

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

Date	21 st May, 2023
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	Q1, 2023 Financials
Overview of the main results during the financial period	Insurance service result: AED (.807) M Net Investment Income: AED 44.51 M Net insurance finance expenses: AED .22M (Loss) / profit for the period: AED 44.57M
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	Prudent Underwriting methodology and pricing to impact results positively in FY 2023
Summary of operational performance during the financial period	During this period, we have achieved Insurance service result of AED (.807) million (IFRS-17 Basis) and recorded a net investment income of AED 44.51M during the period.



شركة الوثبة الوطنية للتأمين
ALWATHBA NATIONAL INSURANCE CO

Summary of profit and loss during the financial period	AED Million			
	Q1-2023	Q1-2022	Var	
	Net Insurance service result	(807)	6,292	(7,099)
	Net Investment Income	44,512	31,260	13,252
	Net Insurance finance income and expenses	221	(239)	460
	Total Income	43,926	37,313	6,613
	Other Operating income /expenses net	651	1,657	(1,006)
	Profit for the period	44,577	38,970	5,607
Summary of financial position as at the end of the financial period	Total Deposits & Cash: AED 145 M Total Assets: AED 1.61 billion Total Share Holders Equity: AED 1.01 billion			
Summary of cash flows during the financial period	Net Cash generated from operating Activities: AED (2.55) M Net Cash Generated in Investing Activities: AED 63.88 M Net Cash Generated in Financing Activities: AED (19.72) M			
Main performance indicators	Net Loss Ratio: 96.53% Net Expense Ratio: 36.69% Combined Ratio: 133.23%			
Expectations for the sector and the company's role in these expectations	We have noticed that the motor insurance premiums have started to pull back closer to pre-covid levels. This is expected to have positive impact on the results of insurers going forward			
Expectations regarding the economy and its impact on the company and the sector	UAE GDP growth is projected to increase to 4.3 per cent in 2024, owing to a better performance in both the oil and non-oil sectors. Despite the sharp rise of inflation globally in light of the pressures on supply chains and the rise in commodity prices, inflation in the UAE remained well below the international average at 4.8 per cent with an expected decline in 2023			
Future for growth and changes in operations in future periods	AWNIC is revisiting its business strategy with added focus on building a niche portfolio and selected segments in Motor insurance.			



شركة الوثبة الوطنية للتأمين
ALWATHBA NATIONAL INSURANCE CO

The size and impact of current and projected capital expenditures on the company	Net Capital expenses for the period was AED 223 K
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	AWNIC has continued deleveraging its balance sheet considering the rising interest rates.

Bassam Chilmeran
Chief Executive Officer

