

Dubai Insurance Company (P.S.C.)

Condensed Interim Financial Statements (Unaudited)

For the period ended 30 June 2021

**Grant Thornton
United Arab Emirates**

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**Review report of the Independent Auditor
To the Shareholders of Dubai Insurance Company (P.S.C.)**

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Introduction


We have reviewed the accompanying condensed interim statement of financial position of Dubai Insurance Company (P.S.C.) (the “Company”) as of 30 June 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income for the three months and six months periods then ended, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six month period then ended and explanatory information. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.


Grant Thornton
Farouk Mohamed
Registration No: 86
Dubai, 1 August 2021



Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

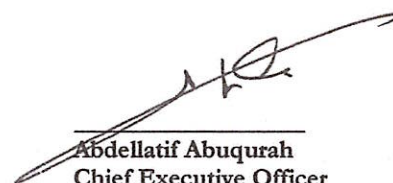
Condensed interim statement of financial position
As at 30 June 2021

		(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
ASSETS			
Property and equipment		48,672	48,590
Investment properties		64,007	50,128
Financial instruments	6	492,597	475,012
Reinsurance assets		964,188	828,405
Insurance receivables		240,291	179,235
Prepayments and other receivables		25,438	25,355
Statutory deposits		10,000	10,000
Cash and cash equivalents	7	144,447	96,593
TOTAL ASSETS		1,989,640	1,713,318
EQUITY AND LIABILITIES			
Equity			
Share capital	9	100,000	100,000
Statutory reserve	10	50,000	50,000
General reserve	10	50,000	50,000
Reinsurance reserve		3,956	3,956
Retained earnings		170,018	162,790
Cumulative changes in fair value of investments		197,835	155,222
Total equity		571,809	521,968
Liabilities			
Bank loan	8	-	1,212
Employees' end of service benefits		5,386	5,209
Insurance contract liabilities		1,059,321	901,628
Amounts held under reinsurance treaties		29,111	35,862
Reinsurance balances payable		168,463	86,529
Insurance and other payables		155,550	160,910
Total liabilities		1,417,831	1,191,350
TOTAL EQUITY AND LIABILITIES		1,989,640	1,713,318

The condensed interim financial statements were authorised for issue in accordance with a resolution of the Directors on 1 August 2021.



Buti Obaid Almulla
Chairman



Abdellatif Abuqurah
Chief Executive Officer

The notes from 1 to 16 form part of these condensed interim financial statements.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Condensed interim income statement
For the period ended 30 June 2021

	(Unaudited) Six months period ended 30 June 2021 AED'000	(Unaudited) Six months period ended 30 June 2020 AED'000	(Unaudited) Three months period ended 30 June 2021 AED'000	(Unaudited) Three months period ended 30 June 2020 AED'000
UNDERWRITING INCOME				
Gross premium	644,469	465,026	298,320	127,048
Movement in provision for unearned premium	(146,972)	(41,446)	(29,879)	74,537
Insurance premium revenue	497,497	423,580	268,441	201,585
Reinsurance share of premium	(531,323)	(397,333)	(234,794)	(107,318)
Movement in provision for reinsurance share of unearned premium	134,936	37,248	29,947	(69,501)
	(396,387)	(360,085)	(204,847)	(176,819)
Net insurance premium revenue	101,110	63,495	63,594	24,766
Reinsurance commission income	44,083	34,515	21,589	10,041
Other underwriting income	9,563	4,523	4,333	1,372
Gross underwriting income	154,756	102,533	89,516	36,179
UNDERWRITING EXPENSES				
Claims incurred	(232,827)	(263,966)	(120,407)	(124,590)
Reinsurers' share of claims incurred	202,970	245,370	100,321	116,962
Net claims incurred	(29,857)	(18,596)	(20,086)	(7,628)
Commission expenses	(29,790)	(22,722)	(17,549)	(10,354)
General and administration expenses relating to underwriting activities	(18,976)	(21,616)	(7,364)	(9,629)
Other expenses	(40,534)	(15,289)	(33,152)	(3,762)
Total underwriting expenses	(119,157)	(78,223)	(78,151)	(31,373)
NET UNDERWRITING INCOME	35,599	24,310	11,365	4,806
INVESTMENT INCOME				
Realised loss on sale of investments	(934)	-	(934)	-
Fair value gain / (loss) on financial assets at fair value through profit or loss	72	(106)	17	135
Other investment income	14,013	15,976	7,655	9,221
Other investment costs	(29)	(49)	(14)	(20)
	13,122	15,821	6,724	9,336
OTHER INCOME AND EXPENSES				
General and administration expenses not allocated	(6,223)	(7,096)	(2,434)	(3,184)
Other expenses	(246)	(33)	(32)	(105)
	(6,469)	(7,129)	(2,466)	(3,289)
PROFIT FOR THE PERIOD	42,252	33,002	15,623	10,853
Basic and diluted earnings per share (note 12)	0.423	0.324	0.156	0.103

