



Summary of the first quarter -2020 's results

Investor relations

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- ▶ The assets amounted to 1,457 million riyals.
- ▶ The net written premiums are 213 million riyals.
- ▶ Total revenue reached 188 million riyals.
- ▶ The share of reinsurers from the paid claims is 4 million riyals
- ▶ Net claims incurred 150 million riyals.
- ▶ The net profit for the quarter before Zakat is 4 million riyals.
- ▶ The Gross written premiums reached 254 million riyals.
- ▶ The net earned premiums are 184 million riyals.
- ▶ Total claims paid 161 million riyals.
- ▶ Net claims paid 156 million riyals.
- ▶ The net Underwriting income is 19 million riyals.
- ▶ Shareholders income after Zakat 0.7 million riyals

Malath Cooperative Insurance Co. announces its Interim Financial Results for the Period Ending on 2020-03-31 (Three Months)

ELEMENT LIST	Current Quarter	Similar quarter for previous year	%CHANGE	Previous Quarter	%CHANGE
Gross written premiums (GWP)	253,798	380,295	33.26-	198777	27.68
Net written premiums (NWP)	213,307	334,508	36.23-	187017	14.06
Net incurred claims	149,510	126,197	18.47	143826	3.95
Net profit (loss) of policy holders investment	3,231	3,255	0.74-	4312	25.07-
Profit (Loss) Insurance Operations minus policy holders investments from operations	(2,130)	937	-	8356	-
Net profit (loss) of shareholders capital investment	3,225	2,988	7.93	4239	23.92-
Net Profit (Loss) before Zakat	3,993	6,573	39.25-	16719	76.12-
Total Comprehensive Income	1,081	3,589	69.88-	549	96.90

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ELEMENT LIST	Current Quarter	Similar quarter for previous year	%CHANGE
Total Share Holders Equity (after deducting minority equity)	461,550	458,011	0.77
Pre operating expenses (first operation year)	-	-	-
Profit (Loss) per Share	0.01	0.07	78.83-

All figures are in (Thousands) Saudi Arabia, Riyals

	ACCUMULATED LOSSES	CAPITAL	PERCENTAGE %
ACCUMULATED LOSSES - If any	(41,603)	500,000	-8.32%

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ELEMENT LIST	EXPLANATION
<p>Increase (Decrease) in Net Profit for Current Quarter Compared to the Same Quarter of the Previous Year is Attributed to</p>	<p>The reason for the decrease in net profit before Zakat attributable to the shareholders of the company during the current quarter compared to the Similar quarter for previous year by 39% is due to:</p> <ol style="list-style-type: none"> 1) The decrease in the Gross written premiums by 33%, due to the decrease in the Motor GWP by 57% over the similar quarter of the previous year , and the decrease in GWP for Property & casualty by approximately 5% from the same quarter of the previous year despite the increase of GWP for Medical insurance by 7% 2) The increase in net claims incurred by 18%, due to the increase in Motor claims incurred by 32% compared to the similar quarter of the previous year 3) The increase in policy acquisition costs by 29% compared to the similar quarter of the previous year
<p>Increase (Decrease) in Net Profit for Current Quarter Compared to the Previous Quarter is Attributed to</p>	<p>The reason for the decrease in net profit before zakat attributed to the company's shareholders during the current quarter compared to the previous quarter by 76%, despite the increase in gross written premiums by 28%, this decrease is due to:</p> <ol style="list-style-type: none"> 1) The income of reinsurance commissions decreased by 34% compared to the previous quarter 2) The investment income decreased by 32% over the previous quarter 3) An increase in net claims incurred by 4%, and a decrease in net underwriting income by 12% , despite the increase in Gross written premiums by 28% compared to the previous quarter. <p>Noting that the company did not issue condensed interim financial statements for the Q4 of 2019 (the previous quarter) independently, as it issued audited financial statements for the financial year 2019 "Yearend " , so the previous quarter data were calculated after the release of the Yearend financial results, then subtracted the nine months ended September 30, 2019 from the Yearend financial results</p>

