

# **Dubai Insurance Company (P.S.C.)**

Condensed interim financial statements (Unaudited)

For the period ended 31 March 2021



# Grant Thornton

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

### *Introduction*

We have reviewed the accompanying condensed interim statement of financial position of Dubai Insurance Company (P.S.C.) (the “Company”), as of 31 March 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the three month period then ended. 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*  
Grant Thornton  
Farouk Mohamed



Registration No: 86  
Dubai, 28 April 2021

Condensed interim financial statements (Unaudited)

Condensed interim statement of financial position  
As at 31 March 2021

		(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
	Notes		
<b>ASSETS</b>			
Property and equipment		48,864	48,590
Investment properties		60,141	50,128
Financial instruments	6	519,508	475,012
Reinsurance assets		911,397	828,405
Insurance receivables		213,788	179,235
Prepayments and other receivables		25,306	25,355
Statutory deposits		10,000	10,000
Cash and cash equivalents	7	78,469	96,593
<b>TOTAL ASSETS</b>		<b>1,867,473</b>	<b>1,713,318</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	9	100,000	100,000
Statutory reserve	10	50,000	50,000
General reserve	10	50,000	50,000
Reinsurance reserve	10	3,956	3,956
Retained earnings		154,355	162,790
Cumulative changes in fair value of investments		178,822	155,222
<b>Total equity</b>		<b>537,133</b>	<b>521,968</b>
<b>Liabilities</b>			
Bank loan	8	1,037	1,212
Employees' end of service benefits		5,338	5,209
Insurance contract liabilities		996,130	901,628
Amounts held under reinsurance treaties		29,366	35,862
Reinsurance balances payable		169,450	86,529
Insurance and other payables		129,019	160,910
<b>Total liabilities</b>		<b>1,330,340</b>	<b>1,191,350</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,867,473</b>	<b>1,713,318</b>

The condensed interim financial statements were authorised for issue in accordance with a resolution of the Directors on 28 April 2021.



Buti Obaid Almulla  
Chairman



Abdellatif Abuqurah  
Chief Executive Officer

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 income statement**  
**For the period ended 31 March 2021**

	(Unaudited) Three months period ended 31 March 2021 AED'000	(Unaudited) Three months period ended 31 March 2020 AED'000
<b>UNDERWRITING INCOME</b>		
Gross premium	346,149	337,978
Movement in provision for unearned premium	(117,093)	(115,983)
<b>Insurance premium revenue</b>	<b>229,056</b>	<b>221,995</b>
Reinsurers' share of premium	(296,529)	(290,015)
Movement in provision for reinsurance share of unearned premium	104,989	106,749
<b>Reinsurers' share of premium revenue</b>	<b>(191,540)</b>	<b>(183,266)</b>
<b>Net insurance premium revenue</b>	<b>37,516</b>	<b>38,729</b>
Reinsurance commission income	22,494	23,975
Other underwriting income	5,230	3,650
<b>Gross underwriting income</b>	<b>65,240</b>	<b>66,354</b>
<b>UNDERWRITING EXPENSES</b>		
Claims incurred	(112,420)	(139,376)
Reinsurers' share of claims incurred	102,649	128,408
Net claims incurred	(9,771)	(10,968)
Commission expenses	(12,241)	(12,368)
General and administration expenses relating to underwriting activities	(11,612)	(11,987)
Other expenses	(7,382)	(11,527)
<b>Total underwriting expenses</b>	<b>(41,006)</b>	<b>(46,850)</b>
<b>NET UNDERWRITING INCOME</b>	<b>24,234</b>	<b>19,504</b>
<b>INVESTMENT INCOME</b>		
Fair value gain/(loss) on financial assets at fair value through profit or loss	55	(241)
Other investment income	6,358	6,755
Other investment costs	(15)	(29)
	<b>6,398</b>	<b>6,485</b>
<b>OTHER INCOME AND EXPENSES</b>		
General and administration expenses not allocated	(3,789)	(3,912)
Other (expenses)/income	(214)	72
	<b>(4,003)</b>	<b>(3,840)</b>
<b>PROFIT FOR THE PERIOD</b>	<b>26,629</b>	<b>22,149</b>
Basic and diluted earnings per share (AED)	12	0.27
		0.22

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 comprehensive income**  
**For the period ended 31 March 2021**

