

ALLIANCE INSURANCE P.S.C.

Condensed interim financial information (Unaudited)
For the nine-month period ended 30 September 2024

Report on Review of the Condensed Interim Financial Information To the Shareholders of Alliance Insurance P.S.C.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Alliance Insurance (P.S.C.) (the "Company") as at 30 September 2024 and the related condensed interim income statement, condensed interim statement of comprehensive income for the three-month and nine-month periods then ended, condensed interim statement of changes in equity and condensed interim statement of cash flows for the nine-month period then ended, and material accounting policy information and other explanatory notes. Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with International Accounting Standard 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim financial information 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 condensed 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 information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "*Interim Financial Reporting*".


GRANT THORNTON UAE

P.O. Box: 1620
DUBAI-U.A.E.

Farouk Mohamed
Registration No: 86
Dubai, United Arab Emirates

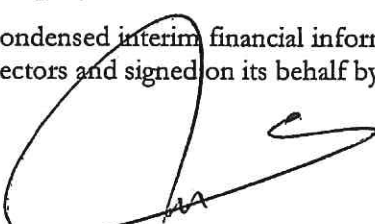
13 November 2024

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

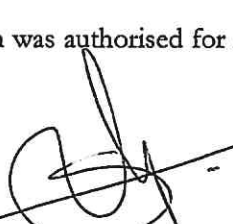
Condensed interim statement of financial position
As at 30 September 2024

	Notes	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Assets			
Property and equipment		4,342,113	4,206,683
Investment properties		227,465,500	227,465,500
Investments at amortised cost	5	327,552,006	328,932,079
Investments at fair value through other comprehensive income (FVTOCI)	5	7,459,397	8,315,980
Deferred tax asset		77,093	-
Insurance contract assets	6	343,597	346,726
Reinsurance contract assets	6	232,123,294	231,247,203
Prepayments and other receivables	7	32,308,081	26,629,667
Statutory deposits	8	10,000,000	10,000,000
Fixed deposits	9	447,476,641	469,323,297
Cash and cash equivalents	10	5,729,823	14,810,363
Total assets		1,294,877,545	1,321,277,498
Equity and liabilities			
Equity			
Share capital	11	100,000,000	100,000,000
Statutory reserve	12	100,000,000	100,000,000
Regular reserve		93,303,535	93,303,535
General reserve		222,000,000	222,000,000
Reinsurance reserve		3,967,092	3,967,092
Cumulative change in fair value of FVTOCI investments		(3,227,076)	(2,447,586)
Retained earnings		27,413,246	43,417,517
Total equity		543,456,797	560,240,558
Liabilities			
Employees' end of service benefits		6,318,573	5,973,940
Insurance contract liabilities	6	728,767,686	735,210,792
Reinsurance contract liabilities	6	-	17,084
Accrued expenses and other payables	13	15,022,700	19,835,124
Income tax payable		1,311,789	-
Total liabilities		751,420,748	761,036,940
Total equity and liabilities		1,294,877,545	1,321,277,498

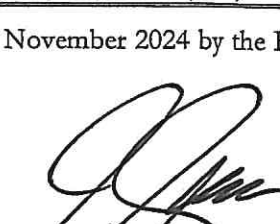
This condensed interim financial information was authorised for issue on 13 November 2024 by the Board of Directors and signed on its behalf by:



Ali Mubarak Ali Al Soori
Chairman



Shahreyar Haider Ashraf Nawabi
Vice Chairman



Aimen Saba Azara
Chief Executive Officer

The notes from 1 to 23 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim income statement
For the period ended 30 September 2024

	Notes	Three-month period ended 30 September (Unaudited)		Nine-month period ended 30 September (Unaudited)	
		2024 AED	2023 AED	2024 AED	2023 AED
Insurance revenue	15	84,495,689	75,089,004	242,962,569	224,400,531
Insurance service expenses	16	(32,976,659)	(72,536,190)	(142,361,978)	(106,958,012)
Insurance service result before reinsurance contracts held		51,519,030	2,552,814	100,600,591	117,442,519
Allocation of reinsurance premiums		(54,740,883)	(50,778,566)	(157,709,850)	(143,779,098)
Amounts recoverable from reinsurance for incurred claims		373,812	42,726,441	41,660,399	31,892,148
Net expenses from reinsurance contracts held		(54,367,071)	(8,052,125)	(116,049,451)	(111,886,950)
Insurance service result		(2,848,041)	(5,499,311)	(15,448,860)	5,555,569
Insurance finance expense	17	(18,341,166)	(4,126,176)	(17,167,662)	(19,383,676)
Reinsurance finance income	17	503,989	214,616	1,878,430	2,459,928
Net insurance financial result	17	(17,837,177)	(3,911,560)	(15,289,232)	(16,923,748)
Income from financial investments		11,941,704	11,262,733	36,430,242	32,523,521
Income from investment properties – net		1,981,358	1,811,612	8,574,715	6,966,024
Total investment income		13,923,062	13,074,345	45,004,957	39,489,545
Foreign currency exchange gain		92,030	66,459	273,628	237,037
Other income		463,618	595,261	1,739,180	1,834,377
Other operating reversals / (expenses)		566,718	257,012	(972,155)	(1,073,653)
(Loss) / profit for the period before tax		(5,639,790)	4,582,206	15,307,518	29,119,127
Income tax reversal / (expense)		500,221	-	(1,311,789)	-
(Loss) / profit for the period after tax		(5,139,569)	4,582,206	13,995,729	29,119,127
Basic and diluted (loss) / earnings after tax per share	14	(5.14)	4.58	14.00	29.12

The notes from 1 to 23 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of comprehensive income
For the period ended 30 September 2024

	Three-month period ended 30 September (Unaudited)		Nine-month period ended 30 September (Unaudited)	
	2024	2023	2024	2023
	AED	AED	AED	AED
(Loss) / profit for the period after tax	(5,139,569)	4,582,206	13,995,729	29,119,127
Other comprehensive (loss) / income:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Net change in fair value of equity investments designated at FVTOCI – net of tax	(64,958)	499,672	(779,490)	1,070,726
Total other comprehensive (loss) / income for the period	(64,958)	499,672	(779,490)	1,070,726
Total Comprehensive (Loss) / Income for the Period	(5,204,527)	5,081,878	13,216,239	30,189,853

The notes from 1 to 23 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of changes in equity
For the period ended 30 September 2024

	Share Capital AED	Statutory Reserve AED	Regular Reserve AED	General Reserve AED	Reinsurance Reserve AED	FVTOCI Investments AED	Cumulative Change in Fair value of	Retained Earnings AED	Total Equity AED
Balance at 1 January 2023 (Audited)	100,000,000	97,503,270	87,914,070	222,000,000	2,888,910	(3,018,641)		28,487,245	535,774,854
Profit for the period	-	-	-	-	-	-		29,119,127	29,119,127
Other comprehensive income for the period	-	-	-	-	-	1,070,726		-	1,070,726
Total comprehensive income for the period	-	-	-	-	-	1,070,726		29,119,127	30,189,853
Dividend paid	-	-	-	-	-	-		(30,000,000)	(30,000,000)
Balance at 30 September 2023 (Unaudited)	100,000,000	97,503,270	87,914,070	222,000,000	2,888,910	(1,947,915)		27,606,372	535,964,707
Balance at 1 January 2024 (Audited)	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(2,447,586)		43,417,517	560,240,558
Profit for the period after tax	-	-	-	-	-	-		13,995,729	13,995,729
Other comprehensive loss for the period	-	-	-	-	-	(779,490)		-	(779,490)
Total comprehensive (loss) / income for the period	-	-	-	-	-	(779,490)		13,995,729	13,216,239
Dividend paid	-	-	-	-	-	-		(30,000,000)	(30,000,000)
Balance at 30 September 2024 (Unaudited)	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(3,227,076)		27,413,246	543,456,797

