Al-Sagr National Insurance Company (PSC)

Condensed interim financial information (Unaudited)

For the nine-month period ended 30 September 2023

الصقر للتأمين
AL SAGR INSURANCE

شركة مساهمة عامة خاضعة لأحكام القانون رقم (٦) لسنة ٢٠٠٧ في شأن إنشاء هيئة التامين وتنظيم أعماله ومقيدة في سجل شركات التأمين تحت رقم (١٦) وسجل الشركات التجارية تحت رقم (٤١٣٧٠) مركزها الرئيسي دبي رأس المال المدفوع بالكامل ٢٣٠ مليون درهم

شركة الصقر الوطنية للتأمين - المنطقة الدبلوماسية، شارع السيف، بر دبي، هاتف : ٠٤-٧٠٢٨٥٠٠، فاكس : ٠٤-٣٩٦٨٤٤٢، ص.ب: ١٤٦١٤، دبي، ا.ع.م.
Al Sagr National Insurance Company - Diplomatic Area, Al Seef Road, Bur Dubai, Tel: 04-7028500, Fax: 04-3968442, PO Box 14614, Dubai, UAE

Al-Sagr National Insurance Company (Public Shareholding Company)

Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of Al-Sagr National Insurance Company (Public Shareholding Company); for the period ended 30 September 2023.

Financial Highlights

The company achieved insurance revenues amounting to AED 593 million at the end of the third quarter of 2023, compared to insurance revenues of AED 383.4 million at the end of the third quarter of the previous year. The net results at the end of the third quarter of this year showed profits of AED 2.7 million, in contrast to losses of AED 51.3 million in the same period of the previous year. Net equity reached AED 205.6 million at the end of the third quarter of 2023, compared to AED 202.9 million at the end of the previous year. It's worth noting that these figures were prepared according to IFRS 17.

Directors:-

Mr. Majid Abdulla Al Sari	Chairman
Mr. Khalid Abdulla Omran Tariam	Vice Chairman
Mr. Mohamed Ali Al Sari	Director
Mr. Abdel Muhsen Jaber	Director & CEO
Ms. Jawaher Salim Almheri	Director

Auditors:-

Grant Thornton were appointed as auditors of the Al Sagr National Insurance Company for the year 2023 at the Annual General Meeting held on 19/04/2023

For and on behalf of the board

Abdel Muhsen Jaber
Director & CEO
14/11/2023

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Review report of the Independent Auditor

To the Shareholders of Al-Sagr National Insurance Company (PSC)

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Al-Sagr National Insurance Company (PSC) (the "Company") as at 30 September 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income for the three-month and nine-month periods then ended and the related condensed interim statement of changes in equity and condensed interim statement of cash flows for the nine month period then ended.

Management is responsible for the preparation and presentation of these condensed interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information are not prepared, in all material respects, in accordance with International Accounting Standard 34 *'Interim Financial Reporting'*.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 18 to the condensed interim financial information which states that the Company did not meet the Capital Requirements as at 30 September 2023 and that the Company's ability to comply with the solvency requirement depends on the effective implementation of the business plan submitted to the Central Bank of UAE.

Grant Thornton

Grant Thornton P.O. Box: 1620 DUBAI-U.A.E. Public Accountants

GRANT THORNTON

Dr. Osama El-Bakry
Registration No: 935
Dubai, United Arab Emirates

14 November 2023

Al-Sagr National Insurance Company (PSC)
Condensed interim financial information (Unaudited)

Condensed interim statement of financial position
As at 30 September 2023

	Notes	(Unaudited) 30 September 2023 AED	*Restated* (Unaudited) 31 December 2022 AED
ASSETS			
Property and equipment		78,565,430	80,755,588
Investment in associates	4	107,274,704	99,475,388
Investment in financial assets at FVTPL	5	22,345,679	19,404,579
Investment property	6	157,931,895	157,931,895
Insurance contract assets	7	11,384,362	16,362,791
Reinsurance contract assets	7	176,023,381	136,621,711
Due from related parties	11	12,793,779	14,629,709
Other receivables and prepayments		20,607,003	16,451,686
Bank balances and cash	8	256,273,007	207,941,277
TOTAL ASSETS		843,199,240	749,574,624
EQUITY AND LIABILITIES			
Equity			
Share capital	9	230,000,000	230,000,000
Statutory reserve	10	70,203,206	70,203,206
Reinsurance reserve	10	2,751,401	2,751,401
Accumulated losses		(97,265,152)	(100,027,842)
Total equity		205,689,455	202,926,765
Liabilities			
Employees' end of service indemnity		6,475,281	6,575,008
Bank borrowings	8	241,287,136	158,788,906
Other payables		55,840,037	46,231,953
Insurance contract liabilities	7	277,842,523	305,214,442
Reinsurance contract liabilities	7	56,064,808	28,364,610
Lease liability		-	1,472,940
Total liabilities		637,509,785	546,647,859
TOTAL EQUITY AND LIABILITIES		843,199,240	749,574,624

The condensed interim financial information were authorised for issue in accordance with a resolution of the Directors on 14 November 2023.

Majid Abdulla Al Sari
Chairman

Abdel Muhsen Jaber
Director and CEO

Al-Sagr National Insurance Company (PSC)
Condensed interim financial information (Unaudited)

Condensed interim statement of comprehensive income
For the period ended 30 September 2023

	Notes	Three-month period ended 30 September (Unaudited) 2023 AED	*Restated* 2022 AED	Nine-month period ended 30 September (Unaudited) 2023 AED	*Restated* 2022 AED
Insurance premium		**222,704,975**	137,822,117	**593,035,249**	383,473,765
Insurance service expenses	13	**(217,512,341)**	(126,219,466)	**(567,592,410)**	(381,576,823)
Insurance service result before reinsurance contracts held		**5,192,634**	11,602,651	**25,442,839**	1,896,942
Allocation of reinsurance premiums		**(62,954,498)**	(43,673,214)	**(170,523,750)**	(129,163,121)
Amounts recoverable from reinsurance for incurred claims		**61,777,787**	42,595,008	**167,736,196**	96,908,418
Net expenses from reinsurance contracts held		**(1,176,711)**	(1,078,206)	**(2,787,554)**	(32,254,703)
Insurance service result		**4,015,923**	10,524,445	**22,655,285**	(30,357,761)
Investment income/(loss)	14	**10,178,300**	(12,297,349)	**13,452,020**	(14,838,681)
Insurance finance (expense)/income for insurance contracts issued	14	**(2,225,635)**	(864,341)	**(8,187,717)**	1,034,171
Reinsurance finance income/(expense) for reinsurance contracts held	14	**1,692,716**	809,276	**5,681,657**	(943,595)
Net insurance financial result		**13,661,304**	(1,827,969)	**33,601,245**	(45,105,866)
Other operating expenses		**(15,099,194)**	(3,633,557)	**(24,246,034)**	(3,843,857)
Finance costs		**(2,464,188)**	(849,227)	**(6,592,521)**	(2,394,836)
(LOSS)/PROFIT FOR THE PERIOD		**(3,902,078)**	(6,310,753)	**2,762,690**	(51,344,559)
Other comprehensive income		**-**	-	**-**	-
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD		**(3,902,078)**	(6,310,753)	**2,762,690**	(51,344,559)
Basic and diluted (loss)/earnings per share	12	**(0.02)**	(0.03)	**0.01**	(0.22)

The notes from 1 to 18 form an integral part of these condensed interim financial information.

