

Al Ain Ahlia Insurance Company P.S.C.

Condensed interim consolidated financial information
(Unaudited)

For the nine-month period ended 30 September 2025

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

For the nine-month period ended 30 September 2025

Table of contents

	Page
Board of Directors' report	1
Report on review of the condensed interim consolidated financial information	2
Condensed interim consolidated statement of financial position	3
Condensed interim consolidated statement of profit or loss	4
Condensed interim consolidated statement of other comprehensive income	5
Condensed interim consolidated statement of changes in shareholders' equity	6
Condensed interim consolidated statement of cash flows	7
Notes to the condensed interim consolidated financial information	8-26



BOARD OF DIRECTORS' REPORT

We are pleased to submit our report in respect of the company's business activities during the three quarters of the year 2025 together with our Auditor's report in addition to the summary of financials for the period ended 30 September 2025.

The UAE's economy remained on a strong growth trajectory during the first three quarters of 2025, with forecasts ranging from 4.8% to 5.1%, underpinned by vitality in non-oil sectors, impressive trade performance, and continued economic diversification.

The UAE insurance sector maintained strong growth through three quarters of 2025 propelled by higher premiums, digital innovation, regulatory shifts, and expanding activity in financial hubs like DIFC.

The main highlights of the company's Financial Results for the period ended 30 September 2025 can be summarized as follows:

Figures in AED '000

Description	30/09/2025	30/09/2024	%
Insurance Revenue	873,599	799,827	9
Net Insurance Result	(32,616)	(82,007)	60
Net Investment & Other Income	56,452	55,201	2
Net Profit for the period	5,625	(38,845)	114
Total Assets	2,876,762	3,526,660	(18)
Shareholders' Equity	1,374,698	1,283,315	7
Basic & Diluted Earnings per share (EPS)	0.38	(2.59)	115

Chairman



Chief Executive Officer

**Report on review of the condensed interim consolidated financial information
To the Shareholders of Al Ain Ahlia Insurance Company P.S.C.**

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Al Ain Ahlia Insurance Company P.S.C. (the “Company”) and its subsidiaries (collectively referred to as “the Group”) as at 30 September 2025, and the related condensed interim consolidated statement of profit or loss and condensed interim statement of other comprehensive income for the three-month and nine-month periods then ended, and condensed interim consolidated statement of changes in shareholders’ equity, and 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 consolidated 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 consolidated financial information based on our review.

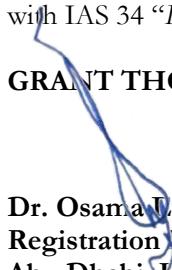
Scope of review

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

Conclusion

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

GRANT THORNTON UAE


Dr. Osama Al-Bakry
Registration No: 935
Abu Dhabi, United Arab Emirates

Date: 12 November 2025

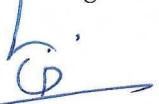
Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

Condensed interim consolidated statement of financial position
As at 30 September 2025

	Notes	(Unaudited) 30 September 2025	(Audited) 31 December 2024
		AED'000	AED'000
ASSETS			
Property and equipment	4	769,521	780,036
Investment properties	5	96,479	87,890
Intangible assets		84	39
Statutory deposit	6	10,000	10,000
Investments carried at fair value through other comprehensive income	7	689,843	578,812
Investments carried at fair value through profit or loss	8	45,624	21,882
Insurance contract assets	9	-	3,245
Reinsurance contract assets	9	995,266	1,287,184
Other receivables and prepayments		55,800	46,518
Deferred tax asset		-	2,052
Term deposits	10	184,240	271,019
Cash and cash equivalents	11	29,905	65,032
TOTAL ASSETS		2,876,762	3,153,709
EQUITY AND LIABILITIES			
Share capital		150,000	150,000
Statutory reserve		75,000	75,000
General reserve		600,000	600,000
Technical reserve		8,083	8,083
Reinsurance default reserve		25,729	22,965
Investment revaluation reserve		343,927	244,957
Retained earnings		171,959	199,098
TOTAL EQUITY		1,374,698	1,300,103
LIABILITIES			
Provision for employees' end of service benefits		15,471	14,857
Insurance contract liabilities	9	1,358,188	1,723,983
Reinsurance contract liabilities	9	61,994	54,238
Accruals and other payables	13	66,411	60,528
TOTAL LIABILITIES		1,502,064	1,853,606
TOTAL EQUITY AND LIABILITIES		2,876,762	3,153,709

To the best of our knowledge, the condensed interim consolidated financial information present fairly in all material respects the financial position, results of operation and cash flows of the Group as of, and for the nine-month period ended 30 September 2025.

