

**AL DHAFRA INSURANCE
COMPANY P.S.C.**

**Review report and interim
financial information
for the nine months period
ended 30 September 2016**

AL DHAFRA INSURANCE COMPANY P.S.C.

**Review report and interim financial information
for the nine months period ended 30 September 2016**

| | Pages |
|---|---------------|
| The Board of Directors' Report | 1 |
| Report on review of interim financial information | 2 |
| Condensed statement of financial position | 3 – 4 |
| Condensed statement of profit or loss | 5 |
| Condensed statement of profit or loss and other comprehensive income | 6 |
| Condensed statement of changes in equity | 7 |
| Condensed statement of cash flows | 8 |
| Notes to the condensed financial statements | 9 – 26 |

**The Board of Directors' Report
for the nine months period ended 30 September 2016**

The Board of Directors takes pleasure in presenting the unaudited results for the nine months period ended 30 September 2016.

As noted below, net underwriting income increased by AED 18,252,714 and profit for the period has increased by AED 26,352,222 as compared to the same period in the prior year.

| Particulars | months ended 30 September | |
|---|--|---|
| | 2016 AED (unaudited) | 2015 AED (unaudited) |
| <u>Condensed statement of profit or loss</u> | | |
| Gross written premium | 271,154,642 | 309,286,254 |
| Net underwriting income | 26,339,299 | 8,086,585 |
| Administrative and other operating expenses | (23,947,009) | (25,590,761) |
| Net investment and other income | 24,207,576 | 17,751,820 |
| Profit for the period | 26,599,866 | 247,644 |
| Basic and diluted earnings per share (AED) | 0.27 | 0.002 |
| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
| <u>Condensed statement of financial position</u> | | |
| Shareholders' equity | 311,992,495 | 269,696,673 |
| Total assets | 1,027,535,822 | 865,586,676 |

On behalf of the Board of Directors



Chairman
31 October 2016



REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of
Al Dhafra Insurance Company P.S.C.
Abu Dhabi, UAE

Introduction

We have reviewed the accompanying condensed statement of financial position of Al Dhafra Insurance Company P.S.C. (the "Company") as of 30 September 2016 and the related condensed statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the nine-month period then ended. Management of the Company is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard IAS 34, "Interim Financial Reporting (IAS 34)". Our responsibility is to express a conclusion on this interim financial information based on our review.

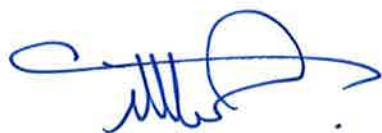
Scope of review

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

Conclusion

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

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah
Registration No. 717
31 October 2016



**Condensed statement of financial position
at 30 September 2016**

| | | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) <i>As restated</i> |
|--|--------------|--|--|
| | Notes | | |
| ASSETS | | | |
| Property and equipment | | 1,218,231 | 1,683,823 |
| Investment properties | 5 | 82,000,000 | 82,000,000 |
| Intangible assets | | 2,318,637 | 2,929,291 |
| Statutory deposits | 6 | 10,000,000 | 10,000,000 |
| Investments at amortized cost | 7 | 8,002,739 | 6,580,278 |
| Investments carried at fair value through other comprehensive income (FVTOCI) | 7 | 179,517,514 | 163,402,610 |
| Investments carried at fair value through profit and loss (FVTPL) | 7 | 93,921,398 | 101,478,339 |
| Insurance receivables | 8 | 117,220,563 | 117,518,571 |
| <i>Reinsurers' share of technical provisions</i> | 9 | | |
| Unearned premium reserve | | 90,949,389 | 48,562,394 |
| Claims under settlement reserve | | 161,937,411 | 88,892,639 |
| Claims incurred but not reported reserve | | 47,229,868 | 24,606,326 |
| Deferred acquisition costs | | 7,526,478 | 3,587,740 |
| Other receivables and prepayments | | 5,415,417 | 7,113,521 |
| Term deposits | 10 | 195,693,832 | 161,923,956 |
| Cash and cash equivalents | 10 | 24,584,345 | 45,307,188 |
| Total assets | | 1,027,535,822 | 865,586,676 |

The accompanying notes form an integral part of these condensed financial statements.

**Condensed statement of financial position
at 30 September 2016 (continued)**


| | Notes | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) <i>As restated</i> |
|---|-------|--|---|
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | | | |
| Share capital | 12 | 100,000,000 | 100,000,000 |
| Legal reserve | 13 | 50,000,000 | 50,000,000 |
| General reserve | 13 | 145,000,000 | 145,000,000 |
| Investment revaluation reserve | | (12,884,233) | (28,580,191) |
| Retained earnings | | 29,876,728 | 3,276,864 |
| Total equity | | 311,992,495 | 269,696,673 |
| Liabilities | | | |
| Provision for employees' end of service benefit | | 7,882,400 | 7,547,240 |
| Other payables | 14 | 17,167,371 | 14,129,579 |
| <i>Insurance liabilities</i> | | | |
| Insurance payables | 15 | 160,672,469 | 147,295,083 |
| Unearned commission income | | 23,416,245 | 13,971,809 |
| <i>Gross technical provisions</i> | | | |
| Unearned premium reserve | 9 | 163,258,486 | 135,078,293 |
| Claims under settlement reserve | | 270,697,805 | 220,067,510 |
| Claims incurred but not reported reserve | | 66,774,302 | 45,267,948 |
| Unallocated loss adjustment expense | | 5,674,249 | 4,199,541 |
| Unexpired risk reserve | | - | 8,333,000 |
| Total liabilities | | 715,543,327 | 595,890,003 |
| Total equity and liabilities | | 1,027,535,822 | 865,586,676 |




Assistant General Manager - Finance


General Manager


Board Member

 The accompanying notes form an integral part of these condensed financial statements.