	Note	(Unaudited) Three months period ended 31 March 2021 AED'000	(Unaudited) Three months period ended 31 March 2020 AED'000
Profit for the period		26,629	22,149
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Loss on sale of investments designated at fair value through other comprehensive income		(64)	-
Net unrealised gain/(loss) on financial assets at fair value through other comprehensive income (FVTOCI)	6	23,600	(83,616)
		<u>23,536</u>	<u>(83,616)</u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<u>50,165</u>	<u>(61,467)</u>

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 changes in equity  
For the period ended 31 March 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
<b>Balance at 1 January 2021 (Audited)</b>	100,000	50,000	50,000	3,956	162,790	155,222	521,968
Profit for the period	-	-	-	-	26,629	-	26,629
Other comprehensive income	-	-	-	-	-	23,536	23,536
Total comprehensive income for the period	-	-	-	-	26,629	23,536	50,165
Transfer to retained earnings on sale of investments at FVTOCI	-	-	-	-	(64)	64	-
Cash dividend paid (note 11)	-	-	-	-	(35,000)	-	(35,000)
<b>Balance at 31 March 2021 (Unaudited)</b>	<b>100,000</b>	<b>50,000</b>	<b>50,000</b>	<b>3,956</b>	<b>154,355</b>	<b>178,822</b>	<b>537,133</b>
<b>Balance at 1 January 2020 (Audited)</b>	100,000	50,000	20,000	-	181,665	189,409	541,074
Profit for the period	-	-	-	-	22,149	-	22,149
Other comprehensive loss	-	-	-	-	-	(83,616)	(83,616)
Total comprehensive income for the period	-	-	-	-	22,149	(83,616)	(61,467)
Transfer to general reserve (note 10)	-	-	30,000	-	(30,000)	-	-
Cash dividend paid (note 11)	-	-	-	-	(35,000)	-	(35,000)
Directors' fees paid	-	-	-	-	(600)	-	(600)
<b>Balance at 31 March 2020 (Unaudited)</b>	<b>100,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>	<b>138,214</b>	<b>105,793</b>	<b>444,007</b>

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 31 March 2021**

	Notes	(Unaudited) Three months period ended 31 March 2021 AED'000	(Unaudited) Three months period ended 31 March 2020 AED'000
<b>OPERATING ACTIVITIES</b>			
Profit for the period		26,629	22,149
<i>Adjustments for:</i>			
Depreciation on property and equipment		323	336
Provision for employees' end of service benefits		150	212
Investment income		(6,551)	(6,750)
Change in fair value of investments at FVTPL		(55)	-
		20,496	15,947
<i>Changes in operating assets and liabilities:</i>			
Reinsurance assets		(82,992)	(135,856)
Insurance receivables		(34,553)	(60,716)
Prepayments and other assets		49	(3,792)
Insurance contract liabilities		94,502	148,453
Amounts held under reinsurance treaties		(6,496)	(3,183)
Reinsurance balances payable		82,921	62,030
Insurance and other payables		(31,891)	31,533
Cash generated from operations		42,036	54,416
Employees' end of service benefits paid		(21)	(17)
Net cash generated from operating activities		42,015	54,399
<b>INVESTING ACTIVITIES</b>			
Interest on investments received		776	1,312
Dividend income received		5,775	5,438
Investments held at amortised cost		18	14
Proceeds from disposal of investments at FVTOCI		66	-
Purchase of investment at FVTOCI		(31,329)	-
Investments in bank deposits at FVTPL		10,340	17,637
Purchase of property and equipment		(597)	(492)
Purchase of investment property		(10,013)	(1,784)
Net cash (used in)/generated from investing activities		(24,964)	22,125
<b>FINANCING ACTIVITIES</b>			
Dividend paid	11	(35,000)	(35,000)
Directors' fee paid		-	(600)
Bank loan		(175)	(179)
Net cash used in financing activities		(35,175)	(35,779)
<b>Net change in cash and cash equivalents</b>		<b>(18,124)</b>	<b>40,745</b>
Cash and cash equivalents, beginning of period		96,593	88,917
<b>Cash and cash equivalents, end of period</b>	7	<b>78,469</b>	<b>129,662</b>

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 31 March 2021**

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**1 Legal status and activities**

Dubai Insurance Company (P.S.C.) (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.

During 2019, the Company’s management decided to wind up its subsidiary, Vattaun Limited, which was not in operation. On 11 January 2021, the certificate of dissolution of Vattaun Limited was obtained from the Regulator. Management has not observed any material impact on Company’s financial position in respect of dissolution of this subsidiary.

**2 Basis of preparation**

The condensed interim financial statements are for the three months period ended 31 March 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.