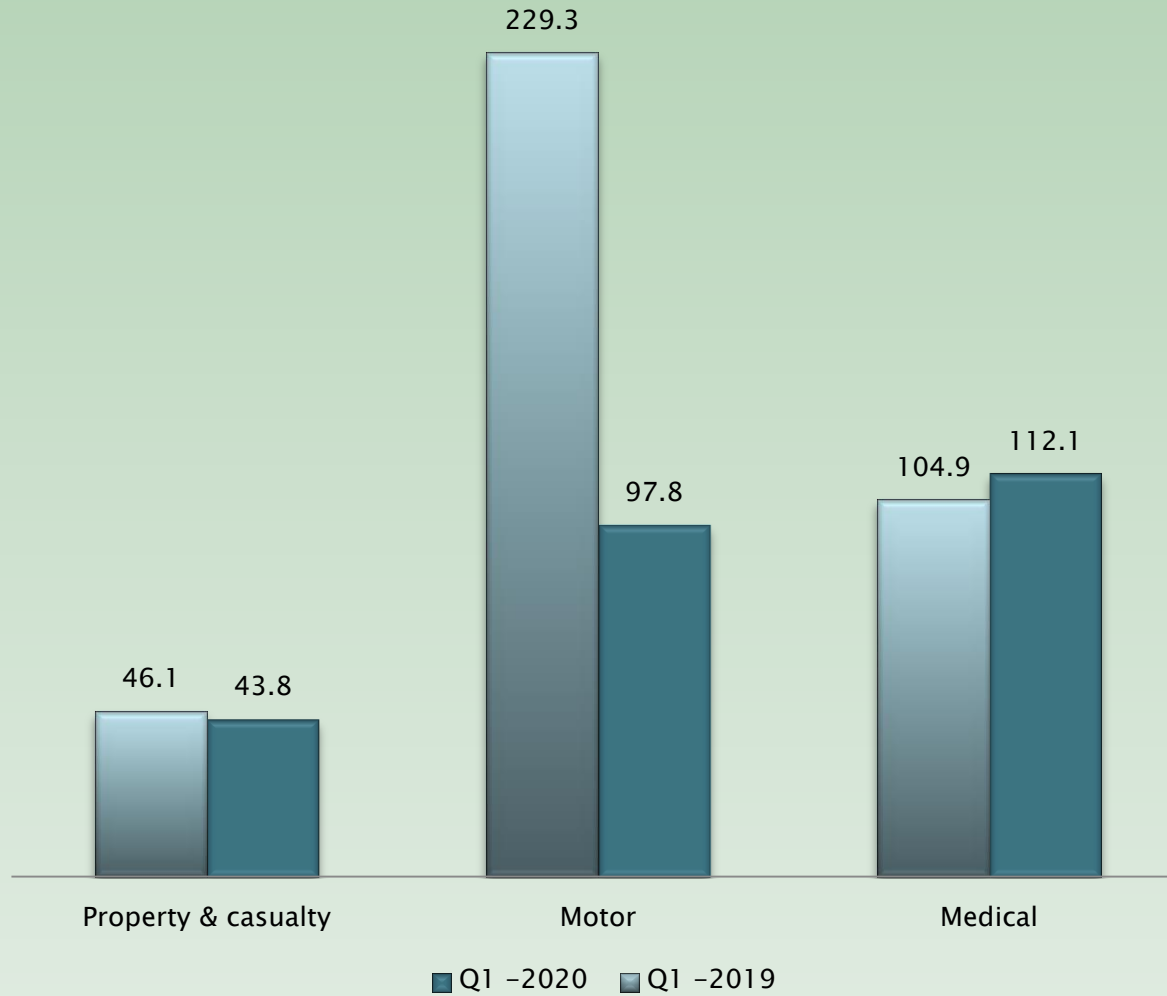
تعلن شركة ملذ للتأمين التعاوني (ملذ) عن النتائج المالية الأولية للفترة المنتهية في 31 مارس 2020م (ثلاثة أشهر)

