



Allianz Egypt

Investor Presentation
18 and 19 October 2023

Key Messages

- The macroeconomic environment is challenging, we remain confident that the business will withstand this through the various measures we are implementing, for example repricing products.
- The Egyptian insurance market has seen good growth over the past 10 years, and there is still room for growth as the market is still under penetrated.
- Allianz has consistently grown above market growth rates. This is on the back of strong management, strong brand, wider distribution channels and partnerships, innovative products, strong group technical support and a strong capital base.
- The SanlamAllianz JV brings about more significant advantages for growth.



Agenda



1 Macro-Economic Environment

2 Egyptian Insurance Market Overview

3 Allianz Market Position

4 Allianz Competitive Advantages

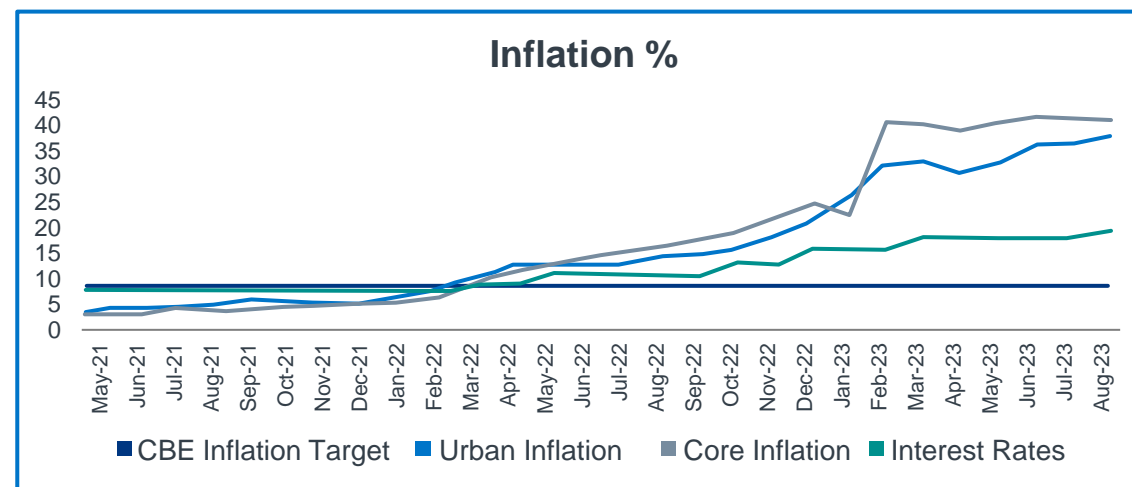
5 Key Figures

6 Conclusion

The economic environment is currently challenging, however, positive GDP growth forecast and the insurance industry has withstood previous economic shocks



- GDP - The Economy grew 4.2% year on year in FY2022-2023 slowing down from 6.2% the year before. The World Bank reduced growth outlook for FY2023 - 2024 to 4.0% due to ongoing economic challenges.
- Inflation - August Annual inflation rate rose to near record highs to 37.4%. Increases in commodities prices were among the key drivers of inflation.
- The MPC has decided to raise interest rates to curb inflation while preventing the economy from falling into recession and avoiding raising government borrowing to unsustainable levels.
- Egypt's real interest rate remains deeply negative, together with continued uncertainty about the stability of the currency.



Source: Central Bank of Egypt, World Bank

01.



Egyptian Insurance Market Overview

Good growth in the insurance market



The Egyptian insurance industry has grown steadily over the last 10 years with a CAGR of 18.1% reaching EGP56 Billion in 2022

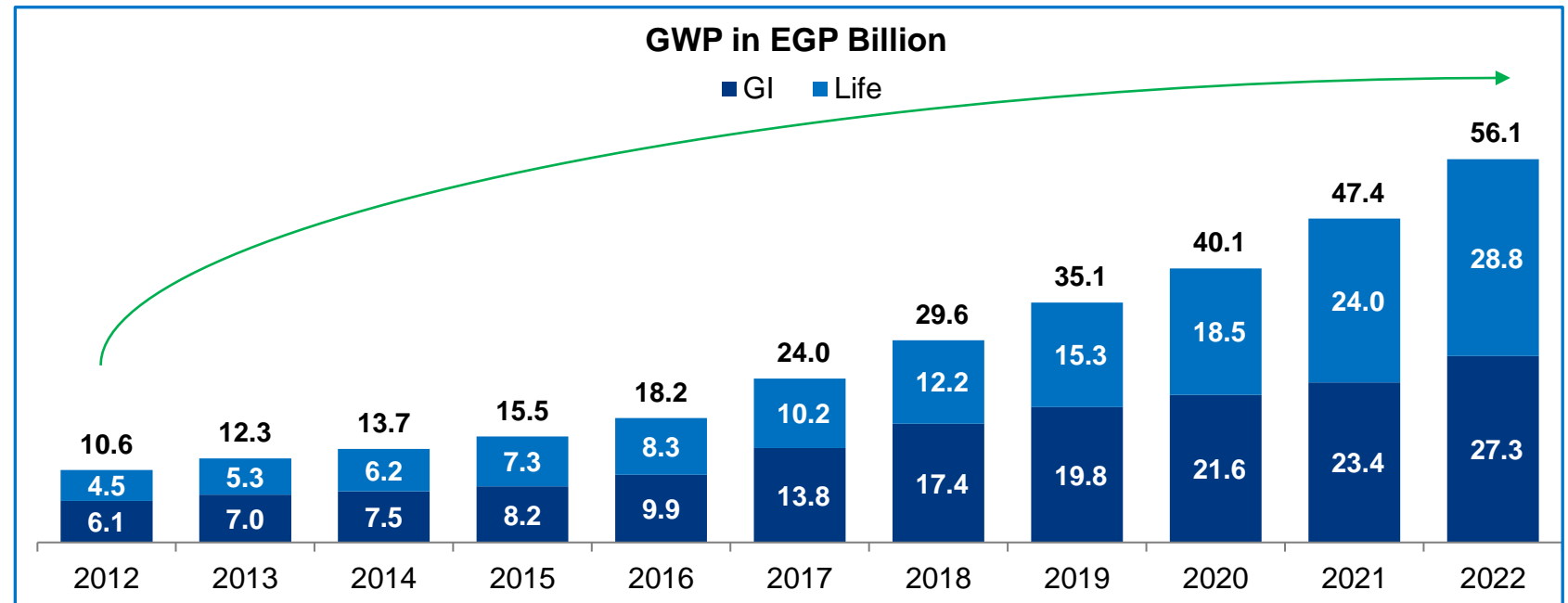
	EGP CAGR 2012-2022
Total	18.1%
Life	20.4%
General insurance	16.2%

