REFINITIV STOCK REPORTS PLUS
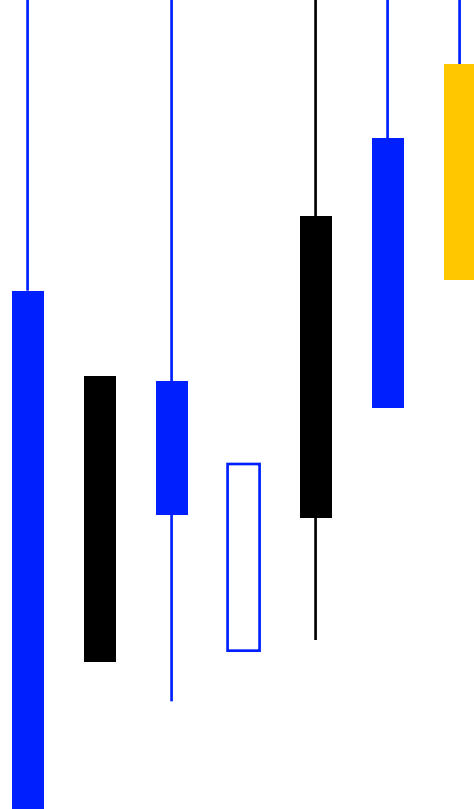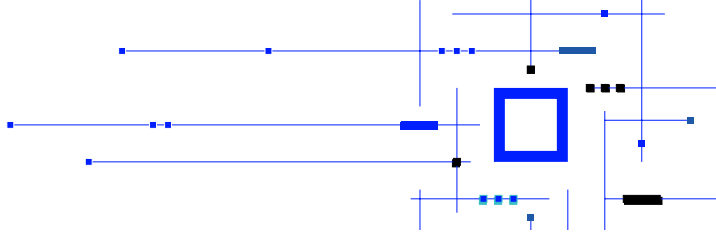
AL BUHAIRA NATIONAL INSURANCE CO

June 2022

Symbol: ABNIC
Index: FINANCIALS
Incorporation: 16 May 1978
Listing Date: 16 February 2005

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Sharjah-based Al Buhaira National Insurance Co. offers insurance products and services in the UAE. It trades on the Abu Dhabi Securities Exchange under the ABNIC symbol.

The company was founded in 1978 and has played a critical role in developing and strengthening the emirate's financial services industry. With nine branches across the country, ABNIC underwrites all types of insurance including property, engineering, energy, liability, aviation, marine hull and cargo, group life, motor, travel, medical, and home.

Employing 346 professionals, ABNIC is a digital leader, allowing customers to easily navigate the process of choosing and purchasing the right product, and providing them fast and effective online claims handling services. The company's tailor-made portals offer quick coverage, processing claims, and seamless services for motor, medical, tenant and rental coverage, among others.

In 2021, S&P Global Ratings revised its outlook on ABNIC to positive from stable, and affirmed its BB+ long-term issuer credit and insurer financial strength ratings for the company. The outlook upgrade reflects ABNIC's improved liquidity position over the past few years. ABNIC has made a conscious effort to increase investments in liquid assets while gradually reducing bank borrowings. S&P Global Ratings also noted that the improved liquidity could lead to its rating being raised by a notch over the next year.

The company's gross net profit in the first quarter of 2021 reached AED 19.6 million.

STOCK PERFORMANCE

ABNIC's one-year return stood at 28.21% by 9 June 2022, while its five-year return was at -9%. The insurance company's best monthly return over the past 60 months was 19%, while its worst 30-day return was -15%, according to Refinitiv data.

ABNIC's dividend yield was 5%, with a return on equity of 3.5%. As much as 71.3% of the company's stock was owned by institutional investors. Earnings per share stood at AED 0.1.