**Condensed statement of profit or loss
for the nine months period ended 30 September 2016**

| | Notes | 3 months ended 30 September | | 9 months ended 30 September | |
|--|-------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| | | 2016 AED (unaudited) | 2015 AED (unaudited) | 2016 AED (unaudited) | 2015 AED (unaudited) |
| Gross written premium | | 72,496,368 | 69,486,132 | 271,154,642 | 309,286,254 |
| Reinsurance premium ceded | | (45,585,702) | (22,671,974) | (158,338,426) | (95,108,533) |
| Reinsurance share of ceded business premium | | (900,886) | (1,884,199) | (4,436,622) | (4,127,709) |
| Net premium | | 26,009,780 | 44,929,959 | 108,379,594 | 210,050,012 |
| Net transfer to unearned premium reserve | | 3,621,508 | 5,021,239 | 14,206,802 | (12,402,541) |
| Net premium earned | | 29,631,288 | 49,951,198 | 122,586,396 | 197,647,471 |
| Gross commission earned | | 13,019,710 | 13,184,637 | 41,314,909 | 33,119,213 |
| Less: commission incurred | | (5,312,583) | (5,193,266) | (18,396,247) | (16,612,534) |
| Change in unearned commission income | | (1,490,301) | - | (9,444,436) | - |
| Change in deferred acquisition costs | | (1,929,856) | - | 3,938,738 | - |
| Gross underwriting income | | 33,918,258 | 57,942,569 | 139,999,360 | 214,154,150 |
| Gross claims incurred | | (63,942,452) | (73,539,654) | (201,404,270) | (182,792,493) |
| Reinsurance share of insurance claims | | 17,205,625 | 16,319,415 | 51,165,426 | 29,823,914 |
| Reinsurance share of ceded business claims | | 1,755,481 | 5,239,840 | 6,188,828 | 5,537,331 |
| Net claims paid | | (44,981,346) | (51,980,399) | (144,050,016) | (147,431,248) |
| Change in provision for outstanding claims | | (40,522,225) | (24,626,043) | (50,630,295) | (53,942,803) |
| Change in reinsurance share for outstanding claims | | 48,257,950 | (6,742,797) | 73,044,772 | 1,194,913 |
| Change in claims incurred but not reported reserve | | (4,359,488) | - | 1,117,188 | (5,888,427) |
| Change in unallocated loss adjustment expense | | (908,773) | - | (1,474,708) | - |
| Change in unexpired risk reserve | | 2,373,642 | - | 8,333,000 | - |
| Net claims incurred | | (40,140,240) | (83,349,239) | (113,660,061) | (206,067,565) |
| Net underwriting (loss)/income | | (6,221,982) | (25,406,670) | 26,339,299 | 8,086,585 |
| Income from investments | 16 | 4,259,172 | (1,171,788) | 20,146,292 | 15,694,511 |
| Income from investment properties | | 1,137,062 | 942,077 | 3,335,586 | 3,028,100 |
| Other gain/(loss), net | | 463,798 | (1,181,477) | 725,698 | (970,791) |
| Total (loss)/income | | (361,950) | (26,817,828) | 50,546,875 | 25,838,405 |
| General and administrative expenses | | (6,665,062) | (6,780,334) | (20,104,260) | (20,145,464) |
| Bonus and rebates (net of reinsurance) | | - | (1,983,012) | - | (1,983,012) |
| Other operating expenses | | (1,151,306) | 345,657 | (3,842,749) | (3,462,285) |
| (Loss)/profit for the period | 17 | (8,178,318) | (35,235,517) | 26,599,866 | 247,645 |
| Basic and diluted (loss)/earnings per share | 18 | (0.08) | (0.35) | 0.27 | 0.02 |

The accompanying notes form an integral part of these condensed financial statements.

**Condensed statement of profit or loss and other comprehensive income (unaudited)
for the nine months period ended 30 September 2016**

| | 3 months ended 30 September | | 9 months ended 30 September | |
|---|------------------------------------|---------------------|------------------------------------|--------------------|
| | 2016 | 2015 | 2016 | 2015 |
| | AED | AED | AED | AED |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| (Loss)/profit for the period | (8,178,318) | (35,235,517) | 26,599,866 | 247,645 |
| Other comprehensive income: | | | | |
| <i>Items that may not to be reclassified subsequently to profit or loss</i> | | | | |
| Net fair value changes on investments carried at FVTOCI (note 7.2) | 7,768,620 | (11,991,666) | 15,695,958 | (563,871) |
| Total other comprehensive income/(loss) for the period | 7,768,620 | (11,991,666) | 15,695,958 | (563,871) |
| Total comprehensive (loss)/income for the period | (409,698) | (47,227,183) | 42,295,824 | (316,226) |

The accompanying notes form an integral part of these condensed financial statements.

AL DHAFRA INSURANCE COMPANY P.S.C.

