
MMC MIDDLE EAST HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

MMC MIDDLE EAST HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

J B Broad
J P D'Offay (resigned 11 February 2022)
K A Farrell (resigned 28 February 2021)
I R Hadley (resigned 1 February 2022)
S Saxby (appointed 1 March 2021)

COMPANY SECRETARY

C M Valentine

REGISTERED NUMBER

10299085

REGISTERED OFFICE

1 Tower Place West
Tower Place
London
United Kingdom
EC3R 5BU

MMC MIDDLE EAST HOLDINGS LIMITED

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MMC MIDDLE EAST HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The directors present their Strategic Report for MMC Middle East Holdings Limited ("the Company") for the year ended 31 December 2021. The Company's registration number is 10299085.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is part of the Marsh & McLennan Companies, Inc. group of companies ('MMC' or 'the Group'). It enables foreign exchange management for the group and acts as an intermediate holding company of a group of companies engaged primarily in insurance broking, reinsurance broking and employee benefits.

The Company's key financial indicators during the year were as follows:

	2021 \$000	2020 \$000	Movement \$000	Movement %
Dividend income	15,901	23,700	(7,799)	(33)
Profit before tax	15,901	23,717	(7,816)	(33)
Shareholders' funds	346,712	374,608	(27,896)	(7)

The Company received dividends from subsidiary undertakings.

Shareholders' funds decreased by \$27,896,000 as a result of profit reported for the year of \$15,904,000 less dividends paid of \$43,800,000.

SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE "ACT") STATEMENT

The below paragraphs provide an explanation as to how the Company's directors have had regard to the matters set out in section 172(1)(a) to (f) of the Act when performing their duties. This includes how the directors have engaged with and considered the interests of various stakeholders including its shareholder, employees, clients, suppliers, the community and those in a principal business relationship with the Company.

Duty to Promote the Success of the Company

The Directors of the Company are committed to lead and direct the affairs of the Company in order to promote the long-term sustainable success of the Company, generating value for its shareholder and ensuring sound and prudent management of the firm, with consideration for the interests of other stakeholders.

The Company forms part of the Marsh & McLennan Companies, Inc. Group of Companies, a global professional services provider, specialising in the areas of risk, strategy and people. It acts as an intermediate holding company and its activities are aligned to the strategy and risk management and control frameworks of the Group.

The Board meets on an ad hoc basis throughout the year to consider matters within its remit.

Shareholder

As a wholly owned subsidiary, the Board duly considers the views of its ultimate shareholder, Marsh & McLennan Companies Inc., and the interests of the Group, as part of any major decisions and transactions undertaken by the Company. The directors provide the primary channel of communication between the Company, its ultimate shareholder and the wider Group.

Distributions to the Company's shareholder are only considered after a full assessment of capital adequacy and the Company's ability to continue as a going concern into the foreseeable future to ensure investment in the future growth of the Company, balanced with stable and sustainable returns to the shareholder. Further information on dividends is set out on page 22 under the Notes to the Financial Statements.

MMC MIDDLE EAST HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

SECTION 172 (1) OF THE COMPANIES ACT 2006 (THE "ACT") STATEMENT (continued)

The Greater Good, which is the Marsh McLennan Group's Code of Conduct, applies to all directors and employees of the Company and it embodies the Group's commitment to maintaining a reputation for the highest standards of business and ethical conduct. These non-negotiable standards are outlined in the Greater Good, which emphasises the importance of building trust with colleagues, clients and the wider community.

Clients

The Company is an intermediate holding company within the Group and does not have external clients.

Employees

The Company does not have any employees. Members of the Board are employed by other Group companies.

Suppliers

The Group is committed to ensuring that slavery and human trafficking is not taking place in any of the Group's supply chains or any part of its business, and has in place a Modern Slavery Policy which has been rolled out to all colleagues, and incorporated into the Group's induction programme. All suppliers are required to comply with modern slavery legislation under the standard terms and conditions of contracting agreements and the Group's Global Sourcing and Procurement team ("GSP") issue an annual modern slavery supplier questionnaire to certain suppliers (selected on a risk based approach) to monitor compliance.

