الوثبة للتأمين
AL WATHBA INSURANCE

Discussion report and analysis of the board of directors for Al Wathba National Insurance Company (PJSC)

Date	12/08/2026
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	Q2-2026
Overview of the main results during the financial period	Insurance service result: AED 5.18 M Net Investment Income: AED 70.07 M Net insurance finance income /(expenses): AED (1.89) M Other expenses, associate results & tax (net): AED (22.63) M (Loss) / profit for the period: AED 50.72 M
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	AWNIC continued to strengthen its service excellence credentials in H1 2026, maintaining its position as the UAE insurance sector's highest-rated insurer by customer experience. The Company retained its 4.5-star rating on Google Reviews, reflecting its sustained focus on client-centric, responsive, and dependable service delivery During Q2 2026, AWNIC advanced its digital transformation agenda through the consideration of AI-assisted underwriting tools and their CRM platform upgrade, further enhancing customer engagement and operational efficiency across all lines of business.
Summary of operational performance during the financial period	In Q2-2026, we achieved an insurance revenue of AED 517.74 million (H1 2025: AED 348.69 million) and recorded an insurance service result of AED 5.18 million (H1 2025: AED 12.52 million). We reported a net profit of AED 50.72 million (H1 2025: AED 25.10 million), reflecting an optimistic forecast for the company’s performance in 2026 and a positive outlook for the rest of the year 2026.

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<td>Summary of profit and loss during the financial period</td>
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<tr><th>AED million</th><th>H1 2026</th><th>H1 2025</th></tr>
<tr><td>Insurance revenue</td><td>517.74</td><td>348.69</td></tr>
<tr><td>Insurance service result</td><td>5.18</td><td>12.52</td></tr>
<tr><td>Net investment income</td><td>70.07</td><td>23.97</td></tr>
<tr><td>Net insurance finance income / (expenses)</td><td>(1.89)</td><td>(3.32)</td></tr>
<tr><td>Other expenses, associates & tax (net)</td><td>(22.63)</td><td>(8.06)</td></tr>
<tr><td>Profit for the period</td><td>50.72</td><td>25.10</td></tr>
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<td>Summary of financial position as at the end of the financial period</td>
<td>Total Deposits & Cash: AED 75.38 M
Total Assets: AED 2.06 billion
Total Shareholders' Equity: AED 1.24 billion</td>
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<td>Summary of cash flows during the financial period</td>
<td>Net Cash generated from operating Activities: AED 17.91 M
Net Cash Generated in Investing Activities: AED 24.42 M
Net Cash Generated in Financing Activities: AED (77.53) M</td>
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<td>Main performance indicators</td>
<td>Insurance service ratio 1%</td>
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<td>Expectations for the sector and the company's role in these expectations</td>
<td>The UAE insurance sector continues its robust transformation in 2026, driven by accelerating digital adoption, evolving regulatory frameworks under the CBUAE's modernised supervisory regime, and deepening demand for health, cyber, and climate-related coverage.
The UAE's 2030 and 2031 national strategic agendas, including Vision 2031 and the Net Zero 2050 commitment, are creating new product innovation opportunities in ESG-aligned insurance.
AWNIC is strategically positioned to lead this evolution, leveraging technology, regulatory agility, and a diversified product portfolio spanning Motor, Health, Technical, and Property lines to capture emerging growth opportunities while maintaining disciplined underwriting standards.</td>
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<td>Expectations regarding the economy and its impact on the company and the sector</td>
<td>The UAE economy continues to demonstrate strong resilience in 2026, supported by sustained oil revenues, robust non-oil sector growth driven by trade, tourism, and financial services, and a pipeline of major infrastructure and real estate development projects that directly underpin demand for Technical and Property insurance.
The Abu Dhabi and Dubai real estate markets remain active, with construction and engineering activity supporting the technical lines. The continued expansion of mandatory health insurance coverage the progressive rollout of health coverage requirements in other emirates is expected to drive further growth in AWNIC's health insurance book throughout H2 2026 and into 2027</td>
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	Inflationary pressures on claims costs — particularly in the Motor and Health segments — remain a key factor being monitored. AWNIC's pricing, underwriting, and reserving frameworks are continuously calibrated in response to loss experience and market trends to maintain technical profitability across all lines. The sector is projected to maintain growth in the range of 15–20% for 2026, with AWNIC well-placed to outperform the market average through its service differentiation and product innovation strategy.
Future for growth and changes in operations in future periods	AWNIC forecasts continued growth in H2 2026 and beyond, anchored by the UAE's economic diversification, and an active pipeline of product and technology initiatives. New product development in the cyber insurance, climate-linked property insurance, and tailored health coverage segments is underway, supporting AWNIC's strategy to deepen its market share across all target segments. Emiratisation remains a strategic priority and being a national insurance company our commitment towards UAE, with the Company targeting the CBUAE's sectoral requirements with specific recruitment and development programmes for UAE nationals.
The size and impact of current and projected capital expenditures on the company	Net Capital expenses for the period were AED 662 thousand.
The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year	AWNIC is executing a Board-approved digital transformation agenda centred on some major initiatives: (1) the system upgrade and implementation project, (2) the integration of AI-assisted underwriting and claims processing tools to enhance efficiency and reduce cycle times; In parallel, the Board has sanctioned budgets towards targeted marketing initiatives supporting the Company's motor insurance schemes for the Chinese and electric vehicle segments.

Shukri Salem Musabah Almheiri
Chief Executive Officer

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