

Emirates Insurance Company P.J.S.C.

Condensed interim financial information

30 September 2024

Principal business address:

Emirates Insurance Company P.J.S.C.

P.O. Box: 3856

Abu Dhabi

UAE

Emirates Insurance Company P.J.S.C.

Condensed interim financial information

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Report of the Board of Directors for the nine months period ended 30 September 2024.

The Board of Directors takes pleasure in presenting the unaudited results for the first nine months of 2024.

	AED '000	
	<u>September 2024</u>	<u>September 2023</u>
<u>Income Statement</u>		
Gross premium Written	1,136,568	969,970
Insurance revenue	978,064	862,205
Insurance service expenses	(1,210,821)	(547,022)
Insurance service result before reinsurance contracts held.	(232,757)	315,183
Allocation of reinsurance premiums	(568,270)	(483,232)
Amounts recoverable from reinsurers	845,446	226,534
Net income/(expense) from reinsurance contracts held	277,176	(256,698)
Insurance service result	44,419	58,485
Insurance finance expenses	(20,790)	(17,888)
Reinsurance finance income	17,294	13,092
Net insurance finance expense	(3,496)	(4,796)
Total Insurance Income	40,923	53,689
Net investment Income	76,023	63,209
Other Expenses - Net	(29,964)	(28,774)
Profit for the period before Tax	86,982	88,124
Income tax expense	(5,374)	-
Profit for the period after Tax	81,608	88,124
Earnings per share (FILs)	0.54	0.59

	<u>Sep 2024</u>	<u>Dec 2023</u>
<u>Balance Sheet</u>		
Shareholders' Equity	1,301,494	1,279,019
Total Assets	2,969,730	2,399,897
Total Liabilities	1,668,236	1,120,878

Management Commentary Q3 2024

Our insurance business:

Gross Written Premium increased by 17% and Insurance Revenue increased by 13% compared to the same period for 2023. Premium volume particularly increased in Domestic Motor, Property, Engineering and International NM Property FAC reinsurance.

During the first half of this year, the UAE experienced several severe weather events with easily the worst event being the April storm – a storm that impacted the whole country, but particularly Dubai. The April storm was the worst weather event to hit the country for 75 years with some observers predicting that the gross loss to the entire UAE insurance market will be over US\$2.5bn.

Whilst the major share of our gross losses are recoverable from our reinsurers, EIC's retained losses after reinsurance still impact our net underwriting results with our motor and property classes most notably affected. Unfortunately, our International Business was also impacted by 2 large loss events during the year. Our other classes are performing in line with expectations.

For the 9 months to September 2024, once the effects of our Insurance and Reinsurance finance income/expenses are considered, our total insurance income declined to AED 40.9m from AED 53.7m in 2023.

Our investment business:

EIC's investment portfolio witnessed a P&L improvement of AED 21.1m during Q3'24; bringing the YTD P&L Investment Income to AED 76.0m versus AED 63.2m achieved over the same period last year.

The total portfolio Holding Period Return (YTD) was approximately 6.0% (inclusive of OCI), supported by continued strength in our equity and bond portfolios that climbed 9.6% and 4.8% respectively on a YTD basis. During the quarter, EIC opportunistically booked some profits, mainly across our equity holdings, as the respective underlying target upsides materialized.

Looking ahead, we reserve a cautious outlook on the back of foreseeable headwinds emanating from adverse geopolitical developments; sluggish growth from China, the world's top crude importer, and an overall prevalence of risk-off sentiments. As we trimmed exposure to riskier assets, our current portfolio positioning is suitably aligned to cushion short-term market volatility and offers flexibility to capitalize on any return accretive opportunities.

Other expenses

These expenses relate to operating expenses which cannot be attributed directly to the insurance business of the company. Other expenses increased by 4.1% from Q3_2023 mainly due to one off consulting expenses and our Emiratisation drive.

Net Profit after tax

The negative impact of the storms was partially mitigated by a 20% year on year growth in our investment earnings. Our pre-tax profit reduced slightly from AED88m to AED87m.

2024 marks the introduction of corporate taxation for the UAE and hence our net profit is now reported after tax. Our post tax Net Profit stands at AED 81.6m at the end of Q3_2024.

Balance Sheet:

The Total Assets of the Company has increased 23.7% to AED 2.97 billion from December 2023. The increase in the assets is attributable to the top line growth in the business and an increase in recoveries from our reinsurers due to the weather events.

Shareholders Equity improved by 1.8% to AED 1.3 billion from AED 1.28 billion in December 2023.

Our liquidity, solvency and working capital position continues to remain very strong. This was emphasized during the recent S&P Global annual review where our "A-" was reconfirmed.



ABDULLAH M. MAZRUI

CHAIRMAN

11 November 2024



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Independent Auditors' Report on Review of Condensed Interim Financial Information

To the Shareholders of Emirates Insurance Company P.J.S.C.

Introduction

We have reviewed the accompanying 30 September 2024 condensed interim financial information of Emirates Insurance Company P.J.S.C. (the "Company"), which comprises:

- the condensed interim statement of financial position as at 30 September 2024;
- the condensed interim statements of profit or loss for the three-month and nine-month periods ended 30 September 2024;
- the condensed interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2024;
- the condensed interim statement of changes in shareholders' equity for the nine-month period ended 30 September 2024;
- the condensed interim statement of cash flows for the nine-month period ended 30 September 2024; and
- notes to the condensed interim financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, '*Interim Financial Reporting*'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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



Emirates Insurance Company P.J.S.C.
*Independent Auditors' Report on Review of
Condensed Interim Financial Information
30 September 2024*

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, '*Interim Financial Reporting*'.

