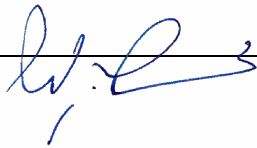


Detailed analysis of accumulated losses

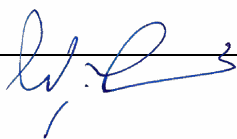
Date	02/09/2025
Name of the Listed Company	Insurance House PJSC
Define the period of the financial statements	Q2 2025
Accumulated losses	AED 138,350,727
Accumulated losses to capital ratio	116.5%
The main reasons leading to these accumulated losses and their history	1. The IH Motor Book of Business developed in 2022 and H1 2023 has been identified as a key contributor to the company's losses in the last 2 years; this was driven by the aggressive market price competition together with unusually high acquisition costs, poor reporting, and claim management practices. 2. Financial reporting, control issues, and accounting errors related to the period between 2020 and 2022 led to the late realization of losses and a delayed management response.



Measures to be taken to address accumulated losses:

A detailed recovery plan was submitted in Q1 2025 covering the following key areas:

1. Raising fresh capital to restore solvency status per the Central Bank's requirements and improve liquidity to service existing liabilities.
2. Developing a new strategy for motor and health insurance businesses to reverse the trend at each of the top line and bottom-line levels driven by key initiatives at regular rate review exercises, risk selection, claim management, and efficient reporting capabilities for key performance and early warning indicators.
3. Improving distribution strategy to grow profitably in all lines of business, including Health, Personal, and Commercial Lines.
4. Cost-efficiency programs and customer experience strategies are driven by focused transformation projects.
5. Ongoing improvement of internal policies and procedures
6. Embedding a culture of engagement and high performance.



	Recovery plan certified by the appointed external actuary and Board of Directors, and subject to no Objection from regulatory authorities, was approved for implementation by the Shareholder in General Assembly Meeting held on July 7, 2023. We are constantly reviewing progress against the Recovery plan recommendations to ensure that agreed action plans are being implemented.
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The Name of the Authorized Signatory	Mr.Mohammed Alqubaisi
Designation	Chairman
Signature and Date	02/09/2025
Company's Seal	

