

### Best's Credit Rating Effective Date

August 04, 2022

### Best's Country Risk Reports Utilized

[United Arab Emirates - CRT - 3](#)

### Analytical Contacts

Romeo Berti  
Financial Analyst  
[Romeo.Berti@ambest.com](mailto:Romeo.Berti@ambest.com)  
+44 207 397 0267

Alex Rafferty  
Associate Director-Analytics  
[Alex.Rafferty@ambest.com](mailto:Alex.Rafferty@ambest.com)  
+44 207 397 0312

### Information

[Best's Credit Rating Methodology](#)

[Guide to Best's Credit Ratings](#)

[Market Segment Outlooks](#)

### Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: [Best's Financial Report](#).

## Emirates Insurance Company P.J.S.C.

AMB #: 085401 | AIIIN #: AA-4660230

### Best's Credit Ratings

Financial Strength Rating (FSR)

<b>A-</b>
<b>Excellent</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

Issuer Credit Rating (ICR)

<b>a-</b>
<b>Excellent</b>
Outlook: <b>Stable</b>
Action: <b>Affirmed</b>

### Assessment Descriptors

Balance Sheet Strength	<b>Very Strong</b>
Operating Performance	<b>Strong</b>
Business Profile	<b>Limited</b>
Enterprise Risk Management	<b>Appropriate</b>

## Rating Rationale

### Balance Sheet Strength: **Very Strong**

- The risk-adjusted capitalisation of Emirates Insurance Company P.J.S.C. (EIC) remains at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR), supported by low retained underwriting risk.
- The company's balance sheet benefits from its good liquidity position and prudent reserving practices.
- Partially offsetting factors include a degree of concentration within the company's investment portfolio to equity holdings in the United Arab Emirates (UAE), which EIC is addressing by diversifying its equity investments, and its moderately high reliance on reinsurance. In AM Best's view, the credit risk associated with the latter is mitigated partially by the use of reinsurers of sound financial strength.

### Operating Performance: **Strong**

- The company has a track record of strong operating performance, reporting a five-year (2017-2021) weighted average return on equity (ROE) of 9.5%.
- The company has demonstrated strong underwriting performance over time, as evidenced by a five-year (2017-2021) weighted average combined ratio of 90.1%. However, 2021 was a more challenging year for EIC, with the combined ratio reaching 96.3% (2020: 89.0%), which is above the company's longer term average. Underwriting income suffered from a very competitive motor market in the UAE as well as run-off losses incurred on the discontinued International Treaty line of business.
- Earnings are typically well balanced between underwriting and investment income, and in 2021, the company reported an investment yield (excluding gains/losses) of 2.5%.
- Given the company's investment weighting towards domestic and global equities, investment yields (including gains/losses) remain sensitive to fair value fluctuations, particularly in periods of market turbulence.

### Business Profile: **Limited**

- EIC maintains a well-established brand and position in the UAE insurance market. In 2021, the company generated gross written premium (GWP) of AED 1.1 billion (USD 304.5 million) and ranked as the sixth-largest insurer in its domestic market, based on GWP.
- EIC writes a diversified portfolio of non-life insurance and reinsurance business, although there is a weighting toward domestic motor business on a net basis.
- EIC's business profile is enhanced by geographic diversification from its specialist international reinsurance arm, which contributed approximately 15% of total GWP in 2021.
- The company has a strong and experienced management team with a good understanding of the markets in which EIC operates.

### Enterprise Risk Management: **Appropriate**

- EIC's enterprise risk management (ERM) framework is considered to be developed and appropriate for the size and complexity of its operations.
- Risk management capabilities are considered to be generally aligned with the company's risk profile.

### Outlook

- The stable outlooks are underpinned by AM Best's expectation that risk-adjusted capitalisation will remain at the strongest level, as measured by BCAR, supported by continued internal capital generation. The company is expected to maintain its well-established position in its domestic market and continue to demonstrate strong operating performance as it executes its business plan over the medium term.

### Rating Drivers

- Negative rating pressure may arise should there be a prolonged deterioration in the company's operating performance either from technical results or from investment performance.
- Negative rating pressure may arise from a material reduction in risk-adjusted capitalisation.

- Negative rating pressure may arise from a change in AM Best's assessment of the economic, political, or financial system risks in the UAE.

