

**THE BOARD OF DIRECTORS' REPORT**  
**For the period ended December 31, 2021**

**Fidelity United Performance**

Fidelity United has finished the year on a high note with 9% increase in top line and a staggering jump of 122% in net profit. Good significant part of 2021 has seen unrealistic price war in both tariff and acquisition cost at the same time. Fidelity United has strategically avoided to be part of this competition in motor lines and hence, been able to minimize the underwriting losses. With AED 8m profit, the company is standing on a strong fundamental to grow and generate returns for its shareholders.

Fidelity United has recently completed its second round of capital injection. Pumping AED 60m in the business has demonstrated the trust of shareholders over the Board and the team to deliver as per expectation. This is a strong message to market that in spite of the intense competition, Fidelity United is capable to deliver results for all its stakeholders.

**2022 Outlook**

The company is expecting corrections in the market in respect of tariff and acquisition cost. In all cases, our main objective will remain to enhance the capital base to support the future growth. Our focus will remain on niche products as well as niche market and to rely least on the non-profitable products.

In addition to achieving the improved financial results, the company is aggressively working towards automation and digitalization journey. With the projected growth in 2022, automating and streamlining the process is imminent. We are in the second phase of our transformation journey, where the **Fidelity United**, is intending to improve from its current 16<sup>th</sup> position among the listed Insurance Companies. Ongoing development in customer service, software, online portal, product enhancements and employee retention will continue to improve the business with a view to increase market share and achieving its goals.

**Financial Highlights**

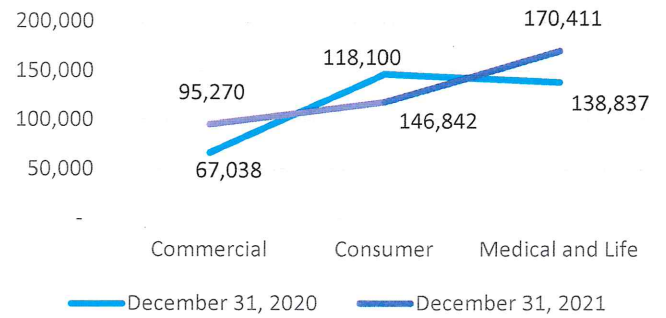
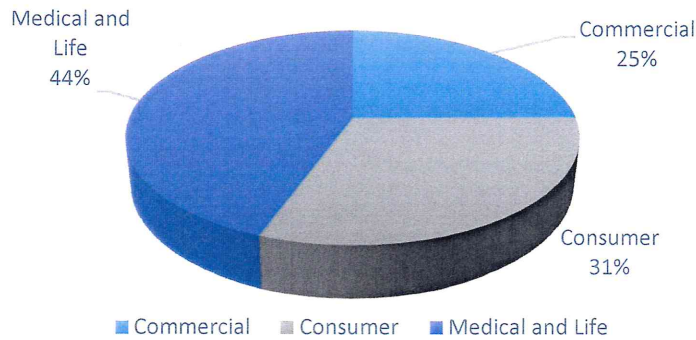
Particulars	December 31, 2021 AED '000	December 31, 2020 AED '000	Variance %
Gross Premium Written	383,781	352,717	9%
Administrative & Other Operating Expenses	(45,318)	(38,949)	16%
Net Underwriting Income / (Loss)	(5,749)	(1,574)	-265%
Net Investment & Other Income	13,787	4,931	180%
Net Profit / (Loss) for the Period	8,038	3,622	122%

Business Mix	December 31, 2021	December 31, 2020
Commercial	95,270,259	67,037,987
Consumer	118,100,024	146,841,775
Medical and Life	170,411,086	138,836,748
<b>Total</b>	<b>383,781,368</b>	<b>352,716,511</b>

**UNITED FIDELITY INSURANCE COMPANY**

In Conformity with the Federal Law No. 6/2007 Reg. No (8) dated 22/12/1984. Authorized paid-up Capital Dh. 100,000,000





The pie chart depicts the gross written premium by segment. Our main segment covering 75% of the business comprises of Medical and Consumer. The trend chart shows the yearly growth in gross written premium. Fidelity United is well placed to exploit market opportunities and looking forward to playing a major role in the UAE market.

**Chairman**

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Ras Al Khaimah T: +971 7 2351584, F: +971 7 2353213, P.O. Box: 1010 - Sharjah T: +971 6 5682277, F: +971 6 5681586, P.O. Box: 5333  
Dubai T: +971 4 2502501, F: +971 4 2502504, P.O. Box: 1888 - Abu Dhabi T: +971 2 6263313, F: +971 2 6263526, P.O. Box: 721  
Fujairah T: +971 9 2222302, F: +971 9 2220294, P.O. Box: 4417  
info@fidelityunited.ae