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

Detailed analysis of accumulated losses

Date	22/08/2023
Name of the Listed Company	Insurance House PJSC
Define the period of the financial statements	Q2 2023
Accumulated losses	AED (105,435,856)
Accumulated losses to capital ratio	88.7%
The main reasons leading to these accumulated losses and their history	1. Aggressive growth of motor book (more than 100% premium growth and more than 200% policy count growth), at very high commission schemes and extremely low prices with high dependency on non-proprietary distribution together with poor reporting capabilities and motor claims management. 2. Financial reporting, control issues and accounting errors related to the period between 2020 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 was submitted in response to Q1 2023 report covering the following key areas: 1. Raising fresh capital to restore solvency status per Central Bank of the UAE's requirements, and improve liquidity to service existing liabilities 2. Developing a new strategy for motor and health insurance 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. 3. Improving distribution strategy 4. Growing Commercial Lines

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

	5. Cost Efficiency and Customer Experience strategies driven by focused transformation projects. 6. Improving internal policies and procedures Recovery Plan reviewed by financial advisor, certified by the appointed external actuary and board of directors, and subject to no Objection from regulatory authorities, was approved for implementation by the Shareholders in the General Assembly Meeting held on 7th July 2023. We are constantly reviewing progress against the Recovery Plan recommendations to ensure that agreed action plans are being implemented.

The Name of the Authorized Signatory	Issam Mouslimani
Designation	Chief Executive Officer.
Signature and Date	22/08/23
Company's Seal	دار التأمين INSURANCE HOUSE P.S.C - ش.م.ع ص.ب: ١٢٩٩٢١ - أبوظبي الإمارات العربية المتحدة 2