This condensed interim consolidated financial information was approved by the Board of Directors on 12 November 2025 and signed on their behalf by:


 Chairman


 Chief Executive Officer


 Chief Financial Officer

The accompanying notes from 1 to 23 form an integral part of this condensed interim consolidated financial information.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

Notes	(Unaudited) Three-month period ended 30 September		(Unaudited) Nine-month period ended 30 September		
	2025		2024		
	AED'000	AED'000	AED'000	AED'000	
Insurance revenue	272,136	300,230	873,599	799,827	
Insurance service expenses	(158,910)	(393,468)	(538,674)	(1,587,093)	
Insurance service result before reinsurance contracts held	113,226	(93,238)	334,925	(787,266)	
Allocation of reinsurance premiums	(128,161)	(129,826)	(392,897)	(356,678)	
Amounts recoverable from reinsurance for incurred claims	(12,324)	176,781	30,308	1,063,666	
Net (expense) /income from reinsurance contracts held	(140,485)	46,955	(362,589)	706,988	
Insurance service result	(27,259)	(46,283)	(27,664)	(80,278)	
Insurance finance expenses for insurance contracts issued	(10,566)	57,657	(41,594)	40,796	
Reinsurance finance income for reinsurance contracts held	9,071	(55,259)	36,642	(42,525)	
Net insurance financial result	(1,495)	2,398	(4,952)	(1,729)	
Net insurance result	(28,754)	(43,885)	(32,616)	(82,007)	
Income from investments, net	14	6,332	7,844	38,982	38,685
Income from investment properties, net	5	261	201	1,156	1,028
Total investment income		6,593	8,045	40,138	39,713
Other income	15	2,541	2,283	16,314	15,488
Other expenses		(336)	(4,135)	(17,895)	(12,039)
(Loss) /profit for the period before tax		(19,956)	(37,692)	5,941	(38,845)
Income tax benefit/(expense)		1,063	260	(316)	-
(Loss) /profit for the period after tax		(18,893)	(37,432)	5,625	(38,845)
Basic and diluted (loss)/earnings per share	16	(1.26)	(2.50)	0.38	(2.59)

The accompanying notes from 1 to 23 form an integral part of this condensed interim consolidated financial information.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

	(Unaudited) Three-month period ended 30 September 2025 AED'000	(Unaudited) Three-month period ended 30 September 2024 AED'000s	(Unaudited) Nine-month period ended 30 September 2025 AED'000s	(Unaudited) Nine-month period ended 30 September 2024 AED'000s
(Loss) /profit for the period	(18,893)	(37,432)	5,625	(38,845)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Change in fair value of equity instruments carried at FVTOCI – net of tax	12,492	29,681	94,940	17,356
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Change in fair value of debt instruments carried at FVTOCI – net of tax	2,867	4,947	4,030	5,037
Total other comprehensive income for the period	15,359	34,628	98,970	22,393
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(3,534)	(2,804)	104,595	(16,452)

The accompanying notes from 1 to 23 form an integral part of this condensed interim consolidated financial information.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

	Share capital AED'000	Statutory reserve AED'000	General reserve AED'000	Technical reserve AED'000	Reinsurance default reserve AED'000	Investment revaluation reserve AED'000	Retained earnings AED'000	Total equity AED'000
Balance at 1 January 2024 (Audited)	150,000	75,000	600,000	8,083	19,697	216,675	260,312	1,329,767
Loss for the period after tax	-	-	-	-	-	-	(38,845)	(38,845)
Other comprehensive income for the period	-	-	-	-	-	22,393	-	22,393
Total comprehensive income / (loss) for the period	-	-	-	-	-	22,393	(38,845)	(16,452)
Dividends paid	-	-	-	-	-	-	(30,000)	(30,000)
Transfer to reinsurance default reserve	-	-	-	-	2,280	-	(2,280)	-
Balance as at 30 September 2024 (Unaudited)	150,000	75,000	600,000	8,083	21,977	239,068	189,187	1,283,315
Balance as at 1 January 2025 (Audited)	150,000	75,000	600,000	8,083	22,965	244,957	199,098	1,300,103
Profit for the period after tax	-	-	-	-	-	-	5,625	5,625
Other comprehensive income for the period	-	-	-	-	-	98,970	-	98,970
Total comprehensive income for the period	-	-	-	-	-	98,970	5,625	104,595
Dividends paid (note 21)	-	-	-	-	-	-	(30,000)	(30,000)
Transfer to reinsurance default reserve	-	-	-	-	2,764	-	(2,764)	-
Balance as at 30 September 2025 (Unaudited)	150,000	75,000	600,000	8,083	25,729	343,927	171,959	1,374,698

