

Management Discussion and Analysis	
Date	29 January 2026
Name of the Listed Company	Sukoon Insurance PJSC
Example: Annual Financials, First Quarter, Second Quarter, Third Quarter, or Preliminary Annual Financials	Annual Financials
The period of the financial statements covered by the report	1st January 2025 - 31st December 2025
Overview of the main results during the financial period	Gross written premium: AED 7.11 billion Insurance revenue: AED 6.39 billion Insurance service result: AED 260.7 million Net investment income: AED 298.1 million Profit before tax: AED 427.9 million
Securities issued during the financial period	None
Summary of the most important non-financial events and developments during the financial period	None
Summary of operational performance during the financial period	Insurance revenue grew by 18% to reach AED 6.39 billion in 2025 compared to AED 5.41 billion in 2024. Insurance service expenses reached AED 4.78 billion in 2025 compared to AED 4.29 billion in 2024. Insurance service result before reinsurance contracts held reached AED 1.60 billion in 2025 compared to AED 1.12 billion in 2024. Net expense from reinsurance contracts held reached AED 1.34 billion in 2025 compared to AED 887.9 million in 2024.
Summary of profit and loss during the financial period	Profit before tax: AED 427.9 million Profit after tax: AED 364.9 million
Summary of financial position as at the end of the financial period	Total Assets as at 31-Dec-2025: AED 11.18 billion Total Liabilities as at 31-Dec-2025: AED 7.81 billion Total Equity as at 31-Dec-2025 - AED 3.37 billion
Summary of cash flows during the financial period	Net cash generated from operating activities: AED 725.9 million Net cash used in investment activities: AED 538.3 million Net cash used in financing activities: AED 104.3 million Cash and cash equivalents at the end of the year: AED 415.7 million
Main performance indicators	Retention ratio: 47.2% Combined ratio: 95.9% Return on equity(pretax): 13.4% Return on shareholders' equity: 11.5%

Expectations for the sector and the company's role in these expectations	Amid increasingly complex risk dynamics, tighter regulatory requirements, and rising customer expectations for efficiency and digital service, Sukoon seeks to take a leadership role in the sector. By accelerating AI adoption, strengthening digital platforms, and enhancing customer journeys, the Company aims to drive a more efficient, data-driven, and customer-centric insurance ecosystem.
Expectations regarding the economy and its impact on the company and the sector	Strong growth is expected into 2026, supported by robust GDP expansion and economic diversification. The UAE continues to attract global capital with Dubai's position as a regional financial hub firmly established, coupled with strong economic fundamentals and regulatory stability, Sukoon is well-positioned to deliver superior risk-adjusted returns.
Future plans for growth and changes in operations in future periods	None
The size and impact of current and projected capital expenditures on the company	Investments in digitization and technology platforms is expected to continue, where we expect a net capital expenditure in 2026 of AED 20 million approximately.
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	None



Hammad Raza Khan
Interim Chief Executive Officer
29 January 2026