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Mr. Khalifa Salem Al Mansouri
Acting C E O
Abu Dhabi Securities Market
Fax: 02 6128728

Board of Directors' Report For The Year Ended 31/12/2022


Al-Buhaira National Insurance Co. (ABNIC) in spite of an improvement in the top line it has encountered reduction in their technical results mainly due to an increase in motor and property claims caused by devastating windstorm that took place during Q3 2022 in Fujairah & Khorfakkan on top of poor premium rates due to severe competition for motor and medical insurance in particular.

ABNIC recorded earned premium revenue of AED 942 million for the year ended 31-12-2022 compared to AED 901 million for the year ended 31 December 2021. The Company's posted AED 13.4 million as underwriting profit for the year ended 31st Dec 2022 compared to AED 44.8 million in 2021; ABNIC posted AED 34.5 million total net loss in 2022 compared to AED 25 million in 2021 this was due to provision for expected credit loss (ECL) of AED 59 million in 2022 (AED 2.5 million in 2021). The Company's Shareholders equity stood at AED 622 million as on 31/12/2022 compared to AED 681 million in 2021. The total assets stood at AED 2,130 million compared to AED 1,965 as at 31/12/2021.

ABNIC is progressively implementing IFRS 17 "Insurance Contracts" in accordance with the preset timeframe. ABNIC is continuously improving its core competencies and enhancing its risk management controls in line with the principles and practices of corporate governance in order to protect the rights of its shareholders and policyholders. The Company is implementing a selective policy in procuring insurance business and investment products. ABNIC is keen to introduce new insurance products that satisfy the increasing needs of its clients.

The Board of Directors will raise a recommendation to the AGM in its upcoming meeting to appropriate the profit amounting to AED 56.07 million as follows:

- Legal Reserve – Nil
- Cash Dividends to Shareholders – Nil
- Board of Directors' Remuneration – Nil
- AED 56.07 million carried forward to 2023.


Faisal Bin Khaled Sultan Al Qasimi
Chairman of the Board