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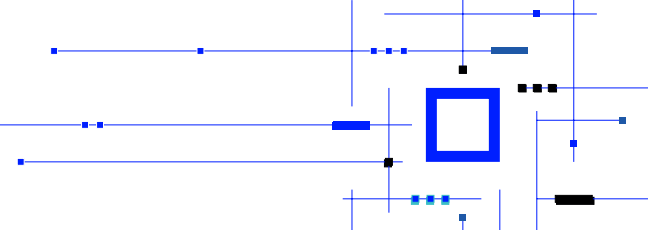
PEER COMPANIES

With a market cap of AED 500 million, ABNIC has a trailing price-to-equity ratio of 20.8 times, compared to the industry average of 14.6 times.

The company operates in a competitive environment and is the smallest among its peers on the ADX, according to Refinitiv. Abu Dhabi National Insurance Co. is ADX's largest listed insurer with a market cap of AED 3.5 billion.
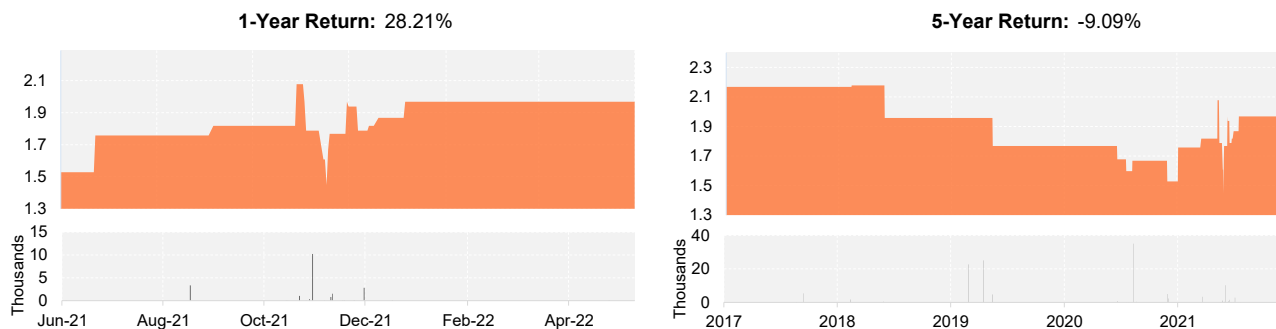
MACRO AND SECTOR OUTLOOK

The International Monetary Fund has revised upwards the UAE's economy growth forecast to 4.2% in 2021, driven by expansion of both the oil and the non-oil sector. The country's strong reform efforts, as underlined in the ambitious UAE 2050 Strategy, are underway. Recent reforms to promote private sector growth and development are important to strengthen non-oil growth, boost productivity, and attract foreign investment.

ABNIC should benefit from strong fundamentals, robust oil prices, and the country's progressive economic policies.

The UAE's insurance premiums are also expected to rise 4.1% annually by 2026, with expansion of compulsory business lines, growing standards of regulation, in addition to favourable immigration policies likely to support the industry's expansion, according to Alpen Capital.

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Last Close	Avg Daily Vol	52-Week high	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
2 (AED)	**--**	**2.11**	**20.8**	**0.1**	**3.5%**	**--**	**0.0%**

24-05-2022 ABU DHABI Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	500.0M	**1.48**	**--**	**5.0%**	**--**	**71.3%**	**0%**

PRICE AND VOLUME CHARTS

1-Year Return: 28.21%

5-Year Return: -9.09%

BUSINESS SUMMARY

Al Buhaira National Insurance Company PSC is a United Arab Emirates-based company engaged in the insurance sector. The Company provides, along with its subsidiaries, all types of insurance, other than savings and accumulations of funds. The Company is organized into two main business segments: the underwriting of general insurance business segment covers all classes of general insurance, including fire, marine, motor, general accident and miscellaneous, and the Investments segment incorporates investments in marketable equity securities, term deposits with banks and investment properties. As of December 31, 2011, the Company held 100%-stake in its subsidiary, namely Al Buhaira Economic Investments Establishment. The Company operates through its head office in Sharjah, and a network of branches located in Dubai, Abu Dhabi, Al Ain, Khorfakkan, Fujairah and Ajman.

PEER ANALYSIS
Currency in AED

	PRICE MOMENTUM				VALUATION		FUNDAMENTAL		ANALYSTS		
Ticker	Price (08-06-2022)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts
ADNIC	6.16	-13.0%	-10.9%	35.9%	3.5B	10.0	7.5	6.5%	24.6%	--	STRONG BUY	1
OIC	3.33	0.0%	11.0%	35.9%	1.5B	7.2	--	6.0%	10.6%	--	--	--
EIC	8.06	--	15.0%	16.0%	1.2B	18.8	--	6.2%	13.6%	--	--	--
AWNIC	5.50	--	--	-6.0%	1.1B	--	--	3.6%	41.1%	--	--	--
DNIR	7.30	0.0%	27.4%	77.3%	843.2M	16.5	--	4.1%	39.0%	--	--	--
DIN	7.75	-4.3%	-4.3%	3.3%	775.0M	9.8	--	5.2%	27.8%	--	--	--
SALAMA	0.60	-11.1%	-5.9%	-27.6%	729.6M	25.8	--	3.3%	5.7%	--	--	--
NGI	4.50	7.1%	20.6%	47.5%	674.8M	8.8	--	6.7%	18.5%	--	--	--
ALAIN	40.24	--	--	29.0%	603.6M	--	--	7.5%	24.0%	--	--	--
DHAFRA	6.00	--	20.0%	33.9%	600.0M	13.7	--	5.8%	27.5%	--	--	--
ABNIC	2.00	0.0%	0.0%	28.2%	500.0M	20.8	--	5.0%	7.5%	--	--	--
Average	8.31	-3.0%	8.1%	24.9%	1.1B	14.6	7.5	5.4%	21.8%	--	--	1.0

PEER COMPANIES

ADNIC	Abu Dhabi National Insurance Company	DIN	Dubai Insurance Co
OIC	Oman Insurance Company	SALAMA	Islamic Arab Insurance Co Pjsc
EIC	Emirates Insurance Company	NGI	National General Insurance Co
AWNIC	Al Wathba National Insurance Company	ALAIN	Al Ain Ahlia Insurance Company
DNIR	Dubai National Insurance and Reinsurance Co	DHAFRA	Al Dhafra Insurance Company

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EARNING SURPRISES

Surprise Summary (Last 6 Years)

Surprise Type	Amount	Percent
Positive Years (> 2%)	0	--
Negative Years (< -2 %)	0	--
In-Line Years (within 2%)	0	--

Surprise Detail (Last 6 Periods)

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
--	2/9/2009	12/31/2008	0.200	--	--
--	2/4/2008	12/31/2007	0.640	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--

I/B/E/S MEAN

-- --	Q --	Q --	Y --	Y --	Price Target
Current	--	--	--	--	--
30 Days Ago	--	--	--	--	--
90 Days Ago	--	--	--	--	--
% Change (90 Days)	--	--	--	--	--

Current Fiscal Year End: 12-22
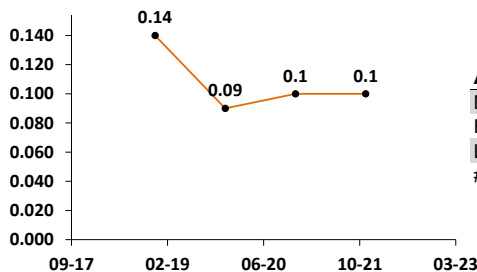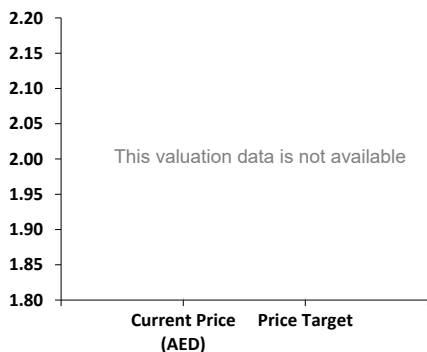Next Expected Report Date: 18-07-2022