7

Condensed statement of changes in equity for the nine months period ended 30 September 2016

| | Share capital AED | Legal reserve AED | General reserve AED | Investment revaluation reserve AED | Retained earnings AED | Total AED |
|--|-------------------------|-------------------------|---------------------------|---|-----------------------------|--------------------|
| Balance at 1 January 2015 (audited) | 100,000,000 | 50,000,000 | 145,000,000 | (14,151,046) | 124,955,119 | 405,804,073 |
| Profit for the period | - | - | - | - | 247,645 | 247,645 |
| Other comprehensive loss | - | - | - | (563,871) | - | (563,871) |
| Total comprehensive (loss)/income for the period | - | - | - | (563,871) | 247,645 | (316,226) |
| Dividends | - | - | - | - | (40,000,000) | (40,000,000) |
| Balance at 30 September 2015 (unaudited) | 100,000,000 | 50,000,000 | 145,000,000 | (14,714,917) | 85,202,763 | 365,487,846 |
| Balance at 1 January 2016 (audited) – as previously stated | 100,000,000 | 50,000,000 | 145,000,000 | (28,580,191) | 23,520,269 | 289,940,078 |
| Restatement (note 23) | - | - | - | - | (20,243,405) | (20,243,405) |
| Balance at 1 January 2016 | 100,000,000 | 50,000,000 | 145,000,000 | (28,580,191) | 3,276,864 | 269,696,673 |
| Profit for the period | - | - | - | - | 26,599,866 | 26,599,866 |
| Other comprehensive income | - | - | - | 15,695,958 | - | 15,695,958 |
| Total comprehensive income for the period | - | - | - | 15,695,958 | 26,599,866 | 42,295,824 |
| Balance at 30 September 2016 (unaudited) | 100,000,000 | 50,000,000 | 145,000,000 | (12,884,233) | 29,876,728 | 311,992,495 |

The accompanying notes form an integral part of these condensed financial statements.

**Condensed statement of cash flows
for the nine months period ended 30 September 2016**

| | Notes | 9 months ended 30 September | |
|---|-------|-----------------------------|----------------------|
| | | 2016 | 2015 |
| | | AED | AED |
| | | (unaudited) | (unaudited) |
| Operating activities | | | |
| Profit for the period | | 26,599,866 | 247,645 |
| Adjustments for: | | | |
| Depreciation of property and equipment | | 631,881 | 606,686 |
| Amortisation of intangible assets | | 998,498 | 1,110,571 |
| Investment income | | (23,481,878) | (17,185,235) |
| Gain/(loss) on disposal of property and equipment | 16 | - | (25,581) |
| Net transfer to provision for end of service benefit | | 335,160 | (9,511) |
| Operating cash flows before movements in working capital | | 5,083,527 | (15,255,425) |
| Increase in reinsurance contract assets | | (138,055,309) | (848,966) |
| Increase in insurance contract liabilities | | 93,458,550 | 71,887,823 |
| Decrease/(increase) in insurance receivables | | 298,008 | (47,642,463) |
| Decrease/(increase) in other receivables and prepayments | | 1,698,104 | (2,295,565) |
| Increase in insurance payables | | 13,377,386 | 14,446,631 |
| Increase in other payables | | 3,037,792 | (14,772,331) |
| Increase in deferred acquisition cost | | (3,938,738) | - |
| Increase in unearned commission income | | 9,444,436 | - |
| Net (used)/cash generated from operating activities | | (15,596,244) | 5,519,703 |
| Investing activities | | | |
| Movement in bank deposits with original maturities of greater than three months | | (33,769,876) | (100,764,701) |
| Interest received | | 4,301,959 | 2,546,870 |
| Dividends received | 16 | 9,841,802 | 9,079,507 |
| Net rental proceeds on investment properties | 16 | 3,335,584 | 3,028,100 |
| Proceeds from disposal of investments at FVTPL | 7.2 | 54,664,536 | 87,782,986 |
| Proceeds from disposal of property and equipment | | - | 35,750 |
| Payment of investment expenses | | (414,046) | (674,869) |
| Payments for purchase of property and equipment | | (166,289) | (920,962) |
| Payments for purchase of intangible assets | | (387,844) | (569,454) |
| Payments for purchase of investments at FVTPL | 7.2 | (42,113,479) | (77,824,753) |
| Payments for purchase of investments at FVTOCI | | (418,946) | (438,985) |
| Net cash used in investing activities | | (5,126,599) | (78,720,511) |
| Financing activity | | | |
| Dividends paid | | - | (40,000,000) |
| Decrease in cash and cash equivalents | | (20,722,843) | (113,200,807) |
| Cash and cash equivalents at the beginning of the period | | 45,307,188 | 159,704,648 |
| Cash and cash equivalents at the end of the period | 10 | 24,584,345 | 46,503,841 |

The accompanying notes form an integral part of these condensed financial statements.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016**

1 General information

Al Dhafra Insurance Company P.S.C. (the “Company”) is a public shareholding company incorporated in Abu Dhabi by Emiri Decree No. 8 of 1979.

The Company is domiciled in the United Arab Emirates and its registered office address is P.O. Box 319, Abu Dhabi. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The Company is engaged in insurance and reinsurance of all classes of business with the exception of endowments and annuities.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs applied with no material effect on the condensed financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2016, have been adopted in these condensed financial statements. The application of these revised and new IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 27 allow an entity to account for investments in subsidiaries, joint ventures and associates either at cost, in accordance with IAS 39/IFRS 9 or using the equity method in an entity’s separate financial statements.
- Amendments to IFRS 10, IFRS 12 and IAS 28 clarifying certain aspects of applying the consolidation exception for investment entities.
- Amendments to IAS 1 to address perceived impediments to preparers exercising their judgment in presenting their financial reports.
- Amendments to IAS 16 and IAS 41 require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16.
- Annual improvements to IFRSs 2012 - 2014 cycle that include amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34.
- Amendments to IAS 16 and IAS 38 to clarify the acceptable methods of depreciation and amortisation.
- Amendments to IFRS 11 to clarify accounting for acquisitions of Interests in *Joint Operations*.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

3 Summary of significant accounting policies

3.1 Basis of preparation

These condensed financial statements are prepared in accordance with International Accounting Standard (IAS) 34, “*Interim Financial Reporting*” and also comply with the applicable requirements of the laws in the U.A.E. They do not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 31 December 2015. In addition, results for nine months period ended 30 September 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

These condensed financial statements are presented in U.A.E. Dirham (“AED”) which is functional and presentation currency of the Company.

These condensed financial statements have been prepared on the historical cost basis, except for certain financial instruments and investment properties that are measured at fair values or revalued amounts at the end of each reporting period.

The accounting policies and methods used in the preparation of these condensed financial statements are consistent with those used in the audited annual financial statements for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective 1 January 2016 and the change in accounting policy mentioned in note 3.2 below.

As required by the Securities and Commodities Authority (“SCA”) notification dated 12 October 2008, accounting policies related to investment properties and financial instruments as disclosed in the annual financial statements have been disclosed in paragraph 3.2 to 3.3 below.

3.2 Change in accounting policy

During the period, the Company changed its accounting policy for the calculation of unearned premium reserve, deferred acquisition costs and unearned commission income.

The Company previously computed the unearned premium reserve using fixed percentages of 25% and 40% of gross premiums for marine and non-marine businesses respectively. The Company now defers the unearned premium proportionally over the period of coverage. Also, the Company now recognises deferred acquisition costs and unearned commission income proportionally over the period of coverage in line with the gross premiums. These were previously recognised at the time of payment or receipt.

In accordance with the requirements IAS 8 “*Accounting Policies, Changes in Accounting Estimates and Errors*”, these new accounting policies have been applied retrospectively in these condensed financial statements as if these policies have always been applied.

3.3 Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes), are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

3 Summary of significant accounting policies (continued)

3.4 Investment in securities

3.4.1 Investments at amortised cost

Debt instruments are measured at amortised cost if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest method less any impairment.

Subsequent to initial recognition, the Company is required to reclassify debt instruments from amortised cost to FVTPL if the objective of the business model changes so that the amortised cost criteria are no longer met.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.4.2 Investments at fair value through profit and loss (FVTPL)

Debt instrument financial assets that do not meet the amortised cost criteria described in note 3.4.1, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL. The Company has not designated a debt instrument financial asset as at FVTPL.

Subsequent to initial recognition, the Company is required to reclassify debt instruments from FVTPL to amortised cost if the objective of the business model changes so that the amortised cost criteria starts to be met and the instrument's contractual cash flows meet the amortised cost criteria. Reclassification of debt instruments designated as at FVTPL at initial recognition is not permitted.

Investments in equity instruments are mandatorily classified as at FVTPL, unless the Company designates an investment that is not held for trading as at fair value through other comprehensive income (FVTOCI) at initial recognition as described in note 3.4.3 below.

Financial assets at FVTPL are measured at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'net investment and other income' line item in the profit and loss. Fair value is determined with reference to quoted prices.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

3 Summary of significant accounting policies (continued)

3.4 Investment in securities (continued)

3.4.3 Financial assets at fair value through other comprehensive income (FVTOCI)

At initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. Where the asset is disposed of, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established in accordance with IAS 18 *Revenue*, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends earned are recognised in profit or loss and are included in the 'income from investments line' item in the condensed statement of profit and loss.

4 Significant accounting judgments and key sources of estimation uncertainty

The preparation of these condensed financial statements requires management to make judgments, estimates and assumptions 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.

In preparing these condensed financial statements, the significant judgments made by management in applying the Company's accounting policies, and the key sources of estimates uncertainty were the same as those were applied to the financial statements as at and for the year ended 31 December 2015, except for the change in accounting policy as mentioned in note 3.2.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

5 Investment properties

| | Land AED | Abu Dhabi building AED | Al Ain building AED | Total AED |
|---|---------------------|---------------------------------------|------------------------------------|----------------------|
| Fair values as at 31 December 2015 (audited) and 30 September 2016 (unaudited) | 52,935,000 | 24,500,000 | 4,565,000 | 82,000,000 |

Management has considered recent prices for similar properties in the same location and similar condition and also the prevailing situation of real estate properties in UAE and considered the valuation report from Technical and Loss Adjusting Services LLC, an independent valuer not related to the Company, who have determined the fair values of the land and buildings to be AED 82 million as at 31 December 2014. Technical and Loss Adjusting Services Co. LLC have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the market comparable approach.

Management believes that the net impact due to the changes to the key assumptions used is not material and accordingly there is no change in the fair value of the investment properties as at 30 September 2016. In estimating the fair value of the properties, the highest and best use of the property is considered as their current use. Investment properties as at 30 September 2016 and 31 December 2015 have been classified under Level 3 of fair value hierarchy.

