

Dubai Insurance Company (P.S.C.)

Condensed consolidated interim financial statements
(Unaudited)

For the period ended 30 June 2022

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

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Dubai Insurance Company (P.S.C.) (the “Company”) and its subsidiary (collectively referred to as the “Group”), as of 30 June 2022 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six months period then ended and explanatory information. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these condensed consolidated 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 consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.


GRANT THORNTON

Osama El-Bakry
Registration No. 935
Dubai, United Arab Emirates



28 July 2022

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

Condensed consolidated interim statement of financial position
As at 30 June 2022

		(Unaudited)	(Audited)
		30 June	31 December
		2022	2021
	Notes	AED'000	AED'000
ASSETS			
Property and equipment	4	48,839	49,015
Investment properties	5	64,644	65,016
Financial instruments	6	688,286	566,415
Reinsurance assets		1,105,881	943,982
Insurance receivables		289,369	267,332
Prepayments and other receivables		26,682	28,422
Statutory deposits		10,000	10,000
Cash and cash equivalents	7	198,068	178,066
TOTAL ASSETS		2,431,769	2,108,248
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	10	8,596	8,596
Retained earnings		217,925	203,039
Cumulative changes in fair value of investments		222,278	218,855
Total equity		648,799	630,490
Liabilities			
Bank loan	8	11,104	11,039
Employees' end of service benefits		5,575	5,537
Insurance contract liabilities		1,221,702	1,060,013
Amounts held under reinsurance treaties		37,496	27,284
Reinsurance balances payable		139,580	136,255
Insurance and other payables		367,513	237,630
Total liabilities		1,782,970	1,477,758
TOTAL EQUITY AND LIABILITIES		2,431,769	2,108,248

These condensed consolidated interim financial statements were authorised for issue in accordance with a resolution of the Directors on 28 July 2022.

Buti Obaid Almulla
Chairman

Abdellatif Abuqurah
Chief Executive Officer

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

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

Condensed consolidated interim income statement
For the period ended 30 June 2022

	(Unaudited) Six months period ended 30 June 2022 AED'000	(Unaudited) Six months period ended 30 June 2021 AED'000	(Unaudited) Three months period ended 30 June 2022 AED'000	(Unaudited) Three months period ended 30 June 2021 AED'000
UNDERWRITING INCOME				
Gross premium	742,148	644,469	321,397	298,320
Movement in provision for unearned premium	(123,847)	(146,972)	(9,965)	(29,879)
Insurance premium revenue	618,301	497,497	311,432	268,441
Reinsurance share of premium	(545,371)	(531,323)	(218,683)	(234,794)
Movement in provision for reinsurance share of unearned premium	126,883	134,936	9,090	29,947
Insurance premium ceded to reinsurers	(418,488)	(396,387)	(209,593)	(204,847)
Net earned insurance premium	199,813	101,110	101,839	63,594
Reinsurance commission income	52,958	44,083	19,256	21,589
Other underwriting income	10,460	9,563	4,791	4,333
Total underwriting income	263,231	154,756	125,886	89,516
UNDERWRITING EXPENSES				
Claims incurred	(242,229)	(232,827)	(92,017)	(120,407)
Reinsurers' share of claims incurred	201,921	202,970	68,626	100,321
Net claims incurred	(40,308)	(29,857)	(23,391)	(20,086)
Commission expenses	(41,669)	(29,790)	(19,914)	(17,549)
General and administration expenses relating to underwriting activities	(26,646)	(18,976)	(12,356)	(7,364)
Other underwriting expenses	(110,723)	(40,534)	(50,414)	(33,152)
Total underwriting expenses	(219,346)	(119,157)	(106,075)	(78,151)
NET UNDERWRITING INCOME	43,885	35,599	19,811	11,365
INVESTMENT INCOME				
Realised loss on sale of financial assets at amortised cost	(3)	(934)	-	(934)
Fair value (loss)/gain on financial assets at fair value through profit or loss	(86)	72	(90)	17
Other investment income	18,526	14,013	10,222	7,655
Other investment costs	(186)	(29)	(172)	(14)
Net investment income	18,251	13,122	9,960	6,724
OTHER INCOME AND EXPENSES				
General and administration expenses not allocated	(6,776)	(6,223)	(3,045)	(2,434)
Other income/(expense)	20	(246)	14	(32)
	(6,756)	(6,469)	(3,031)	(2,466)
PROFIT FOR THE PERIOD	55,380	42,252	26,740	15,623
Basic and diluted earnings per share (note 12)	0.547	0.423	0.267	0.156

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

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

Condensed consolidated interim statement of comprehensive income
For the period ended 30 June 2022

	(Unaudited) Six months period ended 30 June 2022 AED'000	(Unaudited) Six months period ended 30 June 2021 AED'000	(Unaudited) Three months period ended 30 June 2022 AED'000	(Unaudited) Three months period ended 30 June 2021 AED'000
Profit for the period	55,380	42,252	26,740	15,623
OTHER COMPREHENSIVE INCOME				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Gain/(loss) on sale of financial assets at fair value through other comprehensive income (FVTOCI)	206	(24)	117	40
Net unrealised gain/(loss) on financial assets at FVTOCI	3,423	42,613	(32,977)	19,013
Other comprehensive income/(loss) for the period	3,629	42,589	(32,860)	19,053
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	59,009	84,841	(6,120)	34,676

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

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

**Condensed consolidated interim statement of changes in equity
For the period ended 30 June 2022**

	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 2022 (Audited)	100,000	50,000	50,000	8,596	203,039	218,855	630,490
Profit for the period	-	-	-	-	55,380	-	55,380
Other comprehensive income	-	-	-	-	-	3,629	3,629
Total comprehensive income for the period	-	-	-	-	55,380	3,629	59,009
Transferred to retained earnings on sale of investment at FVTOCI	-	-	-	-	206	(206)	-
Dividend paid (note 11)	-	-	-	-	(40,000)	-	(40,000)
Directors' fees paid	-	-	-	-	(700)	-	(700)
Balance at 30 June 2022 (Unaudited)	100,000	50,000	50,000	8,596	217,925	222,278	648,799
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	84,841
Transferred to retained earnings on sale of investment at FVTOCI	-	-	-	-	(24)	24	-
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

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

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

Condensed consolidated interim statement of cash flows
For the period ended 30 June 2022

	Notes	(Unaudited) Six months period ended 30 June 2022 AED'000	(Unaudited) Six months period ended 30 June 2021 AED'000
OPERATING ACTIVITIES			
Profit for the period		55,380	42,252
<i>Adjustments for:</i>			
Depreciation on property and equipment		906	664
Depreciation on investment property	5	372	-
Provision for employees' end of service benefits		548	269
Investment income		(18,454)	(14,313)
Interest on bank loan		65	-
Change in fair value of financial assets at FVTPL		86	(72)
Amortisation of investments at amortised cost		-	(769)
Loss on sale of financial assets at amortised cost		3	934
		<u>38,906</u>	<u>28,965</u>
<i>Changes in operating assets and liabilities:</i>			
Reinsurance assets		(161,899)	(135,783)
Insurance receivables		(22,037)	(61,056)
Prepayments and other assets		1,740	(83)
Insurance contract liabilities		161,689	157,693
Amounts held under reinsurance treaties		10,212	(6,751)
Reinsurance balances payable		3,325	81,934
Insurance and other payables		129,883	(5,360)
Cash generated from operations		<u>161,819</u>	<u>59,559</u>
Employees' end of service benefits paid		(510)	(92)
Net cash generated from operating activities		<u>161,309</u>	<u>59,467</u>
INVESTING ACTIVITIES			
Interest on investments received		1,951	1,449
Dividend income received		16,503	12,864
Investments in bank deposits at FVTPL		(100,172)	69,534
Proceeds from maturity of investments at amortised cost		4,645	1,736
Purchase of investments at FVTOCI		(24,653)	(46,786)
Purchase of property and equipment		(730)	(746)
Proceeds from disposal of investments at FVTOCI		1,849	427
Purchase of investment properties		-	(13,879)
Net cash (used in)/generated from investing activities		<u>(100,607)</u>	<u>24,599</u>
FINANCING ACTIVITIES			
Dividend paid	11	(40,000)	(35,000)
Directors' fees paid		(700)	-
Repayment of bank loan		-	(1,212)
Net cash used in financing activities		<u>(40,700)</u>	<u>(36,212)</u>
Net change in cash and cash equivalents		20,002	47,854
Cash and cash equivalents, beginning of period		<u>178,066</u>	<u>96,593</u>
Cash and cash equivalents, end of period	7	<u><u>198,068</u></u>	<u><u>144,447</u></u>

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

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

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). The Company is subject to the regulations of the UAE Federal Law No. (2) of 2015 (as amended) and the UAE Federal Law No. (6) of 2007 relating to commercial companies in the UAE. 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.

Federal Law by Decree No. 32 of 2021 on Commercial Companies (the “New Companies Law”) was issued on 20 September 2021 with an effective date of 2 January 2022, and will entirely replace Federal Law No. 2 of 2015 (as amended) on Commercial Companies, as amended. The Company has twelve months from the effective date to comply with the provisions of the New Companies Law.

2 Basis of preparation

The condensed consolidated interim financial statements are for the six months period ended 30 June 2022 and are presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Group. These condensed interim financial statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and do not include all the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the financial statements of the Group for the year ended 31 December 2021. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

Basis of consolidation

The Group comprises of the Company and the under-mentioned subsidiary company.

Subsidiary	Principal activity	Country of incorporation	Ownership
Insurance Pool For Communication And Consulting Services/ L.L.C	Human Resources Consultancy	United Arab Emirates	100%

The condensed consolidated interim financial statements comprise the financial statements of the Company and its subsidiary (collectively referred to as the “Group”) as at 30 June 2022.

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Company’s voting rights and potential voting rights.

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

3 Significant accounting policies

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2021.

The Group 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 Group 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 Group'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 Group reviews its insurance receivables on a regular basis to assess whether a provision for impairment should be recorded in the condensed consolidated interim 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 Group 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 Group 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 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.

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

3 Significant accounting policies (continued)

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

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 (31 December 2021: AED 44,173 thousand). The Group's Board of Directors has resolved to construct the Group's head office on the land in the foreseeable future.

5 Investment properties

Investment properties represent the Group's investments in freehold land and building situated in the Emirate of Dubai, United Arab Emirates. Depreciation charged during the period amounted to AED 372 thousand (31 December 2021: AED 372 thousand).

6 Financial instruments

	Carrying value		Fair value	
	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
<i>Financial instruments</i>				
At fair value through profit or loss (note 6.1)	144,867	44,781	144,867	44,781
At fair value through other comprehensive income (note 6.2)	509,808	483,375	509,808	483,375
Investments held at amortised cost (note 6.3)	33,611	38,259	34,377	38,229
	688,286	566,415	689,052	566,385

6.1 Financial assets at fair values through profit or loss

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
a) Shares – quoted	3,889	3,975
b) Designated upon initial recognition		
Bank deposits with maturity over six months – unquoted	140,978	40,806
	144,867	44,781

The entire shares and bank deposits are within the United Arab Emirates. These investments carry interest at an effective rate of 1% to 2.2% per annum (31 December 2021: 0.55% to 1% per annum).

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

6 Financial instruments (continued)

6.2 Financial assets at fair value through other comprehensive income

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Shares – quoted (within UAE)	367,999	350,885
Shares – unquoted (outside UAE)	135,019	125,700
Shares – unquoted (within UAE)	6,790	6,790
	<u>509,808</u>	<u>483,375</u>

The fair value gain amounting to AED 3,423 thousand (30 June 2021: gain of AED 42,613 thousand) have been recognised in the condensed consolidated interim statement of comprehensive income.

6.3 Debt instruments at amortised cost

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Debt securities (within UAE)	24,259	10,960
Debt securities (outside UAE)	9,352	27,299
	<u>33,611</u>	<u>38,259</u>

These investments carry interest at an effective rate of 4.63% per annum (31 December 2021: 4.96% per annum). The maturity profile of these debt instruments is shown below:

	30 June 2022 (Unaudited)		
	Less than 5 years AED'000	More than 5 years AED'000	Total AED'000
Debt securities (within UAE)	5,070	19,189	24,259
Debt securities (outside UAE)	6,634	2,718	9,352
	<u>11,704</u>	<u>21,907</u>	<u>33,611</u>
	31 December 2021 (Audited)		
	Less than 5 years AED'000	More than 5 years AED'000	Total AED'000
Debt securities (within UAE)	6,361	4,599	10,960
Debt securities (outside UAE)	9,944	17,355	27,299
	<u>16,305</u>	<u>21,954</u>	<u>38,259</u>

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

7 Cash and cash equivalents

	(Unaudited) 30 June 2022 AED'000	(Unaudited) 30 June 2021 AED'000	(Audited) 31 December 2021 AED'000
Bank balances	198,006	144,395	178,062
Cash on hand	62	52	4
	<u>198,068</u>	<u>144,447</u>	<u>178,066</u>

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

8 Bank loan

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Bank loan	<u>11,104</u>	<u>11,039</u>

In 2021, the Group entered into credit facility agreement with an international bank. The loan facilities are secured against investments in fixed income funds held at FVTOCI amounting to AED 17,848 thousand (31 December 2021: AED 20,921 thousand) for the Group's investment operations and carry interest at 1-month USD LIBOR plus 0.75% per annum payable in semi-annual installments. The maturity of loan is till April 2025.

9 Share capital

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Issued and fully paid 100,000,000 shares of AED 1 each (31 December 2021: 100,000,000 shares 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 Group's Article of Association, the Group 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 2022 (31 December 2021: Nil). 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 2021: Nil).

Reinsurance reserve

In accordance with CBUAE's Board of Directors' Decision No. 23, Article 34, an amount of AED 4,640 thousand based on the reinsurance share of premium at a rate of 0.5% was transferred from retained earnings to reinsurance reserve during the year ended 31 December 2021. The reserve is not available for distribution and will not be disposed of without prior approval from CBUAE.

