



Al Ain Ahlia Insurance Company (PSC)

BOARD OF DIRECTORS' REPORT FOR 2023

We are pleased to present our 48th Annual Report on the company's business activities for 2023 together with the audited financial statements for the year ended 31 December 2023.

Amidst global economic challenges, the United Arab Emirates demonstrates resilience, with strategic initiatives in place to navigate uncertainties and foster growth within its economy.

The Central Bank of the UAE, elevating the projected GDP expansion to 5.7 percent from the earlier projection of 4.3 percent for 2024, underscores the nation's economic optimism, proactive policies, and the country's economic prospects.

The Central Bank of the UAE's quarterly economic review released in December 2023 emphasizes that the overall GDP for the UAE is forecast to grow by 3.1 percent in 2023. Specifically, the projection anticipates a non-oil GDP growth of 5.9 percent in the same year, followed by a moderated yet substantial growth rate of 4.7 percent in 2024. Meanwhile, oil GDP growth is estimated to reach 8.1 percent in 2024.

Furthermore, The UAE's economic landscape in the third quarter of 2023 witnessed significant developments across various sectors, notably real estate, tourism, and transportation.

Real estate, a cornerstone of the nation's economy, sustained its momentum with robust performance continuing from July to October 2023, signaling strong investor confidence and market resilience.

The tourism and hospitality sectors showcased resilience and growth, aligning with the UAE's ambitious National Tourism Strategy 2031.

In the transportation sector, the country witnessed substantial increases in passenger traffic, reflecting growing connectivity and global reach, further indicating a resurgence in travel demand.

The above scenario paints a promising picture of the UAE's economic resilience and growth potential in 2024.

Simultaneously, we have witnessed a substantial growth in the insurance sector as compared to last year. We hope the insurance sector in UAE will see continuous growth in the years ahead.

The Insurance Revenue of Al Ain Ahlia Insurance Company for 2023 amounted to Dh. 1,429,385,063 compared to Dh. 1,107,330,829 in 2022 and Net Insurance Result for 2023 amounted to Dh. 3,659,877 compared to Dh. 28,273,179 in 2022.

Technical Reserves amounted to Dh. 341,227,589 compared to Dh. 209,744,273 in 2022 and the net profit achieved by the Company amounted to Dh. 34,603,782 compared to Dh. 59,323,366 in 2022.

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

MARINE AND AVIATION

Insurance Revenue amounted to Dh. 62,858,386 compared to Dh. 51,690,474 in 2022. The company's share in technical reserves amounted to Dh. (15,073,393) compared to Dh. 14,692,359 in 2022.

NON-MARINE

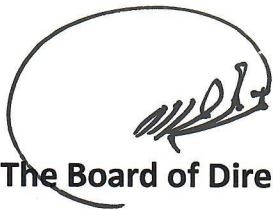
Insurance Revenue amounted to Dh. 1,366,526,677 compared to Dh. 1,055,640,355 in 2022. The company's share in technical reserves amounted to Dh. 356,300,982 compared to Dh. 195,051,914 in 2022.

INVESTMENTS AND OTHER INCOME

Investment income for the year amounted to Dh. 53,834,907 compared to Dh. 45,754,830 in 2022.

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 for his assistance to the national Companies.

The Board of Directors also thanks all persons 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.

A handwritten signature in black ink, enclosed within a hand-drawn oval. The signature is stylized and appears to be a set of initials or a name.

The Board of Directors