The accompanying notes from 1 to 23 form an integral part of this condensed interim consolidated financial information

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

	Notes	(Unaudited) 30 September 2025 AED'000	(Unaudited) 30 September 2024 AED'000
OPERATING ACTIVITIES			
Profit / (loss) for the period before tax		5,941	(38,845)
Adjustments for:			
Depreciation on property and equipment		10,999	10,931
Amortisation of intangible assets		28	24
Change in fair value of investments carried at FVTPL	8	3,823	(1,612)
Gain on sale of financial assets carried at FVTPL		(4,567)	(252)
Interest and dividend income	14	(38,750)	(37,021)
Provision for employees' end of service benefits		1,758	5,396
		<hr/>	<hr/>
		(20,768)	(61,379)
Working capital changes:			
Change in insurance contract assets		3,245	(260)
Change in reinsurance contract assets		291,918	(911,012)
Change in insurance contract liabilities		(365,795)	1,094,154
Change in reinsurance contract liabilities		7,756	(20,801)
Change in other receivables and prepayments		(7,230)	(14,701)
Change in accruals and other payables		(3,579)	(2,093)
		<hr/>	<hr/>
Cash (used in) / generated from operations		(94,453)	83,908
Employees' end of service benefits paid		(1,144)	(9,106)
		<hr/>	<hr/>
Net cash (used in) / generated from operating activities		(95,597)	74,802
INVESTING ACTIVITIES			
Purchase of property and equipment		(484)	(402)
Purchase of intangible assets		(73)	-
Purchase of investment properties		(8,589)	-
Purchase of investments carried at fair value through other comprehensive income	7	(29,735)	(6,753)
Purchase of investments carried at fair value through profit or loss	8	(104,399)	(12,074)
Proceeds from sale of investments carried at fair value through other comprehensive income	7	26,820	29,181
Proceeds from the sale of financial assets carried at FVTPL		81,401	1,651
Change in term deposits maturing for more than three months		86,779	16,585
Interest and dividend received	14	38,750	37,021
		<hr/>	<hr/>
Net cash generated from investing activities		90,470	65,209
FINANCING ACTIVITY			
Dividends paid		(30,000)	(30,000)
		<hr/>	<hr/>
Net cash used in financing activity		(30,000)	(30,000)
		<hr/>	<hr/>
Net change in cash and cash equivalents		(35,127)	110,011
Cash and cash equivalents at the beginning of the period		65,032	57,891
		<hr/>	<hr/>
Cash and cash equivalents at the end of the period		29,905	167,902

Principle non-cash transactions include fair value gain on financial assets carried at fair value through OCI to the fair value reserve amounting to AED 98,970 thousand (30 September 2024: fair value gain of AED 22,393 thousand).

The accompanying notes from 1 to 23 form an integral part of this condensed interim consolidated financial information.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

1 Legal status and principal activities

Al Ain Ahlia Insurance Company P.S.C. (the “Company”) is incorporated in Abu Dhabi with limited liability by Law No. (18) of 1975. Al Ain Ahlia Insurance Company P.S.C. is registered as a public shareholding company in accordance with the Federal Law No. (32) of 2021. 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 3.

These condensed interim consolidated financial statements have been prepared in accordance with the requirements of the applicable laws and regulations, including the UAE Federal Law No. (32) of 2021.

The Company is domiciled and operates in the UAE and its registered address is P.O. Box 3077, Abu Dhabi, United Arab Emirates. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The Company’s principal activity is underwriting of all classes of insurance.

The Company had 275 employees as of 30 September 2025 (31 December 2024: 266).

These condensed interim consolidated financial statements comprise the Company and its subsidiaries 100% owned by the Company, (together referred to as “the Group”).

2 Basis of preparation

2.1 Statement of compliance

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

This condensed interim consolidated financial information does not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2024, which were prepared in accordance with International Financial Reporting Standards (“IFRS”). 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.

2.2 Basis of measurement

This condensed interim consolidated financial information has been prepared on an accrual basis and under the historical cost convention except for investment properties and certain financial instruments that are measured at fair values as at the end of each reporting date and the provision for employees’ end of service indemnity which is calculated in line with UAE labour laws.