The plots of land in Abu Dhabi and Al Ain on which investment properties are constructed were awarded to the Company free of cost by the Executive Council of the Government of Abu Dhabi on 21 June 1981 and 27 August 1983, respectively. The fair values of the plots of land in Abu Dhabi and Al Ain as at 30 September 2016 amounted to AED 45,000,000 and AED 7,935,000, respectively.

The Company occupies three floors of the building for its Head Office in Abu Dhabi with the remaining fourteen floors available for letting to third parties. The Company is utilising the first and mezzanine floors for housing at its Al Ain Branch office with the remaining space available for letting to third parties.

6 Statutory deposit

In accordance with the requirements of Federal Law No.6/2007, concerning the formation of Insurance Authority of UAE, the Company maintains a bank deposit of AED 10,000,000 (31 December 2015: AED 10,000,000) which cannot be utilised without the consent of the UAE Insurance Authority.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

7 Investments

7.1 Composition of investments

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|--------------------------------------|--|---|
| Investments carried at FVTOCI | | |
| Quoted UAE equity securities | 179,517,514 | 163,402,610 |
| Investments carried at FVTPL | | |
| Equity and debt securities | 93,921,398 | 101,478,339 |
| Investments at amortised cost | | |
| Investment funds | 8,002,739 | 6,580,278 |

Included in the investment funds at amortised cost, is an investment of US\$ 5 million in Arabian Real Estate Investment Trust, which Management has determined to be impaired by AED 10,357,261 as at 30 September 2016 (31 December 2015: AED 11,779,722).

The geographical distribution of investments is as follows:

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|------------|--|---|
| Within GCC | 281,441,651 | 271,461,227 |

7.2 Movement in investments

The movement in the investments is as follows:

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|---|--|---|
| Investments at FVTOCI | | |
| Fair value at start of period/year | 163,402,610 | 177,392,770 |
| Additions during the period/year | 418,946 | 438,985 |
| Net increase/(decrease) in fair value | 15,695,958 | (14,429,145) |
| Fair value at end of the period/year | 179,517,514 | 163,402,610 |

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

7 Investments (continued)

7.2 Movement in investments (continued)

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|---|--|---|
| Investments carried at FVTPL | | |
| Fair value at start of period/year | 101,478,339 | 116,066,116 |
| Additions during the period/year | 42,113,479 | 86,912,813 |
| Proceeds from disposals during the period/year | (54,664,536) | (97,339,145) |
| Loss on disposal during the period/year (note 16) | (3,757,065) | (2,922,642) |
| Increase/(decrease) in fair value (note 16) | 8,751,181 | (1,238,803) |
| Fair value at end of the period/year | 93,921,398 | 101,478,339 |
| Investment at amortised cost | | |
| Amortised cost at start of period/year | 6,580,278 | 3,610,000 |
| Reversal of impairment (note 16) | 1,422,461 | 2,970,278 |
| Amortised cost at end of the period/year | 8,002,739 | 6,580,278 |
| 8 Insurance receivables | | |
| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
| Due from external policyholders | 107,567,512 | 86,581,157 |
| Due from related party policyholders (note 11) | 1,205,159 | 23,958,684 |
| Less: allowance for doubtful debts | (6,957,479) | (6,957,479) |
| Net due from policyholders | 101,815,192 | 103,582,362 |
| Due from insurance companies | 8,970,814 | 5,686,666 |
| Due from reinsurance companies | 6,434,557 | 8,249,543 |
| | 117,220,563 | 117,518,571 |

The average credit period on due from policy holders is 90 to 180 days. No interest is charged and no collateral is taken on insurance receivables.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

9 Insurance contract liabilities and reinsurance contract assets

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (unaudited) <i>As restated</i> |
|--|--|--|
| Technical provisions – Gross | | |
| Unearned premium reserve (UPR) | 163,258,486 | 135,078,293 |
| Claims under settlement reserve (OSLR) | 270,697,805 | 220,067,510 |
| Claims incurred but not reported reserve (IBNR) | 66,774,302 | 45,267,948 |
| Unallocated loss adjustment expense reserve (ULAE) | 5,674,249 | 4,199,541 |
| Unexpired risk reserve (URR) | - | 8,333,000 |
| | <hr/> 506,404,841 <hr/> | <hr/> 412,946,292 <hr/> |
| Reinsurers' share of technical provisions | | |
| Unearned premium reserve (UPR) | 90,949,389 | 48,562,394 |
| Claims under settlement reserve (OSLR) | 161,937,411 | 88,892,639 |
| Claims incurred but not reported reserve (IBNR) | 47,229,868 | 24,606,326 |
| | <hr/> 300,116,668 <hr/> | <hr/> 162,061,359 <hr/> |
| Technical provisions – Net | | |
| Unearned premium reserve (UPR) | 72,309,097 | 86,515,899 |
| Claims under settlement reserve (OSLR) | 108,760,394 | 131,174,871 |
| Claims incurred but not reported reserve (IBNR) | 19,544,434 | 20,661,622 |
| Unallocated loss adjustment expense reserve (ULAE) | 5,674,249 | 4,199,541 |
| Unexpired risk reserve (URR) | - | 8,333,000 |
| | <hr/> 206,288,174 <hr/> | <hr/> 250,884,933 <hr/> |

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

10 Cash and cash equivalents

| | 30 September 2016 AED (unaudited) | 30 September 2015 AED (unaudited) |
|---|--|--|
| Cash on hand | 15,135 | 17,201 |
| Call accounts | 24,569,210 | 46,486,640 |
| Term deposits | 195,693,832 | 161,923,956 |
| Bank balances and cash | 220,278,177 | 208,427,797 |
| Less: deposits with original maturities of greater than three months | (195,693,832) | (161,923,956) |
| Cash and cash equivalents | 24,584,345 | 46,503,841 |

The interest rate on term deposits and call accounts with banks ranges between 0.55% and 2.75% (31 December 2015: 0.55% and 2.75%) per annum. All cash and cash equivalents are held in local banks in the United Arab Emirates.