KPMG Lower Gulf Limited

Maher AlKatout
Registration No: 5453
Abu Dhabi, United Arab Emirates

Date: **11 NOV 2024**



Emirates Insurance Company P.J.S.C.

Condensed interim statement of financial position as at

	Note	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Assets			
Cash and cash equivalents	4	182,947	126,279
Term deposits	4(ii)	182,900	203,399
Financial assets at amortised cost	5	278,988	284,365
Financial assets at fair value through other comprehensive income ("FVOCI")	5	730,459	797,208
Financial assets at fair value through profit or loss ("FVTPL")	5	338,432	309,523
Reinsurance contract assets	7	1,201,532	626,566
Other receivables and prepayments		31,403	29,908
Investment properties	8	3,770	4,034
Statutory deposit	9	10,000	10,000
Property and equipment		9,299	8,615
Total assets		2,969,730	2,399,897
Equity and liabilities			
Equity			
Share capital	10	150,000	150,000
Statutory reserve	11	75,000	75,000
General reserve	12	635,000	600,000
Reinsurance risk reserve	13	15,747	11,712
Fair value reserve		220,690	252,078
Retained earnings		205,057	190,229
Total equity		1,301,494	1,279,019
Liabilities			
Employees' end of service obligation		21,096	20,725
Provisions and other payables	14	73,310	93,337
Insurance contract liabilities	6	1,550,366	990,671
Reinsurance contract liabilities	7	23,464	16,145
Total Liabilities		1,668,236	1,120,878
Total Equity and Liabilities		2,969,730	2,399,897

To the best of our knowledge, nothing has come to our attention that causes us to believe that the condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.


Chairman of the Board of Directors

 
Chief Executive Officer Chief Financial Officer

The notes set out on pages 11 to 30 form an integral part of this condensed interim financial information.
The independent auditors' report on review of the condensed interim financial information is set out on pages 4 and 5.

Emirates Insurance Company P.J.S.C.

Condensed interim statement of profit or loss for the period ended 30 September (Unaudited)

	Note	Three-month period ended 2024 AED'000	Three-month period ended 2023 AED'000	Nine-month period ended 2024 AED'000	Nine-month period ended 2023 AED'000
Insurance revenue	6	350,996	298,605	978,064	862,205
Insurance service expenses	6	(302,887)	(251,754)	(1,210,821)	(547,022)
Insurance service result before reinsurance contracts held	6	48,109	46,851	(232,757)	315,183
Allocation of reinsurance premiums	7	(200,591)	(144,335)	(568,270)	(483,232)
Amounts recoverable from reinsurers	7	174,979	128,839	845,446	226,534
Net income / (expense) from reinsurance contracts held	7	(25,612)	(15,496)	277,176	(256,698)
Insurance service result		22,497	31,355	44,419	58,485
Insurance finance expense for insurance contracts issued	6	(10,172)	(5,752)	(20,790)	(17,888)
Reinsurance finance income for reinsurance contracts issued	7	7,979	3,489	17,294	13,092
Net insurance finance expenses		(2,193)	(2,263)	(3,496)	(4,796)
Total Insurance Income		20,304	29,092	40,923	53,689
Net investment income	17	20,680	7,772	74,944	61,977
Income from investment properties		380	299	1,079	1,232
Total Investment income		21,060	8,071	76,023	63,209
Other expenses – Net		(9,271)	(9,166)	(29,964)	(28,774)
Profit for the period before tax		32,093	27,997	86,982	88,124
Income tax expense	16	(2,857)	-	(5,374)	-
Profit for the period after tax		29,236	27,997	81,608	88,124
Basic and diluted earnings per share	18	0.19	0.19	0.54	0.59

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Emirates Insurance Company P.J.S.C.

Condensed interim statement of profit or loss and other comprehensive income for the period ended 30 September (unaudited)

	Three-month period ended 2024 AED'000	Three-month period ended 2023 AED'000	Nine -month period ended 2024 AED'000	Nine-month period ended 2023 AED'000
Profit for the period	29,236	27,997	81,608	88,124
<i>Items that will not be reclassified subsequently to statement of profit or loss:</i>				
Changes in fair value of equity instruments at fair value through other comprehensive income – net of tax	39,198	46,343	22,571	60,735
<i>Items that are or may be reclassified subsequently to statement of profit or loss:</i>				
Changes in fair value of debt instruments at fair value through other comprehensive income – net of tax	1,824	(1,806)	796	(2,266)
Reversal for impairment loss on debt instruments measured at fair value through other comprehensive income	-	-	-	(27)
Other comprehensive income for the period	41,022	44,537	23,367	58,442
Total comprehensive income for the period	70,258	72,534	104,975	146,566

The notes set out on pages 11 to 30 form an integral part of this condensed interim financial information.

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Emirates Insurance Company P.J.S.C.

Condensed interim statement of changes in shareholders' equity for the nine-month period ended 30 September (Unaudited)

