

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

Date	25 th March 2022
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	2021 Annual Financials
Overview of the main results during the financial period	GWP: AED 316.47 M Net Underwriting Income: AED 18.30M Net Investment Income: AED 145.87 M Net Profit: 164.17 M
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	With the reopening of the economy the company has resumed business as usual. Further we are taking adequate measures to ensure health and safety of employees and customers
Summary of operational performance during the financial period	During this period, we have achieved total premiums of 316.47 million and insurance profit of 18.30 million dirhams. The company has also registered net Investment profit of 145.87 million.
Summary of profit and loss during the financial period	Net profit for the period is AED 164.17 million dirhams compared to net profit of AED 15.22 million dirhams for the previous period.
Summary of financial position as at the end of the financial period	Total Deposits & Cash: AED 182.27M Total Technical Reserve: AED 375.91M Total Share Holders Equity: AED 973.52M
Summary of cash flows during the financial period	Net Cash generated from operating Activities: AED 11.39 M Net Cash Generated in Investing Activities: AED (8.87) M Net Cash Generated in Financing Activities: AED 3.94 M
Main performance indicators	GWP Growth: 3%

	Net Loss Ratio: 53.95% Net Expense Ratio: 37. 50% Combined Ratio: 91.45%
Expectations for the sector and the company's role in these expectations	There has been a steady decline in the average premiums over the last year in the motor segment and general insurance premiums are also under pressure on account of stiff competition. AWNIC is constantly improving its products and services to differentiate itself from the market
Expectations regarding the economy and its impact on the company and the sector	We are seeing encouraging signs on GDP growth and in real estate & tourism sector further to the reopening of the economy. The increase in oil prices coupled with investment friendly regulatory changes in UAE is expected to act as a catalyst for further growth in the sector
Future plans for growth and changes in operations in future periods	AWNIC will continue to invest in digitization and automation to further its growth aspirations.
The size and impact of current and projected capital expenditures on the company	Net Capital expenses for the period was AED 1.1 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	Business plan for 2021-2023 was approved the Company's Board. The Board has also noted the reduction in average premiums and has asked the management to devise action plans to sustain the growth strategy amidst the competitive market conditions



Bassam Chilmeran
Chief Executive Officer

25/03/2022