I/B/E/S data is not available

PRICE TARGET

This valuation data is not available

12-Month Price Target

Mean (AED)	--
High	--
Low	--
Target vs. Current	--
# of Analysts	--

EARNINGS PER SHARE

| Annual	--	--
Mean	--	--
High	--	--
Low	--	--
# of Analysts	--	--

ANNUAL REVENUE
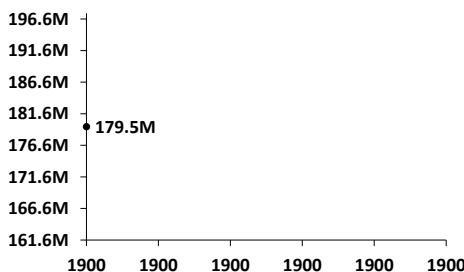
Annual	--	--
Mean	--	--
High	--	--
Low	--	--
Forecasted Growth	--	--
# of Analysts	--	--

FUNDAMENTAL METRICS

Revenue Growth 24.0% For year over year ending 03-2022	**Current Ratio** -- For interim period ending --	**Oper. Cash Yield** -- For last 12 months ending --	**Dividend Growth** 0.0% For year over year ending 03-2022
Gross Margin -- For latest 12 months ending --	**Debt-to-Capital** 15.6% For annual period ending 12-2021	**Accurals** 0.0% For latest 12 months ending --	**Dividend Payout** -- For latest 12 months ending --
Return On Equity 3.5% For interim period ending 03-2022	**Interest Funding** -6.8% For interim period ending 03-2022	**Days Sales in Inv.** -- For annual period ending --	**Dividend Coverage** -- For annual period ending --
Net Margin 6.0% For latest 12 months ending 03-2022	**Interest Coverage** -- For interim period ending --	**Days Sales In Rec.** -- For annual period ending --	**Current Div. Yield** 5.0% For latest 12 months ending 03-2022

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TRAILING PE

Trailing PE 20.8
5-Year Average: 16.1
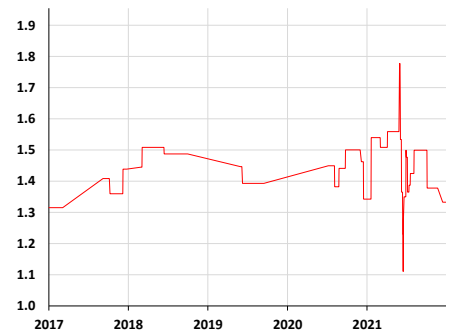ADX Index Average: 25.2
Group Average: 39.0
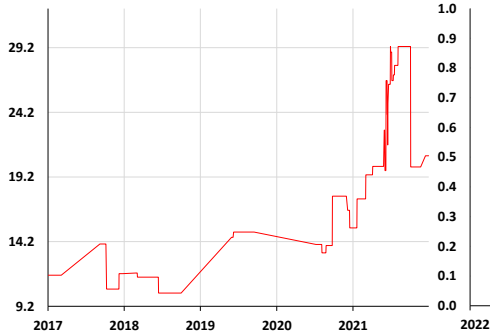
FORWARD PE