In accordance with the requirements of IAS 1 *Presentation of Financial Statements*, the financial statements for the year ended 31 December 2015 have been restated to reclassify term deposits with maturities more than three months from “Cash and bank balances” to “Term deposits” in the statement of financial position to conform to the current period’s presentation. There is no impact on profit or loss, or cash flows for the nine months period ended 30 September 2015 and for the equity as at that date.

11 Related parties

Related parties comprise the Directors and major Shareholders of the Company and those entities in which they have the ability to control or exercise significant influence in financial and operational decisions. The Company maintains significant balances with these related parties which arise from commercial transactions as follows:

| | 3 months ended 30 September | | 9 months ended 30 September | |
|-----------------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| | 2016 | 2015 | 2016 | 2015 |
| | AED | AED | AED | AED |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Premiums written | 364,091 | 3,779,651 | 6,617,324 | 54,777,153 |
| Claims paid | 10,286,302 | 22,163,979 | 23,753,826 | 24,915,237 |
| Key management remuneration | 2,249,611 | 2,387,132 | 6,761,515 | 6,758,855 |

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

11 Related parties (continued)

Balances with related as at the end of the reporting period are as follows:

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|---|--|---|
| Due from related party policyholders (note 8) | 1,205,159 | 23,958,684 |

The remuneration of Directors is paid as an appropriation out of the profits for the year in accordance with the Federal Law No. 8 applicable to Commercial Companies operating in UAE. The remuneration of key management personnel is based on the remuneration agreed in their employment contracts as approved by the Board of Directors.

12 Share capital

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|---|--|---|
| Authorised, issued and fully paid | | |
| 100,000,000 ordinary shares of AED 1 each | 100,000,000 | 100,000,000 |

13 Reserves

Legal reserve

In accordance with the UAE Federal Law Number (2) of 2015 concerning Commercial Companies and the Company's Articles of Association, 10% of annual profit is to be transferred to a non-distributable legal reserve until the balance of the legal reserve equals 50% of the Company's paid up share capital. This reserve is not available for dividend distribution.

General reserve

Transfers to and from the general reserve are made at the discretion of the Board of Directors and approved by the shareholders. This reserve may be used for such purposes as they deem fit.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

14 Other payables

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|-----------------|--|---|
| Deferred income | 1,714,073 | 1,419,332 |
| Other payables | 15,453,298 | 12,710,247 |
| | 17,167,371 | 14,129,579 |

15 Insurance payables

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|------------------------------|--|---|
| Due to policy holders | 43,926,740 | 75,657,931 |
| Due to insurance companies | 43,371,900 | 29,890,016 |
| Due to reinsurance companies | 24,908,363 | 17,692,576 |
| Premium reserve withheld | 48,465,466 | 24,054,560 |
| | 160,672,469 | 147,295,083 |

The average credit period is 60 to 90 days. The Company has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

16 Net investment and other income

| | <u>3 months ended 30 September</u> | | <u>9 months ended 30 September</u> | |
|--|------------------------------------|-------------|------------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | AED | AED | AED | AED |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| <i>Rental income:</i> | | | | |
| Gross rental income | 1,278,607 | 1,109,927 | 3,784,017 | 3,454,887 |
| Less: direct operating costs | (141,545) | (167,850) | (448,431) | (426,787) |
| Net rental income | 1,137,062 | 942,077 | 3,335,586 | 3,028,100 |
| <i>Interest income:</i> | | | | |
| Interest income from bank deposits | 1,791,798 | 1,322,286 | 4,897,008 | 3,369,442 |
| Interest paid to reinsurers | (173,307) | (194,387) | (595,049) | (194,387) |
| Net interest income | 1,618,491 | 1,127,899 | 4,301,959 | 3,175,055 |
| <i>Dividends income from:</i> | | | | |
| Investments carried at FVTOCI | 706,428 | - | 8,664,431 | 7,881,067 |
| Investments carried at FVTPL | 149,843 | 706,427 | 1,177,371 | 1,198,440 |
| | 856,271 | 706,427 | 9,841,802 | 9,079,507 |
| Reversal of impairment of investment at amortised cost | - | - | 1,422,461 | 2,970,278 |
| Gain/(loss) on disposal of investments (note 7.2) | 366,274 | (457,573) | (3,757,065) | (2,908,258) |
| Increase/(decrease) in fair value of investments at FVTPL (note 7.2) | 1,520,432 | (3,853,785) | 8,751,181 | 2,515,422 |
| Investment expenses | (102,296) | (232,132) | (414,046) | (674,869) |
| Gain on disposal of property and equipment | 18,950 | 1,992 | 18,950 | 25,581 |
| Other income | 444,848 | 353,937 | 706,748 | 541,004 |
| | 5,860,032 | (1,411,158) | 24,207,576 | 17,751,820 |

