing significant strategic changes to align the operations of the Group to the long-term vision
- Appointment of Roland Berger for strategy alignment and business enhancement
- QGIRCO will continue to focus on both conventional and Takaful insurance products
- Efficiency and cost saving initiatives ongoing to enhance shareholder value
- Selected strategic hiring for key positions across the business

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Shareholder information



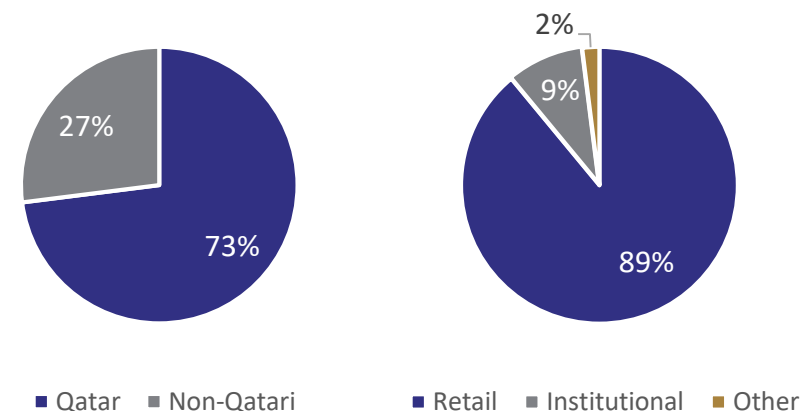
General information

Company name	Qatar General Insurance & Reinsurance
Ticker (QE)	QGRI
Market Capitalization	QAR 1.72B
Common Shares Outstanding	875.1M
Free float	77%*

Figures as at 31 March 2020 and in QAR. Unless, otherwise stated.

*source: Bloomberg

Shareholder structure



Top shareholders*	Ownership (%)
Trust International Insurance and Reinsurance Co.	8.5%
Sheikh Nasser Ali Saud Al Thani	6.3%
Sheikh Ahmed Ali Saud Al Thani	5.0%

Investor relations contacts



Ali Mourad

Senior Investment Analyst & Investment Relations Officer

Tel.: +974 4428 2301

E-mail: a.mourad@qgirco.com

Maryam Ali Al Attiya

Senior Investment Officer

Tel: +974 4428 2301

E-mail: m.alattiya@qgirco.com



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