Condensed interim statement of changes in equity
For the period ended 30 September 2023

	Share capital AED	Statutory reserve AED	General reserve AED	Reinsurance reserve AED	Accumulated losses AED	Total equity AED
Balance at 1 January 2023 (Audited)	**230,000,000**	**70,203,206**	-	**2,751,401**	**(96,596,057)**	**206,358,550**
Adjustment on initial application of IFRS 17	-	-	-	-	**(3,431,785)**	**(3,431,785)**
Restated balance at 1 January 2023	**230,000,000**	**70,203,206**	-	**2,751,401**	**(100,027,842)**	**202,926,765**
Profit for the period	-	-	-	-	**2,762,690**	**2,762,690**
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	**2,762,690**	**2,762,690**
Balance at 30 September 2023 (Unaudited)	**230,000,000**	**70,203,206**	-	**2,751,401**	**(97,265,152)**	**205,689,455**
Balance as at 1 January 2022, as previously reported	230,000,000	70,203,206	20,000,000	1,612,577	(66,011,660)	255,804,123
Adjustment on initial application of IFRS 17	-	-	-	-	(2,010,094)	(2,010,094)
Restated balance as at 1 January 2022	230,000,000	70,203,206	20,000,000	1,612,577	(68,021,754)	253,794,029
Loss for the period (restated)	-	-	-	-	(51,344,559)	(51,344,559)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(51,344,559)	(51,344,559)
Transfer from general reserve to retained earnings (note 10)	-	-	(20,000,000)	-	20,000,000	-
Balance at 30 September 2022 (Unaudited)	230,000,000	70,203,206	-	1,612,577	(99,366,313)	202,449,470

The notes from 1 to 18 form an integral part of these condensed interim financial information.

Condensed interim statement of cash flows
For the period ended 30 September 2023

	Notes	(Unaudited) Nine-month period ended 30 September 2023 AED	*Restated* (Unaudited) Nine-month period ended 30 September 2022 AED
OPERATING ACTIVITIES			
Profit/(loss) for the period		**2,762,690**	(51,344,559)
Adjustment for:			
Net unrealised gain from investments in financial assets at FVTPL	5	**(2,941,100)**	(740,036)
Share of (profit)/losses from equity accounted investees	4	**(7,799,316)**	14,870,676
Depreciation		**2,277,180**	2,421,981
Finance costs		**6,592,521**	2,394,836
Interest income		**(6,845,530)**	(2,123,841)
Dividend income from investment in financial assets at FVTPL	5	**(404,802)**	(351,114)
Gain on disposal of property and equipment		**-**	(18,083)
Gain on termination of lease liability		**-**	(92,830)
Provision for employees' end of service benefits		**809,327**	819,000
Interest on lease liability		**30,669**	90,243
		(5,518,361)	(34,073,727)
Changes in operating assets and liabilities:			
Insurance contract assets and liabilities-net		**(22,393,490)**	(32,792,969)
Reinsurance contract assets and liabilities-net		**(11,701,472)**	44,942,578
Due from related parties		**1,835,930**	-
Other receivables and prepayments		**(4,155,317)**	(7,043,282)
Other payables		**9,608,084**	9,431,909
		(32,324,626)	(19,535,491)
Employees' end of service benefits paid		**(909,054)**	(1,615,650)
Net cash used in operating activities		**(33,233,680)**	(21,151,141)
INVESTING ACTIVITIES			
Purchase of property and equipment		**(126,554)**	(475,878)
Net proceeds from sale of property and equipment		**39,532**	68,595
Net proceeds from sale of investment in financial assets at FVTPL		**-**	(2,749,935)
Dividends received from investment in financial assets at FVTPL		**404,802**	351,114
Interest received		**6,845,530**	2,123,841
Net cash generated from/(used in) investing activities		**7,163,310**	(682,263)
FINANCING ACTIVITIES			
Interest paid		**(6,592,521)**	(2,394,836)
Payment of lease liability		**(1,503,609)**	(1,503,608)
Net cash used in financing activities		**(8,096,130)**	(3,898,444)
Net change in cash and cash equivalents		**(34,166,500)**	(25,731,848)
Cash and cash equivalents, beginning of period		**49,152,371**	37,759,525
Cash and cash equivalents, end of period	8	**14,985,871**	12,027,677

The notes from 1 to 18 form an integral part of these condensed interim financial information.

1 Legal status and activities

Al-Sagr National Insurance Company (PSC), (the "Company") was incorporated on 25 December 1979 as a public shareholding company by an Emiri Decree from His Highness, The Ruler of Dubai, and is registered with the Ministry of Economy of the United Arab Emirates under registration No. (16). The Company's address is P.O. Box 14614, Dubai, U.A.E. The Company is a subsidiary of Gulf General Investments Co. PSC (the "Parent Company"), a public company incorporated in U.A.E.

The principal activity of the Company is the writing of insurance of all types. The Company operates through its Head Office in Dubai and its branches in Dubai, Sharjah, Abu Dhabi, Al Ain, Ras Al Khaimah and Ajman in the U.A.E.

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax regime in the UAE. The Law was published in the official gazette on 10 October 2022 and became effective on 25 October 2022. The Corporate Tax law will apply to taxable persons for financial years beginning on or after 1 June 2023. The corporate income tax will apply on the adjusted accounting net profits of a business. The Company is currently in the process of assessing the possible impact on its financial statements, both from current and deferred tax perspective, in preparation for full compliance with the new corporate tax law noting that the first tax period for the Company is starting on 1 January 2024.

2 Basis of preparation

This condensed interim financial information is for the nine-month period ended 30 September 2023 and is presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Company. This condensed interim financial information has been prepared in accordance with IAS 34 *'Interim Financial Reporting'* and complies with the applicable requirements of the laws in the U.A.E.

This condensed interim financial information has been prepared on the historical cost basis, except for financial assets carried at fair value through other comprehensive income which are carried at fair value and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labour laws.

The Company's condensed interim statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: bank balance and cash, insurance and other receivables and prepayment and insurance and other payables. The following balances would generally be classified as non-current: property and equipment, fixed deposit, and provision for employees' end of service indemnity. The following balances are of mixed nature (including both current and non-current portions): Investment in financial assets at FVTPL, insurance and reinsurance contract assets, insurance and reinsurance contract liabilities and bank balances.

The condensed interim financial information does not include all of the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2022. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

3 Significant accounting policies

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of this condensed interim financial information are consistent with those used in the audited financial statements for the year ended 31 December 2022, except for application of new standards effective as of 1 January 2023 and several amendments and interpretations apply for the first time in 2023.

The Company has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards – Impact of new IFRS

IFRS 17 Insurance Contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Company's estimates of the present value of future cash flows that are expected to arise as the Company fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin.

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Company expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Company has restated comparative information applying the transitional provisions to IFRS 17. The nature of the changes in accounting policies can be summarised as follows:

Changes to classification and measurement

The adoption of IFRS 17 did not change the classification of the Company's insurance contracts. The Company was previously permitted under IFRS 4 to continue accounting using its previous accounting policies. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Company.

