Report of the Board of Directors

Dear Shareholders,

We have the pleasure in presenting you the financial results of Oman Insurance Company (P.S.C.) "**Sukoon**" for the nine-month period ended 30 September 2023.

We have continued our growth momentum into the third quarter, which is reflected in an 18% growth in Insurance revenue to reach AED 3.4 billion. Headwinds from increased inflationary environment have resulted in the Insurance service results to reach AED 157 million. Net investment income has reached AED 125 million, a 31% growth from the same period last year. Net profit has reached AED 185 million in nine-month ended 30 September 2023. These results are underpinned by prudent underwriting across all segments, cost discipline, a balanced investment portfolio and solid delivery of best-in-class customer experience. The Company continues to maintain exceptional capital and solvency position.

In the third quarter of this year, we have signed a deal with Chubb Tempest Life Reinsurance Ltd, to acquire their UAE life portfolio, subject to regulatory approvals. The acquisition is in line with our strategy to accelerate the growth of our life portfolio. We are capitalizing on our high digital capabilities at the service of our clients and our multi-channel approach.

As we approach the end of the financial year, our outlook remains positive yet cautious. The notification from the Central Bank of the UAE (CBUAE) to cancel the 50% discount on motor minimum insurance premiums was very welcomed and is expected to bring more stability to the pricing environment. However, an elevated interest rate, which is now anticipated to be held at current levels for longer expected brings with it an additional element of risk. Globally, inflationary pressures have continued unabated, with the UAE not immune to macro-economic headwinds arising it.

We will continue building on our strengths and remain committed to delivering on our strategy of sustainable profitable growth.

We would like to put on record our sincere appreciation and gratitude towards all stakeholders of Sukoon. We continue to draw inspiration and guidance from our valued customers and partners whose trust and confidence helps us to continue the journey untiringly. We would like to thank our management and staff of the Group for their sincere and dedicated contribution to the successful growth of the Group.

May God; the Almighty; guide our steps.

On behalf of the Board,

Abdul Aziz Abdulla Al Ghurair
Chairman
25 Oct 2023