The notes from 1 to 23 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of cash flows
For the period ended 30 September 2024

		For the nine-month period ended 30 September (Unaudited)	
	Note	2024 AED	2023 AED
Cash flows from operating activities			
Profit for the period before tax		15,307,518	29,119,127
Adjustments for:			
Depreciation of property and equipment		468,163	428,881
Property and equipment written off during the period		-	516,426
Interest income from investments at amortised cost		(14,778,431)	(14,456,424)
Amortisation of fees, premiums, and discounts on investments		1,380,073	2,643,938
Interest income from deposits		(19,624,215)	(15,810,915)
Bad debts written off		973,955	912,640
Interest income from loans guaranteed by life insurance policies		(1,581,462)	(1,810,048)
Income from investment properties		(8,574,715)	(6,966,024)
Dividend income		(446,134)	1,240,852
Provision for employees' end of service indemnity		575,995	(446,134)
Operating cash flows before changes in working capital		(26,299,253)	(4,627,681)
Changes in working capital:			
Prepayments and other receivables		(4,701,482)	(3,050,504)
Reinsurance contract assets		(876,091)	(6,418,854)
Insurance contract assets		3,129	(762,653)
Insurance contract liabilities		(6,443,106)	(23,407,174)
Reinsurance contract liabilities		(17,084)	16,957
Accrued expenses and other payables		(3,230,962)	(2,630,750)
Cash used in operations		(41,564,849)	(40,880,659)
Employees' end of service indemnity paid		(231,363)	(135,149)
Net cash used in operating activities		(41,796,212)	(41,015,808)
Cash flows from investing activities			
Purchase of property and equipment		(603,594)	(1,366,291)
Income received on deposits		16,838,306	11,721,717
Purchases of financial investments at amortised cost	5	(18,350,000)	-
Maturity of financial investments at amortised cost	5	18,350,000	-
Income received from investments at amortised cost		15,811,193	15,577,867
Movement in statutory deposit		-	463,189
Deposits (placed)/encashed during the period		(289,547,447)	22,299,028
Deposits matured during the period		314,180,012	-
Income received from investment properties		5,591,068	4,098,740
Dividend income received		446,134	446,134
Net cash generated from investing activities		62,715,672	53,240,384
Cash flows from financing activity			
Dividend paid to Company's shareholders		(30,000,000)	(30,000,000)
Net cash used in financing activity		(30,000,000)	(30,000,000)
Net change in cash and cash equivalents		(9,080,540)	(17,775,424)
Cash and cash equivalents at beginning of the period		14,810,363	31,620,755
Cash and cash equivalents at end of the period	10	5,729,823	13,845,331

The notes from 1 to 23 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

1 Legal status and activities

Alliance Insurance P.S.C. (the "Company") is a Public Shareholding Company which was originally established in Dubai on 1 July 1975 as a limited liability company under the name of Credit and Commerce Insurance Company. The Company was subsequently incorporated in Dubai on 6 January 1982 as a limited liability company under an Emiri Decree. The Company was converted to a Public Shareholding Company (P.S.C.) in January 1995, in accordance with the UAE Federal Commercial Companies Law No. (8) of 1984 (as amended). The Company's shares are listed on the Dubai Financial Market. The registered address of the Company is Warba Centre, P.O. Box 5501, Dubai, United Arab Emirates.

The licensed activities of the Company are issuing short term and long-term insurance contracts. The insurance contracts are issued in connection with property, motor, aviation and marine risks (collectively known as general insurance) and individual life (participating and non-participating), group life, personal accident, medical and investment linked products.

This condensed interim financial information has been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Decree Law No. (32) of 2021.

In 2023, Federal Decree Law No. 48 of 2023 has been issued with effective date of 30 November 2023, repealing Federal Decree Law No. 6 of 2007. The Company is now compliant with provisions of Article 112 of the Federal Decree Law No. 48 of 2023.

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Company's accounting year ends on 31 December, the first tax period will be the period from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

2 Basis of preparation

This condensed interim financial information is for the nine-month period ended 30 September 2024 and is presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Company. This condensed interim financial information has been prepared in accordance with IAS 34 'Interim Financial Reporting' and complies with the applicable requirements of the laws in the U.A.E.

This condensed interim financial information has been prepared on the historical cost basis, except for investment properties and financial assets carried at fair value through other comprehensive income which are carried at fair value and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labour laws.

The Company's condensed interim statement of financial position is not presented using a current / non-current classification. However, the following balances would generally be classified as current: Cash and cash equivalents, prepayments and other receivables and accrued expenses and other payables. The following balances would generally be classified as non-current: property and equipment, investment properties, statutory deposit and provision for employees' end of service indemnity. The following balances are of mixed nature (including both current and non-current portions): investments at fair value through other comprehensive income, investments at amortised cost, reinsurance contract assets and liabilities, insurance contract assets and liabilities, bank balances, income tax payable and fixed deposits.

The condensed interim financial information does not include all of the information required in annual financial statements in accordance with IFRSs and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2023. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

3 Material accounting policy information

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of this condensed interim financial information are consistent with those used in the audited financial statements for the year ended 31 December 2023, except for application of new standards effective as of 1 January 2024 and several amendments and interpretations apply for the first time in 2024.

Application of new and revised International Financial Reporting Standards (“IFRS”)

The following relevant standards, interpretations and amendments to existing standards were issued by the IASB:

Standard number	Title	Effective date
IAS 1	Amendment to IAS 1 – Non-current liabilities with covenants and classification of liabilities as current or non-current	1 January 2024
IAS 7	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements	1 January 2024
IFRS 16	Amendment to IFRS 16 – Leases on sale and leaseback	1 January 2024

These standards have been adopted by the Company and did not have a material impact on this financial information.

Standard, interpretation or amendment that has been issued but not yet effective

Title	Effective date
IFRS 19 Subsidiary Without Public Accountability: Disclosures	1 January 2027
IFRS 18 'Presentation and Disclosures in Financial Statements'	1 January 2027
Amendments to the SASB standards	1 January 2025
Lack of exchangeability	1 January 2025

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

Taxation

Current

Provision of current tax is based on the taxable income for the period determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the period.

Income tax expense is recognised in interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Deferred taxation

Deferred tax is accounted for in respect of all temporary differences at the balance sheet date between the tax bases and carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences unused tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited to the condensed interim income statement, except in the case of items credited or charged to condensed interim other comprehensive income or equity in which case it is included in condensed interim other comprehensive income or equity.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

3 Material accounting policy information (continued)

Judgements and estimates

The preparation of this condensed interim financial information requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

4 Investment Properties

Investment properties comprises two commercial buildings in Dubai, UAE.

Management estimates that there has been no change in the fair value of investment properties. Investment properties are classified as level 3 in the fair value hierarchy as at 30 September 2024 (31 December 2023: level 3).