2.3 Functional and reporting currency

This condensed interim consolidated financial information is presented in UAE Dirhams (AED) being the functional and presentation currency of the Group. All the financial information has been presented in this condensed interim consolidated financial information has been rounded off to nearest thousands (AED’000) except where specifically indicated otherwise.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

2 Basis of preparation (continued)

2.4 Basis of presentation

The Group presents its condensed interim consolidated statement of financial position in order of liquidity.

2.5 Basis of consolidation

This condensed interim consolidated financial information incorporate the financial information of the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The condensed interim consolidated financial information includes:

Name of subsidiary	Principal activity	Country of incorporation
Al Bandar Investment owned by Al Ain Ahlia Insurance One Person Company LLC	Investment management in commercial enterprises, retail trade enterprises, oil and natural gas, agricultural enterprises, industrial enterprises, educational enterprises, and tourist enterprises.	United Arab Emirates
Al Bandar Rotana Hotel	Hotel apartment rentals	United Arab Emirates

Al Ain Ahlia Insurance Company P.S.C. has control over the above companies and derives economic benefit from equity holdings. The Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entities via management agreements and accordingly, the entities are consolidated as wholly owned subsidiaries in this condensed interim consolidated financial information. Accordingly, the condensed interim consolidated financial information incorporates 100% of the assets, liabilities, income, and expenses of the above companies.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

3 Material accounting policies

The accounting policies, critical accounting judgments and key sources of estimation used in the preparation of this condensed interim consolidated financial information are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2024, except for application of new standards effective as of 1 January 2025 and several amendments and interpretations apply for the first time in 2025.

3.1 Application of new and revised International Financial Reporting Standards (“IFRS”)

Title	Effective date
Amendments to IAS 21 Lack of Exchangeability Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2025

These amendments to the standard have been adopted by the Group and do not have a material impact on the condensed interim consolidated financial information.

3.2 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

Standard	Title	Effective date
IFRS 9 & IFRS 7	Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

These standards, amendments and interpretations are not expected to have a significant impact on the condensed interim consolidated financial information in the period of initial application and therefore no disclosures have been made.

3.2 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial information as at and for the year ended 31 December 2024.

3.3 Use of estimates and judgements

The preparation of this condensed interim consolidated 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 consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

4 Property and equipment

Property and equipment include land with a carrying value of AED 301 million (31 December 2024: AED 301 million).

5 Investment properties

The fair value of the Group's investment properties has been arrived at on the basis of a valuation carried out for the year ended 31 December 2024 by an independent valuer not related to the Group. Chartered Real Estate Valuation Service LLC are registered with Real Estate Regulatory Agency (RERA), and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

During the period, the management has paid AED 8,589 thousands to the Dubai Land Department to convert one of its properties from leasehold title to freehold title. Management expects the fair value of this property to increase with the same amount. With respect to all other properties, management estimates that there has been no change in the fair value of investment properties. Investment properties are classified as Level 3 in the fair value hierarchy as at 30 September 2025 (31 December 2024: Level 3).

Management believes that, except for above, the net impact of any potential changes in the key assumptions underlying this valuation used is not material and accordingly there is no change in the fair value of the investment properties as at 30 September 2025 compared to 31 December 2024.

All investment properties are located in the United Arab Emirates.

The rental income earned by the Group from its investment properties, part of which is leased out under operating leases and the direct operating expenses arising on the investment properties is as follows:

	Nine-month period ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	AED'000	AED'000
Rental income	2,136	1,857
Direct operating expenses	(980)	(829)
	<hr/>	<hr/>
	1,156	1,028

6 Statutory deposit

In accordance with the requirements of UAE Federal Law No. (48) of 2023 covering insurance companies and agencies, the Group maintains a bank deposit of AED 10,000,000 (31 December 2024: AED 10,000,000) which cannot be utilized without the consent of the Central Bank of the United Arab Emirates.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

7 Investments carried at fair value through other comprehensive income

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Quoted UAE equity securities	469,910	377,271
Quoted UAE debt securities	197,354	178,962
Unquoted UAE debt securities	20,000	20,000
Unquoted non-UAE equity securities	2,579	2,579
	<hr/>	<hr/>
	689,843	578,812

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

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Fair value at beginning of period / year	578,812	551,326
Additions	29,735	25,848
Disposals	(26,820)	(29,181)
Change in fair value taken to other comprehensive income:		
<i>Equity instruments</i>	103,687	28,863
<i>Debt instruments</i>	4,429	1,956
Fair value at end of the period / year	<hr/>	<hr/>
	689,843	578,812

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

8 Investments carried at fair value through profit or loss

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Quoted UAE equity securities	<u>45,624</u>	<u>21,882</u>