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

11 Dividends

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Cash dividend for 2021 of AED 0.4 per share (declared and paid) (for 2020: dividend of AED 0.35 per share (declared and paid))	40,000	35,000

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 2022	(Unaudited) Six months period ended 30 June 2021	(Unaudited) Three months period ended 30 June 2022	(Unaudited) Three months period ended 30 June 2021
Profit for the period (AED'000)	55,380	42,252	26,740	15,623
Directors' fee paid (AED'000)	(700)	-	-	-
Profit for the period attributable to shareholders (AED'000)	54,680	42,252	26,740	15,623
Weighted average number of shares outstanding during the period ('000)	100,000	100,000	100,000	100,000
Earnings per share (AED)	0.547	0.423	0.267	0.156

The Group 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 Group 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 Group'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 consolidated interim financial statements (Unaudited)

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

13 Segmental information (continued)

(Unaudited)	General insurance		Medical and life insurance		Investments		Total	
	30 June 2022 AED'000	30 June 2021 AED'000	30 June 2022 AED'000	30 June 2021 AED'000	30 June 2022 AED'000	30 June 2021 AED'000	30 June 2022 AED'000	30 June 2021 AED'000
For the six months period ended								
UNDERWRITING INCOME								
Gross premium	538,769	452,545	203,379	191,924	-	-	742,148	644,469
Reinsurers' share of premium	(413,941)	(399,815)	(131,430)	(131,508)	-	-	(545,371)	(531,323)
Net movement in unearned premium	3,909	(4,175)	(873)	(7,861)	-	-	3,036	(12,036)
Net insurance premium revenue	128,737	48,555	71,076	52,555	-	-	199,813	101,110
Reinsurance commission income	52,851	44,065	107	18	-	-	52,958	44,083
Other underwriting income	10,460	9,563	-	-	-	-	10,460	9,563
Total underwriting income	192,048	102,183	71,183	52,573	-	-	263,231	154,756
UNDERWRITING EXPENSES								
Claims incurred	(96,774)	(106,901)	(145,455)	(125,926)	-	-	(242,229)	(232,827)
Reinsurers' share of claims incurred	81,111	94,863	120,810	108,107	-	-	201,921	202,970
Net claims incurred	(15,663)	(12,038)	(24,645)	(17,819)	-	-	(40,308)	(29,857)
Commission expenses	(27,805)	(15,653)	(13,864)	(14,137)	-	-	(41,669)	(29,790)
General and administration expenses relating to underwriting activities	(21,074)	(13,378)	(5,572)	(5,598)	-	-	(26,646)	(18,976)
Other underwriting expenses	(93,828)	(28,941)	(16,895)	(11,593)	-	-	(110,723)	(40,534)
NET UNDERWRITING INCOME	(158,370)	(70,010)	(60,976)	(49,147)	-	-	(219,346)	(119,157)
TOTAL INVESTMENT INCOME	33,678	32,173	10,207	3,426	-	-	43,885	35,599
TOTAL INVESTMENT INCOME	-	-	-	-	18,251	13,122	18,251	13,122
Unallocated general, administrative and other expenses	-	-	-	-	-	-	(6,756)	(6,469)
PROFIT FOR THE PERIOD	-	-	-	-	-	-	55,380	42,252

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

13 Segmental information (continued)

Operating segments information is presented below:

Segment-wise statement of financial position

	General insurance		Medical and life insurance		Investments		Total	
	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Segment assets	1,357,902	1,187,752	320,937	289,065	752,930	631,431	2,431,769	2,108,248
Segment liabilities	1,449,129	1,152,070	322,737	314,649	11,104	11,039	1,782,970	1,477,758

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

14 Related party transactions

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

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

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
<i>Affiliates of major shareholders:</i>		
Due from policyholders	36,921	28,867
Outstanding claims	22,402	17,195

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

	(Unaudited) 30 June 2022 AED'000	(Unaudited) 30 June 2021 AED'000
<i>Affiliates of major shareholders:</i>		
Premiums	7,346	8,331
Rent received	29	30
Claims paid	(95)	(9,317)
Commission expenses	(2,898)	(2,803)
Rent paid	(267)	(393)

Compensation of the key management personnel is as follows:

	(Unaudited) 30 June 2022 AED'000	(Unaudited) 30 June 2021 AED'000
Short term employee benefits	1,840	2,285
End of service benefits	151	93

15 Contingencies and commitments

At 30 June 2022, the Group 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 2021: AED 10,105 thousand).

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

Notes to the condensed consolidated interim financial statements
For the period ended 30 June 2022

15 Contingencies and commitments (continued)

Capital commitments

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

	(Unaudited) 30 June 2022 AED'000	(Audited) 31 December 2021 AED'000
Less than 1 year	346	497

16 Seasonality of results

The Group's investment income is dependent on market conditions, its investment activities and declaration of profits by investee companies, which are of a seasonal nature. Accordingly, results for the period ended 30 June 2022 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 2022.