

Chairman's Report for the nine months ended 30 September 2022

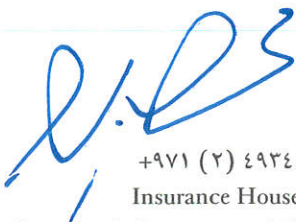
On behalf of the Board of Directors, I am pleased to present the condensed interim financial statements of Insurance House PJSC (IH) as at 30 September 2022 and the results of its operations for the nine months ended 30 September 2022.

Gross Premiums Written during the first nine months of 2022 were significantly higher at AED 236.39 million compared to AED 174.53 million logged during the corresponding period of the previous year. Net Premiums Earned during the first nine months of 2022 were also higher at AED 105.38 million compared to AED 101.26 million in the corresponding period of the previous year. Gross Underwriting Income weighed in at AED 99.51 million in the first nine months of 2022 compared to AED 89.70 million in the corresponding period of the previous year. Net Claims Incurred during the first nine months of 2022 were significantly higher at AED 72.29 million compared to AED 46.02 million in the corresponding period of the previous year.

IH has registered a Net Profit of AED 4.71 million for the nine months ended 30 September 2022, compared to AED 7.83 million registered in the corresponding period of the previous year. Intense price-competition in the UAE insurance market has eroded Net Underwriting Margins for most insurers including IH. However, IH Senior Management has already initiated necessary corrective actions to reverse this unfavorable trend.

As a combined result of the above, Net Underwriting Income for the first nine months of 2022 stood at AED 28.67 million compared to AED 33.82 million registered in the corresponding period of last year.

Net Income from Investing Activities improved to AED 5.25 million during the first nine months of 2022 compared to AED 3.59 million in the corresponding period of the previous year.



General & administrative expenses were marginally lower at AED 29.21 million compared to AED 29.58 million during the same period last year. We continue to maintain a tight leash on expenses, to ensure that they are in line with budget.

As of 30 September 2022, Total Shareholders' Equity stood at AED 147.29 million, which is comfortably above the minimum capital requirement of AED 100 million mandated by the UAE Insurance Authority (now part of the Central Bank of the UAE).

The liquidity position of the Company continues to be extremely robust, with aggregate of Cash & cash equivalents with rated financial institutions accounting for 13.59% of Total Assets as of 30 September 2022.

Despite lukewarm market conditions and intense competition, we remain optimistic of a profitable performance for the remainder of 2022. Our strategy is to compete on the basis of innovative product offerings and superior service quality. We are focused on improving our digital sourcing and servicing capabilities across all business lines. Going forward, profits from core insurance activities will be driven by improved digital sourcing & servicing capabilities, continuous fine-tuning of risk underwriting techniques and enhanced claims management processes.

On behalf of the Board of Directors,



Mohammed Abdulla Jumaa Alqubaisi
Chairman

Abu Dhabi

08 November 2022