

Al Dhafra Insurance Company P.S.C.

Condensed Interim Financial Information
(Unaudited)

For the nine-month period ended 30 September 2025

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2025

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Report on review of the condensed interim financial information To the Board of Directors of Al Dhafra Insurance Company P.S.C.

Introduction

We have reviewed the accompanying condensed interim financial information of Al Dhafra Insurance Company P.S.C (the “Company”), which comprise the condensed interim statement of financial position as at 30 September 2025 and the related condensed interim statement of profit or loss, the condensed interim statement of comprehensive income for the three-month and nine-month periods then ended, and the condensed interim statement of changes in equity and the condensed interim statement of cash flows for the nine-month period then ended and other related explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 (“IAS 34”) “*Interim Financial Reporting*”. Our responsibility is to express a conclusion on this condensed interim 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 condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all material 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34 “*Interim Financial Reporting*”.

Other Matters

The condensed interim financial information of the Company for the nine-month period ended 30 September 2024 was reviewed by another auditor, who expressed an unmodified review conclusion dated 13 November 2024.

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion dated 12 February 2025.

GRANT THORNTON UAE



Dr. Osama El-Bakry
Registration No: 935
Abu Dhabi, United Arab Emirates
Date: 13 November 2025

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Condensed interim statement of financial position
As at 30 September 2025

		30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
	Notes		
ASSETS			
Property and equipment *		1,235,799	1,363,018
Intangible assets		3,140,651	2,684,184
Right-of-use assets		3,998,678	4,658,483
Investment properties		73,600,000	73,600,000
Statutory deposit	4	9,980,000	9,980,000
Investments carried at fair value through other comprehensive income (FVTOCI)	5	349,756,640	288,156,172
Investments carried at fair value through profit and loss (FVTPL)	6	173,120,830	151,652,452
Insurance contract assets	8	64,891,087	37,266,216
Reinsurance contract assets	8	552,267,956	773,881,086
Prepayments and other receivables	7	27,252,505	9,935,295
Deposits	9	159,438,835	171,961,590
Cash and cash equivalents	9	25,632,422	54,094,606
TOTAL ASSETS		1,444,315,403	1,579,233,102
EQUITY AND LIABILITIES			
EQUITY			
Share capital		100,000,000	100,000,000
Legal reserve		50,000,000	50,000,000
General reserve		145,000,000	145,000,000
Investment revaluation reserve		150,991,560	93,246,517
Reinsurance reserve		7,300,273	6,110,954
Retained earnings		132,608,706	107,522,187
TOTAL EQUITY		585,900,539	501,879,658
LIABILITIES			
Provision for employees' end of service benefits		7,984,087	7,936,603
Lease liabilities		3,846,240	4,918,565
Insurance contract liabilities	8	768,069,829	880,088,015
Reinsurance contract liabilities	8	49,332,073	154,385,772
Deferred tax liability		10,250,190	3,887,324
Provision for tax		3,636,660	2,334,956
Other payables	11	15,295,785	23,802,209
TOTAL LIABILITIES		858,414,864	1,077,353,444
TOTAL EQUITY AND LIABILITIES		1,444,315,403	1,579,233,102

This condensed interim financial information was approved by the Board of Directors on 13 November 2025 and signed on their behalf by:

Assistant General Manager –
Finance

General Manager

Board member



The accompanying notes from 1 to 21 form an integral part of this condensed interim financial information.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Condensed interim statement of profit or loss
For the nine-month period ended 30 September 2025

