

Detailed analysis of accumulated losses

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid up capital. Listed Companies are required to comply with the provision of the decision as soon as their accumulated losses reach (20%) or more of their paid-up capital.

Date:	14 th May 2026
Listed Company Name:	United Fidelity Insurance Company
Define the period of the financial statements:	Q1 2026
Accumulated losses:	AED (91,725,546) (Q4 2025: AED 84,139,015)
Accumulated losses to Capital ratio:	48.3% (Q4 2025: 52.6%)
Year on Year Performance	<p>During the first quarter of 2026, Fidelity United delivered an improved financial performance compared with the corresponding period of 2025. While the Company reported a net loss for the quarter, the loss narrowed significantly year on year, reflecting continued progress toward sustainable profitability.</p> <p>Insurance revenue for the quarter ended March 31,2026 increased to AED 176.4 million from AED 134.0 million in the corresponding period of 2025, representing growth of 32%. This demonstrates a stronger top-line performance during the quarter.</p> <p>Insurance service expenses for the quarter were AED 245.6 million compared with AED 140.2 million in the prior-year period. However, this was materially offset by a strong improvement in reinsurance results, with net recovery from reinsurance contracts held amounting to AED 64.3 million compared with a net expense of AED 11.4 million in the first quarter of 2025. As a result, the insurance service result improved significantly, with the loss narrowing to AED 4.9 million from AED 17.6 million, representing a 72% improvement year on year.</p> <p>Net investment income amounted to AED 3.7 million compared with AED 5.1 million in the corresponding period last year, driven by the geopolitical situation in the region.</p> <p>Overall, the Company reported a net loss before tax of AED 1.8 million for the quarter, compared with a net loss before tax of AED 12.7 million in the first quarter of 2025, representing an improvement of 86%. After recognizing an income tax benefit of AED 0.6 million, net loss after tax stood at AED 1.3 million versus AED 11.3 million in the corresponding period last year, an improvement of 89%.</p>
Measures to be taken to address Accumulated losses:	During the first quarter of 2026, the Company also received a capital injection of AED 30 million, which further strengthened its capital base and supported the execution of its strategic priorities.

UNITED FIDELITY INSURANCE COMPANY



In Conformity with the Federal Law No. 6/2007 Reg. No (8) dated 22/12/1984. Authorized paid-up Capital Dh. 190,000,000

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	Management is focused on disciplined underwriting, prudent risk selection, optimized reinsurance arrangements, operational efficiency and selective growth in profitable segments. These actions are expected to further strengthen the Company's financial position, reduce accumulated losses over time and support its path toward sustained profitability and long-term value creation for shareholders and stakeholders.
Authorized Signatory:	Ahmed Nasef
Position:	Chief Executive Officer
Signature and Date:	 May 14th 2026
Company Seal:	

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