The notes from 1 to 16 form part of these condensed interim financial statements.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Condensed interim statement of comprehensive income
For the period ended 30 June 2021

	(Unaudited) Six months period ended 30 June 2021 AED'000	(Unaudited) Six months period ended 30 June 2020 AED'000	(Unaudited) Three months period ended 30 June 2021 AED'000	(Unaudited) Three months period ended 30 June 2020 AED'000
Profit for the period	42,252	33,002	15,623	10,853
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
(Loss) / gain on sale of financial assets at fair value through other comprehensive income (FVTOCI)	(24)	56	40	56
Net unrealised gain / (loss) on financial assets at FVTOCI	42,613	(61,946)	19,013	21,670
Other comprehensive income / (loss) for the period	42,589	(61,890)	19,053	21,726
Total comprehensive income / (loss) for the period	84,841	(28,888)	34,676	32,579

The notes from 1 to 16 form part of these condensed interim financial statements.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Condensed interim statement of changes in equity
For the period ended 30 June 2021

	Share capital AED'000	Statutory reserve AED'000	General reserve AED'000	Reinsurance reserve AED'000	Retained earnings AED'000	Cumulative changes in fair value of investments AED'000	Total equity AED'000
Balance at 1 January 2021 (Audited)	100,000	50,000	50,000	3,956	162,790	155,222	521,968
Profit for the period	-	-	-	-	42,252	-	42,252
Other comprehensive income	-	-	-	-	-	42,589	42,589
Total comprehensive income for the period	-	-	-	-	42,252	42,589	84,840
Transferred to retained earnings on sale of investment at FVTOCI	-	-	-	-	(24)	24	-
Cash dividend paid (note 11)	-	-	-	-	(35,000)	-	(35,000)
Balance at 30 June 2021 (Unaudited)	100,000	50,000	50,000	3,956	170,018	197,835	571,809
Balance at 1 January 2020 (Audited)	100,000	50,000	20,000	-	181,665	189,409	541,074
Profit for the period	-	-	-	-	33,002	-	33,002
Other comprehensive loss	-	-	-	-	-	(61,890)	(61,890)
Total comprehensive loss for the period	-	-	-	-	33,002	(61,890)	(28,888)
Transferred to retained earnings on sale of investment at FVTOCI	-	-	-	-	56	(56)	-
Transfer to general reserve (note 10)	-	-	30,000	-	(30,000)	-	-
Cash dividend paid (note 11)	-	-	-	-	(35,000)	-	(35,000)
Directors' fee paid	-	-	-	-	(600)	-	(600)
Balance at 30 June 2020 (Unaudited)	100,000	50,000	50,000	-	149,123	127,463	476,586

The notes from 1 to 16 form an integral part of these condensed interim financial statements.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Condensed interim statement of cash flows
For the period ended 30 June 2021

	Notes	(Unaudited) Six months period ended 30 June 2021 AED'000	(Unaudited) Six months period ended 30 June 2020 AED'000
OPERATING ACTIVITIES			
Profit for the period		42,252	33,002
<i>Adjustments for:</i>			
Depreciation on property and equipment		664	704
Provision for employees' end of service benefits		269	384
Investment income		(14,313)	(16,026)
Change in fair value of investments at FVTPL		(72)	106
Amortisation of investments at amortised cost		(769)	-
Gain on sale of investments at amortised cost		934	-
		28,965	18,170
<i>Changes in operating assets and liabilities:</i>			
Reinsurance assets		(135,783)	(107,795)
Insurance receivables		(61,056)	(29,469)
Prepayments and other assets		(83)	(3,115)
Insurance contract liabilities		157,693	118,674
Amounts held under reinsurance treaties		(6,751)	(4,963)
Reinsurance balances payable		81,934	10,775
Insurance and other payables		(5,360)	17,213
Cash generated from operations		59,559	19,490
Employees' end of service benefits paid		(92)	(17)
Net cash generated from operating activities		59,467	19,473
INVESTING ACTIVITIES			
Interest on investments received		1,449	2,293
Dividend income received		12,864	13,732
Net proceeds from maturity of investments at amortised cost		1,736	1,433
Proceeds from sales of investment at FVTOCI		427	888
Purchase of other financial instruments		(46,786)	(918)
Investment in bank deposits at FVTPL		69,534	(2,318)
Purchase of property and equipment		(746)	(1,205)
Purchase of investment properties		(13,879)	(3,966)
Net cash generated from investing activities		24,599	9,939
FINANCING ACTIVITIES			
Dividend paid	11	(35,000)	(35,000)
Directors' fee paid		-	(600)
Repayment of bank loan		(1,212)	(1,630)
Net cash used in financing activities		(36,212)	(37,230)
Net change in cash and cash equivalents		47,854	(7,818)
Cash and cash equivalents, beginning of period		96,593	88,917
Cash and cash equivalents, end of period	7	144,447	81,099

The notes from 1 to 16 form an integral part of these condensed interim financial statements.

Dubai Insurance Company (P.S.C.)

Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements

For the period ended 30 June 2021

1 Legal status and activities

Dubai Insurance Company (PSC) (the “Company”) is a public shareholding Company registered under the Federal Law No. 8 of 1984 (as amended) and the UAE Federal Law No. (6) of 2007 relating to commercial companies in the UAE. The Federal Law No.2 of 2015, concerning Commercial Companies has come into effect from 28 June 2015, replacing the existing Federal Law No.8 of 1984. The Company mainly issues short term insurance contracts in connection with motor, marine, fire, engineering, general accident and medical risks (collectively known as general insurance) and group life assurance. The Company also invests its funds in investment securities and properties. The registered address of the Company is P.O. Box 3027, Dubai, United Arab Emirates. The Company operates in United Arab Emirates. The shares of the Company are listed on the Dubai Financial Market.

The Federal Decree-Law No. 26 of 2020 on the amendment of certain provisions of Federal Law No. 2 of 2015 on Commercial Companies was issued on 27 September 2020 and shall take effect starting from the 2 January 2021. The Company shall apply and adjust their status in accordance with the provisions thereof by no later than one year from the date on which this Decree-Law takes effect.

2 Basis of preparation

The condensed interim financial statements are for the six months period ended 30 June 2021 and are presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Company. These condensed interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and do not include all of the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2020. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

3 Significant accounting policies

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of these condensed interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2020, except for application of new standards effective as of 1 January 2021 as several amendments and interpretations apply for the first time in 2021. However, these amendments and interpretations do not have material impact on the condensed interim financial statements of the Company.

The Company has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

Critical accounting estimates and judgments in applying accounting policies

The Company makes estimates and assumption that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may substantially be different.

Outstanding claims and technical provisions

The estimation of the ultimate liability (both technical and outstanding) arising from claims made under insurance contracts is the Company’s most critical accounting estimate. These estimates are continually reviewed and updated, and adjustments resulting from this review are reflected in the income statement. The process relies upon the basic assumption that past experience, adjusted for the effect of current developments and likely trends (including actuarial calculations), is an appropriate basis for predicting future events.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

3 Significant accounting policies (continued)

Impairment losses on insurance receivables

The Company reviews its insurance receivables on a regular basis to assess whether a provision for impairment should be recorded in the income statement. In particular, judgement by management is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are necessarily based on assumptions about the probability of default and probable losses in the event of default, the value of the underlying security, and realisation costs.

In addition to specific allowance against individually significant insurance receivables, the Company also makes a collective impairment allowance against insurance receivables which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. The amount of the allowance is based on the historical loss pattern for insurance receivables within each grade and is adjusted to reflect current economic changes.

Classification of investment properties

The Company makes judgement to determine whether certain properties qualify as investment properties and follows the guidance of IAS 40 'Investment Property' to consider whether any owner-occupied properties are not significant and are classified accordingly as investment properties.

Classification of investments

Management decides on acquisition of an investment whether it should be classified as of fair value through profit or loss, at fair value through other comprehensive income (OCI) or at amortised cost.

Valuation of unquoted equity investments

Valuation of unquoted equity investments is normally based on one of the following:

- recent arm's length market transactions;
- current fair value of another instrument that is substantially the same; and
- the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or other valuation models.

Provision for legal cases

Considerable judgement by management is required in the estimation for legal cases arising from claims made under insurance contracts. Such estimates are necessarily based on significant assumptions about several factors involving varying, and possible significant, degrees of judgement and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated liabilities.

4 Property and equipment

Included in property and equipment is land situated in the Emirate of Dubai, United Arab Emirates with a carrying value of AED 44,173 thousand (2020: AED 44,173 thousand). The Company's Board of Directors has resolved to construct the Company's head office on the land in the foreseeable future.

5 Investment properties

Investment properties represent the Company's investments in freehold land and building situated in the Emirate of Dubai, United Arab Emirates. Additions in the investment property pertain to ongoing developments at these properties.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

6 Financial instruments

	Carrying value		Fair value	
	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
<i>Financial instruments</i>				
At fair value through profit or loss (note 6.1)	44,866	114,328	44,866	114,328
At fair value through other comprehensive income (note 6.2)	413,264	324,316	413,264	324,316
Investments held at amortised cost (note 6.3)	34,467	36,368	36,271	36,514
	<u>492,597</u>	<u>475,012</u>	<u>494,401</u>	<u>475,158</u>

6.1 Financial assets at fair values through profit or loss

	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
a) Shares – quoted	3,805	3,733
b) Designated upon initial recognition		
Bank deposits with maturity over three months – unquoted	41,061	110,595
	<u>44,866</u>	<u>114,328</u>

The entire shares and bank deposits are within the United Arab Emirates.

6.2 Financial assets at fair value through other comprehensive income

	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
Shares – quoted (within UAE)	329,011	287,427
Shares – unquoted (outside UAE)	77,372	30,008
Shares – unquoted (within UAE)	6,881	6,881
	<u>413,264</u>	<u>324,316</u>

The fair value gain amounting to AED 42,613 thousand (30 June 2020: loss of AED 61,946 thousand) have been recognised in the interim statement of comprehensive income.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

6 Financial instruments (continued)

6.3 Debt instruments at amortised cost

	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
Debt securities (within UAE)	22,861	24,706
Debt securities (outside UAE)	11,606	11,662
	34,467	36,368

These investments carry interest at an effective rate of 4.47% per annum (31 December 2020: 4.96% per annum). The maturity profile of these debt instruments is shown below:

	30 June 2021 (Unaudited)		
	Less than 5 years AED'000	More than 5 years AED'000	Total AED'000
Debt securities (within UAE)	4,595	18,266	22,861
Debt securities (outside UAE)	9,787	1,819	11,606
	14,382	20,085	34,467

	31 December 2020 (Audited)		
	Less than 5 years AED'000	More than 5 years AED'000	Total AED'000
Debt securities (within UAE)	6,433	18,273	24,706
Debt securities (outside UAE)	9,822	1,840	11,662
	16,255	20,113	36,368

7 Cash and cash equivalents

	(Unaudited) 30 June 2021 AED'000	(Unaudited) 30 June 2020 AED'000	(Audited) 31 December 2020 AED'000
Bank balances	144,395	81,047	96,584
Cash on hand	52	52	9
	144,447	81,099	96,593

Above balance represents the cash and cash equivalents in United Arab Emirates, Europe & GCC.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