23 General Insurance companies

- 17 Conventional private companies
- 5 Takaful companies
- 1 Conventional public sectors

16 Life Insurance companies

- 11 Conventional private companies
- 4 Takaful private companies
- 1 Conventional public sectors



Market distribution

GWP in Bn USD (using 30 June exchange)

1.75
(XE 6.1)

1.79
(XE 6.9)

1.94
(XE 7.1)

2.04
(XE 7.6)

2.05
(XE 8.9)

1.33
(XE 18.0)

1.66
(XE 17.8)

2.11
(XE 16.7)

2.49
(XE 16.1)

3.03
(XE 15.6)

2.99
(XE 18.7)

USD CAGR 6% during this period

02.



Allianz

Market Position

Allianz has consistently outperformed market growth rates



EGP Mn

18/19

Company	GWP 2019	Share %	Growth
Misr	13,393	38.2%	23.3%
Allianz	4,004	11.4%	47.8%
AXA	3,044	8.7%	39.0%
MetLife	2,855	8.1%	20.2%
Suez	1,611	4.6%	19.5%
EG Takaful	1,466	4.2%	38.3%
GIG	1,110	3.2%	17.1%
Bupa	1,086	3.1%	12.3%
Orient	835	2.4%	13.6%
QNB	672	1.9%	-

19/20

Company	GWP 2020	Share %	Growth
Misr	14,303	35.7%	6.8%
Allianz	5,356	13.4%	33.8%
AXA	4,110	10.3%	35.0%
MetLife	3,686	9.2%	29.1%
GIG	1,581	3.9%	42.4%
EG Takaful	1,577	3.9%	7.6%
Suez	1,561	3.9%	-3.1%
Bupa	1,101	2.7%	1.4%
Orient	974	2.4%	16.6%
Delta	841	2.1%	28.8%

20/21

Company	GWP 2021	Share %	Growth
Misr	17,243	36.6%	20.6%
Allianz	6,280	13.3%	17.3%
AXA	4,901	10.4%	19.2%
MetLife	4,085	8.7%	10.8%
GIG	2,386	5.1%	50.9%
Suez	1,787	3.8%	14.5%
Orient	1,284	2.7%	31.8%
Bupa	1,127	2.4%	2.3%
Delta	1,010	2.1%	20.1%
QNB	934	2.0%	26.9%

21/22

Company	GWP 2022	Share %	Growth
Misr	19,488	34.8%	13.0%
Allianz	7,967	14.2%	26.9%
AXA	5,100	9.1%	4.1%
MetLife	4,993	8.9%	22.2%
GIG	3,164	5.6%	32.6%
Suez	1,899	3.4%	6.3%
Orient	1,866	3.3%	45.4%
Bupa	1,346	2.4%	19.5%
Delta	1,194	2.1%	18.2%
QNB	1,113	2.0%	19.2%

	GWP	Share%	Growth%
Total Mkt	35,089	100%	26.3%
Top 10	30,075	85.7%	26.8%

	GWP	Share%	Growth%
Total Mkt	40,059	100%	14.2%
Top 10	35,091	87.6%	16.7%

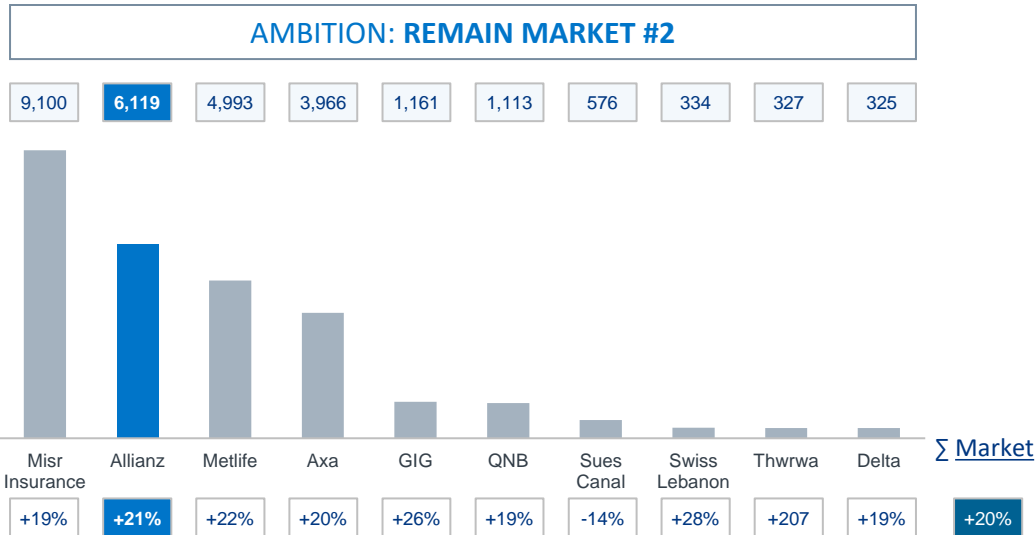
	GWP	Share%	Growth%
Total Mkt	47,142	100%	17.7%
Top 10	41,037	84.2%	16.9%