ELEMENT LIST	EXPLANATION
<p>Type of the external auditor's opinion</p> <p>Reclassifications in annual financial results</p>	<p>Unmodified opinion</p> <p>Some of the items, elements and clarifications of the condensed interim financial statements for the Q1 of 2019 have been amended, reclassified, In line with the standards and accounting policies applied in the financial statements, items and elements for interim financial statements for the Q1 of 2020 , which has been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as endorsed in the Kingdom of Saudi Arabia and other standards and other pronouncements issued by Saudi Organization for Certified Public Accountants (“SOCPA”) (collectively referred to as “IFRS as endorsed in KSA”). In addition to the above Starting from the quarter ended 30 June 2019, Zakat is to be accrued at end of each financial reporting period and recognized in statement of income with corresponding liability recognized in statement of financial position in accordance with International Financial Reporting Standards (IFRS) and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (“SOCPA”).</p> <p>For more information about this, refer to Notes 2 - A and No. 19 in the notes attached to the condensed interim financial statements for the Q1 - 2020.</p>
<p>Additional Information</p>	<p>The company achieved positive operating cash flows during the first quarter of the year 2020 amounted to 9,929 thousand riyals, compared to operating cash flows that were used (negative) in operations with an amount of 13,980 thousand riyals during the comparative first quarter of the previous year 2019 .</p> <p>Total shareholders' equity (there are no minority rights) as of March 31, 2020 amounted to 461,550 thousand riyals compared to 460,469 thousand riyals at the end of the year 2019, an increase of 0.23% to reach the book value of the share 9.23 riyals</p> <p>We would like to draw attention to the fact that the earnings per share for the first quarter of 2020 and the first quarter of 2019 shown above have been calculated by dividing the net profit attributable to shareholders after Zakat - which in the first quarter of 2020 reached 693 thousand riyals compared to 3,273 thousand riyals in the first quarter of last year, with a decrease of 79% - on the weighted average number of 50,000 ordinary shares outstanding. Note that the Zakat charge charged to the corresponding quarter and quarter has reached 3,300 thousand</p> <p>although the economic, commercial and organizational conditions in the current period are considered unfavorable to the commercial environment in general, Malath is constantly and diligently seeking to reduce the severity of any negative effects from these conditions by raising its operational efficiency, as it reduced its General and administrative expenses by 19% compared to the same quarter of 2019. In addition to its continuous pursuit of developing products and services and caring for the customer by raising the quality and competitiveness of the company's customer services</p>