***Impairment losses on insurance receivables***

The Company reviews its insurance receivables on a regular basis to assess whether an allowance for impairment should be recorded in the statement of income. 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.



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

Notes to the condensed interim financial statements  
For the period ended 31 March 2021

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**3 Significant accounting policies (continued)**

*Critical accounting estimates and judgments in applying accounting policies (continued)*

*Impairment losses on insurance receivables (continued)*

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 property*

The Company makes judgement to determine whether a property qualifies as investment property and follows the guidance of IAS 40 'Investment Property' to consider whether any owner-occupied property is not significant and is classified accordingly as investment property.

*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.

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

Notes to the condensed interim financial statements  
For the period ended 31 March 2021

**6 Financial instruments**

	Carrying value		Fair value	
	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
<i>Financial instruments</i>				
At fair value through profit or loss (note 6.1)	104,043	114,328	104,043	114,328
At fair value through other comprehensive income (note 6.2)	379,115	324,316	379,115	324,316
Investments held at amortised cost (note 6.3)	36,350	36,368	36,544	36,514
	<u>519,508</u>	<u>475,012</u>	<u>519,702</u>	<u>475,158</u>

**6.1 Financial assets at fair values through profit or loss**

	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
a) Shares – quoted	3,788	3,733
b) Designated upon initial recognition		
Bank deposits with maturity over three months - unquoted	100,255	110,595
	<u>104,043</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) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
Shares – quoted (within UAE)	310,931	287,427
Shares – unquoted (Outside UAE)	61,303	30,008
Shares – unquoted (within UAE)	6,881	6,881
	<u>379,115</u>	<u>324,316</u>

The fair value gain amounting to AED 23,600 thousand (2020: loss of AED 83,616 thousand) has been recognised in the condensed interim statement of other comprehensive income.

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

Notes to the condensed interim financial statements  
For the period ended 31 March 2021

**6 Financial instruments (continued)**

**6.3 Debt instruments at amortised cost**

	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
<i>Amortised cost</i>		
Debt securities (within UAE)	24,701	24,706
Debt securities (outside UAE)	11,649	11,662
	<u>36,350</u>	<u>36,368</u>

Debt securities amounting to AED 11,615 thousand (2020: AED 21,778 thousand) are pledged against bank loan (note 8). The investments carry interest at an effective rate of 4.17% per annum (2020: 4.96% per annum). The maturity profile of these debt instruments is shown below.

	31 March 2021 (Unaudited)		
	Less than 5 years AED'000	More than 5 years AED'000	Total AED'000
	Debt securities (within UAE)	6,431	18,270
Debt securities (outside UAE)	9,809	1,840	11,649
	<u>16,240</u>	<u>20,110</u>	<u>36,350</u>

  

	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
Debt securities (outside UAE)	9,822	1,840	11,662
	<u>16,255</u>	<u>20,113</u>	<u>36,368</u>

**7 Cash and cash equivalents**

	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Audited) 31 December 2020 AED'000
Bank balances	78,448	129,607	96,584
Cash on hand	21	55	9
	<u>78,469</u>	<u>129,662</u>	<u>96,593</u>

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 31 March 2021**

**8 Bank loan**

	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
Bank loan	<u>1,037</u>	<u>1,212</u>

In 2015, the Company entered into credit facility agreements with an international bank. The loan facilities are 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 carries interest at 1-month USD LIBOR plus 0.5% per annum. The tenure of the loans are directly linked to the maturity period of the debt instruments which are financed by the loan. The debt instruments have maturity periods of 1 to 31 years. The net decrease in carrying amount during the period is due to repayment of loan AED 175 thousand by cash and cash equivalent.

**9 Share capital**

	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
Issued and fully paid 100,000,000 shares of AED 1 each (31 December 2020: 100,000,000 share of AED 1 each)	<u>100,000</u>	<u>100,000</u>

**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 three months period ended 31 March 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 amount was transferred to the general reserve from retained earnings (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) 31 March 2021 AED'000	(Audited) 31 December 2020 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))	<u>35,000</u>	<u>35,000</u>

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

**Notes to the condensed interim financial statements**  
**For the period ended 31 March 2021**

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**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:

	<b>(Unaudited)</b> <b>31 March</b> <b>2021</b>	<b>(Unaudited)</b> <b>31 March</b> <b>2020</b>
Profit for the period (AED '000)	26,629	22,149
Directors' fee paid (AED '000)	-	(600)
Profit for the period attributable to shareholders (AED '000)	<u>26,629</u>	<u>21,549</u>
Weighted average number of shares outstanding during the period ('000)	<u>100,000</u>	<u>100,000</u>
Earnings per share (AED)	<u>0.27</u>	<u>0.22</u>

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

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

Notes to the condensed interim financial statements  
For the period ended 31 March 2021

**13 Segmental 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 segments information is presented below:

**Segment-wise income statement**

	General insurance		Medical and life insurance		Investments		Total	
	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000
<b>For the three months period ended</b>								
<b>Underwriting income</b>								
Gross premium	230,186	202,026	115,963	135,952	-	-	346,149	337,978
Reinsurers' share of premium	(214,519)	(184,083)	(82,010)	(105,932)	-	-	(296,529)	(290,015)
Net movement in unearned premium	(4,785)	(6,335)	(7,319)	(2,899)	-	-	(12,104)	(9,234)
Net insurance premium revenue	10,882	11,608	26,634	27,121	-	-	37,516	38,729
Reinsurance commission income	22,484	27,614	10	11	-	-	22,494	27,625
Other underwriting income	5,230	-	-	-	-	-	5,230	-
	<b>38,596</b>	<b>39,222</b>	<b>26,644</b>	<b>27,132</b>	<b>-</b>	<b>-</b>	<b>65,240</b>	<b>66,354</b>
<b>Underwriting expenses</b>								
Claims incurred	(53,487)	(64,272)	(58,933)	(75,104)	-	-	(112,420)	(139,376)
Reinsurers' share of claims incurred	50,186	57,097	52,463	71,311	-	-	102,649	128,408
Net claims incurred	(3,301)	(7,175)	(6,470)	(3,793)	-	-	(9,771)	(10,968)
Commission expenses	(6,666)	(6,906)	(5,575)	(5,462)	-	-	(12,241)	(12,368)
General and administration expenses relating to underwriting activities	(7,765)	(7,228)	(3,847)	(4,759)	-	-	(11,612)	(11,987)
Other expenses	(198)	(512)	(7,184)	(11,015)	-	-	(7,382)	(11,527)
	<b>(17,930)</b>	<b>(21,821)</b>	<b>(23,076)</b>	<b>(25,029)</b>	<b>-</b>	<b>-</b>	<b>(41,006)</b>	<b>(46,850)</b>

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

Notes to the condensed interim financial statements  
For the period ended 31 March 2021

**13 Segmental information (continued)**

Operating segments information is presented below: (continued)

Segment-wise income statement (continued)

	General insurance		Medical and life insurance		Investments		Total	
	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000
For the three months period ended								
Net underwriting income	20,666	17,401	3,568	2,103	-	-	24,234	19,504
Total investment income	-	-	-	-	6,398	6,485	6,398	6,485
Unallocated general and administration expenses relating to underwriting activities	-	-	-	-	-	-	(4,003)	(3,840)
<b>Profit for the period</b>							<b>26,629</b>	<b>22,149</b>

Segment-wise statement of financial position

	General insurance		Medical and life insurance		Investment		Total	
	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000	(Unaudited) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
Segment assets	1,142,989	950,413	144,835	237,764	579,649	525,141	1,867,473	1,713,318
Segment liabilities	1,157,460	955,562	171,843	234,576	1,037	1,212	1,330,340	1,191,350

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

**Notes to the condensed interim financial statements**  
**For the period ended 31 March 2021**

**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) 31 March 2021 AED'000	(Audited) 31 December 2020 AED'000
<i>Affiliates of major shareholders:</i>		
Due from policyholders	37,386	21,458
Outstanding claims	20,439	21,385

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

	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000
<i>Affiliates of major shareholders:</i>		
Premiums	4,926	7,852
Rent received	15	15
Claims paid	(8,764)	(8,864)
Commission expenses	(1,050)	1,397
Rent paid	(208)	(233)

Compensation of the key management personnel is as follows:

	(Unaudited) 31 March 2021 AED'000	(Unaudited) 31 March 2020 AED'000
Short term employee benefits	1,188	1,208
End of service benefits	46	46



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

**Notes to the condensed interim financial statements**  
**For the period ended 31 March 2021**

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**15 Contingencies and commitments**

At 31 March 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:

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>31 March</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
	<b>AED'000</b>	<b>AED'000</b>
Less than 1 year	<b>390</b>	<b>518</b>

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**16 Seasonality of results and impact of COVID-19**

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 31 March 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.