	GWP	Share%	Growth%
Total Mkt	56,070	100%	18.9%
Top 10	48,130	83.0%	17.3%

Defending top three market position and growing faster than the industry

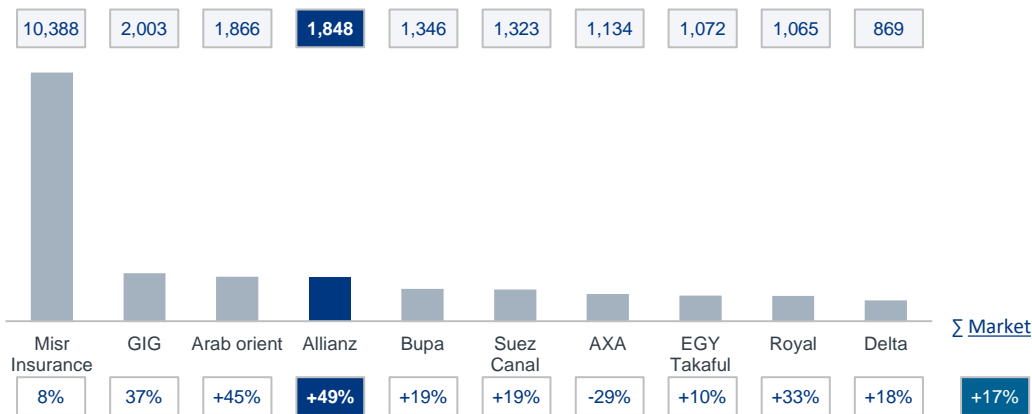


Life
GWP
(EGP m)

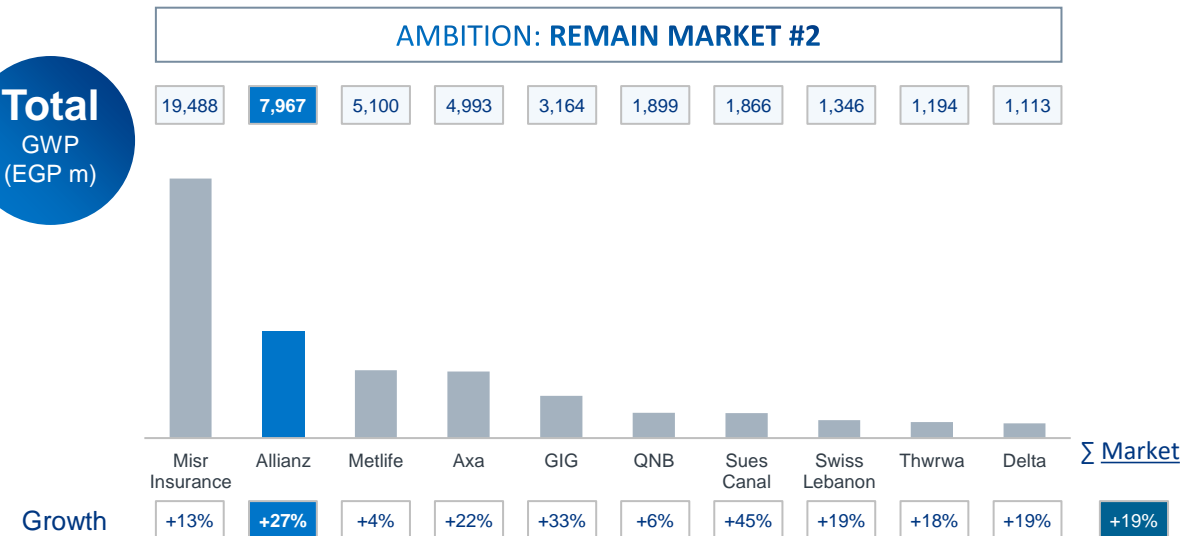


✓ GI significantly grew by **49%** market growth **8%**.
✓ Life grew by **21%** market growth is **20%**.

GI
GWP
(EGP m)



Total
GWP
(EGP m)



03.



