

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

Date	16/03/2026
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	2025 Annual Financials
Overview of the main results during the financial period	<p>Insurance service result: AED 24.02 M</p> <p>Net Investment Income: AED 138.23 M</p> <p>Net insurance finance income /(expenses): AED (5.16) M</p> <p>(Loss) / profit for the period: AED 94.27 M</p>
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	<p>AL WATHBA INSURANCE continued to excel in its customer experience capabilities, through participation in Customer Centricity World, and winning for best use of AI in Marketing, Best use of AI in CX and Best CX in Financial Services. After successfully deploying the WhatsApp B2C more enhancements were made including Arabic workflow and full integration with Genesys, in addition to AI Chatbots providing 24/7 self-serve handling and covering 90% of general inquiries and FAQs, reducing call center load with seamless escalation support.</p> <p>AL WATHBA INSURANCE continues to grow high and consistent customer satisfaction, maintained a 94% CSAT for the Call Centre throughout the year and 99% service levels sustained across all months, despite portfolio growth.</p>
Summary of operational performance during the financial period	<p>In 2025, we achieved an insurance revenue of AED 781 million (2024: AED 376 million) and recorded an insurance service result of AED 24.02 million (2024: AED (24.11) million). We reported a net profit (after tax) of AED 94.27 million (2024: AED 36.79 million), reflecting an optimistic forecast for the company's performance and a positive outlook for the rest of the year 2026.</p>

	AED '000	2025	2024	Var
Summary of profit and loss during the financial period	Net Insurance service result	24,020	(24,112)	48,132
	Net Investment Income	138,234	97,931	40,303
	Net Insurance finance income and expenses	(5,161)	(4,027)	(1,134)
	Total Income	157,093	69,792	87,301
	Other Operating income /expenses Including tax	(62,814)	(32,993)	(29,821)
	Profit for the period	94,279	36,799	57,480
Summary of financial position as at the end of the financial period	<p><b>Total Deposits &amp; Cash: AED 152.41 M</b></p> <p><b>Total Assets: AED 2.04 billion</b></p> <p><b>Total Shareholders' Equity: AED 1.23 billion</b></p>			
Summary of cash flows during the financial period	<p><b>Net Cash generated from operating Activities: AED 65.61 M</b></p> <p><b>Net Cash Used in Investing Activities: AED (43.53) M</b></p> <p><b>Net Cash used in Financing Activities: AED (25.85) M</b></p>			
Main performance indicators	<p><b>Insurance service ratio 3.07%</b></p>			
Expectations for the sector and the company's role in these expectations	<p>UAE expects its insurance sector to demonstrate stronger solvency discipline, improved governance, and greater market efficiency as CBUAE continues to tighten oversight and modernize regulations. The market continues to grow in double digits for FY 2026 aided by the economic growth.</p> <p>AL WATHBA INSURANCE always prides itself in strong governance and compliance framework, meeting and exceeding regulator's expectations while keeping both market integrity and consumer wellbeing in mind.</p>			
Expectations regarding the economy and its impact on the company and the sector	<p>UAE's Economic forecasts indicate that GDP growth will strengthen into 2026, driven by resilient sectors such as transportation, tourism, and trade, helping the country sustain a broad-based growth profile.</p> <p>This positive macroeconomic environment is anticipated to directly benefit the insurance sector, where demand for motor, health, and property insurance is rising alongside population growth, expatriate inflows, and increased economic activity.</p> <p>The insurance market itself was projected to reach USD 9.64 billion in 2025, reflecting expanding awareness of insurance needs and sustained economic development.</p> <p>AL WATHBA INSURANCE recorded a 107% increase in the insurance revenue for FY 2025 and expects a growth exceeding the industry growth going forward.</p>			

<p>Future for growth and changes in operations in future periods</p>	<p>AL WATHBA INSURANCE expects its momentum to carry forward into 2026, driven by the UAE's ongoing economic diversification, advancing regulatory developments, and rapid technological evolution.</p> <p>Growing interest in specialised insurance lines—such as cyber protection, climate change, and customised medical solutions—is set to bolster sector expansion.</p> <p>By leveraging digital capabilities, and AI integrations, deepening its commitment to client-centric service, and maintaining strong risk-governance standards, AL WATHBA INSURANCE is well positioned to enhance its market presence and contribute to the country's long-term economic stability.</p>
<p>The size and impact of current and projected capital expenditures on the company</p>	<p>Net Capital expenses for the period were AED 1.125 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>Al Wathba Insurance continues to deliver on its board-approved plans aimed at streamlining operations and lowering expenses, emphasizing the use of artificial intelligence, implementing a unified customer-management platform.</p> <p>These solutions are crafted to modernize workflows, enhance analytic insight, and deliver a more seamless customer journey.</p> <p>In parallel, the company is exploring fresh business avenues to accelerate growth and reinforce its competitive footprint.</p> <p>Collectively, these efforts boost organizational flexibility, elevate overall performance, and position AL WATHBA INSURANCE to achieve durable, long-term progress in a demanding market landscape.</p>



**Shukri Salem Musabah Almheiri**  
**Chief Executive Officer**

