Discussion report and analysis of the board of directors of the listed public shareholding company

Date	21 March 2025
Name of the Listed Company	Watania International Holding (PJSC)
The period of the financial statements covered by the report	For the year ended December 31, 2024
Overview of the main results during the financial period	Watania International Holding (PJSC) reported a net profit of AED 13.3 million, despite one-off losses in the General line of business due to the April rains and higher loss ratio in Motor.
Securities issued during the financial period	None
Summary of the most important non-financial events and developments during the financial period	WIH appointed Al Ramz Capital as a liquidity provider to optimize share trading by invigorating the order book, minimizing trading spreads, and reducing price volatility, while increasing trading volume to reduce gap between market and book value of the Company's share price. WIH in its capacity as the sole shareholder of Watania Takaful General PJSC and Watania Takaful Family PJSC approved the appointment of the members of their respective new Boards of Directors in Q3 2024. The WIH Board of Directors also approved the appointment of new members to the Internal Shari'ah Supervision Committee including the esteemed Dr. Ashraf Bin Md Hashem and Dr. Salim Ali Al Ali to replace the previous members whose tenure ended. Through its Takaful subsidiaries, WIH continued to build strong partnerships and run several campaigns including road safety, blood donation and physical and mental health awareness to support the community. Additionally, an Emiratization campaign was launched to engage with young graduates and encourage them to explore opportunities within the Company and the Takaful sector engage with young graduates and encourage them to explore opportunities within the Company and the Takaful sector.

Summary of operational performance during the financial period	2.5% increase in Gross Written Contribution year-on-year (y-o-y), reaching AED 926.4 million, compared to AED 904.1 million in FY 2023. 8.9% decrease in takaful income year-on-year (y-o-y), amounting to AED 869.6 million, compared to AED 954.4 million in FY 2023, primarily due to the reduction in earnings. 0.5% increase in net investment income year-on-year (y-o-y), totalling AED 36.3 million, compared to AED 36.1 million in FY 2023. Net profit of AED 13.3mn for the year FY2024.
Summary of profit and loss during the financial period	(see table below)
Summary of financial position as at the end of the financial period	(see table below)
Summary of cash flows during the financial period	(see table below)
Main performance indicators	The company reported a net profit of AED 13.3 million for the period, with earnings per share of 0.051.

Summary of profit and loss during the financial period

in AED Mn	FY 2024	FY 2023	Var
Total takaful income	869.6	954.4	-8.9%
Investment income	36.3	36.1	0.5%
Net Profit for the year	13.3	13.3	0.0%
Earnings per share	0.051	0.051	0.0%

Summary of financial position as at the end of the financial period

In AED Mn	FY 2024	FY 2023	Var
Total Assets	1,324.0	1,182.9	11.9%
Total Liabilities	1,087.8	953.3	14.1%
Total Shareholders' Equity	236.2	229.6	2.9%

Summary of cash flows during the financial period

in AED Mn	FY 2024	FY 2023
Net cash generated used in operating activities	(51.4)	(63.6)
Net cash generated from investing activities	130.3	61.0
Net cash used in financing activities	(34.1)	(22.0)

Watania International Holding

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Expectations for the sector and the company's role in these expectations	We are optimistic about the outlook in 2025 and beyond for the insurance industry, particularly the Takaful sector. This is due to the significant growth opportunities driven by advanced technologies, the expansion of mandatory areas of coverage, higher demand for better products at more competitive prices from an increasingly wealthier and more sophisticated population, underpinned by a continuously improving regulatory framework and strong economic indicators.
Expectations regarding the economy and its impact on the company and the sector	The management holds a cautious outlook. The UAE's economic outlook is strong and positive notwithstanding the fluidity in global economic and political situation. This is countered by a hardening reinsurance market (especially in non-performing areas) and greater need for financial discipline. The market continues to be fragmented and needs further consolidation to create a strong and sustainable insurance industry in UAE.
Future plans for growth and changes in operations in future periods	The turnaround that has taken place in the Company's financial performance has been due to a simple motto – go back to the basics and do it right! We will continue to build our products and services around our customers using technology, data analytics, active feedback mechanism, well trained and motivated group of members who will collaborate to exceed the expectations of our stakeholders.
The size and impact of current and projected capital expenditures on the company	The expected net capital expenditure for the coming year is AED 2.2 million.
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	The Board provides ongoing oversight of the execution of the company's strategy, through a combination of direct meetings and board committees.

The name of the chairman of the company or the authorized signatory	Gautam Datta Chief Executive Officer
Signature and Date	21 March 2025
Company's Seal	

Watania International Holding
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