Community

The Company, and the Group as a whole, recognises that in a world facing increasing risk and uncertainty, supporting our communities is more important than ever before. To this end, the Group has established a committee, comprised of representatives from across its businesses in the UK, including a representative of the Company, to focus on our Social Impact (formerly CSR) efforts in the UK. Given the Group's expertise in risk, strategy and people, our social impact efforts are focused on 'building resilient communities through mentoring and disaster response & rebuilding.'

By aligning its Social Impact programmes with the business priorities and experience, the Group is able to demonstrate its commitment to its communities in the UK while also supporting the business. The Group partners with select strategic global non-profit organisations including; the Cherie Blair Foundation for Women, Junior Achievement, Missing Maps and the British Red Cross in the UK. The Group also encourages colleagues to volunteer with its non-profit partners supporting local causes that are important to them and their clients. Following a successful partnership with the British Red Cross, the new charity partner is Ambitious About Autism.

The Group has developed climate initiatives which represent a tangible step towards building a more sustainable environment for colleagues, clients, shareholders and future generations.

MMC MIDDLE EAST HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are those listed below:

Availability of IT systems

The Company has a number of Information Technology (IT) systems in order to carry out its day-to-day business. There is a risk that any of these systems as part of the overall IT infrastructure could fail, individually or collectively, with an adverse effect on the Company's operations. The Company is part of the Group's global IT structure and there are business continuity plans in place.

Competitive risks

The nature of the current market combined with some very aggressive strategies from competitors puts significant pressure on the Company's operating investments to retain existing business. These businesses mitigate risk by continuing to enhance their value proposition to clients.

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The main areas where the Company is exposed to credit risk are amounts due from other Group companies in respect of inter-company balances and cash.

The Company mitigates its credit risk for cash by only depositing money in institutions with a sufficiently high credit rating. The credit rating required is that demanded by our ultimate parent company. In addition, the Company has investment guidelines that restrict the amount of the investment portfolio that can be placed with a single institution.

The Company mitigates its credit risk in respect of inter-company balances by monitoring the debts created and ability to pay.

Currency risk

The Company is exposed to currency risk in respect of investment income (which includes dividends received) as well as assets and liabilities denominated in currencies other than the US dollar. The most significant currency to which the Company is exposed is Great British Pound. The Company seeks to mitigate the risk as far as possible by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency.

Impairment risk

The Company's principal assets are shares in subsidiary undertakings. There is a risk of loss if the valuations of these subsidiary undertakings were to be impaired for any reason. Factors that may indicate the need for such impairment include changes in financial performance, the loss of business or the loss of key staff.

Interest rate risk

The interest rate risk of the Company is managed by treasury staff, in line with guidelines issued by its ultimate parent company.

In managing interest rate and currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on earnings.

MMC MIDDLE EAST HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Liquidity/cash flow risk

Liquidity and cash flow risk is the risk that cash may not be available to pay obligations when due. The Company engages with central treasury and finance functions working for the Group to monitor and control cash flows and working capital.

Outsourcing risk

The Company outsources a number of its services to third party organisations. The ability of the Company to perform efficiently is directly impacted by the services of the third party providers. Outsourcing contracts and providers are respectively reviewed against performance expectations and key performance indicators.

Pandemic risk

The Group continues to be exposed to pandemic risk, resulting from the impacts of Covid-19 and its associated strains. The systemic nature of the pandemic requires operational changes to be successfully implemented to support client, and colleague, servicing requirements of the Company's direct and indirect subsidiaries, and to ensure that their businesses operate in line with client and regulatory expectations. As a non-trading entity with no employees, the Company itself is not directly impacted by pandemic risk.

Political risk

The Company is subject to local and international political risk and is susceptible to any significant instability in the political landscape. Factors such as new governments; government mandates (e.g. Brexit) and changes in government policy all have the potential to negatively impact on strategy and the Company's business model.