## Key Financial Indicators

AM Best may recategorize company-reported data to reflect broader international reporting standards and increase global comparability.

### Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	95.0	99.0	99.5	99.6
BCAR Score	77.3	66.1	61.4	60.5

Source: Best's Capital Adequacy Ratio Model - Global

Key Financial Indicators	2021 AED (000)	2020 AED (000)	2019 AED (000)	2018 AED (000)	2017 AED (000)
Net Premiums Written:					
Non-Life	399,894	475,838	584,647	538,131	499,943
Composite	399,894	475,838	584,647	538,131	499,943
Net Income	71,006	108,284	113,149	114,095	109,560
Total Assets	2,966,202	3,118,945	2,707,038	2,594,146	2,450,656
Total Capital and Surplus	1,172,755	1,076,719	1,108,888	1,069,830	1,078,737

Source: BestLink® - Best's Financial Suite

Key Financial Indicators & Ratios	2021 AED (000)	2020 AED (000)	2019 AED (000)	2018 AED (000)	2017 AED (000)	Weighted 5-Year Average
Profitability:						
Balance on Non-Life Technical Account	15,815	58,056	39,014	82,394	54,292	...
Net Income Return on Revenue (%)	15.3	18.8	17.8	20.6	20.8	18.7
Net Income Return on Capital and Surplus (%)	6.3	9.9	10.4	10.6	10.3	9.5
Non-Life Combined Ratio (%)	96.3	89.0	93.3	83.7	88.8	90.1
Net Investment Yield (%)	2.5	3.2	3.2	3.4	3.0	3.1
Leverage:						
Net Premiums Written to Capital and Surplus (%)	34.1	44.2	52.7	50.3	46.3	...

Source: BestLink® - Best's Financial Suite

## Credit Analysis

### Balance Sheet Strength

The BCAR scores presented under the "Best's Capital Adequacy Ratio (BCAR) Scores (%)" section of this report are based on the year-end 2021 audited financial statements of the company.

EIC's balance sheet strength is underpinned by risk-adjusted capitalisation at the strongest level, with BCAR scores above 60% at the 99.6% confidence level. The company's balance sheet is supported by good internal capital generation, the absence of leverage, and a high quality reinsurance panel. The investment portfolio has a level of concentration to higher risk assets and single issuers, which is considered a partially offsetting factor in the company's balance sheet strength assessment.

### Capitalisation

EIC's BCAR score for 2021 is 60.5% at confidence level 99.6, and prospective capital adequacy is expected to comfortably remain at the strongest level when factoring in the company's business strategy in the short to medium term. The BCAR scores benefit from low underwriting leverage and a reinsurance panel of good credit quality. Consequently, capital requirements are largely driven by asset risk rather than underwriting risk.

The company has a good quality capital base, comprised of share capital and retained earnings. The company has no financial leverage.

## Balance Sheet Strength (Continued...)

The company has a track record of consistent and sufficient capital generation, net of dividend distributions to shareholders. Dividends reached 60% of paid-up capital (AED 90.0 million) in 2020 and 2021 following strong performance. In March 2022, EIC decreased dividend payments to 50% of paid-up capital. The decision was taken in light of the lower profitability reported in 2021. The decision highlighted management's willingness to adjust payouts to earnings in order to preserve capital, despite the recent trend of consistent and increasing dividend distributions.

The company utilises rating agency models, and the regulatory solvency model in the UAE to assess its capital requirements. The company regularly monitors its key capital and solvency ratios to ensure they remain in line with expectations.

EIC has increased its reliance on reinsurance over the past two years, retaining only 35.8% of the premiums written in 2021 (2020: 45.8%). The lower retention was the result of a change in product mix during 2020 and 2021 in favour of more heavily reinsured lines such as property and engineering. EIC has a comprehensive reinsurance programme, and despite the increased reliance on reinsurance, the credit risk associated with it is somewhat mitigated through the usage of reinsurers of sound financial strength. AM Best views the reinsurance programme to be appropriate for the company's needs.

