

Template for discussion report and analysis of the board of directors of the listed public shareholding company

Date	13 th May 2026																																
Name of the Listed Company	Abu Dhabi National Insurance Company PJSC																																
The period of the financial statements covered by the report	First Quarter 2026																																
Overview of the main results during the financial period	<p>ADNIC has demonstrated a strong underwriting performance, evidenced by a combined ratio of 95.7% and net insurance service results totaling AED 114.3 million. Furthermore, we have achieved Gross Written Premium (GWP) of AED 3.8 billion.</p> <p>Group consolidated investment income during first quarter 2026 was AED 65.1 million, reflecting a decline of 8.8% driven by temporary market volatility. Despite the headline decrease, the underlying strength and adaptability of ADNIC's investment strategy were demonstrated through solid growth in both bond interest and rental income, complemented by robust and opportunistic portfolio management.</p> <p>ADNIC continues to focus on cost efficiency and operational discipline, as demonstrated by our expense ratio of 16.0%, which highlights our ongoing commitment to maintaining a lean and effective cost structure despite continued investments in business growth.</p>																																
Securities issued during the financial period	None																																
Summary of operational performance during the financial period	<p>ADNIC has demonstrated a strong underwriting performance, reflected in net insurance service results of AED 114.3 million. Strong UW performance at Combined ratio at 95.7%</p> <p>The Group delivered resilient financial performance in the first quarter of 2026, navigating a complex and volatile global environment to report a net profit before tax of AED 99.5 million. The year-on-year net profit decrease of 25.3% was primarily due to the prudent recognition of war-related provisions and short-term investment market volatility. The net profit after tax is AED 87.9 million.</p>																																
Summary of profit and loss during the financial period	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">AED'000</th> <th style="text-align: center;">Q1 2026</th> <th style="text-align: center;">Q1 2025</th> <th style="text-align: center;">Change</th> </tr> </thead> <tbody> <tr> <td>Net insurance service result</td> <td style="text-align: right;">114,253</td> <td style="text-align: right;">141,403</td> <td style="text-align: right;">(27,150)</td> </tr> <tr> <td>Income from investment, net</td> <td style="text-align: right;">65,107</td> <td style="text-align: right;">71,405</td> <td style="text-align: right;">(6,298)</td> </tr> <tr> <td>Insurance finance income and expenses, net</td> <td style="text-align: right;">(15,972)</td> <td style="text-align: right;">(23,271)</td> <td style="text-align: right;">7,299</td> </tr> <tr> <td>Total income</td> <td style="text-align: right;">163,388</td> <td style="text-align: right;">189,537</td> <td style="text-align: right;">(26,149)</td> </tr> <tr> <td>Other operating expenses</td> <td style="text-align: right;">(63,894)</td> <td style="text-align: right;">(56,285)</td> <td style="text-align: right;">(7,609)</td> </tr> <tr> <td>Zakat and income tax expense</td> <td style="text-align: right;">(11,586)</td> <td style="text-align: right;">(13,682)</td> <td style="text-align: right;">2,096</td> </tr> <tr> <td>Profit for the period</td> <td style="text-align: right;">87,908</td> <td style="text-align: right;">119,570</td> <td style="text-align: right;">(31,662)</td> </tr> </tbody> </table>	AED'000	Q1 2026	Q1 2025	Change	Net insurance service result	114,253	141,403	(27,150)	Income from investment, net	65,107	71,405	(6,298)	Insurance finance income and expenses, net	(15,972)	(23,271)	7,299	Total income	163,388	189,537	(26,149)	Other operating expenses	(63,894)	(56,285)	(7,609)	Zakat and income tax expense	(11,586)	(13,682)	2,096	Profit for the period	87,908	119,570	(31,662)
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<p>Summary of financial position as at the end of the financial period</p>	<p>Total Deposits & cash: AED 502.81 million Total Assets: AED 10.54 billion Total Shareholders' Equity: AED 3.52 billion</p>																								
<p>Summary of cash flows during the financial period</p>	<p>Net cash used in operating activities AED 266.9 million Net cash used in investing and financing activities AED 37.9 million</p>																								
<p>Main performance indicators</p>	<table border="1" data-bbox="584 638 1364 894"> <thead> <tr> <th></th> <th>Mar-26</th> <th>Mar-25</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Premium retention</td> <td>32.3%</td> <td>38.7%</td> <td>-6.4%</td> </tr> <tr> <td>Net claims ratio</td> <td>72.4%</td> <td>69.5%</td> <td>2.9%</td> </tr> <tr> <td>Expense ratio*</td> <td>23.3%</td> <td>23.2%</td> <td>0.1%</td> </tr> <tr> <td>Combined ratio</td> <td>95.7%</td> <td>92.7%</td> <td>3.0%</td> </tr> <tr> <td>Return on equity</td> <td>2.4%</td> <td>3.5%</td> <td>-1.1%</td> </tr> </tbody> </table> <p>*incl. bad debt, risk adjustment and finance income (expense)</p>		Mar-26	Mar-25	Change	Premium retention	32.3%	38.7%	-6.4%	Net claims ratio	72.4%	69.5%	2.9%	Expense ratio*	23.3%	23.2%	0.1%	Combined ratio	95.7%	92.7%	3.0%	Return on equity	2.4%	3.5%	-1.1%
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<p>Expectations for the sector and the company's role in these expectations</p>	<p>Heightened tensions in the Middle east as of early 2026 have severely impacted the insurance sector, primarily driving a sharp surge in premiums for war risk, marine, aviation, and political violence coverage due to elevated risk in shipping corridors. The market is experiencing tighter capacity and high volatility in specialized lines.</p> <p>ADNIC has proven its resilience to the major events and adequacy of the reinsurance protection for major events and has been able to manage the solvency which is higher than minimum regulatory requirements by incorporating the high standards of governance and risk management policy.</p>																								
<p>Expectations regarding the economy and its impact on the company and the sector</p>	<p>The UAE's sustainable economic growth - underpinned by strong non-oil expansion, rising foreign investments, and the development of financial and tourism hubs – is accelerating the transformation of the insurance industry. Economic diversification is driving demand for more complex risk solutions, supporting a gradual shift toward specialty lines, enhanced underwriting discipline , and stronger capital management across the sector.</p>																								

<p>Future plans for growth and changes in operations in future periods</p>	<p>ADNIC has begun 2026 in expansion mode with the opening of a planned branch in India, located in GIFT City, the country's first International Financial Services Centre (IFSC) in Gujarat. The branch builds on ADNIC's existing cross-border reinsurance business in India and follows entry into the Saudi Arabia market, demonstrating the company's wider international growth objectives. It will also diversify ADNIC's revenue while supporting clients in a high-growth market.</p> <p>Looking ahead, ADNIC's positive outlook for the remainder of 2026 is supported by the strength of our underlying business and the expected normalisation of market conditions, which position the company for continued success. We remain a committed partner to the economies of the UAE and the other markets where we operate, actively supporting their long-term economic visions and contributing to sustainable growth.</p>
<p>The size and impact of current and projected capital expenditures on the company</p>	<p>Net capital expenditure for the year ended 31 March 2026 was AED 2.80 million.</p>
<p>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</p>	<p>The company's board of directors noted the progress in implementation of the company's strategy.</p>

Charalampos Mylonas
Chief Executive Officer

Signature:




13 May 2026

Company's Seal: