

**Al Buhaira National Insurance Company P.S.C.
and its Subsidiary**

**Condensed interim consolidated financial information (Unaudited)
For the three-month period ended 31 March 2024**

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Table of contents

	Page
Report on review of the condensed interim consolidated financial information	1
Condensed interim consolidated statement of financial position	2
Condensed interim consolidated statement of profit or loss	3
Condensed interim consolidated statement of other comprehensive income	4
Condensed interim consolidated statement of changes in equity	5
Condensed interim consolidated statement of cash flows	6
Notes to the condensed interim consolidated financial information	7

Report on review of the condensed interim consolidated financial information To the Board of Directors of Al Buhaira National Insurance Company P.S.C. and its Subsidiary

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Al Buhaira National Insurance Company P.S.C. (the "Company") and its subsidiary (collectively referred to as "the Group") as at 31 March 2024 and the related condensed interim consolidated statement of profit or loss, other comprehensive income, changes in equity, and cash flows for the three-month period then ended a summary of material accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with International Accounting Standard 34 ("IAS 34") *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed interim consolidated 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 consolidated 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.

Emphasis of Matter

We draw attention to note 25 to the condensed interim consolidated financial information, the Group has a deficit in the Solvency Margin Requirements and Minimum Guarantee Fund Requirements as stipulated by the Central Bank of the U.A.E. by an amount of AED 258,745,535 and AED 7,212,450 respectively. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 "*Interim Financial Reporting*".



Dr. Osama El Bakry
Registration No: 935
Sharjah, United Arab Emirates

15 May 2024

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of financial position
As at 31 March 2024

		(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
	Notes		
ASSETS			
Property and equipment	4	12,782,338	13,872,192
Investment properties	5	847,850,000	847,850,000
Investments in securities at FVTOCI	6	58,523,032	59,567,189
Statutory deposit	7	10,000,000	10,000,000
Reinsurance contract assets	8	492,038,181	422,203,950
Insurance contract assets	8	21,577,261	12,462,413
Other receivables	9	46,022,624	38,208,725
Bank balances and cash	10	294,642,343	315,730,998
TOTAL ASSETS		1,783,435,779	1,719,895,467
EQUITY AND LIABILITIES			
Equity			
Share capital	11	250,000,000	250,000,000
Statutory reserve		122,126,377	122,126,377
Voluntary reserve		200,000,000	200,000,000
Reinsurance reserve		17,939,604	14,293,181
Cumulative changes in fair value		(16,733,178)	(15,689,021)
Accumulated losses		(85,089,768)	(74,178,917)
Total Equity		488,243,035	496,551,620
Liabilities			
Provision for employees' end of service indemnity		43,815,159	43,118,479
Bank borrowings	12	291,471,328	278,982,938
Lease liabilities	13	5,787,986	6,880,398
Insurance contract liabilities	8	566,985,433	537,684,319
Reinsurance contract liabilities	8	338,170,371	308,782,606
Other payables		48,962,467	47,895,107
Total liabilities		1,295,192,744	1,223,343,847
TOTAL EQUITY AND LIABILITIES		1,783,435,779	1,719,895,467


Sheikh Faisal Bin Khaled Bin Sultan Al Qasbi
Chairman



The accompanying notes from 1 to 27 form an integral part of these condensed interim consolidated financial information.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of profit or loss
For the three-month period ended 31 March 2024

	Notes	(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
Insurance revenue	16	335,387,306	262,941,431
Insurance service expenses	17	(377,112,105)	(280,307,267)
Insurance service result before reinsurance contracts held		(41,724,799)	(17,365,836)
Allocation of reinsurance premiums	18	(231,999,189)	(192,425,919)
Amounts recoverable from reinsurance for incurred claims	18	263,015,924	193,080,108
Net income from reinsurance contracts held		31,016,735	654,189
Insurance service result		(10,708,064)	(16,711,647)
Investment and other income		11,933,878	8,458,758
Insurance finance expense for insurance contracts issued	19	(9,361,157)	(11,059,017)
Reinsurance finance income for reinsurance contracts held	19	5,716,004	6,875,028
Net insurance financial result		(3,645,153)	(4,183,989)
Net insurance and investment results		(2,419,339)	(12,436,878)
General and administrative expenses		(752,505)	(1,746,720)
Finance costs		(4,027,414)	(3,651,971)
Finance costs – lease		(65,170)	(89,292)
Loss for the period before tax		(7,264,428)	(17,924,861)
Income tax expense	14	-	-
Loss for the period after tax		(7,264,428)	(17,924,861)
Basic and diluted loss per share	15	(0.03)	(0.07)

The accompanying notes from 1 to 27 form an integral part of this condensed interim consolidated financial information.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of other comprehensive income
For the three-month period ended 31 March 2024

	(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
Loss for the period	<u>(7,264,428)</u>	<u>(17,924,861)</u>
Other comprehensive (loss)/ income		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Change in fair value of investments carried at FVTOCI	(1,044,157)	447,119
Gain on sale of investments carried at FVTOCI	-	276,398
Other comprehensive (loss)/ income for the period	<u>(1,044,157)</u>	<u>723,517</u>
Total comprehensive loss for the period	<u><u>(8,308,585)</u></u>	<u><u>(17,201,344)</u></u>

The accompanying notes from 1 to 27 form an integral part of these condensed interim consolidated financial information.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of changes in equity
For the three-month period ended 31 March 2024

	Share capital AED	Statutory reserve AED	Voluntary reserve AED	Reinsurance reserve AED	Cumulative changes in fair value AED	(Accumulated losses)/ retained earnings AED	Total AED
Balance as at 1 January 2023 (Audited)	250,000,000	122,126,377	200,000,000	10,216,524	(16,663,453)	62,383,811	628,063,259
Loss for the period	-	-	-	-	-	(17,924,861)	(17,924,861)
Other comprehensive income for the period	-	-	-	-	723,517	-	723,517
Total comprehensive loss for the period	-	-	-	-	723,517	(17,924,861)	(17,201,344)
Transfer to reinsurance reserve	-	-	-	3,060,165	-	(3,060,165)	-
Transfer to retained earnings on sale of investments at FVTOCI	-	-	-	-	(276,398)	276,398	-
Balance as at 31 March 2023 (Unaudited)	250,000,000	122,126,377	200,000,000	13,276,689	(16,216,334)	41,675,183	610,861,915
Balance as at 1 January 2024 (Audited)	250,000,000	122,126,377	200,000,000	14,293,181	(15,689,021)	(74,178,917)	496,551,620
Loss for the period after tax	-	-	-	-	-	(7,264,428)	(7,264,428)
Other comprehensive loss for the period	-	-	-	-	(1,044,157)	-	(1,044,157)
Total comprehensive loss for the period	-	-	-	-	(1,044,157)	(7,264,428)	(8,308,585)
Transfer to reinsurance reserve	-	-	-	3,646,423	-	(3,646,423)	-
Balance as at 31 March 2024 (Unaudited)	250,000,000	122,126,377	200,000,000	17,939,604	(16,733,178)	(85,089,768)	488,243,035

The accompanying notes from 1 to 27 form an integral part of these condensed interim consolidated financial information.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of cash flows
For the three-month period ended 31 March 2024

		(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
	Notes		
OPERATING ACTIVITIES			
Loss for the period before tax		(7,264,428)	(17,924,861)
Adjustments for:			
Depreciation of property and equipment	4	1,209,922	1,185,498
Interest income on deposits		(3,466,788)	(2,529,290)
Dividend income		(257,680)	(62,895)
Net rental income from investment properties		(8,209,409)	(5,750,133)
Provision for employees' end of service indemnity		1,098,025	4,783,234
Finance costs		4,092,584	3,741,263
Other income		-	(116,440)
Operating cash flows before changes in working capital		(12,797,774)	(16,673,624)
Change in working capital			
Net reinsurance contract assets		(40,446,466)	(24,335,154)
Other receivables		(7,813,899)	(4,865,489)
Net insurance contract liabilities		20,186,266	(39,711,208)
Other payables		1,067,360	(3,901,066)
Cash used in operating activities		(39,804,513)	(89,486,541)
Employees' end of service benefits paid		(401,345)	(18,056)
Net cash used in operating activities		(40,205,858)	(89,504,597)
INVESTING ACTIVITIES			
Movement in fixed deposits		(7,847,582)	30,998,995
Purchase of investments in securities at FVTOCI		-	(3,089,749)
Proceeds from sale of investments at FVTOCI		-	3,032,570
Purchase of property and equipment		(120,068)	(396,247)
Interest received		3,466,788	2,529,290
Dividends received		257,680	62,895
Net rental income from investment properties		8,209,409	5,750,133
Other income		-	116,440
Net cash generated from investing activities		3,966,227	39,004,327
FINANCING ACTIVITIES			
Bank borrowings – net		12,488,390	40,570,581
Finance costs paid		(4,027,414)	(3,651,971)
Lease payments		(1,157,582)	(1,149,406)
Net cash generated from financing activities		7,303,394	35,769,204
Net change in cash and cash equivalents		(28,936,237)	(14,731,066)
Cash and cash equivalents at the beginning of the period		72,952,230	42,338,969
Cash and cash equivalents at the end of the period	20	44,015,993	27,607,903

The accompanying notes from 1 to 27 form an integral part of this condensed interim consolidated financial information.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary

Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information

For the three-month period ended 31 March 2024

1. General information

Al Buhaira National Insurance Company P.S.C. (the “Company”) is incorporated as a public shareholding company by an Emiri Decree issued by His Highness, The Ruler of Sharjah on 16 May 1978. The Company is subject to the regulations of UAE Federal Law No. (48) of 2023 (previously Federal Law No. 6 of 2007, as amended), issued by the Central Bank of UAE and is registered in the Insurance Companies Register of the Central Bank of the UAE under registration Number 15.

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

The Company is domiciled and operates in the UAE and its registered address is P.O. Box 6000, Sharjah, United Arab Emirates. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The principal activity of the Company is the writing of insurance of all types – other than savings and accumulation of funds. The Company operates through its head office in Sharjah and has branches in Dubai, Abu Dhabi, Al Ain, Khorfakkan, Fujairah and Ajman.

This condensed interim consolidated financial information comprise the Company and its subsidiary, Al Buhaira Economic Investments Establishment 100% owned by the Company, (together referred to as “the Group”).

The condensed interim financial information does not contain all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2023. In addition, the results for the three-month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

2. Basis of preparation

2.1 Statement of compliance

This condensed interim consolidated financial information have been prepared in accordance with International Financial Reporting Standards (“IFRS”) promulgated by International Accounting Standard Board (IASB) and interpretations thereof issued by the IFRS Interpretations Committee and in compliance with the applicable requirements of the United Arab Emirates (UAE) Federal Decree Law No. 32 of 2021 (“Companies Law”), relating to commercial companies and United Arab Emirates (UAE) Federal Law No. (48) of 2023 (previously Federal Law No. 6 of 2007, as amended) concerning Insurance Law issued by the Central Bank of the UAE (“CBUAE”) and regulation of its operations.

2.2 Basis of measurement

This condensed interim consolidated financial information has been prepared on an accrual basis and under the historical cost convention except for investment properties and certain financial instruments that are measured at fair values as at the end of each reporting date and the provision for employees’ end of service indemnity which is calculated in line with UAE labour laws.

2.3 Functional and reporting currency

This condensed interim consolidated financial information is presented in UAE Dirhams (AED) being the functional and presentation currency of the Group.

2.4 Basis of presentation

The Group presents its condensed interim consolidated statement of financial position in order of liquidity.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary

Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

2. Basis of preparation (continued)

2.5 Basis of consolidation

This condensed interim consolidated financial information incorporate the financial information of the Group and its subsidiary. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The consolidated financial information includes:

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held	Principal activity
Al Buhaira Economic Investments Establishment	Sharjah, U.A.E.	100%	Investing in economic projects.

Al Buhaira National Insurance Company P.S.C. has control over the above entity and derives economic benefit from equity holdings. The Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity via management agreements and accordingly, the entity is consolidated as wholly owned subsidiary in this condensed interim consolidated financial information. Accordingly, the consolidated financial information incorporates 100% of the assets, liabilities, income, and expenses of the above company.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. Material accounting policies

The accounting policies applied in the condensed interim consolidated financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023, with the exception of the below:

Taxation

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal Corporate Tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

For the Group, accounting for current and deferred taxes have become applicable from the period beginning 1 January 2024. Accordingly, management has applied following accounting policies to incorporate the applicable Corporate Tax in accordance with IAS 12 "Income Taxes".

Current Taxation

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.

Al Buhaira National Insurance Company P.S.C. and its Subsidiary

Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

3. Material accounting policies (continued)

Deferred Taxation

Deferred tax is accounted for in respect of all temporary differences at the statement of financial position 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 statement of financial position date. Deferred tax is charged or credited to the statement of profit or loss, except in the case of items credited or charged to statement of other comprehensive income or equity in which case it is included in statement of other comprehensive income or equity.

3.1 New and revised standards

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

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

These standards have been adopted by the Group and did not have a material impact on this condensed interim consolidated financial information.

Standards, amendments and interpretations to existing Standards that are not yet effective

Title	Effective date
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

These standards, amendments and interpretations are not expected to have a significant impact on the interim condensed financial information in the period of initial application and therefore no disclosures have been made. The Group has not early adopted any of the above standards.

3.2 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

3.3 Use of estimates and judgements

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

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

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

4. Property and equipment

- Property and equipment additions during the current period amounted to AED 120,068 (for the year ended 31 December 2023: AED 3,846,702).
- Depreciation charges for the current period amounted to AED 1,209,922 (three-month period ended 31 March 2023: AED 1,185,498).
- Gain from disposal for the current period amounted to AED Nil (three-month period ended 31 March 2023: AED Nil).
- All the property and equipment are located in U.A.E.

5. Investment properties

The fair value of the Group's investment properties as at 31 December 2023 has been arrived at on the basis of valuations carried on the respective dates by independent competent valuers who have recent market experience in the valuation of properties in the United Arab Emirates. Management estimates that there has been no change in the fair value of the investment properties during the three-month period ended 31 March 2024.

The fair value of plots of land and buildings was determined using market approach. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The Group's investment properties are classified as Level 3 in fair value hierarchy as at 31 March 2024 (31 December 2023: Level 3).

Investment property amounting to AED 847.8 million (31 December 2023: AED 847.8 million) is mortgaged to a bank (note 12) towards credit facilities granted to the Group.

The rental proceeds from Al Khan, Al Nahda Tower, and Al Buhairah Corniche Tower are assigned to a bank against credit facilities granted to the Group.

6. Investment in securities at fair value through other comprehensive income (FVTOCI)

Financial assets carried at fair value through other comprehensive income

The Group's financial investments at the end of reporting period are as follows:

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Quoted – at fair value	55,044,934	56,089,091
Unquoted – at fair value	3,478,098	3,478,098
	<u>58,523,032</u>	<u>59,567,189</u>
In U.A.E	58,523,032	59,567,189
In other GCC countries	-	-
	<u>58,523,032</u>	<u>59,567,189</u>

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

6. Investment in securities at fair value through other comprehensive income (FVTOCI)
(continued)

Movement during the period / year was as follows:

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Fair value at the beginning of the period/ year	59,567,189	58,259,180
Purchases during the period/ year	-	3,089,749
Disposals during the period/ year	-	(3,032,570)
Change in fair value during the period/ year	(1,044,157)	1,250,830
Fair value at the end of the period/ year	<u>58,523,032</u>	<u>59,567,189</u>

7. Statutory deposit

In accordance with the requirements of Article (38) of the UAE Federal Law No. (48) of 2023 (previously UAE Federal Law No. 6 of 2007, as amended), the Group maintains a bank deposit of AED 10 million (31 December 2023: AED 10 million) as a statutory deposit. This deposit cannot be withdrawn without prior approval of the CBUEAE and yields interest rate per annum of 5.40% (31 December 2023: 5.25%).

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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:

		(Unaudited)			(Audited)		
		31 March 2024			31 December 2023		
	Notes	Assets AED	Liabilities AED	Net AED	Assets AED	Liabilities AED	Net AED
Insurance contracts issued							
Motor	8.1	-	3,231,914	(3,231,914)	-	279,544	(279,544)
Marine	8.2	-	49,539,714	(49,539,714)	-	62,792,702	(62,792,702)
FGA	8.3	21,577,261	-	21,577,261	12,462,413	-	12,462,413
Medical	8.4	-	506,108,832	(506,108,832)	-	466,560,195	(466,560,195)
Life	8.5	-	8,104,973	(8,104,973)	-	8,051,878	(8,051,878)
Total insurance contracts issued		21,577,261	566,985,433	(545,408,172)	12,462,413	537,684,319	(525,221,906)
Reinsurance contracts held							
Motor	8.6	37,792,241	46,824,298	(9,032,057)	32,739,185	59,068,777	(26,329,592)
Marine	8.7	33,881,803	-	33,881,803	30,943,273	-	30,943,273
FGA	8.8	38,119,835	-	38,119,835	38,671,744	-	38,671,744
Medical	8.9	370,769,362	290,254,951	80,514,411	310,636,944	246,352,553	64,284,391
Life	8.10	11,474,940	1,091,122	10,383,818	9,212,804	3,361,276	5,851,528
Total reinsurance contracts held		492,038,181	338,170,371	153,867,810	422,203,950	308,782,606	113,421,344

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

The Group disaggregates information to provide disclosures in respect of major product lines separately for Motor, Marine, FGA, Medical and Life. This disaggregation has been determined based on how the Group is managed.

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table on the following page.

Discount rates:

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid AAA-rated sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates.

EIOPA USD risk free Volatility Adjusted (Spot) rates were used with country risk premium/ illiquidity premium of 0.72% is applied for discounting of future cash flows for are listed below:

	1 year		3 years		5 years		10 years	
	2024	2023	2024	2023	2024	2023	2024	2023
Liability for Incurred Claims								
AED	6.11%	5.95%	5.31%	4.92%	5.03%	4.69%	4.88%	4.64%
USD	5.39%	5.23%	4.59%	4.19%	4.31%	4.69%	4.16%	3.92%
Liability for reinsurance contracts issued								
AED	6.11%	5.95%	5.31%	4.92%	5.03%	4.69%	4.88%	4.64%
USD	5.39%	5.23%	4.59%	4.19%	4.31%	4.69%	4.16%	3.92%

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA

8.1 Motor

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
31 March 2024					
Insurance contract liabilities as at 1 January 2024	(165,152,113)	(2)	159,221,140	6,210,519	279,544
Insurance revenue	(56,523,202)	-	-	-	(56,523,202)
Insurance service expenses					
Incurred claims and other expenses	-	-	141,923,007	3,714,754	145,637,761
Amortisation of insurance acquisition cash flows	4,374,940	-	-	-	4,374,940
Losses on onerous contracts and reversals	-	5,181,129	-	-	5,181,129
Changes to liabilities for incurred claims	-	-	(46,189,432)	(2,964,506)	(49,153,938)
Insurance service result	(52,148,262)	5,181,129	95,733,575	750,248	49,516,690
Insurance finance expenses	-	-	2,087,616	81,429	2,169,045
Total changes in the statement of comprehensive income	(52,148,262)	5,181,129	97,821,191	831,677	51,685,735
Cash flows					
Premiums received	33,147,237	-	-	-	33,147,237
Claims and other expenses	-	-	(77,505,662)	-	(77,505,662)
Insurance acquisition cash flows	(4,374,940)	-	-	-	(4,374,940)
Total cash flows	28,772,297	-	(77,505,662)	-	(48,733,365)
Net insurance contract liabilities as at 31 March 2024	(188,528,078)	5,181,127	179,536,669	7,042,196	3,231,914
31 December 2023					
Insurance contract liabilities as at 1 January 2023	(155,567,782)	11,986,139	191,257,483	6,679,033	54,354,873
Insurance revenue	(197,355,225)	-	-	-	(197,355,225)
Insurance service expenses					
Incurred claims and other expenses	-	-	298,534,664	4,824,402	303,359,066
Amortisation of insurance acquisition cash flows	22,599,622	-	-	-	22,599,622
Losses on onerous contracts and reversals	-	(11,986,141)	-	-	(11,986,141)
Changes to liabilities for incurred claims	-	-	(8,991,847)	(5,567,956)	(14,559,803)
Insurance service result	(174,755,603)	(11,986,141)	289,542,817	(743,554)	102,057,519
Insurance finance expenses	-	-	7,875,870	275,040	8,150,910
Total changes in the statement of comprehensive income	(174,755,603)	(11,986,141)	297,418,687	(468,514)	110,208,429
Cash flows					
Premiums received	187,770,894	-	-	-	187,770,894
Claims and other expenses	-	-	(329,455,030)	-	(329,455,030)
Insurance acquisition cash flows	(22,599,622)	-	-	-	(22,599,622)
Total cash flows	165,171,272	-	(329,455,030)	-	(164,283,758)
Net insurance contract liabilities as at 31 December 2023	(165,152,113)	(2)	159,221,140	6,210,519	279,544

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.2 Marine

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component Unaudited AED	Loss component Unaudited AED	Estimates of the present value of future cash flows Unaudited AED	Risk adjustment Unaudited AED	
31 March 2024					
Insurance contract liabilities as at 1 January 2024	36,008,909	-	25,577,887	1,205,906	62,792,702
Insurance revenue	(7,616,118)	-	-	-	(7,616,118)
Insurance service expenses					
Incurred claims and other expenses	-	-	6,864,634	162,936	7,027,570
Amortisation of insurance acquisition cash flows	486,731	-	-	-	486,731
Losses on onerous contracts and reversals	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(4,157,680)	(633,948)	(4,791,628)
Insurance service result	(7,129,387)	-	2,706,954	(471,012)	(4,893,445)
Insurance finance expenses	-	-	329,253	15,525	344,778
Total changes in the statement of comprehensive income	(7,129,387)	-	3,036,207	(455,487)	(4,548,667)
Cash flows					
Premiums received	4,568,521	-	-	-	4,568,521
Claims and other expenses	-	-	(12,786,111)	-	(12,786,111)
Insurance acquisition cash flows	(486,731)	-	-	-	(486,731)
Total cash flows	4,081,790	-	(12,786,111)	-	(8,704,321)
Net insurance contract liabilities as at 31 March 2024	32,961,312	-	15,827,983	750,419	49,539,714
31 December 2023					
Insurance contract liabilities as at 1 January 2023	40,560,005	32,102	32,734,329	1,381,720	74,708,156
Insurance revenue	(32,431,377)	-	-	-	(32,431,377)
Insurance service expenses					
Incurred claims and other expenses	-	-	31,989,810	1,063,004	33,052,814
Amortisation of insurance acquisition cash flows	3,035,146	-	-	-	3,035,146
Losses on onerous contracts and reversals	-	(32,102)	-	-	(32,102)
Changes to liabilities for incurred claims	-	-	(23,261,433)	(1,293,510)	(24,554,943)
Insurance service result	(29,396,231)	(32,102)	8,728,377	(230,506)	(20,930,462)
Insurance finance expenses	-	-	1,295,677	54,692	1,350,369
Total changes in the statement of comprehensive income	(29,396,231)	(32,102)	10,024,054	(175,814)	(19,580,093)
Cash flows					
Premiums received	27,880,281	-	-	-	27,880,281
Claims and other expenses	-	-	(17,180,496)	-	(17,180,496)
Insurance acquisition cash flows	(3,035,146)	-	-	-	(3,035,146)
Total cash flows	24,845,135	-	(17,180,496)	-	7,664,639
Net insurance contract liabilities as at 31 December 2023	36,008,909	-	25,577,887	1,205,906	62,792,702

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.3 FGA

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component Unaudited AED	Loss component Unaudited AED	Estimates of the present value of future cash flows Unaudited AED	Risk adjustment Unaudited AED	
31 March 2024					
Insurance contract assets as at 1 January 2024	(59,114,394)	(4)	44,106,839	2,545,146	(12,462,413)
Insurance revenue	(30,698,078)	-	-	-	(30,698,078)
Insurance service expenses					
Incurred claims and other expenses	-	-	23,435,076	1,061,629	24,496,705
Amortisation of insurance acquisition cash flows	1,024,870	-	-	-	1,024,870
Losses on onerous contracts and reversals	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(5,432,510)	(970,432)	(6,402,942)
Insurance service result	(29,673,208)	-	18,002,566	91,197	(11,579,445)
Insurance finance expenses	-	-	553,204	32,236	585,440
Total changes in the statement of comprehensive income	(29,673,208)	-	18,555,770	123,433	(10,994,005)
Cash flows					
Premiums received	18,499,914	-	-	-	18,499,914
Claims and other expenses	-	-	(15,595,887)	-	(15,595,887)
Insurance acquisition cash flows	(1,024,870)	-	-	-	(1,024,870)
Total cash flows	17,475,044	-	(15,595,887)	-	1,879,157
Net insurance contract assets as at 31 March 2024	(71,312,558)	(4)	47,066,722	2,668,579	(21,577,261)
31 December 2023					
Insurance contract liabilities as at 1 January 2023	(47,350,689)	315,284	61,651,982	3,191,012	17,807,589
Insurance revenue	(109,684,765)	-	-	-	(109,684,765)
Insurance service expenses					
Incurred claims and other expenses	-	-	46,628,793	1,867,490	48,496,283
Amortisation of insurance acquisition cash flows	3,393,341	-	-	-	3,393,341
Losses on onerous contracts and reversals	-	(315,288)	-	-	(315,288)
Changes to liabilities for incurred claims	-	-	(33,432,346)	(2,646,396)	(36,078,742)
Insurance service result	(106,291,424)	(315,288)	13,196,447	(778,906)	(94,189,171)
Insurance finance expenses	-	-	2,584,708	133,040	2,717,748
Total changes in the statement of comprehensive income	(106,291,424)	(315,288)	15,781,155	(645,866)	(91,471,423)
Cash flows					
Premiums received	97,921,060	-	-	-	97,921,060
Claims and other expenses	-	-	(33,326,298)	-	(33,326,298)
Insurance acquisition cash flows	(3,393,341)	-	-	-	(3,393,341)
Total cash flows	94,527,719	-	(33,326,298)	-	61,201,421
Net insurance contract assets as at 31 December 2023	(59,114,394)	(4)	44,106,839	2,545,146	(12,462,413)

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.4 Medical

	Liabilities for remaining coverage		Liabilities for incurred claims		Total Unaudited AED
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	
31 March 2024					
Insurance contract liabilities as at 1 January 2024	39,161,664	-	418,150,419	9,248,112	466,560,195
Insurance revenue	(237,160,053)	-	-	-	(237,160,053)
Insurance service expenses					
Incurred claims and other expenses	-	-	227,751,616	4,767,304	232,518,920
Amortisation of insurance acquisition cash flows	8,621,483	-	-	-	8,621,483
Losses on onerous contracts and reversals	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	6,618,030	(2,909,909)	3,708,121
Insurance service result	(228,538,570)	-	234,369,646	1,857,395	7,688,471
Insurance finance expenses	-	-	5,937,885	131,326	6,069,211
Total changes in the statement of comprehensive income	(228,538,570)	-	240,307,531	1,988,721	13,757,682
Cash flows					
Premiums received	187,632,796	-	-	-	187,632,796
Claims and other expenses	-	-	(153,220,358)	-	(153,220,358)
Insurance acquisition cash flows	(8,621,483)	-	-	-	(8,621,483)
Total cash flows	179,011,313	-	(153,220,358)	-	25,790,955
Net insurance contract liabilities as at 31 March 2024	(10,365,593)	-	505,237,592	11,236,833	506,108,832
31 December 2023					
Insurance contract liabilities as at 1 January 2023	23,177,062	18,567	338,289,485	6,698,495	368,183,609
Insurance revenue	(838,441,302)	-	-	-	(838,441,302)
Insurance service expenses					
Incurred claims and other expenses	-	-	858,641,874	8,007,432	866,649,306
Amortisation of insurance acquisition cash flows	19,827,734	-	-	-	19,827,734
Losses on onerous contracts and reversals	-	(18,567)	-	-	(18,567)
Changes to liabilities for incurred claims	-	-	(15,539,957)	(5,652,882)	(21,192,839)
Insurance service result	(818,613,568)	(18,567)	843,101,917	2,354,550	26,824,332
Insurance finance expenses	-	-	9,851,378	195,067	10,046,445
Total changes in the statement of comprehensive income	(818,613,568)	(18,567)	852,953,295	2,549,617	36,870,777
Cash flows					
Premiums received	854,425,904	-	-	-	854,425,904
Claims and other expenses	-	-	(773,092,361)	-	(773,092,361)
Insurance acquisition cash flows	(19,827,734)	-	-	-	(19,827,734)
Total cash flows	834,598,170	-	(773,092,361)	-	61,505,809
Net insurance contract liabilities as at 31 December 2023	39,161,664	-	418,150,419	9,248,112	466,560,195

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.5 Life

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component Unaudited AED	Loss component Unaudited AED	Estimates of the present value of future cash flows Unaudited AED	Risk adjustment Unaudited AED	
31 March 2024					
Insurance contract liabilities as at 1 January 2024	(5,715,407)	1	13,706,896	60,388	8,051,878
Insurance revenue	(3,389,855)	-	-	-	(3,389,855)
Insurance service expenses					
Incurred claims and other expenses	-	-	6,353,275	26,104	6,379,379
Amortisation of insurance acquisition cash flows	60,227	-	-	-	60,227
Losses on onerous contracts and reversals	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(2,040,004)	(17,219)	(2,057,223)
Insurance service result	(3,329,628)	-	4,313,271	8,885	992,528
Insurance finance expenses	-	-	191,837	846	192,683
Total changes in the statement of comprehensive income	(3,329,628)	-	4,505,108	9,731	1,185,211
Cash flows					
Premiums received	1,657,495	-	-	-	1,657,495
Claims and other expenses	-	-	(2,729,384)	-	(2,729,384)
Insurance acquisition cash flows	(60,227)	-	-	-	(60,227)
Total cash flows	1,597,268	-	(2,729,384)	-	(1,132,116)
Net insurance contract liabilities as at 31 March 2024	(7,447,767)	1	15,482,620	70,119	8,104,973
31 December 2023					
Insurance contract liabilities as at 1 January 2023	(2,949,384)	22,193	16,105,407	64,938	13,243,154
Insurance revenue	(12,729,192)	-	-	-	(12,729,192)
Insurance service expenses					
Incurred claims and other expenses	-	-	10,797,633	24,645	10,822,278
Amortisation of insurance acquisition cash flows	444,461	-	-	-	444,461
Losses on onerous contracts and reversals	-	(22,192)	-	-	(22,192)
Changes to liabilities for incurred claims	-	-	(6,545,690)	(31,115)	(6,576,805)
Insurance service result	(12,284,731)	(22,192)	4,251,943	(6,470)	(8,061,450)
Insurance finance expenses	-	-	476,073	1,920	477,993
Total changes in the statement of comprehensive income	(12,284,731)	(22,192)	4,728,016	(4,550)	(7,583,457)
Cash flows					
Premiums received	9,963,169	-	-	-	9,963,169
Claims and other expenses	-	-	(7,126,527)	-	(7,126,527)
Insurance acquisition cash flows	(444,461)	-	-	-	(444,461)
Total cash flows	9,518,708	-	(7,126,527)	-	2,392,181
Net insurance contract liabilities as at 31 December 2023	(5,715,407)	1	13,706,896	60,388	8,051,878

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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

Contracts measured under the PAA

8.6 Motor

31 March 2024	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2024	-	-	31,146,463	1,592,722	32,739,185
Reinsurance contract liabilities as at 1 January 2024	(59,068,777)	-	-	-	(59,068,777)
Net reinsurance contract liabilities as at 1 January 2024	(59,068,777)	-	31,146,463	1,592,722	(26,329,592)
An allocation of reinsurance premiums	(6,333,515)	-	-	-	(6,333,515)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	20,525,752	781,519	21,307,271
Changes to amounts recoverable for incurred claims	-	-	8,801,601	(591,075)	8,210,526
Amortization of insurance acquisition cash flows	1,670,600	-	-	-	1,670,600
Losses on onerous contracts and reversals of those losses – net	-	732,220	-	-	732,220
Net income or expense from reinsurance contracts held	(4,662,915)	732,220	29,327,353	190,444	25,587,102
Reinsurance finance income	-	-	386,384	19,759	406,143
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(4,662,915)	732,220	29,713,737	210,203	25,993,245
Cash flows					
Premiums paid	18,577,994	-	-	-	18,577,994
Reinsurance acquisition cash flows	(1,670,600)	-	-	-	(1,670,600)
Amounts received	-	-	(25,603,104)	-	(25,603,104)
Total cash flows	16,907,394	-	(25,603,104)	-	(8,695,710)
Net reinsurance contract assets as at 31 March 2024	(46,824,298)	732,220	35,257,096	1,802,925	(9,032,057)
Reinsurance contract assets as at 31 March 2024	-	732,220	35,257,096	1,802,925	37,792,241
Reinsurance contract liabilities as at 31 March 2024	(46,824,298)	-	-	-	(46,824,298)
Net reinsurance contract liabilities as at 31 March 2024	(46,824,298)	732,220	35,257,096	1,802,925	(9,032,057)

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.6 Motor (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
31 December 2023	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2023	42,673,315	6,745,506	75,723,810	2,644,400	127,787,031
Reinsurance contract liabilities as at 1 January 2023	-	-	-	-	-
Net reinsurance contract assets as at 1 January 2023	42,673,315	6,745,506	75,723,810	2,644,400	127,787,031
An allocation of reinsurance premiums	(81,892,267)	-	-	-	(81,892,267)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	63,201,987	912,376	64,114,363
Changes to amounts recoverable for incurred claims	-	-	9,894,246	(2,057,506)	7,836,740
Amortization of insurance acquisition cash flows	(38,580,444)	-	-	-	(38,580,444)
Losses on onerous contracts and reversals of those losses - net	-	(6,745,506)	-	-	(6,745,506)
Net income or expense from reinsurance contracts held	(120,472,711)	(6,745,506)	73,096,233	(1,145,130)	(55,267,114)
Reinsurance finance income	-	-	2,676,007	93,452	2,769,459
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(120,472,711)	(6,745,506)	75,772,240	(1,051,678)	(52,497,655)
<i>Cash flows</i>					
Premiums paid	(19,849,825)	-	-	-	(19,849,825)
Reinsurance acquisition cash flows	38,580,444	-	-	-	38,580,444
Amounts received	-	-	(120,349,587)	-	(120,349,587)
Total cash flows	18,730,619	-	(120,349,587)	-	(101,618,968)
Net reinsurance contract liabilities as at 31 December 2023	(59,068,777)	-	31,146,463	1,592,722	(26,329,592)
Reinsurance contract assets as at 31 December 2023	-	-	31,146,463	1,592,722	32,739,185
Reinsurance contract liabilities as at 31 December 2023	(59,068,777)	-	-	-	(59,068,777)
Net reinsurance contract liabilities as at 31 December 2023	(59,068,777)	-	31,146,463	1,592,722	(26,329,592)

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (Continued)

8.7 Marine

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
31 March 2024	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2024	3,200,829	-	26,115,527	1,626,917	30,943,273
Reinsurance contract liabilities as at 1 January 2024	-	-	-	-	-
Net reinsurance contract assets as at 1 January 2024	3,200,829	-	26,115,527	1,626,917	30,943,273
An allocation of reinsurance premiums	(6,166,934)	-	-	-	(6,166,934)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	910,334	756,400	1,666,734
Changes to amounts recoverable for incurred claims	-	-	(1,733,774)	(591,717)	(2,325,491)
Amortization of insurance acquisition cash flows	1,323,744	-	-	-	1,323,744
Losses on onerous contracts and reversals of those losses - net	-	-	-	-	-
Net income or expense from reinsurance contracts held	(4,843,190)	-	(823,440)	164,683	(5,501,947)
Reinsurance finance income	-	-	365,397	22,783	388,180
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(4,843,190)	-	(458,043)	187,466	(5,113,767)
Cash flows					
Premiums paid	6,068,103	-	-	-	6,068,103
Reinsurance acquisition cash flows	(1,323,744)	-	-	-	(1,323,744)
Amounts received	-	-	3,307,938	-	3,307,938
Total cash flows	4,744,359	-	3,307,938	-	8,052,297
Net reinsurance contract assets as at 31 March 2024	3,101,998	-	28,965,422	1,814,383	33,881,803
Reinsurance contract assets as at 31 March 2024	3,101,998	-	28,965,422	1,814,383	33,881,803
Reinsurance contract liabilities as at 31 March 2024	-	-	-	-	-
Net reinsurance contract assets as at 31 March 2024	3,101,998	-	28,965,422	1,814,383	33,881,803

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.7 Marine (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
31 December 2023	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2023	3,408,674	4,738	37,062,892	1,564,429	42,040,733
Reinsurance contract liabilities as at 1 January 2023	-	-	-	-	-
Net reinsurance contract assets as at 1 January 2023	3,408,674	4,738	37,062,892	1,564,429	42,040,733
An allocation of reinsurance premiums	(18,924,063)	-	-	-	(18,924,063)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	5,168,097	810,923	5,979,020
Changes to amounts recoverable for incurred claims	-	-	(6,689,659)	(800,223)	(7,489,882)
Amortization of insurance acquisition cash flows	2,815,477	-	-	-	2,815,477
Losses on onerous contracts and reversals of those losses - net	-	(4,738)	-	-	(4,738)
Net income or expense from reinsurance contracts held	(16,108,586)	(4,738)	(1,521,562)	10,700	(17,624,186)
Reinsurance finance income	-	-	1,226,923	51,788	1,278,711
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(16,108,586)	(4,738)	(294,639)	62,488	(16,345,475)
<i>Cash flows</i>					
Premiums paid	18,716,218	-	-	-	18,716,218
Reinsurance acquisition cash flows	(2,815,477)	-	-	-	(2,815,477)
Amounts received	-	-	(10,652,726)	-	(10,652,726)
Total cash flows	15,900,741	-	(10,652,726)	-	5,248,015
Net reinsurance contract assets as at 31 December 2023	3,200,829	-	26,115,527	1,626,917	30,943,273
Reinsurance contract assets as at 31 December 2023	3,200,829	-	26,115,527	1,626,917	30,943,273
Reinsurance contract liabilities as at 31 December 2023	-	-	-	-	-
Net reinsurance contract assets as at 31 December 2023	3,200,829	-	26,115,527	1,626,917	30,943,273

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (Continued)

8.8 FGA

31 March 2024	Assets for remaining coverage		Amounts recoverable on incurred claims		Total 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 2024	8,981,908	-	27,962,850	1,726,986	38,671,744
Reinsurance contract liabilities as at 1 January 2024	-	-	-	-	-
Net reinsurance contract assets as at 1 January 2024	8,981,908	-	27,962,850	1,726,986	38,671,744
An allocation of reinsurance premiums	(24,380,654)	-	-	-	(24,380,654)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	10,868,787	869,398	11,738,185
Changes to amounts recoverable for incurred claims	-	-	(2,081,305)	(469,747)	(2,551,052)
Amortization of insurance acquisition cash flows	8,488,538	-	-	-	8,488,538
Losses on onerous contracts and reversals of those losses - net	-	-	-	-	-
Net income or expense from reinsurance contracts held	(15,892,116)	-	8,787,482	399,651	(6,704,983)
Reinsurance finance income	-	-	354,750	22,054	376,804
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(15,892,116)	-	9,142,232	421,705	(6,328,179)
Cash flows					
Premiums paid	16,777,796	-	-	-	16,777,796
Reinsurance acquisition cash flows	(8,488,538)	-	-	-	(8,488,538)
Amounts received	-	-	(2,512,988)	-	(2,512,988)
Total cash flows	8,289,258	-	(2,512,988)	-	5,776,270
Net reinsurance contract assets as at 31 March 2024	1,379,050	-	34,592,094	2,148,691	38,119,835
Reinsurance contract assets as at 31 March 2024	1,379,050	-	34,592,094	2,148,691	38,119,835
Reinsurance contract liabilities as at 31 March 2024	-	-	-	-	-
Net reinsurance contract assets as at 31 March 2024	1,379,050	-	34,592,094	2,148,691	38,119,835

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.8 FGA (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
31 December 2023	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2023	-	61,223	44,067,214	2,255,144	46,383,581
Reinsurance contract liabilities as at 1 January 2023	(27,939,508)	-	-	-	(27,939,508)
Net reinsurance contract assets as at 1 January 2023	(27,939,508)	61,223	44,067,214	2,255,144	18,444,073
An allocation of reinsurance premiums	(100,267,325)	-	-	-	(100,267,325)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	18,409,088	1,018,432	19,427,520
Changes to amounts recoverable for incurred claims	-	-	(17,199,718)	(1,633,149)	(18,832,867)
Amortization of insurance acquisition cash flows	12,508,899	-	-	-	12,508,899
Losses on onerous contracts and reversals of those losses - net	-	(61,223)	-	-	(61,223)
Net income or expense from reinsurance contracts held	(87,758,426)	(61,223)	1,209,370	(614,717)	(87,224,996)
Reinsurance finance income	-	-	1,694,000	86,559	1,780,559
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(87,758,426)	(61,223)	2,903,370	(528,158)	(85,444,437)
<i>Cash flows</i>					
Premiums paid	137,188,741	-	-	-	137,188,741
Reinsurance acquisition cash flows	(12,508,899)	-	-	-	(12,508,899)
Amounts received	-	-	(19,007,734)	-	(19,007,734)
Total cash flows	124,679,842	-	(19,007,734)	-	105,672,108
Net reinsurance contract assets as at 31 December 2023	8,981,908	-	27,962,850	1,726,986	38,671,744
Reinsurance contract assets as at 31 December 2023	8,981,908	-	27,962,850	1,726,986	38,671,744
Reinsurance contract liabilities as at 31 December 2023	-	-	-	-	-
Net reinsurance contract assets as at 31 December 2023	8,981,908	-	27,962,850	1,726,986	38,671,744

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (Continued)

8.9 Medical

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
31 March 2024	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2024	-	-	303,544,682	7,092,262	310,636,944
Reinsurance contract liabilities as at 1 January 2024	(246,352,553)	-	-	-	(246,352,553)
Net reinsurance contract assets as at 1 January 2024	(246,352,553)	-	303,544,682	7,092,262	64,284,391
An allocation of reinsurance premiums	(192,094,879)	-	-	-	(192,094,879)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	162,834,876	3,508,565	166,343,441
Changes to amounts recoverable for incurred claims	-	-	6,710,505	(2,236,483)	4,474,022
Amortization of insurance acquisition cash flows	37,480,048	-	-	-	37,480,048
Losses on onerous contracts and reversals of those losses - net	-	-	-	-	-
Net income or expense from reinsurance contracts held	(154,614,831)	-	169,545,381	1,272,082	16,202,632
Reinsurance finance income	-	-	4,315,154	100,824	4,415,978
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(154,614,831)	-	173,860,535	1,372,906	20,618,610
Cash flows					
Premiums paid	148,192,481	-	-	-	148,192,481
Reinsurance acquisition cash flows	(37,480,048)	-	-	-	(37,480,048)
Amounts received	-	-	(115,101,023)	-	(115,101,023)
Total cash flows	110,712,433	-	(115,101,023)	-	(4,388,590)
Net reinsurance contract assets as at 31 March 2024	(290,254,951)	-	362,304,194	8,465,168	80,514,411
Reinsurance contract assets as at 31 March 2024	-	-	362,304,194	8,465,168	370,769,362
Reinsurance contract liabilities as at 31 March 2024	(290,254,951)	-	-	-	(290,254,951)
Net reinsurance contract assets as at 31 March 2024	(290,254,951)	-	362,304,194	8,465,168	80,514,411

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.9 Medical (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
31 December 2023	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2023	-	16,181	232,199,174	4,597,792	236,813,147
Reinsurance contract liabilities as at 1 January 2023	(244,371,670)	-	-	-	(244,371,670)
Net reinsurance contract liabilities as at 1 January 2023	(244,371,670)	16,181	232,199,174	4,597,792	(7,558,523)
An allocation of reinsurance premiums	(629,193,954)	-	-	-	(629,193,954)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	609,543,138	6,086,096	615,629,234
Changes to amounts recoverable for incurred claims	-	-	(3,202,280)	(3,720,569)	(6,922,849)
Amortization of insurance acquisition cash flows	52,814,117	-	-	-	52,814,117
Losses on onerous contracts and reversals of those losses - net	-	(16,181)	-	-	(16,181)
Net income or expense from reinsurance contracts held	(576,379,837)	(16,181)	606,340,858	2,365,527	32,310,367
Reinsurance finance income	-	-	6,511,912	128,943	6,640,855
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(576,379,837)	(16,181)	612,852,770	2,494,470	38,951,222
<i>Cash flows</i>					
Premiums paid	627,213,071	-	-	-	627,213,071
Reinsurance acquisition cash flows	(52,814,117)	-	-	-	(52,814,117)
Amounts received	-	-	(541,507,262)	-	(541,507,262)
Total cash flows	574,398,954	-	(541,507,262)	-	32,891,692
Net reinsurance contract assets as at 31 December 2023	(246,352,553)	-	303,544,682	7,092,262	64,284,391
Reinsurance contract assets as at 31 December 2023	-	-	303,544,682	7,092,262	310,636,944
Reinsurance contract liabilities as at 31 December 2023	(246,352,553)	-	-	-	(246,352,553)
Net reinsurance contract assets as at 31 December 2023	(246,352,553)	-	303,544,682	7,092,262	64,284,391

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (Continued)

8.10 Life

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
31 March 2024	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED	Unaudited AED
Reinsurance contract assets as at 1 January 2024	-	-	9,169,541	43,263	9,212,804
Reinsurance contract liabilities as at 1 January 2024	(3,361,276)	-	-	-	(3,361,276)
Net reinsurance contract assets as at 1 January 2024	(3,361,276)	-	9,169,541	43,263	5,851,528
An allocation of reinsurance premiums	(3,023,207)	-	-	-	(3,023,207)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	4,148,208	20,242	4,168,450
Changes to amounts recoverable for incurred claims	-	-	(572,932)	(10,223)	(583,155)
Amortization of insurance acquisition cash flows	871,843	-	-	-	871,843
Losses on onerous contracts and reversals of those losses – net	-	-	-	-	-
Net income or expense from reinsurance contracts held	(2,151,364)	-	3,575,276	10,019	1,433,931
Reinsurance finance income	-	-	128,293	606	128,899
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(2,151,364)	-	3,703,569	10,625	1,562,830
Cash flows					
Premiums paid	5,293,361	-	-	-	5,293,361
Reinsurance acquisition cash flows	(871,843)	-	-	-	(871,843)
Amounts received	-	-	(1,452,058)	-	(1,452,058)
Total cash flows	4,421,518	-	(1,452,058)	-	2,969,460
Net reinsurance contract assets as at 31 March 2024	(1,091,122)	-	11,421,052	53,888	10,383,818
Reinsurance contract assets as at 31 March 2024	-	-	11,421,052	53,888	11,474,940
Reinsurance contract liabilities as at 31 March 2024	(1,091,122)	-	-	-	(1,091,122)
Net reinsurance contract assets as at 31 March 2024	(1,091,122)	-	11,421,052	53,888	10,383,818

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

8. 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 (continued)

Contracts measured under the PAA (continued)

8.10 Life (continued)

	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	Total Unaudited AED
31 December 2023					
Reinsurance contract assets as at 1 January 2023	-	991,806	12,841,676	51,883	13,885,365
Reinsurance contract liabilities as at 1 January 2023	(1,697,316)	-	-	-	(1,697,316)
Net reinsurance contract assets as at 1 January 2023	(1,697,316)	991,806	12,841,676	51,883	12,188,049
An allocation of reinsurance premiums	(10,784,519)	-	-	-	(10,784,519)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	7,690,774	14,984	7,705,758
Changes to amounts recoverable for incurred claims	-	-	(4,322,711)	(25,116)	(4,347,827)
Amortization of insurance acquisition cash flows	2,345,946	-	-	-	2,345,946
Losses on onerous contracts and reversals of those losses - net	-	(991,806)	-	-	(991,806)
Net income or expense from reinsurance contracts held	(8,438,573)	(991,806)	3,368,063	(10,132)	(6,072,448)
Reinsurance finance income	-	-	374,569	1,512	376,081
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-
Total changes in the statement of comprehensive income	(8,438,573)	(991,806)	3,742,632	(8,620)	(5,696,367)
<i>Cash flows</i>					
Premiums paid	9,120,559	-	-	-	9,120,559
Reinsurance acquisition cash flows	(2,345,946)	-	-	-	(2,345,946)
Amounts received	-	-	(7,414,767)	-	(7,414,767)
Total cash flows	6,774,613	-	(7,414,767)	-	(640,154)
Net reinsurance contract assets as at 31 December 2023	(3,361,276)	-	9,169,541	43,263	5,851,528
Reinsurance contract assets as at 31 December 2023	-	-	9,169,541	43,263	9,212,804
Reinsurance contract liabilities as at 31 December 2023	(3,361,276)	-	-	-	(3,361,276)
Net reinsurance contract assets as at 31 December 2023	(3,361,276)	-	9,169,541	43,263	5,851,528

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

9. Other receivables

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Staff receivables	3,530,056	3,421,499
Rent receivable	21,565,024	21,887,258
Prepayments and others	20,927,544	12,899,968
	<u>46,022,624</u>	<u>38,208,725</u>

10. Bank balances and cash

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Cash on hand	240,050	106,100
Bank balances:		
Current accounts	43,414,103	56,218,276
Call accounts	361,840	1,627,854
Margin deposits	1,089,390	1,089,390
Fixed deposits	249,536,960	256,689,378
	<u>294,642,343</u>	<u>315,730,998</u>

Fixed deposits amounting to AED 206.5 million (31 December 2023: AED 198.8 million) (note 12) are under lien in respect of bank credit facilities granted to the Group. All fixed deposits are held in local banks in the United Arab Emirates. The interest rate on fixed deposits with banks ranges from 5% to 5.80% (31 December 2023: 3% to 5.80%) per annum.

11. Share capital

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Authorized, issued and fully paid:		
250 million ordinary shares of AED 1 each		
(31 December 2023: 250 million ordinary shares of AED 1 each)	<u>250,000,000</u>	<u>250,000,000</u>

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

12. Bank borrowings

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Bank overdrafts	120,695,095	120,232,272
Term loans	170,776,233	158,750,666
	<u>291,471,328</u>	<u>278,982,938</u>
Bank borrowings are payable as follows:		
On demand or within one year	195,554,828	181,103,738
In the second year	11,340,000	11,214,000
In the third and subsequent years	84,576,500	86,665,200
	<u>291,471,328</u>	<u>278,982,938</u>
Less: Amount due for settlement within 12 months	<u>(195,554,828)</u>	<u>(181,103,738)</u>
Amount due for settlement after 12 months	<u>95,916,500</u>	<u>97,879,200</u>

Main features of bank borrowings:

- Bank loans are obtained to finance the construction of investment properties. The interest rate on term loans with banks ranges from 0.65% plus fixed deposit rate to 2.75% plus 1 month EIBOR (31 December 2023: 0.65% plus fixed deposit rate to 2.75% plus 1 month EIBOR) per annum.
- Bank overdrafts are repayable on demand and carry out interest rates ranging from CSAF plus 0.5% to 2.5% plus 3 months EIBOR (31 December 2023: CSAF plus 0.5% to 2.5% plus 3 months EIBOR) per annum.

At 31 March 2024, bank borrowings were secured by lien on fixed deposits amounting to AED 206.5 million (31 December 2023: AED 198.8 million) (note 10) and mortgage of investment properties with fair value of AED 847.8 million (31 December 2023: AED 847.8 million) (note 5) and assignment of rental proceeds from certain investments properties against bank credit facilities granted to the Group.

13. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Current	3,996,479	4,435,857
Non-current	1,791,507	2,444,541
	<u>5,787,986</u>	<u>6,880,398</u>

The Group has leases for the offices all in UAE. Each lease is reflected on the condensed interim consolidated statement of financial position as a right-of-use assets and lease liabilities. The Group classifies its right-of-use assets in a consistent manner to its property and equipment.

Right-of-use assets	Number of right-of-use assets leased	Range of remaining term	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
Offices	24	2 to 3 years	2 years	24	24

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

13. Lease liabilities (continued)

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 March 2024 and 31 December 2023 are as follows:

	Minimum lease payments due		
	Within 1 year	1-2 year	Total
	AED	AED	AED
31 March 2024			
Lease payments	4,148,035	1,822,835	5,970,870
Finance charges	(151,556)	(31,328)	(182,884)
Net present value	3,996,479	1,791,507	5,787,986
31 December 2023			
Lease payments	4,630,335	2,498,117	7,128,452
Finance charges	(194,478)	(53,576)	(248,054)
Net present value	4,435,857	2,444,541	6,880,398

14. Taxation

	(Unaudited) 31 March 2024 AED	(Unaudited) 31 March 2023 AED
Condensed interim consolidated statement of profit or loss		
Current tax	-	-
Condensed interim consolidated statement of other comprehensive income		
Current tax	-	-
Deferred tax	-	-

During the period, no current tax expense is recognised due to taxable losses in the current period.

Relationship between tax expense and accounting profit:

	(Unaudited) 31 March 2024 AED	(Unaudited) 31 March 2023 AED
Loss for the period before taxation	(7,264,428)	-
Tax @ 9%	-	-

The Group have taxable losses and accordingly is eligible for deferred tax credit. However, management of the Group has decided not to record the same on a prudent basis.

15. Basic and diluted loss per share

	(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
Loss for the period (in AED)	(7,264,428)	(17,924,861)
Weighted average number of shares	250,000,000	250,000,000
Basic and diluted loss per share (in AED)	(0.03)	(0.07)

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

16. Insurance revenue

For the three-month period ended 31 March 2024 (Unaudited)
Contract measured under PAA
Insurance contract issued

Motor AED	Marine AED	FGA AED	Medical AED	Life AED	Total AED
56,523,202	7,616,118	30,698,078	237,160,053	3,389,855	335,387,306
47,805,063	8,101,859	24,857,623	179,097,692	3,079,194	262,941,431

For the three-month period ended 31 March 2023 (Unaudited)
Contract measured under PAA
Insurance contract issued

17. Insurance service expenses

For the three-month period ended 31 March 2024 (Unaudited)
Contract measured under PAA
Incurred claims and other expenses
Changes to liabilities for incurred claims
Amortization of insurance acquisition cash flows
Losses on onerous contracts and reversals of those losses - net

Motor AED	Marine AED	FGA AED	Medical AED	Life AED	Total AED
145,637,761	7,027,570	24,496,705	232,518,920	6,379,379	416,060,335
(49,153,938)	(4,791,628)	(6,402,942)	3,708,121	(2,057,223)	(58,697,610)
4,374,940	486,731	1,024,870	8,621,483	60,227	14,568,251
5,181,129	-	-	-	-	5,181,129
106,039,892	2,722,673	19,118,633	244,848,524	4,382,383	377,112,105

For the three-month period ended 31 March 2023 (Unaudited)
Contract measured under PAA
Incurred claims and other expenses
Changes to liabilities for incurred claims
Amortization of insurance acquisition cash flows
Losses on onerous contracts and reversals of those losses - net

108,145,182	8,492,131	14,109,754	178,729,685	4,227,649	313,704,401
(32,542,071)	(3,505,910)	(10,099,464)	(4,203,013)	(2,846,930)	(53,197,388)
4,939,571	709,107	852,559	8,649,992	86,372	15,237,601
4,918,658	(8,598)	(306,648)	(18,567)	(22,192)	4,562,653
85,461,340	5,686,730	4,556,201	183,158,097	1,444,899	280,307,267

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

18. Net income from reinsurance contracts held

For the three-month period ended 31 March 2024 (Unaudited)
Allocation of reinsurance premiums

	Motor AED	Marine AED	FGA AED	Medical AED	Life AED	Total AED
	(6,333,515)	(6,166,934)	(24,380,654)	(192,094,879)	(3,023,207)	(231,999,189)
Amount recoverable from claims and other expenses						
Amounts recoverable for incurred claims	21,307,271	1,666,734	11,738,185	166,343,441	4,168,450	205,224,081
Changes to amounts recoverable for incurred claims	8,210,526	(2,325,491)	(2,551,052)	4,474,022	(583,155)	7,224,850
Amortization of insurance acquisition cash flows	1,670,600	1,323,744	8,488,538	37,480,048	871,843	49,834,773
Losses on onerous contracts and reversals of those losses - net	732,220	-	-	-	-	732,220
	31,920,617	664,987	17,675,671	208,297,511	4,457,138	263,015,924
Net income from reinsurance contracts held	25,587,102	(5,501,947)	(6,704,983)	16,202,632	1,433,931	31,016,735

For the three-month period ended 31 March 2023 (Unaudited)
Allocation of reinsurance premiums

	(25,909,552)	(3,588,048)	(20,671,660)	(139,570,238)	(2,686,421)	(192,425,919)
Amount recoverable from claims and other expenses						
Amounts recoverable for incurred claims	26,584,049	1,545,187	3,574,411	126,257,752	2,951,309	160,912,708
Changes to amounts recoverable for incurred claims	7,986,278	(467,028)	(4,971,630)	(3,984,841)	(2,313,046)	(3,750,267)
Amortization of insurance acquisition cash flows	7,020,595	905,258	6,357,832	22,471,897	955,141	37,710,723
Losses on onerous contracts and reversals of those losses - net	(1,491,800)	15,024	(79,568)	(14,863)	(221,849)	(1,793,056)
	40,099,122	1,998,441	4,881,045	144,729,945	1,371,555	193,080,108
Net income from reinsurance contracts held	14,189,570	(1,589,607)	(15,790,615)	5,159,707	(1,314,866)	654,189

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

19. Net insurance financial result

For the three-month period ended 31 March 2024 (Unaudited)

Insurance finance expense for insurance contracts issued

Motor AED	Marine AED	FGA AED	Medical AED	Life AED	Total AED
(2,169,045)	(344,778)	(585,440)	(6,069,211)	(192,683)	(9,361,157)

Reinsurance finance income for reinsurance contracts held

406,143	388,180	376,804	4,415,978	128,899	5,716,004
---------	---------	---------	-----------	---------	-----------

For the three-month period ended 31 March 2023 (Unaudited)

Insurance finance expense for insurance contracts issued

(3,413,666)	(592,232)	(1,146,318)	(5,642,054)	(264,747)	(11,059,017)
-------------	-----------	-------------	-------------	-----------	--------------

Reinsurance finance income for reinsurance contracts held

1,339,489	651,415	811,689	3,861,546	210,889	6,875,028
-----------	---------	---------	-----------	---------	-----------

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

20. Cash and cash equivalents for statements of cash flows

	(Unaudited) 31 March 2024 AED	(Unaudited) 31 March 2023 AED
Bank balances and cash	294,642,343	266,099,714
Less: Deposits under lien	(206,595,933)	(144,335,054)
Fixed deposits on maturity of more than three months	(42,941,027)	(93,191,757)
Margin deposits	(1,089,390)	(965,000)
	<u>44,015,993</u>	<u>27,607,903</u>

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

21. Segment information

The Group is organized into two business segments: underwriting and investments. The underwriting segment incorporates motor insurance, marine insurance, FGA insurance, medical insurance, and life insurance.