5 Financial investments

The Company's financial investments at the end of reporting period are detailed below:

	Carrying value		Fair value	
	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
<i>Financial instruments</i>				
Investments at amortised cost	327,552,006	328,932,079	331,533,718	324,265,582
Investments at fair value through other comprehensive income (FVTOCI)	7,459,397	8,315,980	7,459,397	8,315,980
	<u>335,011,403</u>	<u>337,248,059</u>	<u>338,993,115</u>	<u>332,581,562</u>

Investments at amortised cost

Investment in securities comprises of the following:

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Quoted bonds	329,183,838	330,563,911
Expected credit losses	(1,631,832)	(1,631,832)
	<u>327,552,006</u>	<u>328,932,079</u>

The bonds carry interest at the rates ranging from 4.75% to 11% per annum (2023: 4.75% to 9.50% per annum) and interest is receivable semi-annually. The Company holds these investments with the objective of receiving the contractual cash flows over the instrument's life.

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Inside UAE	195,497,050	196,536,239
Outside UAE	132,054,956	132,395,840
	<u>327,552,006</u>	<u>328,932,079</u>

Investments at fair value through other comprehensive income (FVTOCI)

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Quoted equity securities in UAE	7,459,397	8,315,980

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

5 Financial investments (continued)

Movement in financial investments

The movement in investments at FVTOCI and investments at amortised cost are as follows:

	FVTOCI AED	Amortised cost AED	Total AED
At 31 December 2022 (Audited)	7,744,925	331,995,223	339,740,148
Amortised	-	(3,063,144)	(3,063,144)
Changes in fair value	571,055	-	571,055
At 31 December 2023 (Audited)	8,315,980	328,932,079	337,248,059
Amortised	-	(1,380,073)	(1,380,073)
Changes in fair value	(856,583)	-	(856,583)
Purchases	-	18,350,000	18,350,000
Matured	-	(18,350,000)	(18,350,000)
At 30 September 2024 (Unaudited)	<u>7,459,397</u>	<u>327,552,006</u>	<u>335,011,403</u>

6 Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	30 September 2024 (Unaudited)			31 December 2023 (Audited)		
	Assets AED	Liabilities AED	Net AED	Assets AED	Liabilities AED	Net AED
Insurance contracts issued						
Life and Medical	343,597	(450,191,495)	(449,847,898)	346,726	(455,987,026)	(455,640,300)
General	-	(278,576,191)	(278,576,191)	-	(279,223,766)	(279,223,766)
	<u>343,597</u>	<u>(728,767,686)</u>	<u>(728,424,089)</u>	<u>346,726</u>	<u>(735,210,792)</u>	<u>(734,864,066)</u>
Reinsurance contracts held						
Life and Medical	14,434,610	-	14,434,610	18,433,307	-	18,433,307
General	217,688,684	-	217,688,684	212,813,896	(17,084)	212,796,812
	<u>232,123,294</u>	<u>-</u>	<u>232,123,294</u>	<u>231,247,203</u>	<u>(17,084)</u>	<u>231,230,119</u>

Insurance contract liabilities have been adjusted for loans guaranteed by life insurance policies amounting to AED 41,147,213 as at 30 September 2024 (2023: AED 41,341,080).

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance and reinsurance contract balances measured under both PAA and Non-PAA as at:

	(Unaudited) PAA AED	(Unaudited) Non-PAA AED	(Unaudited) Total AED
30 September 2024			
Insurance contract liabilities	299,606,038	429,161,648	728,767,686
Reinsurance contract liabilities	-	-	-
Insurance contract assets	343,597	-	343,597
Reinsurance contract assets	(227,722,423)	(4,400,871)	(232,123,294)
31 December 2023			
Insurance contract liabilities	298,807,971	436,402,821	735,210,792
Reinsurance contract liabilities	(17,084)	-	(17,084)
Insurance contract assets	346,726	-	346,726
Reinsurance contract assets	(225,921,949)	(5,325,254)	(231,247,203)

Expected recognition of the contractual service margin - An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table (number of years until expected to be recognised)

	1 year AED	2 year AED	3 year AED	4 year AED	5 year AED	>5 year AED	Total AED
30 September 2024							
CSM for insurance contracts issued	541,702	471,720	409,089	359,017	309,499	3,431,509	5,522,536
CSM for reinsurance contracts held	447,009	391,619	345,304	305,727	265,913	2,943,817	4,699,389
31 December 2023							
CSM for insurance contracts issued	430,052	369,847	320,751	280,296	243,445	2,764,313	4,408,704
CSM for reinsurance contracts held	530,589	461,786	406,160	359,573	315,748	3,585,151	5,659,007

Condensed interim financial information (Unaudited)

For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims for contracts measured under the PAA

30 September 2024 (unaudited)

30 September 2024 (unaudited)	Life and Medical				General				
	Liabilities for remaining coverage		Liabilities for incurred claims		Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component (Unaudited) AED	Loss value of future cash flows (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Excluding loss component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	
Insurance contract assets as at 1 January	823,052	-	(468,393)	(7,933)	-	-	-	-	346,726
Insurance contract liabilities as at 1 January	(6,186,944)	-	(13,032,231)	(365,026)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,807,971)
Net insurance contract liabilities as at 1 January	(5,363,892)	-	(13,500,624)	(372,959)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,461,245)
Insurance revenue	41,192,561	-	-	-	160,432,854	-	-	-	201,625,415
Insurance service expenses	(6,707,878)	-	(26,658,763)	321,997	(12,625,559)	46,541	(50,813,076)	701,390	(95,735,348)
Incurred claims and other expenses	-	-	(35,625,929)	(615,099)	-	-	(118,168,778)	(7,565,312)	(161,975,118)
Amortisation of insurance acquisition cash flows	(6,707,878)	-	-	-	(12,625,559)	-	-	-	(19,333,437)
Changes to liabilities for incurred claims	-	-	8,967,166	937,096	-	-	67,355,702	8,266,702	85,526,666
Losses on onerous contracts	-	-	-	-	-	46,541	-	-	46,541
Insurance service result	34,484,683	-	(26,658,763)	321,997	147,807,295	46,541	(50,813,076)	701,390	105,890,067
Insurance finance expenses	-	-	(196,342)	-	-	-	(2,446,364)	-	(2,642,706)
Total changes in the statement of comprehensive income	34,484,683	-	(26,855,105)	321,997	147,807,295	46,541	(53,259,440)	701,390	103,247,361
Cash flows									
Premiums received	(45,231,089)	-	-	-	(149,858,703)	-	-	-	(195,089,792)
Claims and other expenses paid	-	-	30,399,380	-	-	-	43,506,598	-	73,905,978
Insurance acquisition cash flows paid	5,431,360	-	-	-	11,703,897	-	-	-	17,135,257
Total cash flows	(39,799,729)	-	30,399,380	-	(138,154,806)	-	43,506,598	-	(104,048,557)
Net insurance contract liabilities as at 30 September									
Insurance contract assets as at 30 September	291,627	-	51,970	-	-	-	-	-	343,597
Insurance contract liabilities as at 30 September	(10,970,565)	-	(10,008,319)	(50,962)	2,275,768	(5,731,491)	(258,757,626)	(16,362,843)	(299,606,038)
Net insurance contract liabilities as at 30 September	(10,678,938)	-	(9,956,349)	(50,962)	2,275,768	(5,731,491)	(258,757,626)	(16,362,843)	(299,262,441)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims for contracts measured under the PAA (continued)