	Share capital AED'000	Statutory reserve AED'000	General reserve AED'000	Reinsurance risk reserve AED'000	Fair value reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2023 (Audited)	150,000	75,000	600,000	7,630	212,795	102,117	1,147,542
<i>Total comprehensive income:</i>							
Profit for the period	-	-	-	-	-	88,124	88,124
Other comprehensive income for the period	-	-	-	-	58,442	-	58,442
Total comprehensive income for the period	-	-	-	-	58,442	88,124	146,566
<i>Transactions with owners of the Company:</i>							
Dividends (note 10)	-	-	-	-	-	(75,000)	(75,000)
Total transactions with owners of the Company	-	-	-	-	-	(75,000)	(75,000)
Transfer to General Reserve (Note 12)	-	-	-	-	-	-	-
Transfer to retained earnings on disposal of equity investments designated at FVOCI	-	-	-	-	(40,901)	40,901	-
Transfer from retained earnings to reinsurance risk reserve	-	-	-	3,330	-	(3,330)	-
Balance at 30 September 2023 (Unaudited)	150,000	75,000	600,000	10,960	230,336	152,812	1,219,108
Balance at 1 January 2024 (Audited)	150,000	75,000	600,000	11,712	252,078	190,229	1,279,019
<i>Total comprehensive income:</i>							
Profit for the period	-	-	-	-	-	81,608	81,608
Other comprehensive income for the period	-	-	-	-	23,367	-	23,367
Total comprehensive income for the period	-	-	-	-	23,367	81,608	104,975
<i>Transactions with owners of the Company:</i>							
Dividends (note 10)	-	-	-	-	-	(82,500)	(82,500)
Total transactions with owners of the Company	-	-	-	-	-	(82,500)	(82,500)
Transfer to General Reserve (note 12)	-	-	35,000	-	-	(35,000)	-
Transfer to retained earnings on disposal of equity investments designated at FVTOCI	-	-	-	-	(54,755)	54,755	-
Transfer from retained earnings to reinsurance risk reserve	-	-	-	4,035	-	(4,035)	-
Balance at 30 September 2024 (Unaudited)	150,000	75,000	635,000	15,747	220,690	205,057	1,301,494

The notes set out on pages 11 to 30 form an integral part of this condensed interim financial information.

Emirates Insurance Company P.J.S.C.

Condensed interim statement of cash flows for the nine-month period ended 30 September (Unaudited)

	Note	2024 AED'000	2023 AED'000
Cash flows from operating activities			
Profit for the period before tax		86,982	88,124
Adjustments for:			
Depreciation of property and equipment		2,408	2,438
Depreciation of investment properties		264	189
Gain on disposal of property and equipment		(13)	(82)
Net (gain) / loss on disposal of investments in securities	17	(6,906)	8,274
Unrealised gain on investments measured at FVTPL	17	(7,031)	(27,518)
Premium amortisation	5	(853)	(761)
Dividends from investments in securities	17	(38,812)	(24,455)
Reversal for expected credit losses on financial assets		(487)	(2,074)
Charge for employees' end of service benefit obligation		1,864	3,066
Interest income	17	(23,777)	(19,863)
Cash generated from operating activities		13,639	27,338
Increase in insurance contract assets		-	2,376
Increase in reinsurance contract assets		(574,966)	(167,701)
Decrease / (increase) in other receivables and prepayments		223	(7,906)
Increase in insurance contract liabilities		560,170	87,572
Increase / (decrease) in reinsurance contract liabilities		7,319	(25,142)
(Decrease) / increase in provisions and other payables		(27,711)	25,181
Cash used in operating activities		(21,326)	(58,282)
Payment for employees' end of service benefit obligation		(1,493)	(1,804)
Net cash used in operating activities		(22,819)	(60,086)
Cash flows from investing activities			
Payments for purchase of property and equipment		(3,092)	(1,167)
Proceeds from disposal of property and equipment		13	131
Payments for purchase of financial assets		(98,211)	(146,411)
Proceeds from disposal of financial assets		181,897	203,223
Placement of term deposits		(216,587)	(139,362)
Maturities of term deposits		237,096	113,704
Dividends received		38,812	24,455
Interest income received		22,059	18,481
Net cash generated from investing activities		161,987	73,054
Cash flows from financing activities			
Dividends paid		(82,500)	(75,000)
Net cash used in financing activities		(82,500)	(75,000)
Net increase / (decrease) in cash and cash equivalents		56,668	(62,032)
Cash and cash equivalents at the beginning of the period		126,279	127,748
Cash and cash equivalents at the end of the period	4	182,947	65,716

The notes set out on pages 11 to 30 form an integral part of this condensed interim financial information.

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Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

1 Legal status and activities

Emirates Insurance Company P.J.S.C. (the "Company") is a public joint stock company which was incorporated in Abu Dhabi, United Arab Emirates on 27 July 1982. The Company is registered in accordance with UAE Federal Law No. (48) of 2023 concerning Insurance Companies and Agents and is governed by the provisions of the Federal Law No. (32) of 2021 concerning the commercial companies, Central bank of UAE Board decision No. (25) of 2014 pertinent to Financial Regulations for insurance companies and Insurance Authority's Board of Directors Decision No. (23) of 2019 concerning Instructions Organizing Reinsurance Operations, and is registered in the Insurance Companies Register of Central Bank of UAE under registration No. (2). The Company's principal activity is the writing of general insurance and reinsurance business of all classes. The Company operates through its head office in Abu Dhabi and branch offices in Dubai, Al Ain and Jebel Ali Freezone. The Company is domiciled in the United Arab Emirates and its registered office address is P.O. Box 3856, Abu Dhabi, United Arab Emirates.

2 Basis of preparation

(a) Statement of compliance

The condensed interim financial information has been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting* and also complies with the applicable requirements of the laws in the UAE.

It does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2023, which were prepared in accordance with International Financial Reporting Standards ("IFRS Standards").

(b) Basis of measurement

The condensed interim financial information has been prepared under the historical cost convention except for the financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are carried at fair values and insurance and reinsurance contracts which are measured at the estimated fulfilment cash flows that are expected to arise as the company fulfils its contractual obligations.

(c) Functional and reporting currency

The condensed interim financial information is presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional currency. Except as indicated, the financial information presented in AED has been rounded to the nearest thousand.

(d) Use of judgments and estimates

In preparing the condensed interim financial information, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements for the year ended 31 December 2023.

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

3 Material accounting policies

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

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 has become effective for accounting periods beginning on or after 1 June 2023.