Under IFRS 17, the Company's insurance contracts issued, and reinsurance contracts held are all eligible to be measured by applying the premium allocation approach (PAA). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The Company applies the PAA to simplify the measurement of all of its insurance and reinsurance contracts. When measuring liabilities for remaining coverage, the PAA is similar to the Company's previous accounting treatment. However, when measuring liabilities for incurred claims, the Company now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts ('deferred acquisition costs') until those costs were included in the statement of comprehensive income. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount in profit or loss. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Company under IFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less deferred acquisition expenses less amounts recognised in revenue for insurance services provided;
- Measurement of the liability for remaining coverage includes an adjustment for the time value of money and the effect of financial risk where the premium due date and the related period of coverage are more than 12 months apart;
- Measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk when a group of contracts is onerous in order to calculate a loss component (previously these may have formed part of the unexpired risk reserve provision); and

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards – Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Changes to classification and measurement (continued)

- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not-reported (IBNR)) is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk.

The Company expenses all of its insurance acquisition cash flows upon payment, except for commission cashflow which is capitalised. No separate asset is recognised for deferred acquisition costs. Instead, qualifying insurance acquisition cash flows are subsumed into the insurance liability for remaining coverage.

Changes to presentation and disclosure

For presentation in the condensed interim statement of financial position, the Company aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents separately:

- Groups of insurance and reinsurance contracts issued that are assets;
- Groups of insurance and reinsurance contracts issued that are liabilities;
- Groups of reinsurance contracts held that are assets; and
- Groups of reinsurance contracts held that are liabilities.

The groups referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

The line-item descriptions in the condensed interim statement of comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

- Gross written premiums
- Net written premiums
- Changes in premium reserves
- Gross insurance claims
- Net insurance claims

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held

The Company provides disaggregated qualitative and quantitative information about:

- Amounts recognised in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, when applying the standard

Transition

The default transition approach under IFRS 17 is the Full Retrospective Approach ("FRA") which requires that upon transition IFRS 17 should be applied from inception of the groups of contracts as if IFRS 17 has always been applicable. However, if FRA is impracticable the following methods may be adopted:

- Modified Retrospective Approach ("MRA"): Under this approach the objective is to achieve the closest possible approximation to the FRA using the modifications allowed within the standard and without undue cost and effort.
- Fair Value Approach ("FVA"): Under this approach the fair value of the groups of contracts is computed and compared with the FCF. The CSM or loss component is the difference between the fair value and the FCF. Fair values for this purpose must be computed applying IFRS 13.

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards - Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Transition (continued)

The Company has applied the transition provisions in IFRS 17 and has not disclosed the impact of the adoption of IFRS 17 on each condensed interim financial information line item and EPS. The effects of adopting IFRS 17 on the condensed interim financial information at 1 January 2022 are presented in the condensed interim statement of changes in equity.

Insurance and reinsurance contracts classification

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

Insurance and reinsurance contracts accounting treatment

Separating components from insurance and reinsurance contracts

The Company assesses its insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company's products do not include any distinct components that require separation.

Some reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

Level of aggregation

Level of aggregation relates to the unit of account under IFRS 17. The unit of account under IFRS 17 is referred to as a 'Group of Contracts' and requirements relating to level of aggregation define how groups of contracts have to be determined.

The standard has set out the following requirements to determine a group of contracts:

- Portfolio – contracts that have similar risks and that are managed together can be grouped.
- Profitability – contracts with similar expected profitability (at inception or initial recognition) can be grouped.
- Cohorts – contracts issued more than 12 months apart cannot be grouped together. However, in certain circumstances a one-time simplification upon transition for contracts as at the transition is allowed.

For this purpose, the standard has mandated at least the following three classifications however it is permitted to use more granular classifications:

- Contracts that are onerous at inception;
- Contracts that are not onerous and have no significant possibility of becoming onerous; and
- All other contracts.

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards – Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Insurance and reinsurance contracts accounting treatment (continued)

Recognition

Recognition requirements are slightly different for issued contracts and held contracts. For groups of issued contracts, a group should be recognised at the earliest of the following:

- Beginning of the coverage period;
- Date when the first payment from a policyholder becomes due; and
- For a group of onerous contracts when the group becomes onerous.

Reinsurance contracts held by an entity are recognised on the earlier of:

- Beginning of the coverage period of the group of reinsurance contracts held; and
- Date the entity recognises an onerous group of underlying takaful contracts provided the reinsurance contract was in force on or before that date.

Regardless of the first point above, the recognition of proportional reinsurance contracts held shall be delayed until the recognition of the first underlying contract issued under that reinsurance contract.

Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with services.

A substantive obligation to provide services ends when:

- The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or

Both of the following criteria are satisfied:

- The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
- The pricing of the premiums for coverage up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

Measurement - Premium Allocation Approach

Insurance contracts – initial measurement

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract in the group is one year or less, including coverage arising from all premiums within the contract boundary.

Or

- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards - Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Insurance and reinsurance contracts accounting treatment (continued)

Measurement - Premium Allocation Approach (continued)

Insurance contracts – initial measurement (continued)

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred.

Variability in the fulfilment cash flows increases with:

- The extent of future cash flows related to any derivatives embedded in the contracts.
- The length of the coverage period of the group of contracts.

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as the premiums, if any, received at initial recognition, minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed, plus or minus any amount arising from the derecognition at that date of the asset or liability recognised for insurance acquisition cash flows that the Company pays or receives before the group of insurance contracts is recognised. There is no allowance for time value of money as the premiums are mostly received within one year of the coverage period.

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues, however, adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Insurance contracts – subsequent measurement

The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period;
- Minus capitalised insurance acquisition cash flows;
- Plus any amounts relating to the amortisation of the acquisition cash flows recognised as an expense in the reporting period for the group;
- Plus any adjustment to the financing component, where applicable;
- Minus the amount recognised as insurance revenue for the coverage period; and
- Minus any investment component paid or transferred to the liability for incurred claims.

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the entity, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Insurance acquisition cash flows are allocated on a straight-line basis as a portion of premium to statement of comprehensive income (through insurance revenue).

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards - Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Insurance and reinsurance contracts accounting treatment (continued)

Insurance contracts – subsequent measurement **(continued)**

Reinsurance contracts

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.

Insurance contracts – modification and derecognition

The Company derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired);

Or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of groups of insurance contracts issued that are assets, groups of insurance contracts issued that are liabilities, reinsurance contracts held that are assets and groups of reinsurance contracts held that are liabilities.

Any assets or liabilities for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts issued.

The Company disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion which will be presented in insurance finance income or expenses and in insurance service result respectively.

The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of coverage on the basis of the passage of time; but if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then on the basis of the expected timing of incurred insurance service expenses.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

3 Significant accounting policies (continued)

Standards, interpretations and amendments to existing standards - Impact of new IFRS (continued)

IFRS 17 Insurance Contracts (continued)

Insurance and reinsurance contracts accounting treatment (continued)

Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. If at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Company disaggregates insurance finance income or expenses between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. The Company's financial assets are also measured at FVTOCI.

Net income or expense from reinsurance contracts held

The Company presents separately on the face of the statement of comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement comprehensive income.

Critical accounting estimates and judgments in applying accounting policies

The preparation of this condensed interim financial information requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the audited financial statements as at and for the year ended 31 December 2022. Except for the below judgements.

Insurance and reinsurance contracts

The Company applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

Liability for remaining coverage

For insurance acquisition cash flows, the Company is eligible and chooses to recognise the payments as an expense immediately (coverage period of a year or less) for all acquisition cashflows except for commission expense which is capitalised.

3 Significant accounting policies (continued)

Critical accounting estimates and judgments in applying accounting policies (continued)

Liability for remaining coverage (continued)

The effect of recognising insurance acquisition cash flows as an expense on initial recognition of group of insurance contracts is to increase the liability for remaining coverage on initial recognition and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on initial recognition, due to expensing acquisition cash flows, offset by an increase in profit released over the coverage period. For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows.

Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

Discount rates

The Company use bottom-up approach to derive the discount rate. Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). The risk-free rate was derived using swap rates available in the market denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with a AAA credit rating were used. Management uses judgment to assess liquidity characteristics of the liability cash flows.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Company has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Company has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

3 Significant accounting policies (continued)

Critical accounting estimates and judgments in applying accounting policies (continued)

Insurance and financial risk management

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as at and for the year ended 31 December 2022. There have been no changes in any risk management policies since the year end. The accounting policies in respect of property and equipment, intangible assets and financial assets have been disclosed in this condensed interim financial information as required by Securities and Commodities Authority ("SCA") notification dated 12 October 2008.

Valuation of investment property

The fair value of investment property was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuer provides the fair value of the Company's investment property portfolio annually.

Impairment losses on insurance receivables

Assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL. The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

4 Investment in associates

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Green Air Technology L.L.C., UAE	**16,716**	16,716
Sogour Al Khaleej General Trading L.L.C., UAE	**150,000**	150,000
Al Sagr Cooperative Insurance Company, KSA	**107,107,988**	99,308,672
	107,274,704	99,475,388

The Company holds 50% and the Parent Company holds 25% ownership respectively in Green Air Technology L.L.C., a limited liability company incorporated in Dubai, United Arab Emirates.

The Company holds 50% ownership in Sogour Al Khaleej General Trading L.L.C., a limited liability company incorporated in Dubai, United Arab Emirates. The remaining 50% ownership is owned by the Parent Company.

Although, the Company holds 50% equity and the voting rights in these two associates, these are controlled by the Parent Company. The Company's voting rights in these entities do not give it control over these entities.

As at 30 September 2023, the Company hold 26% shares of Al Sagr Cooperative Insurance Company ("Al Sagr Cooperative"). Out of the 26% shares, the Company holds 6% shares for the beneficial interest of other individuals. The Company accounts for the 20% holding as an investment in associate as the Company has significant influence over Al Sagr Cooperative under the equity method as follows:

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
At the beginning of the period/year	**99,308,672**	118,174,088
Company's share of net profit/(loss) for the period/year	**7,799,316**	(18,865,416)
At the end of the period/year	**107,107,988**	99,308,672

5 Investment in financial assets at FVTPL

Following is the movement of investments at FVTPL during the year:

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
At the beginning of the period/year	**19,404,579**	15,587,696
Net disposals during the period/year	-	2,749,991
Changes in fair value during the period/year	**2,941,100**	1,066,892
At the end of the period/year	**22,345,679**	19,404,579

All investments are held within U.A.E. except for investments at FVTPL amounting to AED 0.1 million (31 December 2022: AED 0.1 million). During the current period, the Company received dividend income of AED 404,802 (nine-month period ended 30 September 2022: AED 351,114) on its investments in securities.

6 Investment property

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Investment property	**157,931,895**	157,931,895

Investment property is located in Al Barsha First, Dubai. The fair value of the property is based on valuation performed by accredited independent valuer as at 31 December 2022. Management have reviewed the fair value of investment property as at 30 September 2023 and are of the opinion that there is no significant change in the fair value compared to previous valuation carried at 31 December 2022.

7 Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	30 September 2023 (Unaudited)			*Restated* 31 December 2022 (Unaudited)		
	Assets	**Liabilities**	**Net**	Assets	Liabilities	Net
	AED	**AED**	**AED**	AED	AED	AED
Insurance contracts issued						
Life and Medical	**-**	**118,929,798**	**118,929,798**	-	141,414,064	141,414,064
General and Motor	**11,384,362**	**158,912,725**	**147,528,363**	16,362,791	163,800,378	147,437,587
Total insurance contracts issued	**11,384,362**	**277,842,523**	**266,458,161**	16,362,791	305,214,442	288,851,651
Reinsurance contracts held						
Life and Medical	**64,546,448**	**-**	**64,546,448**	19,981,087	-	19,981,087
General and Motor	**111,476,933**	**56,064,808**	**55,412,125**	116,640,624	28,364,610	88,276,014
Total reinsurance contracts held	**176,023,381**	**56,064,808**	**119,958,573**	136,621,711	28,364,610	108,257,101

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The Company disaggregates information to provide disclosure in respect of major product lines separately: Life & Medical and General & Motor. This disaggregation has been determined based on how the company is managed.

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table on the next page:

7 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

	Life and Medical				General and Motor				
	Liabilities for remaining coverage		Liabilities for incurred claims		Liabilities for remaining coverage		Liabilities for incurred claims		
30 September 2023 (Unaudited)	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Insurance contract liabilities as at 1 January	76,034,940	-	64,081,293	1,297,831	(10,851,752)	6,914,787	160,532,822	7,204,521	305,214,442
Insurance contract assets as at 1 January	-	-	-	-	(28,792,791)	-	11,907,137	522,863	(16,362,791)
Net contract liabilities as at 1 January	76,034,940	-	64,081,293	1,297,831	(39,644,543)	6,914,787	172,439,959	7,727,384	288,851,651
Insurance revenue	(334,314,811)	-	-	-	(258,720,438)	-	-	-	(593,035,249)
Insurance service expenses	26,852,265	-	297,662,195	719,721	46,525,406	(335,655)	195,964,335	204,143	567,592,410
Incurred claims and other expenses	-	-	207,660,973	2,648,444	-	-	191,416,397	5,609,268	407,335,082
Amortisation of insurance acquisition cash flows	26,852,265	-	-	-	46,525,406	-	-	-	73,377,671
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	(335,655)	-	-	(335,655)
Changes to liabilities for incurred claims	-	-	90,001,222	(1,928,723)	-	-	4,547,938	(5,405,125)	87,215,312
Insurance service result	(307,462,546)	-	297,662,195	719,721	(212,195,032)	(335,655)	195,964,335	204,143	(25,442,839)
Insurance finance expenses	-	-	1,377,941	31,262	-	-	6,454,270	324,244	8,187,717
Total changes in the statement of comprehensive	(307,462,546)	-	299,040,136	750,983	(212,195,032)	(335,655)	202,418,605	528,387	(17,255,122)
Cash flows									
Premiums received	268,745,692	-	-	-	248,190,550	-	-	-	516,936,242
Claims and other expenses paid	-	-	(261,890,518)	-	-	-	(178,798,820)	-	(440,689,338)
Insurance acquisition cash flows	(21,668,015)	-	-	-	(59,717,257)	-	-	-	(81,385,272)
Total cash flows	247,077,677	-	(261,890,518)	-	188,473,293	-	(178,798,820)	-	(5,138,368)
Net insurance contract liabilities as at 30 September	15,650,071	-	101,230,911	2,048,814	(63,366,282)	6,579,132	196,059,744	8,255,771	266,458,161
Insurance contract liabilities as at 30 September	15,650,071	-	101,230,911	2,048,814	(31,647,253)	6,579,132	176,546,865	7,433,983	277,842,523
Insurance contract assets as at 30 September	-	-	-	-	(31,719,029)	-	19,512,879	821,788	(11,384,362)
Net insurance contract liabilities as at 30 September	15,650,071	-	101,230,911	2,048,814	(63,366,282)	6,579,132	196,059,744	8,255,771	266,458,161