		Three-month period ended 30 September 2025 (Unaudited) AED		Nine-month period ended 30 September 2025 (Unaudited) AED	
	Notes	2024 (Unaudited) AED	2025 (Unaudited) AED	2024 (Unaudited) AED	2025 (Unaudited) AED
Insurance revenue		90,523,363	95,351,431	256,108,515	280,404,161
Insurance service expenses		(162,970,700)	(86,799,763)	(435,377,141)	(187,158,223)
Insurance service result before reinsurance contracts held		(72,447,337)	8,551,668	(179,268,626)	93,245,938
Allocation of re-insurance premiums		(72,134,390)	(72,663,017)	(201,287,151)	(217,851,367)
Allowance recoverable from reinsurance for incurred claims		147,354,954	63,963,984	392,035,361	134,156,088
Insurance service result		2,773,227	(147,365)	11,479,584	9,550,659
Income from investments	14	10,436,503	8,877,153	33,466,871	40,044,254
Income from investments properties	14	510,401	508,829	1,549,789	1,614,836
Total investment income		10,946,904	9,385,982	35,016,660	41,659,090
Net insurance finance (expense)/income for insurance/re-insurance contracts issued/held		(892,183)	(678,471)	(2,636,492)	(2,010,835)
Net insurance and investment results		12,827,948	8,560,146	43,859,752	49,198,914
Other finance costs		(95,169)	(84,217)	(311,077)	(293,344)
Other operating expenses		(1,346,531)	(1,292,465)	(3,754,256)	(3,789,956)
Other operating income		1,209,731	843,928	6,694,230	3,217,277
Profit for the period before tax		12,595,979	8,027,392	46,488,649	48,332,891
Income tax expense		(3,102,987)	(311,319)	(3,801,042)	(2,491,541)
Profit for the period after tax		9,492,992	7,716,073	42,687,607	45,841,350
Basic and diluted earnings per share	13	0.09	0.08	0.43	0.46

The accompanying notes from 1 to 21 form an integral part of this condensed interim financial information.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Condensed interim statement of comprehensive income
For the nine-month period ended 30 September 2025

	Note	Three-month period ended 30 September		Nine-month period ended 30 September	
		2025 (Unaudited) AED	2024 (Unaudited) AED	2025 (Unaudited) AED	2024 (Unaudited) AED
Profit for the period after tax		7,716,073	9,492,992	45,841,350	42,687,607
Other comprehensive (loss) /income					
<i>Items that will not be reclassified to statement of profit or loss:</i>					
Change in fair value relating to investments carried at fair value through other comprehensive income, net of tax	5	6,951,074	22,301,404	73,179,531	8,102,748
Other comprehensive income for the period		6,951,074	22,301,404	73,179,531	8,102,748
Total comprehensive income for the period		14,667,147	31,794,396	119,020,881	50,790,355

The accompanying notes from 1 to 21 form an integral part of this condensed interim financial information.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Condensed interim statement of changes in equity
For the nine-month period ended 30 September 2025

	Share Capital	Legal reserve	General reserve	Investment revaluation reserve	Reinsurance reserve	Retained earnings	Total equity
	AED	AED	AED	AED	AED	AED	AED
Balance as at 1 January 2024 (Audited)	100,000,000	50,000,000	145,000,000	58,548,665	4,723,303	105,529,846	463,801,814
Profit for the period after tax	-	-	-	-	-	42,687,607	42,687,607
Other comprehensive income for the period	-	-	-	8,102,748	-	-	8,102,748
Total comprehensive income for the period	-	-	-	8,102,748	-	42,687,607	50,790,355
Transfer to reinsurance reserve	-	-	-	-	1,180,689	(1,180,689)	-
Dividends declared and paid	-	-	-	-	-	(35,000,000)	(35,000,000)
Balance as at 30 September 2024 (Unaudited)	100,000,000	50,000,000	145,000,000	66,651,413	5,903,992	112,036,764	479,592,169
Balance as at 1 January 2025 (Audited)	100,000,000	50,000,000	145,000,000	93,246,517	6,110,954	107,522,187	501,879,658
Profit for the period after tax	-	-	-	-	-	45,841,350	45,841,350
Other comprehensive income for the period, net of tax	-	-	-	73,179,531	-	-	73,179,531
Transfer to retained earnings on disposal of investments at FVTOCI	-	-	-	(15,434,488)	-	15,434,488	-
Total comprehensive income for the period	-	-	-	57,745,043	-	61,275,838	119,020,881
Transfer to reinsurance reserve	-	-	-	-	1,189,319	(1,189,319)	-
Dividends declared and paid	-	-	-	-	-	(35,000,000)	(35,000,000)
Balance as at 30 September 2025 (Unaudited)	100,000,000	50,000,000	145,000,000	150,991,560	7,300,273	132,608,706	585,900,539

The accompanying notes from 1 to 21 form an integral part of this condensed interim financial information.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Condensed interim statement of cash flows
For the nine-month period ended 30 September 2025