For the Company, accounting for current and deferred taxes have become applicable from the period beginning 1 January 2024. Accordingly, management has applied following accounting policy to incorporate the applicable corporate tax.

Taxation

Current Taxation

The Cabinet of Ministers Decision No.116/2022 effective from 2023, specifies the threshold of income over which the 9% tax rate would apply and accordingly, the law is now considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000. The income tax expense is recognized at an amount determined by multiplying the profit before tax for reporting period ended 30 September 2024 by management best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the period.

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 expected to apply to the profit for the period.

Deferred Taxation

Deferred tax is accounted for in respect of all temporary differences at the statement of financial position date between the tax base 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.

In accordance to the Article 127 – Unrealised gains and losses, taxable persons are required to include any realised or unrealised gains and losses reported in the financial statements in the calculation of their taxable income, if they would not subsequently be recognised in their income statement. This is unless they make the election to use the realisation basis. The Company has opted to not to elect the use of realisation basis and therefore include any realised and unrealised gains reported in the financial statement in its taxable income calculation. Hence there is no deferred no tax asset/liability is recognised in these condensed interim financial statements.

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

3.1 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Company has not early adopted any of the forthcoming new or amended standards in preparing this condensed interim financial information.

<i>Forthcoming requirements</i>	<i>Effective date</i>
• Amendments to IAS 21 – Lack of Exchangeability	1 January 2025
• Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	N/a*

N/a* Available for optional adoption/ effective date deferred indefinitely.

The following new and amended standards do not have a significant impact on the Company's financial information:

<i>New standards or amendments</i>	<i>Effective date</i>
• Amendments to IAS 1 – Non Current liabilities with covenants	1 January 2024
• Amendments to IAS 1 – Classification of liabilities as Current or Non-current	1 January 2024
• Amendments to IFRS 16 – Lease liability in a sale and leaseback	1 January 2024
• Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements	1 January 2024

4 Cash and cash equivalents

	<i>(Unaudited)</i>	<i>(Audited)</i>
	30 September	31 December
	2024	2023
	AED'000	AED'000
Cash at banks inside UAE	169,777	125,881
Cash at banks outside UAE	13,188	400
Cash in hand	22	24
Cash and bank balances	182,987	126,305
Term deposits (i)	182,944	203,453
	365,931	329,758
Less: deposits with original maturities of three months or more (i),(ii)	(182,944)	(203,453)
Cash and cash equivalents	182,987	126,305
Less: allowance for expected credit losses	(40)	(26)
	182,947	126,279

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

4 Cash and cash equivalents (continued)

- (i) Term deposits carry interest rates ranging from 4.00% to 6.05% (31 December 2023: 2% to 6.00%) per annum. All term deposits are placed with banks and financial institutions within UAE.
- (ii) Term deposits with original maturities of three months or more, net of allowance for expected credit losses of AED 44 thousand (31 December 2023: AED 54 thousand), amount to AED 182,900 thousand (31 December 2023: AED 203,399 thousand).

5 Investments in securities

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

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Financial assets at amortised cost		
Fixed income portfolio at amortised cost	279,241	284,620
Less: allowance for expected credit losses	(253)	(255)
	278,988	284,365
Financial assets at fair value through other comprehensive income		
Quoted UAE equity securities	485,275	560,607
Unquoted UAE equity securities	3,092	3,092
Investment funds	173,229	176,911
Unquoted overseas equity securities	1,905	2,093
Bond portfolio	66,958	54,505
	730,459	797,208
Financial assets at fair value through profit or loss		
Quoted UAE equity securities	38,126	42,978
Unquoted UAE equity securities	965	965
Investment funds	86,710	62,766
Unquoted overseas equity securities	29,610	31,136
Bond portfolio	183,021	171,678
	338,432	309,523

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

5 Investments in securities (continued)

The movement in investments during the period is as follows:

	(Unaudited) 30 September 2024 AED'000	(Unaudited) 30 September 2023 AED'000
Financial assets at amortised cost		
Amortised cost at the beginning of the period	284,365	233,700
Purchases	32,875	72,992
Maturities	(39,107)	(28,237)
Premium amortisation	853	761
Allowance for expected credit losses	2	(16)
Amortised cost at the end of the period	278,988	279,200
Financial assets at fair value through other comprehensive income		
Fair value at the beginning of the period	797,208	763,372
Purchases	4,839	2,529
Disposals	(97,266)	(9,264)
Change in fair values taken to other comprehensive income	25,678	17,568
Fair value at the end of the period	730,459	774,205
Financial assets at fair value through profit or loss		
Fair value at the beginning of the period	309,523	335,669
Purchases	60,497	70,890
Disposals	(38,619)	(133,095)
Change in fair values taken to profit or loss	7,031	27,518
Fair value at the end of the period	338,432	300,982

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

6 Insurance contract assets and insurance contract liabilities

At 30 September 2024 (Unaudited)
AED ('000')