	31 December 2023 (audited)									
	Life and Medical					General				
	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Risk AED	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Insurance contract liabilities as at 1 January	(3,774,551)	-	(10,302,801)	(302,718)	(21,377,433)	(8,193,076)	(232,513,155)	(17,074,473)	(293,538,207)	
Insurance revenue	45,944,195	-	-	-	197,772,988	-	-	-	-	243,717,183
Insurance service expenses	(6,846,505)	-	(40,850,520)	(70,241)	(17,161,751)	2,415,044	(59,240,389)	10,240	(121,744,122)	
Incurred claims and other expenses	-	-	(47,985,572)	(1,781,425)	-	-	(119,641,611)	(7,656,971)	(177,065,579)	
Amortisation of insurance acquisition cash flows	(6,846,505)	-	-	-	(17,161,751)	-	-	-	(24,008,256)	
Changes to liabilities for incurred claims	-	-	7,135,052	1,711,184	-	-	60,401,222	7,667,211	76,914,669	
Losses on onerous contracts and reversals of those losses	-	-	-	-	-	2,415,044	-	-	2,415,044	
Insurance service result	39,097,690	-	(40,850,520)	(70,241)	180,611,237	2,415,044	(59,240,389)	10,240	121,973,061	
Insurance finance expenses	-	-	(62,593)	-	-	-	(2,884,301)	-	(2,946,894)	
Total changes in the statement of comprehensive income	39,097,690	-	(40,913,113)	(70,241)	180,611,237	2,415,044	(62,124,690)	10,240	119,026,167	
<i>Cash flows</i>										
Premiums received	(49,535,399)	-	-	-	(181,811,096)	-	-	-	(231,346,495)	
Claims and other expenses paid	-	-	37,715,290	-	-	-	45,633,061	-	83,348,351	
Insurance acquisition cash flows paid	8,848,368	-	-	-	15,200,571	-	-	-	24,048,939	
Total cash flows	(40,687,031)	-	37,715,290	-	(166,610,525)	-	45,633,061	-	(123,949,205)	
Net insurance contract liabilities as at 31 December	823,052	-	(468,393)	(7,933)	-	-	-	-	-	346,726
Insurance contract assets as at 31 December	(6,186,944)	-	(13,032,231)	(365,026)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,807,971)	
Insurance contract liabilities as at 31 December	(5,363,892)	-	(13,500,624)	(372,959)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,461,245)	

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claims – applicable to contracts not measured under the PAA relating to individual life insurance

30 September 2024 (unaudited)	Liabilities for remaining coverage			Total (Unaudited) AED
	Excluding loss component	Loss component	Liabilities for incurred claims	
	(Unaudited)	(Unaudited)	(Unaudited)	
	AED	AED	AED	
Insurance contract liabilities as at 1 January	(376,968,114)	(26,970,156)	(32,464,551)	(436,402,821)
Insurance revenue	41,337,154	-	-	41,337,154
Insurance service expenses	(2,291,196)	(7,090,193)	(37,245,241)	(46,626,630)
Incurred claims and other expenses	-	-	(42,863,080)	(42,863,080)
Amortisation of insurance acquisition cash flows	(2,291,196)	-	-	(2,291,196)
Losses on onerous contracts	-	(7,090,193)	-	(7,090,193)
Changes to liabilities for incurred claims	-	-	5,617,839	5,617,839
Insurance service result	39,045,958	(7,090,193)	(37,245,241)	(5,289,476)
Insurance finance expenses	(12,130,730)	(2,236,550)	(157,676)	(14,524,956)
Investment components	36,801,070	-	(36,801,070)	-
Total changes in the statement of comprehensive income	63,716,298	(9,326,743)	(74,203,987)	(19,814,432)
Cash flows				
Premiums received	(58,566,058)	-	-	(58,566,058)
Claims and other expenses paid	-	-	79,609,207	79,609,207
Insurance acquisition cash flows paid	6,012,456	-	-	6,012,456
Total cash flows	(52,553,602)	-	79,609,207	27,055,605
Net insurance contract liabilities as at 30 September	(365,805,418)	(36,296,899)	(27,059,331)	(429,161,648)
31 December 2023 (audited)	Liabilities for remaining coverage			Total (Audited) AED
	Excluding loss component	Loss component	Liabilities for incurred claims	
	(Audited)	(Audited)	(Audited)	
	AED	AED	AED	
Insurance contract liabilities as at 1 January	(402,878,775)	(16,685,065)	(46,987,154)	(466,550,994)
Insurance revenue	61,308,696	-	-	61,308,696
Insurance service expenses	(2,426,907)	(8,378,230)	(42,544,021)	(53,349,158)
Incurred claims and other expenses	-	-	(57,385,930)	(57,385,930)
Amortisation of insurance acquisition cash flows	(2,426,907)	-	-	(2,426,907)
Losses on onerous contracts and reversals	-	(8,378,230)	-	(8,378,230)
Changes to liabilities for incurred claims	-	-	14,841,909	14,841,909
Insurance service result	58,881,789	(8,378,230)	(42,544,021)	7,959,538
Insurance finance expenses	(6,741,158)	(1,906,861)	(179,162)	(8,827,181)
Investment components	54,878,596	-	(54,878,596)	-
Total changes in the statement of comprehensive income	107,019,227	(10,285,091)	(97,601,779)	(867,643)
Cash flows				
Premiums received	(89,775,778)	-	-	(89,775,778)
Claims and other expenses paid	-	-	112,124,382	112,124,382
Insurance acquisition cash flows paid	8,667,212	-	-	8,667,212
Total cash flows	(81,108,566)	-	112,124,382	31,015,816
Net insurance contract liabilities as at 31 December	(376,968,114)	(26,970,156)	(32,464,551)	(436,402,821)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA relating to individual life insurance

30 September 2024 (unaudited)	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	CSM (Unaudited) AED	Total (Unaudited) AED
Insurance contract liabilities as at 1 January	(419,843,301)	(12,150,816)	(4,408,704)	(436,402,821)
Changes that relate to current services				
CSM recognised for services provided	-	-	1,219,971	1,219,971
Change in risk adjustment for non-financial risk for risk expired	-	944,926	-	944,926
Experience adjustments	21,911	(54,936)	-	(33,025)
Changes that relate to future services				
Contracts initially recognised in the year	(1,672,297)	(361,570)	(174,752)	(2,208,619)
Changes in estimates that adjust the CSM	2,169,829	(50,365)	(2,119,464)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(10,652,765)	(184,267)	-	(10,837,032)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	5,545,393	78,912	-	5,624,305
Insurance service result	(4,587,929)	372,700	(1,074,245)	(5,289,474)
Net finance expenses from insurance contracts	(14,485,371)	-	(39,587)	(14,524,958)
Total changes in the statement of profit or loss and OCI	(19,073,300)	372,700	(1,113,832)	(19,814,432)
Cash flows				
Premiums received	(58,566,058)	-	-	(58,566,058)
Claims and other directly attributable expenses paid	79,609,207	-	-	79,609,207
Insurance acquisition cash flows paid	6,012,456	-	-	6,012,456
Total cash flows	27,055,605	-	-	27,055,605
Insurance contract liabilities as at 30 September	(411,860,996)	(11,778,116)	(5,522,536)	(429,161,648)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA relating to individual life insurance (continued)