The Group proactively manages this risk through horizon scanning and monitoring of the political and economic environment as part of its ongoing forecasting and strategic planning processes. In the event of political change affecting the Group, this will be managed by multi discipline subject matter experts to ensure that any revised legal and/or regulatory requirements are addressed, to adapt business strategy as required, and to ensure that we continue to serve in the best interests of our clients and colleagues.

As at the date of this report, the escalating tensions in Eastern Europe continue to be assessed through regional, and Group level dedicated incident management forums, aligning responses to both local governmental and Group corporate guidance. The Group has strong controls in place to monitor and respond to the changing sanctions environment and the key associated risks have been assessed to support executive decision making. As a non-trading entity, the impact of political risk on the Company is expected to be minimal.

This report was approved by the board and was signed on its behalf on 8 August 2022.



C M Valentine
Company Secretary

MMC MIDDLE EAST HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activities of the Company are set out in the Strategic Report on page 1. The information that fulfils the Companies Act requirements of the business review is included in the Strategic Report on page 1. Details of the principal risks and uncertainties are included in the Strategic Report.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to \$15,904,000 (2020 - \$23,714,000).

Dividends of \$43,800,000 were declared in the year (2020 - \$nil).

The directors do not recommend a payment of a final dividend for 2021 (2020 - \$nil).

DIRECTORS

The directors who served during the year were:

J B Broad
J P D'Offay (resigned 11 February 2022)
K A Farrell (resigned 28 February 2021)
I R Hadley (resigned 1 February 2022)
S Saxby (appointed 1 March 2021)

FUTURE DEVELOPMENTS

The activities of the Company as an intermediate holding company are expected to continue for the foreseeable future.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION

The Company consumed less than 40MWh in the UK for the 12 months ended 31 December 2021. As a result of meeting that criteria, the Company itself is not required to make the detailed energy and carbon reporting disclosures included within the Environmental Reporting Guidelines. Where appropriate, stream-lined energy and carbon reporting disclosures are made and can be found in the financial statements of companies it owns as fixed asset investments.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of twelve months from the date of the approval of the financial statements and, therefore, continue to adopt the going concern basis in preparing the annual report and financial statements.

The Company has modelled a range of potential future financial outcomes and continues to monitor the uncertainty in the current economic and business environment, including the conflict in Eastern Europe.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in note 2 to the financial statements.

MMC MIDDLE EAST HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has put in place an indemnity clause in its Articles of Association to indemnify directors and officers of the Company against losses or liabilities sustained in the execution of their duties of office. The indemnity is a qualifying third party indemnity provision under s232 and s234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

The Company had the following non-adjusting post balance sheet events occurring after the reporting date:

Capital reduction

In March 2022, the Company reduced its share capital to \$1 by cancelling and extinguishing 345,151 ordinary shares of \$1 each and the share premium was reduced to nil.

Sale of investments

During the year the future activities of the direct subsidiaries of Company were reviewed as part of a plan by MMC to simplify its corporate structure and the number of companies in the Group. In June 2022, the Company sold most of its investments in subsidiaries to a fellow group company. The total consideration at fair market value was \$451,935,000.

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and was signed on its behalf on 8 August 2022.



C M Valentine
Company Secretary

MMC MIDDLE EAST HOLDINGS LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MMC MIDDLE EAST HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MMC MIDDLE EAST HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of MMC Middle East Holdings Limited] (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

MMC MIDDLE EAST HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MMC MIDDLE EAST HOLDINGS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

MMC MIDDLE EAST HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MMC MIDDLE EAST HOLDINGS LIMITED (CONTINUED)

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislations; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the Company's regulatory permissions and environmental regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of Board meetings charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

MMC MIDDLE EAST HOLDINGS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MMC MIDDLE EAST HOLDINGS LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

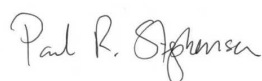
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Stephenson BA, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London

United Kingdom

Date: 9 August 2022

MMC MIDDLE EAST HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$000	2020 \$000
Dividend income	4	15,901	23,700
Gross profit		15,901	23,700
Interest receivable and similar income	7	-	17
Profit before tax		15,901	23,717
Tax on profit	8	3	(3)
Profit for the financial year		15,904	23,714

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:\$nil).