	Notes	Nine-month period ended 30 September 2025 (Unaudited) AED	Nine-month period ended 30 September 2024 (Unaudited) AED
OPERATING ACTIVITIES			
Profit for the period before tax		48,332,891	46,488,649
Adjustments for:			
Change in fair value of investments carried at fair value through profit or loss	6, 14	(11,521,846)	(4,903,422)
Gain on disposal of investments carried at fair value through profit or loss		(264,795)	(4,648,978)
Provision for employees' end of service benefits		380,190	390,968
Depreciation of property and equipment and right-of-use asset		1,040,944	870,911
Amortisation of intangible assets		1,340,172	995,467
Finance cost		293,344	311,077
Gain on disposal of property and equipment		(36,190)	(1,450)
Dividend income		(20,815,301)	(15,756,773)
Interest income	14	(8,102,393)	(8,642,188)
Cash flow from operating activities		10,647,016	15,104,261
Changes in insurance and reinsurance contract assets/liabilities		(23,083,626)	42,457,175
Change in other payables		(8,506,424)	(7,413,056)
Change in prepayments and other receivables		(19,008,929)	(758,183)
Cash (used in) / generated from operations		(39,951,963)	49,390,197
Income tax paid		(2,064,507)	-
Employees' end of service benefits paid		(332,706)	(196,367)
Net cash (used in)/generated from operating activities		(42,349,176)	49,193,830
INVESTING ACTIVITIES			
Purchase of property and equipment		(253,920)	(339,742)
Purchase of intangible assets		(1,796,639)	(382,350)
Purchase of investments at FVTPL		(15,694,131)	(28,726,822)
Proceeds from disposal of FVTPL investments		6,012,394	35,905,980
Proceeds from disposal of FVTOCI investments		18,816,599	-
Proceeds from disposal of property and equipment		36,190	1,450
Redemption of term deposits		12,522,755	13,950,337
Dividends received		20,815,301	15,756,773
Interest received		9,794,111	9,324,178
Net cash generated from investing activities		50,252,660	45,489,804
FINANCING ACTIVITIES			
Dividends paid		(35,000,000)	(35,000,000)
Payment of lease liabilities		(1,365,668)	(1,354,495)
Net cash used in financing activities		(36,365,668)	(36,354,495)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(28,462,184)	58,329,139
Cash and cash equivalents at the beginning of the period		54,094,606	25,226,125
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9	25,632,422	83,555,264

The accompanying notes from 1 to 21 form an integral part of this condensed interim financial information.

Al Dhafra Insurance Company P.S.C.

Condensed Interim Financial Information

Notes to the condensed interim financial information

For the nine-month period ended 30 September 2025

1 Legal status and principal activities

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

The Company is subject to the regulations of the U.A.E. Federal Law No. (48) of 2023 (previously Federal Law No. 6 of 2007, as amended), issued by the Central Bank of UAE and is registered in the Insurance Companies Register of the Central Bank of the UAE, under registration number 5.

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

The Company is domiciled in the United Arab Emirates, and its registered office address is P.O. Box 319, Abu Dhabi, United Arab Emirates.

The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

2 Standards, interpretations, and amendments to existing standards

2.1 Application of new and revised IFRS Accounting Standards (“IFRS”)

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in this condensed interim financial information. Their adoption has not had any material impact on the disclosures or on the amounts reported in this condensed interim financial information.

- Lack of Exchangeability (Amendment to IAS 21)

2.2 New and revised IFRS in issue but not yet effective and not early adopted

The following relevant standards, interpretations and amendments to existing standards were issued by the IASB:

New Standards or amendments	Effective date
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026
IFRS 18 ‘Presentation and Disclosure in Financial Statements’	1 January 2027
IFRS 19 ‘Subsidiaries without Public Accountability: Disclosures’	1 January 2027

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company’s condensed financial information for the period of initial application and adoption of these new standards, interpretations and amendments may have no material impact on the financial information of the Company in the period of initial application.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

3 Summary of material accounting policies

3.1 Statement of compliance and basis of preparation

The condensed interim financial information is prepared in accordance with International Accounting Standard (“IAS”) 34 “*Interim Financial Reporting*” and in compliance with the applicable requirements of the UAE Federal Decree Law No. 32 of 2021 (“Companies Law”), relating to commercial companies and UAE Federal Decree Law No. (48) of 2023 Regulating Insurance Activities (previously Federal Law no. 6 of 2007, as amended) concerning Financial Regulations for Insurance Companies issued by the Central Bank of the UAE (“CBUAE”) and regulation of its operations.

The condensed interim financial information does not contain all the information and disclosures required in the annual financial information and should be read in conjunction with the Company’s annual financial information as at 31 December 2024. In addition, the results for the nine-month period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

3.2 Basis of measurement

The condensed interim financial information has been prepared on the historical cost basis except for the investments carried at fair value through profit or loss, investments carried at fair value through other comprehensive income, investment properties and provision for employees’ end of service indemnity which is calculated in line with UAE labour laws.