Allianz Competitive Advantages

Very well experienced leadership team

Impressive Net Promoters Score

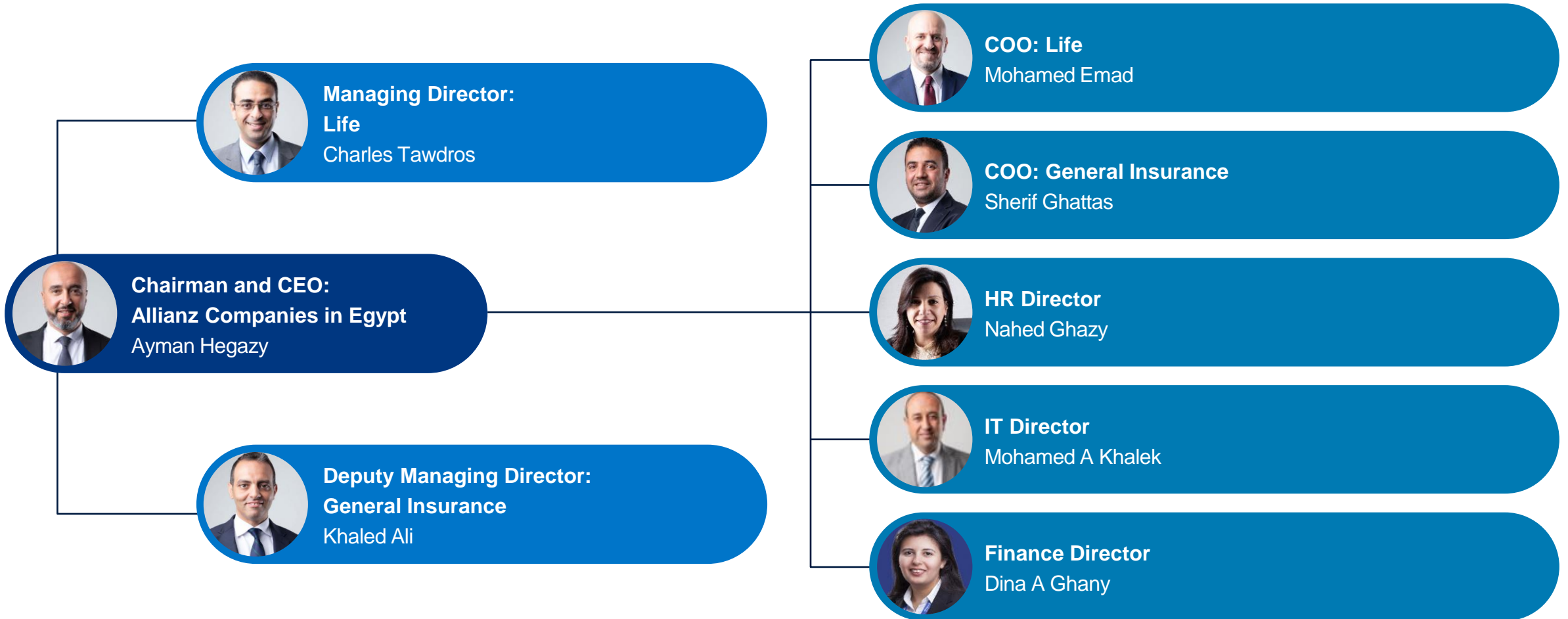
Innovative products

Wider distribution channels and partnerships

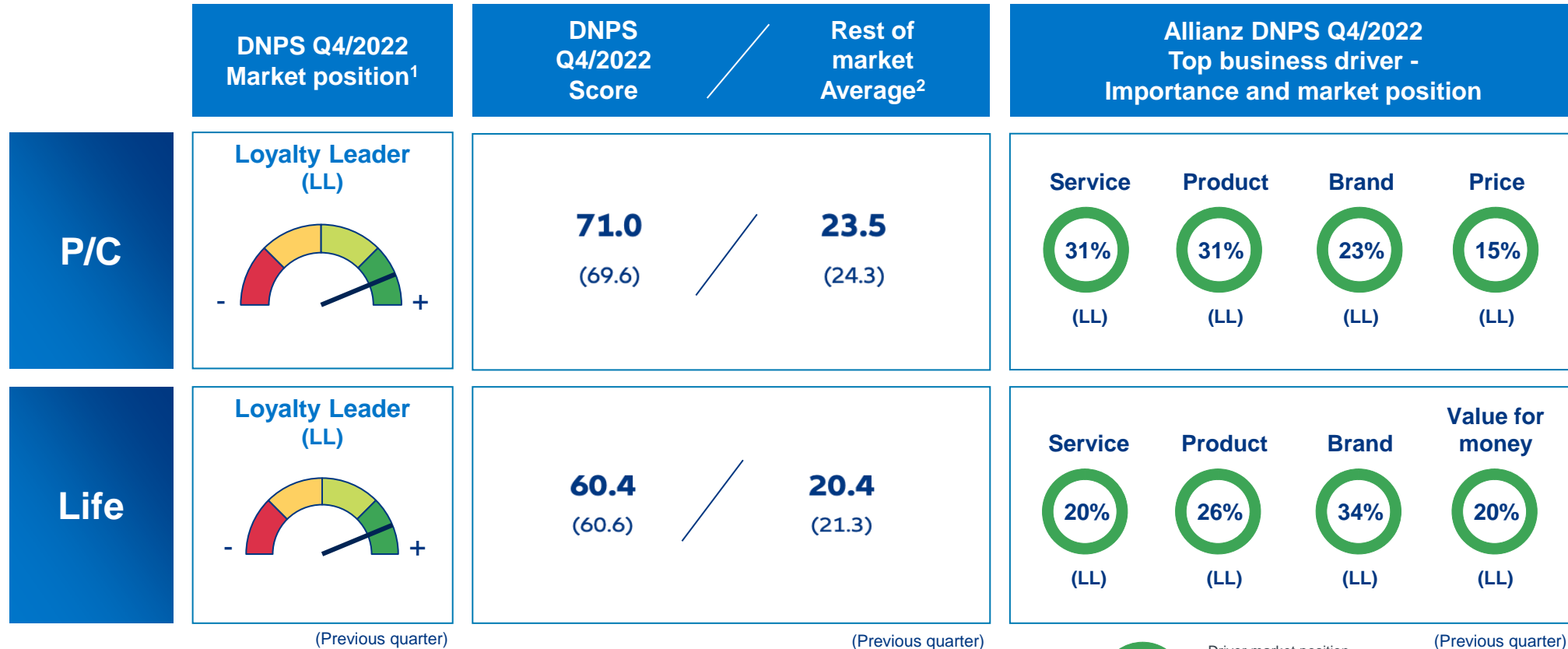
Branch network



Very well experienced management team

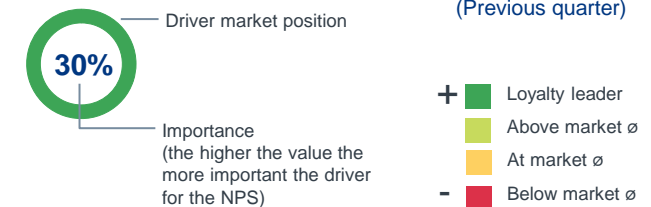


Excellent Net Promoters Score



1 Market positions with at least 99% certainty | 2 Includes all competitors on the brand list, excluding Allianz | Results based on averages of the last 12 months

Allianz P/C n=750; Rest of market P/C n=1875; Allianz Life n=751; Rest of market Life n=1876



04.



Products targeted at the
appropriate segments

Products | Relevant products targeted at right segments – Retail Life Insurance



Target Proposition by customer cluster and channel				
	Tied Agents	Bancassurance	Direct Sales	Digital Sales
High Net Worth	-	* Modular Proposition	* Modular Proposition	-
Affluent	ULP Retirement Plan ULP Education Plan	ULP Retirement Plan ULP Education Plan	ULP Retirement Plan ULP Education Plan	Digital Term Life
Mass	Pre-signed Retirement plan	Pre-signed Retirement plan	-	Digital Term Life
Microinsurance	To be assessed and identified			

Products | Corporate Life Insurance - segmented approach



Target Proposition by customer cluster and channel			
	Employee Benefits*	Brokers	Freelance Agents
Large Corporates	Group Term Life, Group Retirement & Credit Life	Group Retirement, Group Term Life & Credit Life	Group Retirement, Group Term Life & Credit Life
SMEs	Group Term Life	Group Term Life	Group Term Life
Financial Institutions	Group Term Life, Group Retirement & Credit Life	Group Term Life, Group Retirement & Credit Life	Group Term Life, Group Retirement

* Employee Benefits include referrals from Tied Agents and Bancassurance

Products | Offering relative to peers



Mkt leader by volume

	Allianz	MISR LIFE INSURANCE TOMORROW STARTS TODAY	MetLife	
Savings – Unit Linked	✓	✗	✓	✓
Savings – With Profit	✓	✓	✓	✗
Term Life	✓	✓	✓	✓
Medical	✗	✓	✓	✓

