



**Template for discussion report and analysis of the board of directors of the
listed public shareholding company**

Date	25 April 2024																											
Name of the Listed Company	Ras Al Khaimah National Insurance Company P.S.C.																											
The period of the financial statements covered by the report	Three-month period ended 31 March 2024.																											
Overview of the main results during the financial period	<p>Q1 2024 saw a continuation of the turnaround journey for RAK Insurance (the "Company") resulting in a net profit after tax of AED 3.4m compared to a loss of AED 4.3m for Q1 2023.</p> <p>This turnaround journey was achieved due to prudent underwriting, improved reinsurance arrangements and improved claim control.</p> <p>This profit for the period has resulted in the accumulated losses decreasing to AED 24.8m and the equity of the Company increasing to AED 162.7m.</p>																											
Securities issued during the financial period	None.																											
Summary of the most important non-financial events and developments during the financial period	After the quarter end, the UAE experienced unprecedented rain. The impact of this is being assessed and will become clearer over the next few weeks.																											
Summary of operational performance during the financial period	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; width: 20%;"><u>Q1 2024</u></th> <th style="text-align: center; width: 20%;"><u>Q1 2023</u></th> </tr> </thead> <tbody> <tr> <td colspan="3">Figures in AED'm</td> </tr> <tr> <td>Insurance revenue</td> <td style="text-align: right;">122.1</td> <td style="text-align: right;">107.9</td> </tr> <tr> <td>Insurance service exp</td> <td style="text-align: right;">(102.7)</td> <td style="text-align: right;">(109.8)</td> </tr> <tr> <td>Insurance service results before reinsurance contracts held</td> <td style="text-align: right;">19.4</td> <td style="text-align: right;">(1.9)</td> </tr> <tr> <td>Allocation of reinsurance premium</td> <td style="text-align: right;">(55.2)</td> <td style="text-align: right;">(45.8)</td> </tr> <tr> <td>Amount recoverable from reinsurance for incurred claims</td> <td style="text-align: right;">38.7</td> <td style="text-align: right;">38.3</td> </tr> <tr> <td>Net expense from reinsurance contracts held</td> <td style="text-align: right;">(16.5)</td> <td style="text-align: right;">(7.5)</td> </tr> <tr> <td>Insurance service results</td> <td style="text-align: right;">2.9</td> <td style="text-align: right;">(9.4)</td> </tr> </tbody> </table> <p>Prudent underwriting, improved claim control and improved reinsurance arrangements were the main reasons for the continuation of the turnaround journey in insurance service results.</p>		<u>Q1 2024</u>	<u>Q1 2023</u>	Figures in AED'm			Insurance revenue	122.1	107.9	Insurance service exp	(102.7)	(109.8)	Insurance service results before reinsurance contracts held	19.4	(1.9)	Allocation of reinsurance premium	(55.2)	(45.8)	Amount recoverable from reinsurance for incurred claims	38.7	38.3	Net expense from reinsurance contracts held	(16.5)	(7.5)	Insurance service results	2.9	(9.4)
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Summary of profit and loss during the financial period	<i>Figures in AED'm</i>														
		<u>Q1</u> 2024	<u>Q1</u> 2023												
	Insurance service results	2.9	(9.4)												
	Investment income	3.7	3.9												
	Net insurance financial results	(0.2)	2.6												
	Other operating expenses	(3.4)	(2.5)												
	Other underwriting income	0.7	1.1												
	Profit / (loss) for the period before tax	3.7	(4.3)												
	Income tax expense	(0.3)	-												
	Profit / (loss) for the period after tax	3.4	(4.3)												
Earning / loss per share	0.03	(0.04)													
Summary of financial position as at the end of the financial period	Total assets: AED 651.0m Total equity: AED 162.7m Total liabilities: AED 488.3m Invested assets: AED 481.9m														
Summary of cash flows during the financial period	Net cash generated from operating activities AED 43.4m. Net cash used in investing activities AED 3.9m. Net cash generated from finance activities AED 19.0m														
Main performance indicators	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Percentage (%)*</th> <th style="text-align: center;">Q1 2024</th> <th style="text-align: center;">Q1 2023</th> </tr> </thead> <tbody> <tr> <td>Reinsurance cession</td> <td style="text-align: center;">49.4%</td> <td style="text-align: center;">46.5%</td> </tr> <tr> <td>Net combined ratio</td> <td style="text-align: center;">103.1%</td> <td style="text-align: center;">113.9%</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p>* The above ratios are based on IFRS 4 numbers. In management's view, this is an appropriate proxy given the absence of industrywide IFRS 17 KPIs. Additionally, the Company is using the simplified PAA approach for reporting its results.</p>			Percentage (%)*	Q1 2024	Q1 2023	Reinsurance cession	49.4%	46.5%	Net combined ratio	103.1%	113.9%			
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Expectations for the sector and the company's role in these expectations	<p>The Insurance Sector is undergoing significant change. The welcome guidance and oversight from the regulator are forcing insurance companies to revisit their business models.</p> <p>RAK Insurance has demonstrated commitment by revamping its underwriting and claims management processes. The Company is also taking all steps to ensure compliance with all regulatory requirements.</p>														
Expectations regarding the economy and its impact on the company and the sector	<p>UAE economy is forecasted to grow by 4% in FY 2024. Abu Dhabi, Dubai and Ras Al Khaimah are expected to remain at the forefront of attracting business and tourism.</p> <p>The size of the UAE insurance market is expected to grow as a result of new insurance schemes such as unemployment insurance. A growing population, tourism and new infrastructure are expected to increase the size of the market.</p> <p>RAK Insurance expects to be a player in the growing insurance market.</p>														



Future plans for growth and changes in operations in future periods	The Company focus will remain on writing profitable top and bottom-line business. To stay competitive and increase efficiency, the Company will continue its investment in IT.
The size and impact of current and projected capital expenditures on the company	Net capital expenditure for the period ended 31 March 2024 was AED 0.4m in computer software. The Company is projected to increase its spending in IT over the coming years to make it best in class.
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 of Directors noted progress in implementation of Company's Strategy.

The name of the chairman of the company or the authorized signatory	Sanjeev Badyal Chief Executive Officer
Signature and Date	25/03/2024 
Company's Seal	