3.3 Functional currency

The condensed interim financial information is presented in United Arab Emirates Dirhams (“AED”), being the functional and presentation currency of the Company.

3.4 Insurance and financial risk management

The Company’s insurance and financial risk management objectives and policies are consistent with those disclosed in the audited financial information as at and for the year ended 31 December 2024. There have been no changes in any risk management policies since the year end.

3.5 Use of estimates and judgements

The preparation of this condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the financial information as at and for the year ended 31 December 2024.

4 Statutory deposits

In accordance with the requirements of UAE Federal law No. (48) of 2023 which repeals UAE federal law no.6 of 2007, the Company maintains the below deposit which cannot be utilized without the consent of the Central Bank of United Arab Emirates.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

4 Statutory deposits (continued)

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Statutory deposit	10,000,000	10,000,000
Less: Allowance for expected credit losses	(20,000)	(20,000)
	<u>9,980,000</u>	<u>9,980,000</u>

5 Investments carried at fair value through other comprehensive income

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Quoted UAE equity securities	<u>349,756,640</u>	<u>288,156,172</u>

The movement in the investments at fair value through other comprehensive income is as follows:

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Fair value at beginning of period / year	288,156,172	246,026,664
Addition	-	4,000,000
Disposal	(18,816,599)	-
Change in fair value	80,417,067	38,129,508
Fair value at end of the period / year	<u>349,756,640</u>	<u>288,156,172</u>

6 Investments carried at fair value through profit or loss

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Managed funds (i)	113,473,442	97,263,500
Quoted UAE equity securities	47,941,039	42,678,988
Quoted debt securities (ii)	3,185,299	3,188,914
Unquoted equity security	8,521,050	8,521,050
	<u>173,120,830</u>	<u>151,652,452</u>

(i) It represents investment in equity and credit funds.

(ii) Quoted debts securities carry interest at a rate ranging from 4.5% to 7.00% (2024: from 3.88% to 8.00%)

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

6 Investments carried at fair value through profit or loss (continued)

The movement in investments at fair value through profit or loss is as follows:

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Fair value at beginning of period / year	151,652,452	124,002,913
Additions during the period / year	15,694,131	55,119,115
Disposals during the period / year	(5,747,599)	(38,036,135)
Change in fair value	11,521,846	10,566,559
Fair value at end of the period / year	<u>173,120,830</u>	<u>151,652,452</u>

7 Prepayments and other receivables

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Interest receivables	3,679,073	5,370,791
Prepayments	2,288,671	1,568,245
Other receivables*	21,284,761	2,996,259
Prepayments and other receivables	<u>27,252,505</u>	<u>9,935,295</u>

* Other receivables include AED 18,816,599 (2024: Nil) pertaining to proceeds from sale of investments at fair value through other comprehensive income.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

8 Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	30 Sep 2025 (Un-audited)			31 December 2024 (Audited)		
	Assets AED	Liabilities AED	Net AED	Assets AED	Liabilities AED	Net AED
Insurance contracts issued						
Life and Medical	9,177,493	(35,465,991)	(26,288,498)	8,816,477	(32,220,061)	(23,403,584)
General and Motor	55,713,594	(732,603,838)	(676,890,244)	28,449,739	(847,867,954)	(819,418,215)
Total insurance contracts issued	64,891,087	(768,069,829)	(703,178,742)	37,266,216	(880,088,015)	(842,821,799)
Reinsurance contracts held						
Life and Medical	23,664,439	(93)	23,664,346	19,151,376	(1,483,713)	17,667,663
General and Motor	528,603,517	(49,331,980)	479,271,537	754,729,710	(152,902,059)	601,827,651
Total reinsurance contracts held	552,267,956	(49,332,073)	502,935,883	773,881,086	(154,385,772)	619,495,314

Discount rates:

The Company use bottom-up approach to derive the discount rate. Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). The risk-free rate was derived using swap rates available in the market denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with a AAA credit rating were used. Management uses judgment to assess liquidity characteristics of the liability cash flows.