The notes on pages 16 to 31 form part of these financial statements.

All transactions derive from continuing operations.

MMC MIDDLE EAST HOLDINGS LIMITED
REGISTERED NUMBER: 10299085

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 \$000	2020 \$000
Fixed assets			
Investments	10	346,626	344,402
		346,626	344,402
Current assets			
Debtors: amounts falling due within one year	11	3	50
Cash at bank and in hand	12	83	30,209
		86	30,259
Creditors: amounts falling due within one year	13	-	(53)
		86	30,206
Net current assets		86	30,206
Total assets less current liabilities		346,712	374,608
Net assets		346,712	374,608
Capital and reserves			
Called up share capital	14	345	345
Share premium account	15	283,808	283,808
Profit and loss account	15	62,559	90,455
		346,712	374,608

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 August 2022.



J B Broad
 Director

The notes on pages 16 to 31 form part of these financial statements.

MMC MIDDLE EAST HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2021	345	283,808	90,455	374,608
Comprehensive income for the year				
Profit for the year	-	-	15,904	15,904
Total comprehensive income for the year	-	-	15,904	15,904
Dividends: Equity capital	-	-	(43,800)	(43,800)
Total transactions with owners	-	-	(43,800)	(43,800)
At 31 December 2021	345	283,808	62,559	346,712

The notes on pages 16 to 31 form part of these financial statements.

MMC MIDDLE EAST HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$000	\$000	\$000	\$000
At 1 January 2020	345	283,808	66,741	350,894
Comprehensive income for the year				
Profit for the year	-	-	23,714	23,714
Total comprehensive income for the year	-	-	23,714	23,714
At 31 December 2020	345	283,808	90,455	374,608

The notes on pages 16 to 31 form part of these financial statements.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

MMC Middle East Holdings Limited is a company incorporated in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the registered office is given on the Company Information page. MMC Middle East Holdings Limited is a private company limited by shares. The nature of the Company's operations and its principal activities are set out in the Strategic Report on pages 1 to 4.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Where applicable, this information is included in the consolidated financial statements of Marsh & McLennan Companies, Inc. as at 31 December 2021 and these financial statements may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review, which forms part of the Strategic Report. The Strategic Report also describes the financial position of the Company; its exposure to credit risk and liquidity risk.

The Company meets its day-to-day working capital requirements from corporate cash balances. The current economic conditions create uncertainty particularly over the exchange rate between US dollar and foreign currencies. The Company continues to monitor the uncertainty in the current economic and business environment including the impact of the Covid-19 pandemic. This monitoring and analysis considered our business resilience and continuity plans of the Company's subsidiaries and stress testing of liquidity and financial resources. The analysis modelled the financial impact assuming an increasing severity of impact in relation to revenue and certain costs, for a 12-month period so that the potential impact on profitability and liquidity could be assessed.

Having assessed the responses to their enquiries, including those related to COVID-19, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt upon the ability of the Company to continue as a going concern.

The directors acknowledge the latest guidance on going concern. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of twelve months from the date of the approval of the financial statements and, therefore, they continue to adopt the going concern basis in preparing the annual financial statements.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to tax balances are presented in the Statement of Comprehensive Income within 'tax on profit'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Interest receivable and similar income' or 'Interest payable and similar expenses'.

2.5 DIVIDEND INCOME

Represents dividends received from subsidiaries. Dividends are accounted for when declared.

2.6 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.7 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.9 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.10 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 IMPAIRMENT

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income as described below.

