



H1 2023 EARNINGS RESULTS INVESTOR PRESENTATION

PRESENTED BY ABU DHABI NATIONAL INSURANCE COMPANY P.J.S.C

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Reliable
Insurer

A leading regional multi-line insurance provider
for corporates, SMEs and individuals

ADNIC IS WELL POSITIONED FOR SUSTAINED SUCCESS



Strong and established corporate business across both Commercial and Consumer product lines



Deep expertise and unique specialisms



Product evolution and customisable solutions



Highly efficient operating model



Global networks and partnerships



UAE economic growth and diversification



Continuous effort to increase the customer awareness about insurance



UAE Year of Sustainability and hosting of COP28



Increasing customer demand for digital solutions



Regional economic development and increasing global trade links



| H1 2023 financial results

H1 2023 KEY FINANCIAL HIGHLIGHTS

Gross Written Premiums

3,003.7
AED Mn ▼ -7.0%
YoY

Net Written Premium

958.2
AED Mn ▼ -7.0%
YoY

Net Insurance Service Result Income (loss)

178.1
AED Mn ▼ -9.3%
YoY

Investment Income

110.8
AED Mn ▲ 78.6%
YoY

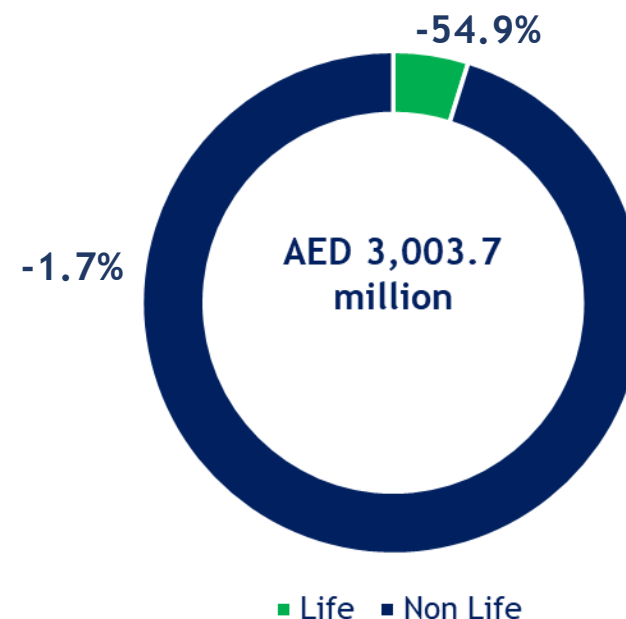
Net Profit

204.4
AED Mn ▲ 15.5%
YoY

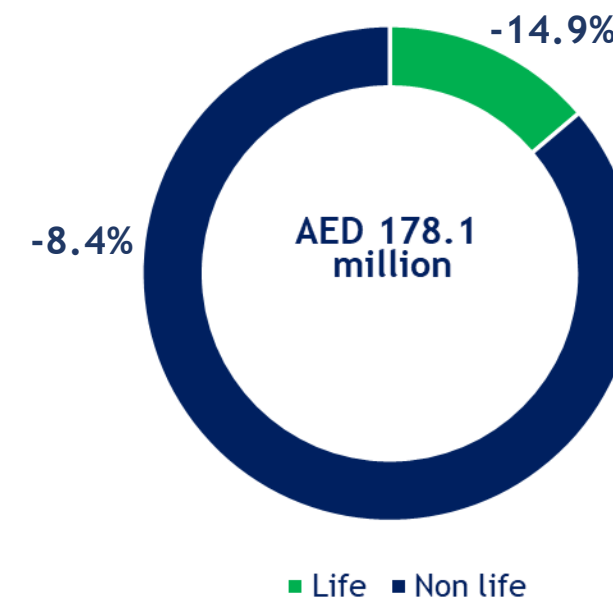
Basic and diluted EPS

0.36
▲ 15.5%
YoY

H1 2023 GROSS WRITTEN PREMIUMS



H1 2023 NET INSURANCE SERVICE RESULT



- 2022 numbers were reinstated in line with IFRS 17 standards
- Strong new business wins and pipeline in 1H 2023
- Solid UW profit across all major tier 1 portfolios

PROFIT AND LOSS SUMMARY

Published

| AED thousands | H1 2023 | H1 2022 | Var. |
|---|----------|----------|--------|
| Net insurance service result | 178,107 | 196,440 | -9.3% |
| Net investment income | 110,753 | 62,022 | 78.6% |
| Net Insurance finance income and expenses | (2,950) | (3,760) | -21.5% |
| Total income | 285,910 | 254,702 | 12.3% |
| Other operating expenses | (81,521) | (77,680) | 4.9% |
| Profit for the period | 204,389 | 177,022 | 15.5% |