7 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

	Life and Medical				General and Motor				
	Liabilities for remaining coverage		Liabilities for incurred claims		Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2022 (Unaudited) *(Restated)*	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Insurance contract liabilities as at 1 January	(6,948,618)	-	38,798,591	847,859	4,995,526	6,364,724	243,151,247	11,461,120	298,670,449
Insurance revenue	(300,472,459)	-	-	-	(227,500,082)	-	-	-	(527,972,541)
Insurance service expenses	24,967,448	-	278,972,606	444,037	35,061,720	550,063	174,732,288	(4,007,781)	510,720,381
Incurred claims and other expenses	-	-	175,193,342	1,058,127	-	-	97,726,515	1,708,968	275,686,952
Amortisation of insurance acquisition cash flows	24,967,448	-	-	-	35,061,720	-	-	-	60,029,168
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	550,063	-	-	550,063
Changes to liabilities for incurred claims	-	-	103,779,264	(614,090)	-	-	77,005,773	(5,716,749)	174,454,198
Insurance service result	(275,505,011)	-	278,972,606	444,037	(192,438,362)	550,063	174,732,288	(4,007,781)	(17,252,160)
Insurance finance expenses	-	-	103,444	5,935	-	-	419,484	274,045	802,908
Total changes in the statement of comprehensive income	(275,505,011)	-	279,076,050	449,972	(192,438,362)	550,063	175,151,772	(3,733,736)	(16,449,252)
Cash flows									
Premiums received	386,208,906	-	-	-	187,470,300	-	-	-	573,679,206
Claims and other expenses paid	-	-	(253,793,348)	-	-	-	(245,863,060)	-	(499,656,408)
Insurance acquisition cash flows	(27,720,337)	-	-	-	(39,672,007)	-	-	-	(67,392,344)
Total cash flows	358,488,569	-	(253,793,348)	-	147,798,293	-	(245,863,060)	-	6,630,454
Net insurance contract liabilities as at 31 December	76,034,940	-	64,081,293	1,297,831	(39,644,543)	6,914,787	172,439,959	7,727,384	288,851,651
Insurance contract liabilities as at 31 December	76,034,940	-	64,081,293	1,297,831	(10,851,752)	6,914,787	160,532,822	7,204,521	305,214,442
Insurance contract assets as at 31 December	-	-	-	-	(28,792,791)	-	11,907,137	522,863	(16,362,791)
Net insurance contract liabilities/(assets) as at 31 December	76,034,940	-	64,081,293	1,297,831	(39,644,543)	6,914,787	172,439,959	7,727,384	288,851,651

7 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims

	Life and Medical				General and Motor				
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims		
30 September 2023 (Unaudited)	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Reinsurance contract assets as at 1 January	(3,262,056)	-	22,793,471	449,672	(7,723,586)	-	118,501,421	5,862,789	136,621,711
Reinsurance contract liabilities as at 1 January	-	-	-	-	(30,916,220)	-	2,470,433	81,177	(28,364,610)
Net reinsurance contract (liabilities)/assets as at 1 January	(3,262,056)	-	22,793,471	449,672	(38,639,806)	-	120,971,854	5,943,966	108,257,101
An allocation of reinsurance premiums	(94,977,673)	-	-	-	(75,546,077)	-	-	-	(170,523,750)
Amounts recoverable from reinsurers for incurred claims	-	-	120,368,089	421,624	-	-	47,312,592	(366,109)	167,736,196
Amounts recoverable for incurred claims and other expenses	-	-	80,657,033	1,186,666	-	-	55,002,415	2,496,030	139,342,144
Changes to amounts recoverable for incurred claims	-	-	39,711,056	(765,042)	-	-	(7,689,823)	(2,862,139)	28,394,052
Net income or expense from reinsurance contracts held	(94,977,673)	-	120,368,089	421,624	(75,546,077)	-	47,312,592	(366,109)	(2,787,554)
Reinsurance finance income	-	-	576,505	12,613	-	-	5,021,894	267,718	5,878,730
Effect of changes in non-performance risk of reinsurers	-	-	(124,795)	-	-	-	(72,278)	-	(197,073)
Total changes in the statement of comprehensive income	(94,977,673)	-	120,819,799	434,237	(75,546,077)	-	52,262,208	(98,391)	2,894,103
Cash flows									
Premiums paid	117,937,106	-	-	-	39,082,179	-	-	-	157,019,285
Amounts received	-	-	(99,648,107)	-	-	-	(48,563,809)	-	(148,211,916)
Total cash flows	117,937,106	-	(99,648,107)	-	39,082,179	-	(48,563,809)	-	8,807,369
Net reinsurance contract assets as at 30 September	19,697,377	-	43,965,163	883,909		-	124,670,253	5,845,575	119,958,573
Reinsurance contract assets as at 30 September	19,697,377	-	43,965,163	883,909	5,044,290	-	101,525,588	4,907,054	176,023,381
Reinsurance contract liabilities as at 30 September	-	-	-	-	(80,147,994)	-	23,144,665	938,521	(56,064,808)
Net reinsurance contract assets as at 30 September	19,697,377	-	43,965,163	883,909	(75,103,704)	-	124,670,253	5,845,575	119,958,573

7 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

	Life and Medical				General and Motor				
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2022 (Unaudited) *(Restated)*	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Reinsurance contract assets as at 1 January	-	-	-	-	19,921,247	1,558	167,481,043	8,633,332	196,037,180
Reinsurance contract liabilities as at 1 January	(54,203,470)	-	13,350,395	286,306	-	-	-	-	(40,566,769
Net reinsurance contract assets/(liabilities) as at 1 January	(54,203,470)	-	13,350,395	286,306	19,921,247	1,558	167,481,043	8,633,332	155,470,411
Allocation of reinsurance premiums	(84,717,502)	-	-	-	(92,054,026)	-	-	-	(176,771,52
Amounts recoverable from reinsurers for incurred claims	-	-	113,760,608	161,497	-	(1,558)	28,632,441	(2,911,621)	139,641,367
Amounts recoverable for incurred claims and other expenses	-	-	63,342,731	364,974	-	-	40,196,458	822,314	104,726,477
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	-	-	(1,558)	-	-	(1,558)
Changes to amounts recoverable for incurred claims	-	-	50,417,877	(203,477)	-	-	(11,564,017)	(3,733,935)	34,916,448
Net income or expense from reinsurance contracts held	(84,717,502)	-	113,760,608	161,497	(92,054,026)	(1,558)	28,632,441	(2,911,621)	(37,130,161
Reinsurance finance income	-	-	(2,067)	1,869	-	-	515,401	222,255	737,458
Effect of changes in non-performance risk of reinsurers	-	-	(93,778)	-	-	-	(391,900)	-	(485,678)
Total changes in the statement of comprehensive income	(84,717,502)	-	113,664,763	163,366	(92,054,026)	(1,558)	28,755,942	(2,689,366)	(36,878,381
Cash flows									
Premiums paid	135,658,916	-	-	-	33,492,973	-	-	-	169,151,889
Amounts received	-	-	(104,221,687)	-	-	-	(75,265,131)	-	(179,486,81
Total cash flows	135,658,916	-	(104,221,687)	-	33,492,973	-	(75,265,131)	-	(10,334,929
Net reinsurance contract (liabilities)/assets as at 31 December	(3,262,056)	-	22,793,471	449,672	(38,639,806)	-	120,971,854	5,943,966	108,257,101
Reinsurance contract assets as at 31 December	(3,262,056)	-	22,793,471	449,672	(7,723,586)	-	118,501,421	5,862,789	136,621,711
Reinsurance contract liabilities as at 31 December	-	-	-	-	(30,916,220)	-	2,470,433	81,177	(28,364,610
Net reinsurance contract assets/(liabilities) as at 31 December	(3,262,056)	-	22,793,471	449,672	(38,639,806)	-	120,971,854	5,943,966	108,257,101

8 Bank balances and cash

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Cash in hand	**79,009**	77,834
Bank balances:		
Current accounts	**529,674**	10,491,956
Fixed deposits	**255,698,305**	197,405,468
Less: Expected credit losses	**(33,981)**	(33,981)
	256,273,007	207,941,277

Fixed deposits with banks as at 30 September 2023 include AED 10.3 million (31 December 2022: AED 10.3 million) deposited in the name of the Company to the order of the Ministry of Economy and Trade of the United Arab Emirates as required by the Federal Law Number (6) of 2007 relating to Central Bank of UAE.