(i) Financial assets

For the Company's assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For the Company's assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.12 IMPAIRMENT (CONTINUED)

(ii) Non-Financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets acquired separately to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Comprehensive Income, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Comprehensive Income, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.12 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.14 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.15 DIVIDENDS

Dividends are the way that the Company makes distributions from the Company's profits to its shareholder. The dividend is determined in US dollar, the economic currency of the Company. The Directors may choose to declare dividends in any currency provided that a US dollar equivalent is announced.

The Board decides the level of dividend in consultation with, or consideration of, various stakeholders, including the management of the Company's ultimate parent company, Marsh & McLennan Companies, Inc. The amount and timing of a dividend may be changed at any time, and influenced by factors such as:

- the Company's working capital requirements to sustain its business plans;
- the Company's future capital investment needs; and
- the Company's excess financial resources.

Equity dividends are recognised when they become legally payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following is the critical judgement that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment review of fixed assets investments

The Company has an annual process of reviewing its fixed asset investments for indicators of impairment. Areas of critical judgement include estimates of future discount rates, future earnings and consideration of whether there is a willing buyer in the market for these investments.

Impairment and impairment reversals are measured by comparing the carrying value of the asset with its future discounted cash flow. Any impairments that have subsequently been reversed are capped to their historical acquisition cost.

Key sources of estimation uncertainty

Management have considered key sources of estimation uncertainty. There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. DIVIDEND INCOME

	2021 \$000	2020 \$000
Dividends receivable	15,901	23,700
	<u>15,901</u>	<u>23,700</u>
	<u><u>15,901</u></u>	<u><u>23,700</u></u>

	2021 \$000	2020 \$000
United Kingdom	15,900	23,700
Rest of the world	1	-
	<u>15,901</u>	<u>23,700</u>
	<u><u>15,901</u></u>	<u><u>23,700</u></u>

5. AUDITOR'S REMUNERATION

	2021 \$000	2020 \$000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	13	13
	<u>13</u>	<u>13</u>

The audit fee and annual filing fees were borne by a fellow subsidiary undertaking during the year.

The Company has not engaged its auditor for any non audit services.

6. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2020 - \$NIL).

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 \$000	2020 \$000
Other interest receivable	-	17
	<u>-</u>	<u>17</u>
	<u><u>-</u></u>	<u><u>17</u></u>

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. TAX ON PROFIT

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Current tax on profits for the year	-	3
Adjustments in respect of previous periods	(3)	-
	<u>(3)</u>	<u>3</u>
Total current tax	<u>(3)</u>	<u>3</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit	<u>(3)</u>	<u>3</u>

FACTORS AFFECTING TAX (CREDIT)/CHARGE FOR THE YEAR

The tax assessed for the year is lower than (*2020 - lower than*) the standard rate of corporation tax in the UK of 19.0% (*2020 - 19.0%*). The differences are explained below:

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Profit before tax	<u>15,901</u>	<u>23,717</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19.0% (<i>2020 - 19.0%</i>)	3,021	4,506
Effects of:		
Adjustments to tax charge in respect of prior periods	(3)	-
Non-taxable income	(1,710)	<i>(2,660)</i>
Dividends from UK companies	(1,311)	<i>(1,843)</i>
Total tax (credit)/charge for the year	<u>(3)</u>	<u>3</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Following enactment of the Finance Bill 2021 on 10 June 2021, the UK Corporation Tax rate (from 1 April 2023) has been increased to 25%.

MMC MIDDLE EAST HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. DIVIDENDS

	2021 \$000	2020 \$000
Amounts recognised as distributions to equity holders in the year:		
Interim dividend for the year ended 31 December	<u>43,800</u>	<u>-</u>

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies \$000
Cost or valuation	
At 1 January 2021	344,402
Additions	2,224
At 31 December 2021	<u>346,626</u>
Net book value	
At 31 December 2021	<u>346,626</u>
At 31 December 2020	<u>344,402</u>

In February 2021, the Company made a capital injection to Al Heloul Al Mushrikah Lestisharat Alamal which was incorporated in September 2020 and is owned 100% by the Company.