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

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Fair value at beginning of period / year	21,882	3,257
Additions	104,399	23,787
Disposals	(76,834)	(7,037)
Change in fair value taken to profit and loss	<u>(3,823)</u>	<u>1,875</u>
Fair value at end of the period / year	<u>45,624</u>	<u>21,882</u>

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

9 Insurance contract liabilities and reinsurance contract assets

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:

	(unaudited) 30 September 2025			(audited) 31 December 2024		
	Assets AED'000	Liabilities AED'000	Net AED'000	Assets AED'000	Liabilities AED'000	Net AED'000
Insurance contracts issued						
Life and Medical	-	58,538	(58,538)	3,245	46,868	(43,623)
General and						
Motor	-	1,299,650	(1,299,650)	-	1,677,115	(1,677,115)
Total insurance contracts issued	-	1,358,188	(1,358,188)	3,245	1,723,983	(1,720,738)
Reinsurance contracts held						
Life and Medical	5,406	60,575	(55,169)	12,950	53,931	(40,981)
General and						
Motor	989,860	1,419	988,441	1,274,234	307	1,273,927
Total reinsurance contracts held	995,266	61,994	933,272	1,287,184	54,238	1,232,946

Discount rates:

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid AAA-rated sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates.

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 contracts issued								
	4.09 %	4.84 %	4.21 %	4.77 %	4.38 %	4.74 %	4.50 %	4.73 %
Reinsurance contracts issued								
	4.09 %	4.84 %	4.21 %	4.77 %	4.38 %	4.74 %	4.50 %	4.73 %

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

9 Insurance contract liabilities and reinsurance contract assets (continued)

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

Contracts measured under the PAA:

30 September 2025 (Unaudited)	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	
	AED'000	AED'000	AED'000	AED'000	
Insurance contract liabilities as at 1 January	412,544	25,546	1,222,484	63,409	1,723,983
Insurance contract assets as at 1 January	(4,112)	-	866	1	(3,245)
Insurance contract liabilities as at 1 January	408,432	25,546	1,223,350	63,410	1,720,738
Insurance revenue	(873,599)	-	-	-	(873,599)
Insurance service expenses	80,220	(24,687)	505,313	(22,172)	538,674
Incurred claims and other expenses	-	-	523,862	12,455	536,317
Amortisation of insurance acquisition cash flows	80,220	-	-	-	80,220
Losses on onerous contracts and reversals	-	(24,687)	-	-	(24,687)
Changes to liabilities for incurred claims	-	-	(18,549)	(34,627)	(53,176)
Insurance service result	(793,379)	(24,687)	505,313	(22,172)	(334,925)
Insurance finance expenses	-	-	39,815	1,779	41,594
Total changes in the statement of comprehensive income	(793,379)	(24,687)	545,128	(20,393)	(293,331)
<i>Cash flows</i>					
Premiums received	865,442	-	-	-	865,442
Claims and other expenses paid	-	-	(857,542)	-	(857,542)
Insurance acquisition cash flows	(77,119)	-	-	-	(77,119)
Total cash flows	788,323	-	(857,542)	-	(69,219)
Net insurance contract liabilities as at 30 September	403,376	859	910,936	43,017	1,358,188
Insurance contract liabilities as at 30 September	403,376	859	910,936	43,017	1,358,188
Insurance contract assets as at 30 September	-	-	-	-	-
Net insurance contract liabilities as at 30 September	403,376	859	910,936	43,017	1,358,188

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

9 Insurance contract liabilities and reinsurance contract assets (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)

31 December 2024 (Audited)	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	
	AED'000	AED'000	AED'000	AED'000	
Insurance contract liabilities as at 1 January	337,826	5,578	687,936	34,005	1,065,345
Insurance contract assets as at 1 January	(3,370)	440	1,056	2	(1,872)
Insurance contract liabilities as at 1 January	334,456	6,018	688,992	34,007	1,063,473
Insurance revenue	(1,140,701)	-	-	-	(1,140,701)
Insurance service expenses	142,138	19,528	1,270,085	26,360	1,458,111
Incurred claims and other expenses	-	-	1,705,253	75,251	1,780,504
Amortisation of insurance acquisition cash flows	142,138	-	-	-	142,138
Losses on onerous contracts and reversals	-	19,528	-	-	19,528
Changes to liabilities for incurred claims	-	-	(435,168)	(48,891)	(484,059)
Insurance service result	(998,563)	19,528	1,270,085	26,360	317,410
Insurance finance expenses	-	-	57,709	3,043	60,752
Total changes in the statement of comprehensive income	(998,563)	19,528	1,327,794	29,403	378,162
<i>Cash flows</i>					
Premiums received	1,209,284	-	-	-	1,209,284
Claims and other expenses paid	-	-	(793,436)	-	(793,436)
Insurance acquisition cash flows	(136,745)	-	-	-	(136,745)
Total cash flows	1,072,539	-	(793,436)	-	279,103
Net insurance contract liabilities as at 31 December	408,432	25,546	1,223,350	63,410	1,720,738
Insurance contract liabilities as at 31 December	412,544	25,546	1,222,484	63,409	1,723,983
Insurance contract assets as at 31 December	(4,112)	-	866	1	(3,245)
Net insurance contract liabilities as at 31 December	408,432	25,546	1,223,350	63,410	1,720,738