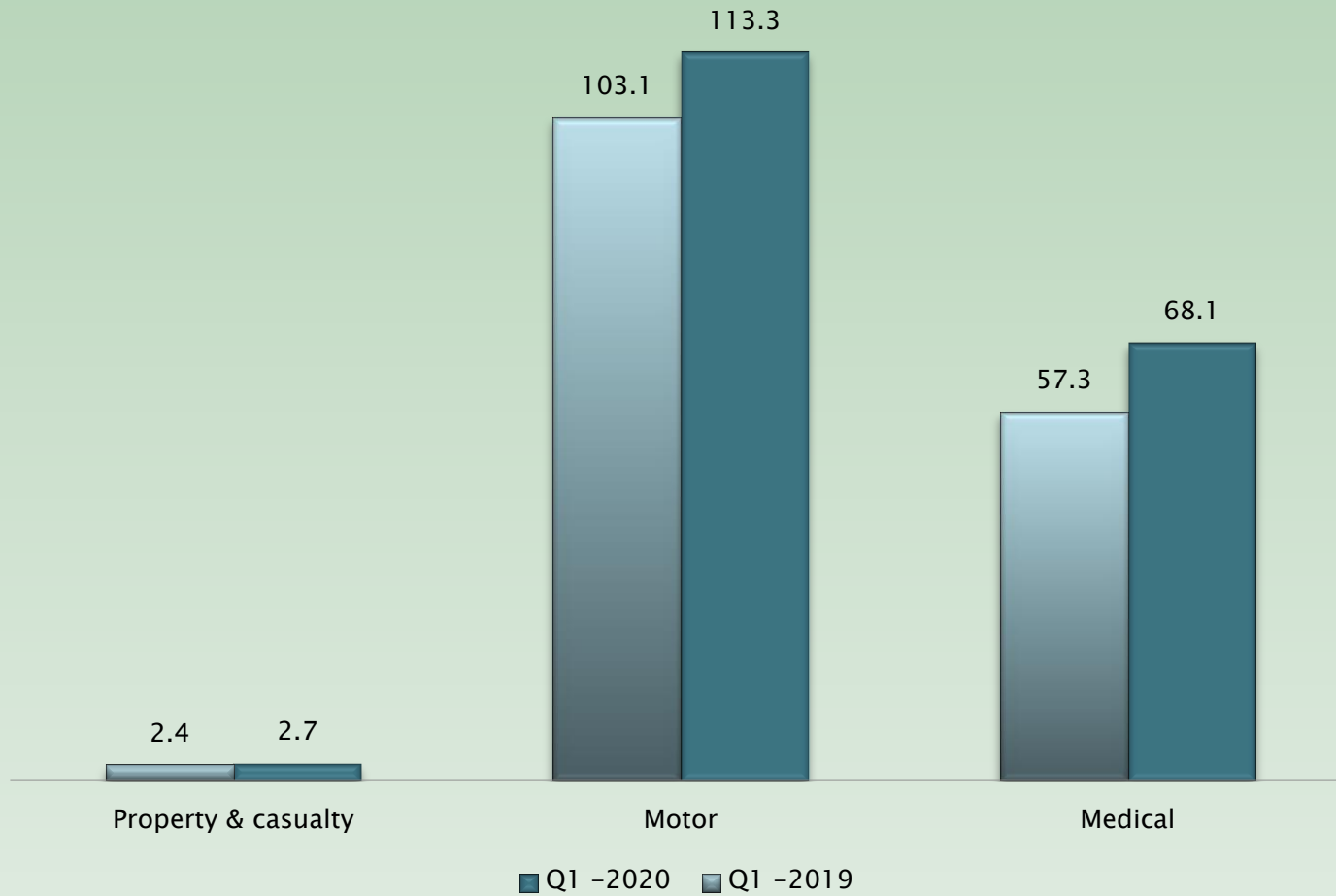
Segment information

	Period	Medical	Motor	Property & casualty	Total
Gross written premiums (GWP)	Q1 -2020	112,135	97,835	43,828	253,798
	Q1 -2019	104,922	229,303	46,070	380,295
	Deff.	7,213 6.87%	(131,468) -57.33%	(2,242) -4.87%	(126,497) -33.26%
Net premiums Earned	Q1 -2020	68,126	113,311	2,716	184,153
	Q1 -2019	57,336	103,117	2,390	162,843
	Deff.	10,790 18.82%	10,194 9.89%	326 13.64%	21,310 13.09%
Net incurred claims	Q1 -2020	46,392	101,105	2,013	149,510
	Q1 -2019	48,914	76,851	432	126,197
	Deff.	(2,522) -5.16%	24,254 31.56%	1,581 365.97%	23,313 18.47%
Underwriting Results	Q1 -2020	17,418	(168)	2,083	19,333
	Q1 -2019	5,007	18,729	3,065	26,801
	Deff.	12,411 247.87%	(18,897) -100.90%	(982) -32.04%	(7,468) -27.86%