Discount rates applied for discounting of future cash flows are listed below:

	1 year		3 years		5 years		10 years	
	2025	2024	2025	2024	2025	2024	2025	2024
Insurance issued	5%	6.25%	5%	6.25%	5%	6.25%	5%	6.25%
Reinsurance contracts held	5%	6.25%	5%	6.25%	5%	6.25%	5%	6.25%

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

8 Insurance and reinsurance contracts (continued)

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

Contracts measured under the PAA

2025	Liabilities for remaining coverage		Liabilities for incurred claims		Total (Unaudited) AED
	Excluding loss component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	
Insurance contract liabilities as at 1 January	41,674,725	36,448,540	720,825,586	43,872,948	842,821,799
Insurance revenue	280,404,161	-	-	-	280,404,161
Insurance service expenses	(39,401,337)	11,285,960	(173,981,040)	14,938,194	(187,158,223)
Incurred claims and other expenses	-	-	(334,297,257)	-	(334,297,257)
Losses on onerous contracts and reversals	-	11,285,960	-	-	11,285,960
Changes to liabilities for incurred claims	-	-	160,316,217	14,938,194	175,254,411
Acquisition cashflows amortization	(39,401,337)	-	-	-	(39,401,337)
Insurance service result	241,002,824	11,285,960	(173,981,040)	14,938,194	93,245,938
Insurance finance expense	-	-	(23,606,650)	(1,635,161)	(25,241,811)
Total changes in the statement of comprehensive income	241,002,824	11,285,960	(197,587,690)	13,303,033	68,004,127
<i>Cash flows</i>					
Premiums received	283,654,902	-	-	-	283,654,902
Claims and other expenses paid	-	-	(280,389,054)	-	(280,389,054)
Directly attributable expenses paid	-	-	(23,809,249)	-	(23,809,249)
Insurance acquisition cash flows	(51,095,529)	-	-	-	(51,095,529)
Total cash flows	232,559,373	-	(304,198,303)	-	(71,638,930)
Net insurance contract liabilities as at 30 September	33,231,274	25,162,580	614,214,973	30,569,915	703,178,742

Al Dhafra Insurance Company P.S.C.
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Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

8 Insurance and reinsurance contracts (continued)

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

Contracts measured under the PAA (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
	(Audited) AED	(Audited) AED	(Audited) AED	(Audited) AED	(Audited) AED
2024					
Insurance contract liabilities as at 1 January	40,814,016	80,583,626	552,891,644	46,057,906	720,347,192
Insurance revenue	346,290,305	-	-	-	346,290,305
Insurance service expenses	(44,198,013)	44,135,086	(499,070,184)	5,063,576	(494,069,535)
Incurred claims and other expenses	-	-	(387,032,590)	-	(387,032,590)
Losses on onerous contracts and reversals	-	44,135,086	-	-	44,135,086
Changes to liabilities for incurred claims	-	-	(112,037,594)	5,063,576	(106,974,018)
Acquisition cashflows amortization	(44,198,013)	-	-	-	(44,198,013)
Insurance service result	302,092,292	44,135,086	(499,070,184)	5,063,576	(147,779,230)
Insurance finance expense	-	-	(30,667,736)	(2,878,618)	(33,546,354)
Total changes in the statement of comprehensive	302,092,292	44,135,086	(529,737,920)	2,184,958	(181,325,584)
Cash flows					
Premiums received	395,483,111	-	-	-	395,483,111
Claims and other expenses paid	-	-	(324,316,418)	-	(324,316,418)
Directly attributable expenses paid	-	-	(37,487,560)	-	(37,487,560)
Insurance acquisition cash flows	(92,530,110)	-	-	-	(92,530,110)
Total cash flows	302,953,001	-	(361,803,978)	-	(58,850,977)
Net insurance contract liabilities as at 31 December	41,674,725	36,448,540	720,825,586	43,872,948	842,821,799

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims

Contracts measured under the PAA (continued)