Products | Diversified GI Product offering 2022

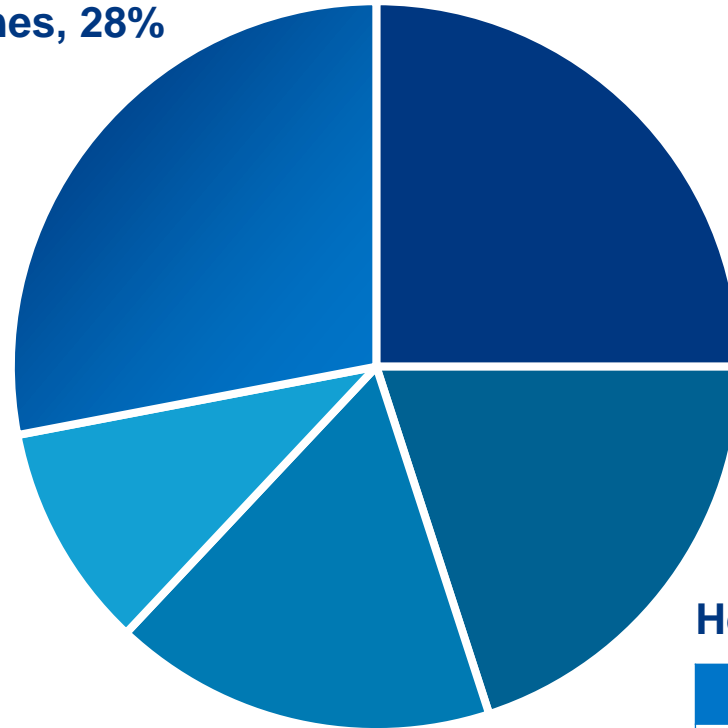


Rest of lines, 28%

Motor, 25%

Engineering, 10%

Combined Ratio	
Total Market	Allianz
84%	40%



Combined Ratio	
Total Market	Allianz
108%	99%

Health, 20%

Combined Ratio	
Total Market	Allianz
105%	94%

Property, 17%

Combined Ratio	
Total Market	Allianz
91%	54%

**Total LoBs
Combined Ratio
for GI:**

- Total market: 96%
- Allianz: 91%

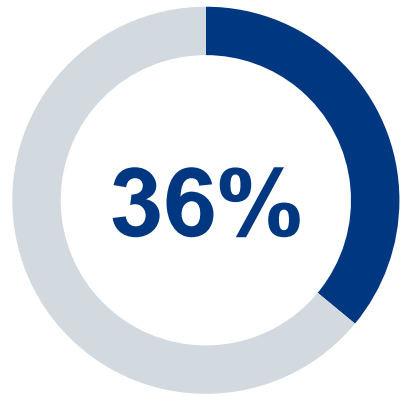
Source: FRA Annual Report

05.

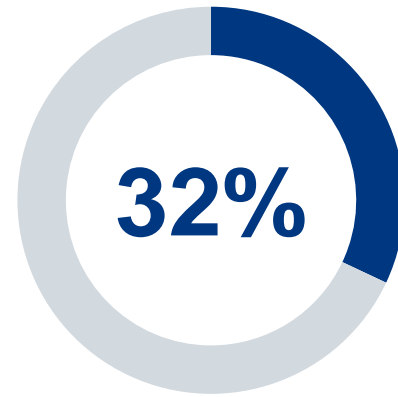


Diversified Distribution Channels

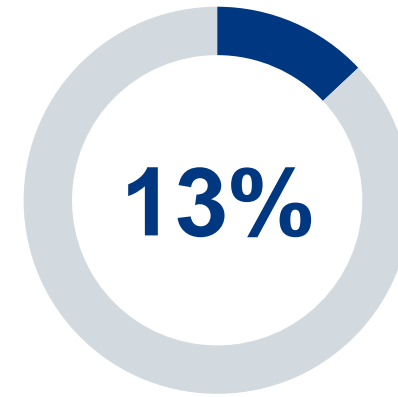
GI - Diversified distribution channels | Gross Written Premium EGP 1.8 Billion - excluding government pools



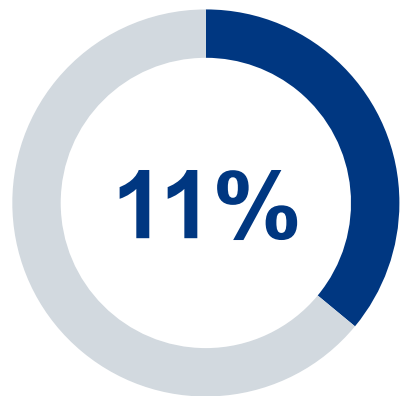
**Direct
Corporate**



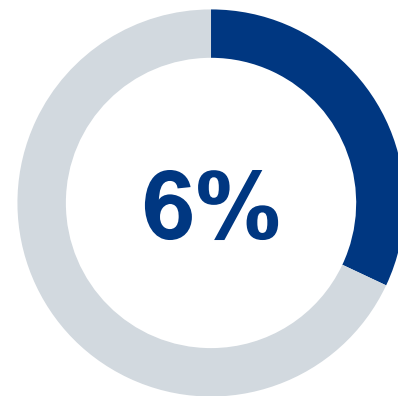
Brokers



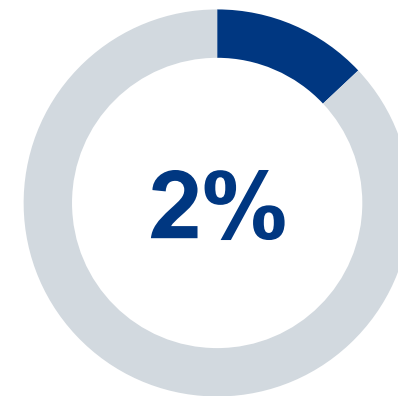
**Agency
Sales Force**



**Freelance
Agents**



**Direct
Retail**



Bancassurance

Life | Distribution channels and Partnerships – Channel distribution relative to peers


























































Mkt leader by volume

		Allianz	MISR LIFE INSURANCE TOMORROW STARTS TODAY	MetLife	
Retail	Bancassurance	✓	✓	✓	✓
	Tied Agents	✓	✓	✓	✗
	Freelance Agents	✗	✓	✗	✗
	Direct Retail & Affinity	✓	✓	✗	✓
Corporate	Employee Benefits	✓	✓	✓	✓
	Corporate Brokers	✓	✓	✓	✓
	Freelance Agents	✓	✓	✓	✓