<b>Capital Generation Analysis</b>	<b>2021 AED (000)</b>	<b>2020 AED (000)</b>	<b>2019 AED (000)</b>	<b>2018 AED (000)</b>	<b>2017 AED (000)</b>
Beginning Capital and Surplus	1,076,719	1,108,888	1,069,830	1,078,737	1,052,724
Net Income	71,006	108,284	113,149	114,095	109,560
Net Unrealized Capital Gains (Losses)	115,030	-50,453	8,409	15,798	-8,547
Stockholder Dividends	-90,000	-90,000	-82,500	-82,500	-75,000
Other Changes in Capital and Surplus	...	...	...	-56,300	...
Net Change in Capital and Surplus	96,036	-32,169	39,058	-8,907	26,013
Ending Capital and Surplus	1,172,755	1,076,719	1,108,888	1,069,830	1,078,737
Net Change in Capital and Surplus (%)	8.9	-2.9	3.7	-0.8	2.5

Source: BestLink® - Best's Financial Suite

<b>Liquidity Analysis (%)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Liquid Assets to Total Liabilities	75.8	64.9	87.1	84.4	91.2
Total Investments to Total Liabilities	93.4	76.4	98.8	94.9	104.4

Source: BestLink® - Best's Financial Suite

## Asset Liability Management - Investments

The company actively manages its investment portfolio. This was evidenced by the execution of moderate rebalancing of its investment portfolio during 2020, when it increased corporate bonds and mutual fund holdings, and in early 2022, when the allocation to equity holdings was increased.

EIC's investment portfolio composition as at 31 March 2022 is as follows: Equity Securities - UAE (35.5%), Bonds (30.3%), Cash & Deposits (16.1%), Mutual Funds (16.1%), Equity Securities - Outside UAE (1.8%), and Real Estate (<1%).

The company's investment portfolio remains relatively high risk, with a focus on UAE equities, which account for 35.5% of total invested assets (above the local admissible regulatory 30% limit on UAE equity allocation). AM Best notes the penalty for exceeding the regulatory investment limits is the excess asset value is considered inadmissible to the company's solvency calculation. In addition, despite the investment portfolio's relatively high average asset charge in the BCAR, risk-adjusted capitalisation as measured by BCAR and regulatory solvency calculation both indicate high levels of capital buffers.

EIC has sufficient levels of cash and cash equivalents to counter the company's exposures to less liquid asset classes, consequently, the company's liquidity position is considered to be sound. The ratio of liquid assets to net mathematical reserves remains strong at 272.6%, as at year-end 2021.

EIC also conducts asset liability matching; the majority of the company's liabilities have duration of less than a year which is reflected in the short to medium term duration of the investment portfolio.

## Balance Sheet Strength (Continued...)

<b>Composition of Cash and Invested Assets</b>	<b>2021 AED (000)</b>	<b>2020 AED (000)</b>	<b>2019 AED (000)</b>	<b>2018 AED (000)</b>	<b>2017 AED (000)</b>
Total Cash and Invested Assets	1,674,456	1,559,450	1,579,587	1,447,338	1,432,099
Cash (%)	15.3	19.2	21.1	23.3	17.3
Bonds (%)	33.1	35.2	31.0	27.0	32.1
Equity Securities (%)	32.8	30.5	36.0	38.5	37.9
Real Estate, Mortgages and Loans (%)	0.7	0.8	0.8	0.8	0.9
Other Invested Assets (%)	18.1	14.2	11.1	10.3	11.8
Total Cash and Unaffiliated Invested Assets (%)	100.0	100.0	100.0	100.0	100.0
Total Cash and Invested Assets (%)	100.0	100.0	100.0	100.0	100.0

Source: BestLink® - Best's Financial Suite

## Reserve Adequacy

EIC's reserves are based on requirements set by insurance law and legislation in the UAE. Loss reserves appear to be adequately provisioned, with the company building in prudence where possible. Reserves are calculated internally (except IBNR and IBNER), and subsequently reviewed by the company's appointed external actuary who performs a comprehensive assessment. Regular review of the company's technical provisions is required by regulation, plus the company's auditor also performs a review to validate reserves.

The most recent report, at year-end 2021, shows both gross and net reserves were in line with the actuary's recommendation on a best estimate basis.

## Operating Performance

EIC has a track record of strong operating performance, with a good balance of earnings between underwriting and investment returns. The company's reported five-year (2017-2021) average return on equity is 9.5%, supported by strong underwriting results, with an average combined ratio of around 90.1% for the same period.

### Underwriting Income:

The company has a policy of prudent underwriting and risk selection, which has produced strong technical results over the years.