2025	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component Unaudited AED	Loss component Unaudited AED	Estimates of the present value of future cash flows Unaudited AED	Risk adjustment Unaudited AED	Total Unaudited AED
Reinsurance contract assets as at 1 January	26,842,498	29,214,028	672,416,777	45,407,783	773,881,086
Reinsurance contract liabilities as at 1 January	(59,952,757)	53,444	(90,460,168)	(4,026,291)	(154,385,772)
Net reinsurance contract assets/(liabilities)	(33,110,259)	29,267,472	581,956,609	41,381,492	619,495,314
An allocation of reinsurance premiums	(217,851,367)	-	-	-	(217,851,367)
Amounts recoverable from reinsurers for incurred claims	38,472,349	(11,449,028)	122,249,854	(15,117,087)	134,156,088
Amounts recoverable for incurred claims and other expenses	-	-	283,271,920	-	283,271,920
Loss-recovery on onerous underlying contracts and adjustments	-	(11,449,028)	-	-	(11,449,028)
Acquisition cashflow amortization	34,284,120	-	-	-	34,284,120
Changes to amounts recoverable for incurred claims	-	-	(161,022,066)	(15,117,087)	(176,139,153)
Changes in non-performance risk of reinsurer	4,188,229	-	-	-	4,188,229
Net income or expense from reinsurance contracts held	(179,379,018)	(11,449,028)	122,249,854	(15,117,087)	(83,695,279)
Reinsurance finance income	-	-	21,688,672	1,542,304	23,230,976
Total changes in the statement of comprehensive income	(179,379,018)	(11,449,028)	143,938,526	(13,574,783)	(60,464,303)
Cash flows					
Premiums paid	260,992,638	-	-	-	260,992,638
Amount received	-	-	(283,300,598)	-	(283,300,598)
Insurance acquisition cashflows	(33,787,168)	-	-	-	(33,787,168)
Total cash flows	227,205,470	-	(283,300,598)	-	(56,095,128)
Net reinsurance contract assets/(liabilities) as at 30 September	14,716,193	17,818,444	442,594,537	27,806,709	502,935,883
Reinsurance contract assets as at 30 September	64,674,340	15,705,935	443,996,445	27,891,236	552,267,956
Reinsurance contract liabilities as at 30 September	(49,958,147)	2,112,509	(1,401,908)	(84,527)	(49,332,073)
Net reinsurance contract assets/(liabilities) as at 30 September	14,716,193	17,818,444	442,594,537	27,806,709	502,935,883

Al Dhafra Insurance Company P.S.C.
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Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

8 Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

Contracts measured under the PAA (continued)

2024	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
	Audited AED	Audited AED	Audited AED	Audited AED	Audited AED
Reinsurance contract assets as at 1 January	34,961,886	67,558,749	438,641,861	42,837,285	583,999,781
Reinsurance contract liabilities as at 1 January	(46,579,387)	197,462	(1,324,394)	(89,889)	(47,796,208)
Net reinsurance contract assets/(liabilities)	(11,617,501)	67,756,211	437,317,467	42,747,396	536,203,573
Allocation of reinsurance premiums	(272,357,067)	-	-	-	(272,357,067)
Amounts recoverable from reinsurers for incurred claims	41,751,134	(38,488,739)	425,228,923	(4,037,609)	424,453,709
Amounts recoverable for incurred claims and other expenses	-	-	307,950,801	-	307,950,801
Loss-recovery on onerous underlying contracts and adjustments	-	(38,488,739)	-	-	(38,488,739)
Acquisition cashflows amortization	51,067,871	-	-	-	51,067,871
Changes to amounts recoverable for incurred claims	-	-	117,278,122	(4,037,609)	113,240,513
Changes in non-performance risk of reinsurer	(9,316,737)	-	-	-	(9,316,737)
Net income or expense from reinsurance contracts held	(230,605,933)	(38,488,739)	425,228,923	(4,037,609)	152,096,642
Reinsurance finance income	-	-	27,332,341	2,671,705	30,004,046
Total changes in the statement of comprehensive income	(230,605,933)	(38,488,739)	425,561,264	(1,365,904)	182,100,688
Cash flows					
Premiums paid	313,392,942	-	-	-	313,392,942
Amount received	-	-	(307,922,122)	-	(307,922,122)
Insurance acquisition cash flows	(104,279,767)	-	-	-	(104,279,767)
Total cash flows	209,113,175	-	(307,922,122)	-	(98,808,947)
Net reinsurance contract assets/(liabilities) as at 31 December	(33,110,259)	29,267,472	581,956,609	41,381,492	619,495,314
Reinsurance contract assets as at 31 December	26,842,498	29,214,028	672,416,777	45,407,783	773,881,086
Reinsurance contract liabilities as at 31 December	(59,952,757)	53,444	(90,460,168)	(4,026,291)	(154,385,772)
Net reinsurance contract assets/(liabilities) as at 31 December	(33,110,259)	29,267,472	581,956,609	41,381,492	619,495,314

Al Dhafra Insurance Company P.S.C.
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Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

9 Cash and cash equivalents

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Cash on hand	106,886	92,494
Call account and deposit	2,300,714	43,108,223
Current accounts	23,224,822	10,893,889
Term deposits*	159,438,835	171,961,590
Bank balances and cash	185,071,257	226,056,196
Less: Term deposits with an original maturity of more than three months	(159,438,835)	(171,961,590)
Cash and cash equivalents	25,632,422	54,094,606

*Term deposits are stated net of expected credit losses amounting to AED 392,227 as at 30 September 2025 (31 December 2024: AED 392,227).