Forward PE --
5-Year Average: --
ADX Index Average: 14.2
Group Average: 7.5

This valuation data is not available

PRICE TO SALES

Price to Sales 1.3
5-Year Average: 1.4
ADX Index Average: 6.7
Group Average: 1.8

RISK METRICS

Standard Deviation
Last 90 Days	0.00
Last 60 Months	0.19

Intra-Day Swing (Last 90 Days)
Average	1.7%
Largest	20.0%

Correlation vs. ADX
|	
Last 90 Days	--
Last 60 Months	-15%

Correlation vs. Group
Last 90 Days	--
Last 60 Months	0%

RISK ANALYSIS

Peers	Last 90 Days				Last 60 Months		
	Best Daily Return	Worst Daily Return	# Days Up	# Days Down	Largest Intra-Day Swing	Best Monthly Return	Worst Monthly Return
ABNIC	13%	-5%	15	2	20%	19%	-15%
ADNIC	5%	-7%	40	32	10%	29%	-14%
OIC	15%	-5%	6	2	15%	31%	-28%
EIC	15%	-4%	6	3	15%	15%	-12%
AWNIC	13%	-1%	9	1	13%	72%	-26%
ADX	**2.9%**	**-5.8%**	**49**	**42**	**3.9%**	**13.6%**	**-23.7%**

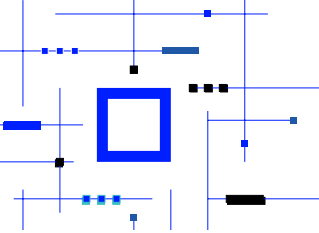## PRICE PERFORMANCE
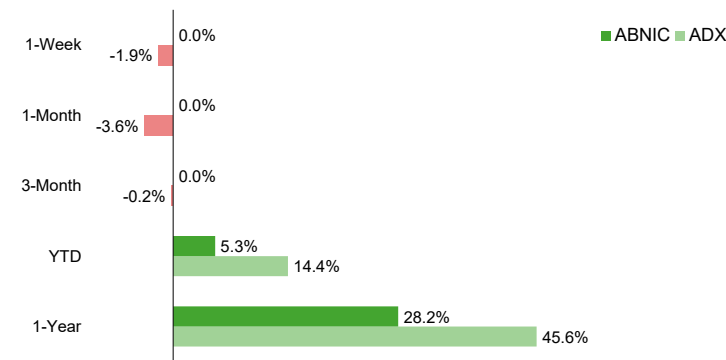
	ABNIC	ADX
Close Price (24-05-2022)	2.00	9,710
52-Week High	2.11	10,166
52-Week Low	1.48	6,576

Average Monthly Return (Last 10 Years)
	Jun	Jul	Aug
Company Avg	1.4%	5.7%	-0.1%
Industry Avg	--	--	--

Relative Strength Indicator (Scale from 1 to 100)
	ABNIC	Industry Avg
Last 1 Month	65	50
Last 3 Months	58	50
Last 6 Months	56	50

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CONDENSED STOCK REPORT TIPS

The Stock Report from Refinitiv is a concise, company-specific analysis that includes a proprietary stock rating along with underlying component indicators and supportive data elements. The report is updated daily, although some of the data elements and the ratings are updated weekly.

Peer Analysis
•   The Refinitiv Business Classification (TRBC) schema is used for industry comparisons. It is designed to track and display the primary business of a corporation by grouping together correlated companies that offer products and services into similar end markets. The system includes 10 Economic Sectors, 28 Business Sectors, 54 Industry Groups, and 136 Industries.
•   The Peer Analysis section of the report compares the company to its ten closest peers. The peers are selected from the industry based on similar market capitalization. The peer listing may have fewer than ten companies if there are fewer classified within that industry.

Earnings
The Earnings Rating is based on a combination of three factors: earnings surprises, estimate revisions, and recommendation changes. Each factor is equally weighted. A stock needs to have at least two of the three earnings factors in order to receive a score.
•   Earnings Surprises - The number of positive and negative surprises within the last 6 periods (quarters or years).
•   Estimate Revisions - The number of up and down revisions and the average percentage change of those revisions within a 4 week period.
•   Recommendation Changes - The number of broker upgrades and downgrades in the last 120 days.

Analyst Recommendations
The I/B/E/S Mean is the average recommendation of all analysts covering the stock, as provided by I/B/E/S, the Institutional Brokers Estimate System, from Refinitiv. The recommendations are presented on a five-point standardized scale: strong buy, buy, hold, reduce, and sell.

