دار التأمين
INSURANCE HOUSE
P.S.C - ش.م.ع

# Detailed analysis of accumulated losses

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| **Date** | 08/06/2023 |
| **Name of the Listed Company** | Insurance House PJSC |
| **Define the period of the financial statements** | Q1 2023 |
| **Accumulated losses** | AED (84,342,984) |
| **Accumulated losses to capital ratio** | 71% |
| **The main reasons leading to these accumulated losses and their history** | 1. Poor performance in the Motor book of business due to rapid growth of motor insurance business at high commission rates and lower premium rates, with high dependency on non-proprietary distribution channels together with additional load on motor claims management.<br>2. Accounting errors relating to health re-insurance business during 2020, 2021 and 2022 that led to late realization of losses and a delayed management response. |
| **Measures to be taken to address accumulated losses:** | A detailed recovery plan is being prepared covering the following key areas:<br>1. Raising fresh capital to meet solvency requirements per Central Bank of the UAE regulations, and to enhance liquidity position.<br>2. Modifying the motor and health business and management strategies to reverse the trend at each of the top line and bottom line driven by key initiatives at risk selection, claims management and efficient reporting capabilities for key performance and early warning indicators.<br>3. Improving distribution strategy |



دار التأمين ش.م.ع: ص.ب ١٢٩٩٢١ ، أبوظبي، ا.ع.م؛ هاتف:٤٤٤ ٤٩٣٤ (٢) ٩٧١+؛ فاكس:٤٠٠ ٤٩٣٤ (٢) ٩٧١+
Insurance House P.S.C: P.O. Box 129921, Abu Dhabi, U.A.E; Tel: +971 (2) 4934 444; Fax: +971 (2) 4934 400
Public Joint Stock Company and the share capital is AED 118, 780,500 شركة مساهمة عامة برأس مال وقدره ١١٨,٧٨٠,٥٠٠ درهم إماراتي

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| | 4. Growing Commercial Lines<br>5. Cost Efficiency and Customer Experience improvement strategies driven by focused transformation projects.<br>6. Improving internal policies and procedures<br>Recovery plan, reviewed by the financial advisor, certified by the appointed external actuary and board of directors, and subject to no Objection from regulatory authorities, is being presented to the General Assembly. |

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| **The Name of the Authorized Signatory** | **Issam Ahmad Mouslimani** |
| **Designation** | **Chief Executive Officer** |
| **Signature and Date** | 08/06/2023 |
| **Company's Seal** | |



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