In 2021, the company reported a loss ratio of 62.1%, up from 54.3% in 2020. The increase is attributable to two factors: a deterioration in motor business profitability with respect to 2020, when the segment benefitted from lower claims frequency due to the government-imposed travel restrictions introduced during the pandemic; and run-off losses suffered in the International Treaty business, which was discontinued in 2020.

While motor has historically been a very competitive business segment in the UAE, the pandemic has further stiffened competition, with insurers offering discounts to retain policyholders. As a result of the falling average motor premiums and the return to normal driving volumes and claims in the second half of 2021, the segment's profitability worsened, with market players suffering in proportion to their exposure to the business line. In 2021, motor represented 43.3% of EIC's total net premium written (2020: 49.6%). Management is planning to further decrease EIC's exposure to motor business in favour of more profitable lines such as property.

The expense ratio showed a small decrease to 34.1% during 2021 compared to 2020 (34.7%). While net earned premiums decreased in 2021 due to the underwriting of more reinsured lines, associated greater reinsurance commission income and a reduction in management expense was enough to marginally improve the ratio.

As a result, EIC's combined ratio increased to 96.3% in 2021, from 89.0% in 2020. AM Best notes that the company benefits from a track record of relatively stable underwriting performance over the longer term, with low levels of volatility.

### Investment Income:

EIC generated net investment income excluding gains of AED 41.1 million in 2021 (2020: AED 50.7 million), which translated to a net investment return of 2.5% in 2021 (2020: 3.2%). Net investment yield including gains, however, increased to 3.7% in 2021 from 3.4%

## Operating Performance (Continued...)

in 2020, as the company's investment portfolio, heavily exposed to equity holdings, recovered from the significant market volatility triggered by the COVID-19 pandemic.

The majority of the investment volatility, however, was captured through Other Comprehensive Income (OCI). The company recorded AED 115.0 million of gains through OCI during 2021, as opposed to AED 50.5 million losses during 2020.

Q1 2022:

Over the first three months of 2022, GWP increased by 4.9% to AED 335.8 million, when compared to the same period in 2021. EIC's motor business continued to suffer in terms of volumes in light of prevailing market conditions, but this was offset by strong growth in non-motor property and casualty business lines.

EIC's reported net underwriting income was down 8.3% to AED 33.7 million for the first quarter of the year, from AED 36.7 million. The decrease is attributable to the lower premium retention as the company wrote more heavily ceded lines. The loss ratio improved to 56.1% (Q1 2021: 59.1%), due to improvements in the medical and international businesses, which more than offset the losses on the motor business. As a result, the combined ratio improved by approximately one percentage point to 93.1% for the quarter ended on 31 March 2022.

Net investment income decreased from the 2021 highs and was down 31.5% to AED 14.6 million in Q1 2022. The weaker performance is attributable to lower realised and unrealised gains through P&L as well as lower interest on bonds, which more than offset the increase in dividend income compared to the first three months of 2021. The significant headwinds in the equity markets resulting from inflationary pressures, monetary tightening, and the war in Ukraine are expected to negatively affect EIC's investment income during 2022, although EIC's significant exposure to the UAE and GCC markets partially offsets these adverse events, given the better performance enjoyed by Gulf equities, which tend to benefit from the higher oil price environment.

<b>Financial Performance Summary</b>	<b>2021 AED (000)</b>	<b>2020 AED (000)</b>	<b>2019 AED (000)</b>	<b>2018 AED (000)</b>	<b>2017 AED (000)</b>
Pre-Tax Income	71,006	108,284	113,149	114,095	109,560
Net Income after Non-Controlling Interests	71,006	108,284	113,149	114,095	109,560

Source: BestLink® - Best's Financial Suite

<b>Operating and Performance Ratios (%)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Overall Performance:</b>					
Return on Assets	2.3	3.7	4.3	4.5	4.7
Return on Capital and Surplus	6.3	9.9	10.4	10.6	10.3
<b>Non-Life Performance:</b>					
Loss and LAE Ratio	62.1	54.3	59.4	47.8	56.8
Expense Ratio	34.1	34.7	34.0	35.9	32.0
Non-Life Combined Ratio	96.3	89.0	93.3	83.7	88.8

Source: BestLink® - Best's Financial Suite

## Business Profile

Established in 1982 as one of the national insurance companies of Abu Dhabi, EIC is listed on the Abu Dhabi Securities Exchange (ADX). The largest shareholders include Mazrui Investments 15.1%, Al Dhabi Investments 12.3%, and the Al Mamoura Diversified Global Holding Company PJSC 11.8%.

