Detailed analysis of accumulated losses

(If the accumulated losses 50% and above of the company's capital)

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (50%) or more of their paid-up capital.

Date:	**14/11/2025**
Name of the Listed Company:	**Al Sagr National Insurance Company**
Define the period of the financial statements:	**2025 Q3 Quarter Financial Statements**
Value of the Accumulated losses:	**248,861,334**
Accumulated losses to paid-up capital ratio (%):	**108%**
The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):	**1- The main reasons for the accumulated losses:** **- Decrease in market value of investments.** **- Additional reserves have been taken.** **- Increase in business costs.** **- Technical loss in Motor department due to 2024 extreme climate changes** **2- Losses began to appear in the result of the period ended on December 31, 2019**
Summary of the steps and initiatives undertaken by the company to address the accumulated losses:	**- To address the accumulated losses, the company adopted a series of administrative and technical measures, including revising its pricing strategy, enhancing underwriting practices and tightening cost controls.**

	- The company follows a conservative investment policy and accepts investment in low risks only. - in 2024 the company utilized the statutory reserve to offset the accumulated loss.
The date on which the company's general assembly approved the plan for dealing with accumulated losses:	- **The General Assembly held on 24/04/2024 approved the use of the full legal reserve to cover accumulated losses.**

The Measures that will be taken to deal with the accumulated losses and the approved plan				
Actions	**The time frame for implementing the action according to the approved plan**	**The implemented action and the percentage of implementation**	**Reasons for not implementing the action or delaying**	**Any modifications or changes made to the action**
solvency recovery plan	One year	Central Bank approved the solvency recovery plan	-	

The Name of the Authorized Signatory	**Abdel Muhsen Jaber**
Designation	**CEO**
Signature and Date	**14/11/2025**
Company's Seal	AL SAGR NATIONAL INSURANCE CO. الصقر للتأمين AL SAGR INSURANCE 01 01 P.O. BOX 14614, DUBAI, U.A.E