31 December 2023 (audited)	Estimates of present value of future cash flows (Audited) AED	Risk adjustment for non-financial risk (Audited) AED	CSM (Audited) AED	Total (Audited) AED
Insurance contract liabilities as at 1 January	(449,799,827)	(12,826,913)	(3,924,254)	(466,550,994)
Changes that relate to current services				
CSM recognised for services provided	-	-	1,174,805	1,174,805
Change in risk adjustment for non-financial risk for risk expired	-	1,626,369	-	1,626,369
Experience adjustments	3,884,535	(146,605)	-	3,737,930
Changes that relate to future services				
Contracts initially recognised in the year	(4,427,811)	(577,354)		(5,005,165)
Changes in estimates that adjust the CSM	1,804,945	(171,050)	(1,633,895)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(8,177,225)	(239,085)	-	(8,416,310)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	14,658,087	183,822	-	14,841,909
Insurance service result	7,742,531	676,097	(459,090)	7,959,538
Net finance expenses from insurance contracts	(8,801,821)	-	(25,360)	(8,827,181)
Total changes in the statement of profit or loss	(1,059,290)	676,097	(484,450)	(867,643)
Cash flows				
Premiums received	(89,775,778)	-	-	(89,775,778)
Claims and other directly attributable expenses paid	112,124,382	-	-	112,124,382
Insurance acquisition cash flows paid	8,667,212	-	-	8,667,212
Total cash flows	31,015,816	-	-	31,015,816
Insurance contract liabilities as at 31 December	(419,843,301)	(12,150,816)	(4,408,704)	(436,402,821)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts measured under the PAA

30 September 2024 (unaudited)	Life and Medical				General			
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims	
	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED
Reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,196,627	2,946,796	161,481,411	15,617,076
Reinsurance contract liabilities as at 1 January	-	-	-	-	(25,427)	-	7,591	752
Net reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,171,200	2,946,796	161,489,002	15,617,828
An allocation of reinsurance premiums	(24,123,342)	-	-	-	(132,169,489)	-	-	-
Amounts recoverable from reinsurers for incurred claims	-	-	17,213,876	(84,675)	-	(2,633,473)	29,226,479	(909,071)
Amounts recoverable for incurred claims and other expenses	-	-	23,329,689	1,022,101	-	-	89,127,726	6,597,694
Changes to amounts recoverable for incurred claims	-	-	(6,115,813)	(1,106,776)	-	-	(59,901,247)	(7,506,765)
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	(2,633,473)	-	-
Net income or expense from reinsurance contracts held	(24,123,342)	-	17,213,876	(84,675)	(132,169,489)	(2,633,473)	29,226,479	(909,071)
Reinsurance finance income	-	-	125,760	-	-	-	1,766,256	-
Total changes in the statement of comprehensive income	(24,123,342)	-	17,339,636	(84,675)	(132,169,489)	(2,633,473)	30,992,735	(909,071)
Cash flows								
Premiums paid	21,687,679	-	-	-	124,444,673	-	-	-
Amounts received	-	-	(18,452,696)	-	-	-	(14,274,419)	-
Total cash flows	21,687,679	-	(18,452,696)	-	124,444,673	-	(14,274,419)	-
Reinsurance contract assets as at 30 September	4,981,901	-	5,892,215	172,525	23,446,384	313,323	178,207,318	14,708,757
								227,722,423

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts measured under the PAA (continued)

31 December 2023 (audited)	Life and Medical				General				
	Assets for remaining coverage		Amounts recoverable on incurred claims		Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component (Audited) AED	Loss component (Audited) AED	Estimates of the present value of future cash flows (Audited) AED		Excluding loss recovery component (Audited) AED	Loss component (Audited) AED	Estimates of the present value of future cash flows (Audited) AED		
			Risk adjustment (Audited) AED	Risk adjustment (Audited) AED			Risk adjustment (Audited) AED	Risk adjustment (Audited) AED	
Reinsurance contract assets as at 1 January	12,869,405	-	6,140,527	216,017	17,160,603	3,742,907	160,976,228	15,269,330	216,375,017
Allocation of reinsurance premiums	(26,450,186)	-	-	-	(163,511,921)	-	-	-	(189,962,107)
Amounts recoverable from reinsurers for incurred claims	-	-	26,188,109	41,183	-	(796,111)	30,558,507	348,498	56,340,186
Amounts recoverable for incurred claims and other expenses	-	-	31,294,761	1,411,742	-	-	91,851,921	8,454,564	133,012,988
Changes to amounts recoverable for incurred claims	-	-	(5,106,652)	(1,370,559)	-	-	(61,293,414)	(8,106,066)	(75,876,691)
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	(796,111)	-	-	(796,111)
Net expense or income from reinsurance contracts held	(26,450,186)	-	26,188,109	41,183	(163,511,921)	(796,111)	30,558,507	348,498	(133,621,921)
Reinsurance finance income	-	-	43,447	-	-	-	2,514,471	-	2,557,918
Total changes in the statement of comprehensive income	(26,450,186)	-	26,231,556	41,183	(163,511,921)	(796,111)	33,072,978	348,498	(131,064,003)
Cash flows									
Premiums paid	20,998,345	-	-	-	177,522,518	-	-	-	198,520,863
Amounts received	-	-	(25,366,808)	-	-	-	(32,560,204)	-	(57,927,012)
Total cash flows	20,998,345	-	(25,366,808)	-	177,522,518	-	(32,560,204)	-	140,593,851
Reinsurance contract assets as at 31 December	7,417,564	-	7,005,275	257,200	31,196,627	2,946,796	161,481,411	15,617,076	225,921,949
Reinsurance contract liabilities as at 31 December	-	-	-	-	(25,427)	-	7,591	752	(17,084)
Net reinsurance contract assets as at 31 December	7,417,564	-	7,005,275	257,200	31,171,200	2,946,796	161,489,002	15,617,828	225,904,865

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts not measured under the PAA

30 September 2024 (unaudited)

	Life and Medical		General		
	Assets for remaining coverage		Assets for remaining coverage		
	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Total (Unaudited) AED
	Amounts recoverable on incurred claims (Unaudited) AED		Amounts recoverable on incurred claims (Unaudited) AED		
Reinsurance contract assets as at 1 January	3,357,641	-	395,627	-	1,701,970
An allocation of reinsurance premiums	(1,182,853)	-	-	-	-
Amounts recoverable from reinsurers for incurred claims	-	-	(527,110)	-	(1,417,020)
Amounts recoverable for incurred claims and other expenses	-	-	(465,626)	-	(1,152,736)
Changes to amounts recoverable for incurred claims	-	-	(61,484)	-	(138,152)
Net income or expense from reinsurance contracts held	(1,182,853)	-	(527,110)	-	(953,100)
Reinsurance finance (expense) / income	(32,021)	-	2,063	-	(2,569,756)
Total changes in the statement of comprehensive income	(1,214,874)	-	(525,047)	-	(13,586)
Cash flows					
Premiums paid	922,261	-	-	-	(611,089)
Amounts received	-	-	452,362	-	(2,583,342)
Total cash flows	922,261	-	452,362	-	1,285,116
Reinsurance contract assets as at 30 September	3,065,028	-	322,942	-	373,843
					1,658,959
					4,400,871

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims for contracts not measured under the PAA (continued)

31 December 2023 (audited)	recovery component (Audited) AED	Loss component (Audited) AED	recovery component (Audited) AED	Loss component (Audited) AED	recovery component (Audited) AED	Loss component (Audited) AED	Total (Audited) AED
Reinsurance contract assets as at 1 January	3,907,633	-	207,857	(279,202)	-	1,895,594	5,731,882
An allocation of reinsurance premiums	(1,614,299)	-	-	(1,278,591)	-	-	(2,892,890)
Amounts recoverable from reinsurers for incurred claims	-	-	488,419	-	-	591,278	1,079,697
Amounts recoverable for incurred claims and other expenses	-	-	310,122	-	-	811,116	1,121,238
Changes to amounts recoverable for incurred claims	-	-	178,297	-	-	(219,838)	(41,541)
Net income or expense from reinsurance contracts held	(1,614,299)	-	488,419	(1,278,591)	-	591,278	(1,813,193)
Reinsurance finance income	175,496	-	638	47,496	-	22,510	246,140
Total changes in the statement of comprehensive income	(1,438,803)	-	489,057	(1,231,095)	-	613,788	(1,567,053)
<i>Cash flows</i>							
Premiums paid	888,811	-	-	1,380,313	-	-	2,269,124
Amounts received	-	-	(301,287)	-	-	(807,412)	(1,108,699)
Total cash flows	888,811	-	(301,287)	1,380,313	-	(807,412)	1,160,425
Reinsurance contract assets as at 31 December	3,357,641	-	395,627	(129,984)	-	1,701,970	5,325,254

Alliance Insurance P.S.C.

Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA

	Life and Medical		General		
	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	Total (Unaudited) AED
30 September 2024 (unaudited)	(1,987,599)	81,860	5,659,007	1,316,494	255,492
Reinsurance contract assets					5,325,254
Changes that relate to current services					
CSM recognised for services provided	-	-	(590,693)	-	(18,824)
Change in risk adjustment for non-financial risk for risk expired	-	(3,347)	-	(28,273)	(31,620)
Experience adjustments	(1,041,176)	(13,264)	-	37,939	(976,362)
Changes that relate to future services					
Contracts initially recognised in the year	(33,393)	5,485	27,908	-	-
Changes in estimates that adjust the CSM	438,612	(1,426)	(437,186)	(20,535)	18,824
Changes that relate to past services					
Adjustments to assets for incurred claims	(72,677)	11,194	-	(762,200)	(952,257)
Net expenses from reinsurance contracts	(708,634)	(1,358)	(999,971)	(744,796)	(2,569,756)
Net finance income from reinsurance contracts	(70,312)	-	40,353	16,373	(13,586)
Total changes in the statement of profit or loss and OCI	(778,946)	(1,358)	(959,618)	(728,423)	(2,583,342)
Cash flows					
Premiums paid	922,260	-	-	362,856	1,285,116
Amounts received	452,363	-	-	(78,520)	373,843
Total cash flows	1,374,623	-	-	284,336	1,658,959
Reinsurance contract assets as at 30 September	(1,391,922)	80,502	4,699,389	872,407	4,400,871

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 September 2024

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA (continued)

31 December 2023 (audited)	Life and Medical		General		Total
	Estimates of present value of future cash flows (Audited) AED	Risk adjustment for non-financial risk (Audited) AED	Estimates of present value of future cash flows (Audited) AED	Risk adjustment for non-financial risk (Audited) AED	(Audited) AED
Reinsurance contract assets as at 1 January	2,735,561	79,677	1,273,147	276,597	5,731,882
Changes that relate to current services					
CSM recognised for services provided	-	-	-	-	(1,753,863)
Change in risk adjustment for non-financial risk for risk expired	-	(8,583)	-	(63,473)	(72,056)
Experience adjustments	(951,819)	8,834	271,924	108,069	(562,992)
Changes that relate to future services					
Contracts initially recognised in the year	(32,038)	4,896	(901,794)	71,812	-
Changes in estimates that adjust the CSM	(4,669,691)	515	156,316	(1,292)	617,258
Changes that relate to past services					
Adjustments to assets for incurred claims	181,777	(3,479)	(83,617)	(136,221)	(41,540)
Net expenses or income from reinsurance contracts	(5,471,771)	2,183	(557,171)	(21,105)	(1,813,193)
Net finance income from reinsurance contracts	161,088	-	27,617	-	246,141
Total changes in the statement of profit or loss	(5,310,683)	2,183	(529,554)	(21,105)	(1,567,052)
Cash flows					
Premiums paid	888,810	-	1,380,313	-	2,269,123
Amounts received	(301,287)	-	(807,412)	-	(1,108,699)
Total cash flows	587,523	-	572,901	-	1,160,424
Reinsurance contract assets as at 31 December	(1,987,599)	81,860	1,316,494	255,492	5,325,254

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

7 Prepayments and other receivables

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Rent receivable from tenants	10,476,521	6,779,206
Provision for expected credit losses	(4,894,414)	(3,920,459)
Rent receivable from tenants – net	5,582,107	2,858,747
Receivable from fronting arrangement	17,269,322	14,031,566
Accrued interest from investments at amortised cost	6,627,222	7,659,984
Prepayments	2,485,329	1,699,662
Refundable deposits	201,446	219,279
Receivable from employees	142,655	160,429
	<u>32,308,081</u>	<u>26,629,667</u>

8 Statutory deposits

As at 30 September 2024, deposit of AED 10,000,000 (31 December 2023: AED 10,000,000) has been placed with one of the Company's banks, in accordance with Article 42 of UAE Federal Law No. 48 of 2023 (previously Federal Law No. 6 of 2007, as amended). This deposit has been pledged to the bank as security against a guarantee issued by the Bank in favor of the Central Bank of the United Arab Emirates ("CBUAE") for the same amount. This deposit cannot be withdrawn without prior approval of the Central Bank of the United Arab Emirates and bears an interest rate of 5.55% per annum (2023: 5.55% per annum).

9 Fixed deposits

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
<i>Current portion</i>		
Short term fixed deposits with banks in the UAE	432,905,463	457,538,028
Accrued interest on short term deposits	11,741,791	9,020,957
	<u>444,647,254</u>	<u>466,558,985</u>
<i>Non-current portion</i>		
Long term fixed deposits with banks in the UAE	3,000,000	3,000,000
Accrued interest on long term deposits	149,625	84,550
	<u>3,149,625</u>	<u>3,084,550</u>
Less: Provision for expected credit losses	(320,238)	(320,238)
	<u>447,476,641</u>	<u>469,323,297</u>

The fixed deposits have an original maturity term of 12 months and above with banks in UAE bearing annual interest at rates ranging from 2.85% to 6.18% per annum (31 December 2023: 2.85% to 6.18% per annum).

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

10 Cash and cash equivalents

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Cash in hand	93,000	230,796
Current accounts with banks	5,710,650	14,653,394
Provision for expected credit losses	(73,827)	(73,827)
	<u>5,729,823</u>	<u>14,810,363</u>

Bank balances are maintained with local banks in UAE.

11 Share capital

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Issued and fully paid: 1,000,000 ordinary shares of AED 100 each	<u>100,000,000</u>	<u>100,000,000</u>

12 Statutory reserve

In accordance with the Company's Articles of Association and Federal Decree Law No. (32) of 2021, a minimum of 10% of the Company's profit for the year should be transferred to a non-distributable statutory reserve. As per the Company's Articles of Association, such transfers are required until the balance on the statutory reserve equals 100% of the Company's paid-up share capital. This reserve is not available for distribution, except as stipulated by the Law. No allocation to the statutory reserve has been made for the nine-month period ended 30 September 2024, as this has reached to 100% of the share capital.

13 Accrued expenses and other payables

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Rent deposit	7,296,269	6,582,601
Provision for staff benefits	4,670,558	6,664,823
Accruals and provision	1,286,167	1,504,127
Other payables	1,769,706	5,083,573
	<u>15,022,700</u>	<u>19,835,124</u>

Accrued expenses relate to amounts incurred in the normal course of business such as fees payable to regulators and other professionals.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

14 Basic and diluted (loss)/earnings per share

	Three-month period ended 30 September (Unaudited)		Nine-month period ended 30 September (Unaudited)	
	2024	2023	2024	2023
Profit for the period after tax (in AED)	(5,139,569)	4,582,206	13,995,729	29,119,127
Number of shares	1,000,000	1,000,000	1,000,000	1,000,000
Basic and diluted (loss)/earnings after tax per share (in AED)	(5.14)	4.58	14.00	29.12

Basic and diluted earnings per share are calculated by dividing the profit for the period by the number of shares outstanding at the end of the reporting period. Diluted earnings per share is equivalent to basic earnings per share as the Company did not issue any new instrument that would impact earnings per share when executed.

