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FOR IMMEDIATE RELEASE

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AM Best Affirms Credit Ratings of National General Insurance Company (P.J.S.C.)

LONDON, 29 April 2022—AM Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of “a-” (Excellent) of National General Insurance Company (P.J.S.C.) (NGI) (United Arab Emirates). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect NGI’s balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management.

NGI’s balance sheet strength is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best’s Capital Adequacy Ratio (BCAR). AM Best expects prospective risk-adjusted capitalisation to remain at the strongest level, supported by good earnings retention and controlled growth. The assessment also factors in the company’s good level of liquidity and low underwriting leverage. Offsetting rating factors include NGI’s high dependence on reinsurance and exposure to volatile equity and real estate assets. The balance sheet strength assessment incorporates the UAE’s low economic risk, and moderate political and financial system risk.

The company has achieved a five-year (2017-2021) weighted average return-on-equity ratio of 8.1%, which has been supported by robust and stable underwriting results from its non-life portfolio. NGI has demonstrated good underwriting performance across key non-life lines of business, with a five-year average combined ratio of 90.0%, as calculated by AM Best. Following strong growth in life business in 2021, this line of business contributed AED 5.7 million to underwriting profit. NGI generated net income for 2021 of AED 67.4

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million (2020: AED 44.4 million), driven by strong investment and underwriting earnings.

NGI has a well-established profile in the UAE insurance market as a mid-tier player with a ranking of 11th based on 2021 gross written premium. The company's business profile is limited, due in part to its concentration to the highly competitive UAE market. NGI has a strong presence in the local motor and medical lines of business and is one of 16 insurers licensed to participate in the Dubai Health Authority's mandatory health insurance scheme. AM Best expects the company to grow modestly over the short-to-medium term, with a focus remaining on achieving bottom line profitability and a balanced portfolio.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

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