8 Bank loan

	(Unaudited)	(Audited)
	30 June	31 December
	2021	2020
	AED'000	AED'000
Bank loan	-	1,212

In 2015, the Company entered into credit facility agreements with an international bank. The loan facilities were secured against investments in debt instruments held at amortised cost amounting to AED 11,615 thousand (31 December 2020: AED 21,778 thousand) (note 6.3) used for the Company's investment operations and carried interest at 1-month USD LIBOR plus 0.5% per annum. The tenure of the loan was directly linked to the maturity period of the debt instruments which were financed by the loan. The debt instruments had maturity periods of 1 to 31 years. The net decrease in carrying amount during the period is due to repayment of loan AED 1,212 thousand by cash and cash equivalent.

9 Share capital

	(Unaudited)	(Audited)
	30 June	31 December
	2021	2020
	AED'000	AED'000
Issued and fully paid 100,000,000 shares of AED 1 each (31 December 2020: 100,000,000 shares of AED 1 each)	100,000	100,000

10 Reserves

Statutory reserve

In accordance with the UAE Commercial Companies Law and the Company's Article of Association, the Company has resolved not to increase the statutory reserve above an amount equal to 50% of its paid up share capital. Accordingly, no transfers have been made during the six months period ended 30 June 2021. The reserve is not available for distribution except in the circumstances stipulated by the law.

General reserve

Transfers to the general reserve are made on the recommendation of the Board of Directors. This reserve may be used for such purposes as deemed appropriate by the Board of Directors. During the period, no transfers to the general reserve from retained earnings were made (31 December 2020: AED 30,000 thousand).

Reinsurance reserve

In accordance with Insurance Authority's Board of Directors' Decision No. 23, Article 34, an amount of AED 3,956 thousand was transferred from retained earnings to reinsurance reserve during the year ended 31 December 2020. The reserve is not available for distribution and will not be disposed of without prior approval from Insurance Authority.

11 Dividends

	(Unaudited)	(Audited)
	30 June	31 December
	2021	2020
	AED'000	AED'000
Cash dividend for 2020 of AED 0.35 per share (declared and paid) (for 2019: dividend of AED 0.35 per share (declared and paid))	35,000	35,000

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

12 Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit for the period, net of directors' fees, by the weighted average number of shares outstanding during the period as follows:

	(Unaudited) Six months period ended 30 June 2021	(Unaudited) Six months period ended 30 June 2020	(Unaudited) Three months period ended 30 June 2021	(Unaudited) Three months period ended 30 June 2020
Profit for the period (AED'000)	42,252	33,002	15,623	10,853
Directors' fee paid	-	(600)	-	(600)
Profit for the period attributable to shareholders (AED'000)	42,252	32,402	15,623	10,253
Weighted average number of shares outstanding during the period ('000)	100,000	100,000	100,000	100,000
Earnings per share (AED)	0.423	0.324	0.156	0.103

The Company does not have potentially diluted shares and accordingly, diluted earnings per share equals basic earnings per share.

13 Segmental information

Primary segment information

For management purposes, the Company is organised into business units based on its products and services and has three reportable operating segments as follows:

- The general insurance segment, comprises motor, marine, fire, engineering and general accident.
- The medical and life segment includes group life and medical insurance.
- Investment comprises investment and cash management for the Company's own account.

Transactions between operating segments are conducted at estimated market rates on an arm's length basis. Operating segment information is presented on the following page.