	Liability for remaining coverage		Liability for incurred claims		Total Liability
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract assets as at 31/12/2023	-	-	-	-	-
Insurance contract liabilities as at 31/12/2023	178,739	740	768,204	42,988	990,671
Net insurance contract liabilities as at 31/12/2023	178,739	740	768,204	42,988	990,671
Insurance revenue	(978,064)	-	-	-	(978,064)
Insurance service expenses					
Incurred claims and other expenses	-	(732)	493,834	3,260	496,362
Amortisation of insurance acquisition cash flows	109,601	-	-	-	109,601
Losses on onerous contracts and reversals of those losses	-	30	-	-	30
Changes to liabilities for incurred claims	-	-	587,832	16,996	604,828
Insurance service expense	109,601	(702)	1,081,666	20,256	1,210,821
Insurance service result before reinsurance contracts held	(868,463)	(702)	1,081,666	20,256	232,757
Interest accreted	-	-	23,040	-	23,040
Effect of changes in interest rates and other financial assumptions	-	-	(2,250)	-	(2,250)
Insurance finance expenses from insurance contracts issued	-	-	20,790	-	20,790
Total changes in the statement of comprehensive income	(868,463)	(702)	1,102,456	20,256	253,547
Cash flows					
Premiums received	972,761	-	-	-	972,761
Claims and other expenses paid	-	-	(558,767)	-	(558,767)
Insurance acquisition cash flows paid	(107,846)	-	-	-	(107,846)
Total cash flows	864,915	-	(558,767)	-	306,148
Net insurance contract liabilities as at 30/09/2024	175,191	38	1,311,893	63,244	1,550,366
Insurance contract assets as at 30/09/2024	-	-	-	-	-
Insurance contract liabilities as at 30/09/2024	175,191	38	1,311,893	63,244	1,550,366
Net insurance contract liabilities as at 30/09/2024	175,191	38	1,311,893	63,244	1,550,366

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

6 Insurance contract assets and insurance contract liabilities (continued)

At 31 December 2023 (Audited)
AED ('000')

	<u>Liability for remaining coverage</u>		<u>Liability for incurred claims</u>		<u>Total Liability</u>
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract assets as at 31/12/2022	(12,464)	-	9,692	396	(2,376)
Insurance contract liabilities as at 31/12/2022	158,427	4,805	708,380	38,522	910,134
Net insurance contract liabilities as at 31/12/2022	145,963	4,805	718,072	38,918	907,758
Insurance revenue	(1,133,944)	-	-	-	(1,133,944)
Insurance service expenses	-	-	-	-	-
Incurred claims and other expenses	-	(4,810)	393,361	6,287	394,838
Amortisation of insurance acquisition cash flows	130,795	-	-	-	130,795
Losses on onerous contracts and reversals of those losses	-	745	-	-	745
Changes to liabilities for incurred claims	-	-	161,834	(2,217)	159,617
Insurance service expenses	130,795	(4,065)	555,195	4,070	685,995
Insurance service result before reinsurance contracts held	(1,003,149)	(4,065)	555,195	4,070	(447,949)
Interest accreted	-	-	27,873	-	27,873
Effect of changes in interest rates and other financial assumptions	-	-	2,383	-	2,383
Insurance finance expenses from insurance contracts issued	-	-	30,256	-	30,256
Total changes in the statement of comprehensive income	(1,003,149)	(4,065)	585,451	4,070	(417,693)
Cash flows					
Premiums received	1,170,600	-	-	-	1,170,600
Claims and other expenses paid	-	-	(535,319)	-	(535,319)
Insurance acquisition cash flows paid	(134,675)	-	-	-	(134,675)
Total cash flows	1,035,925	-	(535,319)	-	500,606
Net insurance contract liabilities as at 31/12/2023	178,739	740	768,204	42,988	990,671
Insurance contract assets as at 31/12/2023	-	-	-	-	-
Insurance contract liabilities as at 31/12/2023	178,739	740	768,204	42,988	990,671
Net insurance contract liabilities as at 31/12/2023	178,739	740	768,204	42,988	990,671

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

7 Reinsurance contract assets and reinsurance contract liabilities

At 30 September 2024 (Unaudited)

AED ('000')	Asset for remaining coverage		Amounts recoverable on incurred claims		Total Asset
	Non-loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	
Reinsurance contract assets as at 31/12/2023	(93,346)	-	688,428	31,484	626,566
Reinsurance contract liabilities as at 31/12/2023	(49,028)	-	31,826	1,057	(16,145)
Net reinsurance contract assets as at 31/12/2023	(142,374)	-	720,254	32,541	610,421
Expenses from reinsurance contracts	(568,270)	-	-	-	(568,270)
Income from reinsurance contracts	-	-	-	-	-
Amounts recoverable for claims and other expenses incurred in the period	-	-	187,910	2,392	190,302
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	629,644	25,500	655,144
Transfer of reinsurance investment components	(19,514)	-	19,514	-	-
Income from reinsurance contracts	(19,514)	-	837,068	27,892	845,446
Net (expense) / income from reinsurance contracts held	(587,784)	-	837,068	27,892	277,176
Interest accreted	-	-	19,283	-	19,283
Effect of changes in interest rates and other financial assumptions	-	-	(1,989)	-	(1,989)
Effect of changes in the risk of non-performance by reinsurers	-	-	-	-	-
Reinsurance finance income from reinsurance contracts held	-	-	17,294	-	17,294
Total changes in the statement of comprehensive income	(587,784)	-	854,362	27,892	294,470
Cash flows	-	-	-	-	-
Premiums paid	513,472	-	-	-	513,472
Amounts received	-	-	(240,295)	-	(240,295)
Total cash flows	513,472	-	(240,295)	-	273,177
Net reinsurance contract assets as at 30/09/2024	(216,686)	-	1,334,321	60,433	1,178,068
Reinsurance contract assets as at 30/09/2024	(178,887)	-	1,320,569	59,850	1,201,532
Reinsurance contract liabilities as at 30/09/2024	(37,799)	-	13,752	583	(23,464)
Net reinsurance contract assets as at 30/09/2024	(216,686)	-	1,334,321	60,433	1,178,068

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

7 Reinsurance contract assets and reinsurance contract liabilities (continued)

At 31 December 2023 (Audited)

AED ('000')