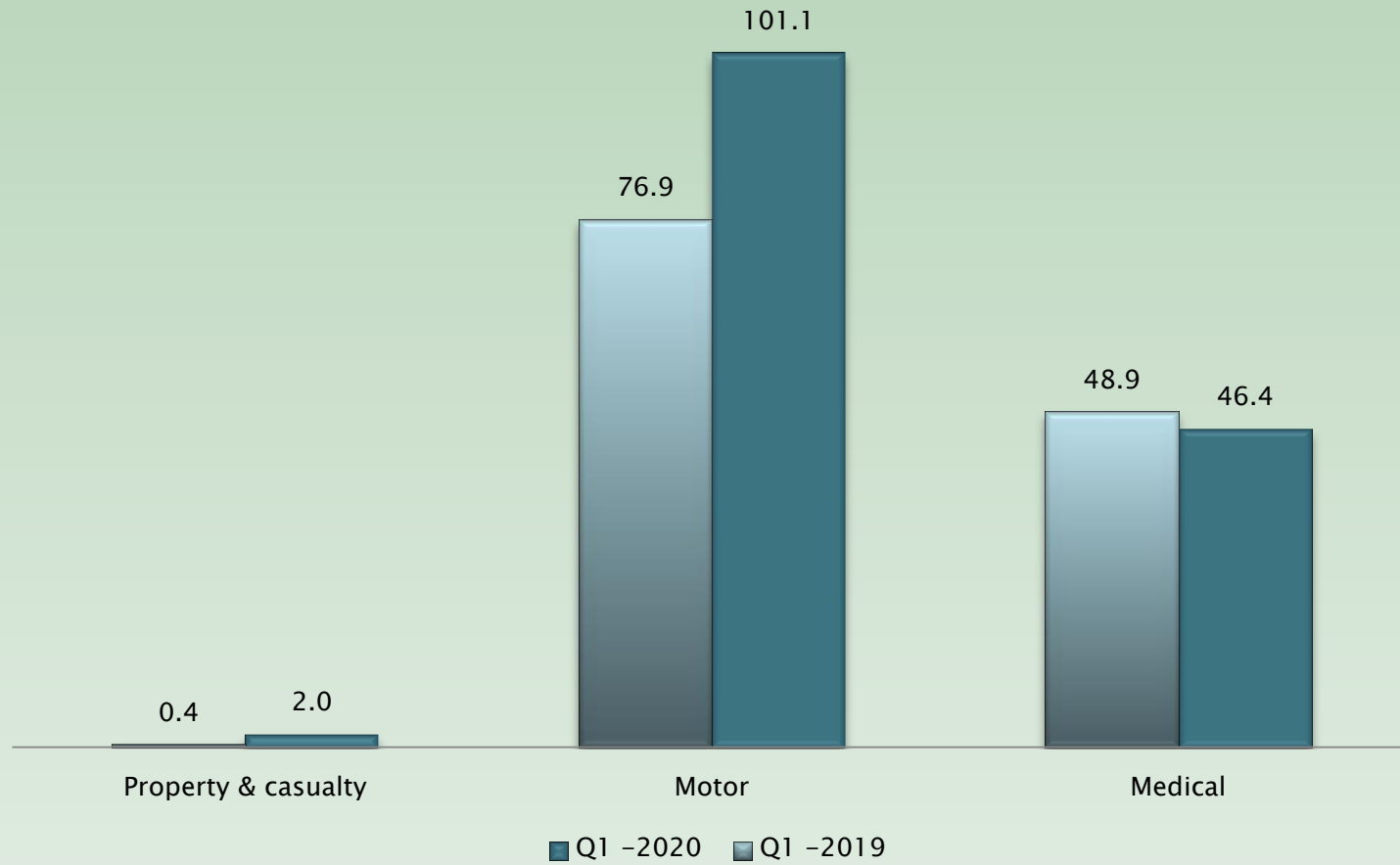
Gross written premiums (GWP)