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

17 Profit for the period

Profit for the period is stated after charging:

| | <u>3 months ended 30 September</u> | | <u>9 months ended 30 September</u> | |
|--|------------------------------------|-------------|------------------------------------|-------------|
| | 2016 | 2015 | 2015 | 2015 |
| | AED | AED | AED | AED |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Staff costs | 4,994,600 | 5,805,162 | 15,077,378 | 17,401,428 |
| Depreciation of property and equipment | 203,756 | 221,345 | 631,881 | 606,686 |
| Amortisation of intangible assets | 363,754 | 353,310 | 998,498 | 1,110,571 |

18 Earnings per share

Earnings per share are calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period as follows:

| | <u>3 months ended 30 September</u> | | <u>9 months ended 30 September</u> | |
|---|------------------------------------|--------------|------------------------------------|-------------|
| | 2016 | 2015 | 2016 | 2015 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| (Loss)/profit for the period (AED) | (8,178,318) | (35,235,517) | 26,599,866 | 247,645 |
| Ordinary shares in issue throughout the period | 100,000,000 | 100,000,000 | 100,000,000 | 100,000,000 |
| Basic and diluted (loss)/earnings per share (AED) | (0.08) | (0.35) | 0.27 | 0.002 |

As of 30 September 2016 and 2015, the Company has not issued any instruments that have an impact on earnings per share when exercised.

19 Segment information

The Company has two reportable segments, as described below, which are the Company's strategic business units. The strategic business units are managed separately because they require different approach, technology and marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker reviews internal management reports on at least a quarterly basis.

The following summary describes the two main business segments:

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

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

19 Segment information (continued)

19.1 Segment revenue and results

Information regarding the Company's reportable segments is presented below:

| | 9 months ended 30 September 2016 (unaudited) | | | 9 months ended 30 September 2015 (unaudited) | | |
|-------------------------------------|--|--------------------|-------------------|--|--------------------|------------------|
| | Underwriting AED | Investments AED | Total AED | Underwriting AED | Investments AED | Total AED |
| Direct revenues | 312,469,556 | 14,765,762 | 327,235,318 | 342,405,467 | 12,995,578 | 355,401,045 |
| Direct costs | (286,130,257) | (1,457,526) | (287,587,783) | (334,318,881) | (1,296,043) | (335,614,924) |
| Administrative expenses | (20,104,260) | - | (20,104,260) | (20,145,464) | - | (20,145,464) |
| Depreciation expense | (631,881) | - | (631,881) | (606,686) | - | (606,686) |
| Amortisation expense | (998,498) | - | (998,498) | (1,110,571) | - | (1,110,571) |
| Other expenses | (2,212,370) | - | (2,212,370) | (3,728,040) | - | (3,728,040) |
| Non-cash investment gains | - | 10,173,642 | 10,173,642 | - | 5,485,700 | 5,485,700 |
| Segment profit/(loss) | 2,392,290 | 23,481,878 | 25,874,168 | (17,504,175) | 17,185,235 | (318,940) |
| Other income/(loss) | - | - | 725,698 | - | - | 566,585 |
| (Loss)/profit for the period | 2,392,290 | 23,481,878 | 26,599,866 | (17,504,176) | 17,185,235 | 247,645 |

Revenue reported above represents revenue generated from external customers and third parties. There were no inter-segment revenues in the nine months period ended 30 September 2016 and 2015.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3.

Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)

19 Segment information (continued)

19.2 Segment assets and liabilities

| | As at 30 September 2016 (unaudited) | | | As at 31 December 2015 – restated | | |
|----------------------------|-------------------------------------|--------------------|----------------------|-----------------------------------|--------------------|--------------------|
| | Underwriting AED | Investments AED | Total AED | Underwriting AED | Investments AED | Total AED |
| Segment assets | | | | | | |
| Unallocated assets | 433,815,994 | 569,135,483 | 1,002,951,477 | 294,894,305 | 525,385,183 | 820,279,488 |
| | - | - | 24,584,345 | - | - | 45,307,188 |
| Total assets | 433,815,994 | 569,135,483 | 1,027,535,822 | 294,894,305 | 525,385,183 | 865,586,676 |
| Segment liabilities | | | | | | |
| Unallocated liabilities | 707,368,327 | 1,794,408 | 709,162,735 | 587,675,404 | 1,431,672 | 589,107,076 |
| | - | - | 6,380,592 | - | - | 6,782,927 |
| Total liabilities | 707,368,327 | 1,794,408 | 715,543,327 | 587,675,404 | 1,431,672 | 595,890,003 |
| Capital expenditure | 554,133 | - | 554,133 | 1,590,051 | - | 1,590,051 |

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

20 Seasonality of results

No income of seasonal nature was recorded in profit or loss for the nine months period ended 30 September 2016 and 2015.

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

| | Level 1 AED | Level 2 AED | Level 3 AED | Total AED |
|---|--------------------|----------------|----------------|--------------------|
| <u>30 September 2016 (unaudited)</u> | | | | |
| <i>Investments carried at FVTOCI</i> | 179,517,514 | - | - | 179,517,514 |
| <i>Investments carried at FVTPL</i> | 93,921,398 | - | - | 93,921,398 |
| | <u>273,438,912</u> | <u>-</u> | <u>-</u> | <u>273,438,912</u> |
| <u>31 December 2015 (audited)</u> | | | | |
| <i>Investments carried at FVTOCI</i> | 163,402,610 | - | - | 163,402,610 |
| <i>Investments carried at FVTPL</i> | 101,478,341 | - | - | 101,478,341 |
| | <u>264,880,951</u> | <u>-</u> | <u>-</u> | <u>264,880,951</u> |

During the period, 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.