All fixed deposits with banks mature within different periods not exceeding one year from the financial date of deposit and carry interest rates between 2% to 5.5% per annum (31 December 2022: 1.2% to 4.9% per annum).

Cash and cash equivalents for the purpose of statement of cash flows is analysed as follows:

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED	(Unaudited) 30 September 2022 AED
Bank balances and cash	**256,273,007**	207,941,277	187,811,139
Bank borrowings	**(241,287,136)**	(158,788,906)	(175,783,462)
Cash and cash equivalents	**14,985,871**	49,152,371	12,027,677

The Company has bank facilities in the form of overdrafts repayable upon demand and bearing interest ranging from 2.5% to 5.7% per annum (31 December 2022: 1.25% to 5.15%). These facilities are secured by lien on fixed deposits amounting to AED 231 million (31 December 2022: AED 168.5 million).

9 Share capital

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Issued and fully paid 230,000,000 shares of AED 1 each (31 December 2022: 230,000,000 share of AED 1 each)	**230,000,000**	230,000,000

10 Reserves

Statutory reserve

In accordance with the UAE Commercial Companies Law no. (32) of 2021 (the "Law")and the Company's Articles of Association, 10% of the profit for the year should be transferred to legal reserve. The Company may resolve to discontinue such transfers when the reserve totals 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated by the Law. During the period, no transfers were made to the statutory reserve (31 December 2022: nil).

General reserve

The general reserve is established through transfers from profit for the year as recommended by the Board of Directors and approved by the Shareholders at the Annual General Meeting. The reserve is distributable based on a recommendation by the Board of Directors approved by a Shareholders' resolution. During the period no transfers were made to/from the general reserves. (31 December 2022: On recommendation of Board of Directors, Shareholders have approved, in general meeting held on 21 April 2022, transfer of AED 20 million from general reserves to retained earnings).

Reinsurance reserve

In accordance with Insurance Authority's Board of Directors' Decision No. 23, Article 34, AED 1.14 million based on reinsurance share of premium at a rate of 0.5% was transferred from retained earnings to reinsurance reserve during the year ended 31 December 2022. The reserve is not available for distribution, and will not be disposed of without prior approval from Central Bank of UAE.

11 Related parties

The Company, in the normal course of business, collects premiums from and settles claims of other businesses that fall within the definition of related parties as contained as IAS 24. These transactions are carried out at terms mutually agreed between the parties on an arm's length basis. Key Management personnel comprise of Chairman and Directors.

Transactions with related parties

	(Unaudited) Nine-month period ended 30 September 2023 AED	(Unaudited) Nine-month period ended 30 September 2022 AED
Entities under common control		
Gross premiums	**1,698,761**	2,028,659
Claims paid	**(251,656)**	(320,655)
Key managerial personnel remuneration		
Salaries and benefits	**1,894,815**	3,096,296

Related parties' balances

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Due from related parties		
Entities under common control	**103,996,704**	105,398,685
Due from shareholders	**366,760**	800,709
	104,363,464	106,199,394
Less: Expected credit losses	**(91,569,685)**	(91,569,685)
	12,793,779	14,629,709

12 Basic and diluted (loss)/earnings per share

Basic (loss)/earnings per share are calculated by dividing the (loss)/profit for the period, net of directors' fees, by the weighted average number of shares outstanding during the period as follows:

	Three-month period ended 30-September (Unaudited)		Nine-month period ended 30-September (Unaudited)	
	2023	2022	**2023**	2022
(Loss)/profit for the period (AED)	**(3,902,078)**	(6,310,753)	**2,762,690**	(51,344,559)
Weighted average number of shares outstanding during the period	**230,000,000**	230,000,000	**230,000,000**	230,000,000
Basic and diluted (loss)/earnings per share (AED)	**(0.02)**	(0.03)	**0.01**	(0.22)

The Company does not have potentially diluted shares and accordingly, diluted (loss)/earnings per share equals basic (loss)/earnings per share.

13 Insurance service expense

For the nine-month period ended 30 September 2023 (Unaudited)	**Life and medical AED**	**General and motor AED**	**Total AED**
Incurred claims and other expenses	**210,309,417**	**197,025,666**	**407,335,083**
Amortisation of insurance acquisition cash flows	**26,852,265**	**46,525,406**	**73,377,671**
Losses on onerous contracts and reversals of those losses	**-**	**(335,655)**	**(335,655)**
Changes to liabilities for incurred claims	**88,072,499**	**(857,188)**	**87,215,311**
	325,234,181	**242,358,229**	**567,592,410**
Restated			
For the nine-month period ended 30 September 2022 (Unaudited)			
Incurred claims and other expenses	108,187,708	79,437,414	187,625,122
Amortisation of insurance acquisition cash flows	17,686,531	25,368,644	43,055,175
Losses on onerous contracts and reversals of those losses	-	4,825,545	4,825,545
Changes to liabilities for incurred claims	80,206,143	65,864,838	146,070,981
	206,080,382	175,496,441	381,576,823

13 Insurance service expense (continued)

For the three-month period ended 30 September 2023 (Unaudited)	**Life and medical AED**	**General and motor AED**	**Total AED**
Incurred claims and other expenses	**87,956,063**	**66,768,554**	**154,724,617**
Amortisation of insurance acquisition cash flows	**9,525,233**	**17,572,926**	**27,098,159**
Losses on onerous contracts and reversals of those losses	**-**	**956,496**	**956,496**
Changes to liabilities for incurred claims	**19,485,263**	**15,247,806**	**34,733,069**
	116,966,559	**100,545,782**	**217,512,341**
Restated			
For the three-month period ended 30 September 2022 (Unaudited)			
Incurred claims and other expenses	42,024,894	27,774,366	69,799,260
Amortisation of insurance acquisition cash flows	6,575,718	8,483,930	15,059,648
Losses on onerous contracts and reversals of those losses	-	3,359,678	3,359,678
Changes to liabilities for incurred claims	23,365,704	14,635,176	38,000,880
	71,966,316	54,253,150	126,219,466

14 Total investment income and net insurance financial result

The table below presents an analysis of total investment income and insurance finance result recognised in profit or loss and OCI in the period:

For the nine-month period ended 30 September 2023 (Unaudited)	Total AED
Investment income	
Amounts recognised in the statement of comprehensive income	
Allocated general and administrative expenses to investment	(8,814,216)
Interest income	6,845,530
Share of profit from equity accounted investees	7,799,316
Rental income from investment property	4,254,964
Dividend income from investment in financial assets at FVTPL	404,802
Net unrealised gain from investments in financial assets at FVTPL	2,941,155
Other expenses	20,469
	13,452,020