	Asset for remaining coverage Non-loss-recovery component	Loss-recovery component	Amounts recoverable on incurred claims Estimates of the present value of future cash flows	Risk adjustment	Total Asset
Reinsurance contract assets as at 31/12/2022	(128,445)	-	560,308	25,925	457,788
Reinsurance contract liabilities as at 31/12/2022	(68,415)	-	25,811	781	(41,823)
Net reinsurance contract assets as at 31/12/2022	(196,860)	-	586,119	26,706	415,965
Allocation of reinsurance premiums	(645,687)	-	-	-	(645,687)
Amounts recoverable from reinsurers	-	-	172,886	4,366	177,252
Amounts recoverable for claims and other expenses incurred in the period	-	-	108,096	1,469	109,565
Changes in amounts recoverable arising from changes in liability for incurred claims	-	-	35,691	-	-
Transfer of reinsurance investment components	(35,691)	-	316,673	5,835	286,817
Amounts recoverable from reinsurers	(35,691)	-	316,673	5,835	(358,870)
Net (expense) / income from reinsurance contracts held	(681,378)	-	19,864	-	19,864
Interest accreted	-	-	1,279	-	1,279
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-
Effect of changes in the risk of non-performance by reinsurers	-	-	21,143	-	21,143
Reinsurance finance income from reinsurance contracts held	-	-	337,816	5,835	(337,727)
Total changes in the statement of comprehensive income	(681,378)	-	-	-	-
Cash flows	-	-	-	-	-
Premiums paid	735,864	-	(203,681)	-	735,864
Amounts received	-	-	(203,681)	-	(203,681)
Total cash flows	735,864	-	720,254	32,541	532,183
Net reinsurance contract assets as at 31/12/2023	(142,374)	-	688,428	31,484	610,421
Reinsurance contract assets as at 31/12/2023	(93,346)	-	31,826	1,057	626,566
Reinsurance contract liabilities as at 31/12/2023	(49,028)	-	720,254	32,541	(16,145)
Net reinsurance contract assets as at 31/12/2023	(142,374)	-	-	-	610,421

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Notes to the condensed interim financial information

8 Investment properties

Investment properties represent the cost, net of accumulated depreciation and impairment, of properties owned by the Company in Abu Dhabi, Al Ain and Mussafah. Land for the construction of the Abu Dhabi and Al Ain buildings have been allotted free of cost by the Executive Council of Abu Dhabi and land for the construction of Mussafah building is on a long-term lease from the Abu Dhabi Municipality and Urban Planning Department which is classified as right-of-use asset.

9 Statutory deposit

In accordance with the requirements of UAE Federal Law No. (48) of 2023 concerning insurance companies and Agents, the Company maintains a bank deposit of AED 10,000,000 (31 December 2023: AED 10,000,000) which cannot be utilised without the consent of the Central Bank of UAE.

10 Issued and paid-up share capital

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Authorised:		
150,000,000 (2023: 150,000,000) shares of AED 1 each	150,000	150,000
Allotted, issued and fully paid:		
150,000,000 (2023: 150,000,000) shares of AED 1 each	150,000	150,000

At the Annual General Meeting held on 22 April 2024, the Shareholders approved a cash dividend in respect of 2023 results amounting to AED 82.5 million (2022: AED 75 million).

11 Statutory reserves

In accordance with the UAE Federal Law No. (32) of 2021 concerning Commercial Companies and the Company's Articles of Association, 10% of profit is to be transferred to a non-distributable reserve until the balance of the reserve equals 50% of the Company's paid up share capital. This reserve is not available for dividend distribution.

12 General reserve

Transfers to and from the general reserve are made at the discretion of the Board of Directors. This reserve may be used for such purposes as the Directors deem fit. During the period the Company has transferred AED 35 million from retained earnings to general reserve. (31 December 2023: AED Nil).

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Notes to the condensed interim financial information

13 Reinsurance risk reserve

In accordance with Article (34) of the Insurance Authority Decision No. (23) of 2019, an insurance company has to allocate an amount equal to 0.5% of the total reinsurance premiums ceded in all classes in its annual financial statements in order to create a provision for the probability of failure/default of any of the reinsurers. During the period the Company has transferred AED 4.04 million from retained earnings to reinsurance risk reserve. (31 December 2023: AED 4.08 million).

14 Provisions and other payables

	<i>(Unaudited)</i> 30 September 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Accruals and other liabilities	39,414	22,576
Deferred income	1,176	801
Other payables	32,720	69,960
	<u>73,310</u>	<u>93,337</u>

15 Related parties

Related parties comprise the Directors of the Company and those entities in which they have the ability to control or exercise significant influence in financial and operational decisions. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, being the Directors, Chief Executives Officer and his direct reports. The Company maintains significant balances with these related parties which arise from commercial transactions in the ordinary course of business at commercial rates as follows:

	<i>(Unaudited)</i> 30 September 2024 AED'000	<i>(Audited)</i> 31 December 2023 AED'000
Due from policy holders (Directors' affiliates) <i>(Included in insurance contract liabilities as part of presentation requirement of IFRS 17)</i>	<u>3,043</u>	<u>30,375</u>
Due to policy holders (Directors' affiliates) <i>(Included in insurance contract liabilities as part of presentation requirement of IFRS 17)</i>	<u>566</u>	<u>2,228</u>

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

15 Related parties (continued)

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

	<i>(Unaudited)</i> Three-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Three-month period ended 30 September 2023 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2023 AED'000
Insurance revenue – Directors affiliates	<u>931</u>	<u>22,133</u>	<u>6,014</u>	<u>33,100</u>
Insurance service expenses – Directors affiliates	<u>8,661</u>	<u>367</u>	<u>10,205</u>	<u>1,313</u>
Board of Directors' remuneration paid	<u>-</u>	<u>-</u>	<u>3,991</u>	<u>2,550</u>
Remuneration of key management personnel	<u>4,879</u>	<u>3,782</u>	<u>14,309</u>	<u>11,648</u>

The remuneration of the Board of Directors is subject to approval by the shareholders and as per limits set by the UAE Federal Law No. (32) of 2021 concerning Commercial Companies. The remuneration of key management personnel is based on the remuneration agreed in their employment contract as approved by the Board of Directors.