Distribution channels and Partnerships | Wider and strong bancassurance partnerships
















BA Negotiation in Progress

		BRANCHES	LIFE BA	P&C BA		BRANCHES	LIFE BA	P&C BA
MEGA BANKS	 بنك مصر BANQUE MISR	798	Allianz 	Allianz 	 البنك الأهلي المصري NATIONAL BANK OF EGYPT	615	 MISR LIFE INSURANCE	
	 بنك القاهرة Banque du Caire	248	MetLife 		 QNB	232	 QNB ALAHLI	
LARGE BANKS	 CIB	207	AXA 	AXA 	 ALEXBANK بنك الإسكندرية	175	MetLife 	AXA 
	 البنك الأفريقي الدولي Arab African International Bank	* 94	AXA 	AXA 	 ADIB مصرف أبوظبي الإسلامي Banking as it should be	70	MetLife 	
MEDIUM BANKS	 CRÉDIT AGRICOLE	83	Allianz 	Allianz 	 FAB MISR	69	MetLife 	
	 Emirates NBD	67	Allianz 	Allianz 	 التجاري وفا بنك Attijariwafa bank	63	 Wafa Life Insurance Egypt	
	 EGBANK	60	 MISR LIFE INSURANCE					
	 بنك قناة السويس SUEZ CANAL BANK	** 49	Allianz 			 بنك أبوظبي التجاري ADCB	48	Allianz 
 HSBC	* 47	Allianz 	Allianz 		 بنك الاستثمار العربي BANK / ARAB INVESTMENT BANK	47		
SMALL BANKS	 saib	45	 MISR LIFE INSURANCE		 البنك الأهلي الكويتي - مصر AL AHLI BANK OF KUWAIT - EGYPT	44	MetLife 	
	 الوطني NBK	43	GIG 		 البنك الأهلي المتحد ahli united bank	42	AXA 	
	 البنك العربي ARAB BANK	39	Allianz 		 Bank ABC	25	 AROPE INSURANCE EGYPT	
	 المشرق mashreq	16	MetLife 	Allianz 				

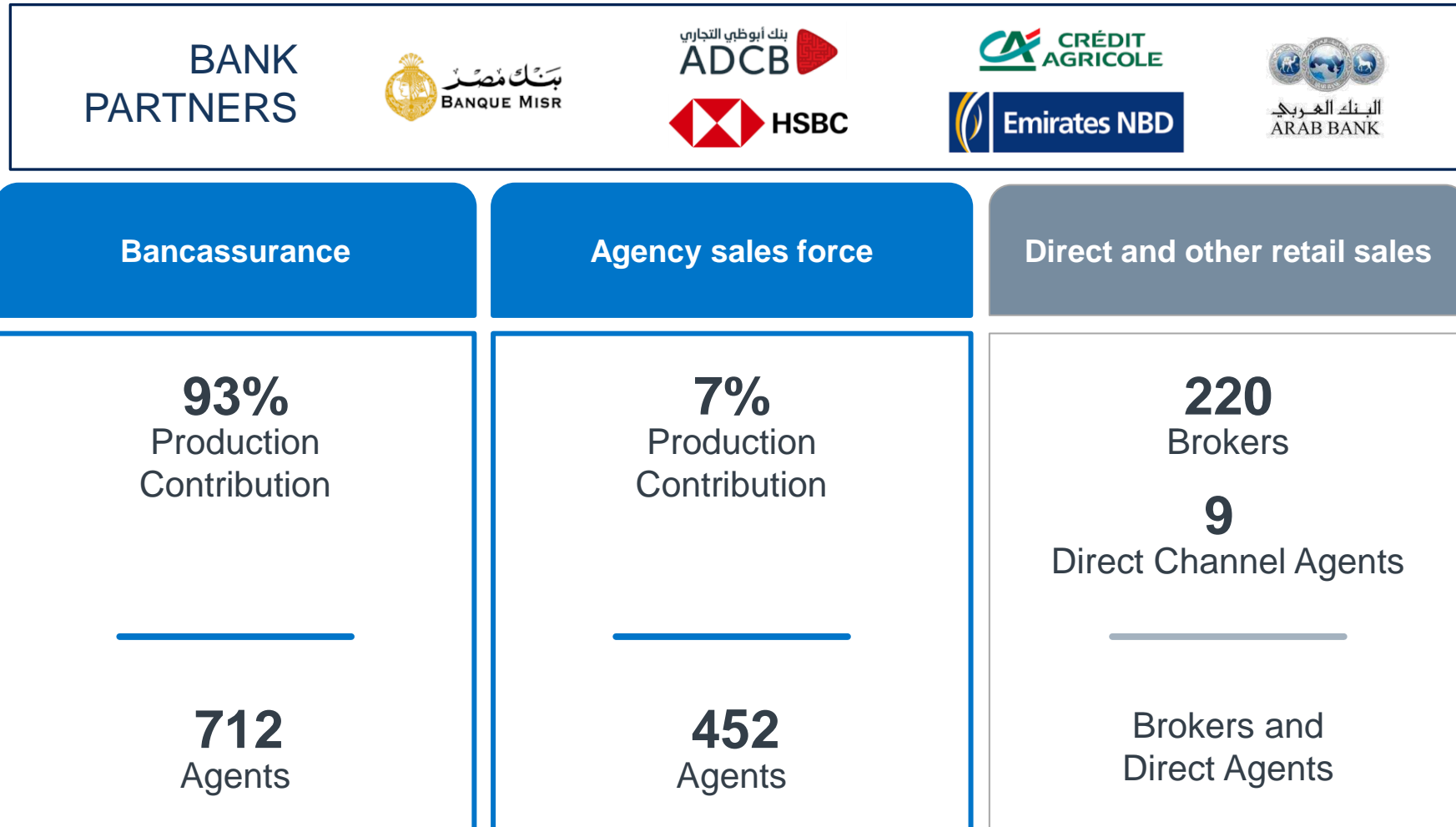
* HSBC & Arab African International Banks are among the top 5 in terms of profitability.
** Suez Canal Bank life agreement is in the regulatory approvals process, while P&C negotiation is in place.