	Life and medical AED	General and motor AED	Total AED
Insurance finance expenses from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(1,405,756)	(6,963,753)	(8,369,509)
Due to changes in interest rates and other financial assumptions	(3,446)	185,238	181,792
Total insurance finance expenses from insurance contracts issued	(1,409,202)	(6,778,515)	(8,187,717)
Represented by:			
Amounts recognised in profit or loss	(1,409,202)	(6,778,515)	(8,187,717)
Amounts recognised in other comprehensive income	-	-	-
Reinsurance finance income from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	587,659	5,482,902	6,070,561
Changes in non-performance risk of reinsurer	(124,795)	(72,278)	(197,073)
Due to changes in interest rates and other financial assumptions	1,458	(193,289)	(191,831)
Total reinsurance finance income from reinsurance contracts held	464,322	5,217,335	5,681,657
Represented by:			
Amounts recognised in the profit or loss	464,322	5,217,335	5,681,657
Amounts recognised in other comprehensive income	-	-	-
Total finance expenses and reinsurance finance income	(944,880)	(1,561,180)	(2,506,060)
Represented by:			
Amounts recognised in the profit or loss	(944,880)	(1,561,180)	(2,506,060)
Amounts recognised in other comprehensive income	-	-	-

14 Total investment income and net insurance financial result (continued)

For the nine-month period ended 30 September 2022 (Unaudited)
(Restated)

	Total AED
Investment loss	
Amounts recognised in the statement of comprehensive income	
Allocated general and administrative expenses to investment	(7,603,122)
Interest income	2,123,841
Share of losses from equity accounted investees	(14,870,676)
Rental income from investment property	4,420,126
Dividend income from investment in financial assets at FVTPL	351,114
Net unrealised gain from investments in financial assets at FVTPL	740,036
	(14,838,681)

	Life and medical AED	General and motor AED	Total AED
Insurance finance income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(236,847)	(3,797,434)	(4,034,281)
Due to changes in interest rates and other financial assumptions	150,621	4,917,831	5,068,452
Total insurance finance (expenses)/income from insurance contracts issued	(86,226)	1,120,397	1,034,171
Represented by:			
Amounts recognised in profit or loss	(86,226)	1,120,397	1,034,171
Amounts recognised in other comprehensive income	-	-	-
Reinsurance finance expenses from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	77,900	2,843,908	2,921,808
Changes in non-performance risk of reinsurer	(55,538)	(298,635)	(354,173)
Due to changes in interest rates and other financial assumptions	(68,050)	(3,443,180)	(3,511,230)
Total reinsurance finance expenses from reinsurance contracts held	(45,688)	(897,907)	(943,595)
Represented by:			
Amounts recognised in profit or loss	(45,688)	(897,907)	(943,595)
Amounts recognised in other comprehensive income	-	-	-
Total insurance finance income and reinsurance finance expenses	(131,914)	222,490	90,576
Represented by:			
Amounts recognised in profit or loss	(131,914)	222,490	90,576
Amounts recognised in other comprehensive income	-	-	-

14 Total investment income and net insurance financial result (continued)

For the three-month period ended 30 September 2023 (Unaudited)	Total AED
Investment income	
Amounts recognised in the statement of comprehensive income	
Allocated general and administrative expenses to investment	(2,939,642)
Interest income	2,559,309
Share of profit from equity accounted investees	7,864,176
Rental income from investment property	1,533,932
Dividend income from investment in financial assets at FVTPL	-
Net unrealised gain from investments in financial assets at FVTPL	1,112,458
Other expenses	48,067
	10,178,300

	Life and medical AED	General and motor AED	Total AED
Insurance finance expenses from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(216,818)	(2,115,285)	(2,332,103)
Due to changes in interest rates and other financial assumptions	937	105,531	106,468
Total insurance finance expenses from insurance contracts issued	(215,881)	(2,009,754)	(2,225,635)
Represented by:			
Amounts recognised in profit or loss	(215,881)	(2,009,754)	(2,225,635)
Amounts recognised in other comprehensive income	-	-	-
Reinsurance finance income from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	117,001	1,837,645	1,954,646
Changes in non-performance risk of reinsurer	(98,181)	(67,482)	(165,663)
Due to changes in interest rates and other financial assumptions	(653)	(95,614)	(96,267)
Total reinsurance finance income from reinsurance contracts held	18,167	1,674,549	1,692,716
Represented by:			
Amounts recognised in profit or loss	18,167	1,674,549	1,692,716
Amounts recognised in other comprehensive income	-	-	-
Total finance expenses and reinsurance finance income	(197,714)	(335,205)	(532,919)
Represented by:			
Amounts recognised in profit or loss	(197,714)	(335,205)	(532,919)
Amounts recognised in other comprehensive income	-	-	-

14 Total investment income and net insurance financial result (continued)

The table below presents an analysis of total investment income and insurance finance result recognised in profit or loss and OCI in the period:

For the three-month period ended 30 September 2022 (Unaudited) *(Restated)*	Total AED
Investment loss	
Amounts recognised in the statement of comprehensive income	
Allocated general and administrative expenses to investment	(2,477,119)
Interest income	715,716
Rental income from investment property	(12,199,017)
Dividend income from investment in financial assets at FVTPL	1,516,794
Net unrealised gain from investments in financial assets at FVTPL	13,611
Gain on disposal of property and equipment	132,666
	(12,297,349)

	Life and medical AED	General and motor AED	Total AED
Insurance finance income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(45,980)	(1,834,550)	(1,880,530)
Due to changes in interest rates and other financial assumptions	13,228	1,002,961	1,016,189
Total insurance finance income from insurance contracts issued	(32,752)	(831,589)	(864,341)
Represented by:			
Amounts recognised in profit or loss	(32,752)	(831,589)	(864,341)
Amounts recognised in other comprehensive income	-	-	-
Reinsurance finance expenses from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	21,469	1,398,406	1,419,875
Changes in non-performance risk of reinsurer	171,788	175,045	346,833
Due to changes in interest rates and other financial assumptions	(28,469)	(928,963)	(957,432)
Total reinsurance finance expenses from reinsurance contracts held	164,788	644,488	809,276
Represented by:			
Amounts recognised in profit or loss	164,788	644,488	809,276
Amounts recognised in other comprehensive income	-	-	-
Total insurance finance income and reinsurance finance expenses	132,036	(187,101)	(55,065)
Represented by:			
Amounts recognised in profit or loss	132,036	(187,101)	(55,065)
Amounts recognised in other comprehensive income	-	-	-

15 Segmental information

The Company is organised into two segments: Life and Medical as one segment and Motor and General as the other segment.

These segments are the basis on which the Company reports its primary segment information to the Chief Executive Officer. Insurance premiums represent the total income arising from insurance contracts. The Company does not conduct any business outside the UAE. There are no transactions between the business segments.