16 Income tax expense

	<i>(Unaudited)</i> Three-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Three-month period ended 30 September 2023 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2023 AED'000
Condensed interim statement of profit or loss:				
Current tax	<u>2,857</u>	<u>-</u>	<u>5,374</u>	<u>-</u>
Condensed interim statement of comprehensive income:				
Current tax	<u>4,057</u>	<u>-</u>	<u>2,311</u>	<u>-</u>

Relationship between tax expense and accounting profit

	<i>(Unaudited)</i> 30 September 2024 AED'000	<i>(Unaudited)</i> 30 September 2023 AED'000
Profit for the period before taxation	86,982	-
Basic exemption limit	(375)	-
Tax applicable profit	<u>86,607</u>	<u>-</u>

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

16 Income tax expense (continued)

	<i>(Unaudited)</i> 30 September 2024 AED'000	<i>(Unaudited)</i> 30 September 2023 AED'000
Tax at the applicable rate of 9%	7,795	-
Effect of items that are not considered in determining taxable income - net		
Exempt income	(2,431)	-
Non-deductible expenses	10	-
	<u>5,374</u>	<u>-</u>
Income tax expense	<u>5,374</u>	<u>-</u>

17 Net investment income

	<i>(Unaudited)</i> Three-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Three-month period ended 30 September 2023 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2024 AED'000	<i>(Unaudited)</i> Nine-month period ended 30 September 2023 AED'000
Dividends from investments in securities	4,371	2,653	38,812	24,455
Unrealised gain / (loss) on investments measured at fair value through profit or loss	1,447	(503)	7,031	27,518
Net gain / (loss) on disposal of investments	7,811	(629)	6,906	(8,274)
Interest on bonds	5,029	4,659	16,480	14,517
Interest on bank deposits	2,565	2,187	7,297	5,346
Investment expenses	(543)	(595)	(1,582)	(1,585)
	<u>20,680</u>	<u>7,772</u>	<u>74,944</u>	<u>61,977</u>

18 Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit after tax for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit after tax for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares used to calculate basic earnings per share, plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

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Notes to the condensed interim financial information

18 Basic and diluted earnings per share *(continued)*

The following reflects the profit and shares data used in the earnings per share computations:

	(Unaudited) Three-month period ended 30 September 2024 AED'000	(Unaudited) Three-month period ended 30 September 2023 AED'000	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Profit for the period after tax (AED '000)	29,236	27,997	81,608	88,124
Weighted average number of ordinary shares (shares in '000)	150,000	150,000	150,000	150,000
Earnings per share for the period – basic and diluted (Fils)	0.19	0.19	0.54	0.59

19 Commitments and contingent liabilities

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Commitments in respect of investments	7,169	10,113
Bank guarantees	4,883	4,185

The above bank guarantees were issued in the normal course of business.

Legal proceedings

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigation) will have a material effect on its results and financial position.

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

20 Segment information

For operating purposes, the Company is organised into two main business segments:

- Underwriting of general insurance business – incorporating all classes of general insurance such as fire, marine, motor, general accident and miscellaneous.
- Investments – incorporating investments in marketable equity securities and investment funds, bonds, term deposits with banks and investment properties and other securities.

Primary segment information - Business segments

The following is an analysis of the Company's revenue and results by business segments:

	Nine-month period ended 30 September (Unaudited) (in AED'000)					
	Underwriting		Investments		Total	
	2024	2023	2024	2023	2024	2023
Segment revenue*	1,823,510	1,088,739	77,162	64,168	1,900,672	1,152,907
Segment result	40,923	53,689	76,023	63,209	116,946	116,898
Unallocated expenses					(29,964)	(28,774)
Profit for the period before tax					86,982	88,124

	Three-month period ended 30 September (Unaudited) (in AED'000)					
	Underwriting		Investments		Total	
	2024	2023	2024	2023	2024	2023
Segment revenue*	525,975	427,444	21,456	8,471	547,431	435,915
Segment result	20,304	29,092	21,060	8,071	41,364	37,163
Unallocated expenses					(9,271)	(9,166)
Profit for the period before tax					32,093	27,997

*Break-down of segment revenue (Underwriting)

	Three-month period ended 30 September 2024 AED'000	Three-month period ended 30 September 2023 AED'000	Nine-month period ended 30 September 2024 AED'000	Nine-month period ended 30 September 2023 AED'000
Insurance revenue	350,996	298,605	978,064	862,205
Amounts recoverable from reinsurers	174,979	128,839	845,446	226,534
	525,975	427,444	1,823,510	1,088,739

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Notes to the condensed interim financial information

20 Segment information (continued)

The following is an analysis of the Company's assets and liabilities by business segments:

	(In AED '000)					
	Underwriting		Investments		Total	
	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2024 (Unaudited)	31 December 2023 (Audited)
Segment assets	1,201,532	658,977	1,544,549	1,604,641	2,746,081	2,263,618
Unallocated assets					223,649	136,279
Total assets					2,969,730	2,399,897
Segment liabilities	1,573,830	1,099,066	-	1,087	1,573,830	1,100,153
Unallocated liabilities					94,406	20,725
Total liabilities					1,668,236	1,120,878

21 Fair value of financial instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value 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 (that is, as prices) or indirectly (that is, derived from prices).
- 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).

