



Directors' Report

The Board of Directors has pleasure in submitting their report and the Audited Financial Statements for the Quarter Ended 31st March 2018.

Incorporation and registered office

Ras Al Khaimah National Insurance Company PSC (RAK Insurance) was incorporated under an Emiri Decree Number 20/76 issued by HH Ruler of Ras Al Khaimah. The address of the registered office is PO Box 506, Ras Al Khaimah, United Arab Emirates.

Financial position and results

Ras Al Khaimah National Insurance Co. (RAK Insurance), achieved a net profit for of AED 5.8M compared to AED 4M in the previous year, an increase of 45%.

Gross written premium increased by 39.4% to AED 117.8M compared to AED 84.5M in the previous year.

Underwriting profit from insurance operations increased to AED 3M compared to AED 2.5M in the previous year, an increase of 20%. Investment and other income decreased to 2.9M as compared to 3.2M in Q1 2017, a drop of 10.1%.

The Company's total assets decreased from AED 862.08M to AED 827.45M, a decrease of 4% compared to the previous year and the Shareholders' Equity decreased from AED 253M to AED 210.2M.

Total liabilities were AED 617.3M compared to AED 609.1M in the previous year. This increase was primarily due to increased insurance contract liabilities and other insurance payable resulting from the growth in our "book of business".

Basic earnings per share increased to AED 0.05 compared to AED 0.04 in Q1 2017 on a Capital base of AED 110 M.

On behalf of the Board of Directors of RAK Insurance, I would like to thank all who have contributed to our Company's success. Our sincere appreciation to the executive management and staff for their dedication, commitment and constant hard work. The Directors would also like to acknowledge our reinsurance partners, customers and all the stakeholders of the company.

Yours faithfully,

SALEM AL SHARHAN
Chairman