Investments segment includes investments in equity securities, investment properties and fixed deposit.

These segments are the basis on which the Group reports its primary segment information to the Chief Operating decision maker. There are no transactions between the business segments.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3 to the annual audited consolidated financial statements for the year ended 31 December 2023 of the Group.

a) *Segment consolidated statement of financial position is as follows:*

	(Unaudited)			(Audited)		
	31 March 2024			31 December 2023		
	Underwriting AED	Investments AED	Total AED	Underwriting AED	Investments AED	Total AED
Segment assets						
Unallocated assets	513,615,442	1,177,475,016	1,691,090,458	434,666,363	1,185,993,825	1,620,660,188
Total	513,615,442	-	92,345,321	-	-	99,235,279
	513,615,442	1,177,475,016	1,783,435,779	434,666,363	1,185,993,825	1,719,895,467
Segment liabilities						
Unallocated liabilities	905,155,804	185,069,514	1,090,225,318	846,466,925	172,478,941	1,018,945,866
Total	-	-	204,967,426	-	-	204,397,981
	905,155,804	185,069,514	1,295,192,744	846,466,925	172,478,941	1,223,343,847

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

21. Segment information (continued)

b) Segment consolidated statement of income is as follows:

For the three-month period ended 31 March 2024 (Unaudited)

	Motor AED	Marine AED	Underwriting			Life AED	Total AED	Investments AED	Total AED
			FGA AED	Medical AED					
Insurance revenue	56,523,202	7,616,118	30,698,078	237,160,053		3,389,855	335,387,306		335,387,306
Insurance service expenses	(106,039,892)	(2,722,673)	(19,118,633)	(244,848,524)		(4,382,383)	(377,112,105)		(377,112,105)
Net income from reinsurance contracts held	25,587,402	(5,501,947)	(6,704,983)	16,202,632		1,433,931	31,016,735		31,016,735
Net insurance financial result	(1,762,902)	43,402	(208,636)	(1,653,233)		(63,784)	(3,645,153)		(3,645,153)
Segment result	(25,692,490)	(565,100)	4,665,826	6,860,928		377,619	(14,353,217)	11,933,878	(2,419,339)
Unallocated costs									(4,845,089)
Loss for the period before tax									(7,264,428)

For the three-month period ended 31 March 2023 (Unaudited)

	Motor AED	Marine AED	Underwriting			Life AED	Total AED	Investments AED	Total AED
			FGA AED	Medical AED					
Insurance revenue	47,805,063	8,101,859	24,857,623	179,097,692		3,079,194	262,941,431		262,941,431
Insurance service expenses	(85,461,340)	(5,686,730)	(4,556,201)	(183,158,097)		(1,444,899)	(280,307,267)		(280,307,267)
Net income from reinsurance contracts held	14,189,570	(1,589,607)	(15,790,615)	5,159,707		(1,314,866)	654,189		654,189
Net insurance financial result	(2,074,177)	59,183	(334,629)	(1,780,508)		(53,858)	(4,183,989)		(4,183,989)
Segment result	(25,540,884)	884,705	4,176,178	(681,206)		265,571	(20,895,636)	8,458,758	(12,436,878)
Unallocated costs									(5,487,983)
Loss for the period									(17,924,861)

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)

For the three-month period ended 31 March 2024

22. Related party balances and transactions

Related parties include the Group's major shareholders, directors and businesses controlled by them and their families over which they exercise significant influence as well as key management personnel.

22.1 Due from/to related parties

At the end of reporting period, amounts due from/to related parties included under due from policy holders and gross outstanding claims from Board of Directors, affiliated companies and key management staff were as follows:

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Board members and entities under common control		
Due from policy holders	5,411,572	6,551,395
Gross outstanding claims	<u>917,616</u>	<u>418,763</u>

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received and no expense has been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

22.2 Transactions with related parties

During the period, the Group entered into the following transactions with Board of Directors, affiliated companies and key management staff:

	(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
Board members and entities under common control		
Insurance revenue	2,220,012	2,301,631
Claims paid	<u>1,207,945</u>	<u>734,325</u>

Compensations of key management staff and Board of Directors

	(Unaudited) Three-month period ended 31 March 2024 AED	(Unaudited) Three-month period ended 31 March 2023 AED
Key management staff:		
Short term benefits	1,114,696	1,114,696
Long term benefits	<u>57,392</u>	<u>57,392</u>

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

23. Commitments and contingent liabilities

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Commitments		
Letters of guarantee	<u>115,015,924</u>	<u>118,963,721</u>

Legal claims

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, doesn't believe that the outcome of these court cases will have a material impact on the Group's income or financial condition.

24. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed interim consolidated financial information approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

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

Fair value of the Group's financial assets that are measured at fair value on recurring basis

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined:

Financial assets	Fair value as at (Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
Quoted equity securities – FVTOCI	55,044,934	56,089,091	Level 1	Quoted bid prices in an active market.	None.	NA.
Unquoted equity securities – FVTOCI	3,478,098	3,478,098	Level 3	Net assets valuation method	Net assets value.	Higher the net assets value of the investees, higher the fair value.
	<u>58,523,032</u>	<u>59,567,189</u>				

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

24. Fair value measurement (continued)

Fair value measurements recognised in the condensed interim consolidated statement of financial position

The following table provides an analysis of financial assets and non-financial assets 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).

31 March 2024 (Unaudited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Financial assets at FVTOCI				
Quoted equities	55,044,934	-	-	55,044,934
Unquoted equities	-	-	3,478,098	3,478,098
Investment properties	-	-	847,850,000	847,850,000
	<u>55,044,934</u>	<u>-</u>	<u>851,328,098</u>	<u>906,373,032</u>

31 December 2023 (Audited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Financial assets at FVTOCI				
Quoted equities	56,089,091	-	-	56,089,091
Unquoted equities	-	-	3,478,098	3,478,098
Investment properties	-	-	847,850,000	847,850,000
	<u>56,089,091</u>	<u>-</u>	<u>851,328,098</u>	<u>907,417,189</u>

There was no transfer between the levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

Movement of level 3 instruments is as below:

31 March 2024 (Unaudited)

	Opening balance AED	Additions/ (Disposals) AED	Change in fair value AED	Ending balance AED
Investment properties	847,850,000	-	-	847,850,000
<i>Financial assets at FVTOCI</i>				
Unquoted equities	3,478,098	-	-	3,478,098
31 December 2023 (Audited)				
Investment properties	842,562,500	2,546,156	2,741,344	847,850,000
<i>Financial assets at FVTOCI</i>				
Unquoted Equity securities	3,478,098	-	-	3,478,098

Al Buhaira National Insurance Company P.S.C. and its Subsidiary
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information (continued)
For the three-month period ended 31 March 2024

25. 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 Group is subject to solvency regulations which it has not complied with during the period. The Group 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 Group and the total capital held to meet these required Solvency Margins.

The following disclosure has been prepared based on financial information prepared in accordance with IFRS 4.

	(Unaudited) 31 March 2024 AED	(Audited) 31 December 2023 AED
Minimum Capital Requirement (MCR)	100,000,000	100,000,000
Solvency Capital Requirement (SCR)	377,299,628	296,743,776
Minimum Guarantee Fund (MGF)	125,766,543	101,603,494
Basic Own Funds	100,000,000	100,000,000
Ancillary Own Funds	37,108,186	63,769,523
MCR Solvency Margin – Surplus	-	-
SCR Solvency Margin – Deficit	(258,745,535)	(164,859,015)
MGF Solvency Margin – (Deficit)/ Surplus	(7,212,450)	30,281,268

As of 31 March 2024, the Group has a deficit in the Solvency Margin Requirements and Minimum Guarantee Fund Requirements as stipulated by the Central Bank of the U.A.E. by an amount of AED 258,745,535 and AED 7,212,450 respectively. The Group's ability to comply with the solvency requirements depends on implementing an effective business plan.

26. Subsequent events

Heavy Rainfall in UAE

On 16 April 2024, UAE witnessed unprecedented heavy rainfall causing widespread disruption across the country. The Group's investment in technology and digitalization, coupled with a robust risk management framework, places us on a strong footing to navigate these new challenges. The Group is closely monitoring and assessing the net impact of the event.

27. Approval of condensed interim consolidated financial information

The condensed interim consolidated financial information was approved by the Board of Directors and authorized for issue on 15 May 2024.