Al Ain Ahlia Insurance Company (PSC)

BOARD OF DIRECTORS' REPORT FOR 2025

We are pleased to present our 50th Annual Report on the company's business activities for 2025 together with the audited financial statements for the year ended 31 December 2025.

As we look back at the year ended 2025, the UAE economy remained strong and resilient. Economic growth was supported by higher non-oil activities, steady government spending, and continued investment in infrastructure, technology, and tourism. The UAE's vision for diversification continues to reduce reliance on oil and creates new opportunities across many sectors. The business environment in the UAE remains stable and attractive. Strong regulations, political stability, and investor-friendly policies have helped maintain confidence, even during global economic uncertainty. Inflation remained under control, and consumer and business confidence stayed positive.

For the insurance sector, 2025 was a year of progress and adjustment. Demand for insurance continued to grow, driven by population growth and compulsory insurance requirements. Overall, the outlook for the UAE insurance sector remains positive. Economic growth, innovation, and regulatory support provide a solid foundation for sustainable growth.

As a company, we remain focused on prudent risk management, customer value, and long-term returns for our shareholders.

The Insurance Revenue of Al Ain Ahlia Insurance Company for 2025 amounted to Dh. 1,156,820,647 compared to Dh. 1,140,701,449 in 2024 and Net Insurance Result for 2025 amounted to Dh. (53,056,544) compared to Dh. (87,807,510) in 2024.

Technical Reserves amounted to Dh. 441,822,706 compared to Dh. 487,792,536 in 2024 and the net profit reported by the Company amounted to Dh. 27,776,904 compared to net loss of Dh. (27,947,938) in 2024.

The results for each class of business are summarized as follows:

MARINE AND AVIATION

Insurance Revenue amounted to Dh. 93,625,639 compared to Dh. 82,970,827 in 2024. The company's share in technical reserves amounted to Dh. 13,218,139 compared to Dh. (25,778,627) in 2024.

NON-MARINE

Insurance Revenue amounted to Dh. 1,063,195,008 compared to Dh. 1,057,730,622 in 2024. The company's share in technical reserves amounted to Dh. 428,604,567 compared to Dh. 513,571,162 in 2024.

INVESTMENTS AND OTHER INCOME

Investment income for the year amounted to Dh. 106,319,729 compared to Dh. 75,099,512 in 2024.

The Board of Directors, on behalf of the Company, would like to express their gratitude and appreciation to His Highness Sheikh Mohammed Bin Zayed Al Nahyan, President of the United Arab Emirates and the Ruler of Abu Dhabi and His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, the Crown Prince for their assistance to the national Companies.

The Board of Directors also thanks all people and organizations dealing with the Company within and outside the country and wishes to express their appreciation to the Management and Employees of the Company for their genuine efforts which contributed largely to this year's achievements.

The Board of Directors