15 Insurance revenue

For the nine-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	37,000,698	-	37,000,698
Recovery of insurance acquisition cash flows	2,291,196	-	2,291,196
CSM recognised for services provided	1,219,971	-	1,219,971
Change in risk adjustment for non-financial risk for risk expired	825,289	-	825,289
Contracts not measured under the PAA	41,337,154	-	41,337,154
Contracts measured under the PAA	41,192,561	160,432,854	201,625,415
Total insurance revenue	82,529,715	160,432,854	242,962,569

For the nine-month period ended 30 September 2023	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	37,834,735	-	37,834,735
Recovery of insurance acquisition cash flows	1,508,175	-	1,508,175
CSM recognised for services provided	802,494	-	802,494
Change in risk adjustment for non-financial risk for risk expired	881,248	-	881,248
	41,026,652	-	41,026,652
Contracts measured under the PAA	32,553,487	150,820,392	183,373,879
Total insurance revenue	73,580,139	150,820,392	224,400,531

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

15 Insurance revenue (continued)

For the three-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	13,211,199	-	13,211,199
Recovery of insurance acquisition cash flows	934,589	-	934,589
CSM recognised for services provided	278,640	-	278,640
Change in risk adjustment for non-financial risk for risk expired	4,592	-	4,592
Contracts not measured under the PAA	14,429,020	-	14,429,020
Contracts measured under the PAA	13,848,051	56,218,618	70,066,669
Total insurance revenue	28,277,071	56,218,618	84,495,689

For the three-month period ended 30 September 2023	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	10,973,480	-	10,973,480
Recovery of insurance acquisition cash flows	646,318	-	646,318
CSM recognised for services provided	285,529	-	285,529
Change in risk adjustment for non-financial risk for risk expired	398,036	-	398,036
	12,303,363	-	12,303,363
Contracts measured under the PAA	13,036,566	49,749,075	62,785,641
Total insurance revenue	25,339,929	49,749,075	75,089,004

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

16 Insurance service expenses

For the nine-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurring claims and other expenses	71,264,838	119,458,111	190,722,949
Acquisition cash flows recognised when incurred	7,839,270	6,275,978	14,115,248
Losses on onerous contracts	7,090,194	(46,542)	7,043,652
Changes to liabilities for incurred claims	(15,531,073)	(75,613,431)	(91,144,504)
Amortisation of insurance acquisition cash flows	8,999,074	12,625,559	21,624,633
	<u>79,662,303</u>	<u>62,699,675</u>	<u>142,361,978</u>
For the nine-month period ended 30 September 2023	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurring claims and other expenses	73,344,683	86,660,362	160,005,045
Acquisition cash flows recognised when incurred	6,657,478	8,445,954	15,103,432
Losses on onerous contracts and reversals of those losses	5,594,411	(3,720,853)	1,873,558
Changes to liabilities for incurred claims	(30,495,787)	(57,694,067)	(88,189,854)
Amortisation of insurance acquisition cash flows	5,908,645	12,257,186	18,165,831
	<u>61,009,430</u>	<u>45,948,582</u>	<u>106,958,012</u>
For the three-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurring claims and other expenses	20,710,178	25,383,941	46,094,119
Acquisition cash flows recognised when incurred	2,782,864	2,227,911	5,010,775
Losses on onerous contracts and reversals of those losses	3,920,768	(280,896)	3,639,872
Changes to liabilities for incurred claims	(1,986,366)	(26,917,577)	(28,903,943)
Amortisation of insurance acquisition cash flows	3,018,749	4,117,087	7,135,836
	<u>28,446,193</u>	<u>4,530,466</u>	<u>32,976,659</u>
For the three-month period ended 30 September 2023	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurring claims and other expenses	19,667,447	29,401,398	49,068,845
Acquisition cash flows recognised when incurred	2,224,951	2,822,665	5,047,616
Losses on onerous contracts and reversals of those losses	1,875,575	1,249,953	3,125,528
Changes to liabilities for incurred claims	(1,643,335)	11,499,540	9,856,205
Amortisation of insurance acquisition cash flows	2,467,262	2,970,734	5,437,996
	<u>24,591,900</u>	<u>47,944,290</u>	<u>72,536,190</u>

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

17 Net insurance financial result

For the nine-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(17,183,132)	(2,166,847)	(19,349,979)
Due to changes in interest rates and other financial assumptions	2,461,834	(279,517)	2,182,317
Total insurance finance expenses from insurance contracts issued	(14,721,298)	(2,446,364)	(17,167,662)
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	102,074	1,553,050	1,655,124
Due to changes in interest rates and other financial assumptions	(6,273)	229,579	223,306
Reinsurance finance income from reinsurance contracts held	95,801	1,782,629	1,878,430
Total insurance finance expenses and reinsurance finance income	(14,625,497)	(663,735)	(15,289,232)
 For the nine-month period ended 30 September 2023	 Life and Medical (Unaudited) AED	 General (Unaudited) AED	 Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(17,528,194)	(3,141,207)	(20,669,401)
Due to changes in interest rates and other financial assumptions	979,704	306,021	1,285,725
Total insurance finance expenses from insurance contracts issued	(16,548,490)	(2,835,186)	(19,383,676)
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	10,688	2,671,577	2,682,265
Due to changes in interest rates and other financial assumptions	(33,987)	(188,350)	(222,337)
Reinsurance finance income from reinsurance contracts held	(23,299)	2,483,227	2,459,928
Total insurance finance expenses and reinsurance finance income	(16,571,789)	(351,959)	(16,923,748)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

17 Net insurance financial result (continued)

For the three-month period ended 30 September 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(5,618,494)	(164,032)	(5,782,526)
Due to changes in interest rates and other financial assumptions	(11,997,180)	(561,460)	(12,558,640)
Total insurance finance expenses from insurance contracts issued	(17,615,674)	(725,492)	(18,341,166)
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	18,422	93,587	112,009
Due to changes in interest rates and other financial assumptions	7,155	384,825	391,980
Reinsurance finance income from reinsurance contracts held	25,577	478,412	503,989
Total insurance finance expenses and reinsurance finance income	(17,590,097)	(247,080)	(17,837,177)
 For the three-month period ended 30 September 2023	 Life and Medical (Unaudited) AED	 General (Unaudited) AED	 Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(5,711,672)	(522,229)	(6,233,901)
Due to changes in interest rates and other financial assumptions	1,999,457	108,268	2,107,725
Total insurance finance expenses from insurance contracts issued	(3,712,215)	(413,961)	(4,126,176)
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	(152,473)	549,111	396,638
Due to changes in interest rates and other financial assumptions	(111,891)	(70,131)	(182,022)
Reinsurance finance income from reinsurance contracts held	(264,364)	478,980	214,616
Total insurance finance expenses and reinsurance finance income	(3,976,579)	65,019	(3,911,560)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

18 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.