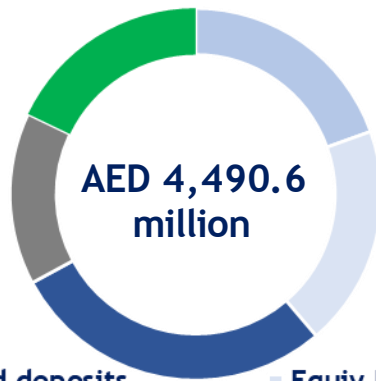
- Strong underwriting performance with a combined ratio of 87.6% (IFRS 17 basis) with stable net retention
- Decreased expense ratio achieved through a well-maintained expense base combined with enhanced insurance earnings
- Strong returns from investment portfolio
- New accounting standard (IFRS 17) was applied since 1 January 2023 and its impact on company performance is not material
- 2022 numbers were reinstated in line with IFRS 17 standards

Reconciliation to IFRS 4

| AED thousands | H1 2023 | H1 2022 | Var. |
|---|---------|----------|---------|
| Net profit IFRS 4 | 198,702 | 186,948 | 6.3% |
| Risk adj | (411) | 2,136 | -119.2% |
| Difference in Reserves- IFSR 17 methodology | 8,507 | 2,761 | 208.1% |
| Discounting | (2,950) | (3,760) | -21.5% |
| DAC- new | 541 | (11,063) | -104.9% |
| Net profit IFRS 17 | 204,389 | 177,022 | 15.5% |

STRONG INVESTMENT PERFORMANCE

By asset class



Cash and deposits

Bonds

Funds

Equity Portfolio

Investment Properties

H1 2023
(AED million)

876.5

864.6

1,272.8

673

803.7

Total: 4,490.6

H1 2022
(AED million)