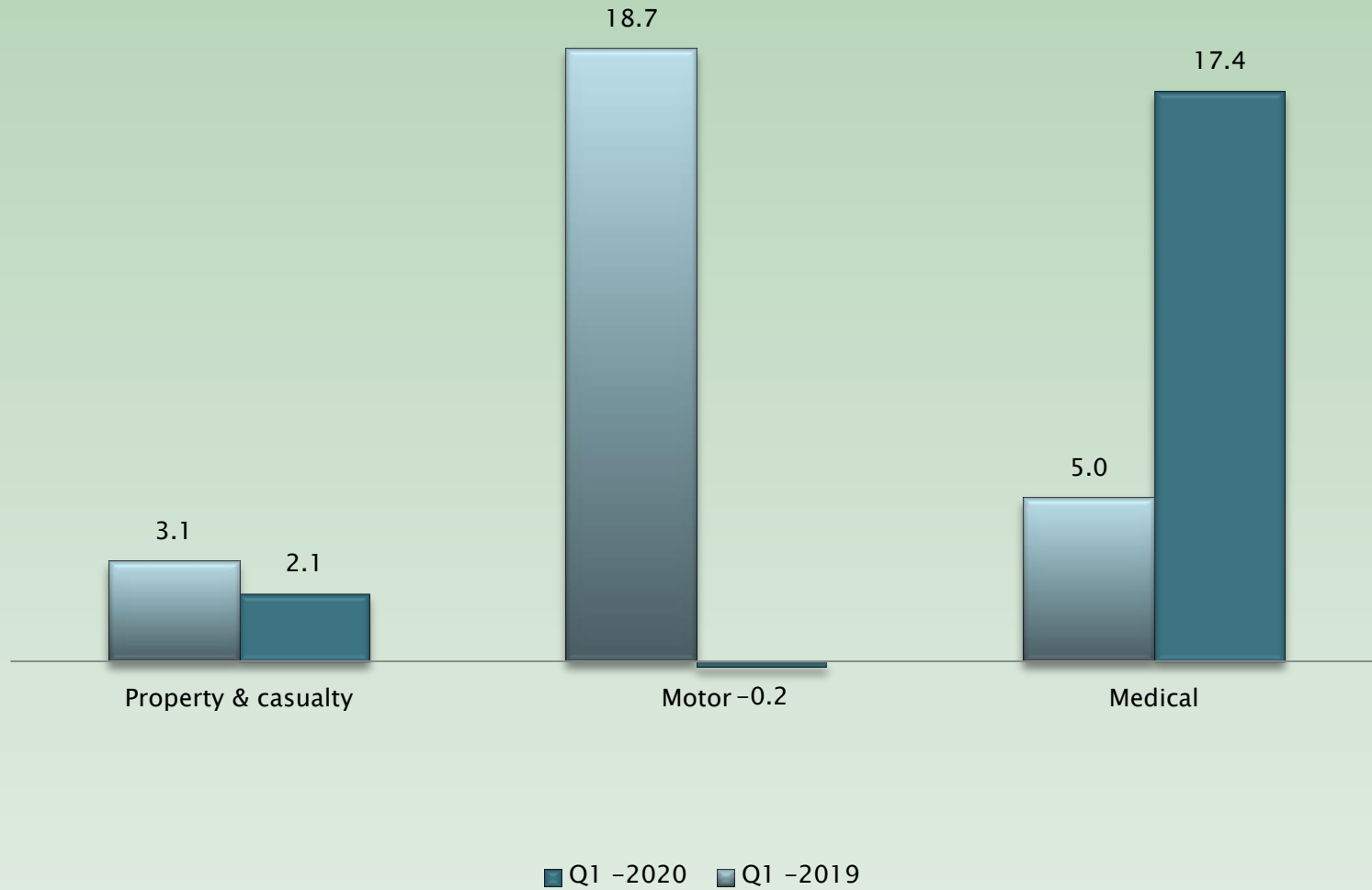
Net premiums Earned



Net incurred claims



Underwriting Results



Thanks you

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