The interest rate on term deposits and current accounts with banks ranges between 3.90% and 5.50% (31 December 2024: 4.2% and 6.25%) per annum. All bank balances are held in local banks in the United Arab Emirates.

10 Related party transactions and balances

Related parties represent major shareholders, directors and key management personnel of the Company, and the companies of which are principal owners and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

	Nature of relationship	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Due from policy holders (related parties)*	Affiliates	1,310,658	314,202

*This is reported as part of insurance contract assets.

Transactions with related parties during the period are as follows:

	Nature of relationship	30 September 2025 (Unaudited) AED	30 September 2024 (Unaudited) AED
Gross premiums writtens	Affiliates	1,648,292	1,542,131
Claims paid	Affiliates	2,188,153	631,967

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

10 Related party transactions and balances (continued)

Remuneration of key management personnel

	30 September 2025 (Unaudited) AED	30 September 2024 (Unaudited) AED
Remuneration of management personnel	2,018,210	1,762,290
Post-employment benefits	85,629	91,403
	<u>2,103,839</u>	<u>1,853,693</u>

11 Other payables

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Deferred income	1,440,593	1,345,564
Central Bank of the UAE - fees reserve	1,131,489	1,401,794
Dividend payable	2,441	2,441
Provision for directors remuneration	-	4,000,000
Other payables	<u>12,721,262</u>	<u>17,052,410</u>
	<u>15,295,785</u>	<u>23,802,209</u>

12 Dividends

On 26 March 2025, the shareholders at the Annual General Assembly approved cash dividends of 0.35 fils per share amounting to AED 35,000,000 (2024: 0.35 fils per share amounting to AED 35,000,000) and paid on 04 April 2025.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

13 Basic and diluted earnings per share

Basic earnings per share is computed by dividing the profit for the period by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit for the period after tax by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period after tax (AED)	7,716,073	9,492,992	45,841,350	42,687,607
Weighted average number of ordinary shares outstanding during the period	100,000,000	100,000,000	100,000,000	100,000,000
Basic and diluted earnings per share (AED)	0.08	0.09	0.46	0.43

14 Income from investments, net

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED	AED	AED	AED
Dividend income	2,549,735	1,475,231	20,815,301	15,756,773
Interest income	2,809,235	2,926,863	8,102,393	8,642,188
Change in fair value of investments at fair value through profit or loss	3,754,212	5,396,128	11,521,846	4,903,422
Gain on sale of investments at fair value through profit or loss	-	824,759	264,795	4,775,244
Investment expense	(236,029)	(186,478)	(660,081)	(610,756)
Income from investments	8,877,153	10,436,503	40,044,254	33,466,871
Income from investment properties	508,829	510,401	1,614,836	1,549,789
Income from investments, net	9,385,982	10,946,904	41,659,090	35,016,660

15 Segment reporting

15.1 Segment revenue and results

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.