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

9 Insurance contract liabilities and reinsurance contract assets (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:

30 September 2025 (Unaudited)	Assets for remaining coverage		Amounts recoverable on incurred claims		Total AED'000
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
	AED'000	AED'000	AED'000	AED'000	
Reinsurance contract assets as at 1 January	197,327	6,304	1,027,466	56,087	1,287,184
Reinsurance contract liabilities as at 1 January	(79,526)	-	25,288	-	(54,238)
Net reinsurance contract	117,801	6,304	1,052,754	56,087	1,232,946
Allocation of reinsurance premiums	(392,897)	-	-	-	(392,897)
Amounts recoverable from reinsurers for incurred claims	-	(6,261)	59,084	(22,515)	30,308
Amounts recoverable for incurred claims and other expenses	-	-	105,821	5,919	111,740
Loss-recovery on onerous underlying contracts and	-	(6,261)	-	-	(6,261)
Changes to amounts recoverable for incurred claims	-	-	(46,737)	(28,434)	(75,171)
Net (expense)/income or from reinsurance contracts held	(392,897)	(6,261)	59,084	(22,515)	(362,589)
Reinsurance finance income	-	-	34,450	1,534	35,984
Effect of changes in non-performance risk of reinsurers	-	-	658	-	658
Total changes in the statement of comprehensive income	(392,897)	(6,261)	94,192	(20,981)	(325,947)
Cash flows					
Premiums paid	445,185	-	-	-	445,185
Amounts received	-	-	(418,912)	-	(418,912)
Total cash flows	445,185	-	(418,912)	-	26,273
Net reinsurance contract assets as at 30 September	170,089	43	728,034	35,106	933,272
Reinsurance contract assets as at 30 September	256,892	11	703,259	35,104	995,266
Reinsurance contract liabilities as at 30 September	(86,803)	32	24,775	2	(61,994)
Net reinsurance contract assets as at 30 September	170,089	43	728,034	35,106	933,272

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

9 Insurance contract liabilities and reinsurance contract assets (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):

31 December 2024 (Audited)	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss recovery component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
	AED'000	AED'000	AED'000	AED'000	AED'000
Reinsurance contract assets as at 1 January	182,179	474	556,814	30,397	769,864
Reinsurance contract liabilities as at 1 January	(72,612)	79	24,883	30	(47,620)
Net reinsurance contract assets	109,567	553	581,697	30,427	722,244
Allocation of reinsurance premiums	(511,485)	-	-	-	(511,485)
Amounts recoverable from reinsurers for	-	5,751	721,695	22,805	750,251
Amounts recoverable for incurred claims and other expenses	-	-	903,650	66,374	970,024
Loss-recovery on onerous underlying contracts and adjustments	-	5,751	-	-	5,751
Changes to amounts recoverable for incurred claims	-	-	(181,955)	(43,569)	(225,524)
Net (expense) / income from reinsurance contracts held	(511,485)	5,751	721,695	22,805	238,766
Reinsurance finance income	-	-	49,782	2,855	52,637
Effect of changes in non-performance risk of reinsurers	-	-	(1,047)	-	(1,047)
Total changes in the statement of comprehensive income	(511,485)	5,751	770,430	25,660	290,356
<i>Cash flows</i>					
Premiums paid	519,719	-	-	-	519,719
Amounts received	-	-	(299,373)	-	(299,373)
Total cash flows	519,719	-	(299,373)	-	220,346
Net reinsurance contract assets as at 31 December	117,801	6,304	1,052,754	56,087	1,232,946
Reinsurance contract assets as at 31 December	197,327	6,304	1,027,466	56,087	1,287,184
Reinsurance contract liabilities as at 31 December	(79,526)	-	25,288	-	(54,238)
Net reinsurance contract assets as at 31 December	117,801	6,304	1,052,754	56,087	1,232,946

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

10 Term deposits

Term deposits represent fixed deposits with bank amounting to AED 184 million as at 30 September 2025 (31 December 2024: AED 271 million), carry average interest at the rate of 3.93 % (31 December 2024: 4.62%) per annum with a maturity of 1 year.