Distribution channels and Partnerships | More potential for Bancassurance partnerships

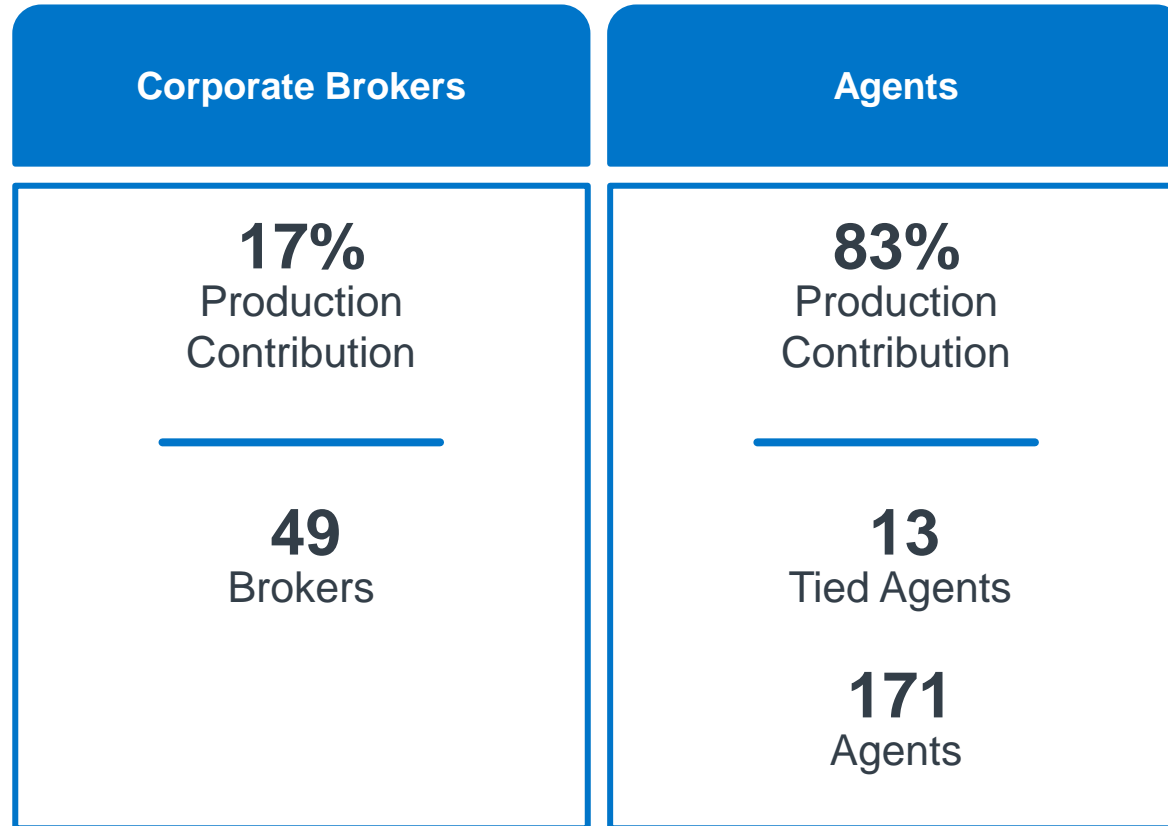


		BRANCHES	LIFE BA	P&C BA		BRANCHES	LIFE BA	P&C BA
SPECIALITY BANKS		1200			  	100		
		94				42		
		28				27		
POTENTIAL BANKS		65			 	41		
		32				17		
		23						

Distribution Channels: | Retail Life Bancassurance dominant, potential to grow agency and direct channels



Distribution Channels | Corporate Life, controlled by tied agents



Wider branch network | Present across the country



15

Branches currently operating

Serving 452 Tied Agents and their customers

Covering 11 governorates

719

Bank branches with Allianz IR presence

Covering all governorates

06.