In March 2021, the Company acquired 30% of the ordinary shares of a newly incorporated company, Marsh Guy Carpenter Reinsurance Brokers.

In September 2021, the Company acquired 99% of the ordinary shares of a newly incorporated company, MMC Financial Company.

In the opinion of the directors the aggregate value of investments in the Company's subsidiaries are not less than the amount at which they are included in the Statement of Financial Position.

Details of the Company's subsidiary undertakings at 31 December 2021 are shown below:

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Name	Country of Incorporation	Description of Shares	% of Issued shares held by the Company	Registered Office Address
Al Heloul Al Mushrikah Lestisharat Alamal*	Jordan	Ordinary	100	Level 6 Building 2, Karadsheh Tower, Mecca Street, Amman, Jordan
Amal Insurance Brokers Limited (in liquidation)	Saudi Arabia	Ordinary	59.4	SABB PO Box 9084, Dabbab Street, Riyadh 11413, Saudi Arabia
HSBC Insurance Brokers International (in liquidation)	United Arab Emirates	Ordinary	49	PO Box 44183, Abu Dhabi, United Arab Emirates
Marsh (Bahrain) Company SPC	Bahrain	Ordinary	100	PO Box 3237, Unitag House, 6th Floor, 150 Government Avenue, Manama, Bahrain
Marsh (Middle East) Limited*	United Kingdom	Ordinary	100	1 Tower Place West, Tower Place London, EC3R 5BU
Marsh Emirates Consultancy LLC	United Arab Emirates	Ordinary	49	Level 23, Burj Al Salam, World Trade Centre Roundabout, Sheikh Zayed Road, Dubai, P.O. BOX 57006, United Arab Emirates
Marsh Emirates Insurance Brokerage LLC	United Arab Emirates	Ordinary	49	Level 23, Burj Al Salam, World Trade Centre Roundabout, Sheikh Zayed Road, Dubai, P.O. BOX 57006, United Arab Emirates
Marsh Guy Carpenter Reinsurance Brokers*	Saudi Arabia	Ordinary	30	6709 Al Olaya Al Muruj Dis. Saudi Arabia
Marsh for Insurance Consulting (formerly Marsh Egypt LLC)	Egypt	Quotas	100	Nile City, North Tower, Level 17, 2005 C, Cornich ElNile, Cairo 11221, Egypt
Marsh For Insurance Services S.A.E	Egypt	Ordinary	99.9	Nile City, North Tower, Level 17, 2005 C, Cornich ElNile, Cairo, 11221, Egypt

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Name	Country of Incorporation	Description of Shares	% of Issued shares held by the Company	Registered Office Address
Marsh For Insurance Services Jordan	Jordan	Ordinary	99.9	Office No. 1, Fourth Floor, South Tower, JIC Building, Third Dawar, Gabal Amman, Jordan
Marsh Insurance Consulting Saudi Arabia (in liquidation)	Saudi Arabia	Ordinary	60	Morouj Tower, 7th Floor, PO Box 53303, Riyadh 11583, Saudi Arabia
Marsh MEA Ltd*	United Arab Emirates	Ordinary	100	Unit GV07-3rd Floor-Unit 301-Full Floor, Level 3, Gate Village Building 07, Dubai International Financial Centre, Dubai, PO BOX 64057, United Arab Emirates
Marsh Oman LLC	Oman	Ordinary	70	Post Box 197, Suite No. 220, Hatat House, Mina Al Fahal, Postal Code 116, Oman
Marsh Qatar LLC	Qatar	Ordinary	100	The Gate, Tower -2, 9th Floor, Suite:1, West Bay, Doha, PO BOX NO. 22074, Qatar
Marsh Saudi Arabia Insurance & Reinsurance Brokers	Saudi Arabia	Ordinary	60	Morouj Tower, 7th Floor, PO Box 53303, Riyadh 11583, Saudi Arabia
MMC Financial Company*	Saudi Arabia	Ordinary	99	King Fahad Road, Riyadh, Saudia Arabia
Oliver Wyman LLC*	Qatar	Ordinary	100	Al Fardan Office Tower, West Bay, Floor 14, Offices 1443, 1445, 1442, 1441, 1439, 1446, 1447, Doha, Qatar
Sedgwick Forbes Middle East Limited*	Jersey	Ordinary	100	Fifth Floor, 37 Esplanade, St Helier JE1 2TR, Jersey

* Investments held directly by the Company.