Since inception, EIC has been operating in the United Arab Emirates (UAE), where it has successfully become a leading market player in the domestic market. However, due to increasing competition and pressure on rates EIC's market profile has stabilised as the company sought to maintain underwriting discipline, focusing on profitability over top line growth in the domestic market. In order to address top line growth, starting in 2012, EIC has been writing non-domestic business via its international reinsurance arm, which provides speciality reinsurance cover across the Afro-Asia region.

In 2021, the company wrote gross written premium (GWP) of AED 1.1 billion and ranked as the sixth largest insurer in the market, based on GWP.

**Business Profile (Continued...)**

In 2021 EIC's top-line premium increased by 7.6%, broadly in line with the market. For 2022, the company anticipates a modest increase in premium volumes, with the growth in the property and casualty lines being offset by contraction of the motor segment. The company continues to have a well-diversified portfolio on a gross basis, however its profile remains concentrated to motor on a net basis, which accounted for 43.3% of net written premium in 2021. Given the recent reductions in the amount of motor business written on a gross basis, the company's premium retention decreased to 35.8% in 2021 from 45.8% in 2020 as more non-motor business, which is more heavily reinsured than motor, was written as a proportion of total premium.

Property is the largest contributor to total GWP, with motor coming second. At year-end 2021, EIC's GWP was split as follows: property (FGA) and casualty 36.7%, motor 19.0%, energy 15.1%, medical 11.9%, engineering 9.0%, marine & aviation 6.0%, and employee benefits 2.7%.

In 2021, EIC's international reinsurance arm wrote two classes of business concentrating on areas management has experience in: energy and non-marine property FAC. A third class, Treaty, was discontinued during 2020 and placed into run-off, subsequent to a business review the same year that called into question the profitability of the segment. This decision followed the withdrawal in 2017 from the international aviation, marine, and space accounts due to the high volatility and losses associated with them. During 2021, this segment produced AED 180.7 million of GWP, a decrease of approximately 6% compared to 2020, accounting for just over 15% of EIC's total GWP.

EIC's management team has demonstrated strong technical skills and controls on the underwriting side. The company's track record of strong technical performance is indicative of this. The majority of the senior management team has been in place since the company restructured in 2007. Those that have recently joined the team come with many years of experience and knowledge of the local market.

EIC focuses on non-life and health insurance products in the UAE. Distribution for EIC's domestic business is split: broker 36.1%, FAC inwards 28.3%, agencies 21.1%, and direct 14.5%. The company aims to boost its direct sales through a recent digitalisation push, although markets such as the Dubai one remain dominated by brokers, so EIC's distribution split is unlikely to significantly change over the short to medium term.

**Enterprise Risk Management**

EIC's enterprise risk management (ERM) is considered developed and appropriate for the size and scale of its operations, while ERM capabilities and largely aligned with its risk profile. Risk management has a strong focus on underwriting as evidenced by the policies and procedures in place. The company has good underwriting and aggregation controls in place, and the risk management framework is on par with regional players.

Regulatory risk continues to pose a constant challenge to companies operating in the UAE market given the pace of change over recent years, however, EIC has dealt with the changes well thus far.

EIC has a risk management committee, clear risk appetite statement, and a risk register that is organised by risk category. The risk register is a comprehensive list focusing on underwriting, operational, investment, and credit risk. The company has a number of monitoring tools for its investment portfolio, reviewing asset liability management, liquidity, and foreign exchange exposures regularly. Nevertheless, the company's portfolio still maintains certain concentrations to the UAE, and breaches of asset admissibility limits under the local regulator regime.

EIC has good capital management capabilities, using credit rating agency capital models and the regulator's solvency template. The company's risk appetite statement is incorporated into policies and procedures are cascaded down to the business units. The company maintains a robust level of capitalisation under both models, and the company's capital buffer somewhat mitigates the investment portfolio's relatively high risk profile. Asset liability matching is conducted to ensure sufficient liquid assets are available to cover net reserve liabilities.