11 Cash and cash equivalents

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Current accounts with banks	29,297	64,681
Cash on hand	608	351
Time deposits (note 10)	<u>184,240</u>	<u>271,019</u>
Cash and bank balances	214,145	336,051
Less: fixed deposits with an original maturity of more than three months (note 10)	<u>(184,240)</u>	<u>(271,019)</u>
Cash and cash equivalents	<u>29,905</u>	<u>65,032</u>

12 Related party transactions and balances

Related parties comprise the major shareholders, the directors and key management personnel of the Group and those entities in which they have the ability to control or exercise significant influence in financial and operating decisions. The Group maintains significant balances with these related parties which arise from commercial transactions as follows:

Details of related party balances are as follows:

	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
<i><u>Due from related parties</u></i>		
Related parties due to common directorship	<i>Affiliates</i>	<u>13,788</u>
<i><u>Key management personnel</u></i>		
Key management personnel	<i>Directors</i>	<u>423</u>
Remuneration of the Directors (note 13)	<i>Directors</i>	<u>-</u>
		<u>1,400</u>

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

12 Related party transactions and balances (continued)

Related party transactions

The Group, in the normal course of business, collects premiums from and settles claims of other businesses that fall within the definition of related parties as contained in IFRS.

The following are the details of significant transactions with related parties:

Nature of relationship	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
	AED'000	AED'000	AED'000	AED'000
Insurance revenue to Directors' affiliates	<i>Affiliates</i>	127 40	2,819 2,474	
Net claims paid to Directors' affiliates	<i>Affiliates</i>	1 2	138 36	
Board of directors' remuneration	<i>Directors</i>	(2,877) -	- -	
Remuneration of key management personnel	<i>Key management personnel</i>	1,863 2,302	8,472 10,839	

The remuneration of key management personnel is based on the remuneration agreed in their employment contract as approved by the Board of Directors.

13 Accruals and other payables

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	AED'000	AED'000
Directors' remuneration (note 12)	-	1,400
Other payables	66,411	59,128
	66,411	60,528

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

14 Income from investments, net

	Nine-month period ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	AED'000	AED'000
Dividend income	22,941	21,207
Interest income	15,809	15,814
Net fair value (loss)/gains on investments carried at fair value through profit or loss	(3,823)	1,612
Gain on disposal of investments at FVTPL	4,567	252
Other investment expenses	(512)	(200)
	38,982	38,685

15 Other income

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED'000	AED'000	AED'000	AED'000
Income from hotel operations				
- net (Note 15.1)	1,590	1,646	13,621	12,237
Other income	951	637	2,693	3,251
	2,541	2,283	16,314	15,488

15.1 Income from hotel operations – net

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	AED'000	AED'000	AED'000	AED'000
Revenue from hotel operations	13,709	12,217	52,212	47,129
Cost of revenue from hotel operations	(5,647)	(4,681)	(18,373)	(16,197)
General, administrative and other expenses	(6,472)	(5,890)	(20,218)	(18,695)
	1,590	1,646	13,621	12,237

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

16 Basic and diluted earnings / (loss) per share

Basic earnings / (loss) per share is computed by dividing the profit / (loss) for the period after tax by the weighted average number of shares outstanding during the period.

Diluted earnings / (loss) per share are calculated by dividing the profit / (loss) 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 (Unaudited) 2025	2024	Nine-month period ended 30 September (Unaudited) 2025	2024
(Loss) / profit for the period (AED'000)	(18,893)	(37,432)	5,625	(38,845)
Weighted average number of ordinary shares outstanding during the period	15,000,000	15,000,000	15,000,000	15,000,000
Basic and diluted (loss)/earnings per share (AED)	(1.26)	(2.50)	0.38	(2.59)

17 Segment reporting

17.1 Segment revenue and results

The Group has two reportable segments, as described below, which are the Group'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 (CODM) 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 Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

17 Segment reporting (continued)

17.1 Segment revenue and results (continued)

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

	Nine-month period ended 30 September (Unaudited)					
	2025			2024		
	Underwriting AED'000	Investments AED'000	Total AED'000	Underwriting AED'000	Investments AED'000	Total AED'000
Segment revenue	873,599	40,138	913,737	799,827	39,713	839,540
Segment result	(32,616)	40,138	7,522	(82,007)	39,713	(42,294)
Unallocated expenses			(1,581)			3,449
Profit/(loss) for the period before tax			5,941			(38,845)
Income tax expense			(316)			-
Profit / (loss) for the period after tax			5,625			(38,845)

