

Detailed analysis of accumulated losses

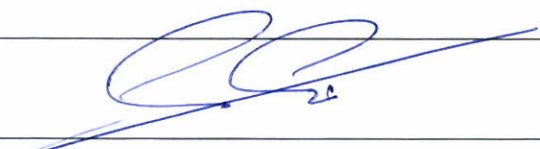
(If the accumulated losses 50% and above of the company's capital)

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 (50%) or more of their paid-up capital.

Date:	25/04/2025
Name of the Listed Company:	Al Sagr National Insurance Company
Define the period of the financial statements:	2024 Annual Financial Statements
Value of the Accumulated losses:	180,416,594
Accumulated losses to paid-up capital ratio (%):	78.44%
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: - Decrease in market value of the investments. - Additional reserves has been taken. - increase in business costs. - technical loss in Motor department due to recent extreme climate changes 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 company follows a conservative investment policy and accepts investment in low risks only. - in 2024 the company utilized the statutory reserve to offset the accumulated loss.

	- reduction of the capital by 80 million dirhams to offset the accumulated losses approved by Central Bank and will be implemented after the next AGM approval.
The date on which the company's general assembly approved the plan for dealing with accumulated losses:	- The General Assembly held on 24/04/2024 approved the use of the full legal reserve to cover accumulated losses. - Reduction of the capital by 80 million dirhams to offset the accumulated losses – expecting approval in May 2025.

The Measures that will be taken to deal with the accumulated losses and the approved plan				
Actions	The time frame for implementing the action according to the approved plan	The implemented action and the percentage of implementation	Reasons for not implementing the action or delaying	Any modifications or changes made to the action
solvency recovery plan	One year	Central Bank approved the solvency recovery plan	-	
Reduction of capital by 80 million		Approved by Central Bank. Approval awaiting from AGM	-	-

The Name of the Authorized Signatory	Abdel Muhssen Jaber
Designation	CEO
Signature and Date	25-04-2025 
Company's Seal	