697.8

1,101

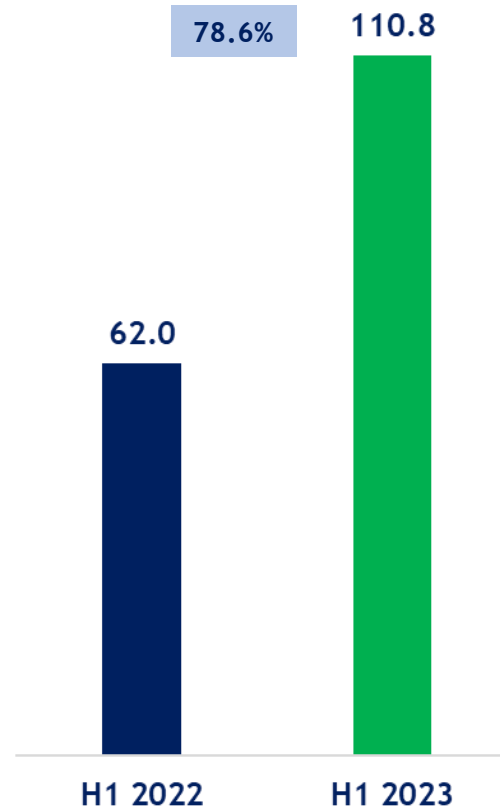
1,110.7

664

818.6

Total: 4,392.1

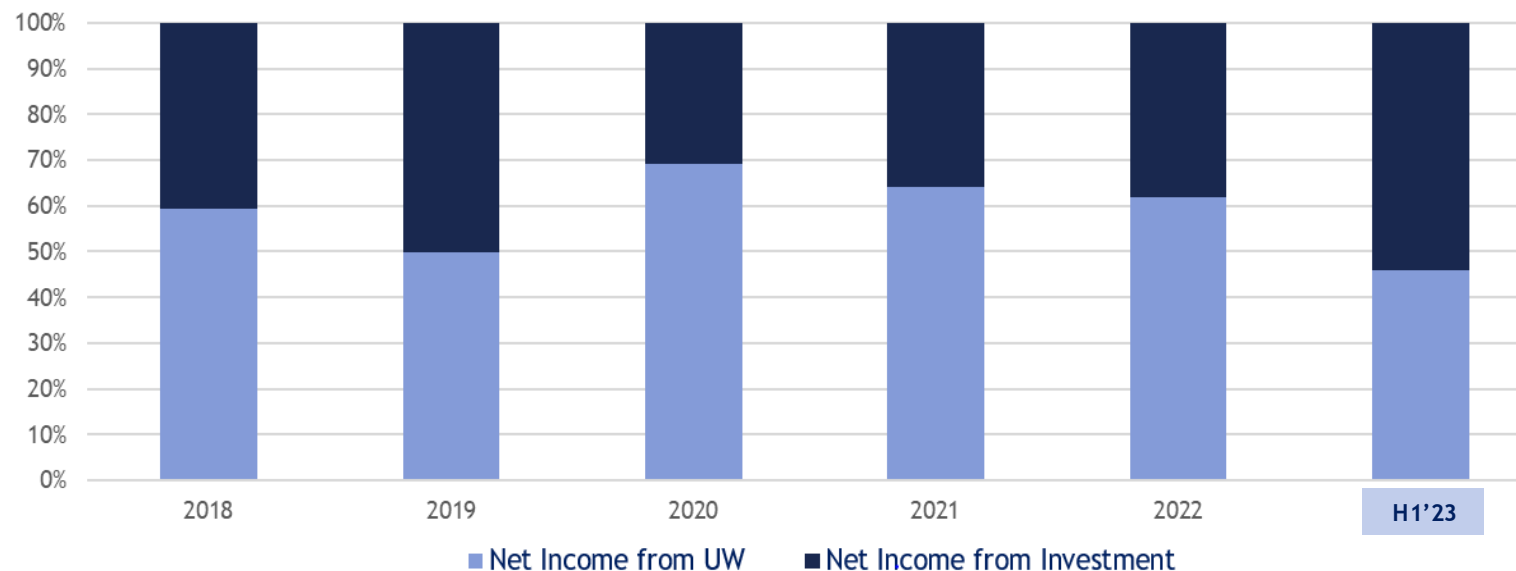
Investment Income through
Profit and Loss Account (AED
million)



- P&L investment income of AED 110.8 million, an increase of 78.6% compared to the prior year
- The tailwind of higher rates and changes in asset allocation positively impacted the portfolio
- The trading portfolio generated strong returns

STRONG FINANCIAL PERFORMANCE

NET PROFIT COMPOSITION



AED, Million

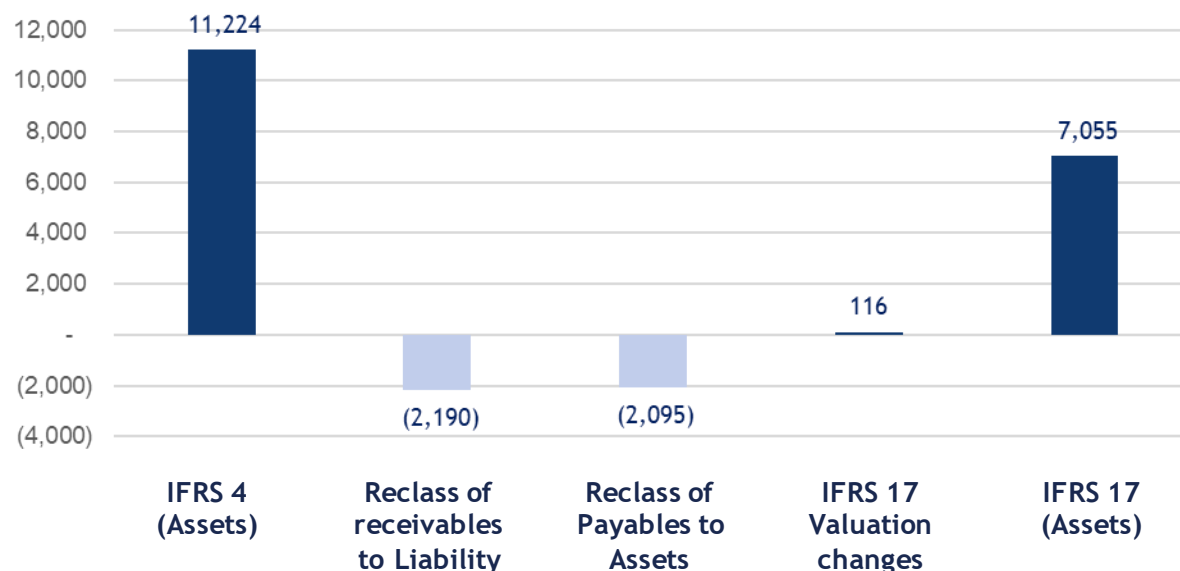
| | 2018 | 2019 | 2020 | 2021 | 2022 | CAGR | H1 2023 |
|----------------------------|-------|-------|-------|-------|-------|-------|---------|
| GROSS WRITTEN PREMIUM | 2,909 | 3,756 | 4,012 | 4,267 | 5,125 | 15.2% | 3,004 |
| NET INCOME FROM UW | 140 | 142 | 256 | 258 | 213 | 11.1% | 93 |
| NET INCOME FROM INVESTMENT | 96 | 142 | 115 | 144 | 144 | 10.7% | 111 |
| NET PROFIT | 236 | 284 | 371 | 402 | 358 | 11.0% | 204 |
| RETURN ON EQUITY | 11.6% | 12.9% | 15.4% | 15.1% | 12.9% | | |