17.2 Segment assets and liabilities

	As at 30 September 2025 (Unaudited)			As at 31 December 2024 (Audited)		
	Underwriting AED'000	Investments AED'000	Total AED'000	Underwriting AED'000	Investments AED'000	Total AED'000
Segment assets	1,820,671	1,026,186	2,846,857	2,119,074	969,603	3,088,677
Unallocated assets	-	-	29,905	-	-	65,032
Total assets			2,876,762	2,119,074	969,603	3,153,709
Segment liabilities	1,486,593	-	1,486,593	1,838,749	-	1,838,749
Unallocated liabilities	-	-	15,471	-	-	14,857
Total liabilities			1,502,064	1,838,749	-	1,853,606

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

18 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of statutory deposits, investments carried at fair value through other comprehensive income, , deposits, bank balances and cash, and certain other assets. Financial liabilities consist of 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'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
30 September 2025 (Unaudited)				
Investments at fair value through other comprehensive income	667,264	20,000	2,579	689,843
Investments at fair value through statement of profit or loss	45,624	-	-	45,624
	712,888	20,000	2,579	735,467
31 December 2024 (Audited)				
Investments at fair value through other comprehensive income	556,233	20,000	2,579	578,812
Investments at fair value through statement of profit or loss	21,882	-	-	21,882
	578,115	20,000	2,579	600,694

Fair values of Level 1 securities have been determined by reference to quoted prices at the reporting date.

Management considers that the fair values of financial assets and financial liabilities that are not measured at fair value approximates to their carrying amounts as stated in the condensed interim consolidated financial information.

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.

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

18 Fair value of financial instruments (continued)

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined:

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of inputs to fair value
	30 September 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000				
Quoted equity investments				Quoted bid prices in an active market.		
– FVTOCI	469,910	377,271	Level 1		None	N/A
Quoted debts instruments				Quoted bid prices in an active market.		
– FVTOCI	197,354	178,962	Level 1		None	N/A
Unquoted debt investments				Unquoted debt Market data obtained from observable sources		
– FVTOCI	20,000	20,000	Level 2	Adjusted net assets valuation method after adjusting for certain components in financial information of underlying companies.	None	N/A
Unquoted equity investments					Net assets value	Higher the net assets value of the investees, higher the fair value
– FVTOCI	2,579	2,579	Level 3			
Quoted equity investments				Quoted bid prices in an active market.		
– FVTPL	45,624	21,882	Level 1		None	N/A

19 Contingencies and commitments

The Group's bankers have issued in the normal course of business letters of guarantee in favor of third parties amounting to AED 22.87 million (31 December 2024: AED 12.87 million).

Al Ain Ahlia Insurance Company P.S.C.
Condensed Interim Consolidated Financial Information (Unaudited)

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

19 Contingencies and commitments (continued)

The Group is subject to litigation in the normal course of its business. Although the ultimate outcome of these claims cannot presently be determined, the management, based on advice from independent loss adjusters and internal legal counsel, has made a provision of AED 19.89 million (31 December 2024: AED 12.71 million) representing amounts expected to result in a probable outflow of economic resources.

20 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 year. The Group is subject to solvency regulations which it has complied with during the year. The Group 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 Group and the total capital held to meet these required Solvency Margins.

	30 June 2025 (Unaudited) AED'000	31 December 2024 (Unaudited) AED'000
Minimum Capital Requirement (MCR)	100,000	100,000
Solvency Capital Requirement (SCR)	258,197	275,287
Minimum Guarantee Fund (MGF)	159,107	149,904
<i>Own Funds</i>		
Basic Own Funds	974,300	954,286
MCR Solvency Margin surplus	874,300	854,286
SCR Solvency Margin surplus	716,103	678,998
MGF Solvency Margin surplus	815,193	804,381

21 Dividend Distribution

The Board of Directors had proposed cash dividends of 20% which is AED 2 per share amounting to AED 30 million for the year ended 31 December 2024 (AED 30 million for the year ended 31 December 2023). The dividends were approved in the General Assembly held on 29 April 2025 and were paid to the shareholders during the period.

22 Subsequent events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the financial information as at and for the nine-month period ended 30 September 2025.

23 Approval of condensed interim consolidated financial information

The condensed interim consolidated financial information was approved and authorised for issue by the Board of Directors on 12 November 2025.