The following is an analysis of the Company's condensed interim statement of comprehensive income classified by major segments:

	For the nine-month period ended 30 September 2023 (Unaudited)			
	Life and medical AED	**General and motor AED**	**Investments AED**	**Total AED**
Insurance premium	334,314,811	258,720,438	-	593,035,249
Insurance service expenses	(325,234,181)	(242,358,229)	-	(567,592,410)
Insurance service result before reinsurance contracts held	9,080,630	16,362,209	-	25,442,839
Allocation of reinsurance premiums	(94,977,673)	(75,546,077)	-	(170,523,750)
Amounts recoverable from reinsurance	120,789,712	46,946,484	-	167,736,196
Net income/(expenses) from reinsurance contracts held	25,812,039	(28,599,593)	-	(2,787,554)
Insurance service result	34,892,669	(12,237,384)	-	22,655,285
Investment income	-	-	13,452,020	13,452,020
Insurance finance expenses for insurance contracts issued	(1,409,202)	(6,778,515)	-	(8,187,717)
Reinsurance finance income for reinsurance contracts held	464,322	5,217,335	-	5,681,657
Net insurance financial result	33,947,789	(13,798,564)	13,452,020	33,601,245
Other operating expenses				(24,246,034)
Finance costs				(6,592,521)
Profit for the period				2,762,690

15 Segmental information (continued)

	Restated For the nine-month period ended 30 September 2022 (Unaudited)			
	Life and medical AED	General and motor AED	Investments AED	Total AED
Insurance premium	213,365,897	170,107,868	-	383,473,765
Insurance service expenses	(206,080,382)	(175,496,441)	-	(381,576,823)
Insurance service result before reinsurance contracts held	7,285,515	(5,388,573)	-	1,896,942
Allocation of reinsurance premiums	(59,223,462)	(69,939,659)	-	(129,163,121)
Amounts recoverable from reinsurance	78,273,146	18,635,272	-	96,908,418
Net income/(expenses) from reinsurance contracts held	19,049,684	(51,304,387)	-	(32,254,703)
Insurance service result	26,335,199	(56,692,960)	-	(30,357,761)
Investment loss	-	-	(14,838,681)	(14,838,681)
Insurance finance income for insurance contracts issued	(86,226)	1,120,397	-	1,034,171
Reinsurance finance expenses for reinsurance contracts held	(45,688)	(897,907)	-	(943,595)
Net insurance financial result	26,203,285	(56,470,470)	(14,838,681)	(45,105,866)
Other operating expenses				(3,843,857)
Finance costs				(2,394,836)
Loss for the period				(51,344,559)

15 Segmental information (continued)

	For the three-month period ended 30 September 2023 (Unaudited)			
	Life and medical AED	General and motor AED	Investments AED	Total AED
Insurance premium	126,000,201	96,704,774	-	222,704,975
Insurance service expenses	(116,966,559)	(100,545,782)	-	(217,512,341)
Insurance service result before reinsurance contracts held	9,033,642	(3,841,008)	-	5,192,634
Allocation of reinsurance premiums	(38,313,896)	(24,640,602)	-	(62,954,498)
Amounts recoverable from reinsurance	41,896,525	19,881,262	-	61,777,787
Net income/(expenses) from reinsurance contracts held	3,582,629	(4,759,340)	-	(1,176,711)
Insurance service result	12,616,271	(8,600,348)	-	4,015,923
Investment income	-	-	10,178,300	10,178,300
Insurance finance expenses for insurance contracts issued	(215,882)	(2,009,753)	-	(2,225,635)
Reinsurance finance income for reinsurance contracts held	18,167	1,674,549	-	1,692,716
Net insurance financial result	12,418,556	(8,935,552)	10,178,300	13,661,304
Other operating expenses				(15,099,194)
Finance costs				(2,464,188)
Loss for the period				(3,902,078)

15 Segmental information (continued)

	Restated For the three-month period ended 30 September 2022 (Unaudited)			
	Life and medical AED	General and motor AED	Investments AED	Total AED
Insurance premium	81,362,127	56,459,990	-	137,822,117
Insurance service expenses	(71,966,317)	(54,253,149)	-	(126,219,466)
Insurance service result before reinsurance contracts held	9,395,810	2,206,841	-	11,602,651
Allocation of reinsurance premiums	(20,776,170)	(22,897,044)	-	(43,673,214)
Amounts recoverable from reinsurance	28,010,294	14,584,714	-	42,595,008
Net income/(expenses) from reinsurance contracts held	7,234,124	(8,312,330)	-	(1,078,206)
Insurance service result	16,629,934	(6,105,489)		10,524,445
Investment loss	-	-	(12,297,349)	(12,297,349)
Insurance finance income for insurance contracts issued	(32,751)	(831,590)	-	(864,341)
Reinsurance finance expenses for reinsurance contracts held	164,788	644,488	-	809,276
Net insurance financial result	16,761,971	(6,292,591)	(12,297,349)	(1,827,969)
Other operating expenses				(3,633,557)
Finance costs				(849,227)
Loss for the period				(6,310,753)

The following is an analysis of the Company's assets, liabilities and equity classified by segment:

	As at 30 September 2023 (Unaudited)			
	Life and medical AED	**General and motor AED**	**Investments AED**	**Total AED**
Total assets	**64,219,868**	**491,427,095**	**287,552,277**	**843,199,240**
Total equity	**-**	**-**	**-**	**205,689,455**
Total liabilities	**118,929,798**	**518,579,987**	**-**	**637,509,785**

	Restated As at 31 December 2022 (Unaudited)			
	Life and Medical AED	General and motor AED	Investments AED	Total AED
Total assets	10,903,384	461,859,378	276,811,862	749,574,624
Total equity	-	-	-	202,926,765
Total liabilities	4,121,634	542,526,225	-	546,647,859

16 Fair value measurement

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1	Level 3	Total
	AED	AED	AED
30 September 2023 (Unaudited)			
Investment in financial assets at FVTPL	**21,641,453**	**704,226**	**22,345,679**
31 December 2022 (Audited)			
Investment in financial assets at FVTPL	18,606,532	798,047	19,404,579

17 Contingent liabilities and commitments

	(Unaudited)	(Audited)
	30 September 2023	31 December 2022
	AED	AED
Letters of guarantee	**11,933,194**	12,611,698

Contingent liabilities

The Company in common with other insurance companies, is involved as defendant in a number of legal cases in respect of its underwriting activities. A provision is made in respect of each individual case where it is probable that the outcome would result in a loss to the Company in terms of an outflow of economic resources and are liable estimate of the amount of outflow can be made.

18 Capital risk management

The solvency regulations identify the required Solvency Margin to be held in addition to insurance liabilities. The Solvency Margin (presented in the table below) must be maintained at all times throughout the period. During the period, the Company has not fully complied with the externally imposed capital requirements as shown in the table below (2022: the Company has not fully complied with all the capital management requirements). The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with such regulations. The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins.

	(Unaudited) 30 September 2023 AED	(Audited) 31 December 2022 AED
Minimum Capital Requirement (MCR)	**100,000,000**	100,000,000
Solvency Capital Requirement (SCR)	**211,148,000**	135,068,000
Minimum Guarantee Fund (MGF)	**129,483,000**	86,143,000
Basic Own Funds	**60,180,000**	50,529,000
MCR Solvency Margin - Minimum Capital Requirement deficit	**(39,820,000)**	(49,471,000)
SCR Solvency Margin - Solvency Capital Requirement deficit	**(150,968,000)**	(84,539,000)
MGF Solvency Margin – Minimum Guarantee Fund deficit	**(69,303,000)**	(35,614,000)

As per Article (8) of Section 2 of the financial regulations issued for insurance companies in UAE, the Company shall at all times comply with the requirements of Solvency Margins. As of 30 September 2023, the Company had minimum capital requirement deficit, solvency capital requirement deficit, minimum guarantee fund deficit of AED 39.8 million, AED 150.9 million and AED 69.3 million as compared to requirements of AED 100 million, AED 211.1 million and AED 129.5 million respectively. The Company's ability to comply with the solvency requirements depends on the effective implementation of the business plan submitted to the Central Bank of UAE.