Al Dhafra Insurance Company P.S.C.
Condensed Interim Financial Information

Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

15 Segment reporting (continued)

15.1 Segment revenue and results (continued)

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

	For the nine-month ended 30 September 2025 (Unaudited)			For the nine-month ended 30 September 2024 (Unaudited)		
	Underwriting AED	Investments AED	Total AED	Underwriting AED	Investments AED	Total AED
Insurance revenue	280,404,161	-	280,404,161	256,108,515	-	256,108,515
Insurance service expenses	(187,158,223)	-	(187,158,223)	(435,377,141)	-	(435,377,141)
Insurance service result before reinsurance contracts held	93,245,938	-	93,245,938	(179,268,626)	-	(179,268,626)
Allocation of reinsurance premiums	(217,851,367)	-	(217,851,367)	(201,287,151)	-	(201,287,151)
Amounts recoverable from reinsurance	134,156,088	-	134,156,088	392,035,361	-	392,035,361
Net income from reinsurance contracts held	(83,695,279)	-	(83,695,279)	190,748,210	-	190,748,210
Investment income	-	41,659,090	41,659,090	-	35,016,660	35,016,660
Net insurance finance expense for insurance/re-insurance contracts issued/held	(2,010,835)	-	(2,010,835)	(2,636,492)	-	(2,636,492)
Net insurance and financial result	7,539,824	41,659,090	49,198,914	8,843,092	35,016,660	43,859,752
Other finance cost	(293,344)	-	(293,344)	(311,077)	-	(311,077)
Other operating income	(3,789,956)	-	(3,789,956)	6,694,230	-	6,694,230
Other operating expense	3,217,277	-	3,217,277	(3,754,256)	-	(3,754,256)
Profit for the period before tax	6,673,801	41,659,090	48,332,891	11,471,989	35,016,660	46,488,649
Provision for corporate tax			(2,491,541)	-	-	(3,801,042)
Profit for the period after tax	6,673,801	41,659,090	45,841,350	11,471,989	35,016,660	42,687,607

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Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

15 Segment reporting (continued)

15.2 Segment assets and liabilities

	As at 30 September 2025 (Unaudited)		
	Underwriting AED	Investments AED	Total AED
Total assets	652,786,676	791,528,727	1,444,315,403
Total liabilities	853,037,934	5,376,930	858,414,864
	31 December 2024 (Audited)		
	Underwriting AED	Investments AED	Total AED
Total assets	829,788,282	749,444,820	1,579,233,102
Total liabilities	1,069,477,509	7,875,935	1,077,353,444

16 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of statutory deposit, investments carried at fair value through other comprehensive income, investments carried at fair value through profit and loss, insurance receivables, deposits, bank balances and cash, and certain other assets. Financial liabilities consist of insurance payables, lease liabilities and certain other liabilities.

The fair values of the financial assets and liabilities are not materially different from their carrying values.

The following table shows the analysis of financial instruments recorded at fair value by level of the fair value hierarchy as at 30 September 2025 and 31 December 2024:

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
30 September 2025 (Unaudited)				
Investments at fair value through other comprehensive income	349,756,640	-	-	349,756,640
Investments at fair value through profit and loss	47,941,039	116,658,741	8,521,050	173,120,830
	397,697,679	116,658,741	8,521,050	522,877,470
31 December 2024 (Audited)				
Investments at fair value through other comprehensive income	288,156,172	-	-	288,156,172
Investments at fair value through profit and loss	42,679,895	100,451,458	8,521,099	151,652,452
	330,836,067	100,451,458	8,521,099	439,808,624

Valuation technique:

Level 1: Quoted bid prices in an active market

Level 2: Valuation based on selected observable market inputs

Level 3: Net assets value based on audited financials

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.

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Notes to the condensed interim financial information (continued)
For the nine-month period ended 30 September 2025

17 Contingent liability

	30 September 2025 (Unaudited) AED	31 December 2024 (Audited) AED
Bank guarantees	<u>11,954,421</u>	<u>11,954,421</u>

18 Capital risk management

The solvency regulations identify the required Solvency Margin to be held in addition to insurance liabilities. The Solvency Margin (presented in the table below) must be maintained at all times throughout the period. The Company is subject to solvency regulations which it has complied with during the year. The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with such regulations. The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins.

	30 September 2025 AED (Unaudited)	31 December 2024 AED (Audited)
Minimum Capital Requirement (MCR)	<u>100,000,000</u>	100,000,000
Solvency Capital Requirement (SCR)	<u>171,467,554</u>	169,609,959
Minimum Guarantee Fund (MGF)	<u>57,155,851</u>	56,536,653
Basic Own Funds	<u>292,093,104</u>	278,422,011
MCR Solvency Margin - Minimum Capital Requirement (Surplus)	<u>192,093,104</u>	178,422,011
MCR Solvency Margin - Solvency Capital Requirement (Surplus)	<u>120,625,550</u>	108,812,052
MGF Solvency Margin – Minimum Guarantee Fund (Surplus)	<u>234,937,253</u>	221,885,358

19 Post reporting date events

No adjusting or significant non-adjusting events occurred between the reporting date and the date of authorization of the condensed interim financial statements.

20 Comparative Figures

Certain comparative figures have been reclassified in interim condensed statement of cashflow in order to conform to current period's classification. The reclassification did not have an impact on previously reported equity or profit of the Company.

21 Approval of condensed interim financial information

The condensed interim financial information was approved and authorized for issue by the Board of Directors on 13 November 2025.