At the end of the reporting period, amounts due from related parties are as follows:

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
<i>Key Management personnel and entities under common control</i>		
Due from related parties	2,105,617	1,760,683

Transactions

During the period, the Company entered into the following transactions with related parties:

	Nine-month period ended 30 September (Unaudited) 2024 AED	2023 AED
<i>Key Management personnel and entities under common control</i>		
Premiums	3,417,222	2,805,100
Claims paid	618,437	51,645
Key management personnel remuneration	1,682,359	1,945,708

19 Segment information

For management purposes, the Company is organised into two business segments, general insurance and life and medical insurance. The general insurance segment comprises motor, marine, fire, engineering, liabilities and general accident. The life and medical insurance segment include long-term life, individual life, group life and medical. These segments are the basis on which the Company reports its primary segment information. Segment-wise information is disclosed on the next page:

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

19 Segment information (continued)

	For the nine-month period ended 30 September 2024 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	82,529,714	160,432,855	242,962,569
Insurance service expenses	(79,662,303)	(62,699,675)	(142,361,978)
Insurance service result before reinsurance contracts held	2,867,411	97,733,180	100,600,591
Net expense from reinsurance contracts held	(2,076,716)	(113,972,735)	(116,049,451)
Insurance service result	790,695	(16,239,555)	(15,448,860)
Income from financial investments	21,005,368	15,424,874	36,430,242
Income from investment properties - net	5,859,221	2,715,494	8,574,715
Total investment income	26,864,589	18,140,368	45,004,957
Insurance finance expense	(14,721,299)	(2,446,363)	(17,167,662)
Reinsurance finance income	95,801	1,782,629	1,878,430
Financial insurance result	(14,625,498)	(663,734)	(15,289,232)
Foreign currency exchange gain	-	-	273,628
Other income	-	-	1,739,180
Unattributable expenses	-	-	(972,155)
Profit for the period	13,029,786	1,237,079	15,307,518

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

19 Segment information (continued)

	For the nine-month period ended 30 September 2023 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	73,580,139	150,820,392	224,400,531
Insurance service expenses	(61,009,430)	(45,948,582)	(106,958,012)
Insurance service result before reinsurance contracts held	12,570,709	104,871,810	117,442,519
Net income/(expense) from reinsurance contracts held	(2,334,919)	(109,552,031)	(111,886,950)
Insurance service result	10,235,790	(4,680,221)	5,555,569
Income from financial investments	19,638,305	12,885,216	32,523,521
Income from investment properties - net	4,893,899	2,072,125	6,966,024
Total investment income	24,532,204	14,957,341	39,489,545
Insurance finance expense	(16,548,492)	(2,835,184)	(19,383,676)
Reinsurance finance income	(23,298)	2,483,226	2,459,928
Financial insurance result	(16,571,790)	(351,958)	(16,923,748)
Foreign currency exchange gain	-	-	237,037
Other income	-	-	1,834,377
Unattributable expenses	-	-	(1,073,653)
Profit for the period	18,196,204	9,925,162	29,119,127

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

19 Segment information (continued)

	For the three-month period ended 30 September 2024 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	28,277,071	56,218,618	84,495,689
Insurance service expenses	(28,446,194)	(4,530,465)	(32,976,659)
Insurance service result before reinsurance contracts held	(169,123)	51,688,153	51,519,030
Net expense from reinsurance contracts held	885,652	(55,252,723)	(54,367,071)
Insurance service result	716,529	(3,564,570)	(2,848,041)
Income from financial investments	7,045,709	4,895,995	11,941,704
Income from investment properties - net	1,605,167	376,191	1,981,358
Total investment income	8,650,876	5,272,186	13,923,062
Insurance finance expense	(17,615,676)	(725,490)	(18,341,166)
Reinsurance finance income	25,577	478,412	503,989
Financial insurance result	(17,590,099)	(247,078)	(17,837,177)
Foreign currency exchange gain	-	-	92,030
Other income	-	-	463,618
Unattributable expenses	-	-	566,718
Profit for the period	(8,222,694)	1,460,538	(5,639,790)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

19 Segment information (continued)

	For the three-month period ended 30 September 2023 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	25,339,929	49,749,075	75,089,004
Insurance service expenses	(24,591,900)	(47,944,290)	(72,536,190)
Insurance service result before reinsurance contracts held	748,029	1,804,785	2,552,814
Net income/(expense) from reinsurance contracts held	(2,363,348)	(5,688,777)	(8,052,125)
Insurance service result	(1,615,319)	(3,883,992)	(5,499,311)
Income from financial investments	6,719,104	4,543,629	11,262,733
Income from investment properties - net	1,346,211	465,401	1,811,612
Total investment income	8,065,315	5,009,030	13,074,345
Insurance finance expense	(3,712,215)	(413,961)	(4,126,176)
Reinsurance finance income	(264,364)	478,980	214,616
Financial insurance result	(3,976,579)	65,019	(3,911,560)
Foreign currency exchange gain	-	-	66,459
Other income	-	-	595,261
Unattributable expenses	-	-	257,012
Profit/(loss) for the period	2,473,417	1,190,057	4,582,206

The following is an analysis of the Company's assets, liabilities and equity classified by segment:

	Life and Medical AED	General insurance AED	Total AED
As at 30 September 2024 (Unaudited)			
Total assets	620,068,462	674,809,083	1,294,877,545
Total equity	255,357,028	288,099,769	543,456,797
Total liabilities	364,711,434	386,709,314	751,420,748
As at 31 December 2023 (Audited)			
Total assets	626,301,559	694,975,939	1,321,277,498
Total equity	264,590,723	295,649,835	560,240,558
Total liabilities	361,710,836	399,326,104	761,036,940

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

20 Contingent liabilities

	(Unaudited) 30 September 2024 AED	(Audited) 31 December 2023 AED
Letters of guarantee	<u>10,734,447</u>	<u>10,449,755</u>

The Company in common with the significant majority of insures, is subject to litigation in normal course of its business. The Company, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Company's financial performance or financial position.

21 Financial instruments

The fair values of financial assets are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended 31 December 2023.

Financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table gives information about how the fair values of these financial assets are determined:

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable key input	Relationship of unobservable inputs to fair value
	30 September 2024 (Unaudited) AED	31 December 2023 (Audited) AED				
FVTOCI						
Quoted equity securities	7,459,397	8,315,980	Level 1	Quoted bid prices in an active market	None	N/A

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 September 2024

22 Capital risk management

The solvency regulations identify the required Solvency Margin to be held in addition to insurance liabilities. The Solvency Margin (presented in the table below) must be maintained at all times throughout the period. The Company is subject to solvency regulations which it has complied with during the period. The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with such regulations. The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins. In accordance with Circular No. CBUAE/BSD/N/2022/923 of CBUAE dated 28 February 2022, the Company has disclosed the solvency position for the immediately preceding period as the current period solvency position is not yet finalised.

	(Unaudited) 30 June 2024 AED	(Audited) 31 December 2023 AED
Minimum Capital Requirement (MCR)	100,000,000	100,000,000
Solvency Capital Requirement (SCR)	142,872,806	153,232,734
Minimum Guarantee Fund (MGF)	47,624,269	51,077,578
Basic Own Funds	441,364,189	439,300,474
MCR Solvency Margin - Minimum Capital Requirement (Surplus)	341,364,189	339,300,474
SCR Solvency Margin - Solvency Capital Requirement (Surplus)	298,491,383	286,067,740
MGF Solvency Margin – Minimum Guarantee Fund (Surplus)	393,739,920	388,222,896

23 Approval of the condensed interim financial information

This condensed interim financial information was approved by the Board of Directors and authorised for issue on 13 November 2024.