

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

The Board of Directors is pleased to report Abu Dhabi National Insurance Company's financial results for the six months ended 30 June 2020. In unprecedented market conditions, ADNIC continues to produce resilient results and we are thankful for the efforts and the commitment of our team towards this achievement.

The impact of the COVID-19 pandemic is an evolving situation and ADNIC will continue to monitor the impact on its business closely and take decisive action as required to support its customers and partners. As a testament to our financial strength, experience and commitment to high level of service delivery, our GWP for the first six months of the year was up by 9.1% to AED 2.56 billion. Particularly strong gains were achieved in the commercial lines with GWP increasing by 17.1%. Despite challenging market conditions, specifically for consumer lines, GWP was maintained almost at the same level as the previous year.

Profitability across the key lines was very strong with Total Underwriting Profits up 67.0% for the first six months to AED 276.3 million. Combined ratio was 80.2% compared to 93.9% for the previous year. The extreme market volatility, particularly in March contributed to investment income through P&L for the first six months being lower by 30.3%. While some stability has returned to securities markets in the second quarter and the total Investment Income including Other Comprehensive Income for the second quarter was higher by 74.7% compared to the second quarter of the previous year. ADNIC's capitalisation and solvency continue to remain robust. Total Shareholders' Equity was stable at AED 2.19 billion and loss reserves were maintained at comfortable levels

Everybody has a responsibility in ensuring a quick recovery to normal. A large part of this will be our adherence to following government guidelines to ensure a safe, gradual and smooth return to ADNIC office facilities. ADNIC has embraced the changes brought about by the pandemic to improve its processes and hasten its digitisation efforts and these will continue even after the present circumstances pass.

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 take this opportunity to express our sincere gratitude to those on the frontline for their unwavering commitment and care for our nation in fighting against the pandemic. We also thank our customers, business partners, employees and shareholders for their support during this unprecedented time.



Sheikh Mohamed Bin Saif Al-Nahyan

Chairman of the Board