# Detailed analysis of accumulated losses

(If the accumulated losses between 20% to less than 50% of the company's capital)

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (20%) or more of their paid-up capital.

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| Date: | 29/03/2024 |
| Name of the Listed Company: | Al Sagr National Insurance Co. |
| Define the period of the financial statements: | 2023 |
| Value of the Accumulated losses: | 95,708,302 Dhs. |
| Accumulated losses to paid-up capital ratio (%): | 41.61% |
| The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements): | 1- The main reasons of accumulated losses:<br>- Decreased in market value of the investments.<br>- Additional reserves has been taken.<br>- increase in business costs.<br>2- Losses began to appear in the result of the period ended on December 31, 2019 |
| Summary of the steps and initiatives undertaken by the company to address the accumulated losses: | - The company carried out a combination of administrative and technical measures, including adjusting the pricing policy, underwriting in good risks, and controlling expenses. The procedures succeeded in returning the underwriting results and net results to profitability.<br>- The company follows a conservative investment policy and accepts investment in low risks only.<br>- utilize the statutory reserve to close the accumulated loss |

| The Measures that will be taken to deal with the accumulated losses | | | | |
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| Actions | The time frame for implementing the action | What has been implemented of the action and the percentage of implementation | Reasons for not implementing or delaying | Any modifications or changes made |
| Financial and administrative Controls | One year | Achieved net profits: 100% | - | - |
| Controls on Investments | One yar | Achieved investment profit: 100% | - | - |
| Utilizing the statutory reserve | Q1/2024 | To be approved by the AGM in April 2024 | - | - |
| Sustainable Profit | Ongoing process | 6.73 | - | - |

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| The Name of the Authorized Signatory | Abdel Muhsen Jaber |
| Designation | Director & CEO |
| Signature and Date | 29/03/2024 |
| Company's Seal | |

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