Earnings Surprises
The surprise summary includes the total number of time periods (and percentage) in the last 6 quarters (quarterly) or last 6 years (annual) in which earnings surprises were positive, negative, or in-line. In order to be recognized as a positive or negative surprise, the percent must be greater than 2% above or 2% below the consensus, respectively.

Fundamental
The Fundamental Rating is based on a combination of four fundamental component factors: profitability, debt, earnings quality, and dividend. Companies that do not pay a dividend are not penalized. Each factor is equally weighted. A stock needs to have at least two of the four fundamental factors present in order to receive a score.
•   Profitability is comprised of four data elements.
    -   Revenue Growth: (Net Sales – Previous Net Sales) / Previous Net Sales
    -   Gross Margin: Gross Profit / Net Sales
    -   Return on Equity: Net Income / Total Equity
    -   Net Margin: Net Profit / Net Sales
•   Debt is comprised of four data elements.
    -   Current Ratio: Current Assets / Current Liabilities
    -   Debt-to-Capital: Total Debt / Total Capital
    -   Interest Funding: (Interest Expense on Debt + Preferred Cash Dividends) / Funds from Operations
    -   Interest Coverage: Earnings before Interest and Taxes / (Interest Expense on Debt + Preferred Cash Dividends)
•   Earnings Quality is comprised of four data elements.
    -   Operating Cash Yield: (Operating Cash Flow – Net Income) / Net Income
    -   Accruals: (Net Income – Operating Cash Flow – Investing Cash Flow) / Average Net Operating Assets
    -   Days Sales in Inventory: 365 / (Cost of Goods Sold / Inventory)
    -   Days Sales in Receivables: 365 / (Net Sales / Receivables)
•   Dividend is comprised of four data elements. The company must have a current dividend yield.
    -   Dividend Growth Rate: (Dividends per Share – Previous Dividends per Share) / Previous Dividends per Share
    -   Dividend Payout: Dividends per Share / Earnings per Share
    -   Dividend Coverage: Funds from Operations / Cash Dividends
    -   Dividend Yield: Annual Dividends per Share / Current Market Price per Share

Relative Valuation
The Relative Valuation Rating is based on a combination of three component factors: Price to Sales (50% weight), Trailing P/E (25% weight), and Forward P/E (25% weight). A stock needs to have at least one of the three relative valuation factors present in order to receive a score.
•   Price to Sales: Close Price / (Sales for 4 Quarters or 1 Year / Shares Outstanding)
•   Trailing P/E: Close Price / Most Recent 4 Quarters or 1 Year of Earnings
•   Forward P/E: Close Price / Upcoming 4 Quarters or 1 Year of Earnings

Negative values are excluded when calculating the averages. A maximum value of 100 is placed on Trailing P/E and Forward P/E, a maximum value of 5 is placed on Forward PEG, and a maximum value of 20 is placed on Price to Sales when calculating the averages.

Risk
The Risk Rating displays stocks on a scale of 1 to 10 with 10 being awarded to the least risky stocks. It is derived by looking at a series of long-term (5-year) and shortterm (90-day) stock performance measures including volatility, magnitude of returns, beta, and correlation. Each factor is equally weighted. A stock needs to have at least two of the four risk factors in order to receive a score.
•   Magnitude of Returns – The best / worst daily returns in the past 90 days and the best / worst monthly returns in the past 60 months.
•   Volatility – The standard deviation of the stock price over the last 90 days and last 60 months, along with the average and largest intra-day stock swing.
•   Correlation – Determines how closely the returns of the stock and the relevant index move together, measured over the last 90 days and last 60 months.

Price Momentum
The Price Momentum Rating is based on a combination of two technical performance factors: relative strength (70% weight) and seasonality (30% weight). A stock needs to have data for the relative strength factor in order to receive a score.
•   Relative Strength – The relative strength of the company for the last 1 month, 3 months, and 6 months on a scale of 1 to 100.
•   Seasonality – The average monthly return (price performance) for the current month and next 2 months for the company and industry, over the past 10 years. A lower industry rank indicates a higher return.

DISCLAIMER

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