STRONG BALANCE SHEET

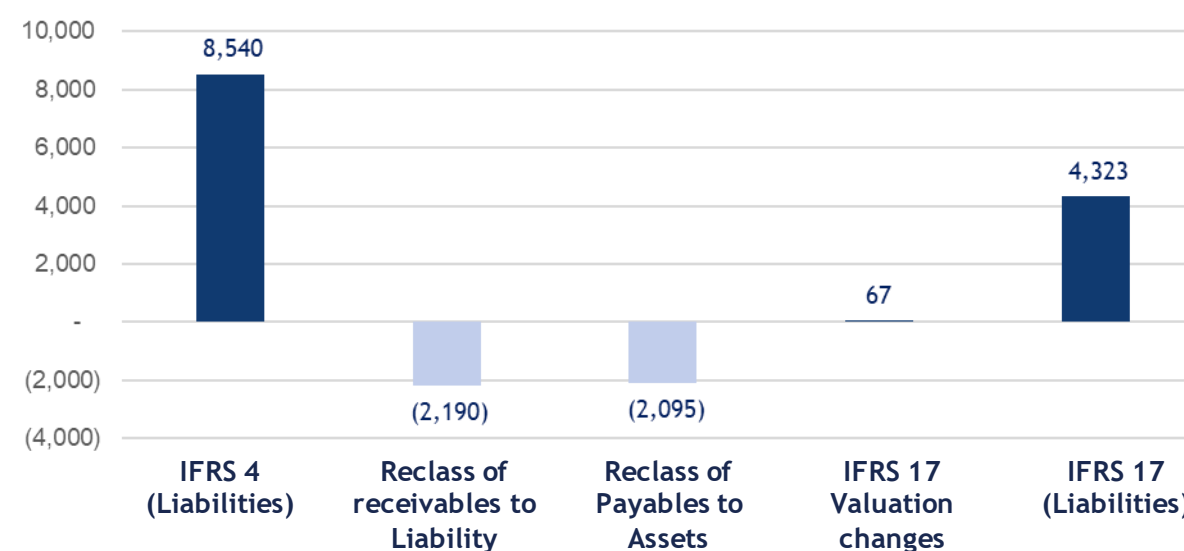
| AED million | 30-Jun-23 | 31-Dec-22 | Var. |
|-------------------|-----------|-----------|--------|
| Total Assets | 7,055 | 6,403 | 10.19% |
| Total Equity | 2,733 | 2,729 | 0.19% |
| Total Liabilities | 4,323 | 3,675 | 17.62% |

- Significant transformation of Assets and Liabilities as an outcome of IFRS 17 adoption
- Net overall impact of IFRS 17 adoption on company equity is AED 49 million

Asset transformation as a result of IFRS 17 adoption



Liabilities transformation as a result of IFRS 17 adoption



| H1 non-financial updates



PEOPLE



Emiratisation targets with **33%** of employees UAE nationals



Mawhoob and **Emkanati** programmes continue to attract and develop UAE national talent



AUD partnership to provide specialised technical insurance training for UAE national staff

PURPOSE

- Donated AED 500,000 to support the Reach campaign against neglected tropical diseases.
- Sponsored Iftar meals during the holy month of Ramadan.
- Collaborated with Zakat fund and AD University to aid education for underprivileged students.
- Covered Umrah Trip expenses for one person and a family member as a guide during the pilgrimage.

PLANET

- Partnered with Emirates Nature-WWF and Environment Agency - Abu Dhabi to launch the 'Escape Climate Change: Mangrove Edition', a nature themed escape room as part of World Environment Day. The initiative's goal is to involve, inspire, and empower youth and community members to take action for nature.

THANK
YOU

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