The company utilises an effective risk accumulation monitoring tool that geo-tags all property risks and assists with the purchase of additional facultative reinsurance cover if necessary. EIC employs a clear segregation of risks between its core direct portfolio and the exposures assumed by its international reinsurance arm. Given the nature of risks sourced by the latter, the company uses separate tools to monitor and control these risks, such as, OpenExposure for the energy book. Separate retrocession is purchased to protect the company from the additional volatility potentially created by the international business, which is driven by the company's risk appetite and tolerances.

## **Enterprise Risk Management (Continued...)**

Support from EIC's reinsurance brokers is received for PML calculations and subsequently to assist in reinsurance purchasing. The company's largest net event exposure is that of an earthquake in the UAE. AM Best notes that modelling in the UAE remains relatively underdeveloped as a result of the region having limited records of catastrophe events.

## **Reinsurance Summary**

EIC is considered to have a comprehensive reinsurance programme. The company has separate reinsurance structures to cover the needs of its domestic UAE portfolio and the retrocession needs of its international reinsurance arm. EIC's reinsurance programme consists of a combination of quota share, surplus and excess of loss coverages in order to create the maximum protection for the company.

The capital position is sufficient to absorb the company's modelled event probable maximum loss (PML) exposures, in addition to other major risks outlined by the company. EIC's domestic operation purchases AED 250 million of catastrophe event excess of loss reinsurance, with an ultimate per-event retention of AED 3.0 million.

## **Environmental, Social & Governance**

EIC operates mainly in its domestic market of the UAE and the MENA region, which has a high level of economic reliance on oil revenues. While oil is a sought after commodity and will spur growth and opportunities to the insurance sector, there is concern regarding the long-term viability and demand as countries seek to reduce carbon emissions in line with the Paris Agreement.

The concepts of sustainability and ESG are steadily gaining traction in the region and opportunities are somewhat limited at present. Exposure to natural catastrophe events is considered to be relatively low within the UAE and the region, however, EIC as a writer of property and casualty insurance would be exposed to the effects of changing weather trends, which may increase the frequency of flood and drought.

## Financial Statements

	12/31/2021		12/31/2021
	AED (000)	%	USD (000)
<b>Balance Sheet</b>			
Cash and Short Term Investments	256,596	8.7	69,869
Bonds	554,946	18.7	151,106
Equity Securities	548,717	18.5	149,410
Other Invested Assets	314,197	10.6	85,553
<b>Total Cash and Invested Assets</b>	<b>1,674,456</b>	<b>56.5</b>	<b>455,938</b>
Reinsurers' Share of Reserves	946,356	31.9	257,683
Debtors / Amounts Receivable	285,449	9.6	77,725
Other Assets	59,941	2.0	16,321
<b>Total Assets</b>	<b>2,966,202</b>	<b>100.0</b>	<b>807,667</b>
Unearned Premiums	471,751	15.9	128,453
Non-Life - Outstanding Claims	973,632	32.8	265,110
Total Gross Technical Reserves	1,445,383	48.7	393,563
Other Liabilities	348,064	11.7	94,774
<b>Total Liabilities</b>	<b>1,793,447</b>	<b>60.5</b>	<b>488,338</b>
Capital Stock	150,000	5.1	40,844
Retained Earnings	116,748	3.9	31,789
Other Capital and Surplus	906,007	30.5	246,697
<b>Total Capital and Surplus</b>	<b>1,172,755</b>	<b>39.5</b>	<b>319,329</b>
<b>Total Liabilities and Surplus</b>	<b>2,966,202</b>	<b>100.0</b>	<b>807,667</b>

Source: BestLink® - Best's Financial Suite  
 US \$ per Local Currency Unit .27229 = 1 United Arab Emirates Dirham (AED)