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21 Fair value of financial instruments (continued)

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
At 30 September 2024 (Unaudited)				
<i>Financial assets measured at fair value through other comprehensive income</i>				
Quoted UAE equity securities	415,890	69,385	-	485,275
Unquoted UAE equity securities	-	-	3,092	3,092
Investment funds	89,594	72,095	11,540	173,229
Unquoted overseas equity securities	-	-	1,905	1,905
Investment in bond portfolio	20,327	33,141	13,490	66,958
	<u>525,811</u>	<u>174,621</u>	<u>30,027</u>	<u>730,459</u>
<i>Financial assets measured at fair value through profit or loss</i>				
Quoted UAE equity securities	18,374	19,752	-	38,126
Unquoted UAE equity securities	-	-	965	965
Investment funds	59,382	24,616	2,712	86,710
Unquoted overseas equity securities	-	-	29,610	29,610
Investment in bond portfolio	150,314	8,377	24,330	183,021
	<u>228,070</u>	<u>52,745</u>	<u>57,617</u>	<u>338,432</u>
Total	<u><u>753,881</u></u>	<u><u>227,366</u></u>	<u><u>87,644</u></u>	<u><u>1,068,891</u></u>
At 31 December 2023 (Audited)				
<i>Financial assets measured at fair value through other comprehensive income</i>				
Quoted UAE equity securities	496,583	64,024	-	560,607
Unquoted UAE equity securities	-	-	3,092	3,092
Investment funds	99,253	67,384	10,274	176,911
Unquoted overseas equity securities	-	-	2,093	2,093
Investment in bond portfolio	8,700	32,506	13,299	54,505
	<u>604,536</u>	<u>163,914</u>	<u>28,758</u>	<u>797,208</u>
<i>Financial assets measured at fair value through profit or loss</i>				
Quoted UAE equity securities	24,714	18,264	-	42,978
Unquoted UAE equity securities	-	-	965	965
Investment funds	36,596	22,895	3,275	62,766
Unquoted overseas equity securities	-	-	31,136	31,136
Investment in bond portfolio	132,996	15,691	22,991	171,678
	<u>194,306</u>	<u>56,850</u>	<u>58,367</u>	<u>309,523</u>
Total	<u><u>798,842</u></u>	<u><u>220,764</u></u>	<u><u>87,125</u></u>	<u><u>1,106,731</u></u>

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21 Fair value of financial instruments (continued)

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements during the period. The investments in quoted equities and bond portfolio are valued based on quoted prices in an active market and thus these have been classified as Level 1. For investments under Level 3, the fair values are based on Net Asset Value (NAV).

For investment in funds, the fair values are based on Net Asset Values (NAV) calculated by the respective fund managers. For investments in unquoted equity securities, the fair values are based on internal valuation techniques such as discounted cash flows and comparable companies' multiples. The valuation of funds and unquoted equity securities qualifies as Level 3 fair value measurement.

Reconciliation of Level 3 fair value measurements

	Financial assets measured at fair value through profit or loss AED'000	Financial assets measured at fair value through other comprehensive income AED'000	Total AED'000
At 30 September 2024 (Unaudited)			
Opening balance	58,367	28,758	87,125
Purchases	1,847	1,735	3,582
Disposals	(694)	-	(694)
Total gains or (losses)			
- in profit or loss	(1,903)	-	(1,903)
- in other comprehensive income	-	(466)	(466)
Closing balance	57,617	30,027	87,644
At 30 September 2023 (Unaudited)			
Opening balance	53,645	27,981	81,626
Purchases	4,810	2,526	7,336
Disposals	(3,798)	(1,262)	(5,060)
Transfers from level 1 to level 3	-	-	-
Total gains or (losses):			
- in profit or loss	4,287	-	4,287
- in other comprehensive income	-	(1,058)	(1,058)
Closing balance	58,944	28,187	87,131

Following are the fair value of financial assets that are not measured at fair value (but fair value disclosures are required):

	(Unaudited) At 30 September 2024		(Audited) At 31 December 2023	
	Carrying amount AED'000	Fair value AED'000	Carrying amount AED'000	Fair value AED'000
Financial assets				
Investments at amortised cost	278,988	283,446	284,365	275,798

Emirates Insurance Company P.J.S.C.

Notes to the condensed interim financial information

21 Fair value of financial instruments *(continued)*

Investments at amortised cost comprise mainly of fixed income bonds and sukuk. The fair value of these bonds and sukuk are determined based on quoted prices in an active market and classified as Level 1 fair value measurement. Except for the above, management consider that the carrying amounts of financial assets and liabilities recognised in the financial statements approximate their fair value.

22 Financial risk management

Company's risk management policies with regards to financial instruments are the same as those disclosed in note 29 to the annual financial statements of the Company for the year ended 31 December 2023.

23 Capital risk management

The solvency regulations identify the required solvency margins to be held in addition to insurance liabilities. The solvency margins (presented in the table below) must be maintained at all times throughout the year. The Company is subject to solvency regulations which it has complied with during the period. The Company has incorporated in its policies and procedures, the necessary tests to ensure continuous and full compliance with such regulations.

The table below summaries the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins as defined in the regulations.

	<i>(Unaudited)</i> 30 September 2024 AED '000	<i>(Audited)</i> 31 December 2023 AED '000
Minimum Capital Requirement (MCR)	100,000	100,000
Solvency Capital Requirement (SCR)	380,099	323,872
Minimum Guarantee Fund (MGF)	126,700	109,035
Own Funds		
- Basic Own Funds	1,021,019	915,182
- Ancillary Own Funds	-	-
Own funds eligible to meet the MCR	1,021,019	915,182

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23 Capital risk management (continued)

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
MCR Solvency Margin – Surplus	921,019	815,182
SCR Solvency Margin - Surplus	640,920	591,310
MGF Solvency Margin - Surplus	894,319	806,148

24 General

This condensed interim financial information of the Company was approved for issuance by the Board of Directors on 11 November 2024.