The Company's management considers that the fair values of financial assets and financial liabilities that are not measured at fair value approximates to their carrying amounts as stated in the condensed financial statements.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

22 Contingent liabilities

| | 30 September 2016 AED (unaudited) | 31 December 2015 AED (audited) |
|-----------------|--|---|
| Bank guarantees | 14,232,922 | 16,994,024 |

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

23 Restatement of comparative information

In accordance with the requirements of IAS 1 “*Presentation of Financial Statements*” and IAS 8 “*Accounting Policies, Changes in Accounting Estimates and Errors*”, the below items have been adjusted retrospectively and accordingly balances in the financial statements for the year ended in December 2015 have been restated as follows:

- (a) During the period, the Company changed its accounting policy for the calculation of the unearned premium reserve (UPR) from using fixed percentages of 25% and 40% for marine and non-marine businesses to the following in line with the requirements of the UAE Insurance Authority:
 - i. For the marine cargo line of business, the unearned premium is calculated as 25% of the written premium for the year;
 - ii. For the remaining lines of businesses, the premiums were assumed to be earned evenly over time and the unearned premium reserve is calculated linearly using the 365th method.

During the period, the Company also changed its accounting policy for commission expense/deferred acquisition cost (DAC) on issuance of policies and commission income (UCI) on premium ceded to reinsurers to be in line with the requirements of the UAE Insurance Authority. In prior years, commission expense and commission income were recognised at the time of payment or receipt, which are now being deferred and amortised in the statement of profit or loss over the term of the insurance contract.

The new methods resulted in an increase of the profit for the year ended 31 December 2015 and the retained earnings at the same date of AED 3,146,082. The above changes in accounting policies had offsetting impact for the nine months period ended 30 September 2015 and there was no material effect on the profit and earnings per share for the nine months period ended 30 September 2015.

- (b) As required by the Board of Directors’ Decision Number (25) of 2014 Pertinent to Financial Regulations for Insurance Companies issued by the Insurance Authority, the Company is required to calculate its claims under settlement (outstanding claims) reserve, claims incurred but not reported (IBNR) reserve, unallocated loss adjustment expense (ULAE) reserve and unexpired risk reserve (URR) based on actuary estimates. These provisions were previously calculated based on the in house estimates.

These new calculations resulted in a decrease amounting to AED 23,389,487 in the profit for the year ended 31 December 2015 and an increase for the same amount in the technical provisions and retained earnings as at 31 December 2015. Management believes that these additional provisions only arose during the fourth quarter of the year and hence, there is no material impact on the profit and earnings per share for the nine months period ended 30 September 2015.

**Notes to the condensed financial statements
for the nine months period ended 30 September 2016 (continued)**

23 Restatement of comparative information (continued)

For the year ended 31 December 2014, it is impracticable to apply the changes in the accounting policy retrospectively as the effects of the retrospective application are not determinable by Management. Hence, the Company has adjusted the comparative information for the earliest period for which retrospective application is practicable (which is year ended 31 December 2015) to apply the new accounting policies.

| <u>31 December 2015</u> | | As previously reported AED | Restatements AED | As restated AED |
|---|---------|----------------------------------|---------------------|--------------------|
| <i>Statement of financial position</i> | | | | |
| Re-insurance contract assets | (a),(b) | 132,151,992 | (132,151,992) | - |
| Deferred acquisition costs | (a) | - | 3,587,740 | 3,587,740 |
| Reinsurers' share of technical provisions: | | | | |
| Unearned premium reserve | (a) | - | 48,562,394 | 48,562,394 |
| Claims under settlement reserve | (b) | - | 88,892,639 | 88,892,639 |
| Claims incurred but not reported reserve | (b) | - | 24,606,326 | 24,606,326 |
| Retained earnings | (a),(b) | (23,520,269) | 20,243,405 | (3,276,864) |
| Unearned commission income | (a) | - | (13,971,809) | (13,971,809) |
| Insurance contract liabilities | (a),(b) | (373,177,589) | 373,177,589 | - |
| Gross technical provisions: | | | | |
| Unearned premium reserve | (a) | - | (135,078,293) | (135,078,293) |
| Claims under settlement reserve | (b) | - | (220,067,510) | (220,067,510) |
| Claims incurred but not reported reserve | (b) | - | (45,267,948) | (45,267,948) |
| Unallocated loss adjustment expense reserve | (b) | - | (4,199,541) | (4,199,541) |
| Unexpired risk reserve | (b) | - | (8,333,000) | (8,333,000) |

Further, the financial statements line items in the condensed statement of financial position as at 30 September 2015 and in the condensed statement of profit or loss for the nine months period ended 30 September 2015 have been rearranged and reclassified to comply with the disclosure requirements of Appendix (1) of Section 7 of the Insurance Authority Board Decision Number (25) of 2014 Pertinent to Financial Regulations for Insurance Companies. This rearrangement and reclassification has no impact on the profit or loss and the cash flows reported for the nine months period ended 30 September 2015.

24 Approval of condensed financial statements

These condensed financial statements were approved and authorised for issue by the Board of Directors on 31 October 2016.