

**Abu Dhabi National Insurance Company P.J.S.C.**  
**Board of Directors' Statement**  
**For the nine-month period ended 30 September 2020**

The Board of Directors is pleased to report Abu Dhabi National Insurance Company's financial results for the nine months ended 30 September 2020. In a year full of uncertainty, our strategic actions have enabled us to deliver resilient results as we recorded a net profit of AED 282.8 million, a 45.5% increase compared to the same quarter last year.

ADNIC continues to demonstrate solid results, while making significant progress against its strategic agenda. Looking at our key financial highlights, our technical underwriting results remained solid with 44.0% growth, compared to same quarter last year. Particularly strong gains were achieved in the total insurance premium reaching AED 3,166.3 million which is 6.2% growth compared to the previous year with AED 2,982.3 million, and the technical profit which increased by 125.5% - reaching 201.8 million in the third quarter of 2020 compared to 89.5 million in the previous year.

The growth in revenue is primarily driven by the Commercial Lines division which has recorded a 12.8% increase compared to the previous year as a result of a successful conversion of new business opportunities. The company delivered a resilient 5% growth across our Employee Benefits division for Q3 2020 on the basis of strong renewal and new business performance.

Retail Motor continues to go through a challenging period as a combination of the overall segment slowdown and the emerging premium rate downward pressure in the market. We expect this trend to stabilise in Q4 2020 as our corresponding business strategies are implemented. ADNIC's solvency continue to hold a material surplus above solvency requirements.

General and administrative expenses excluding provision for doubtful debts for the nine month period ended 30 September 2020 decreased by 4.1% to AED 172.2 million compared to AED 179.5 million for the same period in 2019 reflecting the improvement in the operational efficiency.

Total investment income for the year to date (*including Other Comprehensive Income*) was down 81.4% compared to the same period in 2019. The drawdown experienced in March 2020 continues to be an overhang on year-to-date investment returns. However, the other comprehensive income position improved during Q3 2020 versus Q2 2020 by AED 94.3 million and brought total investment income (*including Other Comprehensive Income*) for the year to AED 25.8 million.

On behalf of the Board of Directors, I would like to extend our sincere gratitude to His Highness Sheikh Khalifa Bin Zayed Al Nahyan, President of the UAE, His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister, and Ruler of Dubai, and His Highness Sheikh Mohamed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, for their continued support.

I would also like to thank our clients, partners and shareholders for the continuous trust and confidence they have placed in ADNIC during this challenging period. As one of the leading UAE insurance companies, we will continue to build on our expertise to deliver new innovative solutions and give back to our community throughout the remainder of the year and beyond.



**Sheikh Mohamed Bin Saif Al-Nahyan**  
**Chairman of the Board**