Key Figures

Allianz Egypt key figures | 2022



N°2

For last 5 years

Market Position

8,574bn

23% GI; 77% Life

GWP

**CAGR 28%
for 10yrs**

Operating Profit

90.4%

GI CoR

+30%

RoE¹

+31%

vs. Market: +19%

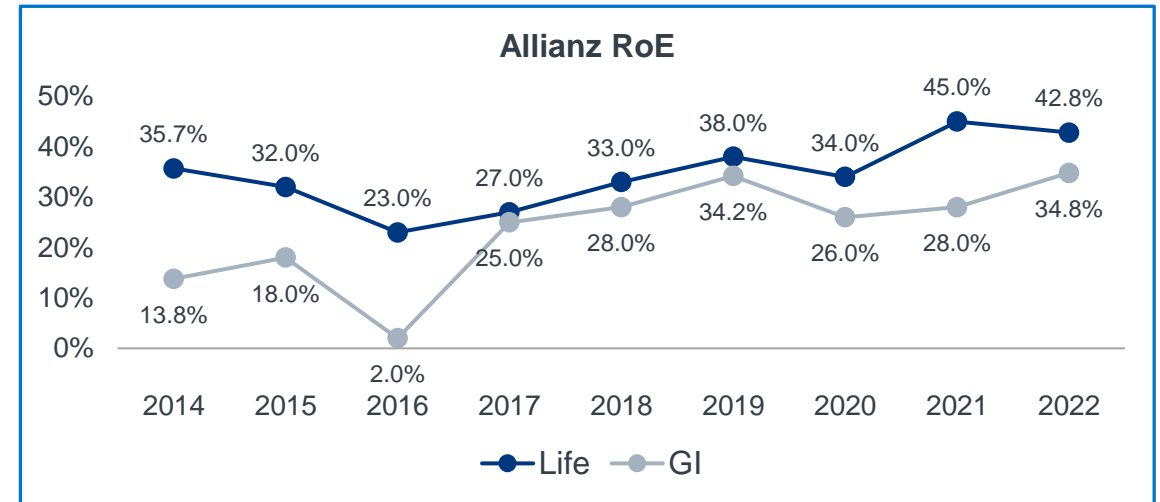
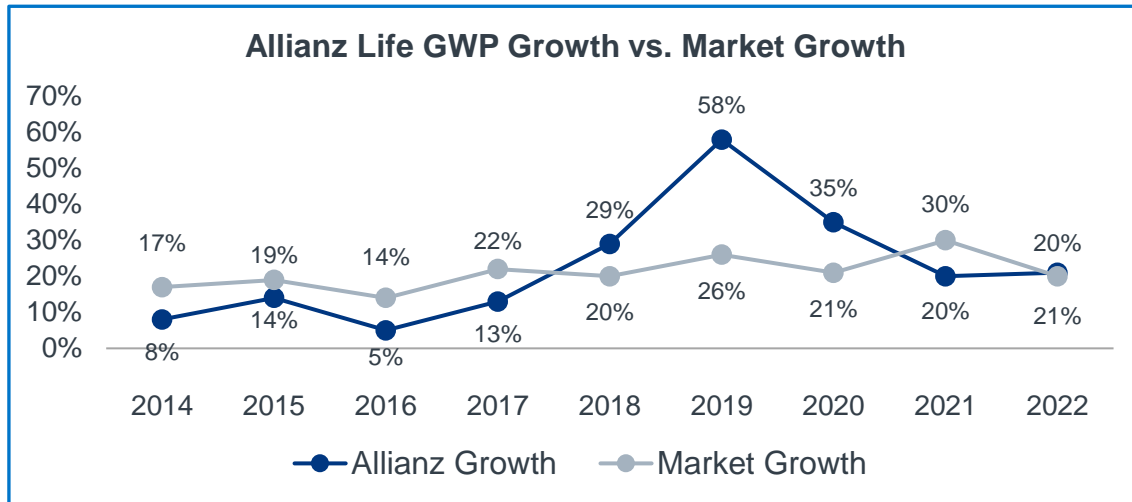
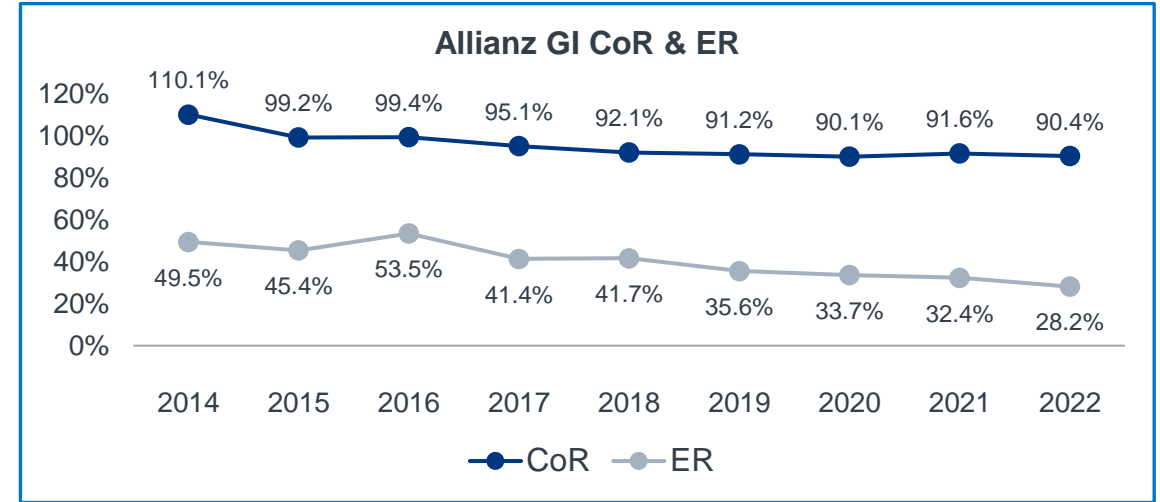
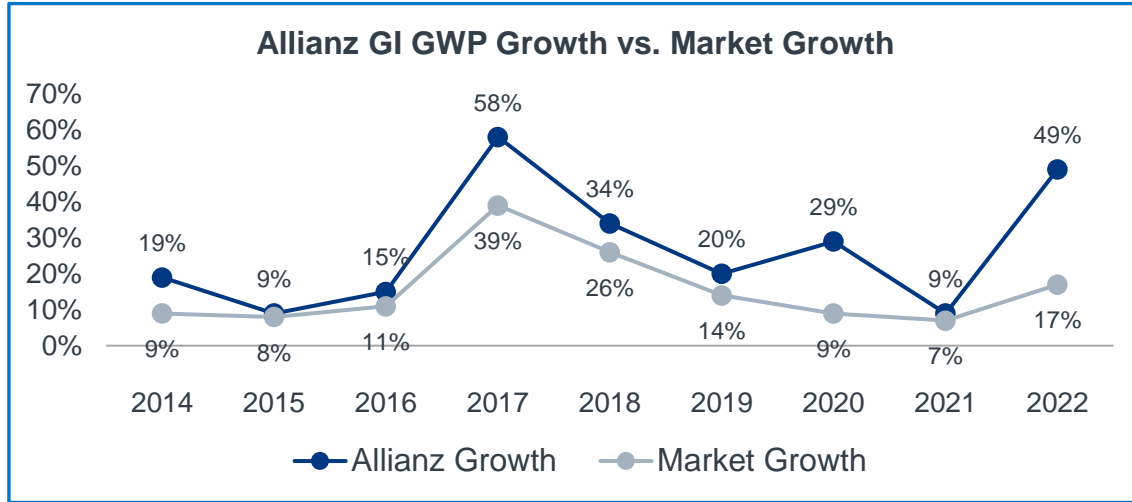
**GWP CAGR
5yrs**

**LL GI
LL Life**

NPS

1) RoE calculation excludes unrealised gain/losses on bonds

Allianz Egypt history



Conclusion and Focus Areas

- Very confident about the growth trajectory due to our strategic advantages.
- Immediate focus is on continuing to grow market share. Gaining more market share on the Life Insurance market.
- Naturing and defending relationships with Bancassurance partners.
- In the medium term, we plan to start leveraging on the Sanlam experience on the African continent to introduce innovative offering to our clients and support from the strong technical support from the hub. Bringing in new products and growing Agents Distribution Channel.
- A challenging environment, however, very confident of growth as proved by the track record of delivery and now the back of International and the African giant groups (Allianz and Sanlam) we will grow from strength to strength.





Thank you