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. DEBTORS: Amounts falling due within one year

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Amounts owed by group undertakings	-	1
Amounts recoverable from group undertakings in respect of taxation	3	49
	<u>3</u>	<u>50</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

12. CASH AND CASH EQUIVALENTS

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Cash at bank and in hand	83	<i>30,209</i>
	<u>83</u>	<u><i>30,209</i></u>

13. CREDITORS: Amounts falling due within one year

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Corporation tax	-	53
	<u>-</u>	<u>53</u>

14. SHARE CAPITAL

	2021	<i>2020</i>
	\$000	<i>\$000</i>
Allotted, called up and fully paid		
345,152 (2020 - 345,152) Ordinary shares of \$1.00 each	345	<i>345</i>
	<u>345</u>	<u><i>345</i></u>

The share capital of the Company consists of fully paid ordinary shares with a par value of \$1.00 per share.

All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. RESERVES

Share premium account

The share premium account represents the additional consideration received for the issue of shares during the period.

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

16. CONTINGENT LIABILITIES

The Company participates in cash pooling agreements with banks. Each member of the pool indemnifies against all losses incurred as a result of the failure of any other pool member, limited to any net cash balance held in the pool. As at 31 December 2021 the Company had a total balance of \$0.1 million (2020 - \$30.2 million) in the pool. The other members of the pooling arrangements are companies fully owned by Marsh & McLennan Companies, Inc.

17. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS 102 Section 33.1A not to disclose transactions between entities within the Group, where no less than 100% of voting rights are controlled within the Marsh & McLennan Companies, Inc. Group, whose consolidated financial statements are publicly available. There are no other transactions requiring disclosure.

18. POST BALANCE SHEET EVENTS

The Company had the following non-adjusting post balance sheet events occurring after the reporting date:

Capital reduction

In March 2022, the Company reduced its share capital to \$1 by cancelling and extinguishing 345,151 ordinary shares of \$1 each and the share premium was reduced to nil.

Sale of investments

During the year the future activities of the direct subsidiaries of Company were reviewed as part of a plan by MMC to simplify its corporate structure and the number of companies in the Group. In June 2022, the Company sold most of its investments in subsidiaries to a fellow group company. The total consideration at fair market value was \$451,935,000.

MMC MIDDLE EAST HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. GROUP FINANCIAL STATEMENTS

Group financial statements have not been prepared as the Company has taken an exemption in accordance with Section 401 of the Companies Act 2006, from the requirement to prepare group financial statements.

The Company is itself a wholly-owned subsidiary and is included in the consolidated financial statements of Marsh & McLennan Companies, Inc., its ultimate parent company. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its Group.

20. CONTROLLING PARTY

The Company's immediate parent company is Marsh McLennan Regional Holdings Limited, registered in England and Wales. The Company's ultimate parent company and controlling entity is Marsh & McLennan Companies, Inc. incorporated in the state of Delaware, USA.

The smallest and largest group in which the results of MMC Middle East Holdings Limited are consolidated is that headed by Marsh & McLennan Companies, Inc. The consolidated financial statements of Marsh & McLennan Companies, Inc. are available to the public and may be obtained from:

Companies House
Crown Way
Cardiff
CF14 3UZ

and also from:
The Company Secretary
MMC Treasury Holdings (UK) Ltd
1 Tower Place
Tower Place
London
EC3R 5BU
United Kingdom