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

13 Segmental information (continued)

	General insurance		Medical and life assurance		Investments		Total	
	(Unaudited) 30 June 2021 AED'000	(Unaudited) 30 June 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Unaudited) 30 June 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Unaudited) 30 June 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Unaudited) 30 June 2020 AED'000
For the six months period ended								
UNDERWRITING INCOME								
Gross premium	452,545	279,458	191,924	185,568	-	-	644,469	465,026
Reinsurers' share of premium	(399,815)	(255,431)	(131,508)	(141,902)	-	-	(531,323)	(397,333)
Net movement in unearned premium	(4,175)	(1,667)	(7,861)	(2,531)	-	-	(12,036)	(4,198)
Net insurance premium revenue	48,555	22,360	52,555	41,135	-	-	101,110	63,495
Reinsurance commission income	44,065	34,495	18	20	-	-	44,083	34,515
Other underwriting income	9,563	4,408	-	115	-	-	9,563	4,523
	102,183	61,263	52,573	41,270	-	-	154,756	102,533
UNDERWRITING EXPENSES								
Claims incurred	(106,901)	(130,324)	(125,926)	(133,642)	-	-	(232,827)	(263,966)
Reinsurers' share of claims incurred	94,863	118,406	108,107	126,964	-	-	202,970	245,370
Net claims incurred	(12,038)	(11,918)	(17,819)	(6,678)	-	-	(29,857)	(18,596)
Commission expenses	(15,653)	(11,912)	(14,137)	(10,810)	-	-	(29,790)	(22,722)
General and administration expenses relating to underwriting activities	(13,378)	(13,083)	(5,598)	(8,533)	-	-	(18,976)	(21,616)
Other expenses	(28,941)	(788)	(11,593)	(14,501)	-	-	(40,534)	(15,289)
	(70,010)	(37,701)	(49,147)	(40,522)	-	-	(119,157)	(78,223)
NET UNDERWRITING INCOME/(LOSS)	32,173	23,562	3,426	748	-	-	35,599	24,310
TOTAL INVESTMENT INCOME					-	-	13,122	15,821
Unallocated general and administrative expenses					-	-	(6,469)	(7,129)
PROFIT FOR THE PERIOD					-	-	42,252	33,002

Dubai Insurance Company (P.S.C.)
Condensed interim financial statements (Unaudited)

Notes to the condensed interim financial statements
For the period ended 30 June 2021

13 Segmental information (continued)

Operating segments information is presented below: (continued)

Segment-wise statement of financial position

	General insurance		Medical and life insurance		Investment		Total	
	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2020 AED'000
Segment assets	1,300,102	950,413	132,934	237,764	556,604	525,141	1,989,640	1,713,318
Segment liabilities	1,284,412	955,562	133,419	234,576	-	1,212	1,417,831	1,191,350

Dubai Insurance Company (P.S.C.)
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14 Related party transactions

Related parties represent, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. The pricing policies and terms of these transactions are approved by the Company's management.

The significant balances outstanding in respect of related parties included in the condensed interim financial statements are as follows:

	(Unaudited)	(Audited)
	30 June	31 December
	2021	2020
	AED'000	AED'000
<i>Affiliates of major shareholders:</i>		
Due from policyholders	30,917	21,458
Outstanding claims	16,081	21,385

The income and expenses in respect of related parties included in the financial statements are as follows:

	(Unaudited)	(Unaudited)
	30 June	30 June
	2021	2020
	AED'000	AED'000
<i>Affiliates of major shareholders:</i>		
Premiums	8,331	16,959
Rent received	30	30
Claims paid	(9,317)	(12,048)
Commission expenses	(2,803)	(2,526)
Rent paid	(393)	(466)

Compensation of the key management personnel is as follows:

	(Unaudited)	(Unaudited)
	30 June	30 June
	2021	2020
	AED'000	AED'000
Short term employee benefits	2,285	2,108
End of service benefits	93	93
	2,378	2,201

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For the period ended 30 June 2021

15 Contingencies and commitments

At 30 June 2021, the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 10,105 thousand (31 December 2020: AED 10,650 thousand).

Capital commitments

The Company's short-term lease commitments are payable as follows:

	(Unaudited)	(Audited)
	30 June	31 December
	2021	2020
	AED'000	AED'000
Less than 1 year	253	518

16 Seasonality of results

The Company's investment income is dependent on market conditions, its investment activities and declaration of profits by investee companies, which are of a seasonal nature. Also, the Company is continuing to monitor the impact of COVID-19 on its financial performance. To date, no significant impact on the credit risk or instances of default have been noted by the management. Accordingly, results for the period ended 30 June 2021 are not comparable to those relating to the comparative period, and are not indicative of the results that might be expected for the year ending 31 December 2021.