



discussion report and analysis of the board of directors for Al Wathba National Insurance Company (PJSC)

Date	11 th Nov,2022
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	Q3, 2022 Financials
Overview of the main results during the financial period	GWP: AED 237.62 M Net Underwriting Income: AED 2.98 M Net Investment Income: AED 29.36 M Net Profit: 32.34 M
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	IFRS 17 implementation is in progress. AWNIC extends self-service portal to corporate clients.
Summary of operational performance during the financial period	During this period, we have achieved total premiums of 237.62 million and insurance profit of 2.98 million dirhams. The company has also registered net Investment profit of 29.36 million.
Summary of profit and loss during the financial period	Net profit for the period is AED 32.34 million dirhams compared to net profit of AED 173.95 million dirhams for the previous period.
Summary of financial position as at the end of the financial period	Total Deposits & Cash: AED 158.36 M Total Technical Reserve: AED 339.63 M Total Share Holders Equity: AED 961.50 M
Summary of cash flows during the financial period	Net Cash generated from operating Activities: AED (54.95) M Net Cash Generated in Investing Activities: AED 145.28 M Net Cash Generated in Financing Activities: AED (74.86) M



Main performance indicators	GWP Growth: (12) % Net Loss Ratio: 60.82% Net Expense Ratio: 37.02% Combined Ratio: 97.84%
Expectations for the sector and the company's role in these expectations	Motor insurance premiums are expected to go back to pre-pandemic levels on account of pressure in margins and escalation in servicing costs.
Expectations regarding the economy and its impact on the company and the sector	GDP of UAE is expected to grow more than 5% for the current fiscal year and the economic buoyancy is expected to continue on account of visa reforms and FDI flows in real estate. Premium growth in the industry is expected to continue and the market is expected to see more consolidations in FY 2023 on account of pressures on solvency ratios and regulatory changes such as IFRS 17.
Future for growth and changes in operations in future periods	AWNIC is revisiting its motor portfolio strategy and is expected to continue its growth on the commercial insurance portfolio.
The size and impact of current and projected capital expenditures on the company	Net Capital expenses for the period was AED 1 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	Board is evaluating the impact of rising interest rates and its impact on the current loan facilities.

Bassam Chilmeran
Chief Executive Officer