				12/31/2021	12/31/2021
	Non-Life AED (000)	Life AED (000)	Other AED (000)	Total AED (000)	Total USD (000)
<b>Income Statement</b>					
Gross Premiums Written	1,118,249	...	...	1,118,249	304,488
Net Premiums Earned	424,116	...	...	424,116	115,483
Net Investment Income	...	...	41,092	41,092	11,189
Realized capital gains / (losses)	...	...	12,309	12,309	3,352
Unrealized capital gains / (losses)	...	...	6,985	6,985	1,902
<b>Total Revenue</b>	<b>424,116</b>	<b>...</b>	<b>60,386</b>	<b>484,502</b>	<b>131,925</b>
Benefits and Claims	263,568	...	...	263,568	71,767
Net Operating and Other Expense	144,733	...	5,195	149,928	40,824
Total Benefits, Claims and Expenses	408,301	...	5,195	413,496	112,591
<b>Pre-Tax Income</b>	<b>15,815</b>	<b>...</b>	<b>55,191</b>	<b>71,006</b>	<b>19,334</b>
<b>Net Income before Non-Controlling Interests</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>71,006</b>	<b>19,334</b>
<b>Net Income/(loss)</b>	<b>...</b>	<b>...</b>	<b>...</b>	<b>71,006</b>	<b>19,334</b>

Source: BestLink® - Best's Financial Suite  
 US \$ per Local Currency Unit .27229 = 1 United Arab Emirates Dirham (AED)

## Related Methodology and Criteria

[Best's Credit Rating Methodology, 11/13/2020](#)

[Catastrophe Analysis in A.M. Best Ratings, 10/13/2017](#)

[Available Capital & Holding Company Analysis, 10/13/2017](#)



[Evaluating Country Risk, 10/13/2017](#)

[Scoring and Assessing Innovation, 03/05/2020](#)

[Understanding Global BCAR, 06/30/2022](#)

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

A Best's Issue/Issuer Credit Rating is an opinion regarding the relative future credit risk of an entity, a credit commitment or a debt or debt-like security.

Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. These credit ratings do not address any other risk, including but not limited to liquidity risk, market value risk or price volatility of rated securities. The rating is not a recommendation to buy, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser.

In arriving at a rating decision, AM Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, AM Best does not independently verify the accuracy or reliability of the information. Any and all ratings, opinions and information contained herein are provided "as is," without any express or implied warranty.

Visit <https://www.ambest.com/ratings/index.html> for additional information or <https://www.ambest.com/terms.html> for details on the Terms of Use.

**Copyright © 2022 by A.M. Best Company, Inc. and/or its affiliates (collectively, "AM Best"). All rights reserved.** No part of this report or document may be distributed in any written, electronic, or other form or media, or stored in a database or retrieval system, without the prior written permission of AM BEST. For additional details, refer to our *Terms of Use* available at AM BEST's website: [www.ambest.com/terms](http://www.ambest.com/terms). All information contained herein was obtained by AM BEST from sources believed by it to be accurate and reliable. Notwithstanding the foregoing, AM BEST does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and all such information is provided on an "as is" and "as available" basis, without any warranties of any kind, either express or implied. Under no circumstances shall AM BEST have any liability to any person or entity for (a) any loss or damage of any kind, in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of AM BEST or any of its directors, officers, employees, or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory, punitive or incidental damages whatsoever (including without limitation, personal injury, pain and suffering, emotional distress, loss of revenue, loss of present or prospective profits, loss of business or anticipated savings, or loss of goodwill) resulting from the use of, or inability to use, any such information, in each case, regardless of (i) whether AM BEST was advised in advance of the possibility of such damages, (ii) whether such damages were foreseeable, and (iii) the legal or equitable theory (contract, tort or otherwise) upon which the claim is based. The credit ratings, assessments, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and shall be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities, insurance policies, contracts or any other financial obligations, nor does it address the suitability of any particular financial obligation for a specific purpose or purchaser. Credit risk is the risk that an entity may not meet its contractual, financial obligations as they come due. Credit ratings do not address any other risk, including but not limited to, liquidity risk, market value risk or price volatility of rated securities. **NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY AM BEST IN ANY FORM OR MANNER WHATSOEVER.** Each credit rating or other opinion must be weighed solely as one factor in any investment or purchasing decision made by or on behalf of any user of the information contained herein, and each such user will, with due care, make its own study and evaluation of each security or other financial obligation, and of each issuer and guarantor of, and each provider of credit support for, each security or other financial obligation that it may consider purchasing, holding or selling. For additional details on credit ratings, credit rating scales and usage and limitations of credit ratings, refer to the Guide to Best's Credit Ratings available on the AM Best website: <https://www.ambest.com/ratings/index.html>

**Reports were prepared exclusively for the use of Romeo Berti. Not for redistribution unless otherwise permitted.**